NRI

Going Digital on a Budget: 16 Must-Know IT Tools for South East Asian SMEs

PT Nomura Research Institute Indonesia

Introduction

Small and medium-sized enterprises (SMEs) make up 97% of all businesses in Southeast Asia, forming the backbone of the region's economy. With the enterprise software market projected to grow by 7.87% annually from 2025 to 2029, the pressure to adopt digital solutions is rising across industries. Yet while digital transformation is becoming essential, cost remains a key barrier.

Recognizing this, we reviewed 128 solutions and identified the **16 most practical, cost-effective, and adaptable IT tools** tailored to the unique needs of Southeast Asian SMEs.

High-Level Pain Points

The following key pain points faced by small and medium-sized enterprises (SMEs) served as the foundation for our solution mapping research:

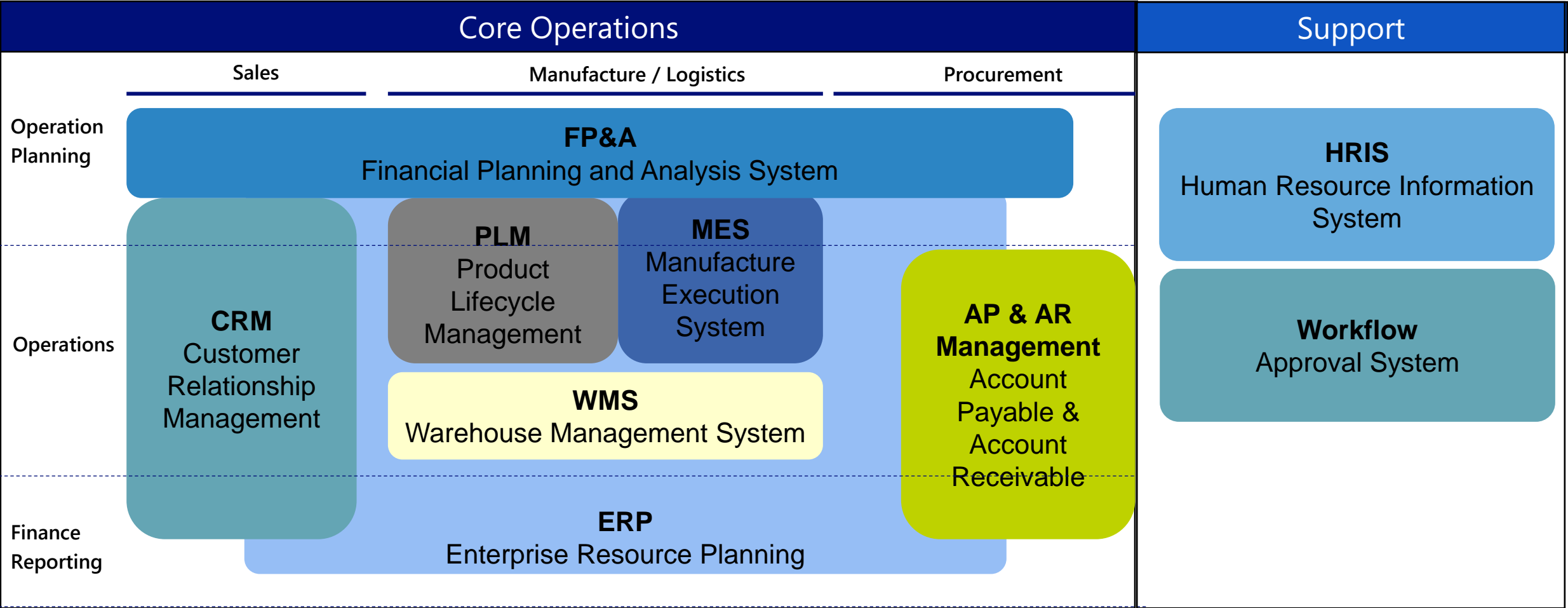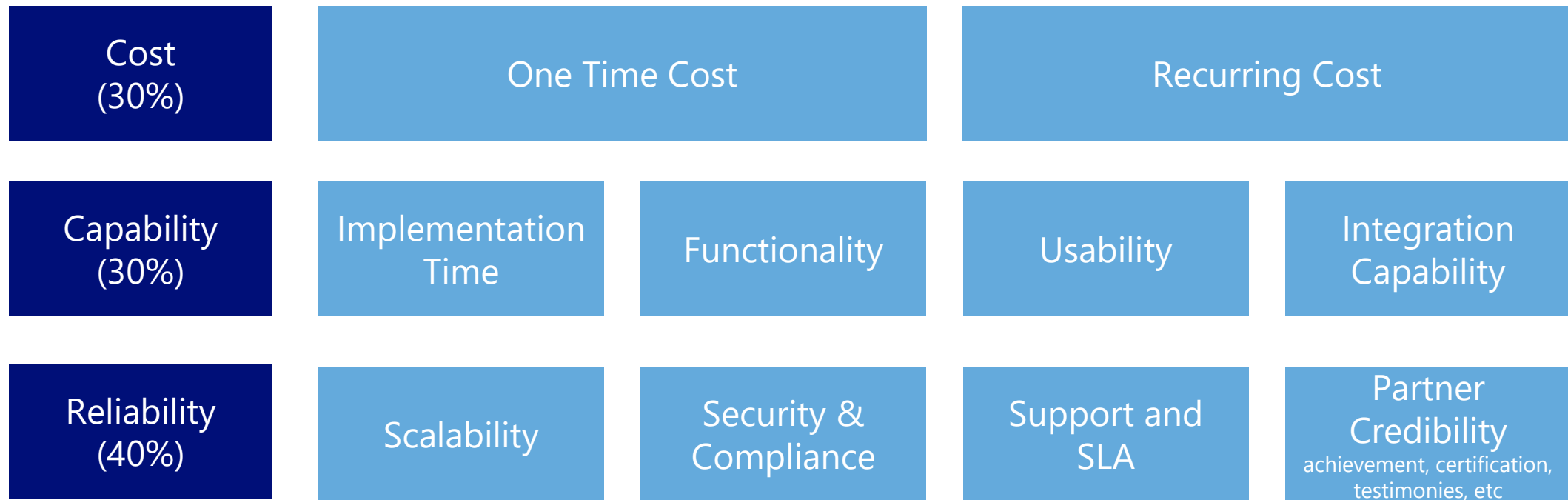| Cost-effective Solutions	• SMEs often operate with constrained budgets, making it challenging to invest in robust IT solutions that meet their evolving needs. • To address the diverse needs of SMEs in ASEAN, solution providers must offer customizable and flexible solutions.
Digital Marketing and Customer Relationship	• SMEs may struggle to develop and implement effective digital marketing strategies to reach and engage customers online. • SME service providers may lack efficient systems for managing customer relationships and tracking interactions, leading to missed opportunities and decreased customer satisfaction.
Shortage of professional IT Personnel	• SMEs may facing the shortage of IT personnels such as programmers due to overall shortage in ASEAN that exceeded 60%. • Because of this challenge, SMEs may prefer to choose the right solution that beneficial for their business with minimum to no maintenance.
Non-standardized and inefficient operational processes	• Many Small and Medium Enterprises (SMEs) operate with manual workflows and inconsistent processes, leading to inefficiencies and bottlenecks in daily operations. • For instance, Manual inventory management processes can lead to inefficiencies, inaccuracies, and stockouts, impacting customer satisfaction and sales.

