



Fintech Sebagai Pendukung Teknologi Multimedia dan Industri Telekomunikasi pada Digital Business 4.0

Surabaya , 9 November 2018

The Evolution of Mobile Phone

World Is Changing, Everything Goes Mobile, Entering Digital Era

COMMUNICATION



COMPUTING



PAYMENT



MUSIC



VIDEO



NEWS



GAME



Impact Of Mobile Broadband Penetration



Setiap penambahan

10%

dari penetrasi telepon selular
akan meningkatkan

0.5%

dari pertumbuhan ekonomi



Setiap penambahan

10%

dari penetrasi internet
broadband akan meningkatkan

3%

dari pertumbuhan ekonomi

What is More Valuable to Customer? The Content Inside or the Vehicle?

Data revenue..

Customer always demand flat rate

Advertising revenue...
getting bigger and bigger



Users go **straight** to Google, Yahoo, or Facebook services via flat-rate data pipes

The Package: Interaction, Entertainment, etc.

The Vehicle: Broadband Network

StartUp is Changing the Competitive Landscape

Top Players

Hospitality



Financial



Telco



Transportation



Startup



It Is Also Happening In Indonesia...

Top Players

Startup

Transportation



BLUE BIRD



Travelling



Commerce



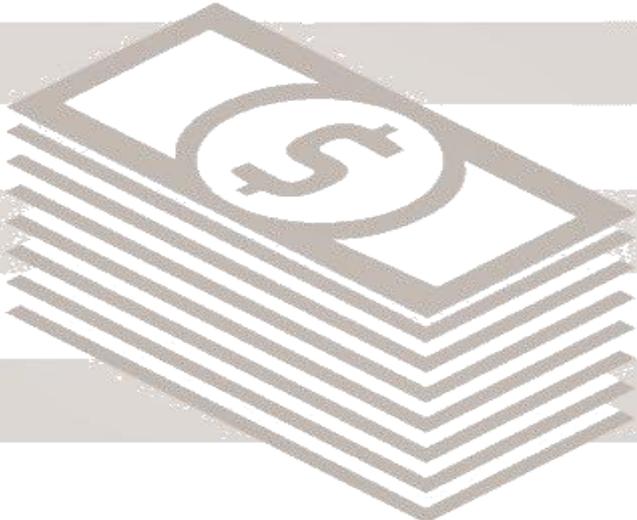
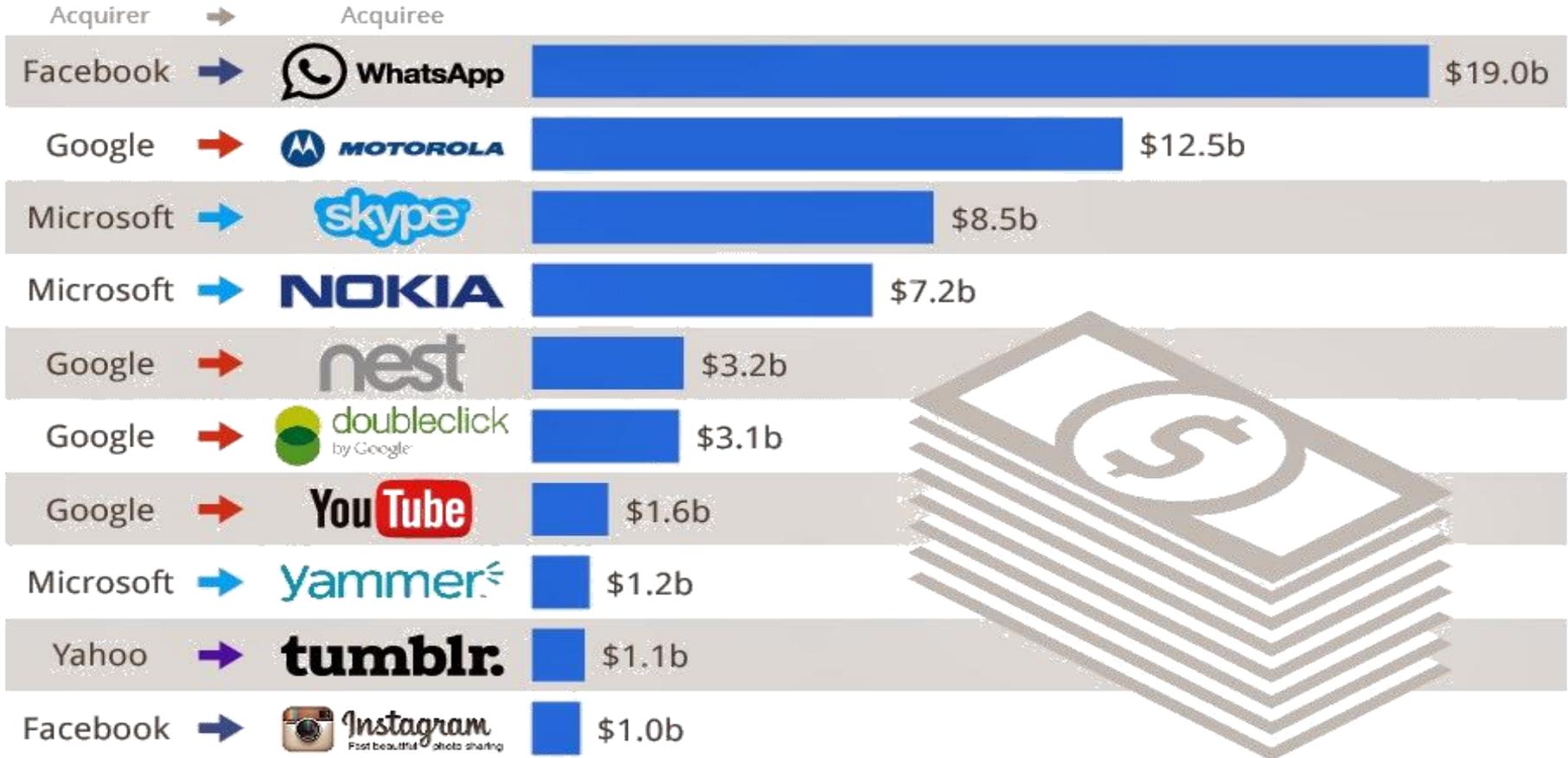
Financial



