

TURBULENT TIMES

Business leadership in a world in flux





Inform. Create. Shape.

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Foreword

There is no doubt that 2025 will go down in history as an especially turbulent year for businesses all over the world. Tariffs and trade rivalries, diplomatic upheavals, political pressure from governments, continuing military conflicts in Ukraine and Gaza, clashes between India and Pakistan and elsewhere, high inflation, potential financial market corrections and contractions in the real economy, consumer activism, fragmenting social media, and the rise of Artificial Intelligence are just some of the macro challenges that have caused instability almost everywhere.

Sandpiper is a pioneering reputation management consultancy headquartered in Asia and operating globally. We have a rapidly growing public affairs division throughout the region, with the largest team of consultants based in mainland China. We are advising many clients across Asia Pacific and the Middle East on how to manage their way through these issues. That gives us privileged insights into how many businesses are feeling and behaving.

To broaden our knowledge, at the end of October 2025 we surveyed a large sample of business executives in twenty-eight key markets around the world, asking them detailed questions about their views and actions related to these issues. That further helps us root our client advice in the real views and needs of the people we aim to work for.

We commissioned a similar survey of 3,000 business leaders with a similar profile back in May, soon after President Donald Trump launched his Liberation Day tariffs. That means we are now able to track over time changing attitudes, as well as ask new questions about rapidly emerging factors such as AI.

Sandpiper Research & Insights, led by Managing Director Craig Young, designed the research project. Our team of researchers, with decades of polling experience, developed the questionnaire. With independent delivery partners in the twenty-eight markets, we talked to a substantial sample of more than 3,000 leaders: owners, board members, C-suite and director level, from small, medium-sized and multinational companies, covering all business functions in seventeen industrial sectors.

The story of this survey is not optimistic. Large proportions of business leaders everywhere are feeling anxious and worried about their prospects for 2026 and beyond.

To help, Sandpiper follows these three guiding principles:

- 1 CONTROL WHAT YOU CAN**
Focus on what's within your influence, stay disciplined, cut through the noise, and avoid short-term reactions that create long-term risk.
- 2 ACCELERATE THE APPLICATION OF AI**
Use technology and AI to sharpen foresight, strengthen decision-making, and turn data into real-time strategic advantage.
- 3 COMMUNICATE CLEARLY AND CONSTANTLY**
Maintain transparent, consistent communication to align teams, reassure stakeholders, and build trust in uncertainty.

Building on these principles, we have developed what we call a **Toolkit for Turbulent Times**. The tools we recommend include:

1. Establishing a geopolitical risk assessment framework
2. Developing alternative scenario plans
3. Strengthening relationships between policy makers and executives
4. Engaging in consultations about government and corporate policy
5. Seeking out and strengthening alliances wherever possible
6. Aligning corporate messaging with national economic priorities
7. Enhancing all direct communication channels to stakeholders
8. Developing internal sources of data from key stakeholders
9. Pooling intelligence from inevitably siloed organisations
10. Leveraging technology to rapidly deepen insights

Sandpiper is ready to support organisations as they put these tools into practice.

Executive summary

Business leaders worldwide are delaying or pausing major investments, passing tariff-related costs onto consumers, and preparing for prolonged geopolitical and technological turbulence, in a marked shift from six months ago. Based on Sandpiper's survey of 3,089 leaders across 28 countries, the findings reveal a decisive turn toward defensive corporate strategies, rising AI anxiety, and growing pessimism about US-China negotiations.

Perceived risk remains high: Six months ago when we asked a similar sample similar questions, 71% of global business leaders said they believed tariffs and trade conflicts posed a major threat to their businesses. Today, 82% rate the risks from the current geopolitical climate as high or very high risk, reflecting a significant rise in anxiety.

Regional variation: There are, however, significant differences in how leaders from the main power blocks see this turbulence. Leaders based in the European Union are certainly cautious, but they tend to be generally slightly less pessimistic than the aggregated totals. There is clear evidence that those based in China are starting to live with the situation, and are more optimistic that things will improve more quickly than their peers elsewhere seem to think. Those based in the United States, however, are far more down beat than most.

Multiple factors: It is not just trade and tariff issues that are concerning business leaders. Other factors worrying at least 60% of respondents include political pressure from governments, diplomatic controversies, supply chain disruptions, high inflation, economic contraction, consumer activism, social media fragmentation, and the emergence of AI.

Long term concerns: 62% believe that these disruptions will continue to pose threats to business stability for a long time to come yet, potentially for at least another three years.

Revenue expectations: A significant proportion of executives – 62% – say they expect a decrease in their firm's overall revenue over the next 12 months due to geopolitical factors.

Strategic caution: In light of this pessimism, it is no surprise that many businesses have already taken, and are planning to take further, substantial actions to limit their risk. For example, more than a third have reduced their investment exposure in the US and in China.

Passing on costs: Furthermore, 66% say they will pass on all or most of any additional costs resulting from tariffs directly to consumers, and another 25% say they will pass on some of those costs.

