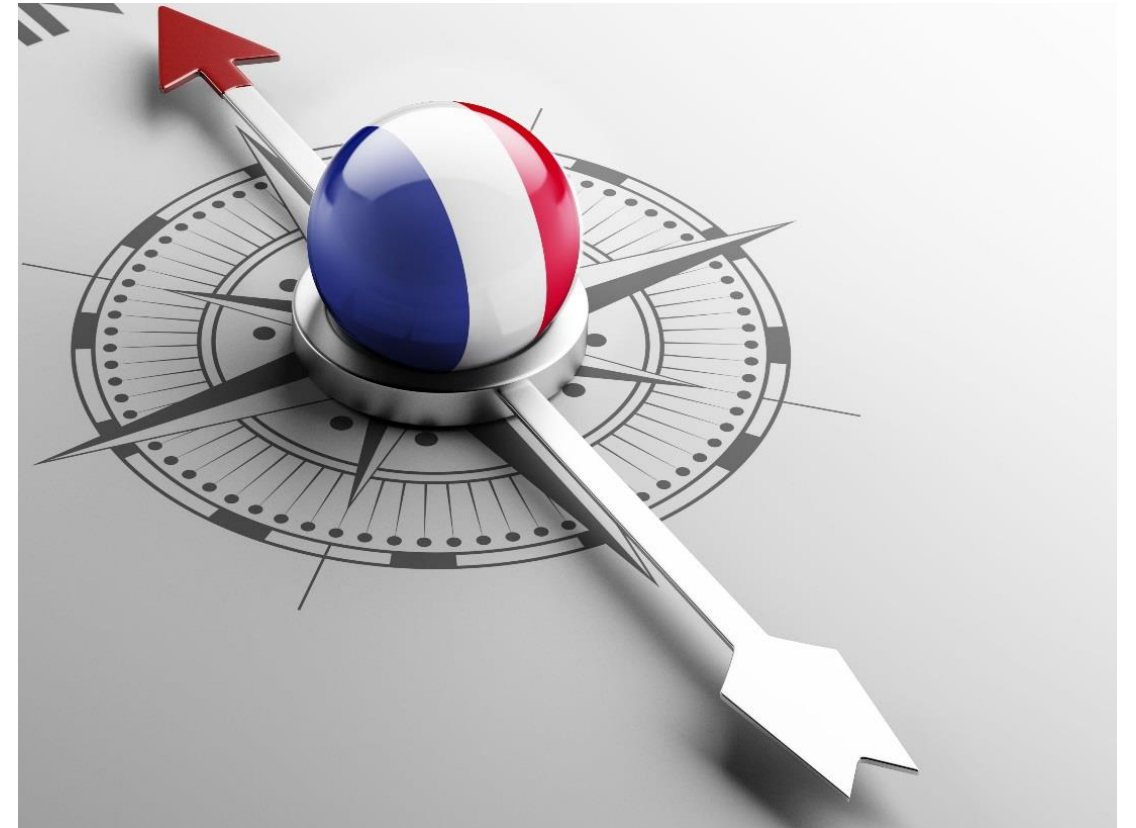


Survey on the Attractiveness of France (2019)

Main results

January 14, 2020



Reminder of the methodology



Sample

OBJECTIVES

Sounding board / invest:

573 foreign opinion leaders
(senior executives) split as follows:

- 101 in Germany
- 100 in the United Kingdom
- 100 in the United States
- 100 in India
- 100 in China
- 72 in the United Arab Emirates

The weighting given to the United Arab Emirates was brought to 100, like other countries, in order to have the same weight when calculating the sounding board.

Mirror image:

189 senior executives of foreign businesses set up in France



Collection method

- Online, except in the United Arab Emirates, where the fieldwork was conducted by telephone.

- By telephone



Field dates

- The fields took place on the following dates:
 - Germany: October 31, 2019 – November 8, 2019
 - United Kingdom: October 25, 2019 – November 7, 2019
 - United States: October 25, 2019 – November 7, 2019
 - India: October 25, 2019 – November 7, 2019
 - China: October 31, 2019 – November 8, 2019
 - United Arab Emirates: November 11, 2019 – December 18, 2019
- Field: October 24, 2019 to November 27, 2019

Note for the reader

Results are indicated **in %**, except where indicated otherwise.

* : Low base: results to be interpreted with prudence

  : Significant positive/negative evolution since previous report

In this report, when the sum of percentages is not equal to 100%, this can be explained:

- Either when interviewees provide several answers (in which case, the sum of percentages is over 100).
- Either when the figures are rounded.

Rounded figures can also be explained as there can sometimes be a difference of +/-1 point between a sub-total and the sum of items that makes it up.

To be noted for China and India: We have noticed a constant bias in our studies in these countries, for cultural reasons, with extremely positive answers to our surveys. Therefore we have decided, where possible, to propose scales in four terms, and to only retain for presentation the most positive term, so as to manage this bias and offer a more relevant comparison with other countries on the spectrum.

