

MA Small Biz COVID Response Coalition

COVID-19 Business Impact & Federal Stimulus Access Survey

Administered March 30th - April 9th, 2020

MA Small Biz COVID Response Coalition

A statewide coalition of community-based organizations, community lenders, and small business advocates collaborated to produce, distribute and analyze this survey with the goal of understanding the needs and state of our business community and to inform our actions to best support them in this time of COVID-19 crisis and recovery

Key Takeaways from this report:

- ▶ 493 state wide responses across 2 surveys (one in English, one in Spanish); 475 are included in the below analysis
- ▶ Forced Closures and Loss of Business reported as the greatest impact felt
- ▶ Over 42% (203) of businesses are relying on their personal savings to see them through the impact of the coronavirus
- ▶ Beyond financial assistance, businesses need and are anticipating a need for a myriad of logistical resources related to operational business capabilities
- ▶ The majority of businesses reported learning about relief options via family, friends, self research, and media; nearly half of those surveyed were aware of their options, while 37% were mildly aware or not aware at all; most lack access to professional guidance
- ▶ 61% (289) of businesses plan on applying for the Paycheck Protection Program (PPP) while 14% (68) do not plan to apply at all; 35% (169) of respondents plan on navigating the application process alone
- ▶ 58% (279) of businesses claim that they do not believe the current stimulus relief options will be able to meet their needs over the next 3 months
- ▶ 45% (214) of businesses have been forced to enact employee layoffs
- ▶ A look at the more vulnerable “Main St. Retail Businesses”, forced to shut down, shows that they are the most dramatically impacted by loss of sales, layoffs and least likely to benefit from the CARES Stimulus

