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AI for Business: APAC trends in AI platform adoption

Meta
2025

Deloitte
Access Economics

Artificial intelligence represents a significant opportunity for economies across APAC. AI across digital platforms is an important enabler of the technology's benefits with automation potential across functions including business messaging, content generation and personalization. For small and medium businesses, who are high users of digital platforms, AI integration offers an opportunity to help level the playing field, reach new customers and spur growth.

AI is a growing opportunity for APAC

Potential Impact of AI

US$211-US$512bn

The potential economic impact of AI by 2034; across the six surveyed markets

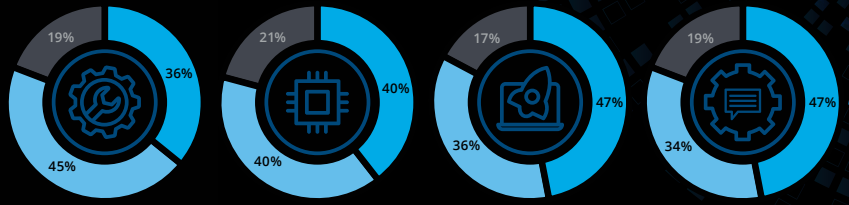
"AI enhances productivity within your business?"

Surveyed markets

- ✓Australia
- ✓Indonesia
- ✓Malaysia
- ✓Taiwan
- ✓Thailand
- ✓Vietnam

How AI amplifies the benefits of digital platforms

Business use of AI-enabled digital platform tools:



Note: Other captures "My business is not using and has no plans to use this" and "Not sure/Prefer not to say".

Benefits of AI-enabled digital platforms

73% Of surveyed SMEs agree that AI-enabled tools play a key role in levelling the playing field between small and large businesses

68% Of surveyed SMEs report that AI-enabled digital platform tools are very important for growing their business over the next 5 years.

Other business benefits of AI-enabled digital platforms

- ✓Make it easier to start a new business
- ✓Help reduce the cost of doing business
- ✓Improve effectiveness of business messaging
- ✓Help improve trust and credibility doing business

Top barriers for SMEs

Business use of AI-enabled digital platform tools:

Data privacy concerns
48% of businesses listed this as a top restriction

Lack of skills within the business
30% of businesses listed this as a top restriction

Local regulations and policies
22% of businesses listed this as a top restriction

Executive summary

Artificial intelligence (AI) – technology that enables computers and machines to simulate human learning and problem solving - is a significant opportunity that is revolutionizing the modern economy. **Investment is booming with AI spend across Asia Pacific (APAC) expected to increase almost five-fold from the launch of consumer generative AI (Gen AI) models in 2022 to 2030.** The pace of investment puts AI on track to have one of the fastest deployment rates of any new technology.

Small and medium enterprises (SMEs) stand to gain from AI through its integration into new and existing products they use. **Digital platforms are a key enabler of the democratization of AI.** New AI-enabled digital platform tools such as chatbots and dynamic content creation are already helping to streamline SMEs operations, reduce costs, and enable real-time customer interactions.

SMEs are rapidly adopting AI-enabled tools

SMEs are rapidly adopting AI tools. Currently, **78% of SMEs are using at least one AI-enabled tool while 82% are planning to adopt at least one additional tool in the future**. The use of these tools is aimed at performing existing functions more effectively and automating tasks. For example, the top AI-enabled digital platform tools currently used by SMEs surveyed for this report include messaging automation (47%), dynamic content generation such as automated language translation (47%) and Gen AI content creation (40%).

The intensity of AI-enabled tools is set to increase with many SMEs that are already using specific tools expecting to use them much more in five years time. This includes those using AI powered virtual assistants (43%), data analytics (41%) and business messaging (37%) tools.

Increased use is expected to translate into better outcomes, **with nine out of ten SMEs expecting AI-enabled digital tools to be important for their business within the next five years.** Emerging areas of AI innovation, such as agentic AI (an open-source AI which employs AI agents to perform tasks with minimal human supervision), has the potential to create additional use cases in the future.

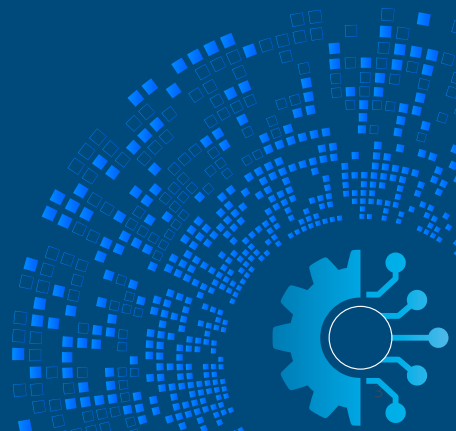
AI-enabled tools help level the playing field for SMEs

AI-enabled tools deliver significant value to SMEs by allowing them to do more with few resources and to scale more effectively. For example, the vast majority of SMEs surveyed agree or strongly agree that AI-enabled digital platform tools help to:

- **Increase business productivity** through applications, such as click-to-message advertisements and chat bot automation, that allow SMEs to respond to customers in real-time with personalized content.
- **Improve business messaging effectiveness** through AI tools that streamline customer communication and enable SMEs to connect more effectively with potential consumers in new domestic and overseas markets.
- **Start new business** by lowering barriers to entry through tools such as AI-enabled data analytics that help predict future trends and analyze customer preferences to assist with making informed decisions about product development and strategy.
- **Reduce business costs** by automating data entry and customer support, helping to reduce costs and time needs and enabling SMEs to focus on other priority areas.

For SMEs, these benefits are essential with **73% agreeing that AI-enabled tools play a key role in levelling the playing field between small and large businesses. For example, the accessibility of digital platforms has accelerated SME digitization, enabling smaller companies to close the gap with larger companies.** The business survey found that digital platform adoption rates are similar across all business sizes (from 63% for businesses with 6-49 employees to 68% for 50-249 employees).

Business benefits are likely to grow over time, with 68% of surveyed SMEs expecting AI-enabled digital platform tools to be very important for growing their business over the next five years. This growing impact of AI-enabled digital platform tools is also expected to translate into better business outcomes. When it comes to revenue, **SMEs report that almost $7 in every $10 dollars of revenue is expected to be dependent on digital platforms in five years' time** – a 21% increase from current levels.



Executive summary

AI's potential impact could be substantial with an estimated $211 - $512 billion in economic benefits across the six markets covered in this report

While AI's economic impacts are nascent, initial studies suggest that its impact could be substantial. When it comes to productivity, research suggests AI could raise total factor productivity (TFP) growth by between 0.1 and 2.3 percentage points annually. Using these estimates and the current state of AI adoption across markets, modelling for this report **finds AI could add as much as 7.1% to the Gross Domestic Product (GDP) of surveyed markets by 2034.**

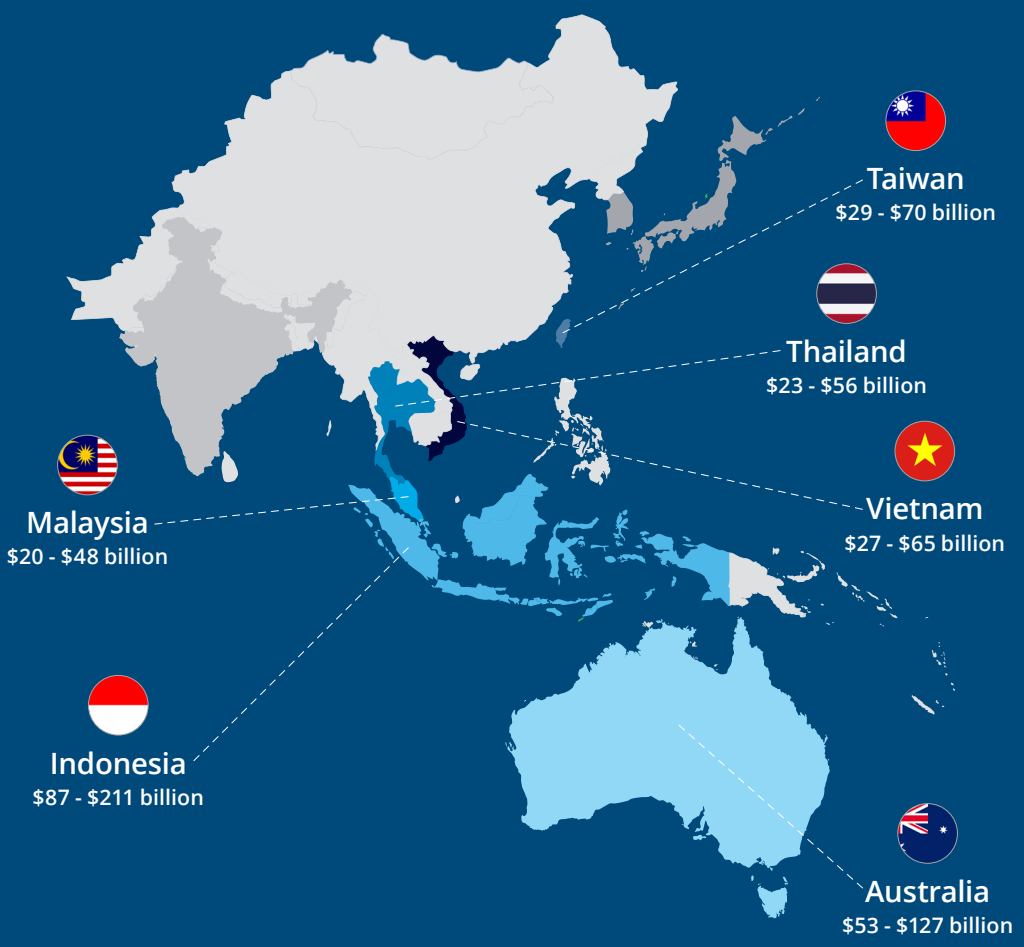
The economic benefits rely on the continued adoption of AI across businesses. However, it is possible that adoption will be uneven, that the benefits will be more difficult to detect or take longer to materialize than the initial estimates suggest. As with other technologies, realizing the benefits of adoption will depend on businesses developing the complementary skills and process to make use of the potential of the technology.

Enabling wide-spread and effective use of AI-enabled digital platform tools is important for realizing the potential economic benefits of AI

Digital platforms will play an important role in enabling the economic benefits of AI facilitating digital interactions between buyers and sellers. Characteristics of digital platforms that enabled benefits for SMEs are that they facilitate the personalization of content to the right consumers, and that they have substantial reach. Reducing businesses' ability to leverage these characteristics potentially risks their capacity to realize the associated benefits.

Reducing barriers to SME adoption or effective use of digital platforms is also an essential enabler of benefits. **These barriers include concerns about data privacy (47%), a lack of skills or expertise (30%), connectivity issues (27%) and regulatory challenges (22%).** Addressing these barriers is essential for facilitating AI tool adoption and enabling SMEs to drive innovation, efficiency, and growth.

Figure E.1: Potential economic impact of AI in 2034, $US



Source: Deloitte Access Economics (2025)

Contents

1. Introduction

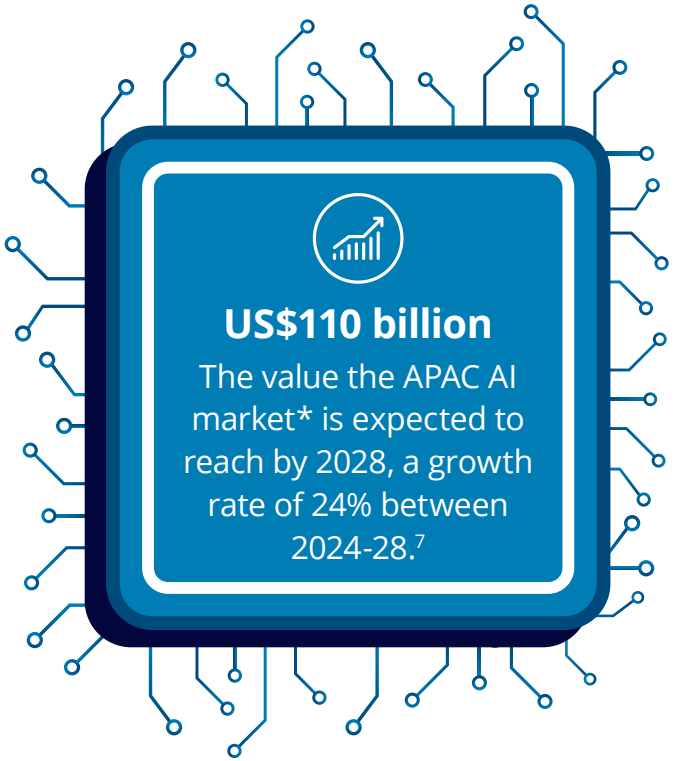
AI is growing rapidly and being integrated into the everyday tools that SMEs use to operate and grow their business

AI has rapidly emerged as a transformative tool, which is reshaping digital platforms. Following significant advancements in machine learning and natural language processing in the last decade, the technology has risen to prominence, and the technology has since risen to prominence. AI's ability to process data, automate, reduce human error, eliminate repetitive tasks, increase output accuracy, and accelerate research[1] has incited an AI boom.[2]

Backend and user facing AI tools are increasingly being integrated into digital platforms such as social media, business messaging and digital advertising. Its applications range from powering searches to enhancing user experiences, and generating images and videos. The possibilities of AI have led to an increase in uptake of and investment into AI technologies, driving a steady growth of AI-enabled innovation in digital platforms.[3] AI has enabled this by automating processes, improving user experiences, and providing personalized content. AI algorithms can analyze vast amounts of data quickly and efficiently, allowing platforms to offer tailored recommendations and streamline operations.[4]

For example, Facebook's campaign tool, Advantage+, leverages machine learning to target customers across Meta's platforms. When using Advantage+ shopping campaigns, return on ad spending increases up to 32%.[5] Such advancements demonstrate the powerful impact of AI in driving personalized service offerings and supporting SMEs with promoting their business.

