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Source: Impact of COVID-19 on Small and Medium Businesses, SMB Group, 2020

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We all know from personal experience and the news that COVID-19, also known as coronavirus, is having a devastating effect on small and medium businesses (SMBs)—the engine of the U.S. economies and those around the world.

But how deep and broad is the impact? We've sought to answer that question in a survey of over 500 SMB (1-1,000 employee businesses) and midmarket (1,000-2,500 employee businesses) decision-makers and influencers. The survey was fielded from March 23 through March 30, 2020.

In this infographic, we share key findings from this study, along with selected data from prior SMB Group studies, to deliver insights to help inform decisions about how to best serve and support SMBs during this difficult and volatile time.

## SMBs in the United States

# 30,200,000

99.8% of all US businesses

**58.9 M**  
EMPLOYEES

EMPLOYS **47.5%** OF THE  
U.S. WORKFORCE

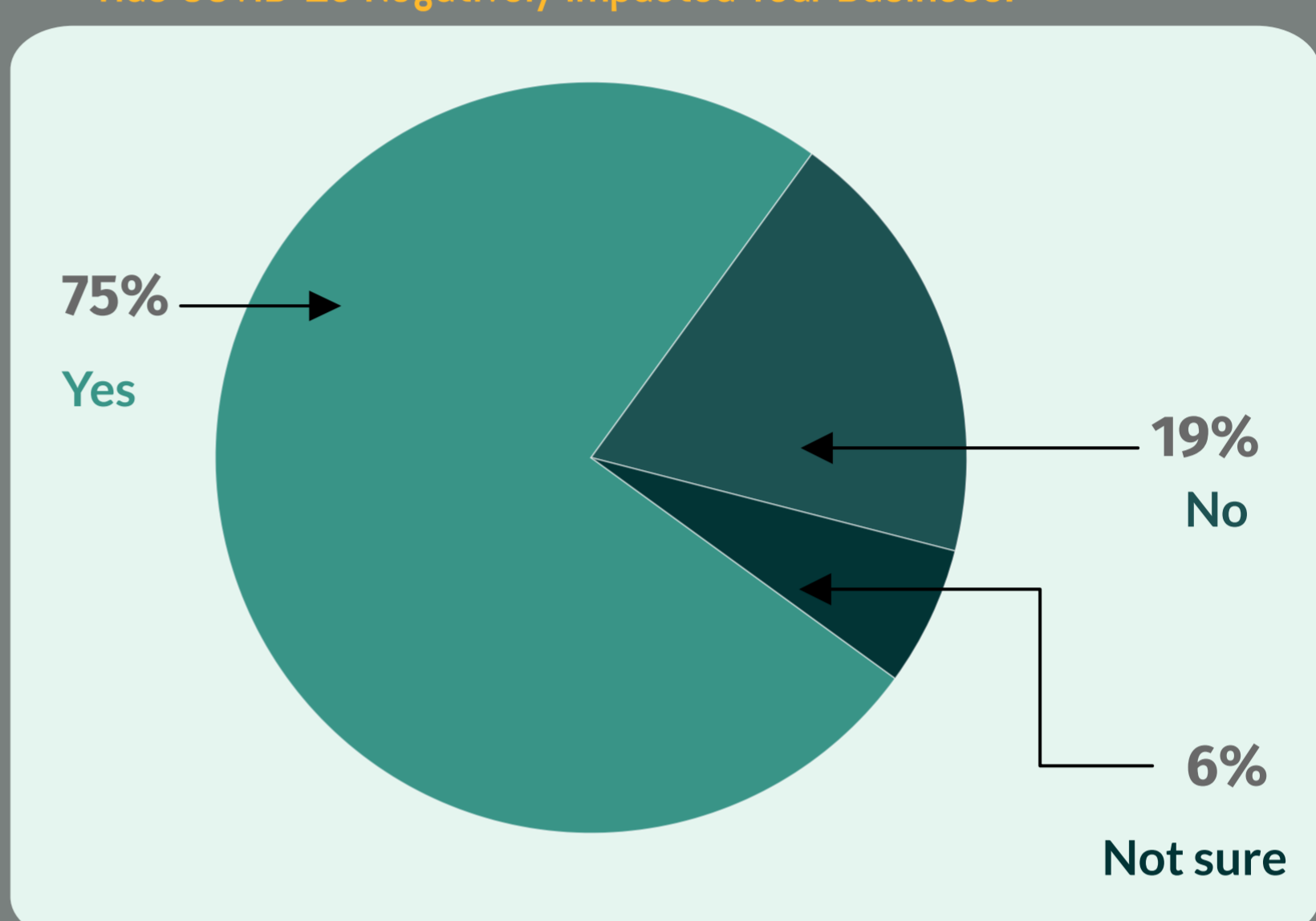
Source: SBA Office of Advocacy

## THE NEGATIVE IMPACT OF COVID-19 ON SMBS CANNOT BE UNDER ESTIMATED

Has COVID-19 Negatively Impacted Your Business?