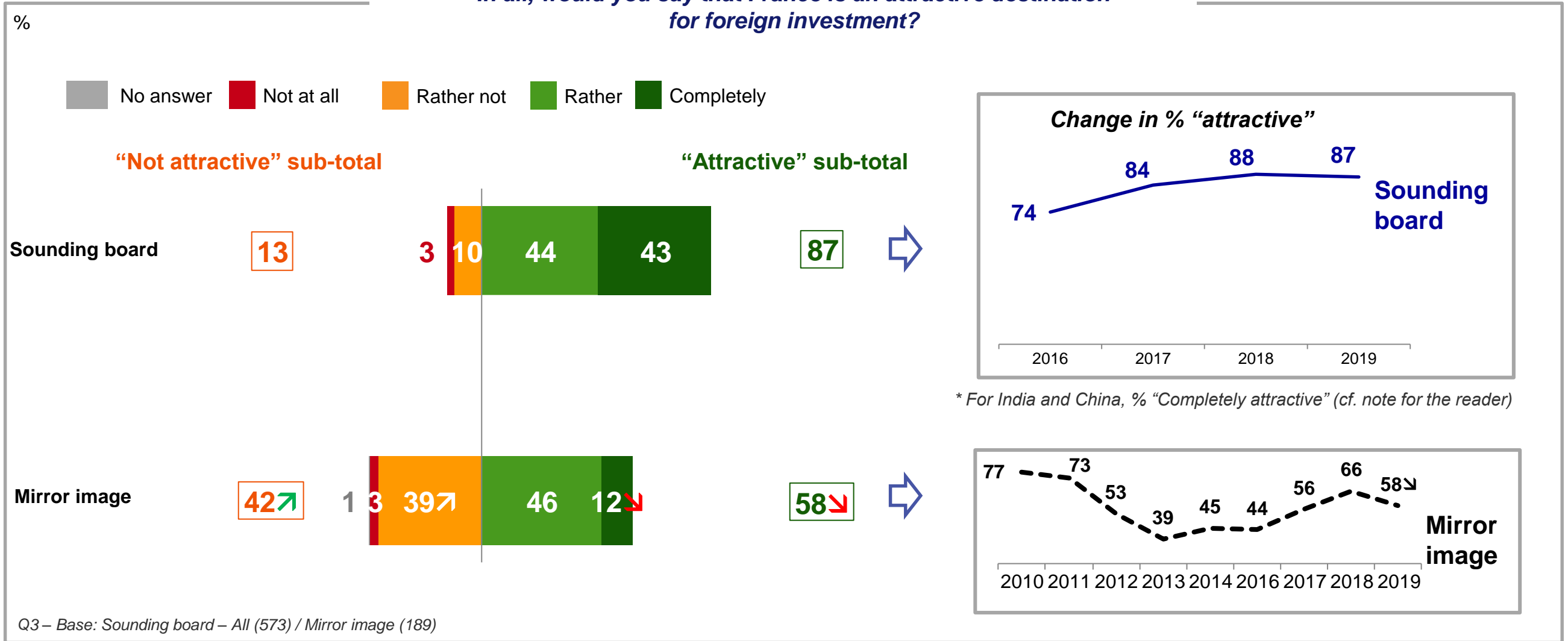
1

France's attractiveness resisted, remaining at a high level

France's attractiveness stabilized at a high level: 87% of senior executives based abroad considered France to be attractive, up 13 percentage points from 2016.

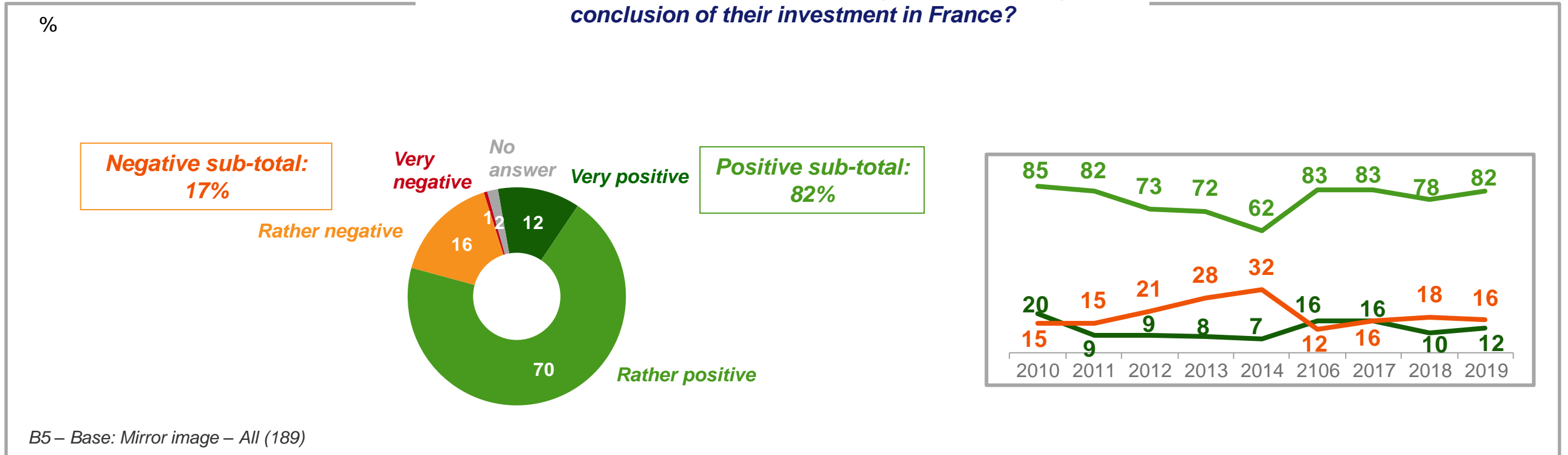
Conversely, with executives of foreign businesses set up in France, after the strong increase seen in 2018, France's attractiveness fell this year to its 2017 level.

In all, would you say that France is an attractive destination for foreign investment?

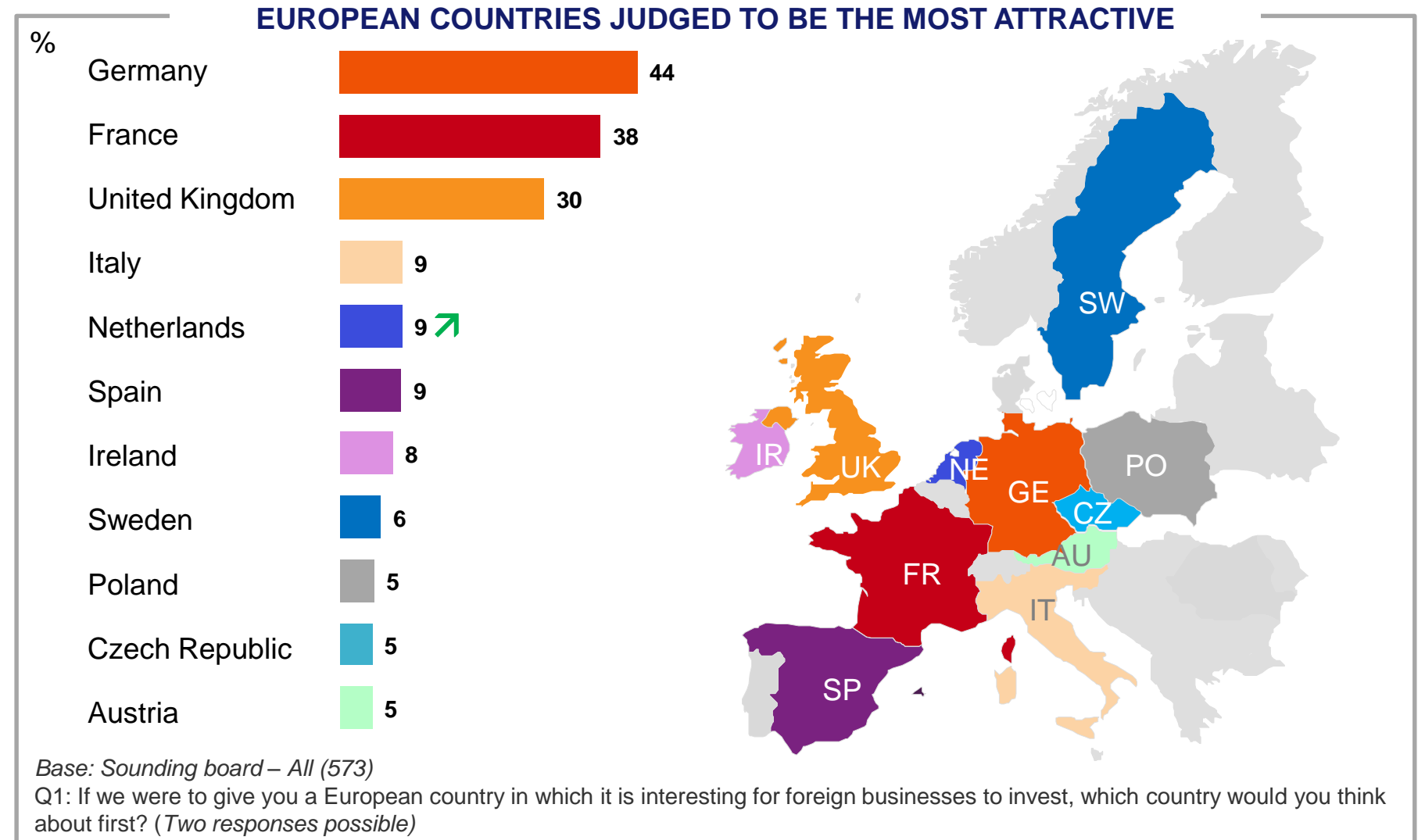


More than eight out of 10 foreign businesses set up in France drew a positive conclusion from their establishment.

