

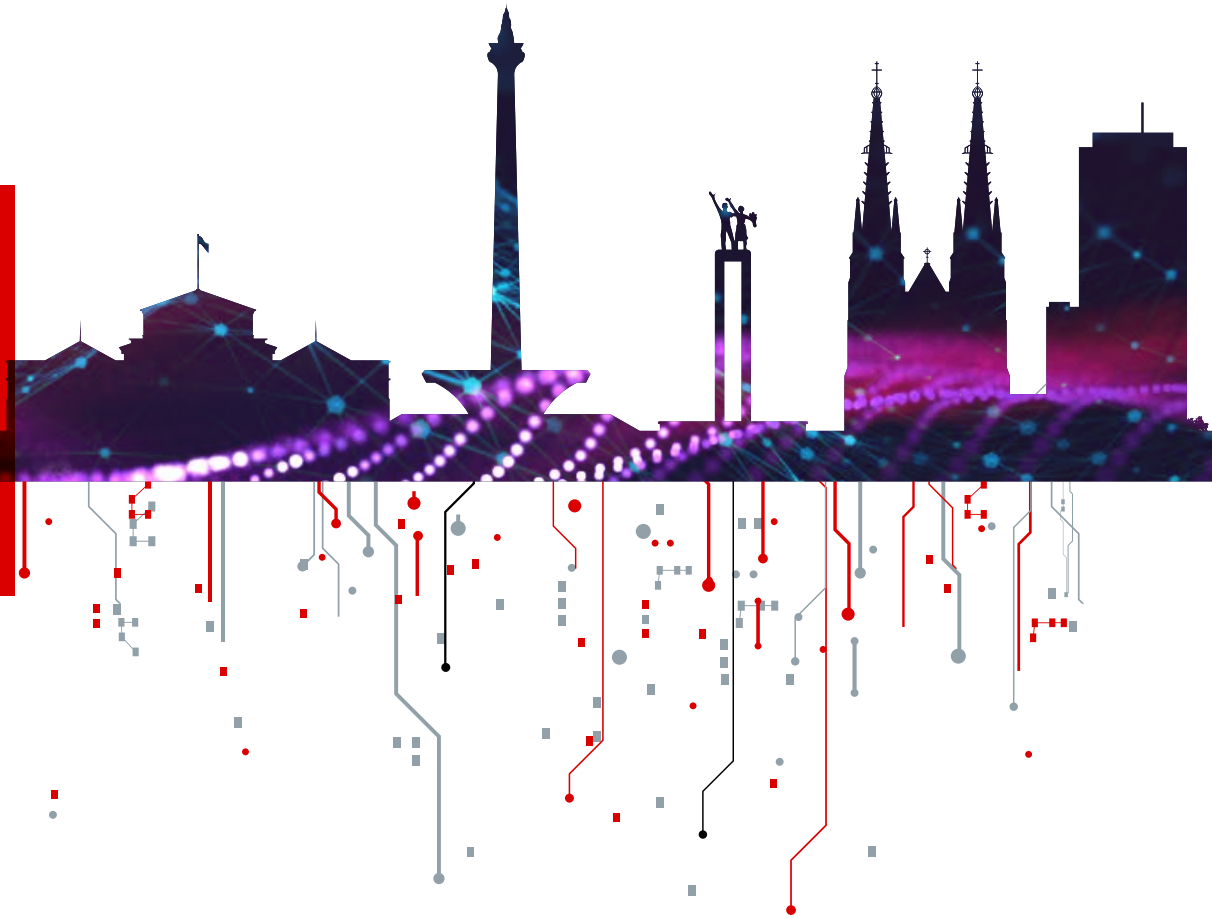


Live more,
Bank less

INDONESIA

2021 DBS Digital Readiness
Survey for SMEs

SMALL AND MEDIUM ENTERPRISES



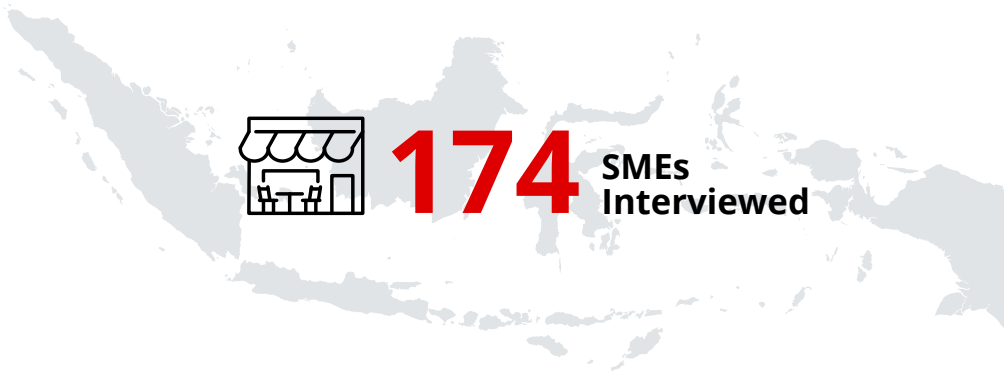


About The Survey

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



Profile Of Survey Respondents In Indonesia



More Clearly-Defined Digital Strategies Required

State Of Digital Journey



Progress Of Digital Strategy

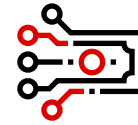
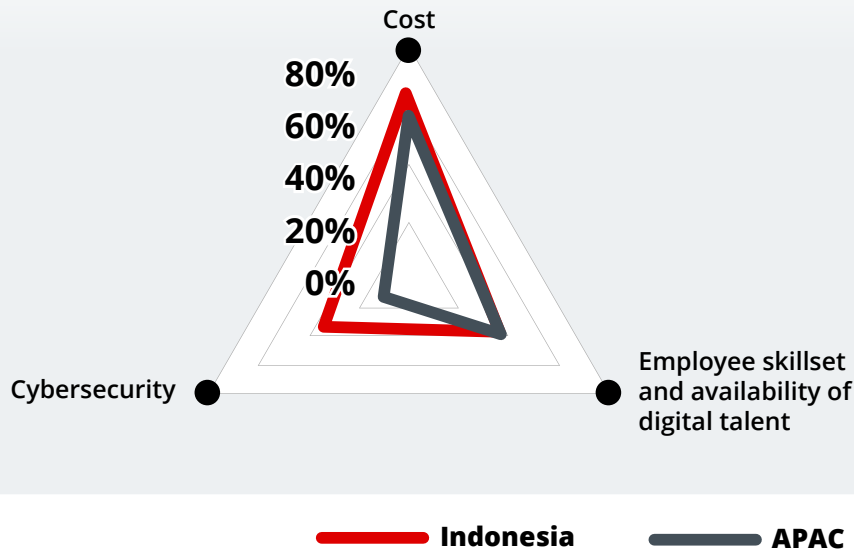




Costs Associated With Digitalisation Is A Key Barrier

Top Three Barriers To Digitalisation

% of SMEs nominating each factor



