

MEDIA STATEMENT



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MALAYSIA DIGITAL ECONOMY 2024

***Malaysia's e-commerce income grew 4.0 per cent, reaching
RM918.2 billion in the first nine months 2024***

PUTRAJAYA, 19 DECEMBER 2024 – Today, the Department of Statistics Malaysia has released the Malaysia Digital Economy 2024 report. This report presents statistics on e-commerce, the contribution of Information and Communication Technology (ICT) to the economy, access and usage of ICT, as well as the performance of the ICT services sector.

Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin, stated, "Malaysia's e-commerce income recorded RM918.2 billion in the first nine months of 2024, reflecting a 4.0 per cent year-on-year growth. The highest income was achieved in the second quarter of 2024 at RM309.8 billion. However, the third quarter 2024 saw a slight decline of 0.6 per cent to RM307.9 compared to the second quarter 2024. Despite this minor decrease, e-commerce remains a vital pillar of Malaysia's economic landscape".

On 15 October 2024, the Department of Statistics Malaysia (DOSM) published the Information and Communication Technology Satellite Account (ICTSA) 2023. ICT and e-commerce industry generated a value-added of RM427.7 billion in 2023 as compared to RM411.6 billion in 2022, recording a growth of 3.9 per cent. The contribution of ICT and e-commerce to the national economy rose to 23.5 per cent from 22.9 per cent in 2022. This performance was driven by the Gross Value Added of the ICT Industry (GVAICT) at 13.8 per cent and e-commerce from other industries at 9.6 per cent.

GVAICT amounted to RM252.0 billion, recording a growth of 3.8 per cent compared to 11.4 per cent in the previous year. This growth was supported by ICT services, which contributed 41.6 per cent, followed by ICT manufacturing, ICT trade, and content & media, with shares of 38.2 per cent, 14.2 per cent, and 6.0 per cent, respectively.

In 2023, the Economic Census (BE2023) for the reference year 2022 was conducted, covering all active business establishments across all economic sector. A total of 78,236 establishments were involved in e-commerce transactions, generating an income of RM1,126.9 billion. In terms of e-commerce income by market segment, the domestic market outperformed the international market, contributing RM1,003.5 billion, which accounted for 89.1 per cent. Meanwhile, the international market contributed RM123.4 billion, representing 10.9 per cent. Furthermore, e-commerce income by type of customer showed Business-to-Business (B2B) transactions recorded the highest contribution amounting to RM786.5 billion or 69.8 per cent, followed by Business-to-Consumer (B2C) transactions at RM312.6 billion (27.7%) and Business-to-Government (B2G) transactions at RM27.8 billion (2.5%).

Dato' Sri Dr. Mohd Uzir Mahidin further added, "The findings of BE2023 also reported that ICT services, comprising activities such as publishing; motion picture, video and television programme production, sound recording & music publishing; programming and broadcasting; telecommunications services; computer programming, consultancy & related activities; and information services, recorded a gross output value of RM190.1 billion in 2022, with an annual growth rate of 6.2 per cent since 2015. Telecommunications services drove this expansion, increased by 7.6 per cent to RM121.0 billion, up from RM72.3 billion in 2015. Additionally, information services recorded a significant annual growth rate of 7.4 per cent, reaching RM8.4 billion in 2022".

In line with the growth in the value of gross output, the value of intermediate input also increased RM25.5 billion to reach RM87.5 billion, resulting in a value-added of RM102.7 billion. This value was primarily driven by telecommunications services, which registered an increase of 9.0 per cent to RM70.0 billion, compared to RM38.3 billion in 2015. This was followed by computer programming, consultancy and related activities, which demonstrated a significant annual growth rate of 4.4 per cent, amounting to RM19.1 billion in 2022.

In addition, 95.9 per cent of establishments enumerated in the reference year 2022 used computers (including personal computers, laptops, and tablets), while 93.3 per cent of establishments utilised internet access. W.P. Kuala Lumpur recorded the highest percentage of computer and internet usage by establishments, with 99.8 per cent and 99.6 per cent, respectively. Among internet access options, fixed broadband remained the preferred choice with 92.3 per cent of businesses used it in 2022, while mobile broadband usage rose by 49.4 percentage points from 2015, reaching 77.9 per cent. A combination of both types of broadband was utilised by 72.9 per cent of businesses, highlighting the need for flexibility and adaptability in a rapidly changing digital environment.

