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Citi Indonesia

August 23, 2023

Citi Global Perspectives & Solutions Released

'Asia As a Time Machine to The Future' Study

Asia has seven key growing areas and acts as a time machine that can transport other regions into a new world of commerce, entertainment, and healthcare.

Jakarta, August 23, 2023 – Citi through Citi Global Perspectives & Solutions (Citi GPS) released its latest report titled Asia As a Time Machine to The Future. The report estimates that Asia adopts new technologies 8-12 years ahead of the West, making it much like a time machine to the future. Citi GPS explores how Asia acts as a time machine that can transport other regions into a new world of commerce, entertainment, and healthcare.

The report looks specifically at seven areas — super apps, mobile payment, social commerce, short-form videos, eSports, webtoons, and digital health — that are currently essential elements in the Asia marketplace.

While its infrastructure has historically been underdeveloped relative to the West's, Asia's high internet connectivity, young and increasingly affluent and urban demographics, and entrepreneurial spirit have driven the region to adopt many technologies at a faster pace. In doing so, Asia provides a glimpse of what the future could look like in more developed, Western economies.

The key drivers behind Asia's faster adoption of technology include underdeveloped infrastructure, especially in retail, banking, and healthcare, as well as high internet penetration, young digital natives, urbanization, a rising middle class, and an entrepreneurial spirit.

Batara Sianturi, CEO of Citi Indonesia said, "Early adoption of mobile technologies has enabled Asia to explore and develop new forms of digital commerce. In Indonesia, revenue of Indonesia's top super app was [equivalent to of the country's 2% GDP in 2020](#), whereas revenues at Meta and Twitter were equivalent to 0.5% and 0.02%, respectively, of U.S. GDP in 2021. This speaks to the economic opportunity our country represents for the growing digital economy."

According to the report, super apps have developed in Asia at a scale unseen in other regions. The top five super apps in Asia have more than 2.8 billion aggregate active users.

"We hope the report provides fresh insights on current differences in technological adoption between Asia and the West as well as a potential path for how these same technologies will shape markets in the West in the future," Batara added.



Some key areas where Asia currently holds an advantage over the West include super apps — mobile apps that integrate multiple functions under a single umbrella — are unique to Asia, yet they are ubiquitous across the region. Driven by younger demographics and high digital adoption, Asian users are immersed in super apps and enjoy the convenience, ease of use, and multitude of services they provide.

Asia also leads the rest of the world in adopting mobile payments both online and offline. According to FIS, in 2021, digital/mobile wallets accounted for nearly 70% of the e-commerce transaction value in Asia, more than double that of North America or Europe. Likewise, for purchases at physical points-of-sale, nearly half, or 44%, of transactions in Asia were done via digital/mobile wallets, a share 4-5x larger than in the West.

Social commerce is a subset of e-commerce that offers consumers an integrated platform with social features, providing more immersive and interactive shopping experience. Asia was the first region to introduce several social commerce formats, such as livestreaming e-commerce. According to Insider Intelligence, the U.S. is expected to reach China's 2018 level of social commerce penetration in 2026, indicating that China is roughly eight years ahead in social commerce.

Short-form videos have revolutionized the way people consume and creators develop video content. The commercialization of short-term videos took off in China, most notably through TikTok. Taking note of this video format's success, Western tech giants have been racing to create their own products with similar features, as the competition for users and advertising budgets intensifies.

Webtoons — digital comics optimized for viewing on mobile devices — originated in Asia, where the industry continues to dominate, and are now making inroads into Western markets.

In Asia, digital healthcare is significant in terms of both scale and penetration. Digital healthcare is reported to have touched the lives of around 1.5 billion people in Asia (in terms of registered users across emerging healthcare platforms), and its user base is continuing to grow. Furthermore, studies suggest the adoption rate of digital healthcare in developing Asia is 2.5 times the rate in the U.S.

As Asia continues to lead the world in technology adoption, it is apparent that the trends and technologies seen across the region today can serve as a time machine to the future of what to expect in Western markets in years to come. The full report can be accessed on Citi's website [here](#).

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About Citi Global Perspectives and Solutions

As our premier thought-leadership product, Citi Global Perspectives & Solutions (Citi GPS) is designed to help our clients navigate the global economy's most demanding challenges, identify future themes and trends, and help our clients profit in a fast-changing and interconnected world. Citi GPS accesses the best elements of our global conversation and harvests the thought leadership of our research analysts and a wide range of senior professionals across our firm.

About Citibank N.A., Indonesia

Citibank, N.A., Indonesia (Citi Indonesia) is a full branch of Citibank, N.A., a wholly owned subsidiary of Citigroup, Inc., which is based in New York, United States of America. Citi is a preeminent banking partner for institutions with cross-border needs, a global leader in wealth management and a valued personal bank in its home market of the United States. Citi does business in nearly 160 countries and jurisdictions, providing corporations, governments, investors, institutions and individuals with a broad range of financial products and services.

In Indonesia, Citi was established since 1968 and is one of the country's largest foreign banks. Citi operates 9 branches in four major cities – Jakarta, Bandung, Surabaya, and Medan. In Indonesia, Citi has a corporate distribution network of around 776 locations in 38 provinces. Citibank N.A., Indonesia is connected to the ATM Bersama and ATM Prima network with more than 197,000 ATM terminals spread across various locations throughout Indonesia.

In 2023, Citi Indonesia received prestigious awards as Best Bank for Sustainable Finance, Best Bond Adviser, Best Social Loan and Digital Bank of The Year from The Asset Magazine. Citi Indonesia was also named the Best Credit Card, Best Debit Card, Best Wealth Management, 2nd Best Saving Account for Foreign Bank categories and The Trailblazers Bank of Service Excellence by Infobank magazine, as well as Best Foreign Bank by Bisnis Indonesia.

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