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SME digitalisation for competitiveness

The 2025 OECD D4SME Survey

By Marco Bianchini and Marta Lasheras Sancho

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SME digitalisation for competitiveness: The 2025 OECD D4SME Survey

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Digitalisation can unlock SME competitiveness, by helping SMEs access new markets and improve the efficiency of their operations. Understanding how SMEs derive value from digitalisation, as well as the barriers they face – whether in adopting new technologies or in adapting their business processes – is key to informing effective policymaking. This 2025 OECD D4SME Survey sheds light on both across ten OECD countries (Australia, Canada, France, Germany, Italy, Japan, Korea, Spain, the United Kingdom, and the United States) in collaboration with digital platform partners of the OECD D4SME Global Initiative (Amazon, Intuit, Kakao, Rakuten, Sage). Building on insights from its 2024 edition, the 2025 OECD D4SME Survey provides an updated perspective on SMEs' digital maturity and practices. It offers a focus on four of our key areas to enhance SME competitiveness through digitalisation: adoption of AI technologies (including generative AI), use of digital tools for sustainability, uptake of fintech solutions, and digital security practices to enhance resilience against cyber threats.

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This paper is authorised for publication by Lamia Kamal-Chaoui, Director, Centre for Entrepreneurship, SMEs, Regions and Cities, OECD.

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Executive Summary

The 2025 OECD Digital for SMEs (D4SME) Survey examines the digitalisation of small and medium-sized enterprises (SMEs) across ten OECD countries: Australia, Canada, France, Germany, Italy, Japan, Korea, Spain, the United Kingdom, and the United States. The survey was conducted in Q4 2024 and gathered answers from 1 009 SMEs using large digital platforms and service providers (Amazon, Intuit, Kakao, Rakuten, Sage). Although results should not be interpreted as representative of the entire SME population in the surveyed countries, the survey provides insights into trends, opportunities and challenges related to SME digitalisation, by SMEs on digital platforms, including by looking at their level of digital maturity, adoption of emerging technologies like AI, use of digital tools for sustainability, uptake of FinTech solutions, and digital security practices.

Key insights include:

- **Generative AI is on the rise**: the share of SMEs using Generative AI continues to increase, suggesting that policies supporting the uptake of AI by SMEs could be more effective by providing tools and resources specifically dedicated to unlocking more advanced, productivity-enhancing uses of large language models (LLMs) by SMEs.
- **CEO age impacts digital uptake, in particular in older firms**: intergenerational differences matter, thus policies could include specific provisions to accompany older CEOs in designing and implementing digital strategies for the SMEs they lead.
- **Enhancing digital security remains central**: while digital tools become more pervasive in SMEs' business processes, there is still a gap in the knowledge, means, and skills needed in the area of digital security, prompting governments to step up to ensure a safer and more responsible digital uptake by SMEs.

Key Findings

Digital maturity & barriers

Only one out of two SMEs come out as "competent" or better in the digital maturity index based on their survey responses. SMEs display varying levels of digital maturity, ranging from basic adoption (16%) to transformative digital integration (8%). Small (25%) and medium sized (21%) businesses are more likely to have adopted advanced or transformative digital tools compared to micro-enterprises (19%) and the self-employed (14%). The key barriers to digitalisation for all SMEs include maintenance costs (40%), lack of time for training (39%), and hardware costs (32%), While if we look exclusively at medium-sized businesses the main barrier become lack of time for training (49%), followed by hardware costs (35%) and maintenance costs (31%).

Skills need & access

SMEs' digital skills need vary by sector, size and digital maturity. Retail businesses prioritise digital marketing and Search Engine Optimisation (SEO) (51%), while professional services have a higher focus on digital security (50%). Medium-sized firms are more likely to digitalise day-to-day operations (e.g., reporting, payments), (52%), data analytics (46%), and digital security (45%). Most SMEs acquire skills informally via internet research (35%) and knowledge sharing between colleagues (23%), with only 13% engaging in formal training and 6% in expert-led programmes.

AI adoption & impacts

AI adoption has increased significantly, with 39% of SMEs using AI applications, up from 26% in 2024. Among the possible AI applications, generative AI is the most widely used, with 26% of businesses leveraging it for productivity and innovation, up from 18% last year. However, non-users cite concerns about legal issues, data privacy, and misinformation as major deterrents.

Sustainability & digital tools

SMEs increasingly use digital tools to enhance sustainability, with 28% tracking environmental data (38% in manufacturing), primarily energy consumption (17%). However, beyond energy consumption, sustainability tracking is limited, with only 7% of businesses monitoring their carbon footprint. Key barriers include lack of awareness (46%) and perceived irrelevance (39%).

FinTech adoption & usage

Most SMEs use fully digital fintech platforms for online payments and online banking, while only a small minority uses them to access credit. While 58% of SMEs use services provided by “digital only” fintech providers, the focus remains on basic services like online banking (43%) and payment processing (42%). Only 2-4% of SMEs use fully FinTech platforms to access capital, such as peer-to-peer lending and crowdfunding.

Digital security & resilience

Two out of three SMEs do not have “robust” digital security practices in place. Only 27% of SMEs have either a robust (16%) or advanced (11%) digital security framework, while 9% have no security measures. Compared to the 2024 survey evidence, the share of businesses reporting digital security breaches doubled to 32%. SMEs primarily rely on basic measures like secure passwords (68%) and two-factor authentication (67%), with limited uptake of more advanced protections such as cybersecurity assessments with external experts and regular staff training.

Mental well-being & digitalisation

Digitalisation improves efficiency but also contributes to stress and burnout. 42% of SMEs report stress adapting to digital tools, with women (40%) and the self-employed (41%) most affected. While 85% recognise the benefits of going digital, including flexible work arrangements, mental well-being challenges remain a concern.

Government support for SME digitalisation

Only 21% of SMEs are aware of government digitalisation support, with 10% having accessed it. Of the remaining 11% that were aware of the support programme but did not benefit, 40% indicate they did not need public support, but another 27% noted that the programmes did not suit their needs, which

suggests targeting issues, and 30% indicated complex application processes as a major impediment. This highlights the need for more streamlined and better-targeted initiatives to improve SME access to government digitalisation programs.

Conclusion

The 2025 D4SME Survey highlights the evolving role of digitalisation in SME competitiveness. While AI, FinTech, and sustainability tools are gaining traction, significant barriers remain, particularly in digital security, financial access, and digital skills development. Targeted information and support programmes, alongside accessible training in AI and digital security will be needed to enable SMEs to unlock the full potential of digital tools.

1 The sample

The 2025 OECD D4SME survey gathers evidence on *SME digitalisation for competitiveness*, including insights on the use of AI, tracking of data on environmental impact, use of FinTech and uptake of digital security practices. Since 2022, the OECD D4SME Global Initiative has undertaken an annual international survey to gather original evidence on the trend, challenges and opportunities associated with the uptake of digital tools and practices by SMEs. The current survey, conducted in Q4 2024, expands on the previous D4SME Survey on *SME Digitalisation to manage Shocks and Transitions*, published in 2024.

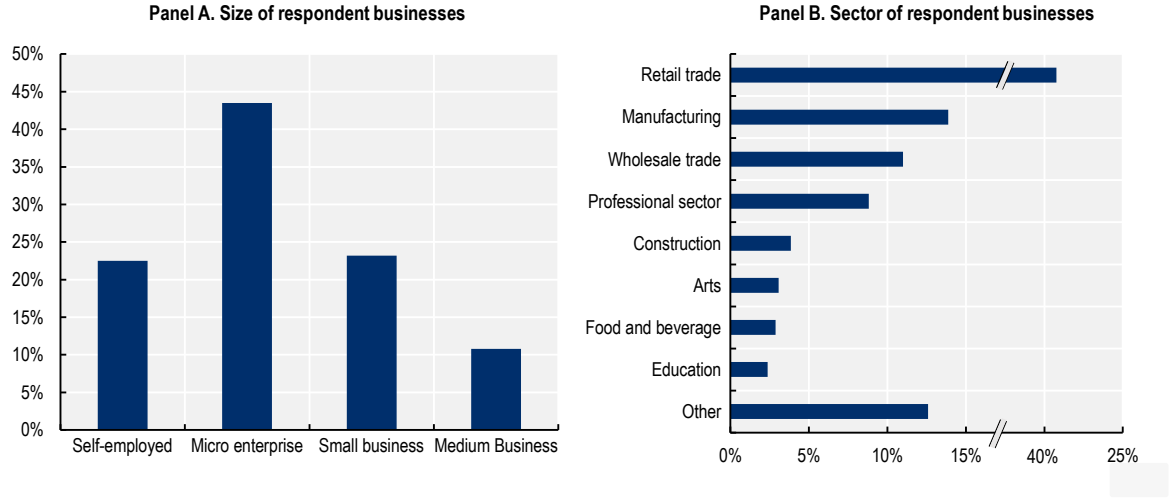
The survey was designed and managed by the OECD Centre for Entrepreneurship, SMEs, Regions and Cities. The online questionnaire was shared by partners of the OECD Digital for SMEs (D4SME) Global Initiative[1] among SMEs using their platform in ten countries. It gathered 1009 responses from Australia (31), Canada (34), France (40), Germany (24), Italy (36), Japan (506), Korea (91), Spain (36), the United Kingdom (153), and the United States (58). To account for significant differences in sample size across countries, the findings presented in this note are based on country-averages, unless stated differently. Since respondent SMEs are customers of the digital platforms through which they were reached, it is clear respondents already have at least a basic level of acquaintance with digital tools. Moreover, the sample size is small compared to the general business population in the ten countries considered and non-randomised. Considering the above, while offering original insights on SME digitalisation trends for SMEs on digital platforms, the survey results should not be interpreted as representative of the entire SME population in the surveyed countries, nor, necessarily, of the SME population on digital platforms

Business and respondent characteristics

The sample composition is skewed in comparison with the business population in the surveyed countries, with an over-representation of mid-sized businesses and the retail sector. Self-employed and micro-enterprises constitute 67% of the sample, with small businesses at 23%, totalling 90%. In comparison, averages across analysed countries show 85% self-employed/micro-businesses and 11% small businesses, totalling 96%. Medium-sized businesses are overrepresented, accounting for 11% of the sample (Figure 1.1; Panel A) compared to only 5% of all businesses on average across surveyed countries[2] (OECD, 2022[1]). Sector-wise, the retail sector is over-represented, compared to the entire business population, at 42% of the sample, reflecting the fact that many of the D4SME partners who distributed the survey to their networks of SMEs operate digital retail platforms. The manufacturing sector is the second most represented at 14%, followed by in wholesale trade (11%) and professional services (9%) including scientific and technical activities (Figure 1.1; Panel B)[3].

