

Atlanta Wealth Building Initiative

Impact of COVID-19 on Atlanta's Small Businesses

Small Business Survey Results
Data collected April 4, 2020





OVERVIEW

The COVID-19 pandemic is having a negative impact on small businesses throughout the city of Atlanta. Businesses are grappling with a loss of sales, fewer customers, and the risk of laying off employees. These risks can have devastating affects as many small businesses provide employment to local residents and offer products/services in communities often ignored by national retailers.

With black- owned businesses significantly lagging behind white-owned business in regards to business value, access to capital, and operational expertise, the economic loss facing businesses of color can have exponential financial impacts on families and communities throughout the city.

In order to assess the immediate needs of small business owners as a result of COVID-19, Atlanta Wealth Building Initiative, along with Georgia Watch, Georgia Micro Enterprise Network and Uhuru Concepts created a small business survey to provide the necessary data to mobilize and coordinate resources for struggling businesses. The focus of this analysis is the third round of survey distribution sent out by the City of Atlanta and Invest Atlanta.



APPROACH

- **274** respondents
- **53** zip codes
 - 85% city of Atlanta
 - Remainder Metro Atlanta
- **65%** of surveys represent 10 zip codes (in order of frequency)
 - 30318, 30309, 30303, 30312, 30324, 30307, 30316, 30305, 30310, 30317
- **10** zip codes (30312, 30318, 30309, 30316, 30303, 30307, 30324, 30305, 30310, 30311) capture 66.46% of black owned and women owned businesses identified in the survey.
- Surveys were distributed via Invest Atlanta and AWBI's Community of Practice partners.

IMPACT OF COVID-19



77% have **reduced employee hours** as a result of COVID-19

64% report they were **not financially prepared** for reduction in income/this crisis

96% have experienced **sluggish sales** the past 2 weeks

72% **do not have business disruption insurance** and even those with insurance are citing that the pandemic is not covered

IMPACT OF COVID-19

Businesses report **that reduction in sales, need to reduce staff hours** and **inability to pay rent/mortgage** are the top three business impacts of COVID-19.

Business Impacts



SUPPORT NEEDED

Rent/mortgage and **employee payroll** are the top needs indicated by businesses surveyed. Businesses report that this critical support is needed within the next **1-3 months**.

Top Anticipated Needs*

49% anticipate needing funding for **rent/mortgage** payments in the next **1-3 months**

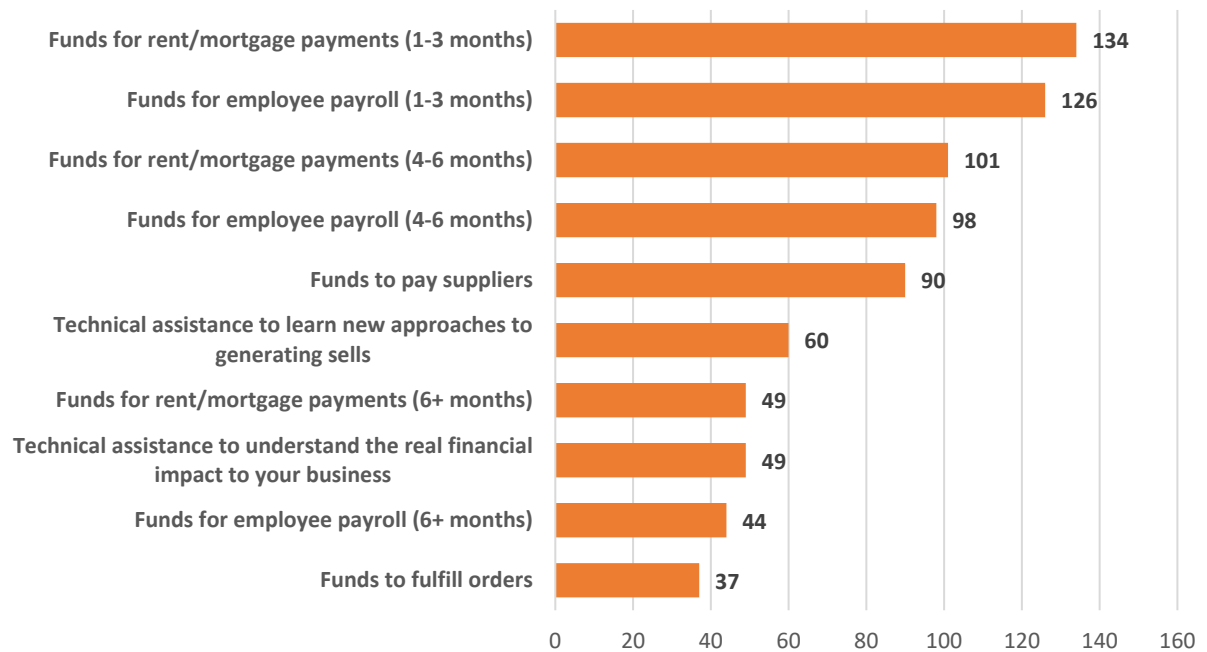
46% anticipate needing funding for **employee payroll** in the next **1-3 months**

37% anticipate needing funding for **rent/mortgage** in the **next 4-6 months**

36% anticipate needing funding for **employee payroll** in the next **4-6 months**

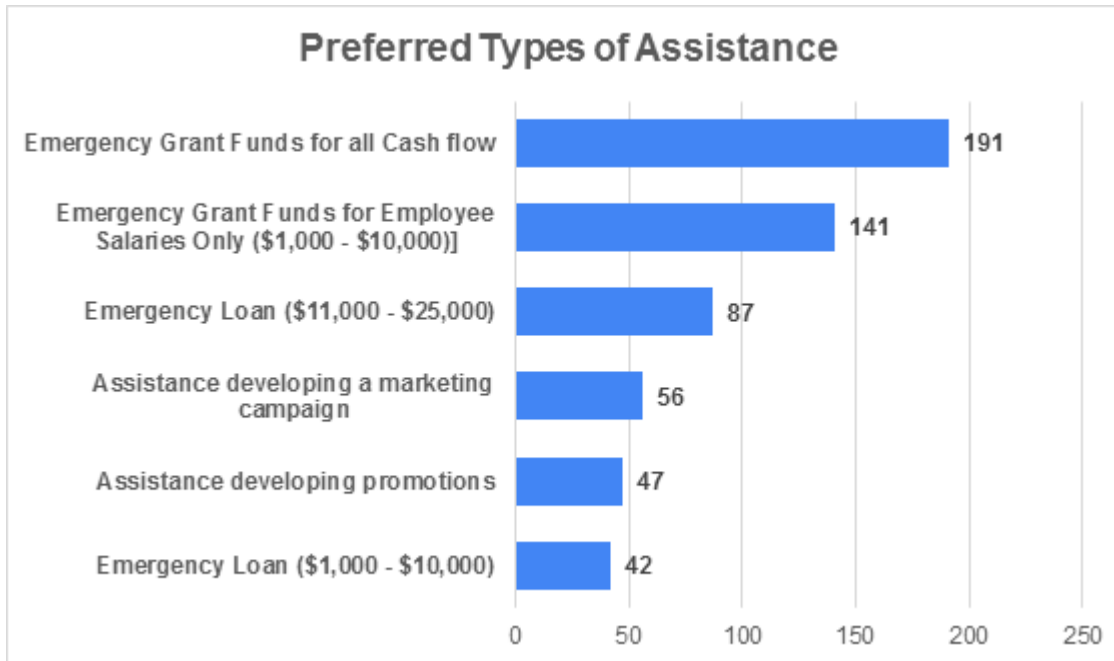
*Total number of responses was 274, however, respondents were able to select multiple options.

Anticipated Needs for Support



PREFERRED ASSISTANCE NEEDED

Given the categories of support loans, grants, and technical assistance, **70%** of businesses cite that emergency grant funds for all cash flow, including rent, is their most preferred type of assistance to help them through this crisis. Grant funds to cover employee salaries is the second preferred type of assistance.



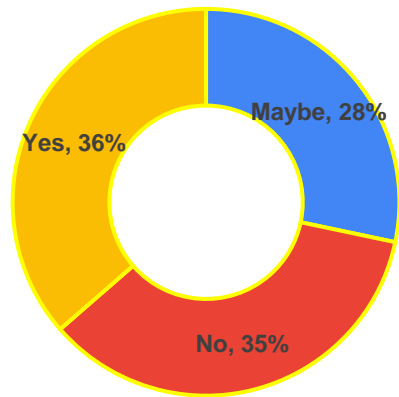
*Total number of responses was 274, however, respondents were able to select multiple options.

70% of businesses cite that emergency grant funds for all cash flow, including rent, is their most preferred type of assistance

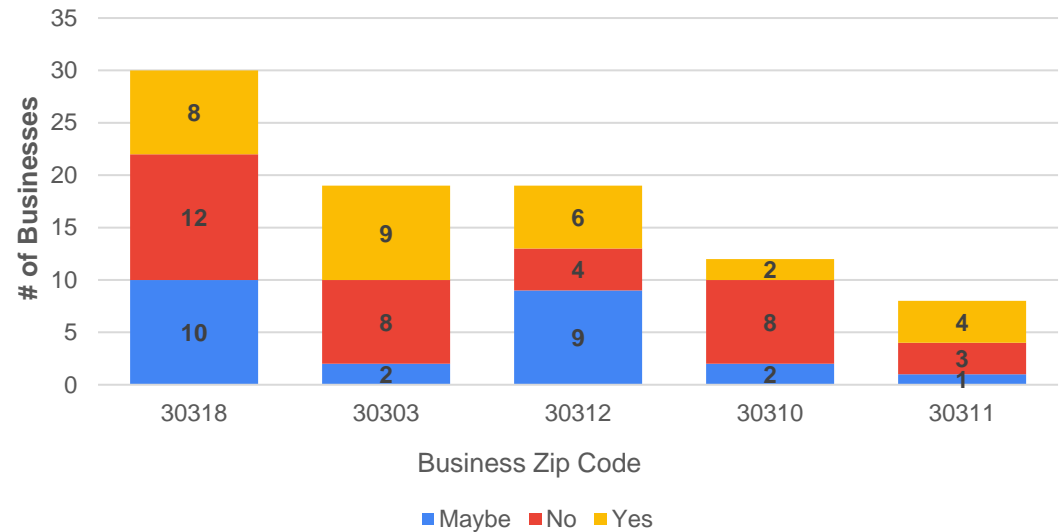
DISPLACEMENT

Business displacement, particularly among legacy business owners, is a common concern for Atlanta business owners, perhaps exacerbated by the COVID-19 crisis. **36%** of all businesses surveyed are concerned about displacement.

