Global Mobile Consumer Survey
Southeast Asia edition
January 2017
About the Global Mobile Consumer Survey

Welcome to the fourth edition of the Southeast Asia Mobile Consumer Survey.

This survey is a multi-country study of mobile phone users around the world, comprising 53,000 respondents across 31 countries and five continents. Data cited in this edition are based on a survey conducted from June to August 2016 covering 5,000 consumers aged 16-44 across five countries in the region: Indonesia, Malaysia, Philippines, Singapore, and Thailand.

In this publication, we present a brief snapshot of some of the insights that the survey has revealed about the consumption of mobile devices and services in Southeast Asia around four key themes.

Southeast Asia Mobile Consumer Survey profile

- 50:50 Gender ratio
- 5,000 responses including individuals from both rural and urban areas
- 5 Southeast Asia countries: Thailand, Philippines, Malaysia, Singapore, Indonesia
- 3 age groups: 16-24 years, 25-34 years, 35-44 years
- 44 questions on mobile devices and services
Four themes for the Southeast Asia Mobile Consumer Survey

**Digital and Over-The-Top**
The ways in which mobile consumers interact with and consume content on their devices
• Over The Top
• Left to their own devices

**Customer experience**
The factors influencing mobile consumers' decisions on device purchase and operator choice
• Game of phones
• The (social) network

**Devices and Internet of Things**
The top activities of multi-tasking, smartphone addicted mobile consumers
• Left to their own devices
• Game of phones

**Network quality**
The mobile consumers' evolving mobile Internet consumption behaviours
• The (social) network
• Over The Top
Over The Top

**VoIP raises its voice**
Across all Southeast Asia countries, the use of Voice over Internet Protocol (VoIP) has increased. Thailand, in particular, has shown the most significant increase – a possible result of the widespread use of instant messaging applications that is coupled with the availability of unlimited, all-in-one data packages.

In the face of the growing shift towards VoIP, telecommunications operators will need to differentiate their service offerings in order to capture voice revenues, and think holistically about their customer experience and delivery of services. At the same time, with Voice over LTE (VoLTE) and Voice over Wifi (VoWifi) solutions providing cheaper alternatives for international calls, operators will also need to clearly communicate to their customers the advantages of VoIP over these substitutes.

**Percentage of respondents who used VoIP services within the last 7 days**

- **Indonesia**: 23% in 2015, 25% in 2016
- **Malaysia**: 29% in 2015, 30% in 2016
- **Philippines**: 29% in 2015, 33% in 2016
- **Singapore**: 33% in 2015, 34% in 2016
- **Thailand**: 33% in 2015, 41% in 2016

Your money or your… mobile?
Although “browsing shopping websites and applications” was ranked as the most common purchasing activity amongst Southeast Asia respondents, mobile payments are still not very widespread. At this point in time, mobile payments are typically used for the payment of taxi services or for the purchase of a product.

Despite showing small signs of increased adoption, however, the willingness of respondents to use mobile in-store payment solutions varies across the five countries. For Indonesia, Philippines and Singapore, the willingness to use mobile in-store payment solutions increased from 2015 to 2016, whereas Malaysia and Thailand showed decreases. Nonetheless, with the exception of Thailand, the majority of respondents in all Southeast Asia countries were willing to use mobile in-store payment solutions. Given the region’s low credit card penetration rates, telecommunications operators who wish to encourage greater uptake of mobile payment solutions could consider providing viable alternatives such as enabling or improving their telecommunications billing systems.

Top 3 most popular purchasing activities on mobile phones

<table>
<thead>
<tr>
<th>Country</th>
<th>Browsing shopping websites and applications</th>
<th>Reserving products</th>
<th>Using as proof of purchase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indonesia</td>
<td>36%</td>
<td>32%</td>
<td>9%</td>
</tr>
<tr>
<td>Malaysia</td>
<td>31%</td>
<td>23%</td>
<td>20%</td>
</tr>
<tr>
<td>Philippines</td>
<td>36%</td>
<td>25%</td>
<td>17%</td>
</tr>
<tr>
<td>Singapore</td>
<td>31%</td>
<td>22%</td>
<td>10%</td>
</tr>
<tr>
<td>Thailand</td>
<td>31%</td>
<td>26%</td>
<td>14%</td>
</tr>
</tbody>
</table>