He also stated that, “The 2023 survey findings revealed that 99.3 per cent of households in Malaysia had access to mobile phones. In terms of phone usage, 97.6 per cent preferred smartphones, while 16.3 per cent of households were still comfortable using feature phones. Furthermore, 96.4 per cent of households had internet access, and 91.6 per cent had computers. Mobile broadband was the preferred option for internet access (95.3%), compared to fixed broadband (47.1%). In urban areas, 98.4 per cent of households had internet access, compared to 89.8 per cent in rural areas. Meanwhile, ICT use by individuals in 2023 showed that 80.4 per cent individuals used computers, with 86.0 per cent in urban areas and 63.6 per cent in rural areas. W.P. Putrajaya recorded the highest percentage of computer usage and internet access by individuals, at 97.7 per cent and 99.9 per cent, respectively”.

In conclusion, the Malaysia Digital Economy 2024 report underscores the continued growth and importance of the digital economy, driven by e-commerce and the ICT sector. The findings reflect a steady increase in the contribution of ICT to the national economy, with significant growth in both ICT services and e-commerce activities. The widespread adoption of ICT across businesses and households further strengthens Malaysia's position in the global digital landscape, highlighting the country's potential for continued innovation and growth in the digital economy.

The Department of Statistics Malaysia (DOSM) has launched OpenDOSM NextGen as a medium that provides a catalogue of data and visualisations to facilitate users' analysis of various data and can be accessed through <https://open.dosm.gov.my>.

The Government of Malaysia has declared National Statistics Day (MyStats Day) on October 20th each year. MyStats Day theme is “Statistics is the Essence of Life.” DOSM commemorates its 75th Diamond Jubilee in 2024.

