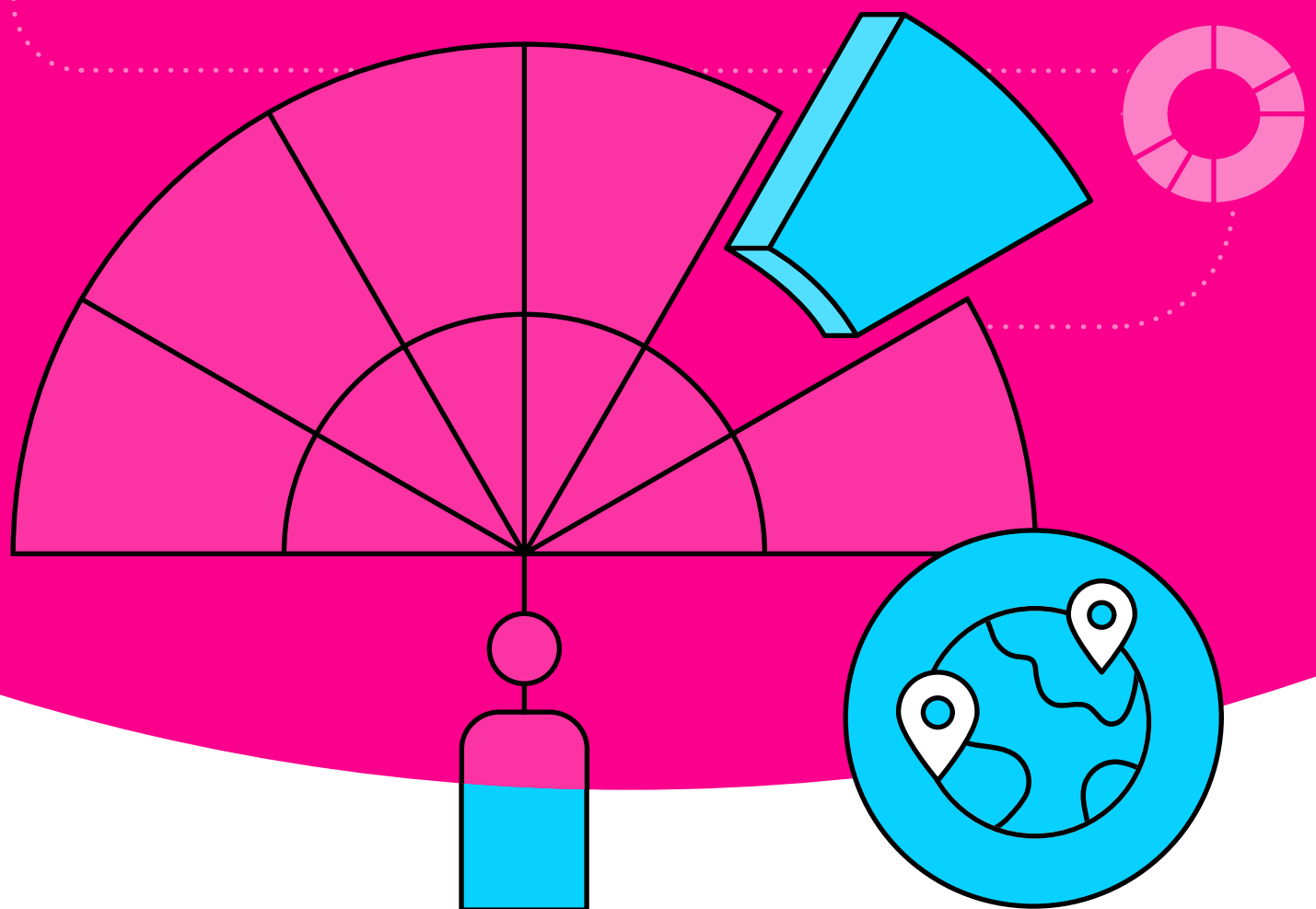


ADJUST

# How not to fail in Asia

Everything you need to make it in APAC's mobile economy



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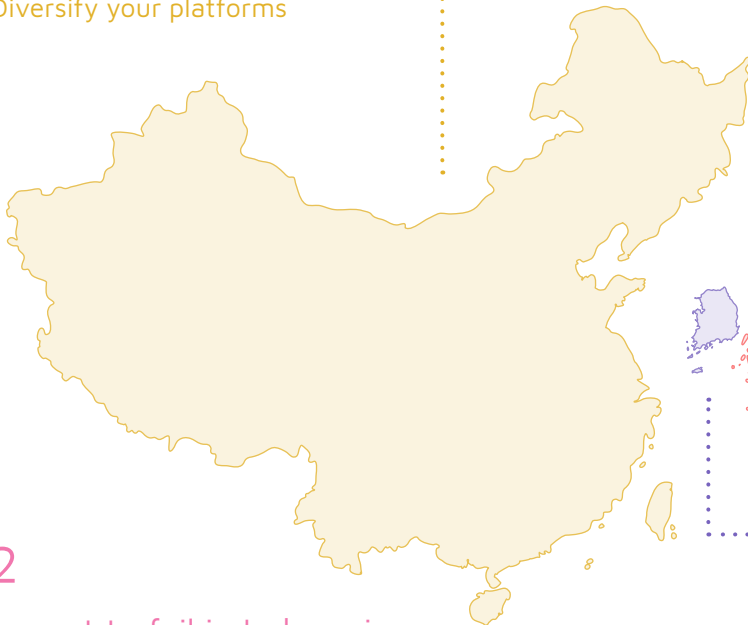
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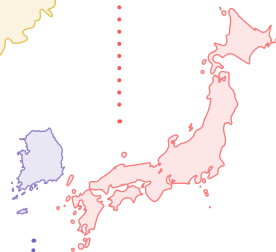


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# So you're looking to expand across Asia

Asia's booming market and mobile-first mindset represent a huge opportunity for foreign app developers determined to make their mark.

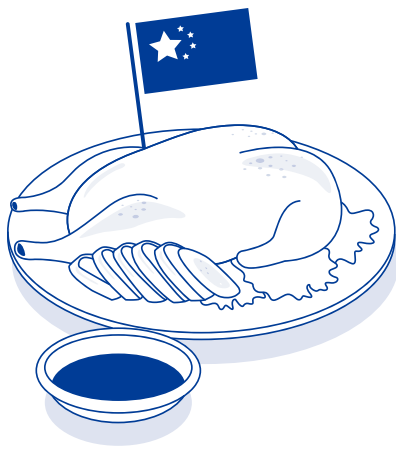
According to Dentsu Aegis Network, Asia Pacific is set to be a leading contributor to global ad spend growth in 2019, contributing 42% of the global increase. Mobile will dominate this growth, with over half of APAC spend (58%) now delivered through mobile devices.

But expanding into Asia isn't a breeze for marketers. The region contains a host of cultures and over 2,300 languages, and consumers in Asia are just as diverse when it comes to their tech habits — from fast-developing mobile markets like Myanmar to countries like Korea, which boasts 95% smartphone penetration.

In this guide, we've focused on some of Asia's most mobile-centric countries — the ones that provide marketers the biggest opportunities and the highest potential for growth. But to succeed, you'll need the inside track. To help, we tapped Adjust's network on the ground — including app marketers who've cracked their markets, and Adjust team members working across our Beijing, Singapore, Seoul and Tokyo offices.

