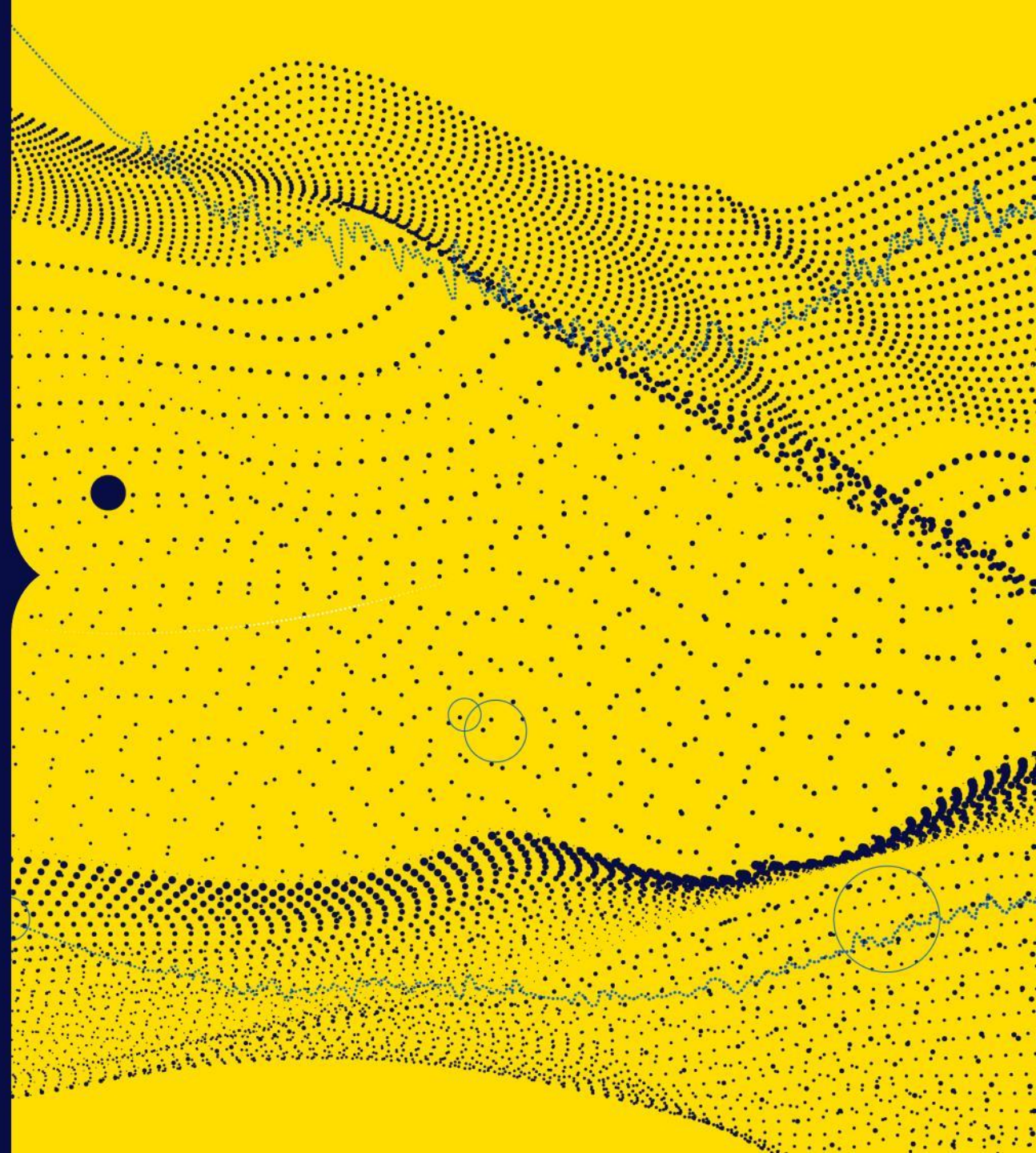


# CPA Australia's Asia-Pacific Small Business Survey 2021-22

15 June 2022



## About the survey

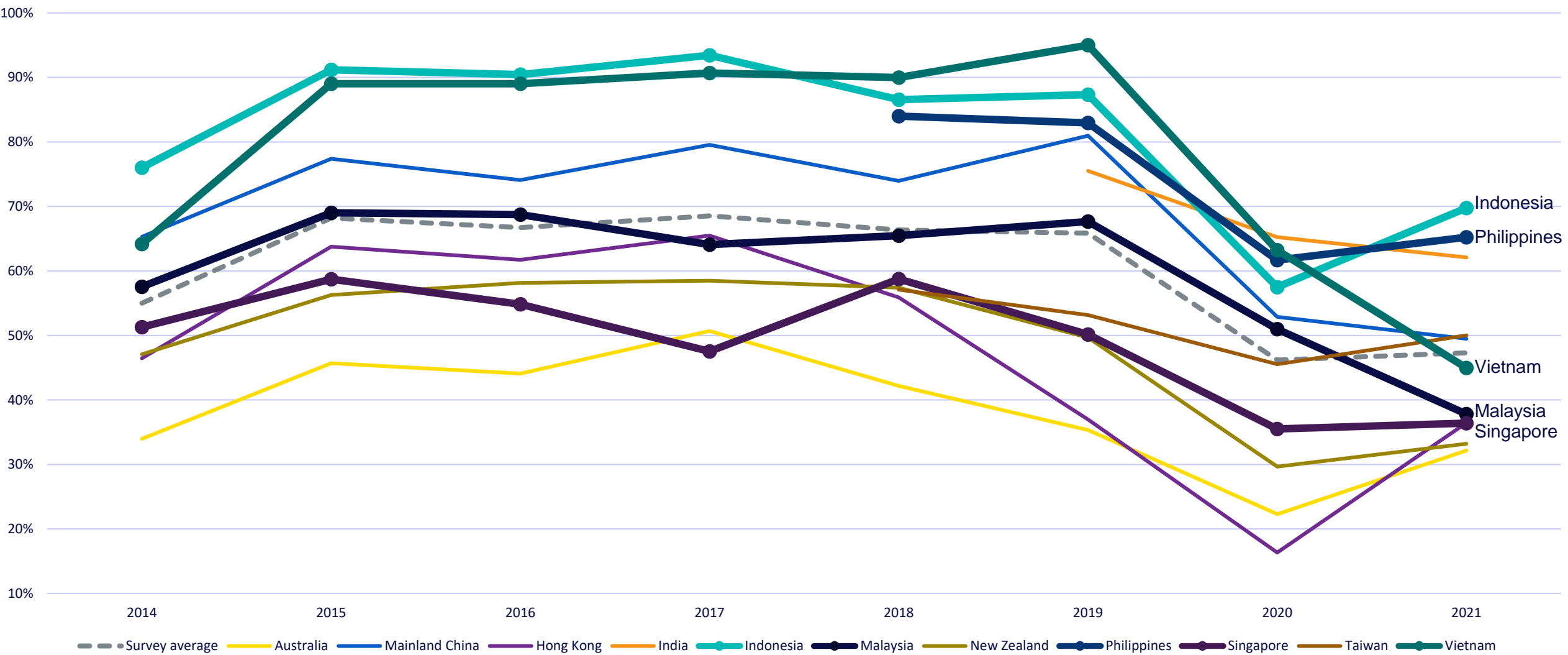
- This is CPA Australia's 13th annual survey of small business issues and sentiment across 11 Asia-Pacific markets. From the commencement of the survey in 2009, we have surveyed over 35,000 small businesses across the region.
- The survey was conducted from 22 November to 17 December 2021 among a random sample of small business owners/managers from organisations with fewer than 20 employees.
- The findings for the survey come from 4,252 small businesses in 11 markets across Australia, Mainland China, Hong Kong, India, Indonesia, Malaysia, New Zealand, Philippines, Singapore, Taiwan, and Vietnam.
- There were 301 from Indonesia, 304 from Malaysia, 302 from the Philippines, 305 from Singapore, and 309 from Vietnam.



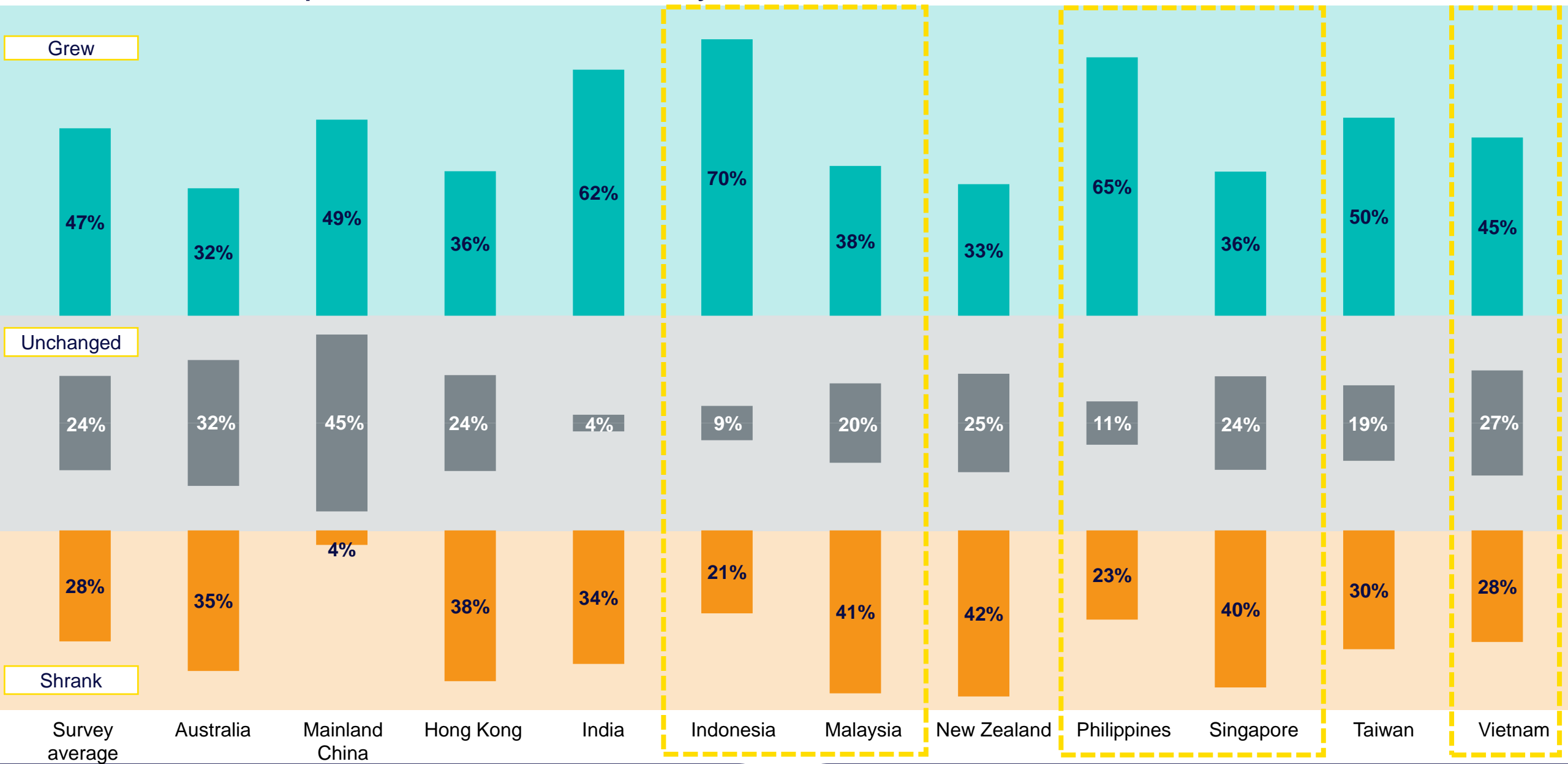
# Small business performance in 2021

# The past two years have been difficult for many of the region's small businesses. No market has been immune from the negative economic impacts of COVID-19

Small businesses that grew in the previous 12 months – over time and by market



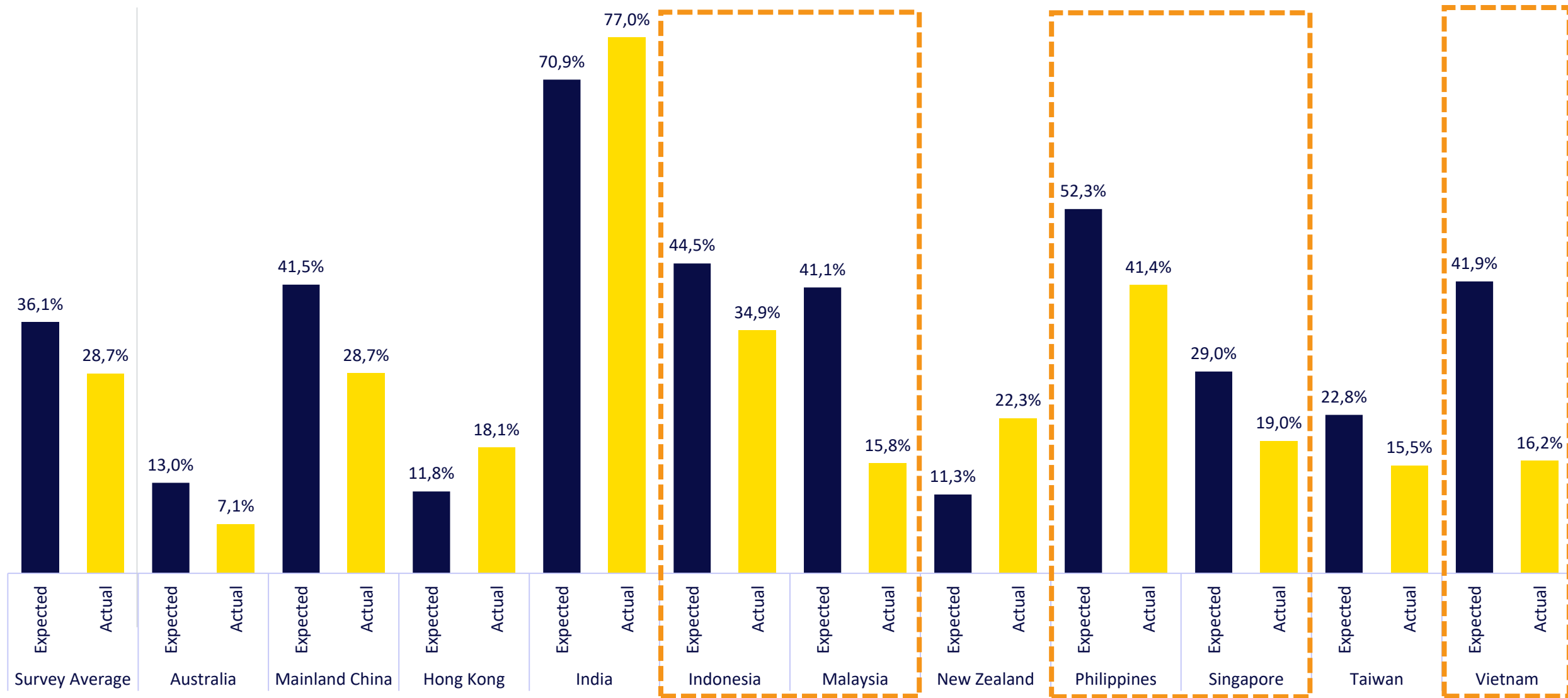
# Small business performance in 2021 by market