High Profile Technology Acquisition

WhatsApp Deal Dwarfs Other High-Profile Tech Acquisitions

Value of selected tech company acquisitions



2005

“Owned 21% of the online advertising market”

“Was #1 among all players (Google, Facebook, and Microsoft”

Ever had Market Cap

\$125Bio

Missed Strategy

“**Google.** In 2002 there was reportedly a deal struck for Yahoo to buy Google for \$5 billion dollars.”

“**DoubleClick.** Buying it would’ve helped Yahoo strengthen their display ads in early 2000’s. They didn’t move quick enough and Google pounced on this opportunity.

“**Facebook.** In 2006, Yahoo had a deal to buy the company for \$1 bio. They lowered their offer and Mark Z. backed out. Facebook is now valued x150 times their original asking price.”

2014

“Struggling maintain their #4 position behind Google, Facebook and Microsoft”

2016

Bought by Verizon
\$4.8Bio



“Had **more than half of the market share** of phones in the US with its trademark QWERTY keyboard”

Mid 2007

“**iPhone** was release - first prominent touchscreen phone”

Missed Technology & Strategy

“At first, **Blackberry** ignored touch screen based technology”

“iPhone managed to attract business leaders & penetrating into BlackBerry’s core market while **BlackBerry** managed to maintain its status of “business email device.”

