



CALIFORNIA STATE UNIVERSITY
LONG BEACH
College of Business

CSULB - College of Business

Long Beach Small Business Monitor

2Q/2020: The Covid-19 Edition

"What's Happening To My Business?"

Long Beach small business people were relatively optimistic as we started the new year. The percentage planning an increase in sales had risen to 66%, and just 12% said their sales and revenues would decline in 2020.

But then came Covid-19 and our world suddenly changed. Everyone was asked to stay home and quarantine. Non-essential small businesses closed and essential small businesses reduced their hours and contact with customers.

So, we decided to return to our random sample of Long Beach small business people and ask a few survey questions about the impact of the current situation on their small businesses. Here is what we found.

Revenues Have Collapsed

**94% report sales are lower than this time last year (6% report same or higher sales).
62% report sales have dropped by more than half**

Q: Thinking about now compared to last year, how much have sales or revenue changed?

Closed/No Revenue	Greater than 50% Decline	Less than 50% Decline	No Change/ More Sales
28%	44%	32%	6%
94% Experienced Revenue Declines			

Layoffs

66% report having had to let go of at least one employee.

Q: How many employees (including yourself) if any have been laid off or let go in response to the Coronavirus situation?

Laid Off/Let Go 6 to 50 Employees	Laid off/Let Go 1 to 5 Employees	Laid Off/Let Go None
20%	46%	34%
66% Laid Off/Let Go Employees		

Work Hours Cut

70% report having had to reduce the hours of their employees.

Q: How many employees (including yourself) have had their work hours cut in response to the Coronavirus situation?

Work Hrs. Cut 6 to 50 Employees	Work Hrs. Cut 1 to 5 Employees	Work Hrs. Cut None
29%	41%	30%
70% Reduced Employee Hours		

Federal Government Paycheck Protection Program

It's Not Helping

Just 6% report they applied and received Fed Gov't Small Business Paycheck Relief

54% report they applied, but did not get any money

9% report they applied, but have not heard back

30% did not apply/don't know about it

Q: Has your small business applied for the Small Business Paycheck Protection Program offered by the Federal Government?

Yes, Applied and Received	Yes, Applied, But Did Not Get	Am in the Process of Applying	No, Have Not Applied
6%	54%	10%	30%

Summary of the Initial Findings

More Survey Insights To Be Released Mid-May

The negative impact of the Covid-19 event on Long Beach small business owners, managers and workers is astounding. But it should not be surprising given that during the Covid-19 event non-essential small businesses must be shuttered and essential small businesses can only have limited services to the public. Stay at home directives are keeping people inside. Economic uncertainty is driving down disposable household spending. All are likely contributing to the decline in small business sales and employment. And, the Federal Government response is not getting to the small business people in Long Beach. We are caught in a vicious cycle.

The Covid-19 situation is impacting Long Beach small businesses in different ways. In the next edition of the LBSBM to be released in early May, we will look at how Covid-19 is affecting small businesses of different size (revenues and employees), types of small businesses, and location of the small business in the City of Long Beach.

Methodology For This Report: The results in this report are from a random probability sample of 100 Long Beach small businesses that have responded to the LB Small Business Monitor surveys. The data was collect through an online survey. The probability sample was drawn from a sampling frame of Long Beach small business owners and managers built through the Long Beach Small Business Monitor program. The list of all small businesses in Long Beach (with fewer than 50 employees) is the population. Marketing Systems Group (MSG) a professional sampling company manages the list and draws a random sample from this population for the CSULB College of Business LB Small Business Monitor surveys.

Long Beach Small Business Monitor

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Visit the [Long Beach Small Business Monitor Web site](#) to learn more about survey methods, purpose and goals, and to access archives of past small business surveys and reports.

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