



Live more,  
Bank less

# HONG KONG

2021 DBS Digital Readiness  
Survey for SMEs

SMALL AND MEDIUM ENTERPRISES



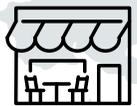


## About The Survey

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 Hong Kong market and a snapshot of its SMEs on the digital journey.



## Profile Of Survey Respondents In Hong Kong



**177** SMEs Interviewed



## Digital Progress On Par With The Region

### State Of Digital Journey

**Hong Kong**

**62%**

62% of SMEs say they have started their digital journey

**38%**

38% of SMEs say they have yet to start their journey

**APAC**

**64%**

64% of SMEs say they have started their digital journey

**36%**

36% of SMEs say they have yet to start their journey

### Progress Of Digital Strategy

**Hong Kong**

**11%**

11% of SMEs say they have a clearly-defined digital strategy

**89%**

89% of SMEs say more work needs to be done

**APAC**

**12%**

12% of SMEs say they have a clearly-defined digital strategy

**88%**

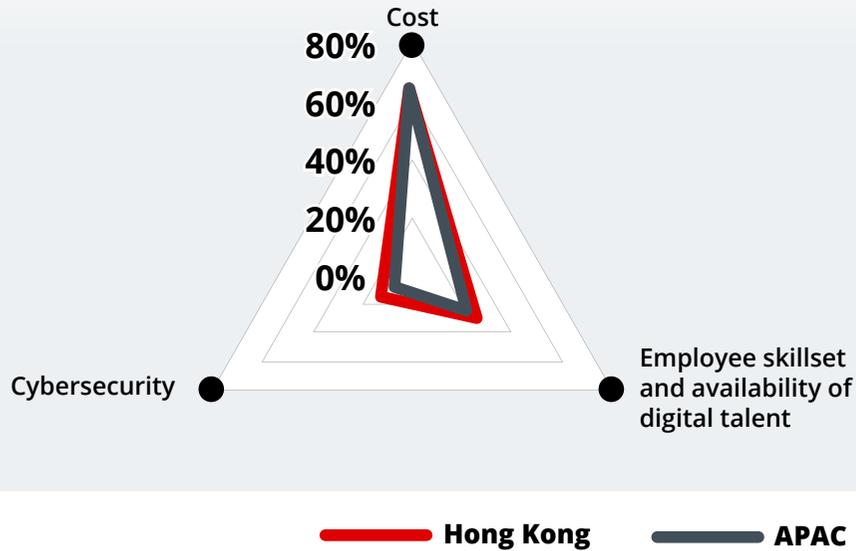
88% of SMEs say more work needs to be done



## Cost Of Digitalisation A Key Challenge

### Top Three Barriers To Digitalisation

% of SMEs nominating each factor



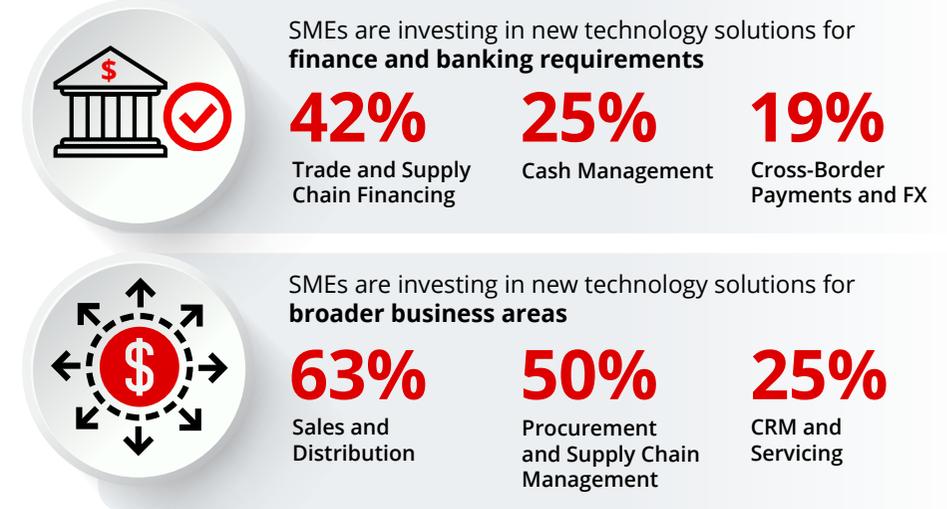
“ Tried doing as much internally as we can but are having to use outside contractors now to get us there. ”

