

Business Survey Aruba & Curaçao

'Consequences of the economic crisis'



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Research method (1)

- ✓ Online questionnaire
- ✓ Database of the Chambers of Commerce
- ✓ 1100 companies were invited by e-mail
- ✓ Response: 11,7% (n=129)
- ✓ Only indicative results are possible
- ✓ No cross tabulation because of small numbers



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Research method (2)

- Curacao: 80 companies participated
- Aruba: 49 companies participated

The questionnaire was filled out by¹:

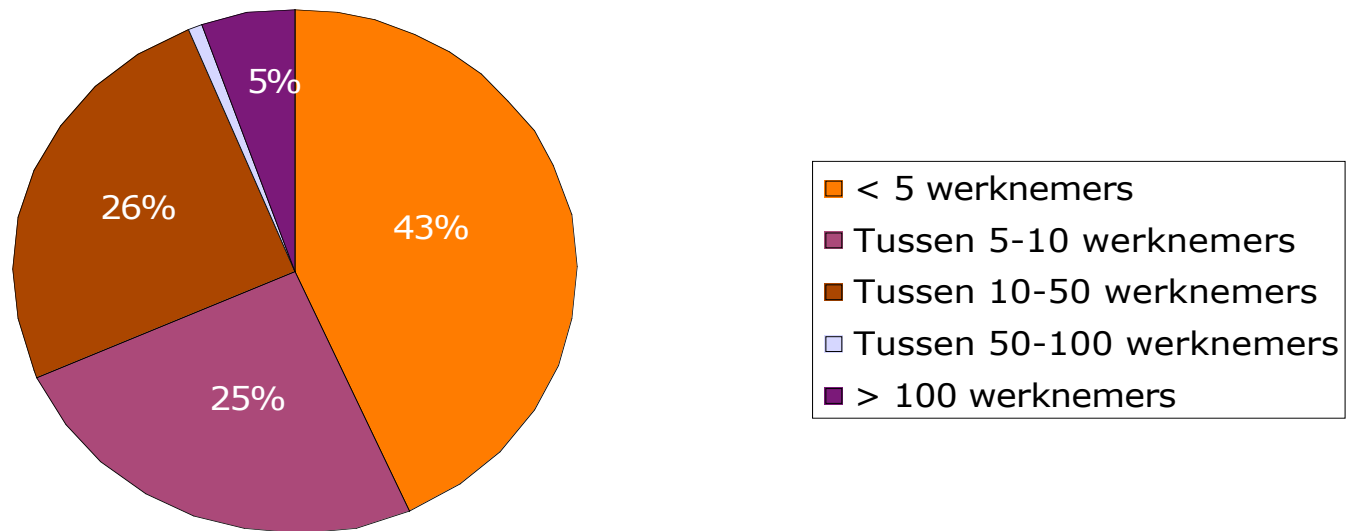
- The owner (50%)
- CEO/director (29%)
- General manager (12%)

¹) No answer (11%)

Companies that participated were:

- ✓ Moreover smaller companies: 68% of the companies had less than 10 employees and 26% had between 10 and 50 employees.
- ✓ From the sectors: business services (20%), services in general (19%) and retail (16%)

How many employees does your company have?



