

Creative Tech was the pride of S'pore. Is there an equivalent today?

The next business powerhouse from Singapore Inc will need a strong business ecosystem, technological inventiveness and strategic marketing

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Creative Technology founder Sim Wong Hoo's death leaves behind a huge home-grown tech legacy and big shoes for others to fill.

The listed company, whose fame with its Sound Blaster sound cards that became the industry standard in desktop computers in the 1990s. By 1995, almost seven in 10 sound cards in PCs sold around the world were reportedly Sound Blasters.

Creative's global success became a source of national pride for Singapore, which was at that time not particularly known for its innovations in tech or its business inventiveness. The arrival of Creative Technology changed all that.

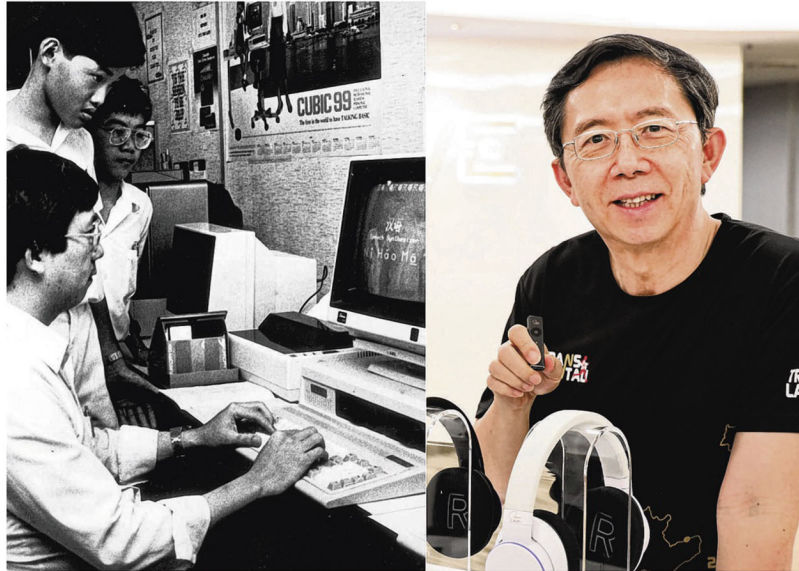
Yet, where it succeeded in technology, it fell behind on marketing. Apple's iPod took over the world in 2001, overriding any success that Creative's portable music player had. A brief war on intellectual property was waged. Mr Sim sued Apple for patent infringements regarding the menu system used by the iPod and walked away with a respectable US\$100 million settlement.

But slowly, Creative dimmed into the shadows. The company voluntarily delisted from the Nasdaq stock exchange in 2007. It is still focused on developing audio technology. Its Super X-Fi headphone technology garnered attention when launched a few years ago – and was even lauded as providing a “holographic audio eargasm” by tech publication PCWorld. But the company today is but a shadow of its former glorious self.

Still, Creative, under Mr Sim's leadership, made huge contributions to the local tech sector. In today's world, however, companies need to create both disruptive technology and have a creative marketing playbook to get ahead, as well as a strong and friendly business environment.

STRENGTHS IN BOTH TECHNOLOGY AND BRANDING

Does Singapore Inc have a chance at that? Definitely. As a country, Singapore has a strong focus on technology and is known for its strong business ecosystem. For decades, the Singapore



Creative Technology founder Sim Wong Hoo has left behind a huge home-grown tech legacy and big shoes for others to fill. PHOTOS: LIANHE ZAOBAO FILE, ST FILE

Government invested heavily in research and development and this has paid off. The country is now home to numerous technology and fintech start-ups, including giants like Sea and Grab, and is also the regional headquarters for many big multinational firms, including tech titan Microsoft, German automaker BMW and French pharma firm Sanofi.

Singapore companies today are pushed to succeed. Behind the development of local start-ups is national planning that supports their growth – with a billion-dollar Research, Innovation and Enterprise fund, incentives for capability development and internationalisation, as well as access to skilled foreign manpower for eligible firms, with the creation of new tech employment passes in 2020.

Many have strong backers. Government-owned investment firm Temasek has invested in early-stage companies with high growth potential, particularly in the technology sector. Help comes not only in the form of financial support, but also strategic guidance and access to Temasek's wide networks of investors and industry players.

While Temasek's mission has evolved to include portfolio management, enterprise building

remains an important part of the company's strategy. It founded digital identity firm Affinidi and cyber-security firm Istari in recent years – companies with strong growth potential.