Note: Excludes "Don't know" responses  
Asia Pacific Small Business Survey 2021-22

# Reflecting a weaker than expected 2021, most markets did not meet their expectations for adding to their headcount

Actual increase in employee numbers in 2021 compared to expected increase



# Top-three positive influences on business in 2021 – by market

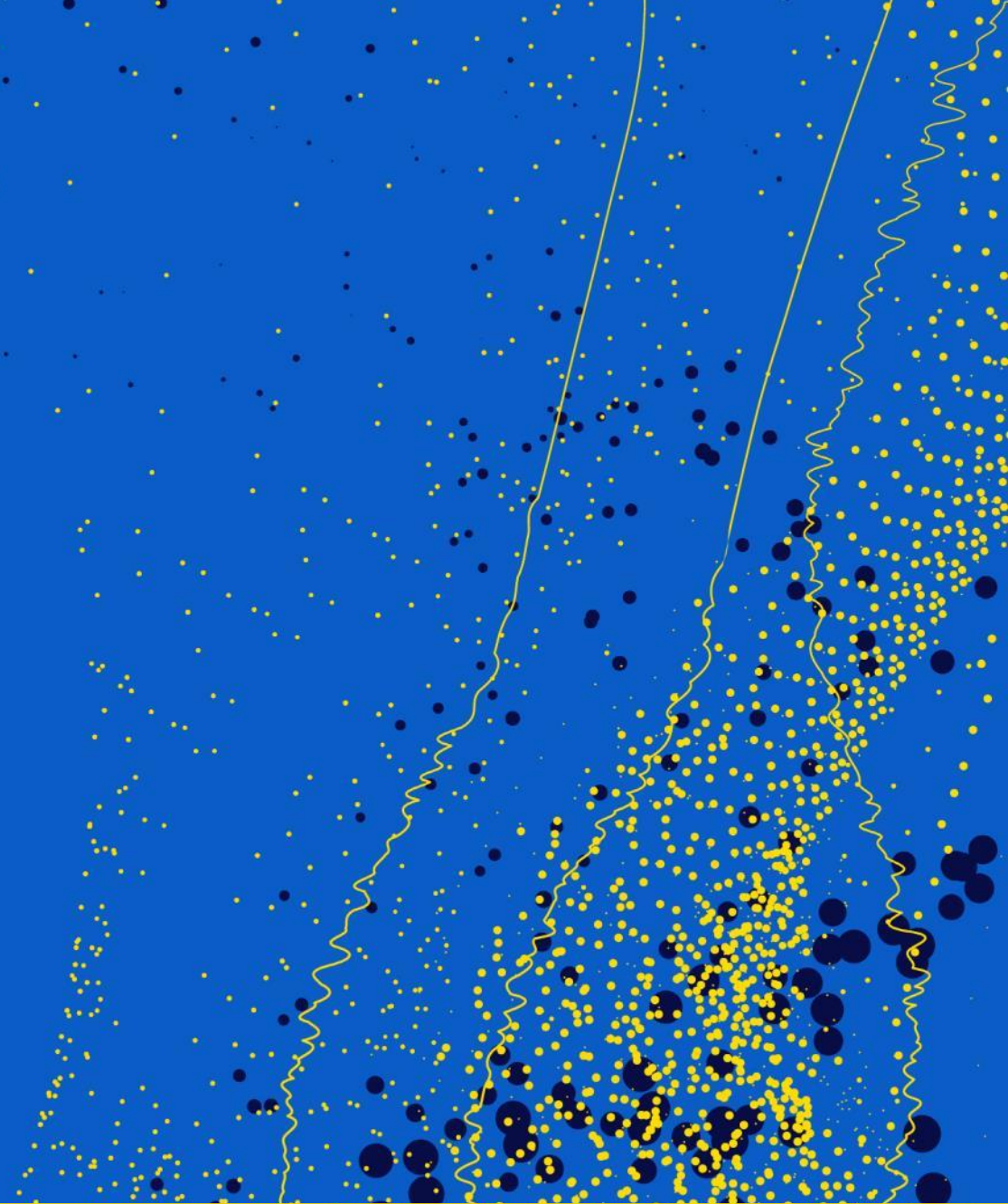
	First	Second	Third
<b>Australia</b>	Customer loyalty (37.8%)	COVID-19 (20.2%)	Good staff (21.2%)
<b>Mainland China</b>	Entering new markets (22.2%)	Improved customer satisfaction (22.2%)	Improved business management (20.5%)
<b>Hong Kong</b>	Cost control (36.1%)	Customer loyalty (32.9%)	Good staff (21.6%)
<b>India</b>	Improved customer satisfaction (38.7%)	COVID-19 (35.6%)	Cost control (34.7%)
<b>Indonesia</b>	Customer loyalty (37.2%)	Improved customer satisfaction (36.9%)	Improved business strategy (36.5%)
<b>Malaysia</b>	Customer loyalty (38.2%)	E-commerce (31.9%)	COVID-19 (28.3%)
<b>New Zealand</b>	Customer loyalty (38.7%)	Good staff (22.9%)	COVID-19 (17.1%) Improved business strategy (17.1%) Improved customer satisfaction (17.1%)
<b>Philippines</b>	Customer loyalty (37.4%)	Improved customer satisfaction (30.5%)	Good staff (30.1%)
<b>Singapore</b>	Government support/incentives (25.6%)	Customer loyalty (25.2%)	Cost control (23.3%)
<b>Taiwan</b>	COVID-19 (38.4%)	Customer loyalty (24.8%)	Cost control (21.9%)
<b>Vietnam</b>	Technology (46.0%)	Government support/incentives (34.0%)	E-commerce (32.7%)

# Top-three negative influences on business in 2021 – by market

	First	Second	Third
<b>Australia</b>	COVID-19 (58.4%)	Increasing costs (24.9%)	Poor overall economic environment (22.5%)
<b>Mainland China</b>	Increasing costs (24.3%)	COVID-19 (19.6%)	Difficulty expanding into new markets (18.9%)
<b>Hong Kong</b>	COVID-19 (50.6%)	Increasing costs (31.0%)	Poor overall economic environment (30.3%)
<b>India</b>	COVID-19 (44.6%)	Increasing costs (39.4%)	Increasing competition (36.4%)
<b>Indonesia</b>	COVID-19 (72.4%)	Increasing competition (32.2%)	Increasing costs (24.9%)
<b>Malaysia</b>	COVID-19 (65.1%)	Poor overall economic environment (34.2%)	Increasing costs (33.2%)
<b>New Zealand</b>	COVID-19 (53.5%)	Increasing costs (28.7%)	Government regulation (21.3%)
<b>Philippines</b>	COVID-19 (56.0%)	Increasing costs (30.5%)	Increasing competition (28.5%)
<b>Singapore</b>	COVID-19 (58.4%)	Increasing costs (28.5%)	Poor overall economic environment (23.0%)
<b>Taiwan</b>	COVID-19 (51.6%)	Poor overall economic environment (31.3%)	Increasing costs (27.1%)
<b>Vietnam</b>	COVID-19 (78.0%)	Increasing costs (32.0%)	Poor overall economic environment (29.4%)

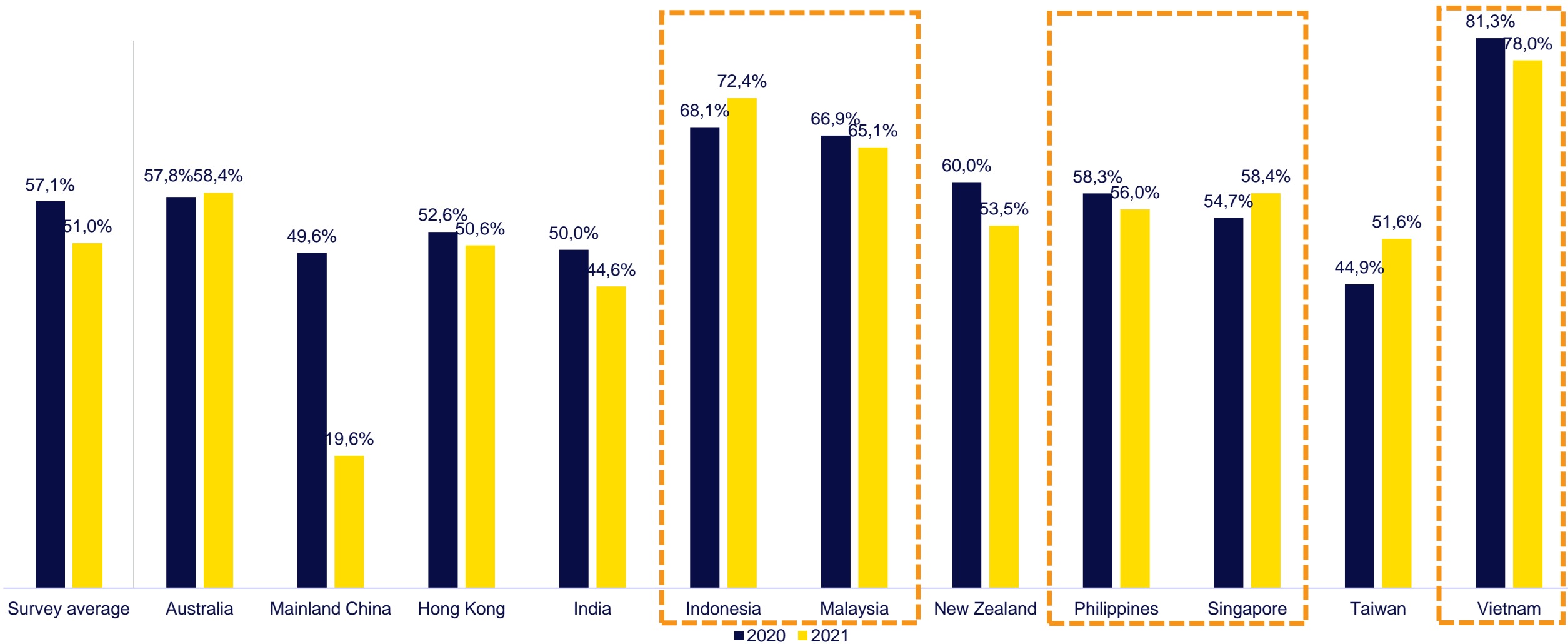


# Impact of COVID-19 on Asia-Pacific small businesses



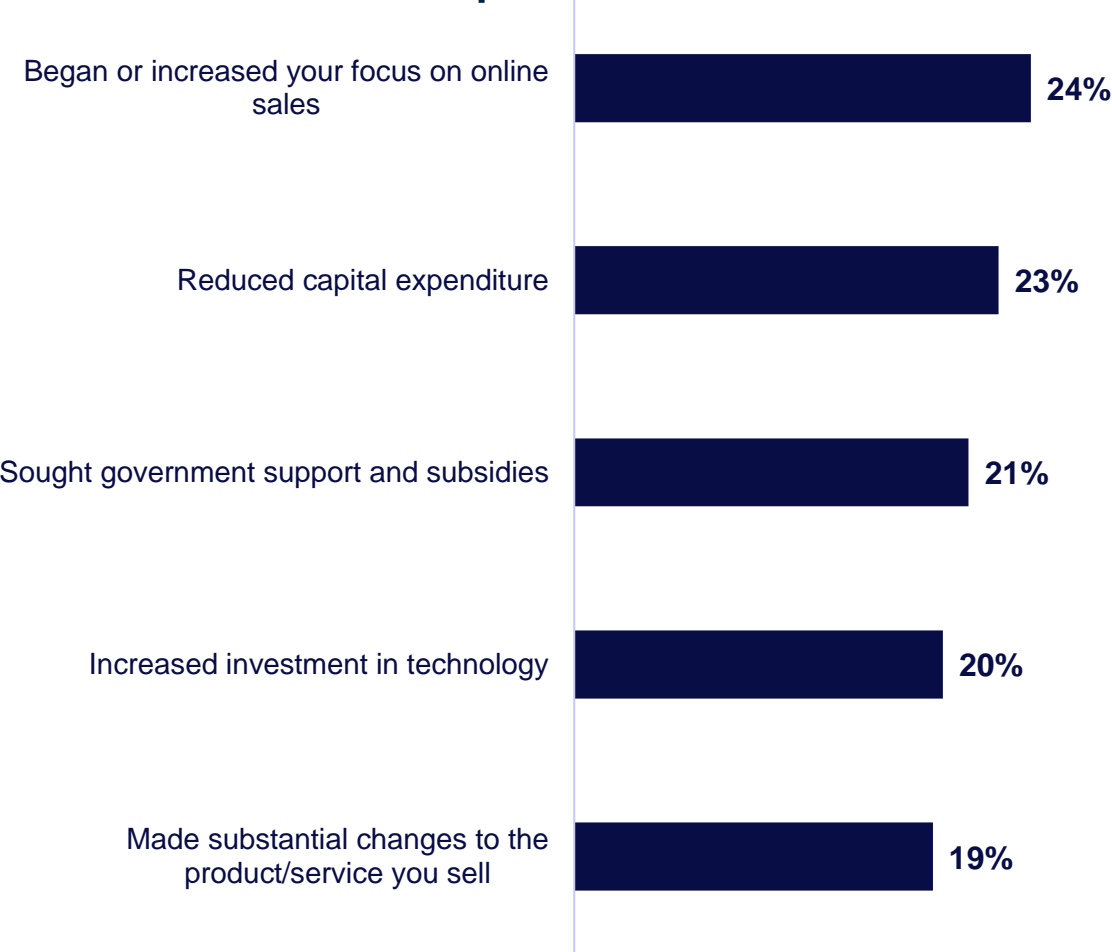
# COVID-19 and the measures taken to control it had a major negative impact on most small businesses across the region

