

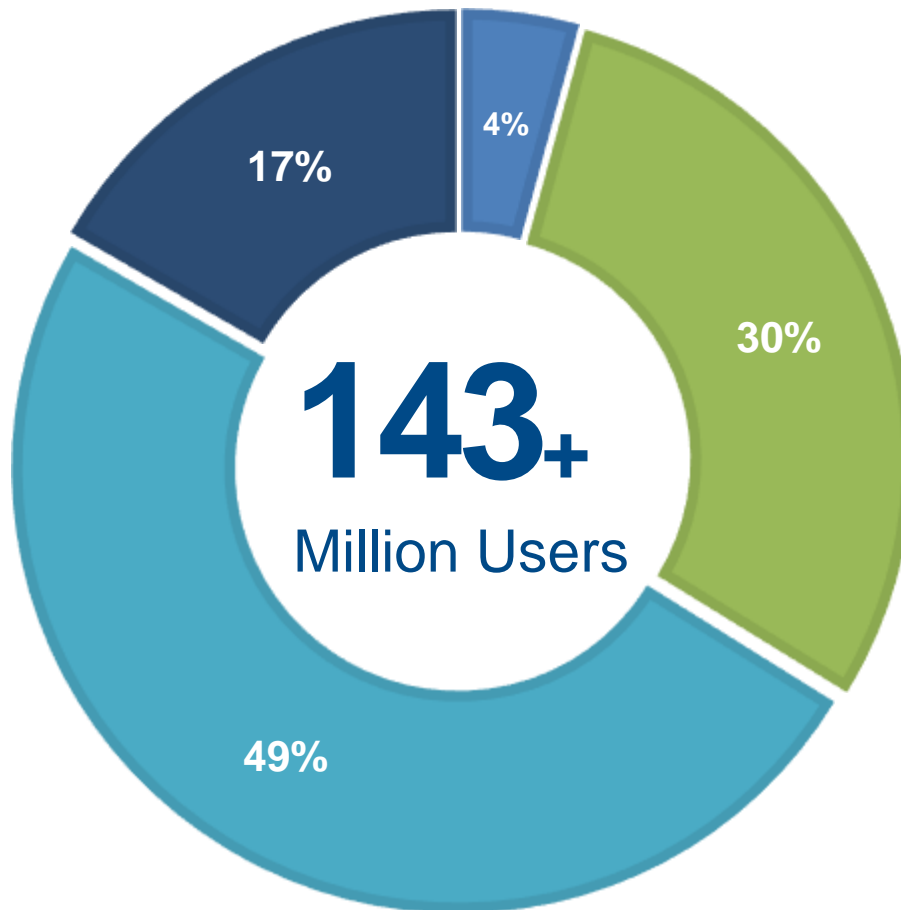


Indonesia Digital Landscape 2018



Prepared by Mathew Airlanga

Indonesia Internet Penetration



■ >54 ■ 35-54 ■ 19-34 ■ 13-18

Group Age	Penetration	Penetration % to total group age
>54 y.o.	4%	15,72%
34 – 54 y.o.	30%	44,06%
19 – 33 y.o.	49%	74,23%
13 – 18 y.o.	17%	75,5%

Highest (79%) penetration
Leading (75%) adoption

90%

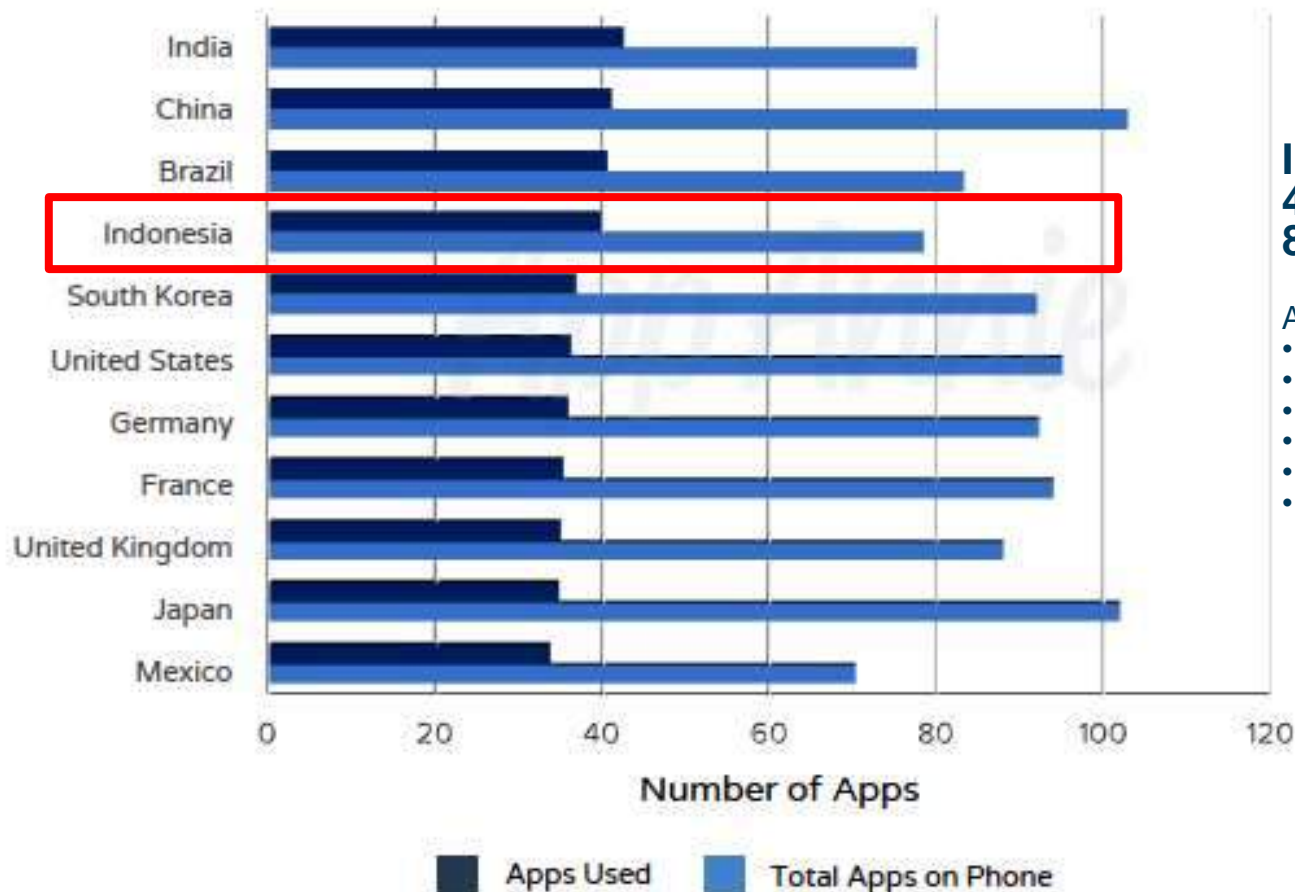
Indonesia's internet user
are on smartphones

88% Indonesian spent on Apps on daily basis

Breakdown of Time Spent* in Apps in Select Markets, 2017



Monthly Average Apps Used & Installed



*iPhone and Android phone combined

Indonesia
40 app used
80 app installed

App include:

