



COVID-19 Business Survey Analysis

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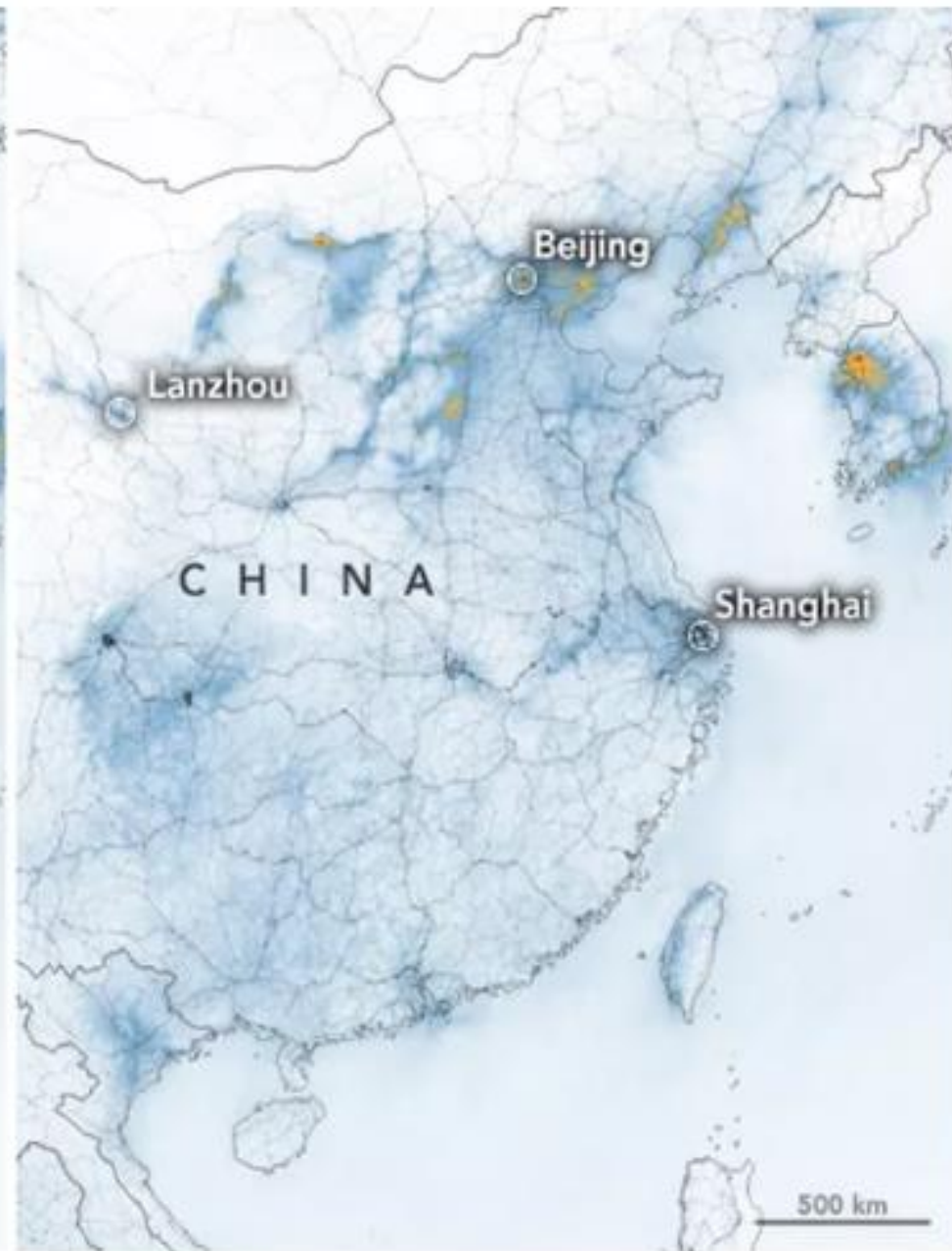
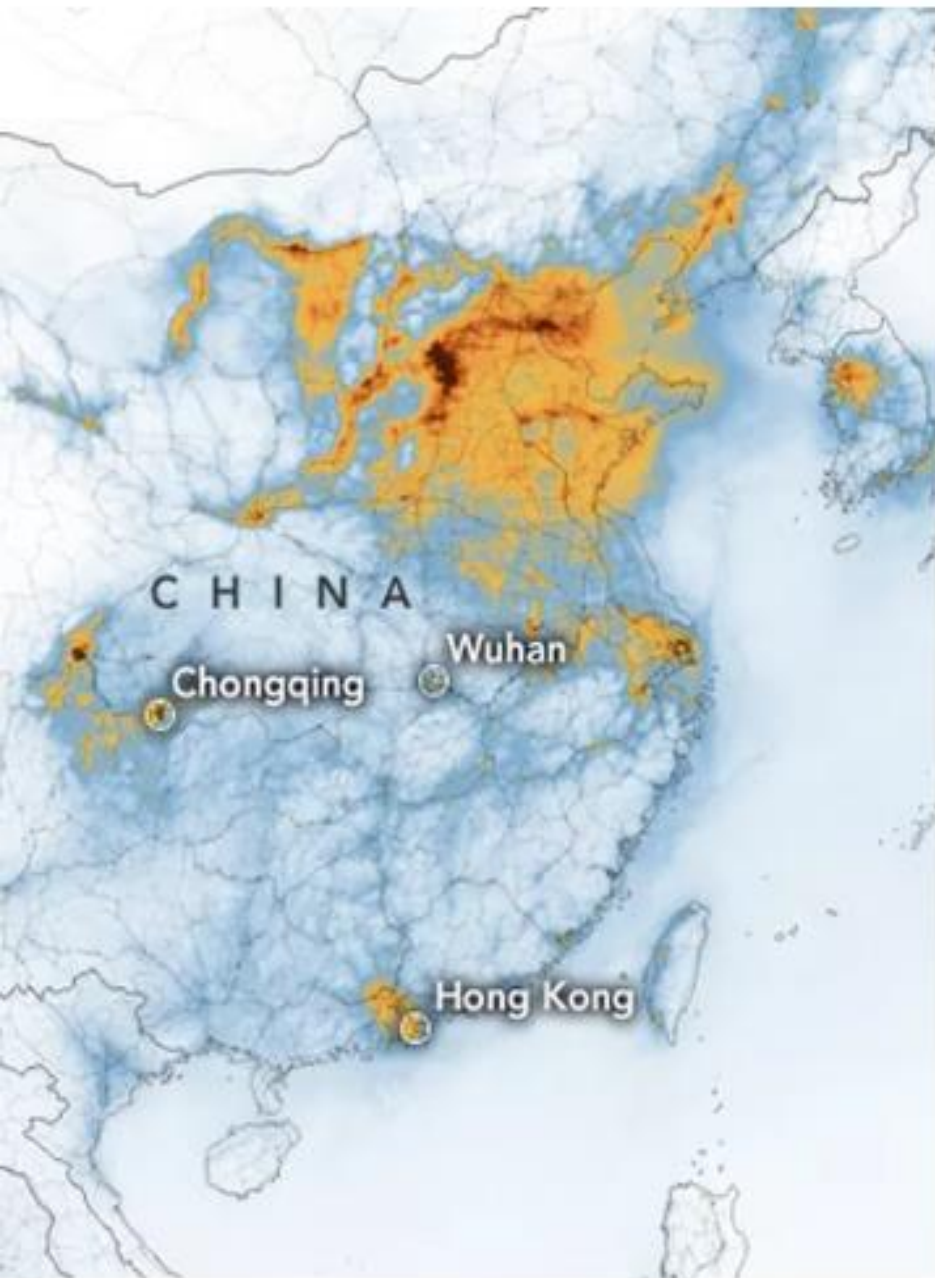
1. Introduction

- The COVID-19 business survey was prepared and organized by **SwissCham China**, with inputs from the **Swiss Business Hub** and the **Embassy of Switzerland**.
- The survey started in early April and run over a timeframe of about **three weeks**.

