

# 2020 Tennis Industry COVID-19 Impact Studies

## Survey for **May**: Topline Results



May 28, 2020

# Executive Summary – Fast Facts

Question	Retail/Facility	April Survey	May Survey
Are you closed?	Retail	87%	64%
	Facility		63%
April business?	Retail Sales	72% > than 80% down	71% > than 80% down
	Facility Court Usage		78% > than 80% down
May business?	Retail Sales	45% > than 80% down	61% > than 80% down
	Facility Court Usage		57% > than 80% down
Year-end business?	Retail Sales		71% > than 40% down
	Facility Court Usage		59% > than 40% down
Expect to open?	Retail		63% to open May/June
	Facility		62% to open May/June

# Executive Summary – Fast Facts

Question	Retail/Facility	May Survey	
General safety measures implementing	All	More vigilant/frequent sanitation	78%
		Employees required to stay home if showing symptoms	75%
		Sanitation stations in front/inside	66%
		Facemasks and/or gloves required for employees	63%
Facility safety measures implementing	Facility	Reduced group lesson size	77%
		Postponed/canceled socials, mixers, other group activities	74%
		More one-on-one/private coaching	73%
		Players encouraged to serve with their own can of balls	60%
		Court sanitation	60%
		Closed locker room & shower areas	53%
		Players encouraged to not change ends	51%
Giving members credit for missed time	Facility	56% Yes, giving credit for missed time	
Retail Inventory	Retail	Racquets: 35% have 4 months or more inventory Shoes: 42% have 4 months or more inventory	

# Executive Summary – Fast Facts

Question	Retail/Facility	May Survey	
Applied for emergency funding?	All	Yes, our business has applied for emergency funding	53%
		No, but our business plans to/is interested in applying for emergency funding	13%
		No, our business will not be applying for any emergency funding	34%
Are you aware of the USTA / USTA Foundation grants to help tennis facilities affected by COVID-19?	Facility	91% of facilities are aware of the grant program	
What emergency funding have you received so far?		PPP funding (first round)	35%
		PPP funding (second round)	17%
		EIDL	13%
		SBA debt relief	3%
		Extended line of credit	3%
		USTA or USTA foundation grant	6%
		None so far, but we still expect to	26%
		None so far and we don't expect to receive any	13%

# Background & Methodology

In April 2020, the Tennis Industry Association (TIA) began the first of a series of surveys of tennis businesses in the United States as part of a larger industry effort to study the impact of the COVID-19 pandemic. The aim is to better understand how tennis facilities & retailers are dealing with this crisis and provide insight to governing bodies & other key stakeholders as they establish action plans to support the tennis community. The April survey focused on retailers, while the May survey was expanded to cover tennis facilities as well.

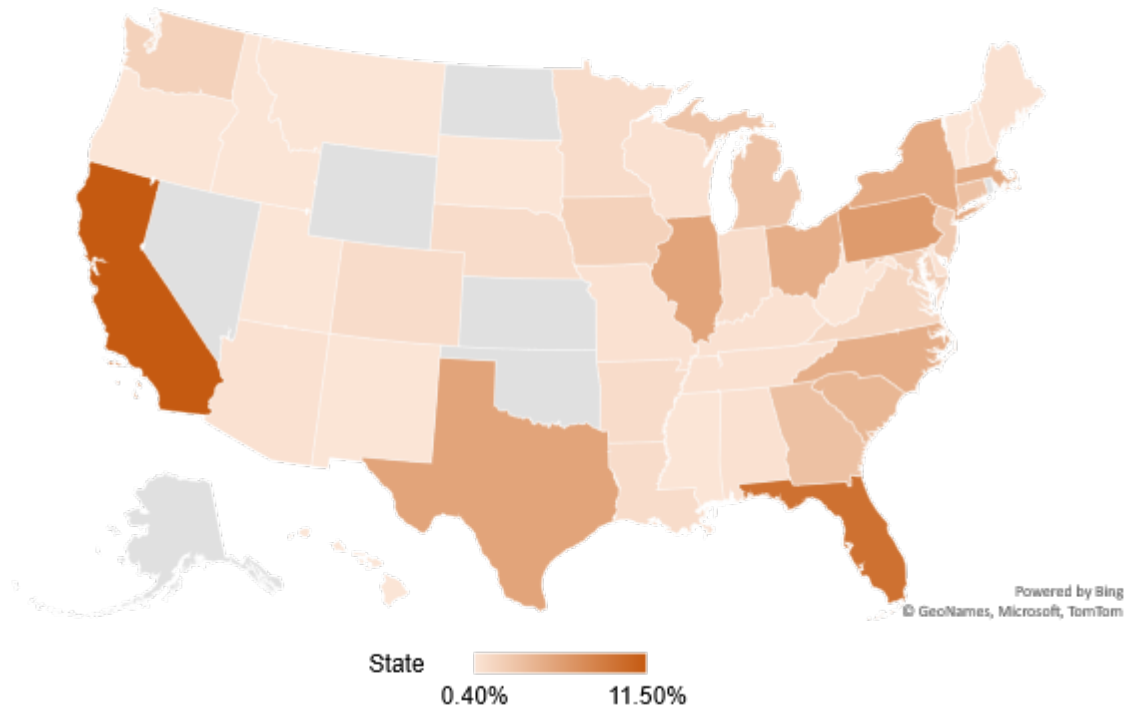
The TIA developed the survey content in conjunction with Sports Marketing Surveys (SMS), which also programmed the questionnaire. After programming the questionnaire, SMS provided survey link for the TIA to distribute to its email list.