AI readiness: The explosion of Artificial Intelligence is clearly worrying many. 65% say they are concerned about the impact of AI on their firms, up by 6 points from when we asked the same question to a similar profile of respondents six months ago.

Pessimism pervades all markets: Executives believe that nowhere is well placed to recover business confidence in 2026. The highest scoring markets are the US (16%) and China (15%), with nowhere else scoring more than 6% of leaders expecting some kind of upturn.

Expectations of the US-China conflict: There is limited expectation that the conflict between the US and China can be concluded in the short or even medium term. 60% of business leaders told us they think it will take at least 6 months for the two countries to reach any kind of deal. One of the most revealing questions of all that we asked, was simply who do leaders believe has the best cards in these negotiations.

In total, leaders are fairly evenly split: 46% think the US while 39% say China. Yet there are crucial regional differences. Of those based in China, 92% believe their government has the strongest hand. And of those based in the US, even though they have generally been more pessimistic about the impact of the turbulence, as many as 81% believe their government has the best cards when it comes to negotiating solutions. If this vast difference were reflected inside the respective governments, it would go some way to explain why neither side feels an urgent need to compromise.

Research methodology

Sandpiper’s Research & Insights team designed the questionnaire, building on a similar exercise we undertook back in May 2025, soon after President Trump’s Liberation Day tariffs were unveiled. To allow us comparable data, we asked some similar questions again this time, as well as exploring some new areas too.

This report summarises the main results. However, we are able to extract very detailed data based on geography, size of firm, role of respondent and so on, for which we do not have space here for the general reader. If you would like further detail of this kind, please contact us.

Timing: October 2025

Respondents: 3,089 senior business leaders, owners, board members, C-suite, and director-level executives with departmental responsibilities. Of these, 204 are based in China and 256 live in the US.

Firm size: Roughly one-third each from small (100–999 staff), medium (1,000–1,499 staff), and large organisations (1,500+ staff).

Sectors: Business & professional services, education, natural resources, financial services, F&B, healthcare & wellness, tech, public sector, retail, travel & hospitality.

Global reach: We have a substantial sample of responses from across 28 markets:



1. Turbulence & risk

Business leaders today face an environment characterised by sustained uncertainty and heightened risk. The legacy of trade disputes, rising geopolitical tensions, and economic volatility continues to shape corporate decision-making.

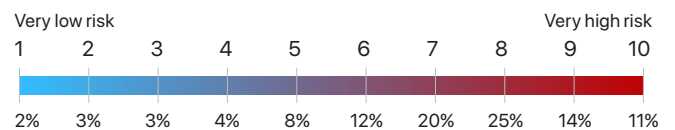
Sandpiper's previous survey in May 2025 found that almost three-quarters of global business leaders believed tariffs and trade conflicts posed a major threat to their business prospects six months ago. These concerns appear to be rising.

A range of factors are causing distress. Two-thirds of respondents agree that political pressure and trade policies from the world's major economies, particularly the US, China, and the EU, pose a greater threat to business than six months ago. Nearly seven in ten also cited the risk of inflation and supply chain disruption as rising sharply, reinforcing that macroeconomic and political forces remain deeply intertwined.

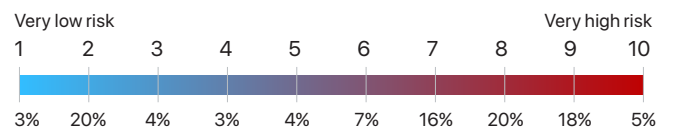
There are, however, interesting geographic diversions. In particular, those business leaders based in the European Union, and even more those in China, are rather less pessimistic than the aggregate of our respondents. Meanwhile, much higher proportions of those based in the United States have expressed deep concerns that multiple factors are posing even higher risks to them now than six months ago.

On a scale of 1 to 10, please rate the level of latent business risk associated with the current geopolitical climate.

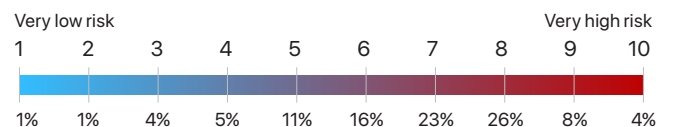
All respondents



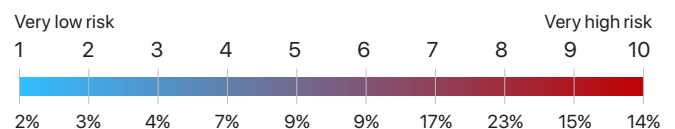
China-based respondents



EU-based respondents



US-based respondents



Beyond trade and tariff pressures, respondents also report rising concern across a wider set of geopolitical and societal factors, including diplomatic controversies (66%), inflation risk (68%), consumer activism (65%), social media

Do you agree that each of the following pose a greater threat to your business compared to 6 months ago?

