



# Survey: Impact of COVID-19 Outbreak on European Companies in Korea

May 15, 2020

# Executive Summary

Impact of COVID-19 Outbreak on European Companies in Korea



ECCK is tracking changing sentiment and priorities for European companies in Korea, as businesses respond to unprecedented disruptions to daily operations brought on by the COVID-19 outbreak. The results shown here are the findings from the third round of the survey. This survey reflects the views of 51 European companies, representing over 23,000 employees and a total turnover of EUR 18 billion (KRW 24 trillion). The survey was conducted from May 6 until 13.

## Key Findings

- 63% of European companies surveyed forecast decrease in revenues for the first half of 2020, and 65% are considering to lower the company's annual business performance target.
- 70% of respondents expect that their organization would be back to normal within six months if the coronavirus were to end immediately.
- 80% replied the government measures did not slow down or hinder business operations. 94% replied that they did not apply for the government's support schemes to help mitigate the virus impact.

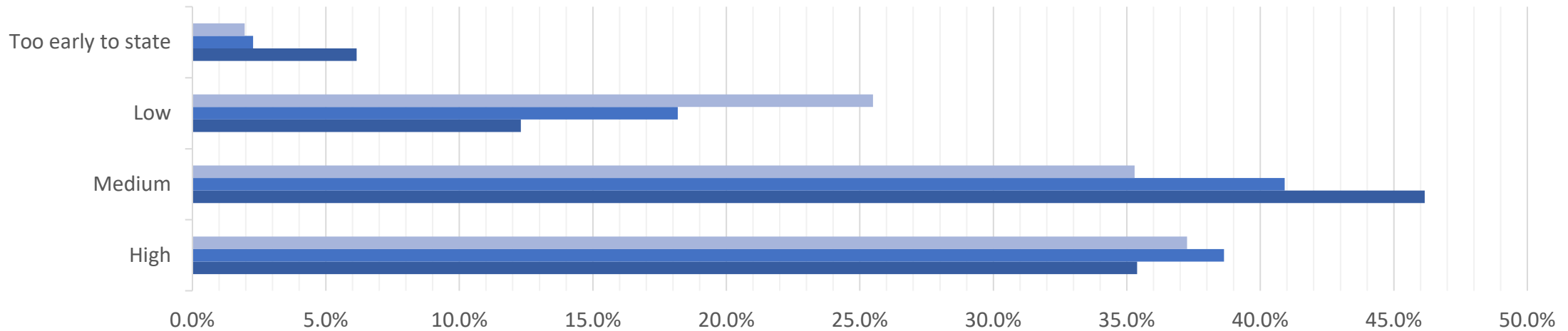
# Survey Findings

# Question 1:

Impact of COVID-19 Outbreak on European Companies in Korea

Is the novel coronavirus outbreak, and the resulting prevention-and-control measures, having any current impact on your business?

March 4: n=65, March 31: n=44, May 13: n=51



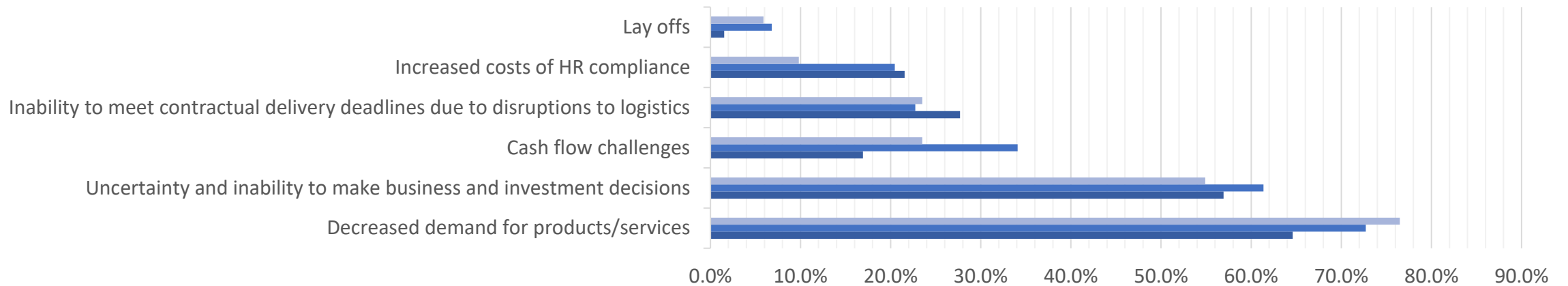
	High	Medium	Low	Too early to state
■ 13-May-20	37.3%	35.3%	25.5%	2.0%
■ 31-Mar-20	38.6%	40.9%	18.2%	2.3%
■ 4-Mar-20	35.4%	46.2%	12.3%	6.2%

# Question 2:

Impact of COVID-19 Outbreak on European Companies in Korea

Please specify how your business in Korea has been affected by the novel coronavirus outbreak so far.