Would you say that the directors of your businesses draw a very positive, rather positive, rather negative or very negative conclusion of their investment in France?



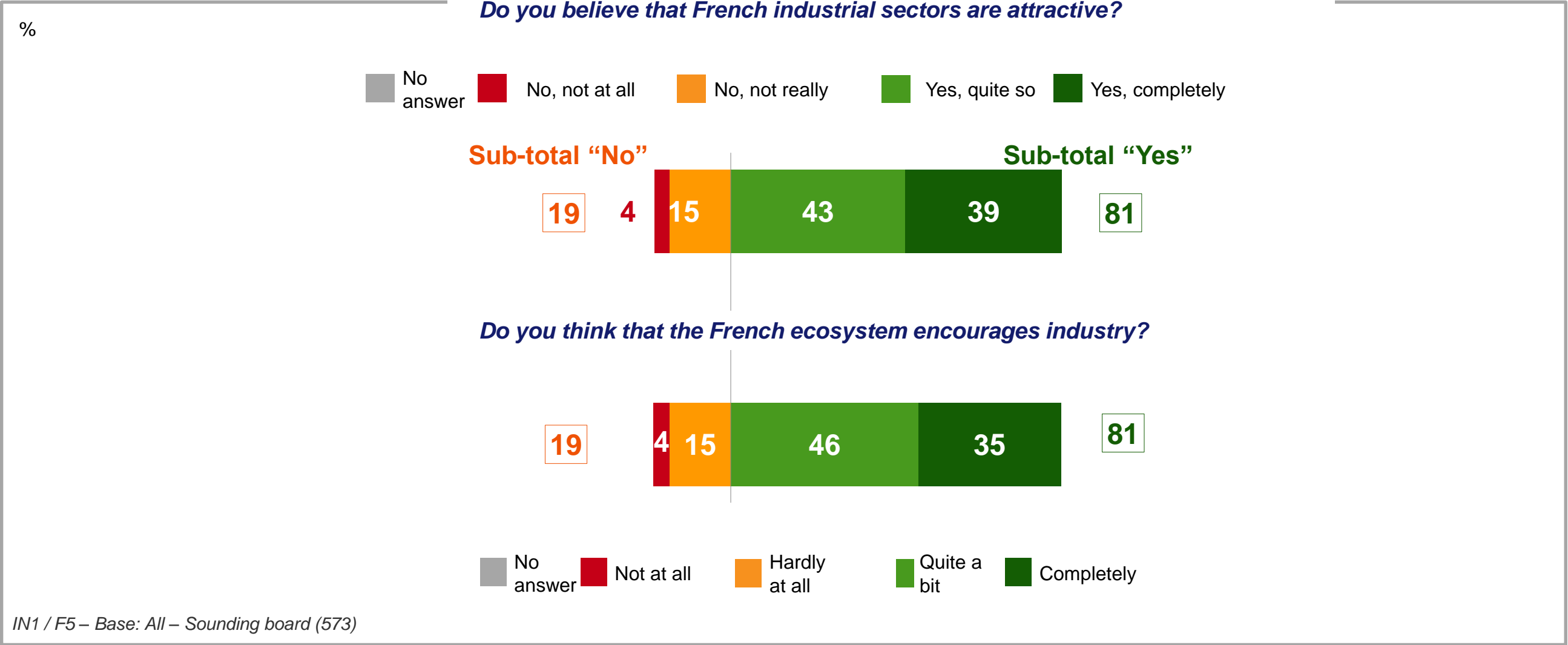
Germany remained the leading destination of foreign investment, followed by France, whose attractiveness continued to strengthen. France widened the gap with the United Kingdom (eight points difference in 2019, versus one point in 2018). These three countries continued to be well ahead of other countries.



2

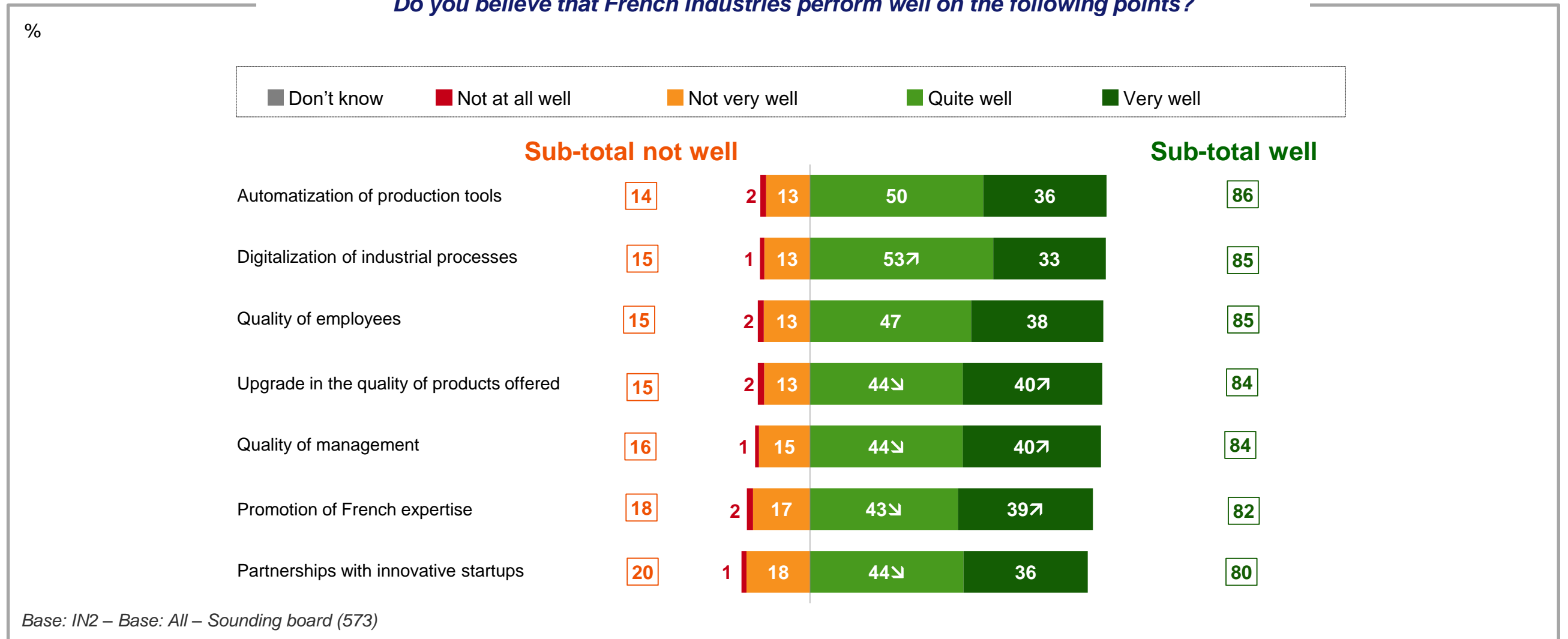
Maintaining this strong attractiveness also concerns French industry

French industry also remained very attractive with senior executives abroad, who consider that the French ecosystem encourages industry.



