



BUFFALO NIAGARA
PARTNERSHIP

OUR REGIONAL CHAMBER OF COMMERCE



W N Y

— GET THE RESULTS —

COVID-19 BUSINESS
IMPACT SURVEY

Business Impact Survey

W N Y

COVID-19 BUSINESS
IMPACT SURVEY

thepartnership.org/ImpactSurvey

Partners & Sponsors



Survey Consultant

MOWER



Douglas Bean

Vice Chairman - Chief Brand Officer



Katie Bender

Research Director



Methodology

Mower hosted an online quantitative survey on behalf of Buffalo Niagara Partnership to understand the impact of COVID-19 on area businesses.

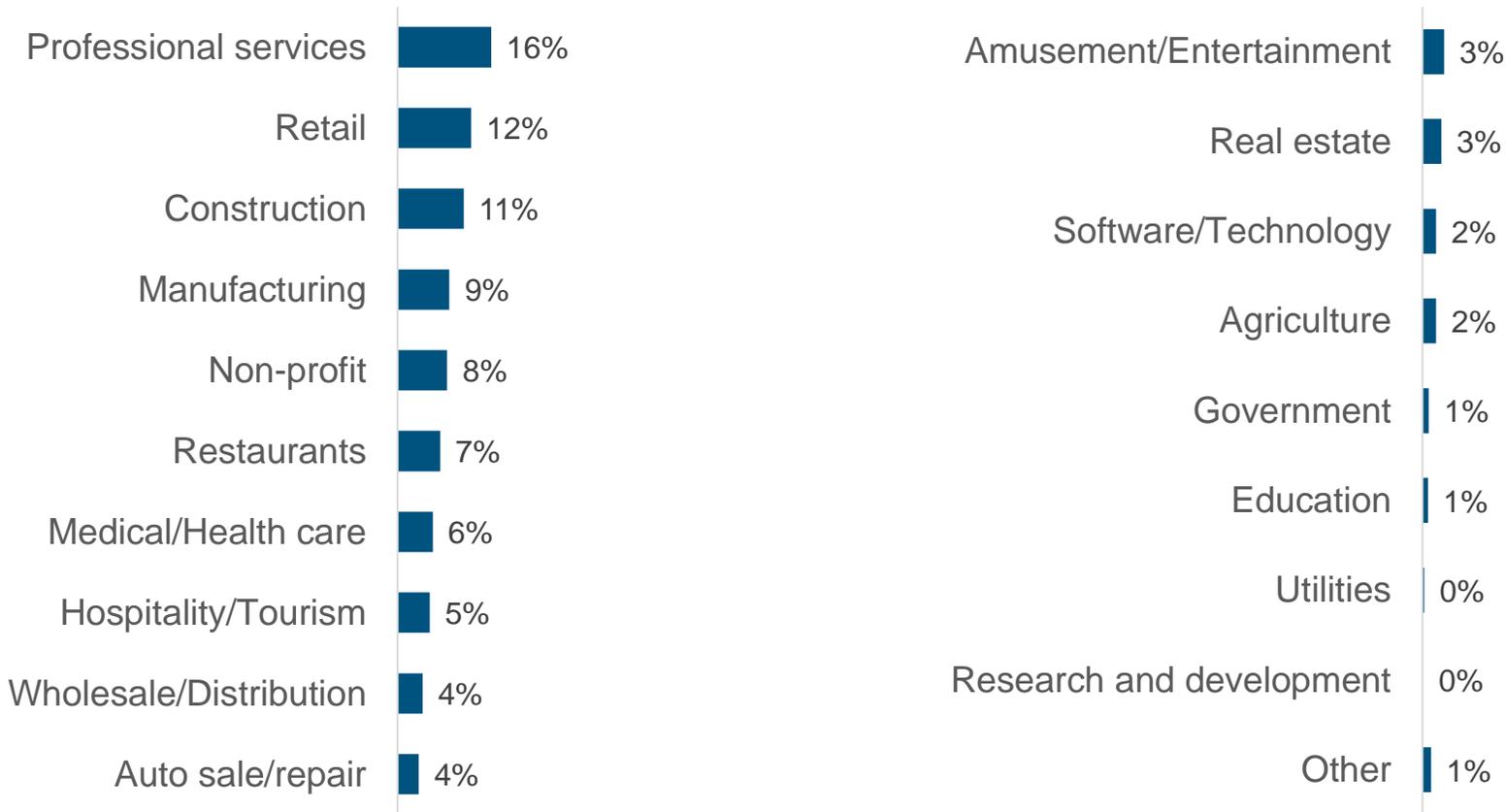
Quantitative Survey	10 minutes
Sample	Data collected through direct invitation to partner lists and those entering contact information on the BNP intake form
Field	April 14, 2020 – April 28, 2020
Respondents	Total = 1,685 <ul style="list-style-type: none">• Erie County = 1,339• Niagara County = 231• Other County = 115



Business Information

Industry

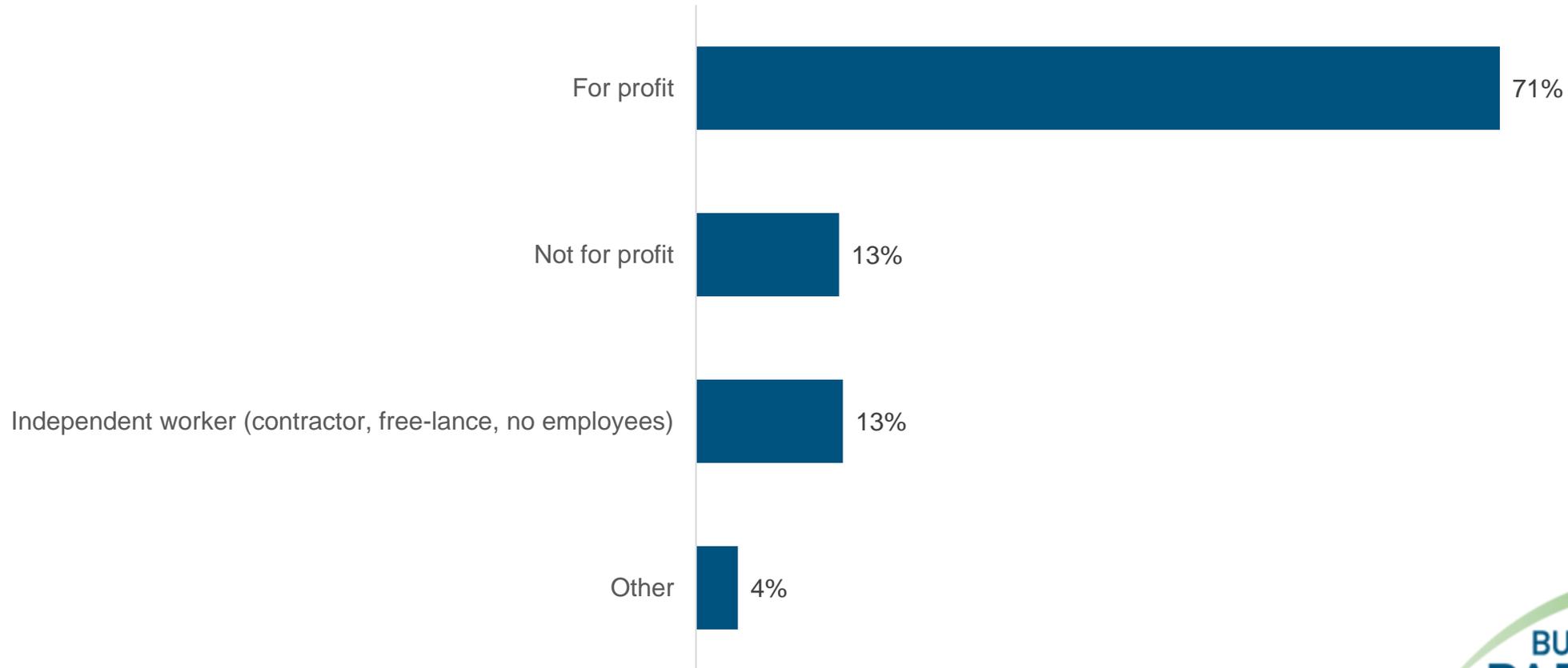
The largest industry type is professional services, followed by retail, and construction. Other industries above 5% of responses include manufacturing, non-profit, restaurants, and medical/health care.



