

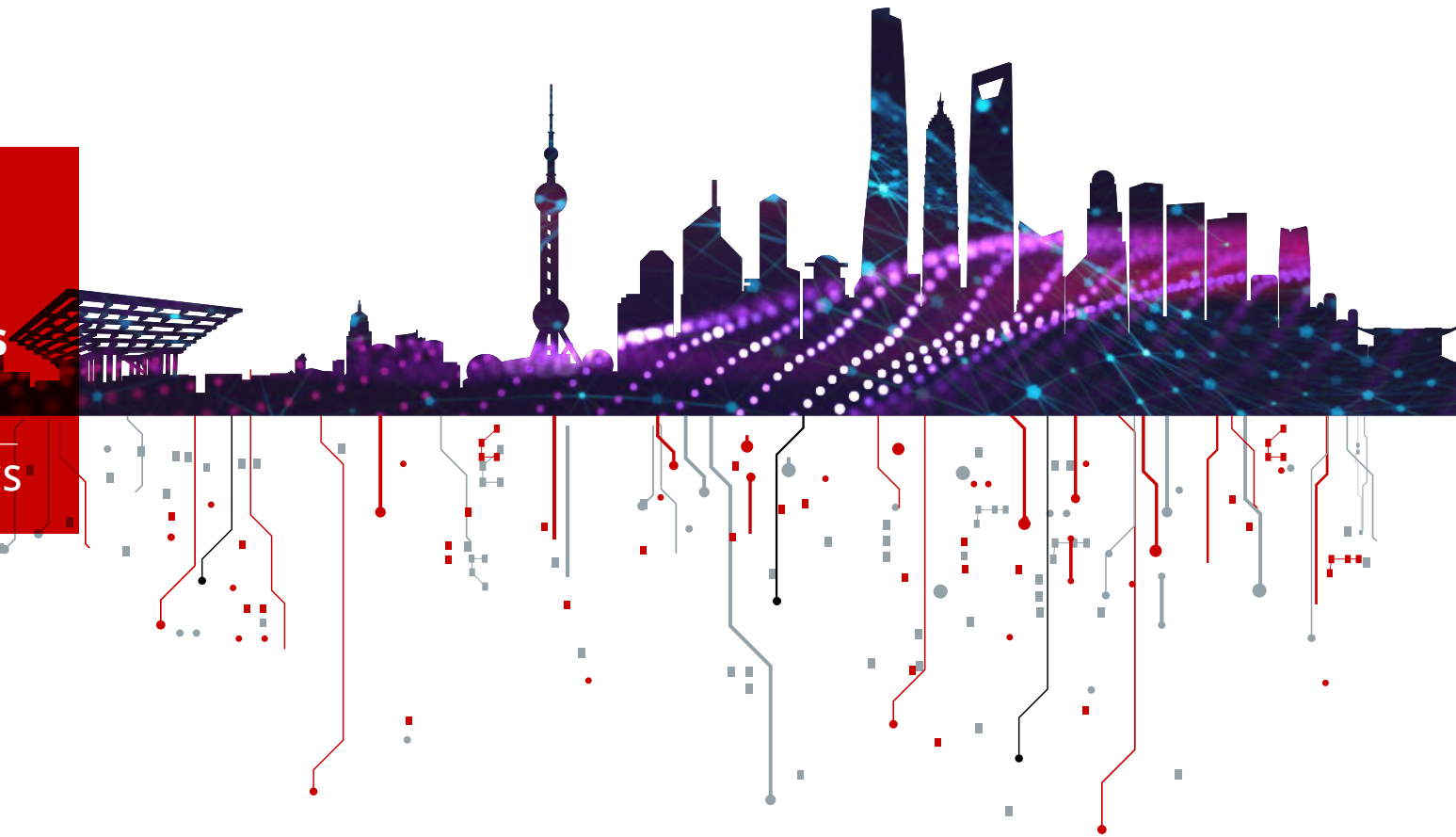


Live more,  
Bank less

# CHINA

2021 DBS Digital Readiness  
Survey for SMEs

SMALL AND MEDIUM ENTERPRISES





## About The Survey

DBS has partnered East and Partners (East) for its inaugural Digital Readiness Survey for SMEs. This research, designed to chart the progress in businesses' efforts in all things digital, is based on direct interviews with 1,050 CEOs, CFOs and Finance Leads from the SME segment (US\$20Mn-200Mn revenue equivalent) across six markets in the Asia Pacific region including China, Hong Kong, India, Indonesia, Singapore and Taiwan. Here we take a closer look at the China market and a snapshot of its SMEs on the digital journey.

