COVID-19 Impact on Iowa Businesses - Survey 2
Bremer County Report

July 20, 2020

Prepared For:

Waverly Chamber of Commerce
A Main Street Community

The information used in this report is from an online survey conducted on behalf of the Iowa Economic Development Authority, from May 14 through May 29 of all Iowa businesses. Overall, 9,681 businesses responded to the survey. The University of Northern Iowa is providing local summaries to help communities and organizations in understanding the ongoing impact of the COVID-19 crisis on local businesses and to assist local partners in identifying recovery strategies.

IOWA economic development

Research conducted by:

University of Northern Iowa
Business & Community Services
Institute for Decision Making | Strategic Marketing Services

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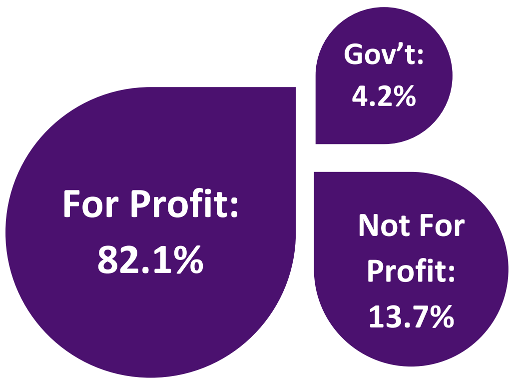
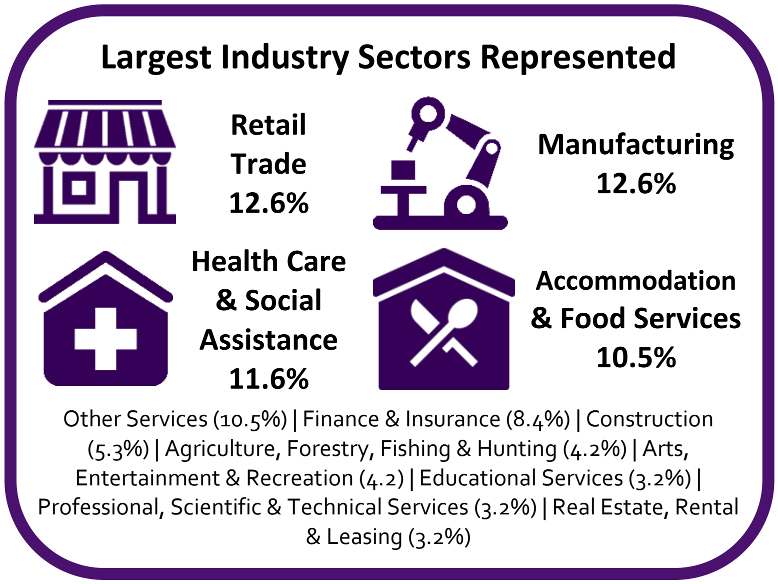
About the Respondents:

Survey 2 received 95 responses from Bremer County. As a comparison, 124 respondents completed Survey 1 in March. Survey 2 respondents represented business ownerships of all types (Figure 1). Businesses from several industry sectors and various employee sizes offered responses to the survey questions.

Figure 1: Respondent Ownership Types





Well over half (57.7%) of the survey respondents were small businesses with fewer than 10 employees and nearly 70% had fewer than 25 employees (Figure 2).

Survey respondents were asked to provide 2019 annual revenue data by selecting an appropriate revenue range. A total of 76 respondents provided 2019 annual revenue information (Figure 3).