March 4: n=65, March 31: n=44, May 13: n=51



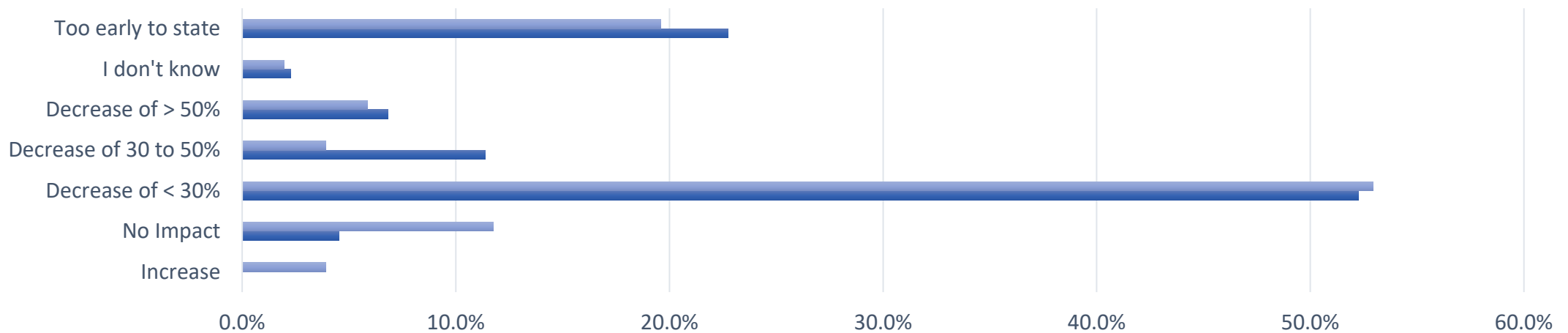
	Decreased demand for products/services	Uncertainty and inability to make business and investment decisions	Cash flow challenges	Inability to meet contractual delivery deadlines due to disruptions to logistics	Increased costs of HR compliance	Lay offs
13-May-20	76.5%	54.9%	23.5%	23.5%	9.8%	5.9%
31-Mar-20	72.7%	61.4%	34.1%	22.7%	20.5%	6.8%
4-Mar-20	64.6%	56.9%	16.9%	27.7%	21.5%	1.5%

# Question 3:

Impact of COVID-19 Outbreak on European Companies in Korea

To what extent will the novel coronavirus outbreak and the resulting prevention-and-control measures impact your company's revenue in the first half of 2020?

March 4: n=65, March 31: n=44, May 13: n=51



	Increase	No Impact	Decrease of < 30%	Decrease of 30 to 50%	Decrease of > 50%	I don't know	Too early to state
13-May-20	3.90%	11.8%	52.9%	3.9%	5.9%	2.0%	19.6%
31-Mar-20	0.0%	4.5%	52.3%	11.4%	6.8%	2.3%	22.7%

