

RE.CON

2021: Hit the Ground Sprinting
with Digital and Data

Digitalisation of Financial Services

Speaker



Edward Kilian
Chief Marketing Officer
LinkAja

Moderator

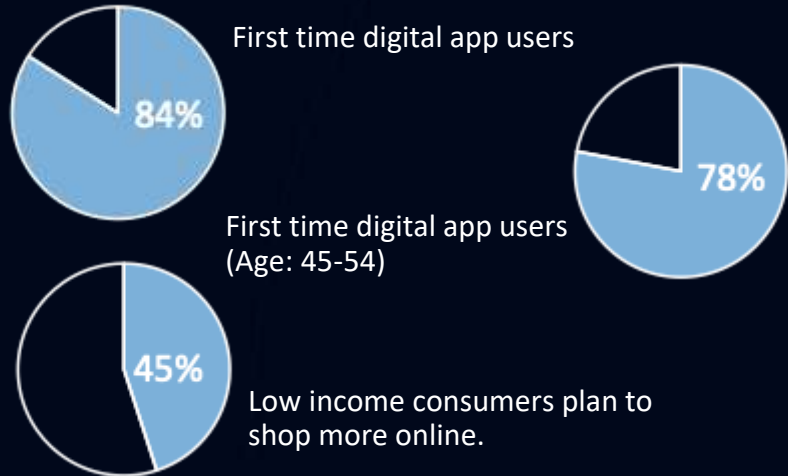


Keith Lee
Head of Financial Services,
Business Insights
ADA

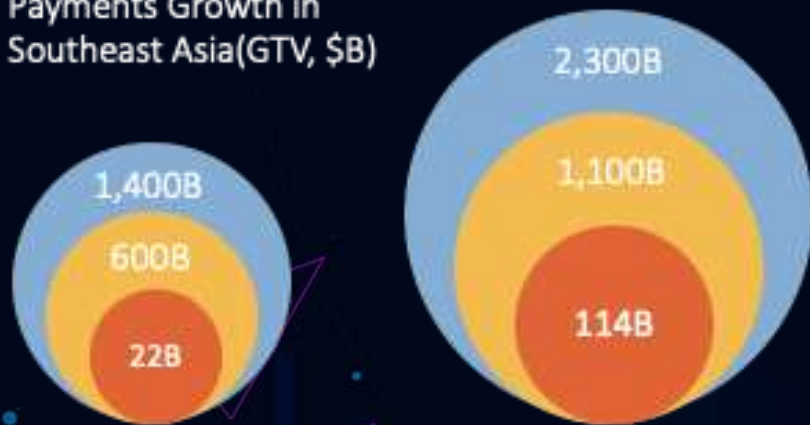
What has been the impact of COVID-19 on financial services like LinkAja?



IMPACT OF THE PANDEMIC ON FINANCIAL SERVICES



Payments Growth in Southeast Asia (GTV, \$B)