The Government has also focused on building the country's brand globally through initiatives such as the “Singapore: Inside Out” campaign launched in 2015, which promotes local culture and innovation by showcasing works of creative artists, and, more recently, the Passion Made Possible drive to promote investment and tourism opportunities in Singapore, as a key node in the global economy. It aims to catalyse investments from the big boys so that the business ecosystem remains competitive and vibrant.

While technology is an important factor in a company's success, Singaporean firms have realised that it is not the only factor. They must also focus on other business aspects to succeed in a very competitive market.

More precisely, they need a strong brand to differentiate themselves from their competitors and stand out in a crowded and increasingly globalised marketplace. A company's technology can be copied once its patent expires, but branding is often more difficult to replicate.

A company's brand includes its reputation, values and personality, and is often closely tied to the experiences and emotions that customers associate with the company. These elements of a brand are often built up over time and unique to the company's history and culture.

For instance, Razer has achieved success in Singapore and globally mainly through strong branding and creative marketing. With a strong brand identity and messaging around its “For Gamers. By Gamers.” slogan, Razer has built a loyal customer base and differentiated itself from its competitors. Razer grew from a two-man start-up in 2005 to a multinational market leader featured in Fortune magazine's “Unicorn List” in 2015 and generated more than US\$1.6 billion (S\$2.15 billion) annual revenue in 2021.

Many longstanding, winning Singapore firms have not forgotten about marketing. Big home-grown names, including Singtel, DBS Bank and Singapore Airlines (SIA), which benefited from Temasek's backing, are strong performers today. These companies are well-recognised brands with clear messaging and effective marketing campaigns to promote their brands.

Singtel is now one of the largest

telecommunications companies in Asia, with a strong presence in the region and a customer base of more than 700 million people in 21 countries. DBS is a leading financial services group in Asia. SIA is a global airline known for its high level of service and its modern fleet of aircraft.

All are placed among the top 10 brands in Singapore by market capitalisation and based on brand value, according to brand consultancy Brand Finance's ranking of the top 100 brands in 2022. Think about one of the strongest brands from Asia, and chances are that SIA and its reputation for superior premium service, DBS and its positioning as the safest digital bank in Asia, and Singtel's image as an innovative company come to mind.

PROMISING SINGAPORE COMPANIES TO WATCH

Many companies in Singapore have recently received attention and investment due to their innovative products or services and strong growth potential. Grab, 99.co, Acronis and Carousell are the most promising. These companies have developed strong brand identities and effective marketing strategies to promote their products and services. While the tech industry's

downturn in 2022 has forced these companies to announce hiring freezes or spending cuts, their outlook remains promising given their massive user base and unshakeable popularity among users across different age groups.

Nevertheless, in order for them to thrive and grow, three conditions must exist. First, access to capital: Start-ups need funding to get off the ground and grow, and having access to capital through sources such as venture capital, angel investors or government grants can be critical for their success.

Second, talent. These companies need a team of skilled and dedicated individuals to develop and execute their business plans. There is a fierce fight for talent, especially technology talent, among cities. Despite the murky hiring outlook, Randstad Singapore foresees a continued heavy demand for developers like software engineers, full stack developers and mobile app developers in 2023, especially in fast-growing industries like banking, fintech and biotech. The results will consequently affect firms and economic growth.

Finally, adaptability. Firms must be able to adapt and pivot their business strategies in response to changing external factors in the global political, economic and technology environments. The Ukraine-Russia war, an expected global recession and Industry 4.0 technologies will fundamentally change how we live and work.

On all counts, Singapore companies should do well. Singapore has implemented a number of initiatives and programmes to improve tech skills in the country, including enhanced support for the SkillsFuture Career Transition Programme in the 2022 Singapore Budget, supporting mid-careerists to take up jobs in rapidly growing sectors. More than \$200 million was set aside to build digital skills in companies and workers in the same Budget.

SkillsFuture captures the driving force behind Singapore's transition to an advanced economy, where people acquire expertise and mastery of skills and are driven not only by the demands of their jobs but also by a commitment to excellence and passion in their own areas of strength and interest.

Moreover, government agencies StartupSG and SGINnovate were created in 2017 to support the development of promising firms, providing equity funding, advisory and more to eligible high-growth start-ups. With these vital ingredients in place, the Singapore business ecosystem looks ripe to groom the next Creative.

There may not be a Singapore tech firm with the international standing and influence that Creative commanded in its heyday right now. But undoubtedly, technology pioneers such as Mr Sim have paved the way for Singapore Inc. It is now up to other Singapore firms to continue flying the flag.

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