COVID-19 survey of the European digital industry
This survey is a collaboration between DIGITALEUROPE’s member trade associations

Participating trade associations:
### Key takeaways

#### Impact of COVID-19 on the European digital industry

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>77%</td>
<td>77% of respondents are expecting a negative financial impact from the COVID-19 crisis</td>
</tr>
<tr>
<td>35%</td>
<td>35% of respondents expect some lay offs</td>
</tr>
<tr>
<td>74%</td>
<td>74% of companies delivering across borders in Europe have experienced some disruptions in deliveries</td>
</tr>
</tbody>
</table>

#### Perception of the crisis

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>50%</td>
<td>50% of respondents believe that governments are doing too little to support companies in need</td>
</tr>
<tr>
<td>93%</td>
<td>93% believe that the COVID-19 pandemic will lead to a global recession</td>
</tr>
</tbody>
</table>

#### Effective measures

- ‘Assistance from Governments to pay a share of employee’s salaries’ and ‘postponing tax payments’ are the most requested national measures.
- 90% of respondents consider a stimulus package for digital transformation to be ‘highly relevant’ (59%) or ‘relevant’ (31%) to help the EU recover from the crisis.

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

1. Only considers respondents for which cross border EU deliveries are relevant and that are aware of the impact (n=208)

2. Base: All respondents (n=399). No response available for Germany.
Date: 17 Mar to 16 Apr 2020

Target group: Companies and associations of IT and telecommunications industry as well as companies in digitizing industries

A total of 634 companies answered

Collection: Bitkom Research designed the survey, collected the responses and aggregated the results

Countries covered:

- EU-wide (DIGITALEUROPE) 3.2%
- Netherlands 0.2%
- UK 0.2%
- Ireland (Technology Ireland) 0.2%
- France (Syntec Numérique) 0.8%
- Austria (IOO) 0.9%
- Belgium 1.3%
- Poland (KIGEIT) 1.7%
- Lithuania (Infobalt) 2.1%
- Slovakia (ITAS) 2.2%
- Greece (SEPE) 2.4%
- Cyprus (CITEA) 2.4%
- Spain (AMETIC) 4.4%
- Turkey (Digital Turkey) 5.5%
- Slovenia (GZS) 5.8%
- Croatia (HGK) 6.5%
- Hungary (IVSZ) 23.3%
- Germany (Bitkom e.V.) 37.1%

Source: Bitkom Research 2020 | Base: All respondents (n=634); multiple answers were possible
The impact on the digital industry in Europe
Impact on the supply chain

% of the value chain that has been limited by COVID-19

Europe
74%
Discontinued (1%),
highly limited (16%),
or limited (57%)
deliveries

China
86%
Discontinued (11%),
highly limited (31%),
or limited (44%)
deliveries

USA
62%
Discontinued (7%),
highly limited (18%),
or limited (38%)
deliveries

South Korea
71%
Discontinued (10%),
highly limited (23%),
or limited (38%)
deliveries

Source: Bitkom Research 2020 | Base: All respondents for whom supplies from the selected country are relevant and which are aware of the disruptions. China (n=229), South Korea (n=87), USA (n=164), Europe (n=208, no data available for Spain and Germany)
Impact of COVID-19 on the European digital industry

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

Which of the following statements apply to your company with regard to the effects of COVID-19?

- Customers postpone orders
- We are currently postponing investment decisions
- Customers cancel orders
- Reduced production quantities
- Staff unable to work
- None of the above
- Don't know

Remote working

82%

Of all employees can work from home

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

1 Question “staff unable to work” was not included in the German survey (n=399)
2 Question on remote working was not included in the Hungarian survey (n=486)
# Measures taken by digital companies

**What measures have you already taken, or are you considering in your company as a result of the spread of COVID-19?**

<table>
<thead>
<tr>
<th>Measure</th>
<th>Already applied</th>
<th>Planned/discussed</th>
<th>Feasible, but not an issue</th>
<th>Impossible</th>
<th>Don't know / n.a.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Replacement of physical meetings with video conferencing</td>
<td>92%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Create technical requirements for working from home</td>
<td>92%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hygiene guidelines / measures</td>
<td>89%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recommendation to work from home</td>
<td>89%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Arrangement to work from home</td>
<td>78%</td>
<td>11%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Establishment of a crisis team</td>
<td>60%</td>
<td>7%</td>
<td>22%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office or factory closure</td>
<td>27%</td>
<td>9%</td>
<td>31%</td>
<td>23%</td>
<td></td>
</tr>
<tr>
<td>Reduced working hours or short-time work</td>
<td>18%</td>
<td>23%</td>
<td>39%</td>
<td>9%</td>
<td></td>
</tr>
<tr>
<td>Asked employees to take regular holidays</td>
<td>18%</td>
<td>21%</td>
<td>39%</td>
<td>10%</td>
<td></td>
</tr>
</tbody>
</table>

Source: Bitkom Research | Base: All respondents (n=634); multiple answers were possible
What does the digital industry believe will be the impact of COVID-19?
## What the digital sector believes

To what extent do you agree or disagree with the following statements about the spread and the effects of COVID-19?

