

# Group Digital Life

Increasing digitisation, the behavioural changes and technology driving it, continues to weigh on businesses looking to find their feet in the new normal. Leveraging our growing digital capabilities, we help marketers better engage their audiences online, and companies marshal huge volumes of data to distil insights that sharpen their business. As digital rewards first movers and superfast followers, we continue to scout the world for the most innovative start-ups and technologies to invest in. It's all part of our plan to build on our digital strategy by staying at the leading edge of the digital revolution.



# Group Digital Life

The digital revolution has dramatically changed the way we communicate and consume media, with everything we do now revolving around our mobile devices. This presents a huge opportunity for us to harness our core telecommunications assets and nurture our existing portfolio of digital businesses in digital marketing, advanced data analytics and over-the-top video to win in the digital economy. Our corporate venture arm Singtel Innov8 continues to invest in innovative start-ups that help drive our digital transformation.

## AMOBEE EXPANDS ASIAN FOOTPRINT

As traditional advertising increasingly shifts to online channels and devices, global digital ad spend is expected to almost double to US\$427 billion by 2022 from about US\$232 billion in 2017, according to research firm eMarketer. This growth will be driven primarily by demand from digital advertisers in Asia Pacific. To capture such opportunities, Amobee is expanding its footprint across the region.

In the past year, Amobee has made significant progress, delivering robust revenue growth and positive EBITDA for the full year for the

first time since Singtel acquired it. Leveraging synergies from the acquisition of the Turn platform, it offers customers new programmatic solutions to improve the effectiveness of their campaigns. Amobee won more accolades, including the Gold Stevie Award for the Marketing Campaign of the Year for the Travel/Tourism/Destination industry at the 2017 American Business Awards for its work on Airbnb's "Live There" global digital campaign.

## HOOQ AND DATASPARK GAIN TRACTION

Our video streaming service HOOQ and advanced analytics arm DataSpark are both gaining traction.

HOOQ now offers access to more than 35,000 hours of affordable Hollywood and local content to our customers across Indonesia, India, the Philippines, Thailand and Singapore. It continues to innovate its business and will launch its free-to-air live TV streaming service this year to bring users onto the HOOQ platform and complement its premium offerings.

HOOQ will also continue to focus on producing and licensing local original content across Southeast Asia to pull local audiences. It currently has about 20 projects in the pipeline. Among HOOQ's recent local productions were





Indonesian filmmaker Mouly Surya’s “Marlina The Murderer In Four Acts” and romantic comedy “Kita Kita,” the highest-grossing Philippine independent film for 2017. HOOQ has won exclusive broadcast rights to air two original TV series “The Oath” and “Carter” which were produced by Sony Pictures.

DataSpark has been scaling its business across the region, offering a suite of data analytics solutions to industries ranging from telecommunications, transportation, retail and marketing to urban planning. DataSpark’s mobility intelligence platform which analyses people’s data consumption patterns and movement around high traffic areas is helping mobile operators in Singapore, Australia, Thailand, the Philippines and Indonesia optimise their network investments by allowing carriers to deploy cellular capacity where the bandwidth is most needed.

In Australia, DataSpark recently conducted a mobility study on popular suburbs frequented by tourists, enabling advertisers to create campaigns targeted at the travel market.

#### INNOV8 DRIVES TECH INNOVATION

Our success hinges on continued innovation. To stay ahead of the curve, Innov8 has been investing in pioneering technologies. Since 2010, Innov8 has invested in over 70 companies globally across industries such as cyber security, digital marketing and data analytics. This year, Innov8 made a series of investments including the acquisition of stakes in Myriota, a maker of nanosatellites that are used for IoT connectivity; AirSpace Systems Inc, a manufacturer of drone defence systems; Qubole, which provides software that automates data analytics; and Attivo, a cyber security company

that uses deception technology to protect IT networks.

In March, Innov8 and NUS' entrepreneurial arm launched the Innovation Cyber Security Ecosystem at Block 71 (ICE71), Singapore’s first integrated regional cyber security hub that aims to accelerate and support early stage and growing start-ups, entrepreneurs and academics from around the world.