● Consumer Payments ● Digital Payments ● e-Wallets

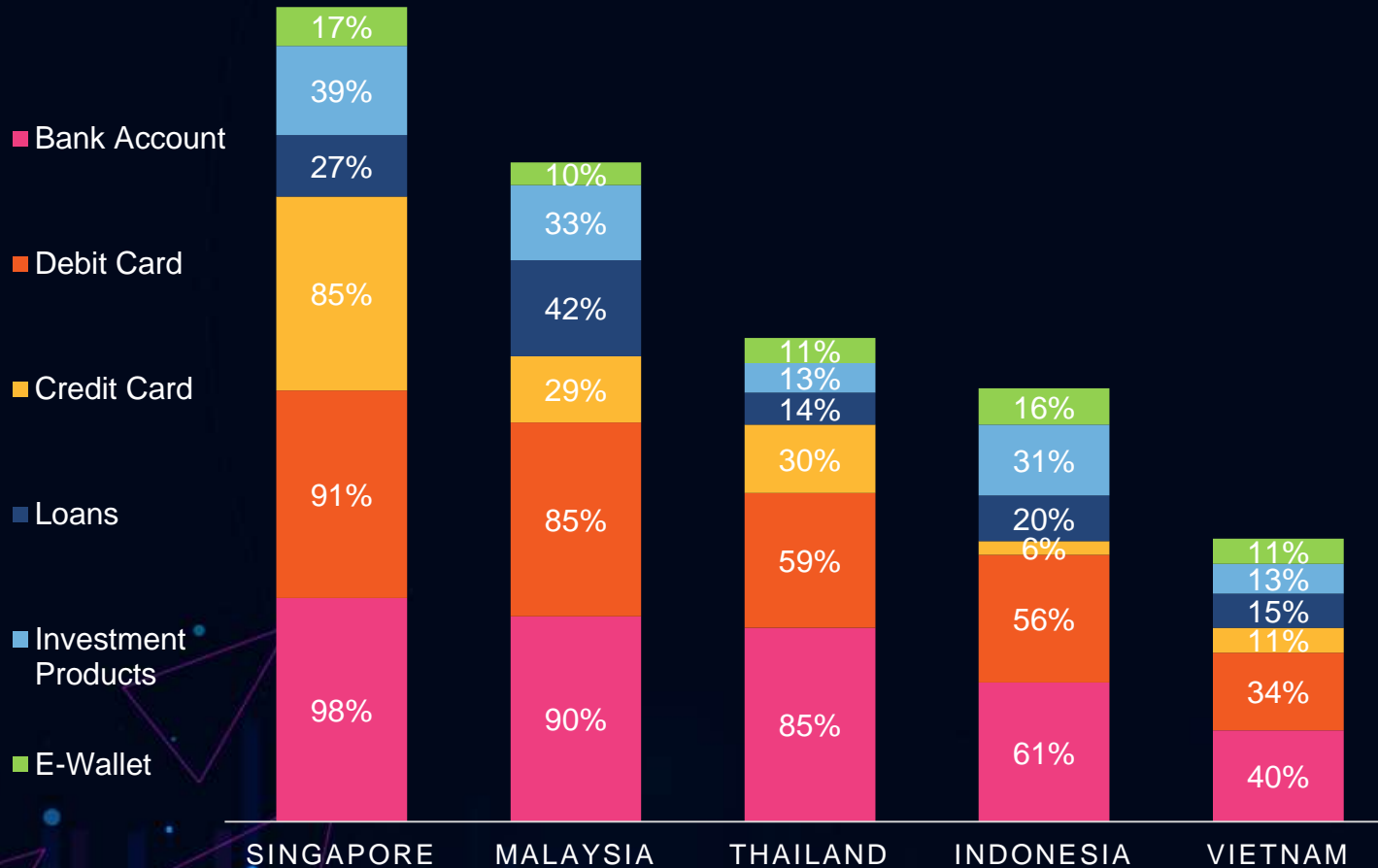
There's an accelerated acceptance of digitalisation in Southeast Asia.

- Users are now motivated by use cases vs promotions.
- Businesses able to quickly pivot are now seeing growth.
- SMEs that are digitally savvy can succeed but they need help.



IMPACT OF THE PANDEMIC FINANCIAL SERVICES

Usage of Banking Products



Increased e-payment adoption over cash due to COVID-19.

- Growing acceptance of e-wallet payments and creates an increase in e-wallet players.
- Biggest competition is still cash.
- COVID-19 has helped overcome the dependence on cash in the region due to concerns of hygiene.