Solution Mapping

Solution Categories Used in Our Mapping

Our research categorizes solutions into core business operations (sales, manufacturing/logistics, procurement) and supporting functions (HR and workflow automation). While PLM was initially considered, it was excluded due to the limited availability of local providers—most solutions cater primarily to large enterprises.

Core Operations			Support
Sales	Manufacture / Logistics	Procurement	

Operation Planning

FP&A
Financial Planning and Analysis System

HRIS
Human Resource Information System

Operations

CRM
Customer Relationship Management

PLM
Product Lifecycle Management

MES
Manufacture Execution System

WMS
Warehouse Management System

AP & AR Management
Account Payable & Account Receivable

Workflow
Approval System

Finance Reporting

ERP
Enterprise Resource Planning

Methodology

NRI conducted desktop research on 128 solutions, then shortlisted candidates based on cost, essential feature coverage, and partner credibility. These selected solutions were invited to a solution hearing for deeper evaluation and were ultimately assessed using a defined set of criteria.

Cost (30%)	One Time Cost		Recurring Cost	
Capability (30%)	Implementation Time	Functionality	Usability	Integration Capability
Reliability (40%)	Scalability	Security & Compliance	Support and SLA	Partner Credibility achievement, certification, testimonies, etc

Solution Mapping
Highlighted Findings based on Solution Category

ERP
Enterprise Resource Planning

The SEA solution landscape offers diverse options tailored to different business needs. For example: **Odoo** excels in cost and modular flexibility; **Acumatica** suits trading businesses with localization add-ons and unlimited users; **Epicor** is ideal for enterprises needing advanced manufacturing capabilities.

