ANNUAL SURVEY ON INFOCOMM INDUSTRY FOR 2012

iDA
SINGAPORE

Infocomm Development Authority of Singapore
10 Pasir Panjang Road
#10-01 Mapletree Business City
Singapore 117438
Republic of Singapore
Tel: (65) 6211-0888
Fax: (65) 6211-2222
Website: www.ida.gov.sg

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INTRODUCTION

The 2012 Annual Survey on Infocomm Industry is the fourteenth in the series conducted since 1999 with the objective of tracking the market performance of the infocomm industry.

This survey is conducted by the Research and Statistics Unit of the Infocomm Development Authority of Singapore under the Statistics Act (Chapter 317) which empowers the Director of the Research and Statistics Unit to collect data on the infocomm activities in Singapore. The Act also guarantees the confidentiality of individual information obtained from the survey.

SURVEY METHODOLOGY

The survey covered a representative sample of infocomm establishments which are grouped into the following five main segments within the infocomm industry cluster:
•   Hardware
•   Software
•   IT Services
•   Telecom Services
•   Content Services

The sample was selected from the Establishment Sampling Frame maintained by the Department of Statistics (DOS).

NOTES ON DATA

Past years' data are included for comparison purposes where available. Due to rounding, the sum of the individual parts may not add up to the total or 100%.

PART II: SURVEY FINDINGS

1.   **EXECUTIVE SUMMARY**

a. Infocomm industry revenue grew by 22.8% from 2011 to 2012 to reach $102.5 billion with Hardware segment continuing to be the largest contributor (66.1%) to the infocomm industry revenue in 2012.

b. Export formed about 76.0% of the infocomm industry in 2012 and grew by 32.6% to reach $77.8 billion in 2012 with positive growth across all infocomm segments, while domestic revenue maintained at around $24.6 billion in 2012.

c. ASEAN was the top export destination for infocomm products and services in 2012, accounting for 29.0% of total exports.
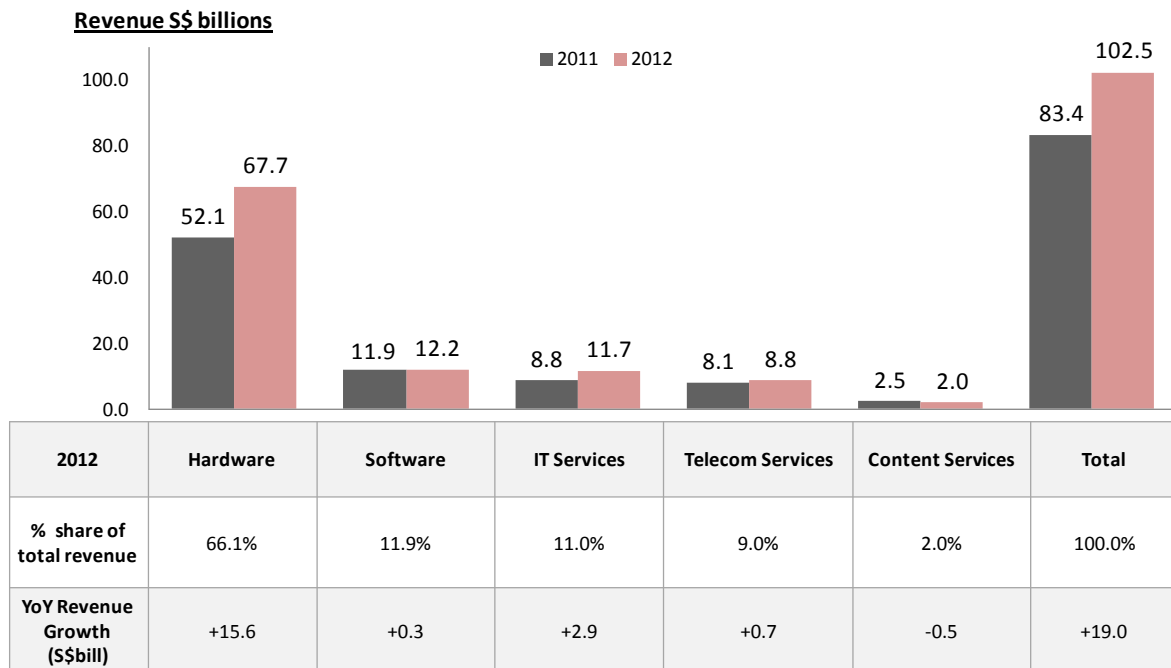
2. PERFORMANCE OF THE INFOCOMM INDUSTRY

