



AMERICAN-HELLENIC
CHAMBER OF COMMERCE

**The American-Hellenic Chamber of
Commerce presents the results of the
survey on the impact of COVID-19**

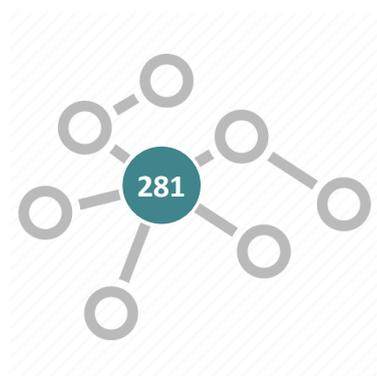
March 2020

Introduction

The emergence and spread of the new COVID-19 virus, poses a serious threat not only for the global health but for the global economy as well, with unforeseen consequences so far.

Major economic sectors are facing severe damage, while concerns about a potential economic recession are increased.

The American-Hellenic Chamber of Commerce, in response to the general concerns and uncertainty of the Greek business community, conducted a survey on the impact of COVID-19 from 16/03 until 20/03.



- ▶ **Data Collection Period: 16/03/2020 until 20/03/2020**
- ▶ **Participation of 281 companies/organizations**

The survey's results indicate that the majority of the participating companies are being affected by the virus impacts and they are **expecting a decrease in their projected revenues**. On the contrary, there are companies which are not, so far, affected by the COVID-19 outbreak and they are looking forward to prospect **revenues increase**. These companies are operating in the fields of **food & beverages, technology** and **supply chain**. It is noteworthy that most of the **small companies** (<50 employees) are anticipating a **decrease of more than 50% of their revenues**.

Furthermore, according to the participating companies the crisis outcomes will be immediately perceivable and in **less than 1 to 3 months** the negative impact on the economy will be visible. This is also reflected by the fact that more than half of the participating companies are facing **severe problems on their importing/exporting activities**. The **travel disruptions, the uncertainty and the inability to make business decisions**, as well as the **reduced demand for companies' products**, consist of the main business problems.

Another important point of the survey is the fact that almost all companies believe that their **planned investment decisions will be reduced** and the majority of them that their **operating market will have a decreased growth**. As mentioned above, there are exceptions especially in companies operating in the fields of **food & beverages, technology** and **health**. These companies are expecting growth not only in their **investment decisions** but in their **number of employees** as well.

In addition, the participating companies reported that they have already taken additional measures in order to address the COVID-19 crisis. The implementation of **health safety measures** in the workplace, the **digitization** of their operating mode, as well as the **cancellation of all their business**



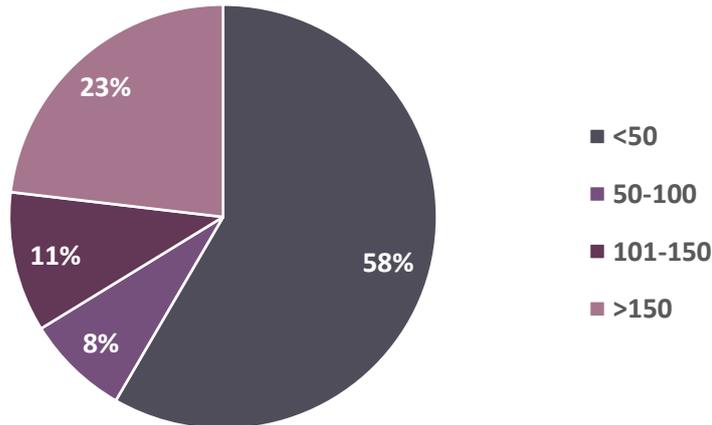
activities (trips, conferences, meetings) are amongst the companies taken actions as an effort to limit the phenomenon. Companies' next steps are the **reassessment of their strategy and their budget**, the **reduction of their expenses** and the **re-evaluation of the projected revenues**. Some of the participating companies have already **closed their offices** by applying the **"work from home"** policy, while those which are obliged to remain open due to their product's nature are operating with **emergency personnel**.

Regarding the required government's measures in order to confront the crisis, companies reported the necessity of their **financial support**. The state in order to financially support the companies should examine the **"freeze" of their payments and debts** and their general **tax liabilities** to the state combined with **loans adjustment** by postponing their **loan payments** or by **lending with low or zero interest rates**. Based on the results, companies consider that the state should implement a strict **"stay home" policy** and **companies' lockdown** (except for those with essential products). Several companies also reported that it is important the state to **regulate the employers' contributions** and to **reinforce the funds** for the employees' payments for the companies who were forced to close. It is highly important for the **state to promote partnerships with the telecommunication companies** in order to enhance our country's **digital infrastructures** and support businesses working remotely. Determined initiatives of the state and the directives' implementation by the companies and the employees will contribute to the confrontation of this asymmetric threat and the turnaround of the recessionary climate.



