

28 APR 2020

One third of digital companies in Europe are expecting layoffs because of COVID-19 – survey

- ▶▶ **Three quarters** of digital companies are expecting a negative financial impact
- ▶▶ **93%** believe pandemic will lead to a global recession; supply chains have been disrupted, particularly in China (86% of value chain) and Europe (74%)
- ▶▶ **82%** of all employees can work from home
- ▶▶ **Half** of digital businesses in Europe believe governments are not doing enough
- ▶▶ **Government salary support** and **tax postponement** most popular national measures, while two thirds back the launch of fast-track ICT tenders
- ▶▶ At EU level, **90%** back a stimulus package focused on digital transformation, **86%** support launching additional projects and tenders

DIGITALEUROPE, in collaboration with 14 national trade associations from across Europe, conducted a survey of 634 digital businesses of all sizes between 17 March and 16 April 2020.

This survey complements our 26 short-, medium- and long-term [recommendations](#) for the EU institutions on COVID-19 that we published last week.

Director-General of DIGITALEUROPE, Cecilia Bonefeld-Dahl, said

“ We welcome the measures taken so far to deal with this unprecedented crisis, such as increased flexibility on state aid rules at the EU level and employee salary support at the national level. But our survey shows that our members need more action, for example on fast-track ICT tenders and greater digital investment.

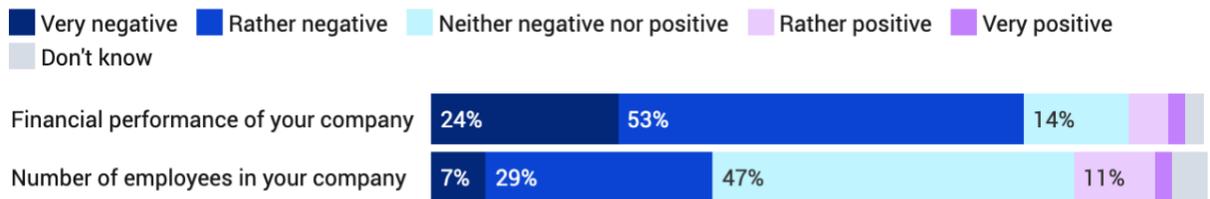
As a sector, we are resilient. A large majority has pivoted to working from home relatively easily. Nevertheless, it is distressing to see that one third of digital companies are expecting layoffs. Thousands of Europeans are losing good quality, well-paying jobs in the digital sector and potential unicorns are facing bankruptcy. Europe’s digital ecosystem and its power to innovate in the future is at risk.

At national level, the needs of digital SMEs are not unlike other sectors in need of short-term liquidity. Additionally, governments could boost our recovery by increasing the amount of ICT tenders that can be delivered remotely. If public authorities were thinking of upgrading their digital infrastructure, now is the time to do it!

At EU level, this survey supports the recommendations we published last week: we need to raise awareness of EU funding mechanisms through a one stop shop for SMEs with practical information. Digitalisation must also be at heart of the EU recovery and reinvention as lockdowns ease – to revive our sector but also to transform other sectors. Keeping the focus on green and digital investments in Europe will be key to our future financial stability, competitiveness, and crisis resilience.”

COVID-19 impact

Question: In your opinion, how will the spread of the Coronavirus affect the following areas in 2020?



Source: Bitkom Research 2020 | Base: All respondents (n=634); multiple answers were possible

[View the full survey results here.](#)

Methodology:

The survey was conducted between 17 March and 16 of April 2020. The questions were designed in collaboration between [Bitkom Research](#) and DIGITALEUROPE. The respondents of the survey are DIGITALEUROPE's [member companies](#) or the members of the participating trade associations. Participating associations are: [Bitkom](#) (Germany), [IVSZ](#) (Hungary), [Ametic](#) (Spain), [Croatian Chamber of Economy](#), [GZS's Association of Informatics and Telecommunication](#) (Slovenia), [ITAS](#) (Slovakia), [Technology Ireland](#), [Syntec Numérique](#) (France), [CITEA](#) (Cyprus), [Digital Turkey](#), [IOÖ](#) (Austria), [KIGEIT](#) (Poland), [Infobalt](#) (Lithuania), [SEPE](#) (Greece). Bitkom Research managed the survey, collected the responses and aggregated the results.

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About DIGITALEUROPE

DIGITALEUROPE represents the digital technology industry in Europe. Our members include some of the world's largest IT, telecoms and consumer electronics companies and national associations from every part of Europe. DIGITALEUROPE wants European businesses and citizens to benefit fully from digital technologies and for Europe to grow, attract and sustain the world's best digital technology companies. DIGITALEUROPE ensures industry participation in the development and implementation of EU policies.

DIGITALEUROPE Membership

Corporate Members

Accenture, Airbus, Amazon, AMD, Apple, Arçelik, Bayer, Bosch, Bose, Bristol-Myers Squibb, Brother, Canon, Cisco, DATEV, Dell, Dropbox, Epson, Ericsson, Facebook, Fujitsu, Google, Graphcore, Hewlett Packard Enterprise, Hitachi, HP Inc., HSBC, Huawei, Intel, Johnson & Johnson, JVC Kenwood Group, Konica Minolta, Kyocera, Lenovo, Lexmark, LG Electronics, MasterCard, METRO, Microsoft, Mitsubishi Electric Europe, Motorola Solutions, MSD Europe Inc., NEC, Nokia, Nvidia Ltd., Océ, Oki, Oracle, Palo Alto Networks, Panasonic Europe, Philips, Qualcomm, Red Hat, Rockwell Automation, Samsung, SAP, SAS, Schneider Electric, Sharp Electronics, Siemens, Siemens Healthineers, Sony, Swatch Group, Tata Consultancy Services, Technicolor, Texas Instruments, Toshiba, TP Vision, UnitedHealth Group, Visa, VMware, Xerox.

National Trade Associations

Austria: IOÖ

Belarus: INFOPARK

Belgium: AGORIA

Croatia: Croatian
Chamber of Economy

Cyprus: CITEA

Denmark: DI Digital, IT
BRANCHEN, Dansk Erhverv

Estonia: ITL

Finland: TIF

France: AFNUM, Syntec
Numérique, Tech in France

Germany: BITKOM, ZVEI

Greece: SEPE

Hungary: IVSZ

Ireland: Technology Ireland

Italy: Anitec-Assinform

Lithuania: INFOBALT

Luxembourg: APSI

Netherlands: NLdigital, FIAR

Norway: Abelia

Poland: KIGEIT, PIIT, ZIPSEE

Portugal: AGEFE

Romania: ANIS, APDETIC

Slovakia: ITAS

Slovenia: GZS

Spain: AMETIC

Sweden: Teknikföretagen,
IT&Telekomföretagen

Switzerland: SWICO

Turkey: Digital Turkey Platform,
ECID

Ukraine: IT UKRAINE

United Kingdom: techUK