Just a few months ago, SMB Group's 2019 SMB Digital Transformation Study indicated that 64% of both small and medium businesses were optimistic about revenue growth.

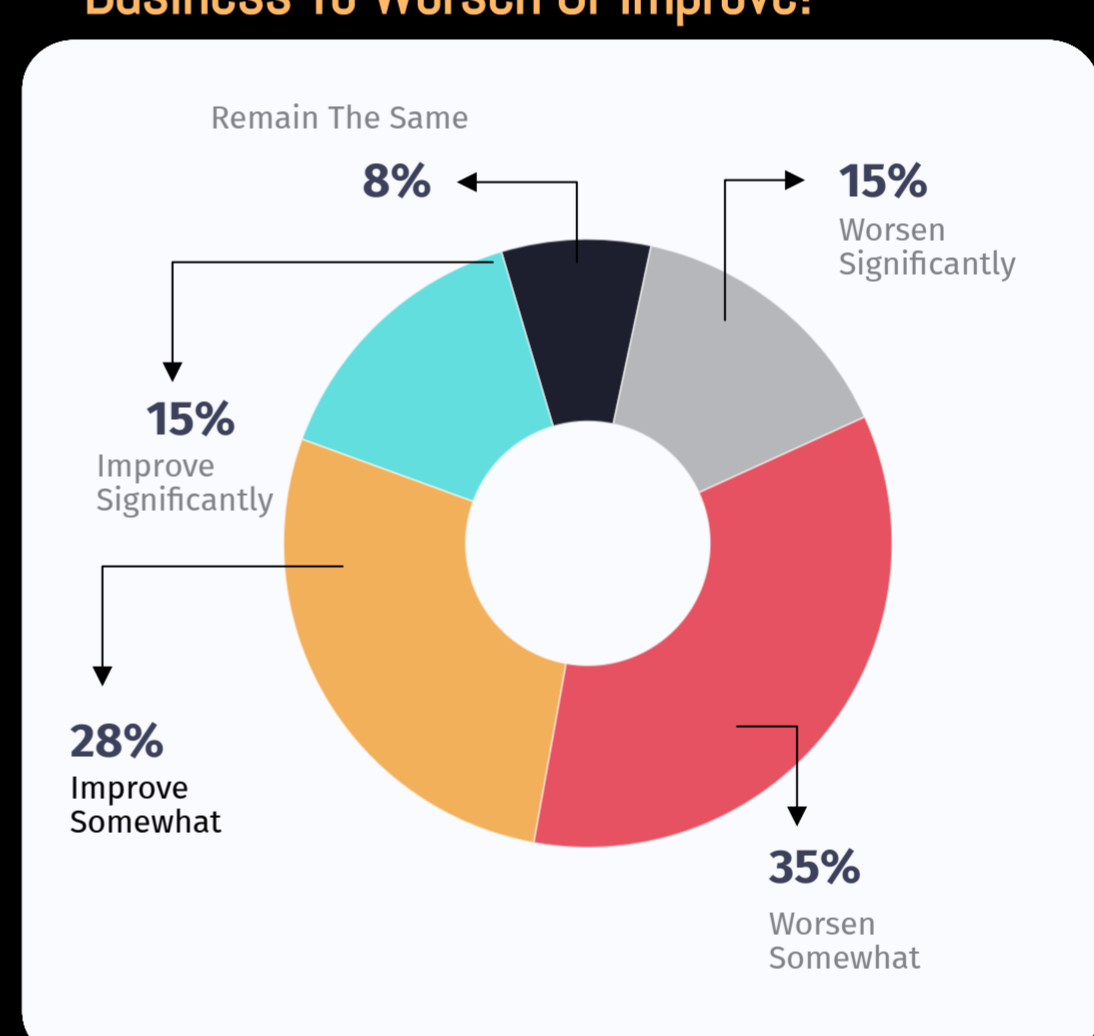