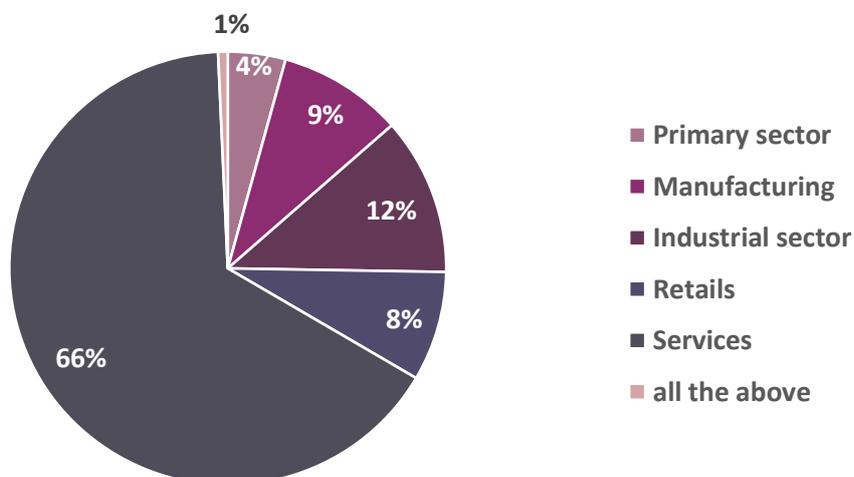
1. Companies size based on the number of employees

The majority of the **281 participating companies** with a percentage of **58%** are companies with less than 50 employees, **8%** consists of companies with 50 to 100 employees, **11%** represents companies with 101-150 employees, and finally the percentage of **23%** consists of companies with more than 150 employees.



2. Companies sector

The high percentage of **66%** consists of companies who belong in the **service sector**, while the remaining percentage of **34%** is allocated to the remaining sectors (**industrial sector, manufacturing, retails, primary sector**). It should be highlighted that only **1%** of the companies have extended activity in all the sectors.



3.Field of companies' activity

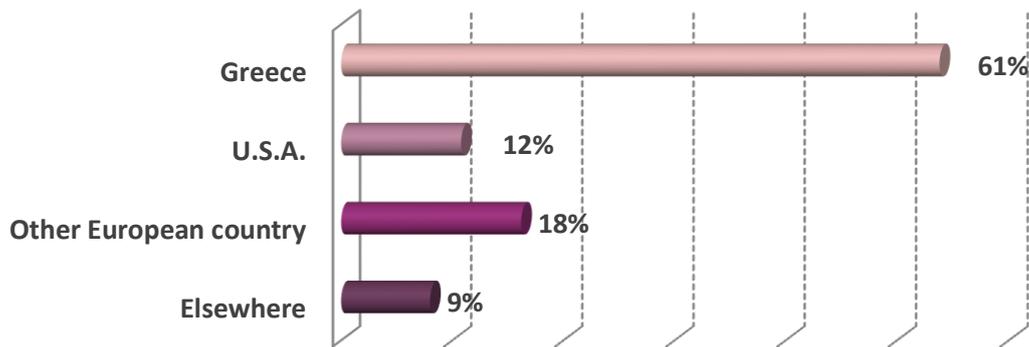
According to the results, the participating companies come from various economic sectors. Most of the results, refer to companies' activities such as **consulting services, food & beverages, technology, and health**. The following table depicts the number of the participating companies per field of activity.

Field of activity	Companies	Field of activity	Companies
Consulting Services	55	Insurance Services	5
Food & Beverages	42	Media & Communication	5
Technology	33	Logistics & Supply Chain Services	4
Health	25	Real Estate	4
Legal Services	12	Banks	3
Education	10	Financial Services	3
Tourism Services	9	Museums & Cultural Services	3
Energy	8	Public Sector	3
Entertainment	8	Defense	2
Consumer Products	8	Engineering Equipment & Services	2
Agricultural Products & Services	7	Environmental Products & Services	2
Automobiles & Components	6	Shipping	2
Construction	6	Transport Services	2
Professional Equipment & Services	5	R&D	1
Events' Organization	5	Utilities	1

4.Companies country of activity

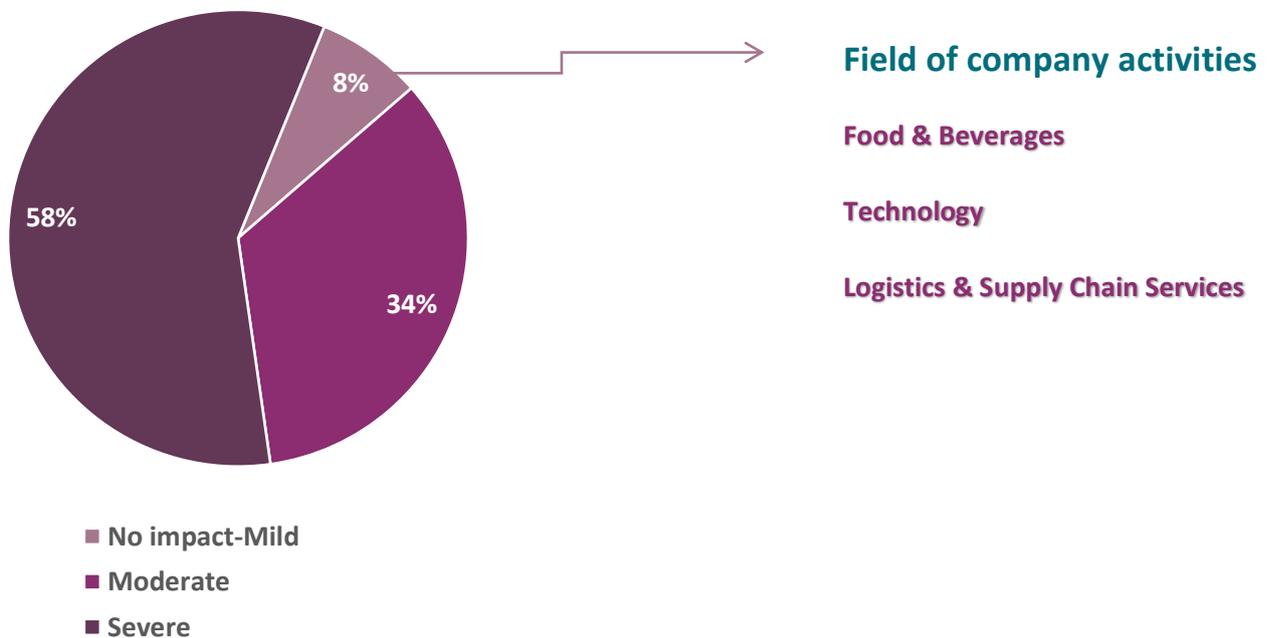
Most of the participating companies (**61%**) have legal presence and representative offices mostly in Greece, as shown in the diagram below, followed by a percentage of **18%** with presence in European countries. A percentage of **12%** have legal appearance or representative offices in U.S.A, and a percentage of **9%** has presence in any other country. It should be mentioned that the participating companies had the ability to choose more than one answer, in case of having presence in more than one country.