Trade & Supply Chain Financing Is Securing The Most Investment

Digital Applications And Investments



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

55%

Trade and Supply Chain Financing

53%

Cash Management

26%

Cross-Border Payments and FX



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

49%

Sales and Distribution

40%

Procurement and Supply Chain Management

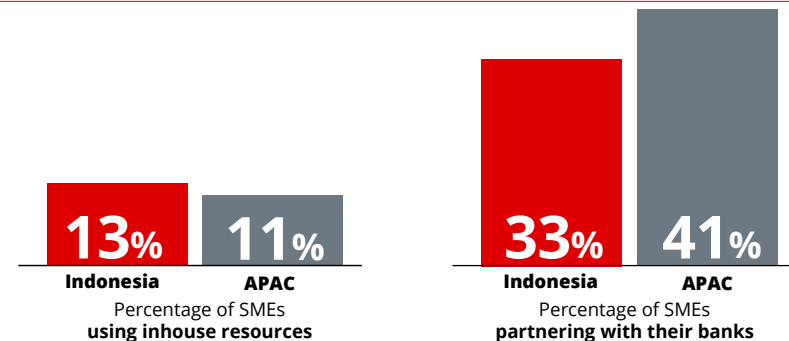
29%

Back Office Operations



More Opportunity To Work With Banks On Digital Journey

Resourcing Digital Transformation



“ We do and we don't have a strategy to digitise the business; we know what we want but not really how best to get there. ”

