

MEDIA ADVISORY

SCCCI's Annual Business Survey 2020

Singapore Chinese Chamber of Commerce & Industry's Annual Business Survey 2020 is conducted against the backdrop of a very challenging business environment due to the COVID-19 pandemic. The survey garnered feedback from 1,025 respondents, of which 94% are SMEs. This survey was conducted between 11 June and 6 August 2020.

Key survey findings include:

1. A significant number of businesses (80.3%) experience decline in revenue. Business costs however have not declined proportionately in tandem with revenue decline. This leads to a significant number of businesses (75.7%) experiencing a decline in margin.
2. Half of the respondents indicated Covid-19 has brought major impact to their business model. Key shifts observed amid Covid-19: Accelerated digitalisation and changing business model.
3. Top business concern: Financing and cash flow. In particular, top concerns relating to cash flow are delayed payments from customers/debtors, and business not generating enough cash to meet expenses.
4. 71% of respondents are maintaining their workforce. The Jobs Support Scheme has helped SMEs to preserve jobs. Only about 8% of respondents had to retrench workers.
5. A key manpower challenge lies in how to transition mature workers into growth sectors.
6. While businesses embrace digitalisation, they are still not generating their mainstream revenue from online sources. Respondents have stepped up digitalisation primarily to improve business processes, marketing and engagement of customers/suppliers. Top challenges relating to digitalisation are cost and the lack of internal expertise.
7. Significantly more businesses (79.2%) have tapped on government schemes to address COVID-19 challenges. The most widely-used scheme is the Jobs Support Scheme. Apart from government schemes, businesses wanted more rental reduction/waiver, and government agencies to be more coordinated to tackle cross-agency issues.

8. Covid-19 and the uncertain economic conditions have affected plans to venture overseas. 50.7% of respondents indicated they plan to venture overseas, compared to 60.1% in 2019.

In tandem with the survey findings, Chamber put forth four recommendations:

1. Government to put in place measures to facilitate opening up the economy as quickly as possible.
2. Government to be more coordinated and integrated to tackle an increasingly complex business landscape and cross-agency issues.
3. Help SMEs to speed up transformation through digitalisation by tackling the high cost.
4. Do more to encourage and support businesses to hire mid-career and mature workers.

Full details of the complete survey findings and recommendations are enclosed in the attachment for reference.

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For further enquiries, please contact:

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About Singapore Chinese Chamber of Commerce & Industry

Established in 1906, the Singapore Chinese Chamber of Commerce & Industry (SCCCI) is an internationally renowned business organisation and the apex body of the Chinese business community in Singapore. It is the founder of the biennial World Chinese Entrepreneurs Convention, a global business convention. It plays a key and pro-active role in representing the interests of the local business community.

The SCCCI has a membership network comprising 5,000 corporate members and has more than 160 trade association members, representing over 40,000 companies including large financial and business organisations, multinational corporations, government-linked companies, and small and medium enterprises from a wide spectrum of trades and industries. These members together provide vast resources and opportunities which enable the SCCCI to develop an influential global Chinese business network for business, education, culture and community development. In return, they share a strong sense of pride and identity together and benefit immensely from the SCCCI's membership services, facilities and activities.