

The Drivers of eCommerce in Asia Pacific

While many factors have contributed to the growth of eCommerce in Asia Pacific, here are four key drivers that have expedited the region's eCommerce boom.

RISE OF THE MIDDLE CLASS

- Emerging middle class markets: China, India, Indonesia, Malaysia, Thailand and Vietnam
- Asia will make up 64% of global middle class, contributing to 40% of its consumption by 2030
- Together, China and India make up 37% of global population and 10% of global GDP
- Urbanisation patterns will strongly influence local consumer preferences.



MOBILE & INTERNET PENETRATION

- APAC is adopting mobile commerce faster than any other region
- Singapore has highest smartphone ownership in APAC
- China has highest mobile shopping penetration rate: more than 50% of online population have tried M-commerce
- Key upcoming M-commerce markets: India, Indonesia, Japan, Malaysia, South Korea, Thailand and Vietnam.



INCREASING LOGISTICS OPTIONS FOR ECOMMERCE PLAYERS

- A strong and reliable logistics infrastructure will be critical for APAC's rapid eCommerce growth
- Investments in logistics will increase as eCommerce players expand their geographic reach
- Logistics companies must stay agile yet reliable to deal with ever-increasing order volumes.



GROWTH IN SUPPLY OF NEW ECOMMERCE PLAYERS

- Blogshops, monobrand sites and marketplaces will propel growth by offering customers more options
- Omigo: Singapore Post-owned retail site carries over 10,000 products
- Rakuten: Launched in early 2014 in Singapore, aiming to become No. 1 eCommerce site within five years
- Taobao: Almost 300,000 users in Singapore and more than 200,000 in Malaysia within first year of launch.