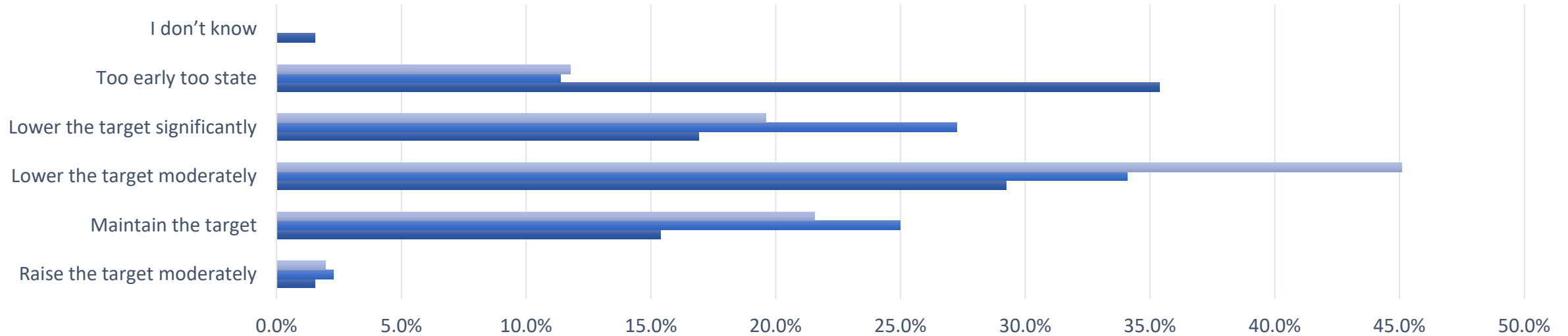
	Increase	No Impact	Decrease of < 5%	Decrease of 5 - 10 %	Decrease of 10 - 20 %	Decrease of > 20 %	I don't know	Too early to state
04-Mar-20	0.0%	4.6%	7.7%	12.3%	15.4%	20.0%	33.8%	6.2%

# Question 4:

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## Do you plan to adjust your company's 2020 business performance target?

March 4: n=65, March 31: n=44, May 13: n=51



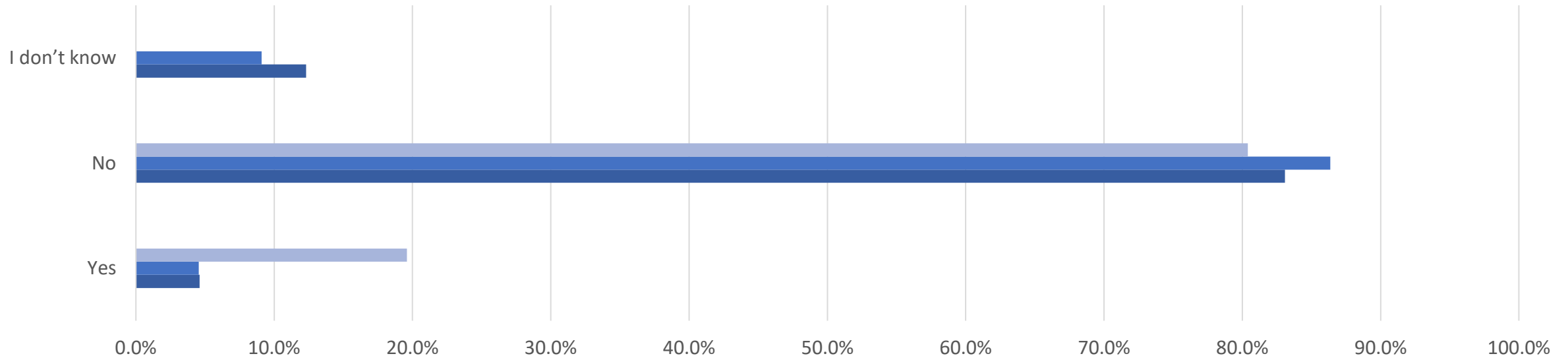
	Raise the target moderately	Maintain the target	Lower the target moderately	Lower the target significantly	Too early too state	I don't know
13-May-20	2.0%	21.6%	45.1%	19.6%	11.8%	0.0%
31-Mar-20	2.3%	25.0%	34.1%	27.3%	11.4%	0.0%
4-Mar-20	1.5%	15.4%	29.2%	16.9%	35.4%	1.5%

# Question 5:

Impact of COVID-19 Outbreak on European Companies in Korea

## Did your company face measures by local authorities that slow down or hinder business operation?

March 4: n=65, March 31: n=44, May 13: n=51



	Yes	No	I don't know
■ 13-May-20	19.60%	80.40%	0
■ 31-Mar-20	4.5%	86.4%	9.1%
■ 4-Mar-20	4.6%	83.1%	12.3%

