



Corona Flashsurvey #7 Adapting to the new reality

Tokyo | September 2020



Key findings

After six months of Corona induced crisis management, of the surveyed companies ...

85%

regard the **travel restrictions** e.g. **entry ban for foreign experts** as the **biggest challenge** for their business

57%

expect a **loss in revenue** between 10-50%

67%

think that **one year** (until the next scheduled elections) is **too short for changes**, and **59%** expect a **continuation of Abenomics**



29%

have applied for **financial support packages**

78%

will **maintain** the **flexible working model** of the past months

73%

confirm that **business travel** patterns **will change**

41%

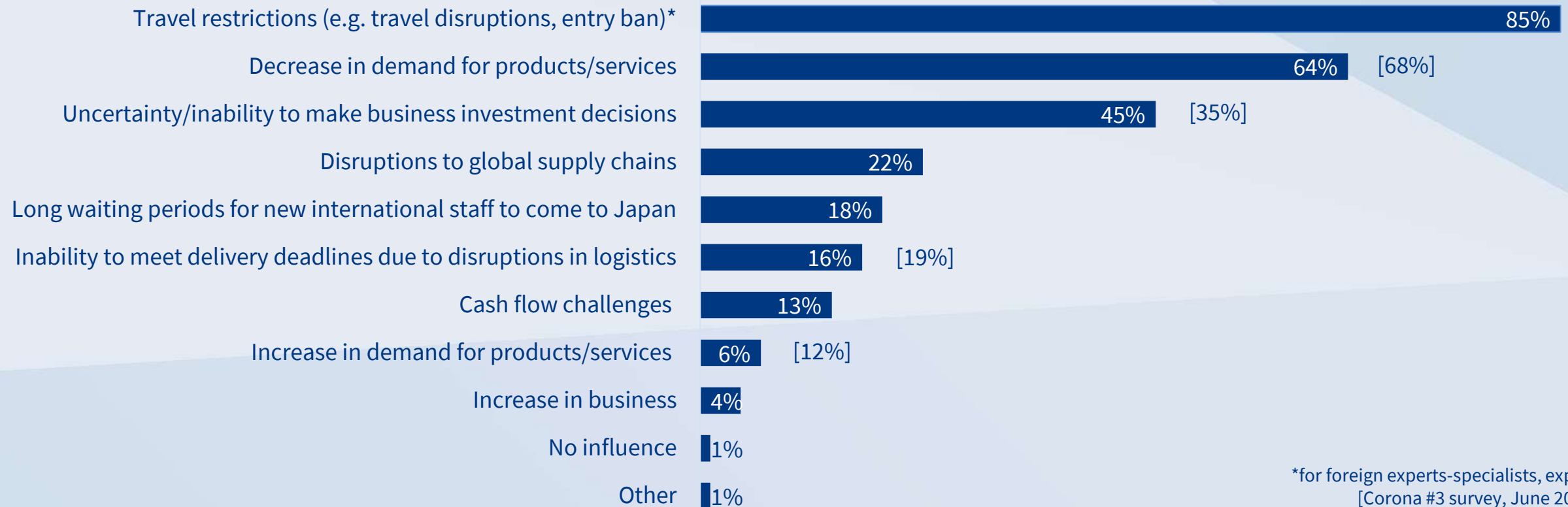
expect that the **Olympic Games will be cancelled**

66%

anticipate a **recovery of the economy** in Japan to reach its pre-crisis level only **after summer 2021**