Base: All Respondents (n=1,685)
S1. Which of the following best describe your industry?

Type of Organization

The vast majority of businesses are for profit.

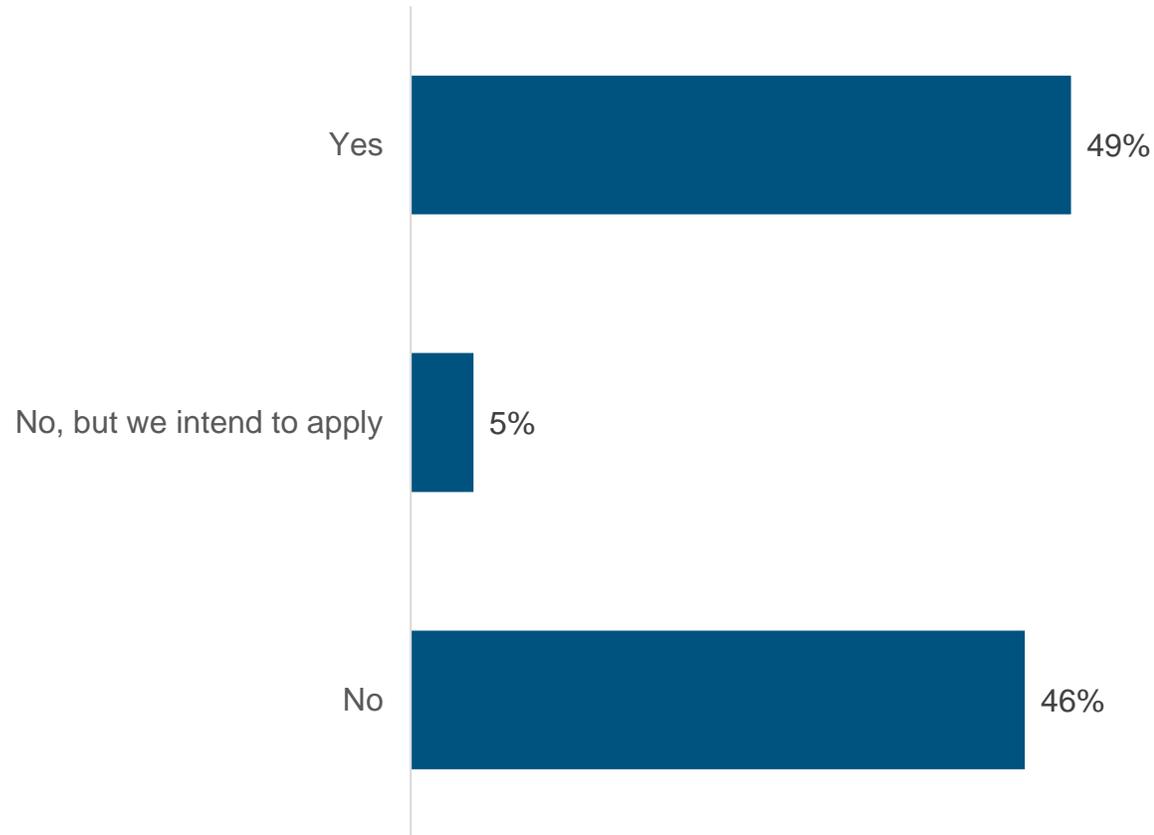


Base: All Respondents (n=1,685)

S2. Please indicate which organization type represents your business.

Essential Status

Half of businesses have been approved for essential status in New York State.

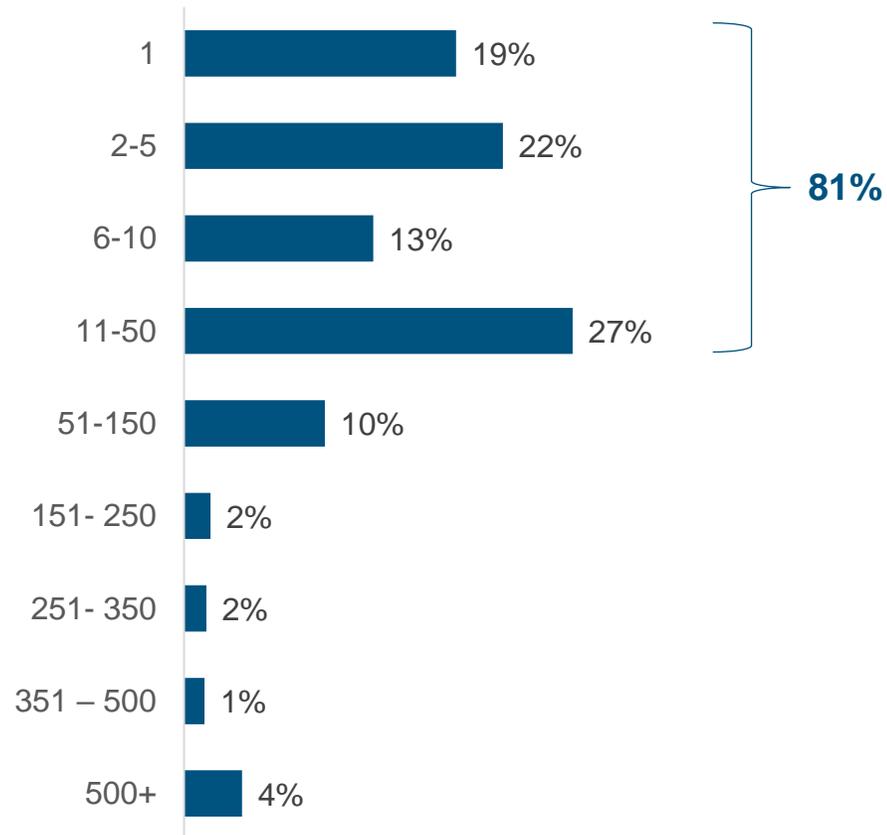


Base: All Respondents (n=1,685)

S5. Have you been approved as or applied for "Essential" NYS Business status?

Number of Employees

The vast majority of businesses responding have 50 employees or fewer.

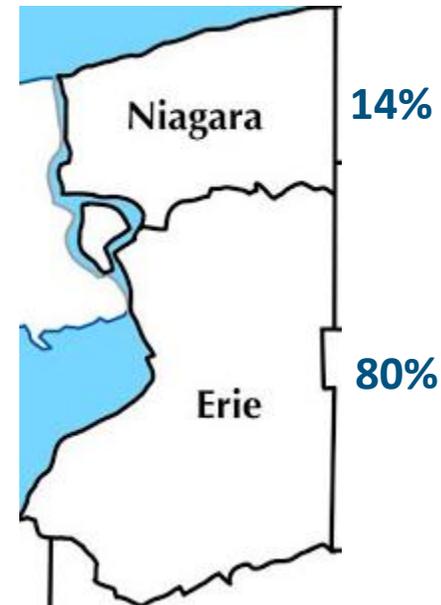
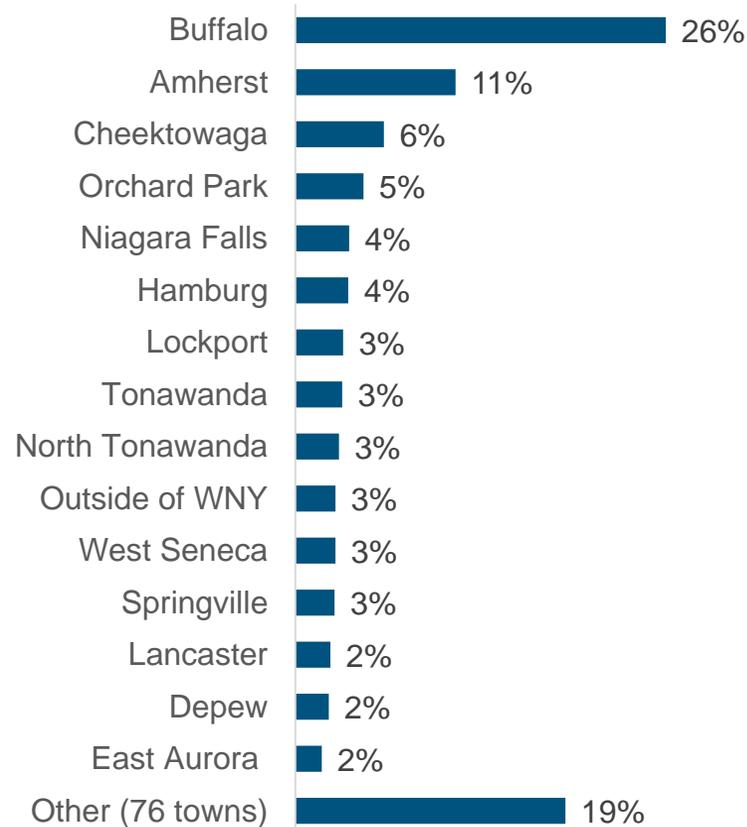


Base: All Respondents (n=1,685)

S3. Which category best represent the number of employees your organization had as of January 1, 2020?.

