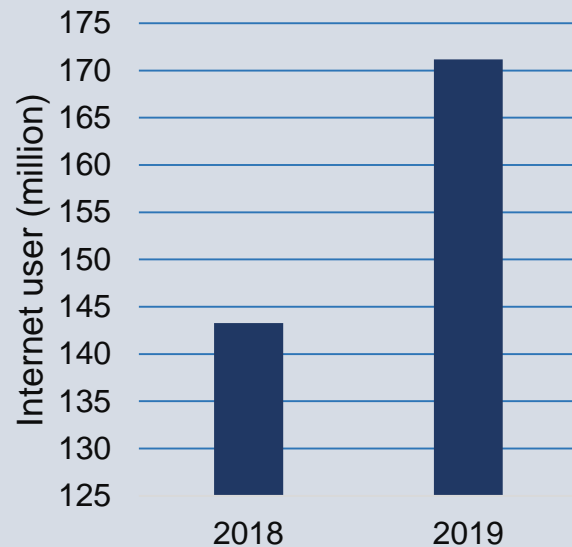


# Topic 1: Competition in Home Internet Provider

## KEY FINDINGS

1

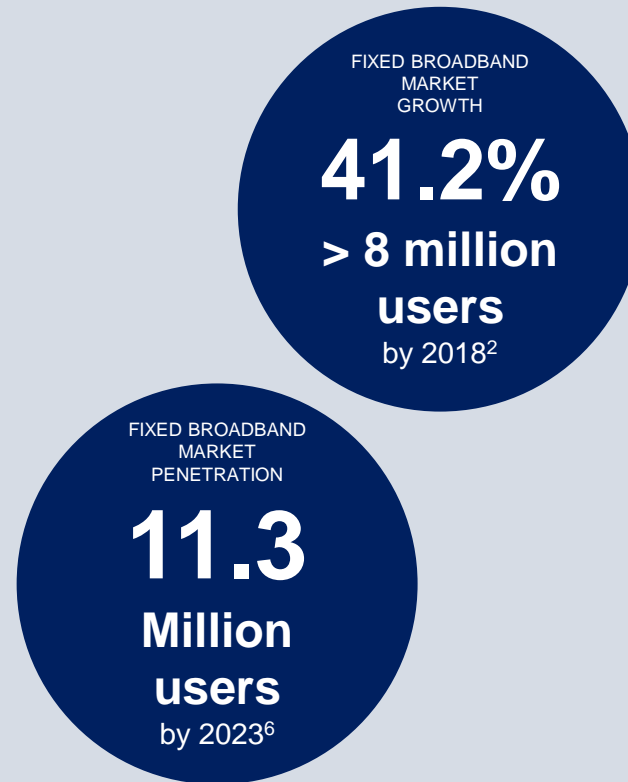
### Very Potential Market



By June 2019 Indonesia become the fourth countries with the highest number of internet users after China, India, and US<sup>3</sup>.