Figure 2: Respondents by Business Employment Size

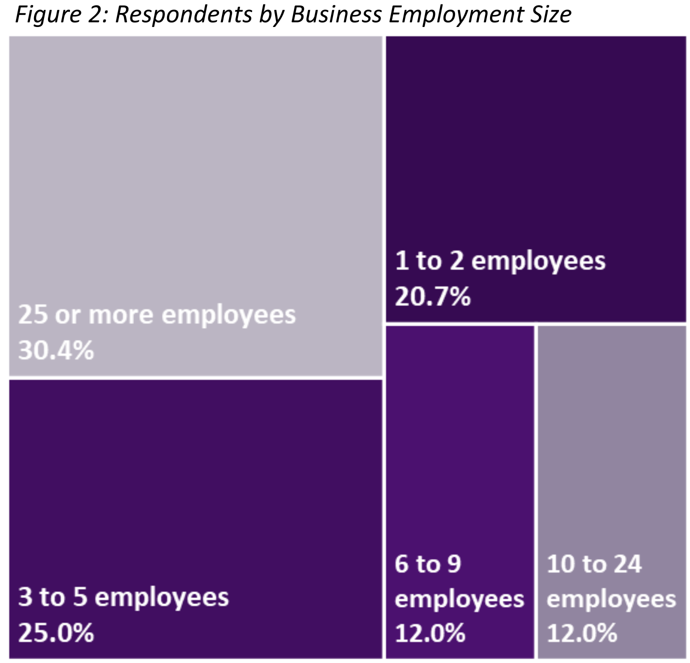
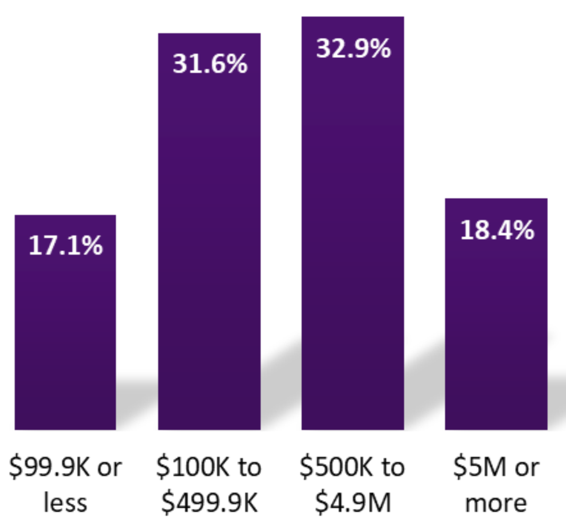


Figure 3: Average Annual 2019 Revenue



Average 2019 annual revenue: $5,889,282
Median 2019 annual revenue: $749,950

Organizational Impact of the Coronavirus (COVID-19) Outbreak:

Respondents were asked about the impact of the outbreak overall (Figure 4) and on specific areas of business (Figure 5). In general, the overall impact percentages from respondents in Survey 2 were very similar to the percentages in Survey 1. There was a higher percentage of Survey 2 respondents who noted specific impacts to business in all given areas when compared to Survey 1. Notable differences were in the areas of customer demand and business operations, where 80.7% and 79.5% of Survey 2 respondents identified them as areas of impact – 21.8 and 19.0 percentage points higher than respondents in Survey 1, respectively.

