

SBF National Business Survey 2024

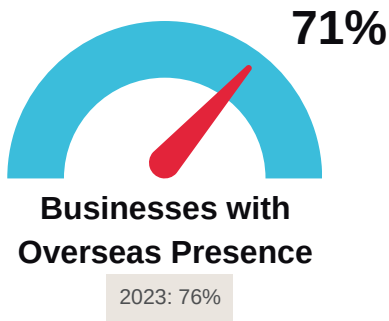
Scaled Internationally Edition

The SBF National Business Survey (NBS) is the flagship survey of the Singapore Business Federation (SBF). Into its 17th annual edition, the SBF National Business Survey 2024 - Scaled Internationally Edition provides insights on internationalisation-related issues faced by businesses in Singapore. The survey period of this study was from 28 August to 29 October 2024. The study drew responses from businesses across all key industries. A sample size of n=519 was achieved for this report.

State of Internationalisation

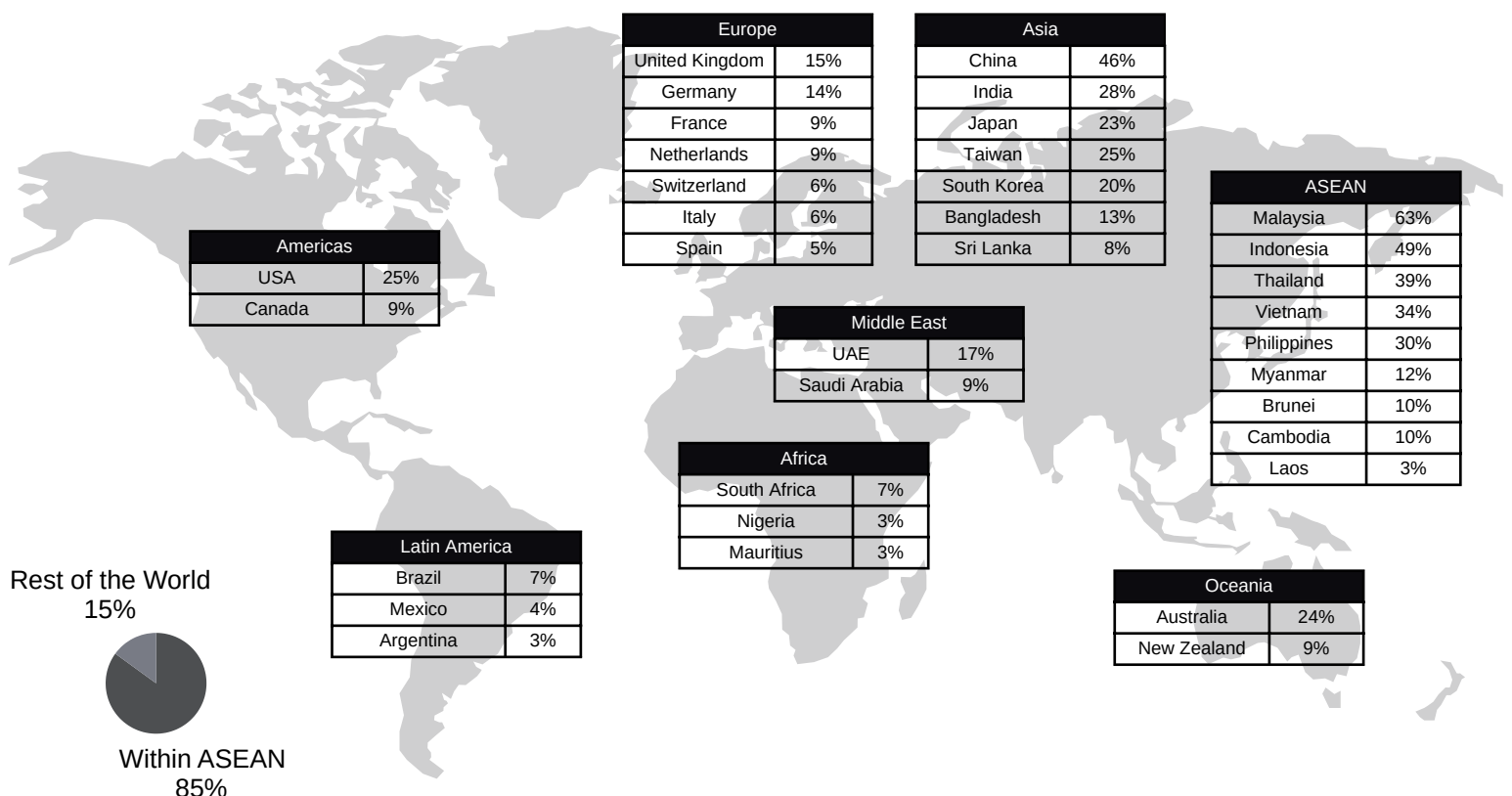
Slight decline in overseas presence

7 in 10 businesses have overseas presence, with Malaysia (63%), Indonesia (49%) and China (46%) as the top 3 markets. While China remained in the top 3, the percentage of businesses reported having a presence declined by 4%-points. More businesses reported having an overseas presence in United Arab Emirates (UAE) (increase of 3%-points from 14% to 17%) and Saudi Arabia (increase of 3%-points from 6% to 9%).