Location

The vast majority of businesses responding have 50 employees or fewer. The majority of responses are from Erie County and the town with the largest representation is Buffalo, followed by Amherst.



Other County: 7%

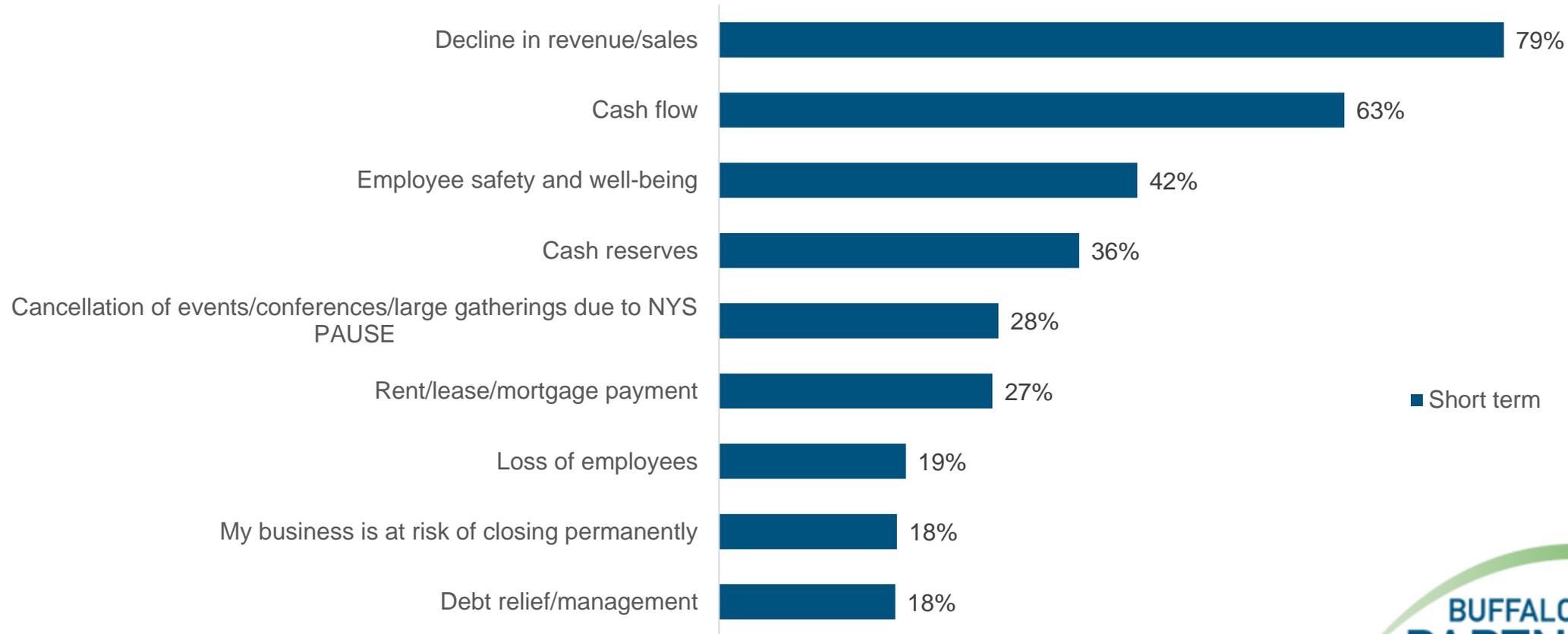




General Business Operations

Most Pressing Short Term Concerns

The most pressing concerns of businesses in the short term are a decline in revenue or sales, and cash flow. A next tier of concern are the safety and well-being of employees and cash reserves.



Base: All Respondents (n=1,685)

Q1. Which of these are your most pressing concerns as a result of COVID-19 in the short term? [PICK TOP 5]

Most Pressing Short Term Concerns: By Segment

More concerned with employee safety

- Essential businesses
- Manufacturing
- 51+ employees

More concerned with cancellation of events/conferences/large gatherings

- Not for profits
- Non-essential businesses
- Sole proprietors
- Hospitality/Tourism

More concerned with rent/lease/mortgage payment

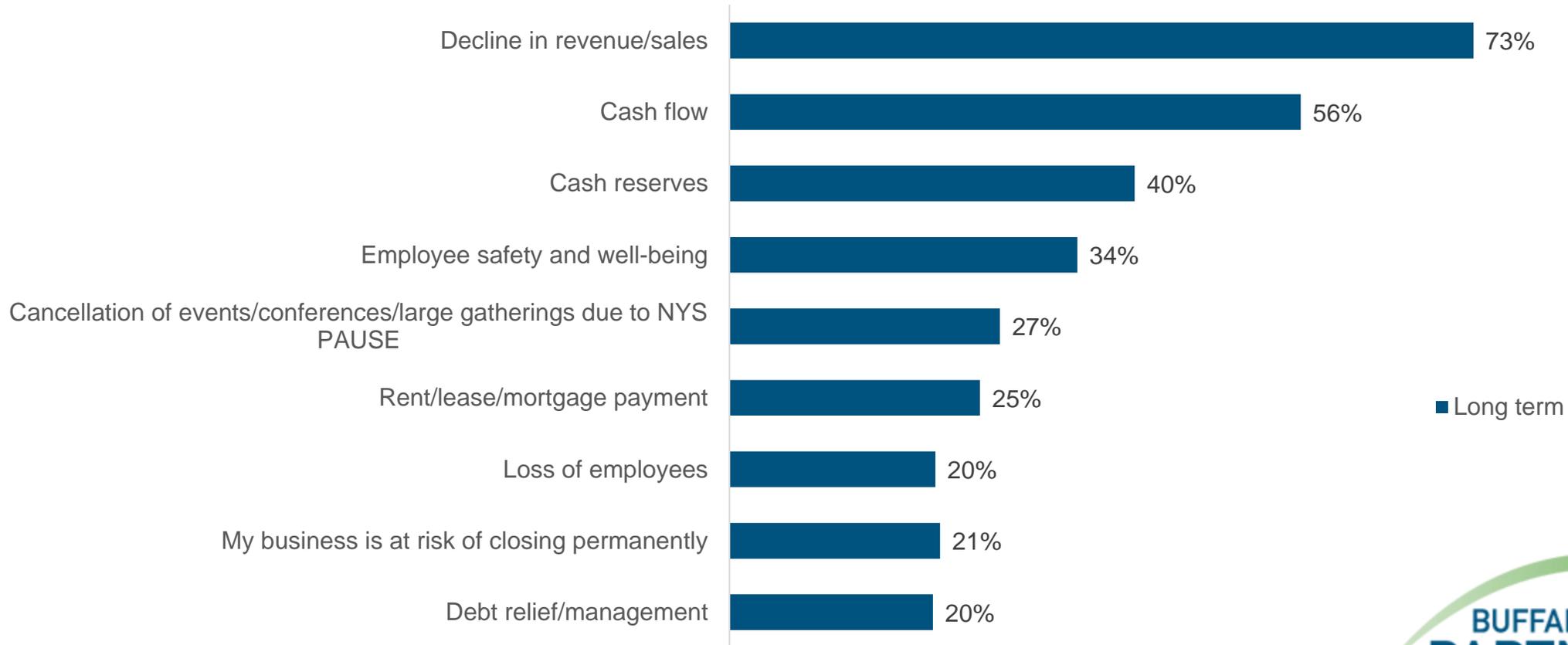
- Sole proprietors
- Non-essential businesses

Base: All Respondents (n=1,685)

Q1. Which of these are your most pressing concerns as a result of COVID-19 in the short term? [PICK TOP 5]

Most Pressing Long Term Concerns

The most pressing concerns of businesses in the long term are a decline in revenue or sales, and cash flow. A next tier of concern are cash reserves and the safety and well-being of employees.

