

The Outbreak of Coronavirus

Weekly Updates

April 3rd, 2020

1. COVID-19 Updates
2. Impacts on Tourism
3. What's Happening in China
4. Market Survey and Updates
5. Recovery Roadmap
6. New Opportunities



1. Coronavirus (COVID-19) Outbreak in China – as of 2 April, 2020

COVID-19 Cases in China

82,725

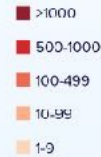
Total Confirmed

3,321

Total Deaths

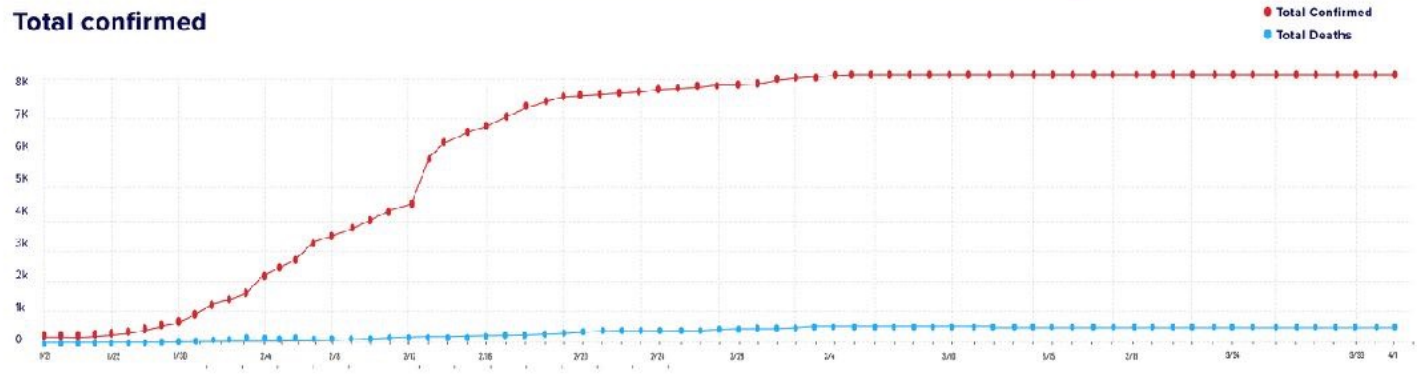
76,459

Total Recovered

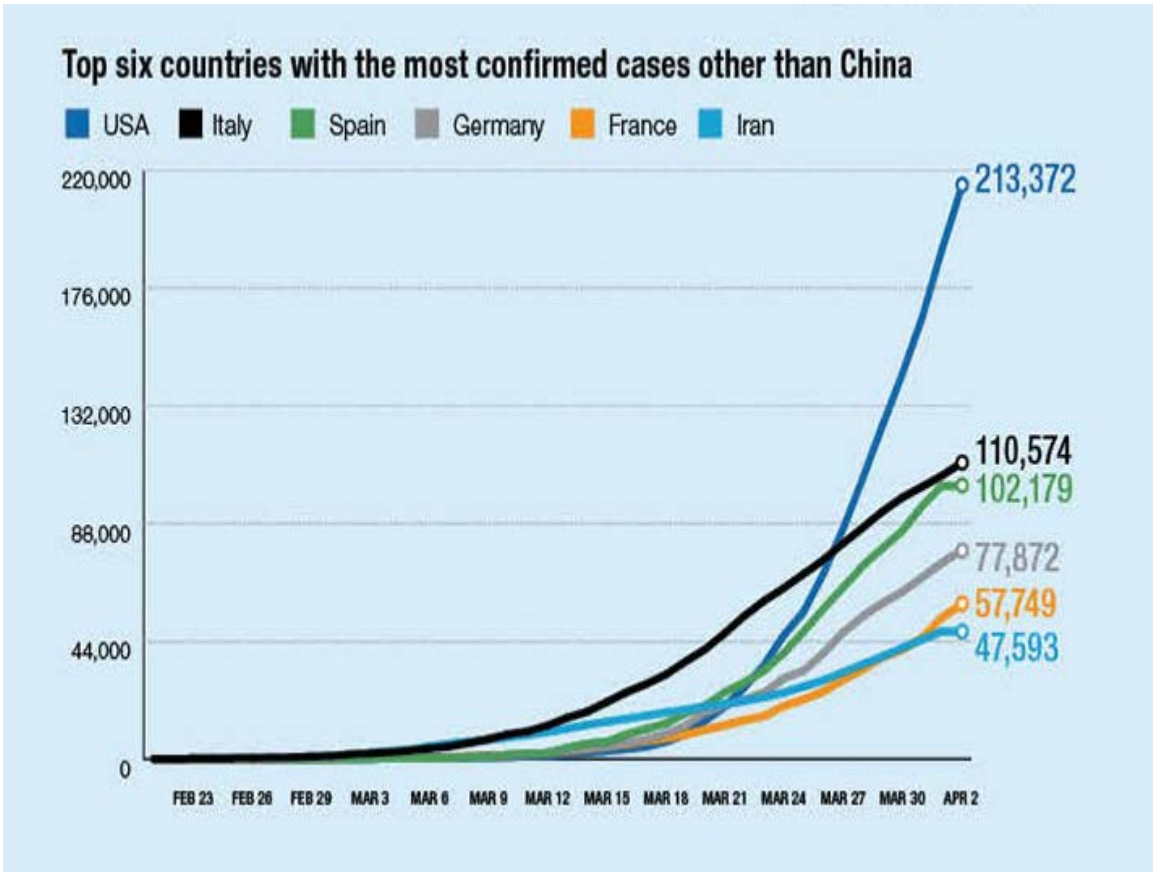


	Total Confirmed	Total Recovered	Total Deaths
1 Hubei	67802	63326	3193
2 Guangdong	1507	1365	8
3 Henan	1276	1251	22
4 Zhejiang	1258	1228	1
5 Hunan	1019	1014	4
6 Anhui	990	984	6
7 Jiangxi	937	935	1
8 Shandong	775	753	7
9 Hong Kong	765	147	4
10 Jiangsu	647	631	0
11 Beijing	582	424	8
12 Chongqing	579	570	6
13 Sichuan	554	537	3
14 Shanghai	522	343	6
15 Heilongjiang	498	469	13
16 Fujian	345	299	1
17 Taiwan	329	39	5
18 Hebei	325	310	6
19 Shaanxi	255	242	3
20 Guangxi	254	252	2
21 Yunnan	183	172	2
22 Tianjin	177	135	3
23 Hainan	168	162	6
24 Guizhou	147	144	2
25 Liaoning	140	124	2
26 Gansu	138	127	2
27 Shanxi	137	133	0
28 Inner Mongolia	117	74	1
29 Jilin	98	92	1
30 Xinjiang	76	73	3
31 Ningxia	75	75	0
32 Macao	41	10	0
33 Qinghai	18	18	0
34 Tibet	1	1	0

Total confirmed



1. Coronavirus (COVID-19) Outbreak Outside China – as of 2nd April, 2020



COVID-19 cases outside China

Legend: 1-10 (Lightest), 11-100, 101-1,000, 1,001-10,000, 10,000+, 100,000+ (Darkest)

