

Hyper-growth chase for emerging markets: The mobility advantage

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Content & insights from emerging market analysts in APAC(APeJ), CEMA & LATAM regions

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Scale, evolution...It's game-changing

“Alibaba’s online Taobao Mall recorded a **single-day turnover of RMB3.36b** (US\$535m) on 11-11-11. All participating merchants offered 50% discount. At 00.08, RMB100m orders were transacted.”

Alibaba

Largest online/eCommerce provider in PRC

“The innovations may be incremental. **The effects are not.** Product improvements in emerging markets may not often win Nobel prizes, but they can still change the game.”

Peter Williamson

International management professor at Cambridge University

Emerging markets

Market-defining characteristics



Perception/Old

1. Low pricing
2. Growth
3. Lower cost
4. Itemized pricing
5. Relationship

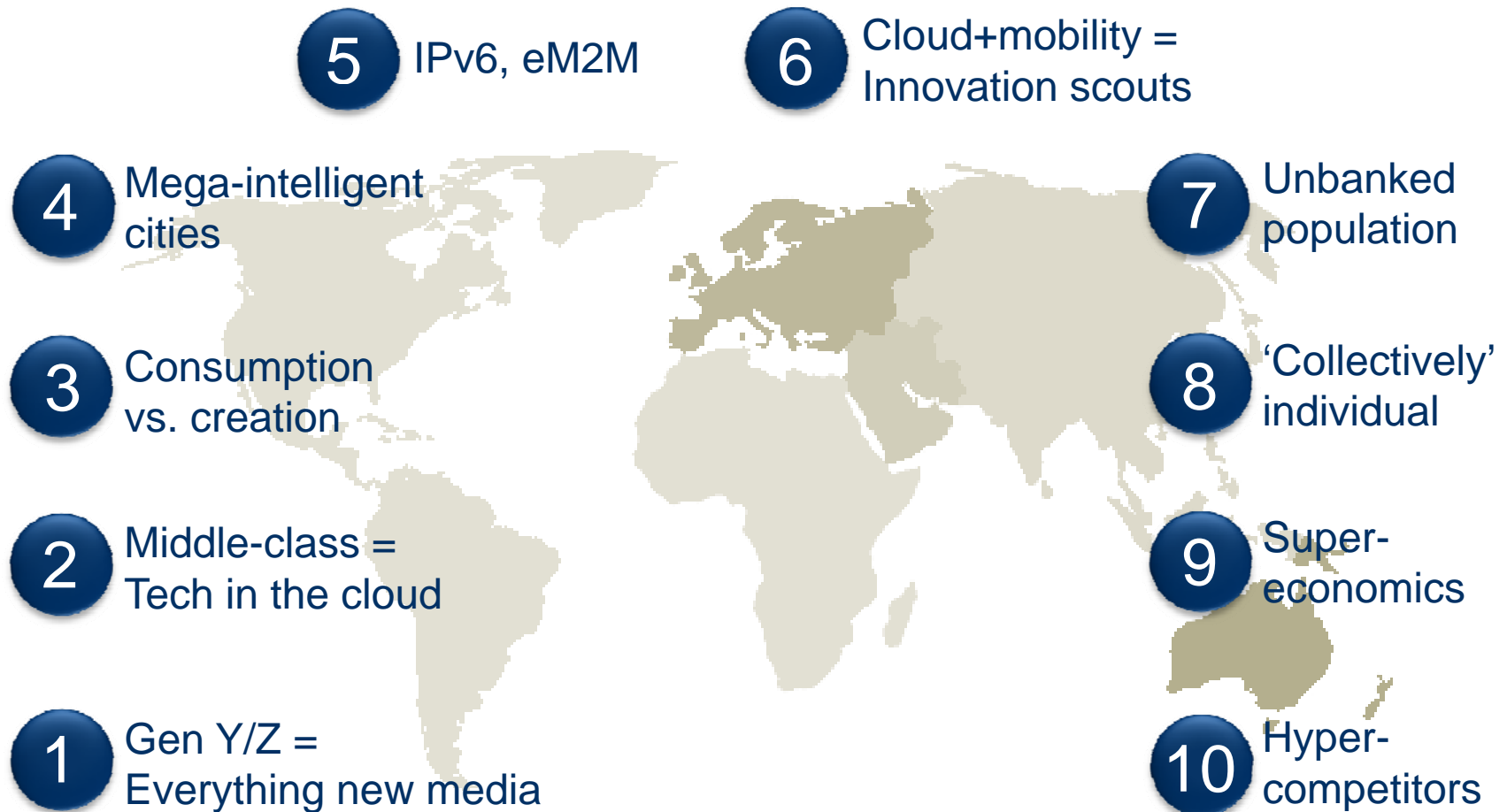


Reality/New

1. Full spectrum
2. Smart growth
3. Fight for talent
4. Packaged deal
5. Diverse engagement models

Emerging markets

Macro-landscape in 2012-2015



Emerging markets

Becoming 'most-of-the-world'