Displacement Concerns



Concerned about Displacement by Zip Code

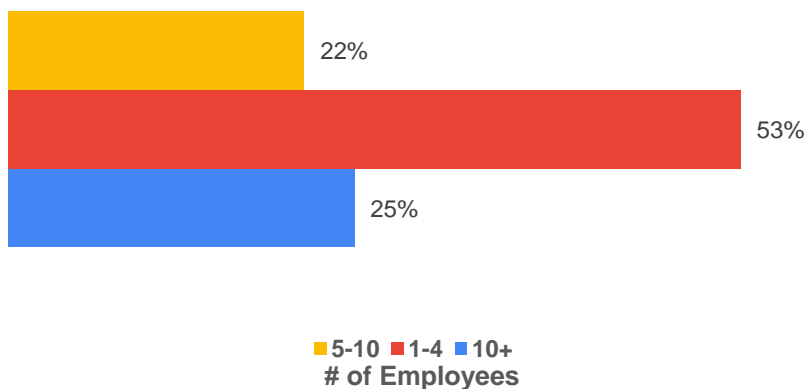


DEMOGRAPHICS

THE BUSINESSES

The majority of businesses represent the **professional services, creative** and **restaurant** industries. Most businesses surveyed have just **1-4 employees**.

Businesses with Employees



Business Types

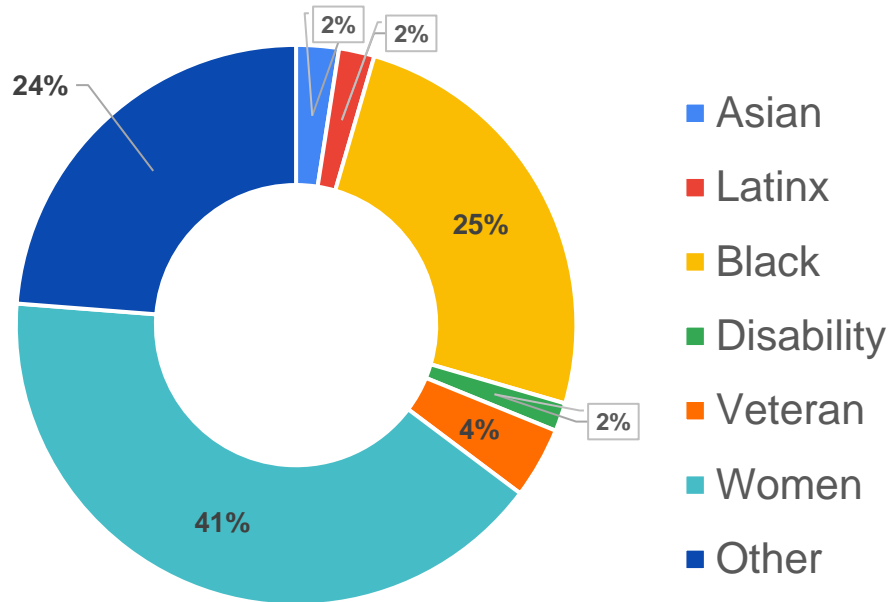


DEMOGRAPHICS

Nearly **60%** of those surveyed represent black and/or women owned businesses; however, most businesses surveyed do not hold an MBE or WBE certification.



Demographics (Voluntary)



FROM THE BUSINESS OWNERS:

“Despite the ‘small businesses have options’ message out there,
there really is nothing available to protect us from this crisis.”

“I am looking for **grants, zero interest loans**, or for my **rent, utilities,**
and **mortgage** to be deferred or waived.”

atlanta

SUMMARY

The Atlanta small business community is facing unprecedented challenges. While businesses cite emergency grant funding as their most preferred type of support, businesses also cite a need for loans up to \$25,000 to carry them through the economic disruption of COVID-19. Long term, businesses are concerned about supporting their employees as well as paying their rent/mortgage over the coming months as the full impact of COVID-19 on our small business community and local economy is revealed.

“Speed is of the essence right now for small businesses. We are in significant need of emergency funding.”

SURVEY COMPARISON

The Small Business Impact Survey was first distributed on March 17, 2020 with data collected and analyzed on March 20 and then again on March 26. The survey was first distributed to AWBI's Community of Practice and analysis was conducted by Uhuru Concepts. A second survey with slight modifications was then distributed to Invest Atlanta's small business list. Notable trends in the surveys include a shift from anticipating a need to support employee payroll to a need to support rent/mortgage. The survey also highlights the increasing economic impact of COVID-19 and the urgency for receipt of funding, reflected in the increase from 87% to 95% of business who are experiencing sluggish sales. The need for flexible grant capital remained consistent throughout the surveys.

Survey Data Collected	March 20, 2020	March 26, 2020	April 4, 2020
Distribution Partners	AWBI Community of Practice	AWBI Community of Practice	AWBI/Invest Atlanta Small Businesses
Survey Responses (as of 4/4/2020)	112	276*	274
# of Zip Codes Represented	--	21	53
Top 3 Business Sectors	Professional Service, Creative Industry, Other	Professional Service, Creative Industry, Other	Professional Service, Creative Industry, Restaurant
Top 3 Zips for Black & Women Owned Biz	--	30310, 30312, 30318	30312, 30318, 30303
Not Financially Prepared for Crisis	74%	68%	64%
Experienced Sluggish Sales in the Last 2 weeks	87%	91%	95%
Top Anticipated Needs for Support	Funds for Employee Payroll (\$1,000- \$10,000)	Rent/Mortgage (1-3 Months)	Rent/Mortgage (1-3 Months)
Preferred Assistance	Emergency Grant Funds for All Grant Purposes	Emergency Grant Funds for All Grant Purposes	Emergency Grant Funds for All Grant Purposes

*Reflects cumulative total of survey responses to March 20, 2020 survey.

Access to Capital for Entrepreneurs (ACE) Small Business Survey

Access to Capital for Entrepreneurs (ACE), a key Atlanta Wealth Building Initiative partner, has taken an assertive approach in reaching out to their entire small business loan portfolio through both surveys, telephone interviews, and short-term cures in response to the COVID-19 crisis. Responses echo the urgency and dire predicament of Atlanta's small business community that is reflected in the AWBI Small Business survey.

Data Summary

217 respondents

121 Zip codes

69% have experienced sluggish sales

25% have reduced employee hours or will foresee a need to do so

55% not financially prepared to experience a reduction in sales/revenue

62% of responses came from 40 different zip codes (highest frequency: 30310 and 30533)

93% are NOT concerned about displacement

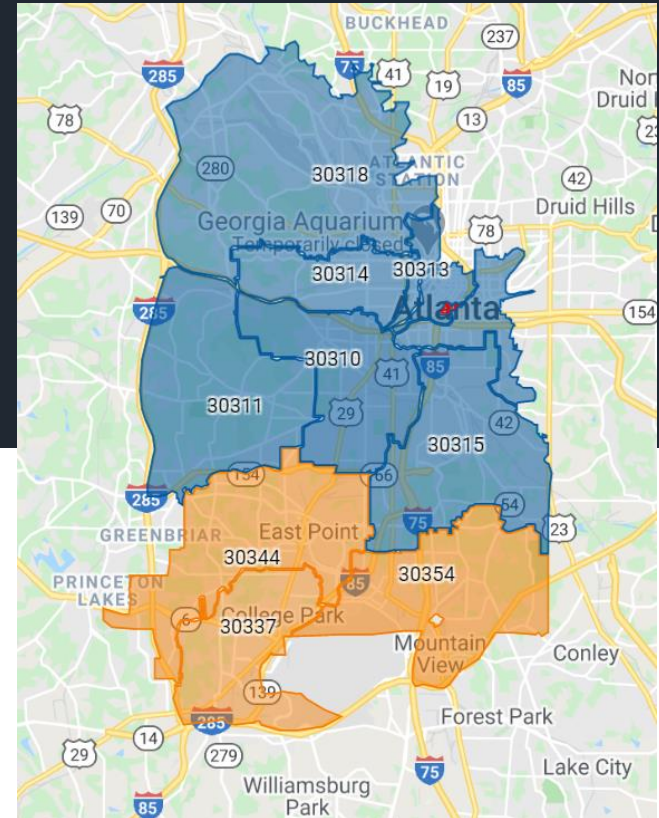


ACCESS TO CAPITAL FOR ENTREPRENEURS

Atlanta Wealth Building Initiative

Atlanta is the number one city for income inequality in America. In fact, if a person is born into poverty in Atlanta, there is just a 4% chance of escaping poverty in their lifetime. Across all measures of household financial security, households of color are faring worse than White households in Atlanta. Almost 70% of Black families are liquid asset poor compared to 22% of white families. Today, the median household income for blacks is just one-third that of whites.

Atlanta Wealth Building Initiative seeks to **reimagine economic realities** in communities of color through **community wealth building strategies** that powerfully leverage **ideas, people** and **capital**.