Figure 4: Overall Impact

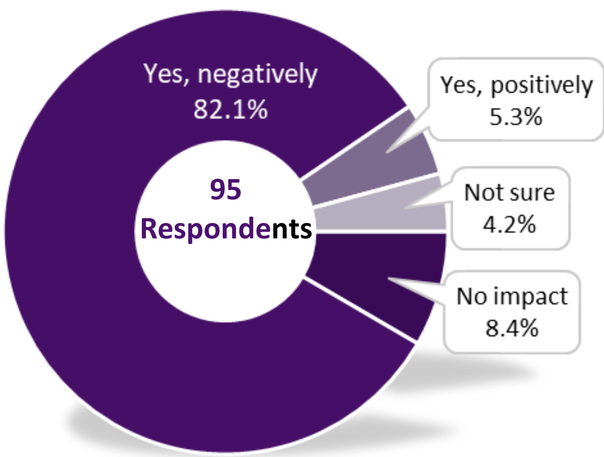
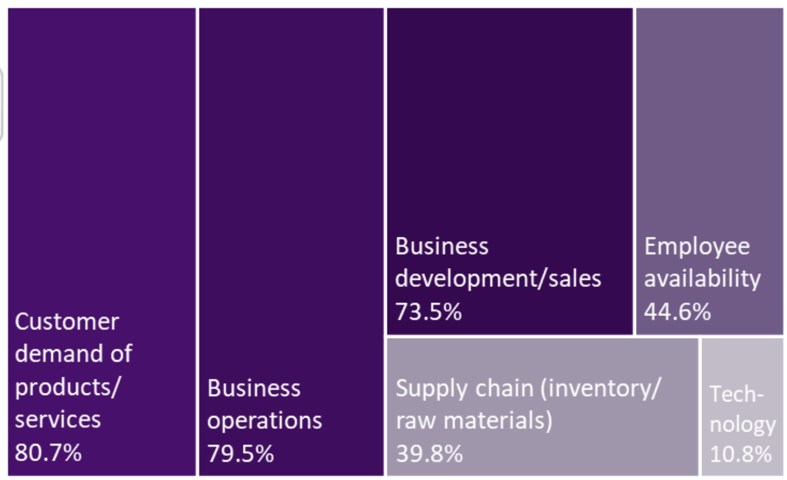


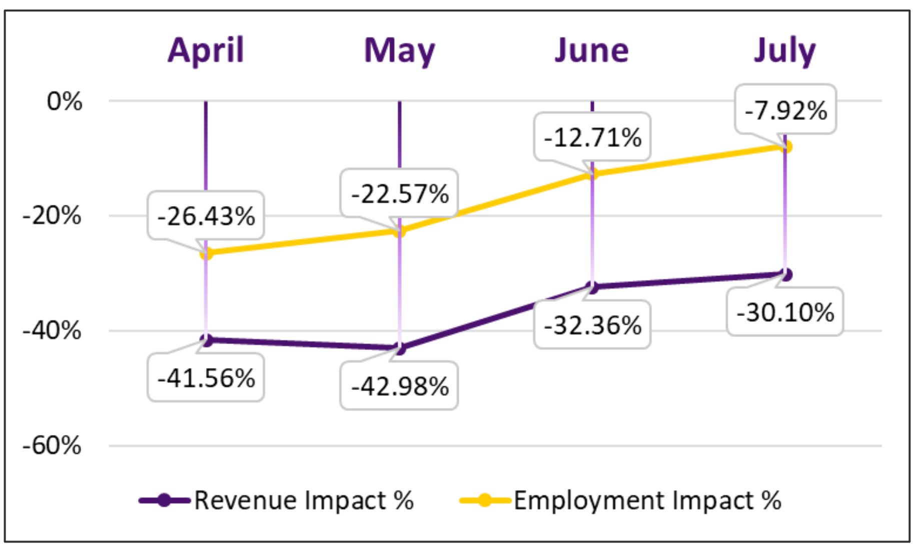
Figure 5: Areas of Business Impact



Estimated Impact on Revenue and Employment

Respondents noted a continuing negative impact on revenue and employment (Figure 6). Respondents indicated April revenues decreasing by over 41%, and employment levels decreasing by over 26%. After May, while still negative, respondents do expect an improving outlook in the coming months.