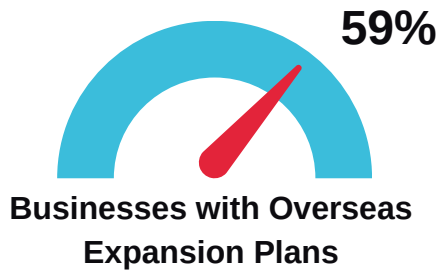
| 2024 | | 2023 | |
|-----------|-----|-----------|-----|
| Malaysia | 63% | Malaysia | 64% |
| Indonesia | 49% | China | 50% |
| China | 46% | Indonesia | 47% |

- Top Increase**
 UAE (+3%-Points)
 Saudi Arabia (+3%-Points)
- Top Decrease**
 China (-4%-Points)
 Japan (-4%-Points)



More businesses have future overseas expansion plans

More businesses (increase of 2%-points from 57% to 59%) reported having future overseas expansion plans, with Vietnam (25%), Indonesia (25%) and Thailand (21%) as the top 3 markets. Interest in Malaysia and China has slipped by 10%-points and 5%-points respectively. While interest in expansion within ASEAN remains strong (63%), more are prepared to look at markets further afield, including UAE (up 7%-points from 7% to 14%), Saudi Arabia (up 6%-points from 5% to 11%) and New Zealand (up 6%-points from 5% to 11%).



2023: 57%

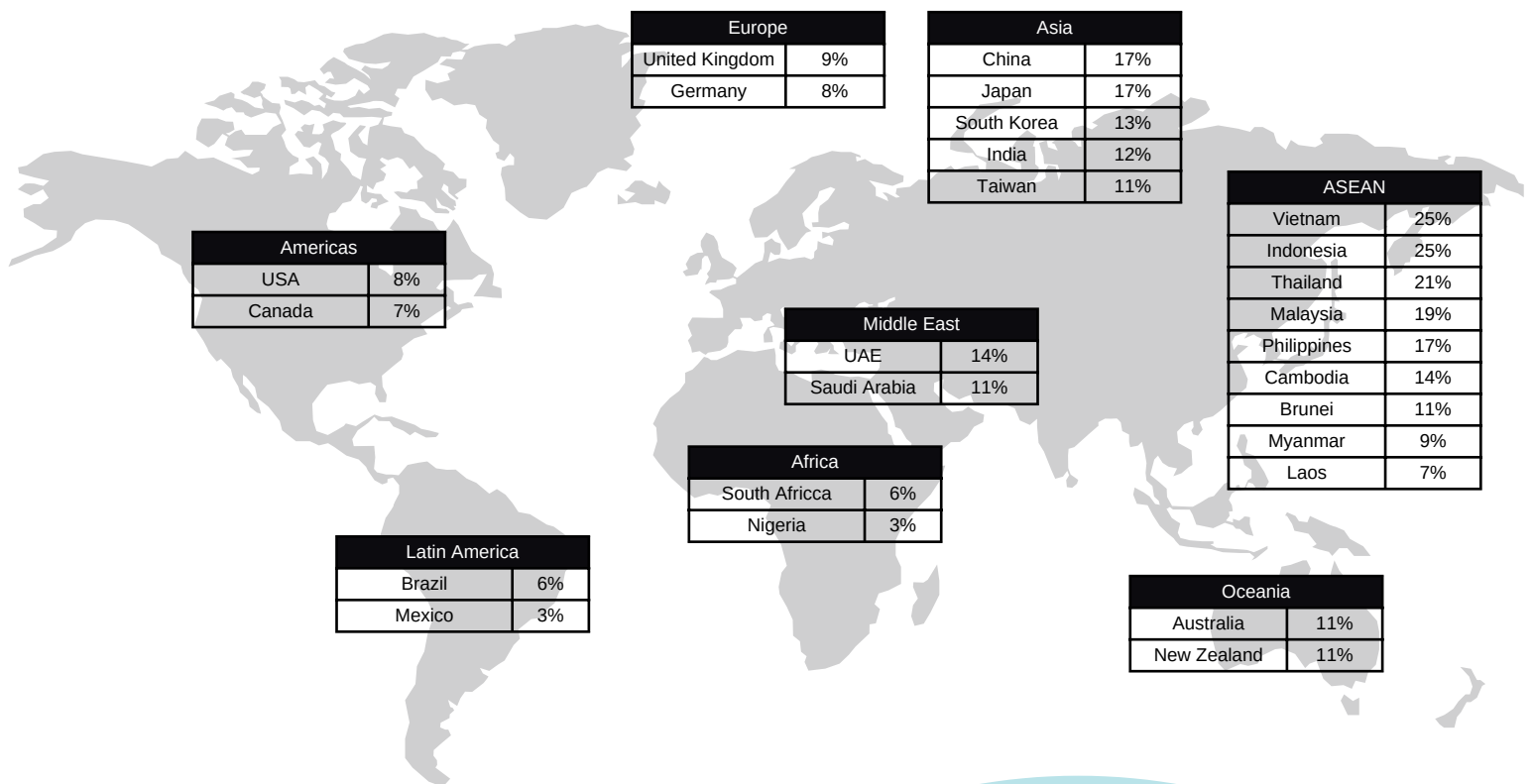
| 2024 | | 2023 | |
|-----------|-----|-----------|-----|
| Vietnam | 25% | Malaysia | 29% |
| Indonesia | 25% | Vietnam | 28% |
| Thailand | 21% | Indonesia | 28% |