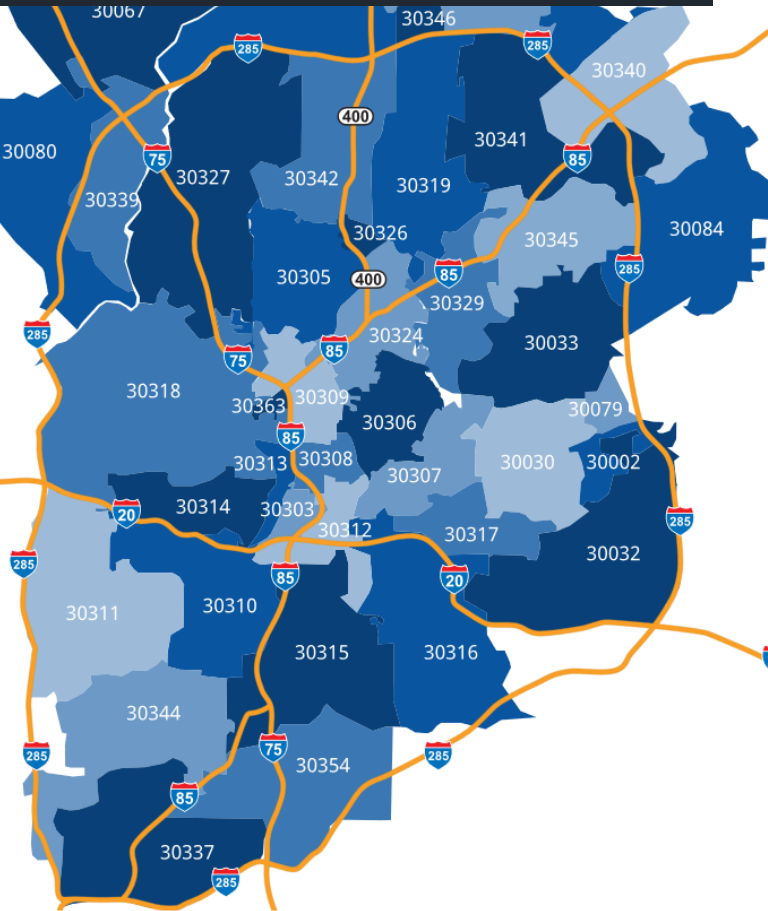


- **AWBI Zip Code Footprint:** 30318, 30313, 30314, 30303, 30312, 30315, 30310, 30311
- **Extended Service with Aerotropolis Overlay:** 30337, 30354, 30337)



APPENDIX

APPENDIX ZIP CODES



Zip Codes	Survey Responses	Zip Codes	Survey Responses
30318	30	30306	7
30309	22	30326	6
30303	19	30331	5
30312	19	30315	4
30324	19	30313	4
30307	17	30030	3
30316	16	30344	3
30305	14	30339	3
30310	12	30349	2
30317	10	30329	2
30308	8	30357	2
30342	8	30032	2
30311	8	30325	2

Zip Codes	Survey Responses	Zip Codes	Survey Responses
30332	1	30319	1
30071	1	30336	1
30046	1	30321	1
30314	1	30340	1
30013	1	30213	1
30075	1	30060	1
30043	1	30034	1
30080	1	30067	1
30345	1	30268	1
30097	1	30361	1
30363	1	30327	1
30189	1	31106	1
30302	1	30328	1
		30041	1

APPENDIX

30318

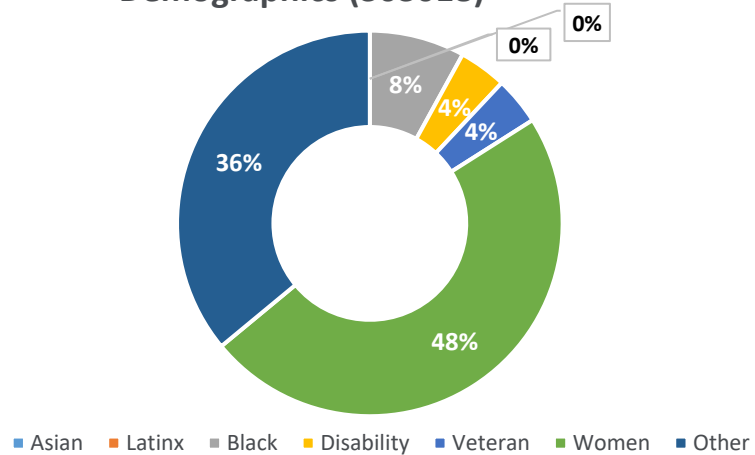
Survey Responses 30
Sluggish Sales 93%

Reduced Employees:
77% have reduced employee hours
73% foresee the need to reduce employee hours

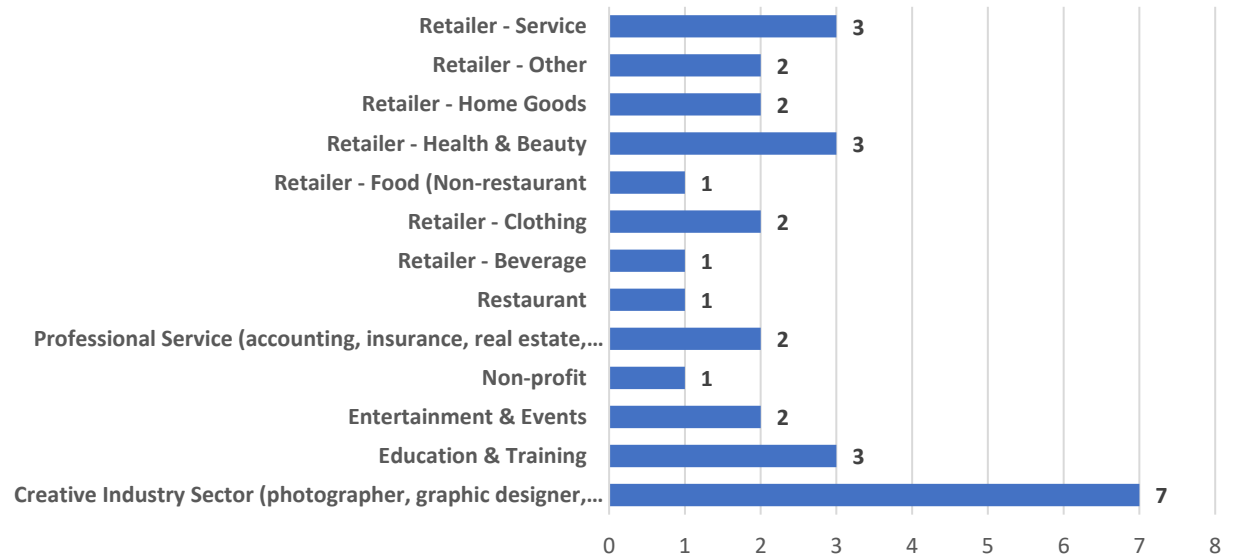
Displacement:
27% answered yes, 33% maybe
Not Financially Prepared:
90% of the businesses were not financially prepared for this crisis.

Biz Disruption Insurance:
10% of businesses have disruption insurance; but even those are not sure their insurance covers pandemic.

Demographics (303018)



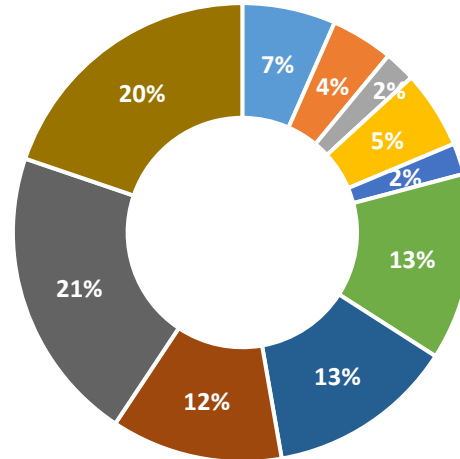
Business Types (30318)



APPENDIX

30318

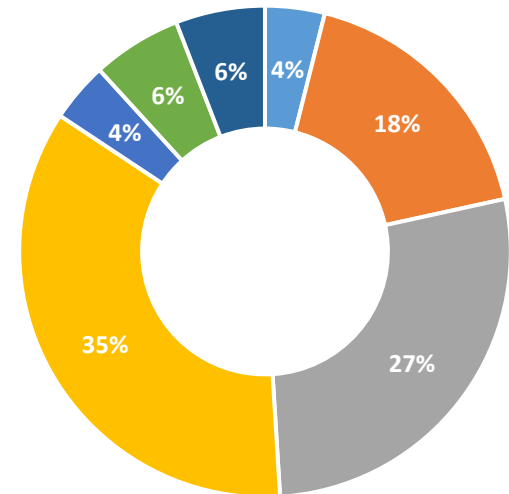
Anticipated Needs (30318)



- Funds to fulfill orders
- Funds for employee payroll (6+ months)
- Technical assistance to understand the real financial impact to your business
- Funds for rent/mortgage payments (6+ months)
- Technical assistance to learn new approaches to generating sells
- Funds to pay suppliers
- Funds for employee payroll (4-6 months)
- Funds for rent/mortgage payments (4-6 months)
- Funds for employee payroll (1-3 months)
- Funds for rent/mortgage payments (1-3 months)

Preferred Types of Assistance (30318)

- Emergency Loan (\$1,000 - \$10,000)
- Emergency Loan (\$11,000 - \$25,000)
- Emergency Grant Funds for Employee Salaries Only (\$1,000 - \$10,000)]
- Emergency Grant Funds for all Cash flow
- Online class on how to sell products online
- Assistance developing promotions
- Assistance developing a marketing campaign



APPENDIX

30309

Surveys 22
Sluggish Sales 68%

Reduced Employees

43% have already deduced employee hours and 50% foresee the need to reduce employee hours

Displacement

50% answered yes, 14% answered maybe

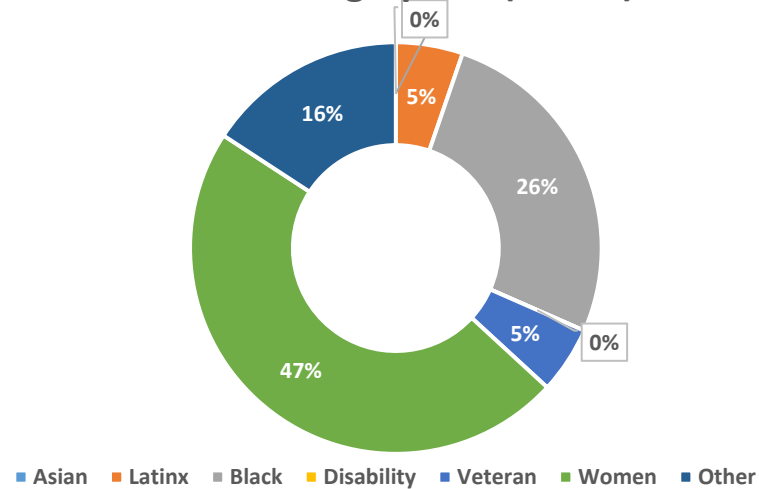
Not Financially Prepared

Only 14% of the businesses were financially prepared for this crisis.