- OS
- Google services
- Play store
- Clock app
- Calendar app
- Other operational support app

91%

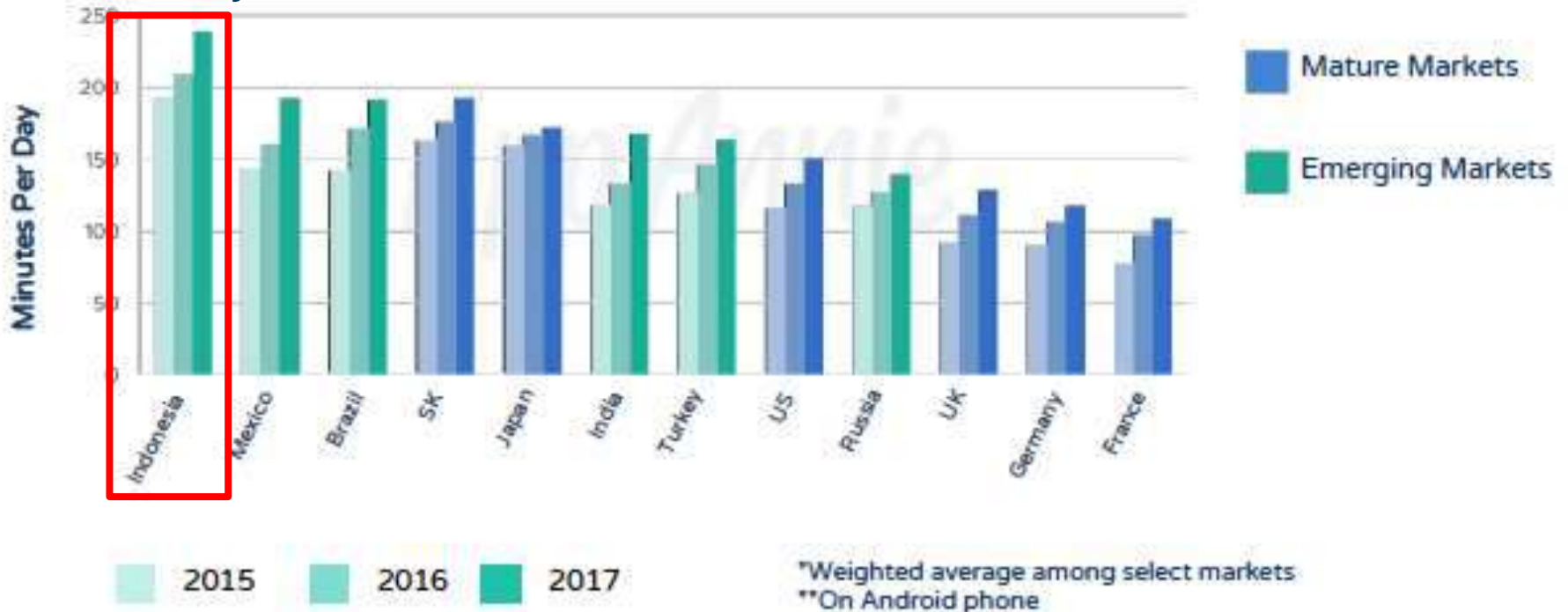
Indonesia's smartphone users
are running on **Android OS**

Biggest Android Market Globally

#1 Average Minutes Android App per day

240
minutes / day

Average Minutes Per Day in Apps in Select Markets**



Top 3 activities

- **Chatting**
- **Social networking**
- **Watching movie & listening to music**

Smartphone Activities of Smartphone Users in Indonesia, by Age, July 2016

% of respondents

	<18	18-25	26-30	31+	Total
Social media	82%	88%	90%	86%	87%
Chat	76%	88%	83%	83%	84%
Listen to music, watch videos	62%	71%	53%	48%	61%
Phone call	43%	59%	61%	64%	58%
Check mail	34%	61%	62%	67%	57%
Play games	64%	59%	51%	46%	56%
Take photos/selfie	44%	56%	65%	58%	56%
Read news	38%	50%	46%	52%	48%
Look for product information	38%	45%	42%	37%	42%
Look up maps and directions	25%	45%	36%	41%	39%
Shopping	17%	37%	49%	41%	37%
Photo editing	27%	38%	36%	39%	36%
Internet banking	5%	24%	36%	37%	26%
Other	5%	3%	2%	1%	3%






Note: n=1,400

Source: DI Marketing, "Study About Smartphone Usage in Indonesia," July 7, 2016

**Dominate
all segments**

Top 5 Apps in Indonesia

Based on weekly active users

		Android OS	iOS	Total
1		44,300,000	8,400,000	52,700,000
2		34,000,000	5,300,000	39,300,000
Mostly used by 13-33 y.o.		30,000,000	6,800,000	36,800,000
		25,400,000	5,800,000	31,200,000
5		23,000,000	5,300,000	28,300,000

Highlights

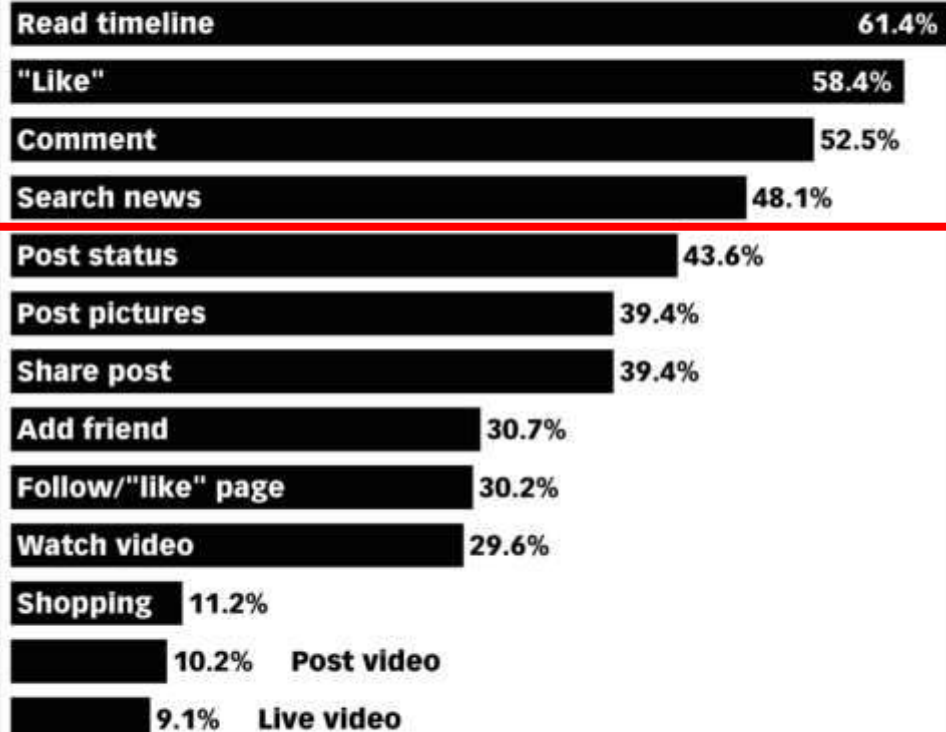
LINE is millennial's main chat platform

WhatsApp is becoming main communication platform once reach university* and working environment

