

Southeast Asia Pos Terminal Market - Growth, Trends, Covid-19 Impact, and Forecasts (2023 - 2028)

Market Report | 2023-01-23 | 120 pages | Mordor Intelligence

AVAILABLE LICENSES:

- Single User License \$4750.00
- Team License (1-7 Users) \$5250.00
- Site License \$6500.00
- Corporate License \$8750.00

Report description:

The Southeast Asian POS terminal market is expected to register a CAGR of approximately 16.56% over the next five years. The adoption of POS terminals has grown significantly, owing to their ability to offer an increased return on investment and ease of access. POS systems facilitating transactions from the central component of businesses across industries, such as retail and hospitality, have gained importance in small and big-sized companies over the years.

Key Highlights

The POS terminal systems evolved from transaction-oriented terminals/devices to systems that integrate with the company's CRM and other financial solutions. This evolution, thus, empowered the end-users with business intelligence to better manage their revenue streams and inventory. With the functional benefits that the advanced POS systems offer, companies have replaced their traditional billing software with POS systems, thus, securing the growth of the POS system market.?

Factors such as the gradually rising use of online payments in retail, growing middle-class income, and increasing investments and partnerships from foreign players are expected to boost the growth of the POS terminal market. For instance, UnionPay International (UPI) recently announced a partnership with Huawei and the Industrial and Commercial Bank of China Malaysia (ICBC Malaysia) to bring Huawei Pay to Malaysia for the first time, allowing Malaysians to take advantage of seamless tap-and-go payment services. Following China's Macao, Thailand, Pakistan, and Singapore, Malaysia was the sixth country outside Mainland China where the beforementioned services were launched.

Moreover, the rising financial frauds across Southeast Asian countries have influenced government regulatory bodies to secure payment transactions over the past few years. With customers demanding safe and reliable digital transactions, the need for using secure payment processes has increased. Therefore, regulatory bodies have positively impacted the adoption of POS terminals. With the increasing mobility trends worldwide, mobile POS systems are gaining traction. With the advent of cashless transactional technologies, POS has witnessed an increase in adoption rates in the region.

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

However, the market growth is restricted by the need for interoperability between the different payment systems, low acceptance by merchants, and high dependence on cash. According to the World Bank, over 50% of people in Southeast Asia need an account at a formal financial institution. According to the Ministry of Industry and Trade, about 80% of people residing in Vietnam prefer to use cash for their daily transactions.

The COVID-19 pandemic hastened the migration to real-time payments by changing payment needs and preferences. Since the start of COVID-19, many customers in Southeast Asia have reduced their use of traditional payment methods, such as cash, credit cards, and debit cards. As a result, more customers surveyed now use real-time payments more frequently than before the outbreak, creating an opportunity for the market.

Southeast Asia POS Terminal Market Trends

The Retail Segment is Expected to Grow Significantly

The increasing number of retail stores across regions attract customers due to large discounts and other services; however, customer retention becomes the major challenge for them to sustain in the market. This competition increases the need to reinvent their business models to keep from the competition for price and find the balance between investing in new technologies and revenue. ?

The sales reporting, inventory and financial management, and customer analytics feature that POS terminals provide assists retailers in overcoming the issues related to customer retention. Hence, the need for customer retention and competition growth in the industry promotes the growth of POS terminals. ?

Moreover, the digital economy in Southeast Asia is set to expand rapidly. Google and Temasek predict that online consumer spending across the top 6 economies will reach approximately a quarter of a trillion dollars by the upcoming year, which is driving the market because, with the increasing consumer spending, the requirement for POS terminals will increase.

The growth of retail e-commerce is on the rise in Southeast Asia, and the expansion is fuelled by rising disposable incomes, improved logistical networks, increased internet/mobile usage, and alternative payment methods. According to the Hong Kong Trade Development Council study, e-commerce in Southeast Asia has spiked because of the pandemic. Indonesia exhibits an enormous appetite for the online marketplace, followed by the Philippines and Malaysia.