Figure 1.1. Size and sector distribution of respondent businesses

As a percentage of the total number of responses

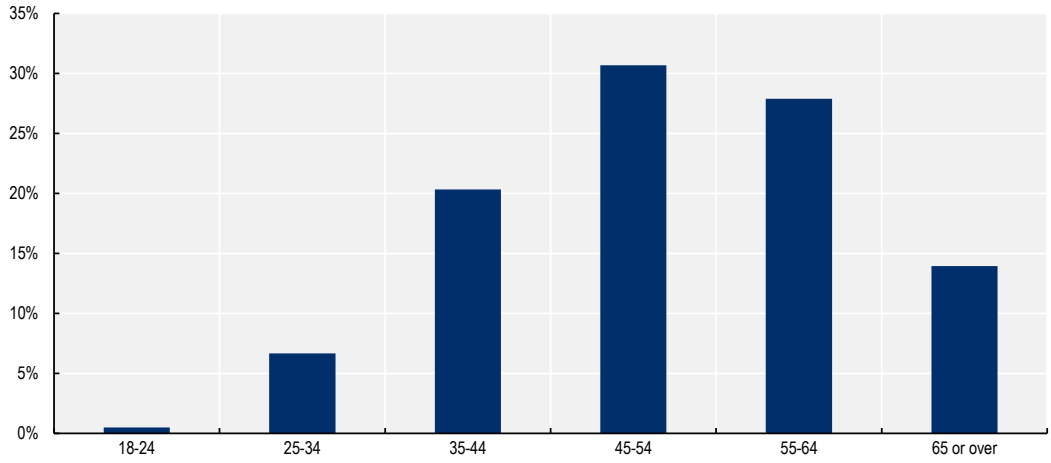


Note: Questions for size (What is the size of your business as of today?) and sector (Which sector best describes your businesses' main activity) were mandatory, single-choice questions. Percentages are calculated based on a total of 1009 responses.
Source: 2025 OECD D4SME Survey.

Most surveyed businesses have been in operation for more than a decade and are led by CEOs aged forty-five or older. Overall, 60% of businesses were established before 2014, while 16% have been in operation for 6 to 10 years. Younger firms make up a smaller share of respondents, with 13% in business for 3 to 5 years and 11% classified as start-ups founded between 2022 and 2024. Less than a third of businesses report having a CEO under 45 (Figure 1.2), while among startups CEOs under 45 are much more common (57%). The majority are led by more experienced entrepreneurs or professionals: 31% by CEOs aged 45-54, 28% by those aged 55-64, and 14% by CEOs aged 65 or older.

Figure 1.2. Age of the CEO in surveyed companies

As a percentage of the total number of responses

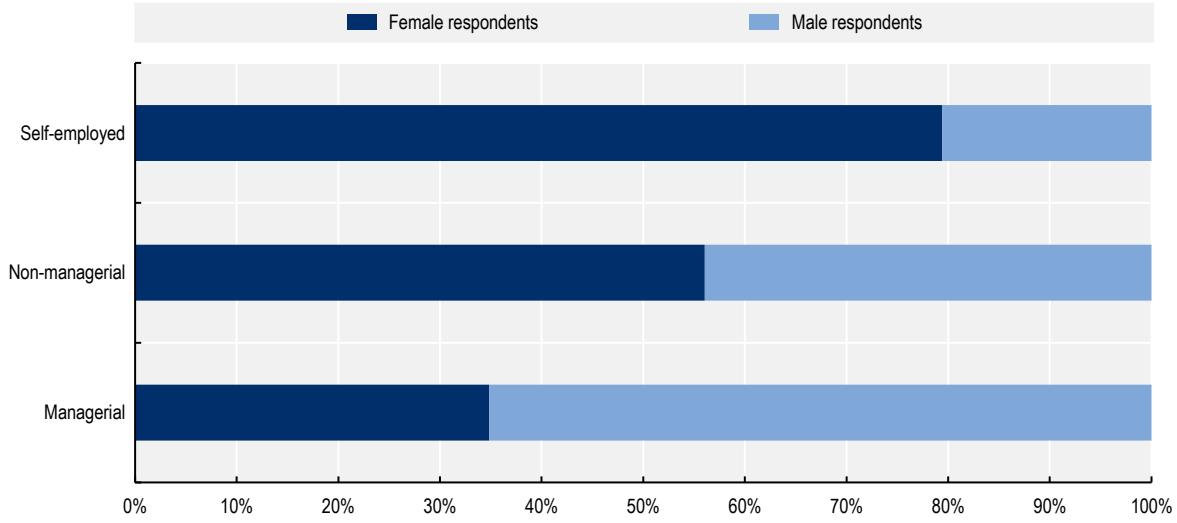


Note: Non-mandatory, single-choice question (How old is the CEO of your business?). Percentages are calculated based on a total of 1004 responses.
Source: 2025 OECD D4SME Survey.

Overall, 56% of respondents are in managerial positions (CEOs, managers, business owners), 37% are employees, and 7% are self-employed. Men (60%) are more represented than women (37%) among respondents, especially in managerial roles (65% men). Women dominate self-employed (79%) and non-managerial positions (56%) (Figure 1.3).

Figure 1.3. Gender distribution by position of respondents

As a percentage of the total number of responses



Note: Questions for position (Please indicate your position in the company) and gender (What is your gender identity?) were non-mandatory, single-choice questions. Percentages are calculated based on a total of 562 responses.
Source: 2025 OECD D4SME Survey.

2 Digital maturity

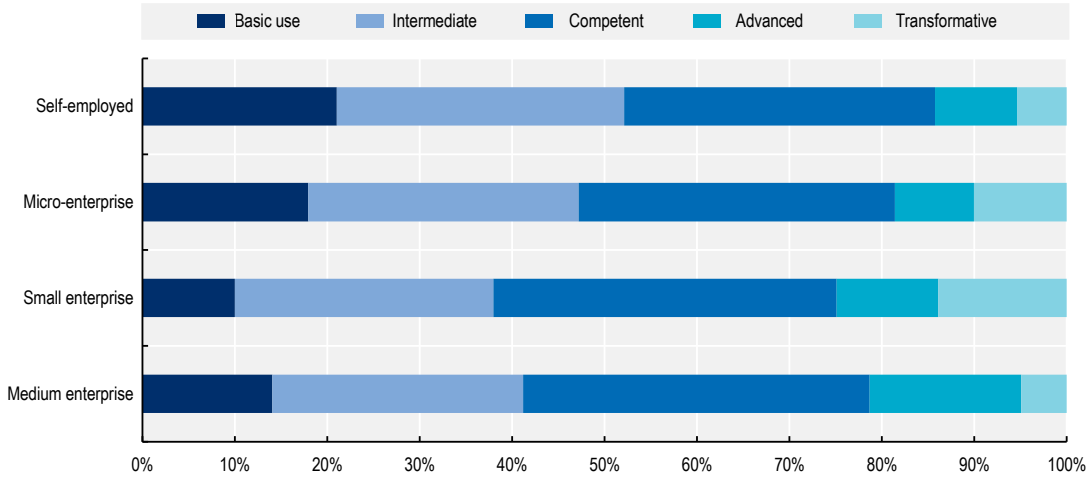
Respondent SMEs are categorised by a "digital maturity index" from basic to transformative.

- Basic adoption: 16% use basic tools such as email and office software.
- Intermediate: 29% use tools to support operations, like websites, digital payments, and basic social media.
- Competent: 35% integrate digital tools across functions, including cloud computing, mobile tech, and e-commerce, with plans for more.
- Advanced: 11% use AI, IoT, and data analytics to enhance operations and decision making.
- Transformative: 8% prioritise digital innovation in their business strategy and use cutting-edge tools such as blockchain and machine learning.

As is commonly observed, the larger businesses in the sample tended to be more mature in their digitalisation. While 21% of self-employed respondents and 18% of micro-enterprises had only adopted basic digital tools, this was only true of 10% of small businesses and 14% for medium-sized ones. At the other end of the spectrum, 25% of small businesses and 21% of medium-sized firms adopt advanced or transformative digital tools, compared to 19% of micro-enterprises and 14% of the self-employed. This is likely to reflect some degree of economies of scale in adopting new digital technologies, suggesting a link between size and digital adoption, likely driven by resources or perceived need—though small businesses outperform medium-sized ones (Figure 2.1).

Figure 2.1. SME digital maturity index based on reported integration of digital tools

As an average percentage of responses across surveyed countries by size



Note: Based on a multiple-choice, mandatory question (How is your business using digital tools? Please select all that apply) with a list of software tools being used (e.g. from e-mail and office software to cloud computing, IoT and AI). Percentages are calculated based on a total of 1009 responses.
Source: 2025 OECD D4SME Survey.