Business Locations across Massachusetts

- ▶ Adams (2)
- ▶ Amherst
- ▶ Andover
- ▶ Arlington
- ▶ Ashburnham
- ▶ Ashfield
- ▶ Athol
- ▶ Barnstable Village
- ▶ Belchertown
- ▶ Billerica (4)
- ▶ Boston (14)
- ▶ Boxborough
- ▶ Brewster (7)
- ▶ Bridgewater
- ▶ Buckland (2)
- ▶ Cambridge (2)
- ▶ Canton
- ▶ Centerville
- ▶ Charlemont (2)
- ▶ Charlton
- ▶ Chatham
- ▶ Chelmsford (11)
- ▶ Chelsea
- ▶ Chester
- ▶ Chesterfield
- ▶ Chicopee (2)
- ▶ Conway (2)
- ▶ Cummington
- ▶ Dalton
- ▶ Danvers
- ▶ Dartmouth
- ▶ Deerfield (2)
- ▶ Dennis (3)
- ▶ Dorchester (4)
- ▶ Dracut
- ▶ East Longmeadow
- ▶ Eastham (17)
- ▶ Easthampton (2)
- ▶ Egremont
- ▶ Erving (2)
- ▶ Estham
- ▶ Everett
- ▶ Fairhaven
- ▶ Florence (3)
- ▶ Framingham (2)
- ▶ Franklin
- ▶ Gloucester
- ▶ Grafton
- ▶ Barrington (4)
- ▶ Greenfield (22)
- ▶ Hadley (2)
- ▶ Halifax
- ▶ Hanover (2)
- ▶ Hardwick
- ▶ Harwich (4)
- ▶ Haverhill (3)
- ▶ Haydenville (3)
- ▶ Hinsdale
- ▶ Holliston
- ▶ Holyoke (2)
- ▶ Hudson
- ▶ Hull
- ▶ Huntington (2)
- ▶ Hyannis
- ▶ Lawrence (12)
- ▶ Lee (2)
- ▶ Lenox (3)
- ▶ Lexington
- ▶ Longmeadow
- ▶ Lynn (2)
- ▶ Marblehead
- ▶ Marion
- ▶ Marlboro
- ▶ Mashpee (2)
- ▶ Methuen (3)
- ▶ Montague (2)
- ▶ Monterey
- ▶ Nantucket
- ▶ Natick
- ▶ New Bedford (2)
- ▶ Newburyport
- ▶ Newton
- ▶ Norfolk
- ▶ North Adams (4)
- ▶ No. Andover (31)
- ▶ No. Billerica
- ▶ No. Chatham
- ▶ No. Chelmsford
- ▶ No. Eastham
- ▶ Northampton (5)
- ▶ Northborough
- ▶ Northfield
- ▶ Norwell
- ▶ Norwood
- ▶ Orleans (8)
- ▶ Peabody (3)
- ▶ Pittsfield (12)
- ▶ Plainfield
- ▶ Plainville
- ▶ Plymouth
- ▶ Provincetown (15)
- ▶ Quincy (2)
- ▶ Raynham (2)
- ▶ Revere
- ▶ Roxbury
- ▶ Salem
- ▶ Sandwich
- ▶ Shelburne
- ▶ Shelburne Falls (10)
- ▶ Somerset
- ▶ Somerville
- ▶ South Deerfield (2)
- ▶ South Yarmouth
- ▶ Southborough
- ▶ Southbridge (2)
- ▶ Springfield (9)
- ▶ Stoneham
- ▶ Templeton
- ▶ Tewksbury
- ▶ Truro (4)
- ▶ Turners Falls (6)
- ▶ Upton
- ▶ Vineyard Haven
- ▶ Wakefield
- ▶ Walpole
- ▶ Waltham
- ▶ Wareham
- ▶ Wayland
- ▶ Wellesley
- ▶ Wellfleet (8)
- ▶ Wendell
- ▶ West Barnstable
- ▶ West Boylston
- ▶ West Harwich
- ▶ West Springfield (2)
- ▶ West Yarmouth
- ▶ Westborough
- ▶ Westfield
- ▶ Westford
- ▶ Westhampton (3)
- ▶ Weymouth (2)
- ▶ Williamsburg (2)
- ▶ Williamstown (3)
- ▶ Wilmington
- ▶ Woburn (2)
- ▶ Worcester (7)
- ▶ Worthington (2)
- ▶ Wrentham, Ma
- ▶ Yarmouthport (2)