For 16-24 y.o – social platform has overtaken search engines as brand discoveries and research channels

Facebook Activities Conducted by Facebook Users in Indonesia, April 2017

% of respondents



Search
Engage
Engage
Search

Facebook main activities

Note: n=1,729 who used Facebook in the past month
Source: JakPat, "Indonesia Social Media Habit Report Q1 2017," May 20, 2017

227463

www.eMarketer.com

Highlights

Organic reach are declining due to increased content competition

Average facebook engagements
2016/17 (all post types)

BuzzSumo analysis of 880m Posts 2016/17



Mobile-First Social Video



The explosion of **video consumption** is driven by

- **Smartphones**
- **Shorter attention spans**
- **Binge-watching**
- **The importance of context**
- **The thrill of novelty**

1 MENIT
Opini^{id}

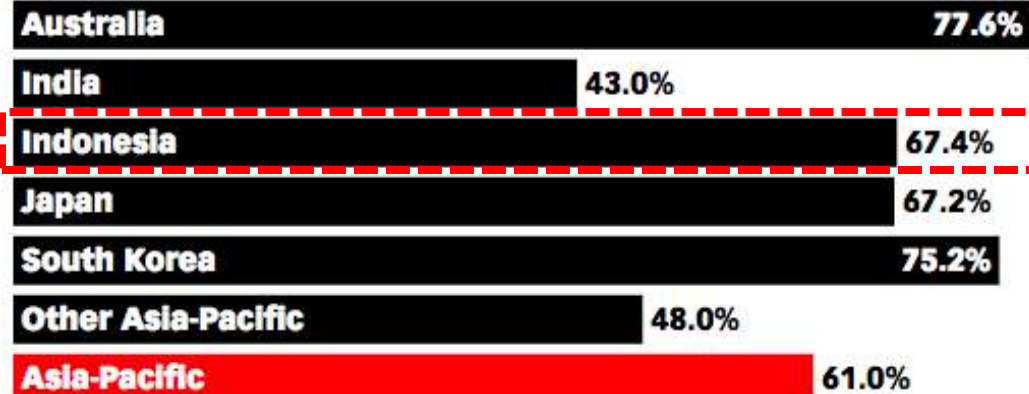
of video content is
the **equivalent** of
1.8 million words

James McQuivey

Digital Video Viewer Penetration in Asia-Pacific, by Country

2017

% of Internet Users



Source: eMarketer, January 2018 (see below for notes and methodologies).

www.eMarketer.com

Digital Video Viewers in Asia-Pacific, by Country

millions

Timeframe ▼	2017	2018	2019	2020	2021
Australia	13.8	14.1	14.3	14.5	14.7
India	184.6	218.5	250.1	281.1	310.8
Indonesia	68.0	77.3	85.7	93.4	100.4
Japan	69.9	71.6	72.5	73.3	73.8

3 main factors

- Affordable smartphone
- Better connection
- Shorter attention spans

Digital Video Viewers

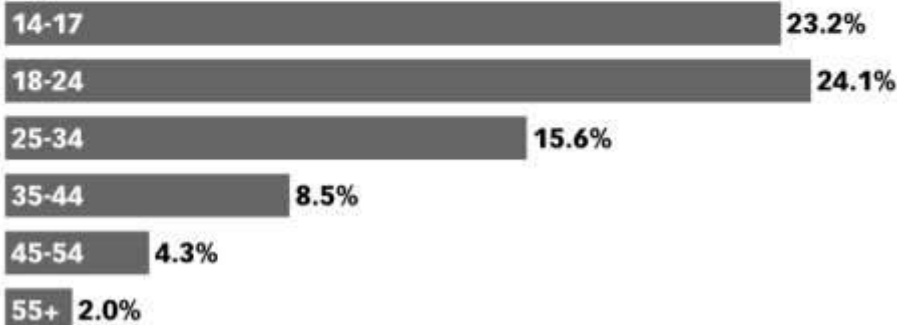
April 2016 – March 2017

% of population in each group

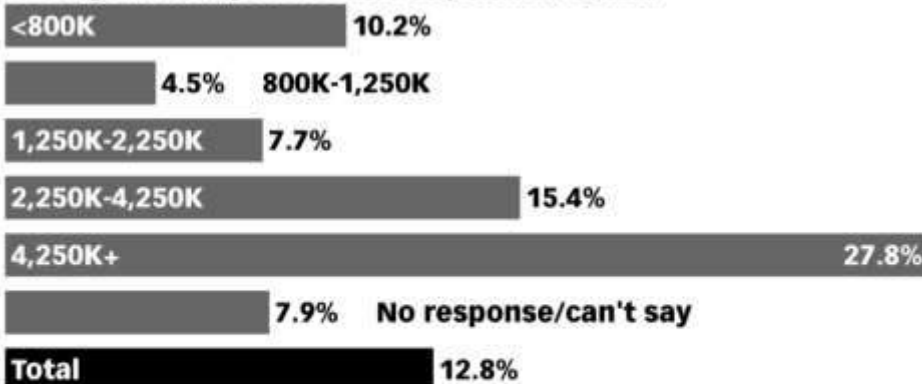
Gender



Age



Average monthly household expenditure (IDR)



Note: via any device

Source: Roy Morgan Research, "Single Source: Indonesia Urban, Q1 2017," 2017; provided by Starcom, Oct 2017

229715

www.eMarketer.com

80%

Growth of internet user
have watched a video
on Instagram in 2017

4x

Growth of internet user
upload video on
Instagram in 2017

Globally viewing video through Chat & Social Media platform **is growing**

56%

of internet user have watched a video on FB in the last month*

33%

of internet user are using social media to find entertaining content**

The rise of social video viewing

% of internet users who watched a video on Facebook, Instagram, Twitter or Snapchat last month.

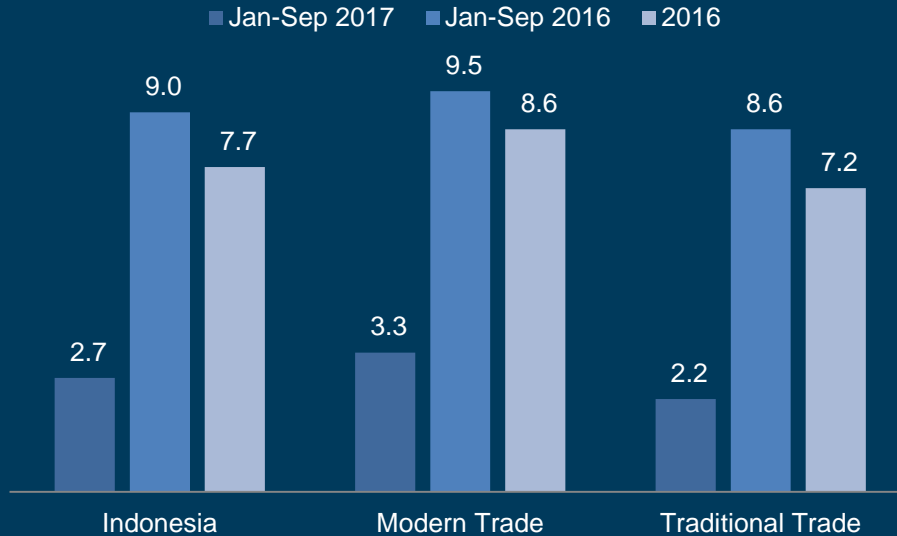


Sources: GlobalWebIndex Q3 2015 - Q2 2017
Base: 443,016 Internet Users aged 16-64
excl. China (across all waves of research)