COVID-19 had a major negative on my business – by market

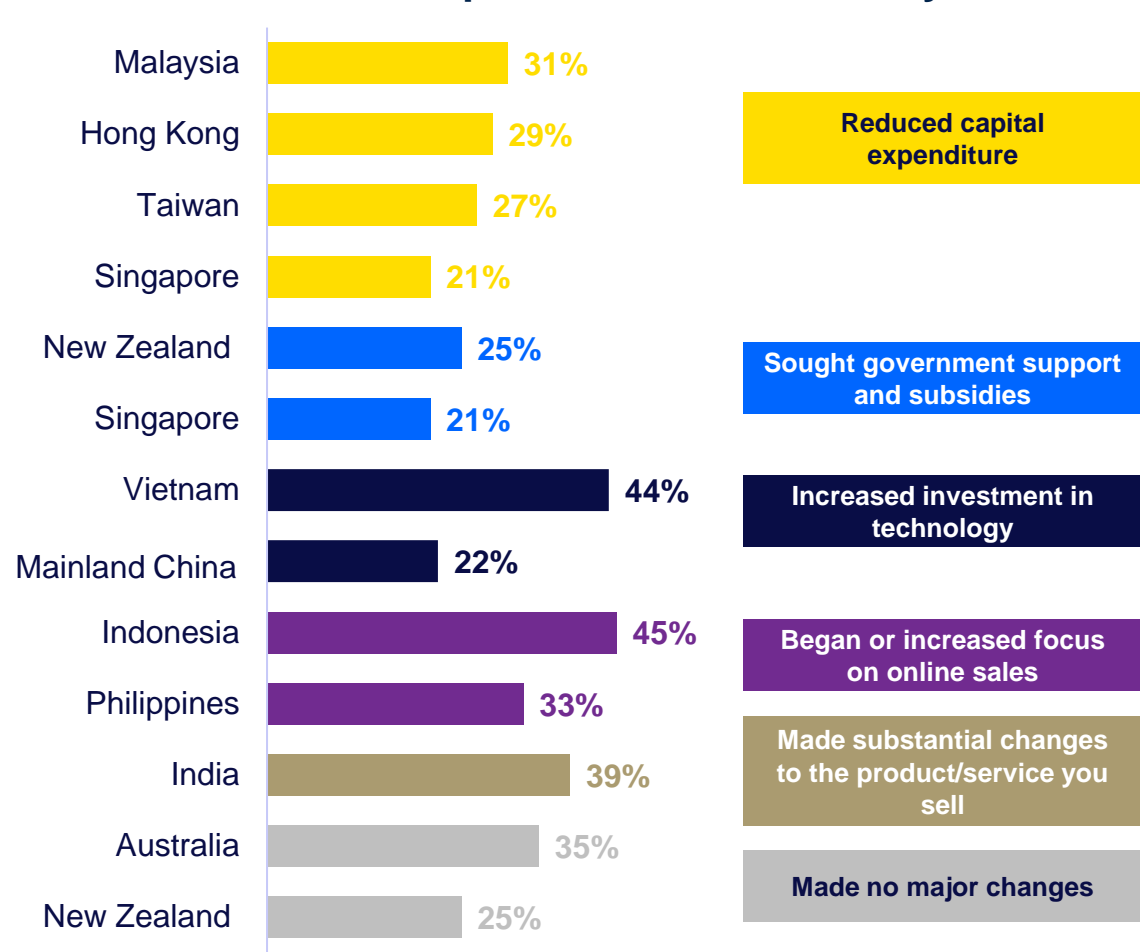


# Using online sales is the top action small businesses undertook in response to COVID-19

Major actions small businesses undertook in response to COVID-19

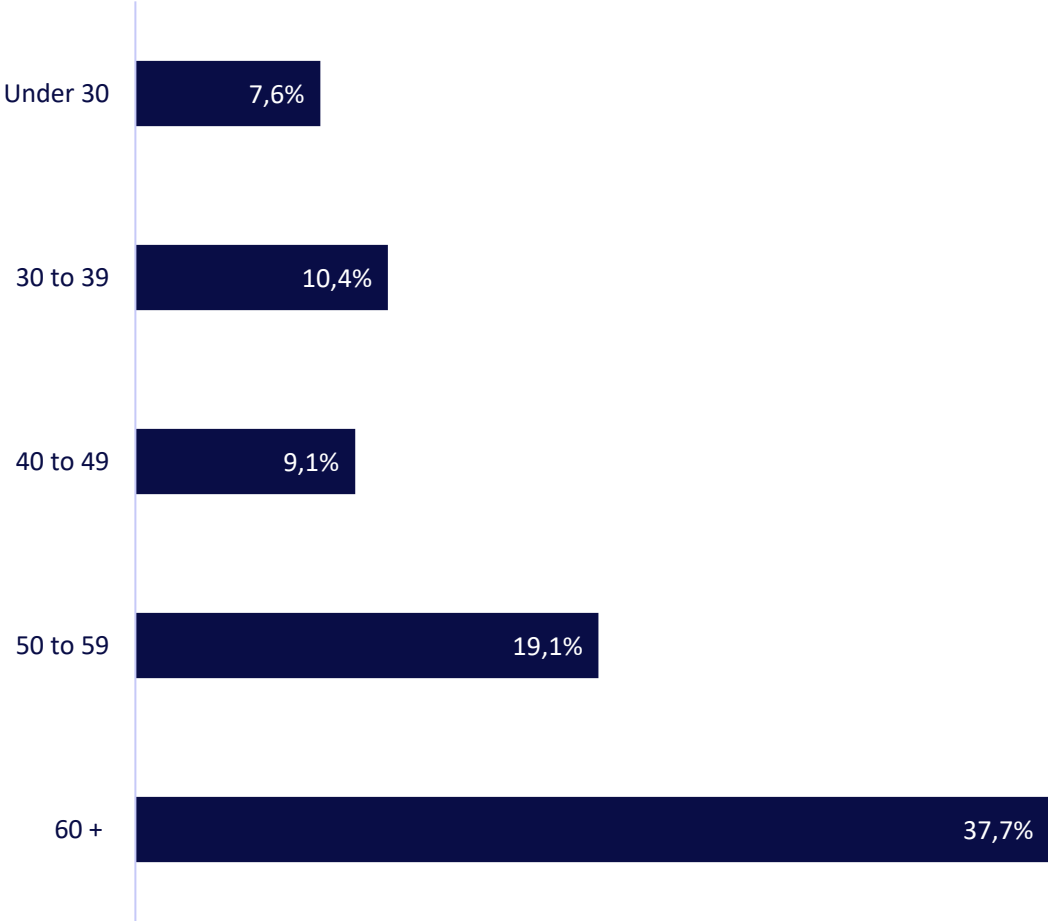


The top action small businesses was most likely to have undertaken in response to COVID-19 – by market

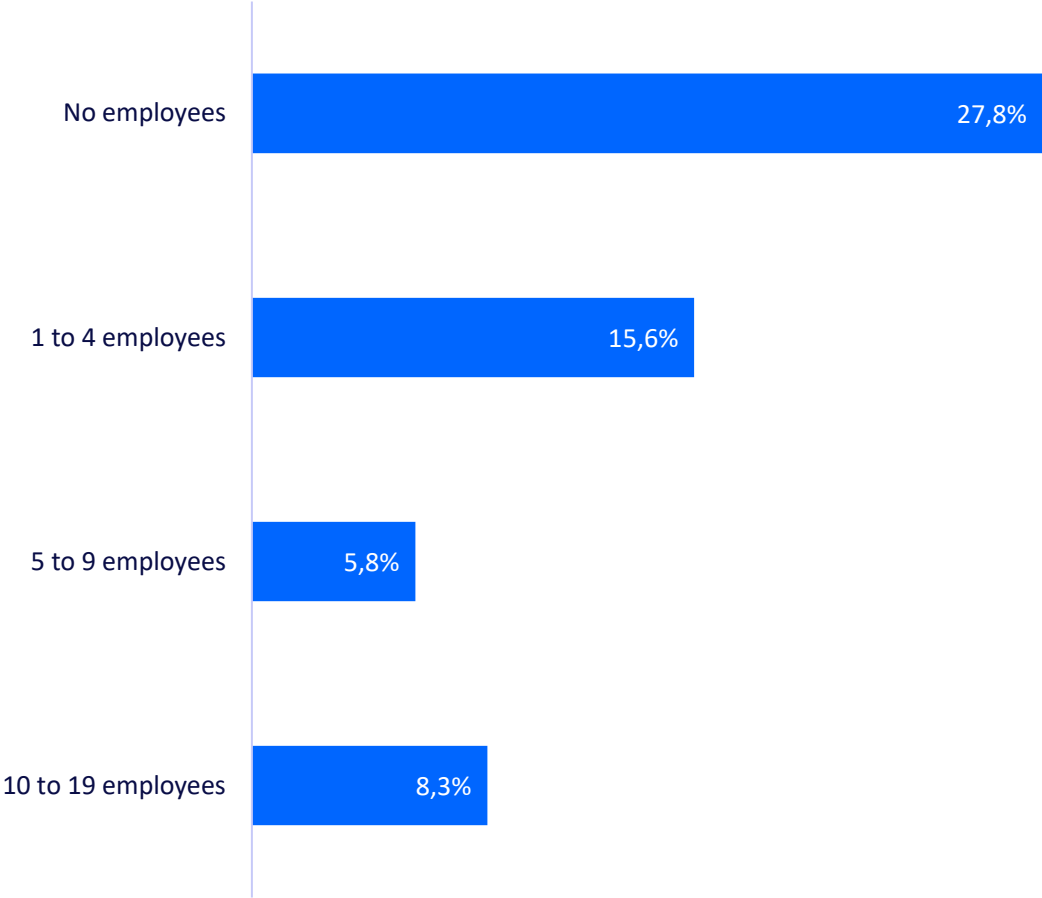


# Businesses with older respondents and less employees were much more likely to take no action in response to COVID-19 in 2021

Business that didn't act in response to COVID-19 in 2021 – by age of respondent



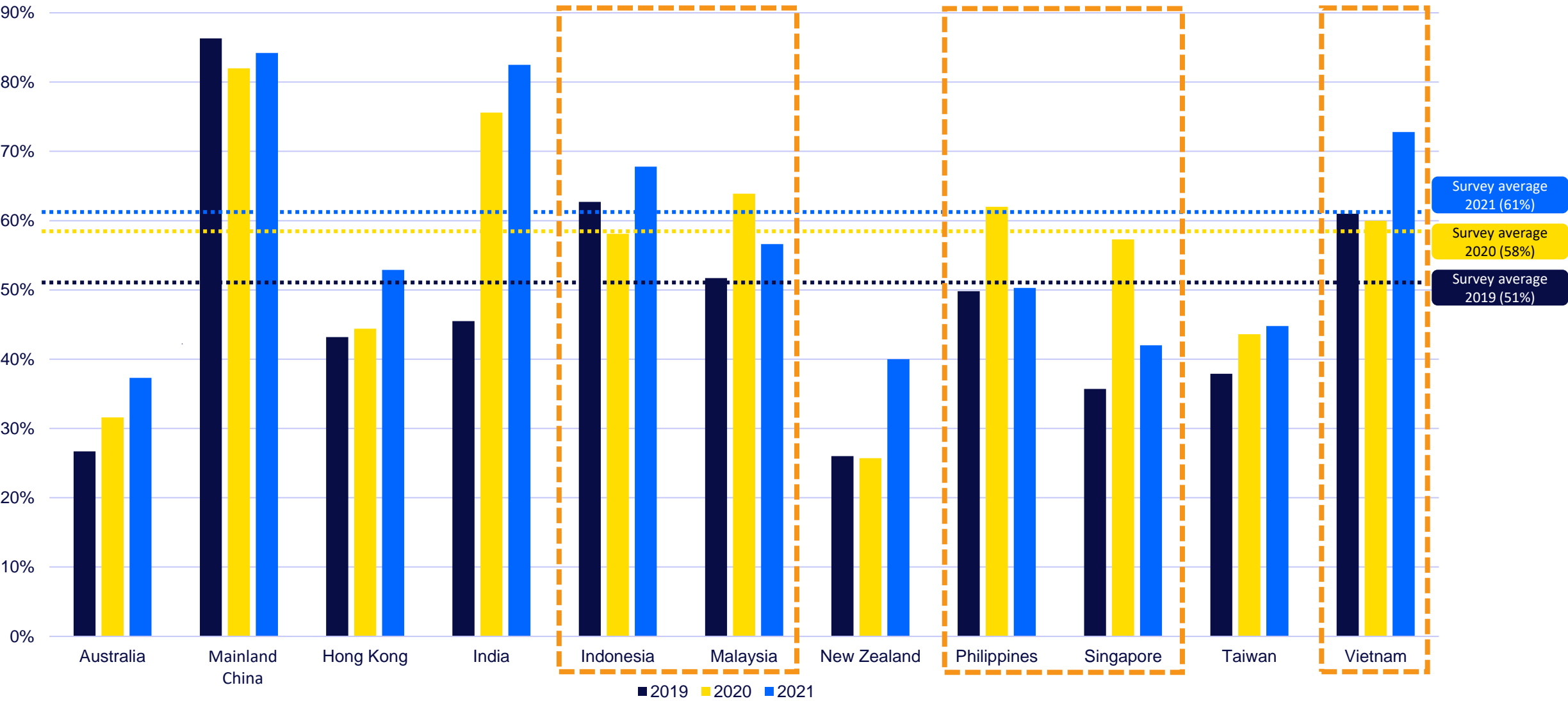
Businesses that made no major change to their business in response to COVID-19 in 2021 – by number of employees