Biggest challenges during the last six months

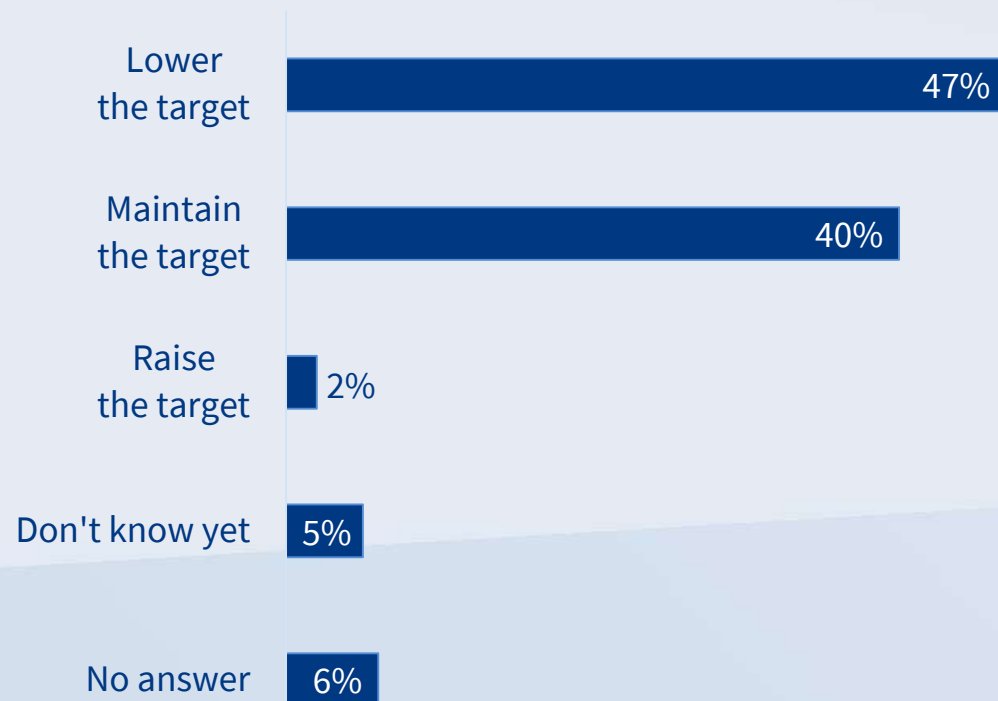
Please specify the most significant influence the COVID-19 pandemic had on your company's business activities in Japan.



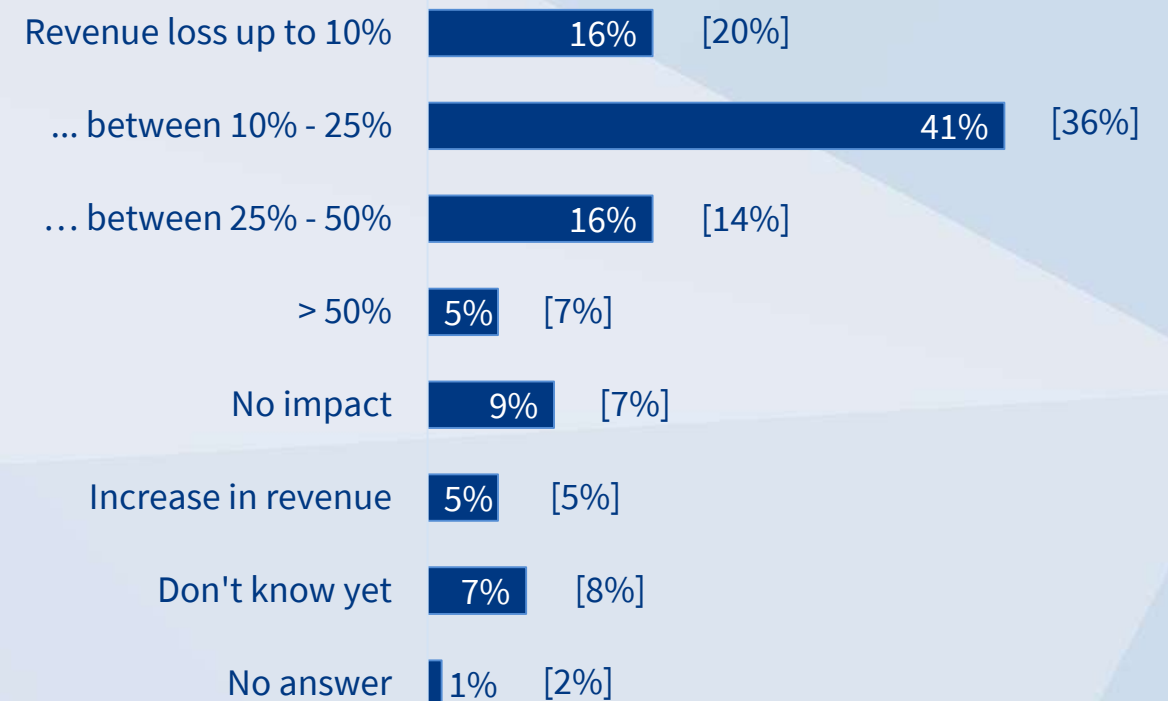
*for foreign experts-specialists, expats
[Corona #3 survey, June 2020]

