



The Impact of COVID-19 to Members

August 2020 - Industry Insights

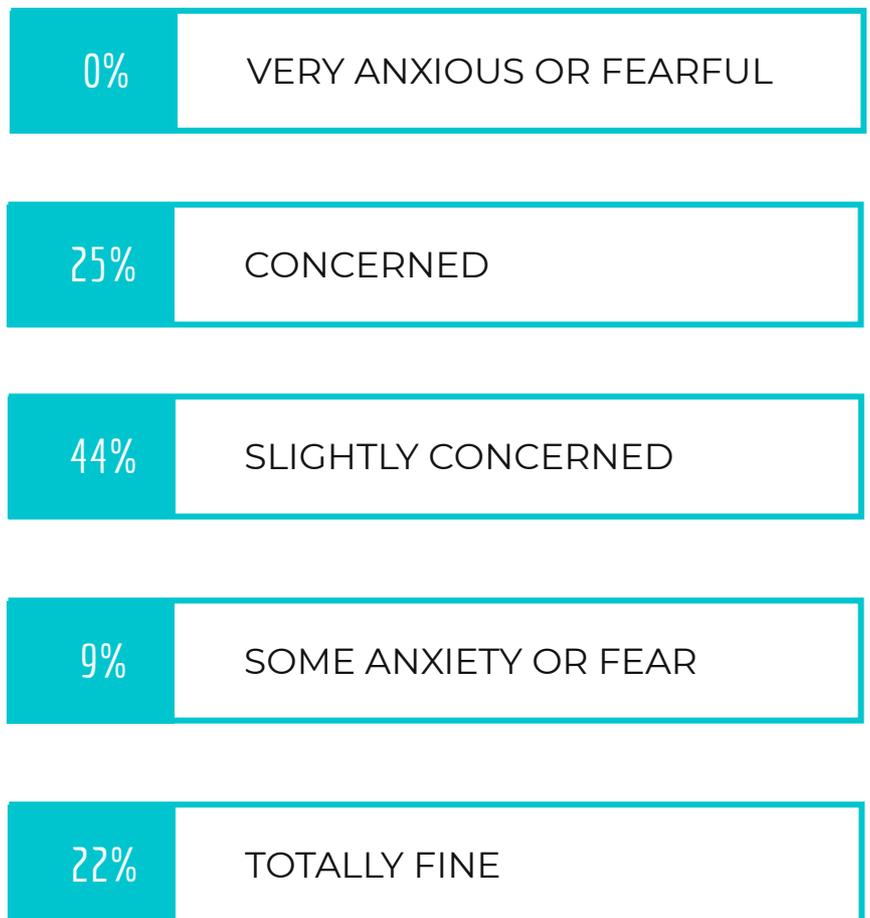
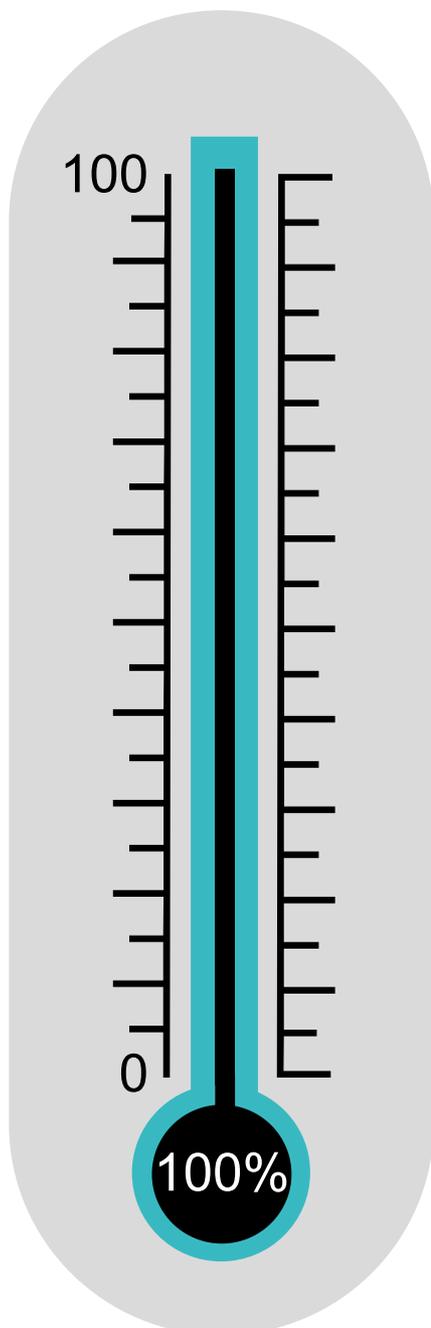
From 21-30 July 2020 we polled our members on the impacts of COVID-19 to their industry or sector.

Common concerns include global mobility, restricted client budgets and delays in the sales pipeline. This summary report provides the findings of the survey and industry-specific insights.

For ongoing support and information relating to COVID-19 visit britcham.org.sg.

