



Economic impact of COVID-19 on the German economy

3rd DIHK flash poll May 2020

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Industrie- und Handelskammertag

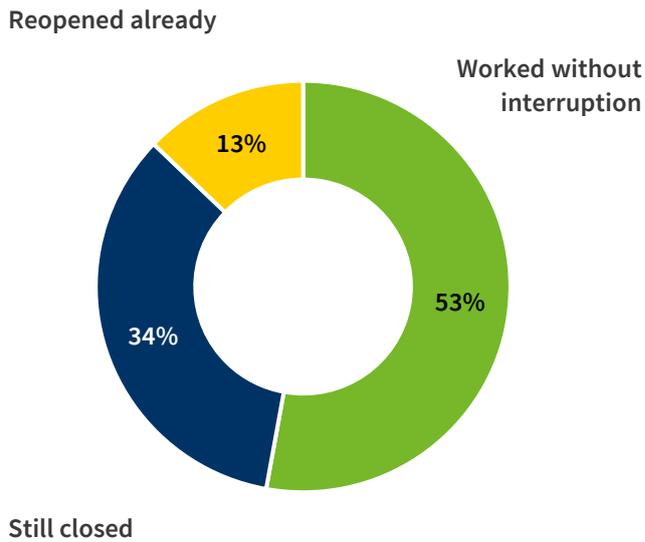
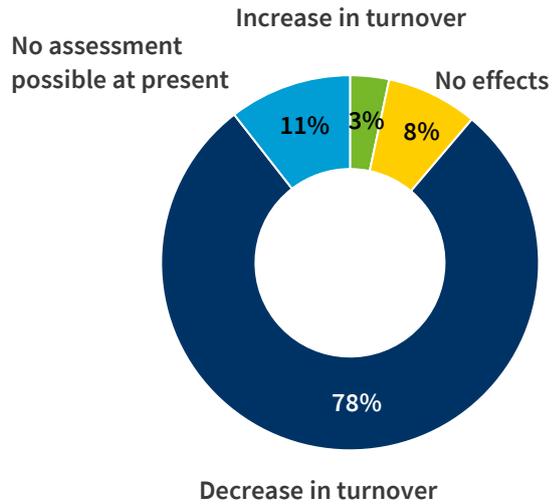
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Executive Summary

The COVID-19 pandemic continues to have a far-reaching impact on companies' businesses: Almost four out of five expect their revenue to decline in 2020.

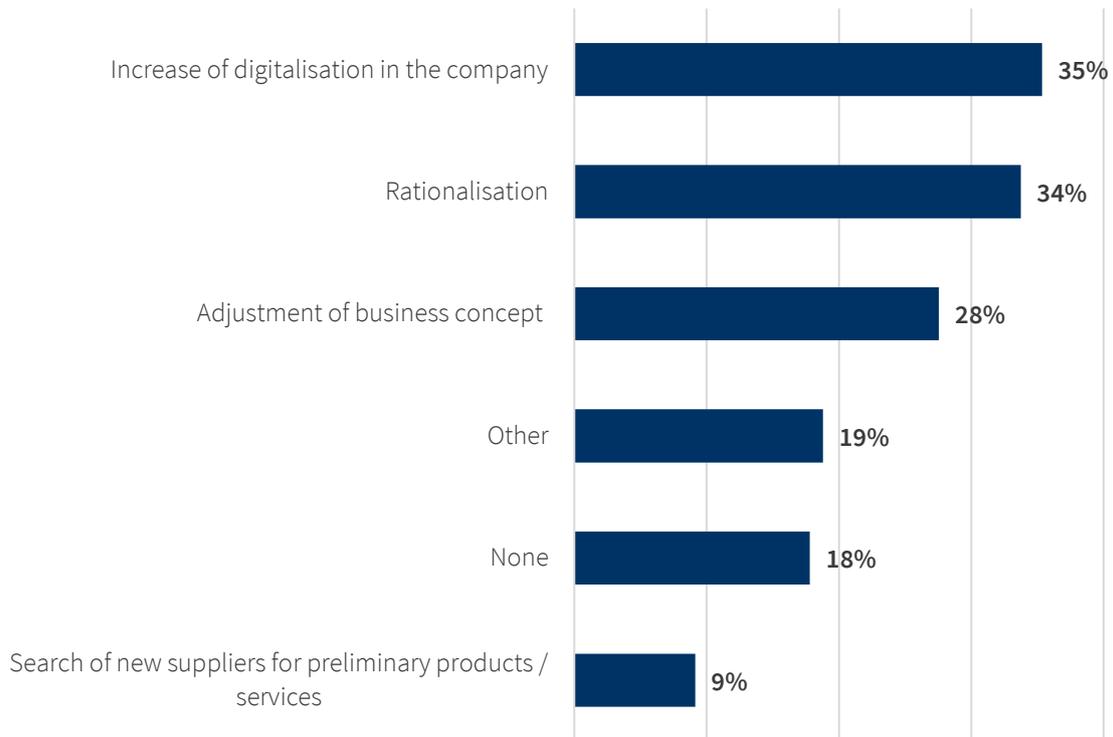
Many companies currently note fewer customers, fewer orders and some even fear for their existence: 60 percent of companies are experiencing a significant drop in demand. Disrupted supply chains at home and abroad due to closures of production sites and restrictions on border traffic are intensifying the challenges, especially in the industry sector.