Retail and E-Commerce

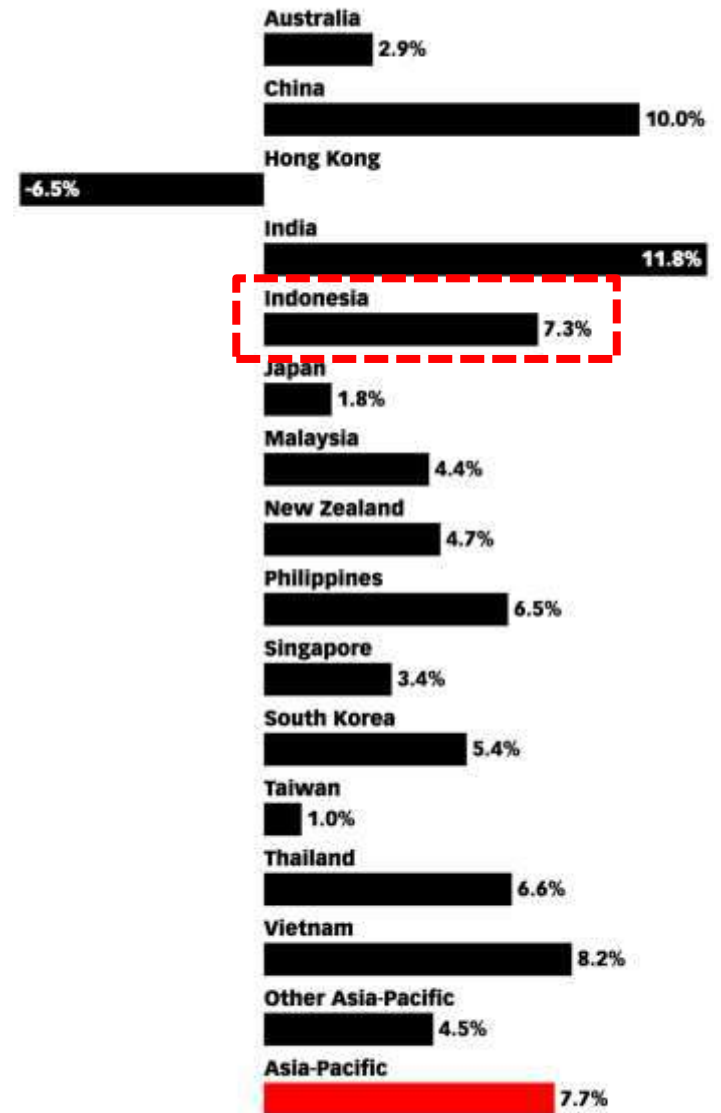


Indonesia retail sales growth (YoY) is **slowing down**, almost on par with APAC growth



FMCG Revenue Sales Growth % (YoY)

Total Retail Sales Growth in Asia-Pacific, by Country
2017, % change



Source: eMarketer, December 2017

www.eMarketer.com

3.1%

**2017 Indonesia E-Commerce sales
compare to retail sales**

35mio++ E-Commerce customer based in 2017*

50%

DAU increased
during Harbolnas



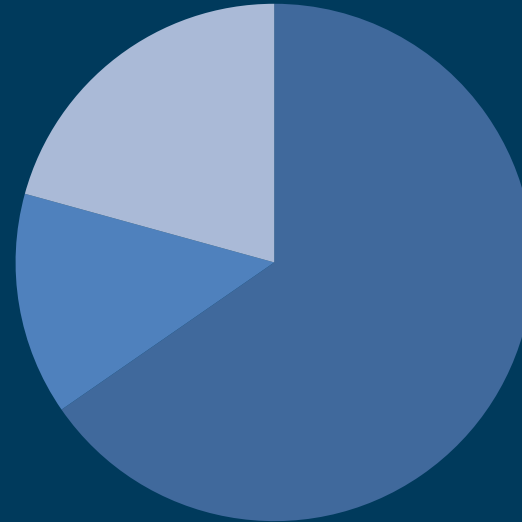
250% active user increased

HARI
BELANJA
ONLINE
NASIONAL

Payment Preferences

65.3%

Indonesian still prefer COD



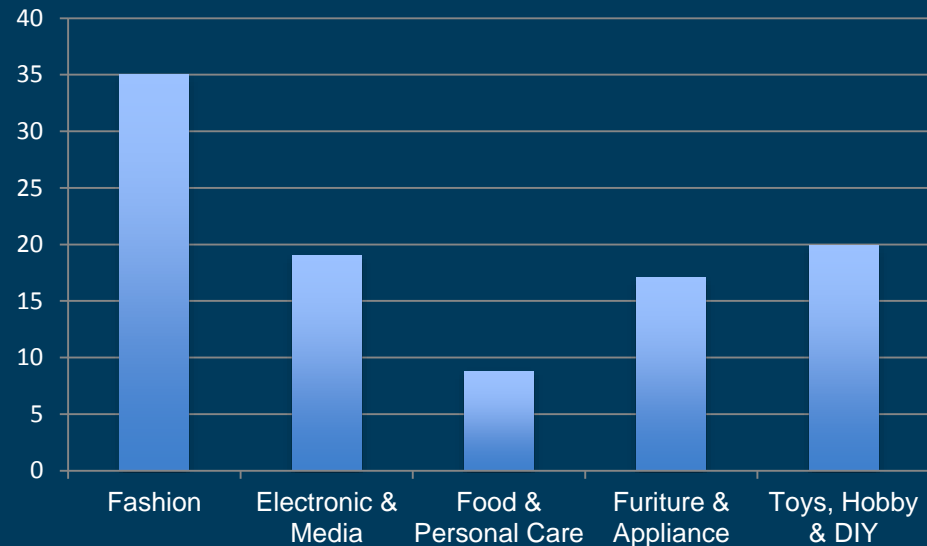
- Cash on Delivery
- ATM
- Credit Card

35.3%

Fashion category sales

10.6%

Digital buyer compare to total population



Factors that Digital Buyers in Indonesia Consider Before Shopping at Digital Retailers, June 2016

% of respondents

Fast & secure payments available

61%

Special price offers/good deals

57%

Free home delivery service

57%

Simple return and exchange services

56%

Satisfied with delivery speed

55%

Good product descriptions

53%

The order process is neither long nor complex (simple order process)

53%

Product pictures are good quality/products are well-visualized

50%

Good value for money

48%

The retailer offers installation of purchased items at home free of charge

47%

Note: ages 18+; "extremely important"

Source: GfK, "Shopping Monitor," Oct 11, 2016

221348

www.eMarketer.com

Major factors that trigger Indonesian shoppers

- Payment options
- Deals
- Free home delivery

90 minutes/month

**Indonesian average minutes per month
in shopping apps**

#2 Globally

Smartphones offer an intimate, direct channel to consumers, representing a massive opportunity for brands to reach, influence and convert shoppers