(_) indicates the number of respondents from this location

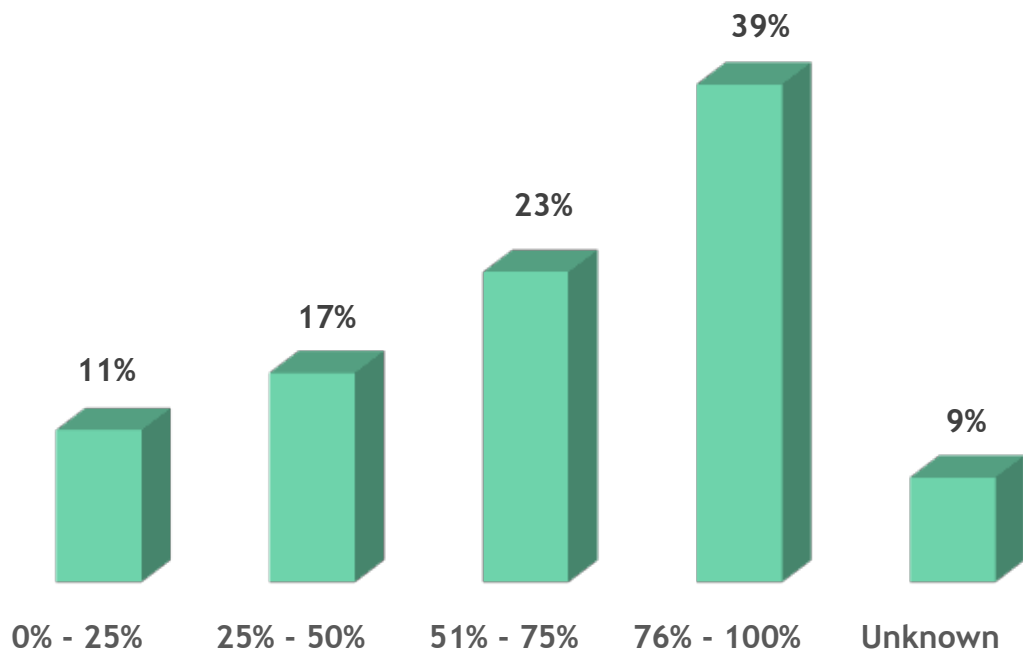
Type of Impact and Expected Sales Loss

Forced Closures and Loss of Business reported as the greatest impact felt

Type of Impact

- ▶ **Forced Closure / Shut Down**
 - ▶ Under Governor's mandate
 - ▶ Non Essential Business
 - ▶ Work requires close contact
- ▶ **Low to No Business**
- ▶ **Limited Supply Chain**
- ▶ **Loss of Work Force**
 - ▶ Employee Resignations
 - ▶ Self quarantine
 - ▶ Unable to work remotely
- ▶ **Cancellations**
 - ▶ Events
 - ▶ Projects
 - ▶ Pending Sales

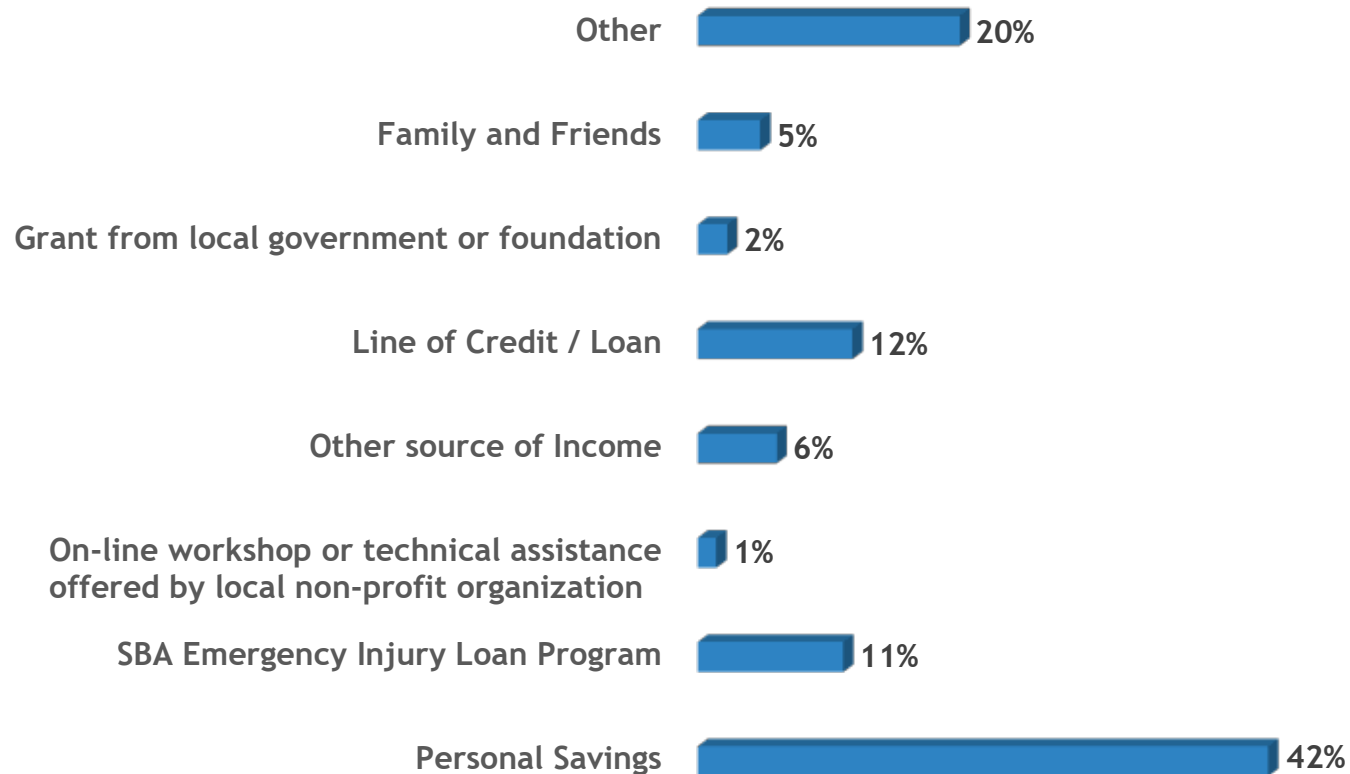
Expected percentage fall in sale over three months