ICE71 is the latest collaboration between Singtel Innov8 and NUS since establishing the BLOCK71 initiative in Singapore in 2011 to provide start-ups access to the resources they need to bring their solutions to market. The partners also set up BLOCK71 in San Francisco three years ago. Last year, Innov8 established its presence in Beijing to tap into potential opportunities in China’s technology industry.

# The CEO Conversation

## Nurturing the green shoots of digital innovation

Six years into its digital transformation journey, Singtel is beginning to see green shoots from its digital investments. Group Digital Life CEO Samba Natarajan discusses the business unit's achievements and next stage of growth.



### What are the key milestones in Singtel's digital transformation journey?

**Samba:** We've had significant achievements in the past six years. Most importantly, we have created a portfolio of digital initiatives that now contributes meaningfully to the Group's revenue.

We are on track to scaling our digital marketing platform Amobee to become one of the world's top leading independent digital marketing players. Fuelled by

growth in digital advertising, Amobee has made significant progress, with revenues exceeding S\$1.1 billion and EBITDA turning positive in the past year as it leveraged synergies following the acquisition of Turn. It also won new clients such as Cisco, Del Monte and Heineken.

Our video streaming service HOOQ and data analytics arm DataSpark are both gaining traction. Mobile carriers around Asia are increasingly using DataSpark's analysis of people's data consumption patterns

and movement around high-traffic areas to plan mobile network investments more effectively. HOOQ has more than tripled its subscriber base across Southeast Asia in the past year and is now ranked number one in terms of app downloads in Indonesia. It has been producing and licensing more original local content across the region to woo regional viewers.

Singtel Innov8, our corporate venture arm, has given us a strong presence in the innovation communities of Silicon Valley and

Israel, with start-ups increasingly coming to us for funding and partnerships. Through the years, Innov8 has invested in over 70 companies globally in various verticals such as cyber security, digital marketing, mobile video and big data which are key pillars of our digital strategy.

### **How did Singtel identify these business opportunities early on?**

**Samba:** We are constantly on the lookout for investments in the digital space, bearing in mind Singtel assets that we can leverage to provide differentiation.

For example, we got into digital marketing after noticing that advertisers have been shifting from traditional print and broadcast media to digital media. We have the right assets to win in digital advertising. Our market reach with over 650 million mobile customers across Asia, Australia and Africa gives us a significant amount of information that advertisers can use for targeted marketing campaigns in a non-invasive way. We also ventured into video on demand content because consumers' changing habits meant that they are increasingly using their mobile devices to access movies, sports and other entertainment content.

### **Amobee is one of the Group's more significant investments, what lies ahead for Amobee?**

**Samba:** Amobee is constantly looking at new ways to empower brands and advertisers to reach consumers. To accelerate growth, Amobee will create a differentiated digital marketing platform by leveraging technology, data and media and will increase the self-service capabilities of the platform.

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**SAMBA NATARAJAN**  
CEO, GROUP DIGITAL LIFE

By combining machine learning and AI technologies to glean unique data through partnerships with telcos and third-party data providers, we are developing insights that can help companies create campaigns for specific demographics such as millennials and their travel destinations at certain periods.

We will continue to innovate and expand Amobee's footprint across Asia Pacific in order to capture the growing digital ad spending in this part of the world. This will also help diversify Amobee's revenue base, which is currently US-centric.

### **What could be the next growth drivers for Group Digital Life?**

**Samba:** I'm very excited about the future. Singtel's aim is to win in the digital revolution. The world of technology and our telecommunications business are rapidly evolving all the time. If you look at some of the new innovations coming up, you see a lot of immersive technology, augmented reality, virtual reality, AI, machine learning, and even further advances in cyber security and digital marketing. There is continuous innovation and disruption going on across industries such as finance, healthcare, transportation,

retail and gaming. And while disruptive, these concurrently present significant opportunities that we can capitalise or leverage.

Through Innov8, we are constantly identifying innovative start-ups to invest in so we can stay ahead of the game. I'm optimistic that we will continue to make new investments in the right areas of innovation. These would give us and our customers a stronger foundation for the future.

### **Given that data is key to Singtel's digitalisation strategy, what steps have you taken to protect customer data in the light of the Facebook/Cambridge Analytica data breach?**

**Samba:** While Singtel does not engage in similar activities, we have always been committed to protecting consumer data by focusing on data anonymity. We also adhere to best practices as well as regulations in all the countries we operate in.