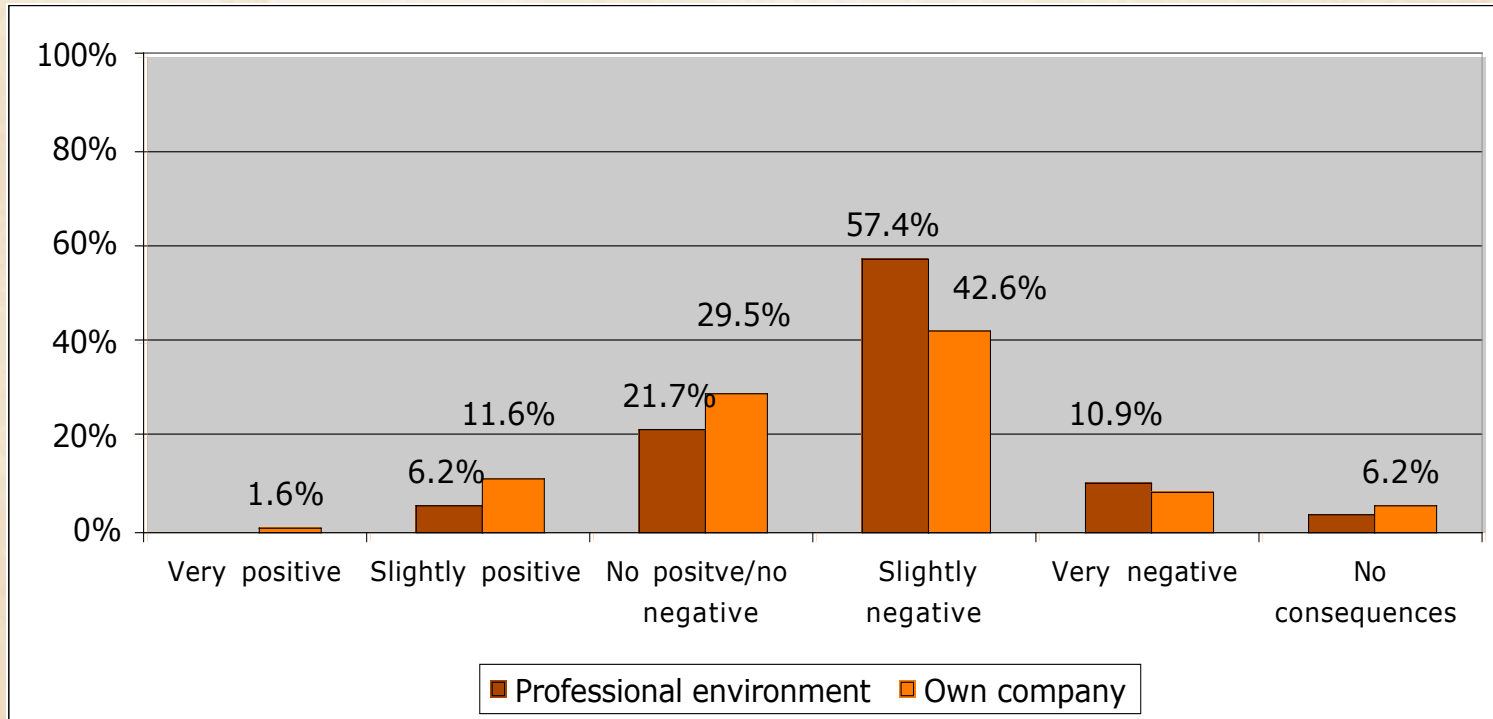
Overview of the results

- 1) Positive and negative consequences of the economic crisis
- 2) Interventions in salary of employees
- 3) Interventions in work forces
- 4) Interventions in marketing policies
- 5) Expectations for the future

Positive and negative consequences

1) In your professional environment, do you experience positive or negative consequences of the economic crisis?

2) For your own company, do you experience positive or negative consequences?



What kind of consequences?

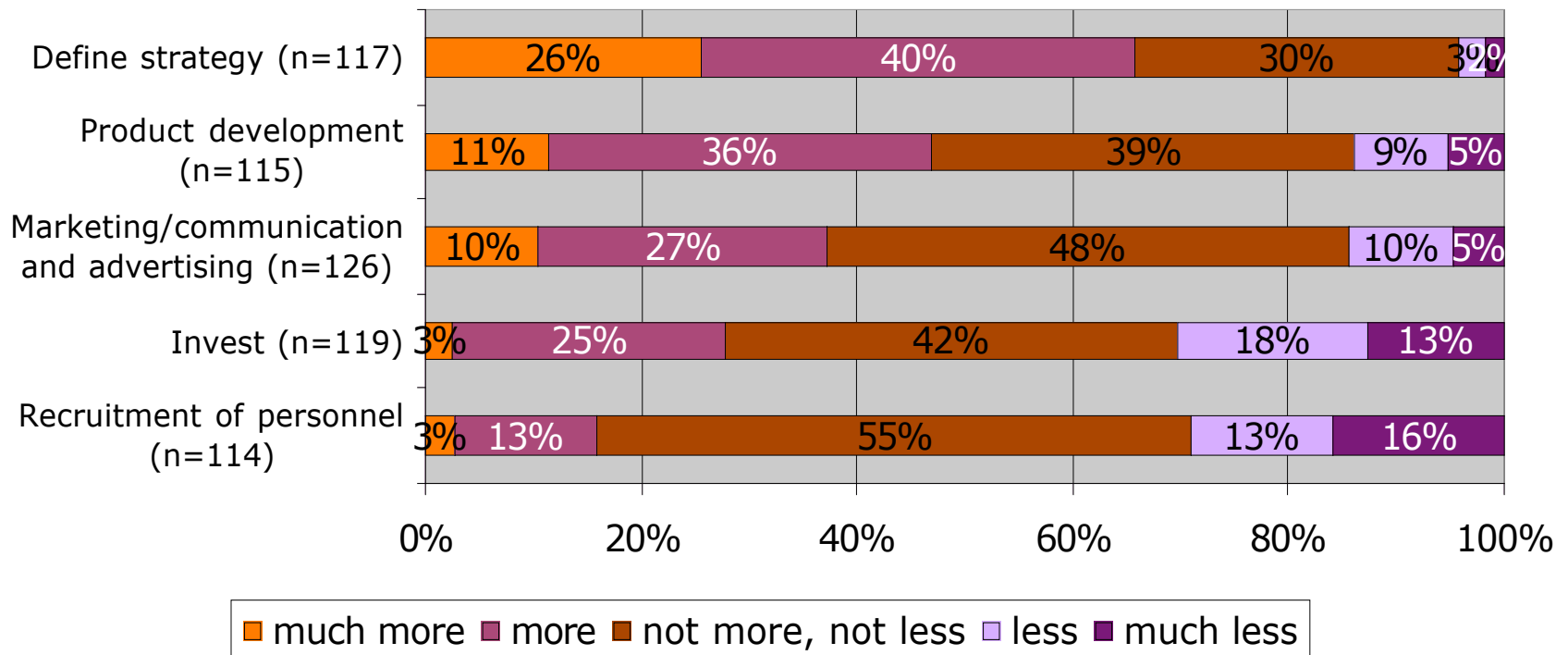
What kind of consequences do you experience? (n=129)