However, while personalization of content will deliver a bespoke expedience, it is important to be aware of the potential that it increases the risk of confirmation bias and associated social costs.[6]



"The adoption of AI and Generative AI in the APAC region is driving a notable shift in business strategies and value creation"[8]

Figure 1.1: AI's presence across a sample of digital platforms

1 Social media platforms
AI has taken a role in content moderation

2 Business messaging
AI automates and personalizes customer interactions

3 Digital advertising platforms
They have begun using AI to personalize advertising and product development

4 Search engines
AI is used to predict language, reducing time spent searching and increasing consumer trust

5 Delivery platforms
AI is being used to plan efficient delivery routes

Source: Business survey, Deloitte Access Economics (2024)

Digital platforms are an essential tool for SMEs across key APAC markets

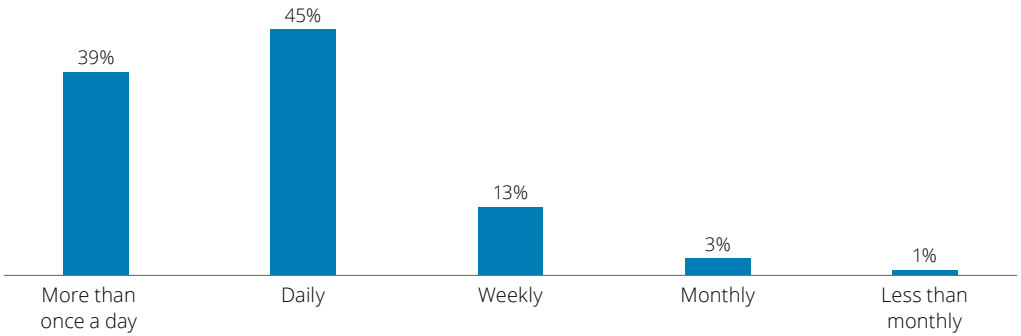
Digital platforms have become increasingly important for SMEs, reflected in high adoption rates. 91% of businesses have used at least one platform for as part of its operations. Currently, approximately 57% of revenue generated by SMEs is dependent on digital platforms (e.g. revenue earned through online sales or enabled by business messaging), and businesses expect this to increase to almost 70% within the next five years. The share of business revenue contingent on digital platforms ranges from 47% in Australia to 67% in Indonesia (Figure 1.2). On average, businesses reported that five years ago, digital platforms accounted for approximately 44% of their revenue.

Historically, larger businesses have been at the forefront of digital transformation, able to invest in new technologies more rapidly and on a greater scale than small or medium businesses. However, the accessibility of digital platforms has accelerated SME digitization, enabling smaller companies to close the gap with larger companies. The Business Survey found that digital platform adoption rates are similar across all business sizes (from 63% for businesses with 6-49 employees to 68% for 50-249 employees).

In a typical business using digital platforms, more than half (57%) of employees use digital platforms as part of business operations. Four out of five of these employees use digital platforms at least once a day in their role (Chart 1.1).

These findings highlight the critical role digital platforms play in day-to-day business operations, driving revenue, and supporting employees in their daily work.

Chart 1.1: How often employees use digital platforms as part of business operations



Source: Business survey, Deloitte Access Economics (2024), "How often do these employees use these digital platforms as part of your business operations?" n=1034

Figure 1.2: Current share of revenue dependent on digital platforms

Source: Business survey, Deloitte Access Economics (2024), "Approximately what share of your business' revenue is dependent on digital platforms in each of the following time periods? n=1040

AI is transforming digital platforms by enhancing personalization, automating content moderation, and improving user experience across new and existing applications

AI is enabling a range of benefits across digital platforms including **enhancing personalization, automating content moderation, and improving overall user experience**. AI algorithms analyze vast amounts of user data to tailor content, recommendations, and advertisements to individual preferences, leading to highly personalized experiences. For example, Netflix uses AI to suggest shows based on viewing history, while Spotify creates custom playlists. This level of **personalization not only increases user engagement but also boosts retention rates**. Furthermore, AI improves user experience through features like chatbots and virtual assistants that provide instant support and facilitate seamless navigation. Table 1.1 details the current use of digital platforms, innovations that have occurred through AI, and how the AI-enabled innovation has impacted consumers.

Table 1.1: Current use, innovation and evolution and impact of AI integration into digital platforms

Current Use	Innovation and evolution	Impact
Targeting marketing and product management	AI-enabled personalisation through the analysis of data like consumer purchase history and interests	Relevant, more engaging and personalised ads that increase and drive client demand
Business messaging and customer engagement	AI-enabled chat bots, segmentation of target groups, predictive marketing analytics	Websites can use AI-enabled chatbots to answer questions without the need to have programmed a prepared answer. Customised marketing messages can also improve the customer's average order value [1]
Pricing management [1]	AI can create dynamic pricing algortithms that adjust prices in real time based on demand, competition and other factors	Pricing is dynamic and will optimise revenue for businesses, it also provides an insight for businesses into consumer behaviour and market trends
Search algorithims that use key word based search prediction	AI natural language processing can adapt and use contextual clues and learnings to better and more accurately predict search queries	Search results will be more relevant to the consumer and reduce the time spent searching and more time engaging with the platform. This automation support a company's competetive advantage.
Shaping business strategy [3]	AI continuously evolves, expanding strategic options through advanced machine learning and predictive analytics.	AI-driven strategies transform business practices by anticipating customer needs, automating processes, and enhancing decision-making.
Reliance on consumer flagging for inapropriate content on social media platforms	Image and video recognition through AI software can flag inappropriate content	Online content can be moderated quicker and will reduce the negative impact cause by exposure to inappropriate content
Fraud detection systems that flag suspicious activities [2]	AI models that are designed to detect annomalies using predictive analysis and consumer history	Fraud detection will have an improved accuracy which will lead to improved consumer trust and reduce false positives

Source: Deloitte Access Economics (2025), Haleem et al. (2022), Bansal et al. (2024), Gibson, K

This report

Purpose and scope of this report

In the context of the increasing importance of AI and digital platforms to the modern economy, Meta has asked Deloitte Access Economics to prepare a report addressing the opportunity of the technologies across six markets in the APAC: Australia, Indonesia, Malaysia, Taiwan, Thailand and Vietnam.

The report covers the role of AI and AI-enabled digital platforms in economic growth, and the scale of potential economic benefits across each market included in this study.

The report aims to contribute to conversations in the region on the role that digital platforms play in transforming Small and Medium Enterprises (SMEs).

There is an accompanying report which discusses policy and market dynamics in the digital platform market.

Data sources

To help inform this research, this report draws on the following data sources:

- A survey, fielded by Dynata, of 1,100 small to medium businesses (250 or less employees), an average of around 200 from each market, to understand how they use digital platforms and AI-enabled tools, any barriers to uptake, and the impacts of adoption. The survey is broadly reflective of the types of SMEs in each market but should not be considered representative of all SMEs.
- A literature review into the economic impact of digital platforms, including information from the World Bank, OECD, academic literature, and industry reports
- Publicly available data, including from each market's national statistics office, the International Data Corporation and more.

Structure

The remainder of this report is structured as follows:

- Chapter 2 covers the role of AI-enabled digital platform tools in innovation and growth in the economy
- Chapter 3 presents market insights from the business survey
- Chapter 4 covers our approach to the economic modelling alongside results for each market

This is supported by a range of appendices:

- Appendix A: Economic impact methodology
- Appendix B: Survey methodology

2. The role of AI-enabled digital platforms

Key takeaways

1. SME adoption of AI-enabled digital platform tools is high **(78%)** and growing, indicating that SMEs are increasingly seeing the benefits of adopting the technology
2. AI amplifies the effectiveness of existing tools used by SMEs, including business messaging, dynamic content and data analytics, showing its ability to augment and automate existing business processes
3. **73%** of SMEs agree that AI plays a key role in levelling the playing field between small and large businesses, making it an important tool for lowering barriers to market entry

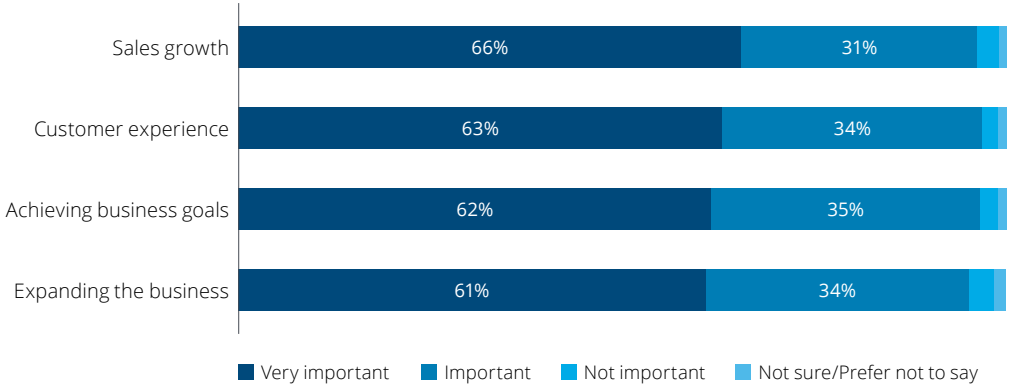
Digital platforms support SMEs improve commercial and customer outcomes

Digital platforms offer a wealth of benefits for SMEs and enable success across a range of areas. **Two-thirds of businesses report that digital platforms have been very significant for driving sales growth** over the past five years (Chart 2.1). SMEs also leverage digital platforms to communicate with customers, market new products, and access new customers. Digital platforms help SMEs innovate by improving their ability to learn about, share and apply good ideas and information easier and faster.[1]

Digital platforms help SMEs achieve outcomes by:

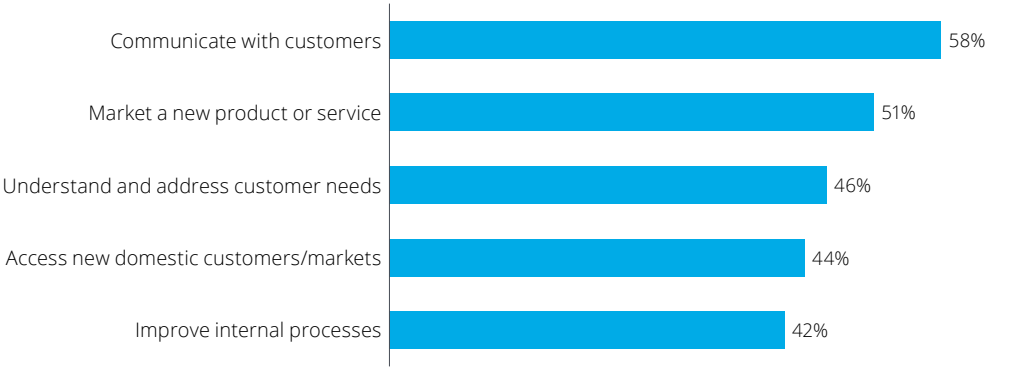
- **Improving customer communication:** The top benefit of digital platforms for SMEs is improved customer communication (58%) (Chart 2.2). Instant messaging platforms, such as Messenger and WhatsApp, enable real-time communication, allowing SMEs to respond to customer queries as quickly as possible. SMEs can also leverage digital platforms for community building, using Facebook groups and other apps to boost consumer engagement and encourage peer-driven solutions.
- **Marketing a new product or service:** Digital platforms provide effective and low-cost digital infrastructure to SMEs that make it easier to market a new product or service. Creating ready made processes to advertise, receive payments and communicate with consumers helps lower barriers to entry for newer businesses by simplifying key digital inputs.[2] In particular, SMEs can use targeted advertising or influencer partnerships to reach specific consumer segments that are more likely to buy. 51% of SMEs report that digital platforms have helped them to market a new product or service (Chart 2.2).
- **Understanding and addressing customer needs.** Digital platforms make it easier for 46% of SMEs to reach the right consumers and tailor their product or service to consumer need through business and customer data analyses (Chart 2.2). Platforms also reduce information asymmetries by enabling reviews and user sharing. The use of data to enhance discovery and matching is an essential characteristic of digital platforms, with most of surveyed SMEs reporting the ability to reach the right customer (41%) and to personalize customer engagement (31%) as benefits of use.
- **Enabling access to new customers:** Digital platforms enable SMEs to connect with consumers across larger geographic areas than allowed by physical marketplaces. Extending business reach beyond traditional local and international borders increases access to customers.[3] Surveyed SMEs report improved access to domestic (44%) and international (34%) customers as a key benefit (Chart 2.2).
- **Creating process efficiencies:** Digital platforms also help to reduce the cost and improve the efficiency of business processes such as communications between suppliers and/or consumers, payment processing and logistics.4 In fact, 42% of surveyed SMEs report that digital platforms have enabled improvements in internal processes (Chart 2.2).

Chart 2.1: Importance of digital platforms for the following outcomes over the past five years



Source: Business survey, Deloitte Access Economics (2024), "Has your business used any of the following digital platforms as part of its operations?"

Chart 2.2: Top benefits of digital platforms for SMEs (top 5)



Source: Business survey, Deloitte Access Economics (2024), "Has your business used any of the following digital platforms as part of its operations?"