Participation

- A total of **121 companies** have participated. Most of them are SMEs and manufacture for the Chinese market or other markets
- Sectors:
 - 44% of participating companies are in industrial goods manufacturing
 - 18% work in consulting / legal / services
 - 10% in consumer goods, followed by healthcare (5%) and watches (4%)
- Company size:
 - 58% of the participating companies have less than 100 employees in China
 - 29% have between 100 – 1,000
 - 9% have between 1,000 – 10,000
 - 3% have over 10,000

2. Analysis



2.1. Ongoing challenges

What are the biggest challenges you currently have?

贵司近期面临的最大挑战是什么?

Challenges	Answers	%
Staff shortages / general HR issues	19	15.7%
Local supply chain disruptions	20	16.53%
International supply chain disruptions	41	33.88%
Disruption of distribution channels	16	13.22%
Reduce demand	82	67.77%
Operating below usual capacity	31	25.62%
Red tape / bureaucracy / permits / paper work	10	8.26%
Reduced revenue	73	60.33%
Reduced profits	59	48.76%
Cash flow problems	34	28.1%
Travel restrictions	74	61.16%
Lack of protective equipment	1	0.83%
Other (please specify)	7	5.79%

2.2. Problems that have been solved

Which challenges that hindered your business operations in the past weeks were you able to solve?
在过去几个星期里，有哪些问题是贵司已经成功解决的？

Challenges	Answers	%
Staff shortages / general HR issues	39	35.45%
Local supply chain disruptions	32	29.09%
International supply chain disruptions	12	10.91%
Disruption of distribution channels	7	6.36%
Reduce demand	14	12.73%
Operating below usual capacity	19	17.27%
Red tape / bureaucracy / permits / paper work	9	8.18%
Reduced revenue	12	10.91%
Reduced profits	9	8.18%
Cash flow problems	12	10.91%
Travel restrictions	14	12.73%
Lack of protective equipment	46	41.82%
Other (please specify)	6	5.45%

2.3. Returning to work

Questions regarding returning to work:

关于企业复工的问题:

	< 25%	25%-50%	50%-75%	75%-99%	100%	Not Sure 不确定	Not Applicable 不实施
How many of your employees have returned to the office for work? 贵司有多少员工已经回办公室复工?	8(6.67%)	16(13.33%)	9(7.5%)	37(30.83%)	44(36.67%)	0(0%)	6(5%)
How many of your employees have returned to the manufacturing facility for work? 贵司有多少员工已经回工厂复工?	1(1.09%)	3(3.26%)	4(4.35%)	28(30.43%)	28(30.43%)	0(0%)	28(30.43%)

2.4. Work from home

Has your company implemented a "work-from-home" or similar policy and if yes, what has the productivity been like?
贵司是否有采取“居家办公”或类似办公措施？如果是，现在的办公效率如何？

Applicability / Impact	Answers	%
No, we did not implement a “work-from-home” policy	20	16.53%
Yes, we implemented a “work-from-home” policy and the productivity has increased vs working in the office	7	5.79%
Yes, we implemented a “work-from-home” policy and the productivity stayed the same vs working in the office	43	35.54%
Yes, we implemented a “work-from-home” policy and the productivity has been lower vs working in the office	51	42.15%

2.5. Impact on Revenues 1/2

If the COVID-19 epidemic is resolved and business activity returns to **normal by May 31**, what impact do you expect it to have on your company's revenues in mainland China in this year vs original budget?

