

AI Adoption Tripled to 14.5%. The Enterprise Gap Still Grew to **48 Points.**

Singapore SMEs aren't short on appetite. They're short on projects that clear the bar without an IT team.

SWIPE →

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- 01** 95.1% of SMEs have already adopted at least one digital area — appetite was never the problem.
 - 02** Just five categories account for almost all of the SMEs that actually made the jump to AI.
 - 03** One of those five categories deserves real scepticism before you budget against its numbers.

48pp

The gap between SME AI adoption (14.5%) and larger-enterprise adoption (62.5%).

IMDA's Singapore Digital Economy Report 2025 — the gap widened even as SME adoption nearly tripled from 4.2%.

95.1%

of SMEs have adopted at least one digital area. AI specifically sits at just 14.5%.

The gap isn't appetite. It's which AI projects clear the bar for a business with no dedicated IT or data function.

84%

of SMEs already using AI rely on off-the-shelf tools, not custom builds.

The average SME uses AI across 3 business functions. Larger firms average 5.



The SMEs behind Singapore's 14.5% are, overwhelmingly, not the ones that built something custom. They turned on a feature already sitting inside software they were paying for regardless.

EMBEDDED, NOT BESPOKE

Bookkeeping & Reconciliation

77%

Marketing & Content

44%

Customer-Support Resolution

33% → 50%

Email & Document Drafting

116% ROI

Payment Fraud Screening

32%

35–78%

The claimed time-to-hire reduction range for AI hiring-screening tools.

A 43-point spread is itself the warning sign. No figure in that range has been validated against Singapore's labour market.



None of the three barriers SMEs cite, expertise, where to start, proving ROI, is solved by a more powerful AI tool.

SOLVED BY A TOOL THAT DOESN'T REQUIRE SOLVING THEM FIRST

It Won't Come From a Bigger Tool. It'll Come From Switching One On.

Every category that worked was already sitting inside software the business was paying for regardless.



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