Top Increase

UAE (+7%-Points)
Saudi Arabia (+6%-Points)
New Zealand (+6%-Points)

Top Decrease

Malaysia (-10%-Points)
China (-5%-Points)



Rest of the World
37%

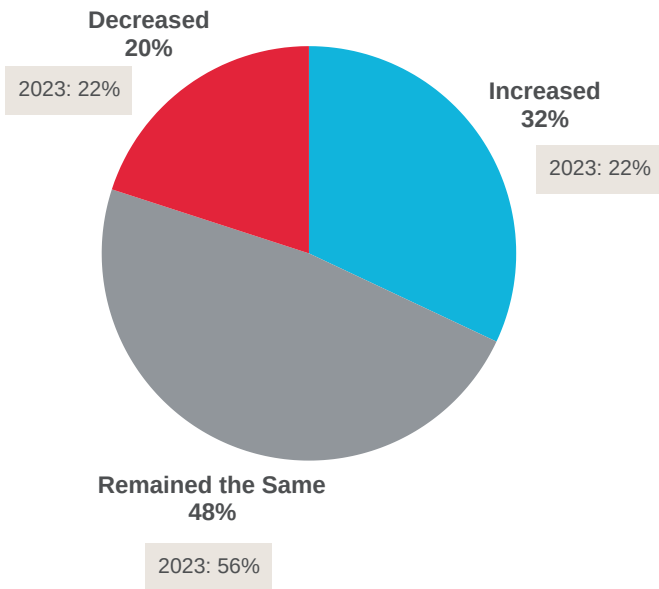


Within ASEAN
63%

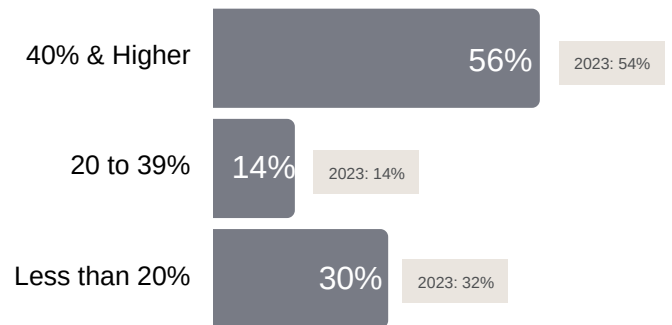
Overseas accounts for over 40% of total revenue for 1 in 2 businesses

More businesses saw increased overseas sales (32%) compared to 2023 (22%), which helped to increase the proportion of businesses (with >40% overseas contribution to revenue) from 54% to 56%.

