

Accelerating digital transformation among Singapore SMEs

Amid COVID-19 and beyond

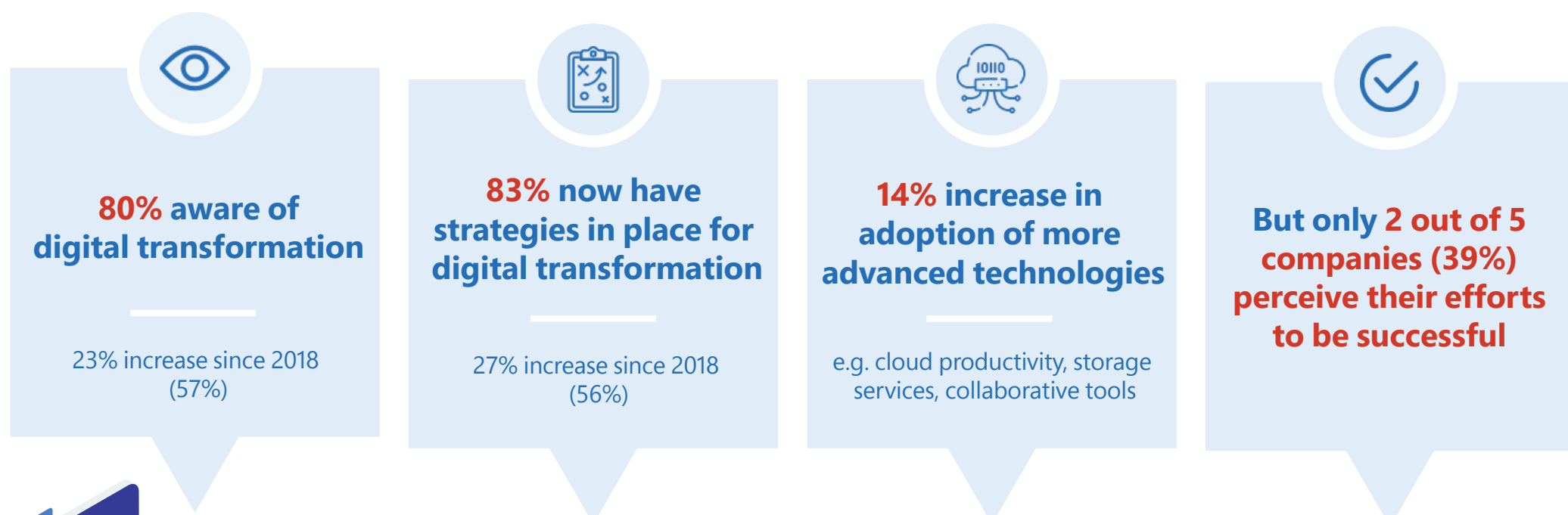
Small and Medium Enterprises (SMEs) were among the hardest hit businesses during the COVID-19 pandemic, which took a toll on the global economy. While some businesses have fast-tracked digital transformation to stay resilient, others have struggled to digitalise as they cope with financial and operational challenges.

Together with the **Association of Small & Medium Enterprises (ASME)**, **Microsoft Singapore** surveyed 400 local SME business owners to understand the current landscape, challenges and opportunities for digital adoption by SMEs in a COVID-19 world. This study builds on the findings from its 2018 edition.