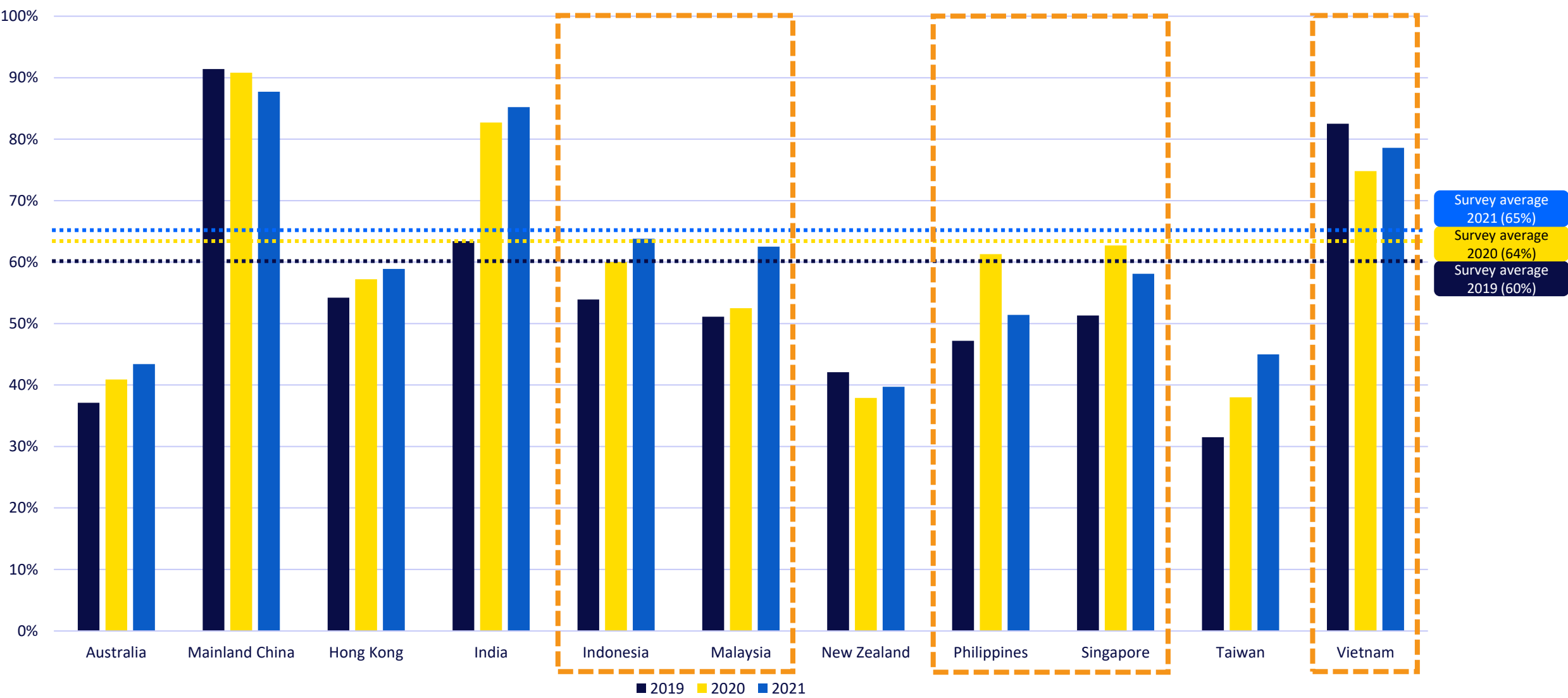
# Small business and technology



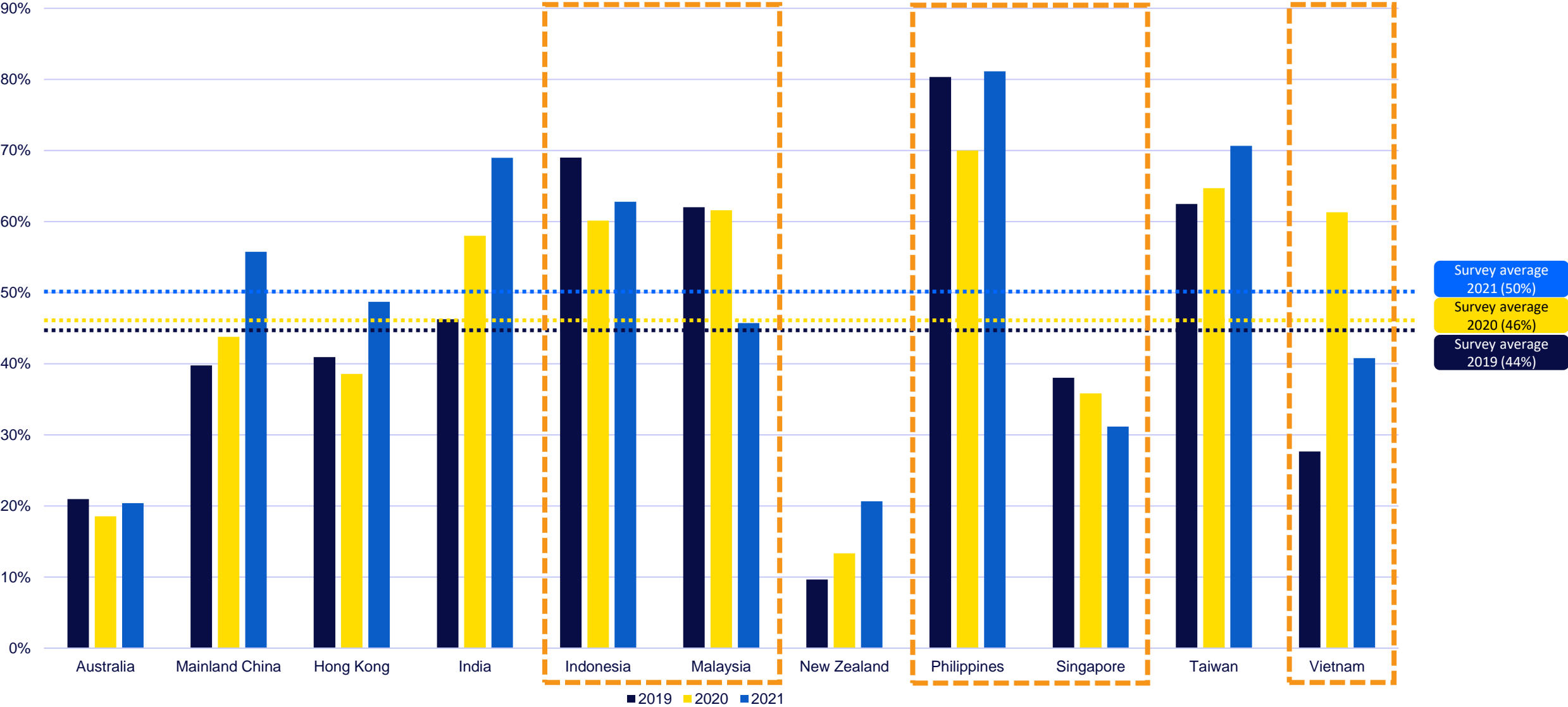
# Percentage of business earning more than 10 per cent of revenue online – by market in 2021 compared with 2020 and 2019



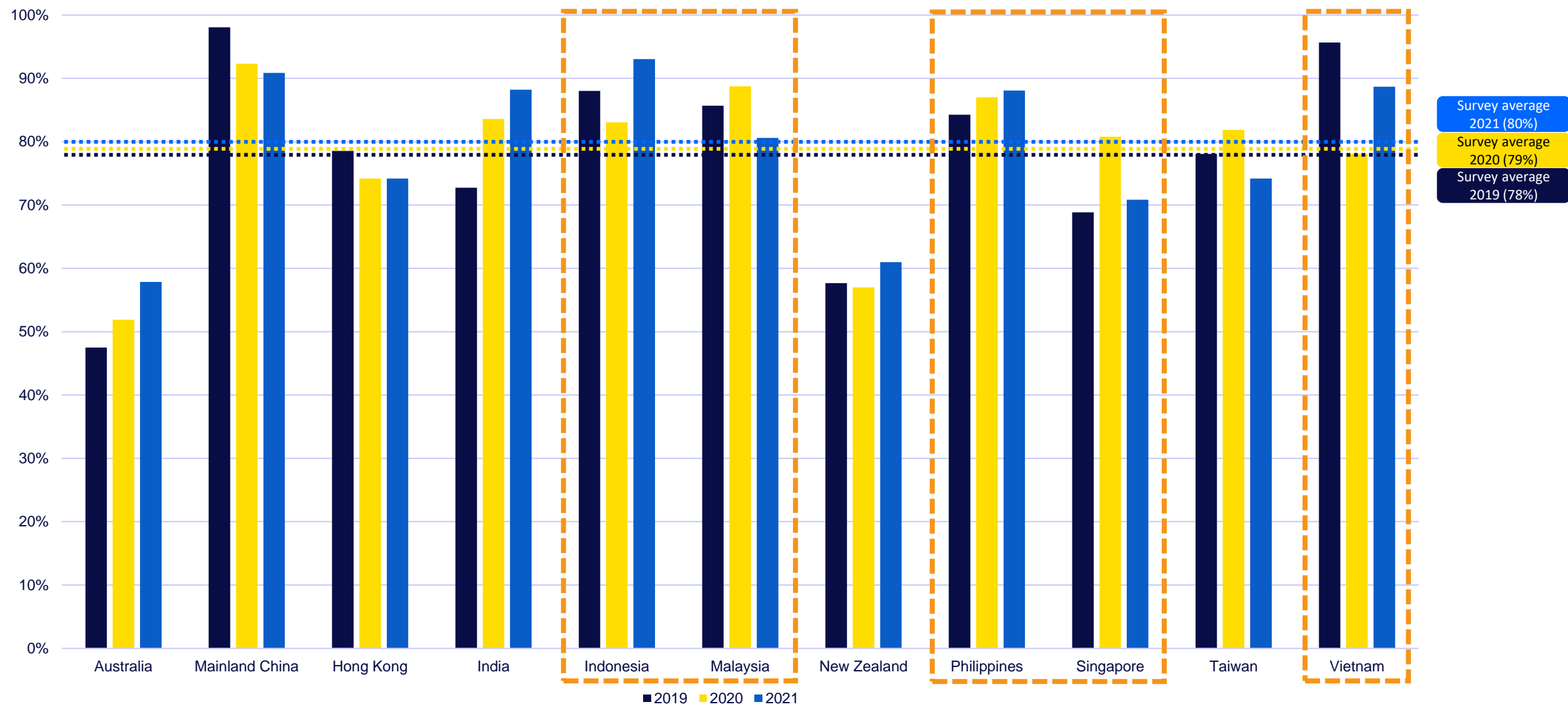
# Percentage of businesses receiving more than 10 per cent of their sales through digital payment options – by market in 2021 compared with 2020 and 2019



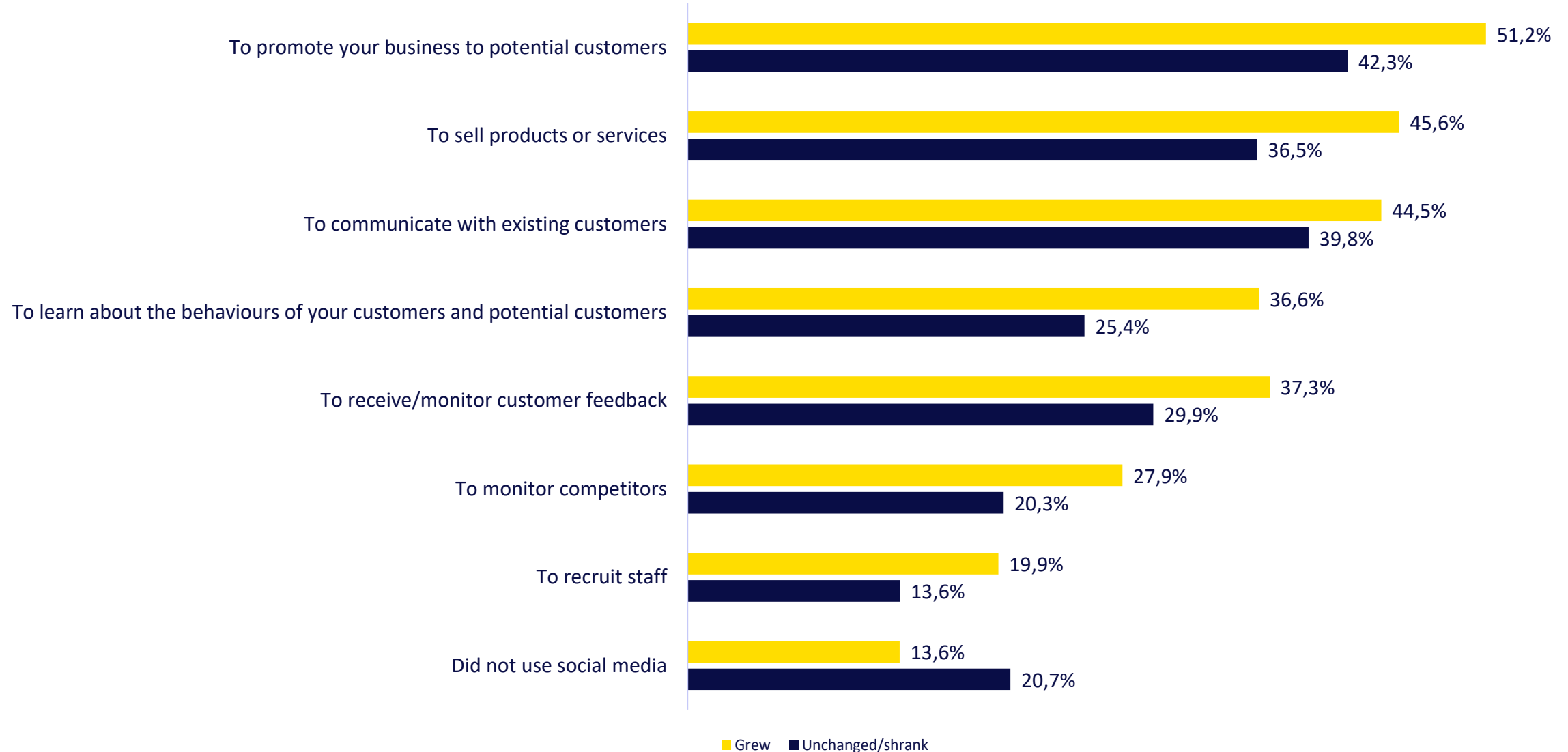
# Percentage of businesses receiving more than 50 per cent or more of their sales through cash– by market in 2021 compared with 2020 and 2019



# Percentage of businesses using social media for business purposes – by market in 2021 compared with 2020 and 2019

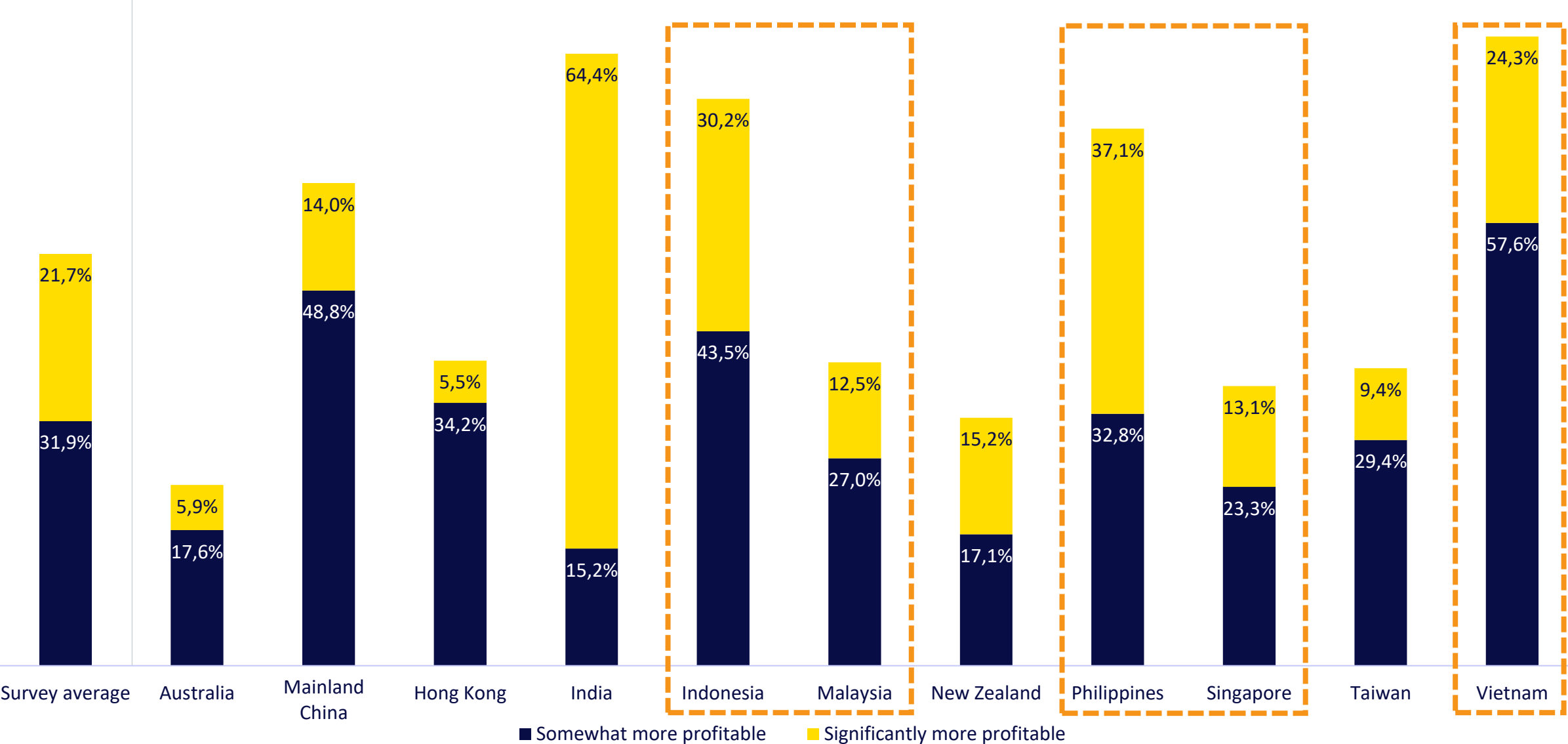


# What small businesses use social media for – comparison of businesses that reported growing in 2021 with those that were unchanged or shrank