- CEO, US\$55Mn, Hong Kong, Food Importer



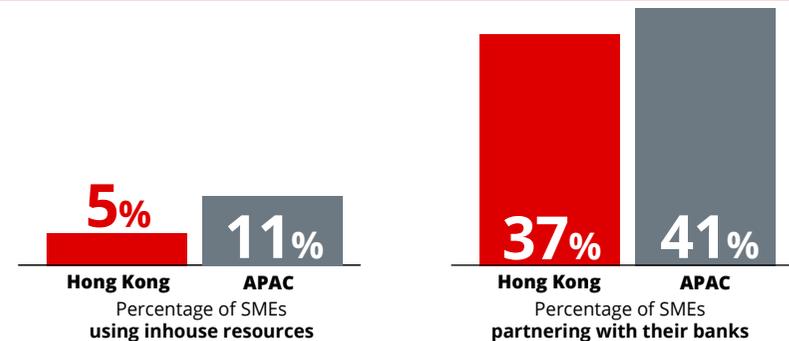
## Investment In Digitalisation Of Sales And Distribution Leads The Way

### Digital Applications And Investments



## External Digital Partners Providing Critical Support

### Resourcing Digital Transformation





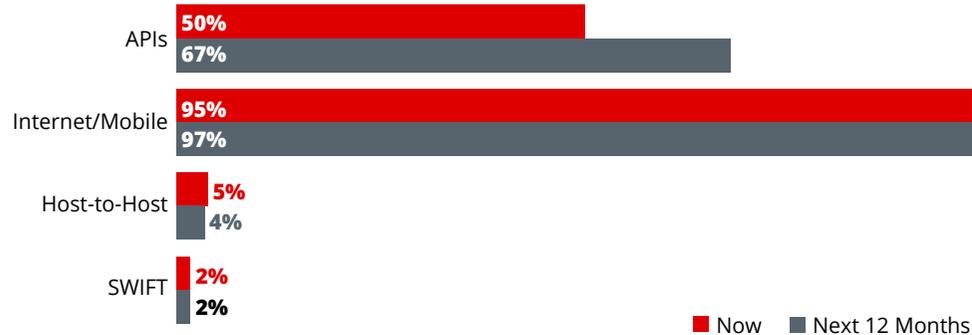
## Strategic And Directional Guidance In Demand

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



## Bank API Connectivity Set To Accelerate

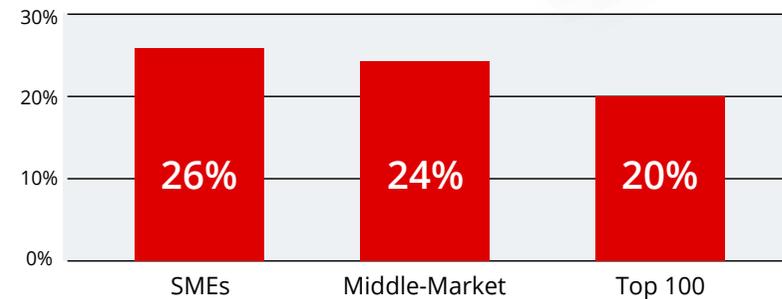
Bank Connectivity Now And In 12 Months

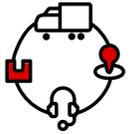


## Ecommerce Already Contributing To Overall Revenue



% of overall revenues derived from eCommerce





## Supply Chain Management Solutions In Focus

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



**54%**  
Supply Chain Management



**50%**  
Trade and Supply Chain Financing



**45%**  
Cross-Border Payments and FX

“ All about marketing for us and getting our online revenues up; mostly driven by our small marketing group. ”

- CFO, US\$120Mn, Hong Kong, Importer/Exporter



## 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



## Growth Plans Most At Risk In Absence Of Digitalisation

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



**79%**  
Constrain growth plans



**51%**  
Customer and revenue leakage



**41%**  
Talent retention and engagement



## Digital Storefront Is Key To Transformation

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



Storefront



Order fulfilment



Banking relationships and applications

“ I'd say getting our business exposed with online and shopfront marketing, including connecting with the large platforms such as Amazon; leverages us immediately and we're seeing the payback almost instantly. ”

- CFO, US\$160Mn, Hong Kong, Consumer Goods Manufacturer

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