2

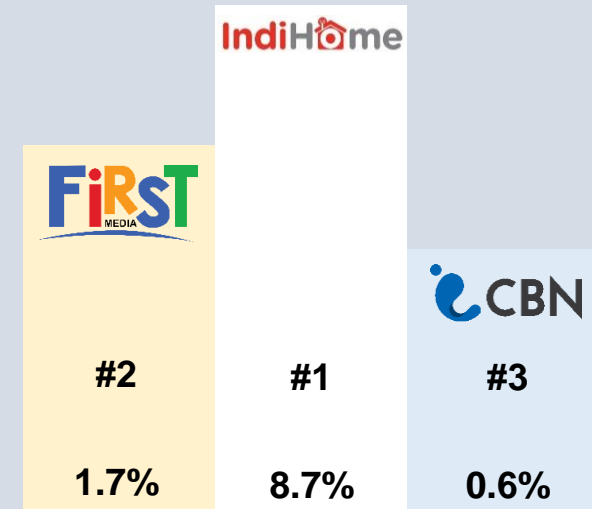
### Massive User Growth



3

### The Big 3 of HIP

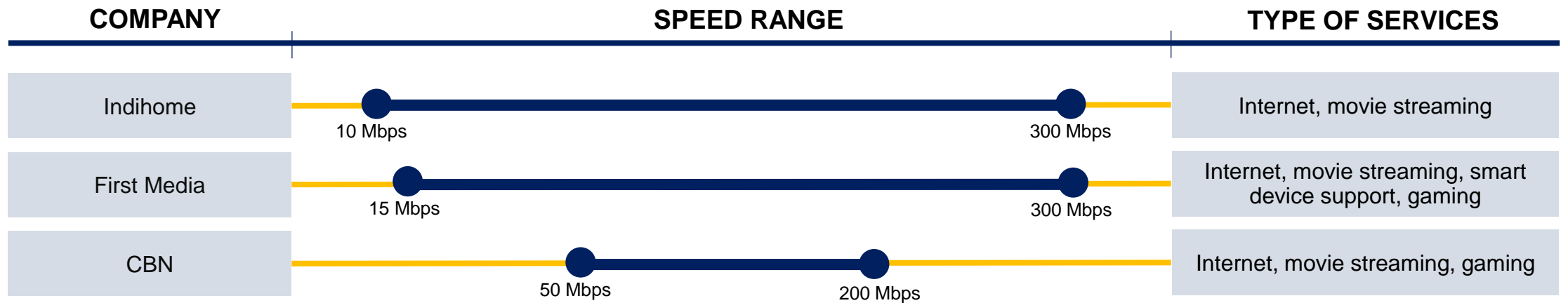
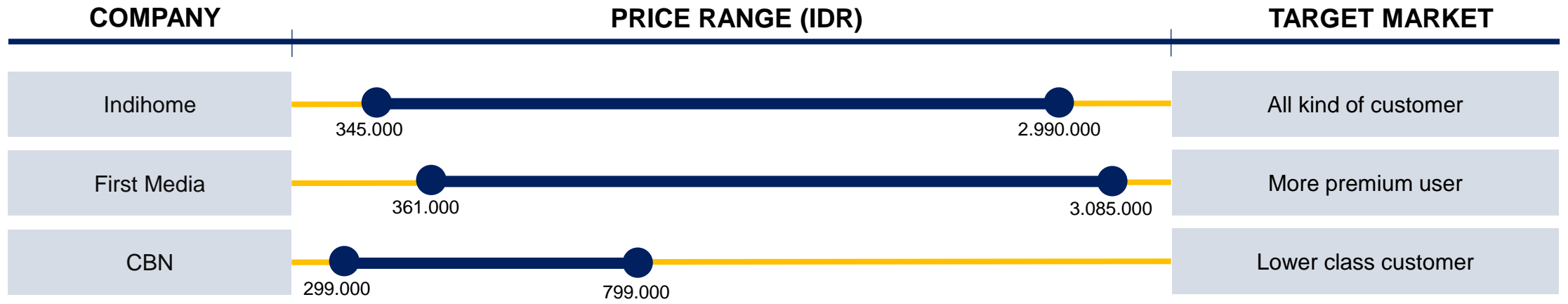
Survey on 2018<sup>1&4</sup>, showed that there are 3 most popular of HIP companies in Indonesia



1. <https://www.statista.com/statistics/1038282/indonesia-most-popular-fixed-home-internet-provider/>  
2. <https://www.indexmundi.com/facts/indonesia/fixed-broadband-internet-subscribers/>  
3. <https://www.statista.com/statistics/262966/number-of-internet-users-in-selected-countries/>

4. wwLaporan Survey Penetrasi & Profil Perilaku Pengguna Internet Indonesia Asosiasi Penyelenggara Jasa Internet Indonesia 2018  
5. <https://teknologi.bisnis.com/read/20190813/282/1135770/pelanggan-kelas-a-dn-b-mendominasi-di-first-media>  
6. <https://w.indotelko.com/read/1547862598/first-media-agresif-kembangkanlayanan>

# Price & Package Analysis



# Strategy of Big 3

COMPANY	TOTAL USER	TOTAL HOMEPASS	MAIN STRATEGY
Indihome	6.9 million (Q4-2019) <sup>2</sup>	> 13 million	<b>Build large ecosystem:</b> <ul style="list-style-type: none"><li>• Create movie streaming platform (Iflix)</li><li>• Largest speed and price range</li><li>• Start to enter gaming market, leveraged by large customer base</li></ul>
First Media	520.000 users (Q2-2019) <sup>3</sup>	> 2.2 million <sup>1</sup>	<b>Focus on premium services:</b> <ul style="list-style-type: none"><li>• Acquired by MNC Vision, can leveraged by homepass infrastructure sharing with MNC Play</li><li>• Provide additional smart home devices service</li></ul>
CBN	No specific data	2 million by 2025	<b>Targeting game market by increased exposure:</b> <ul style="list-style-type: none"><li>• Become direct sponsor at gaming event EFL National Championship</li><li>• Partnership with Garena and Moonton</li></ul>