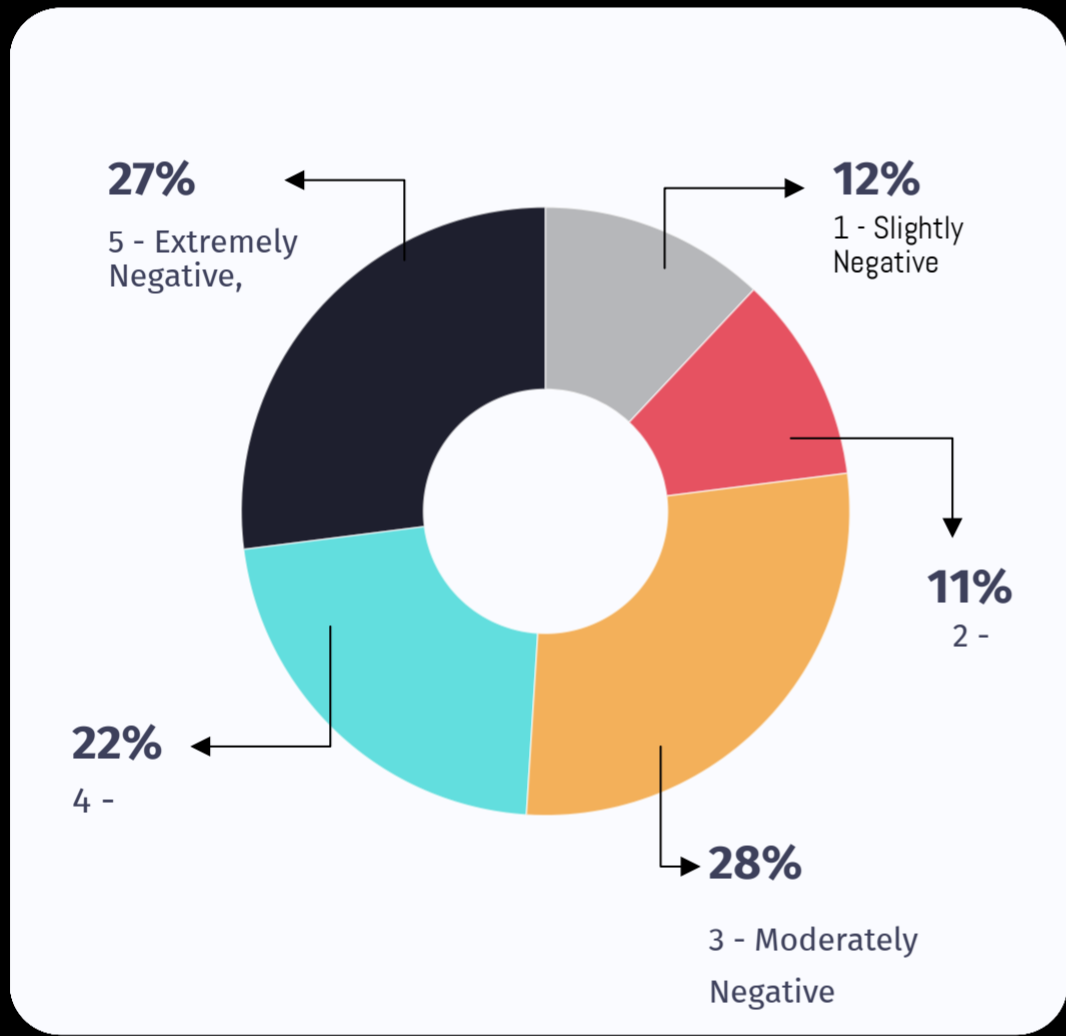
COVID-19 has dashed this optimism for the vast majority of SMBs. Now, a staggering 75% of all SMBs report that COVID-19 is negatively impacting their businesses.



