

Insight COVID-19 Perceptions Snapshot

BRUNSWICK

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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.

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

- Increasing numbers of people believe their job is under threat. [\[LINK\]](#)
- Employers (63%) are trusted more than governments (58%) and traditional media (51%), to provide reliable Covid-19 news. [\[LINK\]](#)
- US leaders are contemplating ways to handle investor communications, with 44% considering adjusting guidance. [\[LINK\]](#)

GLOBAL

As more COVID-19 cases are detected across the globe, the world gets more anxious and protective (according to Ipsos' tracking survey conducted between 12 – 14 Mar among 10,000 adults in Canada, US, Australia, China, France, Germany, Italy, India, Japan, Russia, Vietnam and the United Kingdom). [\[LINK\]](#)

- The majority of those surveyed see the virus as a high threat, except those in Canada (32%), Russia (37%), the U.K. (45%) and Australia (46%).
- Majority (66%) of people want borders closed as fear about COVID-19 escalates, with countries in the Asia Pacific region most supportive of border closures, due to re-escalation fear of Covid-19.
- Significant increase in perception that someone close will be infected – with the U.K. (+31 points), Australia (+29), and Canada (+28) seeing the largest uplift in concern, versus end of February.
- Increase in the number of people who believe their job is under threat – especially in Italy, where 63% feel a high/very high threat (+36), followed by France at 44% (+14), versus end of February.

Employers are trusted more than governments and traditional media, for reliable Covid-19 news

(according to Edelman's Trust Barometer which surveyed 10,000 people between 6 – 10 Mar in Brazil, Canada, France, Germany, Italy, Japan, South Africa, South Korea, the UK and the US). [\[LINK\]](#)

- In terms of trusted sources of information about COVID-19, scientists (83%) and "my doctor" (82%) were the global public's most trusted sources, following by their **employers (63%), government officials (58%) and journalists (51%)**.
- The same study also showed that **74% of the public are concerned about fake news**.

Following the sun...

ASIA

China:

Covid-19 could upend America's business relationships with China

- An article from Fortune magazine on 16 March, talks about the disruption caused by Covid-19 in China, has prompted U.S. investors and executives to rethink the wisdom of concentrating supply lines in China and relying heavily on Chinese consumers. More broadly, the epidemic has **added kindling to a smoldering debate about "decoupling"** [\[LINK\]](#)

Japan:

Japan expects a virus-fueled long-term recession

- A Reuters poll conducted from 2 – 12 Mar among representatives of 501 large and mid-sized nonfinancial companies found that 47% of **Japanese companies experienced a drop in output and sales** in the last month and **42% are suffering from an over 30% decline**.
 - 43% believed that it would take months for the impact to be resolved while another **22% said they don't see an end in the foreseeable future**, according to the same survey. [\[LINK\]](#)
- Another survey conducted by the Kyodo News between 14 – 16 Mar among 1,032 respondents showed that a **majority (91%) are worried about the economic impact of the virus** (+8 points) and **70% do not expect the Tokyo Olympic and Paralympic Games to be held this summer**. [\[LINK\]](#)

Support for Abe's administration slightly improved

- The survey conducted by the Kyodo News also shows that the Japan Prime Minister Shinzo Abe's Cabinet's approval rating has risen to 50% in mid-March, up from 41% in February, although the public is split on how effective they think was the government in responding to the crisis. It is worth noting that 53% of those who approve the government said it was because "there were no other appropriate choices besides Abe." [\[LINK\]](#)

EUROPE

Germany:

Germany faces a slowing economy

- 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 the coronavirus**. [\[LINK\]](#)
- **Tourism (96%) and hospitality (79%) are the hardest hit** according to another survey conducted by ifo Instituts in March among 3,400 companies in Germany [\[LINK\]](#)

UK:

UK government advice on Covid-19 needs more clarity, but agreement on over-70's isolation

- According to a recent YouGov on 16 March with 2,962 adults, **only 10% think that the government advice has been 'very clear'**, with 21% feeling it is 'not clear at all'. [\[LINK\]](#)

- **Four-in-ten (38%) think the government needs to do more on Covid-19**, according to a YouGov poll among 1,608 adults. [\[LINK\]](#)
- According to another YouGov on 17 March with 2,460 adults, while 55% were staying inside more (rising to 66% for the over 65's), **41% were still going outside as normal** [\[LINK\]](#).
- **61% of adults strongly/somewhat support the government-led initiative of over 70's self-isolating.** [\[LINK\]](#)
- Of those in employment, 75% said their work place was still open, with a further circa **20% saying they are working from home.** [\[LINK\]](#)
- 67% of Brits think that closing schools is the right decision. [\[LINK\]](#)

Economic confidence falls to the lowest since 2008

According to a recent Ipsos poll, conducted among 1003 adults:

- **69% believe the economy will get worse in the next 12 months**, up from 42% in February.
- 15% think that the economy will improve, leaving an **Economic Optimism Index score of -54.**
- **The last time pessimism was this low was in November 2008** (at its worst during the 2008 crisis 75% thought the economy would get worse), [\[LINK\]](#)