Adoption of AI-enabled digital platform tools is delivering business benefits

With an increasing number of AI-enabled digital platforms tools on the market, SME business adoption of AI is growing rapidly. Currently, **78% of SMEs are using at least one AI-enabled digital platform tool,** and 82% are planning to adopt at least one tool in the future.

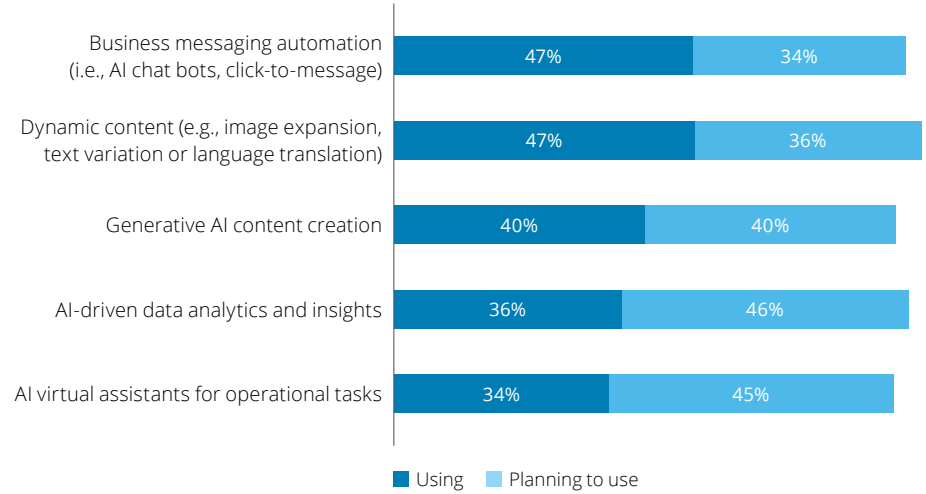
Intensity is also set to increase, with **nine out of ten SMEs expecting AI-enabled digital tools to become important for their business** within the next five years. Out of all technologies, businesses expect AI to have the biggest impact on digital platforms in the future. Across the board, SMEs that currently use specific AI tools, predict that they will be using the same tools, such as AI virtual assistants (43%) and data analytics (41%), much more in the next five years.

However, some small businesses may face barriers in adopting or making efficient use of innovations in AI. These barriers may relate to insufficient technical capabilities to utilise the technology and difficulties navigating the regulatory landscape.[1] Additionally, competition for compute resources may see smaller businesses struggle to keep up with their larger counterparts.

Companies are exceedingly turning towards AI-enabled digital platforms tools to perform key functions more effectively, such as personalizing customer experiences, automating routine tasks and forecasting market trends. Top of the list are messaging automation AI tools, with **nearly half (47%) of SMEs currently using the technology to communicate more efficiently** with their customer base (Chart 2.3). In Vietnam, where business messaging plays a crucial role in consumer interactions, AI automation becomes increasingly valuable for SMEs to reduce costs while maintaining high customer engagement rates, as reflected in a 65% adoption rate (Figure 2.1). Use of AI-enabled digital platform tools amplifies benefits SMEs already gain from using digital platforms. The business survey found that AI has enabled SMEs to:

- **Increase business productivity:** AI-enabled tools such as click-to-message advertisements and chat bot automation allow SMEs to respond to customers in real-time. Integration with other digital tools such as customer relationship management (CRM) systems will also allow automated communications to be directly relevant to specific consumers based on their previous interactions with a business. AI can also help to optimize product development by analyzing customer feedback and generating new product ideas using current market trends.
- **Improve business messaging effectiveness:** AI tools that streamline customer communication, including dynamic language translation, enable SMEs to connect more effectively with potential consumers in overseas markets. The survey found that 84% of SMEs that use AI-enabled digital platform tools find that it increases the effectiveness of business messaging (Chart 2.4).

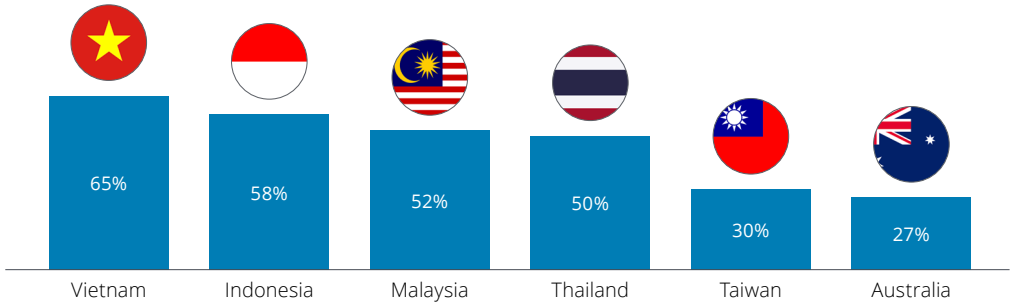
Chart 2.3: Business use of AI-enabled digital platform tools



Source: Business survey, Deloitte Access Economics (2024), "Does your business use AI-enabled digital platform tools for any of the following purposes?" n=1141

Note: Survey responses total 100% across each tool with unreported percentages capturing "My business is not using and has no plans to use this" and "Not sure/Prefer not to say".

Figure 2.1: Business messaging automation use, by market



Source: Business survey, Deloitte Access Economics (2024), "Does your business use AI-enabled digital platform tools for any of the following purposes?" n=1141

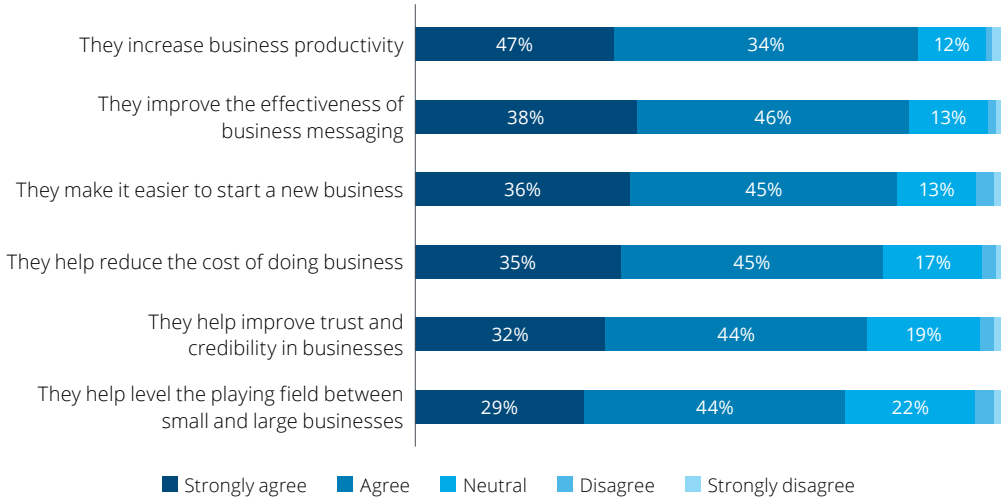
AI-enabled tools play a key role in levelling the playing field between small and large businesses

- **Reduce business costs:** AI tools that automate data entry and customer support also help reduce costs and time needs, enabling SMEs to focus on other priority areas. The Business Survey found that 80% of SMEs reduce their cost of doing business when using AI-enabled digital platform tools (Chart 2.4). However, increased automation of decision making comes with an increased risk of mistakes. Insufficiently addressed this could contribute to a lack of trust in the outputs of AI and slow its adoption.[1]
- **Start new businesses:** The Business Survey found that 81% of SMEs agree that AI-enabled platform tools make it easier to start a new business (Chart 2.4). Use cases of AI include helping new SMEs navigate a saturated market by predicting future trends and analyzing customer preferences to assist with making informed decisions about product development and strategy. AI tools can also enable businesses to reach new customers and retain existing customers more efficiently. Dynamic ads on platforms such as Facebook and Google allow businesses to automatically adjust their content based on customer behavior and preferences, generating more effective marketing campaigns. AI content creation can help to increase messaging consistency and reduce resource need.

AI-enabled tools play a key role in levelling the playing field between small and large businesses (for 73% of SMEs) (Chart 2.4), and make it easier for SMEs to meet their skill needs (82%). SMEs are likely to find the increased productivity and lower barriers to entry benefits of AI most invaluable, as smaller businesses are often more resource and time-constrained.[2, 3] However, the potential benefits of AI are likely to materialise alongside disruption. Some small businesses will face increased competition from others who make better use of AI, as well as from an increased number of international businesses using AI-enabled digital platforms to expand their reach.[4, 5]

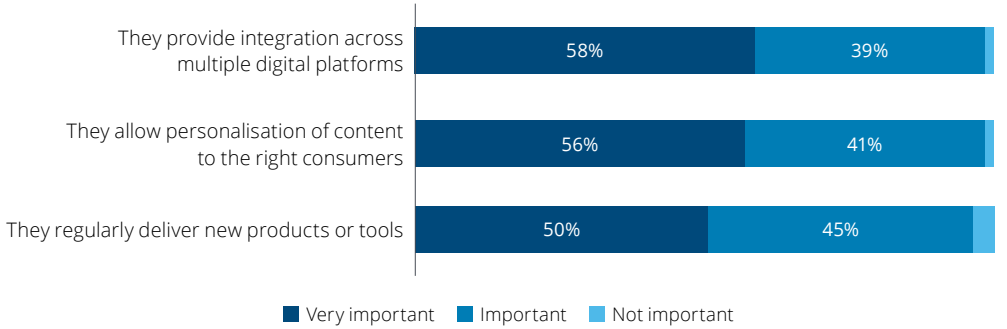
The most important features of digital platforms for SMEs are customizability of content to the right consumers and strong consumer adoption (Chart 2.5), both of which are enabled more effectively through AI-enabled tools. Wide consumer adoption provides businesses with the opportunity to connect with more customers. Stalling innovation and reducing the competitiveness of digital platforms could discourage businesses from using these platforms and seek out alternatives that offer greater reach.

Chart 2.4: Benefits of AI-enabled digital platform tools



Source: Business survey, Deloitte Access Economics (2024), "To what extent do you agree with the following statements about the impact of innovations in digital platforms (AI-enabled tools) on businesses?" n=1040

Chart 2.5: Most important features of digital platforms



Source: Business survey, Deloitte Access Economics (2024), "How important are the following features of digital platforms to delivering benefits to businesses?" n=1141

Removing barriers to SME adoption of AI-enabled tools is important for realising benefits

Ensuring the continued adoption of AI and AI-enabled digital platform tools is essential for realizing the potential benefits of the technologies. This includes ensuring platforms meet consumer need. For example, SMEs reported that **ease of use is the most important when considering the adoption of new digital platform tools (58%).** Other top factors reported by SMEs include technical skills and capabilities, and business need (Chart 2.6).

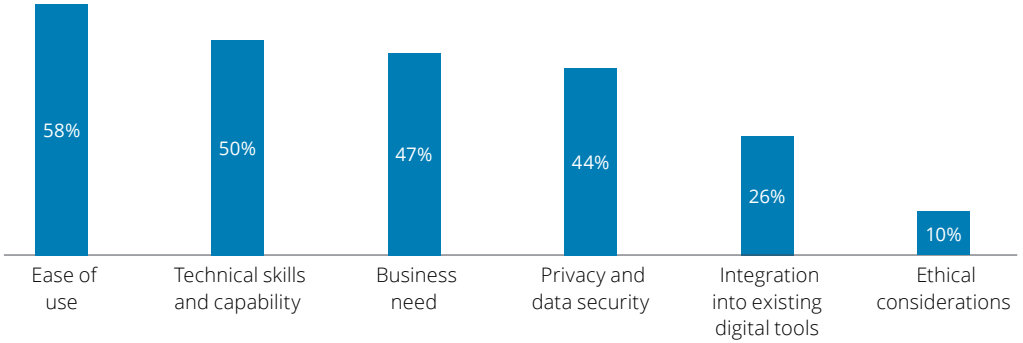
Addressing barriers that prevent SMEs from using digital platforms or using them more intensely is also essential. **Data privacy concerns are the biggest barrier for SMEs seeking to adopt more digital platforms, with 48% listing it as their top restriction** (Chart 2.7). Other research supports this result, finding that businesses are specifically concerned about data confidentiality, distribution, cyberattacks, fraud, and disinformation.[1] This concern is warranted, given the rising threat of cyber security incidents in today's digital landscape. In 2024, the APAC region produced the second-highest average weekly number of cyber attacks on businesses, behind only to Africa.[2] Sufficient and robust security measures against data privacy breaches are, therefore, critical to enabling digital platforms to deliver their full potential.