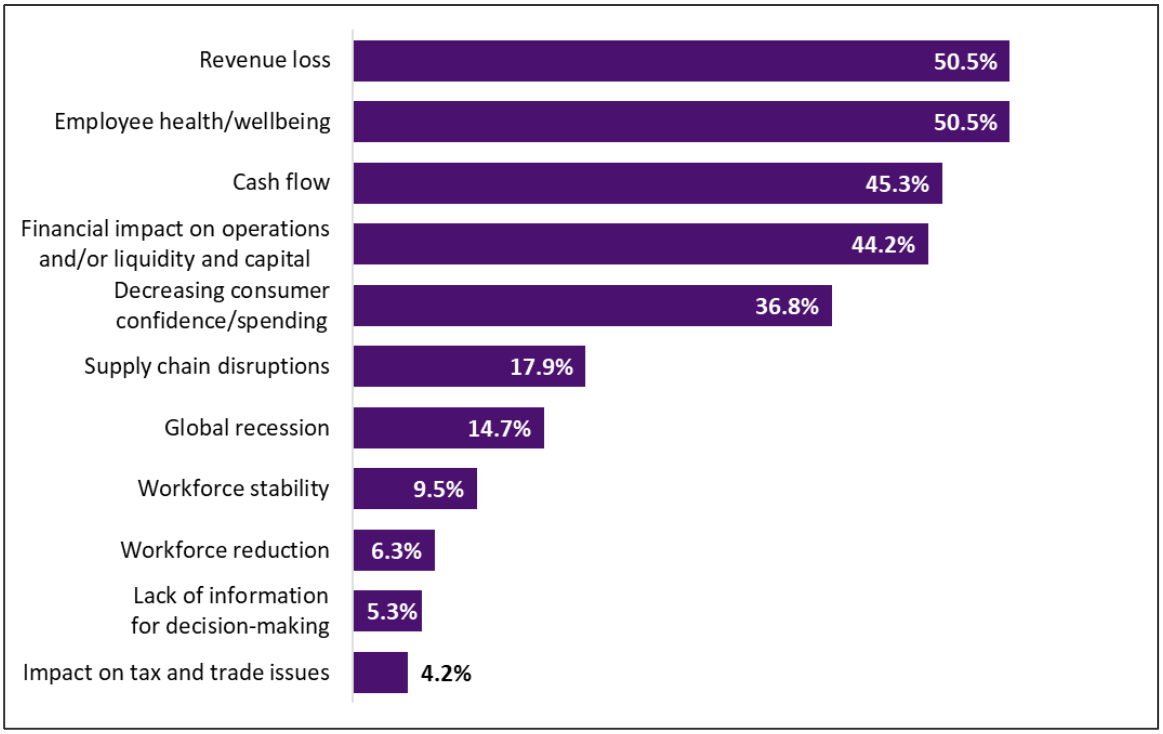
Figure 6: Current and Expected Impact on Revenue and Employment



Top Concerns with Respect to COVID-19

Over half of the respondents (50.5%) indicated that revenue loss and employee health/wellbeing were one of their top three concerns in regard to coronavirus (COVID-19). Other top concerns included cash flow (45.3%) and financial impacts on operations, liquidity and capital (44.2%) (Figure 7). Respondents were least concerned about the impact on productivity (3.2% of respondents).

Figure 7: Top Organizational Concerns with Respect to COVID-19



Financial Assistance Applications

Respondents were asked which, if any, financial assistance options they had applied for (Figure 8) and the status of their applications (Figure 9). Around 25% of the respondents indicated that they had not applied for financial assistance. Of those that did apply, 111 applications were submitted to various programs.