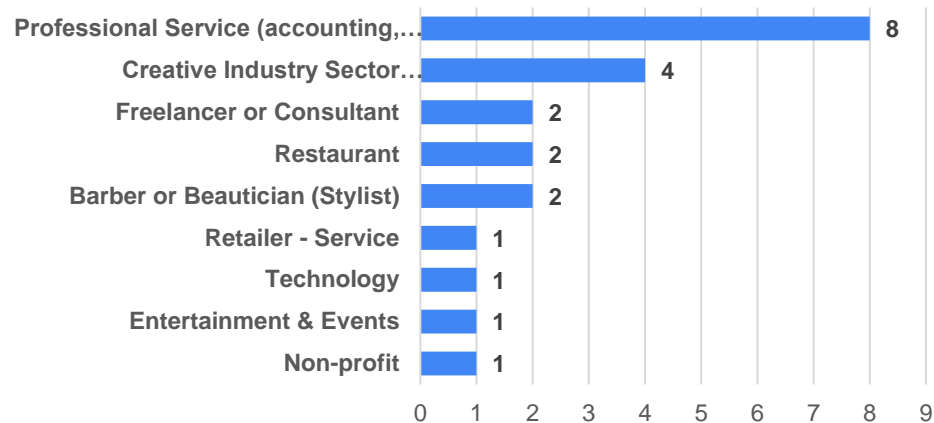
Biz Disruption Insurance

Only 5% of businesses have disruption insurance; but even those are not sure their insurance covers pandemic.

Demographics (30309)



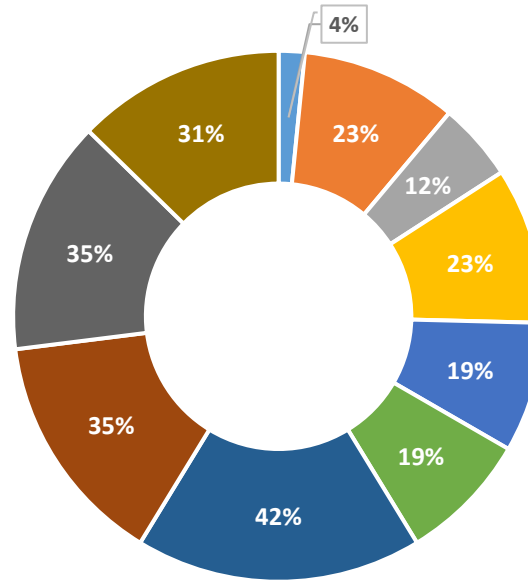
Business Types (30309)



APPENDIX

30309

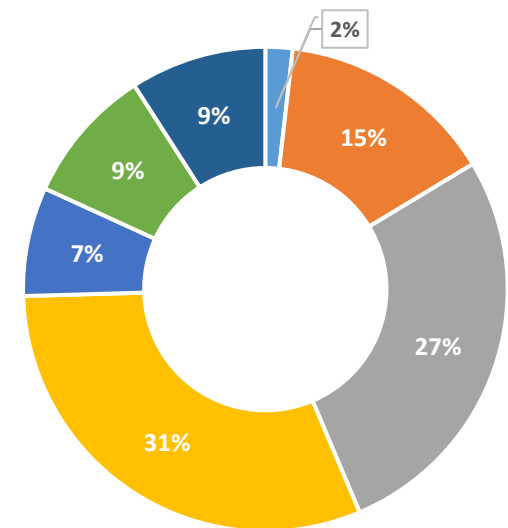
Anticipated Needs (30309)



- Funds to fulfill orders
- Funds for employee payroll (6+ months)
- Technical assistance to understand the real financial impact to your business
- Funds for rent/mortgage payments (6+ months)
- Technical assistance to learn new approaches to generating sells
- Funds to pay suppliers
- Funds for employee payroll (4-6 months)
- Funds for rent/mortgage payments (4-6 months)
- Funds for employee payroll (1-3 months)
- Funds for rent/mortgage payments (1-3 months)

Preferred Types of Assistance (30309)

- Emergency Loan (\$1,000 - \$10,000)
- Emergency Loan (\$11,000 - \$25,000)
- Emergency Grant Funds for Employee Salaries Only (\$1,000 - \$10,000]
- Emergency Grant Funds for all Cash flow
- Online class on how to sell products online
- Assistance developing promotions
- Assistance developing a marketing campaign



APPENDIX

30303

Surveys 19
Sluggish Sales 95%

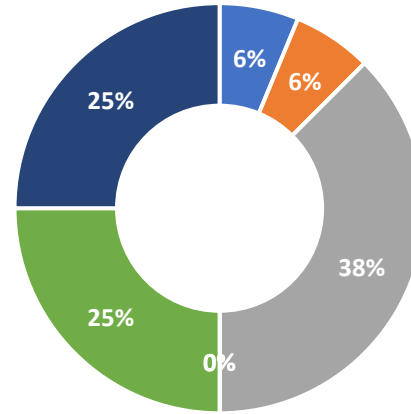
Reduced Employees
74% have already deduced employee hours and 68% foresee the need to reduce employee hours

Displacement
47% answered yes, 11% answered maybe

Not Financially Prepared
Only 16% of the businesses were financially prepared for this crisis.

Biz Disruption Insurance
Only 11% of businesses have disruption insurance; but even those are not sure their insurance covers pandemic.

Demographics (30303)



■ Asian ■ Latinx ■ Black ■ Disability ■ Veteran ■ Women ■ Other

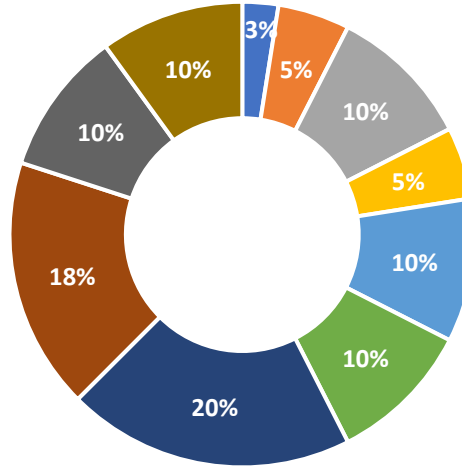
Business Types (30303)



APPENDIX

30303

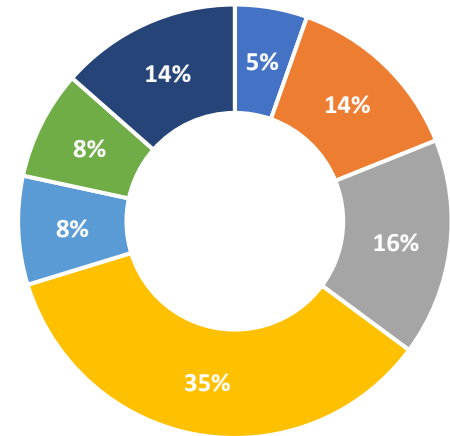
Anticipated Needs (30303)



- Funds to fulfill orders
- Funds for employee payroll (6+ months)
- Technical assistance to understand the real financial impact to your business
- Funds for rent/mortgage payments (6+ months)
- Technical assistance to learn new approaches to generating sells
- Funds to pay suppliers
- Funds for employee payroll (4-6 months)
- Funds for rent/mortgage payments (4-6 months)
- Funds for employee payroll (1-3 months)
- Funds for rent/mortgage payments (1-3 months)

Preferred Types of Assistance (30303)

- Emergency Loan (\$1,000 - \$10,000)
- Emergency Loan (\$11,000 - \$25,000)
- Emergency Grant Funds for Employee Salaries Only (\$1,000 - \$10,000]
- Emergency Grant Funds for all Cash flow
- Online class on how to sell products online
- Assistance developing promotions
- Assistance developing a marketing campaign



APPENDIX

30312

Surveys 19
Sluggish Sales 95%

Reduced Employees

68% have already deduced employee hours and 84% foresee the need to reduce employee hours

Displacement

32% answered yes, 47% answered maybe

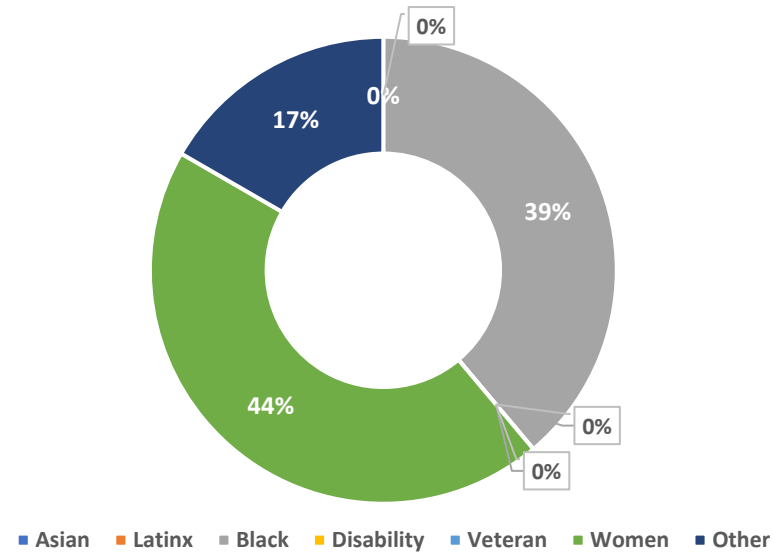
Not Financially Prepared

Only 21% of the businesses were financially prepared for this crisis.