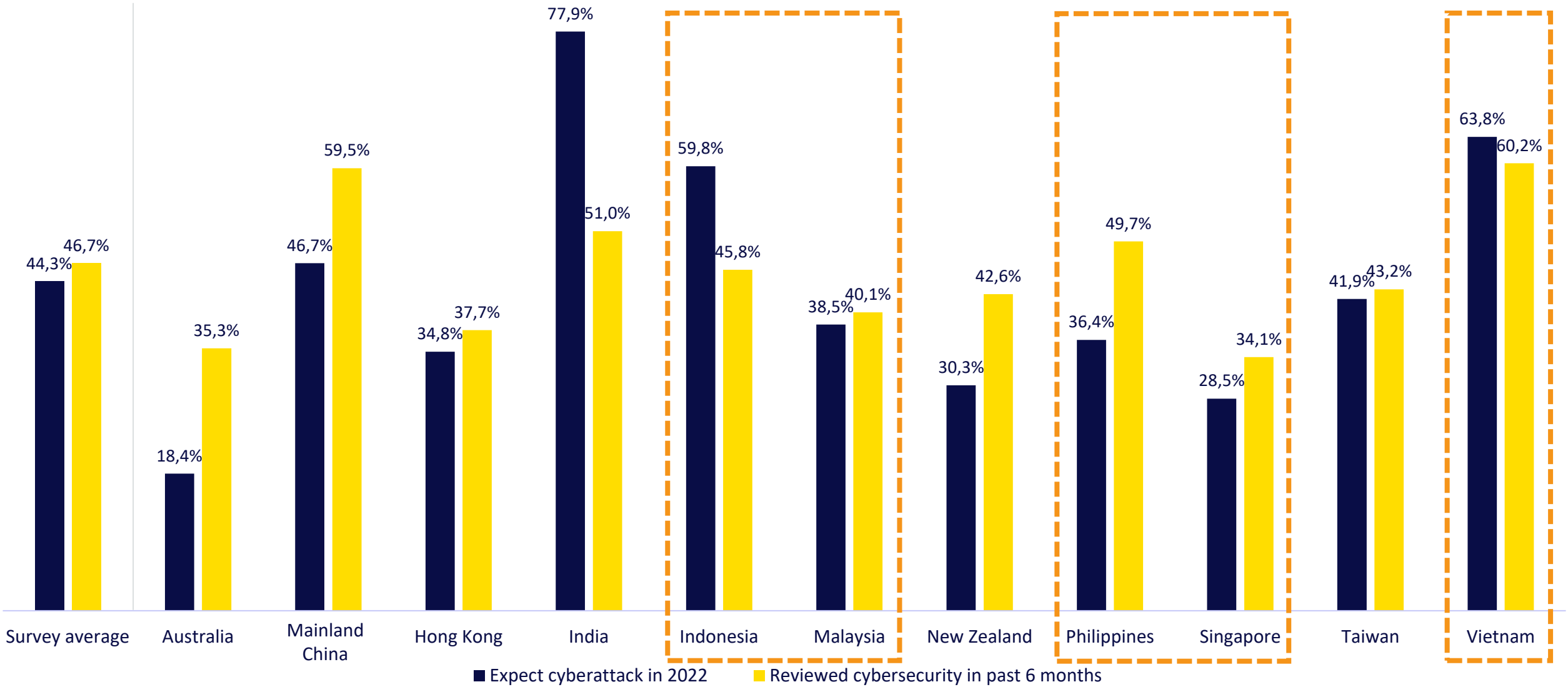




# Investment in technology in 2021 made the business more profitable – by market

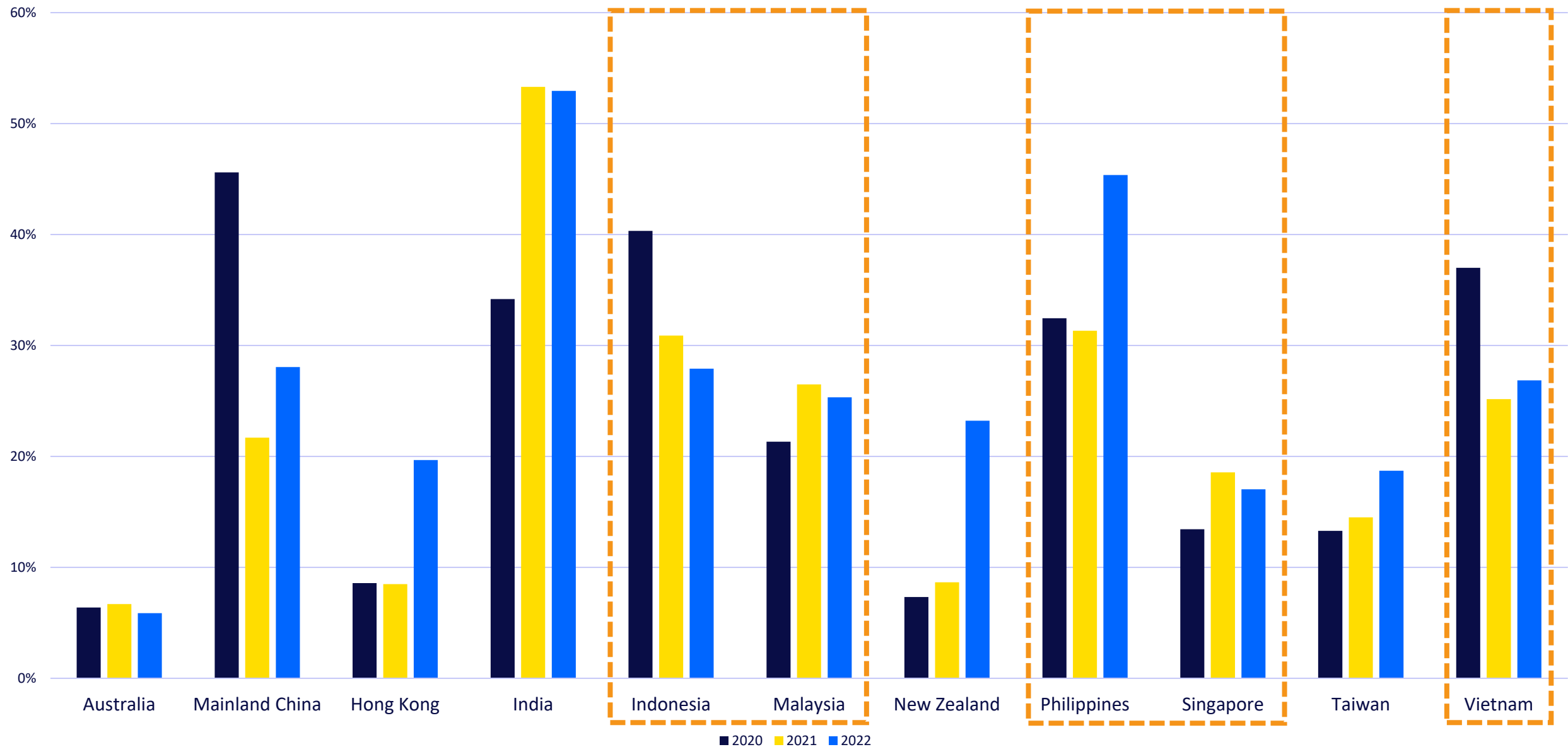


# Comparison of those who believe a cyberattack is likely in 2022 against those that reviewed their cybersecurity in past six months – by market



# Small business and innovation

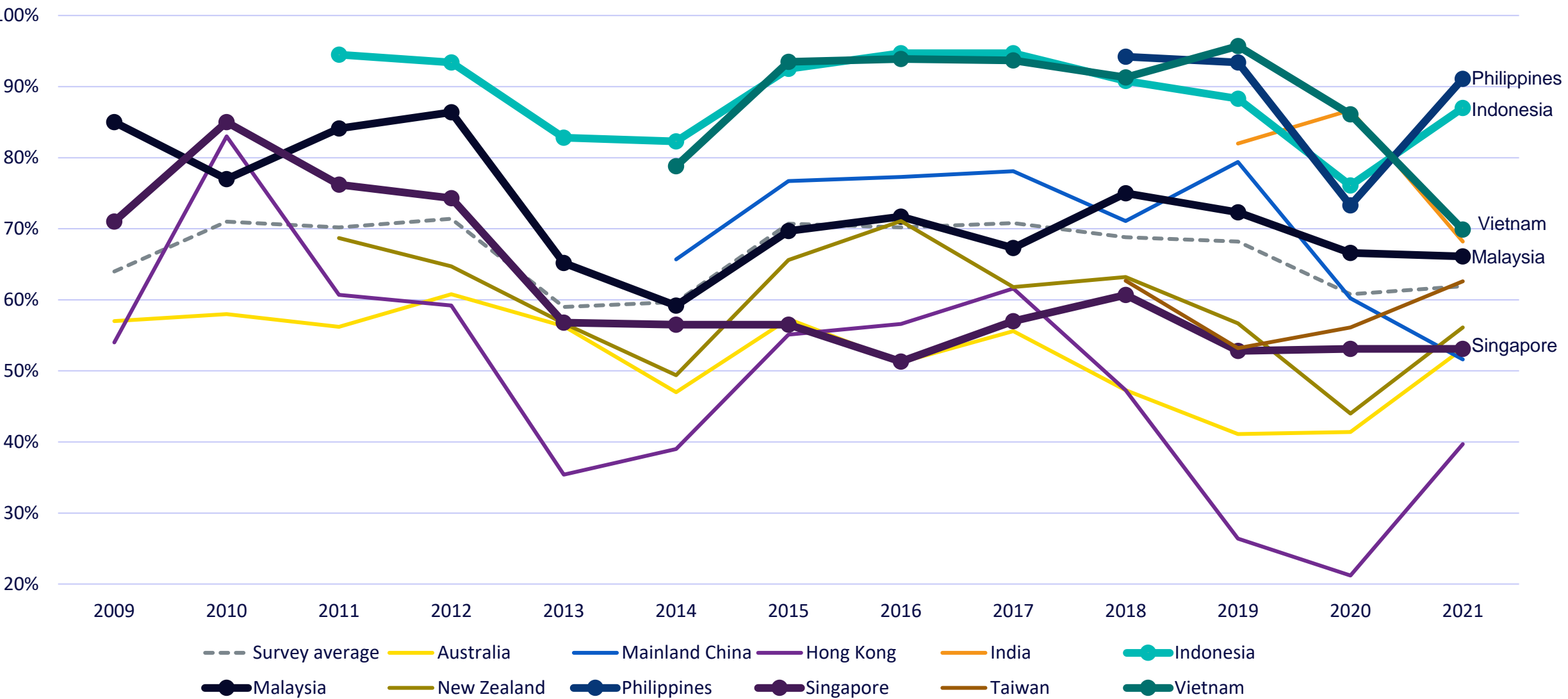
# Small businesses that state they will innovate in the next 12 months - by market and year