Local regulations and policies also appeared as a modest barrier for digital platform adoption (22%), particularly for SMEs in Taiwan (31%). These regulations can restrict the full potential of digital platforms to generate 'value creation' and connect business to consumers.[3] They may also impact SME uptake with inappropriately targeted or designed regulation likely slowing adoption whilst well designed regulation could incentivize it.[4]

Internet connectivity remains a significant barrier for SMEs in Malaysia and Indonesia, with 50% of respondents in Malaysia and 47% in Indonesia identifying it as a major challenge. This is in contrast with Australia, with only 8% of respondents identifying internet connectivity as an issue. This issue is well researched, with high-income markets often benefiting from stronger broadband connectivity, which supports emerging technologies like AI.[5] However, given connectivity challenges, **developing economies in APAC face an additional barrier to AI adoption,** further hindering development of private sector business in, for example, online banking or e-commerce.[6] This goes on to hinder potential future development prospects.[7]

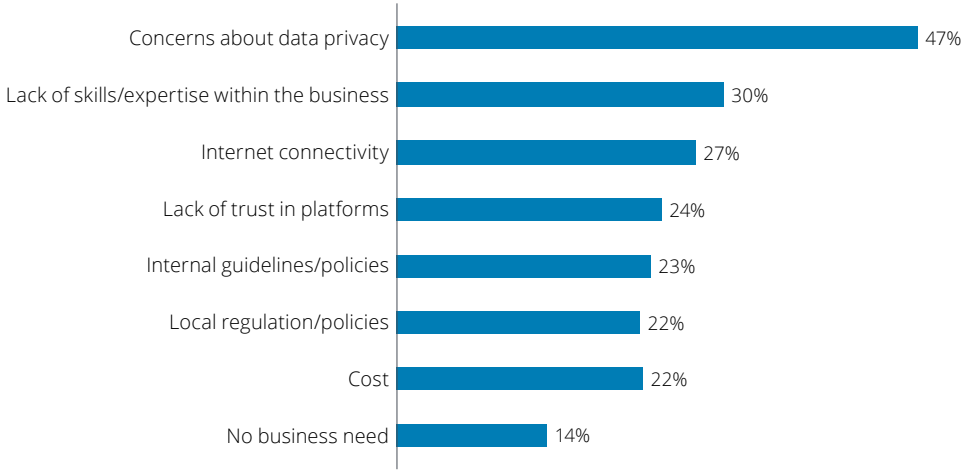
Addressing these barriers is essential for unlocking the full potential of digital platforms, and driving innovation, efficiency, and long-term growth.

Chart 2.6: What factors are most important when considering the adoption of digital platform tools in your business?



Source: Business survey, Deloitte Access Economics (2024)," What factors are most important when considering the adoption of digital platform tools in your business?" n=746

Chart 2.7: What restricts your business from using digital platforms or using them more in your business?



Source: Business survey, Deloitte Access Economics (2024)," What restricts your business from using digital platforms or using them more in your business?" n=1141

Digital platform adoption rates are high across all sectors

Traditionally, technology adoption rates for business operations have varied by sector, with professional service (e.g. information, media and telecommunications, and financial services) and consumer services (e.g. retail trade, food services, healthcare and education) sectors relying more heavily on technology for operations. However, the Business Survey has found that **use of digital platform and AI-enabled tools is consistent across all sectors, including the traditional industry sector** (e.g. construction, manufacturing and transport). Further details on industry groupings are in Appendix B.

Digital platform use

All three sectors performed similarly when it came to digital platform use, with the majority SMEs using at least one digital platform for operations. **SMEs in the consumer service sector showed particularly high digital platform engagement (95%),** likely due to a stronger focus on customer experience in many of the included industries (Figure 2.4).

On average, **more than half of a business's revenue is through digital platforms,** and this is consistent across sectors.

AI adoption

Out of all three sectors, **professional services currently has the highest AI adoption,** with 82% of SMEs using at least one AI-enabled digital platform tool (Figure 2.3).

A similar share of SMEs (68%) across all three sectors expect that AI tools will be very important for their business within the next five years, indicating that **AI is viewed as a key driver of business growth**.

Digital platform innovation (e.g. AI-enabled tools) brings similar benefits to SMEs across all sectors. Across the board, the **top benefit of innovation for SMEs was improved business productivity (85%)**. SMEs also consistently cited improvements to business messaging effectiveness, followed by reduced barriers to entry as key benefits of innovation.

Figure 2.2: Digital platform and AI adoption, **traditional industries**

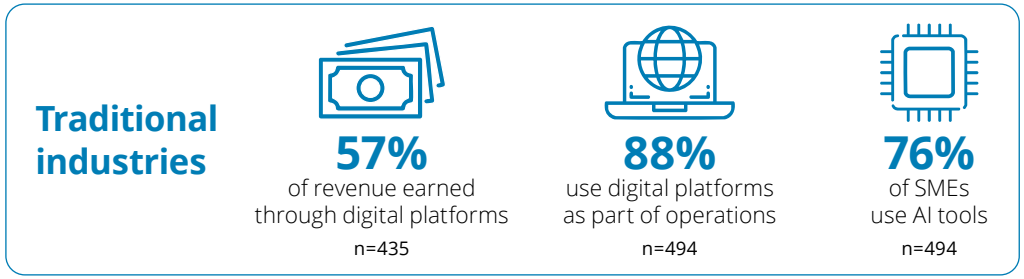


Figure 2.3: Digital platform and AI adoption, **professional services**

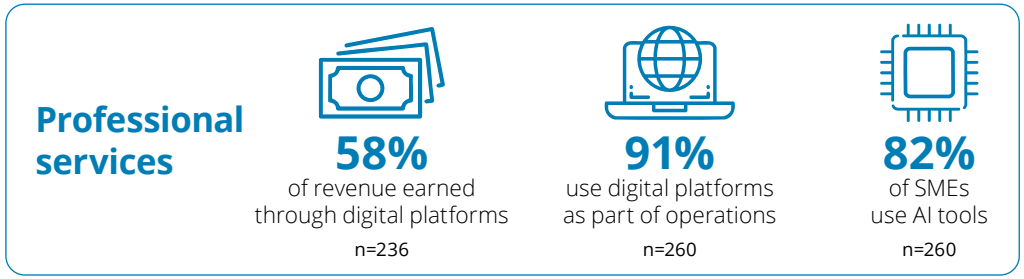
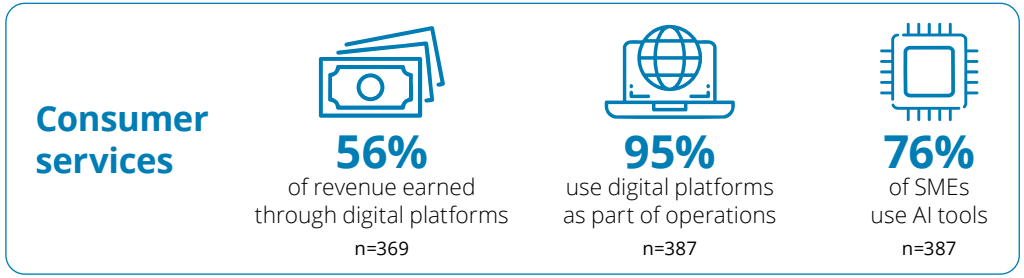


Figure 2.4: Digital platform and AI adoption, **customer services**



Source: Business survey, Deloitte Access Economics (2024)," Approximately what share of your business' revenue is dependent on digital platforms in each of the following time periods?", "Has your business used (or is planning to use) any of the following digital platforms as part of its operations?", Does your business use (or plan to use) AI-enabled digital platform tools for any of the following purposes?"

MISA | Vietnamese Software Company

MISA is one of Vietnam's leading software companies. It provides software for clients across Vietnam for accounting, financial, enterprise resource planning (ERP), electronic invoice, electronic signature and business management. The company provides software for over 80,000 government sector clients and 270,000 private sector clients, including corporates, small and medium-sized enterprises (SME) and household businesses.

MISA predominantly uses digital platforms to communicate with clients and internally amongst employees. It uses chat platforms like Facebook messenger, Viber, and Zalo. In addition, MISA uses digital platforms like Facebook, LinkedIn, and TikTok for marketing and public relations (PR), posting its advertisements and promoting MISA's business achievements. MISA also uses AI-enabled digital platforms for recruiting and for research activities within the business. Approximately 90% of MISA employees use digital platforms every day.

Following the adoption of AI-enabled digital platforms, MISA has seen significant increases in employee productivity and customer reach. Using AI tools, the PR team have experienced a 300-400% productivity increase, with over 500 MISA engineers also utilising GitHub co-pilot for coding, which further supports productivity.

MISA has developed an AI agent named AVA which uses a Large Language Model to answer customer and employee questions about product, policy, financial, and employee information. This chatbot has markedly alleviated the customer service department, helping MISA's hundreds of thousands of clients to access customer support, and reduce the significant backlog.

For MISA, another benefit of social platforms is the ability to easily connect to potential clients, which allows for business generation and expansion. Therefore, MISA's top criteria when choosing which digital platforms to use in their business, is a digital platform's popularity amongst consumers.

MISA have faced some barriers following the adoption of AI tools and digital platforms. Firstly, inputting client data into AI tools can create data security concerns among clients and can make MISA more susceptible to cyber-attack. Secondly, the Vietnamese government has issued strict regulations governing AI-related activities to protect personal data and privacy, which MISA believes may cause more challenges for software companies than their competitors in neighboring markets. Lastly, MISA has faced ethical concerns regarding AI bias and has been challenged by the limited internet connection in some parts of Vietnam.

Although MISA is already one leading AI adopter in Vietnam, it has committed to continue 'exploiting' all potential benefits of AI in every department and for every employee.

Second Floor | Taiwanese brunch chain

Second Floor is a brunch chain brand with a strong market presence in Taiwan. Established 16 years ago, the brand currently operates 20 restaurants across major cities. Known for its diverse menu and emphasis on customer experience. Each new store opening often garners significant attention on social media, with the brand previously being described as offering “one of the hardest brunch reservations to secure.”

In response to demographic shifts, such as Taiwan's declining birthrate and labor shortages prevalent in the food and beverage industry, Second Floor actively explored innovative solutions to improve operational efficiency and customer satisfaction. The brand partnered with a widely used digital platform in Taiwan to integrate its accessible AI-enabled services into restaurant operations.

Second Floor was an early adopter of an AI Reservation system. Initially piloted at two high-demand outlets, this system allows customers to complete reservations via free voice calls with an AI assistant. By utilizing pre-authorized personal membership data, the AI can efficiently confirm reservation details such as phone numbers. Furthermore, the system includes a "remarks function," enabling customers to specify special requests, such as the need for a baby chair or accommodations for pets. Once a reservation is made, details are sent to customers, enabling users to modify or review their bookings easily. Second Floor also uses digital platforms to establish a customer loyalty program. Through this system, diners can accumulate points, track spending, and receive marketing messages, such as holiday promotions or digital scratch card discounts.

Second Floor's implementation of AI technology has led to significant operational benefits. The AI Reservation system, for instance, has streamlined the booking process, reducing manual errors and wait times. This automation has resulted in higher accuracy and faster processing, significantly impacting customer satisfaction by providing a seamless booking experience.

Employee workload has been alleviated as the AI system handles repetitive tasks, allowing staff to focus on more complex and engaging responsibilities. This shift has not only improved job satisfaction but also boosted overall operational efficiency by ensuring that human resources are utilized where they are most effective.

Second Floor aims to expand AI applications to other operational aspects. Proposed initiatives include IoT-enabled wearable devices for employees, turning shifts into gamified experiences, and integrating AI with kitchen management systems (KDS) to streamline food preparation workflows. By combining technology with human judgment, Second Floor envisions improved order prioritization during peak periods. The brand is also exploring ways to help improve AI’s emotional intelligence and voice interaction capabilities for a more realistic and personalized customer engagement. The goal is to implement AI-managed reservation hotlines for each outlet, enabling staff to focus more on face-to-face interactions while maintaining the brand’s emphasis on human-centered service.

3. Market insights

Australia | Business survey results

Digital platform use

Australian SMEs rely on digital platforms

69% use social media platforms

59% use messaging platforms

Top uses of digital platforms for Australian SMEs are...

- Communicating with customers (42%)
- Marketing a new product (33%)
- Marketing to the right customers (32%)

Impacts of digital platform innovation

1. **Increases business productivity**

73% of SMEs agree that digital platform innovation (e.g. AI-enabled tools) drive business productivity.

2. **Improves customer experience**

73% of SMEs agree that digital platform innovation improves the effectiveness of business messaging.

3. **Reduces business costs**

68% of SMEs find that digital platform innovation reduces the cost of doing business.

Barriers

Top barriers for SMEs are...

- Concerns about data privacy (34%)
- Lack of skills/ expertise (28%)
- No business need (27%)

Customer experience will be the most negatively impacted by digital platforms offering...

- Reduced quality of tools (52%)
- Less personalised ads (51%)
- Less integration of features across platforms (51%)

AI adoption

65%

Have adopted AI technologies in their operations

By Industry

61% Traditional

56% Consumer

55% Professional

Expect AI tools to be very important for their business in the next five years

Government strategy

An objective of the Australian government is to be a world-leading digital economy by 2030. In order to achieve this goal, the Digital Economy Strategy outlines digital growth priorities, including enhancing the digital capability of SMEs, creating a skilled workforce, investing in digital infrastructure, and supporting critical technology industries.

Indonesia | Business survey results

Digital platform use

Indonesian SMEs rely on digital platforms

77% use social media platforms

78% use messaging platforms

Top uses of digital platforms for Indonesian SMEs are...

- Marketing a new product (65%)
- Communicating with customers (61%)
- Delivering a new service (56%)

Impacts of digital platform innovation

1. **Improves customer experience**

93% of SMEs agree that digital platform innovation (e.g. AI-enabled tools) improves the effectiveness of business messaging.

2. **Increases business productivity**

91% of SMEs agree that digital platform innovation drives business productivity.

3. **Reduces barriers to entry**

88% of SMEs agree that digital platform innovation makes it easier to start a new business.

Barriers

Top barriers for SMEs are...

- Concerns about data privacy (59%)
- Internet connectivity (42%)
- Lack of skills/ expertise (35%)

Customer experience will be the most negatively impacted by digital platforms offering...