	All	China	EU	US
Trade and economic policies of the US	72%	57%	62%	80%
Supply chain disruption resulting from a tariff or trade war	68%	55%	63%	75%
Political pressure from the US	68%	57%	63%	70%
Trade and economic policies of China	68%	58%	57%	70%
The risk of high inflation	67%	46%	63%	73%
A widespread economic contraction	66%	50%	60%	71%
Political pressure from other governments	66%	43%	61%	68%
Political pressure from China	65%	58%	63%	66%
Diplomatic controversies or disagreements between states	65%	50%	60%	66%
Consumer actions or consumer activism	64%	45%	59%	73%
Challenges in managing social media	62%	46%	59%	69%

fragmentation (63%), and supply chain disruption tied to trade wars (69%), underscoring the multidimensional nature of current business risk.

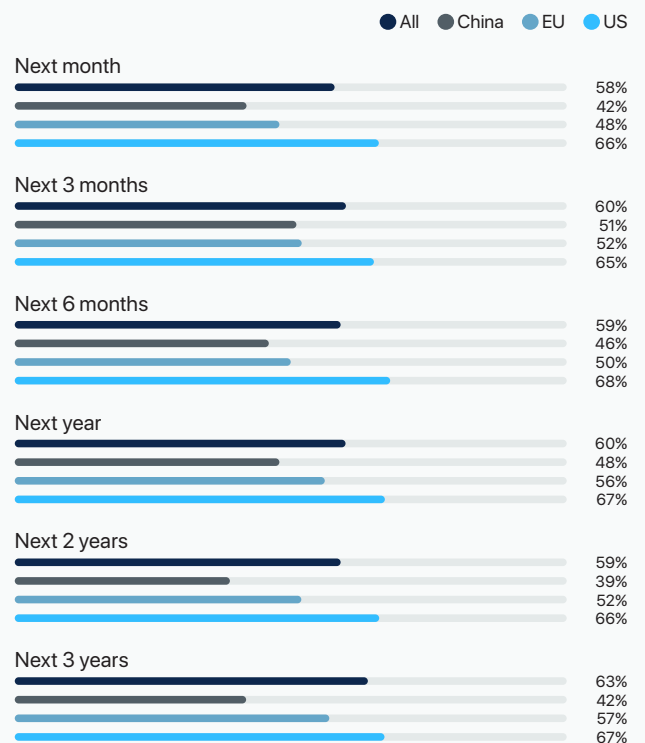
Many business leaders expect these risks to increase over the next two to three years, underscoring the need for proactive risk management and scenario planning.

Business leaders believe that most markets will continue to be affected by geopolitical turbulence.

There are noticeably higher proportions of respondents based in the US who say they are concerned about rising risks over the short, medium and long terms, and far fewer portions saying that from those who live in China.

A particularly striking revelation is quite how pessimistic US-based respondents are about the impact of this turbulence on their own economy. Almost two-thirds, 62% of them, believe businesses and business operations in the US will continue to be affected. Meanwhile, although China-based respondents tend to believe that China will be worst affected, fewer than half of them, 46%, think that about their own economy.

Do you see the level of business risk increasing (or decreasing) over the following timeframes?



How much do you believe businesses and business operations in the following geographies will be impacted in the current geopolitical climate?

	All	China	EU	US
United States	47%	31%	41%	62%
China	40%	46%	32%	39%
EU	39%	30%	27%	39%
United Kingdom	36%	31%	31%	41%
South Asia	36%	33%	29%	35%
East Asia (excluding China)	35%	28%	28%	35%
Southeast Asia	35%	27%	31%	34%
Wider Middle East	34%	24%	28%	32%
Canada	34%	28%	28%	40%
ANZ	33%	32%	27%	32%
South-Central America	33%	32%	27%	35%
Mexico	30%	24%	21%	39%
Gulf States	29%	27%	27%	42%
Sub-Saharan Africa	29%	29%	24%	26%



2. The impact of turbulence

The survey highlights the tangible impact of geopolitical turbulence on business operations. Many organisations expect a decrease in overall revenue over the next 12 months.

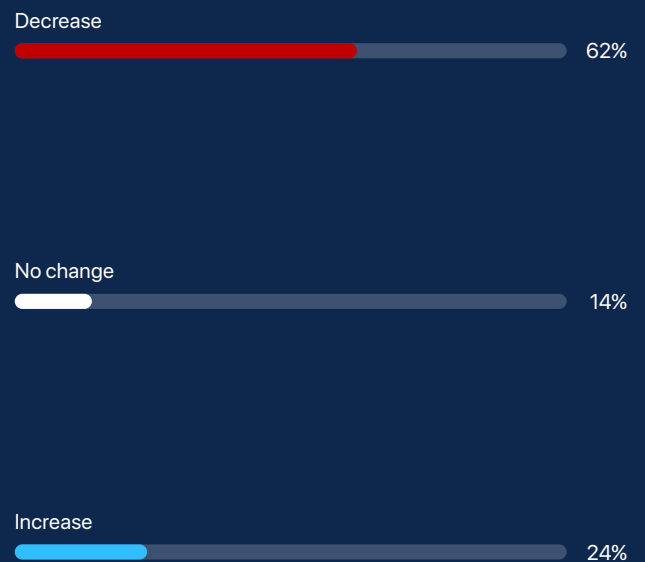
Executives are responding through significant strategic adjustments and defensive steps

Many have paused or reduced major investments, and reduced their exposure in what are perceived to be high-risk markets. Almost a third of businesses have paused major investment decisions, and over one-third have reduced exposure in both the US and China, signalling a broad retrenchment in global risk appetite.

