



DIGITAL TOUCHPOINTS

AND THEIR IMPACT ON CONSUMERS IN SOUTH EAST ASIA

In today's digital world, brands now have to fiercely compete for attention to succeed.

And attention itself is no longer enough, brands compete to build long-lasting and emotional relationships with their customers. In this context, digital touchpoints become critical strategic battlegrounds.

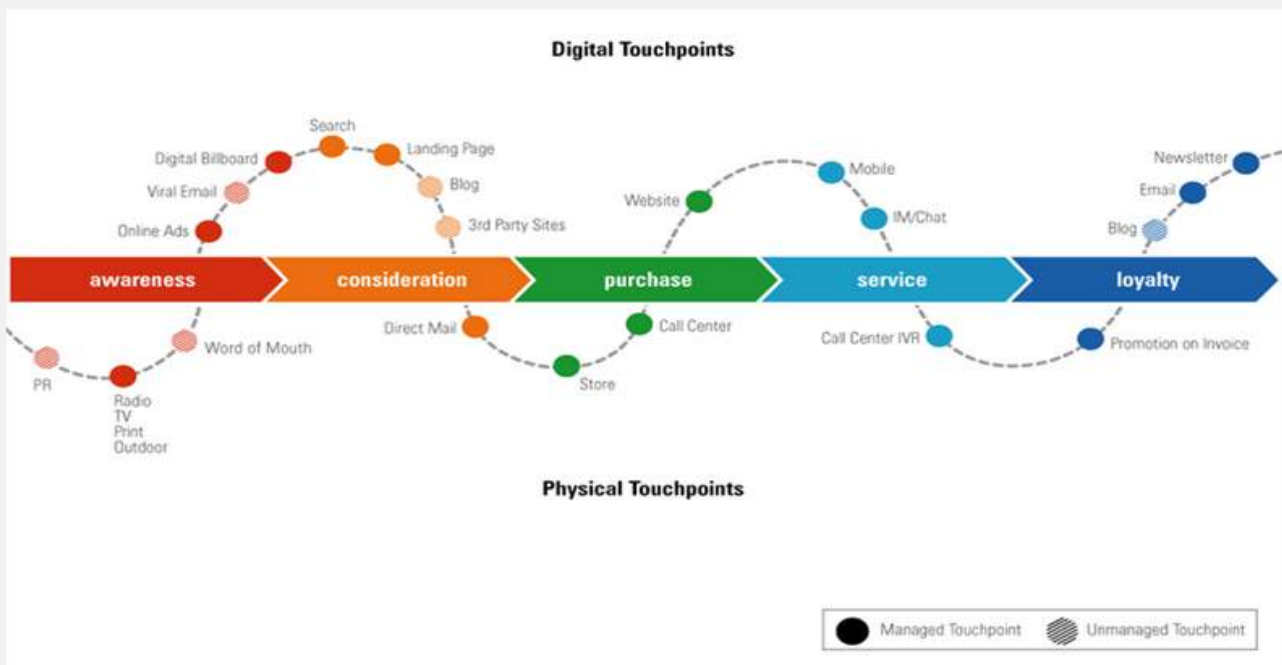
What is Digital Touchpoints?

Digital touchpoints are the online channels where people connect with a brand. These include websites, social media, mobile apps, emails, online ads, e-commerce platforms, customer service portals, and content hubs like blogs. They're crucial for user experience and brand perception. Ensuring consistent messaging and positive experiences across these touchpoints is key to building trust and loyalty. Understanding and optimizing these points of interaction helps businesses create better connections and drive success in the digital realm.

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Understanding the stages of the buying journey helps businesses tailor their marketing strategies and touchpoints to effectively engage and support consumers throughout their decision-making process, ultimately leading to successful conversions and satisfied customers.



Rakuten Insight conducted a wide-reaching survey to investigate the impact of digital touchpoints on consumer behavior in Southeast Asia. As the region undergoes rapid digital transformation, understanding how these touchpoints influence choices, and help to foster long-standing relationships, across various sectors is crucial. By examining consumer preferences and behaviors, the results reveal insights into the dynamic relationship between consumers and digital platforms. The survey aims to provide actionable insights for businesses looking to enhance their strategies in engaging and building relationships with the Southeast Asian consumer market.

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The survey was conducted online, using Rakuten Insight proprietary panels, **by 6,020 respondents across 6 key markets within Southeast Asia in October 2023 including Indonesia, Malaysia, Philippines, Singapore, Thailand, and Vietnam. The target age groups were Gen Z, Millennials, Gen X, and Boomers.**

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Product browsing channels

The results show that marketplace is the go-to channel for researching a product, followed by social media, in which 61% of the respondents select the marketplace as the most preferred browsing destination separated in each market as below.