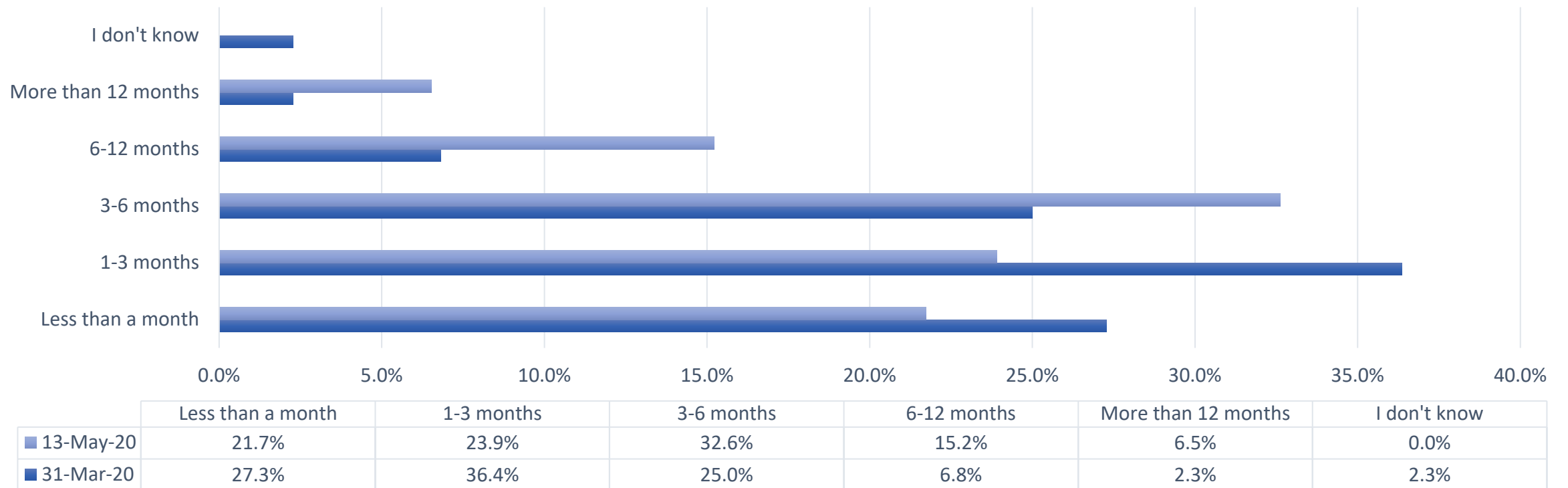


# Question 6:

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If COVID-19 were to end today, for how long do you expect it will take for your organization to recover from the outbreak?

March 4: n=65, March 31: n=44, May 13: n=51

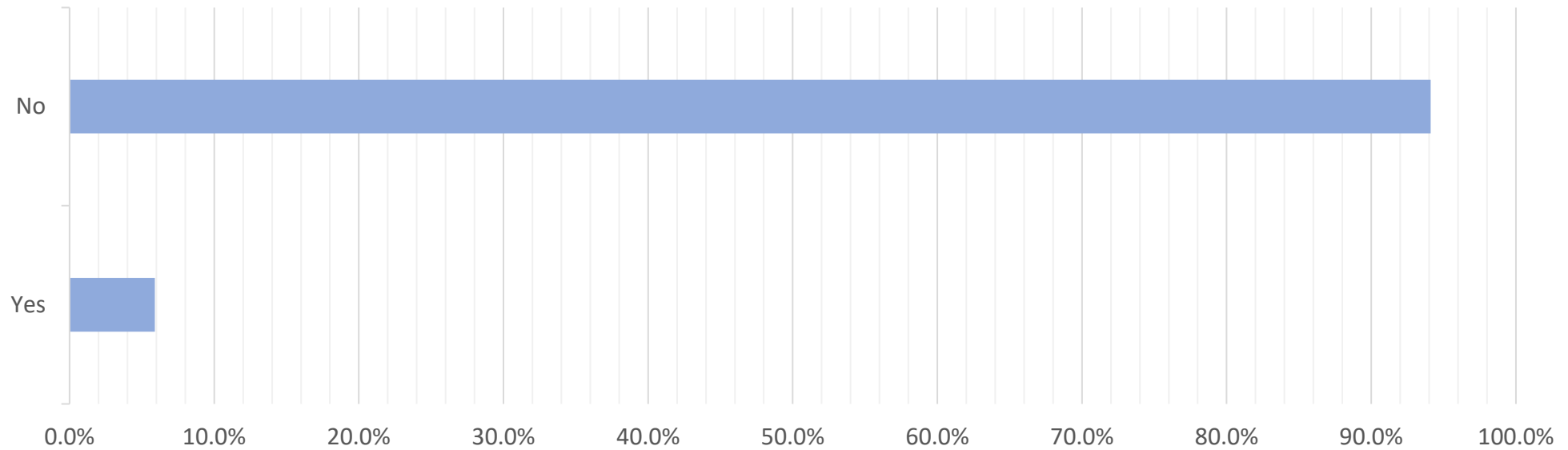


# Question 7:

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## Did your company apply for Korean government's support schemes to help mitigate the impact of COVID-19?