- Less personalised ads (51%)
- Slower pace of innovation (55%)
- Reduced quality of tools (54%)

AI adoption

79%

Have adopted AI technologies in their operations

By Industry

75% Traditional

72% Consumer

66% Professional

Expect AI tools to be very important for their business in the next five years

Government strategy

The government seeks to accelerate digitalisation to diversify the market's economic opportunities and to drive long-term growth. Making Indonesia 4.0 is a digital economy roadmap that highlights the government's commitment to reinvigorating the nation's manufacturing sector.

Malaysia| Business survey results

Digital platform use

Malaysian SMEs rely on digital platforms

83% use social media platforms

88% use messaging platforms

Top uses of digital platforms for Malaysian SMEs are...

- Communicating with customers (51%)
- Marketing a new product (50%)
- Developing better quality data (50%)

Impacts of digital platform innovation

1. **Increases business productivity**

90% of SMEs agree that digital platform innovation (e.g. AI-enabled tools) drive business productivity.

2. **Reduces barriers to entry**

87% of SMEs agree that digital platform innovation makes it easier to start a new business.

3. **Improves customer experience**

85% of SMEs agree that digital platform innovation improves the effectiveness of business messaging.

Barriers

Top barriers for SMEs are...

- Internet connectivity (50%)
- Concerns about data privacy (34%)
- Local regulation/ policies (23%)

Customer experience will be the most negatively impacted by digital platforms offering...

- Less integration of features across platforms (49%)
- Less cross-platform messaging (43%)
- Slower pace of innovation (43%)

AI adoption

78%

Have adopted AI technologies in their operations

By Industry

78% Traditional

68% Consumer

70% Professional

Expect AI tools to be very important for their business in the next five years

Government strategy

A priority of the Malaysian government is to position Malaysia as a regional economy leader by accelerating the growth of the digital economy. The Malaysia Digital Economy Blueprint and the National 4IR Policy highlight key strategies, including achieving state-wide digital adoption, creating a future-ready workforce, supporting entrepreneurial activity.

Taiwan | Business survey results

Digital platform use

Taiwanese SMEs rely on digital platforms

72% use social media platforms

78% use messaging platforms

Top uses of digital platforms for Taiwanese SMEs are...

- Communicating with customers (58%)
- Understanding and addressing customer needs (51%)
- Marketing a new product (48%)

Impacts of digital platform innovation

1. **Increases business productivity**

78% of SMEs agree that digital platform innovation (e.g. AI-enabled tools) drive business productivity.

2. **Improves customer experience**

77% of SMEs agree that digital platform innovation improves the effectiveness of business messaging.

3. **Reduces business costs**

76% of SMEs find that digital platform innovation reduces the cost of doing business.

Barriers

Top barriers for SMEs are...

- Concerns about data privacy (35%)
- Local regulation (31%)
- Lack of skills/ expertise (30%)

Customer experience will be the most negatively impacted by digital platforms offering...

- Less cross-platform messaging (72%)
- Reduced quality of tools (69%)
- Less integration of features across platforms (51%)

AI adoption

72%

Have adopted AI technologies in their operations

By Industry

46% Traditional

51% Consumer

57% Professional

Expect AI tools to be very important for their business in the next five years

Government strategy

The Taiwanese government plans to increase the value of the digital market economy to nearly $31 billion USD by 2026. Key policies introduced by the Minister of Digital Affairs in 2024 include fostering AI "eco-parks" and building information security resilience.

Thailand | Business survey results

Digital platform use

Thai SMEs rely on digital platforms

78% use social media platforms

80% use messaging platforms

Top uses of digital platforms for Thai SMEs are...

- Communicating with customers (69%)
- Accessing new domestic customers (51%)
- Marketing a new product (50%)

Impacts of digital platform innovation

1. **Increases business productivity**

87% of SMEs agree that digital platform innovation (e.g. AI-enabled tools) drive business productivity.

2. **Reduces barriers to entry**

87% of SMEs agree that digital platform innovation makes it easier to start a new business.

3. **Improves customer experience**

83% of SMEs agree that digital platform innovation improves the effectiveness of business messaging.

Barriers

Top barriers for SMEs are...

- Concerns about data privacy (50%)
- Lack of trust in platforms (32%)
- Lack of skills/ expertise (30%)

Customer experience will be the most negatively impacted by digital platforms offering...

- Less integration of features across platforms (60%)
- Reduced quality of tools (57%)
- Slower pace of innovation (56%)

AI adoption

77%

Have adopted AI technologies in their operations

By Industry

68% Traditional

78% Consumer

80% Professional

Expect AI tools to be very important for their business in the next five years

Government strategy

Developing domestic AI capabilities is a key focus area for Thailand's government. The government has introduced the National AI Strategy (2022-2027), with objectives to increase national awareness of AI law and ethics, facilitate foreign investment in cloud data centres, and promote AI use in all business sectors.

Vietnam | Business survey results

Digital platform use

Vietnamese SMEs rely on digital platforms

93% use social media platforms

84% use messaging platforms

Top uses of digital platforms for Vietnamese businesses are...

- Communicating with customers (66%)
- Accessing new domestic customers (63%)
- Understand and address customer needs (56%)

Impacts of digital platform innovation

1 **Increases business productivity**

92% of SMEs agree that digital platform innovation (e.g. AI-enabled tools) drive business productivity.

2 **Improves customer experience**

91% of SMEs agree that digital platform innovation improves the effectiveness of business messaging.

3 **Reduces business costs**

89% of SMEs find that digital platform innovation reduces the cost of doing business.

Barriers

Top barriers for SMEs are...

- Concerns about data privacy (69%)
- Cost (37%)
- Lack of skills/ expertise (32%)

Customer experience will be the most negatively impacted by digital platforms offering...

- Less personalised ads (59%)
- Less cross-platform messaging (59%)
- Less integration of features across platforms (57%)

AI adoption

93%

Have adopted AI technologies in their operations

By Industry

77% Traditional

86% Consumer

84% Professional

Expect AI tools to be very important for their business in the next five years

Government strategy

Key focus areas for the Vietnamese government include stimulating economic growth and supporting innovation. In particular, the government has a goal to become a hub for AI development and innovation in the SE Asia region, as set out in the National Strategy on Research, Development and Application of AI until 2030.

4. The economic benefits of AI-enabled digital platforms

Key takeaways

1. Integration of AI and digital platforms has a potential impact of between **$211 – $512 billion** US across the surveyed markets
2. AI could contribute between **0.1 – 2.3** percentage points to annual aggregate total-factor productivity growth
3. There is an expected annual growth rate of **24%** for investments in AI through to 2028, indicating a continual interest in the AI market which will have implications for economy wide decisions such as FDI

AI will have a profound impact on productivity growth over the coming decade

Businesses have rapidly adopted new AI technologies and tools. Across APAC, data shows that by 2030, **investments in AI are expected to grow at an annual compound growth rate of 24%** through to 2028.[1] That level of growth puts AI on track to have one of the fastest deployment rates of any new enterprise technology.

The extent to which the rapid adoption of AI will translate into economic impacts remains uncertain. Initial estimates from the literature suggest that AI's potential impact on areas of the economy, including labour market and specific sectors, could be substantial.[2, 3] For example, almost 40 per cent of global employment is exposed to AI and almost half this number is potentially being automated by the technology.[4]

AI can increase productivity as the existing tasks of workers are made more efficient and new tasks are enabled.[5] The scale of productivity uplift could be substantial with early research finding that **AI could contribute between 0.1 - 2.3 percentage points to annual aggregate total-factor productivity growth** over a 10 year period (Chart 3.1).[6] The broad range in estimates of the impact of AI highlights how factors such as the extent of business uptake, government policy and development of supporting infrastructure will all play a role in the technology's ultimate impact.

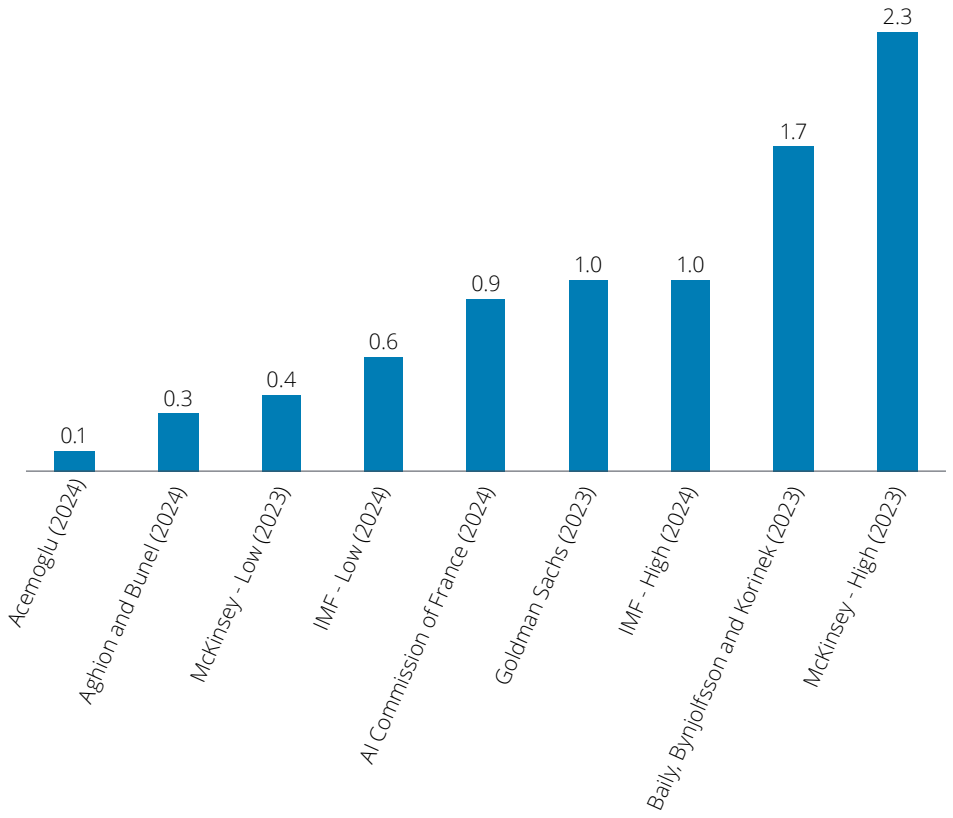
While the published research provides some potential indication of the magnitude of the economic impact, there are important factors that should be considered:

As the OECD outlines, it is very difficult to determine the impact of AI on human capabilities and productivity given the early stages of the technology's development. Similarly, whether the expected productivity gains at an individual level translate into employment growth or shrinkage will also have a bearing on the aggregate level productivity results.[7]

Not all value created for individual businesses will be additive to the economy overall. For example, increased growth for one business may represent forgone revenue for a different business. However, it's anticipated that the net impacts are likely to be positive overall.

The path of progress is likely to be uneven with adoption likely to follow an S-curve pathway. This is where the technology enters an initial innovation phase before experiencing a period of rapid growth, until the market finally matures. As with other technologies, realizing the benefits of adoption will depend on businesses developing the complementary management skills and processes to make use of the potential of the technology.[8] External factors will impact adoption with, for example, cybersecurity concerns relating to data breaches, regulatory uncertainty, and ethical challenges being factors that may slow business and consumer engagement.

Chart 4.1: Predicted increase in annual total factor productivity growth over a 10-year horizon due to AI (in percentage points)



Source: OECD (2024)

Notes: Productivity estimated sourced from OECD (2024) with labour productivity estimates converted to TFP estimates based on standard TFP to labour productivity ratio of 1.5.

Overview of approach to economic impact methodology

To measure the potential economic impact of AI and AI-enabled digital platforms this report incorporates forward-looking estimates of impact of AI to derive a feasible range. As outlined in Figure 3.1, this approach involves:

- Estimating two potential economic impact profiles of AI technologies over a 10-year horizon. These profiles are based on aggregate annual TFP impacts of AI under a high and low AI adoption scenario from the OECD.
- Tailoring the TFP uplift for the individual markets included in the study by considering the current level of AI adoption.
- Apportioning the total AI uplift estimated under each impact profile to the share associated with AI-enabled digital platforms.

This process provides the results presented overleaf.

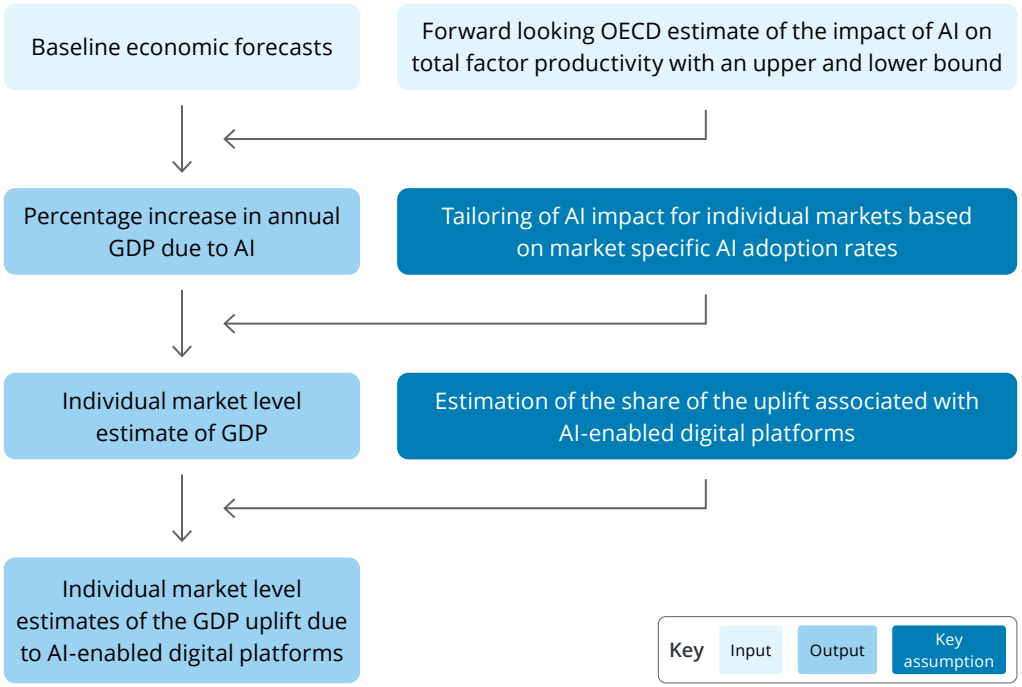
Differences in the uplift of AI and AI-enabled digital platforms are between markets are driven by differences in the current rate of AI adoption. For example, the uplift in Indonesia is the greatest (relative to the size of its economy) because its rate of AI adoption is the highest. Conversely, Australia, which has the lowest rate of AI adoption is estimated to receive the smallest relative benefit.

