



Live more,  
Bank less

# INDIA

2021 DBS Digital Readiness  
Survey for SMEs

SMALL AND MEDIUM ENTERPRISES



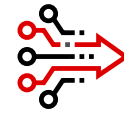
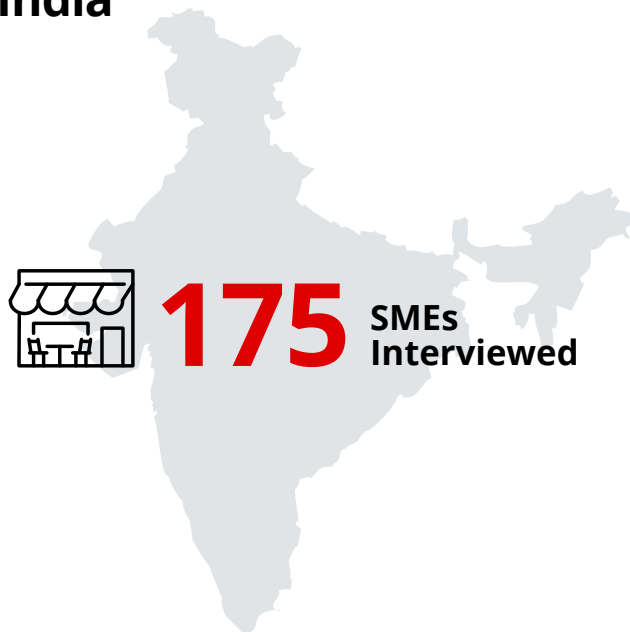


## About The Survey

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

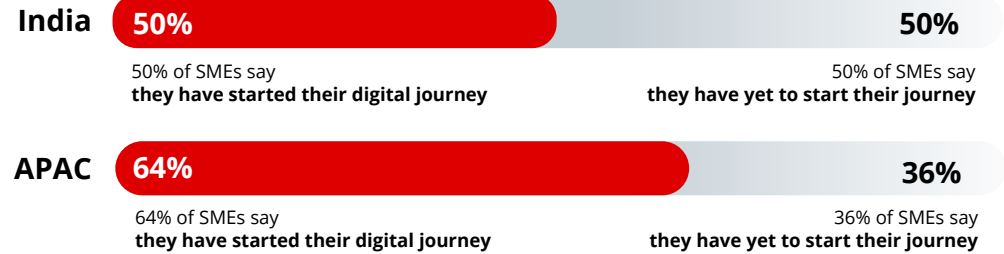


## Profile Of Survey Respondents In India



## More Clearly-Defined Digital Strategies Required

### State Of Digital Journey



### Progress Of Digital Strategy

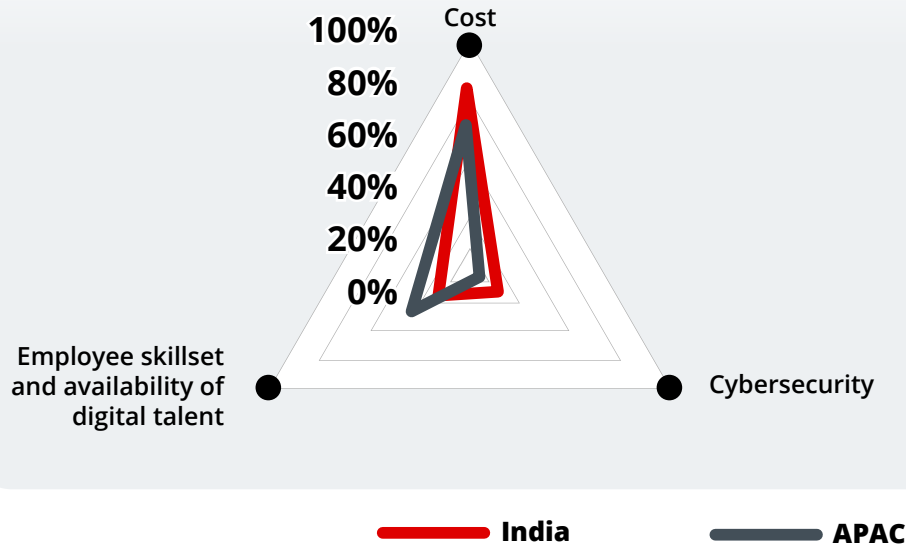




## Cost Is Stalling Digital Transformation Efforts

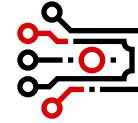
### Top Three Barriers To Digitalisation

% of SMEs nominating each factor



“It’s impossible for us to keep up with this and the opportunities it can deliver to the business; we end up just reacting to things as they come along.”