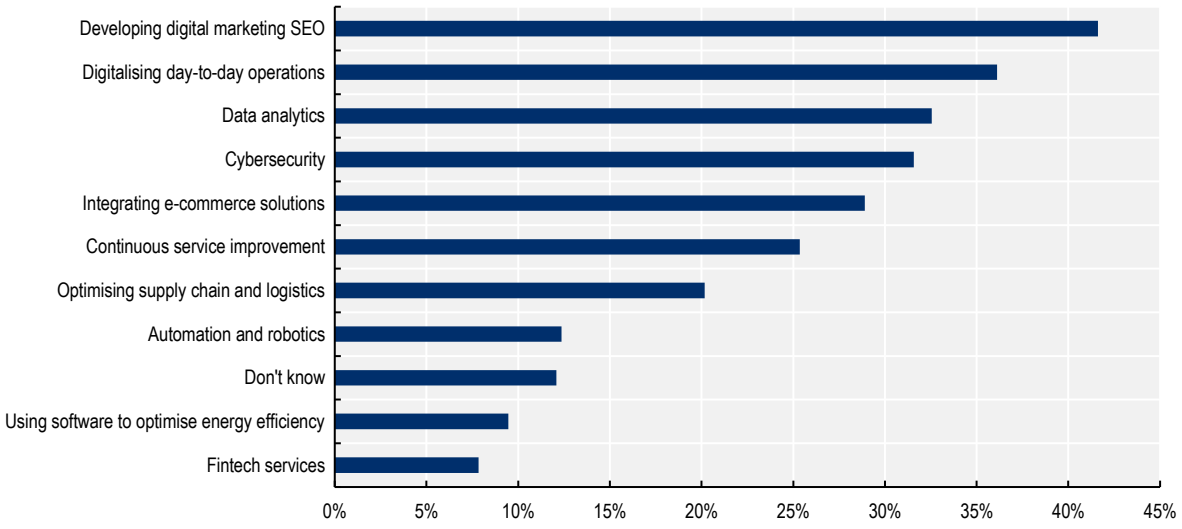
Skills needs

Digital skills needs differ across sectors. Overall, respondent SMEs saw the most urgent needs for training on digital marketing and SEO (42%), digitalising day-to-day operations (36%), and data analytics (33%) (Figure 2.2). However, there are notable differences between sectors, reflecting varying skill needs: 51% of retail businesses express interest in digital marketing and SEO, compared to 38% in manufacturing and 34% in the professional sector. Meanwhile, 50% of SMEs in the professional sector identified digital security skills as a priority, compared to 37% in wholesale trade, 31% in manufacturing, and 30% in retail. Skills related to optimising energy consumption or using Fintech services were less in demand, with fewer than 10% of respondents selecting these as priorities, and little variation across sectors.

Training needs vary by size and digital maturity, with medium-sized firms more likely to focus their upskilling on digitalisation of day-to-day operations, data analytics, and digital security. Over half (52%) of medium-sized businesses seek training for digitalising day-to-day operations, compared to 30% of self-employed respondents. Medium-sized firms are also more likely to prioritise data analytics (46% versus 30% of self-employed and 27% of micro-enterprises) and digital security (45% compared to 30% of self-employed). Notably, businesses with an advanced level of digitalisation (see Figure 3.8) are more likely to prioritise digital security (43% against 30% of businesses with basic digital use). At the same time, the survey illustrates increasing awareness of digital security risks among businesses that have not yet taken any digital security measures (9% of surveyed businesses, see Figure 3.8). Of these, 25% identify digital security as a training priority.

Figure 2.2. Areas in which businesses would like more training

As an average percentage of responses across surveyed countries



Note: Mandatory, multiple-choice question (Select the areas in which your business could use more training). Percentages are calculated based on a total of 1009 responses.
Source: 2025 OECD D4SME Survey.

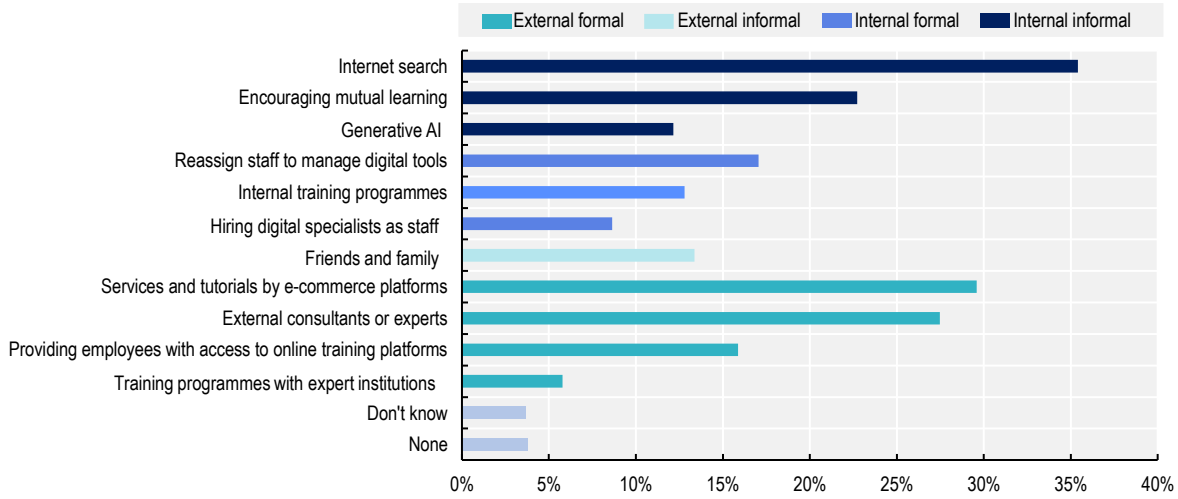
Skills acquisition process

SMEs address their digital skills needs informally, favouring internet research (35%) knowledge sharing between employees (23%) or Generative AI tools (12%), over formal internal training (13%). Most businesses acquire digital skills by researching online (35%), indicating a learning-by-doing approach

(Figure 2.3). A similar proportion relies on training material and course offered by e-commerce platforms (30%) or external consultants (27%), highlighting a trend towards seeking external digital expertise. Only 13% engage in formal internal training, and 6% participate in expert-led training programmes, suggesting reluctance to engage with formal training providers, possibly due to cost, accessibility, or perceived relevance. Nearly one in four businesses (23%) encourages mutual learning among employees, favouring informal internal knowledge-sharing over structured training programmes. Notably, 12% of businesses are already using generative AI to develop digital skills.

Figure 2.3. Skills acquisition strategy of surveyed businesses

As an average percentage of responses from surveyed countries



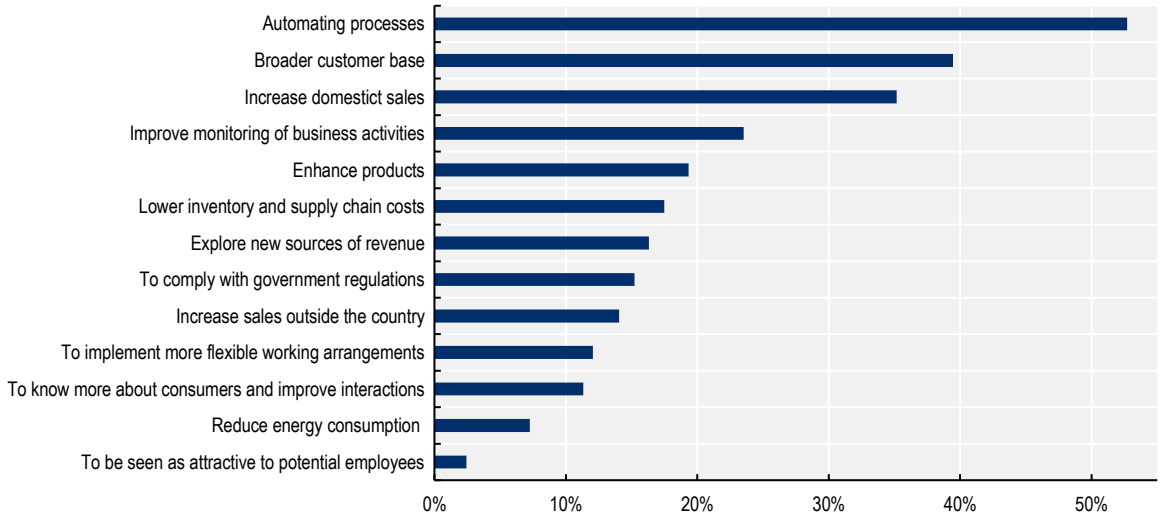
Note: Mandatory, multiple-choice question (How does your business address its digital skills needs?). Respondents could select up to three answer options. Percentages are calculated based on a total of 1009 responses.
Source: 2025 OECD D4SME Survey.

Benefits and Barriers of digitalisation

Automating processes (53%), expanding the customer base (39%), and increasing domestic sales (35%) are the main benefits SMEs perceive from digital adoption. One in four businesses (24%) also view improved monitoring of business activities as a key benefit, which reflects increasing reliance on data-driven decision-making. This aligns with reported digital skills needs, where data analytics ranks third among areas for further training (see Figure 2.2). In contrast, digitalisation is not considered as a means of attracting talent, with only 2% identifying this as a key benefit. Similarly, few businesses consider reducing energy consumption (7%) to be a primary benefit of digitalisation, despite the increasing availability of energy saving tools such as smart energy management systems or predictive maintenance that reduces equipment downtime.

