

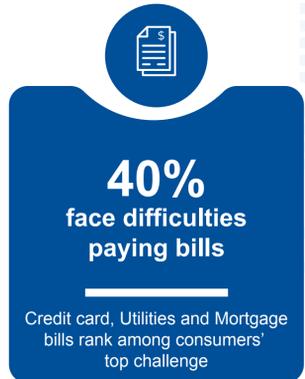
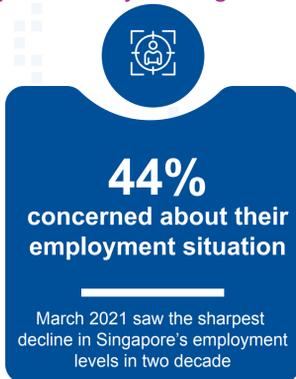
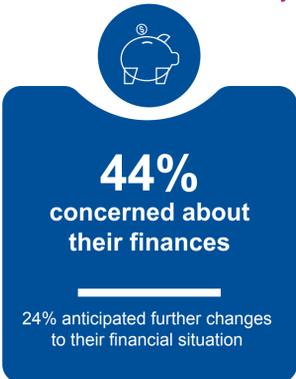
HOW SINGAPORE'S BUSINESSES ARE MANAGING A COVID-19 DRIVEN DIGITAL BUSINESS TRANSITION

COVID-19 has spurred a shift towards online business in Singapore, giving rise to a growing need for complementary technologies such as Data Analytics, Artificial Intelligence, and Machine Learning. These allow businesses to better serve digital-first audiences, and to mitigate potential credit risks as the pandemic exacerbates financial challenges among consumers.

These findings are derived from Experian's Global Insights Report, which included responses from 300 consumers and 90 businesses from Singapore. The study was conducted in phases, starting June 2020 near the onset of the pandemic, to January 2021. Insights presented below showcases the latest data from January 2021, demonstrating the impact of COVID-19 on businesses and consumers and how these groups are adapting to these changes.

FINANCIAL CONCERNS PERSIST AMONG CONSUMERS

The pandemic has increased economic uncertainties that have impacted financial stability and job security among consumers.



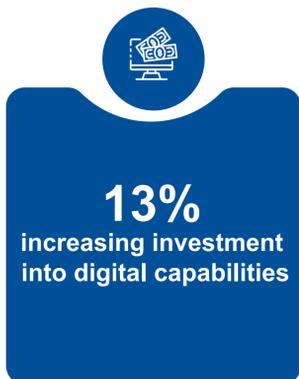
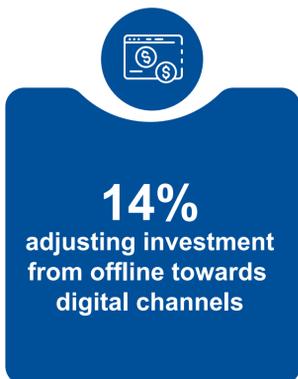
Besides the impact on individual well-being, financial challenges also increase credit risk for businesses when customers are unable to pay for goods and services. The rise of digital business provides businesses with an opportunity to utilise customer data for better decisioning.

RISE OF A DIGITAL-FIRST ECONOMY

Consumers have moved business activities online during the Circuit Breaker. This digital shift has persisted even as pandemic restrictions ease, and is likely to be a part of the new economic reality.

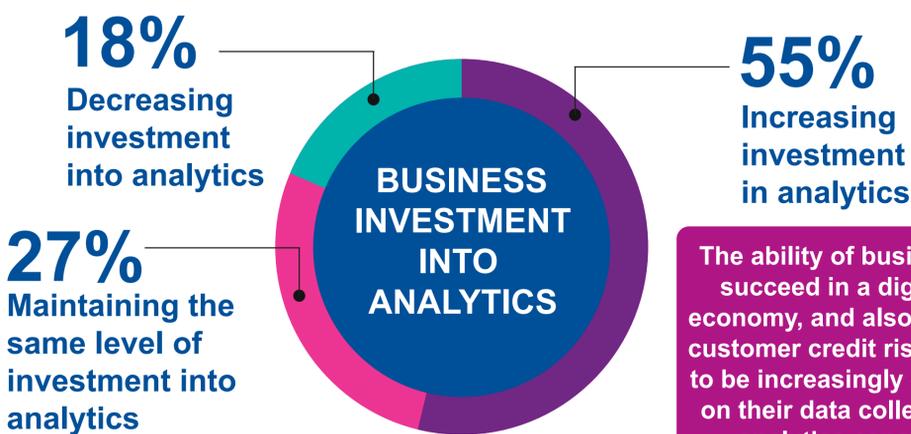


Many Singapore businesses experienced delays in their digital transformation plans due to COVID-19. Nonetheless, businesses are prioritising investment into digital capabilities, boosting their ability to serve a digital-first audience and enabling them to recapture market share lost during the Circuit Breaker.



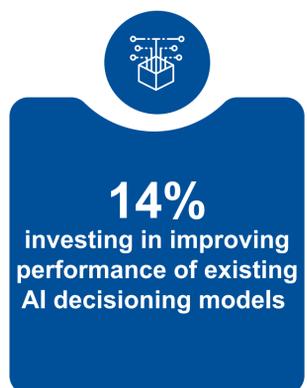
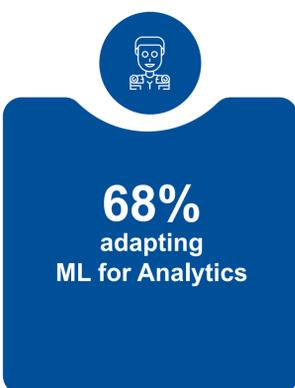
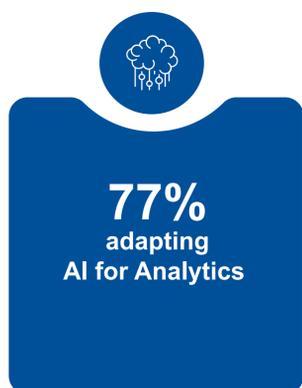
GROWTH OF DATA ANALYTICS FOR DECISIONING AND CREDIT RISK MANAGEMENT

Businesses are leveraging Data Analytics, recognising it as a useful tool for customer decisioning in a digital economy, as well as to identify and manage consumer credit risk.



The ability of businesses to succeed in a digital-first economy, and also to mitigate customer credit risks, is likely to be increasingly dependent on their data collection and analytics capabilities.

Businesses are also incorporating Artificial Intelligence (AI) and Machine Learning (ML) into their analytics models to more efficiently derive accurate insights from expanding volumes of data arising from a digital economy.



An increasing number of digital transactions would also elevate the complexity of data to be assessed. AI and ML have emerged as effective solutions that enable businesses to drive better decisioning.



Concerns around data collection and use will inevitably surface in line with the momentum towards digital business. To maintain access to consumer data, businesses will need to engender trust with customers by prioritising accountability and transparency on data related matters.

ABOUT THE STUDY

The Experian Global Insights Report is a global survey that involves responses from 3,000 consumers and 900 businesses from Singapore, India, Japan, Australia, the United States, Brazil, United Kingdom, Germany, France, and Spain. Industries surveyed include retail banks, e-commerce, telecommunications, and consumer technology.