



SURVEY RESULTS



IMPACTS OF COVID-19 ON ANNAPOLIS VALLEY REGION BUSINESSES

April 20, 2020



Executive Summary

The Valley Regional Enterprise Network launched an online survey in mid-March to gain an understanding of the high-level and immediate impacts of the COVID-19 crisis on the business community in the Annapolis Valley Region. The survey was distributed through the Valley REN network and through social media, where many other REN partner's also shared the survey link. The results are concerning though are in-line with other impact survey results coming in from across the country, showing that the Valley region is indeed not alone in its economic struggles due to COVID-19.

It goes without saying that COVID-19 is having an unprecedented impact on the regional economy. 100% of the 61 total survey respondents indicated a negative impact on their business, with 89% indicating a significant negative impact, and 11% indicating a lower negative impact. Overall, the top concern among respondents is drop in revenue, business, or deal flow (86%). The following three most significant concerns are:

- Seeing a decrease in demand for products or services (67%)
- Cancellations of meetings, gatherings, or events that you depend on (56%)
- Decrease of physical customer traffic resulting from heightened public fear/caution (53%)

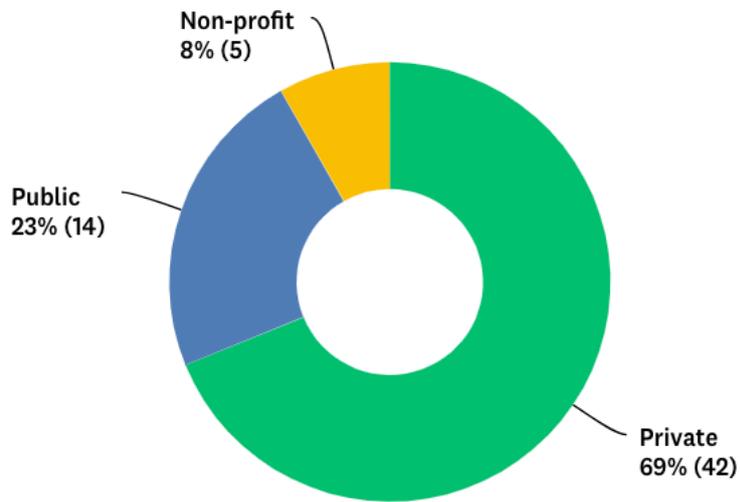
While this crisis impacts companies of all sizes, the majority of this survey respondents were small businesses with 85% having under 20 employees. Indeed, 62% of respondents reported a size of just 1-4 employees.

While surveys give us numbers and statistics, it's important to remember that behind the data are human stories. They're our friends, our family, and our favourite shops. Valley businesses and entrepreneurs are the drivers of innovation and growth of our region. The Valley Regional Enterprise stands ready to contribute to the economic recovery of the region by supporting our businesses and working with our strategic partners to ensure we emerge from this crisis as strong as possible.

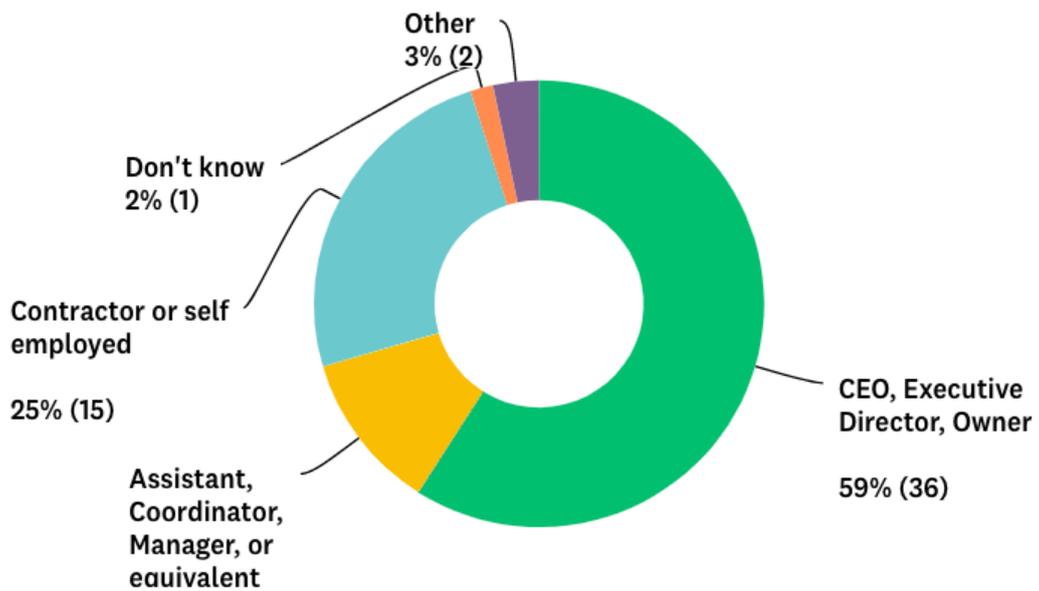
Please stay tuned for future surveys being launched by the Valley REN team, the next of which will examine how businesses are accessing the variety of new economic supports announced by various governments and organizations.