Top 3 most popular payment activities on mobile phones

<table>
<thead>
<tr>
<th>Country</th>
<th>Paying for taxi services</th>
<th>Making in-store payments</th>
<th>Paying for products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indonesia</td>
<td>21%</td>
<td>14%</td>
<td>13%</td>
</tr>
<tr>
<td>Malaysia</td>
<td>14%</td>
<td>12%</td>
<td>13%</td>
</tr>
<tr>
<td>Philippines</td>
<td>13%</td>
<td>13%</td>
<td>10%</td>
</tr>
<tr>
<td>Singapore</td>
<td>26%</td>
<td>15%</td>
<td>21%</td>
</tr>
<tr>
<td>Thailand</td>
<td>12%</td>
<td>6%</td>
<td>14%</td>
</tr>
</tbody>
</table>

Left to their own devices

**The Internet of (some) Things**

Overall adoption of mobile Internet of Things (IoT) applications remains low in Southeast Asia, with the top three applications including fitness monitoring, in-car entertainment and Smart home systems. This could be attributed to the availability of such wearable devices and applications, as well as their ease of use and affordability.

Consistent with last year's findings, Smart TV once again emerged as the most owned device due to its availability and affordability in markets across Southeast Asia. Connected entertainment devices, such as game consoles, wireless speakers and video streaming devices were also more popular than connected home devices, such as Smart thermostats and lighting, due to the niche appeal of the latter.

**Percentage of respondents who have used mobile IoT applications at least once**

<table>
<thead>
<tr>
<th>Country</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indonesia</td>
<td>48%</td>
</tr>
<tr>
<td>Malaysia</td>
<td>48%</td>
</tr>
<tr>
<td>Philippines</td>
<td>50%</td>
</tr>
<tr>
<td>Singapore</td>
<td>51%</td>
</tr>
<tr>
<td>Thailand</td>
<td>48%</td>
</tr>
</tbody>
</table>

As compared to results from the 2015 edition of the Global Mobile Consumer Survey

**Percentage of respondents who own or have access to connected entertainment devices**

<table>
<thead>
<tr>
<th>Device Type</th>
<th>Indonesia</th>
<th>Malaysia</th>
<th>Philippines</th>
<th>Singapore</th>
<th>Thailand</th>
</tr>
</thead>
<tbody>
<tr>
<td>Smart TV</td>
<td>13%</td>
<td>16%</td>
<td>21%</td>
<td>28%</td>
<td>18%</td>
</tr>
<tr>
<td>Game console</td>
<td>8%</td>
<td>11%</td>
<td>18%</td>
<td>19%</td>
<td>8%</td>
</tr>
<tr>
<td>Wireless speaker</td>
<td>10%</td>
<td>9%</td>
<td>19%</td>
<td>20%</td>
<td>16%</td>
</tr>
<tr>
<td>Video streaming</td>
<td>5%</td>
<td>9%</td>
<td>10%</td>
<td>11%</td>
<td>6%</td>
</tr>
</tbody>
</table>

App-solutely popular
The use of applications has increased in popularity in Southeast Asia, although each of the five countries exhibit slightly different preferences. In Indonesia, Malaysia and Philippines, social networking applications lead the pack, whereas messaging and gaming applications dominate in Singapore and Thailand respectively. Southeast Asia respondents also employ the use of voice assistant applications for lifestyle and information updates, such as weather or sports updates and navigation or travel assistance.

Top 3 most popular applications

Indonesia

#1 Social networking
#2 Messaging
#3 Gaming

Malaysia

#1 Social networking
#2 Messaging
#3 Gaming

Philippines

#1 Social networking
#2 Messaging
#3 Gaming

Singapore

#1 Messaging
#2 Gaming
#3 Social networking

Thailand

#1 Gaming
#2 Social networking
#3 Messaging


Top 3 reasons for using voice assistant applications

Indonesia

#1 General information search
#2 Navigation
#3 Location-based searches

Malaysia

#1 General information search
#2 Navigation
#3 Location-based searches

Philippines

#1 General information search
#2 Navigation
#3 Location-based searches

Singapore

#1 General information search
#2 Navigation
#3 Location-based searches

Thailand

#1 General information search
#2 Navigation
#3 Location-based searches

The (social) network

4G is the new majority
With the exception of Indonesia, Southeast Asia showed a significant overall increase in adoption of 4G Long-Term Evolution (LTE) networks. The gulf between 3G and 4G adoption in Indonesia has been widely attributed to the slow launch of LTE, as only key broadband cities have access to limited 4G services. This, however, seems set to change, as the other cities are expected to follow suit in the near future. Thailand, on the other hand, witnessed a significant increase in the shift towards 4G, as a result of its recent aggressive nationwide deployment and successful LTE auction.