Attractiveness which feeds off the quality of performance is recognized on all dimensions tested.

Do you believe that French industries perform well on the following points?



3

In a competitive environment, France seems to be taking advantage of the decline in attractiveness of the United Kingdom in terms of stability, buoyancy and business attractiveness...

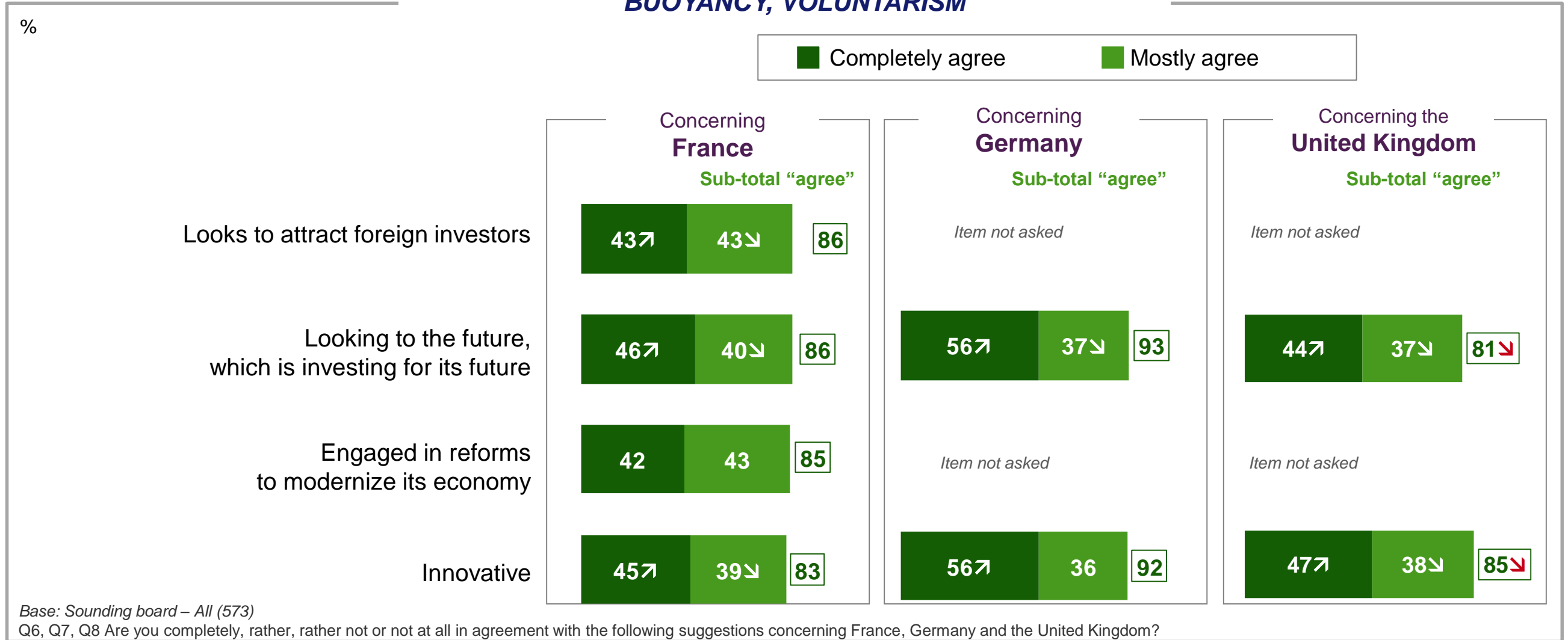
While perceived economic stability in France declined a little (down four percentage points), perceptions of the legal and fiscal environment stabilized at a high level, in contrast with the increase in perceived instability in the British legal and fiscal environment.

STABILITY



The same can be said for France's buoyancy: the stabilization of perceptions was confirmed at a high level (but below Germany), while the United Kingdom recorded a net decline on looking towards its future and being innovative.

BUOYANCY, VOLUNTARISM



France is now an equal match for the United Kingdom in terms of business attractiveness, even if it remained a little way back from Germany.

BUSINESS

%

■ Completely agree

■ Mostly agree

Concerning
France

Sub-total "agree"

Which encourages
entrepreneurship and startups



Which offers a good return on investment



Where it's easy to do business



Where you must invest



Concerning
Germany

Sub-total "agree"



Item not asked

Concerning the
United Kingdom

Sub-total "agree"