Total			
Confirmed	849,623		
Recovered	117,068		
Dead	43,308		
Top 60 Country/Region	Confirmed	Recovered	Dead
1 USA	213,372	8,474	4,757
2 Italy	110,574	16,847	13,155
3 Spain	102,179	22,647	9,131
4 Germany	77,872	18,700	920
5 France	57,749	11,053	4,043
6 Iran	47,593	15,473	3,036
7 UK	29,857	179	2,357
8 Switzerland	17,768	2,967	488
9 Turkey	15,679	333	277
10 Belgium	13,964	2,132	828
11 The Netherlands	13,696	260	1,175
12 Austria	10,668	1,436	146
13 South Korea	9,976	5,828	169
14 Canada	9,720	1,603	112
15 Portugal	8,251	43	187
16 Brazil	6,836	127	240
17 Israel	6,092	241	26
18 Sweden	4,947	103	239
19 Australia	4,864	358	21
20 Norway	4,863	13	44
21 The Czech Republic	3,508	61	39
22 Ireland	3,447	5	85
23 Denmark	3,290	971	104
24 Chile	3,031	234	16
25 Malaysia	2,908	645	45
26 Russia	2,777	190	24
27 Ecuador	2,748	58	93

28 Poland	2,554	47	43
29 Japan	2,494	424	69
30 Romania	2,460	252	92
31 Luxembourg	2,319	80	29
32 The Philippines	2,311	50	96
33 Pakistan	2,238	94	31
34 India	1,998	148	58
35 Thailand	1,771	342	12
36 Saudi Arabia	1,720	264	16
37 Indonesia	1,677	103	157
38 Finland	1,446	10	17
39 Greece	1,415	52	50
40 South Africa	1,380	31	5
41 Mexico	1,378	35	37
42 Dominican Republic	1,284	9	57
43 Iceland	1,220	236	2
44 Argentina	1,133	240	80
45 Panama	1,075	9	27
46 Peru	1,065	394	30
47 Serbia	1,060	42	24
48 Singapore	1,000	245	3
49 Croatia	963	73	6
50 Colombia	906	31	16
51 Algeria	847	61	58
52 Slovenia	841	10	15
53 Qatar	835	71	2
54 UAE	814	61	8
55 Ukraine	794	13	20
56 Egypt	779	179	52
57 Estonia	779	33	5
58 Iraq	728	182	52
59 Diamond Princess	712	619	11
60 New Zealand	708	83	1

As of 09:35, April 2

The number of confirmed cases outside China doubled in 1 week's time from 309,549 to 849,623. USA is grown to be the hardest hit nation worldwide, followed by Italy and Spain.

Many countries have declared nationwide lockdowns to slow the spread of the virus and have closed their borders or otherwise dramatically restricted travel.

2. Impacts on Tourism Industry & Outbound Travelling

Tourism Related Policies

24th JAN | Still Valid | China has ordered all travel agencies to suspend sales of domestic and international tours as part of an effort to contain the spread of a novel coronavirus

24th JAN | Still Valid | The Ministry of Culture and Tourism of China and its branch offices have issued official notice in written that since 24th January, all travel companies should suspend businesses of package tour as well as “air ticket + hotel” tour; for those ongoing tour groups, they can continue to complete the itinerary but the travel companies should pay close attention on tourists healthy condition. Also all travel companies should deal with tourists demands properly for refunding or itinerary adjustments.

5th FEB | Still Valid | The Ministry of Culture and Tourism issued a notice to temporarily refund 80% travel service quality guarantee deposits to travel companies. In 2003, in order to help travel agency companies survive the crisis caused by SARS, the former National Tourism Administration and the Ministry of Finance also issued a notice to temporarily refund some of the quality guarantee deposits of travel companies.

26th March | Still Valid | Foreign airlines limited to one flight per week starting March 30th. Every foreign airline will be required to maintain only one air route to China and operate no more than one flight a week said by the Civil Aviation Administration of China.

3. Coronavirus Update – What's Happening in China

25th March | Fashion brands embrace digital tech to counter epidemic impact. Livestreaming has become the latest darling of traditional brick-and-mortar stores to keep visitors on the hook as the outbreak has largely minimized offline social interactions.

26th March | China suspends entry of foreign nationals. China has decided to temporarily suspend the entry into China by foreign nationals holding valid visas or residence permits because of the rapid global spread of COVID-19, according to an announcement by the Foreign Ministry and the National Immigration Administration.