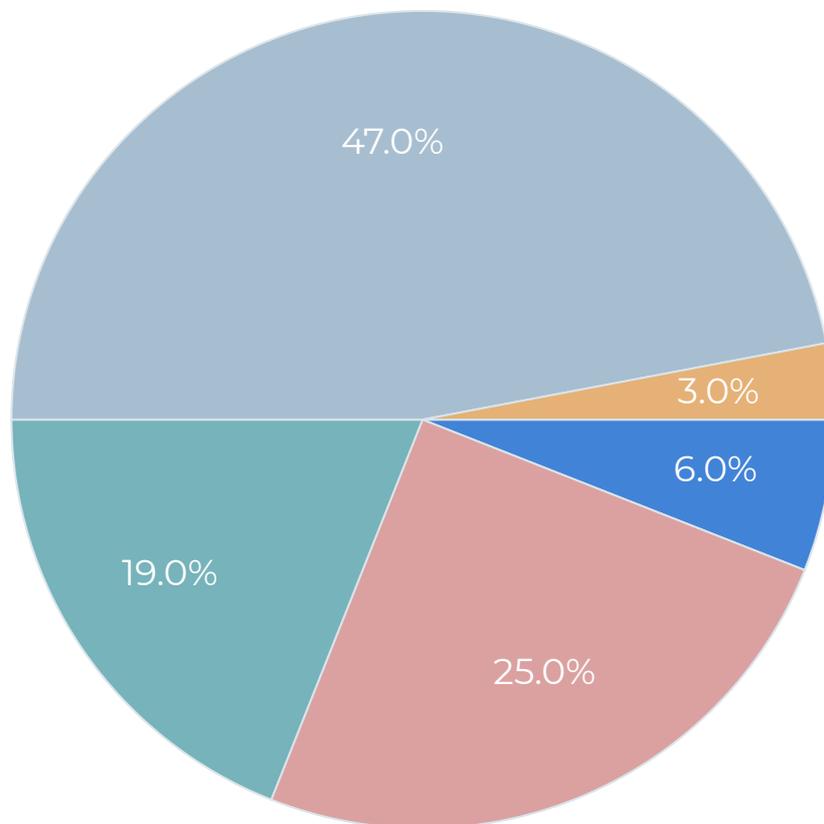
Taking a pulse check on the mental wellbeing of our members

Continuing our mental wellbeing check from the previous month, we checked on the mental state of our members. Results are similar to June, with a slight shift towards the mid-range of concern.



Returning to the workplace

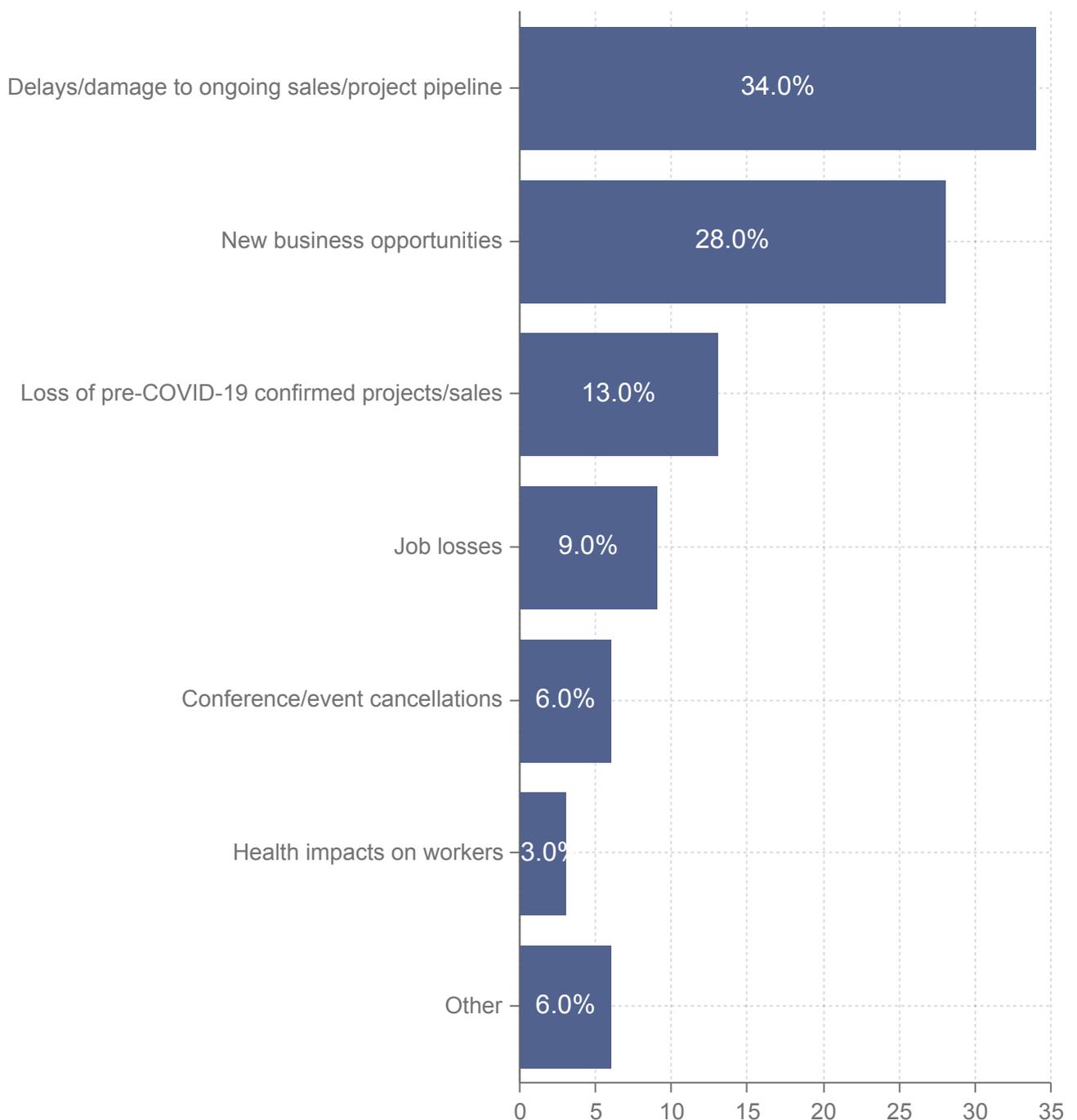
Just under half of all respondents are expecting to return to the workplace within Q3; yet almost the same proportion are yet to receive an update from their employer on their plans for the return.