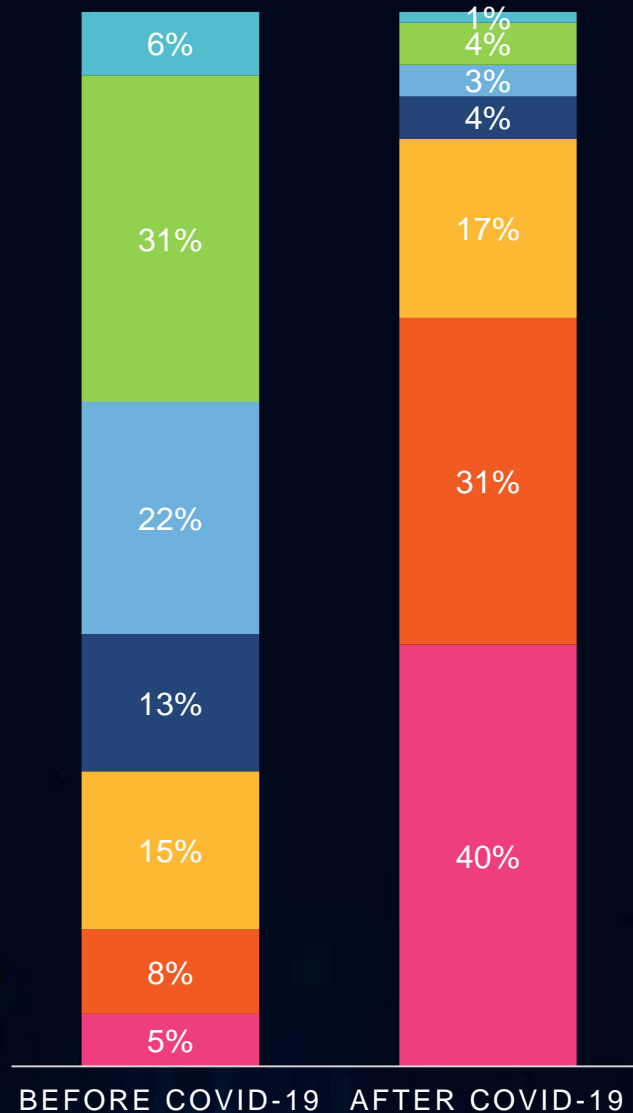
What are the challenges faced by traditional businesses in the near future and how can financial services help?



CHALLENGES FACED BY TRADITIONAL BUSINESSES

Change in SME revenue expectations

- Decline by >25%
- Decline by 10-25%
- Decline by up to 10%
- Remain flat
- Increase by up to 10%
- Increase by 10-25%
- Increase by 25%



The biggest challenge is digitalisation but businesses can't do it alone.

- Digitalisation is a massive effort that requires commitment.
- Having key partners like shareholders and ministries invested in seeing success together is essential.
- Importance of having a strong onboarding and education process for businesses.

What are some of the challenges for financial services especially in addressing the unbanked population?



CHALLENGES IN THE NEW WORLD FOR FINANCIAL SERVICES

Challenges in catering to the unbanked and underbanked



Lack of Data on Consumers

- Limited information to assess credit worthiness of the consumer
- Unstable predictive power of traditional data



Higher cost to serve

- Risk towards Financial Services
- Cost in acquiring more data on consumers



Long timelines

- Manual processes for credit approvals
- Effort into developing new credit frameworks