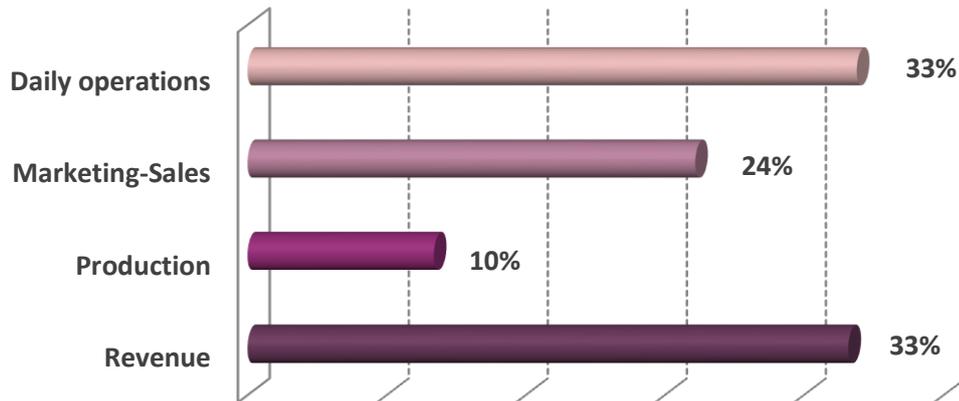
5.COVID-19 impact on the companies

As it is shown in the following diagram, the extremely high percentage of **92%** reflects that the COVID-19 outbreak has severe effect in the companies. However, it appears that there are no or less affected companies (**8%**). These companies are mainly in the field of **F&B, technology** and **logistics & supply chain services**.



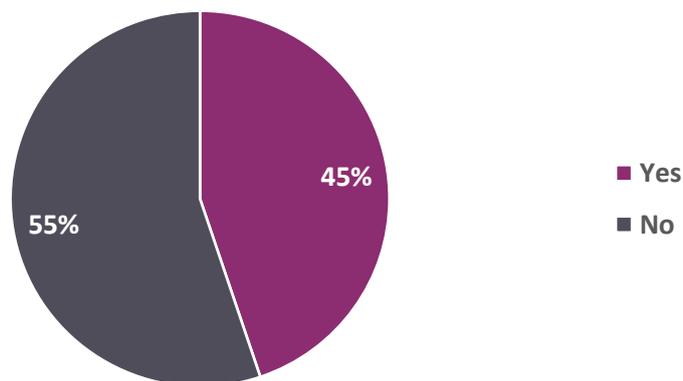
6.COVID-19 impact on companies operating areas

Evaluating the companies' answers, it seems that their **daily operations** and **revenues** have the more consequences from COVID-19 outbreak. On the contrary, the production is currently facing the least impact, as the demand of necessities is extremely increased.



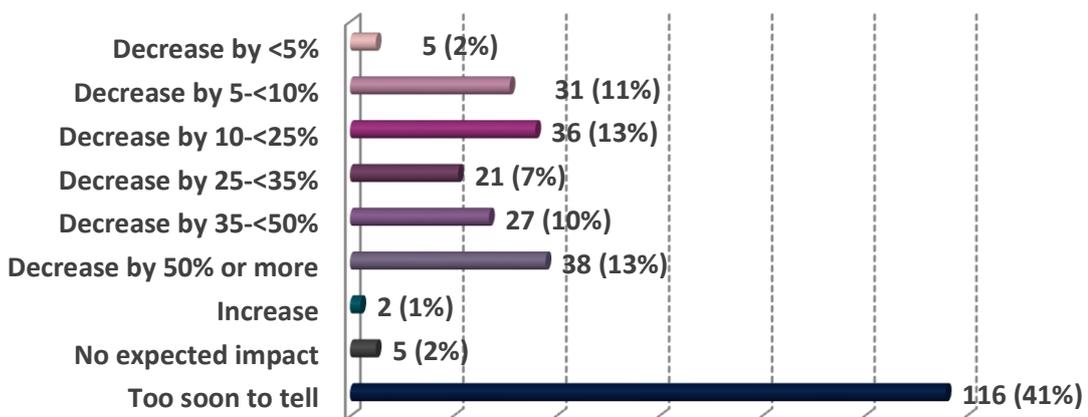
7.Companies budget review

The emergence of this new virus shows that companies are uncertain and extremely divided regarding their future, forcing a percentage of **45%** to review their annual budget.