Nearly 190 businesses expect to see over 75% to nearly 100% loss of sales and revenue over the next 3 months

Financial resources currently utilized to navigate impact

Over 42% (203) of businesses are relying on their personal savings to see them through the impact of the coronavirus

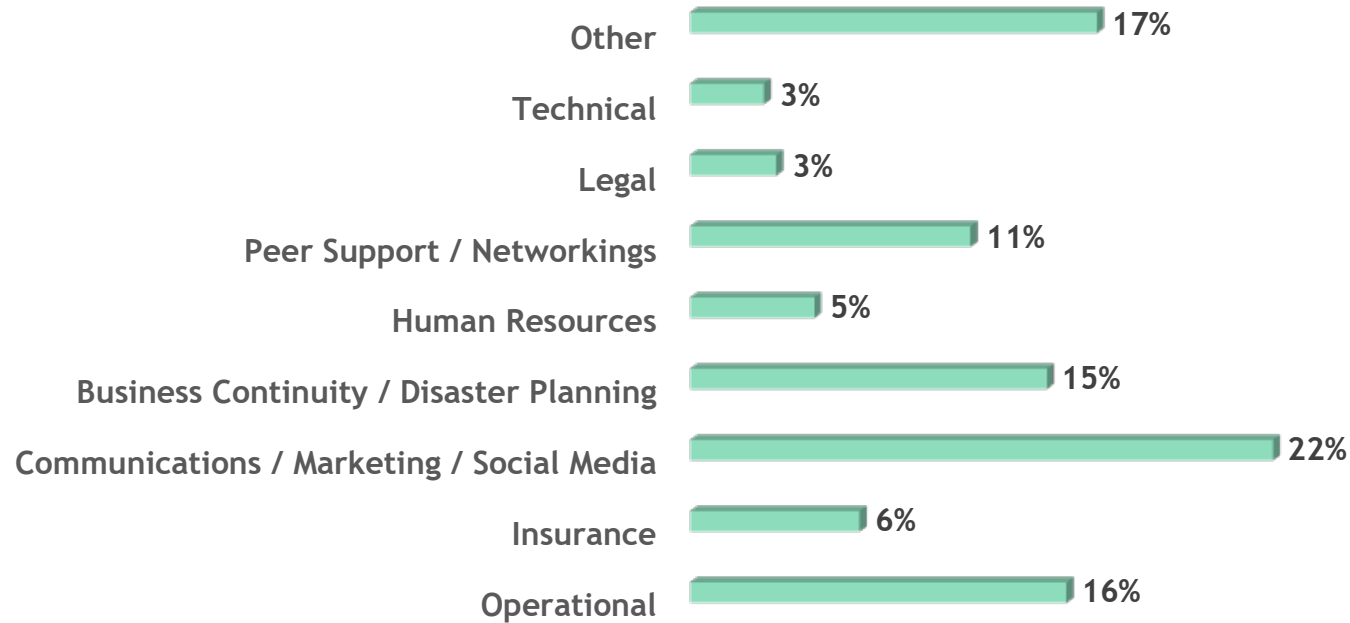


Other Includes:

- ▶ Business Savings
- ▶ Credit Cards
- ▶ Filing for Unemployment
- ▶ Reducing employee hours
- ▶ Relying on Stimulus Checks
- ▶ Relying on tax refunds
- ▶ Finding alternative / creative uses for their business model
- ▶ None

Other Resources used or needed to navigate impact

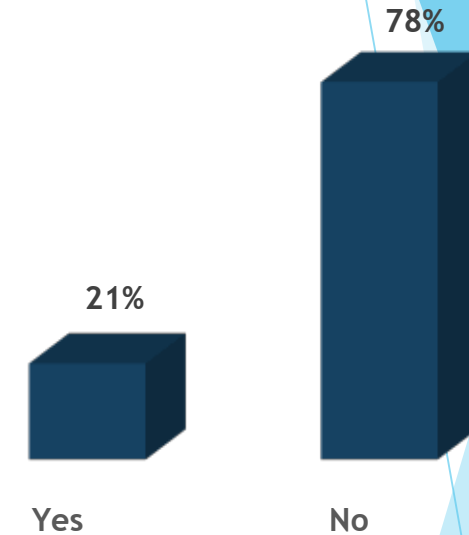
Beyond financial assistance, businesses need and are anticipating a need for a myriad of logistical resources related to operational business capabilities



Other Includes:

- ▶ All of the above
- ▶ Sanitation guidelines
- ▶ Translation Services
- ▶ Essential Employee Protection Gear
- ▶ Delivery Guidance
- ▶ Emotional Support Staff
- ▶ Website Building
- ▶ Altering Business Model
- ▶ Future Business Planning

Does your business currently have business interruption insurance?