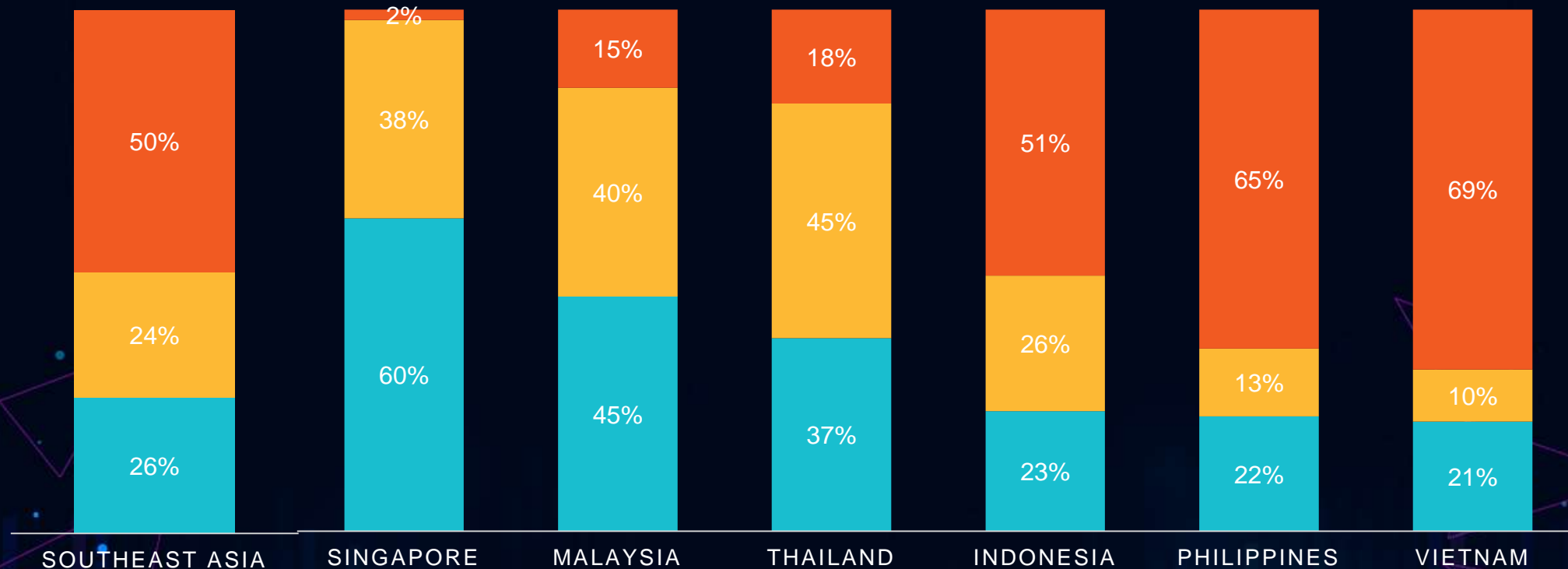
What are the opportunities for financial services in 2021 and beyond?