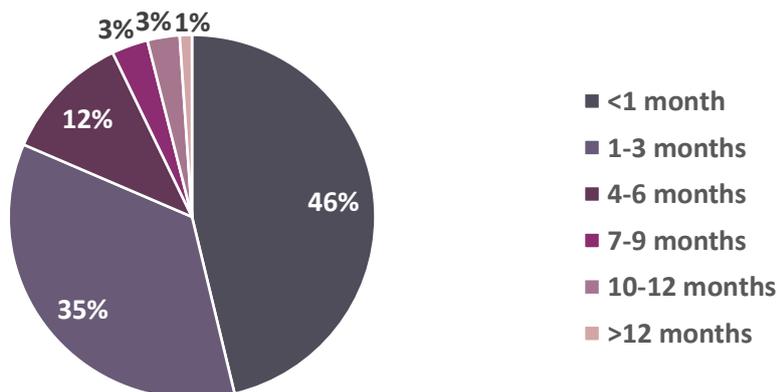
8.COVID-19 impact degree on companies' revenues

Most of the participating companies (**41%**), consider that is too early to see an impact on their revenues. A percentage of **56%** believes that there will be a revenue decrease, without being able to project the exact loss. At this point it is worth noting that a percentage of **3%** seems to count on a prospect increase or on a zero impact on their revenues. These companies are in the field of **food and technological products**. It should be mentioned as well that **small companies** (< 50 employees), are highly concerned regarding their expected revenues and they are expecting a **decrease of 50% or more**.



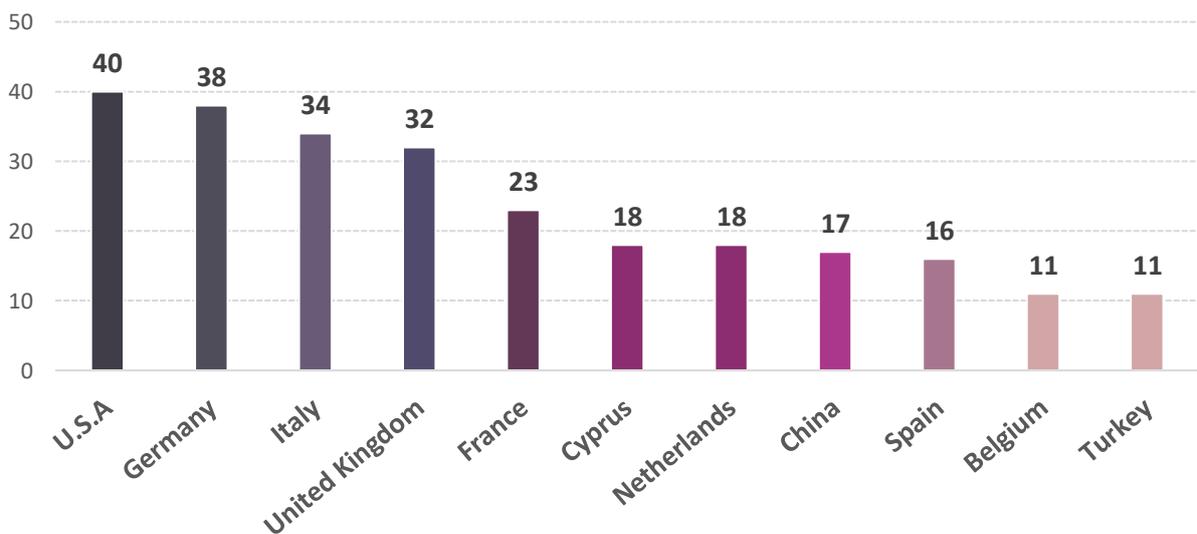
9.Estimated time of COVID-19 impact emergence

The current question depicted the participants estimated time for the emergence of the COVID-19 impacts to their company's operation in the case of the phenomenon will continue. An overwhelming percentage of **81%**, considers that COVID-19 impacts will need **up to 3 months** to be emerged in their companies.



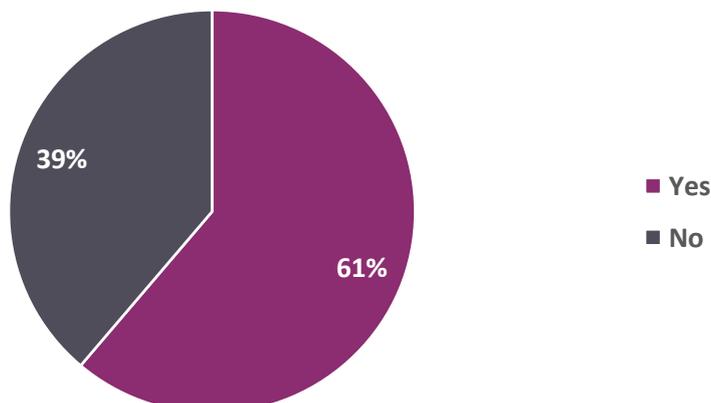
10.Importing / Exporting countries

The companies listed the countries where they have expanded their importing/exporting activity. According to the data collected, **U.S.A.** is on the top of the list, with the rest of them being allocated in **European Union countries** and **Asia**. The following chart imprints the countries with the most answers.



