

# SBF NATIONAL BUSINESS SURVEY 2025 Scaled Internationally Supplement

The survey was carried out from 16 Dec 2025 to 16 Jan 2026, and drew responses from 645 businesses across all key industries.

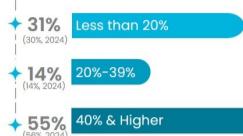


## State of Internationalisation

Singapore businesses remain highly internationalised, though momentum is moderating amid rising uncertainty.

### 59% of businesses are internationalised

Overseas Contribution to Total Sales Turnover:



### 41% of businesses are not internationalised

... of which 81% do not want to internationalise because:



59% of businesses are currently internationalised in 2025. Among internationalised businesses, 55% derive at least 40% of total sales from overseas markets, indicating high dependence on external demand.

A sizeable “stay-local” segment persists among Singapore businesses, primarily constrained by capacity and risk rather than lack of opportunity. The main barriers include insufficient time or manpower (24%), uncertainty and risk associated of overseas expansion (23%), lack of knowledge (18%), limited overseas networks (18%), and uncertainty over whether their Singapore business model would be successful abroad (17%).

## Outlook on Internationalisation



**47%** of businesses **plan to enter or further expand overseas** (59%, 2024)

### Key Internationalisation Concerns



However, only **47%** of businesses **plan to enter or further expand overseas**, down from 59% in 2024, pointing to a clear softening in expansion appetite.

Key concerns among internationalising firms are uncertainty of demand (43%), cost of overseas expansion (34%), unpredictable operating environments (31%) and geopolitical tensions (30%).

## Key Markets for Internationalisation

ASEAN, especially Malaysia, Indonesia, and Thailand, remains the anchor destination and most preferred market for expansion. Looking beyond ASEAN, China is among the top non-ASEAN markets for both current engagement and future expansion, reflecting its strategic importance despite higher operating complexity. India's long term growth potential remains attractive, but there are concerns around regulatory predictability, ease of partnering, and access to credit & financing which tend to limit expansion appetite.

### 84% of businesses have expanded to: ASEAN

#### TOP 3 MARKETS FOR EXPANSION

- Malaysia 67%
- Indonesia 51%
- Thailand 39%

#### TOP 3 MARKET APPEALS

- 91% Affordable digital infrastructure
- 88% Strong growth potential
- 83% Manageable business costs

### 44% of businesses have expanded to: CHINA

#### TOP 3 MARKET APPEALS

- 95% Affordable digital infrastructure
- 94% Well-developed logistics networks
- 91% skilled and capable workforce

#### TOP 3 MARKET CONCERNS

- Lower business confidence in...
- 64% Transparency of business practices
  - 54% Intellectual property protection
  - 55% Regulatory predictability

### 31% of businesses have expanded to: INDIA

#### TOP 3 MARKET APPEALS

- 93% Strong growth potential
- 84% longer term business confidence
- 76% skilled and capable workforce

#### TOP 3 MARKET CONCERNS

- Lower business confidence in...
- 56% Ease of partnering with trusted local firms
  - 48% Access to credit / financing
  - 46% Regulatory predictability

## Key Areas of Internationalisation Support

Businesses are seeking more practical, execution-oriented support, as well as stronger workforce capabilities in market understanding and cross-cultural engagement to drive internationalisation.

### Key Support for Internationalisation

**54%** Financial & Salary Support

**49%** Cross-Border Compliance Assistance

**48%** Overseas Business Matching

**43%** Market & Trade Advisory

In terms of support, businesses prioritise financial and salary support for overseas expansion (54%), cross-border regulatory and compliance advisory (49%), business matching (48%), and market advisory (43%).

### Key Areas of Workforce Capabilities Needed

**71%** Understanding overseas business environment & practices

**67%** Cross-Cultural communication skills

**66%** Knowledge of trade regulations & market entry processes

**66%** Adaptability & resilience in a dynamic environment

Key workforce capabilities required to enable internationalisation include understanding overseas business environment and practices (71%), cross-cultural communication skills (67%), and knowledge of trade regulations or market entry processes (66%).

## View the Full Report

The full report can be accessed via the following ways:

- Visit SBF website: <https://www.sbf.org.sg/what-we-do/advocacy-policy/sbf-research-reports>
- Scan the QR code

SBF Research & Reports



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