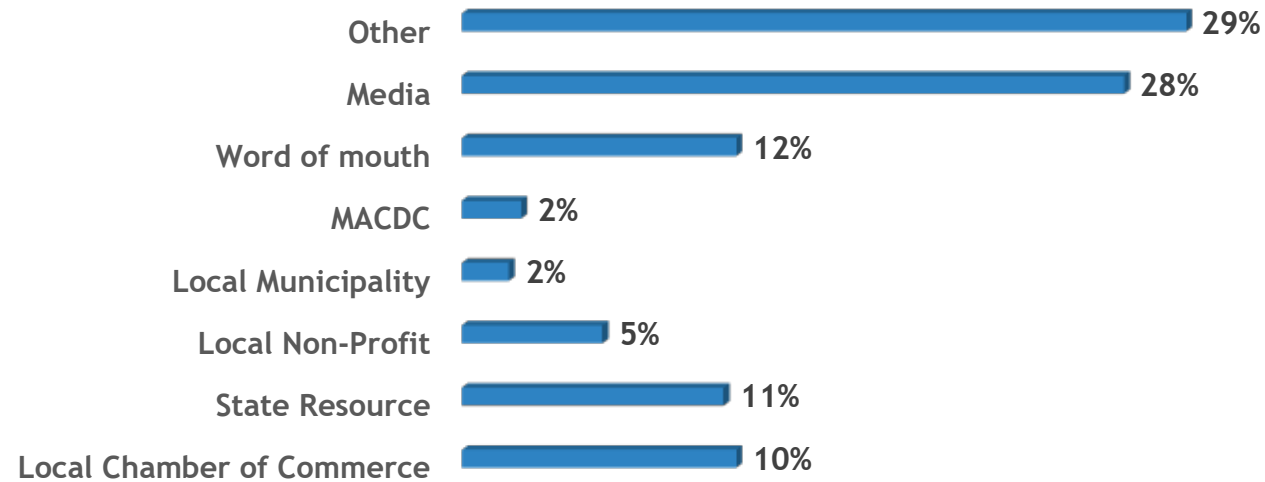


Over 78% (374) businesses reported a lack of business interruption insurance

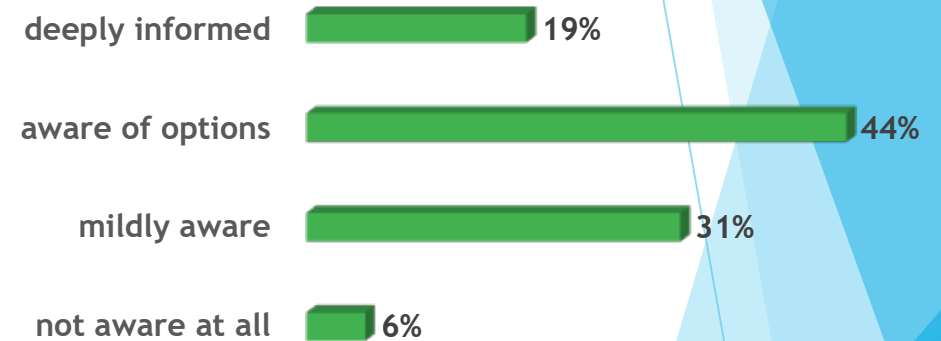
Resource Education and Awareness

The majority of businesses reported learning about relief options via family, friends, self research, and media; nearly half of those surveyed were aware of their options, while 37% were mildly aware or not aware at all; most lack access to professional guidance

Where are you primarily learning about resources that may be applicable to your small business?



To what degree are you aware of the options available for small business relief under the federal stimulus?



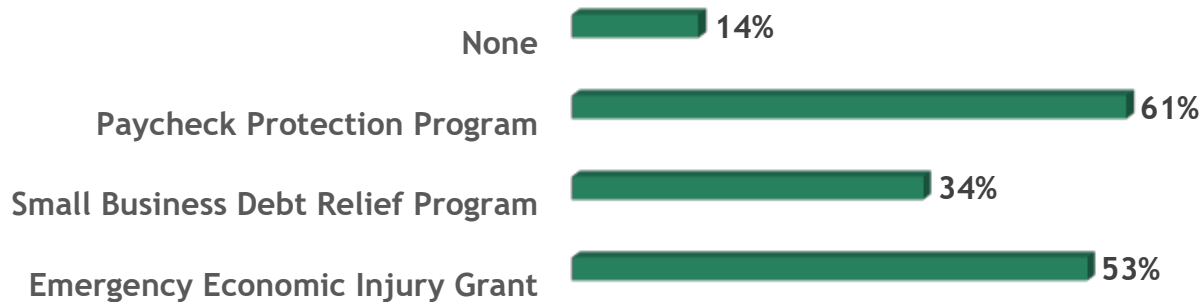
Other Includes:

- ▶ Accountant/CPA
- ▶ Professional Organizations
- ▶ Banks / Lenders
- ▶ Friends/Family
- ▶ Colleagues/Clients
- ▶ Insurance Company
- ▶ Self Research
- ▶ Veteran's Association
- ▶ Federal Resources
 - ▶ U.S Chamber of Commerce
 - ▶ SBA

