



Forrester's 2015 Predictions: Mobile Customer Experience Will Fuel Digital Transformation In Asia Pacific

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Digital transformation will drive technology spending growth of 4.9 percent

BEIJING--(BUSINESS WIRE)--Nov. 11, 2014-- [Forrester Research, Inc.](http://www.forrester.com) (Nasdaq: FORR) unveils top ten technology predictions for Asia Pacific in 2015, with expectations that mobile-powered customer experiences will fuel digital transformation in the region.

"In a world of ever-increasing digital demands and shrinking budgets, CIOs need to be smarter with where they place their bets" writes Dane Anderson, Vice President, Research Director, Region Manager for Asia Pacific, Forrester Research. "Successful CIOs in 2015 will improve collaboration with business leaders to craft superior customer experiences."

For 2015, Forrester's top ten predictions and their implications are:

1. Digital transformation will drive technology spending growth of 4.9 percent

79 percent of organizations consider improving the experience of technology-empowered customers as a high or critical priority for their business in 2015. While 57 percent of businesses across the region see the rising expectations of customers as the number one reason to spend more money on ICT purchases in 2015.

2. The majority of companies in Asia Pacific will be unprepared for Digital Disruption

Although powerhouses in China like Alibaba and Haier Group are leading the regional charge to digital business success, few local and regional companies understand what it takes to build a digital business yet. Regional organizational inertia will be the biggest hurdle to digital transformation in 2015 and Forrester expects Asia Pacific organizations to be complacent to the growing wave of global digital business houses crashing in their backyards.

3. China will be the epicenter of Digital innovation

Fueled by its massive digital population, a lack of legacy approaches and well-funded digital behemoths, China is set to become the world's largest eCommerce market by 2015, with market gains of \$315.3 billion in online sales (B2C and C2C).¹ China's social media arena is also developing at lightning speed with 95 percent of metropolitan Chinese online adults using social media today.²

4. 'Digital India' will encounter stubborn roadblocks

The Indian government's \$17 billion ambitious Digital India program has the potential to be a game changer for the country. While we applaud the Indian government's program to transform India to a digitally empowered knowledge economy, Forrester predicts that the program will face key ground-level challenges in terms of infrastructure operations and standards as well as the lack of technology management involvement.

5. Mobile business will lag accelerated smartphone adoption

By the end of 2015, Forrester expects 36 percent of adults in Asia to own a smartphone – ownership ranges from a high of 86 percent in Singapore to 44 percent in China and a low of 23 percent in India. However, few companies will be ready to serve these technology-empowered customers on their smartphones in their moments of need. Mobile will remain small in terms of spend – particularly advertising spend.

6. Organizations will move beyond rudimentary enterprise mobility

In 2015, Forrester expects to see a significant number of small, medium and large businesses across Asia Pacific begin to embrace hybrid tablet/laptop devices as a start of their enterprise mobility journey. A growing proportion of forward-thinking businesses in Asia Pacific will begin to examine their employee's mobile moments and those who succeed will think customer mobility, not enterprise mobility.

7. Customer Experience – Bridge for CIO-CMO collaboration

In 2015, regional CMOs will become increasingly aware of their technology limitations and the drag that the lack of proper planning on integration, application management, security and compliance will place on their marketing agility. At the same time, CIOs will shift focus from back-end IT systems to customer-facing business technology. The meeting point between these two forces will be customer experience initiatives.

8. Asia will turn to Mobile Messaging Apps for Customer Engagement

With more than one billion users combined on WeChat, Line, KakaoTalk, Viber and WhatsApp, Forrester expects regional organizations to increasingly turn to mobile messaging apps for customer engagement. Forrester expects mobile messaging to begin siphoning ad spend away from Facebook, especially for price-sensitive businesses in Asia Pacific that increasingly question the platform's effectiveness.

9. Apple Pay will dislodge Mobile Payments gridlock

In 2014, our prediction was that the mobile payments landscape in Asia Pacific will remain riddled by fragmentation. This is expected to change in

2015 as Apple Pay's technology will accelerate payments and enable new customer experiences. In particular, China and Australia will run ahead with Apple Pay on mobile.

10. Customer insights and big data analytics will sprawl

2015 will be the year of increased fragmentation for big data as reliance on analytics spreads within and across organizations. Spending on analytics will increase by at least 10% across the region but a shrinking proportion of this will be visible to the IT budget. Marketing teams will take the lead to seek data-fueled improvements in customer engagement.

For more insights on the Forrester Research's Asia Pacific Technology Predictions 2015 report, join **Forrester's complimentary webinar on Wednesday, 26 November, 2014, 11:00AM SGT**. Register at <https://solutions.forrester.com/2015-apac-predictions>

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¹ For more on the growth of the online retail market, see the May 7, 2012, "[Forrester Research Online Retail Forecast, 2011 To 2016 \(Asia Pacific\)](#)" report.

² See the March 18, 2013, "[Winning Social Media Marketing In China](#)" report.

Source: Forrester Research, Inc.

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