

ESOMAR

COVID-19

Open Community Support Circle

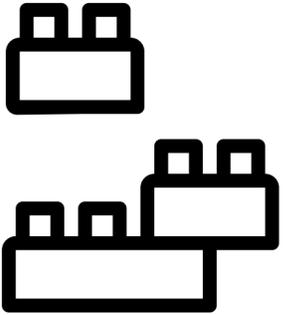
7th session | Financial Viability

Follow up – Tips and Findings

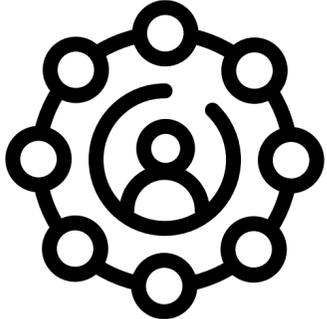


Key Takeaways

“At the moment, predicting the financial market is like throwing darts blindfolded.”



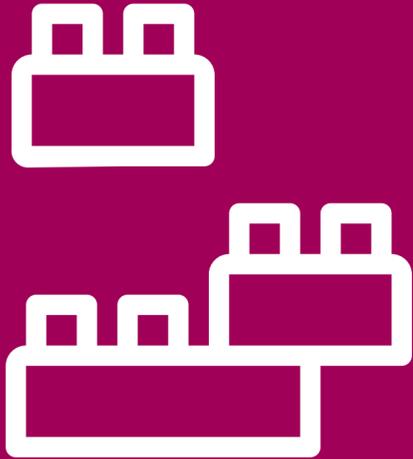
Short-term impacts



Long-term projections



Approaches to financial difficulties



Short-term impacts

Major banks are predicting a \$5 trillion write-off from the global economy over the next two years – equal to the annual output of Japan

There was a lot of fear and lack of liquidity in early March, but markets seem to have since bounced back by 20-25%

In these difficult times, cash is king

Financial resilience is a key point to consider – assess how long you can keep your business going under the current circumstances

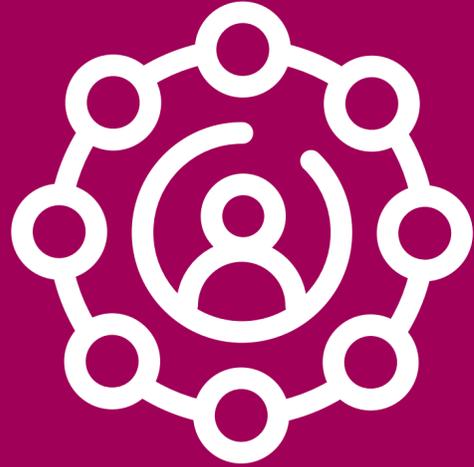
All eyes are on the technology that is being developed and implemented to help us come out of the crisis – if this is done smartly, it can be very positive

Listen to consumers and your clients – change starts with clients

Invest practically in the short term and strategically in the long term

Small businesses should try and retain talent – If this isn't possible then try and become agile and distributed

Build a practical, worst case model, and do what you can to manage your business to sustain it through that model



Long-term projections

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When looking to the long-term, whilst there is positive news, there is still a lot of uncertainty – there will be enormous opportunity but you have to sustain your organisation

Rescue packages and stimulus programmes are not only important for the immediate future, but will also ensure businesses can bounce back after the crisis and the economy can recover quicker

In the long-term, we can see positive projections – interest rates remain very low (or even negative) and there is the expectation that the support kits will have a positive impact

Fiscal stimulus programmes for the long term are also positive, and this is why the markets went up by 25% in 2 weeks

Consider the sector you operate in – if you see a long term or permanent decline in this sector, now is the time to pivot and explore new opportunities

Take this chance to redefine how you work with colleagues and clients – a distributed workforce can be highly effective and communicate more efficiently

Crisis driven changes in human behaviour will shape the future of business



Approaches to financial difficulties

Plan for the future, look to the future – this crisis has to end sooner or later

Look at the opportunities to catch-up on housekeeping and best practice that you may not get a chance to do when you are busy

Communicate with clients about financial difficulties you may be facing – people are understanding of the fact we are all going through a crisis together, and are willing to help in these unusual times

Look at cutting C-suite pay and bonuses – leadership showing a willingness to make sacrifices shows your employees that you care about your organization

As a micro company, if you are having financial problems as a result of the crisis, do not revert to radio silence

Explore the survival kits put in place by your government – can these support plans help you?

Communicate with your lending partners – they want to be cooperative and have every incentive to work with you, be proactive