Many are reconsidering marketing initiatives and expansion plans, actively adjusting supply chains, and implementing hiring freezes.

Furthermore, almost all businesses – at least outside of China – are preparing to pass on to consumers some, most or even all of any additional costs from tariffs.

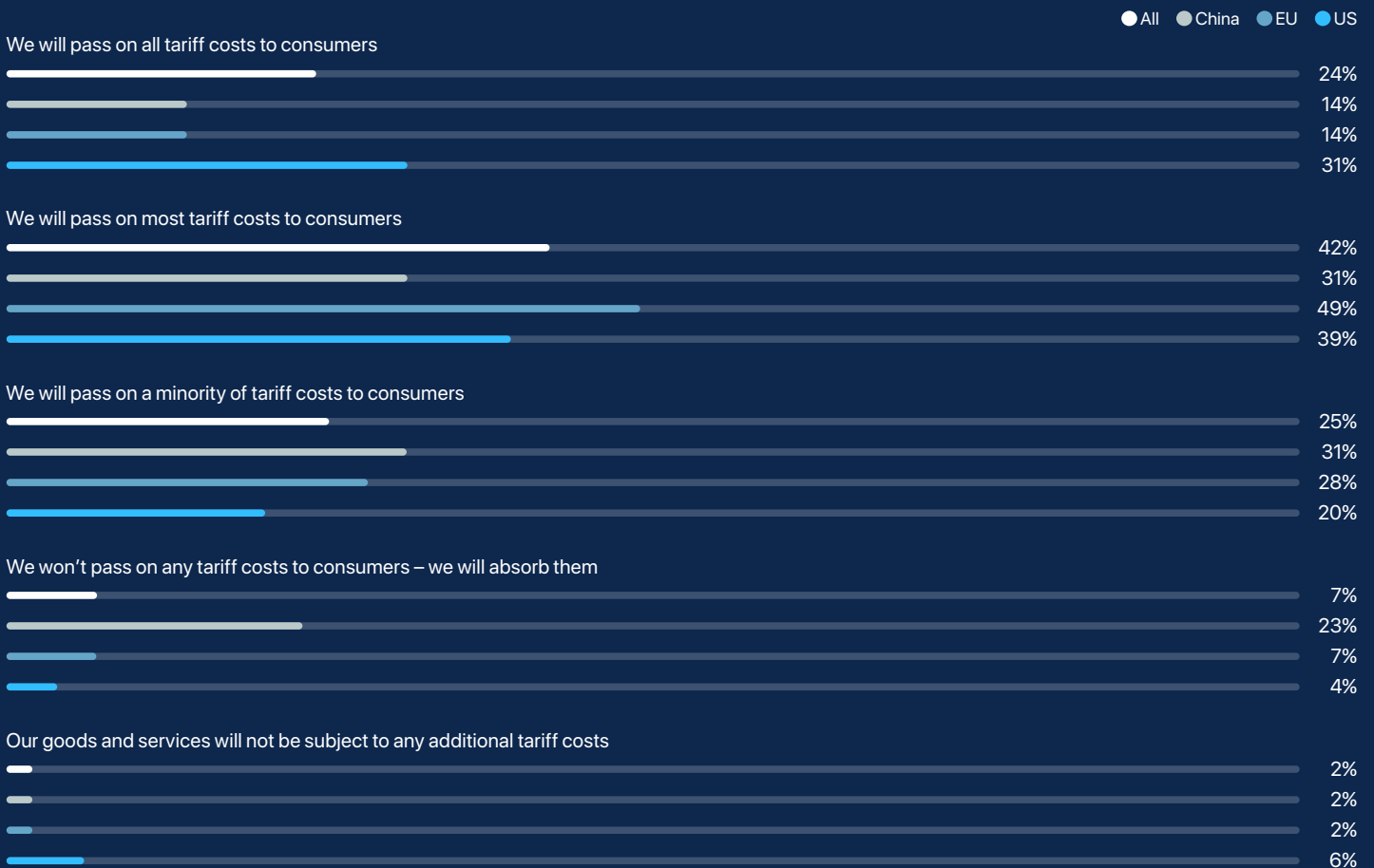
Based on your current outlook, how do you expect geopolitical turbulence to affect your company's overall revenue over the next 12 months?



Which of the following actions has your business taken as a result of tariff and trade disputes?

