

2021 Pros/Cons in SMEs for the Tokyo Olympics and its relationship with IT utilization

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Abstract

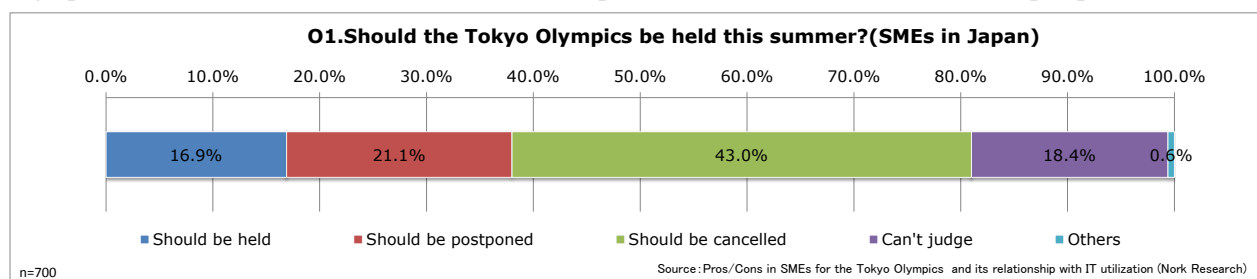
Nork Research is a third-party research organization, which supports IT companies through analysis & consulting on IT utilization of small and medium enterprises, aiming to be the bridge between users and IT vendors & SIers.

There are still various debates over 2021 Tokyo Olympics not only within Japan. According to multiple domestic polls, 70-80% of the people are against holding the event this summer. Regardless of whether the event is held / postponed / cancelled, the economic environment is expected to become more severe thereafter. Therefore, IT companies need to understand what kind of IT utilization will be required in the future based on the positive / negative factors of holding / postponing / canceling the event.

Nork Research conducted a survey of 700 SMEs in mid-May 2021 and analyzed the above points. This release summarizes the main points of the survey results separately released in Japanese. (https://www.norkresearch.co.jp/pdf/Tokyo2020_user.pdf)

Summary

As the graph below shows, more than 60% of SMEs in Japan answered that the event should be postponed or cancelled.



Inbound recovery is listed as a positive factor for both “Should be held” and “Should be postponed”, but while the former has a negative factor as spreading/prolonging infection, the latter has a negative factor of business damage. The “Should be cancelled” has the highest response rate, with the positive factor being the convergence of infection and the negative factor being business loss. If “Postponed”, IT utilization including financial support would become important, and if “Cancelled”, IT companies will need to support the development of products that compensate for the disappearance of Olympic-related businesses.

	Top3 positive factors	Top3 negative factors	Management issues in which IT utilization plays an important role in relation to the event	
Should be held	<ol style="list-style-type: none"> 1. Appealing attitude and determination to overcome difficulties. (44.9%) 2. Japan is trusted and inbound demand recovers. (37.3%) 3. Consumption becomes active with the acquisition of medals, etc.(33.9%) 	<ol style="list-style-type: none"> 1. A new variant of the coronavirus occurs in Japan. (43.2%) 2. Convergence of the coronavirus is delayed and prolonged. (37.3%) 3. Business is suppressed due to anxiety about the spread of infection. (26.3%) 	<ul style="list-style-type: none"> • Diversification of work styles • Strengthening customer contact points • Securing human resources • Expansion of sales channels 	
Should be postponed	<ol style="list-style-type: none"> 1. Accelerate the convergence of the coronavirus. (42.6%) 2. Japan is trusted and inbound demand recovers. (37.8%) 3. Appealing attitude and determination to overcome difficulties. (35.1%) 	<ol style="list-style-type: none"> 1. Businesses that were prepared become debt. (50.0%) 2. Compensation will be incurred, which will restrain the economy. (37.8%) 3. Japan is regarded as dangerous and inbound demand will decrease. (14.9%) 		<ul style="list-style-type: none"> • Financial measures
Should be cancelled	<ol style="list-style-type: none"> 1. Accelerate the convergence of the coronavirus. (67.8%) 2. Accelerate the vaccination process. (35.5%) 3. Appealing attitude and determination to overcome difficulties. (22.9%) 	<ol style="list-style-type: none"> 1. Businesses that were prepared become debt. (42.5%) 2. Compensation will be incurred, which will restrain the economy. (37.9%) 3. Convergence of the coronavirus is delayed and prolonged. (15.6%) 		<ul style="list-style-type: none"> • Product development

Source: Pros/Cons in SMEs for the Tokyo Olympics and its relationship with IT utilization (Nork Research)

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