

**TECH FOR  
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INSTITUTE**

## **Digital Opportunities for MSMEs in Southeast Asia**

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Tech For Good Institute

[www.techforgoodinstitute.org](http://www.techforgoodinstitute.org)

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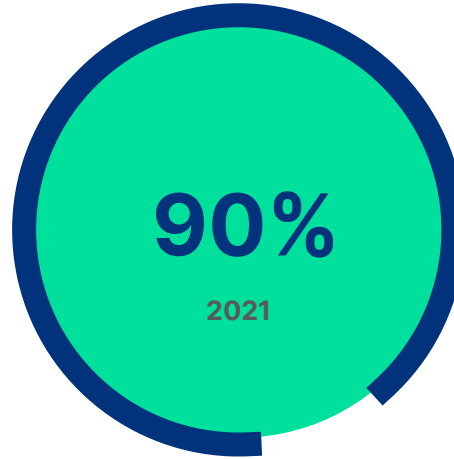
# PROGRESS TOGETHER

The Tech For Good Institute is a non-profit organisation on a mission to leverage the promise of technology and the digital economy for inclusive, equitable and sustainable growth in Southeast Asia

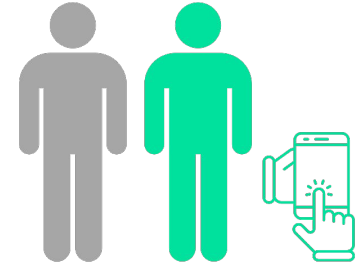
# COVID-19's Legacy: Stickiness of Digital



Consumers using digital services for first time during the pandemic



Intend to continue using digital services



1 in 2 adopted mobile internet, and digital payments

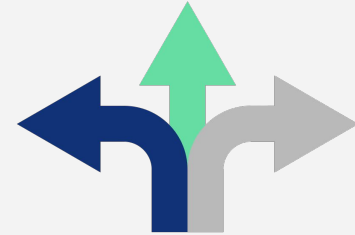
# Digital Gamechangers for MSMEs



Access to  
Finance

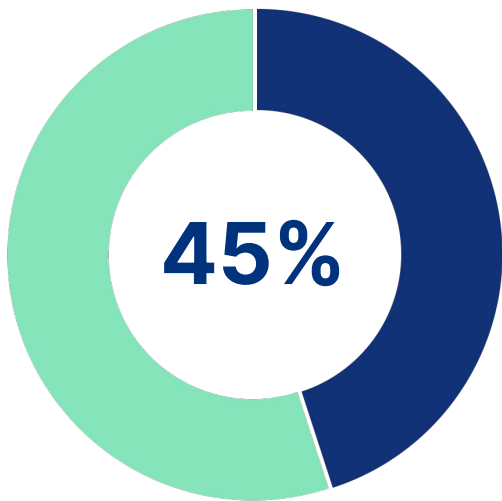


Operational  
Efficiencies



Diversification

# 1: Access to Finance

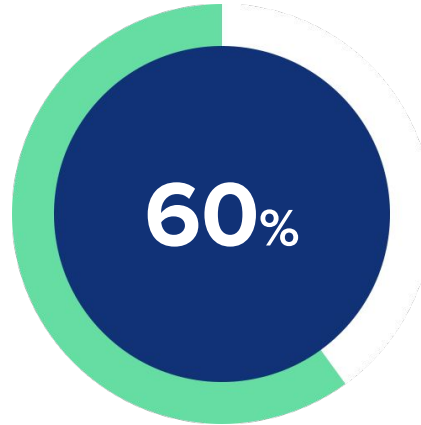


of the global finance gap comes from the East Asia & Pacific region



Formal Finance Gap by Gender in the East Asia & Pacific region

# 1: Digital Financial Services can help MSMEs access financing



of MSMEs surveyed were  
unable to get a loan when  
they needed financing



***“A bank is a place that will lend you money if you can prove that you don’t need it.”***

**Bob Hope**

***“Data can substitute for collateral.”***

**Agustín Carstens,  
Bank for International  
Settlements**



# 1: Digital Financial Services can help MSMEs access financing



Alternative credit  
risk modelling



Broader reach  
through digital



Lower cost, scalable  
digital channels



Grab  
Financial  
Group



goto  
financial

Provision of loans and other microfinance services

## 2. Platforms to improve operational efficiency



Reduce information asymmetry



Reduce trucks returning empty



Reduce logistics costs for customers

## 2. Platforms to improve operational efficiency



Ability to buy stock and raw materials any time



No closure or downtime when replenishing stock



Use of big data facilitates expansion and growth

### 3. Diversify revenue



Expansion to customers beyond original geographical range



Identification of new areas of consumer need demand

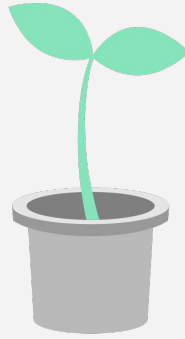


Build portfolio of earning opportunities

# Opportunities for attention and collaboration



Invest in connectivity

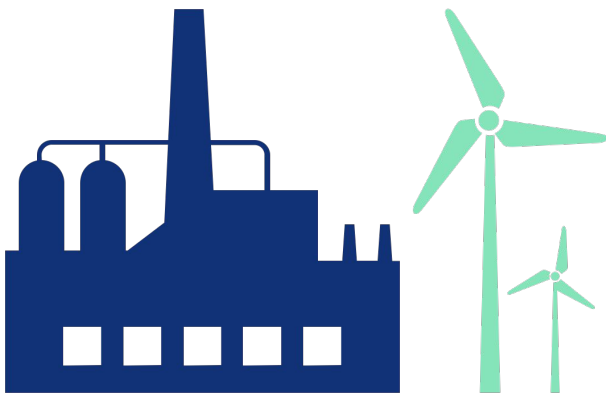


Invest in capability



Invest in trust

## a. Investment in energy and digital infrastructure



**65 million** people  
lack access to electricity



**150 million** people  
lack access to digital technologies

## b. Capability development in digital education



Confident digital adoption

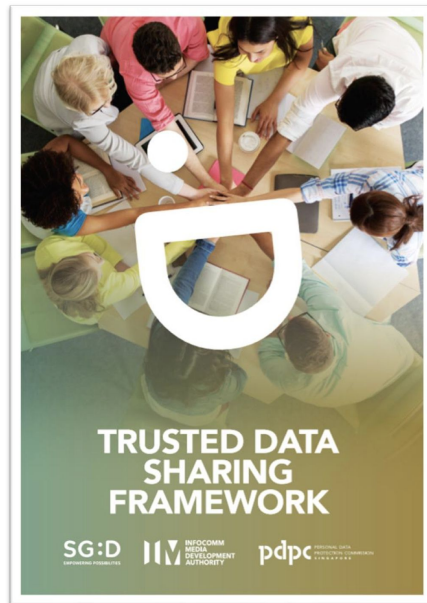


Usage of digital financial services



Ongoing digitalisation support for MSMEs

## c. Invest in trust through responsible data sharing



Frameworks for sharing

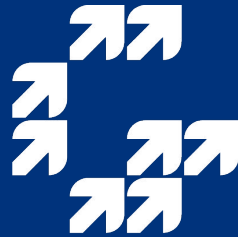


Open data



Cross border data flows





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