

Insight COVID-19 Perceptions Snapshot

BRUNSWICK

March 27, 2020

WEEKLY SENTIMENT ON COVID-19 - POLL HIGHLIGHTS

With Covid-19 and concern spreading around the world, Brunswick Insight gathers the **latest global sentiment polls among the public, businesses and opinion leaders**. Please therefore find below this week's highlights, with links allowing easy access to the detailed findings of each of these polls and publications.

IN A HURRY?.....3 KEY FACTS OF THE WEEK

1. The Covid-19 pandemic has reminded corporate decision makers of the **need to develop new business strategies in their future supply chain designs**. [\[LINK\]](#)
2. Global recession now a certainty as Covid-19 exacerbates pre-existing financial imbalances. [\[LINK\]](#)
3. Brunswick Insight reveals that **67% of Americans expect tough post-pandemic economy & support creative economic measures**. [\[LINK\]](#) and attached as a PDF.

GLOBAL

Public divided on whether isolation & travel bans prevent COVID-19 spread; border closures become more acceptable.

(according to a poll conducted by Ipsos March 19-21, 2020 among 14,000 adults across 14 countries) [\[LINK\]](#)

- Eight out of the 14 countries surveyed agree social distancing measures such as travel bans, and self-isolation will not prevent the spread of the virus. Majorities in Japan (62%), India (61%), Mexico (59%), Brazil (56%), Germany and Vietnam (55%), and Australia (52%) believe social distancing will not work.
- A noticeable increase in the number of people who think the coronavirus poses a high threat to their job or business in all countries. The biggest jumps on this measure are all in developed economies of the U.K. (+20), Canada (+16), Australia (+14), France (+12), and the U.S. (+10). Vietnam (66%) continues to have the largest number of people worried about their jobs.

The Covid-19 pandemic has reminded corporate decision makers of the need to develop new business strategies in their future supply chain designs.

- According to the World Economic Forum in an article published 23 March 2020), the KPIs to be considered for future supply value chain designs will likely contain both traditional metrics such as cost, quality and delivery, and **new performance measures including resilience, responsiveness, and reconfigurability**. There will be an increased need for infrastructures and technical means to **create the transparency** within global supply chains. [\[LINK\]](#)

- An article by Bloomberg, 20 March 2020, looks at the “Covid-19 supply chain shock, born in China, is going global”, with predictions that the impact may be worse than the trade wars of 2019. [\[LINK\]](#)

Global recession now a certainty as Covid-19 exacerbates pre-existing financial imbalances.

(according to a Forbes article published on 23 March 2020). [\[LINK\]](#)

- Effective government policy responses must focus on supporting businesses.
- China getting back to work and to consume.

A study from Gallup reveals some of the common actions taken by large companies in reaction to the spread of Covid-19 (survey of 100 large companies) [\[LINK\]](#)

- Most organizations have created crisis management teams, by region.
- Development of diagnosis protocols.
- Travel restrictions– including face-to-face meetings, public transport and large gatherings.
- Monitoring business impact – senior leaders hold dedicated meetings to protect business functions.
- Encouraging wellbeing – both physical and financial.
- Testing technology.
- Leveraging communications.

Following the sun...

AUSTRALIA

Australians support stronger action on Covid-19 as alarm and personal impact grows

- According to a poll conducted by Newgate among 1,000 people, Australians have become significantly more alarmed about Coronavirus (COVID-19) in the past week with **nearly two thirds (63%) now “extremely concerned”** about it, up from 45% last week. [\[LINK\]](#)
- In the same poll, **10% said they had been laid off while nearly one in four (24%) had lost income.** [\[LINK\]](#)

ASIA

Southeast Asia

Coronavirus may change the geopolitics of Southeast Asia

- An article from South China Morning Post on 23 March 2020, looks at how the fourth industrial revolution could spell doom for SE Asia’s supply chains, fundamentally changing Asean’s strategic environment. [\[LINK\]](#)

China:

Majority of MNC Companies in China have a pessimistic economic outlook, but close to half expect a return to normal operations within a month.