Should you have questions regarding this survey, please reach out to info@valleyren.ca.

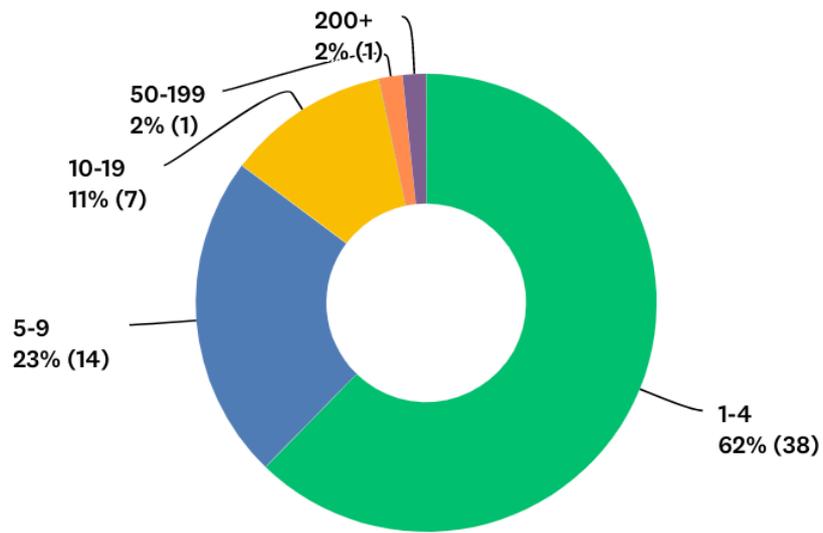
Are you in the private, public, or non-profit sector?



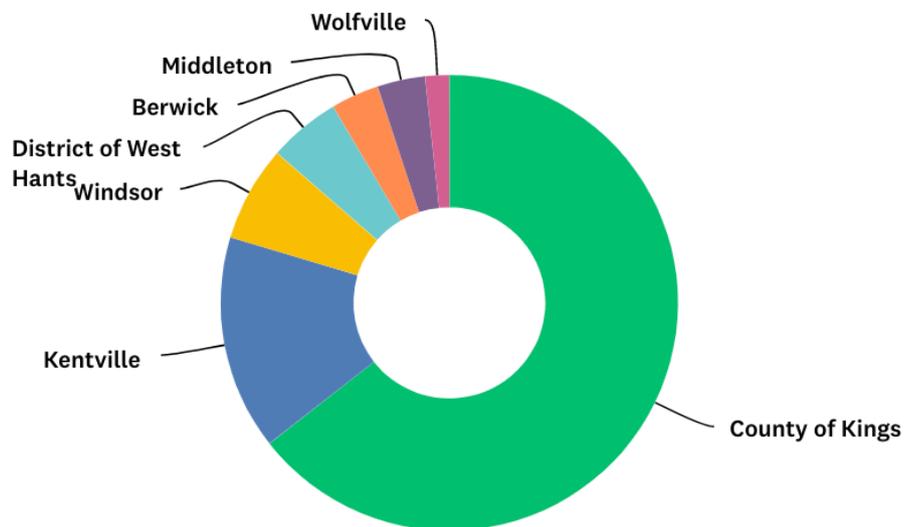
Select the option that best matches your job title.