<input type="checkbox"/>	I have continued at the workplace throughout COVID-19 until now	6
<input type="checkbox"/>	My company has asked (or is expected to ask) a small number of critical roles to return during Q3	25
<input type="checkbox"/>	My company has asked (or is expected to ask) everyone to return to the workplace during Q3	19
<input type="checkbox"/>	My company has yet to communicate to the majority of employees what a return to the workplace will look like and the timeline for this	47
<input type="checkbox"/>	My company is expected to ask everyone to return to the workplace in Q4	3

Lost business opportunities and delayed projects

This month we focused on the direct impacts to industry, asking members for the one main impact they had felt in their sector. **The top 3 results combined tell a story of 75% being most impacted by the loss of new or expected business.**



Anticipating changes to industry

There is a consensus across all sectors to expect less international travel and a period of lower income as the economy readjusts. As organisations look to the opportunities of longer term remote working, less international assignments are expected.



Education & Training

- New product offerings
- Increased remote learning
- Tighter recruitment market for students
- Students impacted by repatriations



Professional Services

- Increased demand for mentoring and coaching
- Increased flexible working and virtual meetings
- Pressure to reduce fees
- Job losses



Financial Services & FinTech

- Changes to traditional ways of working
- Focus on cost savings
- Client projects on hold



Real Estate

- Decreased office footprints
- Increase in office moves
- Pressure to reduce fees



Transport, Marine & Logistics

- Short term storage congestion due to relocations
- Crew repatriation issues



Healthcare & Medical

- Increasingly price-conscious consumers
- New product offerings



Travel & Tourism

- Expect several years before industry recovers
- Decreased international travel



Engineering

- Project delays
- Industry refocus

Barriers to entry and sector development

We asked our members what they considered to be the main barriers to market entry for new entrants, and development for existing companies in their sector.

Respondents overwhelmingly raised the current restrictions on outbound and inbound travel as a barrier to industry recovery.

For new entrants

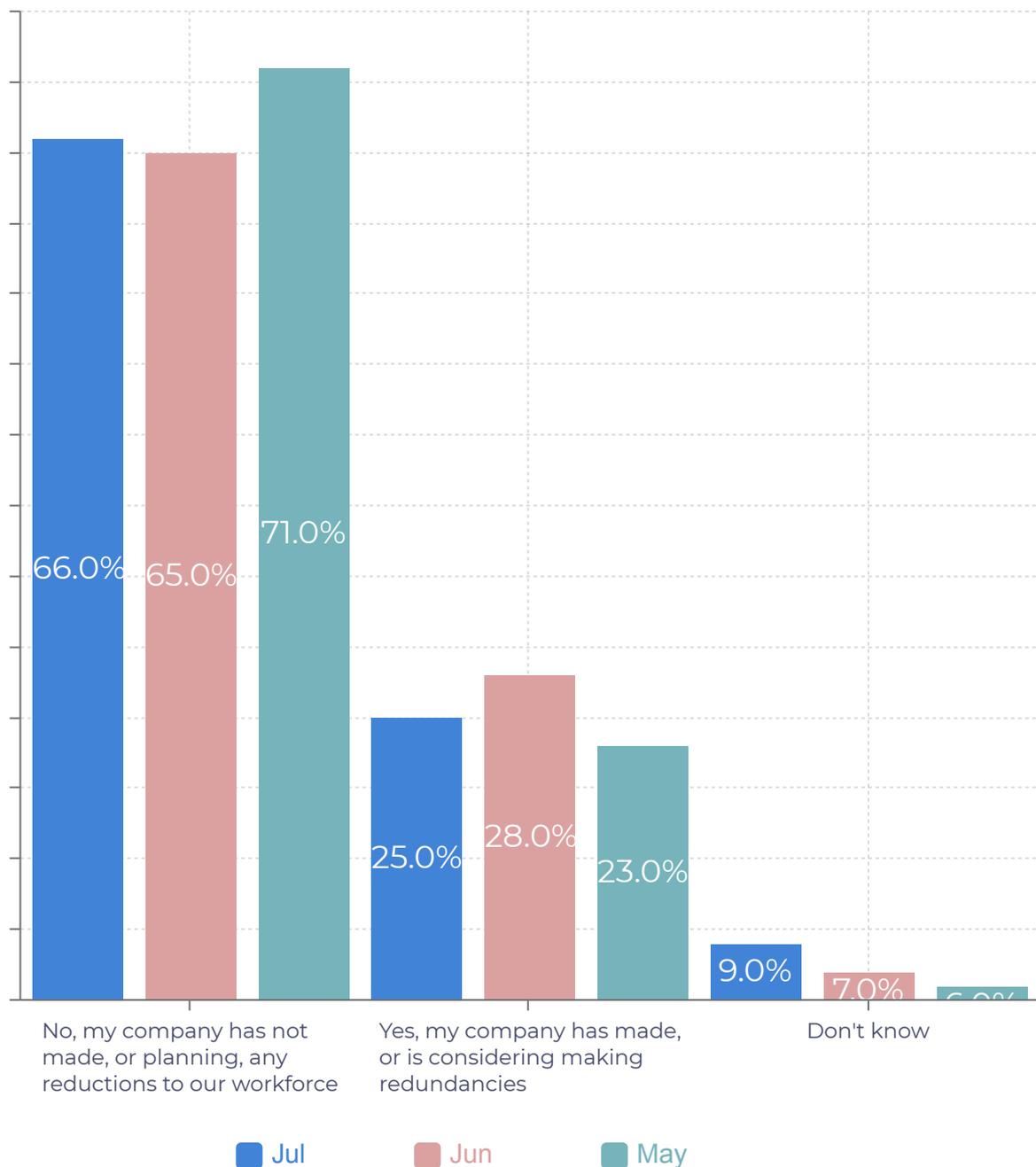
- Relationship building, particularly while regional travel is not possible
- Clients restricting budgets in the short and medium term
- Establishing a quality team while working within work pass quota parameters
- Cost of office space