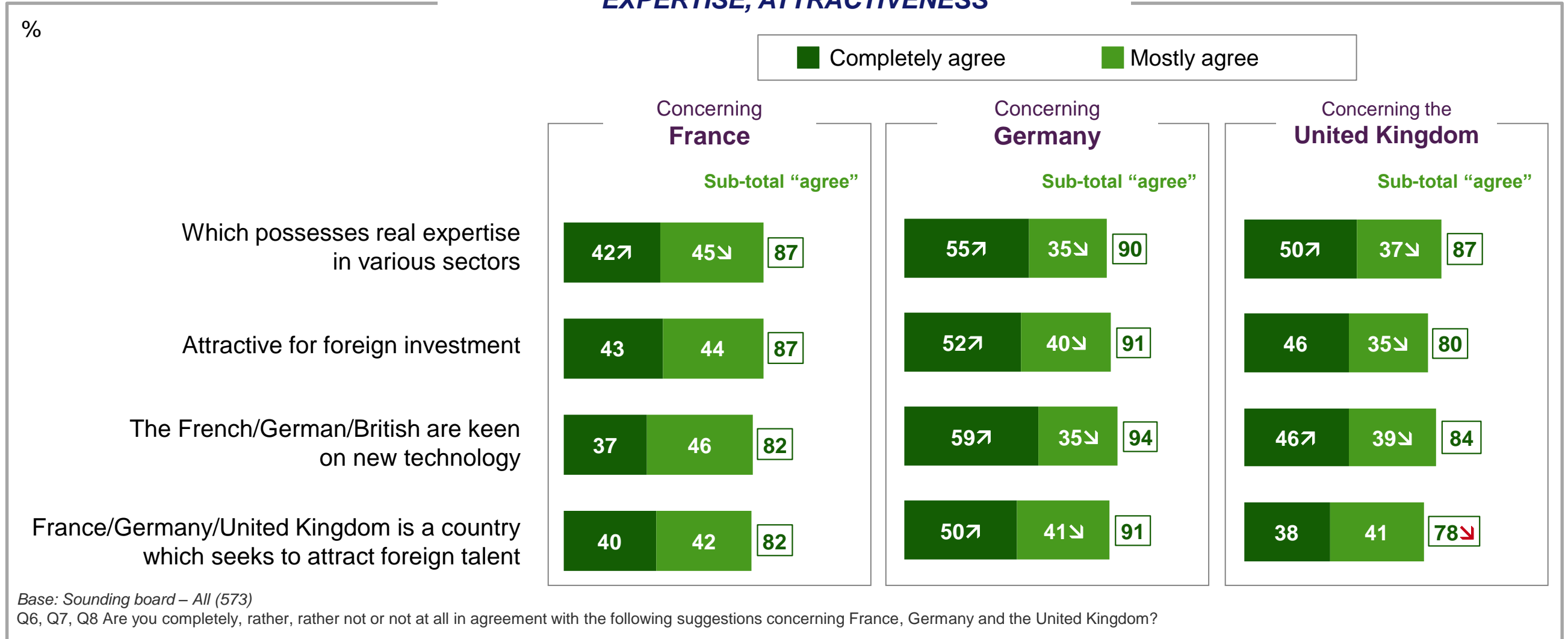
Item not asked

Base: Sounding board – All (573)

Q6, Q7, Q8 Are you completely, rather, rather not or not at all in agreement with the following suggestions concerning France, Germany and the United Kingdom?

France confirmed its attractiveness for international investment by staying in front of the United Kingdom and behind Germany on this dimension. Novelty: France shows more than the United Kingdom its desire to attract foreign talent.

EXPERTISE, ATTRACTIVENESS

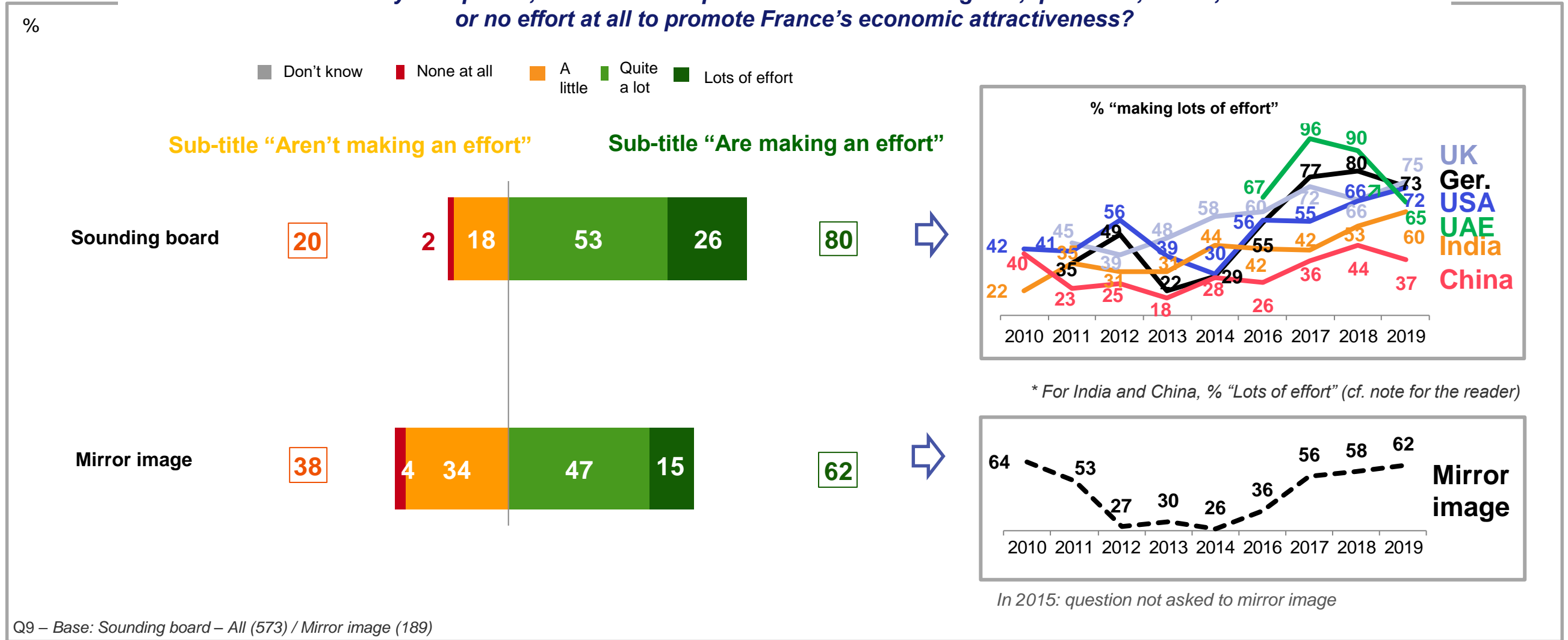


4

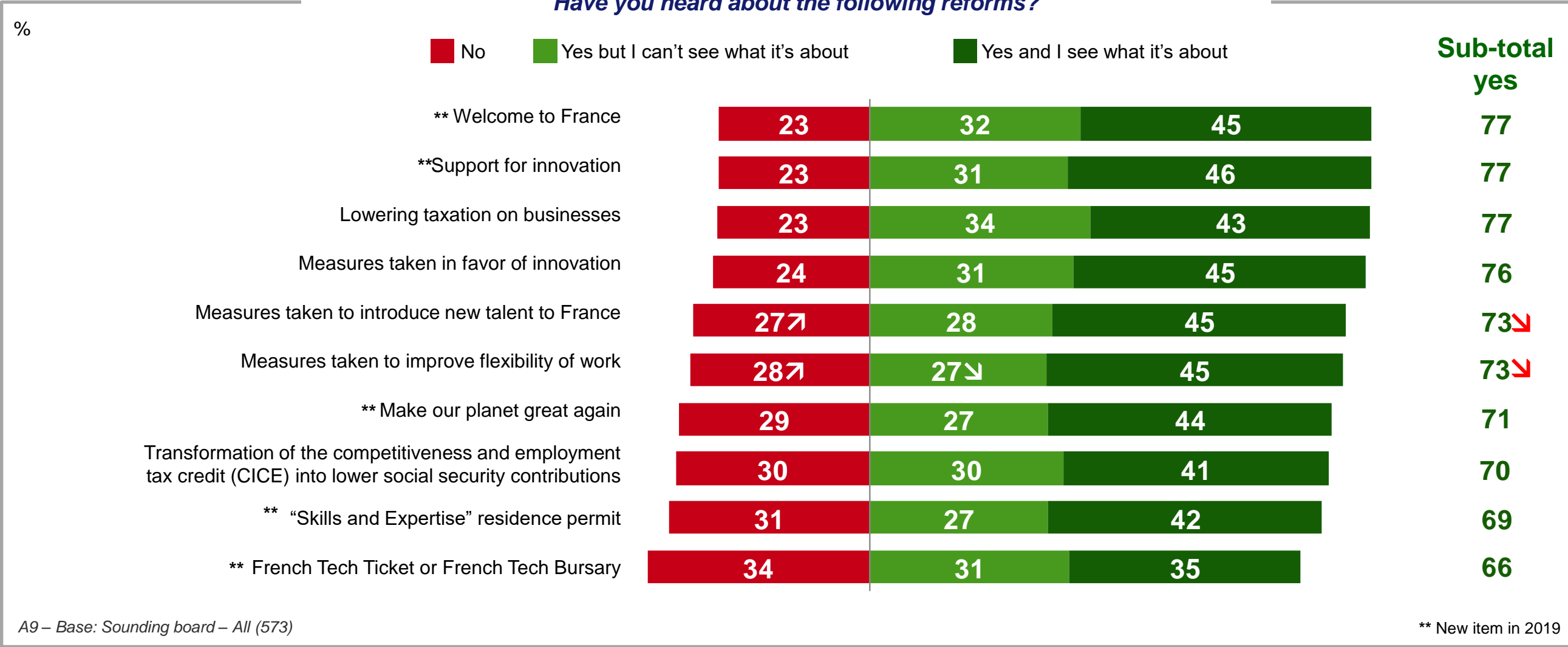
... but also the work to promote France by public authorities and measures taken to promote the attractiveness of its economy