With mobile's meteoric rise, the world is your oyster - and Asia your next pearl.

# 中国 China



## NATIONAL DISH

Peking duck - whose history can be traced back to the Yuan Dynasty (1271 to 1368). Today, there's even a KFC breakfast version of the dish available in China.

## POPULATION

1,404 billion

## SMARTPHONE PENETRATION RATE

55.3%

## BIGGEST SOCIAL NETWORK



WeChat - Tencent's all-in-one messaging app with over one billion monthly active users

## TOP 3 DOWNLOADED APPS IN THE APP STORE CHARTS\*



FaceApp  
(photo & video)



Angry Birds 2  
(gaming)



Mr Bullet  
(gaming)

\*Based on App Store ratings in July 2019



## 进军中国市场的必胜攻略

## How not to fail in China

As the largest single mobile market in the world, China is an obvious place to start your expansion in Asia. Bigger than the U.S. and European markets combined, China has an estimated 788 million mobile users. Usage is high, with almost 50% of all app downloads in 2018 across iOS and the third-party stores being made in China. The country accounted for nearly 40% of consumer spending on mobile in 2018, and according to research firm eMarketer, almost 82% of digital ad spend in China will be dedicated to mobile by 2021.

Despite these impressive stats and the mobile-first nature of Chinese society, overseas companies can find it difficult to break into the market: in 2017, only 20% of top apps were developed outside of China's borders. There is a myriad of reasons behind this, but cracking this single giant could result in serious traction.

