Survey: Aussie small businesses lag behind Asian competitors

CPA Australia today released full details of new survey data showing Australian small businesses lag well behind their Asia-Pacific competitors when it comes to innovation, e-commerce and social media – all future drivers of growth and job creation.

The Asia-Pacific Small Business Survey examined nearly 3,000 small business operators in Australia, Indonesia, China, Malaysia, Vietnam, Hong Kong, Singapore and New Zealand.

CPA Australia chief executive Alex Malley says the survey reveals how each country performs on a range of measures, compared to other markets in the region. Measures include business confidence, hiring intentions, innovation and adoption of technology and social media.

“We’ve found that when it comes to innovation, applied at the coalface of small business, we are being outperformed by a significant margin by our competitors in Asia and New Zealand.

“Yes, there are some very innovative small businesses in Australia, however they are unfortunately the exception rather than the rule.

“On the key measure of innovation, looking at the percentage of small businesses that will introduce a new product, service or process in the next 12-months that is new to their market or the world, for Australia it’s only five per cent compared to Indonesia’s 46 per cent. China (32 per cent), Malaysia (29 per cent) and Vietnam (26 per cent) all scored highly on innovation.

“Another key indicator is social media, used by 93 per cent of businesses across Asia, but only around 50 per cent of Australian small businesses.

“We’re lagging when it comes to e-commerce. Across Asia, 83 per cent of small businesses generate revenue from online sales, while here, little more than a third do.

“Looking ahead, more than 40 per cent of Asian small businesses expect to grow their e-commerce presence, while only 8 per cent of Australian small businesses have such plans.

“This data provides a baseline for our performance upon which business, governments and researchers should aim to improve.

“When it comes to innovation, it must be said that the Prime Minister’s National Innovation and Science Agenda, unveiled at the end of last year, is a significant public policy contribution which has the potential to genuinely enhance our innovative capacities and our appetite for embracing technology.

“The introduction of the crowd-sourced equity funding Bill is also a welcome development which, should it pass, means we’ll have a new way of linking entrepreneurs and their ideas with global investors to help get new products and services off the ground and around the world.

“Recognition of the issues is one thing – actually operationalising the promised incentives to create a culture of innovation and boost business competitiveness is the real challenge for the Government.”


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