## RESPONSE SUMMARY

	April survey	May survey
Field Start Date	April 1, 2020	May 8, 2020
Field End Date	April 7, 2020	May 15, 2020
Completed surveys	144	219
Partial surveys	41	66

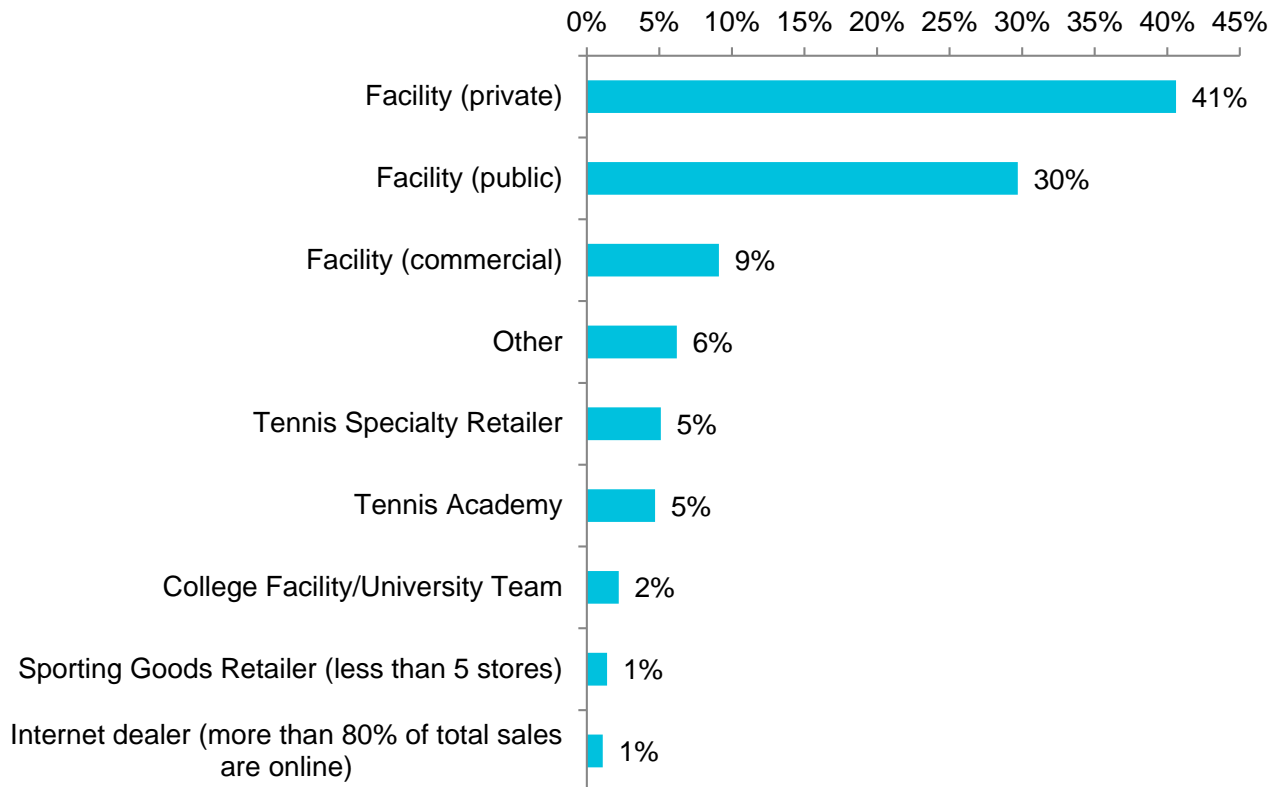
# Tennis Business Background: State

Respondent State - May TIA COVID Survey

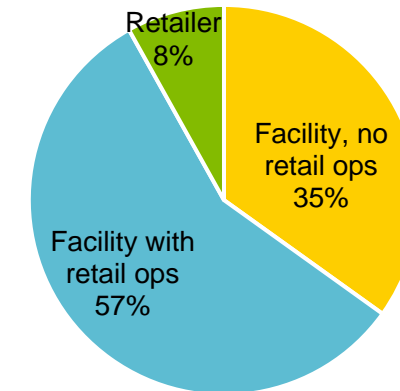


	April	May
California	15%	12%
Florida	8%	10%
Pennsylvania	7%	6%
Illinois	5%	6%
Texas	9%	6%
Massachusetts	5%	5%
New York	7%	5%
North Carolina	4%	5%
Ohio	2%	5%
South Carolina	3%	4%
Connecticut	3%	3%
Georgia	5%	3%
Michigan	1%	3%
New Jersey	4%	3%
Maryland	1%	2%
Iowa	1%	2%
Washington	0%	2%
Virginia	0%	2%

# Tennis Business Background: Type



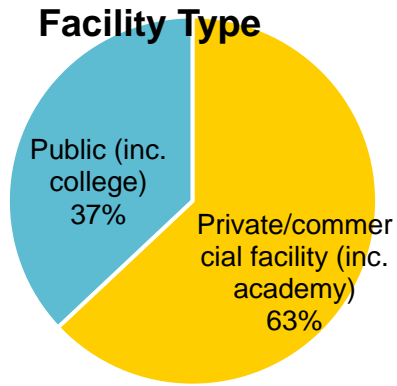
Grouped Business Type



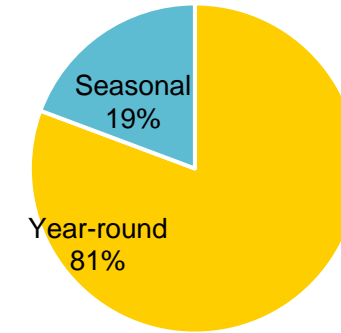
Common "other" responses:

- Tournament organizer
- Tennis Professional
- Lessons & programming
- Stringing

# Tennis Facility Background

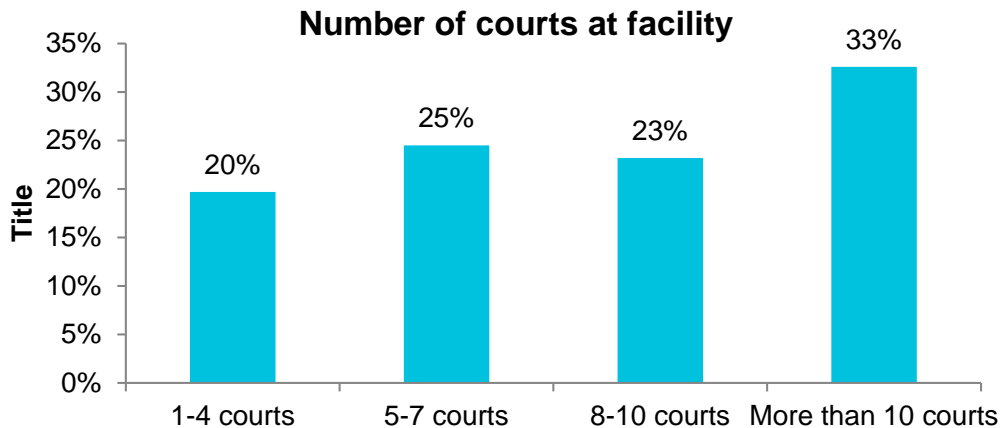
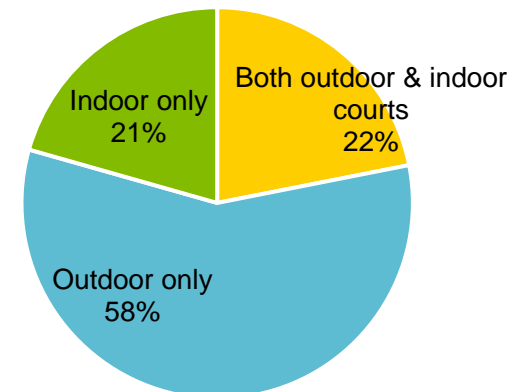


### Facility Seasonality



**60%**  
of facilities  
surveyed have  
retail operations

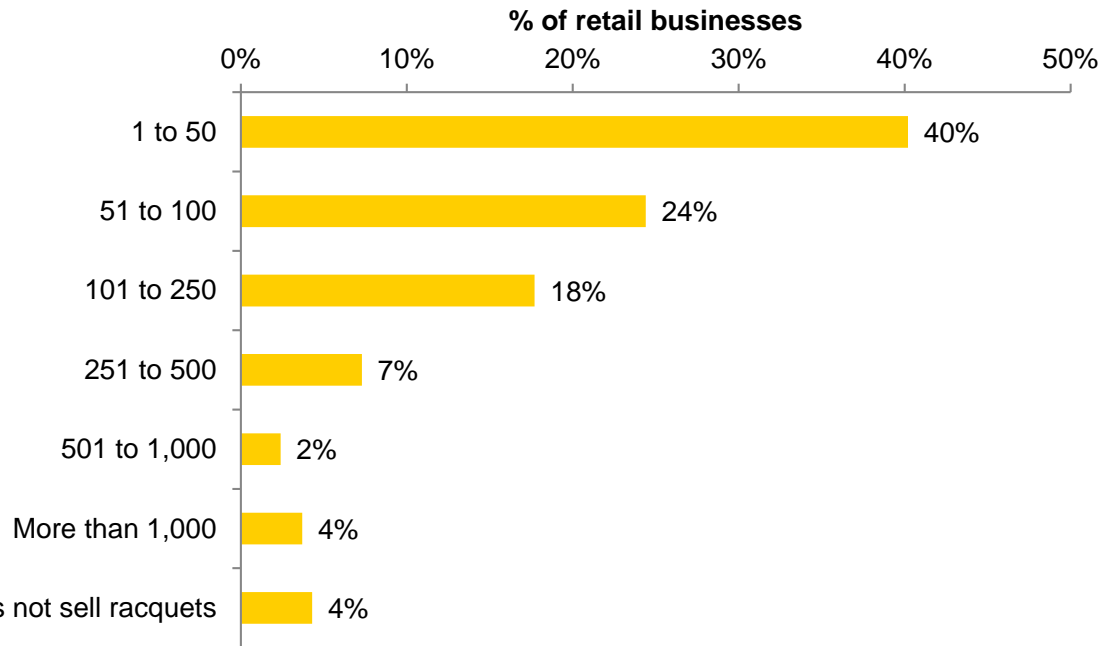
### Court Type



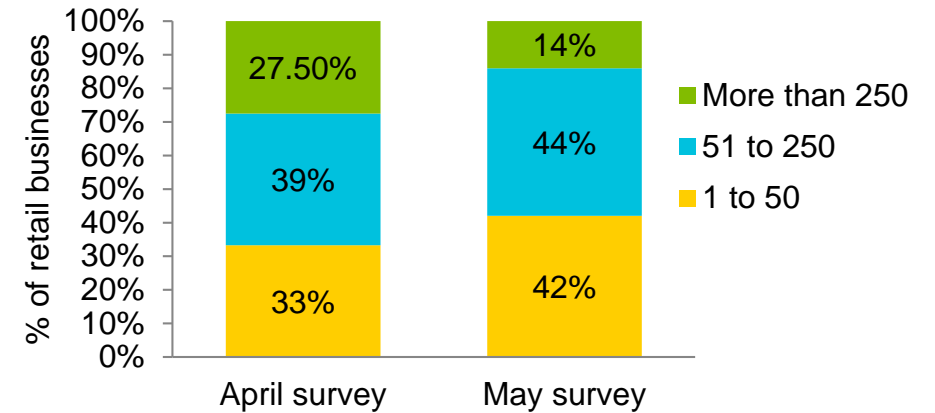


# Retailer Background: Store Size (Racquet Units Sold in 2019)

Racquet Units Sold in 2019



Store Size (Grouped)