**Online
Travel**



#2

Indonesia digital travel
growth in Asia Pacific

Digital Travel Sales in Asia-Pacific, by Country

2017, billions

Australia

\$5.83

China

\$113.11

India

\$22.52

Indonesia

\$7.08

Japan

\$29.41

South Korea

\$10.86

Other Asia-Pacific

\$25.26

Devices/Sources Used by Travelers* in Asia-Pacific** to Research vs. Book Trips, May 2017

% of respondents

Desktop/laptop

76%

74%

Mobile phone

54%

46%

Tablet

21%

16%

I get someone else to do it (e.g., a travel agency)

8%

12%

Research

Book

Note: ages 18+; *Internet users who have traveled internationally at least once in the past 12 months; **Australia, China, Hong Kong, India, Indonesia, Japan, Malaysia, New Zealand, Philippines, Singapore, South Korea, Taiwan, Thailand and Vietnam

Source: Amadeus, "Journey of Me Insights: What Asia Pacific travellers want" conducted by YouGov, Aug 16, 2017

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www.eMarketer.com

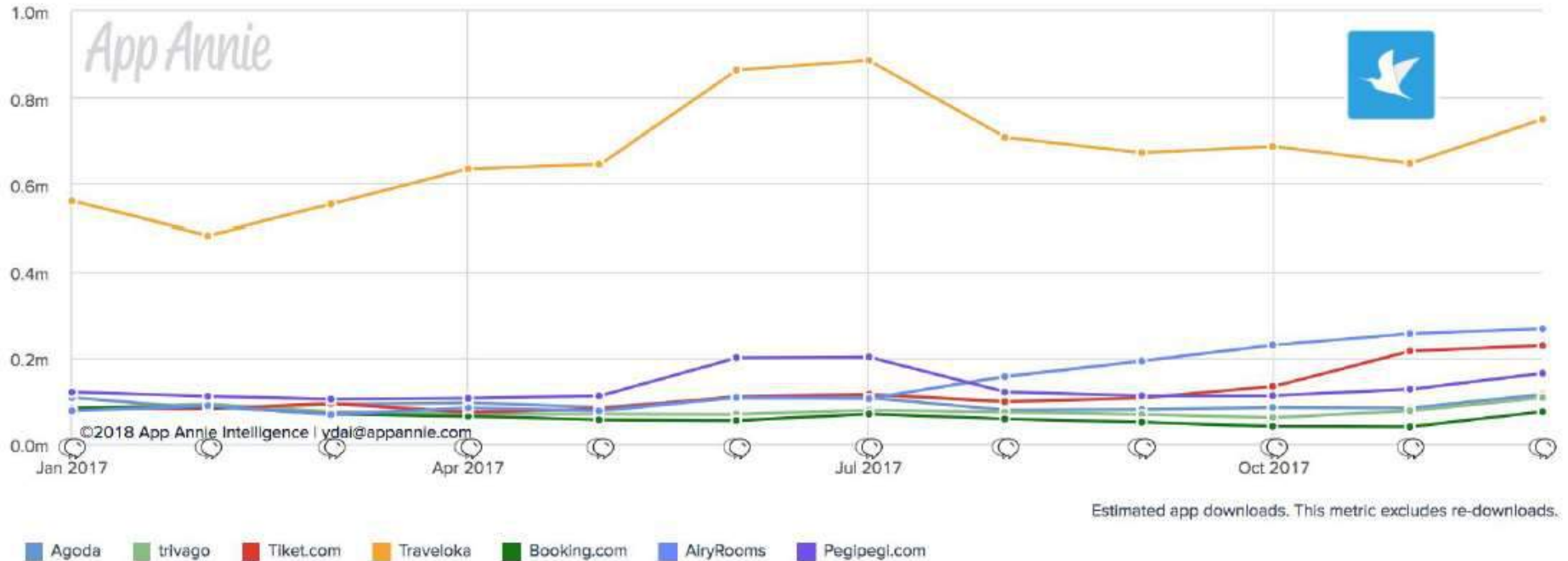
14%

Digital travel sales contribution to total travel transaction

Desktop / Laptop is still the main preference both research and book

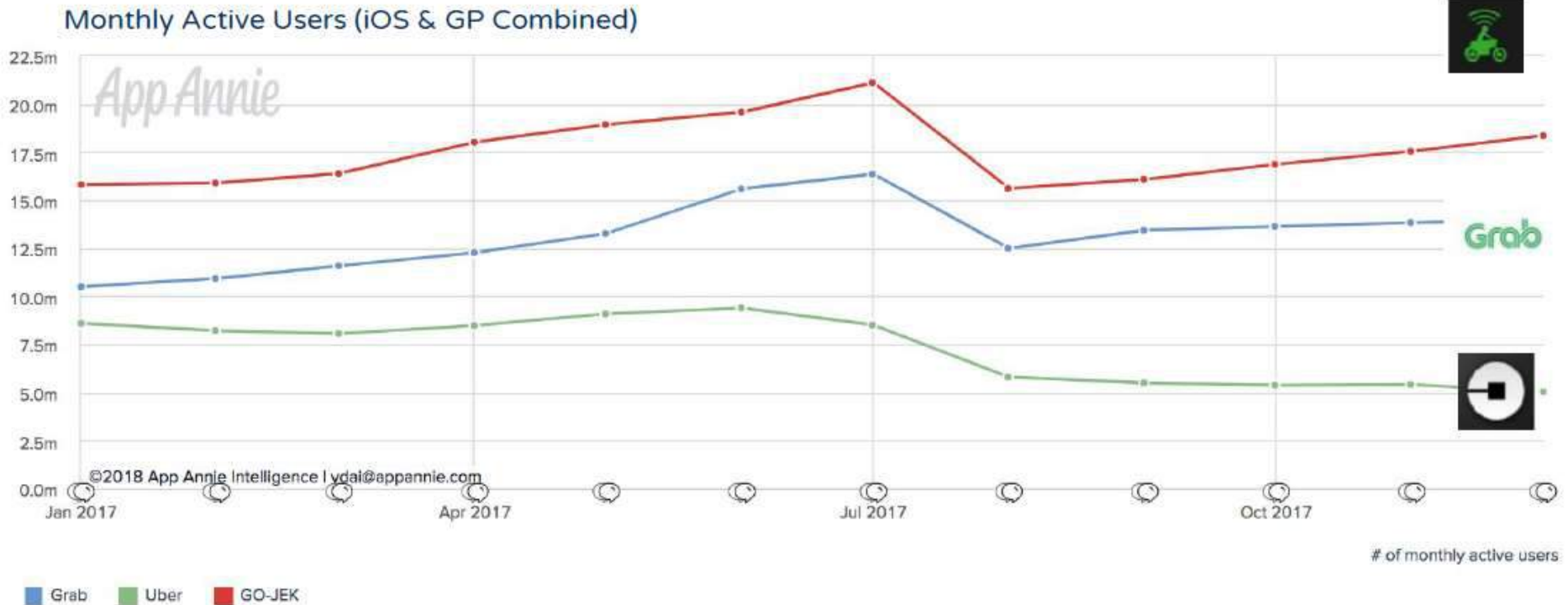
Highlights

Monthly Downloads (iOS & GP Combined)



Traveloka leading the OTA market with Agoda and Tiket.com following in numbers of download.