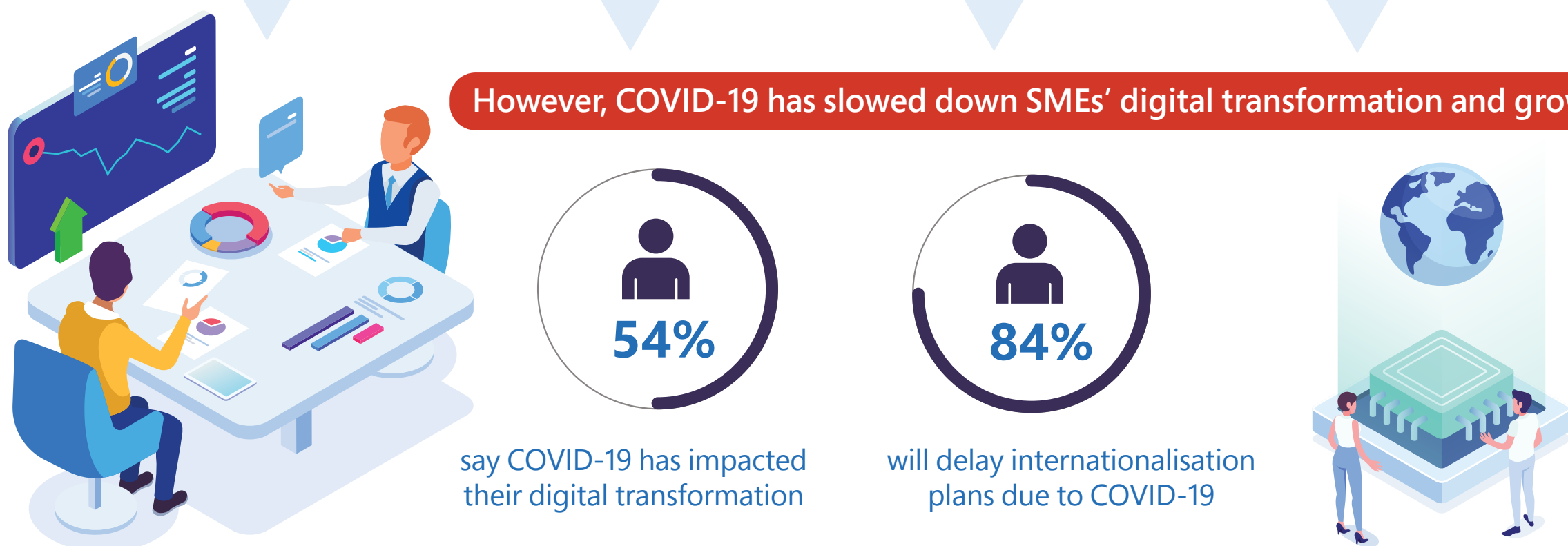


Current and Future State of Digitalisation among SMEs

Awareness and adoption of digital transformation has increased significantly among SMEs