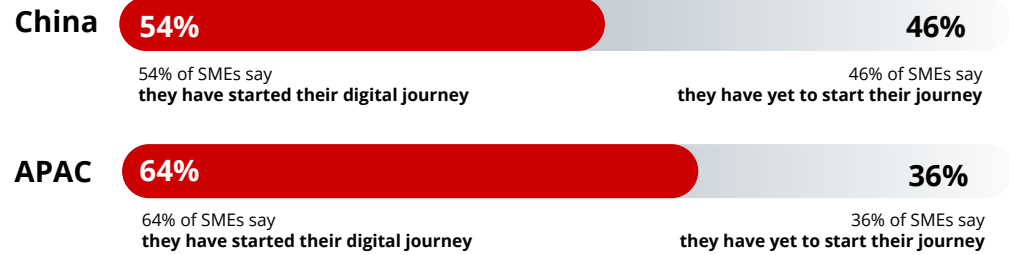


## Profile Of Survey Respondents In China



## Behind The Curve In Digital Journeys

### State Of Digital Journey



### Progress Of Digital Strategy

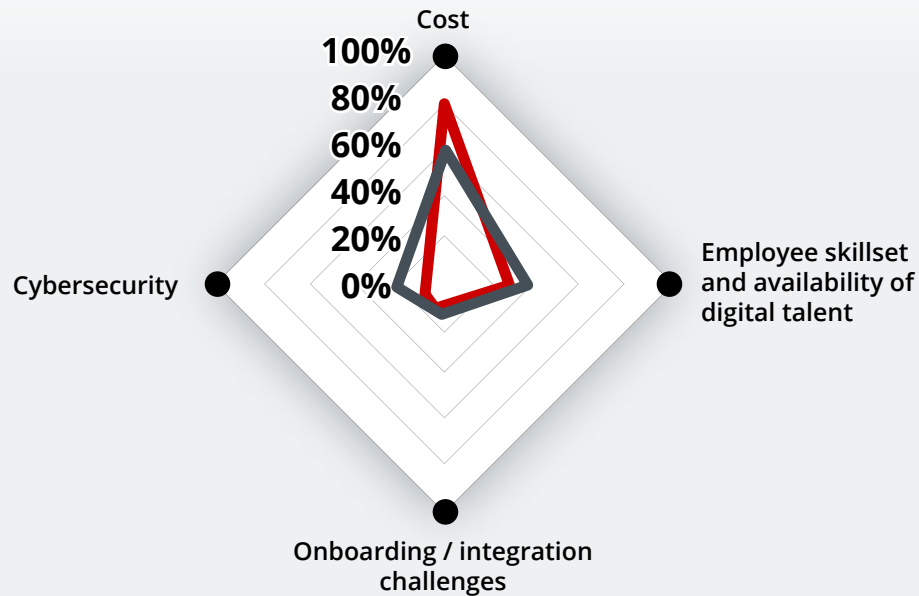




## Cost Of Digitalisation The Key Challenge Forward

### Top Three Barriers To Digitalisation

% of SMEs nominating each factor



— China — APAC

“Probably around 50 percent but growing way faster than our physical sales.”

- CEO/Owner, US\$70Mn, China, Auto Services Group



## Digital Cash Management And Sales Are Focus Investment Areas

### Digital Applications And Investments



SMEs are investing in new technology solutions for **finance and banking requirements**