Age Group	Singapore 	Malaysia 	Thailand 	Indonesia 	Philippines 	Vietnam 
Gen-Z	Google Reviews  61%	Market Places  61%	TikTok  66%	Market Places  66%	TikTok  66%	TikTok  75%
Millennials	Google Reviews  56%	Facebook  62%	Facebook  64%	Market Places  74%	Facebook  60%	Facebook  73%
Gen-X	Google Reviews  53%	Market Places  68%	Market Places  61%	Market Places  67%	Market Places  68%	Facebook  62%
Boomers	Brand Websites  57%	Market Places  68%	Market Places  72%	Market Places  67%	Market Places  60%	Market Places  66%

61% of the respondents select the marketplace as the most preferred browsing destination

Trustworthy of each digital touchpoint

Once looking into the trustworthiness of each digital touchpoint, we found differences within each country and each generation as below. Most customers rely a lot on online reviews and marketplace when looking for product information, while TikTok has begun to rank among the top 3 trusted digital touchpoints in Indonesia, Philippines, and Vietnam.

Age Group	Singapore	Malaysia	Thailand	Indonesia	Philippines	Vietnam
Gen-Z	Online Reviews, Brand Websites, Market Places	Market Places, Online Reviews, Brand Websites	Market Places, Facebook, Online Reviews	Market Places, Online Reviews, TikTok	Online Reviews, Market Places, TikTok	Market Places, TikTok, Facebook
Millennials	Online Reviews, Brand Websites, Market Places	Market Places, Online Reviews, Facebook	Market Places, Facebook, Online Reviews	Market Places, Online Reviews, Brand Websites	Online Reviews, Market Places, Brand Websites	Market Places, Facebook, Online Reviews
Gen-X	Market Places, Online Reviews, Brand Websites	Market Places, Online Reviews, Brand Websites	Market Places, Brand Websites, Facebook	Online Reviews, Market Places, Brand Websites	Brand Websites, Market Places, Online Reviews	Market Places, Online Reviews, Brand Websites, Live Agent
Boomers	Online Reviews, Brand Websites, Market Places	Online Reviews, Market Places, Brand Websites	Brand Websites, Market Places, Online Reviews	Market Places, Online Reviews, Brand Websites	Online Reviews, Market Places, Facebook	Market Places, Online Reviews, Live Agent

Negative experience of the digital touchpoints

Across SEA, 71% of the respondents decided not to engage with a brand or purchase the product once faced with a negative experience of the digital touchpoints. This creates a barrier for brands aiming to build enduring relationships. The main causes to make the customers completely abandon a purchase are bad online reviews, finding a cheaper price, too few customer reviews, and if the site looks like a potential scam.



Affiliate programs

Also, 70% of SEA consumers have heard of affiliate programs, indicating that SEA consumers are digitally aware and will not stop buying the product (46%) even if they know that the person who recommended it is an affiliate.



Surveying the shopping channels, we found that 52% of the customers still prefer to shop at physical stores, followed by marketplaces 33%, and brand websites only 10%. It is useful for brands looking to establish deep-rooted relationships to not overlook physical stores in such a digital age. However, focusing on the marketplace, below are the marketplaces where customers shop the most in the past 1 month.

Marketplaces where customers shop the most in the past 1 month.



BNPL - Buy-Now-Pay-Later

The new feature in the digital touchpoints is “buy-now-pay-later” (BNPL). Almost half of consumers (45%) have used BNPL in the past 12 months, and 33% consider it may encourage them to buy more if a brand offers this. The BNPL feature has become a popular choice among consumers seeking flexibility in managing their expenses. However, it's crucial for users to understand the terms and conditions, payment schedules, and potential fees associated with this service to ensure responsible usage and avoid financial pitfalls.



In conclusion, the survey shows how important digital touchpoints are in shaping how people feel and act when they are online and in turn how these critical digital touchpoints can establish emotional relationships with their customers. Maintaining consistency and clarity in communication and experience, keeping online processes simple and stress-free and prioritizing what customers want is critical for building trust with consumers. The survey underlines that it is vital for companies to continue innovating and improving based on the experiences that customers are seeking.

This is vital for any brands who want to survive by establishing long-lasting relationships in the always-changing online world.

The survey was conducted and reported by Rakuten Insight Global, the trusted market research partner for Asia, U.S. & Beyond.

You can contact us directly in case you need the full report at rig-sales@mail.rakuten.com

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