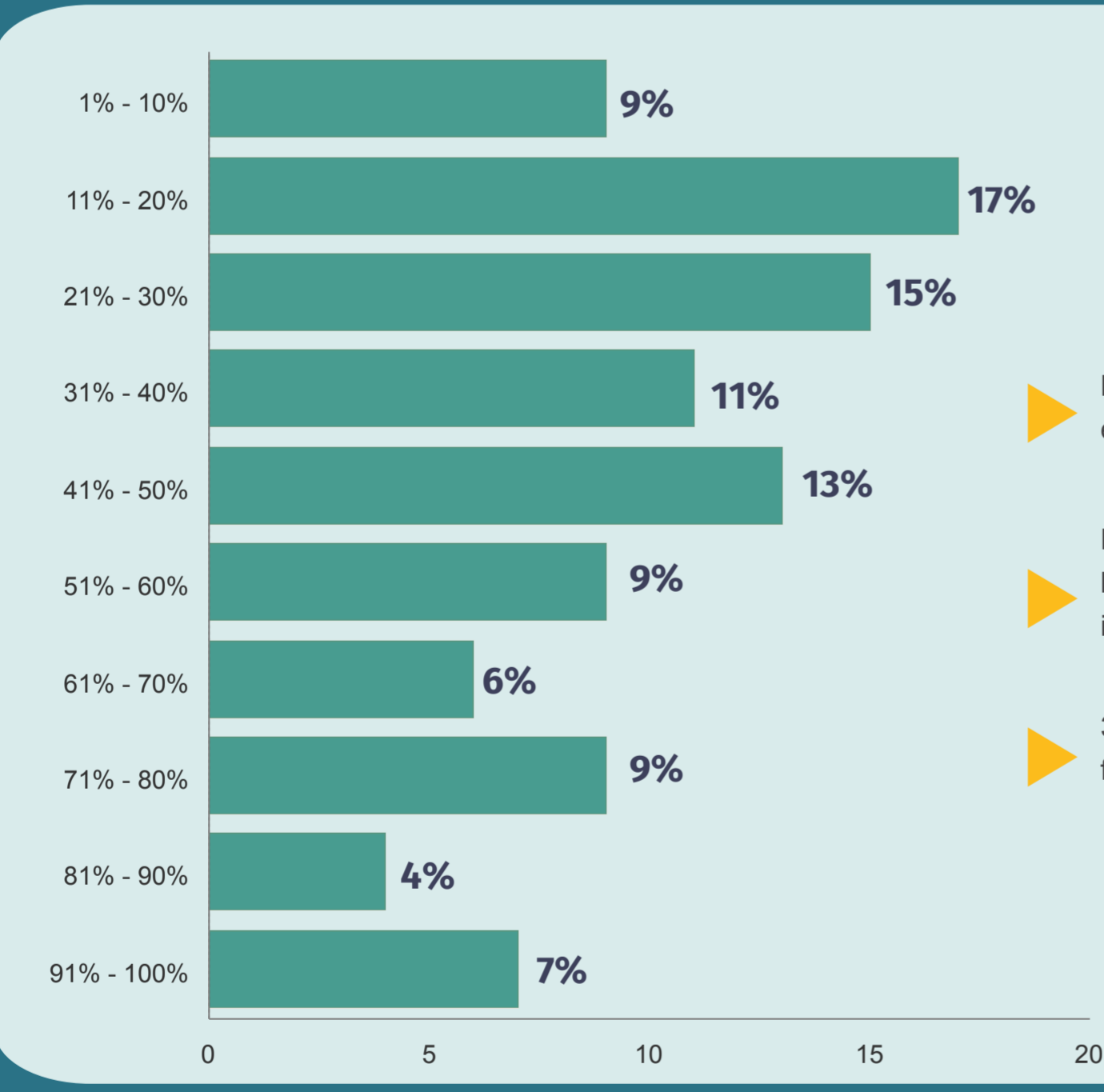
## THE IMPACT OF COVID-19 OVER TIME

To What Degree Has The COVID-19 Virus Negatively Impacted Your Business To Date?

Over The Next Six Months, Do You Expect The Impact Of The COVID-19 Virus On Your Business To Worsen Or Improve?