## Embrace a diverse market

Keep in mind that China is a mature market. A wealth of homegrown options such as Wechat, QQ, Sina Weibo and Baidu dominate, and app marketers must be prepared to work with partners within the Chinese market. Adapting apps to work with these Chinese giants is one of the quickest ways to get a successful start in the country.

A partnership with one of the major players makes a real difference in the Chinese market. Eric Wang, Senior Sales Manager at Adjust, sees this cooperation as essential when entering the mobile market in China: "Nearly 70% of the market is held by the large Chinese networks — so if you want to avoid failure in China, collaboration would be a good start."

The app market in China is also more fragmented than the U.S. or Europe. While Apple is popular and iOS features prominently, the void left by Google Play has been filled by over 400 different app third-party stores. Each different store requires users to install a new [Android Package Kit \(APK\)](#), and the logistics of implementing this involve careful planning.

Success also demands a localized product — not an app that's simply translated into Chinese. Apps must be aligned with the cultural nuances of the Chinese market and be tailored to China's diverse regions. Todd Lin, Client Partner at Adjust, believes that catering to all markets is essential:

**"The companies who succeed on mobile are the ones who understand the needs of those across the population, not just tier-one cities like Beijing, Shanghai and Guangzhou."**



Todd Lin,  
Client Partner, Adjust

Eric continues, "Localization should be the priority for every advertiser. You need a good localization team, and translation team, and to grasp the trends and hot topics in China."



## Prepare for the challenges

Piracy remains a big problem in the Chinese market. Even before launch, you could see several pirated versions of your app already available, particularly in the case of mobile gaming. To avoid this, make China a key market as part of a global launch, and be prepared to work closely with the app store in question to ensure your legitimate product is the only one available.

For app developers and marketers alike, you also need to consider that Chinese gamers show a strong preference for free to play (FTP) titles than premium offerings: [61% of users prefer to play for free](#), with the majority spending less than \$5 on apps. The same study showed that users are receptive to inventive ads that make the most of video, and virtual or augmented reality platforms.



## Diversify your platforms

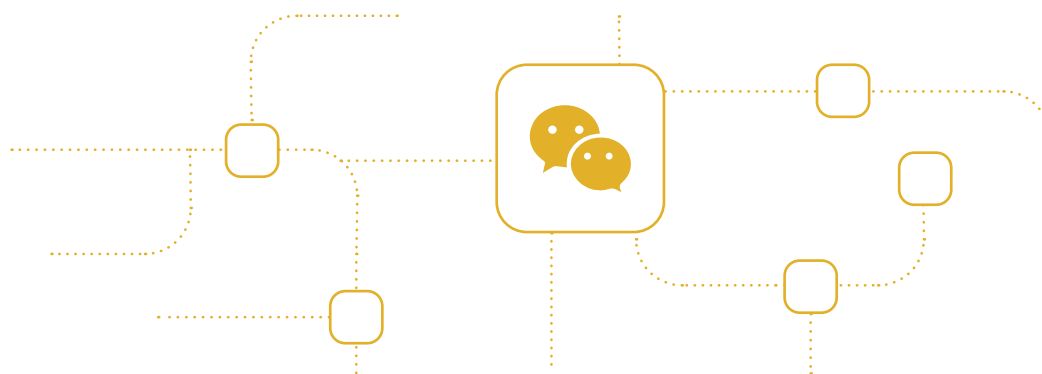
The success of Douyin (or TikTok as it's known around the world) highlights the trend towards video content. One in ten Chinese mobile users access Douyin daily, and that's only [one of a number of similar platforms](#). Short-form video apps have registered over 300 million downloads in China, with an annual growth of 119%. If you're a marketer who wants to reach the widest possible user-base you should certainly be considering video-based campaigns.

Another worthwhile avenue to explore is mini-programs, or "sub-applications." Mini-programs are smaller than 10 megabytes and run natively on larger platforms. These can be games, transport applications or shops which run faster and more smoothly as part of a larger app. Tencent, for example, now has over [one million mini-programs](#) running on WeChat. That's a plus for

marketers, allowing them to check what will fly in the market and avoid burning cash in the process.

