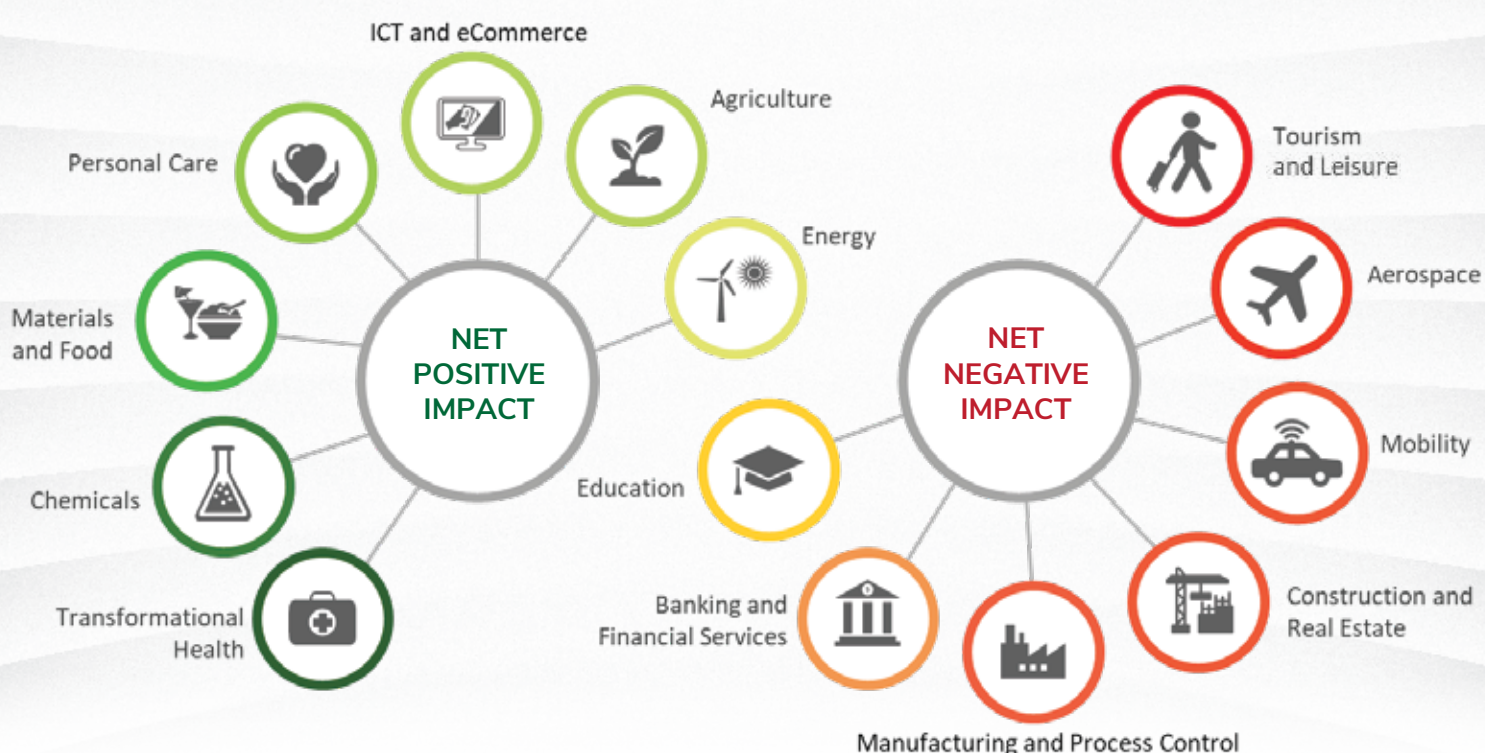


# GROWTH IMPACT OF COVID-19 ACROSS INDUSTRIES



## TOP 10 GROWTH OPPORTUNITIES POST COVID-19 IN JAPAN

### 01 Re-shoring of manufacturing locations and Supply Chain resilience



Japanese companies may relocate some operations from China to either Japan or ASEAN countries to add more flexibility to their supply chain and reduce its reliance on China. Japan has included a \$2.2 billion aid package for Japanese companies to diversify its production facilities.

### 02 Increasing shift towards Health and Wellness alternatives



Surge demand for preventive healthcare alternatives through functional foods enhancing health and wellness, especially immune boosters. Sales in Japan of probiotics and dietary supplements have spiked in the last 2 months.

### 03 Business operations and education will see higher adoption of non contact applications



Minimization of human contact will spur technology solutions. Contactless, multi-biometric authentication and payment systems, videoconference and remote working systems, e-learning solutions will see high investment. Recently, NEC installed pilot security gates that do not require people to remove their masks or sunglasses.

### 04 Higher adoption of E Commerce Platforms



Online shopping is receiving a boost in Japan, for a wider range of products and services including personal care, home care, health products, food & beverage, clothing, luxury goods amongst others. It is unlikely that this will retreat to pre Covid situation in the future.

### 05 Acceleration of DX (digital transformation)



The current pandemic will fast track digital readiness in Japan. Cyber security, cloud, data, AI, 5G, IoT, computing, 5G are the essential technologies to boost DX and new business growth.

### 06 Demand for personal hygiene and personal protection equipment



There will be a surge in investment to secure self sufficiency in personal hygiene and personal protection equipment products. Specific areas include sanitary products, anti bacterial coatings, high quality masks and face shields, high end PPE for hospitals, etc.

### 07 The coming of age of Telehealth



Once the current crisis is overcome, there will be severe pressure on healthcare service providers to increase their ability to provide patient care through telehealth solutions. METI, Japan launched a free remote health consultation service in response to growing public health concerns caused by the spread of the COVID-19 virus.

### 08 Investment in Drug discovery and Vaccines



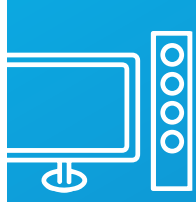
Reduction of lead times will be a crucial focus area for pharmaceutical and biomedical companies. Japan is expecting to launch clinical trials of Covid-19 vaccine in July.

### 09 Digital Marketing and Virtual Events will be the new norm



A digital approach, leveraging multiple digital tools such as webinars, whitepapers, infographic videos, blogs & articles to replace physical events. Higher spend on digital marketing to reach customers and influence buying behavior.

### 10 Entertainment industry will see a transformation



As pachinko, Karaoke, bars, cinema and overall night-life had to go through a dramatic slow down. home entertainment has been and will be a key growing area.



Most businesses in Japan have been impacted severely by the Covid-19 State of Emergency. We believe companies that use this time to transform their businesses and leverage technology will emerge more agile and stronger. Summer Olympics in July 2021 will give Japan another opportunity to revive business sentiment, however the alternative of a cancellation will only create more pressure on Japanese companies and the government who have spent billions. Overall the need for Japanese companies to accelerate their global expansion and growth is immediate.

– Robin Joffe, Partner & President, Japan