In order to limit the negative impact of the COVID-19 crisis, about every fourth company is adjusting its business concept to other products and customer groups or is focusing on new sales markets and channels. Every third company also relies on increased digitalisation within the company. Firms are endeavouring to tackle the crisis with new approaches. Nevertheless, many companies are forced to reduce their investment plans this year.

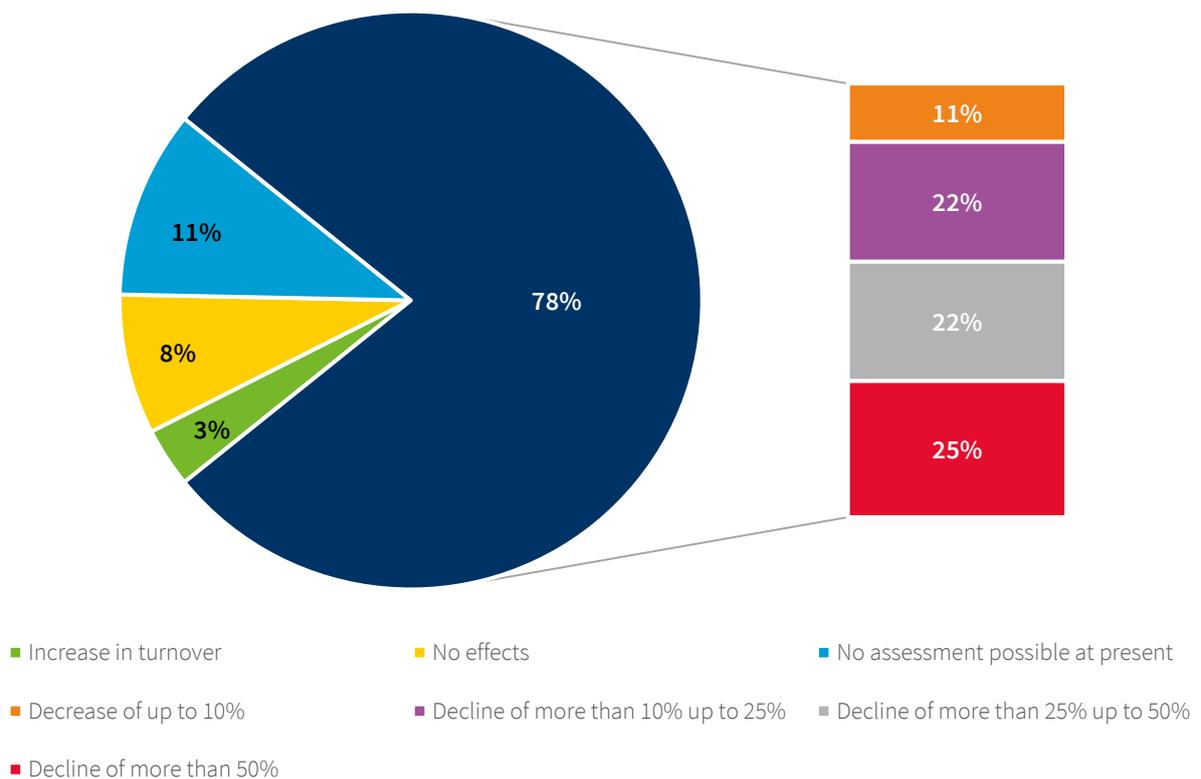
Operational measures to address the crisis