In terms of internet consumption on mobile phones, the majority of respondents in Indonesia, Malaysia and Thailand use their mobile phones at home, at work or at their place of study. Singapore respondents, however, used them mostly in public spaces and while commuting. When connected to the 4G LTE network, Southeast Asia users spend most of their time on social networking activities, online games and video streaming.

Southeast Asia respondents who have started using 4G LTE networks also tend to spend more time on their mobile phones watching videos, playing online games and participating in social media activities. The shift to 4G LTE, however, did not change the amount of time they spent on voice calls and video calling. While respondents in Indonesia, Malaysia and Philippines tend to use 4G LTE networks to upload and share photos and videos, those in Malaysia, Philippines and Singapore have a penchant for using their phones for instant messaging, email and navigation.

Percentage of respondents using 4G networks to access the Internet

<table>
<thead>
<tr>
<th></th>
<th>Indonesia</th>
<th>Malaysia</th>
<th>Philippines</th>
<th>Singapore</th>
<th>Thailand</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>15%</td>
<td>38%</td>
<td>23%</td>
<td>48%</td>
<td>24%</td>
</tr>
<tr>
<td>2016</td>
<td>40%</td>
<td>65%</td>
<td>55%</td>
<td>79%</td>
<td>67%</td>
</tr>
</tbody>
</table>

Multiplicity matters
The reasons for choosing a mobile operator differ across the Southeast Asia markets, depending on the stage of maturity in terms of network deployment. Across the board, however, respondents prioritised choosing an operator that their family and friends also use. But even respondents who are satisfied with their connection may be enticed to change operators for more favourable Internet package plans or better quality Internet connection.

Indonesia and Philippines respondents also emerged as the top multi-SIM users, with 71% and 60% using these services respectively. This is in contrast to Singapore, where the majority of respondents prefer to have only one SIM. To accelerate the use of multi-SIM services, telecommunications operators could consider the use of bundled packages. With the use of small stair-step offers, consumers who have experienced the benefits of multi-SIM services can then be enticed to increase their consumption.

Most important factors influencing respondents' decisions

<table>
<thead>
<tr>
<th>Choosing a mobile operator</th>
<th>Changing a mobile operator</th>
<th>Adopting multi-SIM services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family and friends use the operator</td>
<td>Quality of Internet connection</td>
<td>Internet package plans</td>
</tr>
<tr>
<td>Indonesia</td>
<td>Malaysia</td>
<td>Philippines</td>
</tr>
</tbody>
</table>

Game of phones

Battle of two giants
The two major smartphone manufacturers, Apple and Samsung, continue to dominate across the Southeast Asia markets. Amongst our respondents, however, Samsung appears to have leapfrogged Apple in most Southeast Asia markets, with Singapore as the only market where Apple remains the leader.

The Southeast Asian consumer’s smartphone addiction is real: activities such as photo and video sharing, social networking and gaming have seen double digit increases since the 2015 edition of the survey. They are also multi-taskers, most commonly using their phones while using public transport. This pattern is especially pronounced in Singapore, where over 70% of respondents reported using their phones on public transport. Payment- and money-related activities, however, have yet to completely take off, with activities such as bill payment, money transfer and checking of bank balance accounting for the least common activities.

Apple and Samsung market share in Southeast Asia

As compared to results from the 2015 Southeast Asia edition of the Global Mobile Consumer Survey


The top smartphone usage activities across Southeast Asia are multimedia and social networking activities

No victory yet for the second-hand market
Across all Southeast Asia markets, new phones are more popular than second-hand phones. Thailand, in particular, saw a significant decline in the number of respondents buying second-hand phones. On the other hand, Indonesia’s second hand market appears to be gaining traction.

Respondents who currently use second-hand phones typically receive them from their family and friends. This is in contrast to new phones, which are often acquired through in-store purchases, highlighting the fact that despite the growing e-commerce boom in the region, physical stores remain valuable touchpoints for new phone sales. In the second-hand market, however, e-commerce plays a much more significant role as a medium of sales.

Percentage of users using second-hand mobile phones obtained from 2015-2016 and before 2015

<table>
<thead>
<tr>
<th>Country</th>
<th>Before 2015</th>
<th>2015-2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indonesia</td>
<td>12%</td>
<td>25%</td>
</tr>
<tr>
<td>Malaysia</td>
<td>16%</td>
<td>15%</td>
</tr>
<tr>
<td>Philippines</td>
<td>16%</td>
<td>16%</td>
</tr>
<tr>
<td>Singapore</td>
<td>14%</td>
<td>9%</td>
</tr>
<tr>
<td>Thailand</td>
<td>22%</td>
<td>15%</td>
</tr>
</tbody>
</table>

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