Figure 2.4. Perceived benefits of digital adoption

As an average percentage of responses across surveyed countries

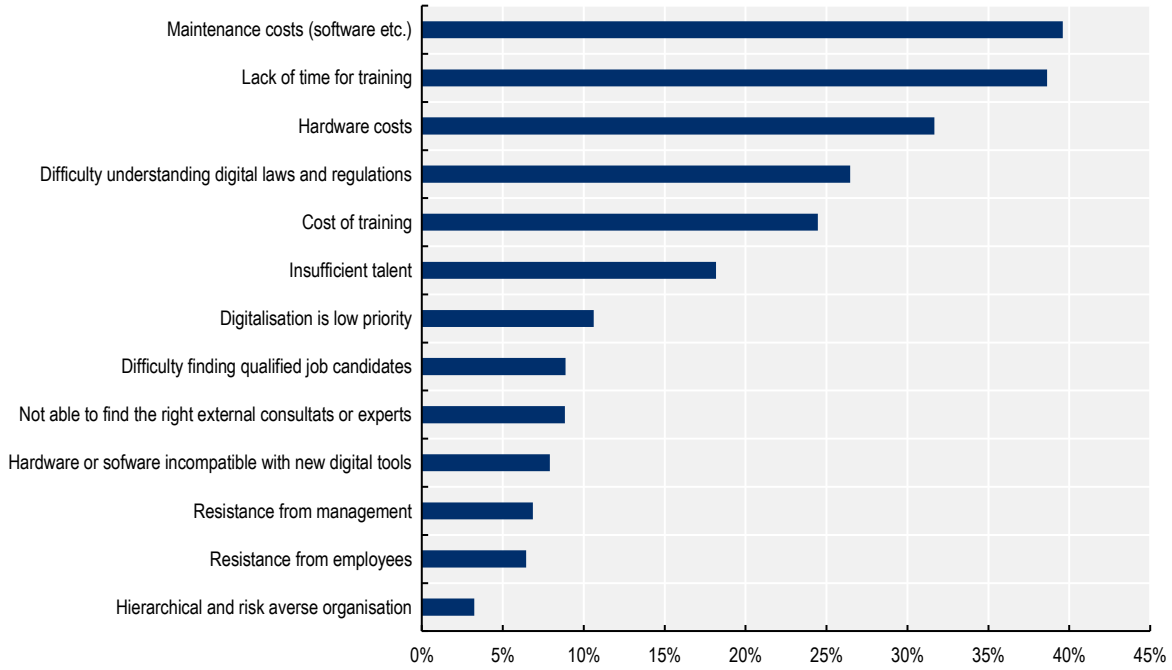


Note: Mandatory, multiple-choice question (What do you think are the main benefits of using digital tools in our business? Which of the following barriers does your business encounter when using digital tools?); Respondents could select up to three answer options. Percentages are calculated based on a total of 1009 responses.
Source: 2025 OECD D4SME Survey.

Maintenance costs, lack of time for training, and hardware costs are the top three barriers to SME digitalisation, consistent with 2024 survey findings. Maintenance costs represent the biggest challenge (40%), including for example, software costs or fees for technical maintenance services. This is closely followed by time for training (39%) and hardware costs (32%). While this order doesn't change much if we consider self-entrepreneurs, micro, or small businesses, if we look exclusively at medium-sized businesses the difference becomes more noticeable, with the main barrier being lack of time for training (49%), followed by hardware cost (35%) and maintenance (31%). For one business out of four (26%), understanding digital laws and regulations is a concern, like training costs (24%). Structural issues such as hierarchical organisations (3%), employee resistance (6%), and management resistance (7%) are less frequently cited.

Figure 2.5. Perceived barriers to digital adoption

As an average percentage of responses across surveyed countries



Note: Mandatory, multiple-choice question (Which of the following barriers does your business encounter when using digital tools?); Respondents could select up to three answer options. Percentages are calculated based on a total of 1009 responses.
Source: 2025 OECD D4SME Survey.

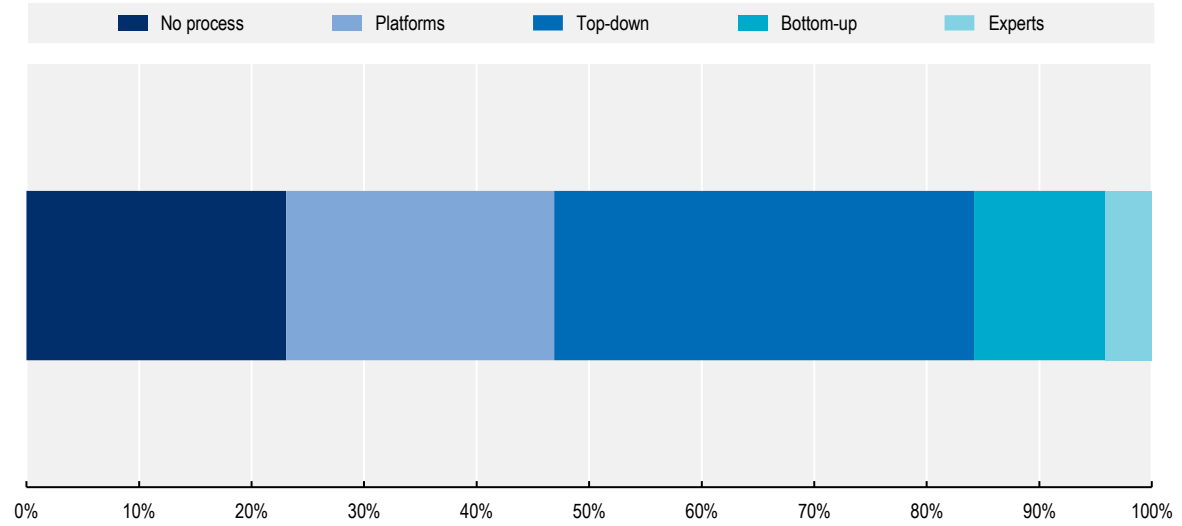
Digitalisation process

A significant portion of SMEs (37%) integrate digital tools through a "top down" approach, but smaller businesses, including micro and self-employed, predominantly rely on platforms (24%). While this reflects the survey design, as several platform providers shared the survey with their users, the greater reliance on platforms among the self-employed (36%) compared to medium-sized businesses (7%), highlights the varied operational needs and capacity, as well as the necessity for adaptable digitalisation strategies by larger SMEs. Only 12% of respondents adopt a bottom-up approach, encouraging employees to explore new digital solutions (Figure 2.6), while a mere 4% seek external experts to organise and/or implement their digitalisation process (4%).

Intergenerational differences matter, with older CEOs less likely to implement a structured digitalisation process. 45% of businesses led by CEOs aged 65 or over lack a clear digitalisation process, while only 11% of businesses with CEOs aged 25 to 34 report the same (Figure 2.7). This suggests younger entrepreneurs view digitalisation more favourably than older managers. Younger CEOs are also more likely to rely on platforms for digitalisation (39%) compared to older CEOs (10%). Bottom-up approaches are relatively more common to businesses led by younger management, while most businesses with CEOs aged 35 to 64 adopt a top-down approach to integrating digital tools.

Figure 2.6. Digitalisation strategies implemented by surveyed businesses

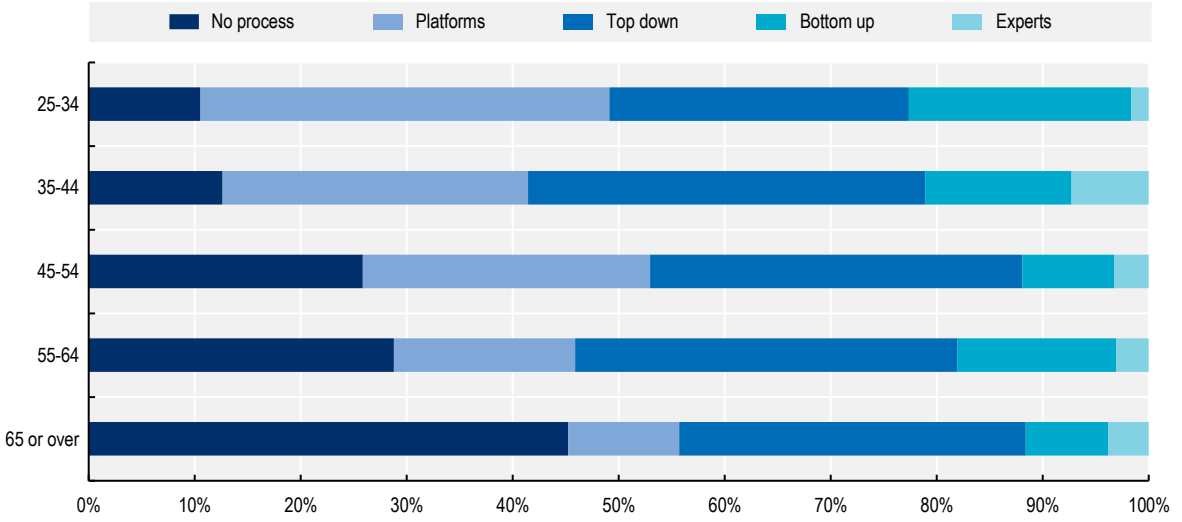
As an average percentage of responses across surveyed countries



Note: Mandatory question (Which of the following best describes your business' digitalisation process?). Percentages are calculated based on a total of 1009 responses.
Source: 2025 OECD D4SME Survey.

Figure 2.7. Intergenerational differences shape approaches to digital tool integration

As a percentage of responses from surveyed countries by CEO age brackets



Note: Based on a mandatory question single-choice question (Which of the following best describes your business' digitalisation process?) and a non-mandatory single-choice question (How old is the CEO of your business?). The CEO age backet category 18-24 was excluded due to low number of responses (see Figure 1.2). Percentages are calculated based on a total of 999 responses.
Source: 2025 OECD D4SME Survey.

3 SME digitalisation for competitiveness

Use and impact of Artificial Intelligence

AI adoption is on the rise driving efficiency gains, with generative AI leading the way. Overall, 39% of surveyed businesses indicate they employ an Artificial Intelligence (AI) application in their core business activities or products, up from 26% in 2024. While the sample is not representative of the overall SME population in surveyed countries, these figures suggest a sizeable upward trend.