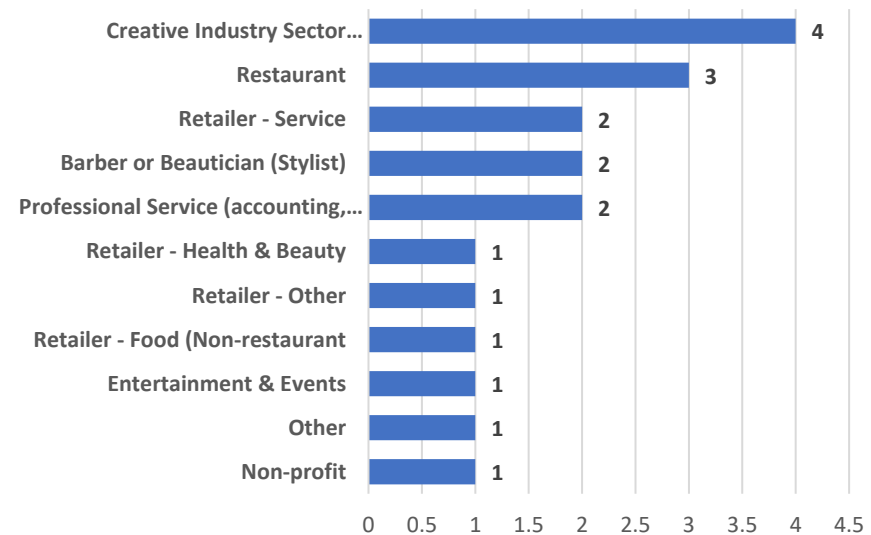
Biz Disruption Insurance

Only 16% of businesses have disruption insurance; but even those are not sure their insurance covers pandemic.

Demographics (30312)



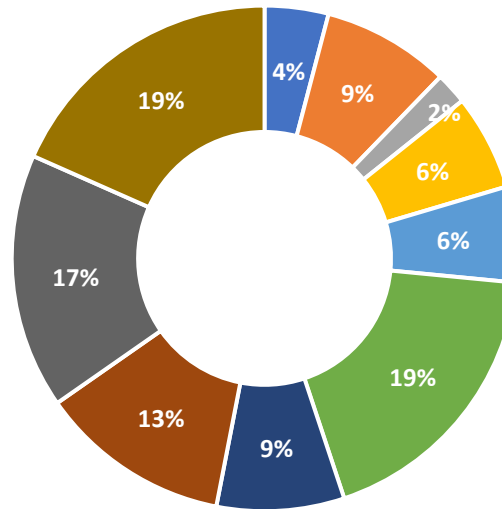
Business Types (30312)



APPENDIX

30312

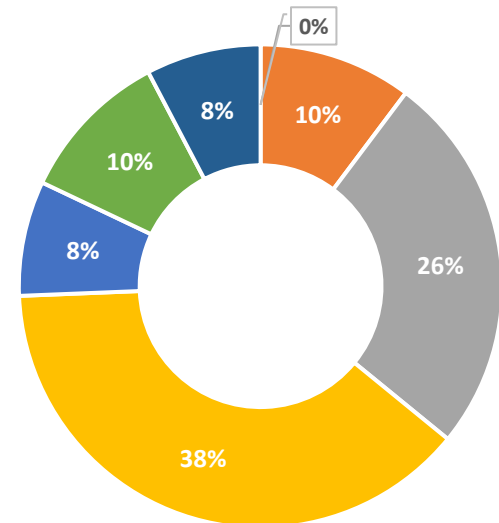
Anticipated Needs (30312)



- Funds to fulfill orders
- Funds for employee payroll (6+ months)
- Technical assistance to understand the real financial impact to your business
- Funds for rent/mortgage payments (6+ months)
- Technical assistance to learn new approaches to generating sells
- Funds to pay suppliers
- Funds for employee payroll (4-6 months)
- Funds for rent/mortgage payments (4-6 months)
- Funds for employee payroll (1-3 months)
- Funds for rent/mortgage payments (1-3 months)

Preferred Types of Assistance (30312)

- Emergency Loan (\$1,000 - \$10,000)
- Emergency Loan (\$11,000 - \$25,000)
- Emergency Grant Funds for Employee Salaries Only (\$1,000 - \$10,000]
- Emergency Grant Funds for all Cash flow
- Online class on how to sell products online
- Assistance developing promotions
- Assistance developing a marketing campaign



APPENDIX

30324

Surveys 19
Sluggish Sales 95%

Reduced Employees

79% have already deduced employee hours and 74% foresee the need to reduce employee hours

Displacement

27% answered yes, 13% answered maybe

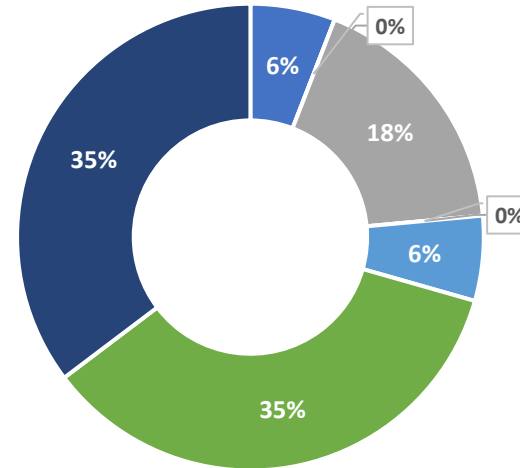
Not Financially Prepared

Only 16% of the businesses were financially prepared for this crisis.

Biz Disruption Insurance

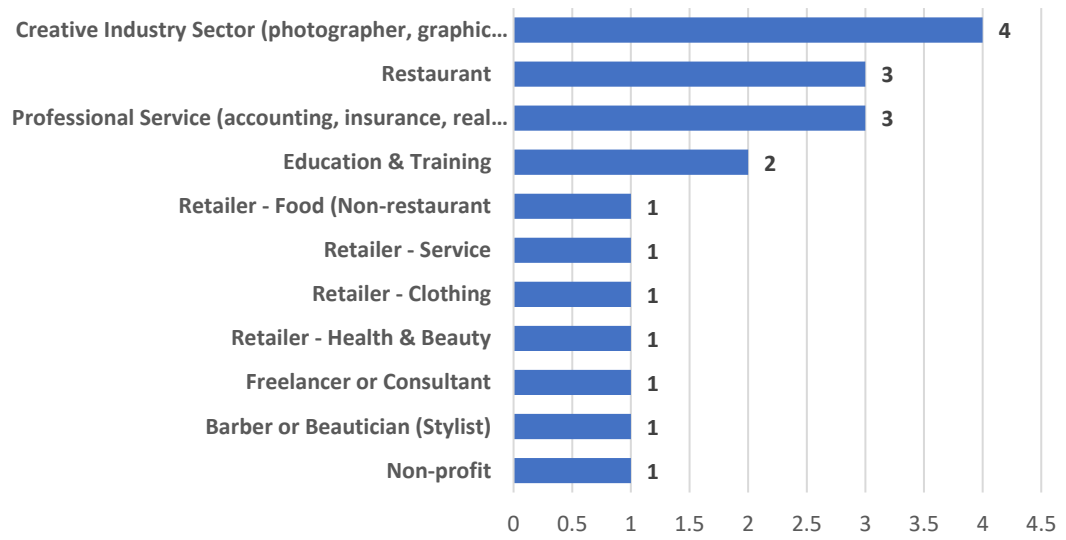
Only 26% of businesses have disruption insurance; but even those are not sure their insurance covers pandemic.