	All	China	EU	US
Decrease investment exposure in US	37%	56%	33%	25%
Decrease investment exposure in China	35%	36%	33%	33%
Halt on major investment decisions	30%	26%	17%	34%
Decrease investment exposure in EU	26%	28%	26%	23%
Hold off on major marketing initiatives	26%	40%	19%	32%
Decrease investment exposure elsewhere	21%	22%	17%	15%
Hiring freeze	19%	6%	11%	22%
Reduced presence in certain markets	17%	26%	21%	18%
Supply chain adjustments	15%	14%	8%	18%
Other	2%	4%	4%	2%

Which of the following best describes how your company will handle any further costs from tariffs applied to its goods and services?



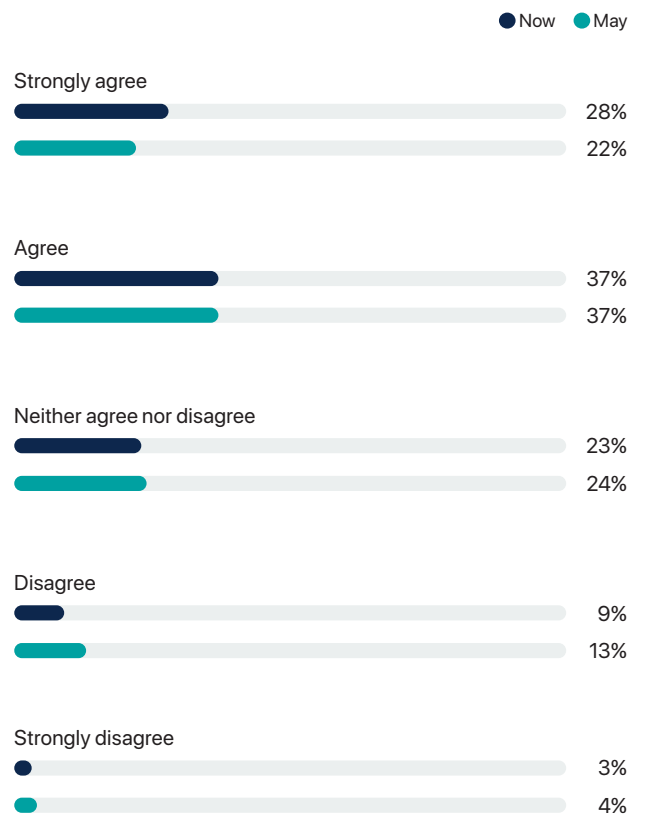
3.

The role of technology and AI

The rapid evolution of AI continues to be a primary concern for business leaders, another factor driving geopolitical realignment. Almost two-thirds of executives view AI as a growing risk to their operations compared to six months ago, up from when we asked this question to a similar sample back in May.

Concerns are particularly focused on communications and operational disruption. Yet, confidence in organisational readiness is strong. Most businesses believe they are moderately or highly prepared to leverage AI strategically, particularly in communications, decision-making, and operational efficiency. Leaders recognise AI not only as a potential risk but also as a tool to sharpen foresight and maintain competitive advantage in a volatile environment.

Please indicate your predominant feeling on the impact of AI on communications as it applies to your business.



Nearly eight in ten respondents said they were concerned about AI's impact on communications, but 81% rated their organisation as moderately or highly prepared. The proportion who view AI as a greater threat than six months ago has risen to 65%, underscoring the pace of change and the tension between enthusiasm for technological advancement and anxiety over reputational or operational missteps.

This dual perspective, concern tempered by preparation, illustrates the nuanced approach businesses are taking, integrating technology to manage uncertainty while actively mitigating risks.

Ultimately, AI is seen as both a risk and an opportunity. Firms actively preparing for AI integration are more confident in maintaining operational stability and competitive advantage.

Which of the following best describes how your company will handle any further costs from tariffs applied to its goods and services?



4.

Turbulence is here to stay

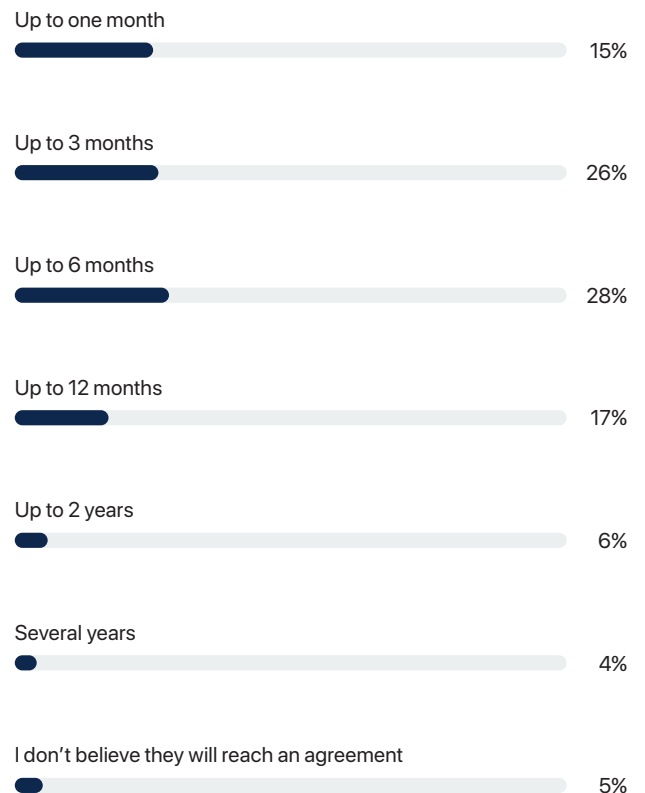
Executives believe that very few markets are well positioned to restore confidence in 2026.