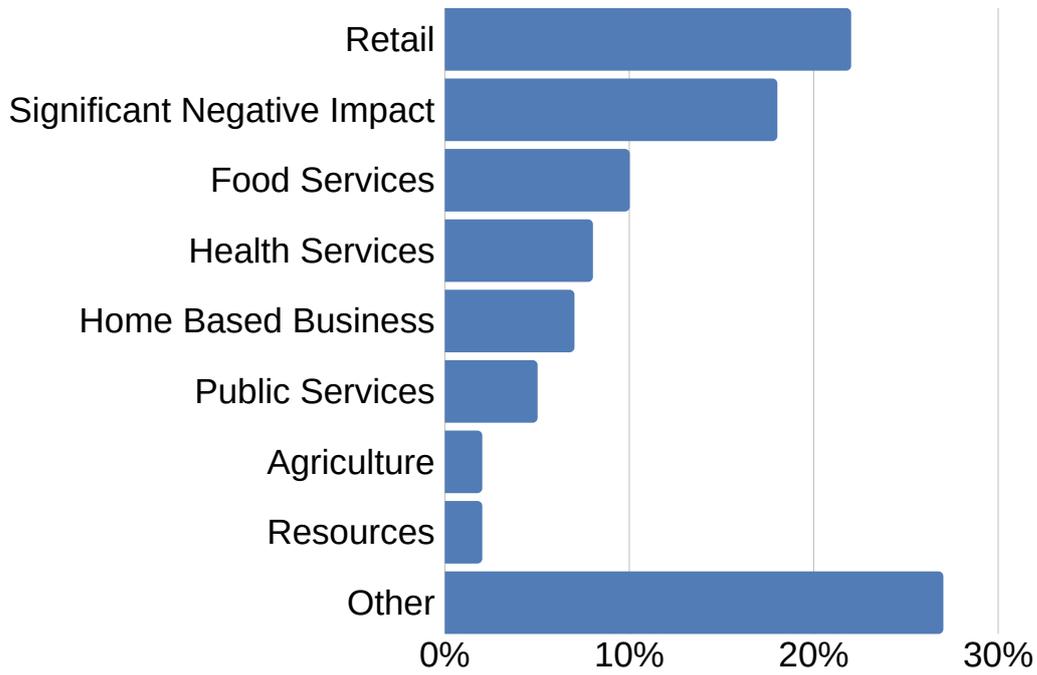
How many employees are within your organization?



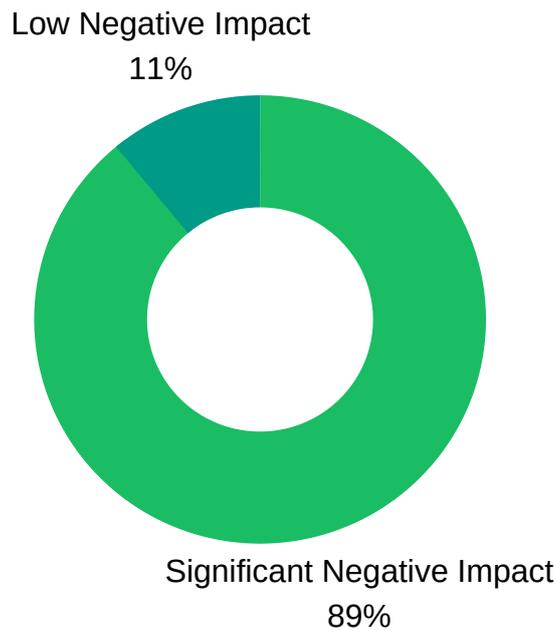
In which municipality is your business located?



Please select the most appropriate sector for your organization



Estimate the economic impact of COVID-19 on your business (ie. from the perspectives of revenue, supply chain, HR, etc)



What impacts from COVID-19 are you seeing within your business?

Drop in revenue, business, or deal flow	84%
Seeing a decrease in demand for products or services	67%
Cancellations of meetings, gatherings, or events that you depend on	56%
Decrease of physical customer traffic resulting from heightened public fear/caution	53%
Cancellation of your own events, meetings, gatherings	47%
Temporary/indefinite shutdown of office/workspaces	42%
Disruptions in the supplies, services, and/or materials needed to run your business	37%
Staff absences due to voluntary or required self-quarantines	23%
Staff are working from home	23%
Staff absences due to other issues (child care needs due to school closures, care for family/elderly, etc)	12%
Unable to move or ship your own goods due to disrupted supply chain	11%
Seeing an increase in demand for products or services	5%
Other*	14%

*Other responses included staff fear of coming to work, difficulty predicting impacts as the business season is just beginning for company, inability to collect payments owed, and government mandated shutdowns.

Please describe your greatest concerns regarding the impacts of COVID-19 to your business in the immediate and long term. Please describe what forms of assistance your business may need.

The nature of this question resulted in instances where identifying information had been shared by survey respondents. For the privacy of respondents, the following is a summary of major themes:

Revenue disruption was again a major theme in this answer. From drops in revenue to no revenue, respondents suggested direct revenue replacement support is needed through government programs. Not only was there concern with revenue, many are faced with the challenge of reimbursing clients due to cancelled business - a significant challenge without incoming revenue.

Numerous respondents were concerned with the prospect of taking on more debt in the form of business loans. While loans were understood to have their role, respondents encouraged governments and support authorities to look

to reduction in taxation, rent support, suspension of interest payments, and debt forgiveness as possible tools.

Respondents are worried about the long term economic impacts of COVID-19. Concerns about recession and the general economic condition of the country and beyond were shared.

Temporary closures and permanent loss of one's business was a significant concern, with many indicating that permanent closure is a very real possibility should economic impacts of COVID-19 and the restrictions from the public health perspective continue.

Finally, eligibility to the various announced support programs was a concern among respondents. Some of these concerns should since have been rectified as programs have evolved over time.

Are you satisfied with the level of information and communications regarding economic impacts and supports from authorities or support services?