Demographics 30324



■ Asian ■ Latinx ■ Black ■ Disability ■ Veteran ■ Women ■ Other

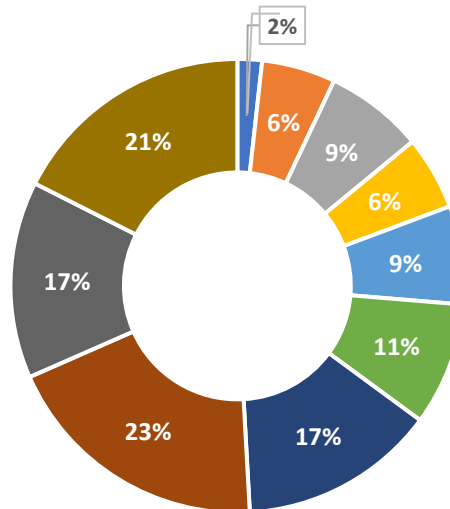
Business Types (30324)



APPENDIX

30324

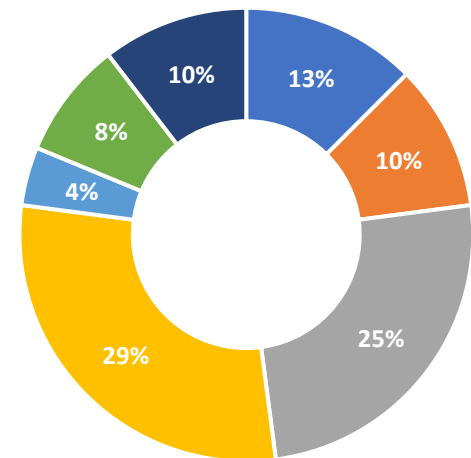
Anticipated Needs (30324)



- Funds to fulfill orders
- Funds for employee payroll (6+ months)
- Technical assistance to understand the real financial impact to your business
- Funds for rent/mortgage payments (6+ months)
- Technical assistance to learn new approaches to generating sells
- Funds to pay suppliers
- Funds for employee payroll (4-6 months)
- Funds for rent/mortgage payments (4-6 months)
- Funds for employee payroll (1-3 months)
- Funds for rent/mortgage payments (1-3 months)

Preferred Types of Assistance (30324)

- Emergency Loan (\$1,000 - \$10,000)
- Emergency Loan (\$11,000 - \$25,000)
- Emergency Grant Funds for Employee Salaries Only (\$1,000 - \$10,000]
- Emergency Grant Funds for all Cash flow
- Online class on how to sell products online
- Assistance developing promotions
- Assistance developing a marketing campaign



APPENDIX

30307

Survey 17
Sluggish Sales 88%

Reduced Employees

94% have already deduced employee hours and 88% foresee the need to reduce employee hours

Displacement

29% answered yes, 24% answered maybe

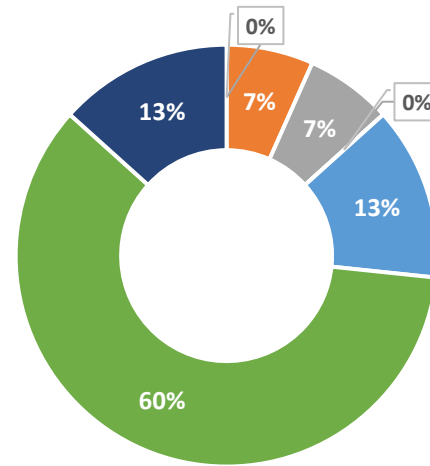
Not Financially Prepared

Only 18% of the businesses were financially prepared for this crisis.

Biz Disruption Insurance

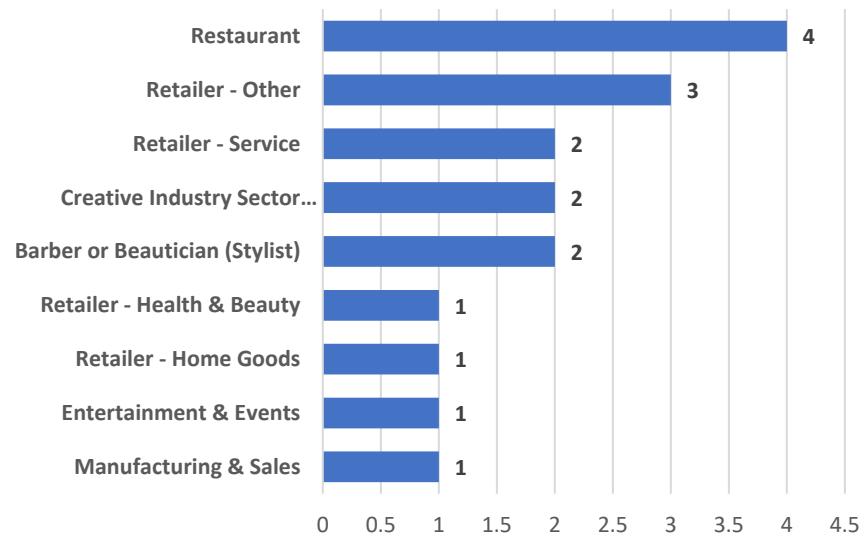
Only 12% of businesses have disruption insurance; but even those are not sure their insurance covers pandemic.

Demographics 30307



■ Asian ■ Latinx ■ Black ■ Disability ■ Veteran ■ Women ■ Other

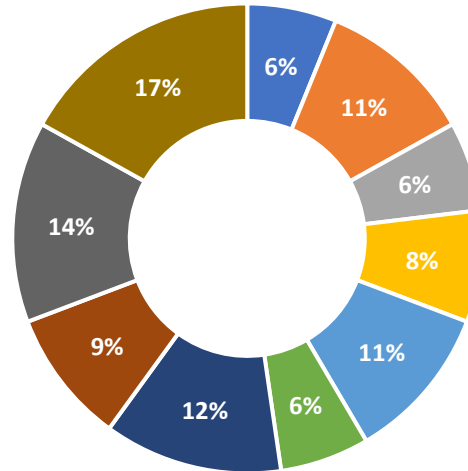
Business Types (30307)



APPENDIX

30307

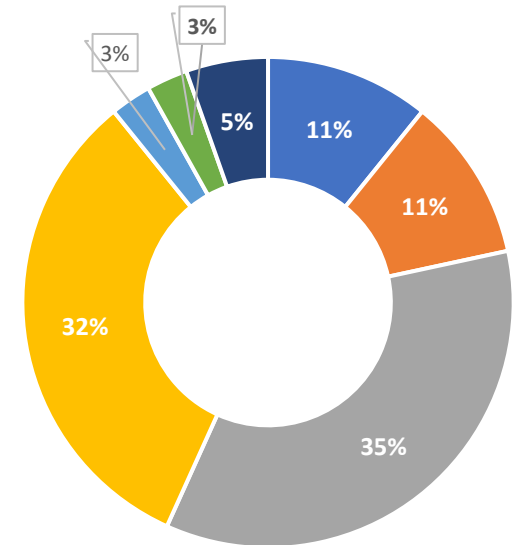
Anticipated Needs (30307)



- Funds to fulfill orders
- Funds for employee payroll (6+ months)
- Technical assistance to understand the real financial impact to your business
- Funds for rent/mortgage payments (6+ months)
- Technical assistance to learn new approaches to generating sells
- Funds to pay suppliers
- Funds for employee payroll (4-6 months)
- Funds for rent/mortgage payments (4-6 months)
- Funds for employee payroll (1-3 months)
- Funds for rent/mortgage payments (1-3 months)

Preferred Types of Assistance (30307)

- Emergency Loan (\$1,000 - \$10,000)
- Emergency Loan (\$11,000 - \$25,000)
- Emergency Grant Funds for Employee Salaries Only (\$1,000 - \$10,000]
- Emergency Grant Funds for all Cash flow
- Online class on how to sell products online
- Assistance developing promotions
- Assistance developing a marketing campaign



APPENDIX

30316

Surveys 16
Sluggish Sales 100%

Reduced Employees

75% have already deduced employee hours and 69% foresee the need to reduce employee hours

Displacement

19% answered yes, 31% answered maybe

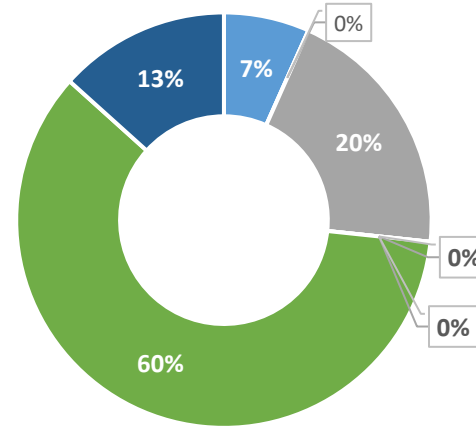
Not Financially Prepared

Only 25% of the businesses were financially prepared for this crisis.

Biz Disruption Insurance

Only 13% of businesses have disruption insurance; but even those are not sure their insurance covers pandemic.

Demographics (30316)



■ Asian ■ Latinx ■ Black ■ Disability ■ Veteran ■ Women ■ Other

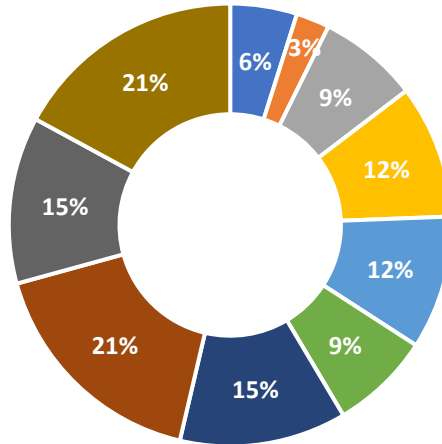
Business Types (30316)



APPENDIX

30316

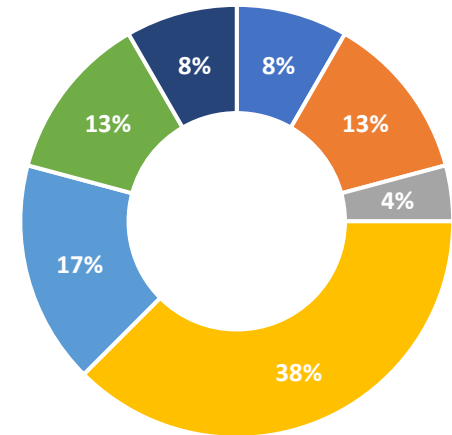
Anticipated Needs



- Funds to fulfill orders
- Funds for employee payroll (6+ months)
- Technical assistance to understand the real financial impact to your business
- Funds for rent/mortgage payments (6+ months)
- Technical assistance to learn new approaches to generating sells
- Funds to pay suppliers
- Funds for employee payroll (4-6 months)
- Funds for rent/mortgage payments (4-6 months)
- Funds for employee payroll (1-3 months)
- Funds for rent/mortgage payments (1-3 months)