Figure 8: Financial Assistance Options Sought by Respondents

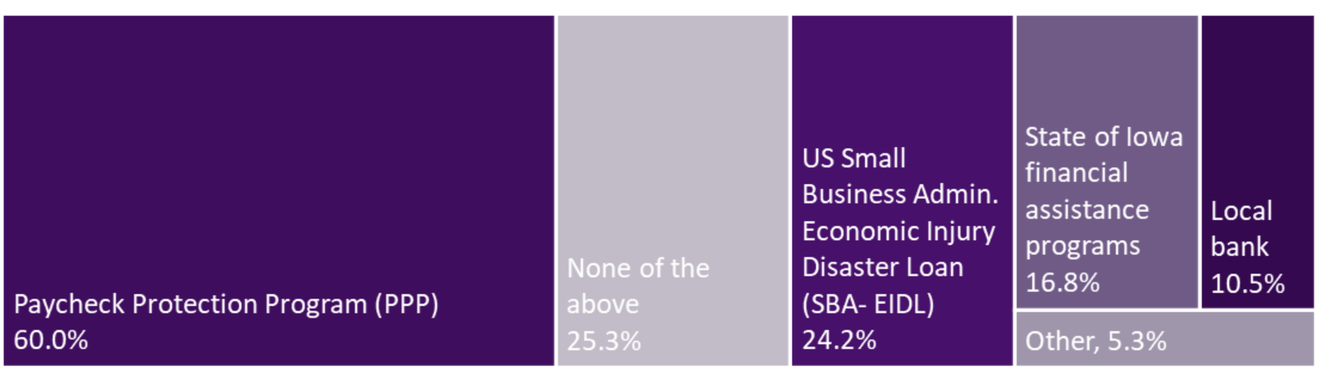
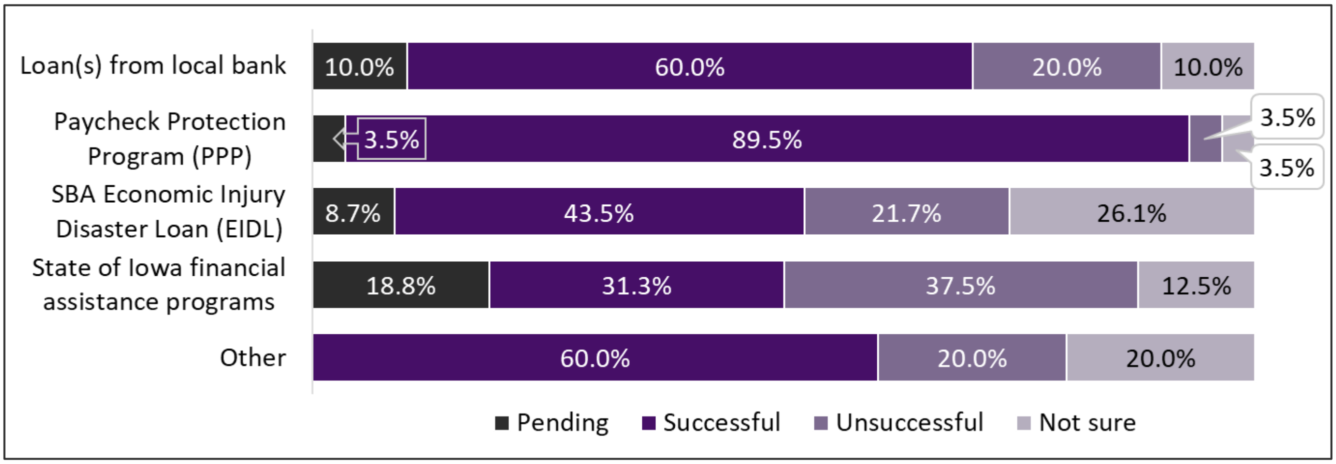


Figure 9: Status of Financial Assistance Applications



Organizational Precautions & Concerns

Respondents were asked about the precautions taken or planned by their organization to limit the spread of COVID-19 within the workplace (Figure 10) and their level of concern for certain barriers the organization may face as employees return or continue working in the workplace (Figure 11). Top precautions included increased sanitation efforts (86.3% of respondents) and limitations on the size of in-person meetings (64.2% of respondents), followed by mask or other PPE requirements (57.9%).