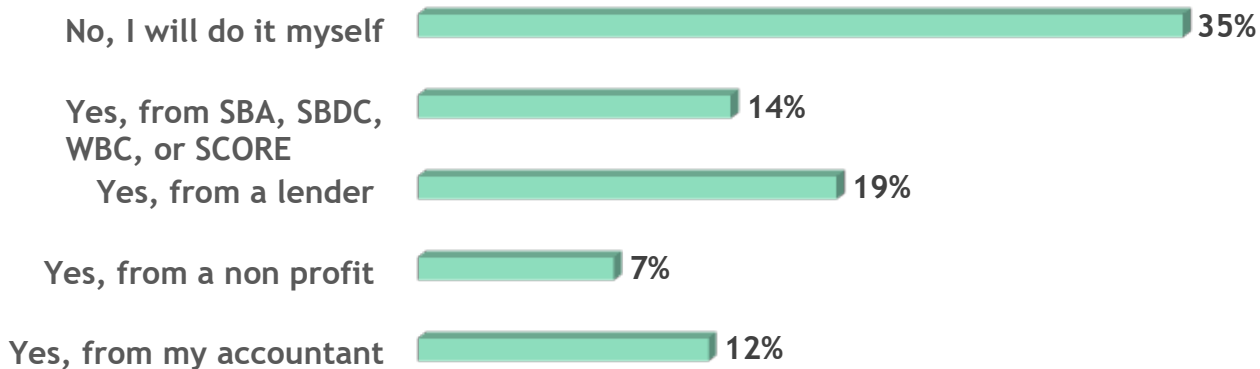
Applying for Federal Stimulus Relief

61% (289) of businesses plan on applying for the Paycheck Protection Program (PPP) while 14% (68) do not plan to apply at all; 35% (169) of respondents plan on navigating the application process alone

Relief options being applied for:



Do you expect to look for help in applying for loans or grants relating to the current crisis?



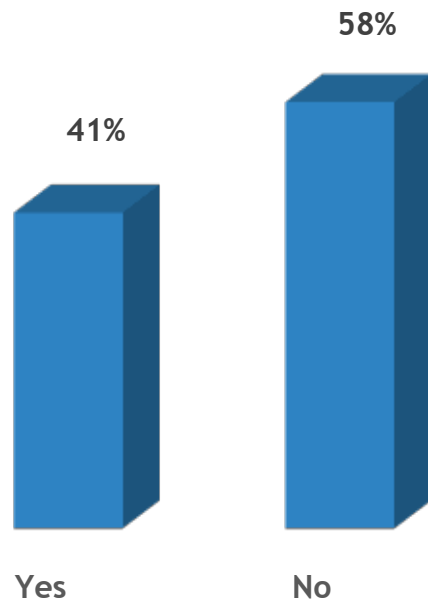
For those who responded *none*, we asked why not?

- ▶ I do not wish to take on any debt.
- ▶ I don't seem to qualify.
- ▶ I tried applying for the PPP but my bank will not approve it because I've never received a loan from them.
- ▶ Have to pay rent, utilities, reserve, living, etc. Have to worry about the aftermath impact.
- ▶ I can not get a response from BofA as to what I need to get this loan.
- ▶ Criteria is in flux, phone lines not answered, forms have outdated categories, applied but no confirmation or decision, and worst of all, WE DO NOT HAVE A LENDER TO WORK WITH and it seems the SBA helps their existing customers first.
- ▶ Not sure if I'm going to need this or what the impact will be for us long term.
- ▶ I have applied for the Disaster Loan, but have not heard anything. I've tried to apply for the Paycheck program, but have hit a problem and cannot get help from the vendor.

Belief that Stimulus will effectively meet business needs

58% (279) of businesses claim that they do not believe the current stimulus relief options will be able to meet their needs over the next 3 months

Will these options meet your business needs over 3 months?



Businesses further commented...

- ▶ Nowhere near enough to compensate for our losses or future impact
- ▶ I feel like I will just be going into debt to make it through this period and then my expenses will increase later. The uncertainty of a rise in payroll taxes to cover items such as unemployment and the interest on loans that need to be taken out are weighing heavily.
- ▶ Not convinced virus will be over in 3 months.
- ▶ There are too many people applying, and the government was not prepared to handle an event of this magnitude.
- ▶ I am concerned that customers will resort to purchasing most goods on-line or through large regional and national chains
- ▶ If the money arrives at all, it will be too late. I trust Congress about as far as I can throw a grand piano.
- ▶ I do not believe we will be back working in our communities at a level that will promote healthy cash flow.
- ▶ Too little too late for our employees to cover food, housing and medical for the duration as well as for us to cover business expenses that can't stop like insurance, taxes and utilities

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