Highlights



In Ride Sharing category, **UBER is declining**, without additional service (sent, food services, etc) and massive marketing campaign will make it more difficult for UBER to compete in the market.

Highlights

Q4 2017 Indonesia Top 5 Travel & Ride Sharing Services

App	Downloads	Usage Penetration	DAU	Install Penetration	Install Base	Open Rate	Avg Sessions / User / Day	Avg Session Duration
Grab	7.0m	3.93%	2.6m	29.65%	19.3m	13.26%	7.6	00:01:04
GO-JEK	5.5m	7.41%	4.8m	33.03%	21.5m	22.44%	8.2	00:00:58
Uber	2.0m	1.10%	714,091	15.02%	9.8m	7.31%	7.0	00:01:01
Traveloka	1.9m	2.68%	1.7m	18.64%	12.1m	14.38%	4.9	00:01:21
Tiket.com	764,929	0.27%	180,107	4.22%	2.9m	6.46%	3.9	00:01:08

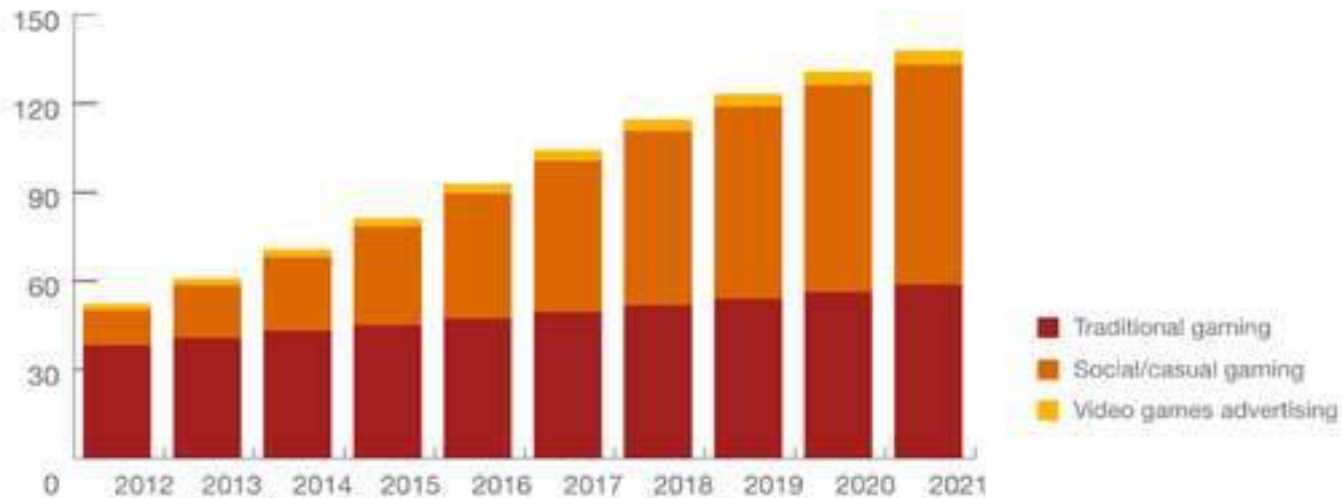
- **GRAB** leading in downloads
- **GO-JEK** dominate the usage matrix
- **Traveloka** lead in duration per session

E-Sport and Gaming Industry



Social and casual gaming are transforming the global market

Global total video games revenue (US\$bn), 2012–2021



Source: Global entertainment and media outlook 2017–2021, PwC, Ovum

#1

Mobile gaming revenue in SEA

Mobile Gamer Share in Select Countries in Southeast Asia, by Demographic, 2016

% of respondents

	Male			Female		
	10-20	21-35	36-50	10-20	21-35	36-50
Indonesia	24%	27%	11%	14%	18%	7%
Thailand	23%	30%	9%	12%	21%	6%
Malaysia	21%	28%	12%	16%	15%	8%
Philippines	20%	30%	11%	12%	20%	7%
Vietnam	18%	29%	15%	9%	17%	12%
Singapore	12%	31%	17%	9%	18%	12%

Note: numbers may not add up to 100% due to rounding

Source: Newzoo, "The GMGC Mobile Games Whitebook," Jan 12, 2017

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www.eMarketer.com

Mobile Gaming Revenues in Select Countries in Southeast Asia, 2016

millions and CAGR (2015-2019)

Indonesia	\$331 (60.7%)
Thailand	\$275 (46.6%)
Malaysia	\$238 (36.7%)
Singapore	\$211 (8.5%)
Philippines	\$143 (59.7%)
Vietnam	\$136 (55.3%)

Source: Newzoo, "The GMGC Mobile Games Whitebook," Jan 12, 2017

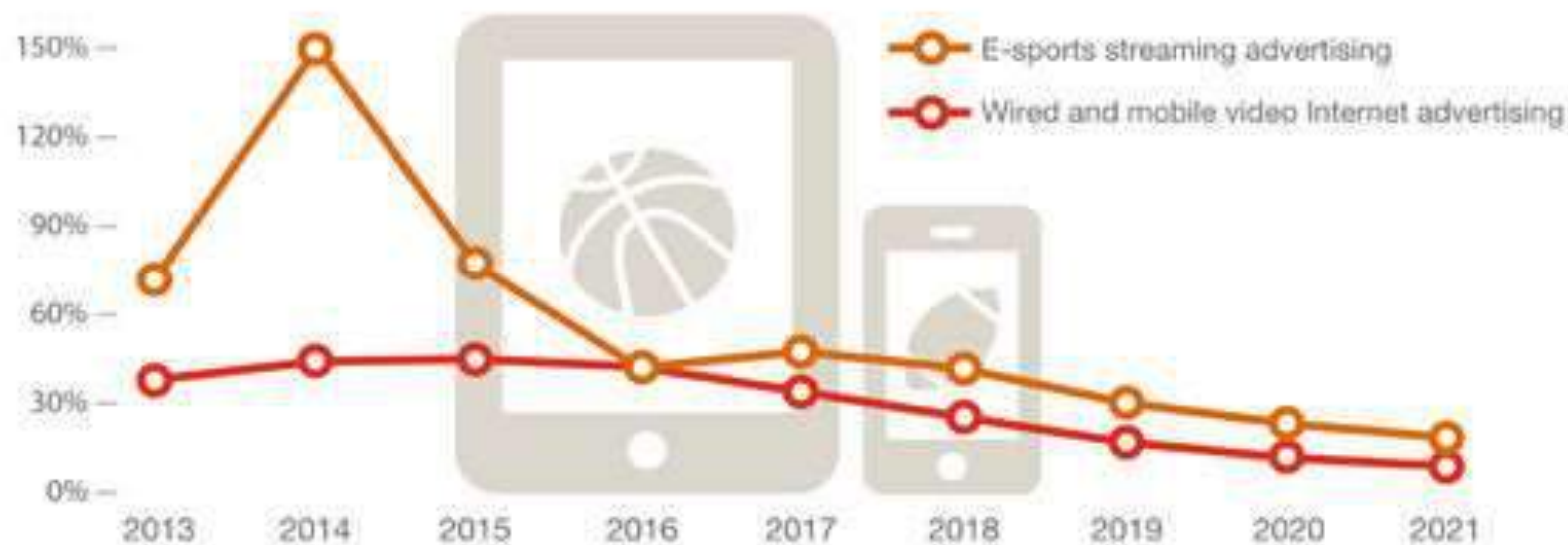
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www.eMarketer.com