- CEO/Owner, US\$100Mn, India, Food Distributor



## Investment In Digitalisation Of Cash Management Holds Sway

### Digital Applications And Investments



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

**63%**

Cash Management

**46%**

Trade and Supply Chain Financing

**19%**

Cross-Border Payments and FX



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

**50%**

Procurement and Supply Chain Management

**49%**

Back Office Operations

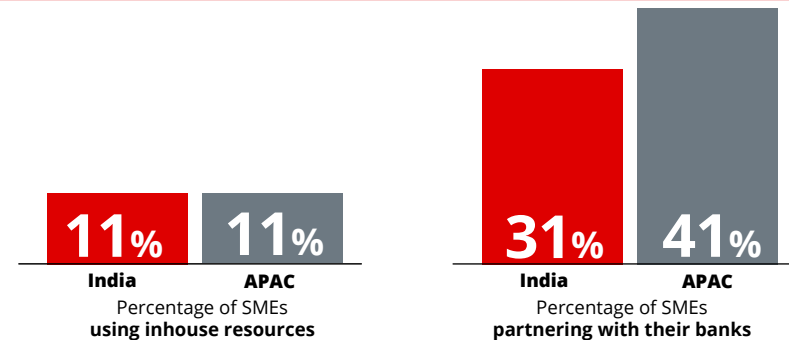
**44%**

Sales and Distribution



## Opportunity To Engage More With Banks On Digital Plans

### Resourcing Digital Transformation





## Strategic And Directional Guidance In Demand

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

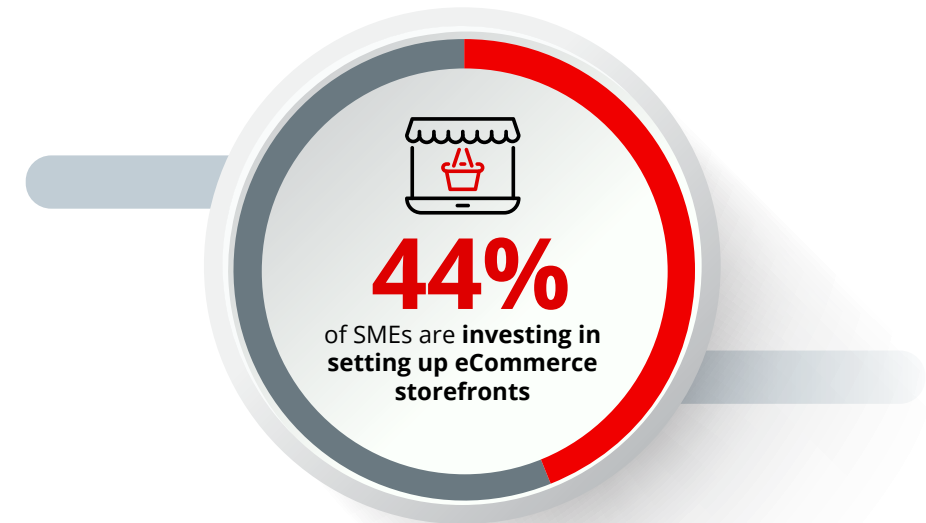


## Bank API Connectivity Set To Rise

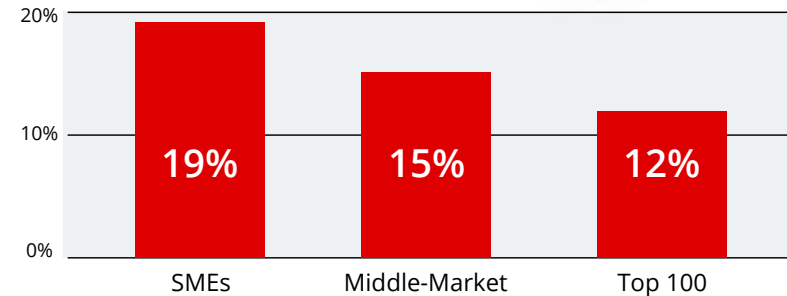
Bank Connectivity Now And In 12 Months

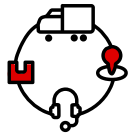


## Ecommerce Investment Is Paying Dividends



% of overall revenues derived from eCommerce





## Trade And Supply Chain Financing Solutions In Focus

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



**51%**

Trade and Supply Chain Financing



**44%**

Cross-Border Payments and FX



**42%**

Settlement



This is a struggle for us; we basically know it's working but putting hard measurements in place isn't easy and answering our board's questions is a challenge.



- CFO, US\$12Mn, India, Construction Contractor



## Cost Efficiencies And Savings Is The Leading KPI

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

**51%**

Cost efficiencies and savings

**23%**

Online revenue / sales growth

**23%**

Quicker product-to-market times



## Lack Of Digitalisation Will Stall Growth Plans

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



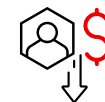
**59%**

Constrain growth plans



**50%**

Talent retention and engagement



**47%**

Customer and revenue leakage



## Banking Relationships & Apps Comes First In Digitalisation

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

**50%**

Banking relationships and applications

**45%**

Back office and accounting platforms

**38%**

Domestic and cross-border payments



The combination of supply chain and procurement getting digitised is already driving impressive gains in cost efficiencies and time frames; all brought about by Covid in our overseas markets.



- CFO, US\$100Mn, India, Food and Agriculture Exporter

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