Most believe it will take at least 6 months for the US and China to reach any kind of sustainable agreement to end the tariff and trade conflict.

We know that President Trump likes to tell us who he thinks has the best cards in any negotiation. In this case, the total sample of our business leaders generally feel that the cards are fairly evenly split between the US and China.

However, in what is undoubtedly the most striking and potentially important finding in this research project, there are fascinating regional differences. More than eight out of ten leaders based in the US believe their government has the best hand, while an even more staggering nine out of ten based in China are sure that their government has. No wonder their leaders might feel pressure not to back down.

Which of the following statements best describes when you believe the current tariff and trade conflict will be resolved?



Please rank the top 5 markets whose governments are best positioned to capture business/investor confidence in the next 12 months.

	<u>% of respondents</u>		<u>% of respondents</u>		<u>% of respondents</u>
US	16%	UAE	3%	New Zealand	2%
China	15%	India	3%	Taiwan	2%
UK	6%	Australia	3%	South Africa	2%
Japan	5%	Spain	3%	Netherlands	2%
Canada	4%	Saudi Arabia	3%	Malaysia	2%
Germany	4%	Brazil	3%	Thailand	1%
Singapore	4%	Hong Kong	2%	Indonesia	1%
Italy	3%	Vietnam	2%	Philippines	1%
Switzerland	3%	Qatar	2%		
France	3%	South Korea	2%		

In relation to the long-term outcome of the geopolitical struggle between the US and China, who has the better cards?

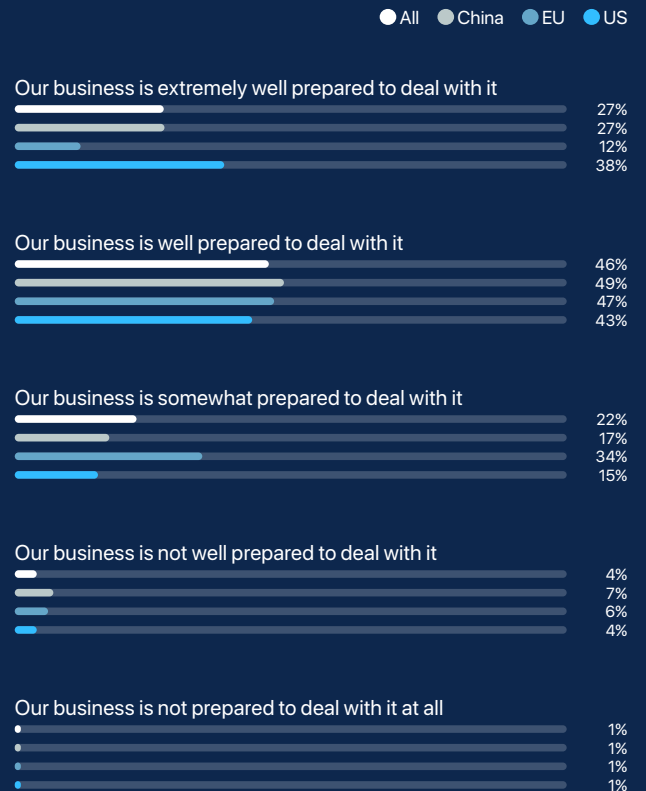


5. Levels of preparation

These results paint a rather pessimistic view of the future for businesses everywhere. That said, many business leaders say they do feel prepared to face these threats.

Roughly three-quarters of executives report that their organisations are well or extremely well prepared to navigate the next six months, highlighting a proactive approach to resilience even amidst uncertainty.

Which of the following statements best describes how well prepared your business is to navigate the coming geopolitical turbulence over the next 6 months?



Conclusion

This report reveals a level of pessimism among global executives about the extent and impact of the geopolitical upheavals they expect in 2026 and beyond. It also reveals a degree of confidence that they have learned to deal with these disruptions and have started putting in place mechanisms for managing their way through in the coming years.