2.1. Infocomm Industry Revenue

Infocomm industry revenue grew by 22.8% to reach $102.5 billion in 2012 with Hardware segment continuing to be the largest contributor of infocomm revenue

The infocomm industry grew by $19.0 billion to reach $102.5 billion in 2012. The Hardware segment was the largest contributor to the infocomm industry revenue (Chart 2.1) at 66.1%; it also experienced the largest revenue growth among the infocomm segments in 2012.

Chart 2.1: Industry Revenue, Growth and Market Composition, 2011 – 2012

Revenue S$ billions

2012	Hardware	Software	IT Services	Telecom Services	Content Services	Total
% share of total revenue	66.1%	11.9%	11.0%	9.0%	2.0%	100.0%
YoY Revenue Growth (S$bill)	+15.6	+0.3	+2.9	+0.7	-0.5	+19.0

Industry growth mainly due to exports

The growth of the infocomm industry in 2012 was largely due to exports. Infocomm exports grew 32.6% (y-o-y) to reach $77.8 billion (Chart 2.2). Domestic revenue maintained at around $24.6 billion with a slight decline of 0.4%.

Chart 2.2: Industry Revenue and Growth, 2010 – 2012

S$ billions

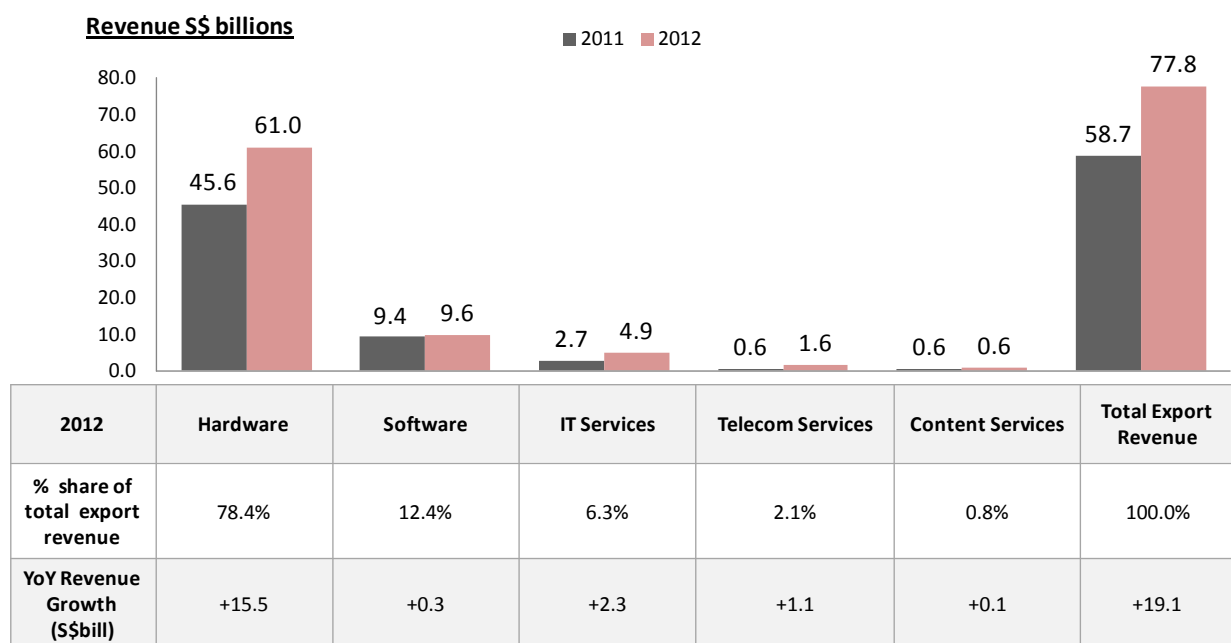| YoY Growth (%)	2010	2011	2012
Domestic Revenue	+6.5%	+4.0%	-0.4%
Export Revenue	+15.3%	+25.9%	+32.6%
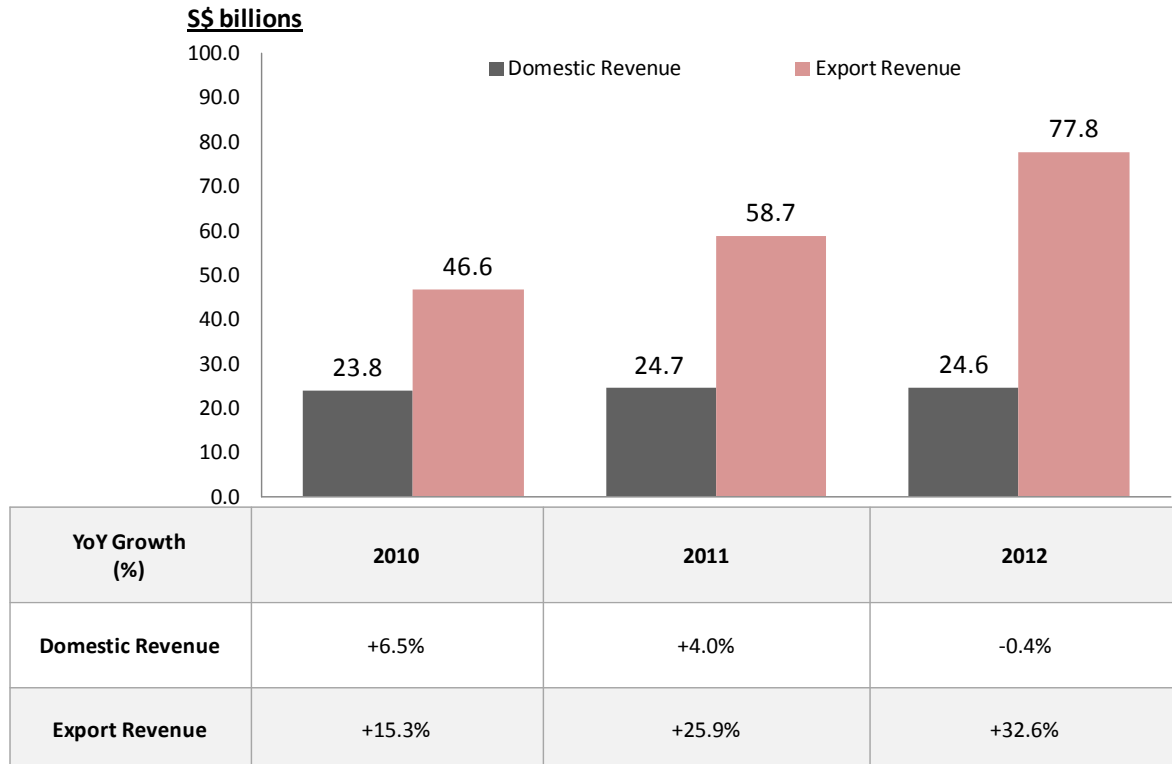
2.2.   Infocomm Export Revenue Growth and Market Composition

Growth in exports largely driven by Hardware segment

There was positive growth in exports across all market segments in 2012. However, growth was largely due to the Hardware segment which grew by $15.5 billion in 2012 (Chart 2.3). Software segment is the second largest contributor to export revenue; it commanded 12.4% of the total export revenue in 2012.