The efforts by the public authorities to promote the economic attractiveness of France are largely well-known: eight out of 10 senior foreign executives are aware of them, a stable level since 2018.

In your opinion, are the French public authorities making lots, quite a lot, a little, or no effort at all to promote France's economic attractiveness?



The extent to which most of the reforms to improve France’s attractiveness are well-known remains high, even though knowledge of the extent to which measures introduced to attract new talent to France and to improve flexibility of work has gone down a little (down five points)



Strong consensus about the relevance of brands to enhance French expertise abroad

Do you think that the [...] is a relevant initiative to promote [...] expertise internationally?

%

No answer
 Not at all
 A little
 Quite
 Completely

Sub-total not relevant

Sub-total relevant

French Tech → French expertise



French Fab → French industry expertise



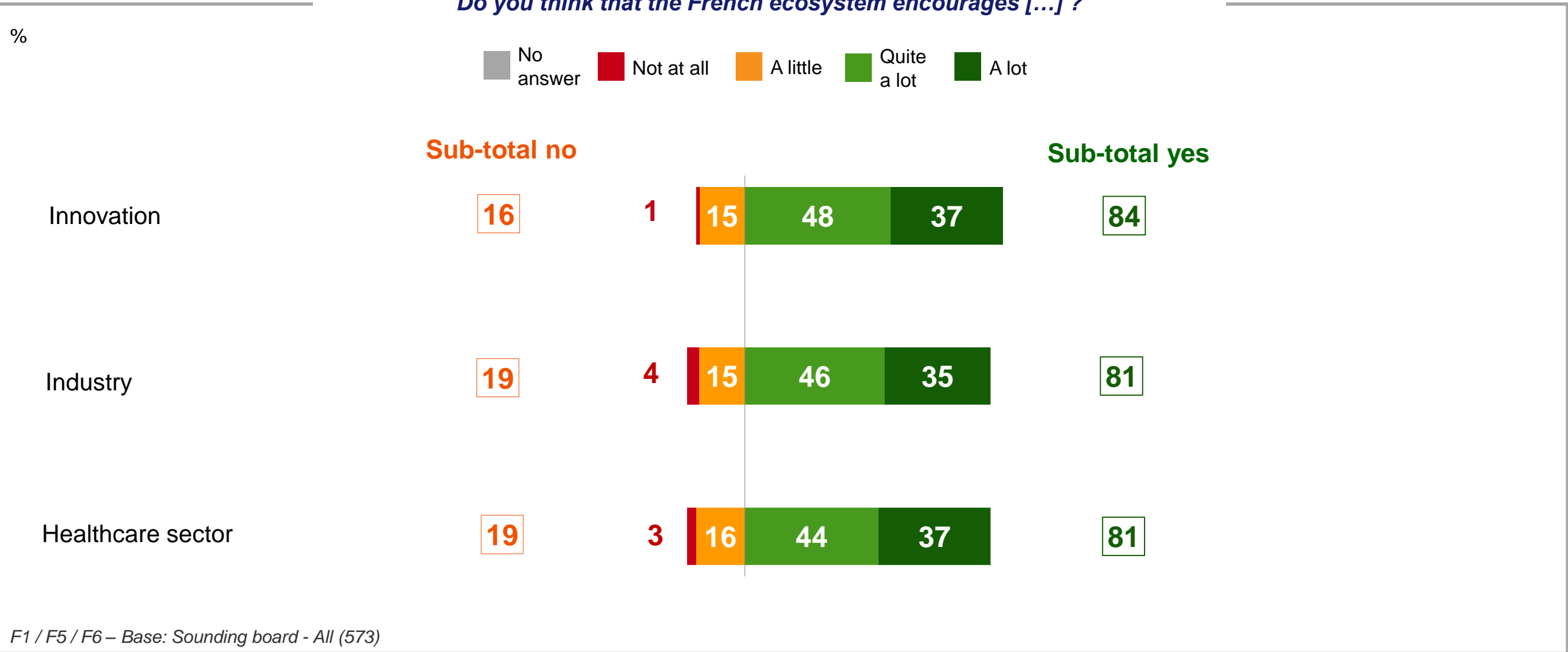
French Healthcare → French healthcare expertise



F3B / F5C / F6C – Base: Those you have heard “La French Tech” being talked about (n=407) / “La French Fab” being talked about (n=334) / French Healthcare being talked about (n=442)

Ultimately, the perception that in France there is an ecosystem that encourages innovation, industry and the healthcare sector.