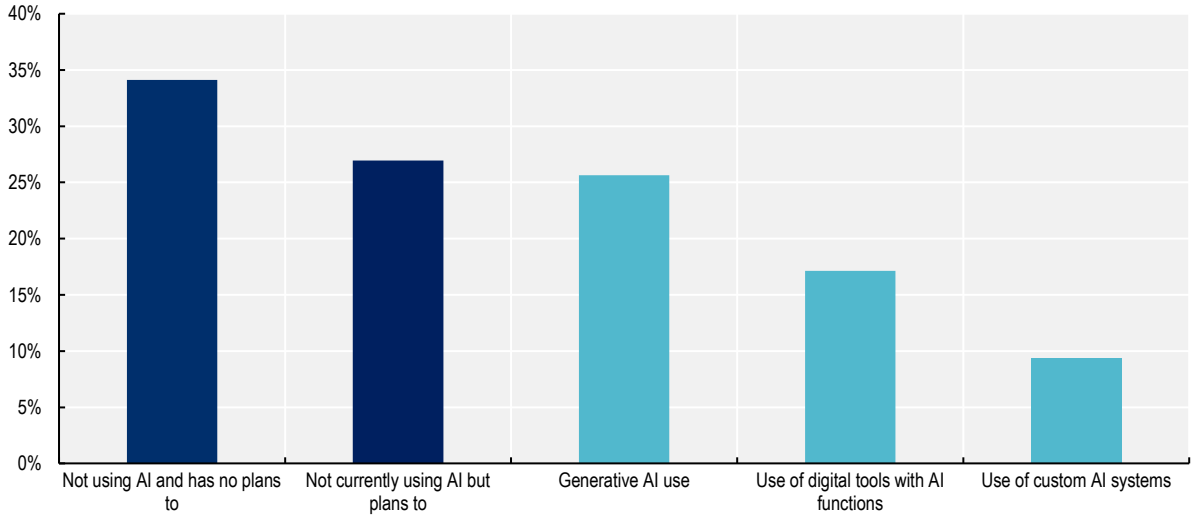
Generative AI remains the most widely applied form of AI among respondent SMEs (26%, up from 18% in 2024). Further, 17% of respondents reported that they make a passive use of AI through algorithms embedded in the platforms they use. In fact, all surveyed SMEs use AI this way, as they are customers of the AI -powered platform providers who disseminated the online survey. This means 17% are aware of their passive AI use, while 83% are not. This is a significant increase from 5% of aware users reported in the 2024 survey, highlighting a growing recognition of AI's presence and impact. We also see a growing proportion of SMEs creating or acquiring custom machine learning algorithms, up to 9% from 6% in 2024. Among the 61% who indicate they do not use AI, nearly half (44%) plan to start in the near future.

SMEs with only basic use of digital tools are less likely to use AI, along with businesses led by older CEOs. Only 25% of respondents with “basic” or “developing” digital tool usage (see “digital maturity index” in Figure 2.1) report using at least one AI application. This increases to 51% for those with “competent” or “advanced” digitalisation and 61% for businesses with “transformative” digital technology use. Further, businesses with CEOs aged 35 to 44 are more likely to use AI (47%) compared to those with CEOs aged 25 to 34 (40%). However, the least common use of AI applications is observed in businesses with CEOs aged over 45 years (26%).

Among AI users, two in three consider it has at least a moderate impact on their business activities. Specifically, 43% of respondents report that AI has had a moderate impact on their business, such as reducing manual tasks or improving accuracy. An additional 18% believe AI has significantly enhanced efficiency, productivity or decision making. However, only 6% report a transformational impact, fundamentally changing work processes and creating significant value.

Figure 3.1. Use of AI and applications by surveyed businesses'

As an average percentage of responses across surveyed countries

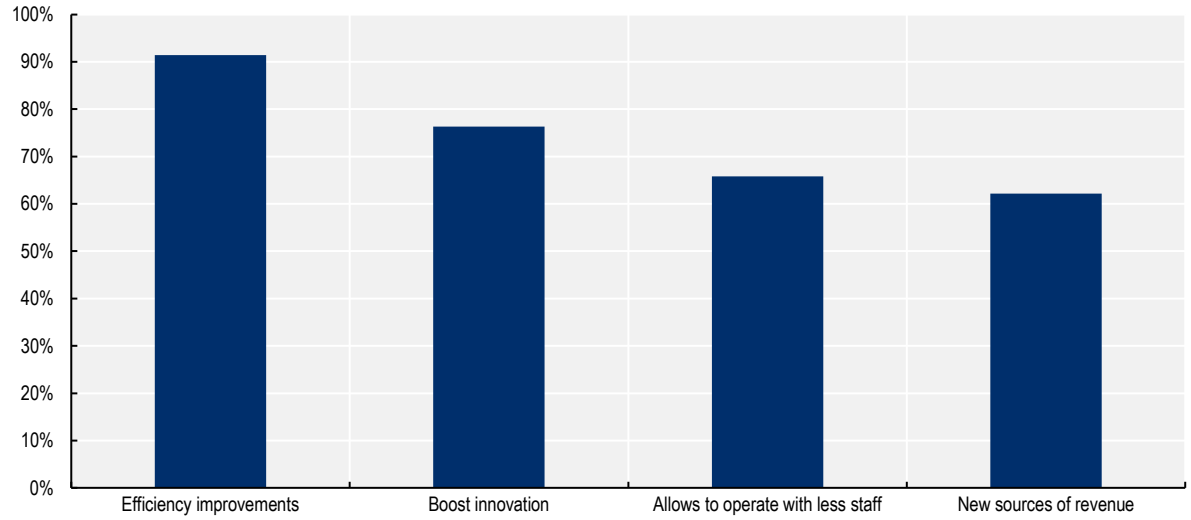


Note: Mandatory, multiple-choice question (How does your business use Artificial Intelligence in core business products or processes? Please select all that apply). Percentages are calculated based on a total of 1009 responses.
Source: 2025 OECD D4SME Survey.

Generative AI users embrace its efficiency gains, **while non-users remain more focused on their potential risks.** Among generative AI users, 91% report productivity boosts, 76% note enhanced innovation, 66% mention reduced staffing needs, and 62% cite access to new revenue sources (Figure 3.2). In contrast, 67% of non-users are unsure about how to use generative AI or the risks involved, compared to 42% of users, though this suggests that still a substantial share of users remains uncertain about the risks (Figure 3.3). Additionally, three quarters of non-users worry about harmful content, compared to 52% of users, suggesting concerns lessen with use. Top concerns for both groups include copyright and legal issues, inaccurate information, with around 80% viewing these as barriers. Furthermore, 83% of non-users versus 70% of users are concerned about data privacy.

Figure 3.2. Perceived opportunities of using generative AI

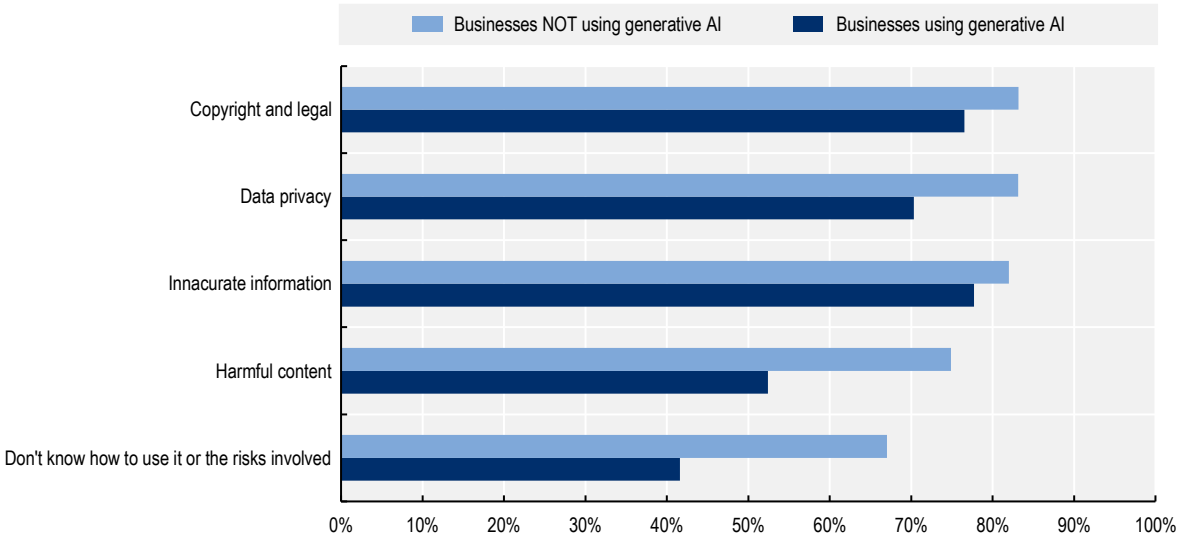
As a percentage of respondent businesses using generative AI



Note: Non-mandatory question of respondent businesses using generative AI (To what extent do you agree with the following statements about the opportunities that generative AI presents to your business?). Percentages correspond to the share of generative AI users agreeing or strongly agreeing with these statements. Percentages are calculated based on 232 responses from generative AI users.
Source: 2025 OECD D4SME Survey.

Figure 3.3. Perceived risks from use of generative AI by surveyed businesses

As a percentage of responses of businesses either using or not using generative AI



Note: Non-mandatory question asked to all respondents irrespective of their use of generative AI (To what extent do you agree with the following statements about the risks that generative AI presents to your business?). Percentages correspond to the share of users and non-users agreeing or strongly agreeing with these statements. Percentages are calculated based on 229 responses from generative AI users and 684 from non-users.
Source: 2025 OECD D4SME Survey.

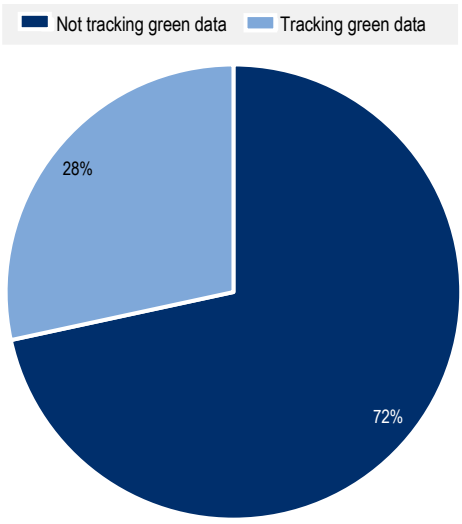
Greening

Overall, 28% of respondents indicate they use digital tools to track environmental data, mostly their energy consumption. Specifically, 17% of businesses track their energy consumption, highlighting the strong business case for digital adoption in this area. Digital tools, such as smart meters, energy management software, and IoT sensors, can significantly optimise energy use and reduce costs by providing real-time data (OECD, Forthcoming[2]). This is particularly relevant in the aftermath of recent energy crises, which impacted several surveyed countries, especially in the EU, leading to increased energy prices and supply uncertainties (OECD, 2023[3]). Manufacturing businesses are slightly more likely to track energy consumption (21%) and monitor environmental data overall (38%), reflecting their higher energy intensity and cost-saving potential.