	n	%
Problems with payments among customers	63	48.8%
Prices/rates are under pressure	55	42.6%
Less assignments/projects	49	38.0%
More assignments/projects	18	14.0%
Difficulties with getting credit at a bank	17	13.2%
Decrease of consumer trust	17	13.2%
More theft	15	11.6%
Employees are less motivated	13	10.1%

Nb. Consequences which are mentioned by less than 10% are not in this table

Can you indicate which activities get more or less of your attention, as a consequence of the economic crisis?

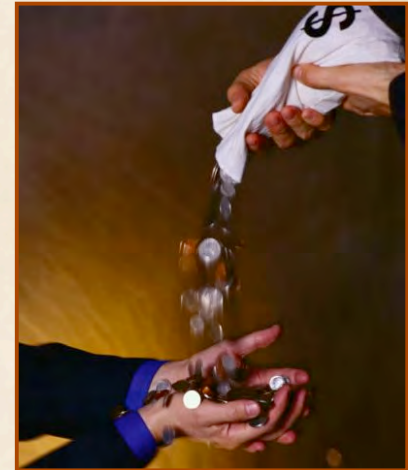
Business activities: more or less attention?



Interventions in salary

- 16% of the companies made some interventions in the salary of their employees, like:
 - No bonuses (n=13)
 - Hand in salary (partially) (n=9)
 - Optimalisation of salary (n=5)

Nb. Interventions mentioned by less than 5 companies are not displayed



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Interventions in work forces

- 26% of the companies made some interventions in their work force, like:
 - Changes in the organization (n=16)
 - Halt on vacancies (n=15)
 - Fire employees (n=10)
 - More temporary employees (n=10)
 - Reduction of working hours (n=5)