Influence of Corona on business performance and revenue

Have you adjusted your company's 2020 business performance targets?



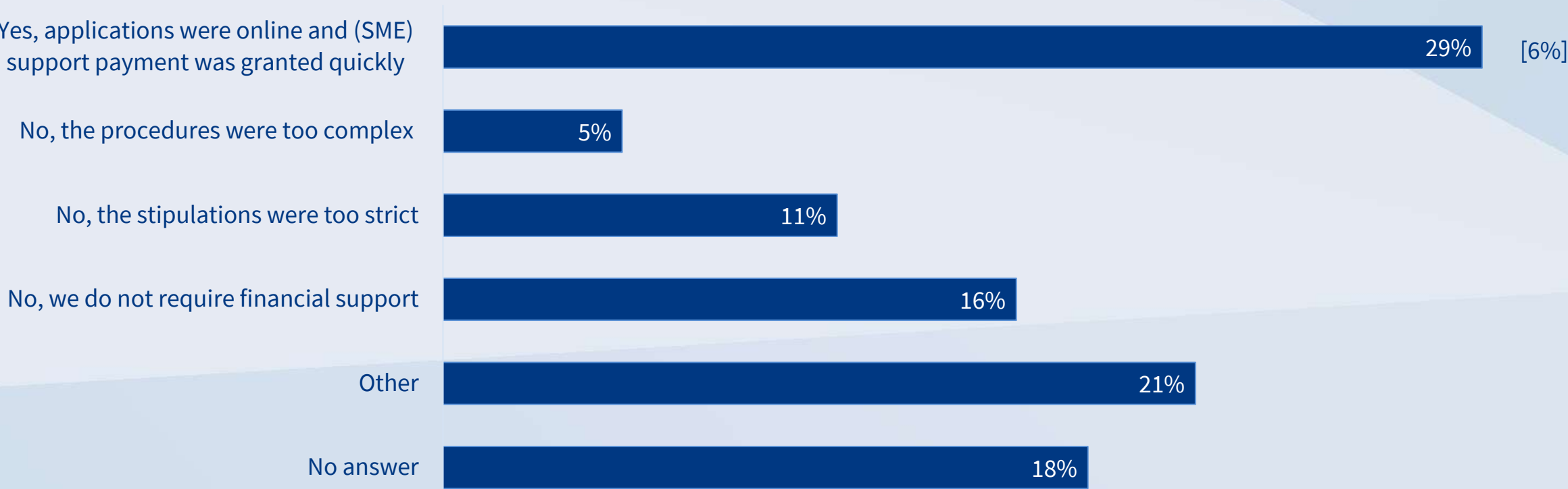
To which extent do you expect your revenues to be affected in this year?



[Corona #3 survey, June 2020]

Companies made use of government support programs

Did your company apply for the financial support packages offered by the Japanese government?