LATAM

- Highly urbanized
- Tier-2 city expansion
- High-diversity with strong elements of volatility
- 'Multi-Latin' aspirations
- Top 3,500 = >40% of IT spending

The 5 must-knows

CEMA

- Scalability is/can be hard
- Russia is typically a high profit market
- Transition in the ME with intelligent/digital \$\$
- New information age in Africa with mobility & connectivity investments
- Asia in Russia & Africa



APAC

- Hyper-competitive PRC & India
- ASEAN is a good alternative target geo
- Asian enterprises are 'new money'
- Savvy consumers are big tech spenders
- 'One-shot society'

Truly mobile

The emerging market variants



Truly mobile

The emerging market variants

Alternate Slide



Market-defining characteristics

Mobility in emerging markets



WiFi-offloading



Multi-SIM

- Pre-paid
- Cost, role-based

Appification

- Telco-appstores
- Enterprise appstores
- The power of cloud + mobility



Device

- Price vs. status
- Dual mode
- Multi-function

Multi-device

- Gadget-savvy
- Service plans



Gamification

- PS phone
- Graphics
- Casual gaming

Social media & contextual-based services

- K-pop influence
- Persona-based
- Geo-fencing

Customer analytics



NFC + payments

- Commerce
- M2M
- Unbanked pop

L
T
E

3
G

WIMAX

The operator channel/partner

Premium device-service pull



Dual-mode/LTE appeal



Data & applications



Telecom expense management



Consumption share of wallet



The bad & ugly of emerging markets

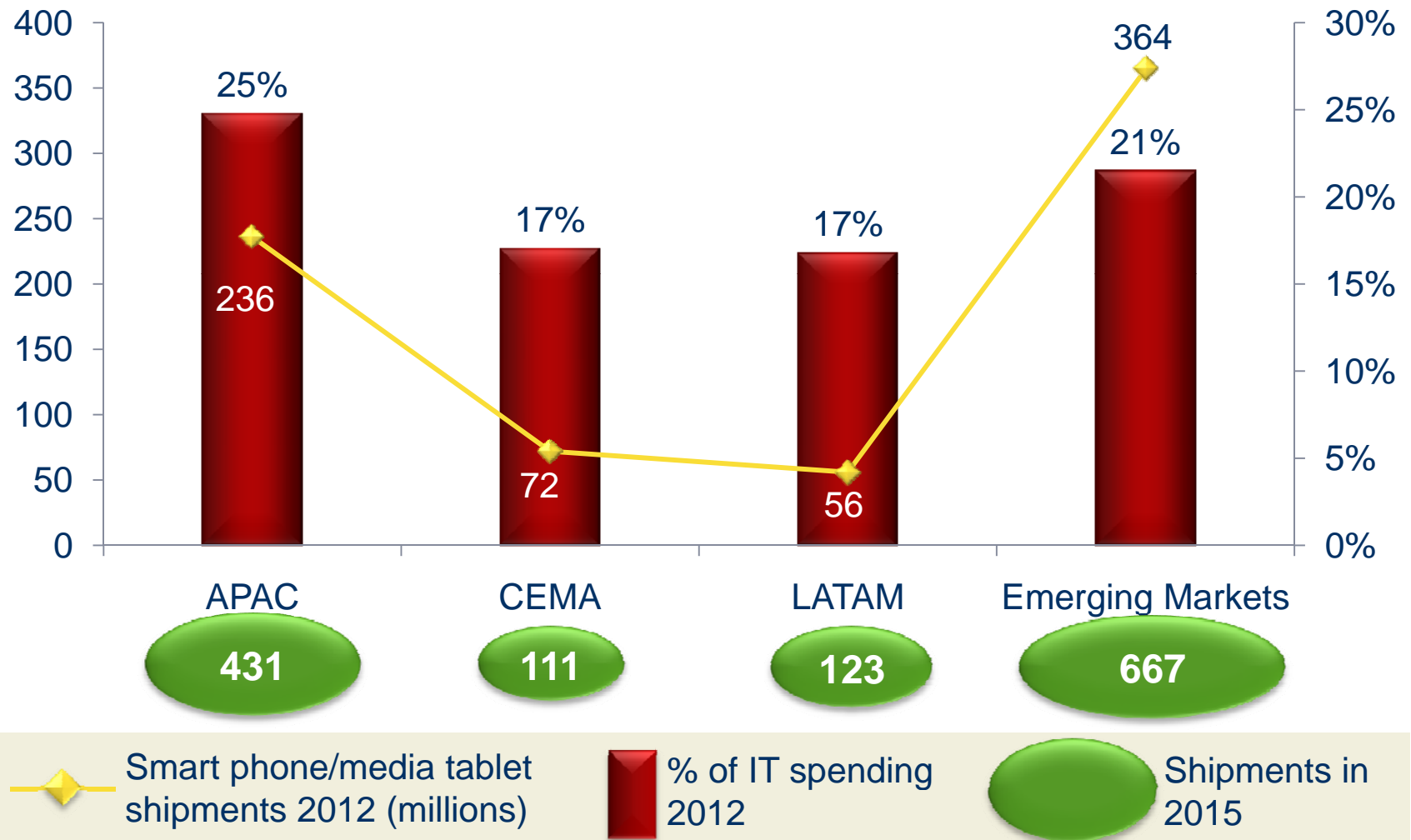
'Shanzhai' phones



Toner for copiers



The superstar in emerging markets



Source: IDC IT Spending Blackbook, vQ4 2011, Jan 2012; Mobile Phone Tracker, Q4 2011 – Data for 2012

Enterprise mobility in emerging markets

Delivering business outcomes

DHL Asia/Pacific



Singapore

#1: Smart growth

- Mobile device consolidation & service management
- 20% saving is realistic, **30% is the desired target**

Haier

PRC

#2: Smart manufacturing

- New apps & business process enhancements
- Enable staff to **manage ops time/resources**

Citibank Asia/Pacific