Nb. Interventions mentioned by less than 5 companies are not displayed

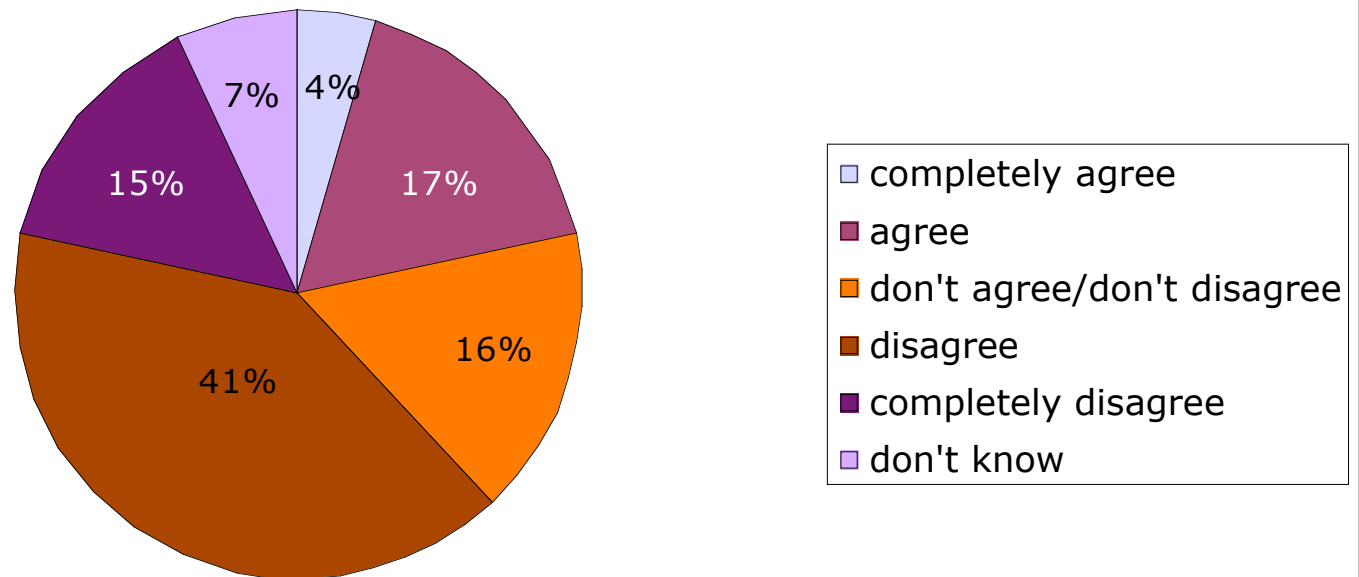
Interventions in marketing policy

- 53% of the companies made some interventions in their marketing policy, like:
 - Changes in the marketing strategy (n=44)
 - Increase marketing budget (n=22)
 - More advertising (n=21)
 - More research (n=21)
 - Less advertising (n=15)
 - Reduce marketing budget (n=13)

Nb. Interventions mentioned by less than 5 companies are not displayed

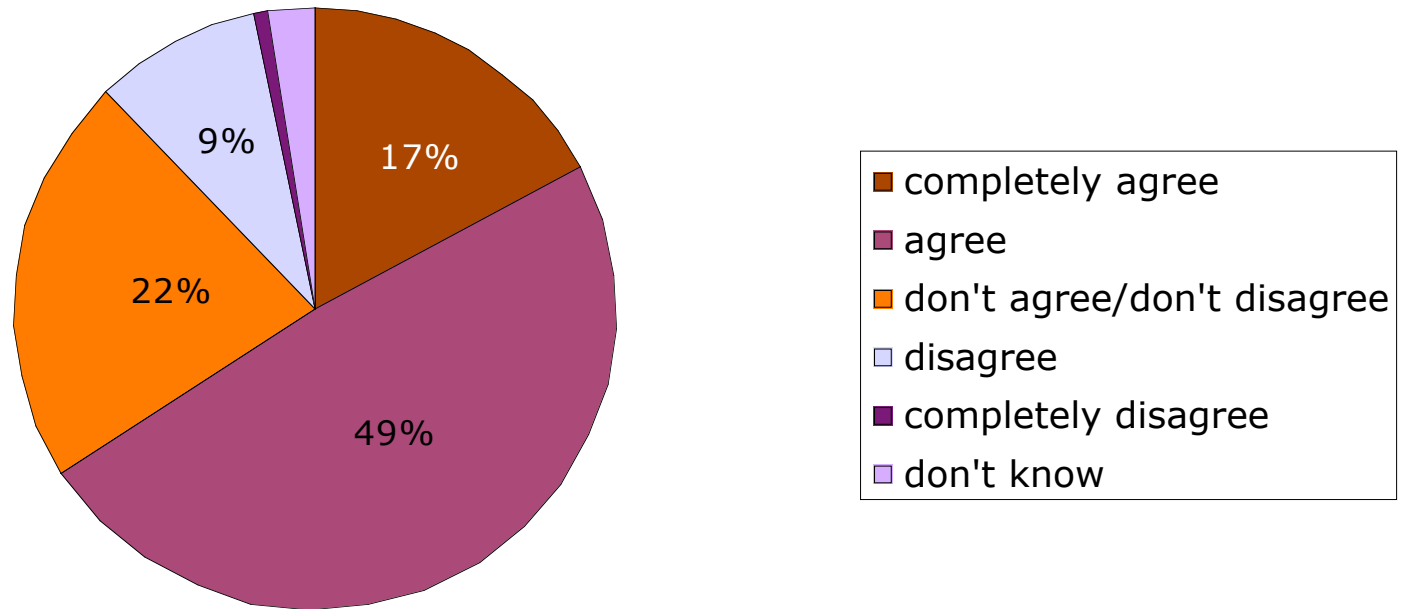
Expectations for the future (1)