OPPORTUNITIES IN THE NEW WORLD FOR FINANCIAL SERVICES

Meeting the needs of the unbanked and underbanked consumers in Southeast Asia

■ Banked ■ Underbanked ■ Unbanked



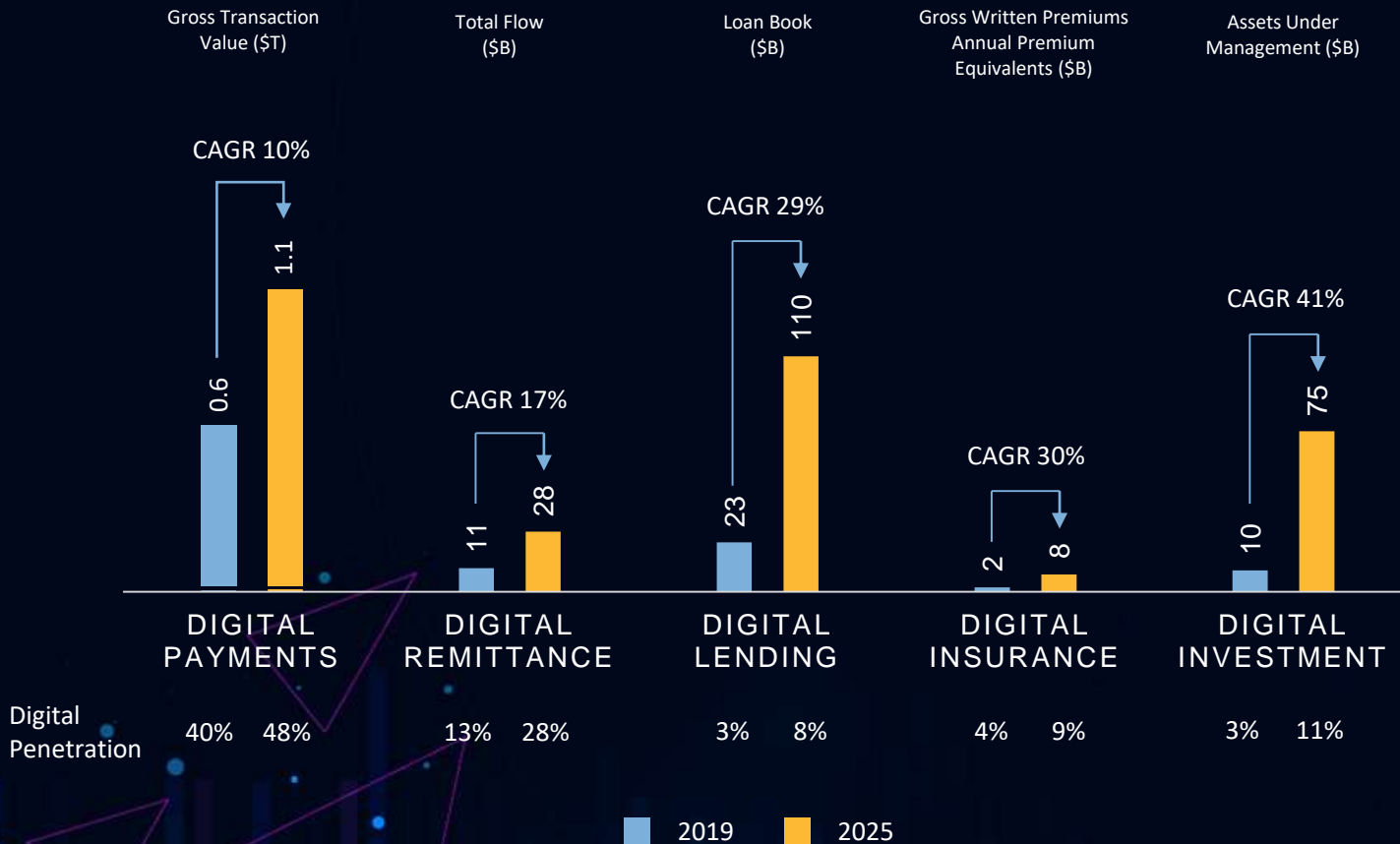


THE FUTURE OF FINANCIAL SERVICES

Digital payments, lending, insurance, and investment are growing more than 20% a year

Foundations of today will deliver financial inclusiveness of the future.

- Payments are the entrance point to collect data points on consumers.
- Informing the financial services of the future on consumer's risk assessment.
- Leveraging on predictive modelling and dynamic scoring to determine financial worthiness on an individual level.



Source: Bain 2020



About ADA

ADA is a data and artificial intelligence company that designs and executes integrated digital, analytics and marketing solutions.

Operating across 9 markets in South and Southeast Asia, ADA partners with leading brands to drive their digital & data maturity and achieve their business goals.



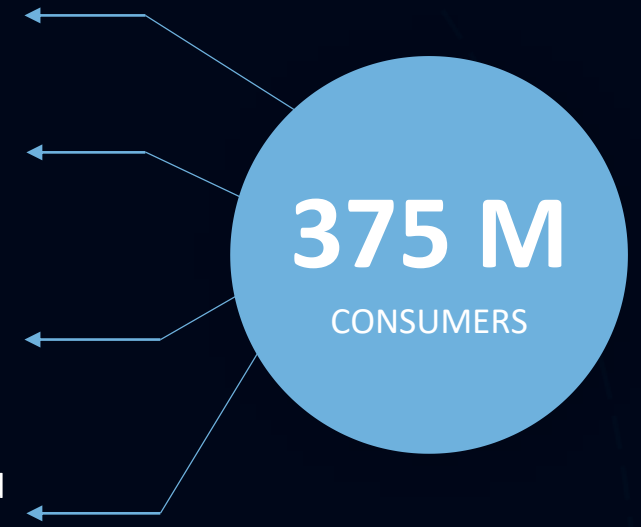
About Our Data

Their Digital behaviour culled from **400,000 apps**

Their Offline behaviour gathered from **1 million point of interests**

Their Content Consumption Patterns derived from **800 million videos views**

Their Social media use analysed from **150 million sources**



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