

News Release

UOB Business Outlook Study 2025: Half of businesses in Indonesia maintain positive outlook amid shifting landscape

Digitalisation, overseas expansion and sustainability drive growth for SMEs and large corporations

Jakarta, 13 June 2025 – UOB Indonesia today released the findings of its UOB Business Outlook Study 2025 (SMEs and Large Enterprises). The study revealed that half of businesses in Indonesia maintain a positive outlook despite emerging macroeconomic pressures such as rising inflation and the impact of recent-introduced US tariffs, with a strong focus on digital transformation, sustainability and overseas expansion.

The UOB Business Outlook Study 2025 (SMEs and Large Enterprises) surveyed more than 535 SMEs and large enterprises across Indonesia, offering a robust view of how business leaders are navigating a complex and evolving landscape.

The study reveals a mixed sentiment among Indonesian businesses, particularly in light of recent US tariffs announced in April 2025. The business sentiment has seen a notable decline, with only one in two businesses reporting positive sentiment in 2025 after the tariff announcement, down sharply from 90 per cent in 2024. The overall business outlook also dropped, with just over half of companies reporting positive outlook in 2025. Businesses cite rising operational costs, inflation, and higher interest rates as key concerns, with 51 per cent expecting inflation and 52 per cent expecting raw material costs to increase significantly. In response, firms are reviewing their strategies to stand out from competitors and diversify revenue streams.

Mr Harapman Kasan, Wholesale Banking Director, UOB Indonesia, said, "The UOB Business Outlook Study 2025 underscores the resilience and adaptability of Indonesian businesses amid a dynamic global environment. While there is a natural caution in sentiment due to external factors like the US tariffs, it is encouraging to see the strong emphasis on digitalisation and sustainability. It is imperative that businesses drive efficiency, attract investment and enhance their competitiveness to stay resilient and seize opportunities in Indonesia's evolving



landscape. UOB Indonesia remains committed to supporting our clients with tailored financial solutions and expert guidance as they navigate these evolving landscapes and capitalise on new growth opportunities in the region."

Continued growth in digital adoption

Businesses are increasingly tapping on digitalisation to enhance operations and drive growth. The study shows that two-thirds of businesses plan to increase their digital spending by 10-25 per cent in 2025, with one-fifth planning an increase of up to 50 per cent. Key impact areas from digitalisation in 2025 compared to 2024 include a better data protection/data security, while business performance remained stable. FinTech adoption remains strong, with 94 per cent of businesses already using or planning to adopt financial technologies, particularly in investment, finance and accounting.

Sustainability gains strategic importance

Following the announcement of US tariffs, over half of all businesses (small enterprises – 56 per cent, and medium enterprises – 64 per cent) began implementing sustainability initiatives. The adoption was led by the Consumer Goods (67 per cent) and Manufacturing sectors (59 per cent). Motivations include brand reputation, customer demand, investor appeal and alignment with multinational companies' ESG standards. However, businesses cite rising product costs and lack of infrastructure for renewable energy as major hurdles.

Expanding beyond borders as a path to growth

Despite global trade disruptions, a majority of businesses expect intra-ASEAN trade to grow following the US new tariffs, with over half also planning to accelerate their overseas expansion to capture global opportunities. Medium enterprises and companies in the healthcare and wholesale trade sectors show the highest levels of intent. This interest is further fuelled by a desire to reduce business risk through market diversification.

Workforce challenges remain

Workforce and manpower-related issues continue to impact eight in 10 businesses. Nearly one-third of businesses expect these challenges to increase significantly after the recent US tariffs, driven by inflation and higher costs.

The UOB Business Outlook Study 2025 (SMEs and Large Enterprises) aims to understand the business outlook and key expectations among SMEs and large enterprises across seven





markets in ASEAN and Greater China – Indonesia, Singapore, Malaysia, Thailand, Vietnam, Mainland China and Hong Kong SAR. For more information, please visit [UOB Business Outlook Study 2025 \(Indonesia\): Resilience amid shifting tides | UOB ASEAN Insights](#).

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About UOB Indonesia

UOB Indonesia is a subsidiary of UOB, a leading bank in Asia with a global network of more than 470 offices in 19 countries and territories in Asia Pacific, Europe and North America. Established in 1956 through PT Bank Buana Indonesia, PT Bank UOB Indonesia was formed after a merger with PT Bank UOB Buana, which marked the existence of UOB Indonesia for more than a decade in Indonesia.

UOB Indonesia's service network comprises 41 branch offices, 50 sub-branch offices and 108 ATMs across 42 cities in 16 provinces in Indonesia. UOB Indonesia's banking services are accessible through its regional ATM network, the ATM Prima and Bersama networks and the Visa network.

UOB Indonesia is committed to providing quality products and excellent customer service. The Bank offers various banking products and services categorised into digital bank, personal financial services, business banking, commercial banking, corporate banking, global markets and investment management. UOB Indonesia is rated AAA (idn) by Fitch Ratings.

The Bank has a strong retail customer base through its wide range of saving products, mortgage services and credit cards. UOB Indonesia's banking services are also accessible in Indonesia, Singapore, Malaysia and Thailand through hundreds of UOB ATMs.

UOB's award-winning digital bank, TMRW, serves Indonesia's generation of enterprising and digitally-savvy customers by providing a better, personalised banking experience through the use of data and customer feedback. Through TMRW, the Bank is committed to helping customers meet their financial goals as they build a better tomorrow.

UOB Indonesia also offers a full suite of corporate/commercial products, including a range of treasury and cash management products and services. UOB Indonesia is focused on helping companies with their expansion plans and has supported many enterprises from industries such as construction, mining, real estate and the services sector in their expansion into Indonesia.

UOB Indonesia believes in being a responsible financial services provider and it is committed to making a difference in the lives of its stakeholders and in the communities in which it operates. Just as the Bank is dedicated to helping customers manage their finances wisely and to grow their businesses, UOB Indonesia is steadfast in its support of social development, particularly in the areas of art, children and education.

For further details on UOB Indonesia, please visit www.uob.co.id

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