- CEO, US\$150Mn, Indonesia, Mining Services Business



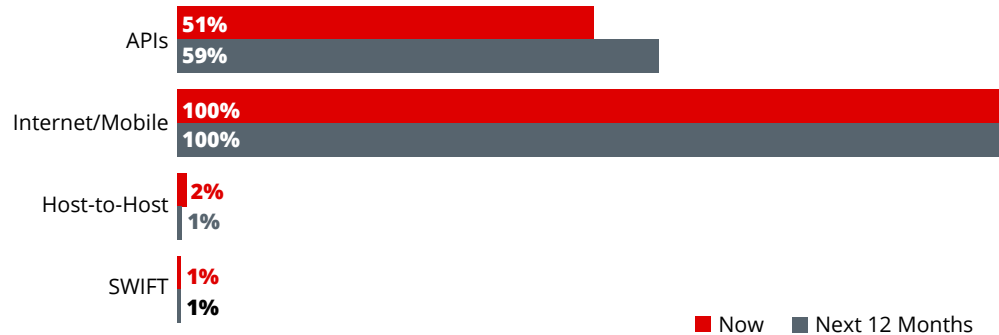
Bank Advice On Digital Roadmap Is Welcome

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

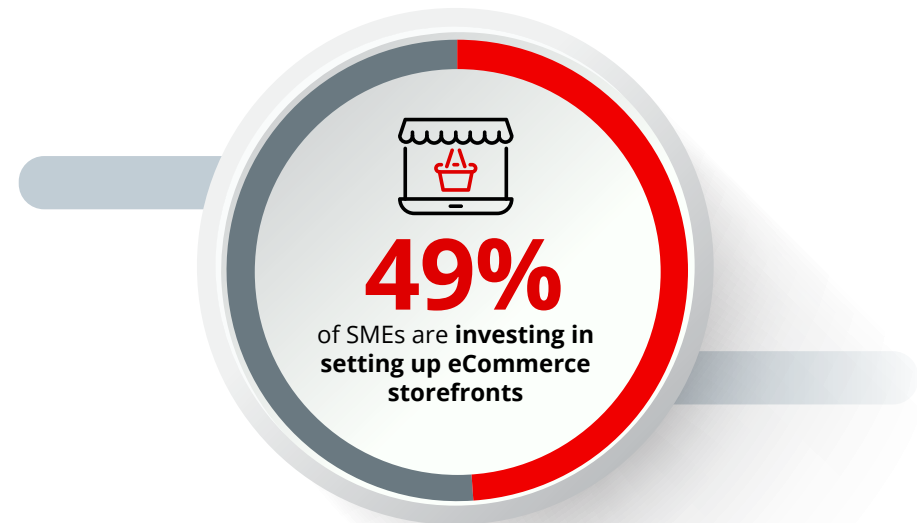


Bank API Connectivity Poised To Grow

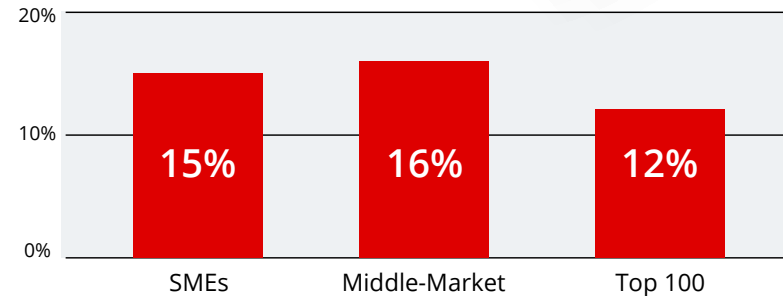
Bank Connectivity Now And In 12 Months

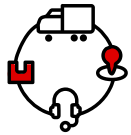


One In Two Already Investing In eCommerce



% of overall revenues derived from eCommerce





Trade And Supply Chain Financing Solutions Most Helpful

Top Three Most Helpful Cross-Border Digital Solutions For SMEs



59%

Trade And Supply Chain Financing



51%

Settlement



39%

Supply Chain Management



We use our bank to give us advice and suggestions on how to capture improvements from technology developments; we just don't have the time ourselves.



- CFO, US\$55Mn, Indonesia, Garment Exporter



Success Of Digital Transformation Gauged By Cost Savings

Top Three KPIs To Evaluate ROI From Digital Transformation

70%

Cost efficiencies and savings

50%

Online revenue / sales growth

32%

Reduced cybersecurity events being experienced



Customer Attrition A Key Risk Of Not Digitalising

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



54%

Customer and revenue leakage



47%

Talent retention and engagement



44%

Constrain growth plans



Digital Storefront Is The Immediate Focus

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

51%

Storefront

45%

Order fulfilment

44%

Recruiting digital talent



Very much into our sales and distribution channels, especially since Covid; and we're seeing great results.



- CFO, US\$100Mn, Indonesia, Food Manufacturer

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