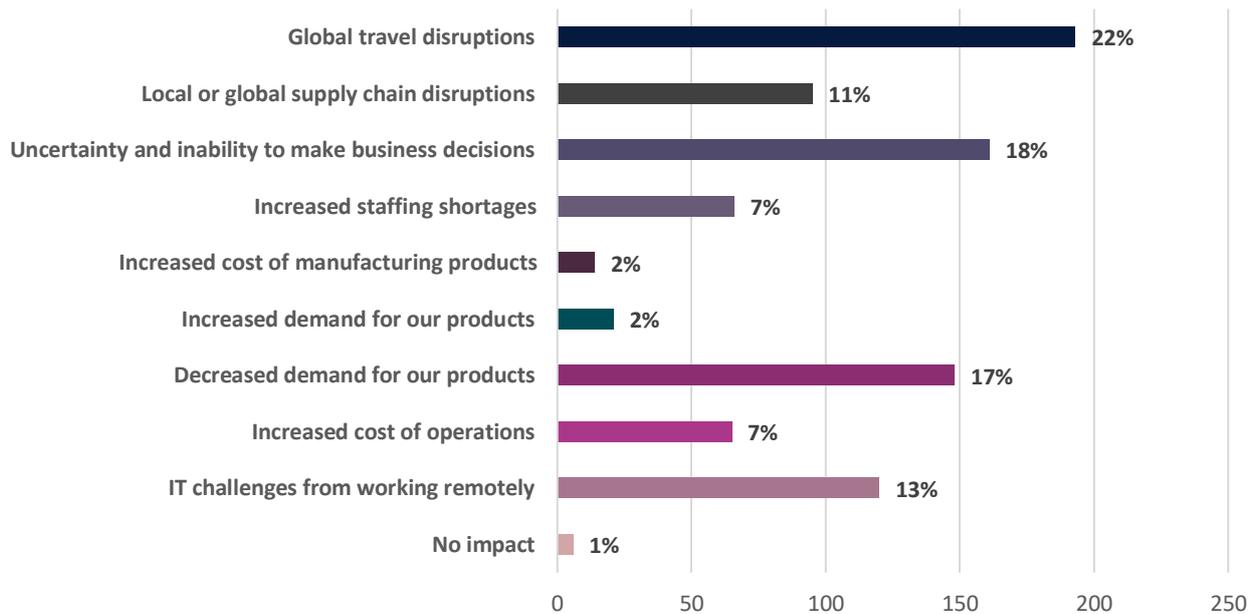
10a.COVID-19 impact on importing / exporting activities

A high percentage, **61%** of the companies with importing/exporting activities replied that are facing severe consequences in this area, while only **39%** of them has no impact so far from the virus outbreak.



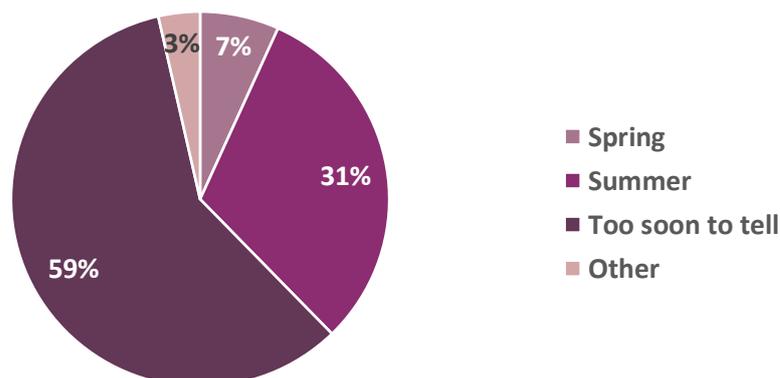
11.COVID-19 impact on business operations

According to the survey's results, COVID-19 has caused severe impacts on specific business functions-operations. Specifically, it is depicted a high impact on **travel (22%)**, as well as on **business decisions** due to high **uncertainty (18%)**. Therefore, most of the business operations are facing significant consequences, with a percentage of **1%** representing companies with no impact on their operations.



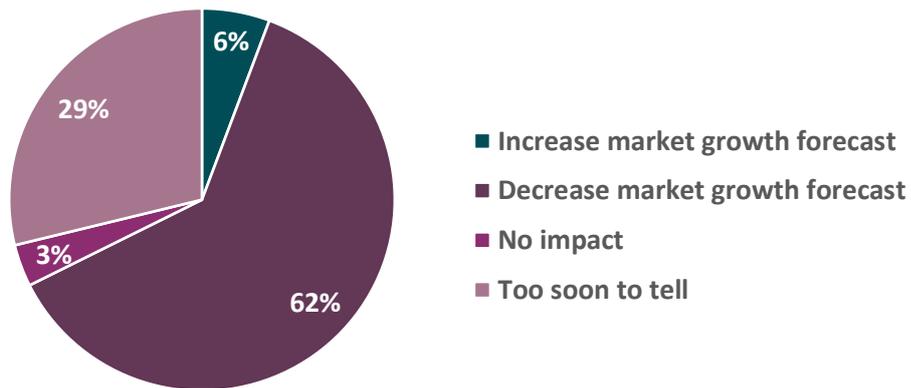
12.Estimated time for companies return to their normal level of operation

Due to the current uncertain environment, many companies are not able to predict the time needed for their readjustment to the normal operating levels (**59%**). However, most of them (**31%**) assess that summer will mark the beginning of the phenomenon recession, so they will be able to return gradually to their "regularity".