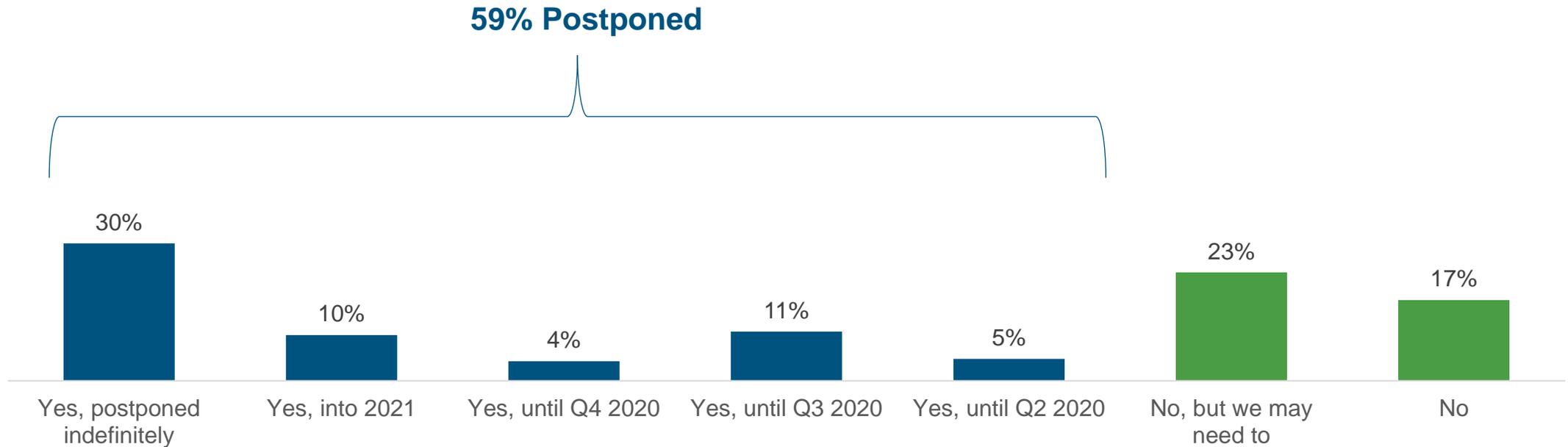


Base: All Respondents (n=1,685)

Q2. Which of these are your most pressing concerns as a result of COVID-19 in the long term? [PICK TOP 5]

Postponed Investment Decisions

Three in five businesses indicate there has been some level of postponement of investment decisions, with most postponed indefinitely. Another quarter are keeping the possibility of postponement open if needed.



Base: All Respondents (n=1,685)

Q3. Have you postponed any investment decisions, capital or otherwise?

Postponed Investment Decisions: By Segment

More likely to
postpone overall

- For profit businesses

More likely to
postpone
indefinitely

- 10 employees or less

More likely to
postpone into 2021

- Restaurants

Base: All Respondents (n=1,685)

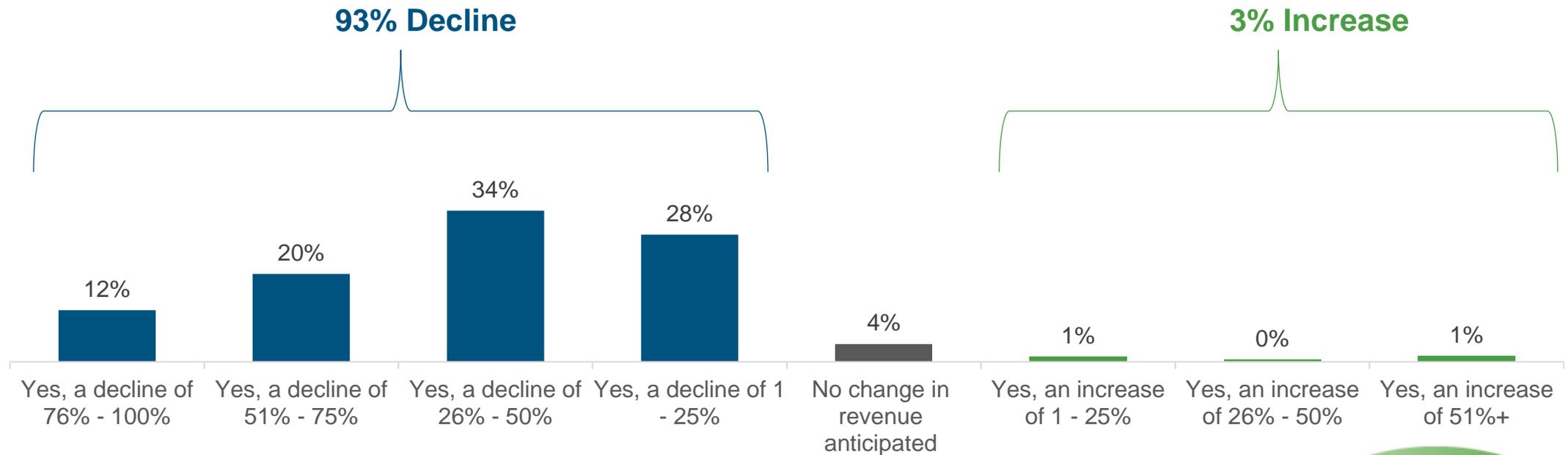
Q3. Have you postponed any investment decisions, capital or otherwise?



Revenue Impact

Anticipated Change in Revenue

Nearly all businesses anticipate a decline in revenue through the end of the year, with most indicating a decline of 50% or less.



Base: All Respondents (n=1,685)

Q4. Is your organization experiencing an anticipated change in revenue through December 31, 2020 related to COVID-19?

Anticipated Change in Revenue: By Segment

More likely anticipate a decline

- For profit businesses

More likely to anticipate a significant decline

- Sole proprietors (76% - 100%)
- Restaurants (76% - 100%)
- Hospitality/Tourism (51% - 75%)

More likely to anticipate low to moderate decline

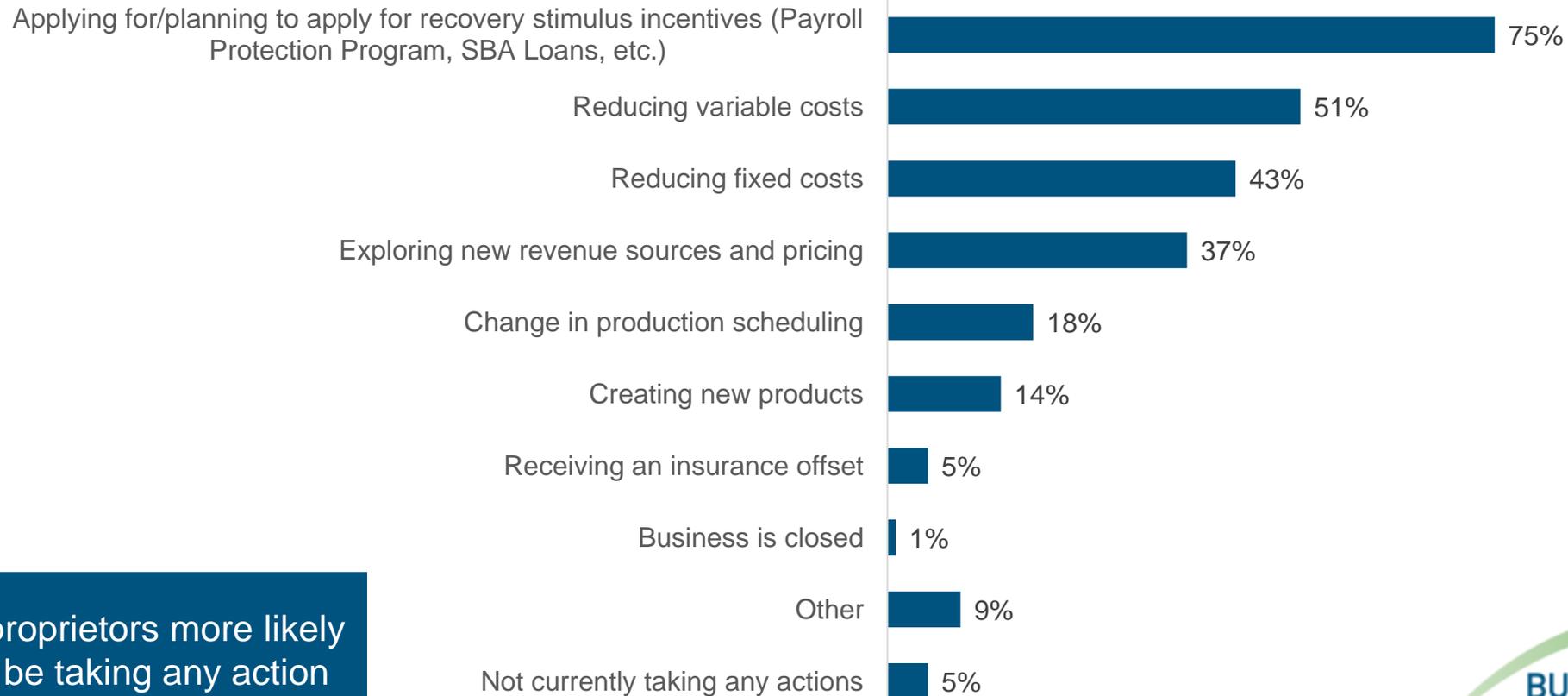
- 151+ employees (1%-25% decline)