The top players are localizing their retail sites and capturing their slice of the market across the ASEAN big six Indonesia, Thailand, Malaysia, Singapore, Philippines, and Vietnam. The local players in the POS terminal market are capturing the growing demand by adopting partnerships to grow their network and increase customer acquisition.

Singapore Anticipated to be the Fastest-growing Market

Singapore has, for a long time, been at the forefront of payment innovations. The acceleration of electronic payments in the country has been one of the critical objectives of the government's Smart Nation Vision. In this regard, Singapore has invested substantially in building long-term infrastructure for cashless payments. The POS card payments in the country have been following an increasing trend, according to the Monetary Authority of Singapore, which shows the potential of POS terminal adoption across industries in the country.

The government promotes QR-based payments to encourage digital payments among smaller businesses, including hawkers. Launching a unified QR code called Singapore Quick Response Code (SGQR) as a standard at the POS by the Monetary Authority of Singapore in collaboration with Infocomm Media Development Authority has further improved the country's overall payments ecosystem. SGQR allows merchants to save significant payment acceptance costs by eliminating the need to invest in different QR codes from each provider or install a traditional POS terminal.

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

Singapore's first cashless payment system, NETS, developed a dominant position in the payments industry, with a broad product portfolio spanning the merchant and consumer ecosystems. For instance, it has been offering retailers a Unified Point-of-Sale (POS) terminal that enables them to accept NETS and global payment methods via card-based or mobile payments. In October this year, the company announced that it would focus on enhancing user experience and using data, creating a demand for the POS market in the country.

Furthermore, according to Microsoft, while 83% of small and medium enterprises (SMEs) in Singapore now have digital transformation strategies, more than half (54%) reported delays in their digitalization plans due to COVID-19. Also, despite the higher adoption of digital transformation, only two in five SMEs perceive their efforts to be successful. As was the case throughout the world, the economic impacts of COVID-19 were felt most acutely at the point of sale. The pandemic contributed to significant drops in POS transaction values in Singapore by 10.4%.

The Philippines and Singapore's central banks have allegedly expanded their existing fintech relationship to improve cross-border digital payments in the Association of Southeast Asian Nations (ASEAN) area. The Fintech Innovation Function Cooperation Agreement was signed in November last year by the Bangko Sentral ng Pilipinas (BSP) and the Monetary Authority of Singapore (MAS). Several initiatives are poised to create more opportunities for POS terminals in the country.

Southeast Asia POS Terminal Market Competitor Analysis

The Southeast Asian point-of-sale terminal market is moderately fragmented due to the presence of local and international players. The players in the market are investing in inventing new ways to attract and retain customers. The subscription-based pricing model in the software segment offers flexibility to the customers but increases the market competition.

August 2022 - Bank Simpanan Nasional and Pine Labs, a merchant commerce platform, established cooperation in Malaysia. This collaboration is intended to positively affect retail businesses and assist Malaysia's aspiring middle-class populace in meeting their shopping demands by enabling digital Pay Later on Pine Labs' PoS terminals throughout the country.

June 2022 - In response to the expanding use of digital payments in the region, Stripe introduced its in-store point-of-sale system in Singapore. Utilizing the expanding payment digitalization and physical retail sales in Singapore, Stripe can benefit from its launch there.

February 2022 - American digital payment company Visa partnered with Vietnamese fintech firm VNPAY to improve the digital payment experience in Vietnam. Together, they would increase and fortify the fintech company's affiliate network of merchants that accept cashless payments in Vietnam. VNPAY has been offering a POS solution that satisfies all current payment needs and helps businesses run more efficiently and generate more income in the country.