Chart 2.3: Export Revenue, Growth and Market Composition, 2011 – 2012

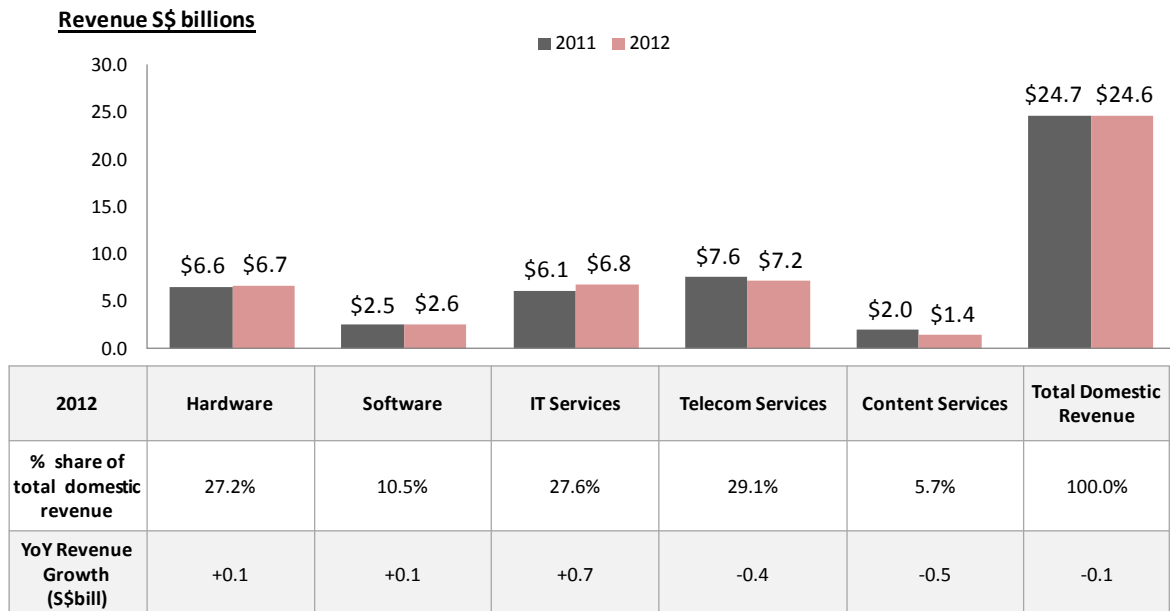| 2012	Hardware	Software	IT Services	Telecom Services	Content Services	Total Export Revenue
% share of total export revenue	78.4%	12.4%	6.3%	2.1%	0.8%	100.0%
YoY Revenue Growth (S$bill)	+15.5	+0.3	+2.3	+1.1	+0.1	+19.1

2.3. Infocomm Domestic Revenue Growth and Market Composition

IT Services drove the growth in domestic revenue in the infocomm sector

IT Services segment had the highest domestic revenue growth at $0.7 billion in 2012. It is the second largest contributor to domestic revenue at 27.6% after Telecom Services (Chart 2.4).

**Chart 2.4: Domestic Revenue, Growth and Market Composition, 2011 – 2012**

Revenue S$ billions

2012	Hardware	Software	IT Services	Telecom Services	Content Services	Total Domestic Revenue
% share of total domestic revenue	27.2%	10.5%	27.6%	29.1%	5.7%	100.0%
YoY Revenue Growth (S$bill)	+0.1	+0.1	+0.7	-0.4	-0.5	-0.1