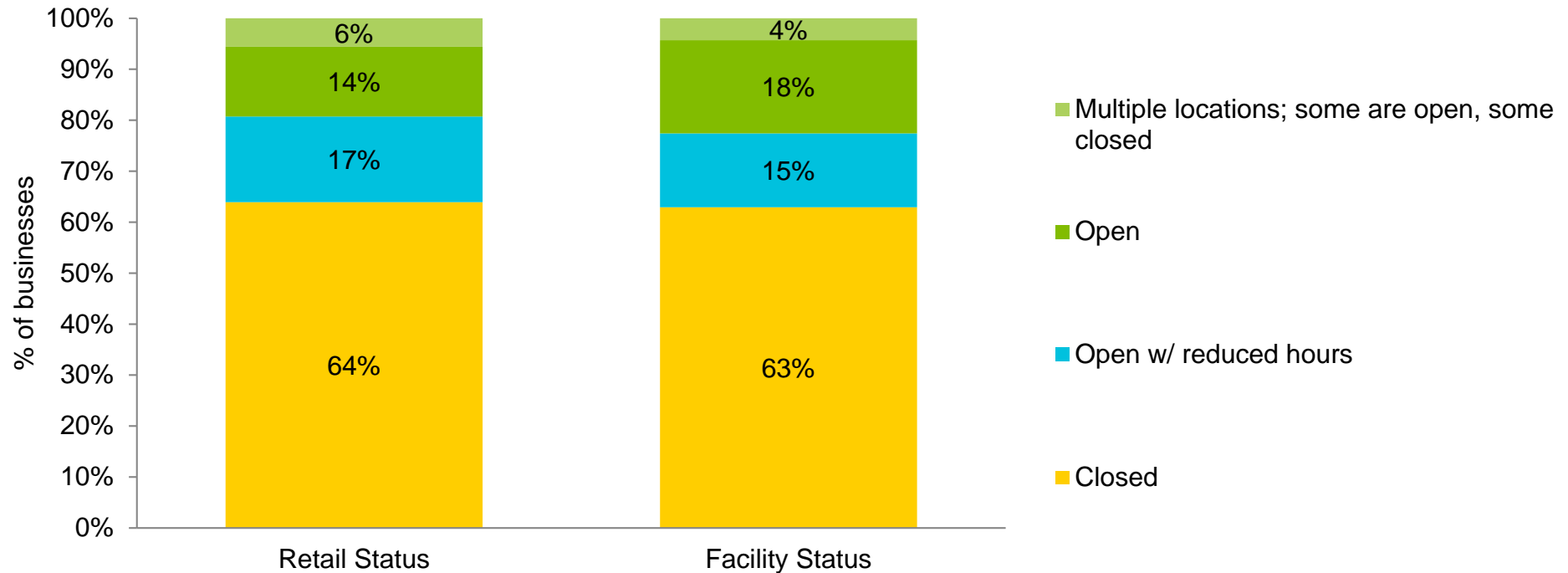


Stores In Total Pro/Specialty Retail Universe (from *Distribution Study for 2018*)

	% of stores	% of units sold
<100 units	81.5%	16.9%
100-249	11.0%	14.0%
250-499	3.4%	10.6%
500-999	2.2%	13.3%
1000+ units	1.8%	45.3%

# Current Business Status

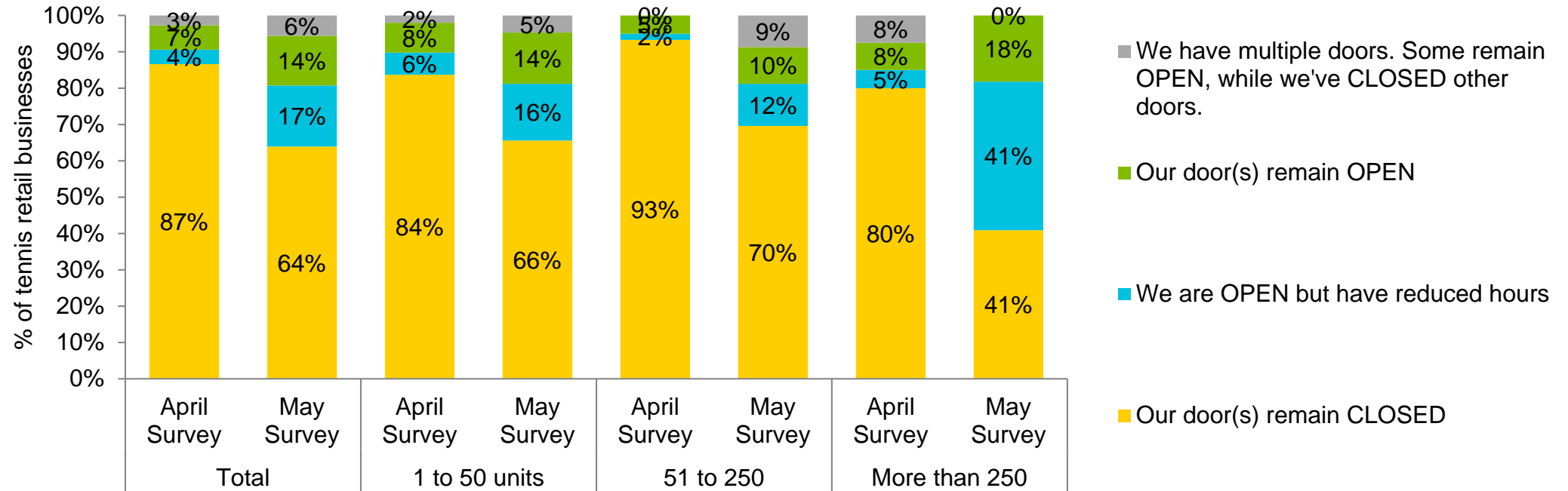
Tennis Business Status: Retail & Facility