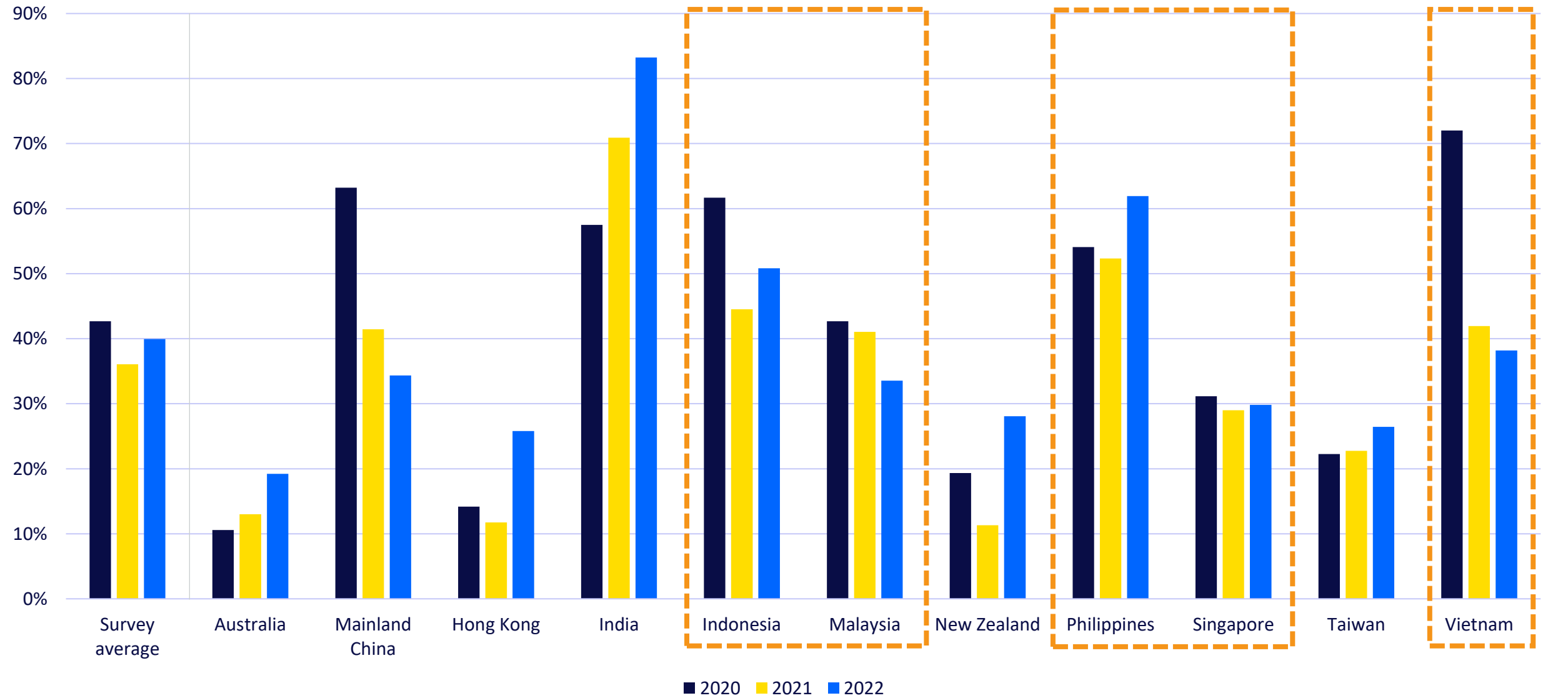
# Small business expectations in 2022



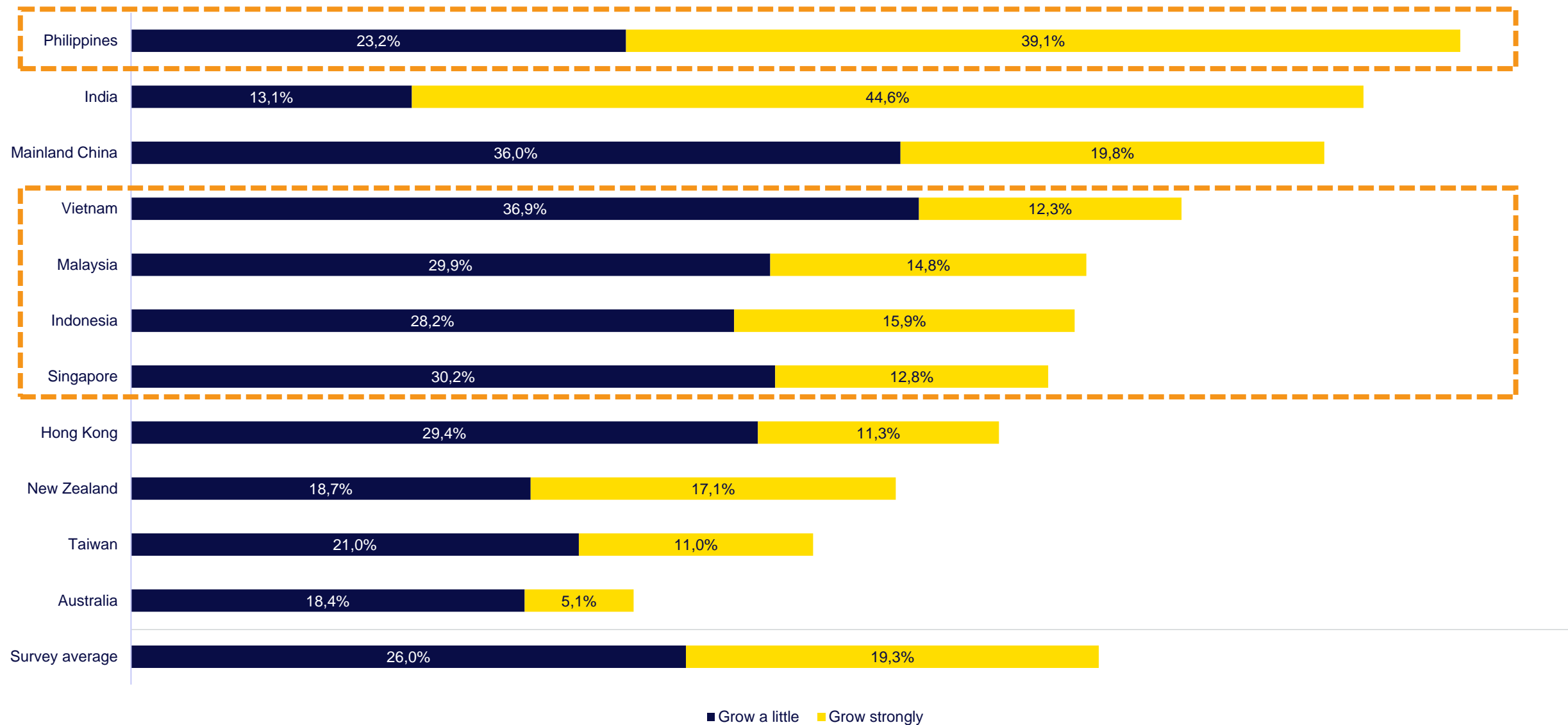
# Small businesses that expect to grow in the next 12 months – a comparison by market and over time



# Expect to increase employee numbers over the next 12 months from the previous 12 months – by market and over time

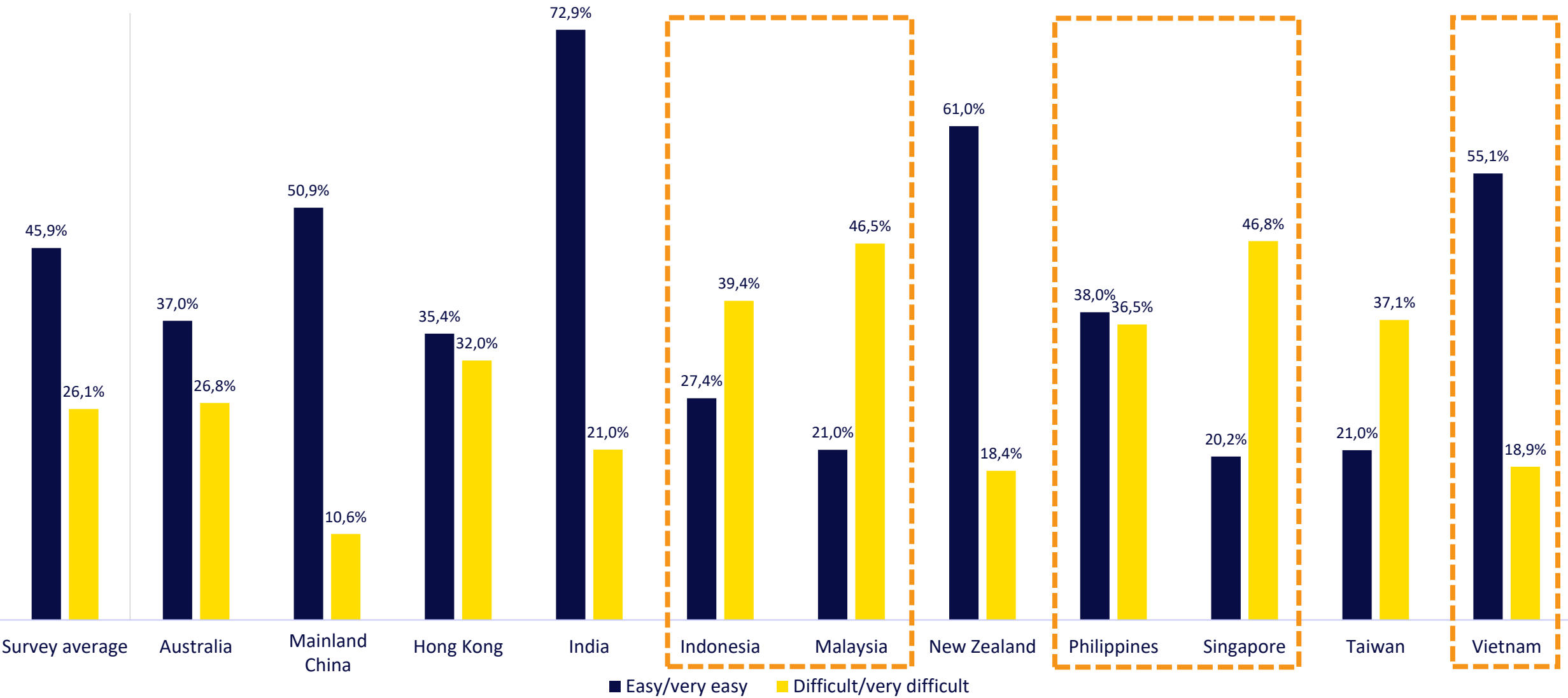


# Small businesses expecting revenue from overseas sales will grow in 2022 - by market



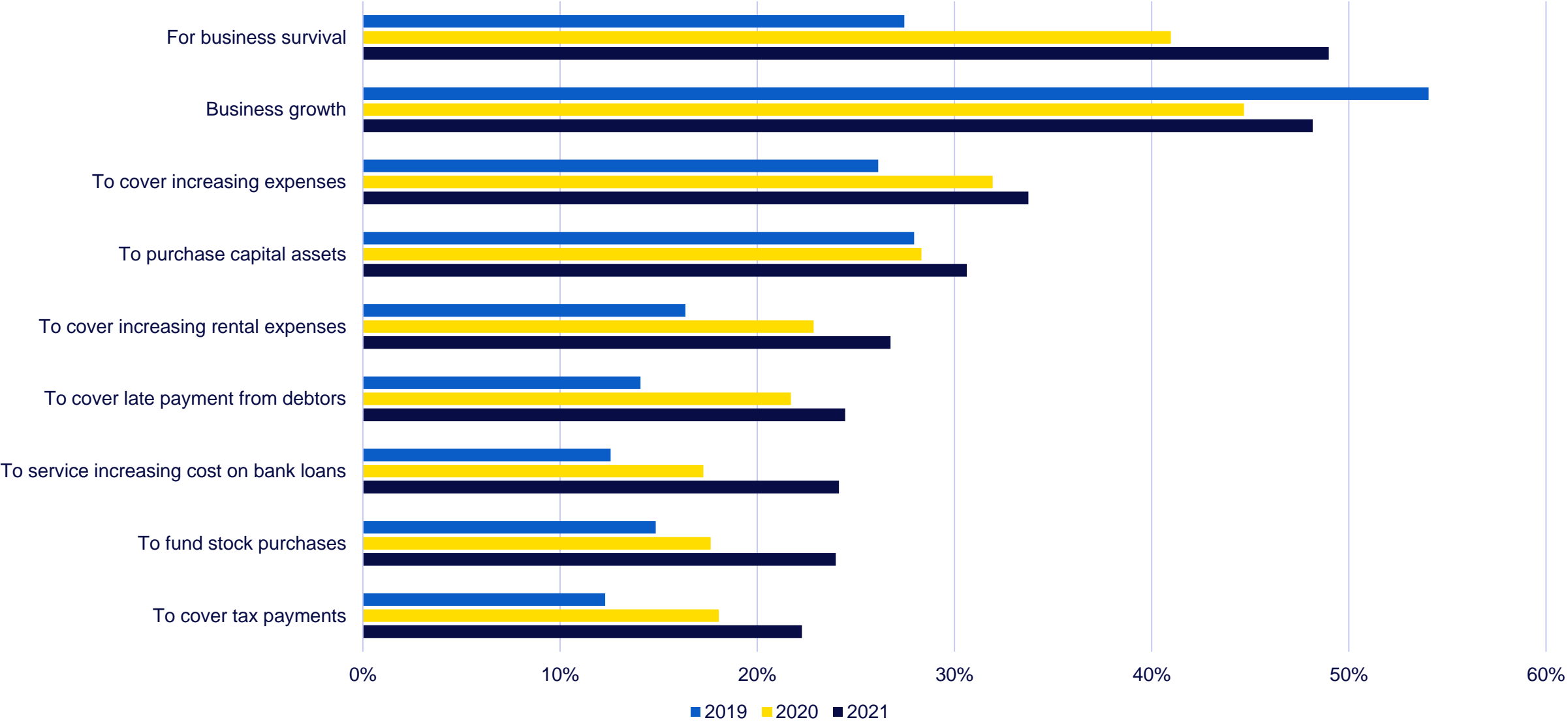
# Access to finance

# Business experience in accessing finance in 2021 – by market





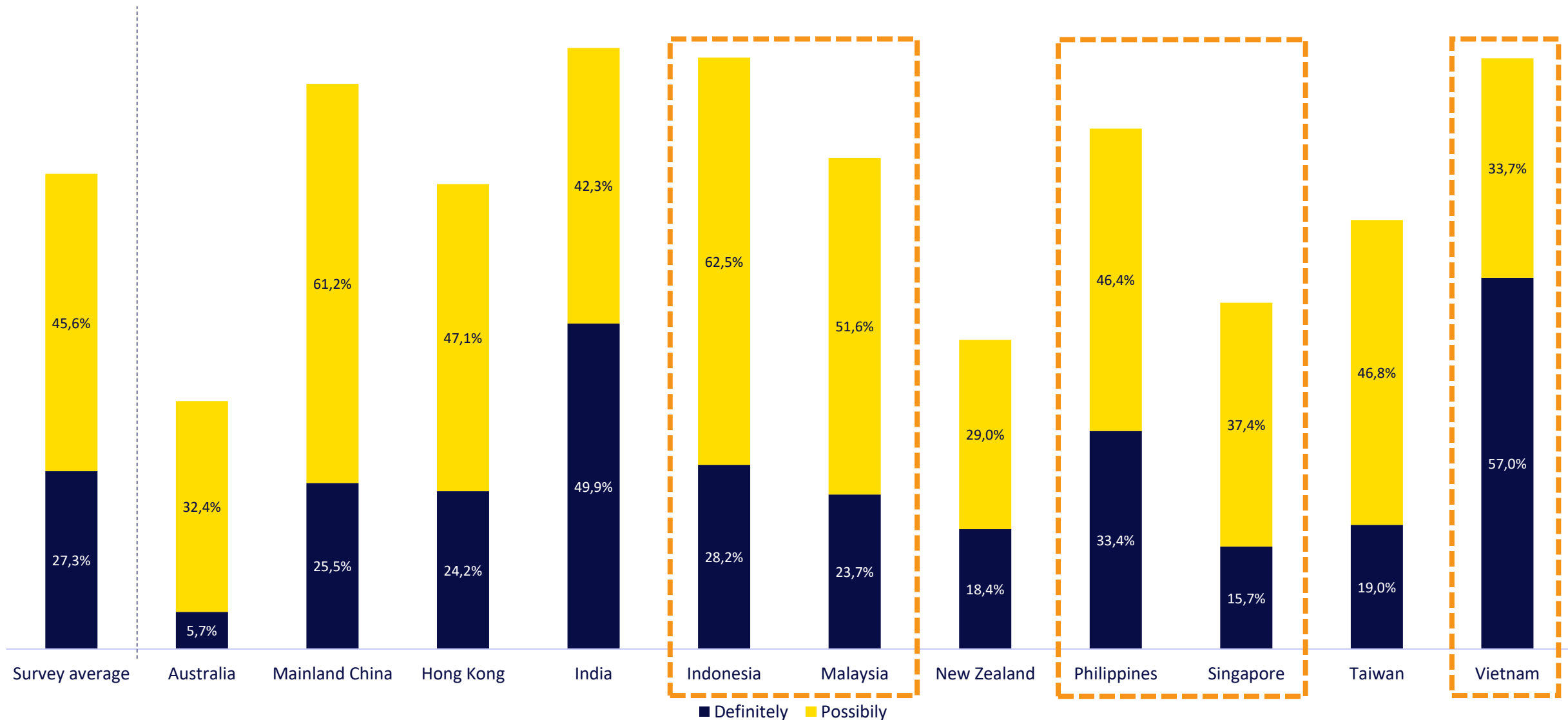
# Reasons for seeking external finance in the past 12 months – by year