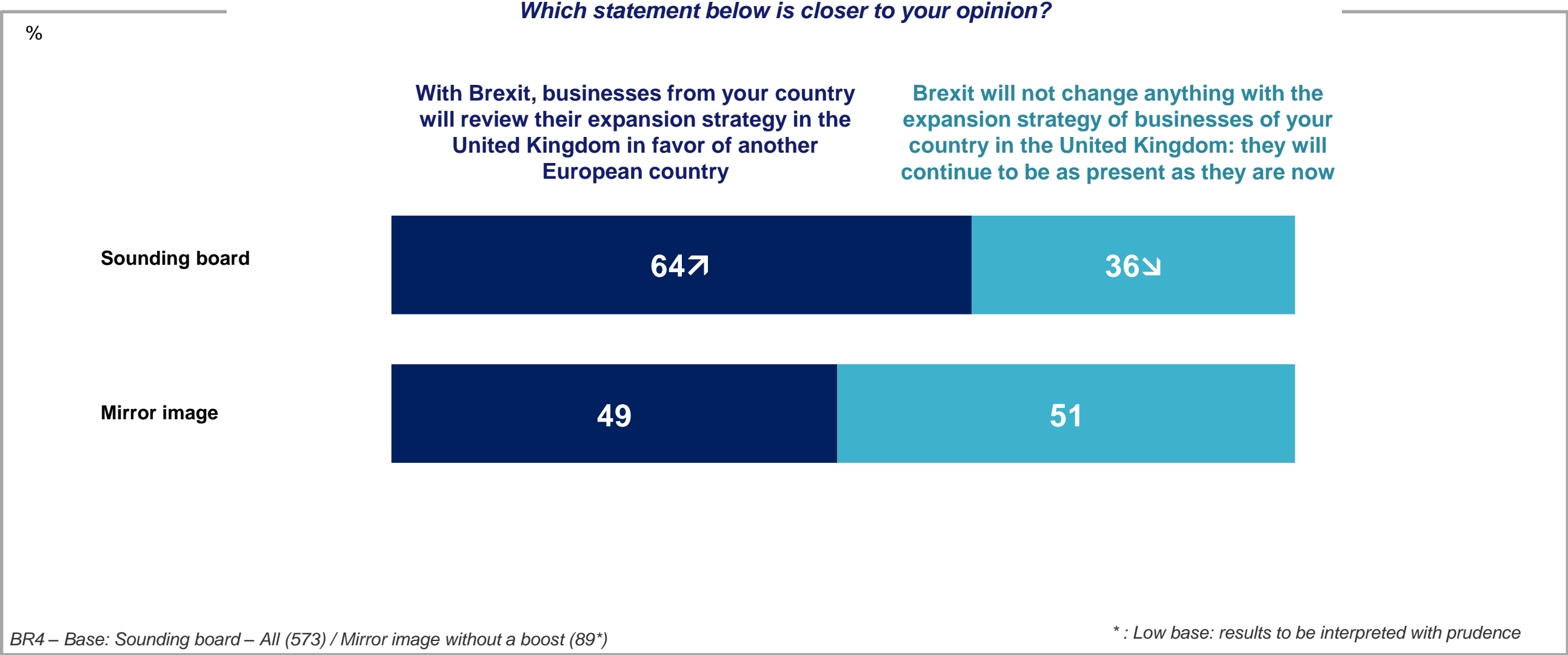
Do you think that the French ecosystem encourages [...] ?



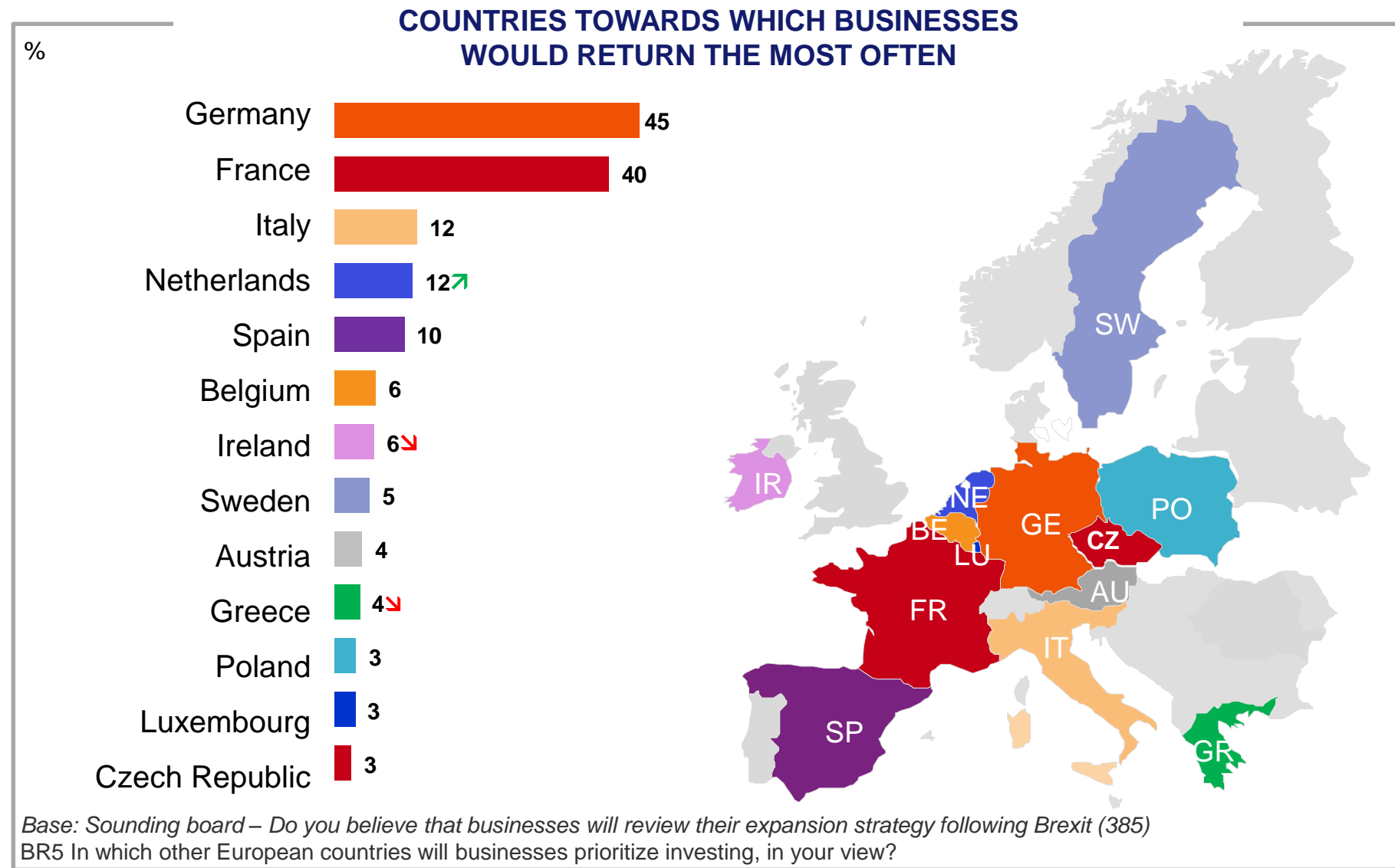
5

Brexit: a windfall effect yet to be confirmed?