**96% of businesses expect to reopen by the end of the year**

# Current Business Status

Current Retail Operation Status: April vs May Surveys by Store Size

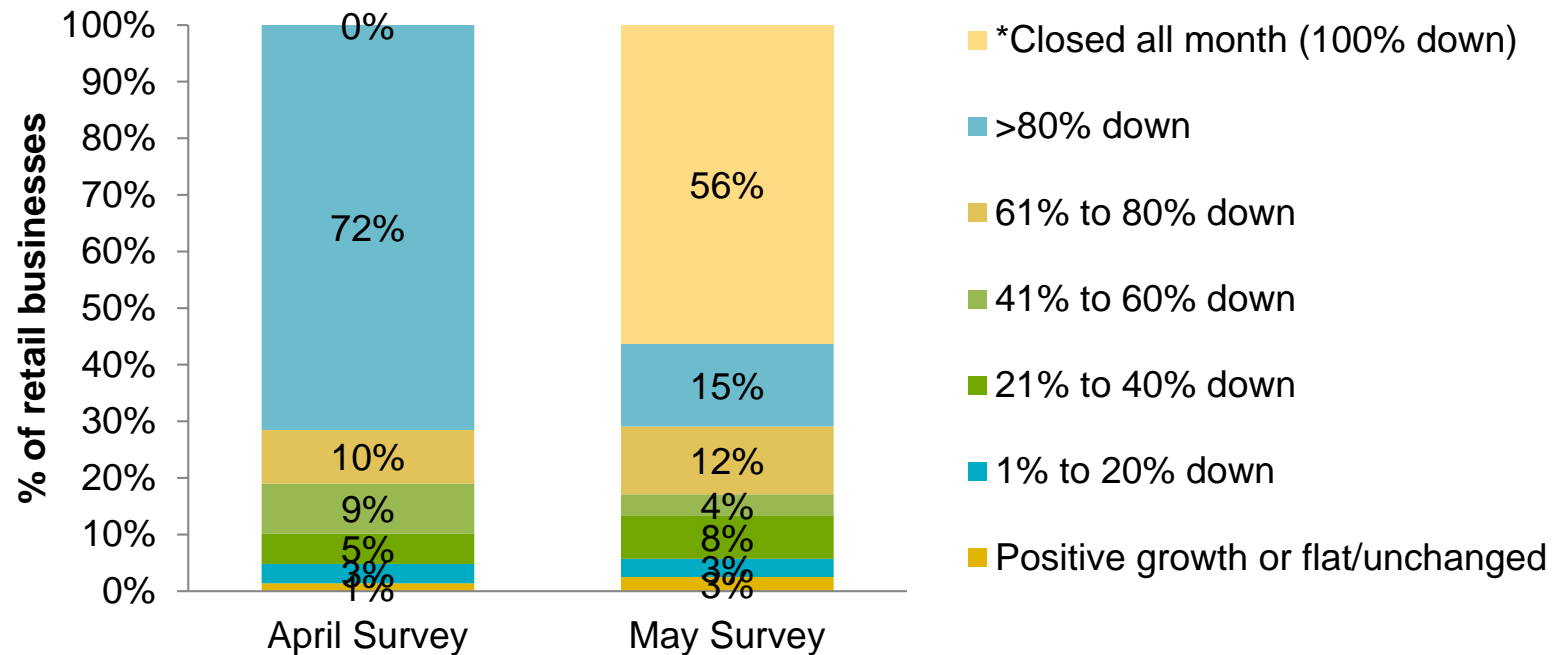


# SALES/ON-COURT PLAY OCCASIONS:

- COMPARISONS & PROJECTIONS
- SALES STRATEGIES USED FOR CLOSED STORES

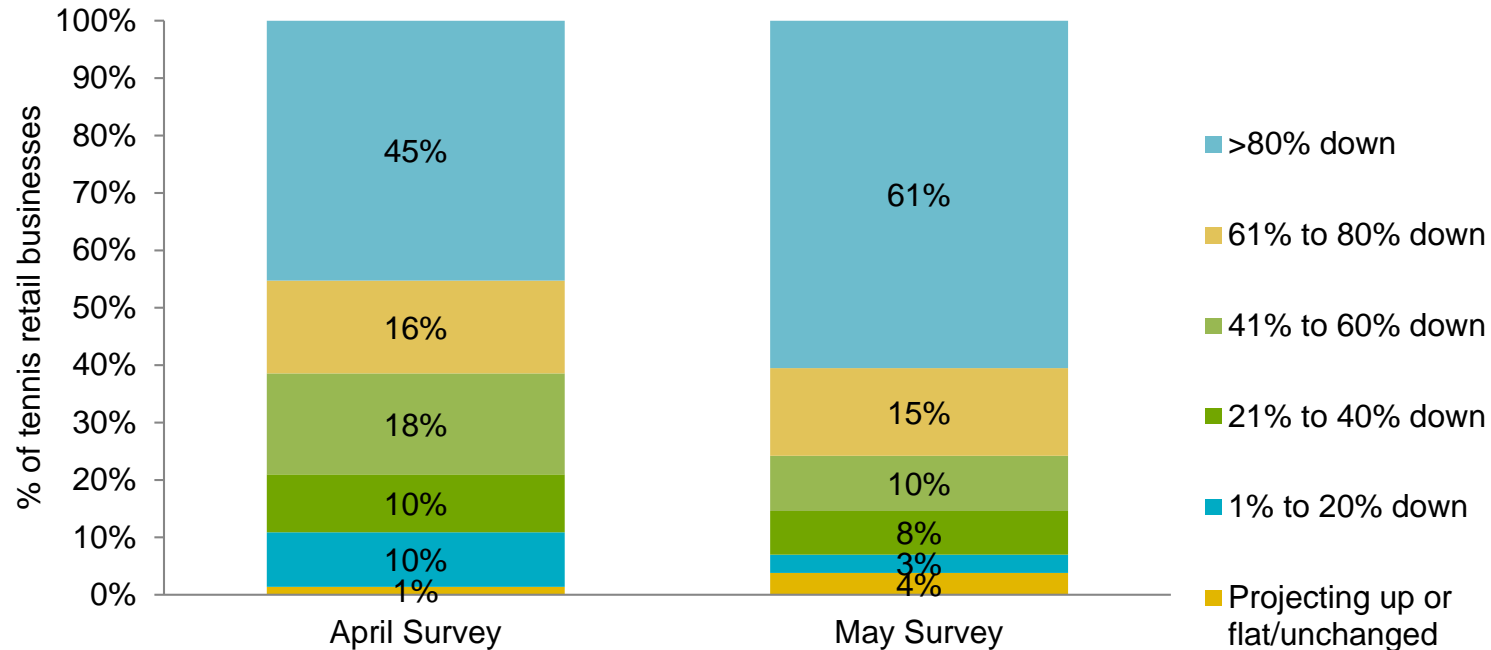
# Retail Sales Projections: April 2020 to April 2019

