

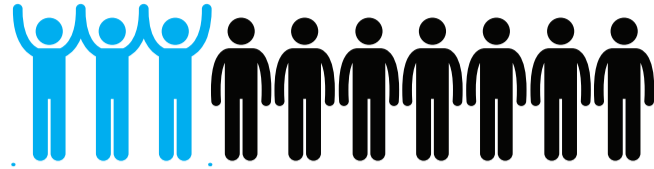
Singapore SMEs behind on transition to Digital Economy: QBE Research

Rate of digital adoption slower than expected among SMEs, with many hesitant to adopt digital safeguards



**65%
AWARE**

of government outreach and support for digitalisation



ONLY 30%

have actually utilised this support



90%
aware of cyber risks

1 in 4



Do not have any internal processes or policies to protect themselves from such risk

Barriers to Digitalisation

40%

High cost of investment

35%

Lack of digital skills

SMEs are resistant to cashless payments



24%

still prefer old-world payment methods like cash and cheque



71% aware of PayNow Corporate

ONLY 26% have turned to PayNow Corporate to conduct business payments

PAY NOW

9% unwilling to use PayNow Corporate

32% hesitant to digitalise due to fraud and security concerns

29% unsure of whether they will open themselves up to the service in future

SMEs optimistic about 2019

44% expect their business to pick up in the next 12 months

39% expect the economy to improve over the next 12 months

38% expect their business size to increase in the next 12 months

47%

who are looking to grow their business are also looking to internationalise

SMEs remain oblivious towards risk

75% of SMEs



encountered at least 1 business issue in 2018

Top issues SMEs ran into in 2018

- Key staff leaving the business
- Inventory loss and/or damage
- Cyber-hacking

SME attitudes towards insurance

73%

quoted price as the most important criteria to purchasing insurance products

53%

prioritise other business needs above securing insurance

44%

Agreed that they would only consider buying business insurance if hearing or reading about unfortunate incidents hitting other businesses