

# Hong Kong SMEs Survey 2021

## Digitalisation accelerates further



**57%**

of SMEs have digitalised during the past 12 months



**88%**

currently use digital technologies, or intend to invest in it

### Key areas of investment



**40%**

Collaborative software for staff



**40%**

Marketing through social/online media



**38%**

E-commerce

### Main reasons for investment



**35%**

Reduce internal costs



**34%**

Boost productivity



**32%**

Reach more customers

### E-commerce boom expected to continue



**81%**

of SMEs buy and/or sell goods and services online

**45%**

of revenues generated by e-commerce vs 35% pre-COVID

**49%**

of revenues expected within the next 12 months

## Business goals are evolving



**21%**

(up from 9% in 2020)

are focusing on trying to grow sales amid reduced customer spending



**18%**

(up from 4% in 2020)

are concentrating on customer acquisition and retention

### Other top business concerns

**12%**

Shortage of orders/ lack of operation/ business decline

**12%**

Staff acquisition, training and retention

## Growing demand for insurance



**36%**

have purchased more business insurance since COVID-19



**37%**

(up from 32% in 2020) prefer to buy insurance online



**29%**

(up from 27% in 2020) prefer to buy insurance via an agent

### Top four areas of insurance held by SMEs

**21%**

Damage to business property

**21%**

Customer fraud

**19%**

Loss of money by third parties

**19%**

Loss of money due to dishonest acts by employees

### Increase in cyber risk awareness and related insurance

**43%**

fully aware of cyber risk (up from **24%** in 2020)

**83%**

have processes/protection in place against cyber-attacks (up from **77%** in 2020)

**39%**

insured against cyber risk (up from **29%** in 2020)

## Inadequate protection in key risk areas

### Top risk concerns



**39%**

Damage to/ loss of inventory



**39%**

Liability to others due to products or services produced by the business



**38%**

Equipment breakdown

Yet only

**17%**

have the relevant insurance to protect them against these concerns