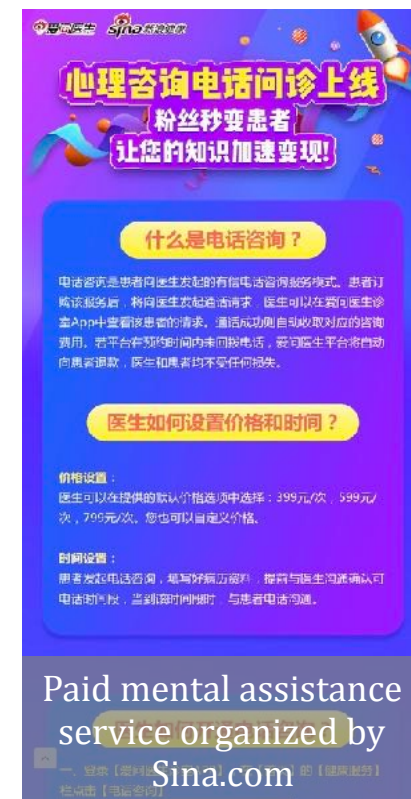
30th March | China's mental health counsellors reach out online to help those affected by coronavirus pandemic. Amid the coronavirus health crisis, physical and mental health care apps have become more popular. Chinese users spent 20 per cent more time on such apps in the first week of March compared with the same period in January.



A model helps promote fashion sales via livestreaming at a shop in Zhuzhou, Hunan province



Free mental assistance service organized by Alibaba



Paid mental assistance service organized by Sina.com

3. Coronavirus Update – What’s Happening in China

31st March | Schools in Chinese cities gradually open, universities remain closed. After Qinghai Province - the first province to start schools in early March after Spring Festival - many more provinces across China will resume school in late March and April, including Shanxi, Yunnan, Sichuan and Hunan provinces. China's national college entrance exam, also known as *Gaokao*, will be postponed by a month to July 7 and 8 due to the novel coronavirus disease epidemic, said the Ministry of Education. The length of summer holiday might be shortened due to these changes.

31st March | Medical team from all over the country gradually leave Wuhan. Wuhan's 17 railway stations are welcoming once again inbound trains and six metro lines in the city have resumed operations. Precautions, however, are still in place. Wuhan's 117 bus lines are also back in business, accounting for 30 percent of the total capacity of the network. Bus service will be adjusted according to the passenger flow. Domestic passenger flights at Wuhan Tianhe Airport will resume from midnight on April 8.

1st April | China is using digital coupons to entice people to get shopping again. One of the key ways China is incentivizing people to do so is through the use of digital coupons, which are issued by some local governments and delivered to users via third-party platforms such as payment app Alipay and WeChat pay. One of the key ways China is incentivizing people to do so is through the use of digital coupons, which are issued by some local governments and delivered to users via third-party platforms such as payment app Alipay and WeChat pay.