The Citibank logo consists of the word "citibank" in a blue, lowercase, sans-serif font. Above the letter "i" is a red arc that curves over the top of the letter.

Singapore

#3: Smart customer acquisition

- Customer profiling & real-time insights for monetization
- **Drive revenue, SoW & margin growth**

Enterprise mobility in emerging markets

Delivering business outcomes

Pancevo Serbia



Serbia

#4: Smart government

- M2M bus tracking & air quality monitoring
- Fleet management & G2C services

Employees
Provident
Fund

Malaysia

#5: Smart retention

- Executive gadgets, access to executive tools
- From status-symbol to top-down use mandate

Société Africaine
de Plantation d'Héveas



Ivory Coast

#6: Smart employment

- Rubber plantation consortium in Ivory Coast
- Mobile disbursement of cash to offer security to companies & employees

New-age mobile vertical applications

Government in PRC & Abu Dhabi

- Counterfeit tracking for PRC *Admin. of Industry & Commerce*
- Traffic management for PRC *Public Security Dept*
- *CityGuard* in Abu Dhabi for residents to report incidents & complaints to the government to increase civic participation & collaboration

Retail in South Korea

- *Tesco*, virtual store in subway station
- Using mobile device to scan bar code to buy products
- 10,000+ consumers visited store in the first 4 weeks
- 76% new customers
- 133% increase in sales
- Turning it into Korea's #1 online store

FSI in S'pore

- *Citibank* issued tablets to field sales personnel to shorten loan approval process to increase competitive share of wallet
- *SCB* issued tablets to board of directors to improve speed to decision

Healthcare in Czech Rep & S'pore

- *ITAREPS* is a mobile health project has predictive properties & allows for the tele-monitoring of psychiatric patients
- *IHS* in Singapore has issued out media tablets to medical doctors to speed up the use of IT in hospitals

The rise of reverse innovation

Aakash



UbiSlate

- British + Indian innovation
- US\$35 media tablet
- 220m students in India with subsidized WiFi access
- Mobility + Internet to narrow the digital/economic divide

'Blue-ocean'