[Corona #3 survey, June 2020]



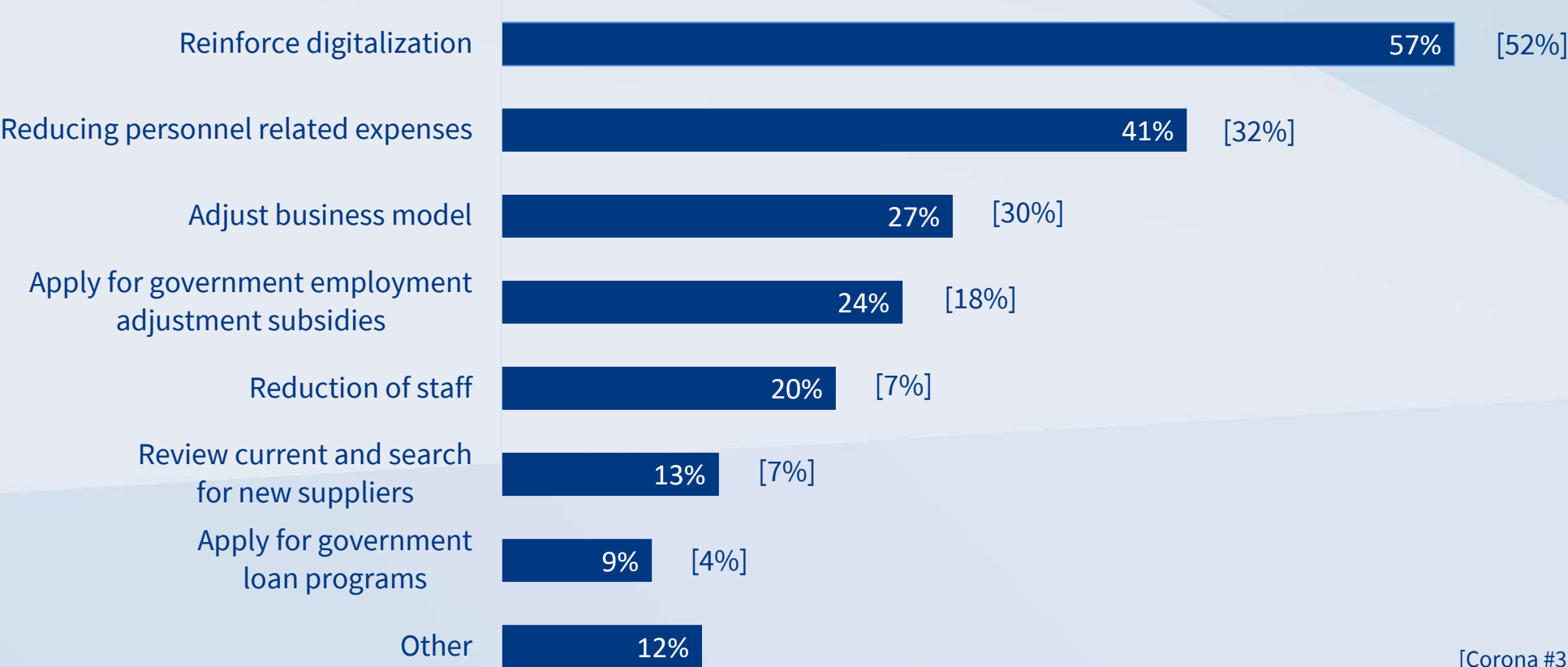
TOP 9 consequences as a result of the last six months

Which consequences do you draw from the challenges that appeared over the past months for your company?



TOP 7 measures to counter COVID-19 impact

Which measures did you introduce to mitigate decreasing business and revenue?



[Corona #3 survey, June 2020]