Students are taking temperature check before entering campus



Campaign page: Hangzhou coupon collection page



Passengers take a bus at Hankou railway station in Wuhan

4. Market survey – McKinsey Chinese consumer behavior post-COVID-19

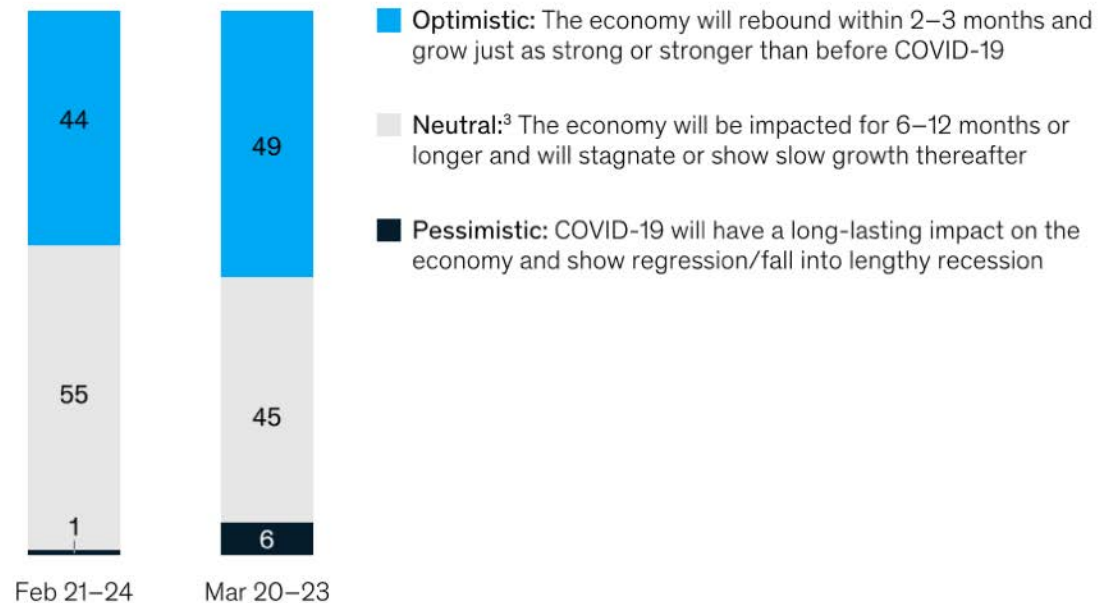
sample size: 2500 (two waves: the first between February 21 and 24 and again between March 20 and 23)

Chinese consumers are gradually regaining their **confidence** as the COVID-19 crisis subsides, suggesting the majority will resume higher levels of spending in some categories over the coming months;

Brands reacted fast to a rise in **digital engagement**, shifting their focus to social, e-commerce, and O2O

Chinese consumers are slightly more optimistic about the economy.

Confidence in China's economic conditions post-COVID-19,¹ % of respondents²



According to the survey:

- More than **70%** of consumers spent the same amount of time or more time browsing skincare- and beauty-related content, with Key Opinion Leaders (KOLs) the most popular form of engagement.
- As a result, online generated a **15–30 %-point incremental share** of purchases across a range of categories.

4. Market update : Chinese Shopping Mall Consumption

After the release of pent-up consumer demand, the **burst of purchasing power** is far beyond the expectations of the industry.



The Hangzhou tower shopping mall, which has been closed for more than 10 days, sold more than **11m RMB in 5 hours** after it officially reopened, more than 12 hours' sales on the same day last year

On the opening day of Hangzhou Tower, consumers lined up at the entrance for temperature check

Live broadcasting brings profits

Hangzhou Intime Retail:

The number of consumers served by a brand guide on live broadcasting for 3 hours is equivalent to 6 months' consumer flow before COVID-19. Sales generated by a live broadcasting equals one week's previous performance.

Many **outlets** in China are also doing live broadcasting to increase sales.