March 4: n=65, March 31: n=44, May 13: n=51



	Yes	No
■ 13-May-20	5.9%	94.1%

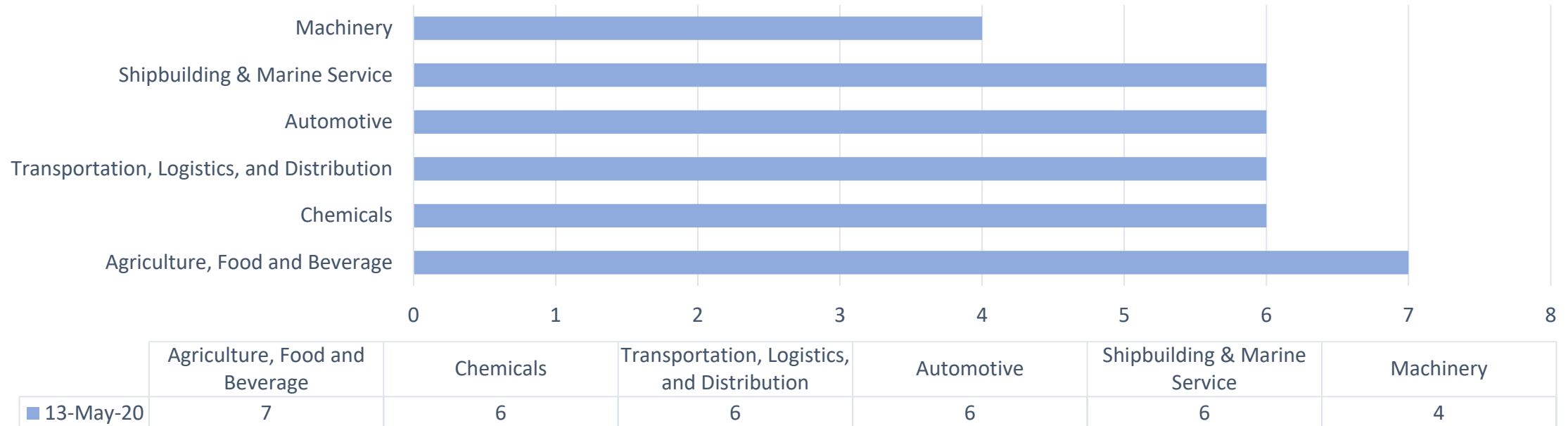
# Respondent Profile

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## Participating Companies by Industry Sector