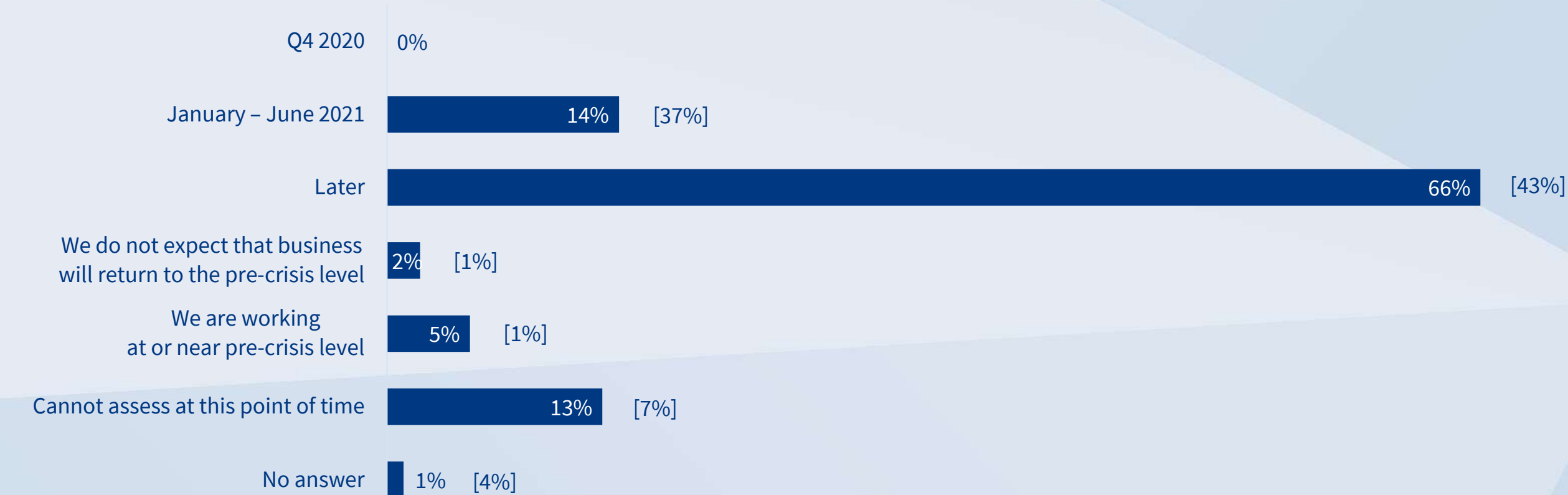
TOP 6 challenges in managing flexible workstyle models

Areas in which German companies see themselves particularly challenged



Long breath required until recovery

Future perspective: when do you expect the Japanese economy to recover to its pre-crisis level?