Base: All Respondents (n=1,685)

Q4. Is your organization experiencing an anticipated change in revenue through December 31, 2020 related to COVID-19?

Actions Taken to Manage Impact on Bottom Line

The vast majority of businesses are applying for recovery stimulus incentives. Half are reducing variable costs, and over a third are reducing fixed costs and exploring new revenue sources and pricing. Only 5% report taking no action.



Sole proprietors more likely to not be taking any action

Base: Respondents With an Anticipated Decline in Revenue (n=1,568)

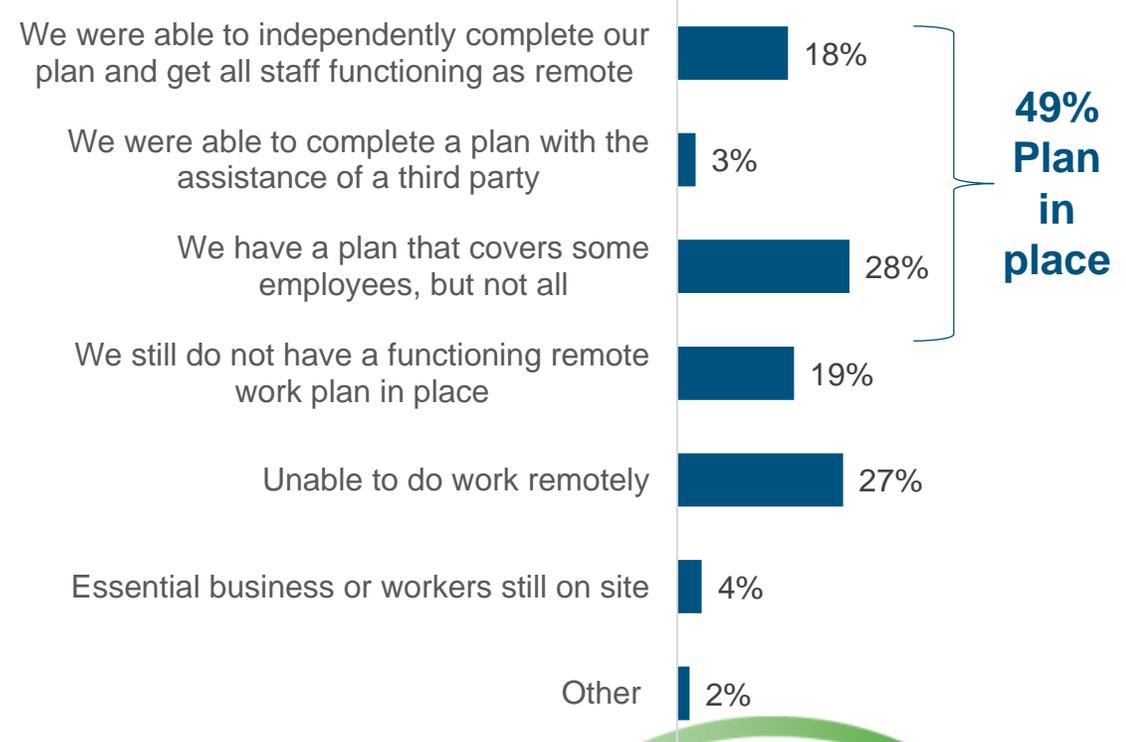
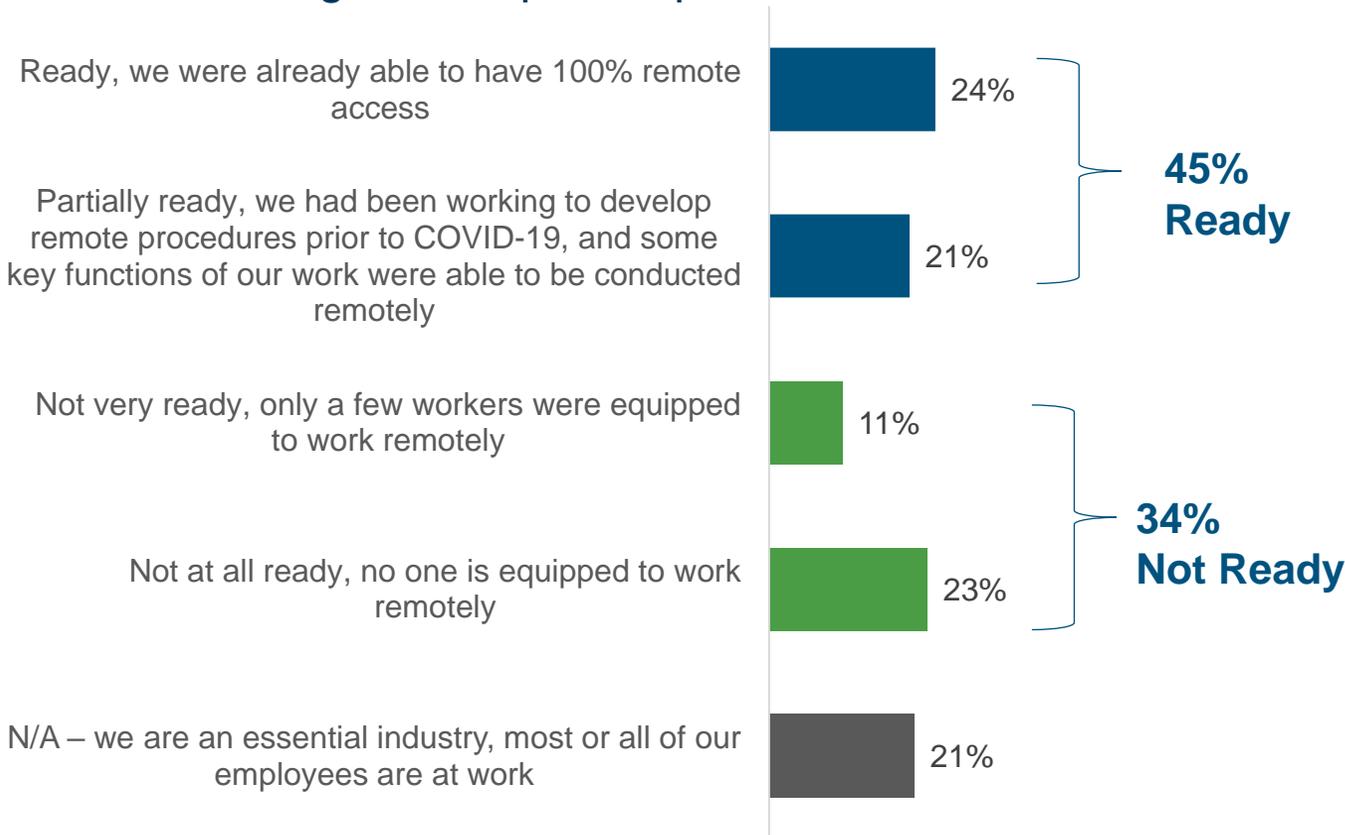
Q5. Which of the following actions is your company taking to manage the impact on your bottom-line? [MULTIPLE RESPONSE]



Remote Working & Flexibility

Readiness to Work Remote at Start of NYS PAUSE & Since

One third of businesses were not ready to work remote, and only one-quarter were fully ready. In the time since PAUSE, one quarter of businesses still only have some employees covered and nearly one in five still do not have a functioning remote plan in place.