CRM
Customer Relationship Management

Many CRMs primarily focus on B2C interactions, leaving a gap in B2B functionalities. Notable solutions covering B2B business processes are **Zoho CRM, Freshsales, and Zendesk** with Zoho offering richer capability and having vast customer pool.

WMS
Warehouse Management System

Some solutions go beyond WMS by integrating Warehouse Operations and 4PL Logistics services. Notable examples include **PriedsWMS**, which offers a hardware ecosystem and AR warehouse layout, and **FocusWMS**, known for its fast implementation.

MES
Manufacture Execution System

More cost-effective MES solutions are custom-built, requiring lower investment but carrying higher risks depending on the vendor's reliability. Notable options include **LeapFactor, Epicor MES, and Stechoq,** with Stechoq standing out for its balance of essential features and cost transparency, making it ideal for SMEs aiming to improve manufacturing efficiency without overspending.

HRIS
Human Resource Information System

The market is well-developed, with each country having its own leading local provider due to the high demand for localization such as **Talenta** for ID and **HumanSoft** for TH. However, there are solutions which offer payroll compliance across all SEA countries such as **BIPO** which can be suitable for multinational corporations operating in the region.

FP&A
Financial Planning and Analysis System

There are alternative solutions in Southeast Asia such as **JustPerform** competing with the market leader, Anaplan, but they have yet to gain widespread adoption—likely because, while their costs are lower, they are still relatively high. Meanwhile, global providers like **Kepion** are also looking to enter and expand in the market.

Workflow
Approval System

The landscape is shifting from traditional BPMs to low-code platforms, offering lower adoption costs and a balance between customizability and ease of use for citizen development. Notable solutions are **Kintone** , mentioned in Gartner's Magic Quadrant for niche markets, while **Joget's** open-source foundation has ensured its long-term stability in the space.

AP & AR Automation
Account Payable & Account Receivable

This is a high-demand category, with flexible options like **Peakflo** integrating with local banks and government platforms, and **Sentosa** offering affordability with fewer features. While lacking the advanced features of leaders like **Coupa** or **Ariba**, these challengers show strong potential and effectively address key pain points.

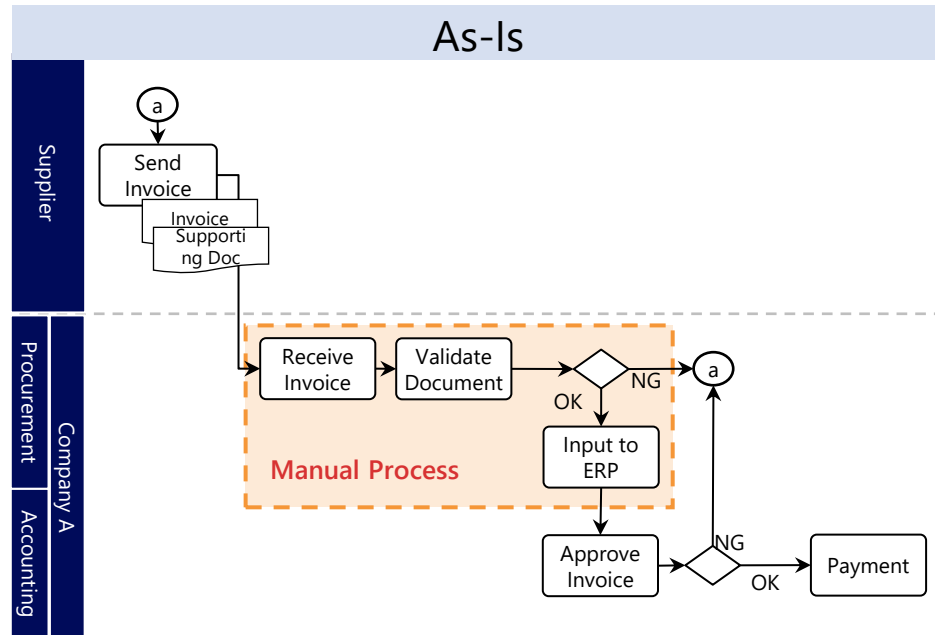# Solution Mapping

Evaluation Result of Shortlisted Solutions

Here are our key recommendations for quick reference. However, a thorough evaluation is still advised to ensure the best fit based on each company's unique situation and constraints.