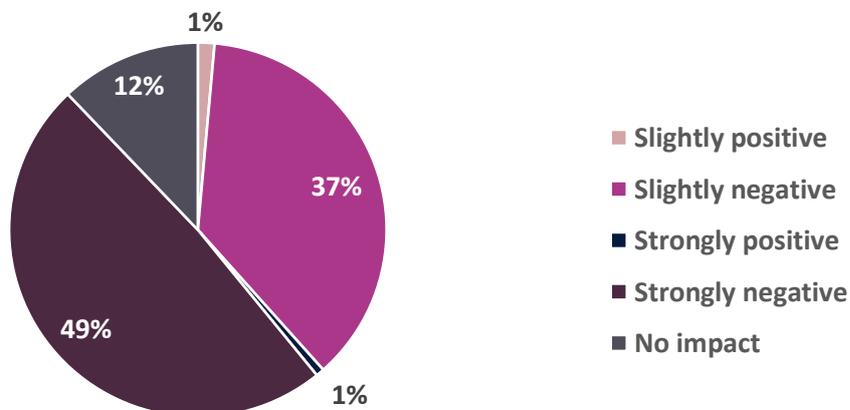
13.COVID-19 impact on the predicted companies market operation growth

A high percentage of **62%**, predicts a decrease on their operation market growth for the year 2020, while only **6%** anticipates an increase. Finally, a percentage of **29%** believes that it is too soon to predict an impact on the operation market, while **3%** thinks that there will be zero impact.



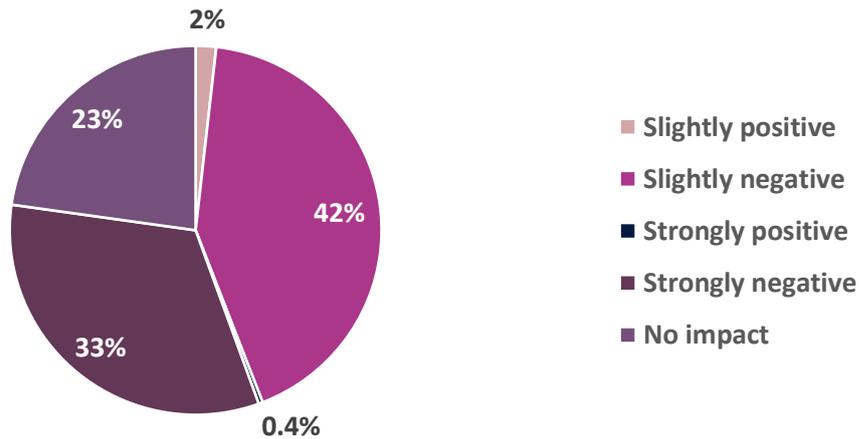
14.COVID-19 impact on the planned companies' investment decisions for 2020

An extremely high percentage of **86%**, asserts that COVID-19 will have a negative impact on the planned companies' investment decisions. This reversed climate depicts the companies' reluctance to proceed with investment initiatives in the current year. Only a **small percentage** depicts that COVID-19 will have positive impact on their companies' investment decisions. These companies are in the field of **food & beverage, health and technology**.



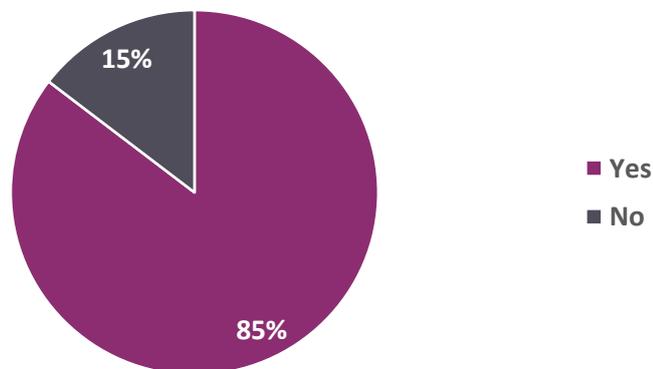
15.COVID-19 impact on companies' number of employees

The prospective consequences in the companies' employment area are reflected with the high negative percentage (75%) of the responses. The general uncertainty causes severe disruptions on companies' employment planning. In contrary, companies in the field of **F&B** and **technology**, foresee a **positive impact** because of the anticipated increasing staff demand.