Total number of respondents: 51



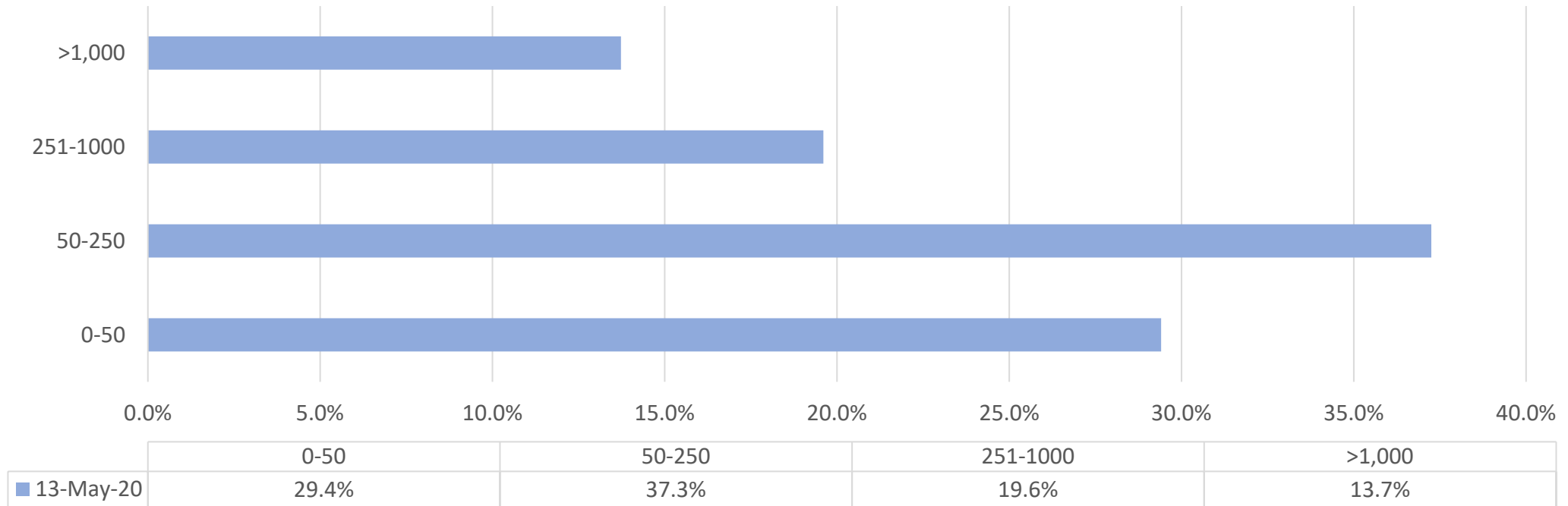
**Other segments of participating companies:** 3: Pharmaceuticals and Medical Devices; 2: Financial Services (incl. insurance), Retail, Home appliances; 1: Professional Services (Non-legal), Advocacy, Aerospace and Defence, Education, Energy management and industrial automation, Certification, "Utilities, Primary Energy, and other Commodities"

# Respondent Profile

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## Participating Companies by Number of Employees

Total number of employees: 23,475

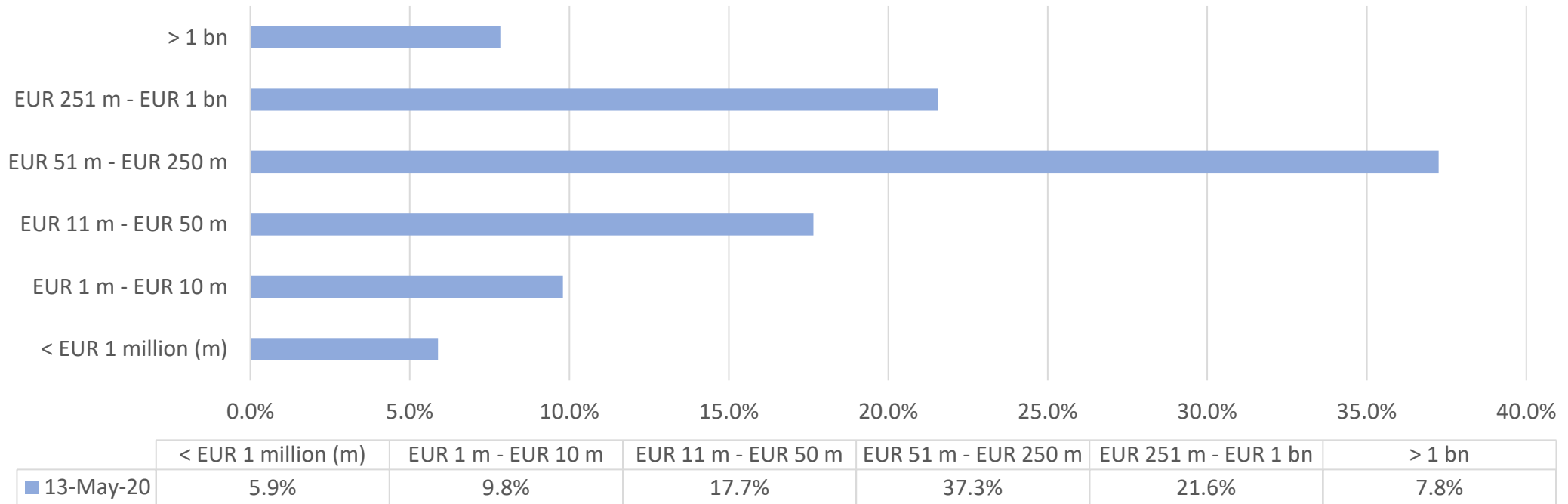


# Respondent Profile

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## Participating Companies by Revenue