Preferred Types of Assistance

- Emergency Loan (\$1,000 - \$10,000)
- Emergency Loan (\$11,000 - \$25,000)
- Emergency Grant Funds for Employee Salaries Only (\$1,000 - \$10,000]
- Emergency Grant Funds for all Cash flow
- Online class on how to sell products online
- Assistance developing promotions
- Assistance developing a marketing campaign



APPENDIX

30305

of surveys 14
Sluggish Sales 100%

Reduced Employees

71% have already deduced employee hours and 79% foresee the need to reduce employee hours

Displacement

36% answered yes, 36% answered maybe

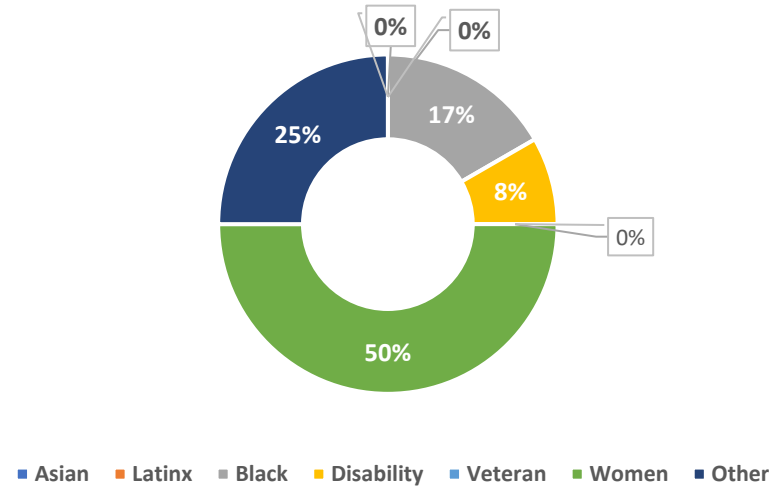
Not Financially Prepared

Only 7% of the businesses were financially prepared for this crisis.

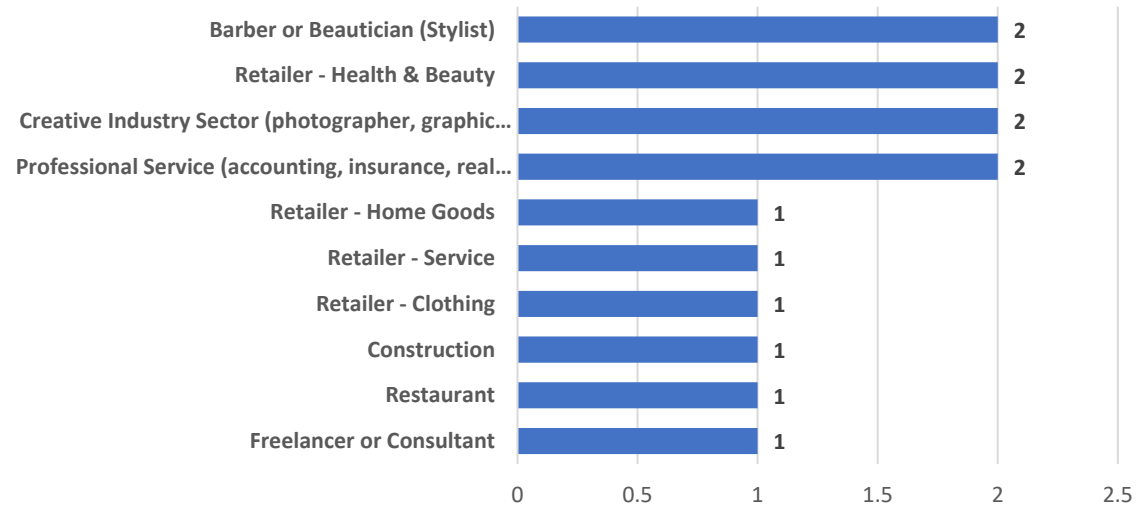
Biz Disruption Insurance

Only 14% of businesses have disruption insurance; but even those are not sure their insurance covers pandemic.

Demographics (30305)



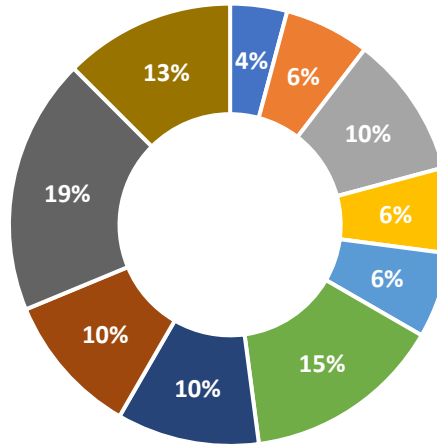
Business Types (30305)



APPENDIX

30305

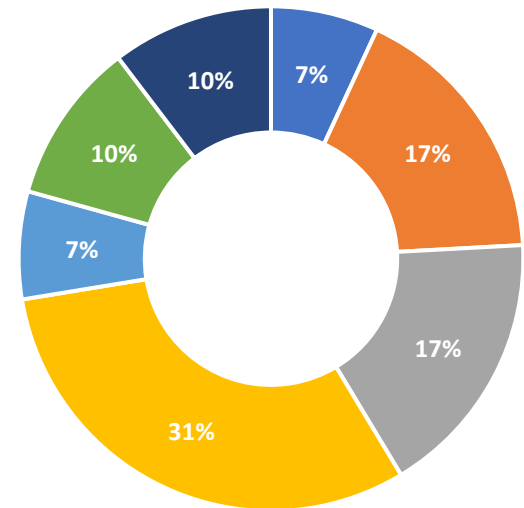
Anticipated Needs (30305)



- Funds to fulfill orders
- Funds for employee payroll (6+ months)
- Technical assistance to understand the real financial impact to your business
- Funds for rent/mortgage payments (6+ months)
- Technical assistance to learn new approaches to generating sells
- Funds to pay suppliers
- Funds for employee payroll (4-6 months)
- Funds for rent/mortgage payments (4-6 months)
- Funds for employee payroll (1-3 months)
- Funds for rent/mortgage payments (1-3 months)

Preferred Types of Assistance (30305)

- Emergency Loan (\$1,000 - \$10,000)
- Emergency Loan (\$11,000 - \$25,000)
- Emergency Grant Funds for Employee Salaries Only (\$1,000 - \$10,000]
- Emergency Grant Funds for all Cash flow
- Online class on how to sell products online
- Assistance developing promotions
- Assistance developing a marketing campaign



APPENDIX

30310

Surveys 12
Sluggish Sales 92%

Reduced Employees

83% have already deduced employee hours and 75% foresee the need to reduce employee hours

Displacement

17% answered yes, 17% answered maybe

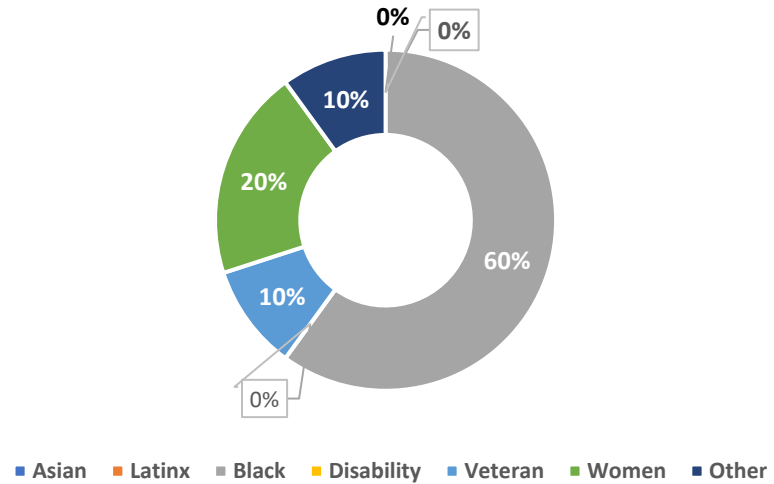
Not Financially Prepared

Only 42% of the businesses were financially prepared for this crisis.

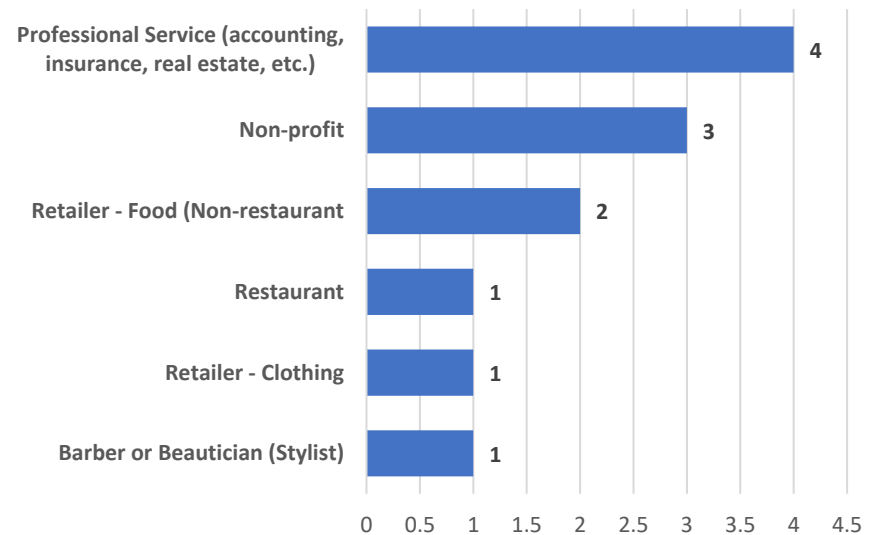
Biz Disruption Insurance

Only 33% of businesses have disruption insurance; but even those are not sure their insurance covers pandemic.