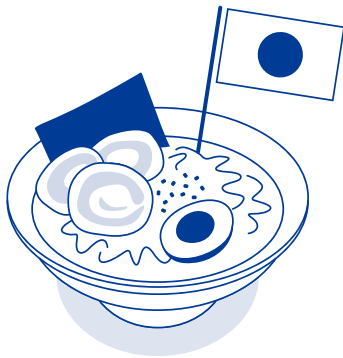
[Gaming companies](#) currently have the most success with mini-programs, which should come as no surprise. Gaming apps are popular across the APAC region — and China is the largest among them. This trend has helped hyper-casual gaming to peak in popularity — accounting for [60% of game installs in China](#).

Clearly, China is where the action is - but it's still early days for the mobile sector. Innovation is key to making the most of an engaged user base. China is a vast country, and an understanding of exactly what is required in different regions and cities is essential to success.





# 日本 Japan



## NATIONAL DISH

While there's no official national dish, curry, ramen and sushi are so widely consumed they could all be considered one. Japanese food has also received UNESCO heritage status. It's hoped the accolade will help preserve *Washoku*, the name used to describe all types of Japanese dishes such as tempura and miso soup.

## POPULATION

126,809 million

## SMARTPHONE PENETRATION RATE

57.6%

## BIGGEST SOCIAL NETWORK



Instant messaging app LINE, with over 70 million monthly average users

## TOP 3 DOWNLOADED APPS IN THE APP STORE CHARTS\*



Netflix  
(entertainment)



Homescapes  
(gaming)



YouTube  
(entertainment)

\*Based on App Store ratings in July 2019





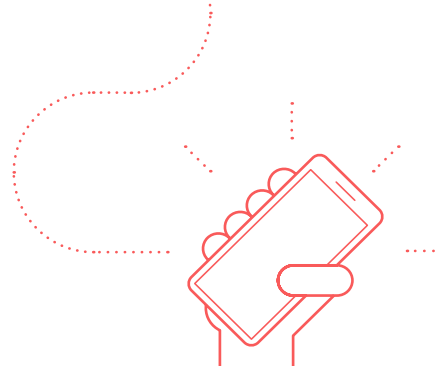
## 日本で成功する方法

## How not to fail in Japan

Moving further East, Japan boasts a highly mature market. At the start of the 2000s, Japan blazed a trail in mobile technology. The rise of the J-phone popularized built-in cameras and picture messaging long before the rest of the world became selfie-centric. *Keitai* (mobile) culture remains a huge part of Japanese society. Japan has the seventh-largest mobile user base, as well as the world's third-largest market in terms of app store spend, currently measured at \$14 million.

Japan is a sophisticated market, but it's difficult to crack. A preference for feature phones, desktops and PCs means that Japan's smartphone user percentage is at 57.6%, lagging behind much of the APAC region. That said, there are plenty of opportunities for mobile marketers to thrive in Japan. Users tend to be more committed to their apps: Adjust research shows that 75.4% of users who installed entertainment apps registered for the service, and longer dwell times mean that there are exciting opportunities to grab your audience's attention.

What are the key things to bear in mind for app marketers looking to make it big in Japan?



## Get ahead of the curve

The latest mobile trends tend to hit Japan six months after they make waves in San Francisco, which has to be taken into account when deciding on roll-out. Plan your launch strategically and you'll find yourself a market leader in no time.

Devices in Europe and the U.S. have become all-in-one personal management devices, but the Japanese market has shown reluctance to adopt apps in lifestyle areas. They've stayed more loyal to the desktop than other countries in the APAC region. A prime example is fintech - users log [one-third of the global average](#) weekly sessions in the sector. But this attitude is gradually changing.

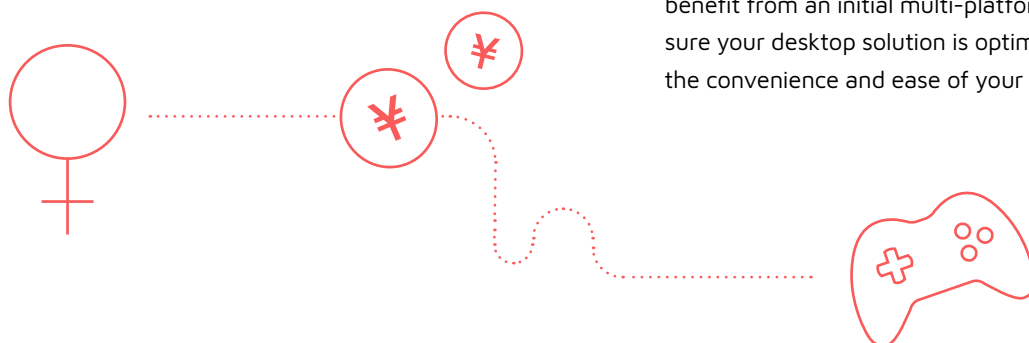
However, Naoki Sassa, Country Manager Japan at Adjust, says:

**"The smartphone as a desktop replacement is on the way. It's a trend that's showing in lifestyle apps, such as food delivery and shopping that's a golden goose for advertisers looking to move into Japan."**



Naoki Sassa,  
Country Manager, Japan, Adjust

As this change continues to develop, companies would benefit from an initial multi-platform approach. Make sure your desktop solution is optimized towards pushing the convenience and ease of your mobile service.



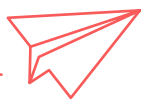
## Work hard play hard

There's no market more receptive than Japan for gaming. Smartphone culture revolves around gaming, and an impressive [46% of gamers](#) are willing to spend money on the games they enjoy. In fact, Japan's top 30 mobile games monetize [twice as effectively](#) as their U.S. counterparts. With such an engaged and lucrative market, mobile marketers must consider how to push their product through a gaming partnership.

Mobile gaming not only offers marketers the chance to speak to a loyal and profitable audience but also a diverse one: women are [79% more likely to make in-app purchases than men](#). This is a huge opportunity for marketers to reach a key demographic, and many

companies have started to focus their efforts on developing games and marketing directly to a female audience. Women in Japan are also spending [twice as much time on social apps](#) as men; if your product is geared towards women, Japan is a market that's worth expanding into.

This knowledge can also help inform your marketing messaging even if your app isn't in the gaming category. If Japanese users are more likely to see their smartphones as a place for gaming rather than for more serious uses like banking, instilling trust through your marketing and messaging can help them make the switch.



## Put localization at the heart of everything

It can be tricky to break into the Japanese market — seven of the top 10 apps by consumer spend are [native to Japan](#), made by local companies rather than foreign ones. Similarly, Japanese apps such as [Mercari](#) have seen far quicker take-up than overseas apps entering the market. Companies launching in Japan that believe their cultural capital and success in their own market precede them, face a steep learning curve.

Companies that have succeeded in Japan, such as Uber Eats and Spotify, have entered the market thanks to fully-localized branding and experiences. Work extensively on localization: make sure to have a team that knows the Japanese market inside-out. You'll need to use the right language, design traits that appeal to the Japanese market, and Japanese celebrities or influencers if you want your app to fly.

Naoki says, "The design really needs to feel familiar for a Japanese audience. It's important to tailor your UX and UI to the Japanese market."

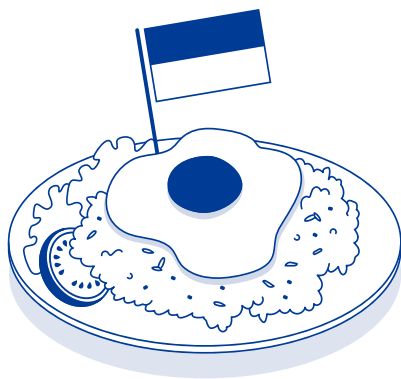
Don't treat Japan as a test market — it's not the place to test a new product, or even a beta version. Treat Japan only as the primary market for a fully-formed and realized product, or risk being dismissed right off the bat. The upside? If your app flies in Japan, it's a good indication you'll find success elsewhere.

Naoki elaborates: "You should avoid English in your app or your ad campaigns. This isn't a second or third-tier market, it's a market that's used to being catered to specifically. You have to come across as a fully-realized, localized solution."

Japan is a market with a wealth of opportunities for mobile marketers. It is just starting to fully embrace mobile as a platform, and the success of gaming is a beacon for other categories to aim for. Those with innovative products who are willing to go the extra mile in localization could reap the rewards, and find a lucrative and relatively untapped market to make an impact in.



# Indonesia



## NATIONAL DISH

Nasi Goreng, literally meaning „fried rice“ in Malay and Indonesian. The fragrant dish is usually made up of fried rice, meat and vegetables, and seasoned with sweet soy sauce.

## POPULATION

270 million

## SMARTPHONE PENETRATION RATE

47.6%

## BIGGEST SOCIAL NETWORK



YouTube. In fact, Indonesia has the highest proportion of online users who watch YouTube on mobile.