<table>
<thead>
<tr>
<th>Statement</th>
<th>Totally agree</th>
<th>Rather agree</th>
<th>Rather disagree</th>
<th>Don't agree at all</th>
<th>Don't know</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Coronavirus will lead to a recession in Europe</td>
<td>73%</td>
<td>20%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Coronavirus will lead to a global recession</td>
<td>55%</td>
<td>38%</td>
<td></td>
<td></td>
<td>8%</td>
</tr>
<tr>
<td>We expect the crisis to worsen</td>
<td>41%</td>
<td>46%</td>
<td>8%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Government is doing too little to support companies in need</td>
<td>21%</td>
<td>29%</td>
<td>29%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The current discussion about the coronavirus is hysterical and exaggerated</td>
<td>19%</td>
<td>23%</td>
<td>27%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The measures announced by the government to support affected companies are appropriate</td>
<td>12%</td>
<td>46%</td>
<td>23%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The government's crisis management is appropriate</td>
<td>12%</td>
<td>41%</td>
<td>26%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The digital industry is more affected by the effects of the Coronavirus than other industries.</td>
<td>10%</td>
<td>53%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

1 Only the corporate membership of DIGITALEUROPE was asked this question (n=30). Other trade associations asked their members about the chances the Coronavirus will lead to a recession in their country.
Which are the most effective measures according to the digital industry?
### National measures

To what extent do you agree or disagree with the following statements about the spread and the effects of COVID-19?

<table>
<thead>
<tr>
<th>National Measure</th>
<th>Necessary to avoid bankruptcy</th>
<th>Necessary to avoid big cuts or layoffs</th>
<th>Not a (big) help</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assistance from government to pay a share of my employees' salaries</td>
<td>19%</td>
<td>56%</td>
<td>19%</td>
</tr>
<tr>
<td>Postponing tax payments</td>
<td>17%</td>
<td>52%</td>
<td>24%</td>
</tr>
<tr>
<td>Launch fast track ICT tenders and projects in public sectors that can be delivered remotely</td>
<td>15%</td>
<td>51%</td>
<td>23%</td>
</tr>
<tr>
<td>Legal certainty declaring COVID-19 a case of 'Force Majeure'</td>
<td>13%</td>
<td>41%</td>
<td>28%</td>
</tr>
<tr>
<td>Access to low interest rate loans</td>
<td>12%</td>
<td>40%</td>
<td>40%</td>
</tr>
<tr>
<td>Let ICT stores stay open allowing people to purchase connectivity devices PC, Phones, monitors, Wifi devices etc.</td>
<td>8%</td>
<td>19%</td>
<td>63%</td>
</tr>
</tbody>
</table>

Source: Bitkom Research | Base: All respondents (n=399); multiple answers were possible. No response available for Germany.
## EU measures

Which of the following measures do you believe the European Union should take to help the economy recover from COVID-19?

<table>
<thead>
<tr>
<th>Measure</th>
<th>Highly relevant</th>
<th>Rather relevant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Launch a stimulus package to support digital transformation of sectors such as health and environment.</td>
<td>59%</td>
<td>31%</td>
</tr>
<tr>
<td>Use existing European funding mechanism to launch additional projects &amp; tenders</td>
<td>56%</td>
<td>31%</td>
</tr>
<tr>
<td>Adopt legislation to facilitate remote operations and activities (e.g. e-signatures)</td>
<td>55%</td>
<td>32%</td>
</tr>
<tr>
<td>Launch a special investment plan for innovative small and medium-sized tech companies in key sectors</td>
<td>52%</td>
<td>33%</td>
</tr>
<tr>
<td>Increase flexibility on state aid</td>
<td>50%</td>
<td>39%</td>
</tr>
<tr>
<td>European investments in digital education</td>
<td>45%</td>
<td>38%</td>
</tr>
<tr>
<td>Delay of certain new compliance obligations, which will be difficult to meet because of factory closures and disruptions to supply chains.</td>
<td>45%</td>
<td>32%</td>
</tr>
<tr>
<td>European investments in digital infrastructure (Fibre, 5G, etc.)</td>
<td>36%</td>
<td>33%</td>
</tr>
</tbody>
</table>

Source: Bitkom Research | Base: All respondents (n=399); multiple answers were possible. No response available for Germany.
In which industry is your company mainly active?¹

- 1 to 9 employees: 17%
- 10 to 19 employees: 14%
- 20 to 49 employees: 13%
- 50 to 99 employees: 12%
- 100 to 199 employees: 12%
- 200 to 499 employees: 10%
- 500 to 1,999 employees: 9%
- 2,000 employees or more: 9%
- No answer: 1%

In which industry is your company mainly active?²

- Software and IT services (including consulting): 69%
- Manufacture of ICT hardware: 7%
- Wholesale and retail ICT hardware: 7%
- Telecommunications services: 6%
- Other service industries: 5%
- Other industries: 7%
- No answer: 1%

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

¹ Data not available for Croatia, Greece & Turkey (n=543)
² Data not available for Germany (n=399)
Thank you

For more information, please contact:

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