in percent, multiple answers possible



Expected effects of COVID-19 on revenue in 2020

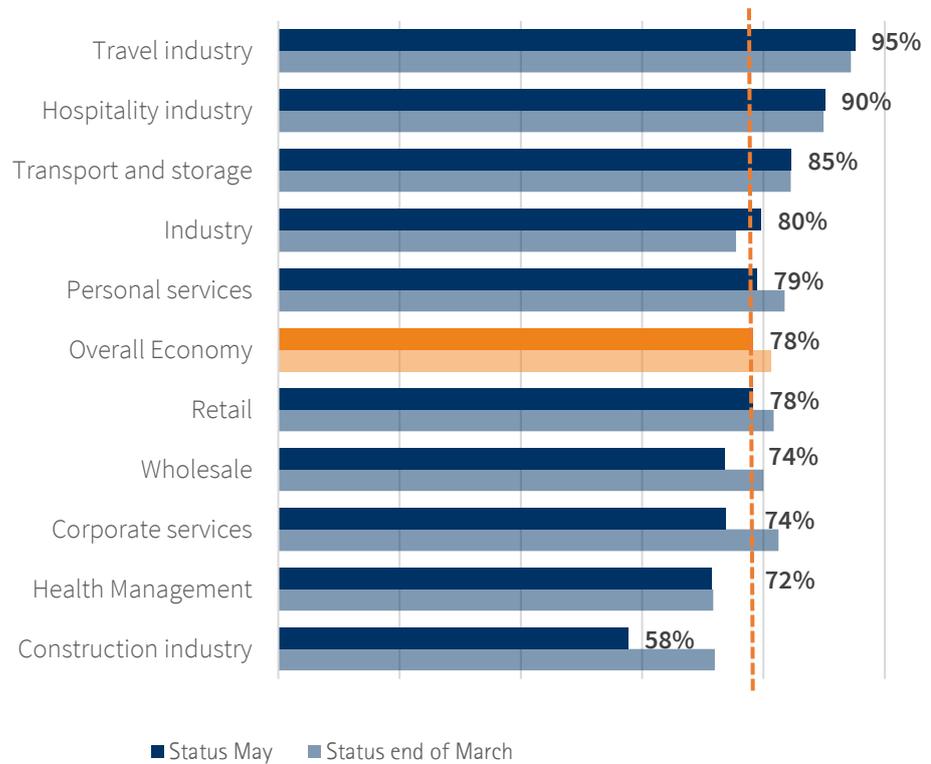
in percent



- Increase in turnover
- No effects
- No assessment possible at present
- Decrease of up to 10%
- Decline of more than 10% up to 25%
- Decline of more than 25% up to 50%
- Decline of more than 50%

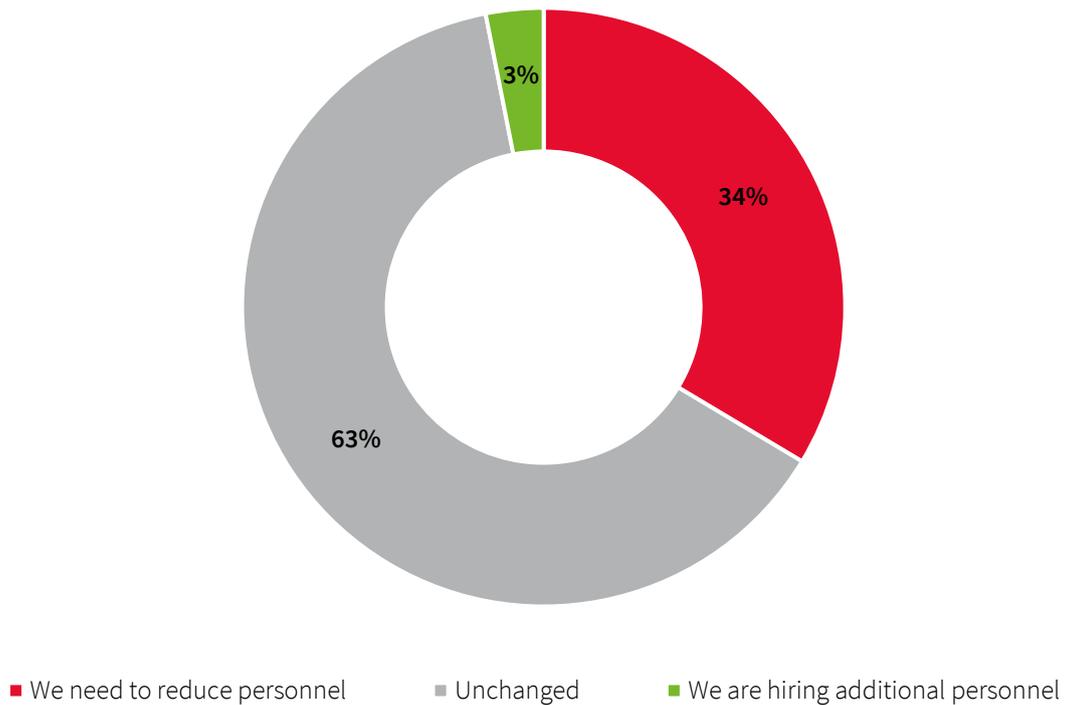
Businesses expecting a decline in revenue in 2020 due to COVID-19