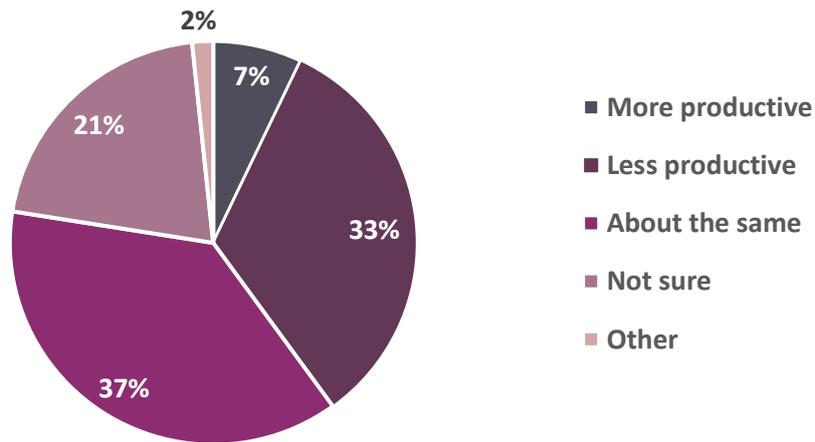
16.Work from home policy or any other related policy

According to the participating companies' answers, the extremely high percentage of **85%** has implemented a **work from home or any other related policy**, in order to ensure the business operation continuity. However, some companies, because of their product or service nature, are not able to implement a stay from home policy and require their personnel physical appearance.



16a. Work from home vs work from the office productivity level

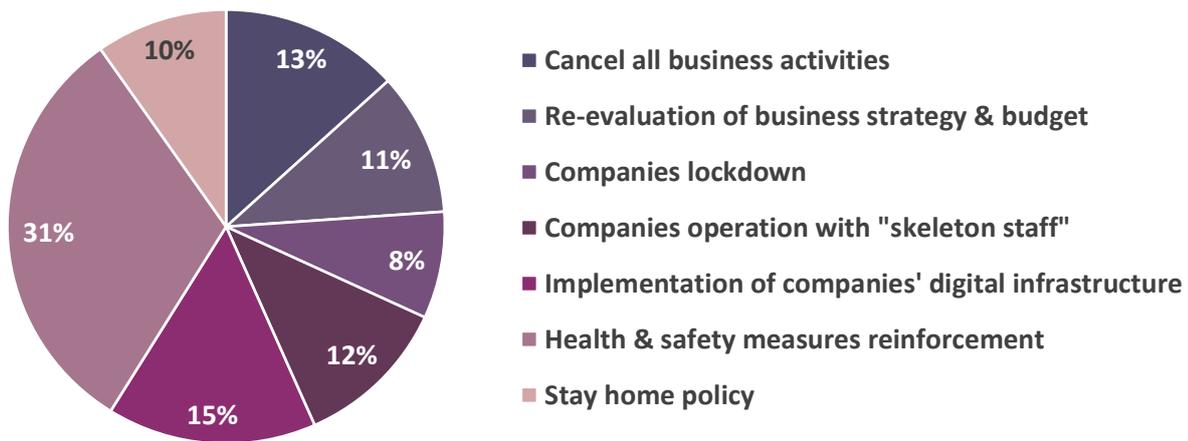
Companies who have already implemented remote working policies, have noticed that their employees are the same productive (37%), while other companies (33%) have noticed less productivity. However, a percentage of 21% has not shaped an opinion on this issue, while only 7% claims that the staff is more productive.



16b. Additional companies measures due to COVID-19

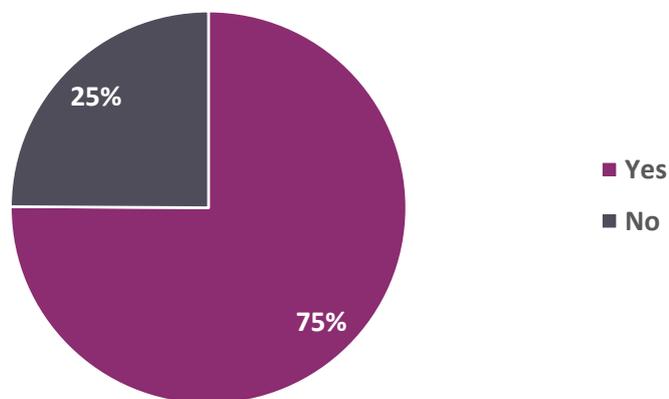
Companies, in their first attempt of dealing with the current situation, took additional measures. They **reduced their contact with people outside the company, cancelled all their arranged meetings, the events' participation or organization and the executives' business trips**. In order to continue company's daily operation, the **work from home policy** was implemented. All the necessary work and meetings are conducted via **digital applications**. In companies where physical presence is required, it was decided to **cut down the working hours**, to implement the **shift work policy** and to proceed the company's operation with **emergency staff**. It should be mentioned that, several companies **are locked down** following the state's instructions. Other additional measures for the companies unable to interrupt their operation, was the implementation of **strict health measures** in the workplace, by providing the staff with **sanitary equipment** (masks, gloves, antiseptics), the **daily employees temperature measurement** or the **intensive disinfection** of the workplaces. In addition, an extremely important measure was the **company's strategy overhaul** for the forthcoming months. The **budget review**, the **cost cutting**, the **production cost decrease**, the **payment postponement** wherever feasible, as well as the **re-evaluation of predicted revenues**, were the key elements of these companies restructuring.





17. Cancellation of conferences/exhibitions due to COVID-19

The worldwide spread of COVID-19 has led most of the companies (75%) to **cancel their attendance or participation** in local or international conferences and exhibitions. It should be mentioned that according to the answers, several companies have proceeded to the cancellation or postponement of their scheduled events or their attendance to them.