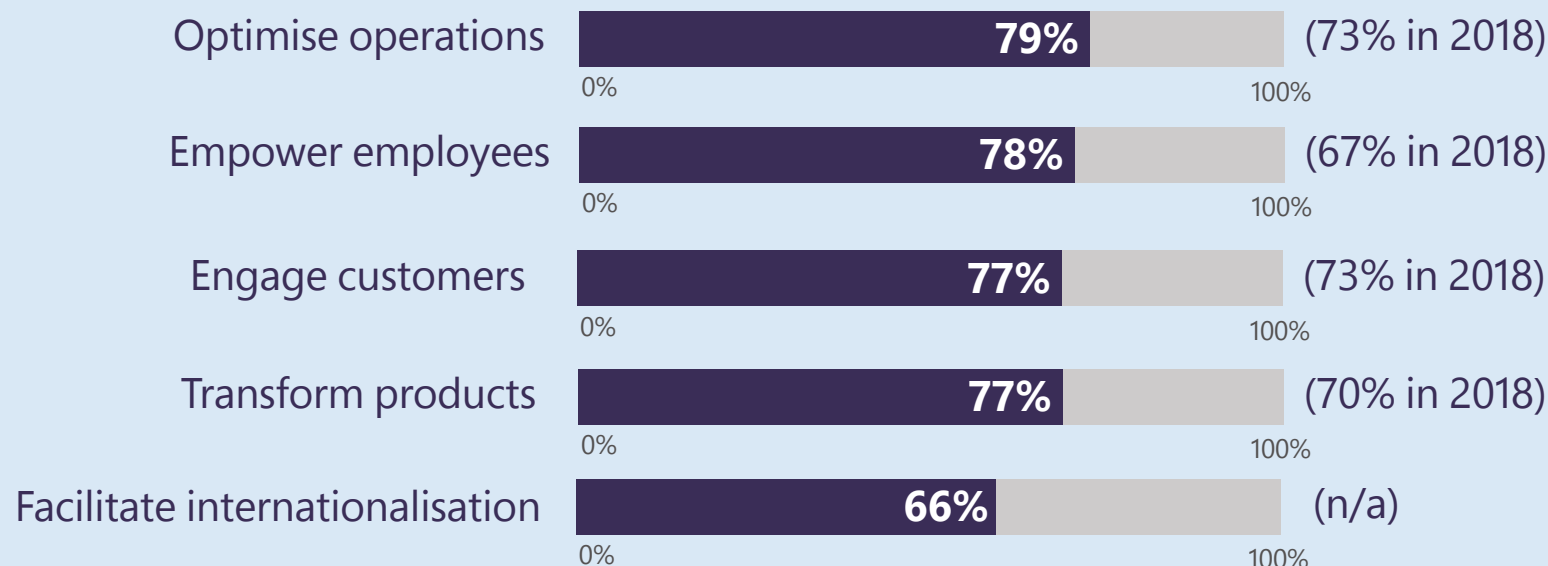


However, COVID-19 has slowed down SMEs' digital transformation and growth

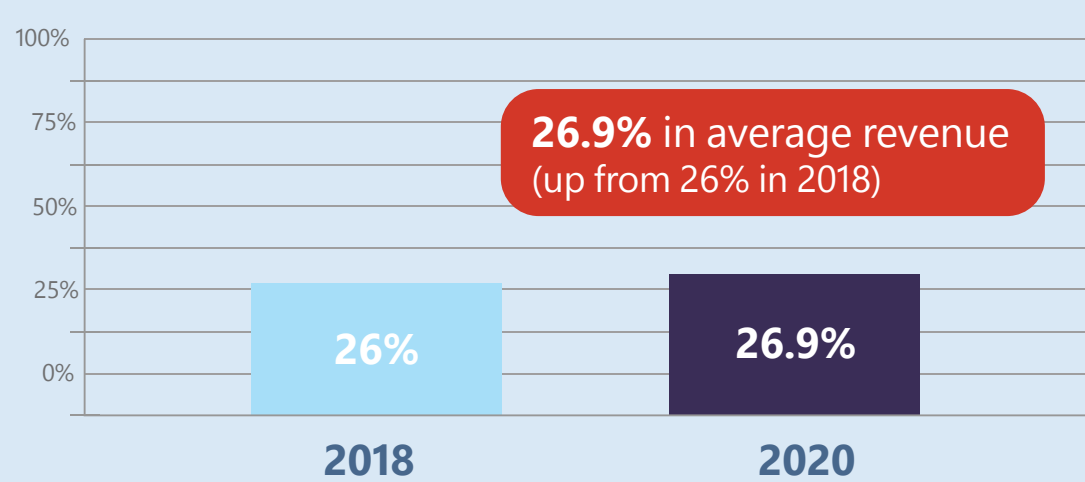
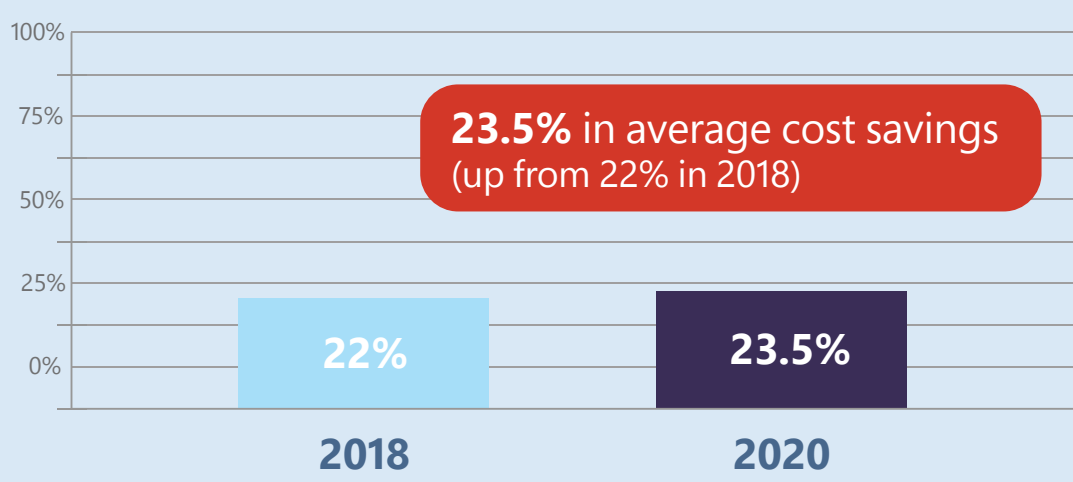