## TOP 3 DOWNLOADED APPS IN THE APP STORE CHARTS\*



Netflix  
(entertainment)



YouTube  
(entertainment)



PUBG Mobile  
(gaming)

\*Based on App Store ratings in July 2019



## Bagaimana tidak sampai gagal di Indonesia

### How not to fail in Indonesia

Indonesia might not be at the top of the list of destinations for marketers to crack, but that's changing fast. 270 million people make up Southeast Asia's largest economy, and the country's mobile penetration rate stands at 47.6%. Unsurprisingly, it's Indonesia's increasingly young, urban population driving an appetite for consumer tech. Like many emerging economies, its digital transformation has been mobile-first.

This massive opportunity is confirmed by Adjust's internal data. Adjust named it the fastest-growing nation for app marketers in its 2019 Global App Trends report. This is encouraging for both local and foreign mobile companies looking to make a splash in Indonesia — as long as they get their go-to-market strategy right. So, what are the key points for brands looking to succeed in the region?

## Follow local rules and customs

Indonesia's development as a tech hub has led the government to stimulate business growth in the country by demanding that international firms "go local" when they introduce products to the market. At the start of 2017, for example, the government stipulated that all 4G handsets contain 30% local content — either software or hardware produced in Indonesia.

When looking at how to run campaigns, it's essential you consider Indonesia's demographics. While users may be open-minded when it comes to embracing international technology, marketing activities in the country must always have a local edge. The advertising industry remains fairly conservative, and risqué campaigns that work in the West may not be as successful here.

Jusdinata, Online Marketing Lead of popular Indonesian shopping voucher app [Ultravoucher](#), says that using influencers and celebrities in ad campaigns can be a huge boon — and both local and international celebrities attract Indonesian consumers. But he recommends choosing influencers carefully:

**"Nowadays, so many people are categorized as „influencers“ just because they have a lot of followers - although their engagement rate can be near 0%. But working with the right influencers can have a huge impact on brand awareness."**



Jusdinata,  
Online Marketing Lead, Ultravoucher

## Don't rely on the algorithm

Indonesia has a low rate of fixed broadband sign-ups (currently accessed by [9.38% of the population](#)), so consumers may be largely reliant on using mobile data. But not all will have unlimited packages — and that can have a big impact on viewability or discoverability. If you're running install campaigns, for example, make sure you know how much data these use. Too much will turn potential customers off, and risk building negative brand image.

Similarly, potential users may not want to browse the app store for very long. In Indonesia, [60% of app downloads](#)

It's also important to note *what* Indonesians use apps for — and that's everything that can make daily life easier, from banking to grocery shopping. Acquiring credit by applying for small loans through banking apps is much more accessible than through traditional routes, especially in rural areas. Similarly, in a traffic-heavy city such as Jakarta, food shopping on-the-go saves Indonesian families a huge amount of time.

In terms of the most-commonly used apps, rankings show that social and messaging apps — including Facebook, Whatsapp, and Instagram — are among the most commonly downloaded, and Jakarta was even named the "most active Twitter city in the world" in 2012, giving it a lasting reputation.

The enormously popular South-east Asian clothing app Shopee and local ride-hailing app Go-Jek also feature in the top 30 for downloads in Indonesia too. The key takeaway? Products and services which offer something that supports day-to-day life are a surefire way to make your mark.



stem from search results, according to MoboMarket, a third-party Android app store from Baidu.

While app store optimization is a must everywhere, it's especially important in markets that rely heavily on organic discovery. For maximum visibility in search results, make sure you accurately name, describe, tag and classify your app when submitting to various app stores, and look into all the tips and tricks to skyrocket your app.



## Focus on interactive adverts

Despite the data restrictions, there's a big opportunity for creative advertising campaigns. Gamification, a creative approach that combines game-like elements and interactivity to create higher engagement, is one way to drive a positive outcome for your campaigns.

Rengga Tranfianto Nurvigya is a Senior Digital Manager for leading pregnancy and health apps [Teman Bumil](#), [GueSehat](#) and [Teman Diabetes](#). Rengga says:

**"Gamification or theme-related ads for campaigns tend to perform very well — these are particularly successful if linked to important holidays and events such as Ramadan or Harbolnas, Indonesia's national online shopping day."**



Rengga Tranfianto Nurvigya,  
Senior Digital Manager, GueSehat

## Look out for changes in the law

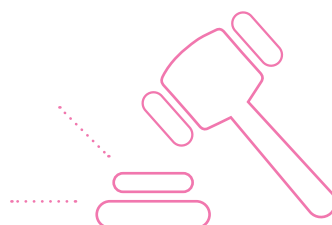
Indonesian laws on data are fairly relaxed compared to standards in Europe or the U.S. — and similarly, the majority of Indonesians aren't as concerned about data privacy as users in the West.