by sector, in percent



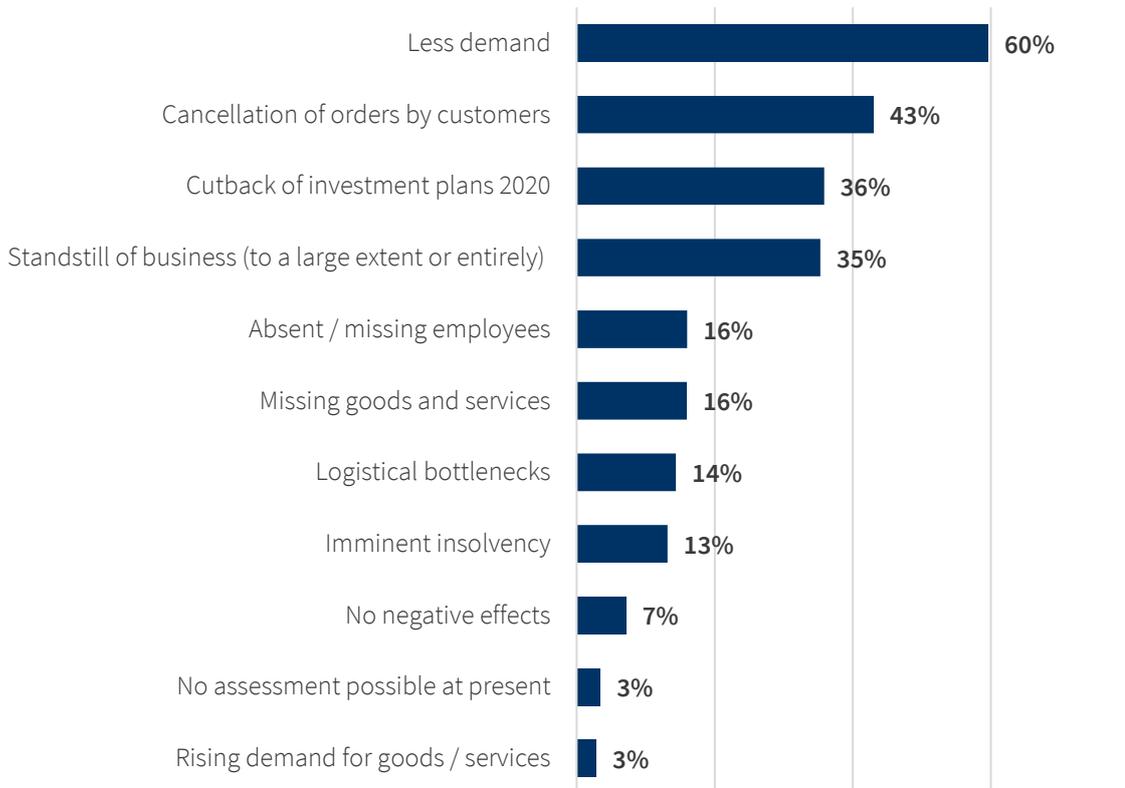
Employment plans

in percent



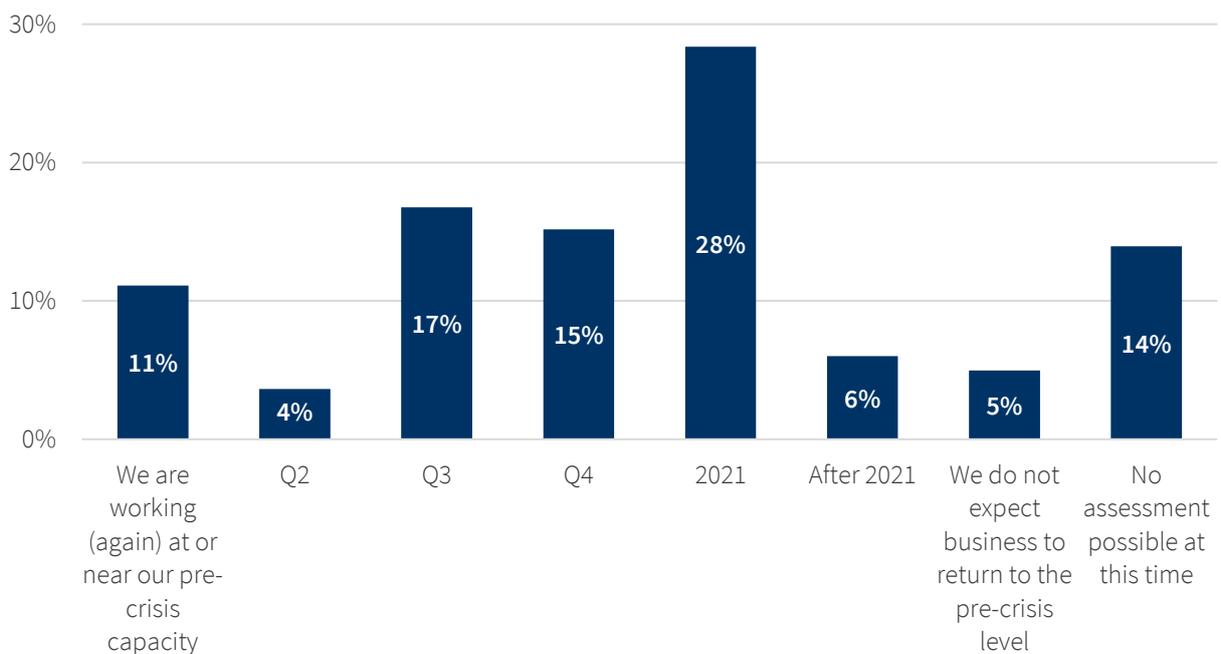
Impact of the COVID-19 pandemic on business

in percent, multiple answers possible



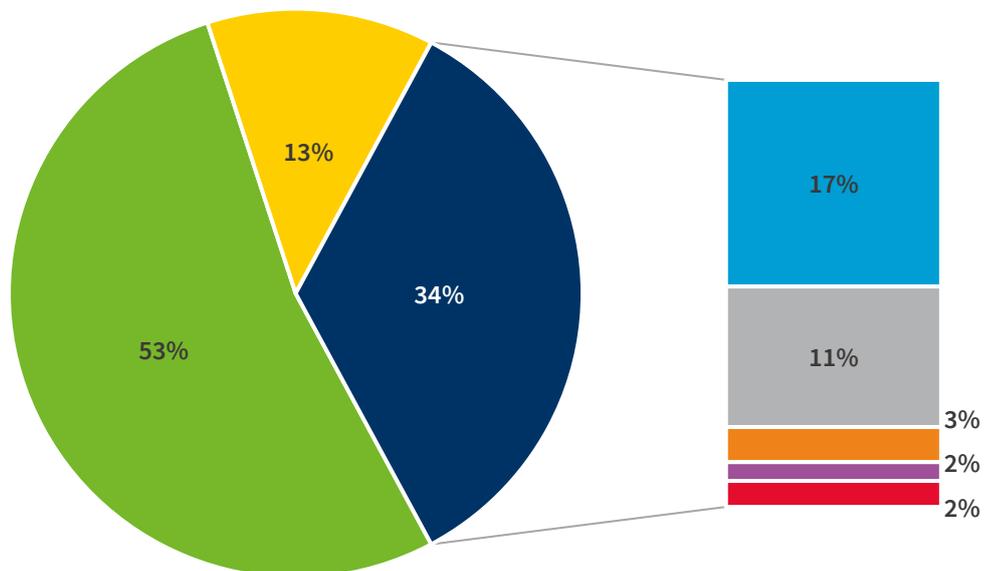
Expected time needed to return to normal business activity

in percent



Organisational lead time for reopening

in percent



- We worked without interruption
- We are already working again
- Reopening immediately possible
- 1-2 weeks lead time necessary
- 3-4 weeks lead time necessary
- 1-2 months lead time necessary
- Longer lead time necessary

Methodology:

The survey took place from 4 to 6 May 2020. Around 10,000 companies participated in the survey.

The answers are distributed among industry (18%), construction (5%), retail trade (12%), wholesale trade (6%), transport and warehousing (4%), travel industry (4%), hotels and restaurants (11%), health industry (3%), personal services (12%), corporate services (24%).

By enterprise size class the answers are distributed as follows: 1-19 employees (63%), 20-199 employees (27%), 200-499 employees (5%), 500-999 employees (2%), over 1,000 employees (3%).

Imprint

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