According to a survey, conducted 14-18 March among 120 US and MNCs in China by The American Chamber of Commerce in China (“AmCham China”): [\[LINK\]](#)

- Half of MNC’s surveyed were experiencing significant revenue declines, a rate nearly double the 28% figure in February.
- Most MNC businesses – some **76% - were pessimistic about the outlook for China.**
- But the surveyed companies indicated they were not ready to pull out of China, with **only 3% saying they were considering relocating** some or all their production out of the mainland.

The Chinese are grateful for companies which contributed to the virus relief, with less tolerance for individualistic behavior

A survey conducted by a Dutch-based group Glocalities among 2,022 Chinese between 23 Jan and 13 Mar revealed the Chinese shift in attitude after the COVID-19 lockdown: [\[LINK\]](#)

- **Trust in Chinese companies rose from 55% to 70%** after the lockdown and in civil servants it increased from 42% to 54%.
- **Favourability towards Jack Ma also increased significantly** due to his effort in supporting the society amid the virus outbreak.
- Pre lockdown, 48% of those surveyed **strongly agreed that "if you give people too much freedom they abuse it"**; post lockdown this figure rose to 59%.

MIDDLE EAST

UAE:

UAE residents have faith in their government response, but are concerned about the global and local impact of Covid-19 outbreak

- A poll conducted by IPSOS between 15 -18 March among 1000 UAE residents shows that the majority (88%) of residents have heard of the coronavirus outbreak.
 - Many (60%) think the media has exaggerated the outbreak of Covid-19. There is a high trust in public authorities (84% trust government websites), health organizations (83% trust WHO and local health authorities) and scientists (78%).
 - 57% of UAE respondents think Covid-19 is very dangerous, whereas 35% think it is a little more dangerous than the seasonal flu.
 - 80% of UAE respondents view the total quarantine as a correct measure given the risk, and 87% of them believe the government has done a good job preparing people for the outbreak.
 - 68% of UAE respondents think a global recession is likely to happen due to the outbreak, and 51% of respondents expect significant layoffs in the UAE. [\[Link\]](#)

UAE senior professionals believe that Covid-19 is and will continue to be disruptive to businesses

- A poll conducted by YouGov between 9 - 15 March among 220 working professionals belonging to the senior management in various companies (senior business managers and above) shows that four in five (79%) of the surveyed business professionals claimed the Coronavirus had a large or moderate impact on their business.
 - Many indicated a drop in sales (42%) and sensed insecurity and safety concerns among employees (42%).
 - The data suggests further disruption on the horizon with four in five respondents (80%) saying the virus is very likely or fairly likely to affect their business in the future.
 - Most UAE professionals (88%) feel the Coronavirus will have a large to moderate impact on the country's overall economy. [\[link\]](#)

Saudi Arabia:

Saudi residents are very concerned about contracting Covid-19, but feel that they know how to handle potential contamination

- A poll conducted by YouGov between 11 – 18 March among UAE and KSA residents revealed that 62% of participants in both countries are 'very scared' or 'fairly scared' about contracting the coronavirus
 - In KSA, expats are more afraid about getting the infection, compared to locals (68% expats vs 62% Saudis).
 - Most (70%) feel well-informed about what to do if they suspect they have coronavirus. UAE residents tend to be more knowledgeable about handling this situation than KSA residents (74% vs 67%). [\[Link\]](#)

Bahrain:

Residents are worried about the Covid-19 outbreak, and do not think their employers are taking the right measures to tackle the virus spread

- A poll conducted by APCO worldwide among 1,200 respondents in the UAE, KSA and Bahrain showed that 80% of Bahrain residents are very or extremely worried about the coronavirus outbreak.
 - 37% of employees expect their companies to improve workplace hygiene and begin working from home (56%).
 - Only 15% of respondents in Bahrain looked to their employers and managers for information.
 - Only 44% of respondents in Bahrain think their employers are taking a lot of measures to tackle the spread of the virus, and 12% of respondents feel their employers were not taking sufficient measures against the virus.
 - Only 49% of respondents in Bahrain felt that they know a lot about preventing Covid-19. [\[Link\]](#)

EUROPE

Germany:

Germany faces a slowing economy, as a result of Covid-19

- German Trade Association's (Handelsverband Deutschland - HDE) recent survey among representatives from 700 companies in German showed that **two-thirds of the companies are currently affected by declining customer demand due to Covid-19.** [\[LINK\]](#)
- **Tourism (96%) and hospitality (79%) are the hardest hit**, according to another survey conducted by ifo Institut in March among 3,400 companies in Germany. [\[LINK\]](#)

Germans fear a worse economic situation

- According to a survey by Appinio, conducted on 17-18 March, among 2,500 people, **37% fear long-term economic effects** of the Covid-19, such as corporate insolvencies. [\[LINK\]](#)
- According to a survey by television channels RTL/n-tv, **62% of Germans fear a deterioration in the economic situation.** That is 12% more than last week. **Such a pessimistic assessment was last made in July 2008 during the financial crisis.** [\[LINK\]](#)

Blockchain companies in Germany are affected by the Covid-19 crisis

Conducted by the Federal Blockchain Association and BTC Echo (120 companies in the blockchain business from the DACH region were surveyed)

- Over **80% of the companies** stated that the corona crisis **negatively affects their business**.
- Over **60% of the block-chain start-ups surveyed fear the existential threat from missing out on investments that were promised before the crisis**.
- More than 90% said that they had already moved their work to their home office.
- 60% of the blockchain companies have already taken cost saving measures. [\[LINK\]](#)

The need for information among 14-69 year olds is greater than ever

According to a survey conducted by Havas Media According (a representative online survey, 500 people between the ages of 14 and 69, conducted from 17 to 19 March)

- **89%** of 14-69 year olds **inform themselves several times a day** about the latest developments concerning the virus - the older the person, the greater the need for information.
- Media use has increased mainly **online (by 40%)**, but also **on television (by 36%)**. [\[LINK\]](#)

Germans are changing their behaviour, especially regarding their use of digital media

Conducted by Appinio market research (representative online survey, 2,500 Germans between 16 and 65, 17 to 18 March)

- **76% of Germans stay at home more than usual** during their free time because of the coronavirus, **45% watch more TV**, **35% use streaming services more frequently**, **44% use the internet more**, **33% increased their social media activity**. [\[LINK\]](#)

Italy:

Italian companies immediately perceived the negative effects of Covid-19. Few agree that the economic measures introduced by the Government are adequate

- According to research conducted by BVA-Doxa between 9-16 March among 301 Italian companies, **76% of participants report that the Covid-19 emergency had immediate negative impacts**, with 19% of companies expecting to experience the first consequences in April:
 - **Two thirds of companies believe the emergency will negatively affect the demand for products and services at national level**, while almost half (45%) believe that they will face a particularly significant drop;
 - demand for products and services on international markets remains uncertain: 34% of polled companies cannot predict future scenarios, but **43% of them affirm they have already detected negative repercussions on exports**;
 - **small businesses express the greatest concerns**: 77% of Italian small businesses will experience significant decreases in domestic demand, and 56% of them will see such a slowdown at international level. [\[LINK\]](#)
- According to the same BVA-Doxa research, **67% of companies worry about significant repercussions over a long period of time**. While 1/3 of companies are more optimistic and believe that the crisis will be over in a few months. [\[LINK\]](#)
- A poll conducted by SWG for Confesercenti (the Italian Association for Commerce, Tourism and Services) between 19-23 March among small and medium businesses shows that Italian commerce and tourism businesses **do not trust the effect of the economic measures approved by the government**:

- 67% of respondents consider the economic measures approved by the government inappropriate, while only 32% expect these to be effective;
- 44% of entrepreneurs don't exclude the possibility to go bankrupt, while a further 34% consider to be at risk in case the lockdown is extended;
- 50% is mostly concerned about the possibility of an economic recession, a percentage equal to that of people that declared to be mostly worried about the health emergency (49%). [\[LINK\]](#)

Many companies have introduced agile working policies, which could continue after the crisis.