Total revenue: EUR 18.0 billion (KRW 24 trillion)



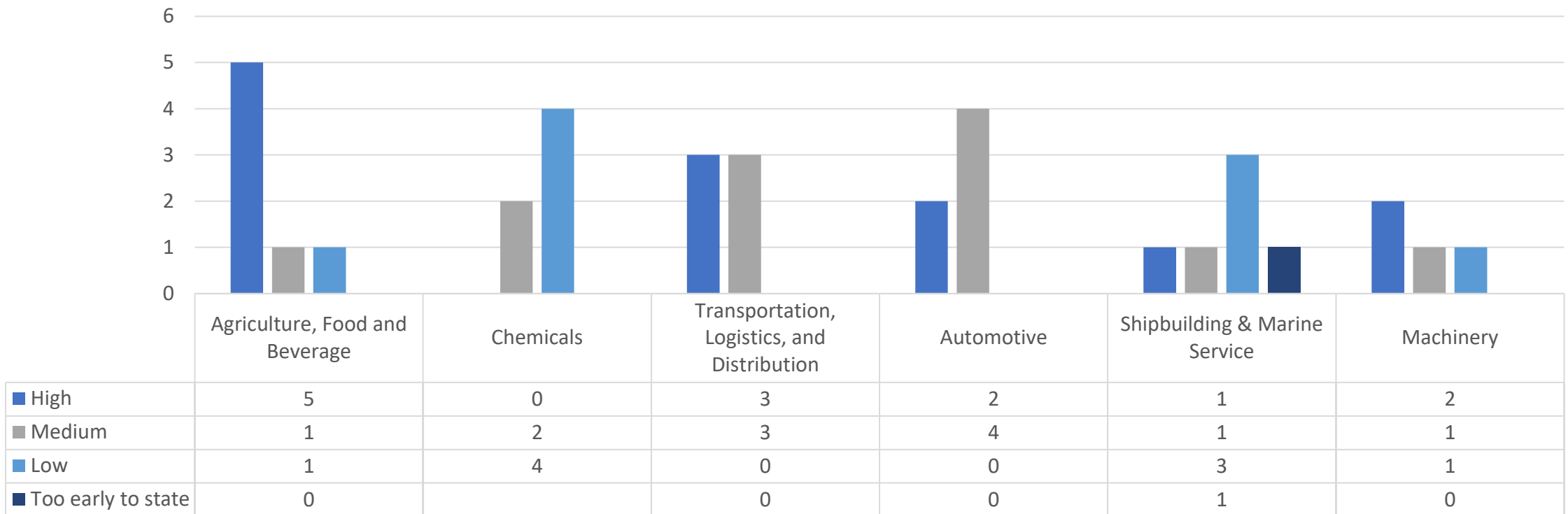
# By Industry Segment

# By Industry Segment

Impact of COVID-19 Outbreak on European Companies in Korea

Is the novel coronavirus outbreak, and the resulting prevention-and-control measures, having any current impact on your business?

Survey: May 13, 2020; Numbers of company displayed 35 (out of 51)