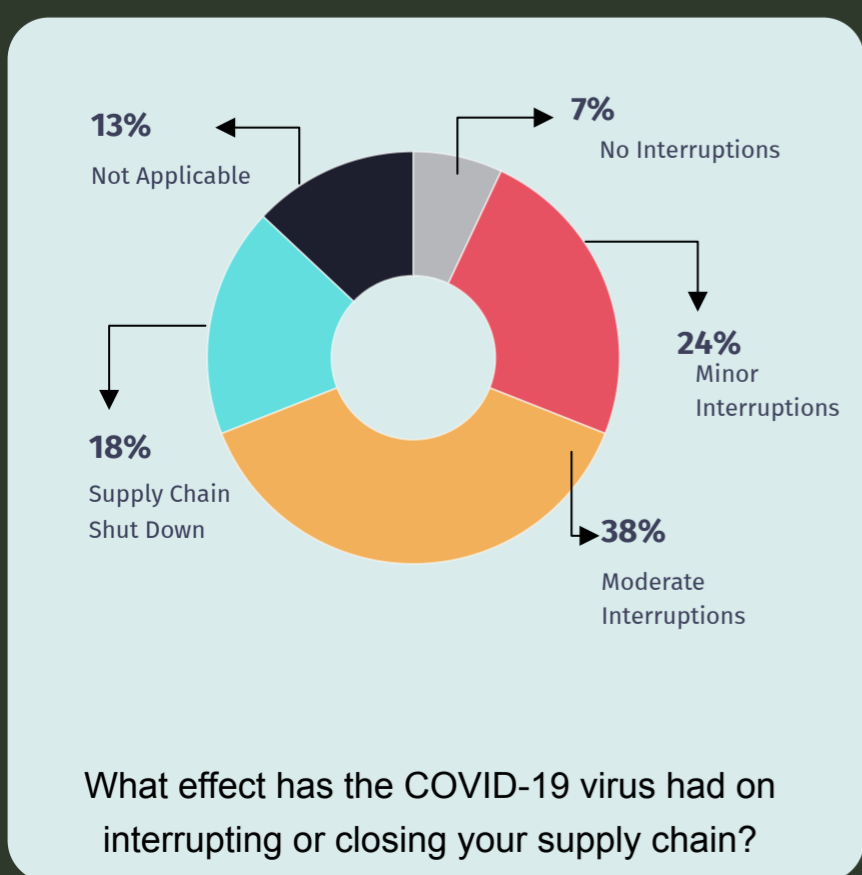
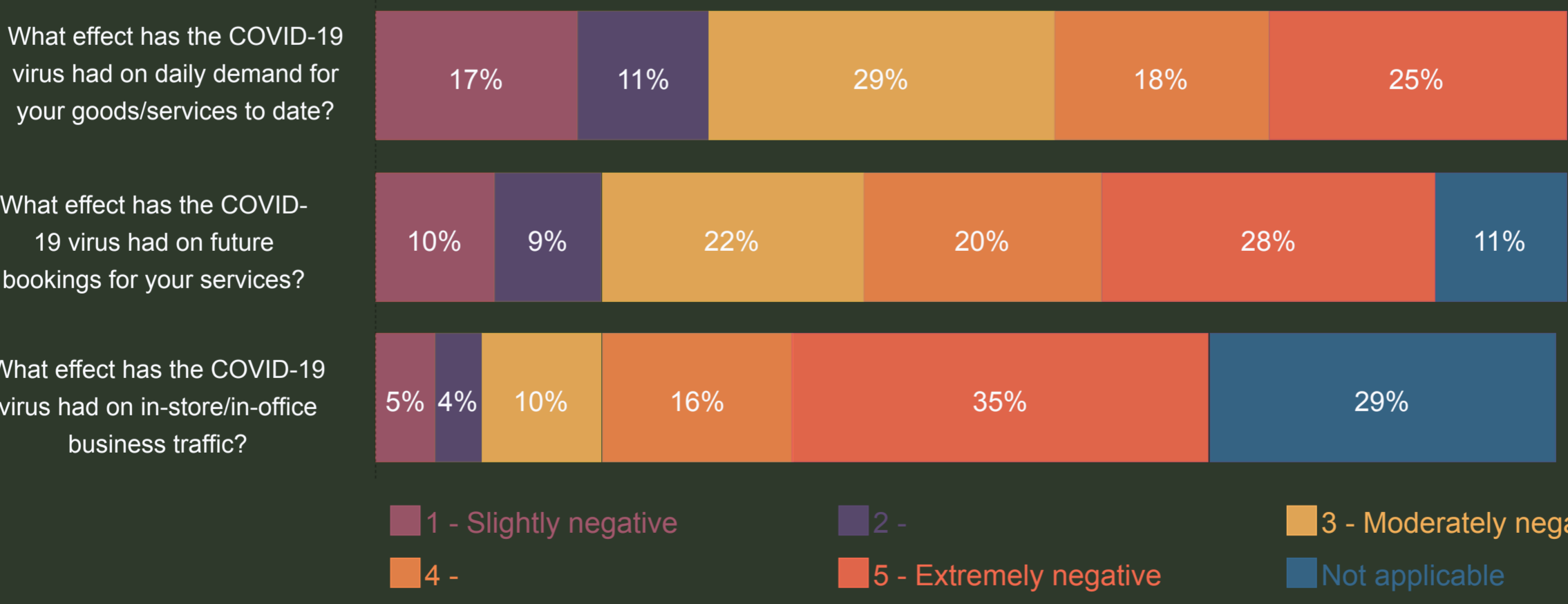
## PROJECTED REVENUE DECREASES DUE TO COVID-19 OVER THE NEXT 6 MONTHS