2014

“**Blackberry** has **only 0.8%** of the Smartphone market share according to IDC”

Tsel Bbery rev
326Bio/mnth

Now

Small Player in Device Industry

BlackBerry

5050 Innovation Drive



1996

“Kodak was capturing 90% of the film market”

“Ranked the 4th most valuable brand in the United States, behind Disney, Coca-Cola and McDonald’s”

Missed Strategy

“The most tragic of Kodak’s decline: they had invented the digital camera in 1975. But, management’s reaction was “that’s cute, but don’t tell anyone about it. Kodak management couldn’t foresee that anyone might want to stop using film. ”

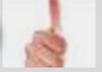
“Consumer photo market was their superior technology. But when new technology—digital cameras—replaced film, Kodak was so focused on film they failed to recognize the value of digital until they had no other choice”

2012

“Kodak filed for bankruptcy protection. The company’s stock was delisted from NYSE and moved to OTC exchange”

Core Beliefs relating to Future Consumer Behavior

-  Consumers want **more control in their hands**
-  Users are **always “online”** and want pocketable versions of everything
-  Consumers want **fully customized, tailored services** and products
-  Consumers need **simplifying intermediaries** that help organize abundance of choices and data
-  All forms of content and information will be part of chronological **“Lifestream”**
-  **Real & virtual worlds merge** as daily consumer habits mould themselves around
-  Even when consumers are in communities, they will **multi-task as individuals**

-  Video **will become two-way**, with increased participation from community
-  Many hyperlocal services and recommendations will be powered by **machine learning, artificial intelligence and big data**
-  **New age shopper** will use social networking, game mechanics and consider shopping as leisure
-  Microchunking, advertising and other methods will be used to satisfy the **users’ free content demands**
-  Consumers will **demand the best technologies and choices**
-  Borderless content and product sourcing will create a **truly global marketplace** for the best
-  Global companies’ price points will have to meet **lower user price points** in India and China
-  With increased trust and convenience, **intent to purchase decision will be seamless** and much easier across n-screen devices

Digital Business Model



Freemium Monetization:

Product is free of charge, money is generated through additional features and advertisement

Premium – Paid services



Valuation not Revenue:

Invest in digital company, not looking for significant revenue but Future Cash Flow or Valuation



Merger & Acquisition:

Acquired companies to grow revenue and fast entrance to the market

Telecommunication needs to Change to **Digital Services**



DIGITAL
LIFESTYLE

DIGITAL
PAYMENT

DIGITAL
ADVERTISING

DIGITAL
IoT

Digital Lifestyle

Music, Video, Games, Mobile
Contents

Digital Payment

M-Banking, Payment

Digital IoT

M2M, Tracking

Digital Advertising / Big Data

Data Analytic, Credit Scoring

Indonesia Financial Statistic



POPULATION
261.12 Million



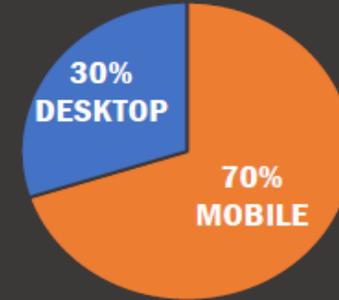
BANKED POPULATION
48.9%



ACTIVE SOCIAL MEDIA USERS
130 Million



INTERNET PENETRATION
143.2 Million



GDP GROWTH
5% per annum



BORROWED FROM FINANCIAL INSTITUTION
17.2%



MOBILE SUBSCRIPTIONS
415.7 Million

URBAN 72.4%
SEMI-URBAN 49.4%
RURAL 48.2%



Total value of disclosed Fintech investment (2017)

USD \$176.75 Million



Transaction value in the Fintech market (projected 2018)

USD \$22,338 Million



Transaction value expected to show a growth rate of

16.3% annually

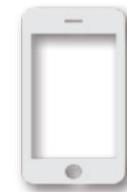
Indonesia Fintech Map



MAYORITY, FINTECH IS MOBILE ORIENTED, CONNECTED TO BANKS THROUGH THE API, AND USE CLOUD COMPUTATION

The most widely used technology by fintech companies are:

1. Mobile
2. API with financial institutions
3. Cloud Computing
4. Big Data Analysis
5. O2O (online to offline)



87.5%

Mobile



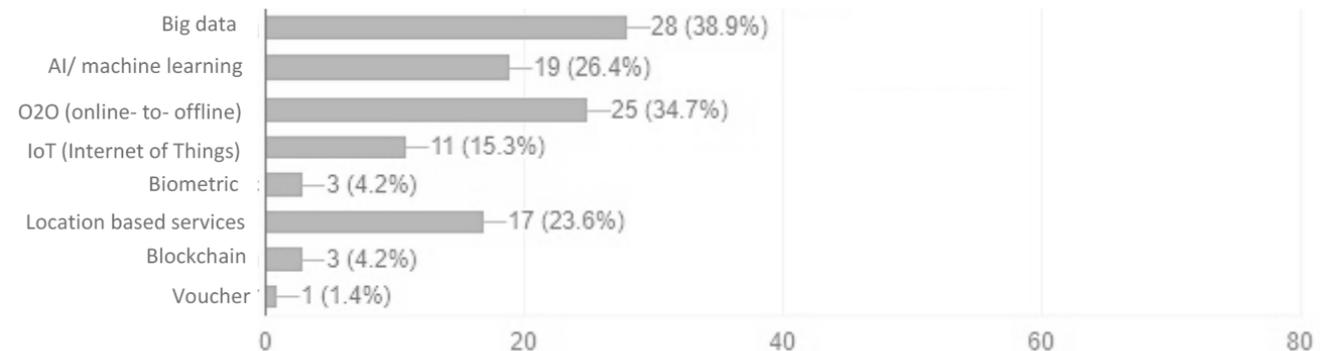
63.9%

API with financial
institutions



45.8%

Cloud
computing



Fintech in Telco



Cara bayar paling modern, aman dan nyaman
Kapan saja, Dimana saja



**BAYAR
MERCHANT**



**BELI
PULSA**



**BAYAR
BELI DI HP**



**BELANJA
ONLINE**