Performance of Overseas Ventures (%)
Compared to the previous financial year



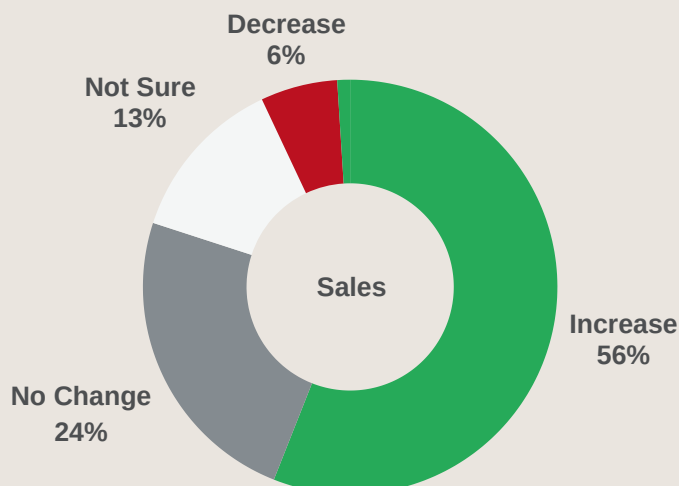
Overseas Contribution to Revenue (%)
Compared to the previous financial year



Base: Businesses with overseas engagement (n=369)

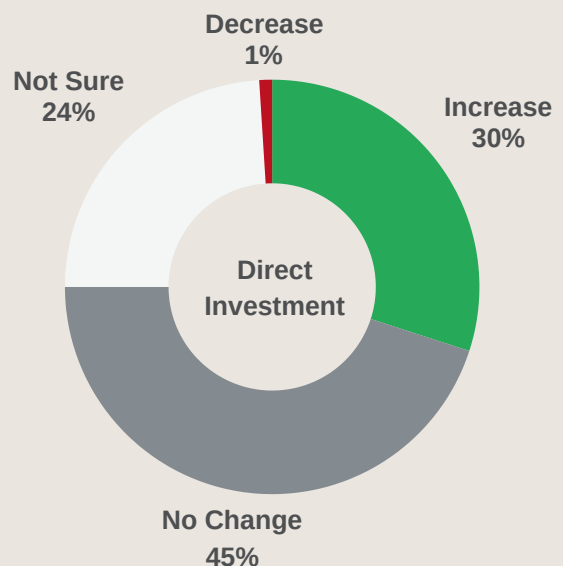
Projected change in sales earned outside of Singapore in the next 12 months

Looking ahead, most businesses (56%) expect positive growth of sales earned outside of Singapore in the next 12 months, compared to 6% that expect decline.



Projected change in direct investments abroad in the next 12 months

Correspondingly, more businesses (30%) expect to make direct investments, compared to 1% which planned to reduce, although most businesses (45%) will not make any changes.