ERP	WMS	HRIS	Workflow	CRM	MES	FP&A	AP/AR Automation
Odoo $ ⚙⚙ 🛡🛡 *Overall Recommendation*		**BIPO** $$ ⚙⚙⚙ 🛡🛡🛡 For Multinational Companies				**JustPerform** $$ ⚙⚙⚙ 🛡🛡🛡 *More Established in Asia*	**Peakflo** $$ ⚙⚙⚙ 🛡🛡🛡 *Overall Recommendation*
Acumatica $$ ⚙⚙ 🛡🛡 *For Trading*	**Prieds** $ ⚙⚙⚙ 🛡🛡🛡 *Overall Recommendation*	**Talenta** $ ⚙⚙⚙ 🛡🛡🛡 *For Indonesia*	**Joget** $ ⚙⚙⚙ 🛡🛡 *Overall Recommendation*	**Zoho CRM** $ ⚙⚙⚙ 🛡🛡 *Overall Recommendation*	**Stechoq** $ ⚙⚙⚙ 🛡🛡 *Overall Recommendation*		
Epicor Kinetic $$$ ⚙⚙⚙ 🛡🛡🛡 *For Manufacturing*	**Focus WMS** $ ⚙⚙⚙ 🛡🛡 *For Rapid Go-Live*	**HumanSoft** $$ ⚙⚙ 🛡🛡 *For Thailand*	**Kintone** $$ ⚙⚙ 🛡🛡 *For Citizen Developers*			**Kepion** $ ⚙⚙⚙ 🛡🛡 *Emerging Challenger*	**Sentosa** $ ⚙⚙ 🛡🛡 *For Lower Cost, simpler features*

$ Cost, more means more expensive (worse)

⚙ Capability, more means richer features (better)

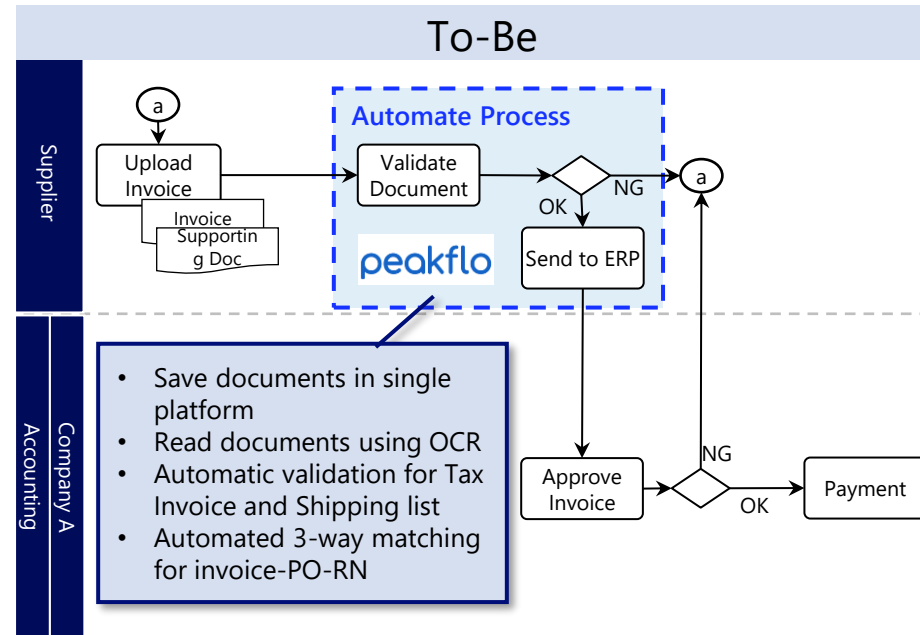🛡 Reliability, more means more reliable (better)

Case Study: AP Automation

Compared to global solutions that often require extensive customization, alternative solutions can more effectively automate country-specific business processes—leading to better efficiency, compliance, and user adoption.

Challenge

- The procurement team receives around *"40,000" invoices and supporting documents per year with document validation*
- The accounting team *must verify discrepancies against the manual data entered* by the procurement team.

Solution

- Completely *automate the validation check including for government issued tax invoice and input the data to ERP with AI-enabled document capture*
- Seamless integration with e-Meterai, ensuring *compliance with stamp duty requirements for digital documents*
- WhatsApp-based invoice submission, leveraging the country's prevalent business communication platform for *faster and more user-friendly processing.*

Key Takeaway

Small to medium-sized enterprises (SMEs) often operate with limited IT budgets and must carefully consider their specific business requirements when selecting digital solutions—an especially challenging task without dedicated IT personnel.

While categories such as ERP, WMS, CRM, Workflow, HRIS, and AP/AR automation address well-defined business needs and offer a wide range of ready-to-deploy options, others like FP&A and MES still face gaps in aligning with the unique demands of SMEs.

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