

Singapore Digital Economy Report 2026

Executive Report Summary

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Infocomm Media Development Authority (IMDA)

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Executive Summary

Singapore's digital economy continued to expand in 2025 and remained a key contributor to the domestic economy.

Digital economy nominal value-added reached S\$144.1 billion, growing 5.6% year-on-year and faster than Singapore's 3.1% nominal GDP growth.

Enterprise digitalisation progressed, AI adoption accelerated, workers reported tangible benefits from AI use, and demand for technology professionals and AI skills continued to grow.

Digital Economy Growth

The digital economy's contribution rose from 18.8% of GDP in 2024 to 19.3% in 2025.

Information and Communications contributed around one-third of digital economy value-added, while digitalisation across the rest of the economy contributed the remaining two-thirds.

Manufacturing, wholesale trade, finance and insurance, professional services, public services, and other sectors continue to benefit from digital investment and adoption.

Enterprise Digitalisation

96.4% of enterprises adopted at least one of six measured digital areas in 2025, up from 95.1% in 2024.

Average digital adoption intensity increased from 2.3 to 2.5 out of six areas.

Small and medium-sized enterprises recorded one of the largest improvements, with intensity rising from 2.3 to 2.5.

AI adoption among all enterprises rose from 14.7% in 2024 to 23.5% in 2025.

Among enterprises with at least ten employees, adoption reached 34.6%.

State of AI Adoption

AI adoption was strongest in Information and Communications, Professional Services, and Finance and Insurance.

Among AI-adopting firms, 87.6% reported productivity and process improvements, while 44.0% reported cost reduction or resource optimisation.

Barriers among non-adopters included limited perceived need, insufficient investment, infrastructure readiness, lack of skills, and limited awareness.

Most AI-adopting firms used commercial off-the-shelf tools, while others used customised commercial tools or solutions developed in-house or outsourced.

AI Usage Among Workers

AI usage among surveyed workers rose to 85.7% in 2026, up from 77.6% in 2025. Most workers used AI daily or weekly.

Common uses included content creation, process automation, engagement with people, data exploration and analytics, desk research, document processing, data extraction, and translation.

Reported benefits included overall productivity improvement at 72.9%, improved quality of work at 68.9%, stronger problem-solving ability at 68.2%, higher-value work opportunities at 61.6%, and new-skills development at 59.7%.

Tech Manpower and Skills

Singapore's technology workforce grew to 222,200 professionals in 2025, up from 214,000 in 2024. Tech professionals represented 5.4% of total employment.

Demand for AI capabilities increased. The share of tech job postings requiring at least one AI skill rose from 14.0% in 2024 to 16.7% in 2025.

The share requiring at least two AI skills rose from 4.9% to 7.6%.

The changing demand points to opportunities for employers and workers who combine AI with engineering, data, cybersecurity, product, operations, and industry expertise.

Conclusion

Singapore's digital economy is entering a more mature phase. The opportunity is no longer limited to adopting digital tools; it is about building digitally intelligent organisations.

For companies entering Singapore, the market offers strong infrastructure, digitally capable enterprises, an expanding AI ecosystem, and a growing pool of specialised technology talent.

The next competitive advantage will come from connecting technology, data, people, and trusted partnerships to measurable business outcomes.