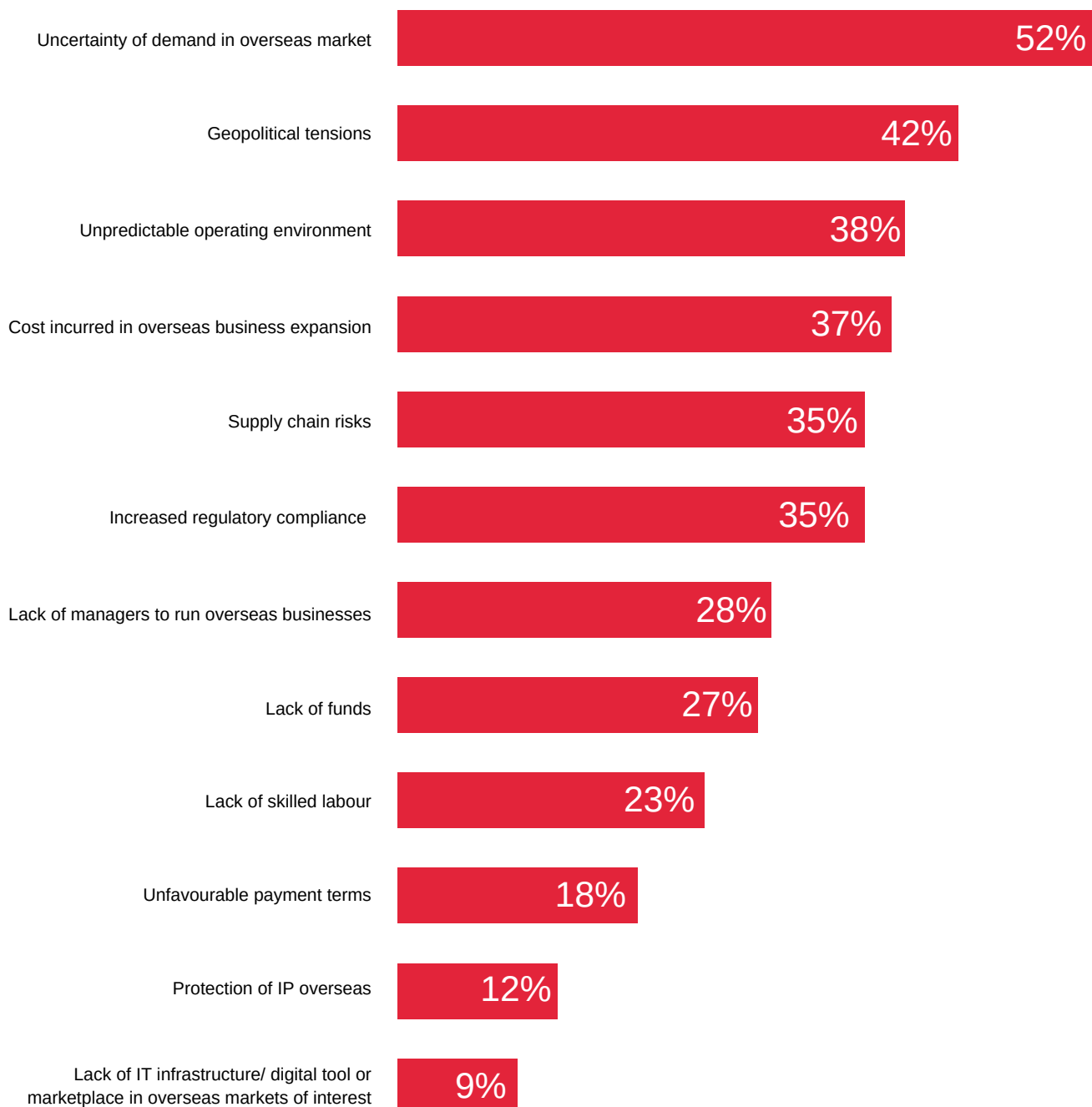
Base: Businesses with overseas engagement (n=369)
Decimal points have been rounded up. The total may not add up to 100%