NORTH AMERICA

US businesses are braced for a downturn, with the crisis exposing infrastructure gaps

(according to PwC's Covid-19 CFO bi-weekly pulse survey conducted during the week of 9 March, among 50 leaders from a cross section of industries in US and Mexico) [\[LINK\]](#)

- **54% stated that Covid-19 is causing them great concern**, with the potential to have a significant impact on their business operations. Companies are **prioritizing workforce health and safety**, while ramping up remote working capabilities. The crisis **is revealing immediate infrastructure gaps** for many businesses, in areas such as digital upskilling, bandwidth and cybersecurity limitations, and that's likely to increase investments in digital transformation.
- When asked about top 3 concerns, **80% stated the potential for a global recession, with circa 50% concerned about the financial impact within their own company** and 42% about the effects on their workforce/reduction in productivity
- Leaders are contemplating ways to handle investor communications. For example, **44% of respondents say they are considering adjusting guidance.**
- **Only 30% of companies are considering changes to their supply chain**, with many having adopted short-term alternative sourcing strategies during the first quarter. However, it is likely Companies will begin to look at their supply chains in more depth and consider new dimensions.
- A majority (66%) of leaders expect that their business would return to normal within three months if COVID-19 were to end immediately.

US disruption to daily life and concern rise, as a result of Covid-19

- **66% of Americans are "at least somewhat concerned about someone in their family contracting the coronavirus."** That is up from 45% in February, according to a poll conducted by The associated Press-NORC Center - Results based 1,003 US adults. [\[LINK\]](#)
- **Four in ten say their life has been disrupted 'a lot' or 'some'** as a result of the coronavirus outbreak, according to a poll conducted by KFF (based on 1,216 adults). [\[LINK\]](#)
- In this same survey, **36% worry** that they won't be able to **afford testing or treatment for coronavirus** if they need it. [\[LINK\]](#)
- **41% are worried** they will put themselves at risk of coronavirus exposure because they **can't afford to stay home from work.** [\[LINK\]](#)

The US public also expect an economic downturn – globally, domestically and personally

- NBC News/Wall Street Journal's latest research between 11 – 13 Mar among 900 registered voters reveals that **6 in 10 Americans believe the worst is yet to come in the US.** [\[LINK\]](#)
- Morning Consult's latest survey among 2,200 Americans found that **80% of Americans are now concerned about the virus' impact on the US economy** (+30 points compared to late Jan) [\[LINK\]](#)
- **86% of Americans think the COVID-19 virus will have a negative effect on the world economy** (+20 points compared to the result in Feb), based on a survey conducted by Gallup among 1,019 Americans between 2 – 13 Mar. [\[LINK\]](#)
- **53% are worried they will lose income** due to a workplace closure or reduced hours, according to a poll conducted by KFF (based on 1,216 adults). [\[LINK\]](#)
- Some workers have already been negatively impacted, according to a Gallup poll conducted among 1,706 adults. **Low-income households have been hit the hardest by such cutbacks** as 20% of U.S. workers with annual household incomes under \$36,000 say their employers have implemented them - about twice the rate for employees in higher earning brackets. [\[LINK\]](#)

US workers give employers mixed reviews

According to a Gallup poll conducted among 1,706 adults: [\[LINK\]](#)

- **74%, say their employer has shared information about precautions being taken to keep employees safe** and reduce the risk of illness from the coronavirus.
- **46% say their immediate supervisor keeps them informed** about what is going on in their organization.
- **43% of workers strongly agree that their employer cares about their wellbeing.**
- **38% strongly agree that they are confident in the leadership** of their organization to successfully manage emerging challenges.

Americans continue to be partisan in their views on Covid-19 & the Government's control measures

- According to a survey conducted by Axios with 4,633 US adults, **62% of Republicans see news reports about the seriousness of the novel coronavirus as "generally exaggerated,"** DOUBLE the percentage of Democrats saying so (31%). [\[LINK\]](#)
- A research ran by NPR/PBS NewsHour/Marist between 13 – 14 Mar among 835 US adults revealed that **only 46% of Americans think the government is taking sufficient virus control measures** (-15 points compared to the result in Feb) [\[LINK\]](#)
- The **net approval of Trump's virus management is drastically split between parties**, as shown in Morning Consult's latest survey among 2,200 Americans. While Republicans have a net 73% approval, Democrats show a net -53%. [\[LINK\]](#)
- While only 8% of Democrats trust the information from the President; three-quarters of Republicans do. [\[LINK\]](#)

US citizens are taking actions to self-protect

- **61% of surveyed Americans are practicing social distancing**, with the most common strategy to avoid high risk individuals (45%), as shown in a survey by the Center for Economic and Social Research at USC conducted among 2,436 Americans between 10 – 12 Mar. [\[LINK\]](#)
- Another research carried out by Morning Consult among 2,200 Americans, revealed that more people are changing their travel plans because of the virus situation: **42% are less likely to travel within the US** and 60% are less likely to travel within China. [\[LINK\]](#)

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.

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