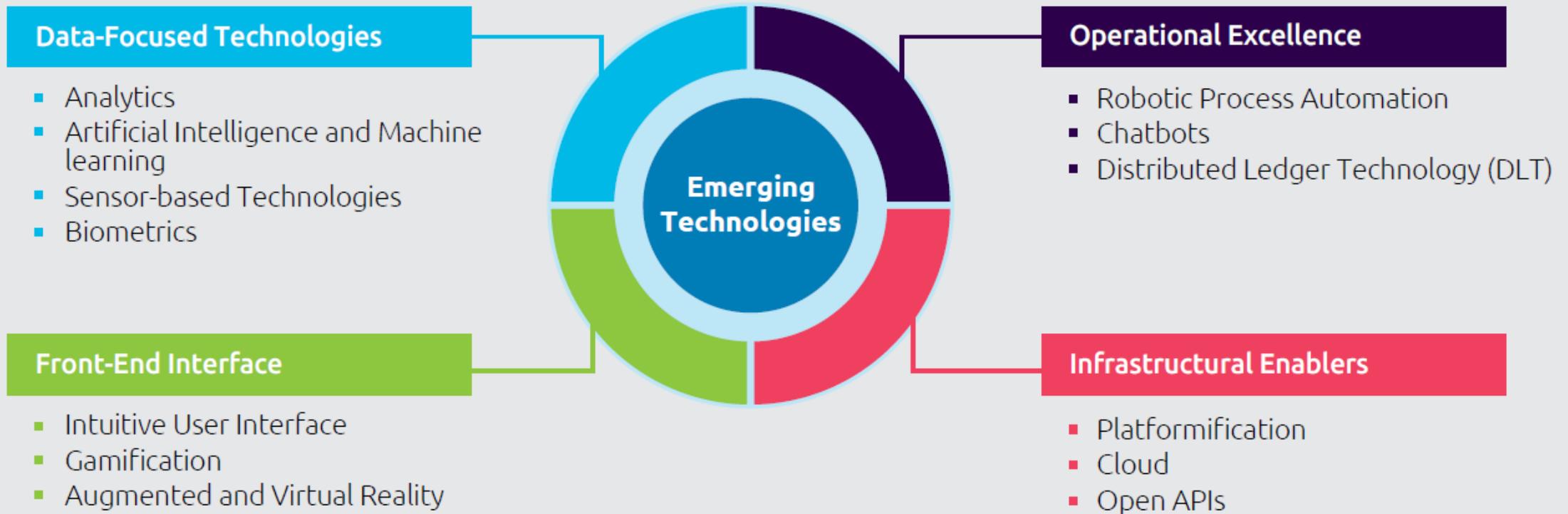


**BERBAGI
UANG**

Payment in Merchant



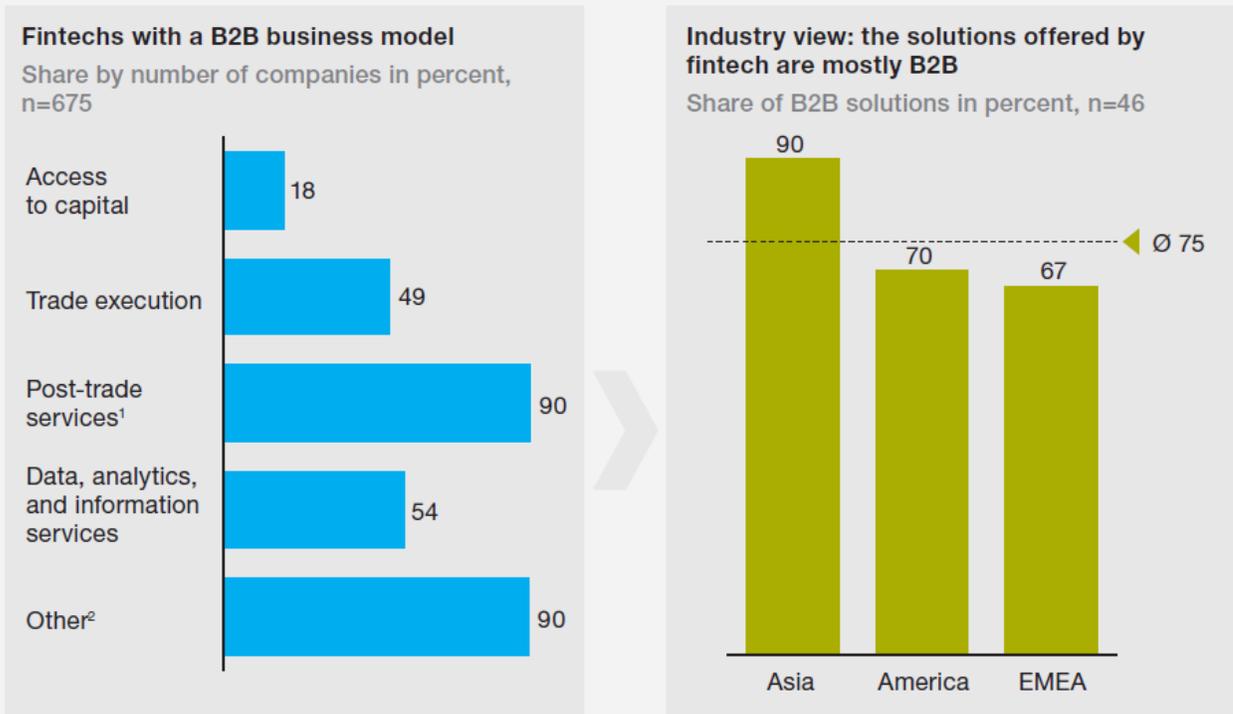
Emerging Technologies Have Impact on Customer Journey



Source: Capgemini Financial Services Analysis, 2018

Fintechs : Friend or Foe ?

B2B fintech solutions dominate the post-trade services arena



¹ Includes clearing, custody and settlement, risk and regulatory solutions.