Figure 10: Precautions Implemented or Planned

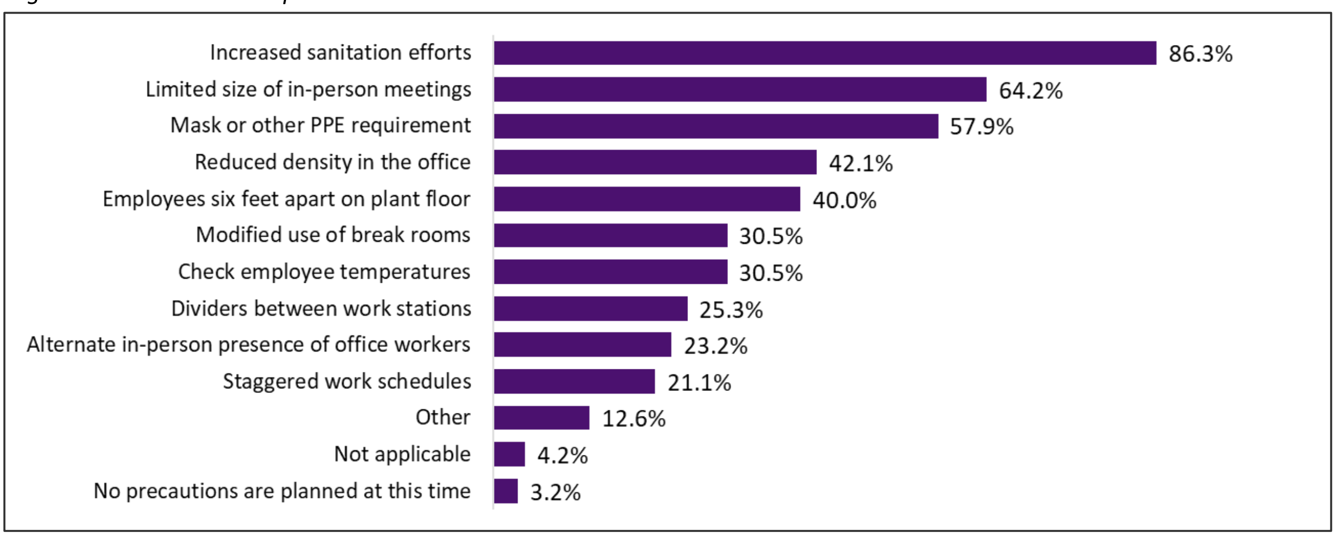
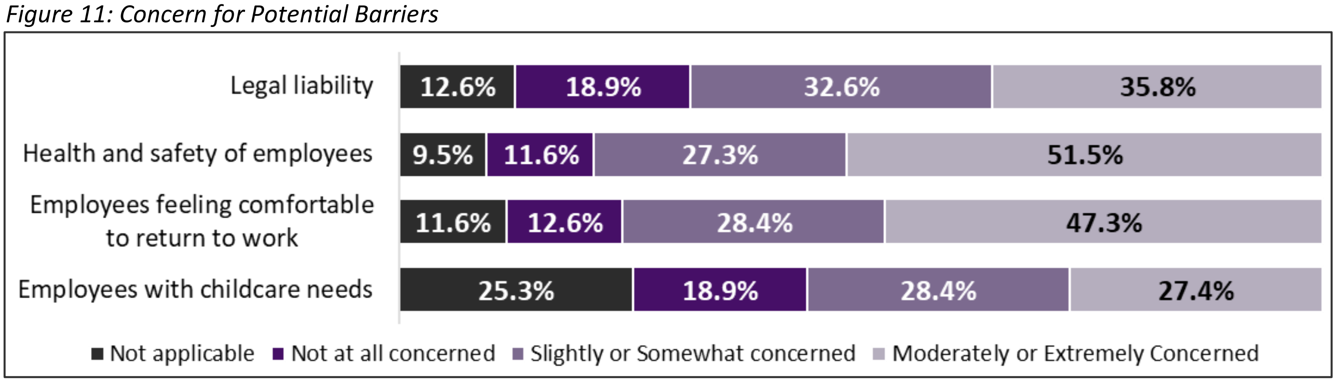


