## Impact

### Organizations Having an Employee with a Confirmed Case of Coronavirus

<table>
<thead>
<tr>
<th>As of March 18th</th>
<th>As of April 9th</th>
</tr>
</thead>
</table>
| 1%               | 8%              | Reported an employee has confirmed case of coronavirus

### Percent of Organizations that Perceive Stay at Home and Social Distancing Measures are “Very Necessary”

![Map of US showing percentage of organizations that perceive stay at home and social distancing measures are very necessary]

### Percent of Organizations Experiencing a Direct Negative Financial Impact

<table>
<thead>
<tr>
<th>Overall</th>
<th>Retailers/Dealers</th>
<th>Service Providers (to Individuals)</th>
<th>University/Academic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall</td>
<td>52%</td>
<td>70%</td>
<td>65%</td>
</tr>
<tr>
<td>As of March 18th</td>
<td>81%</td>
<td>88%</td>
<td>84%</td>
</tr>
<tr>
<td>As of April 9th</td>
<td>70%</td>
<td>83%</td>
<td>81%</td>
</tr>
</tbody>
</table>

### About the COVID-19 Impact & Implementation Survey:

Results for the 2nd survey in the series are based on surveys collected between Monday, April 6, and Thursday, April 9. More than 1,500 respondents from 30 client sectors and professions participated in the survey. Industry Insights is fielding these surveys to help its clients assess and track their members’ perceptions, impact, and action plans related to COVID-19. Links to an online questionnaire were distributed to member organizations and contacts by the participating associations. A total of 1,542 respondents (of whom 2/3 were executives or officers) participated in the survey. The sample was slightly adjusted to better reflect the participating groups. Confidence intervals can change, depending on the aggregate’s sample size and the response variance, though the overall survey portion of this research has a standard error of +/- 2.5% at a 95% level of confidence.

The survey sample includes manufacturers, distributors, retailers, and professional services organizations representing a diverse set of industries.

The COVID-19 Impact & Implementation Survey was compiled, tabulated and analyzed by Industry Insights, Inc. (www.industryinsights.com), an independent research firm based in Columbus, OH.

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**Executive Summary**

Impact:

The coronavirus is reaching the employees. Whereas only 1% of organizations had an employee with COVID-19 as of March 18, the rate has climbed to 8% in the past 3 weeks. Despite the financial toll, most organizations’ leaders agree that the “stay at home” and social distancing mandates are necessary actions. Those in more rural areas, such as the Mountain States and West South Central States were somewhat less likely to consider the approach necessary.

The financial impact is becoming severe for most organizations. In the past 3 weeks, the portion of companies experiencing a direct financial hit from COVID-19 increased from 52% to 81%. Retailers continue to be the most heavily impacted group so far, though the other sectors are closing the gap. No industry segment is being spared.

As of March 18, the typical organization envisioned a “Somewhat Negative” impact to revenue but planned to hold its employee counts intact and maintain spending levels for advertising and technology. Those plans have changed for most organizations. More are now envisioning a moderate to major revenue hit, and most are planning to reduce their head count. Nearly 1/3 of organizations have already furloughed or terminated employees since March 1. Companies also plan to reduce some of their advertising spending, though IT spending is still expected to stay consistent.

The data show that the CARES Act is providing a needed lifeline for many organizations. Most reported that without the CARES Act, they would be leaning toward a moderate or major level of concern about their long-term viability. However, thanks to the intervention, the level of viability concerns has not increased much in the past 3 weeks, despite far more companies envisioning heavy losses in revenue.

**Impact and Implementation Survey**

*Survey #2 in Industry Insights’ COVID-19 Series*

**Purpose**

To understand how the coronavirus is impacting the revenue, advertising spending, and technology spending of organizations.

**Methodology**

A survey was conducted with organizations of various sizes to gather insights on their experiences with delays in receiving materials/products from suppliers, and the expected level of impact in 2020 on revenue, advertising spending, and technology spending.

**Findings**

- **Revenue**
  - Somewhat Negative: 34%
  - Moderate Reduction: 47%
  - Major Concerns: 3%
  - No Concerns: 3%

- **Advertising Spending**
  - No Impact: 34%
  - Moderate Reduction: 47%
  - Major Reductions: 2%
  - Major Increases: 1%

- **Technology Spending**
  - No Impact: 34%
  - Moderate Increases: 2%
  - Major Increases: 1%
  - Major Reductions: 2%

**Organizations that Experienced Coronavirus Related Delays in Receiving Materials/Products from Suppliers**

- **As of March 18**
  - 32% of organizations experienced delays in receiving materials/products from suppliers.

- **As of April 9**
  - 60% of organizations experienced delays in receiving materials/products from suppliers.

