



INBOX

VOICE OF THE INDUSTRY



MALAYSIA'S CELLULAR PHONE REVOLUTION: Where it's at Today

Gartner's Top 10 Strategic Technology Trends

KNOW THEIR BENEFITS AND IMPACT ON YOUR ORGANISATION AND CUSTOMERS, AND WHEN TO ADOPT



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Message from the PIKOM Chairman



Dear members,

A new year represents a new beginning. Indeed, 2013 promises to be an exciting year for ICT and PIKOM as the voice of the industry. So it is with pride and pleasure that I now present to you the inaugural issue of INBOX. As PIKOM's quarterly newsletter, INBOX will serve as the podium from which we will share and communicate news, updates, trends and events on ICT, the industry and the association. In each edition, you will find at least two articles of interest along with a photo spread of past activities and a calendar of upcoming events. I trust you will find the contents informative and insightful as well as educational and entertaining.

PIKOM kicked off 2013 with a review and brainstorming session on a new Five Year Strategic Direction to replace the previous one (2008 – 2012). For two days, we shared our thoughts and views on how best to align the industry given the prevailing and future challenges and opportunities. On the second day, we had the honour and privilege to have former Deputy Governor of Bank Negara Tan Sri Lin See Yan as a guest speaker. His take on the uncertain global economy was eye-opening and proved highly influential to our final deliberations and decisions.

Let me now take this opportunity to share with you the executive decisions of the Strategic Direction (2013 – 2017).

- Retention of our Core Values – Progressive, Integrity, Knowledge Driven, Ownership & Member Focused;
- Preservation of our Passion – 'To Champion and Realise the Digital Opportunity';
- Adjustment/Alignment of our 'Key Strategic Thrust' for PIKOM (and the Industry) against prevailing challenges and opportunities:
 - Globalise the Malaysian ICT industry;
 - Increase competitiveness of the ICT industry;
 - Promote human capital development;
 - Lead the digital trend;
 - Enhance value to members;
 - Accelerate growth of Malaysian ICT demand.

In essence, the key strategic thrusts are intended to bring greater value to our members, enhance human capital within the ICT industry, grow the domestic market by continuously increasing the competitiveness of the industry, and achieve an "end game" of propelling local ICT players to world class standard and global recognition. This is also in line with Government aspirations for a developed nation by 2020, as outlined and supported by the Digital Malaysia Strategic Plan. With this refreshed PIKOM Five Year Strategic Direction as the foundation and guiding light, the association is now placed in a more strategic position to prioritise, plan and execute short, medium and longer term programmes and activities for 2013 and beyond. One of the targets for the industry to achieve by 2017 is a domestic revenue of RM95 billion (based on a CAGR of 10%) on the road to a GNI contribution of at least 17%. We are confident of hitting this target barring any unforeseen circumstances. It is estimated that the local ICT industry would achieve revenue of RM55 billion for 2012.

After the trials and tribulations of 2012, how do I see 2013? Based on forecast and analysis by Feng Sui Masters, 2013, being the year of the zodiac water snake, will usher in a fresh wave of energy, characterised by a harmonious and balanced year with less turmoil and world conflict. Being an optimist, I tend to accept and agree with such conjecture. Of course, the sceptics may well disagree with me and perhaps even offer countless reasons why 2013 will go south! I should also talk about the PC Fair. Not to do so would be an injustice since it is arguably the most prominent Fair in Malaysia. Over the last 15 years, the event has moved the ICT retail business up the value chain and has succeeded in attracting millions of visitors for the benefit of our members. So entrenched and successful is the PC Fair branding that many still think that it is synonymous with PIKOM. Looking ahead, this year's PC Fair promises to be better. Last year, we offered a car and a trip around the world as our main prizes for the lucky draw. So what is on offer this year? Do look out in the forthcoming issue of INBOX!

On this note, I would like to wish you and your loved ones a prosperous and productive 2013.

To our Chinese Members, Gong Xi Fa Cai or Gong Hei Fatt Choy or Kong Hee Watt Chai!

WOON TAI HAI

Gartner's Top 10 Strategic Technology Trends

Know their benefits and impact on your organisation and customers, and when to adopt

With a stream of emerging technologies appearing on the horizon every day, businesses and organisations face bewildering challenges to cut through the hype and soberly assess their maturity, best time to adopt, their potential benefits, impact on their organisation, operations, information systems, business partners, customers and IT service providers.

To help them, technology research firm Gartner's Top 10 Strategic Technology Trends in 2012 report lists the top 10 trends, which can potentially affect enterprises, IT organisations and individuals up till 2015.

THE 10 ARE:-

1. **Media tablets and beyond**
2. **Mobile-centric applications and interfaces**
3. **Contextual and social user experience**
4. **Internet of things**
5. **App stores and marketplaces**
6. **Next-generation analytics**
7. **Big data**
8. **In-memory computing**
9. **Extreme low-energy servers**
10. **Cloud computing**



Companies should include these trends in their strategic planning processes, ask key questions and make deliberate decisions about them over the next two years to understand their potential impact on their enterprise, whether positive or negative, the potential threats and risks associated with them and the implications of ignoring their potential impact and the potential advantage competitors would gain by adopting them earlier.