Base: All Respondents (n=1,681)

Q6. Which best describes your company's readiness to work remotely as of March 23rd when New York State on PAUSE went into effect?

Base: Respondents Not or Partially Ready to Work Remote (n=912)

Q7. In the time since New York State on PAUSE went into effect, which best describes your path to a remote work plan for your company?

Readiness to Work Remote at Start of NYS PAUSE & Since: By Segment

Not at all ready to work remote

- Sole proprietors
- 50 employees or less
- Restaurants

More likely to still not have a functioning remote plan in place

- Sole proprietors

Base: All Respondents (n=1,681)

Q6. Which best describes your company's readiness to work remotely as of March 23rd when New York State on PAUSE went into effect?

Base: Respondents Not or Partially Ready to Work Remote (n=912)

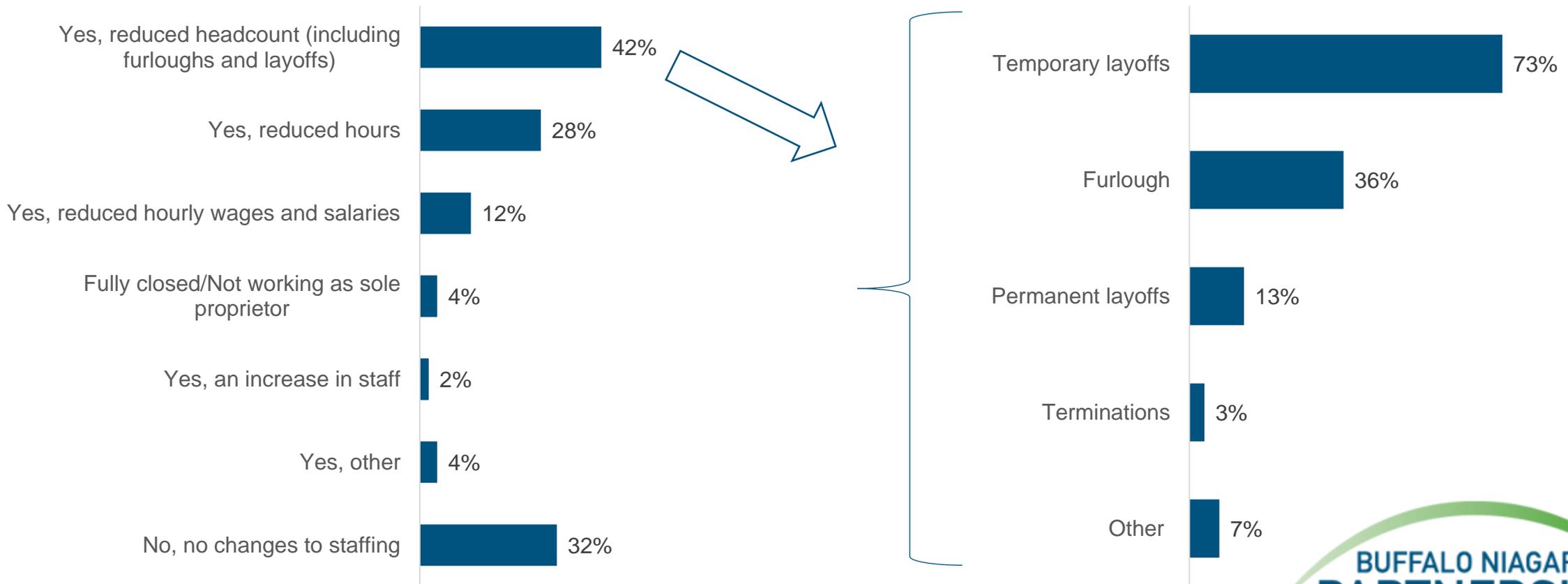
Q7. In the time since New York State on PAUSE went into effect, which best describes your path to a remote work plan for your company?



Workforce Impacts

Staffing Changes & Headcount Reductions

Two-thirds of businesses report some type of staffing change as a result of COVID-19. More than a third reduced headcount, with temporary layoffs the most common action taken, followed by furlough.



Base: All Respondents (n=1,685)

Q8. Has there been a change to your staffing capacity as a result of COVID-19? Please select all that apply. [MULTIPLE RESPONSE]

Base: All Who Reduced Headcount (n=659)

Q9. How have you implemented a reduction in headcount? [MULTIPLE RESPONSE]

Staffing Changes & Headcount Reductions: By Segment

More likely to have reduced headcount

- For profit businesses

More likely to have reduced hours

- Essential businesses
- Restaurant
- Medical/Health

More likely to have reduced wages and salaries

- For profit businesses
- Hospitality/Tourism

More likely to have made temporary layoffs

- For profit businesses
- Restaurants

More likely to have implemented furloughs

- 51+ employees

Base: All Respondents (n=1,685)

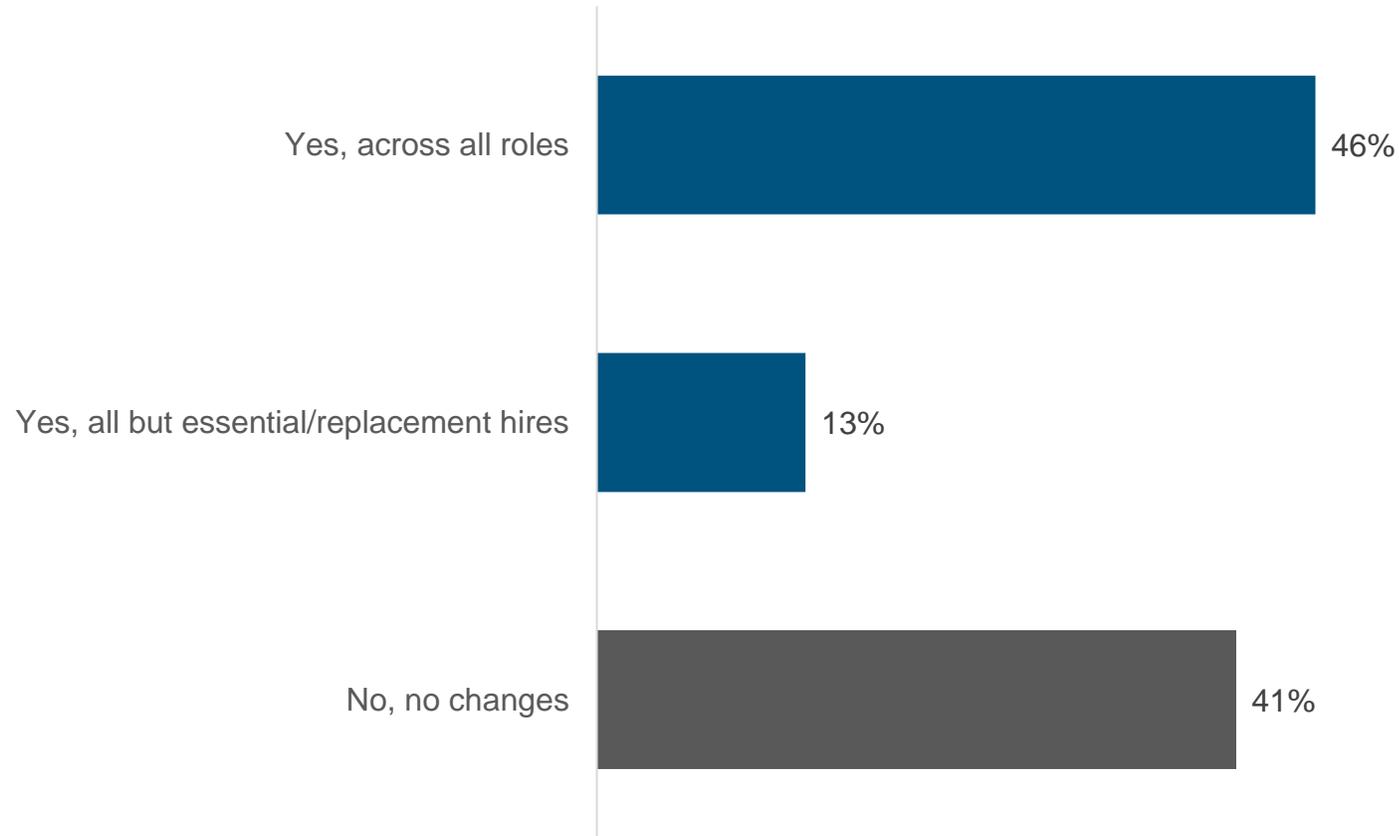
Q8. Has there been a change to your staffing capacity as a result of COVID-19? Please select all that apply. [MULTIPLE RESPONSE]

Base: All Who Reduced Headcount (n=659)

Q9. How have you implemented a reduction in headcount? [MULTIPLE RESPONSE]

Implemented Hiring Freeze

60% of businesses have frozen hiring for the majority of positions, with most indicating a freeze across all roles.