The use of digital tools for tracking environmental impact beyond energy consumption remains limited among surveyed SMEs, but there are signs of emerging awareness and potential for growth. Only 7% of surveyed businesses track their carbon footprint. Additionally, 7% of respondents use digital tools for eco-friendly packaging and 6% for waste management, adopting tools like lifecycle assessment software and waste tracking systems. Another 5% track sustainable sourcing, and 5% reduce water usage, reflecting growing but limited interest in broader sustainability metrics.

Figure 3.4. Share of surveyed businesses tracking environmental impact

As an average percentage of responses across surveyed countries



Note: Mandatory, multiple-choice question (Does your business use digital tools to monitor your business' environmental impact? Please select all options that apply). Tracking no environmental data was an exclusive answer option. Percentages are calculated based on a total 946 responses.
Source: 2025 OECD D4SME Survey.

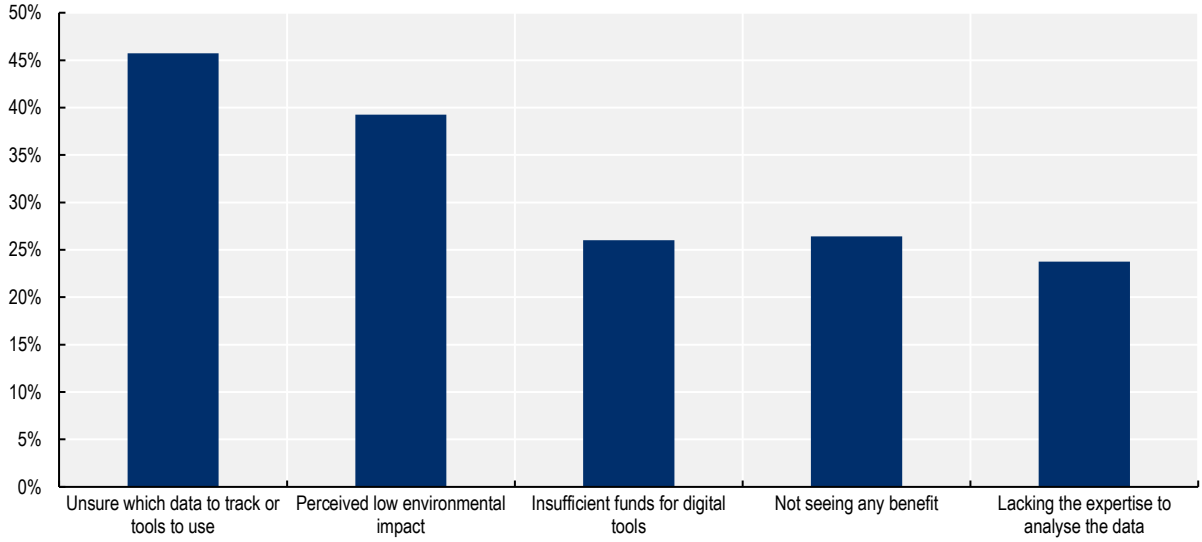
Among businesses tracking their environmental performance, two-thirds consider digital tools are key for reporting. Of those using digital tools to monitor environmental performance, 66% find that they significantly ease the reporting process. In comparison, 19% are neutral, 7% find them unimportant, and 9% are either unsure (6%) or not engaged (3%) in environmental reporting.

The main barriers for businesses not tracking their environmental performance stem from awareness gaps. Among the 72% respondent SMEs that do not use digital tools to track their environmental data, common reasons include uncertainty about what to track or which tools to use (46%)

and the belief that their business has no significant environmental impact (39%). Additionally, over a quarter (26%) see no benefit in tracking environmental impact (Figure 3.5), suggesting a lack of awareness about potential business advantages, such as cost savings and improved supply chain competitiveness. Financial and capacity constraints further limit adoption, with 26% citing insufficient funds for digital tools and 24% lacking expertise to analyse environmental data. Raising awareness of affordable tracking solutions (e.g., energy monitoring apps, cloud-based carbon calculators, and waste management platforms), providing dedicated digital tools to help SMEs to converge towards industry standards (e.g., automating emission reporting), and addressing skills gaps will be crucial, particularly for smaller businesses with limited internal capacity (OECD, 2025[4]; OECD, 2023[5]; IB1, 2024[6]).

Figure 3.5. Barriers to the measurement of environmental impact

As a percentage of responses from businesses not tracking green data



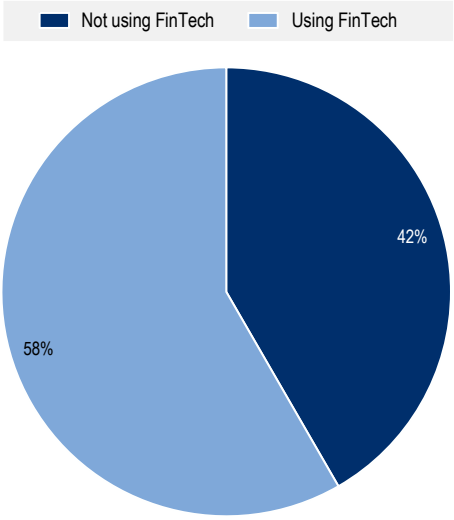
Note: Mandatory, multiple-choice question (Why does your business not track its environmental impact?). Percentages are calculated based on a total of 701 responses from businesses indicating that they did not monitor their environmental impact.
Source: 2025 OECD D4SME Survey.

Fintech

Fully online fintech platforms are increasingly used in SMEs' day day-to-day operations but remains underutilised for accessing alternative financing channels. Overall, 58% of surveyed SMEs indicate they are using digital financial services offered by fully digital fintech providers (Figure 3.6), mainly referring to online banking services (43%; e.g., Revolut, N26, Wise) and online payment processing (42%, e.g., PayPal, Stripe, Amazon Pay, Kakao Pay, Rakuten Pay). An additional 28% of businesses note they use e-invoice software services and 19% that they are using tax preparation software – keeping in mind the "selection bias", as the survey was disseminated to SMEs operating on platforms as Intuit and SAGE that offer precisely this type of services. With regard to other more advanced forms of FinTech services, only 4% report using lending services from e-commerce platforms, and 2% have used peer-to-peer (P2P) or crowdfunding **(**Figure 3.7), This suggests that increasing awareness of alternative financing options could enhance SME financial resilience and access to capital.

Figure 3.6. Share of businesses using fully online FinTech platforms

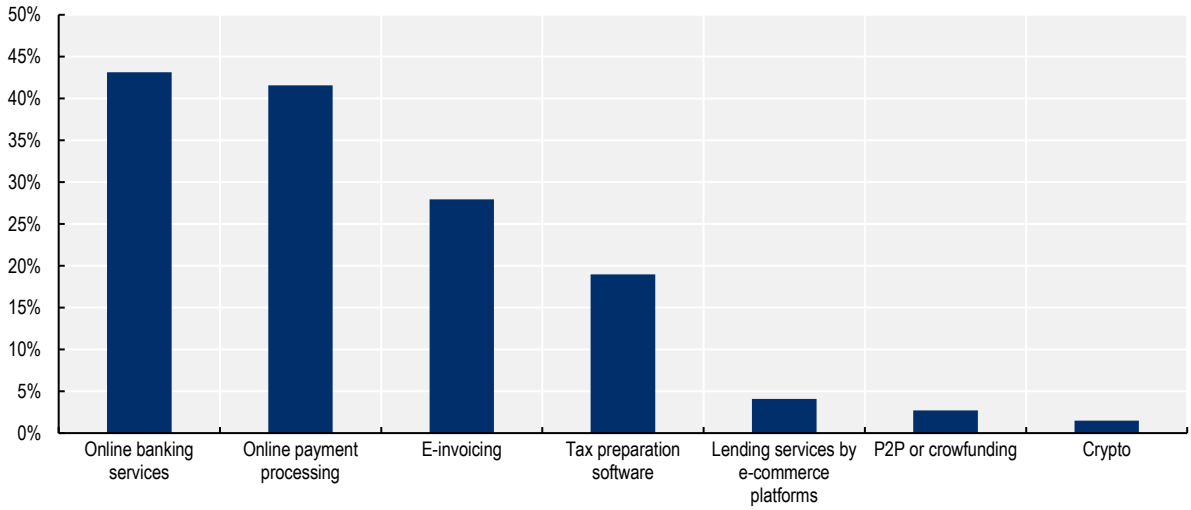
As an average percentage of responses across surveyed countries



Note: Mandatory, multiple-choice question (Do you use any fintech services for your business? Please select all that apply). Percentages a calculated based on a total of 946 responses.
Source: 2025 OECD D4SME Survey.

Figure 3.7. Digital finance services from "fully fintech" players are quite common

As an average percentage of responses across surveyed countries



Note: Mandatory, multiple-choice question (Do you use any fintech services for your business? Please select all that apply). Percentages a calculated based on a total of 946 responses.
Source: 2025 OECD D4SME Survey.