- According to Dataroom, the data journalism section of Il Corriere della Sera, at March 13 **1.2 million workers are operating remotely** (source: Labour Ministry), while they were only 570.000 prior to the Coronavirus outbreak (source: Politecnico di Milano):
 - this is an incredible challenge as only 24% of the Italian population has access to an ultra-broadband connection. [\[LINK\]](#)
- According to the BVA-Doxa research (mentioned above), a high number of companies participating in the survey appreciate 'smart working' and intend to continue after the emergency ends:
 - 90% of companies express a favourable opinion in terms of efficiency and optimal work management;
 - for two out of five companies – in particular, those active in finance, utilities and TLC – the organizational changes will be kept after the emergency is over. [\[LINK\]](#)

Italian citizens' concerns about the virus spread increase. While they are positive towards the response from their government and domestic institutions, this does not extend towards the European Union

- According to a permanent survey conducted by SWG among 400 Italian citizens, on March 22, **96% of respondents declare to be very or fairly concerned** by the spread of the virus, versus 91% recorded on March 11 and 67% on March 6; [\[LINK\]](#)
- According to a survey conducted by SWG between 19-20 March among 800 Italian citizens, asked to score from 1 to 10 the behaviour of institutions over the current emergency, Civil Protection and Lombardy Region received the highest valuations (7.7 and 7.6 respectively). **The National Government performed well (6.6), while the European Union's actions are deemed totally inadequate (4.4);**
- General public also **appreciates the measures addressed to families** and in particular the suspension of primary residency mortgage instalments for workers with liquidity problems (71%), the measures for workers with young children (68%) and the postponement of fiscal obligations (66%); [\[LINK\]](#)

UK:

The British don't think their fellow countrymen and women are taking the virus seriously enough. Although many expected to contract coronavirus and a sluggish economy ahead, the majority remain optimistic about their own future.

A survey conducted by YouGov among 2,972 British citizens between 24 – 25 Mar revealed the public's perception towards the virus situation in their home country: [\[LINK\]](#)

- **61%** of those surveyed think the **UK Government has taken the right approach** in combating the virus, and **87%** believe **the public need to take the situation more seriously.**
- Although most Britons (**63%**) think they **have 50/50 or more likelihood of contracting Covid-19, 60% still left their houses last Sunday**, against the advice of the Government, and **63% believe that they would be able to recover** from the virus should they catch it.
- Although the majority of Britons believe the **virus situation will weaken the country's economy for a few years (42%)** or for an **even longer term (41%),** over half of those surveyed (**54%**) are **optimistic** about their own future.

NORTH AMERICA

Brunswick data: Americans expect tough post-pandemic economy & support creative economic measures.
From Brunswick's national survey among 800 American voters March 20-23, 2020: [\[LINK\]](#) and attached.

- **67% expect a long-term negative economic hit.** Only 22% are expecting a short-term impact on the economy. It suggests that the American consumer will pull back on spending.
- To offset the expected negative economic impact, there is **majority support government bailouts for the restaurant (82%), retail (71%) and hotel (70%),** industries.
- **78% believed that "the federal government providing direct cash payments to Americans" would be effective** in helping people deal with the financial impact of the pandemic.

Small businesses could crumble in mere weeks as pandemic exacts toll, but reluctant to take on extra debt
According to research conducted by J.P.Morgan Chase [\[LINK\]](#)

- **Median cash buffer of small businesses is just 27 days,** with these businesses **reluctant to take on extra debt** (e.g. via the \$50 billion that is being made available for small business loans), when many are teetering on the edge of solvency.

Many Americans feel people aren't taking the Covid-19 risk seriously enough, with majority in agreement on Public Health guidance

Research conducted by Echelon Insights among 1,000 registered voters, during 20-24 March: [\[LINK\]](#)

- **Four-in-ten say people are not taking the risk seriously enough;** while 26% feel the risks are exaggerated.
- **88% believe that staying home is essential** to slowing the spread of Covid-19 in the community.
- There is strongest support for Federal assistance to small businesses (87%) and to individuals (83%).