# Top-three sources of external finance in 2021 by market

	Most popular	Second most popular	Third most popular
<b>Survey average</b>	<b>Bank (34.2%)</b>	<b>Friends or family (15.8%)</b>	<b>Personal resources (13.8%)</b>
<b>Australia</b>	Bank (44.2%)	Personal resources (15.9%) Government grant/funds (15.9%)	Friends or family (11.6%)
<b>Mainland China</b>	Bank (43.2%)	Investor (14.5%)	Non-bank financial institution (10.6%)
<b>Hong Kong</b>	Bank (39.8%)	Investor (19.9%)	Government grant/funds (13.8%)
<b>India</b>	Friends or family (36.7%)	Personal resources (25.8%)	Bank (16.5%)
<b>Indonesia</b>	Bank (34.0%)	Friends or family (14.5%)	Personal resources (13.7%)
<b>Malaysia</b>	Bank (36.3%)	Government grant/funds (17.8%)	Personal resources (12.1%)
<b>New Zealand</b>	Government grant/funds (28.4%)	Bank (24.1%)	Personal resources (10.6%)
<b>Philippines</b>	Friends or family (44.5%)	Personal resources (20.5%)	Bank (13.0%)
<b>Singapore</b>	Bank (27.5%)	Government grant/funds (17.4%)	Personal resources (13.8%)
<b>Taiwan</b>	Bank (28.0%)	Government grant/funds (18.2%)	Personal resources (16.1%)
<b>Vietnam</b>	Bank (66.3%)	Friends or family (10.3%)	Personal resources (5.3%) Investor (5.3%)

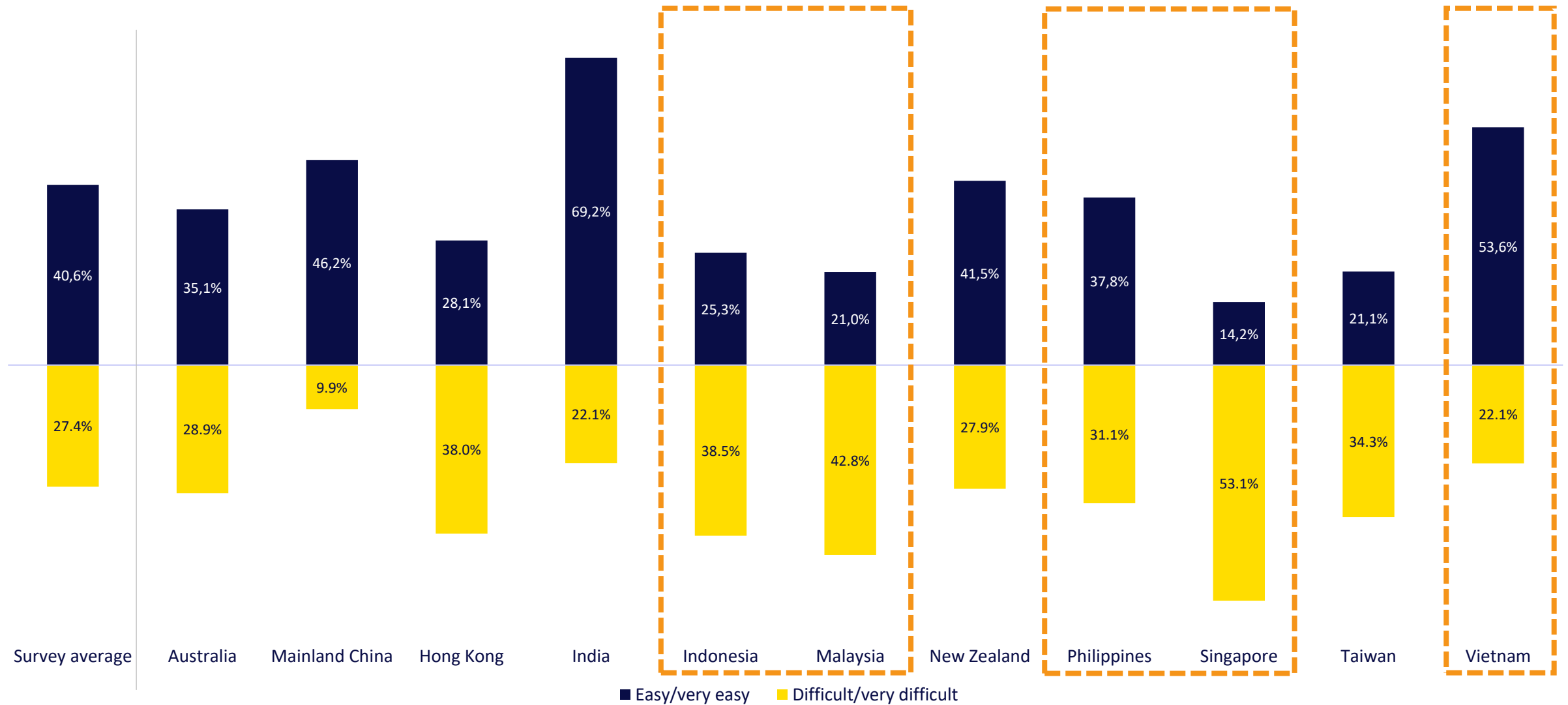
# The percentage of businesses that expect to require external finance in 2022 - by market



# Top three anticipated reasons for seeking external finance in 2022 – by market

	Most anticipated reason	Second most anticipated reason	Third most anticipated reason
<b>Survey average</b>	<b>Business growth (52.4%)</b>	<b>Business survival (42.7%)</b>	<b>Cover increasing expenses (33.6%)</b>
<b>Australia</b>	Business growth (52.6%)	Cover increasing expenses (28.9%)	Business survival (26.8%)
<b>Mainland China</b>	Business growth (44.6%)	Business survival (32.4%)	Cover increasing expenses (28.0%)
<b>Hong Kong</b>	Business survival (53.8%)	Business growth (48.9%)	Cover increasing expenses (45.2%)
<b>India</b>	Business growth (63.4%)	Cover increasing expenses (53.7%)	Purchase capital assets (52.5%)
<b>Indonesia</b>	Business growth (68.1%)	Business survival (53.8%)	Purchase capital assets (28.2%)
<b>Malaysia</b>	Business growth (60.3%)	Business survival (45.4%)	Cover increasing expenses (32.4%)
<b>New Zealand</b>	Business survival (37.4%)	Cover increasing expenses (36.1%)	Business growth (35.4%)
<b>Philippines</b>	Business growth (53.1%)	Business survival (33.6%)	Cover increasing expenses (32.4%)
<b>Singapore</b>	Business growth (50.0%)	Business survival (35.2%)	Cover increasing expenses (34.0%)
<b>Taiwan</b>	Business growth (49.5%)	Business survival (41.7%)	Cover increasing expenses (22.5%)
<b>Vietnam</b>	Business survival (57.9%)	Business growth (44.3%)	Cover increasing expenses (22.1%)

Of those that expect to access external finance in 2022, the percentage that expect easy or very easy financing conditions compared with those expecting difficult conditions



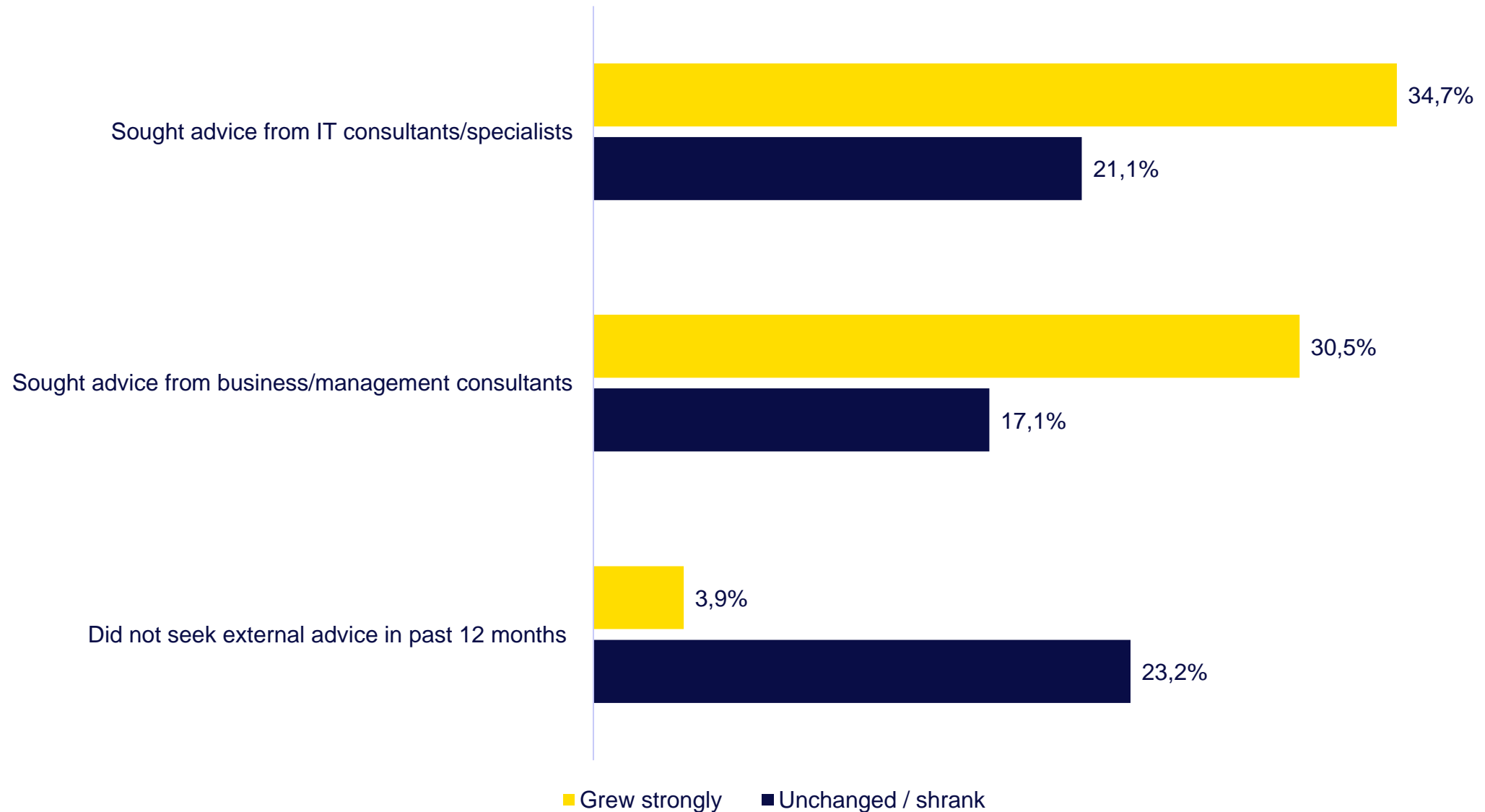
# Sources of business advice

# Most popular sources of business advice in 2021 – by market

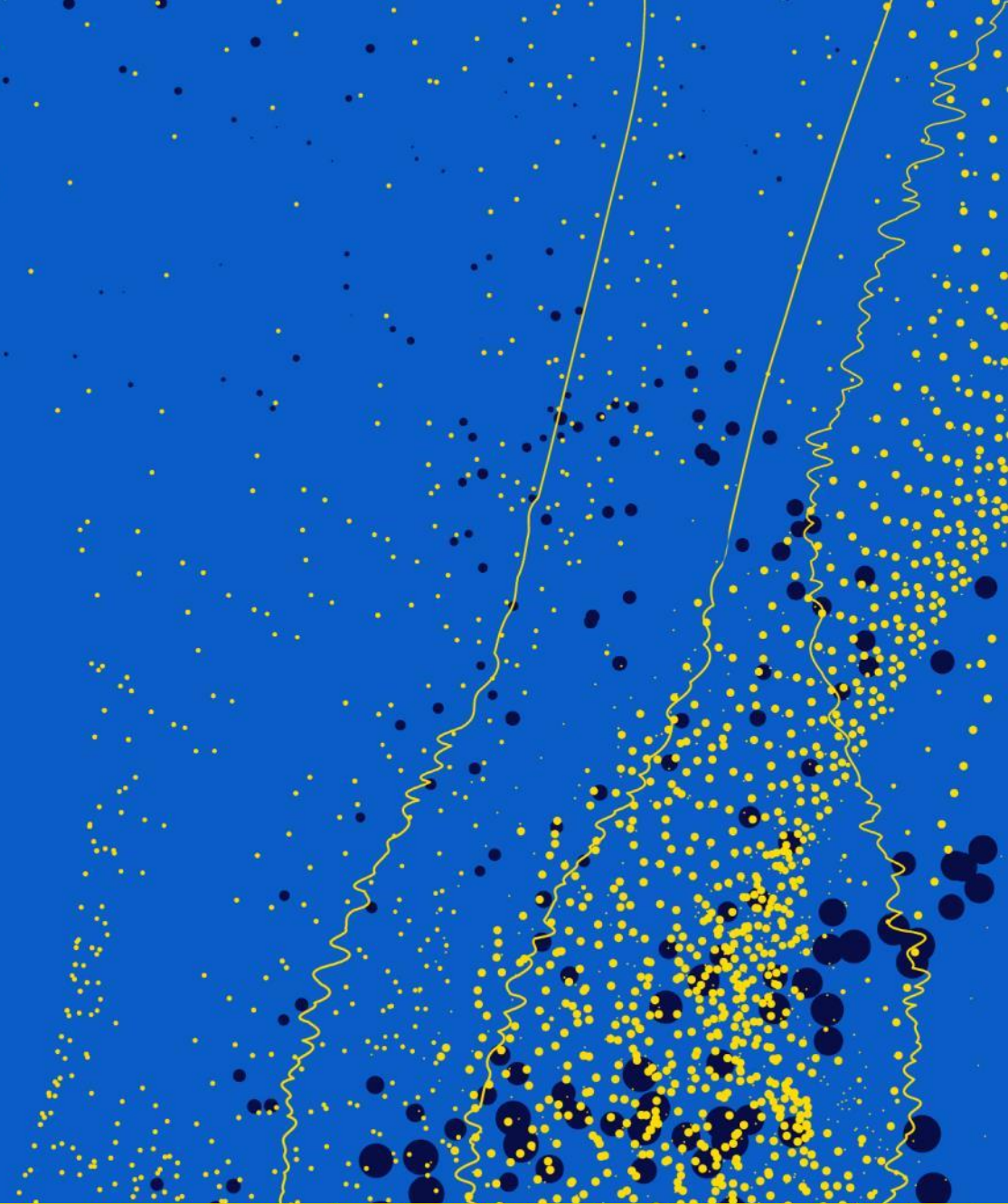
	Most popular	Second most popular	Third most popular	Did not seek advice
<b>Survey average</b>	<b>Friends or family (27.1%)</b>	<b>Business partner or mentor (25.4%)</b>	<b>IT consultants/specialists (23.8%)</b>	<b>16.4%</b>
<b>Australia</b>	Accountants (35.3%)	Friends and family (15.3%)	A bank or finance company (11.0%)	34.1%
<b>Mainland China</b>	IT consultants/specialists (29.5%)	A bank or finance company (26.0%)	Business partner or mentor (23.2%)	9.4%
<b>Hong Kong</b>	A bank or finance company (32.6%)	Accountants (26.1%)	IT consultants/specialists (21.6%)	21.9%
<b>India</b>	IT consultants/specialists (48.6%)	Friends and family (48.4%)	Business partner or mentor (41.9%)	3.2%
<b>Indonesia</b>	Business partner or mentor (42.2%)	Friends and family (37.9%)	Business/management consultants (27.9%)	5.6%
<b>Malaysia</b>	Friends and family (33.9%)	Business partner or mentor (31.6%)	A bank or finance company (27.0%)	18.8%
<b>New Zealand</b>	Accountants (31.9%)	Friends and family (24.5%)	Business partner or mentor (21.0%)	24.5%
<b>Philippines</b>	Friends and family (49.0%)	Business partner or mentor (31.8%)	Business/management consultants (24.5%)	9.3%
<b>Singapore</b>	Friends and family (20.7%)	Business partner or mentor (20.0%)	Business/management consultants (17.4%)	29.2%
<b>Taiwan</b>	Friends and family (31.9%)	Accountants (22.3%)	Business partner or mentor (19.0%)	22.3%
<b>Vietnam</b>	A bank or finance company (46.9%)	IT consultants/specialists (42.1%)	Business partner or mentor (24.9%)	9.4%