For existing players

- Relationship building - face to face meetings are critical in this region for business development
- Size and experience levels of the local talent pool
- Market saturation
- Clients restricting budgets in the short and medium term
- Local adoption of technology and virtual events
- Cost of office space

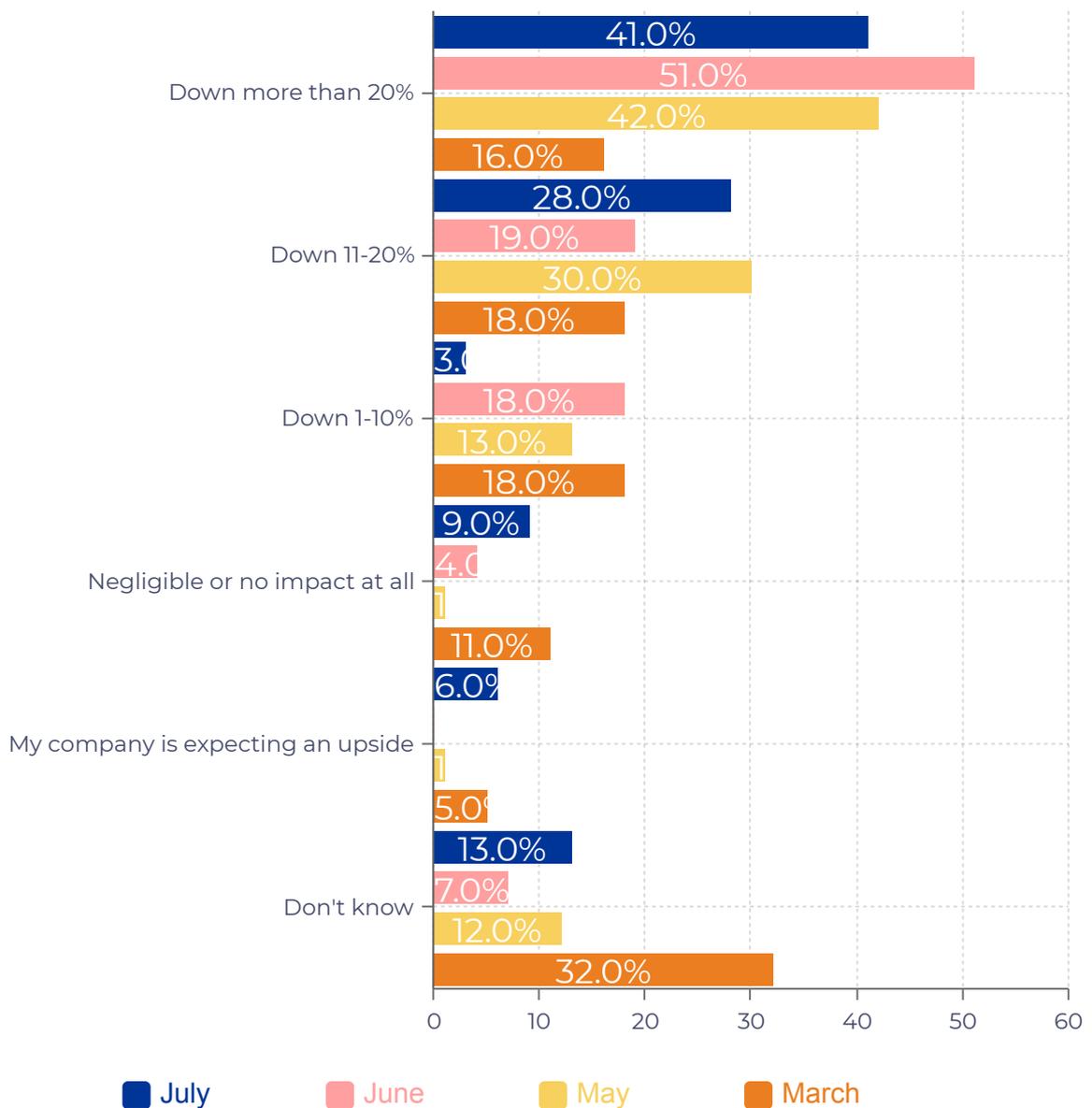
The changing workforce

Two-thirds of companies who responded this month are not experiencing any job cuts so far, while a quarter have already seen redundancies made.