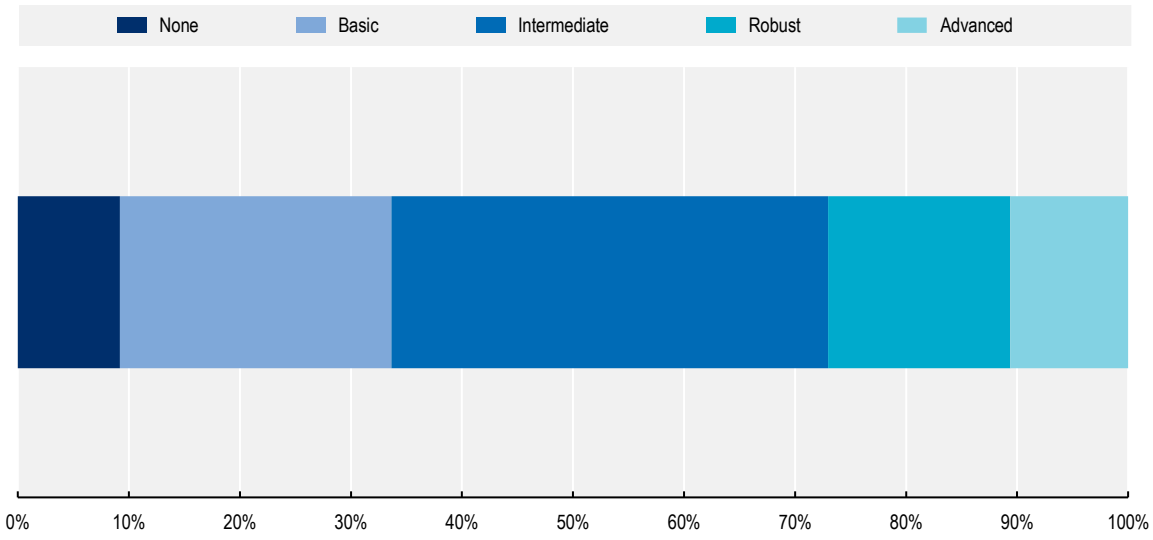
Digital security

SMEs mainly rely on basic digital security measures, which is likely to leave them vulnerable to cyberthreats. A "Digital Security Readiness Index" was developed from this survey to assess security practices, assigning weights based on the complexity of the measure put in place: lower weight for basic actions like frequent password changes and using Two-Factor-Authentication, and higher weights for advanced risk management measures such as staff training, hiring external experts to perform digital security assessments of business operations, and regular access reviews (Figure 3.8). Nine percent of SMEs lack any digital security measures, and 63% have only basic (24%) or intermediate protections (39%) Only 16% of respondents have a robust level of digital security, and 11% are considered to be "advanced", with a top score indicating a holistic security strategy including advanced risk managements measures.

SMEs primarily use basic digital security measures like secure passwords[4] (68%) and two-factor authentication (67%). Results may be biased as businesses might not recognise that they have built in measures that are often automatically updated (e.g. firewall), which highlights scope for increased awareness about the functioning of digital security measures. Advanced measures such as dedicated trainings or regular assessments with digital security experts, which are often more costly, are the least popular (Figure 3.9). While nearly a quarter of businesses regularly review staff access and 21% conduct trainings, only 12% perform digital security assessments with experts. These findings suggest scope for stronger security awareness and training in SMEs, as most cyberbreaches result from human error.

Figure 3.8. Digital security readiness index

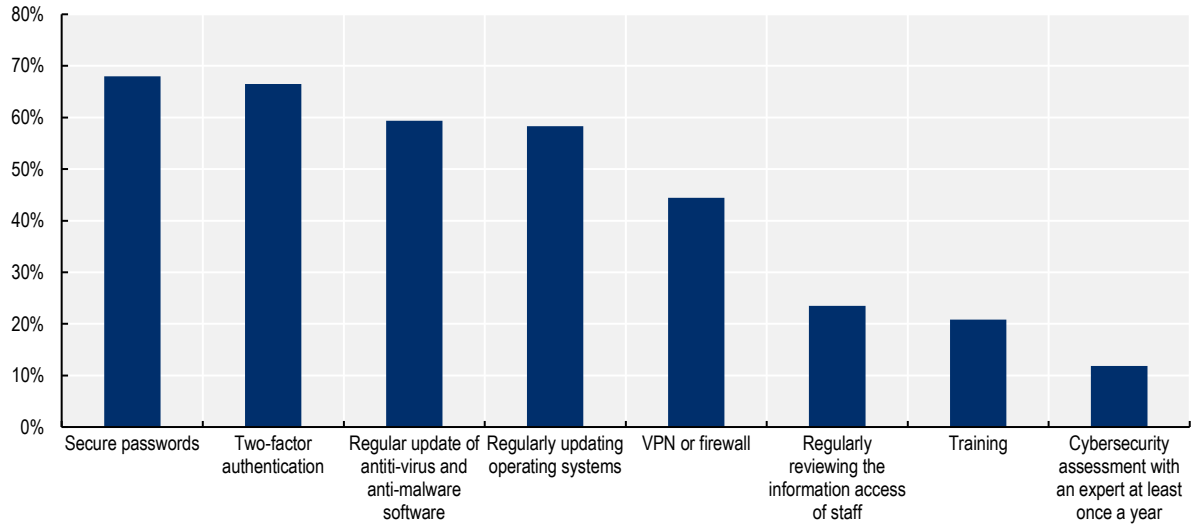
As an average percentage of responses across surveyed countries



Note: Mandatory, multiple-choice question (Does your business implement any of the following digital security measures? Please select all that apply). Percentages are calculated based on a total of 946 responses. Based on the number and type of digital security measures implemented, a score out of thirteen was established and businesses were classified as follows: **Basic** (score 1–2), **Intermediate** (3–5), **Robust** (6–9), and **Advanced** (10–13).
Source: 2025 OECD D4SME Survey.

Figure 3.9. Types of digital security measures

As an average percentage of responses across surveyed countries



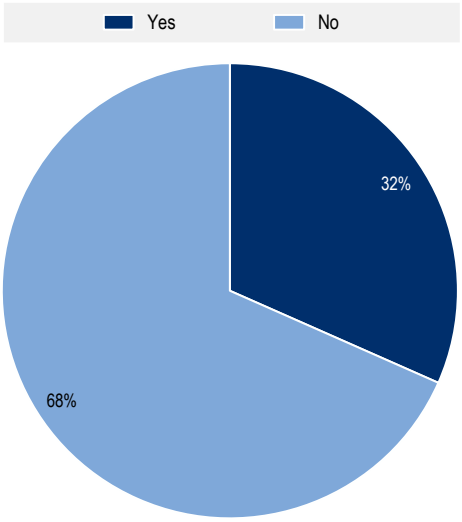
Note: Mandatory, multiple-choice question (Does your business implement any of the following digital security measures? Please select all that apply). Percentages are calculated based on a total of 946 responses.
Source: 2025 OECD D4SME Survey.

Differences in digital security practices are observed by business size and digital maturity. Medium-sized businesses are the most likely to indicate they conduct digital security trainings (31% against 9% of self-employed) or conduct assessments with experts (18% against 4% of self-employed). Businesses making only basic use of digital tools (see Digital Maturity Index in Figure 2.1) are also most likely to have a basic level of digital security in place (54%), while digitally advanced or transformative businesses are most likely to have a robust or advanced level of digital security (33% for digitally advanced businesses and 48% of digitally transformative businesses).

One third of respondents indicate having experienced a digital security breach, double the share from the 2024 D4SME Survey. Overall, 32% of respondents indicate having faced breach (Figure 3.10), compared to 16% in 2024 (OECD, 2024[7]). More digitally mature businesses are more likely to indicate they have experienced a digital security breach, suggesting that increased digitalisation requires enhanced security practices and ongoing assessments of cyber threat exposure to adjust preparedness as threats evolve.

Figure 3.10. Businesses having experienced a digital security breach

As a percentage of responses across surveyed countries



Note: Mandatory, single-choice question (Has your business ever been hacked? Including ransomware attacks, phishing, and distributed denial of service (DDoS) attacks). Results exclude respondents that indicated "I don't know." Percentages are calculated based on a total of 748 responses.
Source: 2025 OECD D4SME Survey.

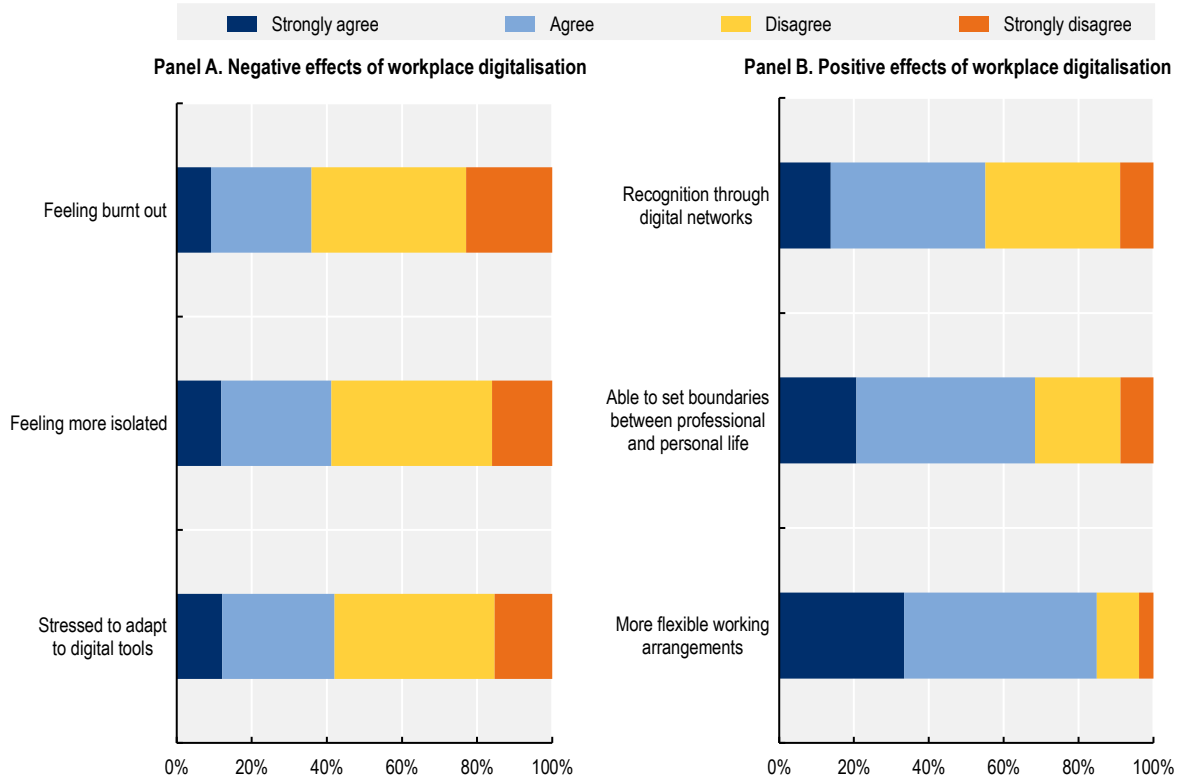
Mental wellbeing

Digital tools in the workplace offer multiple benefits such as more flexible working arrangements, recognised by 85% of respondents. Additionally, 69% report no difficulties maintaining boundaries between their personal and professional lives and more than half (55%) indicate that using digital tools for professional purposes has helped them gain more recognition for their work through digital networks (Figure 3.11; Panel B).