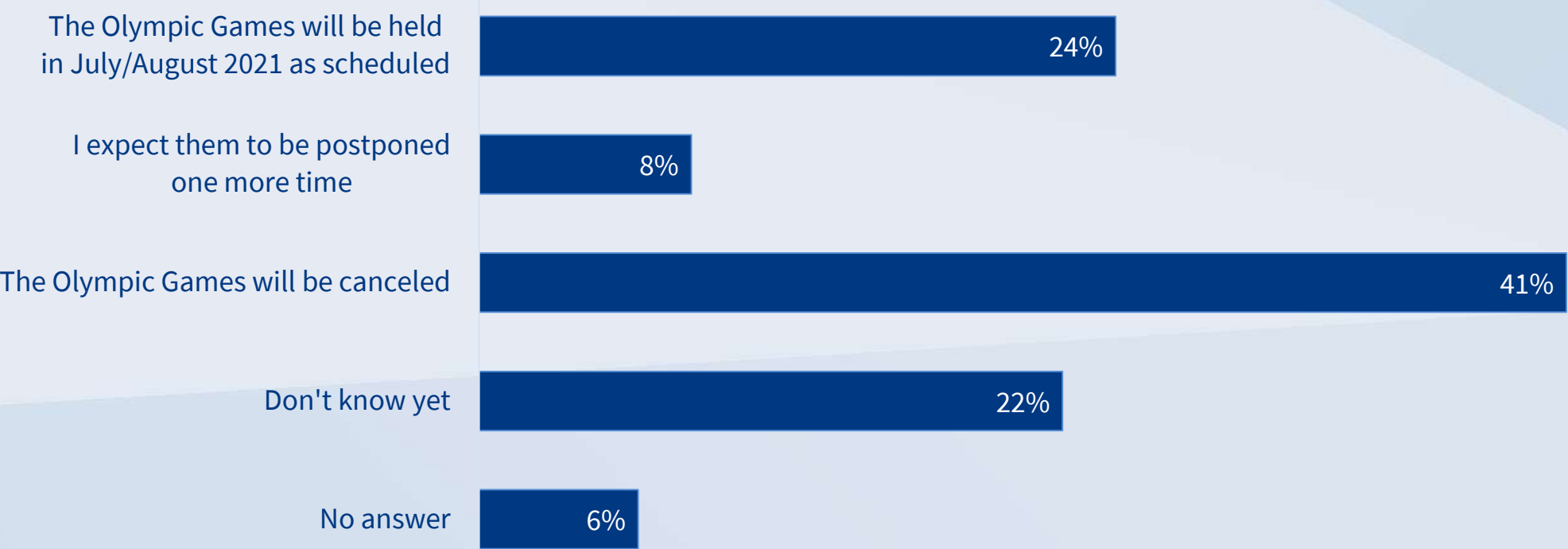


[Corona #3 survey, June 2020]



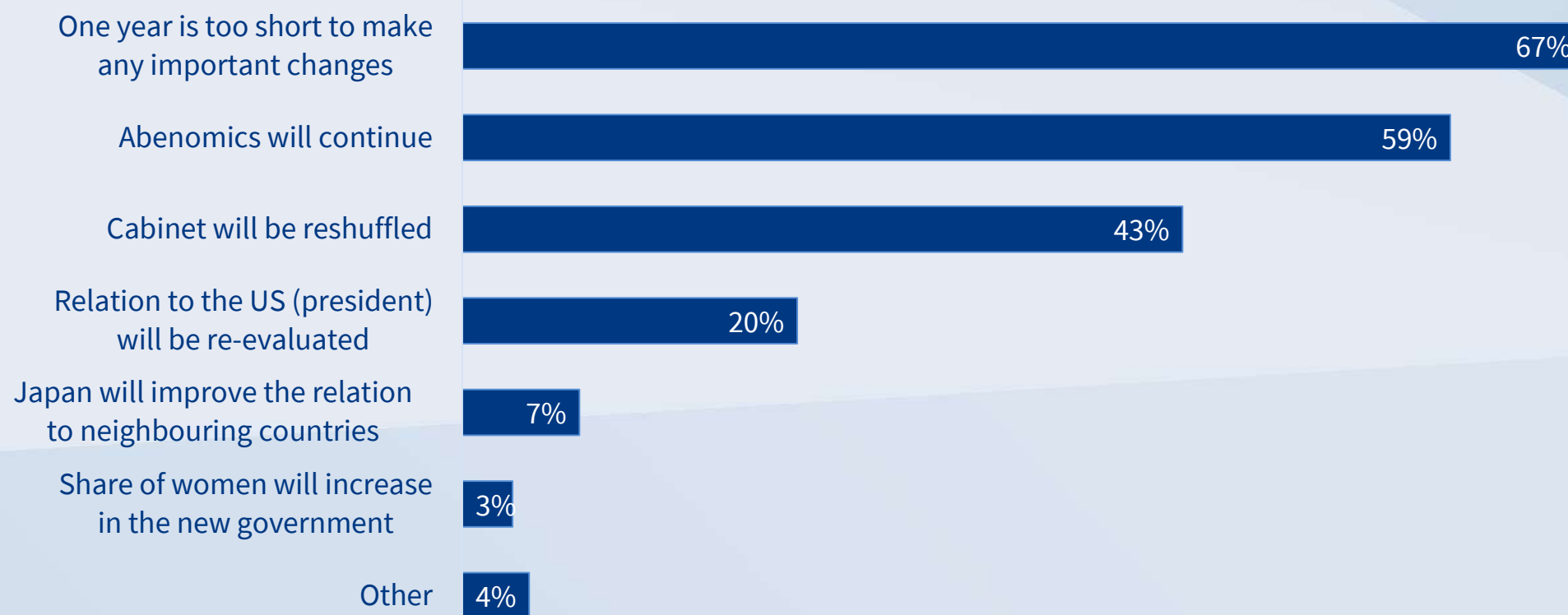
Key topic for Japan: Tokyo Olympics

Do you see the current date of the Olympic Games (July 23, 2021 - August 8, 2021) as being realistic?