Chart 1: Quarterly Performance of E-Commerce Income, Malaysia, 2021–2024

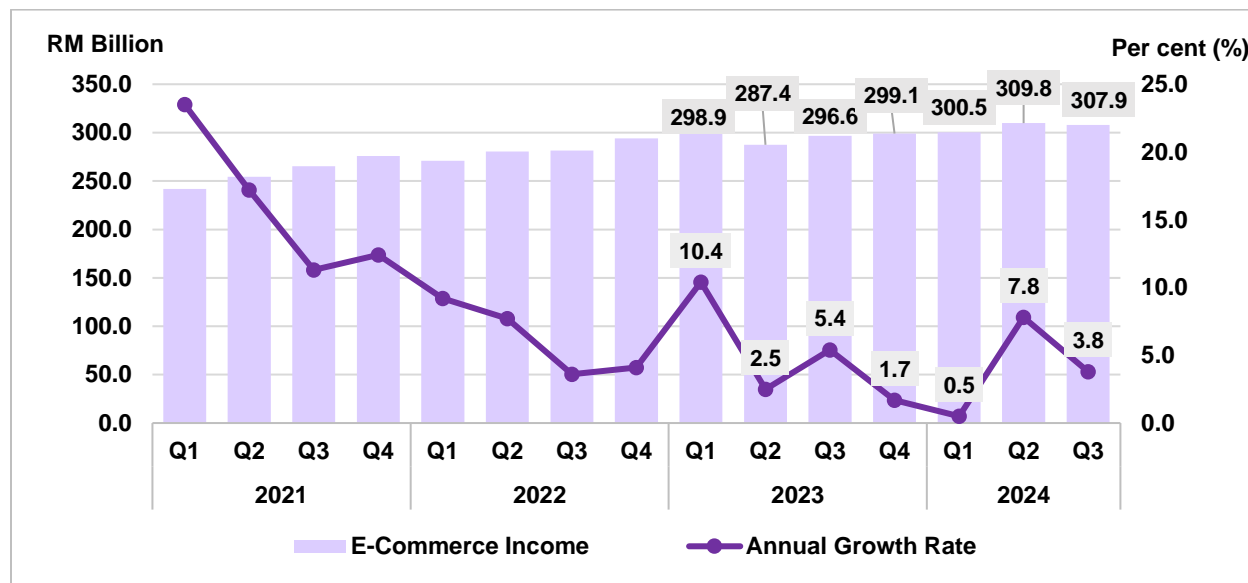


Chart 2: Usage of ICT by Establishment, Malaysia, 2015–2022

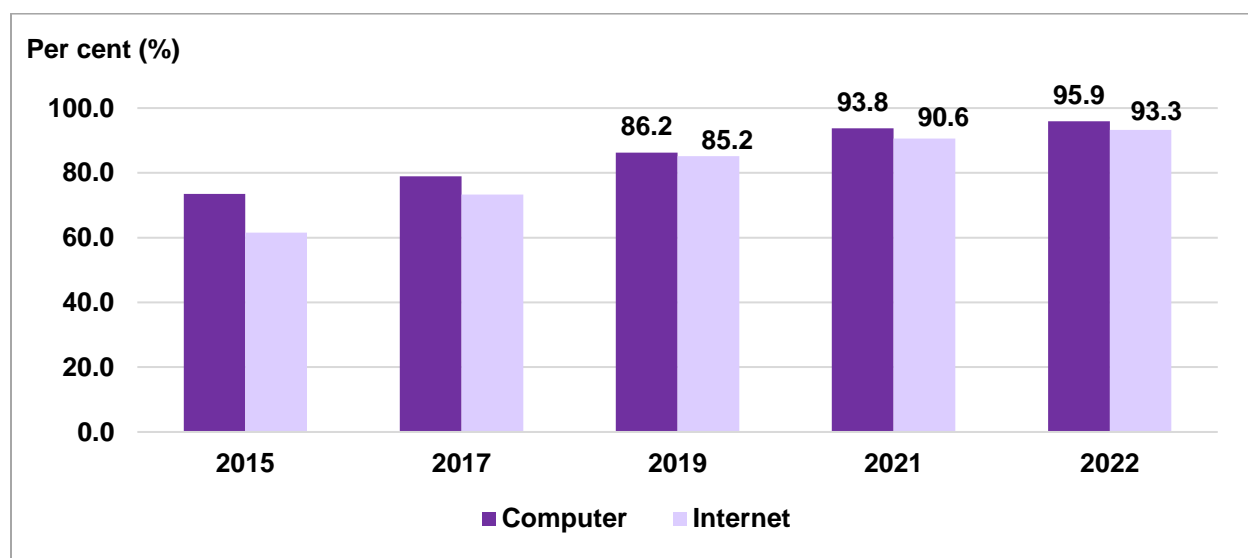
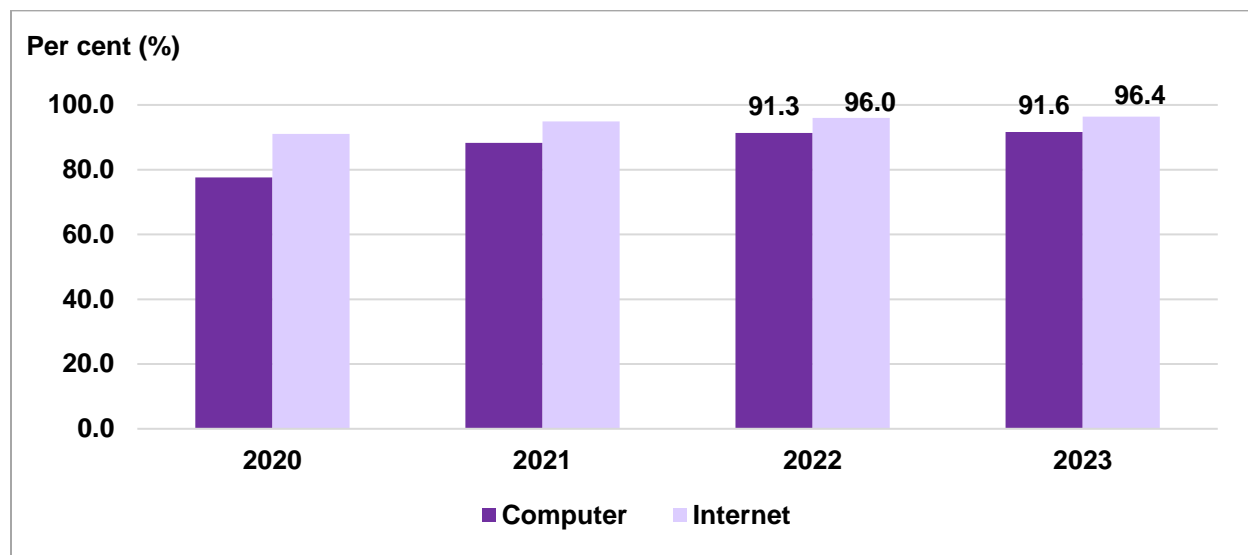


Chart 3: Usage of ICT by Households, Malaysia, 2020–2023



Released by:

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DEPARTMENT OF STATISTICS MALAYSIA
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