Base: All Respondents (n=1,674)

Q10. Has your company implemented a hiring freeze as a result of COVID-19?

Implemented Hiring Freeze: By Segment

More likely to freeze across all roles

- For profit businesses

More likely to freeze across all but essential

- Not for profit businesses
- Non-essential businesses
- 51+ employees

Base: All Respondents (n=1,674)

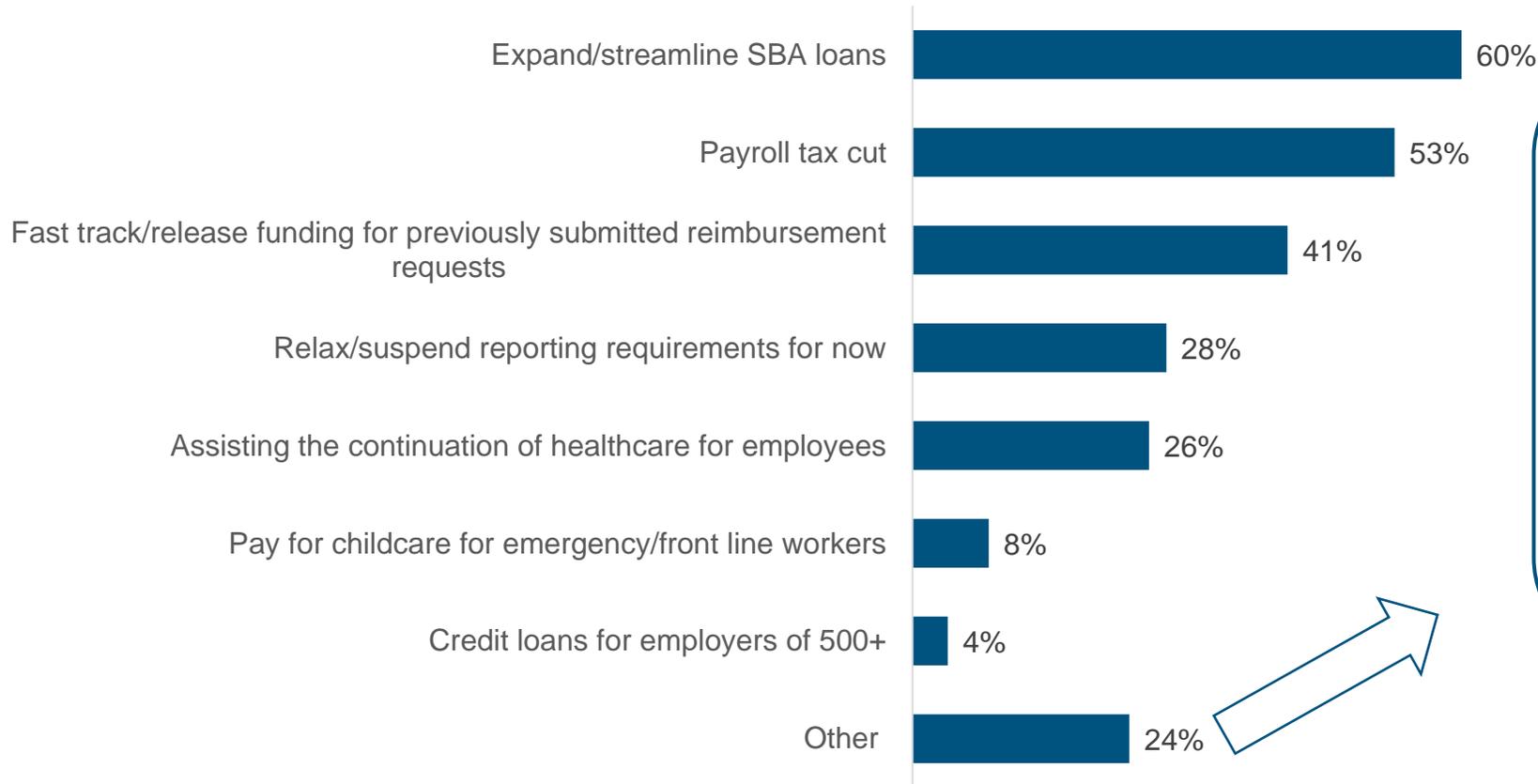
Q10. Has your company implemented a hiring freeze as a result of COVID-19?



Concern & Assistance

How Government Can Be Helpful

Six in ten businesses believe the government can be helpful by expanding/streamlining SBA loans and half would like a payroll tax cut.



- Let us reopen
- Expand essential or allowed business
- More stimulus funding
- Grants
- Income/Property tax cuts/credits
- Expand eligibility for self-employed
- Expedite unemployment application/benefits
- Reduce unemployment benefit
- Rent/Mortgage freeze
- Access to PPE
- Loan/Debt forgiveness
- COVID-19 testing
- Removal or reduction of state sales tax
- Hazard pay

Base: All Respondents (n=1,685)

Q11. In what ways can local and State government be helpful to your business in the current environment? [MULTIPLE RESPONSE]

How Government Can Be Helpful: Quotes

As safely as possible, reopen non essential businesses as soon as possible.

Allow small, distanced construction crews onsite.

Allow moneys being allocated in the stimulus bills to be used for loss of inventory, loss of income. Help us to restock our restaurants financially. It will be like opening the door for the first time once pause is lifted. Very costly.

Marketing/public outreach to encourage support of local businesses.

Buffalo has **the 2nd largest ecosystem for start-up companies** which are one of the only true ways to increase new jobs in buffalo. Most of these companies have taken **venture capital** which means that the process of **getting PPP and other grants/loans is difficult to impossible**, or our VCs don't want us to take it. Our companies tend to have **0 cash reserves and need 200-300% YoY growth to stay in business**. There are **no federal/state programs designed to tackle this issue** even though you have tens of thousands of employees working for start-ups of various stages in Buffalo. **Losing these companies** and more importantly these creative minds from the Buffalo community will do **exponential damage to the growth the city has seen**. I'd like to see the local and state government come up with a program to better address those organizations.

Give our region a strong plan for reopening businesses so people will start having the confidence to spend money again.