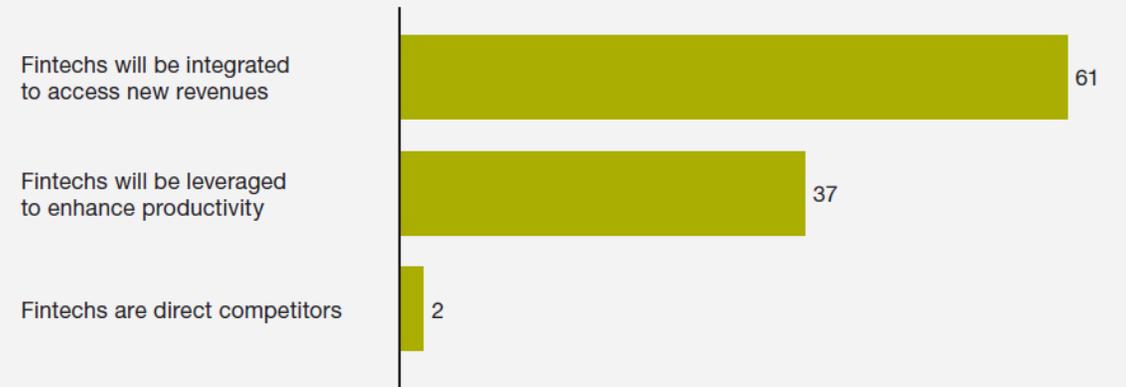
² Operations and technology, corporate solutions.

Source: WFE-McKinsey Fintech survey 2017; McKinsey Panorama Fintech database

Incumbents are not concerned over the disruption by new entrants

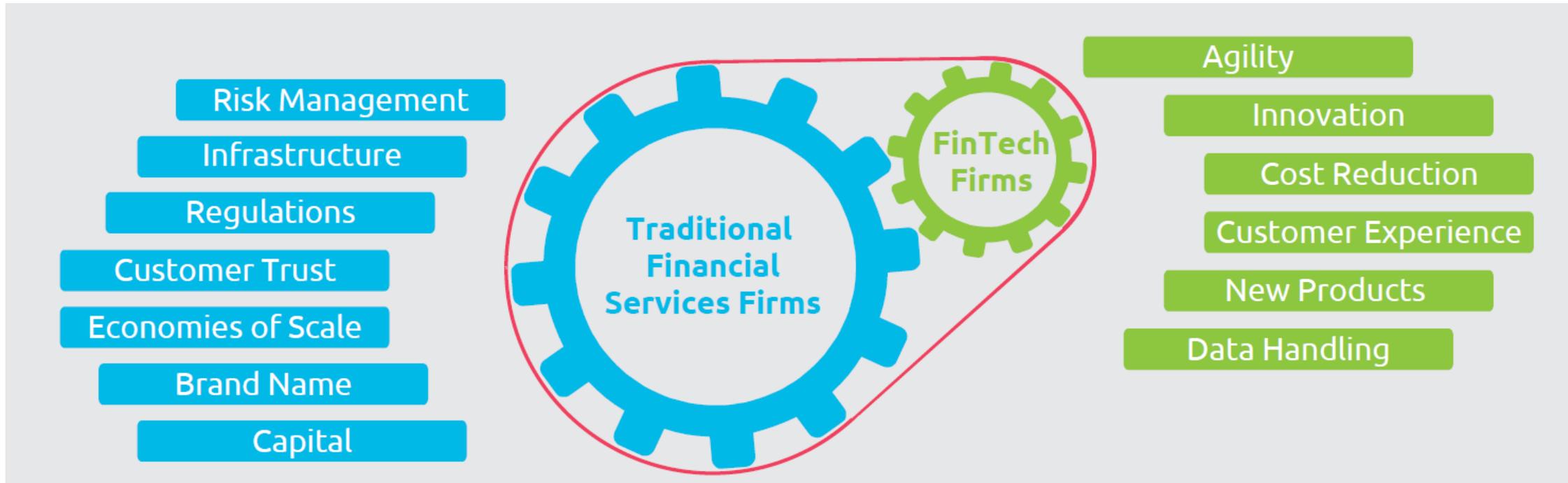
How do you see fintech impacting your ecosystem?

Share of responses in percent, n=46



Source: WFE-McKinsey Fintech survey 2017

Collaboration is a Win Win Situation for Industry Players



SKILL GAPS



61.1%

Data and
analytics



54.2%

Financial
industry
knowledge



47.2%

Back-end
programming



45.8%

User
experience
design



45.8%

Risk
management



Thank You