April Retail Sales: April survey vs May survey



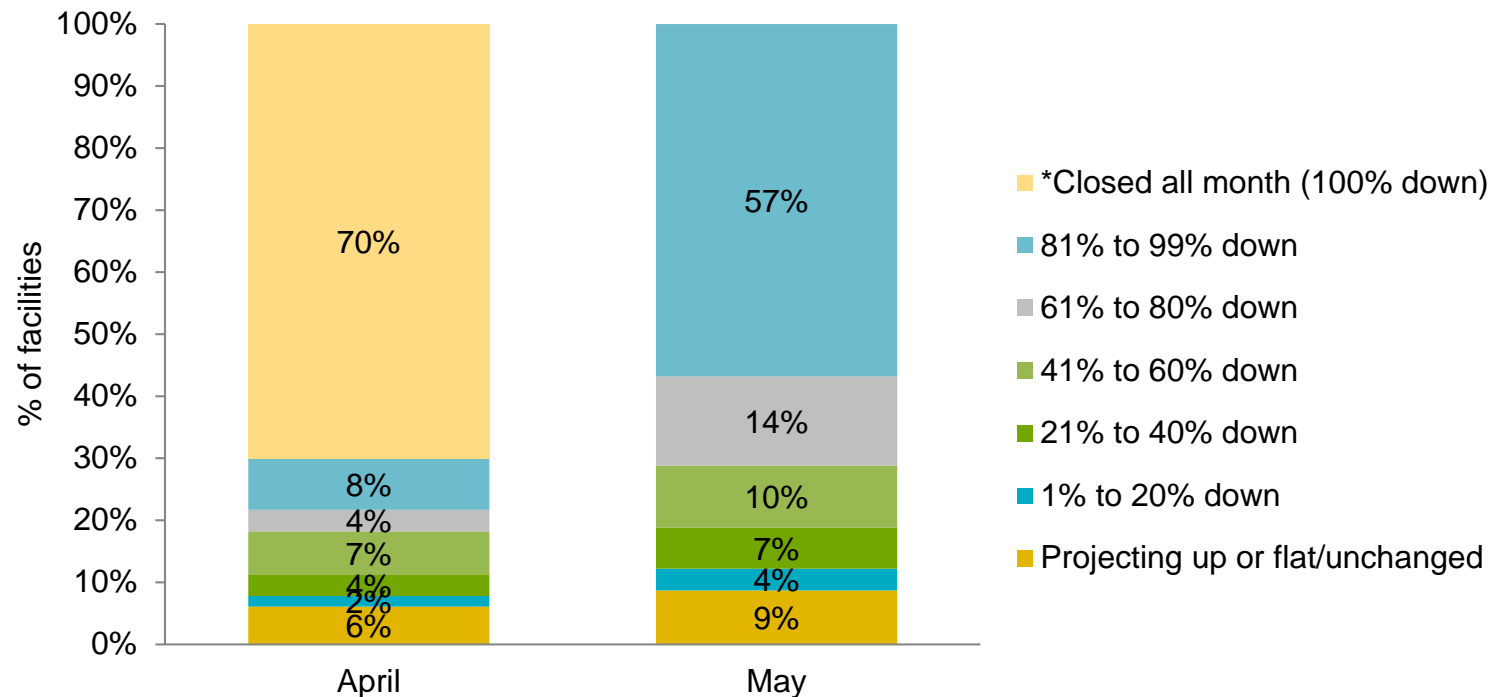
# Retail Sales Projections: May 2020 to May 2019

Projections for May retail sales: April Survey vs May survey



# On-Court Play Occasion Projections: April/May 2020 vs April/May 2019

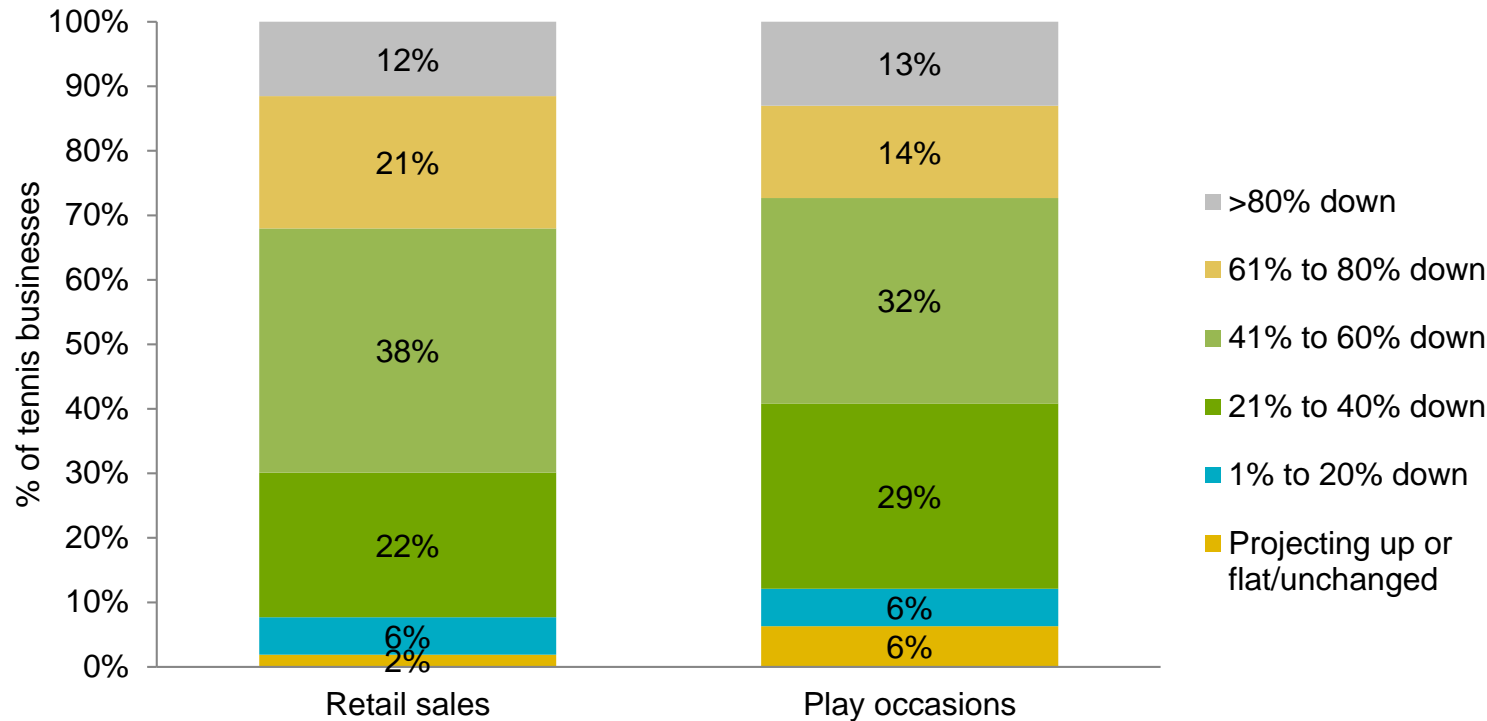
On-Court Play Occasion Projections for April & May 2020 vs 2019