Social impact and disruption to US daily life, as a result of COVID-19

- **Most US adults expect long-term covid-19 disruption,** according to a poll by Gallup conducted 13-22 March 2020, among a random sample of 1,020 adults. [\[LINK\]](#),
- According to an Axios/Ipsos Coronavirus Index conducted during the week of March 16th among 1,092 US adults, **the number of Americans who say they are self-quarantining has almost quadrupled,** up to 39% that week versus only 10% the previous week. [\[LINK\]](#)
- Likewise, **the in-person workforce is rapidly shrinking** as Americans either move to work-from-home or not working. The number of Americans who report being told to work from home has doubled, up to 40% from 21% last week. Likewise, the number of employees who report their business is shutting down has almost doubled (to 18% from 10%) as has the number being furloughed or otherwise told not to work (up to 22% from 10%). [\[LINK\]](#)
- ABC News's latest research, conducted between March 11-12 of 502 US adults, reports that **people trust their employers (68%) far more than they trust the federal government (53%)** to look out for their best interests. [\[LINK\]](#)
- **72% of Americans say their lives have been "disrupted in some way" by the Coronavirus,** either by cancelling going out to dinner, taking a vacation, or attending religious services. This is a massive 46-point leap from last week when only about one-quarter of Americans said the same. [\[LINK\]](#)
- Despite perceptions from viral videos showing young Americans dismissing concerns over the disease, **83% of 18-29 year olds said they are concerned about getting the illness,** compared to 75% of 30-49 year olds, 79% of 50-64 year olds and 82% of over 65 year olds who said the same. [\[LINK\]](#)

While positive sentiment for President Trump increases, Americans remain strictly partisan in their views on COVID-19

According to a Monmouth University Poll of 851 US adults, conducted between March 18-22. [\[LINK\]](#)

- **50% of Americans believe President Trump has done a “good job” dealing with the outbreak**, while 45% say he has done a “bad job.” Trump’s approval on this issue is up from last week, when the numbers were nearly reversed (43% “good job” versus 55% “bad job”).
- The president’s net-positive ranking remains starkly partisan, with **89% of Republicans**, 48% of Independents, and **19% of Democrats assessing that he has done a “good job”** handling the public health crisis.

As coronavirus continues to impact every part of Americans’ daily life, voters’ thoughts on the Democratic primary election, and likely the general election, are already being influenced.

According to a Newsy/YouGov poll of 1,000 US adults, conducted between March 9-10. [\[LINK\]](#)

- Eitan Hersh, a voter behavior data analyst, says that voters’ decisions in the general election could also be altered by how the Trump administration handles the pandemic. When faced with a crisis, **voters look for comfort in what they already know and don’t necessarily want a lot of change.** Between Biden and Sanders, there’s a lot more uncertainty on how Sanders would run an administration, compared to Biden’s previous experience in the Obama administration.
- **29% of Americans believe that Biden is best equipped to handle the coronavirus crisis, compared to Sanders at 18%.** But the plurality of respondents chose neither (38%) or were undecided (15%).
- However, **both Democratic candidates were seen as better equipped to handle the pandemic over President Trump.** In a head-to-head matchup, 40% said Biden was the best equipped while 34% said Trump. Between Sanders and Trump, there was a slimmer margin, but the Democratic candidate still led, with Sanders at 37% and Trump at 35%.

ABOUT BRUNSWICK

Brunswick is a strategic advisory firm focused on helping companies navigate critical issues. Along with a worldwide team of experts, we have a deeply experienced team across China who can advise on capital markets related implications of the COVID-19 outbreak. Please do not hesitate to get in touch with us.

Business and Society	Business Resilience	Employee Communications	Investor Engagement	Healthcare	China
Meaghan Ramsey Partner, London	Paddy McGuinness Senior Advisor, London	Jonathan Dong Partner, Beijing	Amelia Pan Partner, London	Charis Gresser Partner, London	Yan Mei Senior Partner, Chair of China, Beijing
Stacey Chow Director, Hong Kong	Lisa Foley Asia Managing Partner, Hong Kong	Nick Howard Partner, London	Tim Daubenspeck Partner, New York	Will Carnwath Partner, Head of Singapore	St. John Moore Partner, Head of Beijing
Liz Dahan Director, Washington DC	Kate Holgate Partner, Head of Hong Kong	Rebekah Metts-Childers Partner, Chicago	Elaine Li Partner, Hong Kong	Yi Zhou Director, Hong Kong	
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