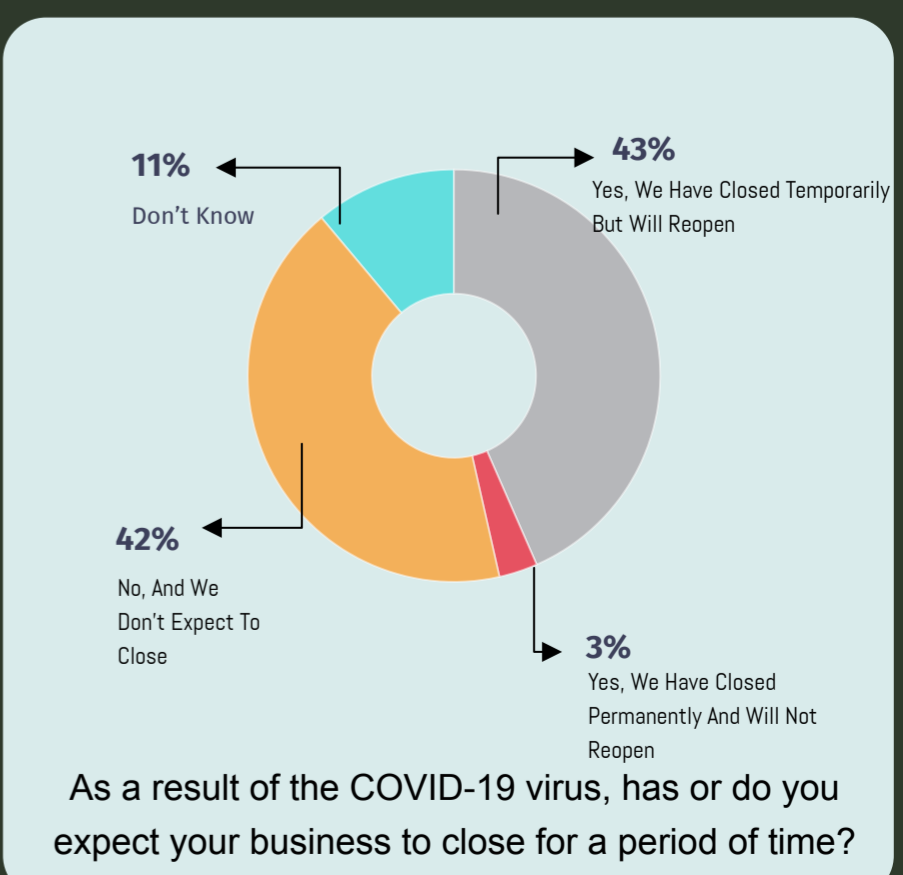
Estimate The Percentage Impact In Revenues COVID-19 Will Have On Your Business In The Next Six Months?

- Businesses with fewer than 20 employees are most likely to experience an extremely negative impact.
- Personal services, hospitality and manufacturing are taking the biggest hits, with 100%, 95% and 90% of respondents in these industries, respectively, saying they are negatively impacted.
- 38% of life sciences companies, 64% of professional services firms and 67% of utilities report negative business effects.

## SPECIFIC EFFECTS OF COVID-19 (AMONG SMBs WHO INDICATE THEY HAVE BEEN NEGATIVELY AFFECTED BY COVID-19)



SMBs are experiencing the negative impact of COVID-19 across all aspects of their businesses. The majority of SMBs say the virus has had a negative impact on daily demand for their goods and services, and 42% have seen downturns in future bookings. Depending on the type of business, some of these effects will be magnified. For instance, 29% of respondents say that the pandemic is having an extremely negative effect on in-store/in-office traffic—disproportionately hitting industries such as retail, hospitality and personal services from salons to dental offices—all which rely heavily on this type of business for their revenues.



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This is the first of two infographics from SMB Group providing insights on the impact of COVID-19 on SMBs.

**SMB Group** is a research, analysis and consulting firm focused on technology adoption and trends in the small and medium business (SMB) market. SMB Group helps clients to understand and segment the SMB market, identify and act on trends and opportunities, develop more compelling messaging, and more effectively serve SMB customers.