Their potential impact can be examined in several ways but Gartner recommends companies focus on three key areas:-

Most important is their impact upon a company's customers, staff and business partners.

Second is the impact on its business operations, including cost reduction, greater operational efficiency, increased revenue or profitability by enabling new business models, support the delivery of new products and services or otherwise change their business operations, organisational structures, particular roles and responsibilities, new skills or business processes required.

Third is the impact on its IT services provider and the new technologies it will have to manage. While end-users may love the advanced natural user interfaces and free choice of mobile device, IT services could be challenged with having to cater to many different devices, increased load on their network, higher management costs and additional skills requirements.



Malaysia's cellular phone revolution:

Where it's at Today

Cellular phones and their networks have come a long way since Telekom Malaysia launched the ATUR 450 analogue cellular service in 1985.

The size and price of cellphones has shrunk from that of a small briefcase costing over RM10,000 to pocket-sized devices priced as low as RM99 today, thanks to the miniaturisation of electronics, while more sophisticated cellphones have morphed into handheld computers used for voice calls, Web browsing, e-mail, chatting, social networking, navigation and checking on the weather with the additional functions of a camera, a dictaphone, music and video player, a TV set, an appointment scheduler and much more.

Their greater affordability, wider choice of network operators and the growth of cloud computing have created much opportunity for creators of content and applications, while the debut of larger screened Apple iPad and numerous brands of Android tablets have begun to challenge the dominance of PCs as our communications and information access platform.



Opportunities galore

Malaysia's cellphone penetration rate was 137.7% of 28.7 million inhabitants or 36.6 million accounts as of Q3, 2012, according to the Malaysian Communications and Multimedia Commission (MCMC), with some individuals having more than one account. Of these, 29.59 million or 80.7% were prepaid accounts, while the remaining 7.07 million were postpaid.

Last April, market analyst firm GfK ranked Malaysia and Singapore as having the deepest smartphone penetration rates in Southeast Asia with 88% - or almost 9 out of 10 cellphones.

GfK found that buyers in Singapore, Cambodia, Indonesia, Malaysia, Philippines, Thailand and Vietnam bought almost 7.7 million units worth around US\$24 billion (RM73 billion), with spikes in demand ranging between 40% and 400% year-on-year.

Southeast Asia has one-tenth of the world's population and Indonesia is the region's largest smartphone market with 62% penetration among its 240 million people, with sales of over US\$1.4 billion (RM4.26 billion) in Q1, 2012. For smartphone content and applications developers as well as cellular network operators, this represents higher potential revenue.

For example, in April, mobile media company BuzzCity reported a 95% jump in its worldwide mobile advertising network in Q1 2012 over Q1 2011, when 45 billion ad banners were delivered across the entire network of more than 10,000 publisher sites, reaching an average of over 300 million unique users per month.



BuzzCity served close to 219 million mobile ads to phones in Malaysia in March 2012 alone. India received 4.26 billion ads served, followed by almost 2 billion in Indonesia, 764 million in the US, 388.5 million in South Africa, 313.3 million in Kenya, 286.6 million in Mexico, 284.3 million in the UK and 228.9 million in Thailand.

Mobile phones have undergone a tremendous transformation since it was first introduced. They have gone:

- **From voice to almost everything**

They are now the platform for:

- **Content, apps and more**



Besides applications which must be downloaded and installed on smartphone or tablets, there's a growing trend towards:

- **Mobile cloud services**



Past Events



Chinese New Year Dinner – January 17, 2012



Official Opening of PIKOM Training Centre – May 25, 2012



Evening with PIKOM – June 21, 2012



CIO Chapter: Educational Trip to the US – May 26-June 4, 2012



Charity Golf – June 26, 2012





Hari Raya Open House – August 28, 2012



World Cyber Games
– September 7-9, 2012

26th Annual General Meeting
– November 7, 2012



Smart Sourcing Summit – October 10-11, 2012



PC Fair III
– November-December, 2012

Upcoming Events

PC Fair		
March 22 – 24:	Johor Baru	Persada Johor
March 29 – 31:	Ipoh	Stadium Indera Mulia
	Kota Kinabalu	1Borneo
	Sibu	Sibu Trade & Exhibition Centre
April 4 – 6:	Kota Baru	KB Mall
April 5 – 7:	Kuching	BCKK
	Melaka	MITC
	Miri	Miri Indoor Stadium
April 12 – 14:	Kuala Lumpur	KL Convention Centre
	Batu Pahat	Summit Parade
May 3 – 5:	Kuantan	Berjaya Megamall
	Penang	PISA
	Nilai	Nilai 3 StreetMall
February 20:	CIO Chapter: Managing Customer Experience: The Next Competitive Frontier	
February 21:	Outsourcing Malaysia Chinese New Year Media Dinner	
February 22:	Northern Region Chapter: CNY Members Gathering	
March 3 – 4:	Mobile Social Commerce Workshop	
March 12:	Outsourcing Malaysia Learn Around (OMLA)	
March 28:	Outsourcing Malaysia C-Level Executive Luncheon	

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