However, digitalisation in the workplace also brings challenges. A significant 42% of respondents feel stressed about adapting to digital tools, 41% report increased isolation, and 36% experience burnout due to the pressure to stay constantly connected (Figure 3.11; Panel A). Recognising these effects and supporting employees in adopting new digital tools through team-building activities, encouraging peer support, and setting clear boundaries is essential to protect the well-being of employees, managers, and self-employed workers.

Figure 3.11. The impact of workplace digitalisation on mental wellbeing

As an average percentage of responses across surveyed geographies

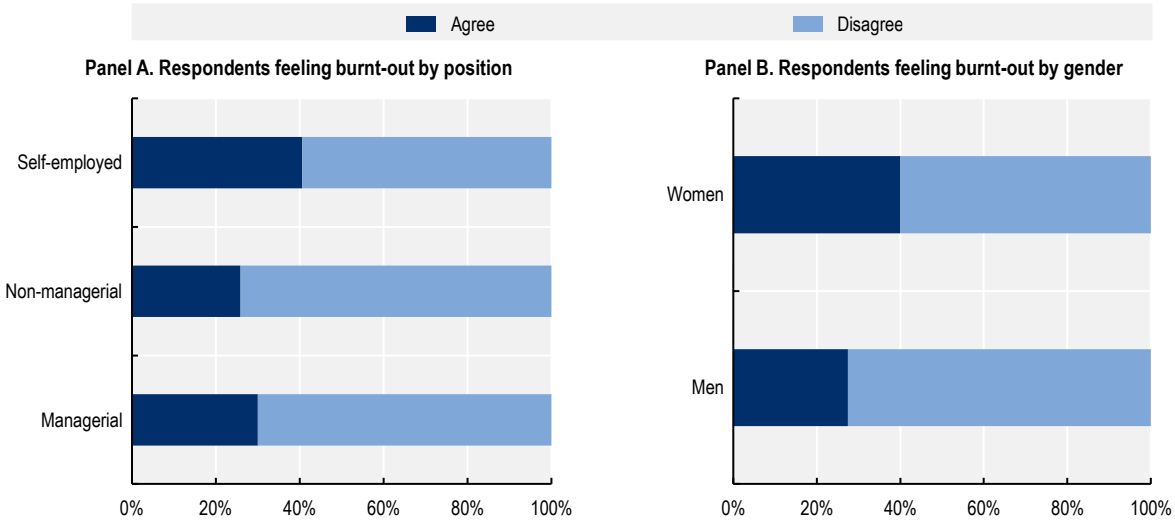


Note: Non-mandatory question (To what extent do you agree with the following statements on digitalisation?). As this was an optional question, the number of respondents varies across answer options. On average percentages are calculated based on 873 responses for the negative effects of workplace digitalisation and 881 for the positive effects of workplace digitalisation.
Source: 2025 OECD D4SME Survey.

Workplace digitalisation impacts individuals differently, with women and the self-employed most likely to experience burnout due to the pressure to stay connected. Forty-one percent of self-employed respondents report this negative effect, compared to 26% of employees and 30% of those in managerial positions (Figure 3.12 - Panel A) [5]. Additionally, 40% of women feel burnt out by connectivity demands, compared to just 27% of men (Figure 3.12-Panel B). Implementing targeted policies, tailored training, and fostering a workplace culture that prioritises mental well-being in the digital era will be key to ensure the benefits of digitalisation outweigh its drawbacks, particularly for the most vulnerable groups.

Figure 3.12. Impact of digitalisation on well-being

As a percentage of the total number of responses



Note: Non-mandatory questions on the impact of workplace digitalisation on mental wellbeing (Feeling burnt-out by the pressure to stay connected), position and gender. Percentages are calculated based on 481 responses in case of Panel A and 796 in case of Panel B.
Source: 2025 OECD D4SME Survey.

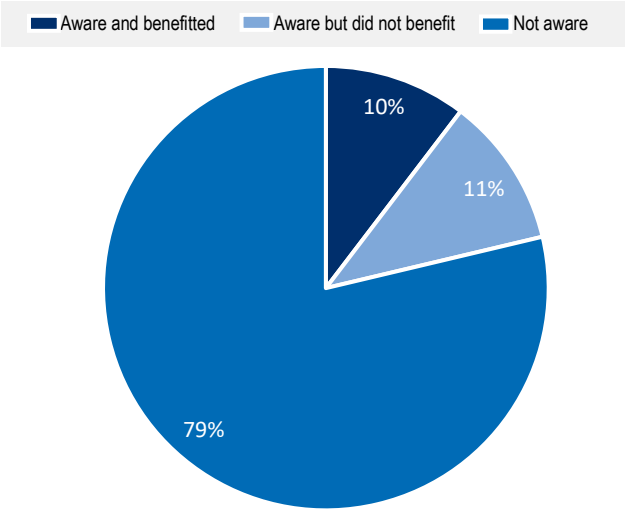
Government support

Awareness and use

Overall, only 21% of respondents are aware of government supports for digitalisation but only 10% have also benefitted from them (Figure 3.13). Among those aware, 43% learned about them through Chambers of Commerce, 38% through Government advertisements, 28% via digital platforms, 21% from proactive search on government websites. Finally, 15% indicate they heard about available support from other entrepreneurs and 11% from friends and family.

Figure 3.13. Awareness and use of government supports for digitalisation

As an average percentage of responses across surveyed countries



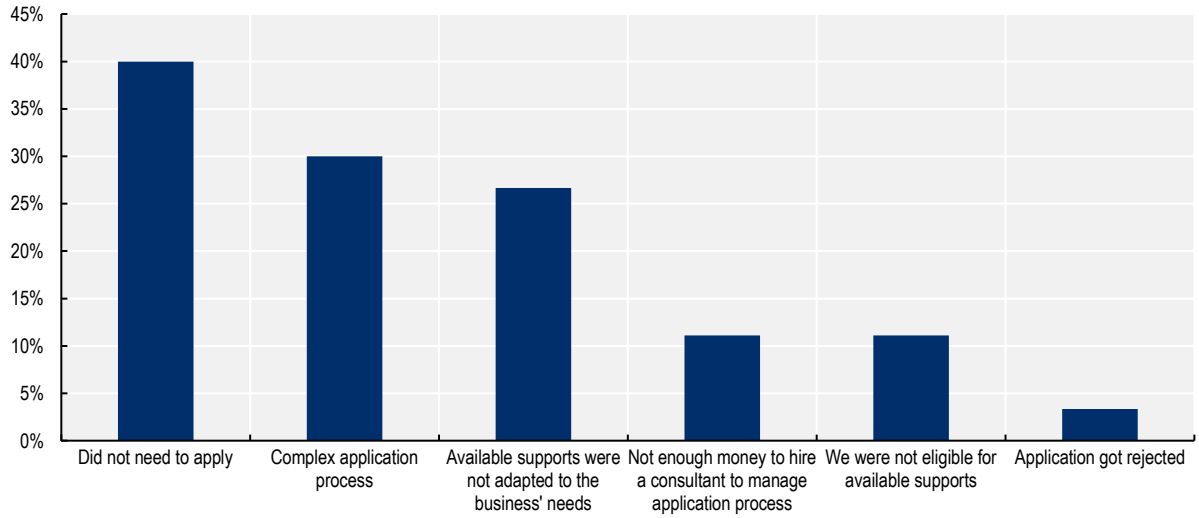
Note: Mandatory single-choice question (Do you know of any government programme(s) for business digitalisation?) and non-mandatory, multiple-choice question (Did your business receive government programme(s) to digitalise your business? If yes, please select all that apply). Percentages are calculated based on a total of 906 responses.
Source: 2025 OECD D4SME Survey.

Among businesses aware of government schemes, financial support (e.g., grants, vouchers, tax deductions, loans) is the most commonly noted benefit (8%), followed **by training (5%) and networking (3%).** While these results must be interpreted with caution due to the sample size and composition, relatively low uptake across all categories may indicate gaps in outreach, limited relevance of available programs, or administrative hurdles preventing broader engagement.

Respondents highlight the need for better targeting and simpler application procedures for government support. Forty percent of respondents that were aware of government supports for business digitalisation, but did not benefit from them, mention they did not need to apply and another 27% find the available support poorly suited to their needs (Figure 3.14). Meanwhile, 30% were discouraged by complex application procedures, underscoring the need to streamline processes and reduce administrative burdens. Due to the complexity of applications, businesses sometimes outsource the process to consultants, but 12% of respondents note they lacked the funds to do so. Another 12% report ineligibility for existing support, while only 3% had their applications rejected.

Figure 3.14. Reasons for not applying to government supports for digitalisation despite awareness

As a percentage of responses of businesses that were aware of government supports but did not benefit from them



Note: Non-mandatory, multiple-choice question (Please select the reason(s) why your business did not apply or receive government support for digitalisation). Percentages are calculated based on a total of ninety responses of businesses that were aware of the existence of government supports for digitalisation but did not benefit from them. Country averages were not calculated due to low level of responses.
Source: 2025 OECD D4SME Survey.

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Notes

[1] Amazon (France, Germany, Italy, Spain), Intuit (Australia, UK), Kakao (Korea), Rakuten (Japan), SAGE (Canada, UK, US)

[2] Australia and Korea are not included in these averages as there was no available data.

[3] On average across OECD countries, 22% of SMEs operate in the wholesale and retail trade sector, 8% in manufacturing and 20% in professional services. These figures are calculated as shares of the total number of SMEs in the business economy, excluding financial and insurance activities. Data for Australia, Korea and the United States was unavailable. Data for Japan is from 2021. Data for Canada and the United Kingdom is from 2022 (OECD, 2023[9]).

[4] By "secure" we refer to businesses requiring staff to have passwords with certain criteria: length, alphanumerical, special characters, changed regularly, etc.

[5] These percentages are calculated using the aggregate number of responses instead of country averages as they are based on non-mandatory questions for which the number of respondents was lower.

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