There are several key limitations to the approach taken. First, the model does not account for dynamic affects that are likely to occur over time, including changes in the relative price of labor, both relative to capital and across different types of workers. Second, the adoption rates of AI and timing of economic impacts remains highly uncertain, with differences having a bearing on the results.

More detail on the economic impact methodology can be found in Appendix B.

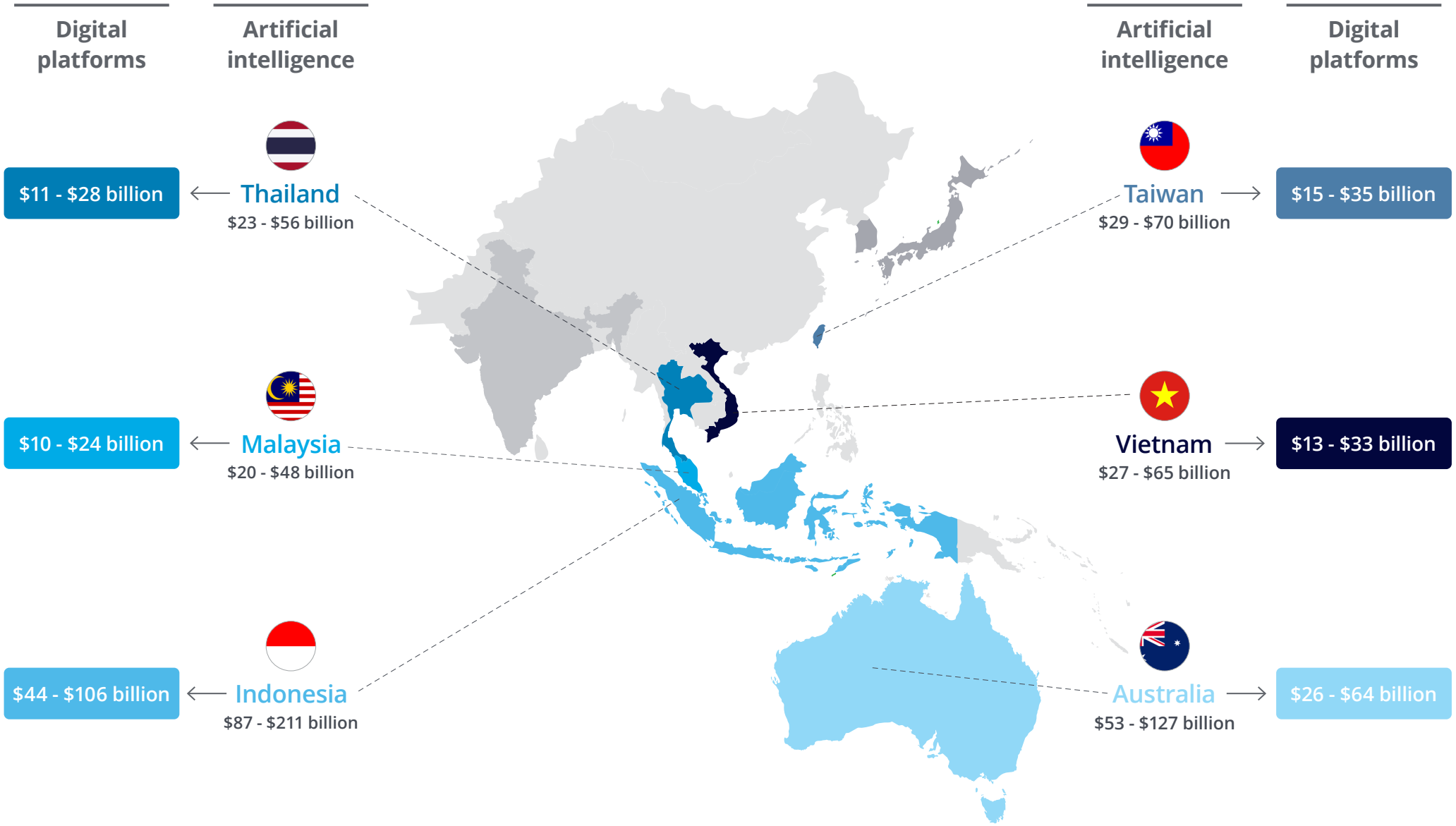
Artificial intelligence is a step change in technology. However, the extent of its impact will depend on its continued adoption and effective utilization among SMEs. Several factors will shape AI's trajectory, including: (1) barriers and enablers of business adoption—such as cost, complementary skills, and the dissemination of effective use cases, (2) concerns around data privacy, bias in AI models, and potential job displacement, (3) the evolving regulatory landscape, which must balance innovation with safeguards to mitigate risks. The benefits of AI may also not be universally positive or equally distributed; while some businesses will thrive, others may struggle with implementation. Systemic risks from the malicious use of AI in cyberattacks, warfare and theorised existential threats also have the potential to tip the scale on the overall impact of AI on society. Ultimately, while AI has the potential to drive significant efficiency gains and economic growth, its long-term impact will depend on addressing these challenges and ensuring equitable access to its benefits.

Figure 4.1: Overview of approach to economic modelling



Source: Deloitte Access Economics (2025)

The potential impact of AI-enabled digital platforms by 2034



Source: Deloitte Access Economics (2025)

Other economic benefits

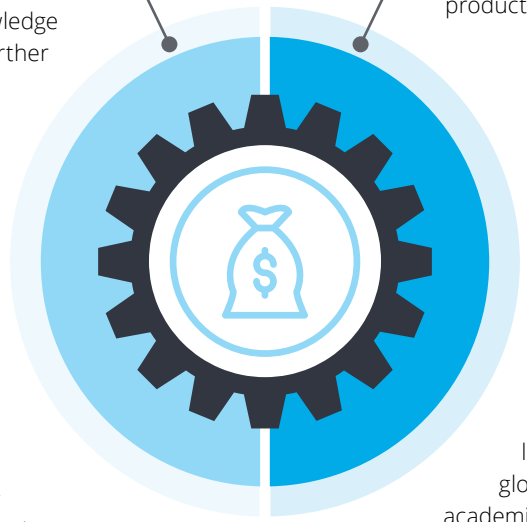
Foreign investment

A strong AI ecosystem in a country can attract foreign direct investment (FDI), leading to significant economic advantages.

FDI supports economic growth in host countries by encouraging competition and innovation, facilitating technology and knowledge transfer, and stimulating job creation. FDI also stimulates increased competition and innovation with the entry of foreign firms. This encourages domestic businesses to innovate, improve their efficiency, and enhance the quality of their products and services to remain competitive.[1] Through knowledge spillovers, these advancements can be disseminated to local businesses, further boosting their productivity, workforce skill development, and job creation.[2]

However, this relationship between technological innovation, foreign direct investment and economic growth, is bi-directional, meaning that while **FDI supports competition and innovation, a competitive and innovative market also attracts FDI.[3]** Therefore, fundamentally, the adoption of innovative technologies like AI – both across the economy, but also, within the context of digital platforms – is a key determinant of the capacity for markets to attract FDI and stimulate economic growth. This is because AI-enabled digital platforms encourage competition and innovation within markets, and consequently attracts investors, as demonstrated in Figure 3.2.

AI-enabled digital platforms encourage competition by lowering barriers and by supporting new market creation, especially for SMEs.[4] In addition, by improving transparency and efficiency in FDI investment processes, AI can reduce barriers to entry for potential investors and further encourage FDI inflows.[5] Kearney's 2024 FDI Confidence index revealed that 82% of businesses agreed that AI regulations and government attitudes will influence their investment decisions.[6] Other considerations that also influence investment decisions include a flexible regulatory environment and a stable political context.[7,8]



Open innovation

Digital platforms and their tools and features have evolved to become key enablers for open innovation and knowledge sharing in businesses.[9] Open innovation is defined by the Harvard Business Review as being a 'collaborative approach that plays to the strengths of all companies involved and can produce creative, unexpected solutions'.[10] AI-powered digital platforms are driving large scale collaborative innovation, facilitating research and development (R&D), idea generation, prediction, freelance work, peer production, co-creation, product design, and public engagement.[11] This contribution to businesses drives positive economic outcomes, including increased productivity and economic growth.

Open innovation reduces costs associated with R&D and speeds up the time-to-market for new products and services. A study found that the uptake of organisational digital platform technologies could increase knowledge sharing and reduce searching time by as much as 35%, returning a 6% increase in productivity and time to allocate to other tasks.[12]

International Business Machines Corporation (IBM) watsonx's AI-integrated software is an example of open innovation in AI. The watsonx AI portfolio can be used alongside existing medical software to train AIs for specific and personalized purposes. The key strategies included leveraging open-source frameworks and offering cloud-based APIs, enabling global developers to integrate watsonx's capabilities. Collaborative efforts with academia, startups, and industry leaders, such as partnerships with Memorial Sloan Kettering Cancer Center, have been crucial for training Watson in specialized fields like oncology. The impact on IBM has been significant; in healthcare, Watson improved diagnostic accuracy and treatment personalization, setting a benchmark for AI's potential and spurring further innovation and investment across the industry.[13]

Academic research concludes that **digital platforms are instrumental in empowering both inbound and outbound open innovation** by enhancing knowledge sharing and collaboration within the innovation ecosystem.[14] Firms that effectively leverage these platforms can better integrate into the broader innovation landscape, leading to increased productivity and economic growth.[15]

Appendix A: Survey methodology

Survey: Overview of survey methodology

Approach

Dynata was used to field the survey and collect data, which was then analyzed by Deloitte Access Economics. The survey was in field from November to December 2024, with 1141 SME responses collected. Businesses were categorized as SMEs if they reported 249 or less full-time employees.

On average, 190 responses were collected for each of the six markets - Australia, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam (Table A.1).

The survey asked respondents a series of questions about their use of digital platforms and AI-enabled tools, the impact of digital platforms on businesses, employees and customers, and any barriers and enablers that affect their use of digital platforms.

Survey analysis findings are included throughout this report. For the sector analysis (Page 16), Table A.2 provides a breakdown of the industries included in each sector grouping.

Table A.1: Sample size by market

Grouping	Sample size
Australia	186
Indonesia	194
Malaysia	189
Taiwan	188
Thailand	189
Vietnam	195

Source: Business survey, Deloitte Access Economics (2024)

Table A.2: Grouping of industries

Grouping	Included industries	Sample size
Traditional industries	• Agriculture, forestry and fishing • Mining and quarrying • Manufacturing • Electricity, gas, steam and air conditioning supply • Water supply, sewerage, waste management and remediation activities • Construction • Wholesale and retail trade, repair of motor vehicles and motorcycles • Transportation and storage	494
Professional services	• Information and communication • Financial and insurance activities • Professional, scientific and technical activities • Administration and support service activities • Public administration and defence; compulsory social security	260
Consumer services	• Accommodation and food service activities • Real estate activities • Education • Human health and social work activities • Arts, entertainment and recreation • Other service activitie	387

Source: Business survey, Deloitte Access Economics (2024)

Appendix B: Economic impact methodology

Background: Business use of digital platforms creates economy-wide benefits through competition and productivity

The business benefits of digital platform use translate into economy-wide benefits by increasing productivity. Figure B.1 describes how these productivity benefits are realized and how they differ across two types of digital platform:

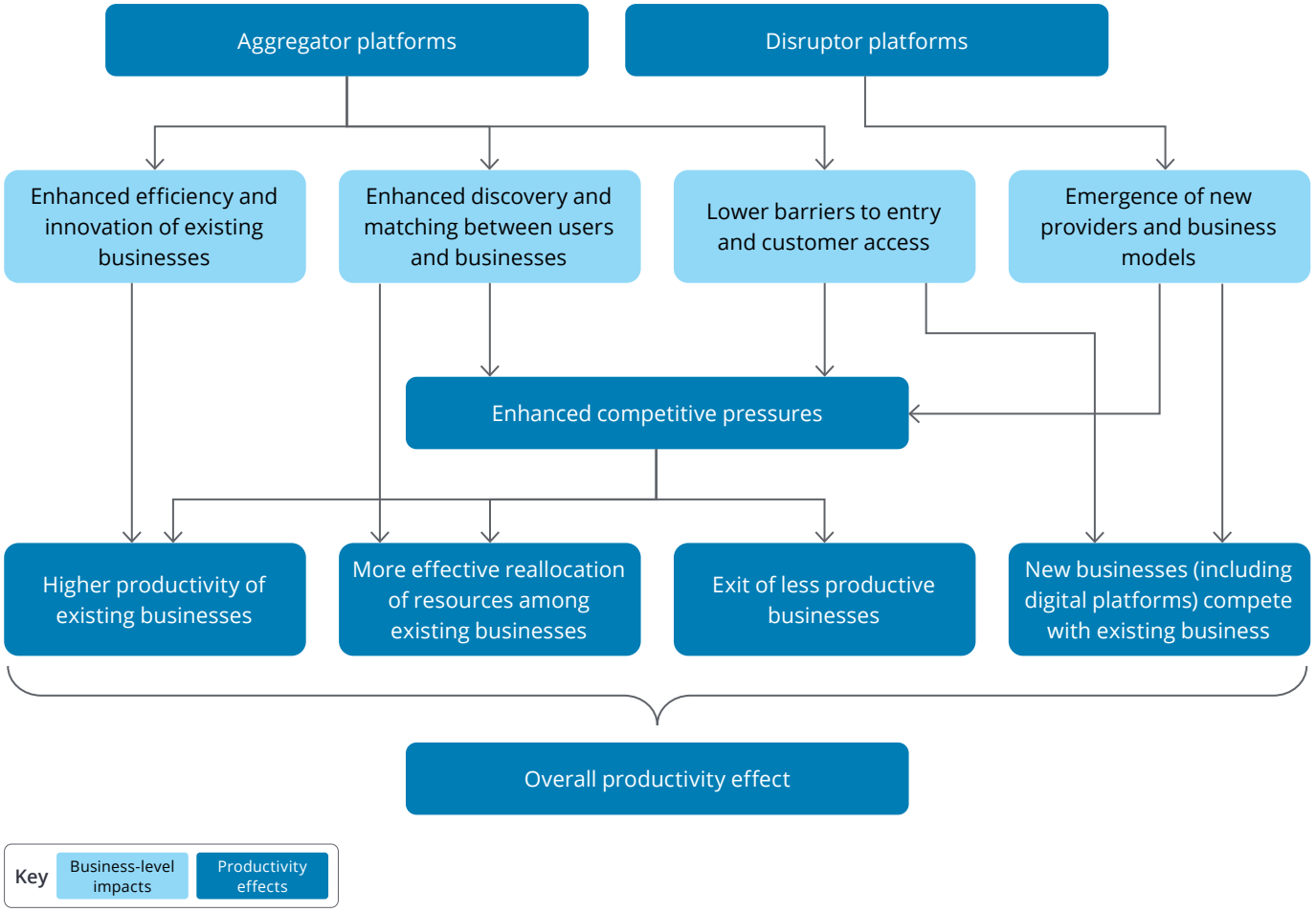
- **Aggregator platforms** – those that link consumers to existing businesses - increase productivity by improving the efficiency and operation of digital platform users. Aggregator platforms do not compete with incumbent businesses but enable competition in downstream markets, improving businesses productivity and forcing the exit of less productive businesses.[1, 2]

  The competition and productivity enhancing impacts of digital platforms are due to both the business level impact of digital platform use but also their ability to enable customers to better compare options through improved discovery, price comparisons and ratings.[3]

- **Disruptor platforms** – those that create new types of services or business model innovations – compete directly with incumbent businesses using technologies or processes that alters how the market operates. The entry of Airbnb or Uber into the accommodation and transports sectors are two key examples. Direct competition from digital platforms forces businesses in adjacent markets to innovate to better compete.[4]

The distinction between aggregator and disruptor platforms is not always clear cut. For example, an aggregator platform like Amazon or Facebook may become disruptors overtime and directly compete with incumbents. However, the distinction provides an illustrative overview of how platforms impact economic outcomes.

Figure B.1: Productivity enhancements through digital platforms



Source: Deloitte Access Economics (2025), adapted from OECD (2019)

Background: Artificial intelligence will accelerate existing economic benefits of digital platforms

The productivity enhancing benefits of digital platforms are demonstrated by international research. For example, the OECD finds that increases in digital platform use over time is associated with higher productivity among businesses in related sectors.[1] **Productivity improvements are linked to augmenting rather than replacing** the tasks performed by workers, with productivity increases found to be associated with increases in value-added rather than reductions in employment.[2]

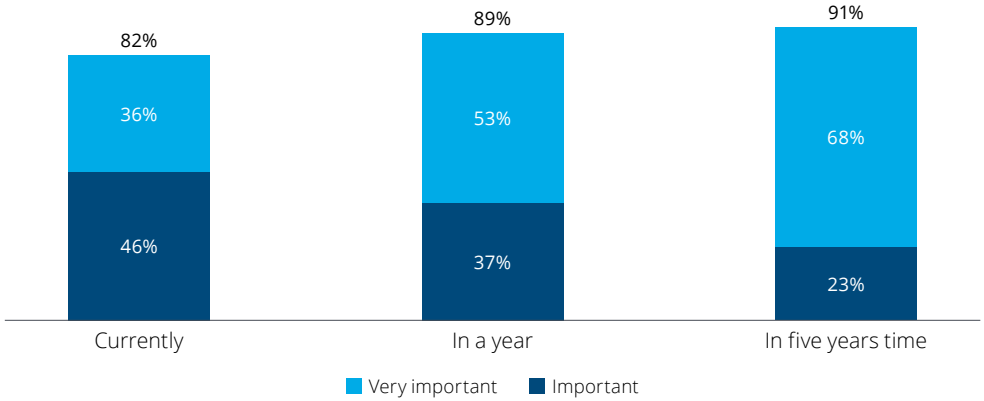
Productivity gains are greater for smaller businesses and those in the middle of the productivity distribution, highlighting the role of digital platforms in narrowing productivity gaps between SMEs and large businesses.[3] The researchers suggest this result is due to smaller business having more scope to reap benefits from network effects, access to larger markets and the services that digital platforms offer.[4]

Other research finds that while digital platforms help businesses improve their productivity, **the benefits are associated with aggregator rather than disruptor platforms**.[4] This suggests that the role of aggregator platforms in improving productivity through their use and enhancing discoverability and matching within markets are more important than the competition effects created by disruptors. However, disruptor platforms are found to reduce mark-ups, employment and wages in adjacent markets, highlighting the potential for pro-competitive forces to, in the longer term, increase innovation.[5]

AI is likely to amplify the productivity improving impacts of digital platform use already established in the literature, particularly for aggregator platforms. Businesses certainly believe this is the case with **the share agreeing that AI-enabled tools are important or very important for their businesses growing from 82% currently to 91%** in five-years' time (Chart B.1). The increase is even larger when looking at the share anticipating digital platforms will be very important for their business (36% currently to 68% in five years' time).

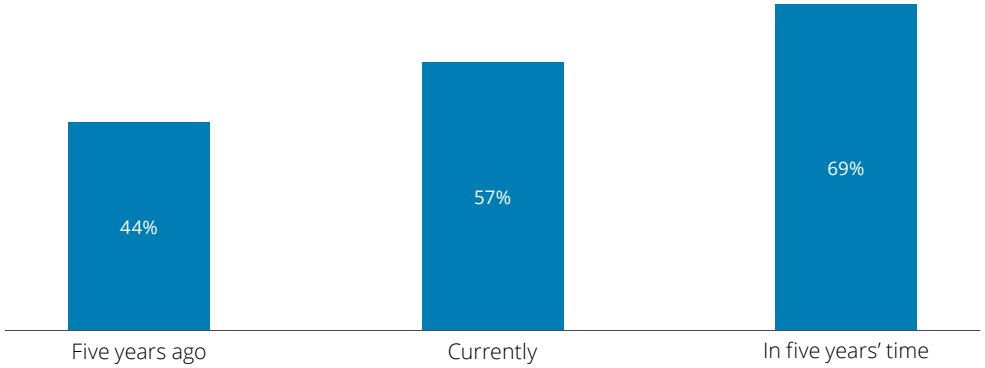
Increased importance of AI digital platform tools is also expected to translate into more revenue being dependent on digital platforms themselves. Respondents to the Business Survey report that almost **$7 in every $10 dollars of revenue is expected to be dependent on digital platforms** in five years' time, compared to less than $5 in every $10 five years ago (Chart B.2).

Chart B.1: Importance of AI-enabled digital platform tools on business overall



Source: Business survey, Deloitte Access Economics (2024), "Overall, how important do you expect AI-enabled digital platform tools to be to for your business over the following periods?" n=1141

Chart B.2: Share of business revenue dependent on digital platforms



Source: Business survey, Deloitte Access Economics (2024), "Approximately what share of your business' revenue is dependent on digital platforms in each of the following time periods?" n=1040

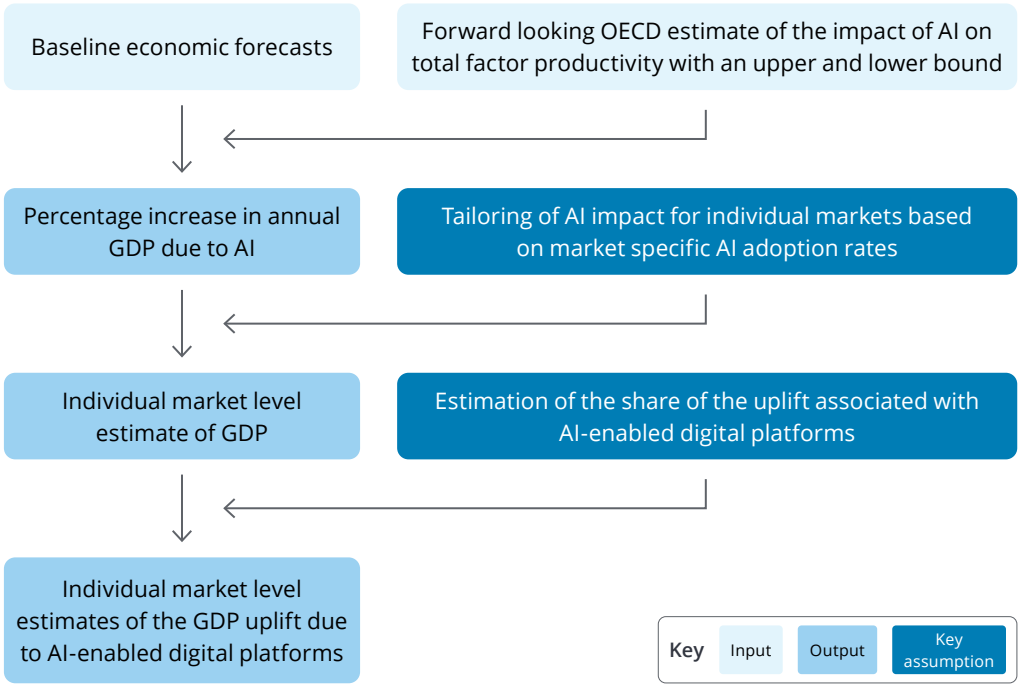
Overview of approach to economic impact methodology

To measure the potential economic impact of AI and AI-enabled digital platforms, this report incorporates forward-looking estimates of the impact of AI to derive a feasible range. As outlined in Figure B.2, this approach involves:

- Estimating two potential economic impact profiles of AI technologies over a 10-year horizon. These profiles are based on aggregate annual TFP impacts of AI under a high and low AI adoption scenario from the OECD.[1] The uplift captures both the direct and indirect effect that occurs through supply chain linkages. The scale of TFP uplift, based on the current and anticipated AI adoption rates across G7 countries, is 0.25 - 0.60 percentage points annually.
- Tailoring the TFP uplift for the individual markets included in the study by considering the current level of AI adoption. Estimates of market-level adoption are sourced from the Deloitte Access Economic report, *Generation AI*.[2]
- Apportioning the total AI uplift estimated under impact profile to the share associated with AI-enabled digital platforms. The apportionment is based on the share of digital activity estimated to be associated with or enabled by digital platforms. The share is calculated based on digital economy estimates of the Australian economy.[3]

The steps are outlined in more detail on the following pages.

Figure B.2: Overview of approach to economic modelling



Source: Deloitte Access Economics (2025)

Modelling: Overview of approach to economic impact methodology

The macroeconomic impact of AI

To measure the potential economic impact of AI and AI-enabled digital platforms, this report incorporates forward-looking estimates of impact of AI to derive a feasible range. These inputs are based on results from the OECD's paper *Miracle or Myth? Assessing the macroeconomic productivity gains from Artificial Intelligence*.[1]

To generate the impact of on productivity, the OECD relies on the existing estimates from the literature of (1) the task-level impact of AI, (2) the composition of tasks within sectors and (3) the adoption of AI across firms. Based on these inputs, a sector-level estimate of the potential productivity uplift is calculated based on low and high adoption scenarios across all G7 markets.

Sector-level gains are aggregated to the economy-level using a multi-sector general equilibrium model that is calibrated to the observed structure of the economy and accounts for sectoral input-output linkages, the role of demand in driving price adjustments, and factor reallocation across sectors.

Based on this process, the OECD suggests that AI will significantly contribute to annual Total Factor Productivity (TFP) growth in the US by around 0.25 – 0.60 percentage points. For comparison, the latest technology driven boom linked to information and communication technologies (ICT) has been estimated to have contributed up to 1-1.5 percentage points to annual US TFP growth during the 1995-2004 period.[2]

Tailoring AI impacts by market

The OECD does not estimate the impact of AI for any market included in this study. In order to derive market-level estimates of AI, the average AI impact of the markets presented in the paper is calculated (Table B.1). The average impact is assumed to reflect the potential uplift in Australia. Other markets are scaled based on their relative adoption rate of AI compared to Australia sourced from Deloitte report *Generative AI in APAC* (Table B.1).[3]

While the approach seeks to capture differences in the impact of AI associated with differences in market level adoption AI adoption rates, it does not account for the differences associated with the occupations and sectoral composition of each market. This is a limitation but likely has minimal effect on the results, with the OECD finding that difference in AI adoption rates are the primary driver of market-level differences in their results.