Additional Benefits:

The market estimate (ME) sheet in Excel format
3 months of analyst support

Table of Contents:

1 INTRODUCTION

1.1 Study Assumptions and Market Definition

1.2 Scope of the Study

2 RESEARCH METHODOLOGY

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

3 EXECUTIVE SUMMARY

4 MARKET INSIGHTS

- 4.1 Market Overview
- 4.2 Industry Attractiveness - Porter's Five Forces Analysis
 - 4.2.1 Bargaining Power of Suppliers
 - 4.2.2 Bargaining Power of Consumers
 - 4.2.3 Threat of New Entrants
 - 4.2.4 Threat of Substitutes
 - 4.2.5 Intensity of Competitive Rivalry
- 4.3 Assessment of the Impact of COVID-19 on the Market

5 MARKET DYNAMICS

- 5.1 Market Drivers
 - 5.1.1 Growing Investments in POS is Expected to Boost the Market Growth
 - 5.1.2 Increasing Digitalization in the Payment Industry
- 5.2 Market Restraints
 - 5.2.1 Security Concerns Related to Cyber Attacks and Data Breaches

6 MARKET SEGMENTATION

- 6.1 By Component
 - 6.1.1 Hardware
 - 6.1.2 Software and Services
- 6.2 By Type
 - 6.2.1 Fixed Point-of-Sale Terminals
 - 6.2.2 Mobile/Portable Point-of-Sale Terminals
- 6.3 By End-user Industries
 - 6.3.1 Entertainment
 - 6.3.2 Hospitality
 - 6.3.3 Healthcare
 - 6.3.4 Retail
 - 6.3.5 Other End-user Industries
- 6.4 By Country
 - 6.4.1 Singapore
 - 6.4.2 Indonesia
 - 6.4.3 Vietnam
 - 6.4.4 Malaysia
 - 6.4.5 Other Southeast Asian Countries

7 COMPETITIVE LANDSCAPE

- 7.1 Company Profiles
 - 7.1.1 Xilnex
 - 7.1.2 Auto Count Sdn Bhd
 - 7.1.3 iMetrics Pte. Ltd
 - 7.1.4 AZ Digital Pte. Ltd
 - 7.1.5 Samsung Electronics Co. Ltd
 - 7.1.6 NCR Corporation

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

- 7.1.7 Toshiba Tec Corp.
- 7.1.8 HP Development Company LP
- 7.1.9 Bindo Labs Inc.
- 7.1.10 Shopify Inc.
- 7.1.11 Qashier Pte Ltd
- 7.1.12 StoreHub Sdn Bhd

8 EXHAUSTIVE LIST OF POS SOFTWARE VENDORS IN MALAYSIA

9 MALAYSIAN KEY VENDOR PROFILES - COMPARATIVE ANALYSIS

10 FUTURE OF THE MARKET

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

Southeast Asia Pos Terminal Market - Growth, Trends, Covid-19 Impact, and Forecasts (2023 - 2028)

Market Report | 2023-01-23 | 120 pages | Mordor Intelligence

To place an Order with Scotts International:

- Print this form
- Complete the relevant blank fields and sign
- Send as a scanned email to support@scotts-international.com

ORDER FORM:

Select license	License	Price
	Single User License	\$4750.00
	Team License (1-7 Users)	\$5250.00
	Site License	\$6500.00
	Corporate License	\$8750.00
		VAT
		Total

*Please circle the relevant license option. For any questions please contact support@scotts-international.com or 0048 603 394 346.

** VAT will be added at 23% for Polish based companies, individuals and EU based companies who are unable to provide a valid EU Vat Numbers.

Email*	<input type="text"/>	Phone*	<input type="text"/>
First Name*	<input type="text"/>	Last Name*	<input type="text"/>
Job title*	<input type="text"/>		
Company Name*	<input type="text"/>	EU Vat / Tax ID / NIP number*	<input type="text"/>
Address*	<input type="text"/>	City*	<input type="text"/>
Zip Code*	<input type="text"/>	Country*	<input type="text"/>
		Date	<input type="text" value="2026-03-01"/>
		Signature	

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