Internationalisation Challenges & Support Required

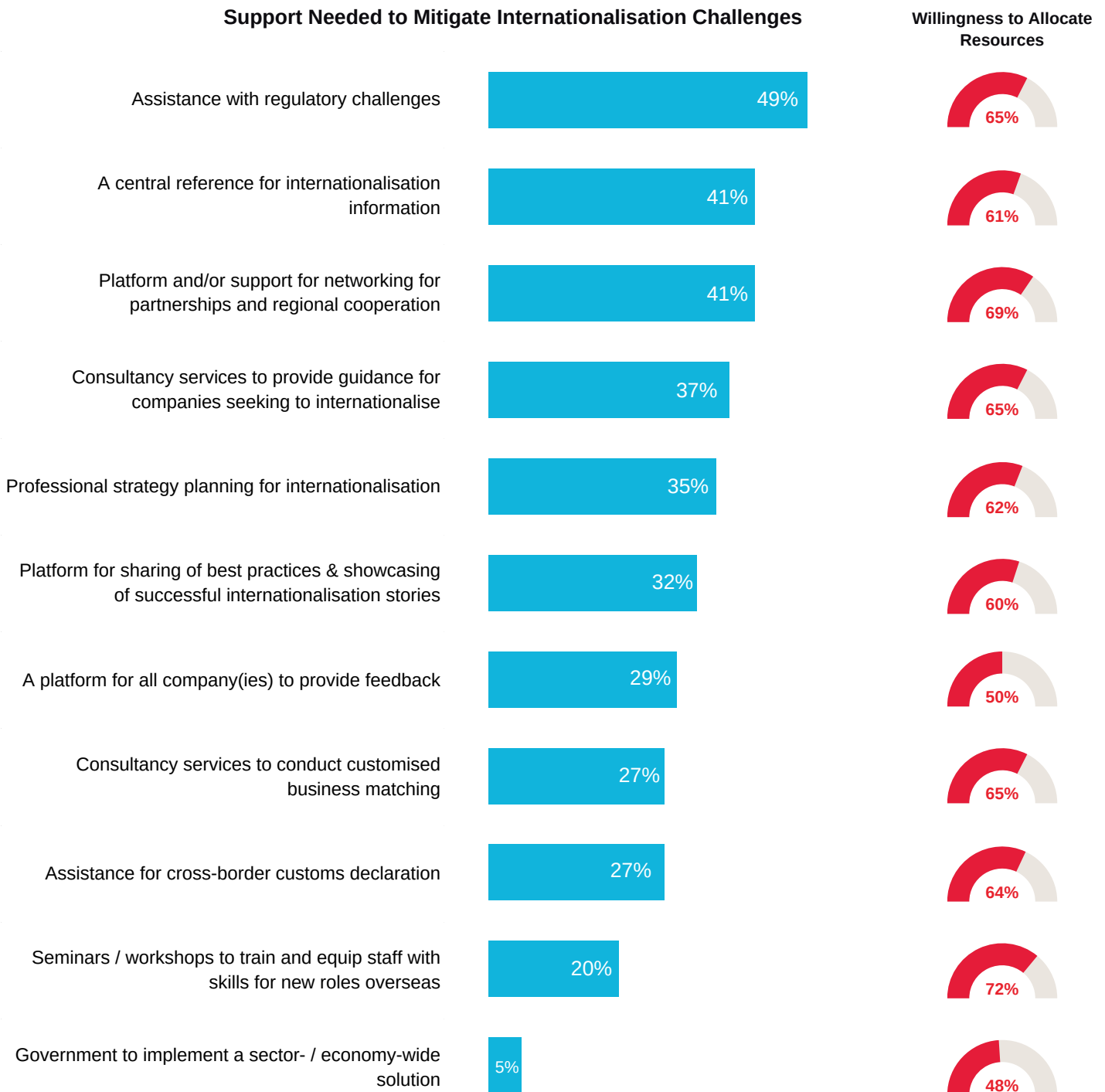
Internationalisation challenges

Uncertainty in demand, geopolitical tensions and unpredictable operating environment were the top 3 deterrents to overseas expansion.



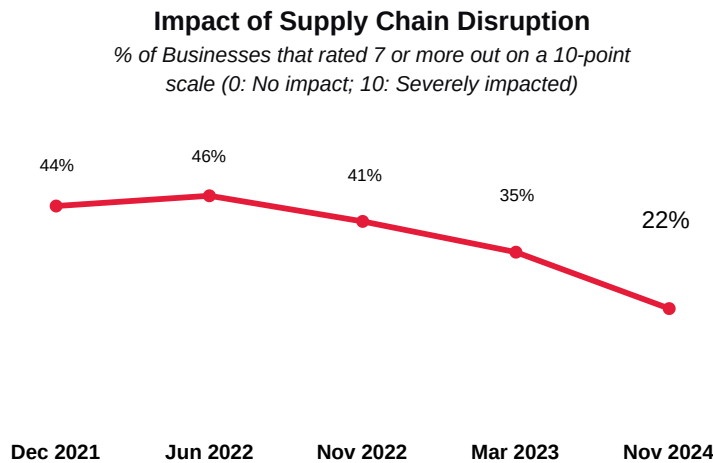
Support required to mitigate internationalisation challenges

Businesses ask for support in navigating regulatory challenges (49%), having a central reference for internationalisation information (41%) and support for networking for partnerships (41%). They are most prepared to allocate resources to train and equip their staff with skills for new roles overseas through workshops (72%) and participate in platforms and networking activities for partnerships (69%).



Supply chain disruptions continue to trend down

Proportion of businesses impacted by supply chain disruption has decreased from 35% to 22% as they adjust to an operating environment where disruption is the norm. Among the types of supply chain disruption, logistics delays have increased by 10%-points from 47% to 57%, to displace raw materials supply shortage and price fluctuations, which decreased by 19%-points from 65% to 46%, as the top cause.



