

Playing in the global market

Businesses that are looking to grow need to build opportunities across both literal and figurative borders by forming partnerships with other companies to build/source new products or services. In addition, companies also need to leverage commercial and social platforms to expand their reach and capabilities. The digital landscape facilitates e-commerce by enabling opportunities to capture a global customer base. To do so requires collaboration with global enterprises and other international vendors and suppliers.



- 77% of Singapore SMEs pick ASEAN as an expansion venue, against 22% for China and 15% for South Asia.¹

Recognising the potential of some of the world's fastest growing emerging markets, more than three-quarters of SMEs in Singapore¹ have plans to expand in the ASEAN region. In Singapore, SMEs can leverage initiatives introduced by the government to access cross-border trade platforms, such as OneSME², which was introduced amid the pandemic. Enterprise Singapore and the Infocomm Media Development Authority also launched a programme called Grow Digital³, to connect SMEs with the global market through online platforms.

Besides scaling geographically, companies are also collaborating with businesses across the ecosystem for growth. For example, Southeast Asia fintech platform, Grab, partnered with Chubb in 2018 to offer insurance solutions to its driver-partners and subsequently riders in several countries in the region.

However, while SMEs recognise the need to collaborate with bigger commercial players within the ecosystem, it presents challenges around data, technology, products and services. Conducting business in unfamiliar territories is often daunting if companies are not equipped with extensive knowledge and experience of local risks and regulations.

As Singapore's business environment recovers with the gradual but promising roll-out of the COVID-19 vaccine this year, companies will no doubt be looking at new ways and opportunities to accelerate growth and to emerge from the pandemic in a position of strength.

RISKS AND PRODUCTS

Doing business around the globe can be a key driver of growth for the future – if it is done with an eye toward the potential risks.

¹ <https://www.businesstimes.com.sg/asean-business/most-singapore-smes-pick-asean-as-top-destination-to-grow-sbf-survey>

² <https://www.straitstimes.com/business/companies-markets/platform-can-help-spore-smes-access-china-buyers>

³ https://www.enterprisesg.gov.sg/-/media/esg/files/media-centre/media-releases/2020/jun-2020/grow-digital_22june.pdf

Potential business risk	Chubb products and services available
Exposure to new and unknown overseas risks and regulations.	Directors & Officers / Professional Indemnity / Cyber / Marine / Global Services (Multinational Risk Management Solutions)
Exposure to political-related risks overseas, excluding terrorism (e.g. transfer of money, goods lost or confiscated at ports).	Directors & Officers / Crime / Marine
Selling products in new markets requires transportation of goods that may be put at risk while transit.	Marine

CASE STUDY

Meet Jonathan from Steady Furniture

HIS BUSINESS

Jonathan's company designs and manufactures office equipment such as tables and chairs. With more people working from home, he experienced a huge increase in demand for his products, including orders from customers overseas.

WHAT HAPPENED

Coverage Section

General liability 
(Product and Public liability
including global extension)

Claim

Lawsuit claims bodily injury

A faulty component from one of his vendors resulted in multiple incidents of chair backs detaching from their base, causing fall injuries to customers. Steady Furniture was deemed liable for the incidents.

Jonathan's general liability policy, which included the global extension, responded to the bodily injury lawsuits which were filed in the United States. Chubb's claims team successfully coordinated settlement despite challenges unique to multi-jurisdiction claims, which include multiple time zones, differing languages, cultures, currencies, laws and litigation climates.



Digital Business Accelerated

KEY THEME 4:

Playing in the global market

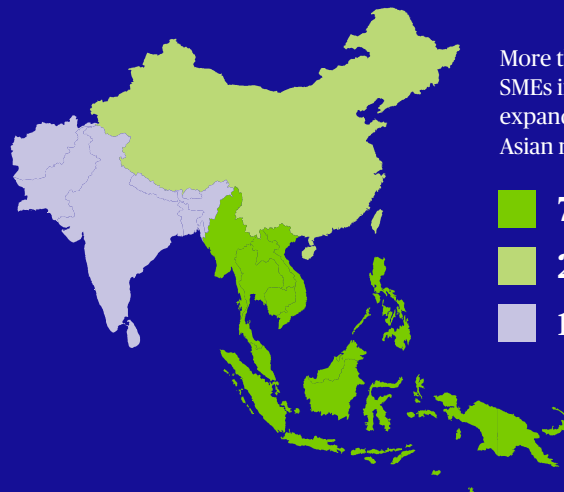
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By the numbers



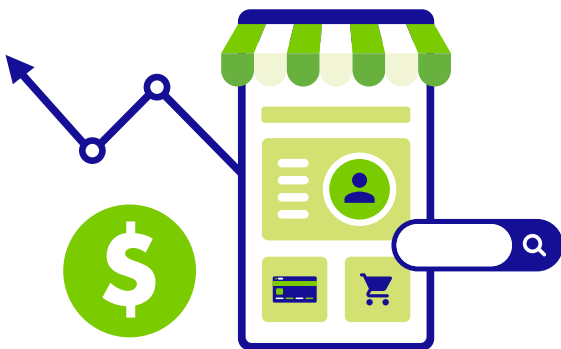
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More than three-quarters of SMEs in Singapore plan to expand in the South-east Asian region.¹

- 77% picked ASEAN
- 22% picked China
- 15% picked South Asia

Digital e-Commerce



Opportunities

- Enable opportunities to capture a global customer base
- Expand network through collaboration with global enterprises and other vendors/suppliers
- Access cross-border trade platforms to unlock growth beyond domestic market

¹ - <https://www.businesstimes.com.sg/asean-business/most-singapore-smes-pick-asean-as-top-destination-to-grow-sbf-survey>



Challenges & Risks

- Not fully equipped with knowledge of local risks and regulations, especially in unfamiliar territories

Refer to Risk and Product Factsheet for solutions
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