Highlights

E-Sport streaming advertising revenue to spike and ultimately outperform video internet advertising

E-sports streaming advertising revenue vs Internet advertising revenue, year-on-year growth (%), 2013–2021



Source: Global entertainment and media outlook 2017–2021, PwC, Ovum

Highlights

SEA is big E-Sport market

Forecast for APAC 1,7bn in 2020

\$1.6B
NORTH AMERICA

\$1.4B
EUROPE

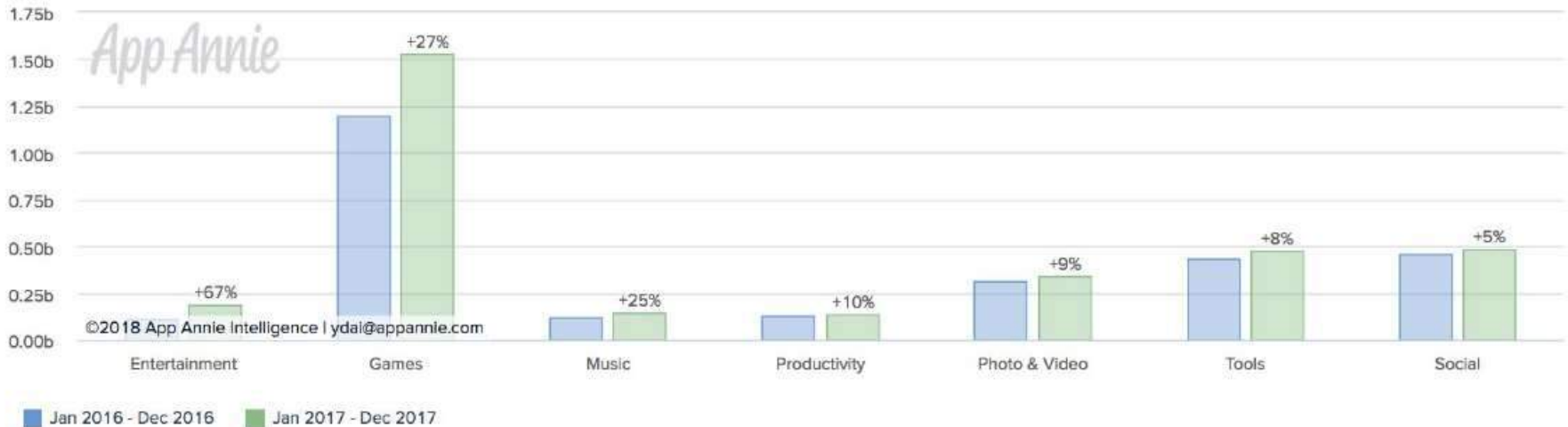
\$1.7B
ASIA PACIFIC

\$0.1B
SOUTH AMERICA

~40% CAGR
2015-2020

SEA 2017 est
12.5 mio Sports enthusiasts
26.4 E-Sports audience
\$33.9 mio worth in 2020

Highlights



Game category lead the download by huge number

Both casual and more serious game are driving the numbers, mostly driven by:

1. Better network
2. Better and affordable smartphone

Game category lead in 2017

Dominated by China Game Publisher

Indonesia - Games - Jan 2017 - Dec 2017 Estimated Data

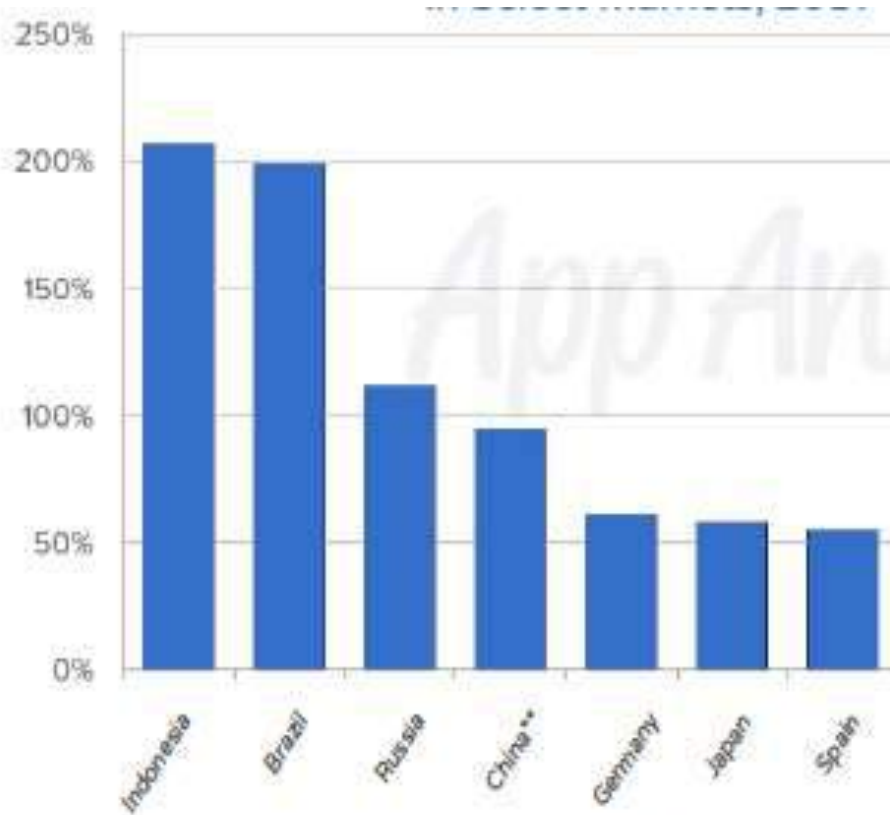
Select apps to compare ☐

Sort by Value Change (%)

#	Free Downloads	Paid Downloads	Revenue
1	Mobile Legends: Bang bang Moonton	Assassins Creed Identity Ubisoft	Mobile Legends: Bang bang Moonton
2	Ludo King Gametion	Hitman: Sniper SQUARE ENIX	Legacy of Discord Youzu
3	Clash of Clans Supercell	League of Stickman Chirs Tom	Lords Mobile IGG
4	Subway Surfers Kiloo	Minecraft Pocket Edition Mojang	Clash of Kings Elex Technology
5	8 Ball Pool Miniclip	Need for Speed Most Wanted Electronic Arts	Clash of Clans Supercell
6	Pou Zakeh	Grand Theft Auto: San Andreas Rockstar Games	Clash Royale Supercell
7	slither.io Lowtech Studios	Armpit Hero Candy Soft	Crisis Action CMGE
8	My Talking Tom Outfit7	True Skate True Axis	Final Fantasy Awakening Perfect World
9	Plants vs. Zombies Electronic Arts	League of Stickman Zombie DreamSky	8 Ball Pool Miniclip
10	My Talking Angela Outfit7	Lost Journey Soulgame Information	Zynga Poker Zynga

Fintech





*iOS App Store and Google Play combined
**China is iOS App Store only





















200%
Indonesia is the
#1 country in
Finance App
download growth

Top 3 Usage of Electronic Money Ownership

- Mobile credit top up
- Food delivery in on demand payment service
- Transportation (exc highway / tol payment)