Base: Businesses with overseas engagement / plan to venture overseas (n=403)
2021 - 2023 Data from SBF SME Internationalisation Index Studies

Logistics Delays



2023: 47%

Raw Materials / Goods Supply Shortage & Price Fluctuations



2023: 65%

Geopolitical Tensions



2023: 29%

Regulatory Changes

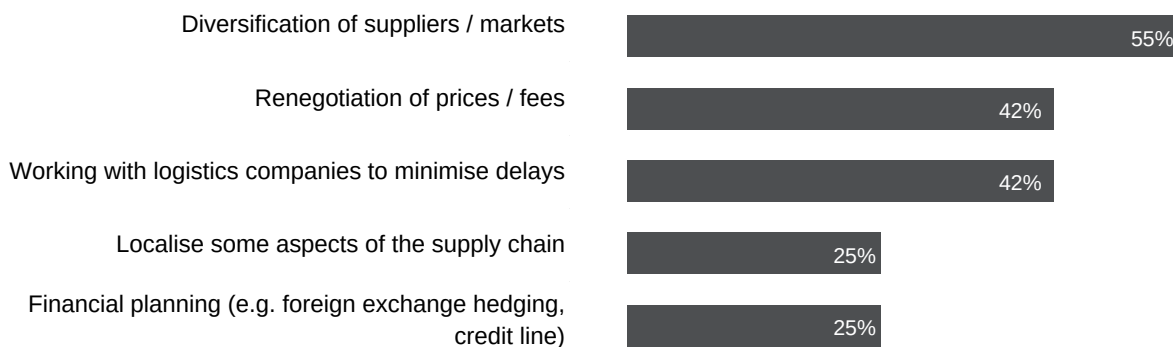


2023: 25%

Base: Those impacted by Supply Chain Disruption (n=314; rated 1 or above on a scale from 0-10)

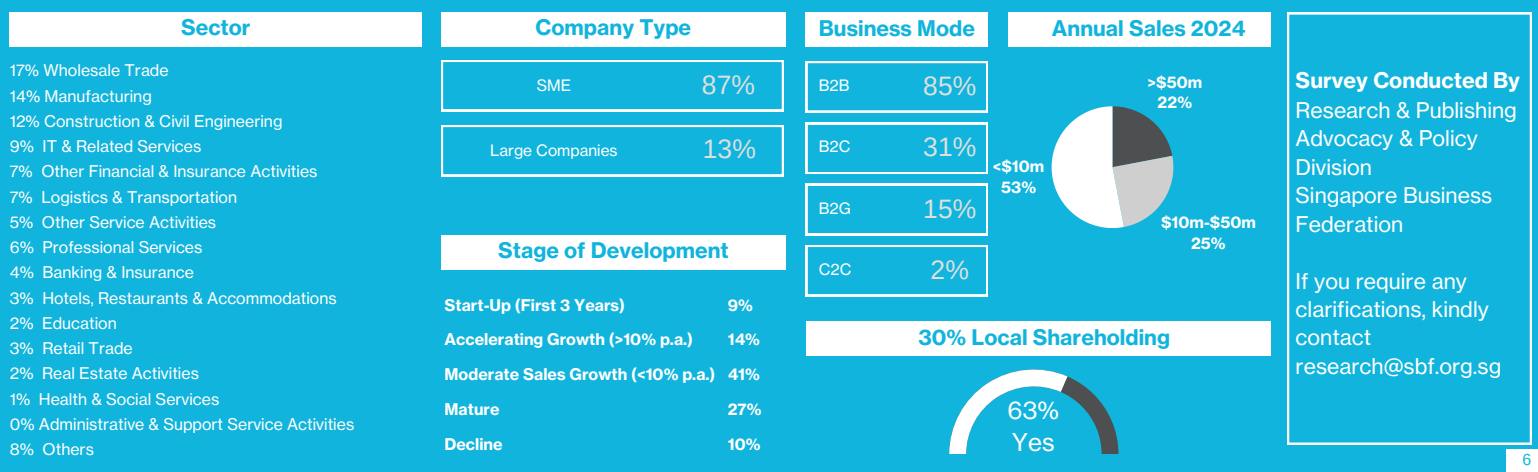
To mitigate supply chain risks, companies are prioritising the diversification of suppliers/markets (55%) over the renegotiation of prices (42%) and working with logistics companies to minimise delays (42%).

Actions to Mitigate Supply Chain Risks



Base: Those impacted by Supply Chain Disruption (n=314; rated 1 or above on a scale from 0-10)

About SBF National Business Survey 2024 Scaled Internationally Edition



Survey Conducted By
Research & Publishing
Advocacy & Policy
Division
Singapore Business
Federation

If you require any clarifications, kindly contact
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