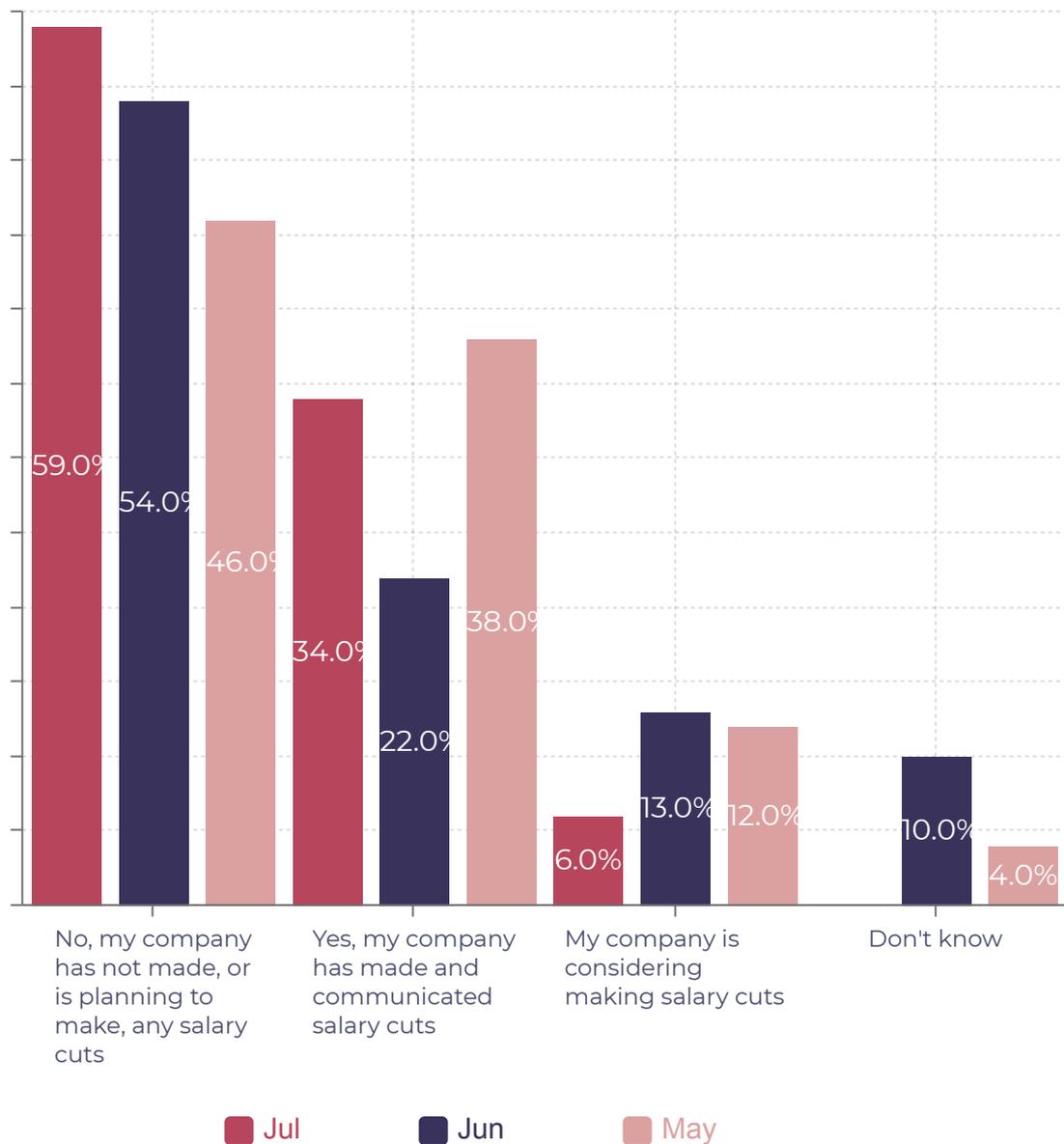
Continued warnings in revenue forecasts

Just under half of respondents this month are anticipating a 20% or more drop in revenue this year, with a further third expecting a drop of up to 20%. There is a marginal reduction this month in the severity of the expected decline.