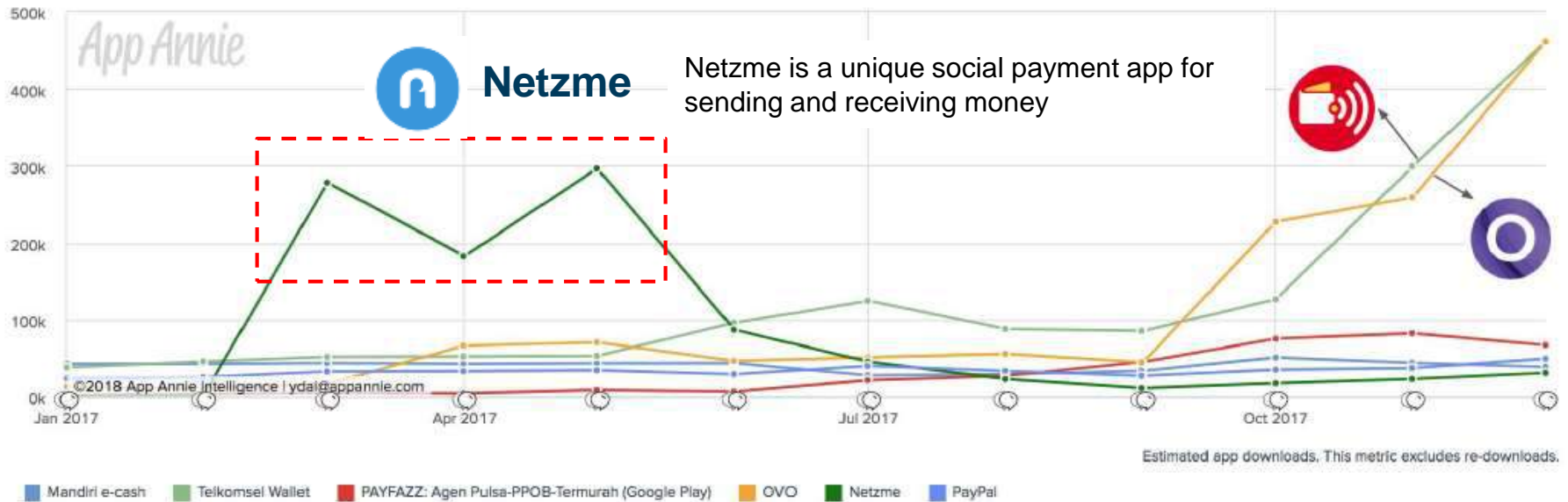
2017 Top Finance Apps in Indonesia

Rank	Downloads (Android)	Rank	MAU (Android)
1	 BRI Mobile	1	 BCA Mobile
2	 BCA Mobile	2	 Mandiri Mobile
3	 BPJSTK Mobile	3	 BRI Mobile
4	 Mandiri online	4	 Mandiri online
5	 BNI Mobile Banking	5	 BPJSTK Mobile
6	 Telkomsel Wallet	6	 BNI Mobile Banking
7	 Kredivo	7	 Telkomsel Wallet
8	 Jenius	8	 Money Lover
9	 OVO	9	 mandiri e-money info
10	 IQ Option	10	 GO MOBILE by CIMB

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Highlights

Monthly Downloads (iOS & GP Combined)



OVO

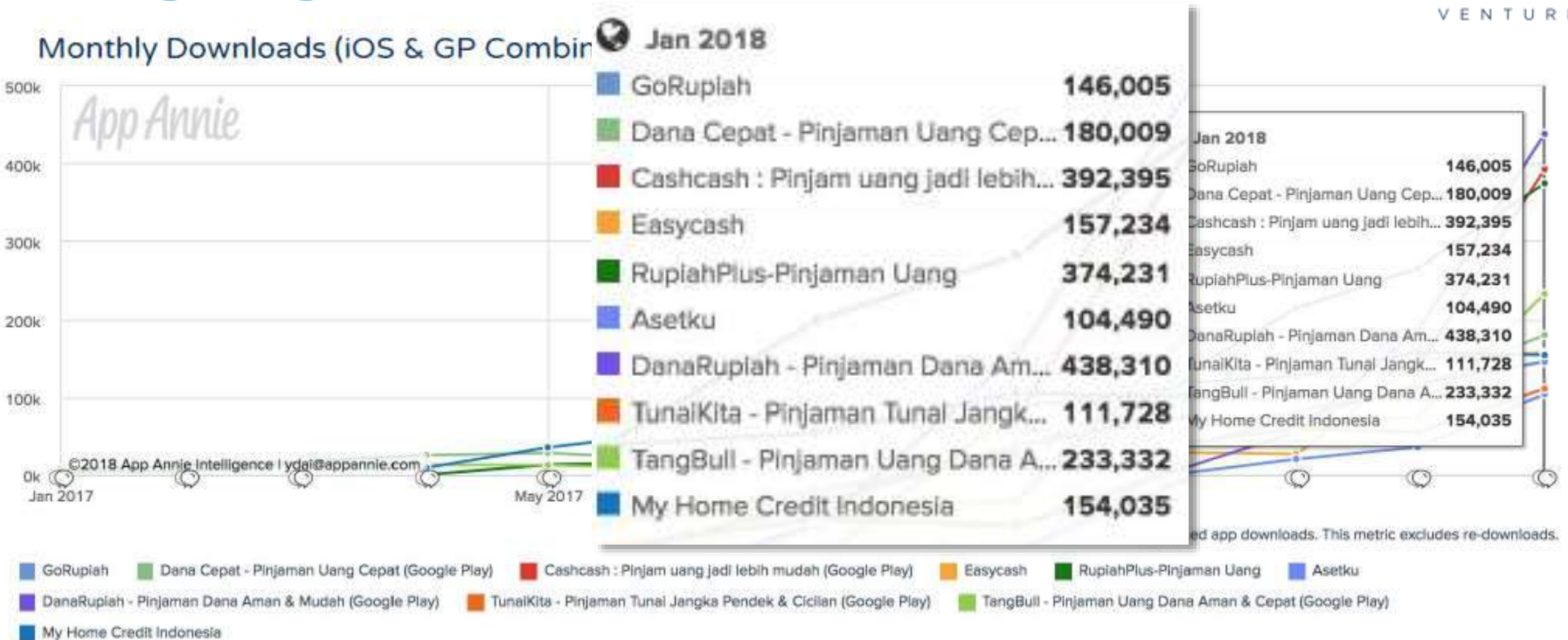
Enourmous growth based on Grab payment gateway, cashback program and roumors said that 5% of all Lippo employee salary in the form of OVO credit



TELKOMSEL WALLET

Growth expand optimizing enormous excisting customers and usage campaign through merchant benefit.

Highlights



Rise of P2P Lending and Cash Loan market

driven by overseas (mainly China) companies' expansion and supportive government policies.

In Indonesia, the growth of small start up and need of quick financial solution also drive the phenomena

A close-up photograph of two people's hands working on a project. One hand holds a black pen, and the other hand holds a smartphone. They are positioned over a desk with papers and a laptop. The image has a blue tint and is partially covered by a dark teal overlay at the bottom.

Thank
You

gdp
VENTURE