## High growth businesses were more likely to seek professional advice



# Lessons from high-growth small businesses in the Asia-Pacific



## Top four actions high-growth businesses undertook in response to COVID-19 in 2020 and 2021

**29%**

**Began or increased  
focus on online sales**

**26%**

**Made substantial changes to  
the product/services you sell**

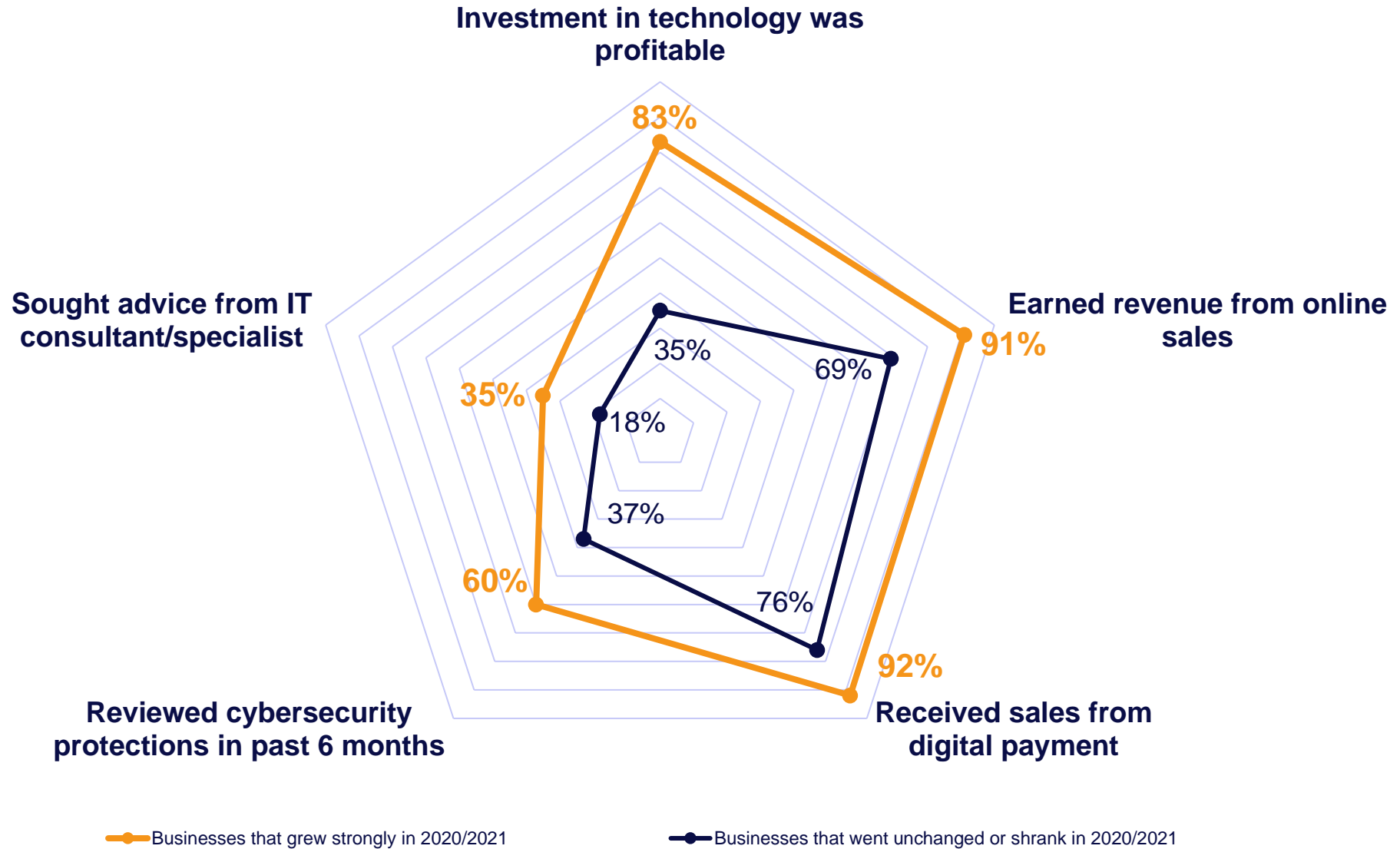
**26%**

**Made major changes to your  
business plan or restructured**

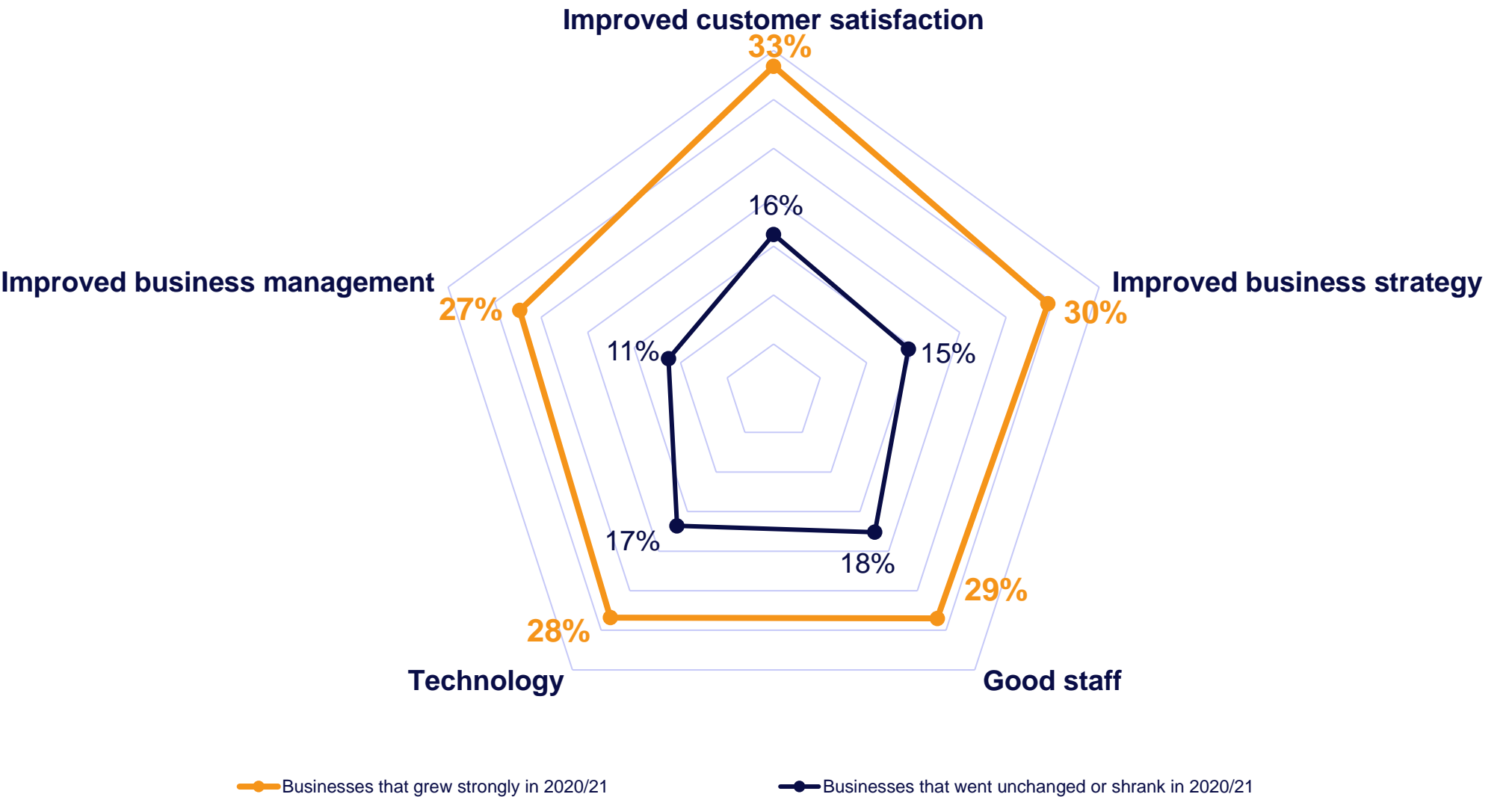
**25%**

**Increased  
Investment  
into technology**

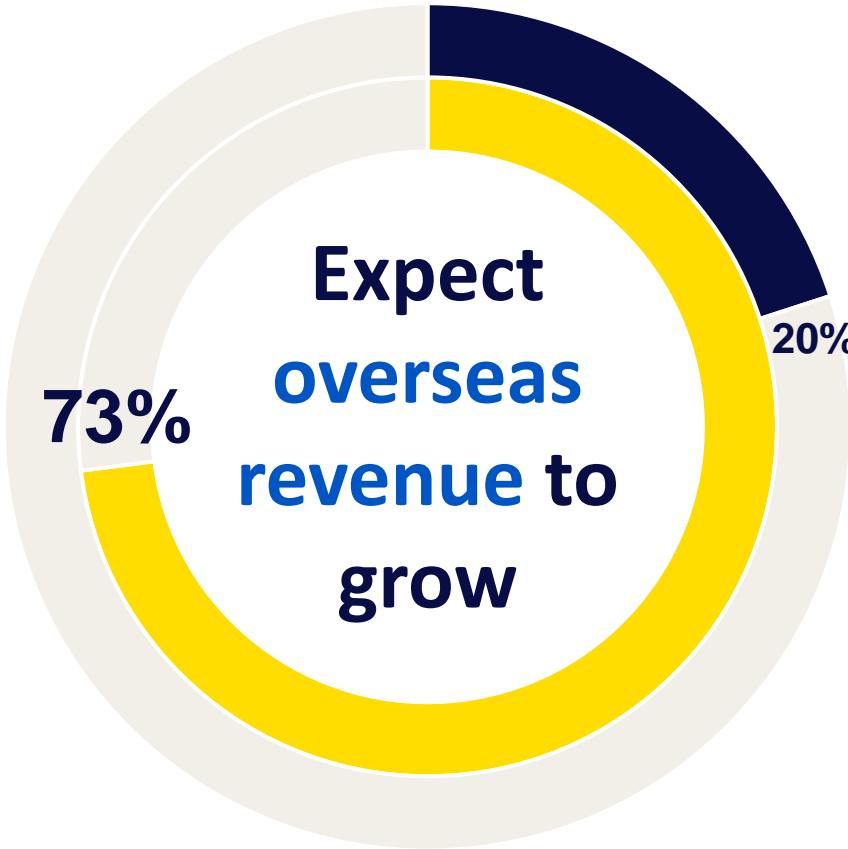
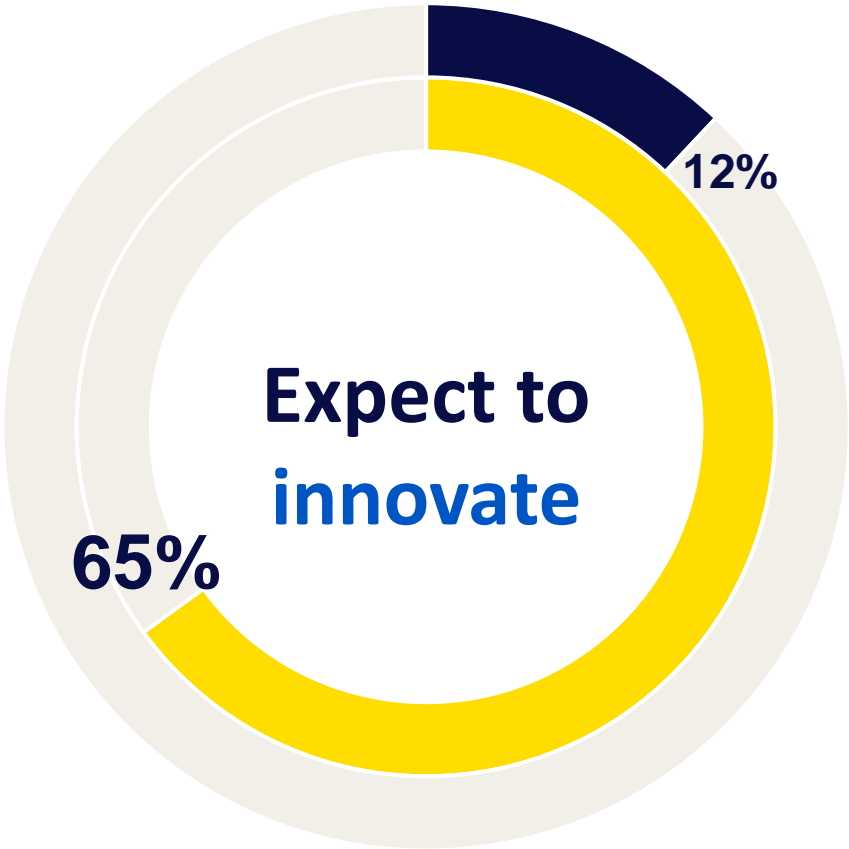
# High-growth small businesses are more likely to adopt technology and e-commerce



# High-growth small businesses focused more on customer satisfaction and improving business strategy



Businesses that expect to grow strongly in 2022 are more likely to expect to innovate and sell overseas



■ Businesses that expect to grow strongly in 2022

■ Businesses that expect to not to change or shrink in 2022



# Thank you