Benefits and Barriers to Digital Transformation

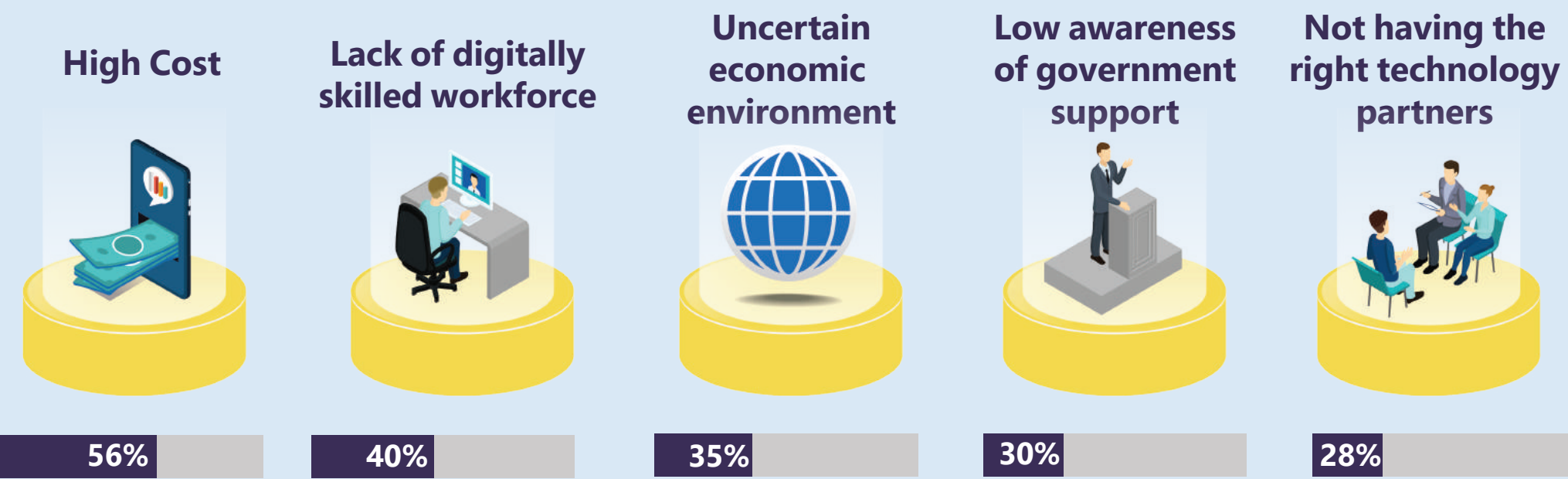
The 5 key benefits of digital transformation are more important now than ever before



SMEs still perceive cost savings and revenue gains as the biggest advantages of digital transformation



Barriers faced by SMEs in their digital transformation journeys are exacerbated by COVID-19



Growth opportunities to persuade SMEs to adopt digital transformation

Yet, SMEs are still hungry for growth

Government Initiatives

Despite low awareness, **more than 3 in 5 SMEs** indicated that they would tap on such schemes in the next year

Accelerating digital transformation

Top technology solutions SMEs plan to adopt in the next year



Around **1 in 2 SMEs** are already leveraging Microsoft technology. In Singapore, Microsoft works with over **1,000 cloud partners**, who are building solutions for SMEs and other organisations across various industries.

No matter the size of your business, the right technology can power up your business, and put you in a stronger position to grow and succeed. Learn more about how Microsoft is enabling digital transformation at

<https://www.microsoft.com/en-sg/smb>

ABOUT THE STUDY

The ASME-Microsoft SME Digital Transformation Study polled 400 local SMEs to derive insights on digital transformation and readiness.

• Respondents are Singapore SME owners or key decision makers involved in shaping their organizations' digital strategy across different sectors:

- 48% Key Decision Maker, 37% Joint Decision Maker, 15% Key Influencer.
- 66% Small (1-24 Employees), 21% Medium (25-99 Employees), 13% Medium-Large (100-499 Employees)

• SMEs in Singapore defined as companies that are registered and operating in Singapore, have at least 30% local shareholding AND group annual sales turnover of less than S\$100m OR employment size of not more than 200 workers.