**53%**

Cash Management

**39%**

Trade and Supply Chain Financing

**13%**

Cross-Border Payments and FX



SMEs are investing in new technology solutions for **broader business areas**

**58%**

Sales and Distribution

**49%**

Procurement and Supply Chain Management

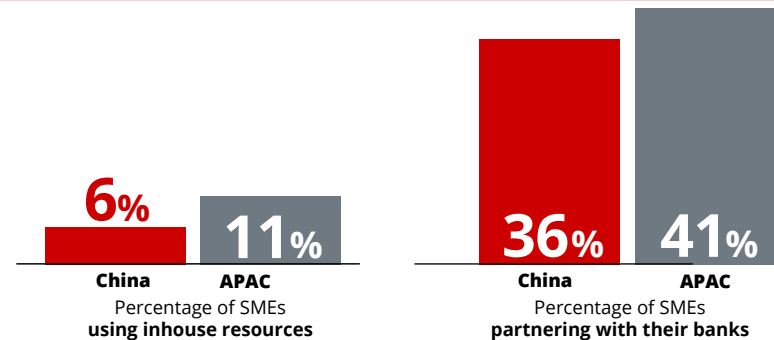
**34%**

Back Office Operations



## External Digital Partners Are Providing Critical Support

### Resourcing Digital Transformation





## Strategic And Directional Guidance In Demand

Top Three Areas Of Guidance SMEs Are Looking For From Their Banks

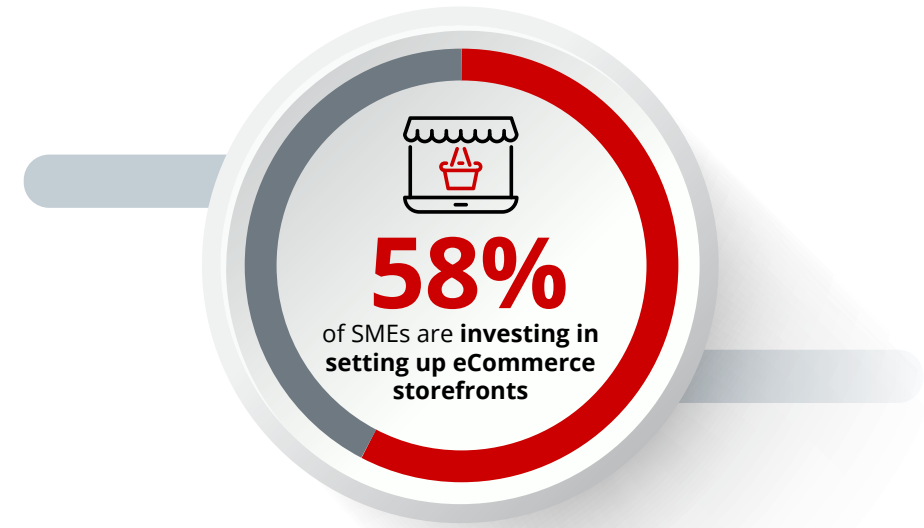


## Bank API Connectivity Set To Accelerate Further

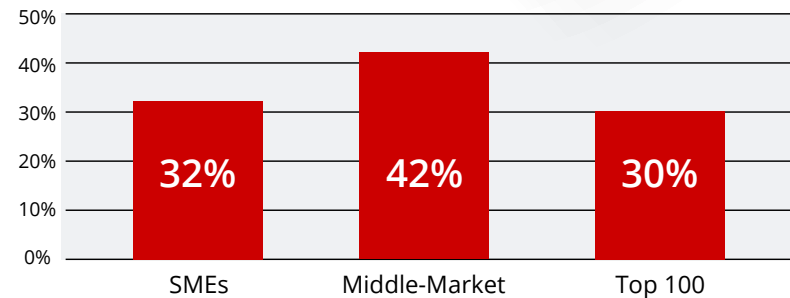
Bank Connectivity Now And In 12 Months

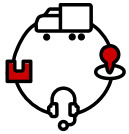


## One In Two Already Investing In eCommerce



% of overall revenues derived from eCommerce





## Supply Chain Management Solutions Most Helpful

### Top Three Most Helpful Cross-Border Digital Solutions For SMEs



**54%**  
Supply Chain Management



**42%**  
Trade and Supply Chain Financing



**41%**  
Cross-Border Payments and FX



Best place was where we began in using technology to open up our sales and customer distribution / marketing; it generated sales outcomes that then kind of pre-banked other tech investment projects we took to the board.

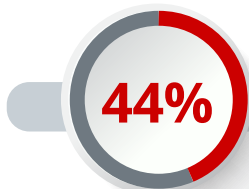


- CEO, US\$200Mn, China, Health Services Group



## Cost Efficiencies And Savings Is The Leading KPI

### Top Three KPIs To Evaluate ROI From Digital Transformation



Cost efficiencies and savings



Online revenue / sales growth

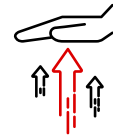


Quicker product-to-market times



## Not Going Digital Is The Greatest Risk

### Top Three Greatest Costs / Risks To The Organisation Of Not Digitalising



**70%**  
Constrain growth plans



**39%**  
Customer and revenue leakage

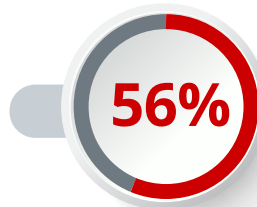


**38%**  
Reputational damage



## Digital Storefront Is The Top Among First Steps To Digitalisation

### Top Three Areas To Focus On First When Embarking On Digital Transformation Journey



Storefront



Order fulfilment



Banking relationships and applications



Mainly it's about revenue increases; most of our digital money goes into the website and its transactional capability so getting a fix on returns is actually quite straightforward.



- CEO, US\$110Mn, China, Tourism Agency

For more information, the full results of the Digital Readiness Survey is available [here](#).