Suzhou Village: actively live broadcasting show



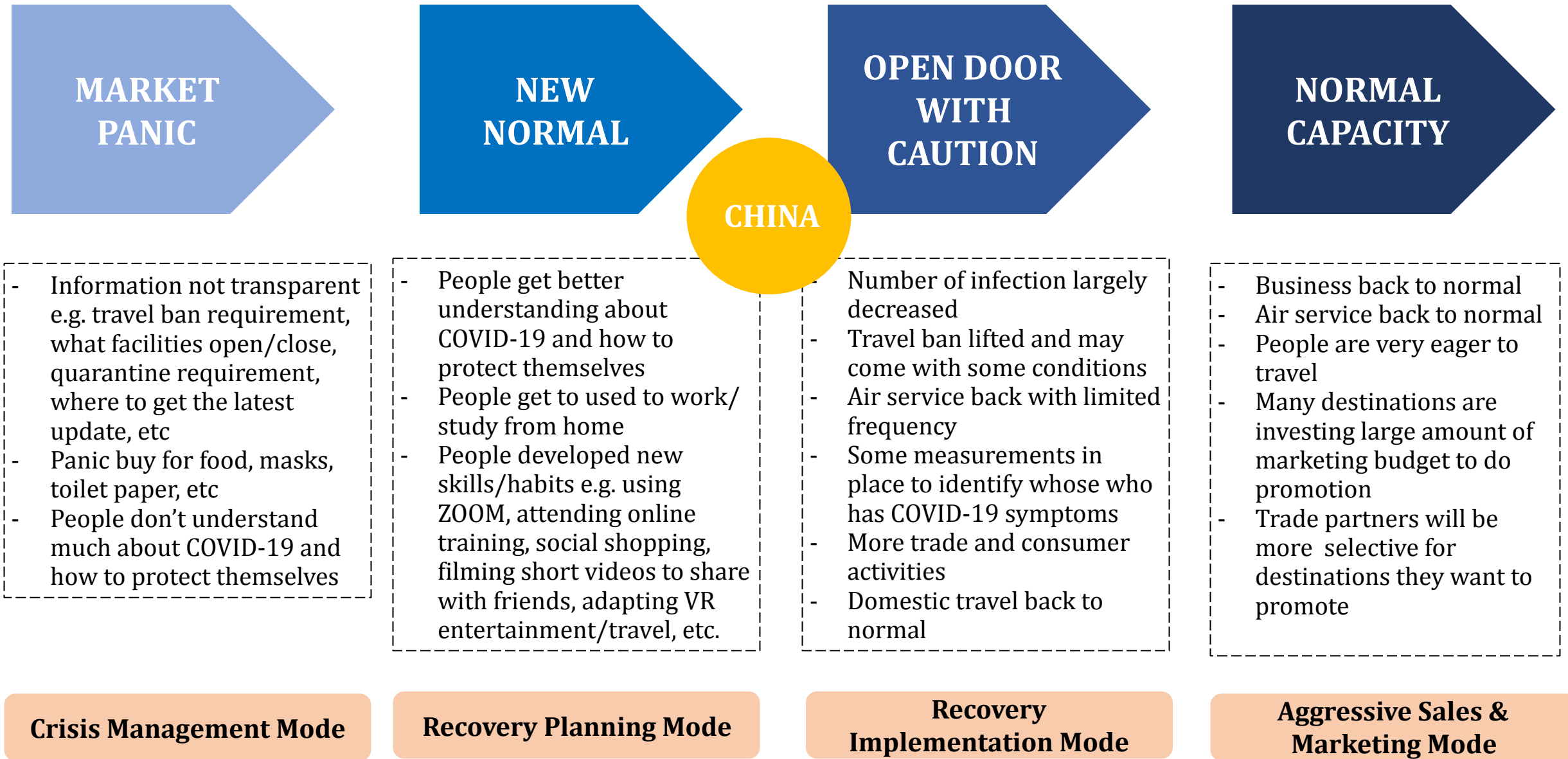
苏州奕欧来奥特莱斯

@奕欧来购物村 · 1周前

首播花絮：春季新品回顾，快来pick你爱的那一件 #苏州奕欧来

来购物村创作的原声 @奕

5. COVID-19 Paths to Recovery Roadmap



6. Market Changes Lead to New Opportunities

1

Consumers are reminiscing about the old days when everyone was free to go anywhere

OPPORTUNITY:

Create content to show positivity and be ready to welcome back consumers when the outbreak is over.

2

People are more eager to connect with others after long time being at home and lack of social activities

OPPORTUNITY:

Reach out through online channels is very trendy and hugely effective today. In recovery consumers will go out again and outdoor exposure will need to be utilized.

3

The COVID-19 crisis will push consumers toward more healthy, environmentally-conscious choices.

OPPORTUNITY:

To show consumer with place importance on becoming fitter and leading a healthy lifestyle.

4

People are getting used to consume short video/video and do some shopping via social media platforms

OPPORTUNITY:

Travel via VR & Live Streaming, consumers are expecting more immersive experience and sharing from locals.