1. <https://mix.co.id/marcomm/brand-insight/marketing-strategy/cara-first-media-merawat-kesetiaan-pelanggan/>  
2. <https://www.indotelko.com/read/1445138334/home-connected-menantang-ketimbang-home-passed>  
3. <https://teknologi.bisnis.com/read/20190813/282/1135770/pelanggan-kelas-a-dn-b-mendominasi-di-first-media>

# Key Analysis

## OVERVIEW

- Indihome is the biggest player in this industry,
- The dominant usage of the HIP is for entertainment (movie streaming and TV channel).

## GAMING<sup>1</sup>



CBN uses the best strategy by becoming a direct sponsor for a gaming tournament.

## SMART HOME/IoT<sup>2</sup>

**51.9%**

Indonesian market  
considering  
interested in IoT  
for work affairs

**13.3%**

Indonesian market  
considering for  
business at home

1. <https://www.statista.com/outlook/211/120/mobile-games/indonesia>

2. Researchgate, What are the Indonesian Concerns about the Internet of Things (IoT)? Portraying the Profile of the Prospective Market

# Key Analysis

## MOVIE STREAMING<sup>2</sup>

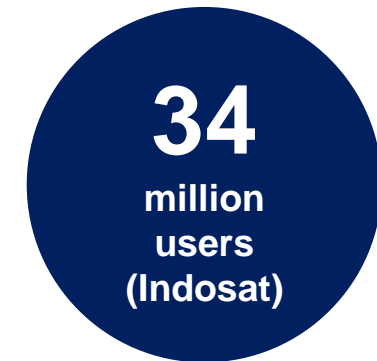
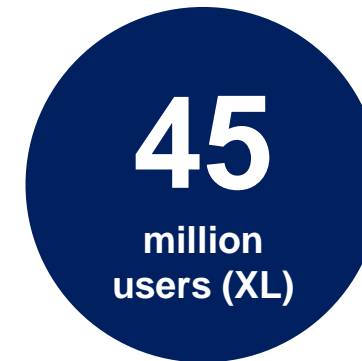


The issue on NETFLIX blocking by getting clearer since Telkom now considering to create partnerships because of high subscriber growth<sup>3</sup> with projected 906.797 subscribers in 2020 doubling from last year.

## EMERGING COMPETITION<sup>1</sup>

Emerging competition from The Big 3 of mobile broadband provider including Telkom, can be a threat for HIP Big 3 due to large user base:

- XL Axiata with XL Home
- Indosat with IM3 Ooredoo



1. [https://kominfo.go.id/content/detail/13131/inilah-rincian-jumlah-pelanggan-prabayar-masing-masing-operator/0/sorotan\\_media](https://kominfo.go.id/content/detail/13131/inilah-rincian-jumlah-pelanggan-prabayar-masing-masing-operator/0/sorotan_media)

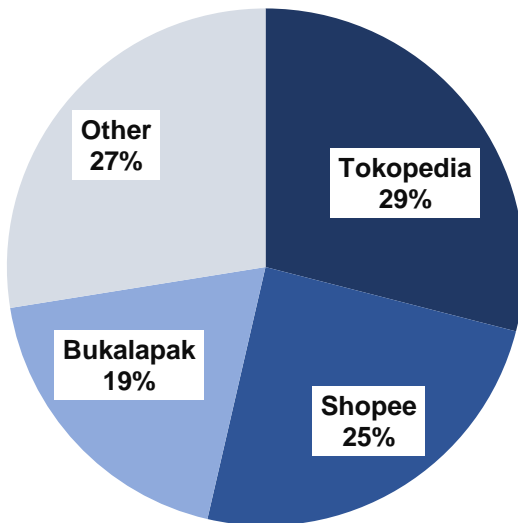
2. <https://databoks.katadata.co.id/datapublish/2019/08/13/berapa-pelanggan-streaming-netflix-di-indonesia>

3. <https://inet.detik.com/telecommunication/d-4831976/telkom-akan-buka-blokir-netflix-ini-syaratnya>