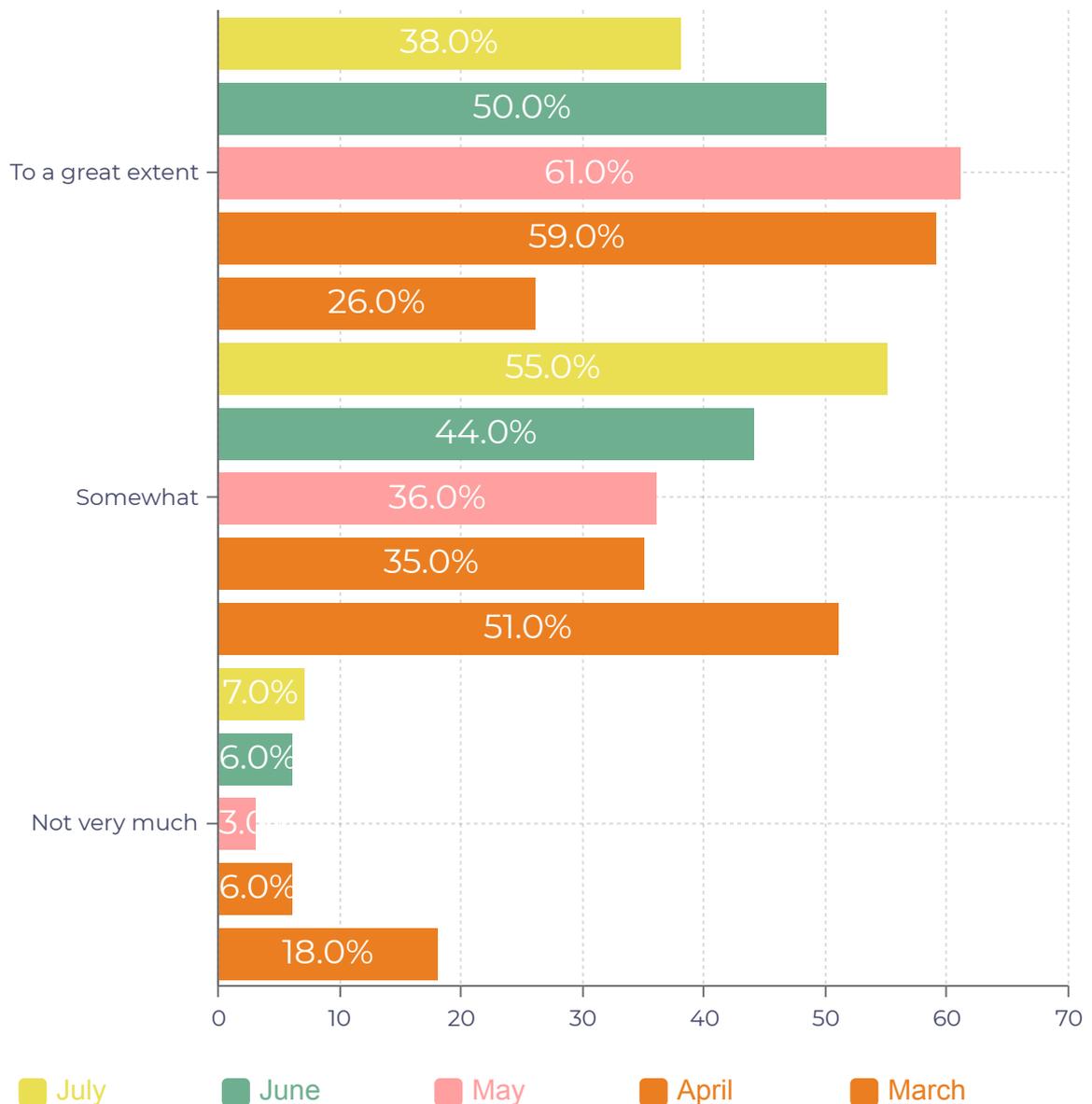
Over half are maintaining salaries at current (pre-COVID) levels

This month has seen a more definitive move towards salary cuts with a third making announcements, though two-thirds continue to avoid this cost-cutting measure.