2.4. Export Destinations

ASEAN was the top export destination for infocomm exports

2.4.1 By Region

In 2012, the top three export destinations by region[1] were ASEAN (29.0%), East Asia (27.4%) and Europe (12.8%) (Chart 2.5).
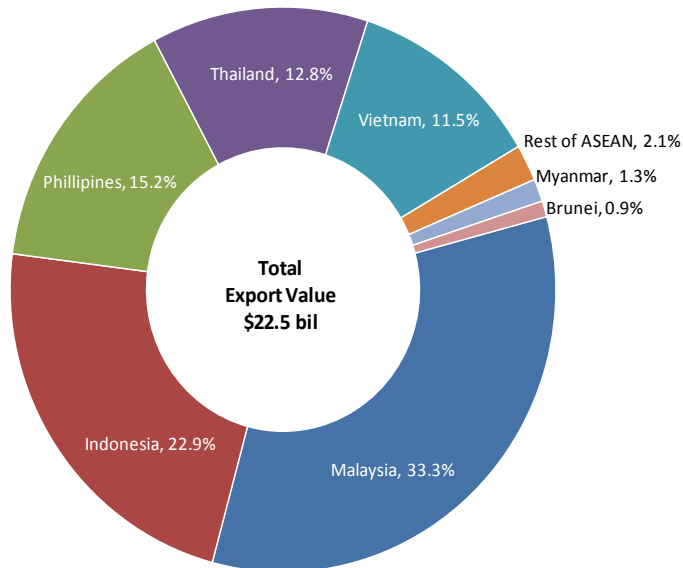
Chart 2.5: Export Destinations, 2012
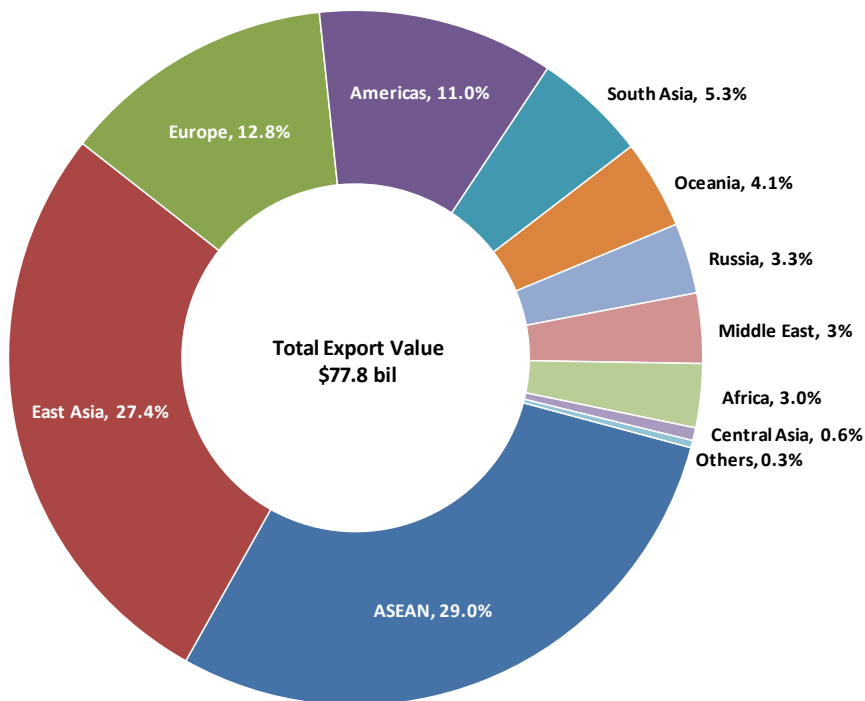
[1]The export regions were grouped in the following manner:
ASEAN: Brunei, Malaysia, Myanmar, Indonesia, Vietnam, Thailand, Philippines and rest of ASEAN;
East Asia: Japan, China, Hong Kong, South Korea, Taiwan and rest of East Asia;
South Asia: India, Pakistan, and rest of South Asia;
Central Asia: Kazakhstan, and rest of Central Asia;
Oceania: Australia, New Zealand, and rest of Oceania;
Middle East: Saudi Arabia, Kuwait, Qatar, UAE, Bahrain, Oman and rest of Middle East;
Americas: US, Canada, Brazil, rest of Latin America (excluding Brazil);
Europe: European Union, and rest of Europe;
Russia: Russia;
Africa: North Africa, South Africa, rest of Africa.