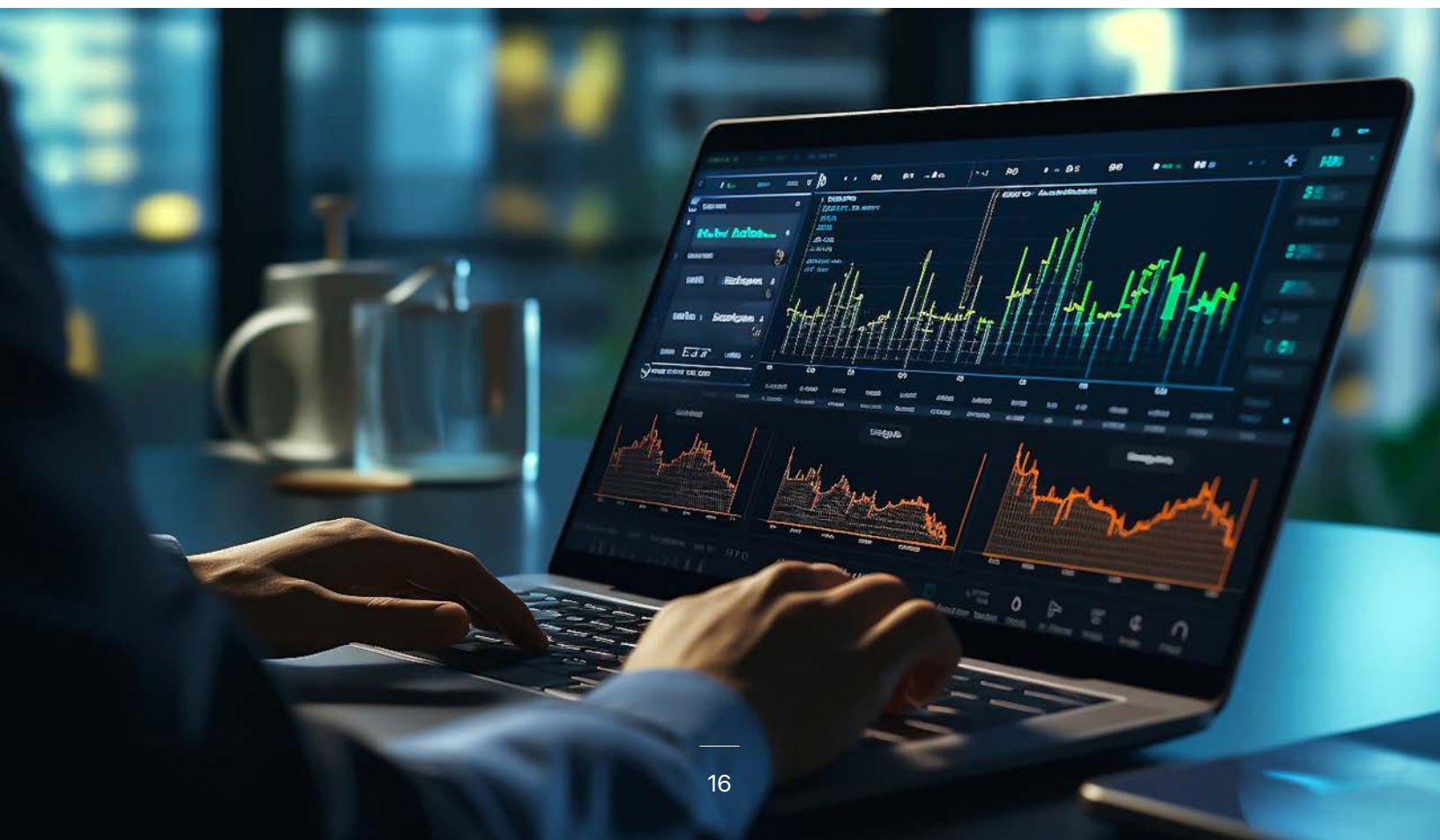
Looking ahead, executives remain cautious but not fatalistic. While tariffs, trade conflicts, and AI challenges weigh heavily, survey responses indicate preparedness, resilience, and optimism in targeted markets.

Most respondents anticipate that it will take six months or longer for the US and China to reach any meaningful resolution on trade disputes, though few believe a complete settlement is likely in the near term. This expectation of protracted tension appears to have become embedded in strategic planning assumptions across major markets.

The combination of disciplined leadership, technology adoption, and proactive communication provides a roadmap for navigating an unpredictable landscape, allowing businesses to protect value today while preparing for tomorrow.

In an era defined by geopolitical turbulence and rapid technological change, business leaders face a landscape where uncertainty is the only constant. Our research shows that executives are increasingly alert to risks from trade conflicts, inflation, and AI, yet most believe their organisations are well prepared to respond.

Success in the next 12–36 months will depend on combining disciplined risk management, accelerated application of technology, and clear, consistent communication. By applying the 10-point toolkit and anchoring decisions in the three guiding principles – control what you can, accelerate AI, and communicate clearly – businesses can navigate uncertainty with confidence, protect operational resilience, and position themselves to capture opportunities when the environment stabilises.



About Sandpiper

Sandpiper is a pioneering reputation management consultancy headquartered in Asia and operating globally, proudly elevating the region on the world stage. Sandpiper offers government relations and public affairs services to business and political leaders across Asia-Pacific. As creators of business value, we are an independent, 100% employee-owned group comprising five specialist divisions: **Sandpiper Communications**, **Sandpiper Financial**, **Sandpiper Public Affairs**, **Sandpiper Health**, and **Sandpiper Research & Insights**.



Our core purpose is to help clients build, strengthen, and protect their reputations by directly contributing to their bottom-line business results.



Our technology-enabled services help clients future-proof their communications, leading industry transformation amid the rise of AI and emerging technologies.