Demographics (30310)



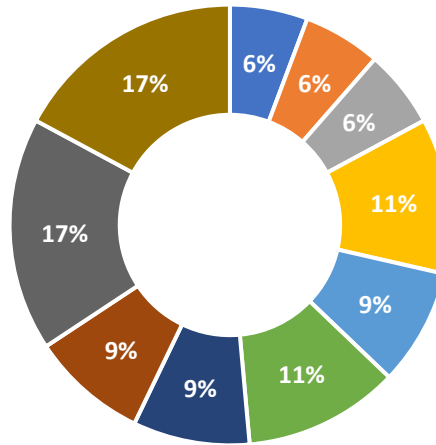
Business Types (30310)



APPENDIX

30310

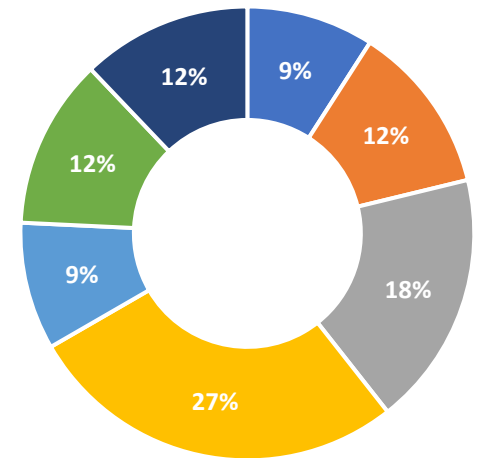
Anticipated Needs (30310)



- Funds to fulfill orders
- Funds for employee payroll (6+ months)
- Technical assistance to understand the real financial impact to your business
- Funds for rent/mortgage payments (6+ months)
- Technical assistance to learn new approaches to generating sells
- Funds to pay suppliers
- Funds for employee payroll (4-6 months)
- Funds for rent/mortgage payments (4-6 months)
- Funds for employee payroll (1-3 months)
- Funds for rent/mortgage payments (1-3 months)

Preferred Types of Assistance (30310)

- Emergency Loan (\$1,000 - \$10,000)
- Emergency Loan (\$11,000 - \$25,000)
- Emergency Grant Funds for Employee Salaries Only (\$1,000 - \$10,000]
- Emergency Grant Funds for all Cash flow
- Online class on how to sell products online
- Assistance developing promotions
- Assistance developing a marketing campaign



APPENDIX

30317

Surveys 10
Sluggish Sales 100%

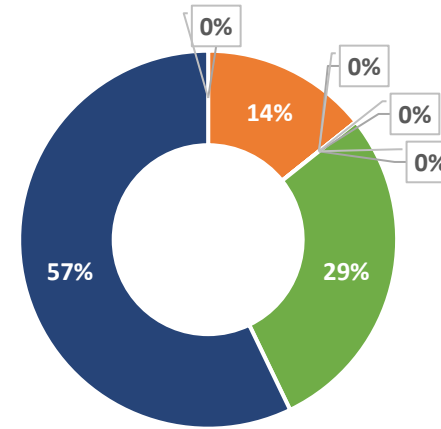
Reduced Employees
100% have already deduced employee hours and 80% foresee the need to reduce employee hours

Displacement
40% answered yes, 50% answered maybe

Not Financially Prepared
Only 42% of the businesses were financially prepared for this crisis.

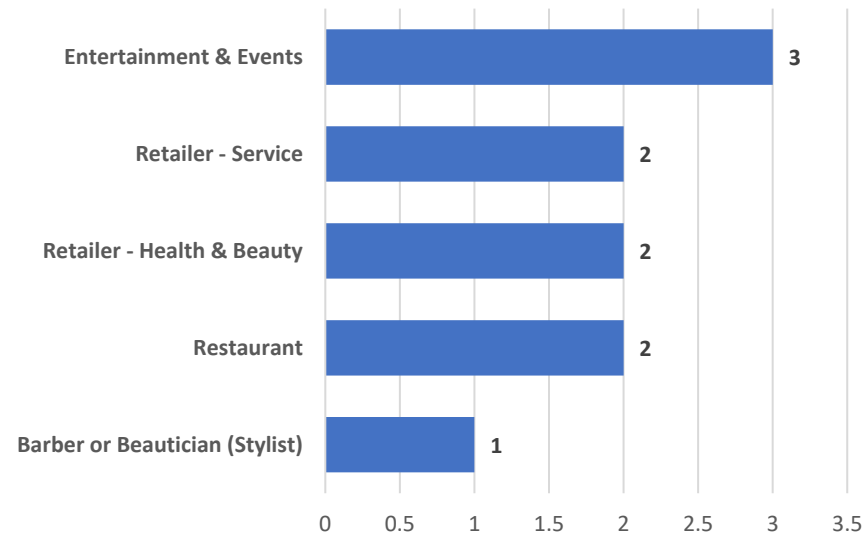
Biz Disruption Insurance
Only 10% of businesses have disruption insurance; but even those are not sure their insurance covers pandemic.

Demographics (30317)



■ Asian ■ Latinx ■ Black ■ Disability ■ Veteran ■ Women ■ Other

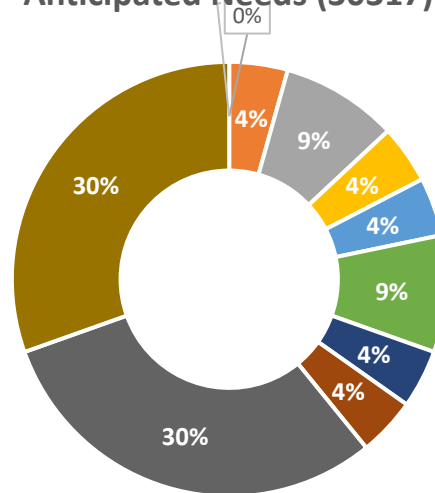
Business Types (30317)



APPENDIX

30317

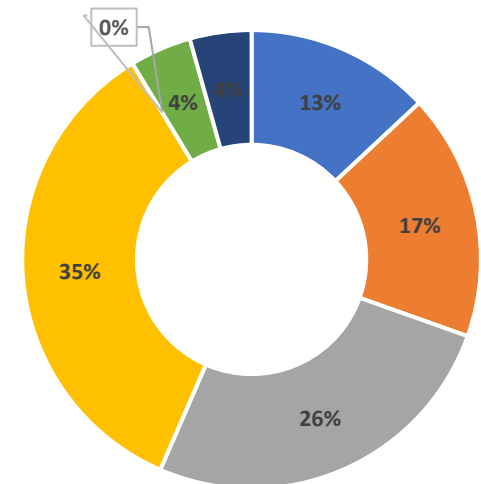
Anticipated Needs (30317)



- Funds to fulfill orders
- Funds for employee payroll (6+ months)
- Technical assistance to understand the real financial impact to your business
- Funds for rent/mortgage payments (6+ months)
- Technical assistance to learn new approaches to generating sells
- Funds to pay suppliers
- Funds for employee payroll (4-6 months)
- Funds for rent/mortgage payments (4-6 months)
- Funds for employee payroll (1-3 months)
- Funds for rent/mortgage payments (1-3 months)

Preferred Types of Assistance (30317)

- Emergency Loan (\$1,000 - \$10,000)
- Emergency Loan (\$11,000 - \$25,000)
- Emergency Grant Funds for Employee Salaries Only (\$1,000 - \$10,000]
- Emergency Grant Funds for all Cash flow
- Online class on how to sell products online
- Assistance developing promotions
- Assistance developing a marketing campaign

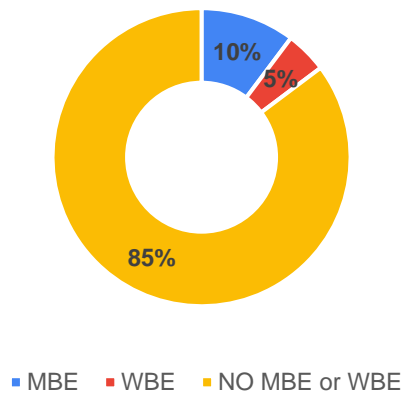


APPENDIX

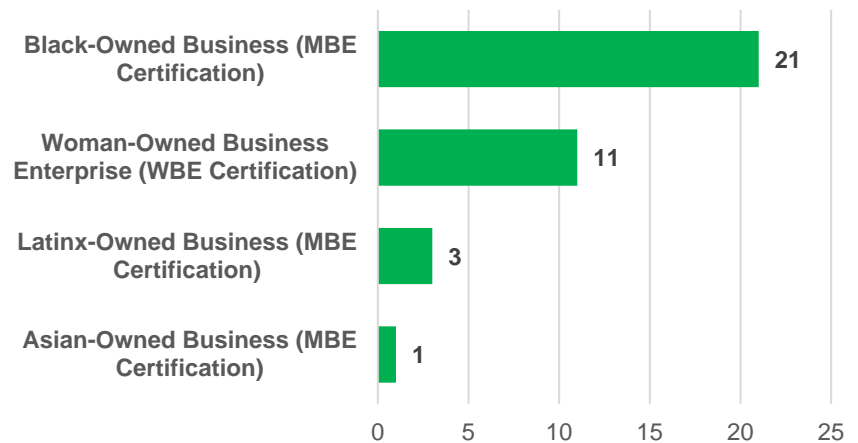
DEMOGRAPHICS

Nearly **60%** of those surveyed represent black and/or women owned businesses; however, most businesses surveyed do not hold an MBE or WBE certification.

MBE/WBE vs. No Certification Businesses



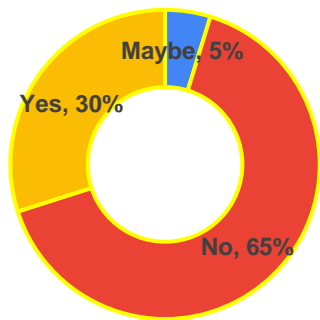
MBE & WBE Certified Businesses



APPENDIX

DEMOGRAPHICS

Businesses with Online Sales Option



Business Sectors (By Zip Code)

