

Annex E Fact Sheet

INNOVATIVE INITIATIVES IN RETAIL

BACKGROUND

Retail is an important industry in Singapore, made up of about 22,000 establishments contributing almost 1.4% to Singapore's GDP¹ and employs approximately 3% of the total workforce in Singapore. Launched in 2016, the Retail Industry Transformation Map (ITM) envisions a vibrant retail industry in Singapore. This comprises a mix of highly productive omni-channel retailers and local brand owners with global footprints, supported by a professional and skilled workforce. The ITM contains key strategies to support sector transformation, including a focus on innovation and the adoption of new technologies to drive productivity, as well as staying agile and responsive to trends in jobs and skills.

In line with the Retail Industry Transformation Map (ITM), new Innovative Initiatives will be developed to accelerate the pace of transformation in the retail industry. For example, IMDA will pull together various stakeholders such as wholesalers and ecommerce marketplaces to enable more retailers to sell not only from their physical shops but to also be competitive online and fulfil deliveries efficiently.

INNOVATIVE INITIATIVES IN RETAIL

The new Innovative Initiatives will focus on creating better customer experiences in both online and offline retailing. IMDA, in partnership with SPRING, will work together on new initiatives that will accelerate the pace of transformation in the Retail industry.

Physical Retailers to Participate in Omni-Channel Retail and Integrated Digital Ecosystems

¹ Source: 2015 industry figures from DOS.

In line with the Retail ITM, IMDA and SPRING will work closely with retailers and other industry stakeholders such as wholesalers, logistics companies and e-commerce marketplaces, to create solutions that can enable more traditional retailers to go omni-channel. By equipping retailers with the capabilities to transact online and fulfil deliveries efficiently, they can complement their physical shops with online channels to stay competitive.

Features of such solutions will include:

- 1) Enabling retailers to become more visible to consumers that are within their vicinity, thereby increasing the probability of making a sale through superior delivery lead-times and customer familiarity
- 2) Allowing retailers to manage inventory, receive orders and publish products onto e-commerce platforms
- 3) Exposing retailers to new business models by integrating digital platforms. For example, by integrating e-commerce and federated locker platforms, retailers will have the option to house these lockers at their shops to increase customer footfall.

From a consumer's perspective, they will enjoy greater convenience with a wide selection of products to choose from when shopping online from retail shops that are nearby. Consumers will also be able to enjoy faster delivery lead-times and purchase from shops that they are familiar with within a precinct.

Omni-channel - The 99%SME Collaboration:

The 99%SME campaign was jointly launched by DBS and Singtel to help SMEs venture into e-commerce through the 99%SME e-marketplace.

An MOI has been signed between IMDA, DBS and Singtel to collaborate and strengthen 99%SME as an e-commerce marketplace to help more physical retailers to go onto omni-channel retailing.

The objectives of the MOI are as follows:

- Help more physical retailers go into omni-channel.

- Enable physical retailers to sell products on e-commerce marketplaces and be provided with tools to transact, accept payments and fulfil orders.
- Develop applications to on-board physical retailers onto the e-commerce marketplace, complementing their physical shops to create a seamless omni-channel experience for their customers.
- Drive efforts to develop the 99%SME campaign into a self-sustaining business entity that can commercialise and market its solutions and services to regional countries.

Driving Better Customer Experiences at Shops, Malls and Neighbourhoods

To enable richer, immersive customer experiences, IMDA and SPRING will focus on the use of digital technologies such as sensors, robotics, augmented/virtual reality and artificial intelligence for greater personalisation for consumers. For example, if customers are unsure of what to purchase, a kiosk or device could suggest what to buy based on a list of questions.

This will be done for shops, malls as well as neighbourhoods

Neighbourhood Experiences - The Kampong Glam Collaboration:

Kampong Glam, a traditional neighbourhood that is both rich in culture and heritage, will embark on a journey to transform the precinct and its merchants. IMDA and SPRING will work together with the Singapore Malay Chamber of Commerce and Industry (SMCCI) and One Kampong Gelam to co-develop a digital roadmap that will 1) enhance the digital capabilities of merchants in the neighborhood, and 2) transform the visitors' experience in Kampong Glam, catering to both locals and overseas visitors.

This roadmap is expected to be completed in the next 3 months.

An MOI has been signed between IMDA, SPRING, SMCCI and One Kampong Gelam to collaborate to develop a digital vision and roadmap for the neighbourhood.

The objectives of the MOI is as follows:



- Enhance existing IT infrastructure at Kampong Glam to support upcoming technological implementations.
- Empower retailers in Kampong Glam to go omni-channel, equipping them with technological capabilities to uncover new opportunities and revenue streams.
- Deploy precinct-level technology solutions to transform the visitors' experience in Kampong Glam, catering to both locals and overseas visitors.

Resources:

Appendix E-1: Quotes from Industry

About Infocomm Media Development Authority (IMDA)

The Infocomm Media Development Authority (IMDA) leads Singapore's digital transformation with infocomm media. To do this, IMDA will develop a dynamic digital economy and a cohesive digital society, driven by an exceptional infocomm media (ICM) ecosystem – by developing talent, strengthening business capabilities, and enhancing Singapore's ICM infrastructure. IMDA also regulates the telecommunications and media sectors to safeguard consumer interests while fostering a pro-business environment, and enhances Singapore's data protection regime through the Personal Data Protection Commission.

For more news and information, visit www.imda.gov.sg or follow IMDA on Facebook [IMDAsg](#) and Twitter [@IMDAsg](#).

For media clarifications, please contact:

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Quotes from Industry Partners

“As part of the Retail Industry Transformation Map (ITM), SPRING is pleased to work with IMDA and trade associations to help retailers go digital and capitalise on new growth opportunities. We encourage retailers to reinvent themselves through the Retail IDP, from assessing their knowledge gaps to adopting technology solutions.”

*Mrs Kee Ai Nah
Group Director for Industry & Enterprise Group
SPRING Singapore*

“In light of the evolving retail landscape, it is essential for our heartland merchants and traditional retailers to stay competitive using digital solutions. With an open mindset towards technology adoption, retailers can look forward to improving productivity and compete in this new business environment.”

*Yeo Hiang Meng
President
The Federation of Merchants' Associations, Singapore*

“Both young entrepreneurs and seasoned retailers can leverage on digitalisation to effectively promote their businesses, remain competitive and enhance their business operations. Digitalisation will help businesses save cost and lessen the impact of manpower shortages. It will also improve connectivity and allow for business owners to monitor operations remotely.”

*Mr Saeid Labbafi
Chairman
One Kampung Gelam*

“Digitalisation is a key tool that can enable the revitalization of the Kampong Glam precinct. A digital platform for Kampong Glam can help retailers attract more customers through online advertising and discounts; it can also enhance the user experience by actively engaging customers on events, services and points of interest nearby.”

*Mr Shamir Rahim
President
Singapore Malay Chamber of Commerce and Industry*

“As one of Singapore’s largest and most successful rewards programme, Plus! Is already delivering value and savings to over 2 million members. We are committed to empower and connect businesses to consumers so they can find, discover, buy products and services in the digitally connected world.”

*Sandeep Bhalla,
CEO
NTUC Link*

“SMEs are the backbone of Singapore’s economy and have grown with the development of our nation. With digitalisation, changing supply chain management trends and consumer behavior, thriving in today’s fast-paced economy is a challenge for SMEs in the retail and logistics industry. However, SMEs are agile and adaptable, and by providing them with the right tools and information, they will be better equipped to manage their business and make more informed decisions.”

*Joyce Tee,
Group head of SME Banking,
DBS*