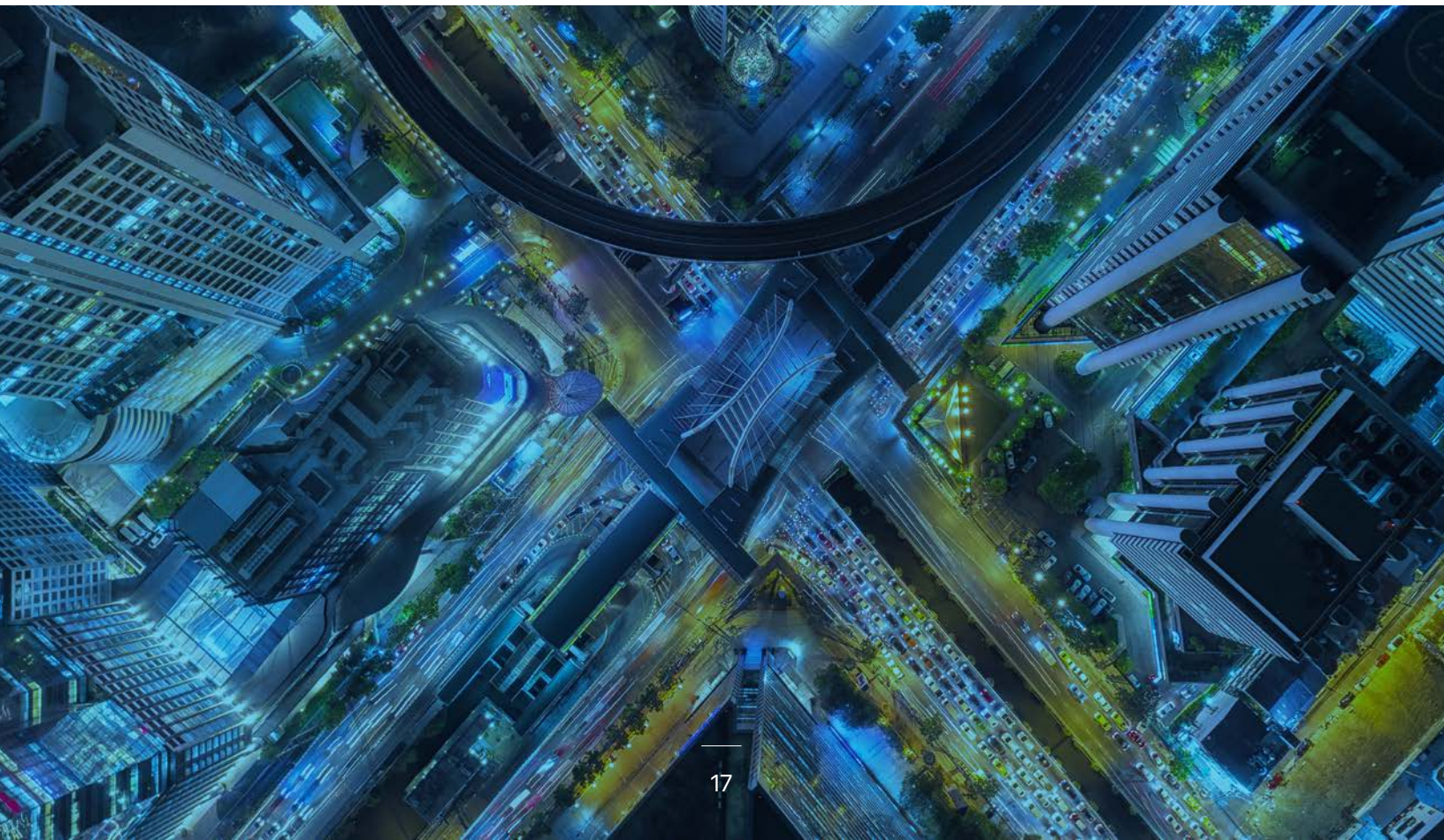


Operating with a single global P&L, we are nimble, innovative, and uniquely positioned to harness new technologies.

We are trusted advisors to industry leaders and market disruptors, combining deep regional market understanding with global perspectives and cutting-edge technology.

Our expertise spans seven specialist sectors characterized by complexity: **Energy, Financial Services, Government, Health, Insurance, Professional Services**, and **Technology**. We provide comprehensive end-to-end reputation management services that begin by uncovering critical insights to support global reputation strategies. We then leverage our global network of senior industry specialists to create tailored approaches, and finally implement integrated communications with precise channel expertise.

Sandpiper has been recognised with multiple prestigious awards, including [Global Corporate Agency of the Year](#) from PRovoke, [Asia Pacific Regional Network of the Year](#) from Public Affairs Asia, [Large Agency of the Year](#) and [ESG Specialist Agency](#) from PRCA, and [Asia Pacific Large Agency of the Year](#) from PRWeek. We have also been ranked among the top 10 fastest-growing agencies in Asia Pacific, the top 15 fastest-growing globally, and one of the top five creative agencies in Asia Pacific.





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