But UltraVoucher's Jusdinata says that attitude is gradually changing, and it can have knock-on effects on how much data users want to share with their apps: "We've started to see that users often don't want to fill out every section of the registration process, which is almost certainly linked to a new attitude around data privacy. To reduce bounce rates, brands need to make sure they only make the bare minimum of information mandatory."

And with growing concerns fueled by media scrutiny and becoming more important around the world, that doesn't mean that laws around data privacy couldn't be just around the corner.

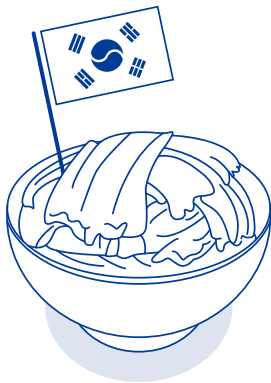
As Michael Gryseels, a senior partner at McKinsey & Company, [suggested](#), "Some flavors of that regulation will come to Asia. It's just a matter of time." For marketers looking to make it big in Indonesia, incorporating E.U. standards of data privacy into their apps will mean they're one step ahead for when the sea change of data regulation hits.

While there are plenty of exciting opportunities to be found in Indonesia, it's also important not to go it alone. One smart strategy would be to forge relationships with apps that already have a local audience — the same ones you hope to target. Building up these connections will be vital to attracting users, and building up a community of like-minded app marketers who can show you the ropes.





# 한국 Korea



## NATIONAL DISH

Kimchi, a sour and spicy dish of fermented vegetables. Korea is even home to the World Kimchi Institute, with the institute's Dr Park Chae-lin saying „Kimchi is symbolic to Korea - one can see it on every meal table throughout the day.“

## POPULATION

51,362 million

## SMARTPHONE PENETRATION RATE

95%

## BIGGEST SOCIAL NETWORK



KakaoTalk, a WhatsApp-style messaging service that serves more than 43 million monthly active users

## TOP 3 DOWNLOADED APPS IN THE APP STORE CHARTS\*



Netflix  
(entertainment)



Homescapes  
(gaming)



YouTube  
(entertainment)

\*Based on App Store ratings in July 2019



## 한국에서 성공하기 위해 알아야 할 것

### How not to fail in Korea

Our last stop on our tour of Asia, Korea is renowned as a forward-thinking tech leader. From MP3 players to 5G coverage, the republic has always been ahead of the curve. For mobile marketers, Korea is a vast market that's primed and ready for innovative products.

Korea has almost become the definition of a mobile-first society. A massive 95% of the population own a smartphone, a number that rises to 100% for the 18-34 year old demographic. People are also spending a lot of time with their devices. Mobile totals 37.1% of daily media time in Korea, and this total is set to surge past traditional media over the coming years.

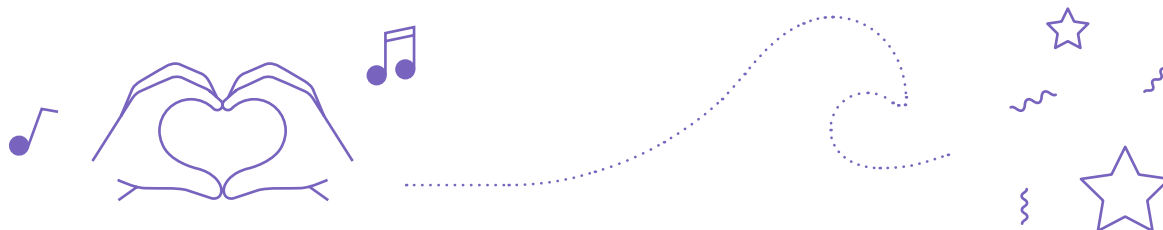
Numerous free trade agreements, including with the U.S. and E.U., make Korea one of the easier APAC markets to enter — and there's a genuine wealth of opportunity for mobile marketers to make an impact. But it's not a walk in the park: Korean users are spoiled for choice, and you'll need the inside-track. Read on to discover how to make your marketing move the needle as you look to get off the ground in Korea.