# Topic 2: Market Landscape of eCommerce

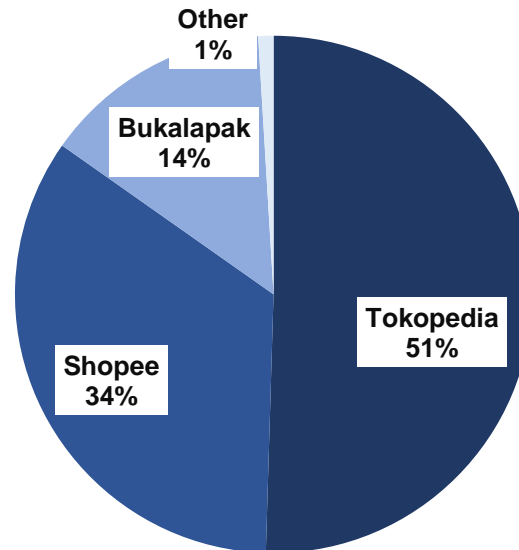
Data showed<sup>1,2,3,4,5</sup> that the Big 3 based on monthly traffic and transaction value (as 2019) are: Tokopedia, Shopee, and Bukalapak.

**eCommerce Visitor  
(Q3-2019)<sup>1,2,3</sup>**



**Total: 227 million monthly visits**

**eCommerce Transaction Value  
(Q3-2019)<sup>4,5</sup>**






**Total: US\$ 21 billion**

**“The Big 3”**



1. <https://aseanup.com/top-e-commerce-sites-indonesia/>
2. <https://databoks.katadata.co.id/datapublish/2019/10/22/nilai-10-e-commerce-dengan-pengunjung-terbesar>
3. <https://www.medcom.id/teknologi/news-teknologi/zNAVWWzb-rataan-pengunjung-bulanan-e-commerce-indonesia-q3-2019>
4. <https://databoks.katadata.co.id/datapublish/2019/10/15/2014-2023-nilai-transaksi-tokopedia-terbesar-dibandingkan-e-commerce-lainnya>
5. <https://databoks.katadata.co.id/datapublish/2019/10/10/nilai-transaksi-digital-perdagangan-elektronik-indonesia-terbesar-di-asia-tenggara>

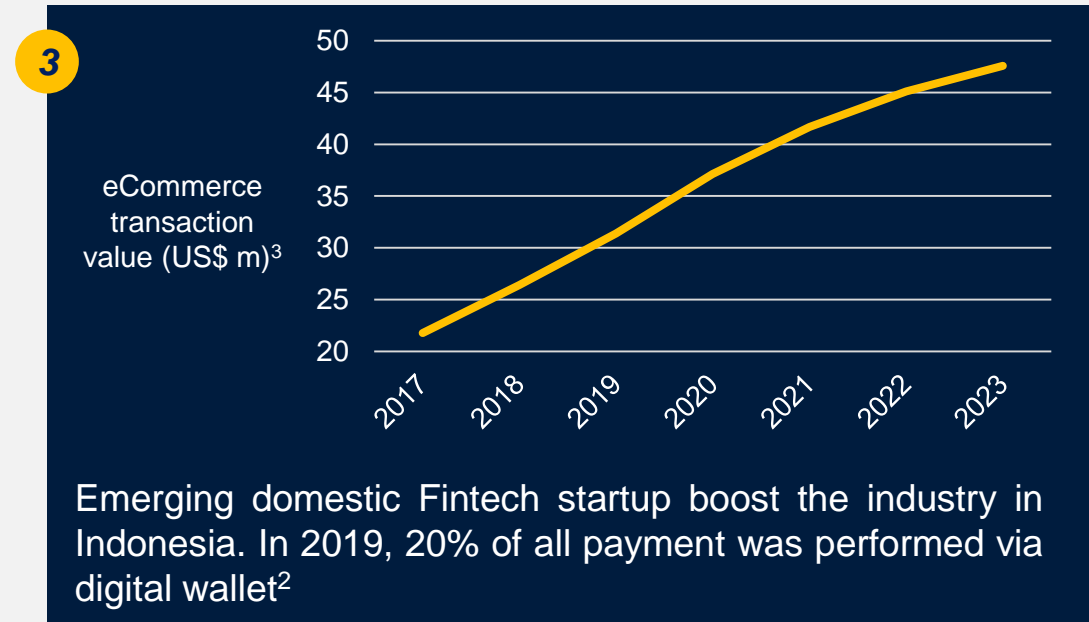
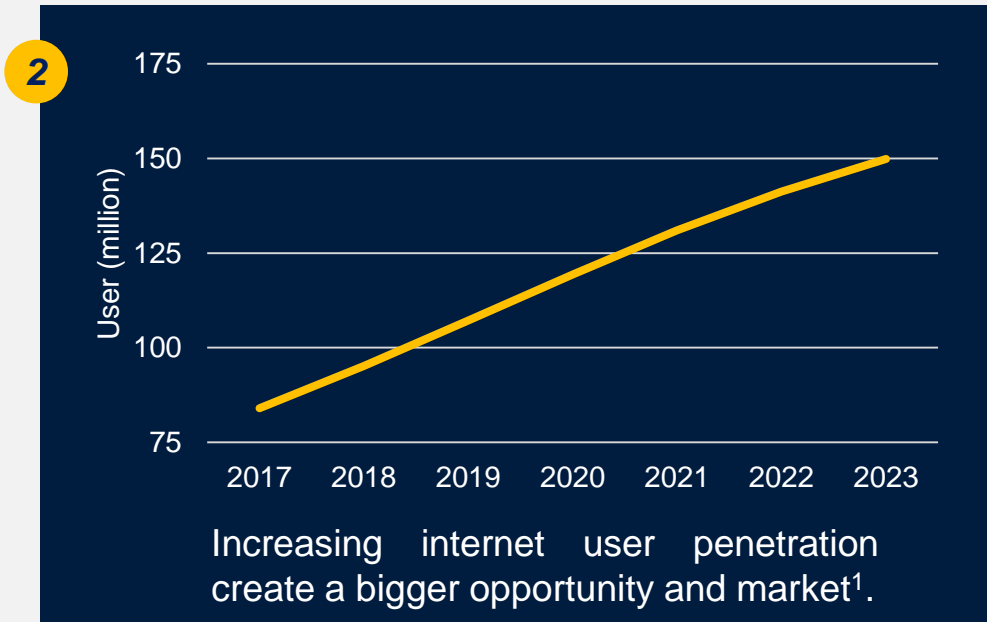
# Strategy of Big 3