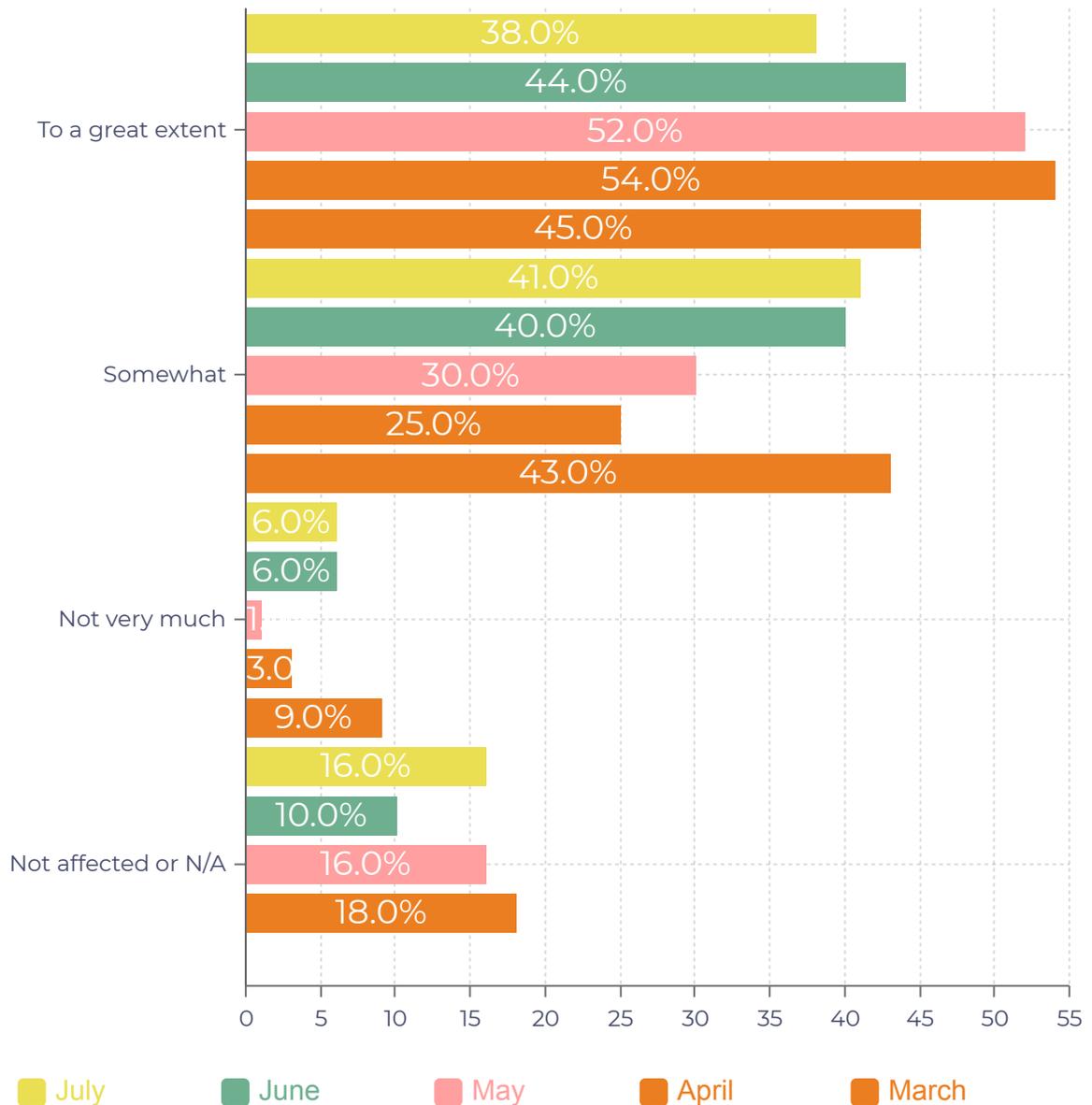


The operational impacts in Singapore remain high

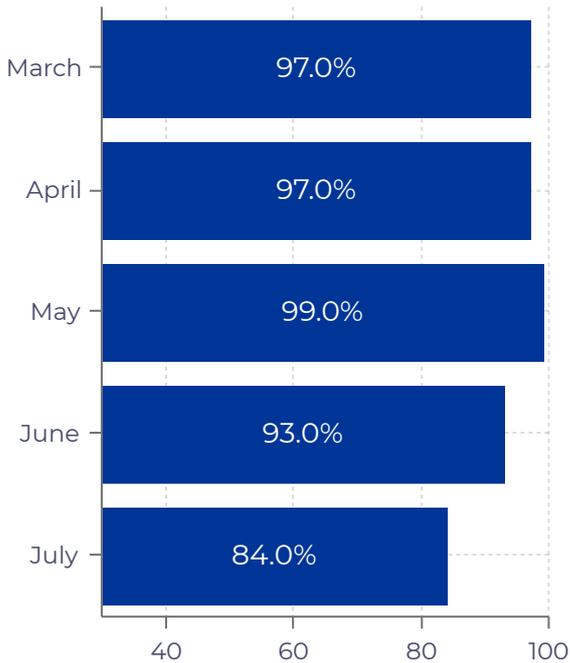
The combined figure of those seeing an impact to business operations in Singapore in July was 93%. Recruitment remains suspended for 72% of respondents, with over half having no immediate plans to restart.



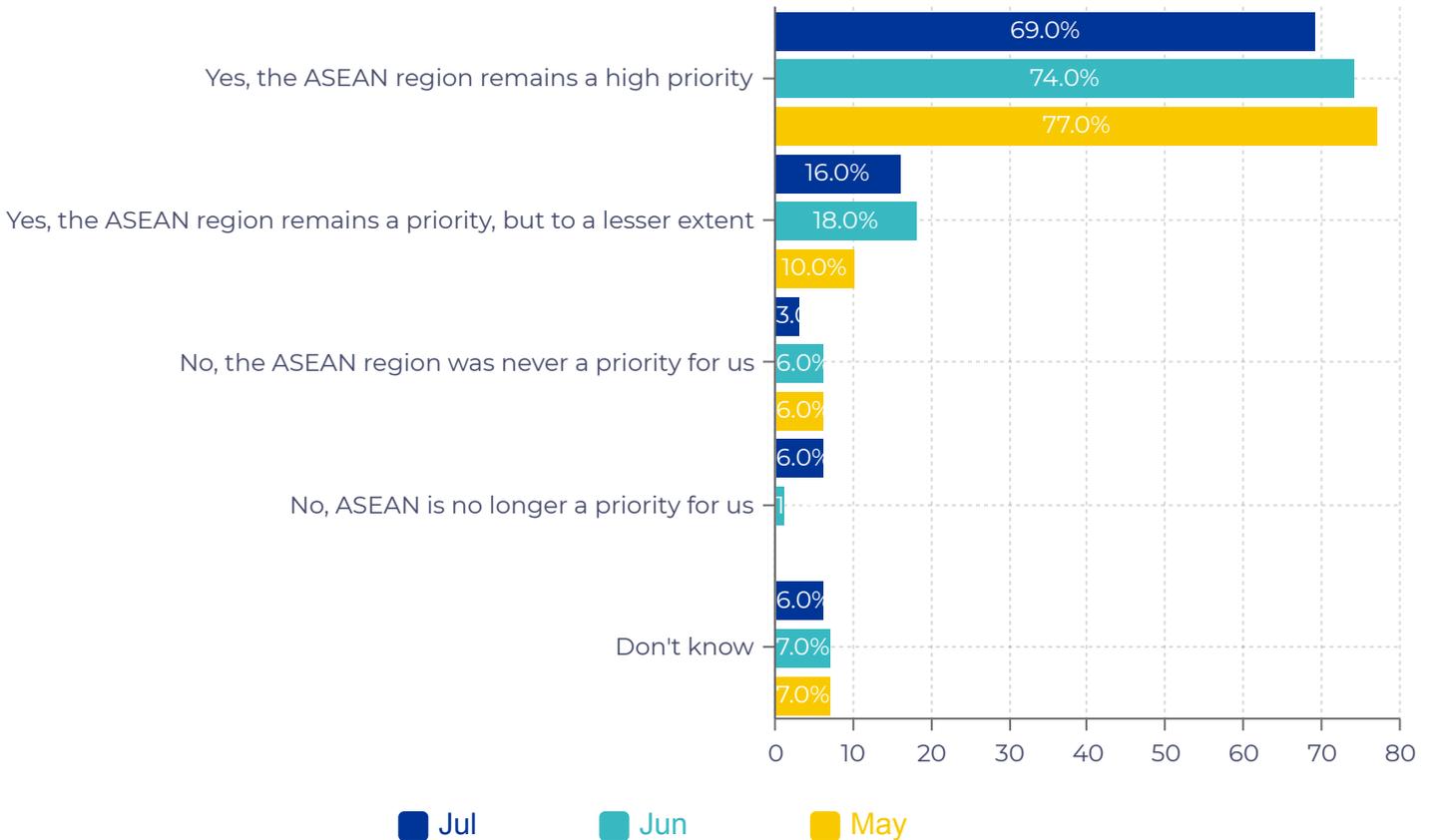
At a regional level, the combined percentage of those with an impact to their Asia Pacific business has lessened to 78%.