## Ride the Korean wave

Korea is extremely proud of its own culture, and marketers should make sure they are completely familiar with the country's trends and traditions before launch.

Since the mid-90s, Korea has been on a mission to showcase its own culture to the rest of the world. This Korean Wave, or [Hallyu](#), has seen the country's music,

film, television and food promoted across the globe. Marketers must avoid thinking that a proven success on their own turf will translate directly to the Korean market. Instead, they must become fluent in these cultural nuances and use them as inspiration for their own product.



## Know your influencers

One key aspect of Hallyu is fan culture, as consumers show a unique devotion to their favorite groups. K-Pop was thrust into the spotlight in recent years by "Gangnam style" singer Psy in 2012, and more recently by global sensation BTS, whose "love yourself" mantra has seen them amass [21.3 million followers](#) on Twitter alone.

Marketers and developers should consider partnering with artists; they hold considerable sway as influencers,

and could be a valuable asset in cracking the Korean market. BTS, for example, has recently signed up with Korea's largest app publishers Netmarble on their own [mobile game](#). Son Heung-min, captain of Korea's national football team, is also an ambassador for MMORPG's martial arts-themed game Hero Shinsword. This heady combination of Hallyu, technology and gaming is testament to the importance of influencers and fan culture in the country.

## Take Localization to the next level

In Korea, localization takes on new meaning. It's not enough to just translate the app and adapt to cultural nuances. To see real results invest in a deeper approach to localization, and research content trends and preferences in the countries different regions and cities.

Josh Jang, Adjust's Head of Sales for Korea, SEA and India, recommends really looking at the minutiae of Korean regional cultures, and appealing to them in the most detailed way possible:

**"Korean companies use a very micro-local strategy to get people to download their apps. They differ their strategy from town A to town B to appeal to different markets, and it works well for them. This has spread from traditional advertising into digital. Being very local works in getting people interested."**



Josh Jang,  
Head of Sales for Korea,  
SEA and India, Adjust

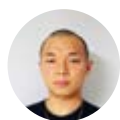
## Embrace the platforms your audience love

As the fourth-largest mobile gaming market in the world, gaming is huge in Korea.

South Koreans spent [\\$5.6 billion on mobile titles](#) in 2018, with 40% of gamers in the country spending in-app. The most popular games downloaded in the Korean app store come from local giants Netmarble, NCSOFT, and NEXON.

FLERO GAMES co.'s Dongbin Chi, UA Lead for the popular gaming company based in Seongnam, says:

**"Korea's sophisticated gaming culture offers plenty of opportunities. We're also known as the home for eSports, with more and more gamers interested in both spectating and participating. eSports are now so popular that many conferences - including G-Star, Korea's biggest gaming event - offer dedicated meet & greet zones for fans to meet their gaming idols."**



Dongbin Chi,  
UA Lead, FLERO GAMES co.

Aside from gaming, internet giant Kakao had three of the [top ten grossing titles](#) on iOS, and Kakao Talk is one of the most popular social media networks, with

over 42 million users, providing a powerful platform for marketers. However, Facebook and Instagram still occupy a gigantic role in reaching out to users.

As for search engines, local platform Naver has over [70%](#) of market share. Naver provides various marketing tools such as blogs and search ads, giving companies another avenue to consider for marketing activities.

One trend in Korea that is now making waves across the world is live-streaming video. Korean users spend between [500 and 600 minutes](#) on live video streaming apps every month. Companies are monetizing these platforms through [real-time purchasing](#) of augmented reality filters and stickers, while offering viewers the chance to send small gifts to their favorite live streamers.

These platforms are an opportunity for brands and marketers to forge a direct route to an already engrossed audience; tailor your marketing plan to speak to users on their own terms.

Korea is a trend-setting nation both technologically and culturally. Mobile marketers and developers will find fertile ground among the Korean audience. Be sure to tailor your message to not only a Korean audience, but to regional tastes and trends, and you'll find a vast, largely mobile-first population ready to embrace the next big thing.





## ABOUT ADJUST

Adjust is a global app marketing analytics platform committed to ensuring the highest privacy and performance standards. Adjust's solutions include attribution and measurement, fraud prevention, cybersecurity, as well as automation tools. The company's mission is to make mobile marketing simpler, smarter and more secure for the more than 50,000 apps working with Adjust.

Want to learn how we can help you? [Contact us now](#) to find out how we can fit your specific use case.

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