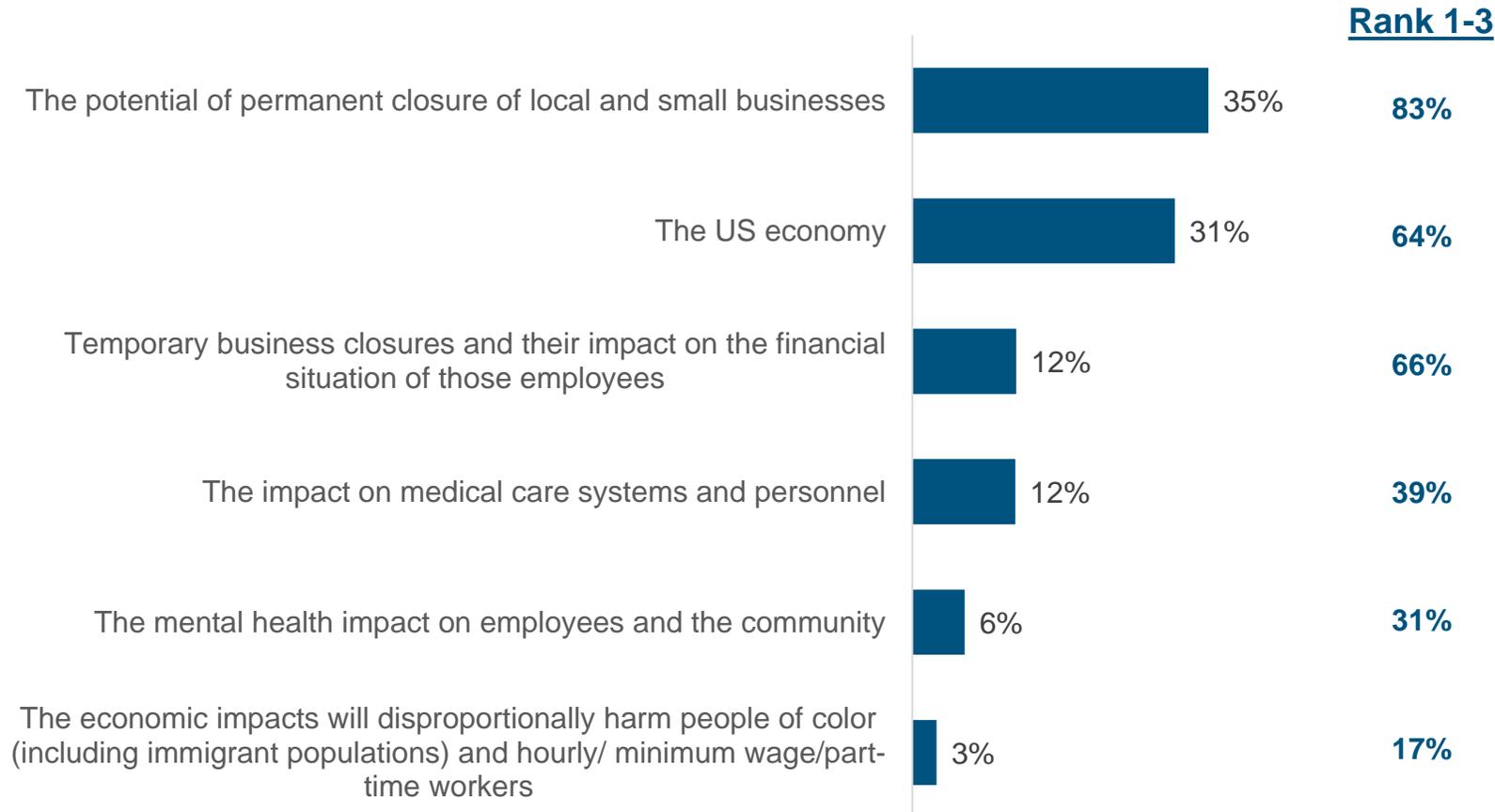
Base: All Respondents (n=1,685)

Q11. In what ways can local and State government be helpful to your business in the current environment? [MULTIPLE RESPONSE]



Biggest Concerns for the Community - #1 Rank

The biggest concerns businesses have for the community are the potential for permanent closure of local and small businesses and the US economy. When looking at the concerns ranked in the top 3, temporary business closures and the impact on employee financial situations also emerges as a concern.



Base: All Respondents (n=1,653)

Q12. What are your biggest concerns for the community from the impact of COVID-19? [RANK 1-6]



Takeaways & Next Steps

COVID-19 Impact Takeaways

- The smaller the business, the greater the risk
- Postponement of investment and anticipated decline in 2020 revenue is significant
 - Though most businesses have optimism in classifying headcount reductions as temporary layoffs
- Restaurant business and Main Street retail are in dire straights and will need support to encourage local spending
- Advocacy at the Federal level will be necessary as State and Local government cannot fulfill all regional business needs
- Equity must be built into recovery or it will be lost



Have Questions About COVID-19?
We Have Answers.

STAY INFORMED
BUSINESS UPDATES

*The Latest COVID-19 Resources &
Impacts for Local Businesses.*



GET CONNECTED
BUSINESS ASSISTANCE

*Subject Matter Experts to Help
Businesses Navigate COVID-19.*



[Thepartnership.org/BNPBusinessLink](https://thepartnership.org/BNPBusinessLink)

Appendix

Company Location Total

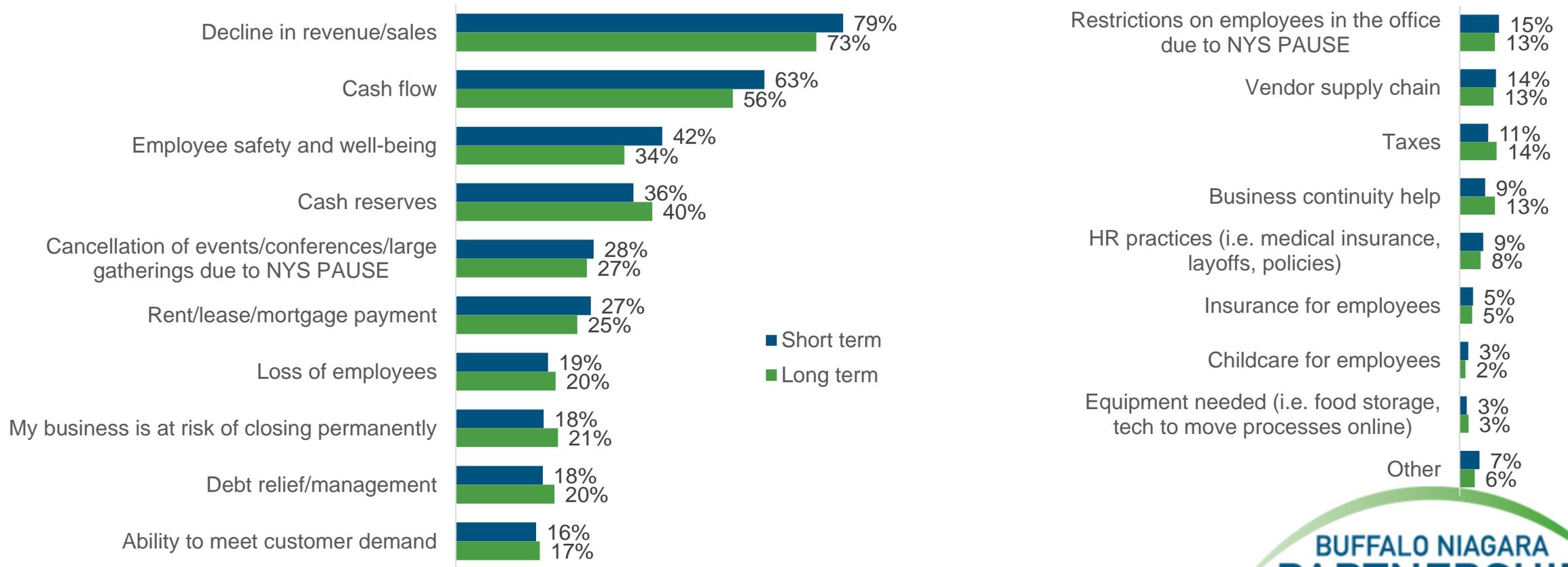
Buffalo	435
Amherst	188
Cheektowaga	104
Orchard Park	80
Niagara Falls	63
Hamburg	62
Outside of WNY	59
Lockport	56
Tonawanda	55
North Tonawanda	51
West Seneca	47
Springville	46
Lancaster	41
Depew	39
East Aurora	31
East Amherst	24
Grand Island	20
Getzville	18
Alden	15
Clarence	14
Lackawanna	13
Sanborn	12
Akron	12
Lewiston	11
Derby	9
Elma	8
Irving	8
Warsaw	8

Bowmansville	7
Clarence Center	7
Eden	7
Perry	7
Newfane	7
Attica	6
Arcade	6
Lake View	6
Boston	5
East Concord	5
Medina	5
Angola/Evans	5
South Wales	5
Strykersville	4
Youngstown	4
Appleton	4
Albion	4
Colden	3
Olcott	3
Ransomville	3
Varysburg	3
West Falls	3
Wilson	3
Burt	2
East Bethany	2
Gasport	2

Glenwood	1
Cattaraugus	1
Athol Springs	1
North Collins	1
Barker	1
Corfu	1
Forestville	1
Marilla	1
West Valley	1
Fancher	1
Holley	1
Kent	1
Portageville	1
East Otto	1
Glenwood	1
Cattaraugus	1
Athol Springs	1

Most Pressing Short and Long Term Concerns

The most pressing concerns of businesses in both the short and long term are a decline in revenue or sales, and cash flow. A next tier of concern are the safety and well-being of employees and cash reserves.



Base: All Respondents (n=1,685)

Q1. Which of these are your most pressing concerns as a result of COVID-19 in the short term? [PICK TOP 5]

Q2. Which of these are your most pressing concerns as a result of COVID-19 in the long term? [PICK TOP 5]