			
<b>Overall Strategy</b>	<ul style="list-style-type: none"> <li>• All-in-one platform</li> <li>• Independent customer &amp; seller ecosystem</li> </ul>	<ul style="list-style-type: none"> <li>• All-in-one social media platform with payment system</li> <li>• Big discounts &amp; great incentives</li> </ul>	<ul style="list-style-type: none"> <li>• All-in-one platform with payment system</li> <li>• Bigger but unfocused ecosystem</li> </ul>
<b>Brand Image Creation</b>	<ul style="list-style-type: none"> <li>• Seller Story by SME</li> <li>• #TokopediaSaja</li> <li>• #1Everyday as a substitute for Harbolnas</li> </ul>	<ul style="list-style-type: none"> <li>• Big discounts &amp; cashback</li> <li>• Xtra Ongkir</li> <li>• Flash sale</li> <li>• Shopee Coin</li> </ul>	<ul style="list-style-type: none"> <li>• Partnership with microbusiness</li> <li>• Financial products (Bukareksa, Buka Emas)</li> <li>• Household bills payment</li> </ul>
<b>Customer Perspective<sup>1</sup></b>	<ul style="list-style-type: none"> <li>• Free delivery (64%)</li> <li>• Lower price (61%)</li> <li>• Easy to use application (58.5%)</li> </ul>	<ul style="list-style-type: none"> <li>• Free delivery (66.6%)</li> <li>• Lower price (63.4%)</li> <li>• Offer promos/discounts (62.1%)</li> </ul>	<ul style="list-style-type: none"> <li>• Offer promos/discounts (61.1%)</li> <li>• Free delivery (60.7%)</li> <li>• Lower price (58.2%)</li> </ul>

1. <https://binus.ac.id/bandung/2019/10/strategi-promosi-e-commerce-di-indonesia><https://databoks.katadata.co.id/datapublish/2019/10/22/inilah-10-e-commerce-dengan-pengunjung-terbesar>

# KEY FINDINGS: Opportunities around eCommerce industry

1 eCommerce company tries to build a hyper-connected ecosystem



1. <https://www.statista.com/statistics/254456/number-of-internet-users-in-indonesia/>  
2. <https://www.jpmorgan.com/merchant-services/insights/reports/indonesia>  
3. <https://www.statista.com/outlook/296/120/digital-payments/indonesia#market-globalRevenue>



# Market Threat