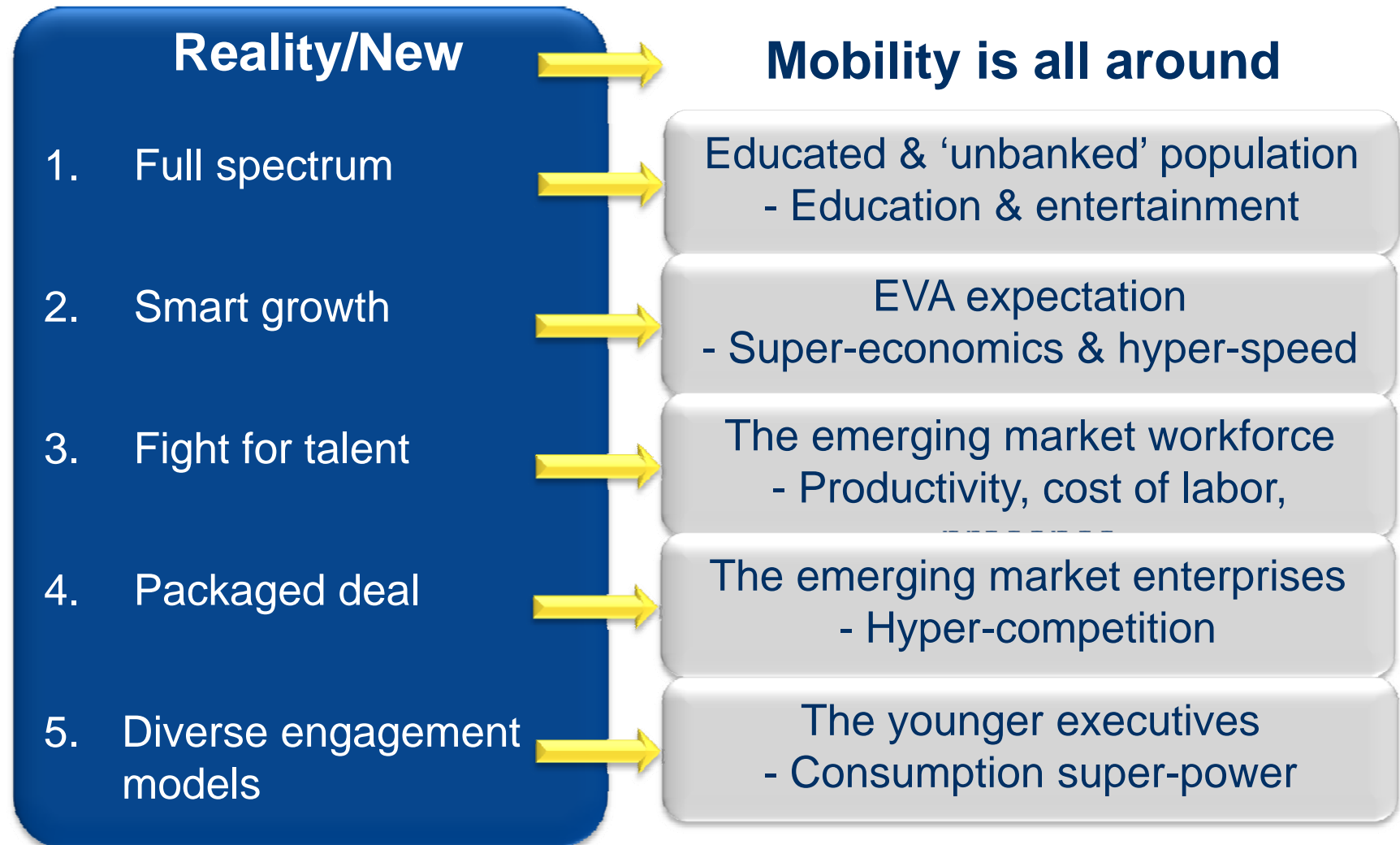
- Indian Reliance: retail-sourcing platform to enable farmers to compete with global/regional hyper-marts
- Shangri-la: 1,000 one-star hotel chain for an increasing mobile population across regional PRC

Telecom Innovation Hub



- Indian innovation
- NSTEDB + Technopark + MobME setup in Kochi/Kerala
- Incubation hub to create 1,000 startups over a 10-year period
- Create a billion-dollar enterprise by 2020

Emerging markets in 2020



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