The impact of Brexit on expansion strategy by businesses is getting clearer: two-thirds of senior executives anticipate a revision of expansion strategy in favor of another European country

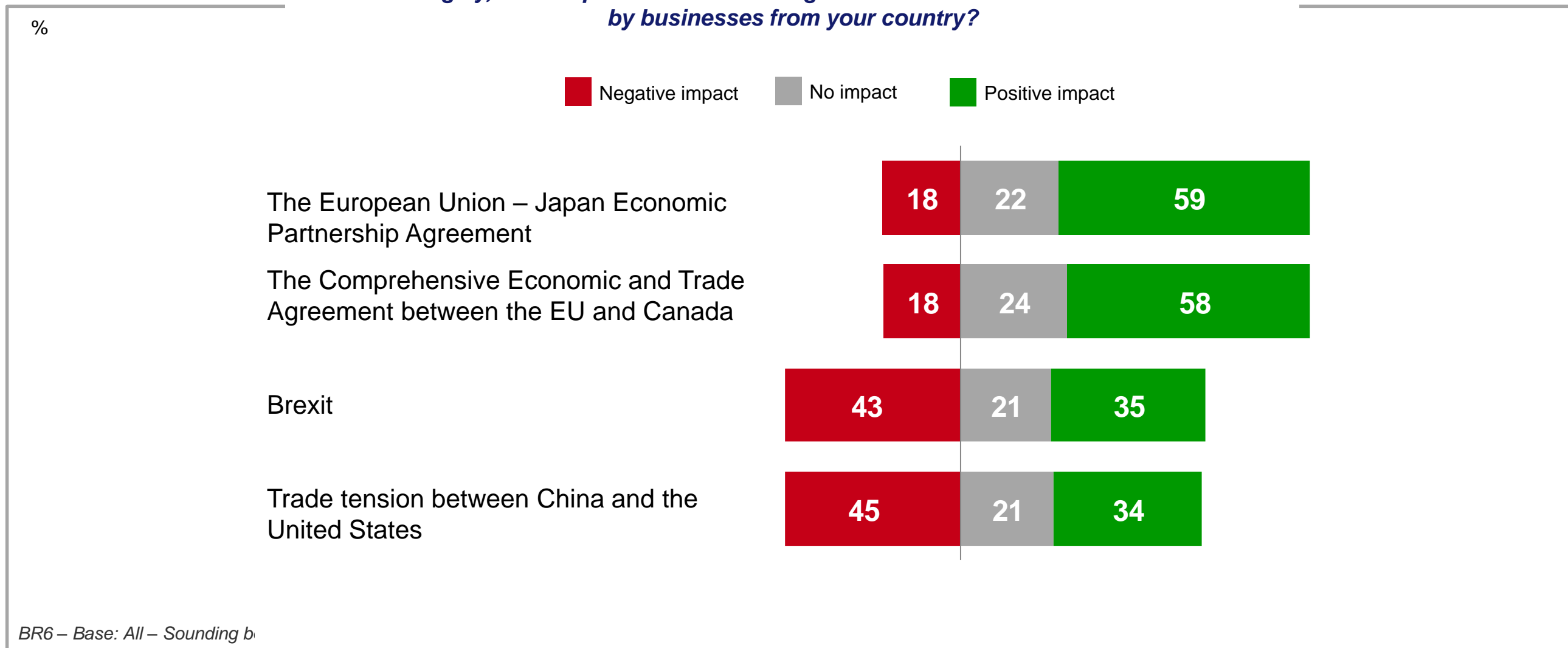


While Germany remains considered as the country in Europe having the most to win from Brexit, the gap with France is reducing significantly (five-point gap today, versus nine points in 2017 and 18 points in 2016)



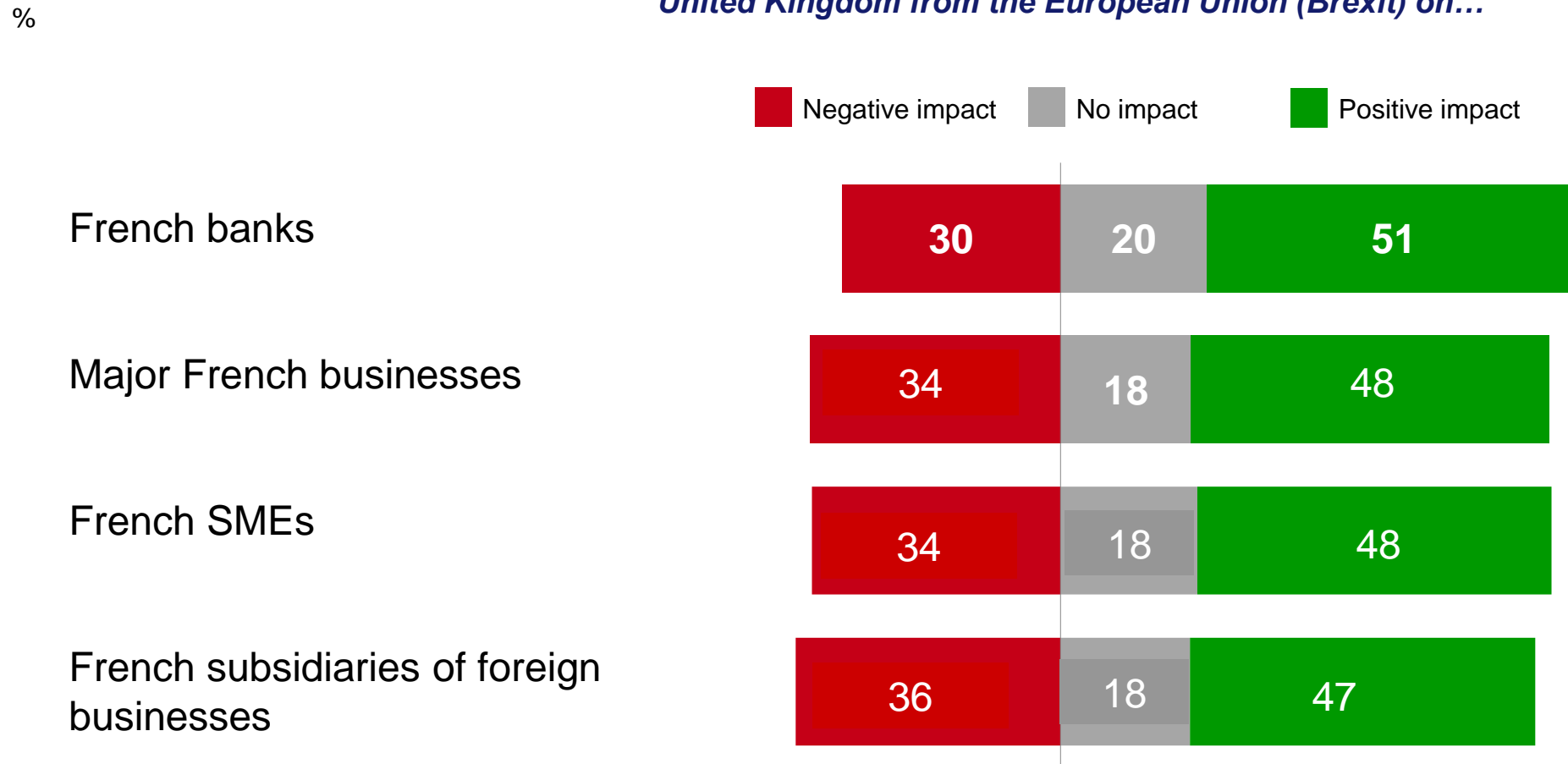
For a majority of senior executives, the economic agreements with Japan and Canada will have a positive impact on investments in France by businesses from their country, whereas Brexit and trade tension between China and the United States will have a negative impact

More largely, what impact will the following events have on investments in France by businesses from your country?



Even if it remains in the minority, the share of foreign senior executives who anticipate a negative impact of Brexit on the French ecosystem is increasing.

What impact will there be in your opinion from the exit of the United Kingdom from the European Union (Brexit) on...



BR2 – Base: All – Sounding board (573)

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