Key topic for Japan: Succession of PM Abe

How do you think about the further direction of Japan in regards to domestic and foreign politics under a new prime minister?



Voices

” Generally, the market slowed down not only in production, but also in new product development. Competitive pressure, dynamism and development edge is somehow lost. The world moves on ... with or without Japan.

” The political and economical damage that the treatment of foreign residents in Japan has caused will haunt Japan for years to come. Many executives I have access to are thinking about relocating away from Japan. Direct investments into Japan in several areas are being reviewed and may be deployed elsewhere. The brain drain of specialists will continue.

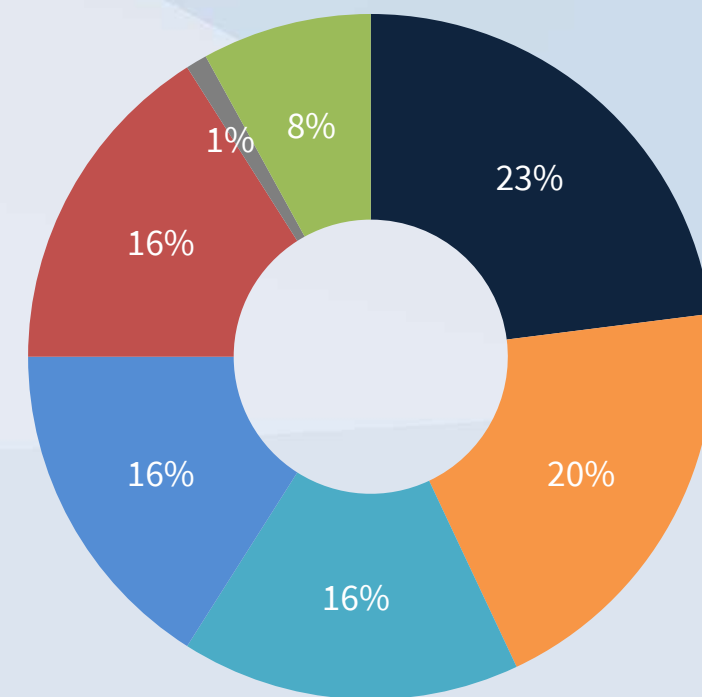
” Lesson learned: The world and the business priorities can change fast !
This COVID-19 crisis is surely different than many crisis before, it impacts all and everything.

” Disappointed with the government's treatment of foreign residents with regard to travel restrictions, and why residents were not treated the same as Japanese citizens. This has impacted our considerations for expanding our office here, and the eroded our trust in the government's pledge to further open the country to foreign workers. We can no longer rely on them to keep their word.

” Dealing of re-entry of resident foreigners showed the 'insular mind' of the Japanese government. If Japan doesn't develop an understanding of a society based on the people actually living together, independent on what nationality they have, it will never become an inclusive society of all 'local people'.

Profile of the companies surveyed

No. of German companies in Japan surveyed: 380 | Response rate: 27% | Period: September 7–11, 2020



German presence in Japan

12.480 German companies export to Japan.



450 German companies with own subsidiary in Japan.

German direct investment (stock):

13,9 billion EUR

German-Japanese trade: **44,7 billion EUR**

Germany is the **No. 1** European exporter to Japan



10 German companies among the **Top 100** foreign investors in Japan.

They create **30.000 jobs.**



German Foreign Trade Promotion

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Bulgaria	Iceland	Portugal	
Croatia	Ireland	Romania	
Czech Republic	Israel	Russia	
Denmark	Italy	Serbia	
Estonia	Latvia	Slovakia	
	Lithuania	Slovenia	

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