Table B.1: Estimated impact of AI on aggregate annual TFP growth by market, percentage points

Market	Low adoption	High adoption
United States	0.25	0.60
Germany	0.23	0.57
United Kingdom	0.23	0.56
Canda	0.23	0.56
Japan	0.22	0.53
France	0.13	0.29
Italy	0.11	0.23
Average	**0.20**	**0.48**

Source: OECD (2024)

Note: Values have been sourced data presented in charts so should be considered approximate

Table B.2: Share and relative measure of employee-level AI adoption by market

Market	Adoption	Ratio
Australia	51%	1.0
Indonesia	80%	1.6
Malaysia	65%	1.3
Taiwan	67%	1.3
Thailand	74%	1.4
Vietnam	77%	1.5

Source: Deloitte (2024)

Modelling: Approach to economic impact modelling

Calculating the impact of AI by market

The market-level impact uplifts of AI on TFP growth are estimated by multiplying the adoption ratios calculated in Table B.2 to the average of the OECD G7 results for the low and high adoption scenario. This provides market-level as shown in Table B.3.

The uplifts are applied counterfactual growth rates in GDP sourced from the IMF (Table B.4). As growth rates are only provided by the IMF through to 2029, the remaining years are taken as constant of the last three years of the forecasts.

Table B.3: Annual impact of AI on TFP, percentage points

Market	Low adoption	High adoption
Australia	0.20	0.48
Indonesia	0.31	0.74
Malaysia	0.25	0.60
Taiwan	0.26	0.62
Thailand	0.29	0.69
Vietnam	0.30	0.71

Source: Deloitte Access Economics (2025)

Table B.4: Counter factual GDP growth rates by market

Market	2025	2026	2027	2028	2029	2030-2034
Australia	4.4%	4.5%	3.8%	4.1%	4.4%	4.1%
Indonesia	6.4%	8.2%	8.0%	8.0%	7.8%	7.9%
Malaysia	11.0%	7.0%	5.9%	6.1%	5.8%	6.0%
Taiwan	5.1%	5.5%	4.9%	3.9%	2.1%	3.6%
Thailand	3.1%	4.4%	4.7%	4.7%	4.6%	4.6%
Vietnam	8.1%	7.6%	7.5%	7.3%	6.9%	7.2%

Source: IMF (2024)

Calculating the impact of AI-enabled digital platforms

The impact of AI-enabled digital platforms is calculated by apportioning the total uplift of AI under each scenario by the share of the digital economy mediated by digital platforms. This approach suggests that the benefits of AI will predominantly materialize through the digital economy. However, this may overstate the importance of digital platforms to realizing AI benefits if substantial benefits materialize outside the digital economy.

The digital platform share is calculated by determining the extent to which individual components of the digital economic, as measured by the Australian Bureau of Statistics, are mediated by digital platforms (Table B.5). For example, it is assumed digital platforms mediate 50% of the software component of the digital economy. In total, it is estimated that half the digital economy is associated with digital platforms.

Table B.5: Digital platform apportionment

Market	Attribution	Digital economy share	Digital platform share
Hardware	0%	1.6%	-
Software	50%	5.5%	2.8%
E-commerce - Retail	100%	6.4%	6.4%
Digital media	100%	4.5%	4.5%
E-commerce - Wholesale	100%	23.4%	23.4%
Telecommunications	0%	19.4%	-
Support services	33%	39.3%	13.0%
Digital platform	**-**	-	**50.0%**

Source: Deloitte Access Economics (2025)

Modelling: Approach to economic impact modelling

Results

The proceeding analysis results in change in GDP presented in Tables B.6 and B.7. Across markets, differences in percent increased in GDP are driven by differences in current AI adoptions rates. The differences across markets would be smaller if the adoption of AI in lower adoption rate markets caught up to the leading markets over time.

The impact inputs themselves as subject to a high degree of uncertainty. As outlined on page 37, how task level productivity gain translate employment growth or shrinkage of individual occupations or areas of the economy will affect the impact of AI, as will the trajectory of adoption and use.

The use of Australian specific data to estimate market-level impact inputs is also a limitation of the approach, with differences in the composition of each market's economy likely to contribute to differences in results. However, as discussed on page 38, differences in AI adoption are considered the primary driver of across market differences rather than the structure of each market's economy.

Table B.6: Change in GDP in 2034, percent

	Artificial intelligence		AI-enabled digital platforms	
Market	**Low adoption**	**High adoption**	**Low adoption**	**High adoption**
Australia	1.9%	4.7%	1.0%	2.3%
Indonesia	2.9%	7.1%	1.5%	3.6%
Malaysia	2.4%	5.8%	1.2%	2.9%
Taiwan	2.5%	6.2%	1.3%	3.1%
Thailand	2.8%	6.8%	1.4%	3.4%
Vietnam	2.8%	6.9%	1.4%	3.4%

Source: Deloitte Access Economics (2025)

Table B.7: Change in GDP in 2034, US$

	Artificial intelligence		AI-enabled digital platforms	
Market	**Low adoption**	**High adoption**	**Low adoption**	**High adoption**
Australia	53	127	26	64
Indonesia	87	211	44	106
Malaysia	20	48	10	24
Taiwan	29	69	15	35
Thailand	23	56	11	28
Vietnam	27	65	13	33

Source: Deloitte Access Economics (2025)

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The rise of digital platforms and new business models

The rise of social media platforms in the early 2000s revolutionized communication, enabling unprecedented levels of user interaction and content sharing. The mobile revolution further accelerated this transformation by making digital access ubiquitous and real-time. Currently, advancements like Generative AI are reshaping industries by automating complex tasks, enhancing personalization, and driving innovation. These milestones have intensified competition, disrupted traditional market dynamics, and opened up new possibilities for SMEs, pushing them towards more agile and technology-driven strategies. The future promises even greater integration of advanced technologies, further altering the competitive landscape and creating novel opportunities for growth and differentiation.

Digital platforms are playing a critical role in transforming economies across social media, business messaging, delivery, e-commerce, online advertising and video streaming. Yet, digital platforms can be challenging to define. Harvard Business School defines digital platforms as "business models that use online infrastructure to facilitate interactions between groups".[1] Other definitions emphasize the dynamic, multifaceted nature of digital platforms. For the purposes of this report, the term digital platforms refers to a range of different business models and services, from social media platforms to messaging platforms, and e-commerce platforms to delivery platforms (Figure A.1).

Figure 1.1: Types of digital platforms and a sample of examples

Source: Deloitte Access Economics (2025)

Top digital platforms for business operations across APAC

There are a diverse range of platforms. Across the six markets included in this report, a total of 58 unique top platforms were identified, spanning four categories (e-commerce, social media, delivery and Over-the-top (OTT) streaming).

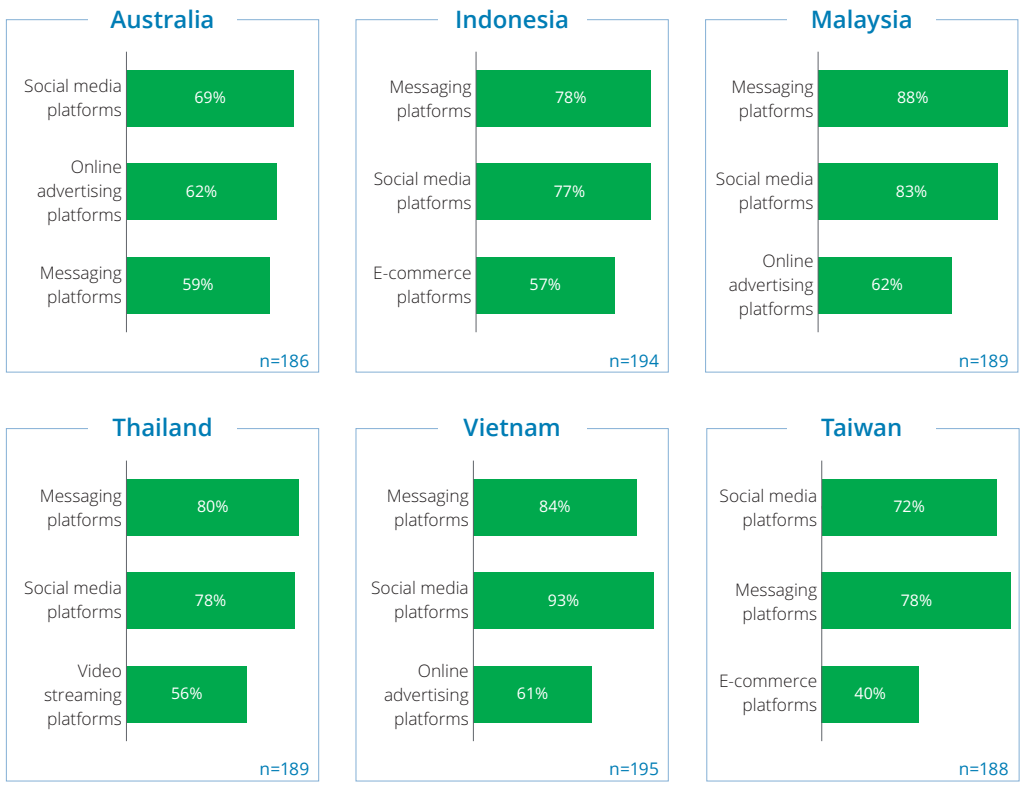
With the exception of Australia, social media platforms and messaging platforms were the top two digital platforms used by surveyed SMEs. For Australia, the top two platforms were social media platforms and online advertising platforms (Figure A.3).

SMEs can use social media and messaging platforms for a range of different applications. For example, SMEs can use messaging to connect with customers, and social media can assist with attracting new customers and building brand loyalty.[1]

Since the pandemic, business use of messaging platforms has gained significant traction in the APAC region, as consumers have become increasingly accustomed to dealing with businesses online. APAC customers are increasingly using business messaging, indicating that online access to businesses is becoming an expectation for consumers in the region.[2] As a result, business adoption of digital platforms is likely to keep growing as companies strive to meet consumer need.

SMEs in more developed economies like Australia and Taiwan have maintained a consistent level of social media use since 2015. In contrast, social media use in other markets has increased during this period. This likely explains the survey's finding that social media is more heavily relied upon in Indonesia, Thailand, Vietnam and Malaysia.[5]

Figure A.3: Top three Platforms by Market



Source: Business survey, Deloitte Access Economics (2024), "Has your business used any of the following digital platforms as part of its operations?"

Top digital platforms for each market

Table A.1. Most used digital platforms by category for each market

	Thailand[1]	Indonesia[2]	Vietnam[3]	Malaysia[4]	Taiwan[5]	Australia[6]
E-commerce*[a]	1. Shopee TH 2. Lazada TH 3. Kaidee 4. Advice 5. Decathlon TH	1. Shopee 2. Tokopedia 3. Lazada 4. Blibli 5. Bukalapak	1. Shopee VN 2. Lazada VN 3. Tiki 4. Chiaki 5. Sendo	1. Shopee MY 2. Lazada MY 3. Mudah 4. Carousell MY 5. Watsons MY	1. Shopee 2. Momo Shop 3. PChome 4. Yahoo! Buy 5. Lativ	1. Amazon 2. eBay 3. JB Hi-Fi 4. Kmart 5. Woolworths
Social Media[b]**	1. Facebook 2. LINE 3. Tiktok 4. Instagram 5. X	1. Whatsapp 2. Instagram 3. Facebook 4. Youtube 5. Tiktok	1. Facebook 2. Zalo 3. Youtube 4. Tiktok 5. Instagram	1. Whatsapp 2. Facebook 3. Instagram 4. Youtube 5. Tiktok	1. LINE 2. Youtube 3. Facebook 4. Instagram 5. Tiktok	1. Facebook 2. Youtube 3. Instagram 4. Whatsapp 5. Tiktok
Delivery[c]	1. GrabFood 2. LINE MAN 3. Food Panda 4. Shopee Food 5. Robinhood	1. GoFood 2. GrabFood 3. Shopee Food	1. GrabFood 2. ShopeeFood 3. Baemin 4. Gojek	1. GrabFood 2. Foodpanda 3. DeliverEat 4. ShopeeFood 5. AirAsiaFood	1. Ubereats 2. Foodpanda	1. Ubereats 2. Menulog 3. Doordash
OTT streaming[d]	1. Netflix 2. TrueID 3. Disney+Hotstar 4. Viu 5. WeTV	1. Netflix 2. Disney+Hotstar 3. Iflix 4. Viu 5. Vidio	1. FPT Play 2. Netflix 3. VTV Go 4. VieOn 5. K+	1. Netflix 2. Viu 3. Disney+Hotstar 4. Iflix 5. Prime	1. Netflix 2. Disney+ 3. MyVideo 4. FriDay	1. Netflix 2. Amazon Prime 3. Disney+ 4. Stan 5. Paramount+

*While this category does not include emerging social commerce players, platforms such as Tiktok shop and LINE MyShop are rapidly gaining popularity in markets like Thailand and Vietnam.

**In this context, social media platforms include both messaging and non-OTT video streaming platforms (e.g. Tiktok).