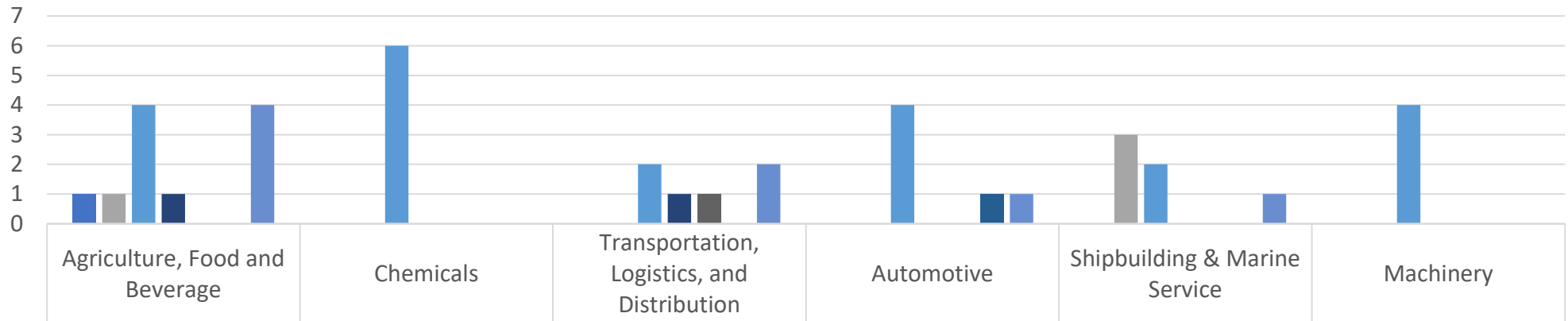


# By Industry Segment

Impact of COVID-19 Outbreak on European Companies in Korea

To what extent will the novel coronavirus outbreak and the resulting prevention-and-control measures impact your company's revenue in the first half of 2020?

Survey: May 13, 2020; Numbers of company displayed 35 (out of 51)



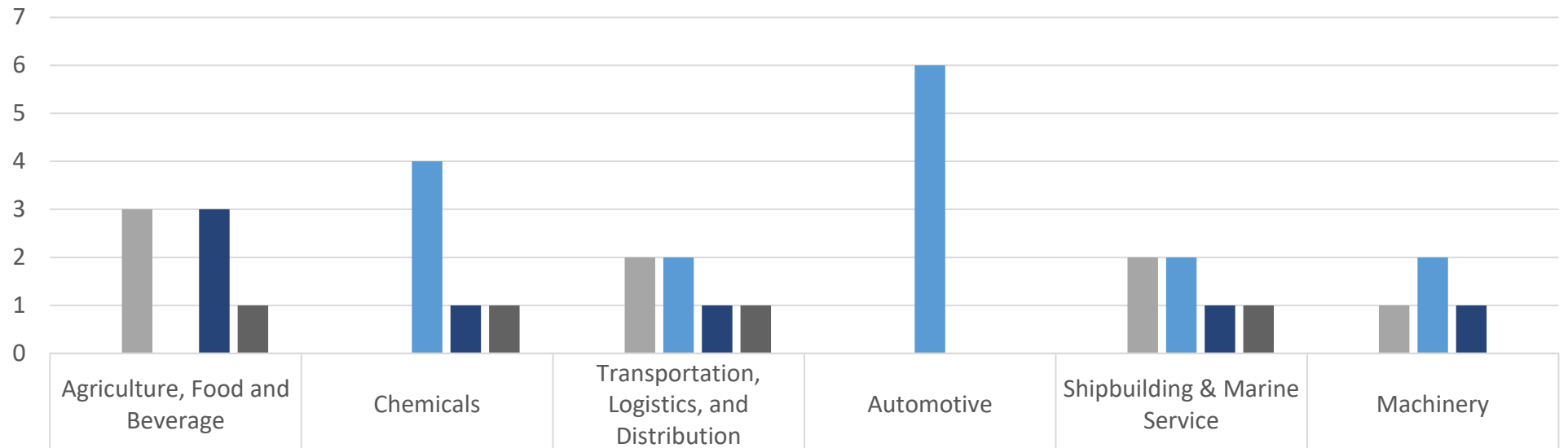
■ Increase	1						
■ No Impact	1					3	
■ Decrease of < 30%	4	6	2	4	2	4	
■ Decrease of 30 to 50%	1		1				
■ Decrease of > 50%			1				
■ I don't know				1			
■ Too early to state	4		2	1		1	

# By Industry Segment

Impact of COVID-19 Outbreak on European Companies in Korea

## Do you plan to adjust your company's 2020 business performance target?

Survey: May 13, 2020; Numbers of company displayed 35 (out of 51)



	Agriculture, Food and Beverage	Chemicals	Transportation, Logistics, and Distribution	Automotive	Shipbuilding & Marine Service	Machinery
■ Raise the target moderately	0	0	0	0	0	0
■ Maintain the target	3	0	2	0	2	1
■ Lower the target moderately	0	4	2	6	2	2
■ Lower the target significantly	3	1	1	0	1	1
■ Too early too state	1	1	1	0	1	0



## Contact

If you would like to know further details about how our services can benefit you and your company, please visit our website at [www.ecck.eu](http://www.ecck.eu).

