



Association Suisse des PME
Associazione Svizzera delle PMI
Schweizerischer KMU Verband

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MEDIA RELEASE

COVID-19 survey: SMEs consider the risk of bankruptcy to be real

Many Swiss SMEs are feeling the effects of the COVID-19 lockdown. According to a survey by Generali Switzerland and the Swiss SME Association (SKV), a quarter of SMEs estimate that they have suffered at least 50% losses in revenue, while almost half of respondents have applied for short-time work or consider bankruptcy to be likely if the current situation continues.

Small and medium-sized enterprises (SMEs) are the backbone of the Swiss economy. More than 99% of companies in Switzerland are SMEs and they employ two-thirds of its working population. The lockdown enforced due to COVID-19 is affecting many of these approximately 590,000 companies and thus threatening vast numbers of jobs. The combination of a drastic drop in both demand and supply could lead to a recession.

In light of these prospects, many companies are unsettled. What are the biggest concerns for SMEs at the moment, how have they responded to this challenging situation and what is their outlook for the future? From 3 to 17 April 2020, Generali Switzerland and the Swiss SME Association (SKV) surveyed members and customers about the effects of the coronavirus crisis. 716 SMEs took part.

Eroding revenue

The companies paint a somewhat bleak picture and have taken drastic measures in some cases. 43% of SMEs confirmed that they have applied for short-time work for their employees, 32% have applied for a bridging loan from the federal government, and 7% have had to make redundancies due to the situation.

A large number of respondents complained of a sharp drop in revenue, with a quarter of SMEs estimating that they have suffered sales losses of 50% or more.

The threat of bankruptcy is also real, with 46% of SMEs considering this likely if the situation persists.

While many SMEs have shown innovation during this challenging period, with a quarter of respondents having adapted their offering, service or products, 58% did not consider this relevant. Those SMEs that have adapted to the situation have done so primarily in the area of customer service, for example by providing online advice (43%). Meanwhile, 27% now offer their products via e-commerce, and 23% have launched a delivery service or started offering take-aways (15%).

Post-crisis marketing push planned

Although a recession is generally expected, companies are planning to vigorously step up their marketing efforts during the post-crisis period. A third of SMEs intend to increase their marketing activities, almost a quarter aim to win back customers with special promotions and discounts, and 14% plan to expand their product range.

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In view of the exceptional situation and the difficult economic environment, Generali and the SKV have launched the SME Academy, which is designed to match the needs of SMEs to the services of Generali and its partners. In short and free online training courses, various experts will impart their practical knowledge to assist SMEs and the self-employed in this challenging time.

For more information:

[Media release](#) and [survey](#) download and information about the [SME Academy](#).
Information about the [SKV](#).

The survey:

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ABOUT THE SWISS SME ASSOCIATION

The Swiss SME Association (SKV) is a recognised trade association that represents the interests of Swiss entrepreneurs and small and medium-sized businesses, offering training and further education, legal advice and assistance with raising capital, for example. It advocates the best possible framework conditions and strengthens the competitiveness of its members with targeted services. The Swiss SME Association engages in dialogue with lawmakers, business leaders, authorities, cultural actors and social partners. It is continuously expanding its network of contacts and seeks to cooperate with similar-minded stakeholders.

ABOUT GENERALI

The Generali Group is an independent Italian group with a strong international presence. Founded in 1831, the company is one of the world's leading insurers. Generali has around 70,000 employees serving more than 61 million customers in over 50 countries. The Group's total income came to more than EUR 66 billion in 2018, making Generali the market leader in Western Europe. The company is also an increasingly important presence in Central and Eastern Europe as well as Asia.

Generali's roots in Switzerland date back to 1887. Today, Generali (Switzerland) Holding Ltd. operates throughout Switzerland, with two head offices – one in Adliswil and one in Nyon – and a wide network of agencies. The insurer has around one million customers and offers products for every situation in life. These include property, legal protection, life insurance and pension solutions. Generali partners with start-ups to develop innovative products. In 2018, the company became the first insurer in Switzerland to launch a digital pillar 3a solution.

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