如果疫情得到解决，并且在5月31日之前业务活动恢复正常，您认为这对贵司今年在中国大陆的实际营收与预期相比会有哪些变化？

Impact	Answers	%
Higher than budget	7	5.83%
No change	2	1.67%
Decrease by <5%	4	3.33%
Decrease by 5%-10%	16	13.33%
Decrease by 10%-20%	23	19.17%
Decrease by 20%-40%	34	28.33%
Decrease by >40%	13	10.83%
Too early to say	21	17.5%

2.6. Impact on Revenues 2/2

If the COVID-19 epidemic is resolved and business activity returns to **normal by August 31**, what impact do you expect it to have on your company's revenues in mainland China in this year vs original budget?

如果疫情得到解决，并且在8月31日之前业务活动恢复正常，您认为这对贵司今年在中国大陆的实际营收与预期相比会有哪些变化？

Impact	Answers	%
Higher than budget	3	2.48%
No change	3	2.48%
Decrease by <5%	8	6.61%
Decrease by 5%-10%	3	2.48%
Decrease by 10%-20%	9	7.44%
Decrease by 20%-40%	40	33.06%
Decrease by >40%	38	31.4%
Too early to say	17	14.05%

2.7. Business Operations return to normal

第10题 By when do you expect your company's business operations to return to normal?
您预计贵司何时能恢复正常运行?

Time	Answers	%
Too soon to tell	27	22.31%
April 30	30	24.79%
May 31	21	17.36%
June 30	12	9.92%
July 31	6	4.96%
August 31	2	1.65%
September 30	1	0.83%
October 31	2	1.65%
November 30	1	0.83%
End of the year	6	4.96%
In 2021	13	10.74%
Never	0	0%

2.8. Supply Chains

第7题 Given the COVID-19 outbreak, will your company consider investing in additional supply chains outside mainland China to mitigate risks?

鉴于疫情的爆发，贵司是否会考虑投资中国大陆以外的其他地区以降低供应链风险？

Progress	Answers	%
Yes, we already have started planning	11	9.09%
Yes, likely in the future	17	14.05%
Not decided yet	40	33.06%
No need	53	43.8%

2.9. Impact on planned investments

第11题 To what extent do you expect the COVID-19 epidemic to impact your planned investments in China in 2020?
您预计新型冠状病毒肺炎疫情将在多大程度上影响贵司2020年计划在华业务的投资?

Time	Answers	%
Too soon to tell	36	30%
Same as planned	27	22.5%
Decrease planned investments by 1%-10%	15	12.5%
Decrease planned investments by 20%-40%	26	21.67%
Decrease planned investments by over 40%	11	9.17%
Increase planned investments by 1%-10%	2	1.67%
Increase planned investments by 20%-40%	1	0.83%
Increase planned investments by over 40%	2	1.67%

2.10. Information and support

第8题 When you needed information, support and assistance from third parties, who was able to help?
当您来自第三方的信息、支持和帮助时，哪些渠道为您提供了帮助？

Supporting Entities	Answers	%
Development zone	26	21.85%
Local government	75	63.03%
Consulting / law firms	45	37.82%
Swiss Embassy / Consulate	29	24.37%
Swiss Chinese Chamber of Commerce	49	41.18%
Other (please specify)	11	9.24%

3. Summary

- Biggest challenges
 - Travel restrictions, reduced demand, reduced revenue, reduced profit
- Solved challenges (to a certain extent)
 - Lack of protective equipment
 - Staff shortages / general HR issues
- Revenues
 - If fully operational by May:
 - 39% expect revenues to come in between 20%-40% below budget for 2020
 - If fully operational by August:
 - 64% expect revenues to come in between 20%-40% below budget for 2020
- Business operations
 - 52% expect regular operations latest by June 30 (10% expect this in 2021)
- Supply Chains
 - 23% consider additional supply chains outside the mainland to mitigate risks
- Planned investments
 - 22.5% expect no change for 2020
 - 30% expect a decrease by 20% or more for 2020

For questions and further information feel free to contact:

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