The crisis will have positive consequences for my island



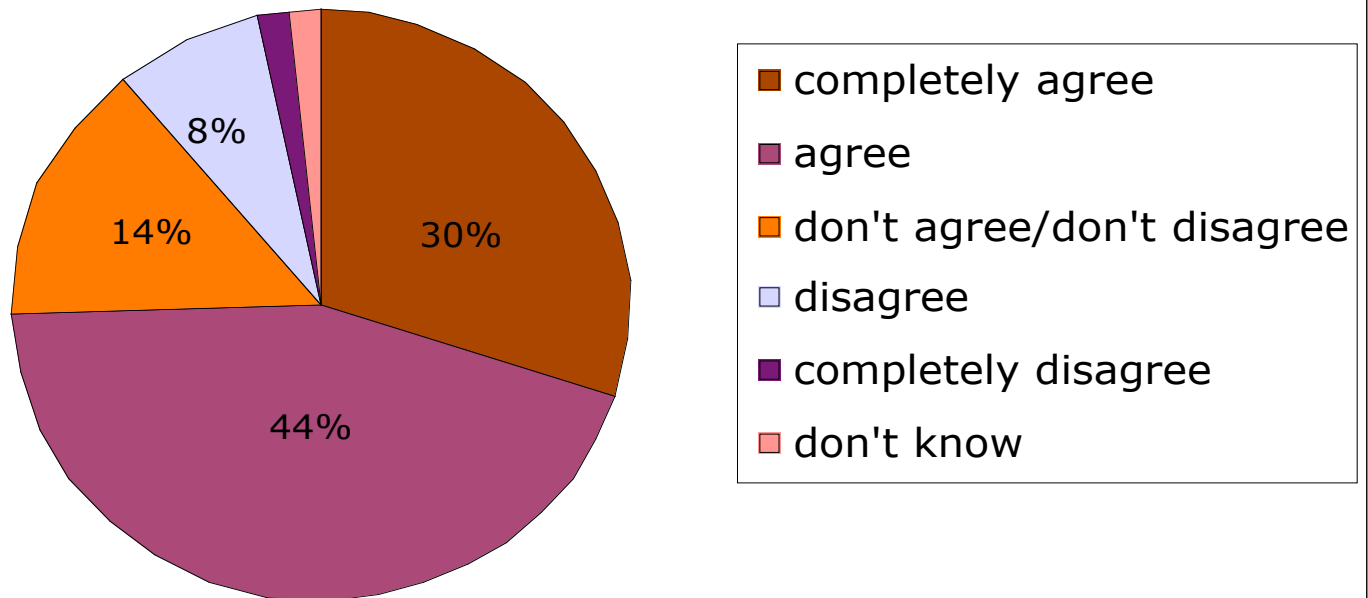
Expectations for the future (2)

Tourism will decrease as a consequence of the crisis



Expectations for the future (3)

The crisis stimulates companies to improve their level of service



Expectations for the future (4)

What are your expectations for the future (within now and 2 years) for your company (n=129)

	n	%
My company stays stable	64	49.6%
My company will grow	51	39.5%
My company will experience loss	18	14.0%
My company will choose another core business	9	7.0%
My company will leave the island	2	1.6%
My company will become bankrupt	1	0.8%

Indicative conclusions (1)

- Respondents experience more negative than positive consequences of the crisis, as well in their professional environment as for their own company.
- Negative consequences mentioned most: problems with payments among customers and prices/rates that are under pressure.
- Business activities that get more attention during the crisis are: defining strategy and product development. Less attention is for: investing and recruiting personnel.

Indicative conclusions (2)

- Most companies did not make changes in salary of employees or work force.
- If they did, the changes were: no bonuses, changes in the organization structure and halt on vacancies.
- Companies did make changes in their marketing policy, like: more advertising and more research. Remarkable was that some of the companies decreased their marketing budget and other increased it.

Indicative conclusions (3)

- Most of the companies expect that the crisis will not have positive consequences for their island.
- They believe that tourism will decrease by the crisis
- And that companies have to improve their service level
- When looked at other expectations the companies are slightly positive. They expect their company to stay stable or even grow.

Stradius Research

- Qualitative research: desk research, focus groups, single interviews and mystery shopping.
- Quantitative research: interviews by telephone, face-to-face and online questionnaires.

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