**Legend**

- Lighter blue = As of March 18
- Darker blue = As of April 8

**Expected Level of Impact on Organization in 2020**

**Extent of Long-Term Viability Concerns Due to the Coronavirus (Average)**

- By Size of Organization
  - Organizations by Number of Employees
    - No Concerns
    - Mild Concerns
    - Moderate Concerns
    - Major Concerns

**Organizations that Experienced Coronavirus Related Delays in Receiving Materials/Products from Suppliers**

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  - 32% of organizations experienced delays in receiving materials/products from suppliers.

- **As of April 9**
  - 60% of organizations experienced delays in receiving materials/products from suppliers.

**Call out Labels**

- 60% of organizations experienced coronavirus-related supply chain delays as of April 9.
- Of those that experienced delays, 84% have experienced negative financial impacts.
- Retailers/Dealers have been heavily impacted, with 69% of companies reporting delays.

**Survey #2 in Industry Insights’ COVID-19 Series**

*Updated as of April 9, 2020*
Which of the following is a new action your organization has put in place due to COVID-19?

**Top 10 Overall**
- Employee distancing (physical) ........................................ 67% 85%
- Canceled all large group activities .................................... 71% 84%
- Hand sanitizer (increased availability) ............................. 73% 76%
- Eliminating visitors to office ............................................ 48% 75%
- Canceled all in-person meetings ..................................... 45% 70%
- Daily office cleanings/sanitization ................................. 62% 64%
- Posted reminders about proper hygiene ........................... 52% 63%
- Travel ban ....................................................................... 45% 56%
- Work from home (partial mandate) ................................. 41% 56%
- Flexible work scheduling ............................................... 44% 52%

**Organizations with Formal Disaster Plans in Place by Staff Size**

<table>
<thead>
<tr>
<th>Staff Size</th>
<th>March 18</th>
<th>April 9</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 to 4 Employees</td>
<td>35%</td>
<td></td>
</tr>
<tr>
<td>5 to 19 Employees</td>
<td>45%</td>
<td></td>
</tr>
<tr>
<td>20 to 49 Employees</td>
<td>50%</td>
<td></td>
</tr>
<tr>
<td>50 to 99 Employees</td>
<td>68%</td>
<td></td>
</tr>
<tr>
<td>100 to 499 Employees</td>
<td>68%</td>
<td></td>
</tr>
<tr>
<td>500+ Employees</td>
<td>77%</td>
<td></td>
</tr>
</tbody>
</table>

**Scenarios for Which Organizations Have a Formal Plan**

<table>
<thead>
<tr>
<th>Scenario</th>
<th>March 18</th>
<th>April 9</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major employee absenteeism</td>
<td>28%</td>
<td></td>
</tr>
<tr>
<td>Prioritizing customers</td>
<td>27%</td>
<td></td>
</tr>
<tr>
<td>Identifying alternative suppliers</td>
<td>25%</td>
<td></td>
</tr>
<tr>
<td>Suspending operations</td>
<td>23%</td>
<td></td>
</tr>
<tr>
<td>Extended sick pay</td>
<td>21%</td>
<td></td>
</tr>
</tbody>
</table>

**Workforce Reductions**

- **33%** of organizations have furloughed/laid off/terminated employees since March 1, 2020
- The typical organization has reduced its workforce by **25%**
The Future:

The timeline has been pushed for when organizations expect the stay at home ban to be lifted and their daily operations will return to a pre-COVID-19 state. For the March 18 survey, respondents noted a general plan that things should return to normal by June 1. That envisioned date for normalcy is now targeted by most as sometime in late July.

The most positive findings from this survey are the expectations for how quickly organizations will return to their offices, traveling, and large group events and conferences. Nearly ¾ of companies plan to immediately return their workforce to the office once the ban is lifted (94% plan to return within 3 months). Company travel is expected to also quickly resume after the ban, with 75% reporting it will be resumed within 3 months. Though it may take longer for companies to adjust back to large group events and conferences, 22% reported they will immediately resume, and 39% more said they will resume large group events within 3 months.
About Industry Insights, Inc:

Industry Insights is a research and data analytics firm that has been serving the research needs of trade and professional associations, dealer organizations and other affiliated groups since 1980. The firm specializes in providing high-quality research services that assist such organizations in better fulfilling the informational and educational needs of their members.

As a group of CPAs, Statisticians, and IT professionals with decades of experience in providing survey research solutions for trade and professional associations, Industry Insights excels in defining methods and tools that provide relevant and user-friendly information for each client. Industry Insights serves as an objective third party and ensures the confidentiality of respondents’ data. Industry Insights welcomes questions about this survey. We may also be able to put you in touch with client contacts who could more specifically provide details and context regarding their members’ strategies.

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