\* Option only available for April question

# Year-End Projections: Retail Sales & On-Court Play Occasions

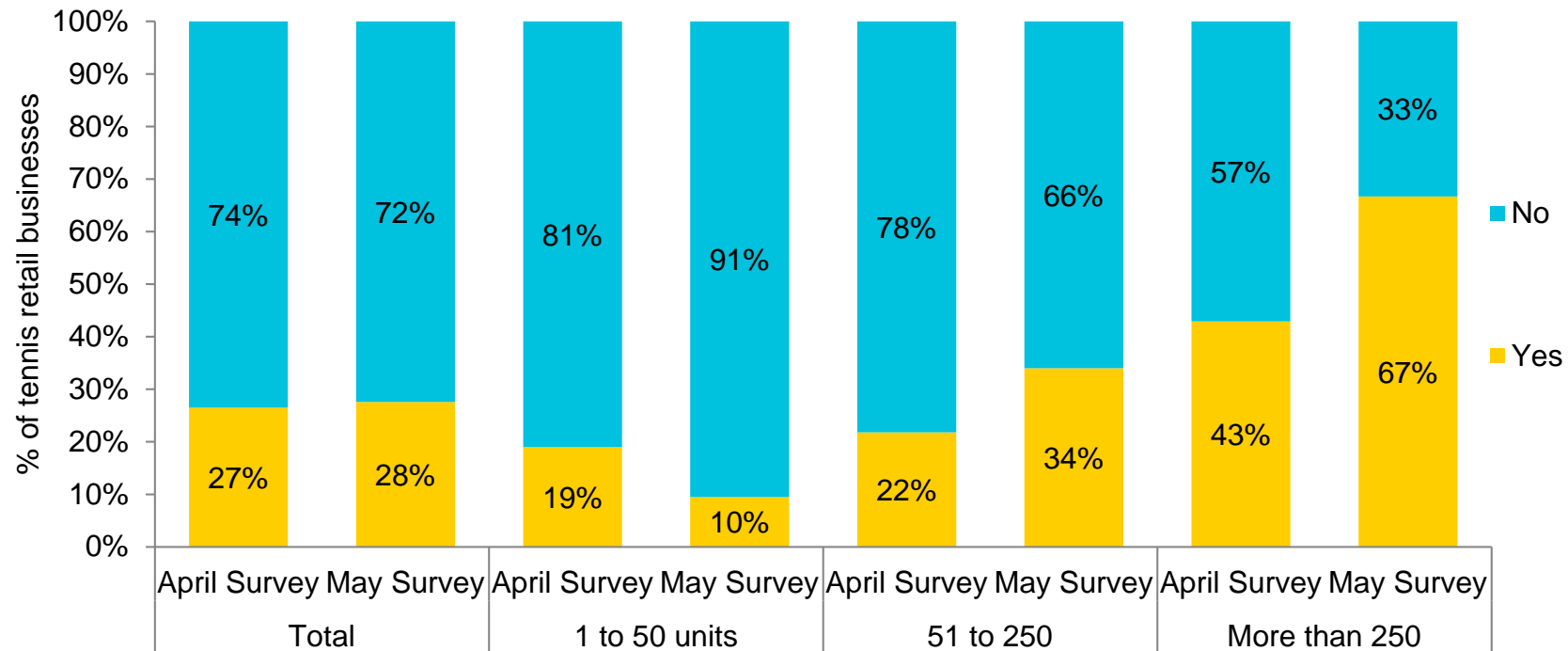
Projected Year-end 2020 % change compared to 2019





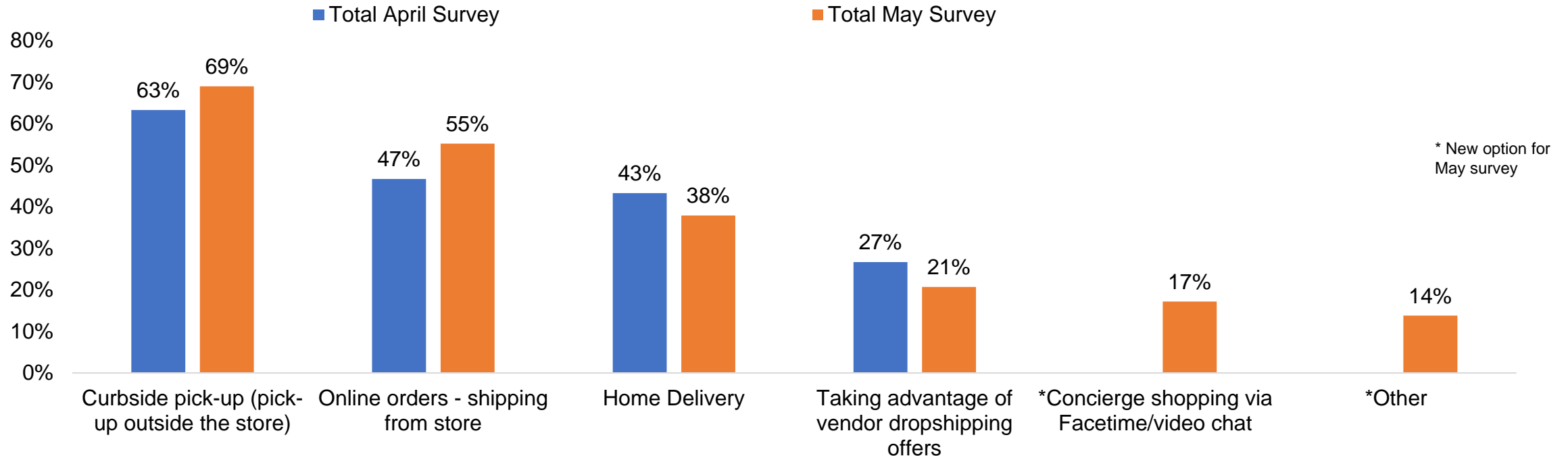
# Sales Strategies to Maintain Sales During Closings

