

FACTSHEET

Kampong Glam: Singapore's First Digitally Enabled Retail Neighbourhood

BACKGROUND

Retail is an important industry in Singapore, made up of about 22,000 establishments contributing almost 1.4% to Singapore's GDP¹ and employs approximately 3% of the total workforce in Singapore.

Launched in 2016, the Retail Industry Transformation Map (ITM) envisions a vibrant retail industry in Singapore, comprising a mix of highly productive omni-channel retailers and local brand owners with global footprints, supported by a professional and skilled workforce.

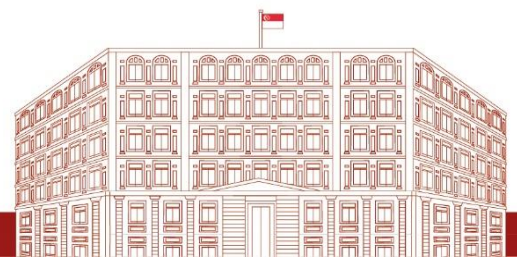
In line with the Retail Industry Transformation Map (ITM), new sector-wide innovative initiatives were announced in November 2017 to accelerate the pace of transformation in the retail sector. As part of these efforts, IMDA is focusing on Kampong Glam as a pilot area to develop Singapore's first digitally enabled retail neighbourhood.

Digitalisation of Kampong Glam

Kampong Glam, a traditional neighbourhood that is rich in culture and heritage, will embark on a journey to transform the precinct and its merchants. This is aimed at 1) enhancing the digital capabilities of merchants in the neighbourhood, and 2) transforming the visitors' experience in Kampong Glam, catering to both locals and overseas visitors.

The SME Centre at Singapore Malay Chambers of Commerce and Industry, One Kampong Gelam Association (OKG), SPRING Singapore and the Infocomm Media Development Authority are collaborating to create Singapore's first digitally enabled retail neighbourhood, focusing on the core area comprising 200 merchants bounded by North Bridge Road, Kandahar Street, Beach Road and Ophir Road, to achieve the following objectives:

¹ Source: 2015 industry figures from DOS.



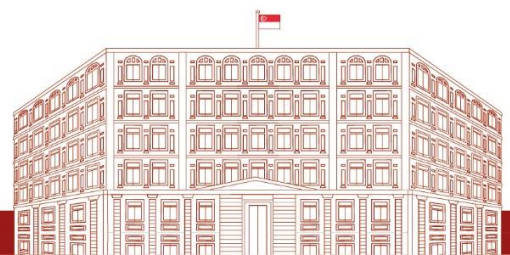
- a. Increase productivity of merchants by providing them with actionable customer insights and an integrated POS solution;
- b. Raise revenues for merchants by increasing their discoverability on a wide variety of digital maps; and
- c. Attract visitors to Kampong Glam by providing a captivating shopping experience, incorporating cashless and mobile-enabled payments, hassle-free shopping enabled by affordable delivery services for their purchases, and mobile apps that offer augmented reality and immersive walking trails.

As part of this project, IMDA is conducting a **digital visioning exercise** for Kampong Glam. The exercise aims to understand the current needs and challenges of key stakeholders (e.g. merchants, associations, government agencies and visitors), so as to address these challenges through digital solutions. The proposed solutions will feature digital technologies such as Immersive Media and Data Analytics, while taking into consideration the merchants' level of digital readiness. The visioning exercise is targeted to be completed by 2Q 2018.

Early Implementation of Essential Capabilities

Phase 1 of the digital makeover is targeted to be launched in 2Q 2018 achieving the objectives stated above through various key initiatives such as:

- a. **Deploying an integrated POS solution:** This will allow merchants to accept cashless payments, track their inventory and build a customer profile database. The data collected can be analysed to derive actionable insights for merchants to launch effective, targeted promotions.
- b. **Increasing merchants' discoverability and footfall:** By providing comprehensive listings of businesses on various digital maps (e.g. Google Maps and Apple Maps), and including indoor 360 degree views of listed businesses, this initiative will help to increase the visibility of merchants and attract visitors to their stores.
- c. **Creating an immersive experience for visitors through the use of augmented reality:** This initiative aims to leverage augmented reality through mobile applications that can show real-time, location-based store discounts overlaid on storefronts. Additionally, gamification aspects will be



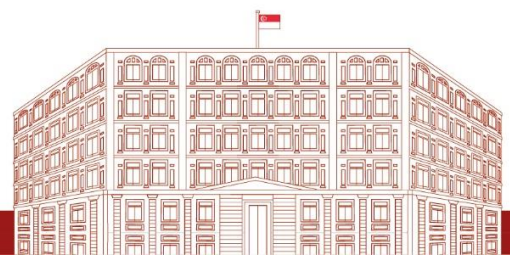
incorporated in immersive heritage walking trails that can guide visitors in navigating the neighbourhood.

- d. **Enable hassle-free shopping:** This initiative aims to provide visitors with the option to have goods delivered conveniently and affordably to their destination of choice. Retailers can also utilise a common mobile application to manage pick-up, schedule deliveries, track deliverymen and ensure secure delivery of packages.

Collaboration with Industry Partners

The digital makeover of Kampong Glam will be implemented in close collaboration with industry partners and educational institutions to capitalise on their respective distinctive capabilities to support the digitalisation efforts. Partnerships with the following organisations have been established, with more coming on board to provide support in various areas:

- a. **StarHub:** StarHub aims to reduce the complexity of adopting individual solutions by identifying and integrating suitable digital solutions to meet the needs of the SME merchants in Kampong Glam. A 'One-Stop Service' will be made available to merchants who adopt the comprehensive suite of seamless digital solutions, providing all-encompassing services including billing, retail analytics, training, implementation and post-sales support. StarHub will also be dedicating marketing resources to drive merchants' adoption of digital solutions and to help promote Kampong Glam as a digitally enabled retail neighbourhood.
- b. **Grab:** GrabPay's mobile cashless platform will be deployed precinct-wide in Kampong Glam. In the coming months, Grab will also work with OKG to implement pilot initiatives to solve mobility-related issues and other new digital products and services in the precinct, aimed at increasing footfall and improving the visitor experience. In addition, Grab and OKG will jointly identify marketing opportunities and raise public awareness of Kampong Glam's offerings.
- c. **Temasek Polytechnic, School of Business:** Through projects led by staff members, students will be directly involved in enhancing digital capabilities of merchants in Kampong Glam. One such project is to increase merchants' digital presence and discoverability through a comprehensive listing of local businesses on digital maps and on social media platforms.



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