2.4.2 Exports to ASEAN

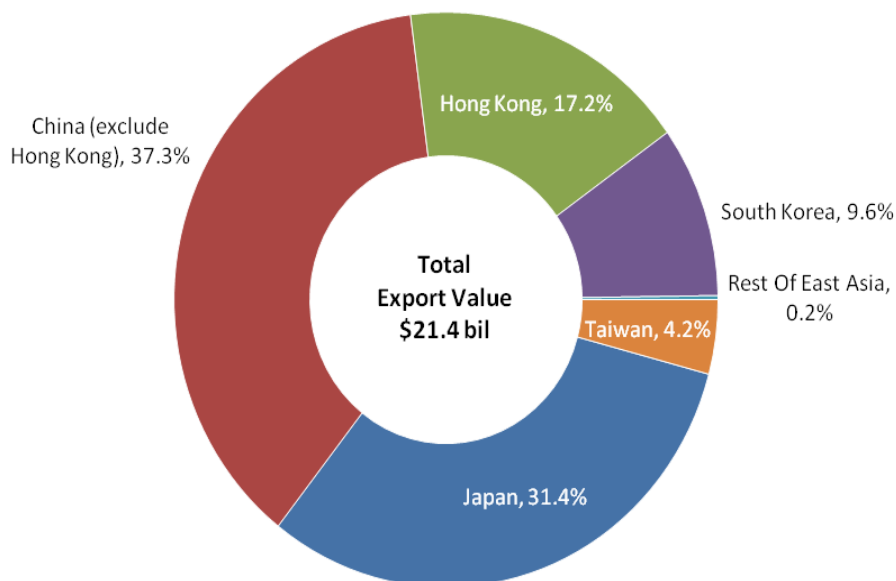Amongst the ASEAN countries, Indonesia and Malaysia accounted for more than half of the export revenue (Chart 2.6).

Chart 2.6: Export Revenue from ASEAN, 2012

2.4.3 Exports to East Asia

China (37.3%), Japan (31.4%) and Hong Kong (17.2%) were the top three destinations for exports to the East Asia region (Chart 2.7).
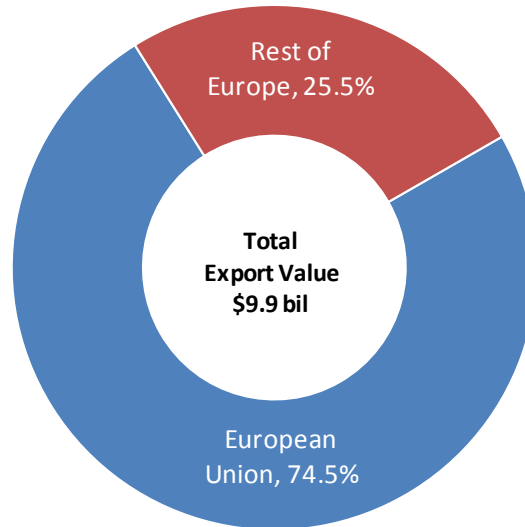
Chart 2.7: Export Revenue from East Asia, 2012

2.4.4 Exports to Europe

European Union was the top export destination in Europe with about 74.5% share of the export revenue (Chart 2.8).

Chart 2.8: Export Revenue from Europe, 2012

Rest of Europe, 25.5%

Total Export Value $9.9 bil

European Union, 74.5%

2.4.5. Exports to Americas

USA was the top export destination in the Americas with about 75.5% share of the export revenue (Chart 2.9).

Chart 2.9: Export Revenue from Americas, 2012

Latin America & Others, 17.5%

Brazil, 4.5%

Total Export Value $8.6 bil

Canada, 2.5%

USA, 75.5%