17a. Cancelled-postponed exhibitions/conferences due to COVID-19

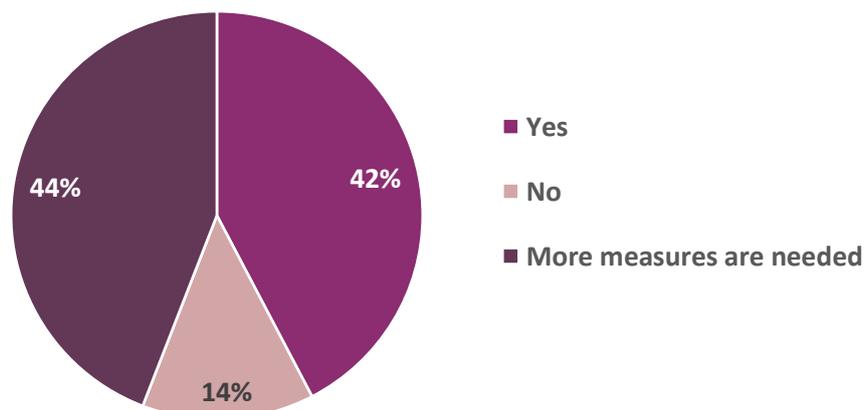
Because of the transport and travel restrictions inside and outside Greece, several exhibitions/conferences have been postponed or even cancelled. Based on the collected data, the following list depicts the exhibitions/conferences with the most answers.



- Food Expo
- Delphi Economic Forum
- ITB Berlin
- Posidonia
- MWC Barcelona 2020
- ProWein
- Oenorama
- FensterBau, Germany
- Freskon Thessaloniki
- Geneva International Motor Show
- IFAT
- IHIF
- IMEX
- MIPIM
- Summer Fancy Food Show

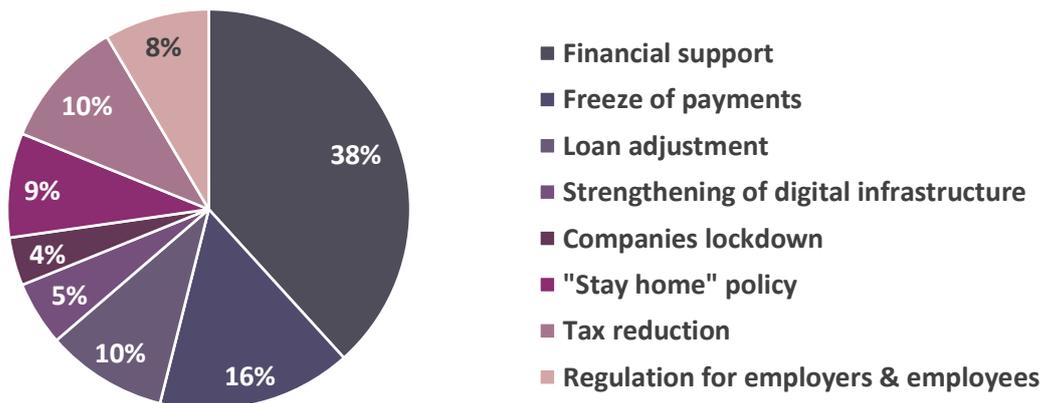
18.Satisfaction level of the current state measures

The sudden aggravation of COVID-19 raised extreme concerns regarding the companies' future. The state, in order to secure companies operation and confront this threat, implemented several measures. According to the results, the business community seems to be divided regarding the implemented measures, as **42%** is satisfied and **58%** appears to be unsatisfied and believe that more actions are needed.



18a. Additional state measures

According to the recorded answers businesses seem to be really concerned regarding their financial future. In this context, most companies seek the **provision of financial support** by the **state mechanism**. The companies' **tax and loan liabilities' postponement** combined with the facilitation in **lending in lower rate** consist proposed measures. Furthermore, they demand the implementation of policies regarding the subsidy of the payment of their employees and the **postponement of employer's social security contributions**. It should be mentioned the necessity of the **state support** to companies facing severe impacts due to the phenomenon outbreak. An important additional measure in order to confine the phenomenon spreading is the **circulation prohibition** even by **penalty enforcement**, as well as the **companies' lockdown** (except from those with essential products – e.g. food, medicines). To this extent, the **state's partnership** with telecommunication companies is very important in order to enhance country's **digital infrastructure**. Finally, ensuring **health infrastructures' smooth operation** and **securing R&D funds for the development of medicines and vaccines** against COVID-19 are essential additional measures.





AMERICAN-HELLENIC CHAMBER OF COMMERCE

E-mail: info@amcham.gr | www.amcham.gr



[Twitter.com/AmChamGr](https://twitter.com/AmChamGr)

www.linkedin.com/company/american-hellenic-chamber-of-commerce/

www.facebook.com/AmchamGr

HEAD OFFICE

109-111 Messoghion Ave., Politia Business Center, GR-115 26 Athens, Greece
Phone: +30 210 699 3559, Fax: +30 210 698 5686

BRANCH OFFICE

123 Tsimiski Street GR 546-21, Thessaloniki, Greece
Phone: +30 2310 286-453, Fax: +30 2310 225 162