Figure 11: Concern for Potential Barriers



Online Sales Presence

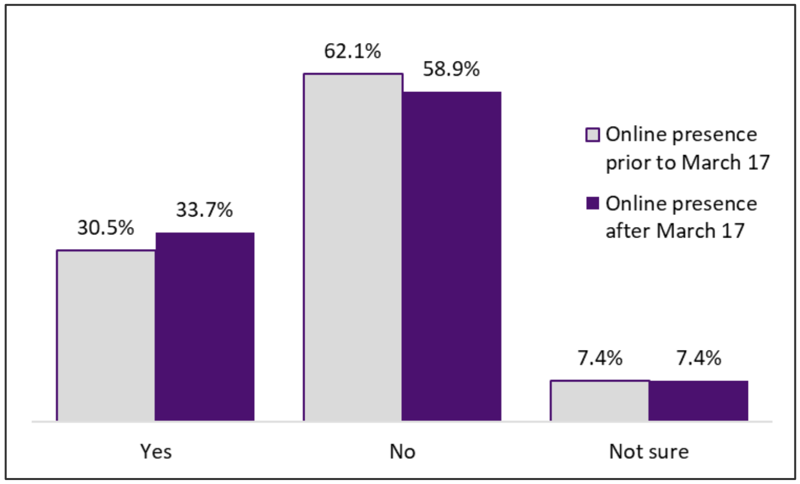
Over 30% of respondents reported having an online presence prior to March 17th of 2020. This grew by 3.2 percentage points to 33.7% after March 17th (Figure 12)

Around 30% of respondents with an online sales presence noted that online sales supplemented between 1 and 10% of normal monthly revenue each month from March through May.

Top barriers to offering online sales or services included:

- Time (18.9%)
- Knowledge of software or technology to implement (17.9%)
- Cost (15.8%)
- Workforce availability (13.7%)

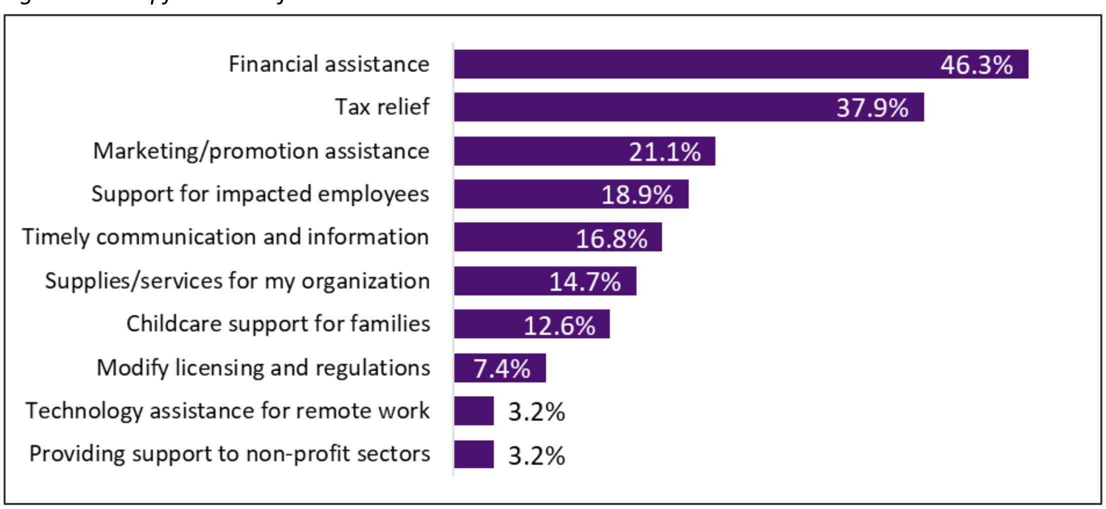
Figure 12: Online Sales Presence Before and After March 17



Helpful Assistance or Resources

Respondents were asked about the types of assistance that would be most helpful to their organizations. Financial Assistance was selected by 46.3% of the respondents, and Tax Relief was selected by 37.9% of the respondents (Figure 13).

Figure 13: Helpful Areas of Assistance



The most common areas of financial assistance identified were grants. Tax relief was specified most commonly as in general tax relief and sales tax relief.