Confidence in Singapore and ASEAN remains stable

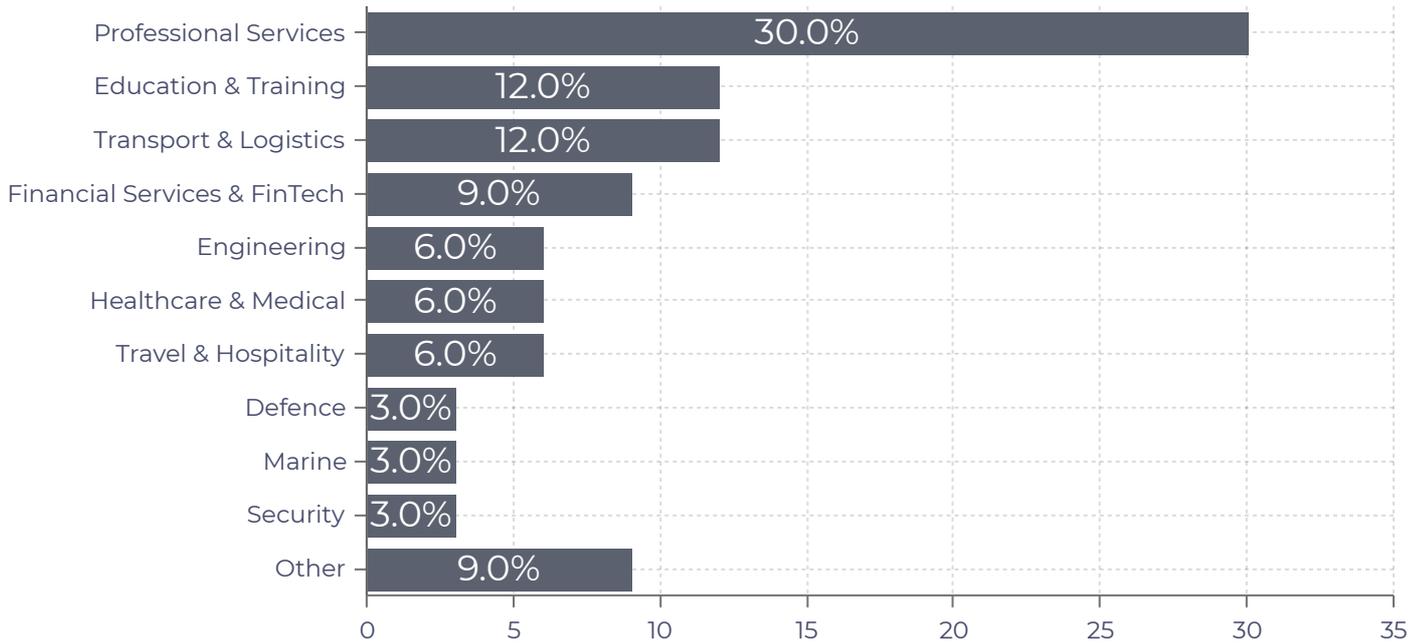


Confidence in Singapore as a long-term business hub among our members remains high, while an ASEAN regional strategy has seen a continuing shift in priority as businesses focus on more pressing local issues.

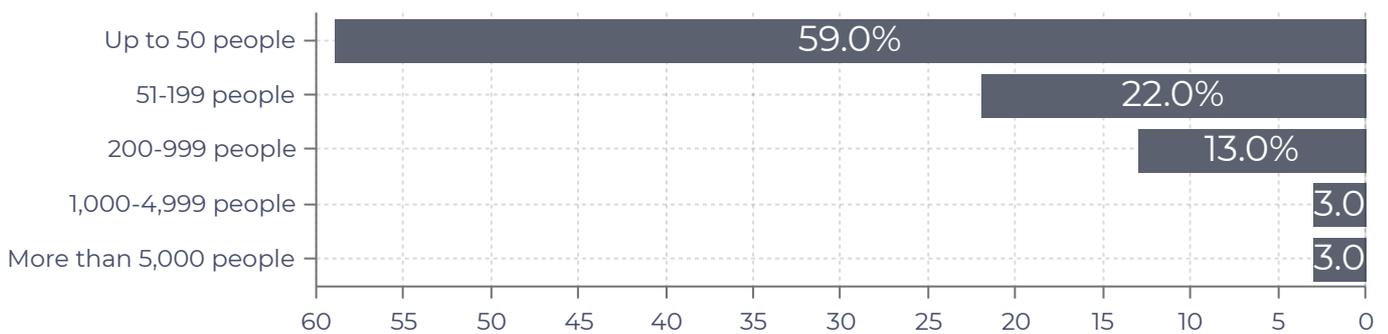


Demographics

Respondents by sector



Respondents by number of employees



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