

# Hong Kong SME Survey 2024



## Challenging financial conditions and human capital are impeding many SMEs.

40%

of respondents said that increasing costs and reduced profitability was the top business challenge.

39%

said staff acquisition, training and retention are also key issues.

34%

cited cash flow, access to funding, investments and more as key challenges.

## The top business concerns shared were:



33%

Customer acquisition



35%

Input costs associated with running a business



33%

Consolidating services

## Risks concerns aren't translating into policies:



79% experienced at least one

**business issue**

during 2023.



**Being hacked**

was the most prevalent issue, said 30% of respondents.

**SMEs are overall underinsured, suggests the survey's findings:**



- 63% said that they were moderately or highly concerned about loss of income due to business interruption – **yet only 22% hold policies.**
- 61% said that they were moderately or highly concerned about liability due to accidents or negligence – **yet only 25% hold policies.**
- 60% said that they were moderately or highly concerned about loss of key staff – **yet only 16% have policies.**

## Tailored solutions go hand-in-hand with digitalisation initiatives.

57%

say they prefer purchasing insurance offline.



36%

specified that they wanted in-person contact when buying policies.

## However, online purchases offer several benefits to customers:

31%

say it responds quickly



30%

say it is easy to use.

30%

say it proactively gives them information, suggestions and reminders.

## A more positive year awaits

Despite macroeconomic and industry specific headwinds, survey respondents are generally optimistic about the year ahead.

## Economic outlook

70% expect an improved economic outlook in 2024.

## Sales

70% predict an increase in sales during 2024.

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Source: 2024 SME market research commissioned by QBE Hong Kong