Sales Strategies Implemented



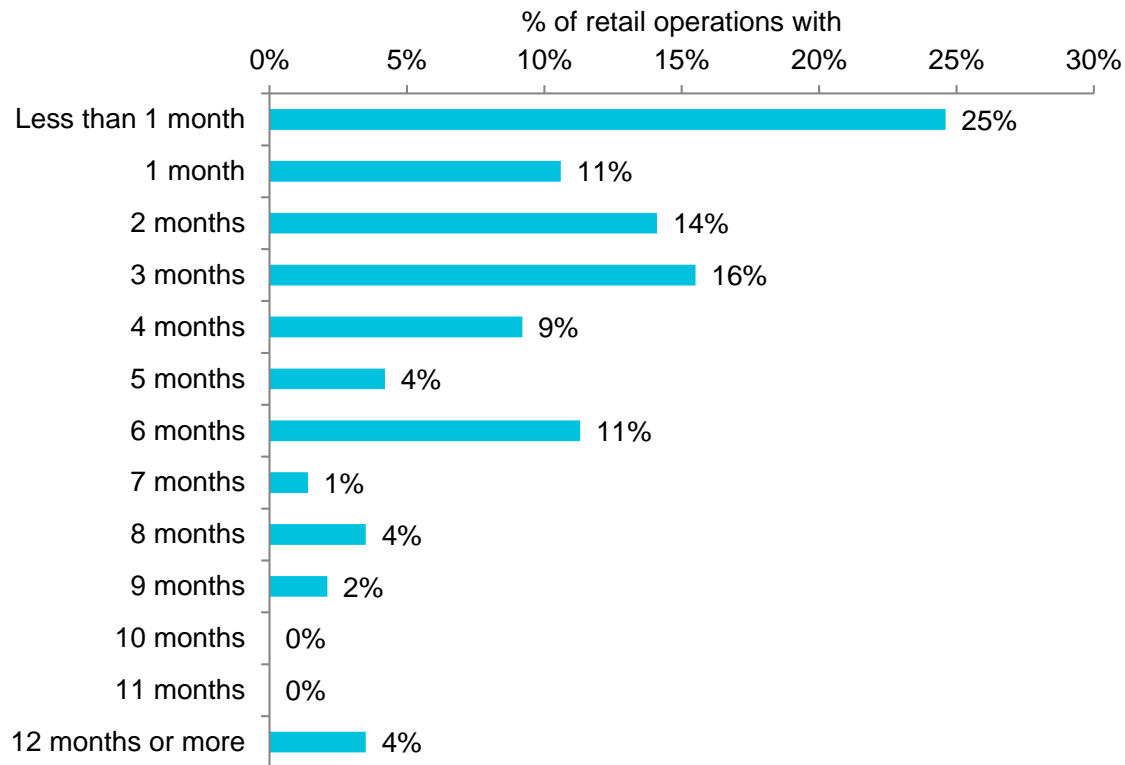
# Sales Strategies to Maintain Sales During Closings

## Retail Operations

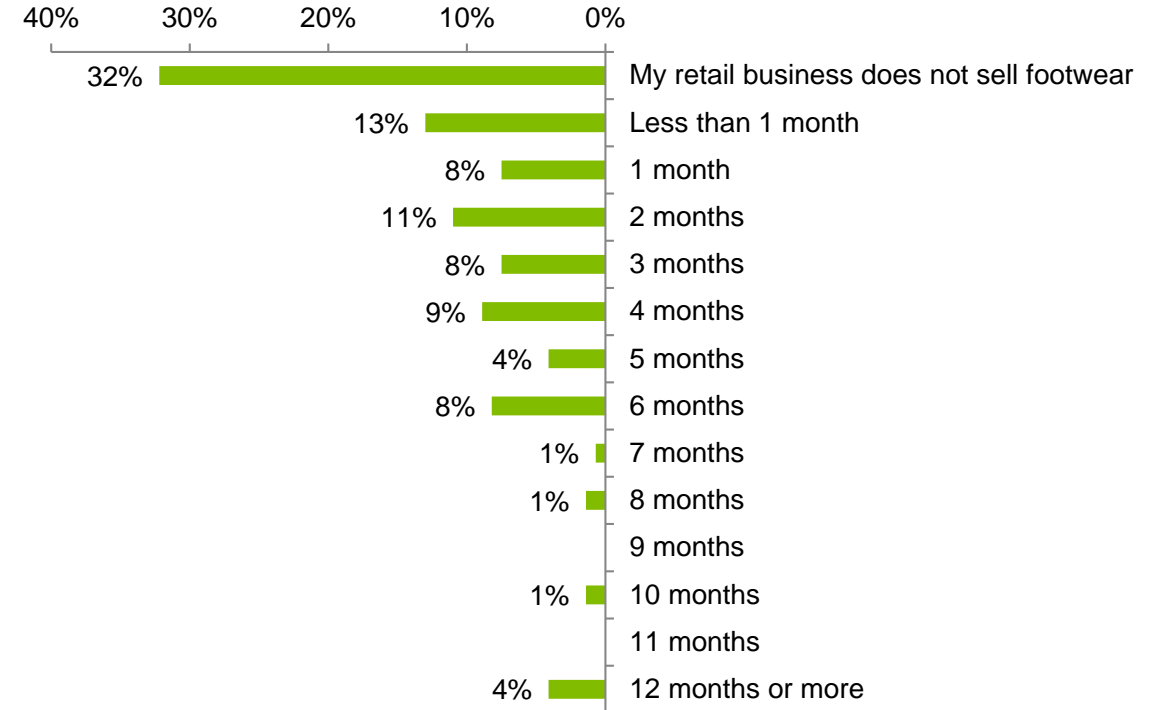


# Inventory On Hand

Months of Racquet Inventory On-Hand

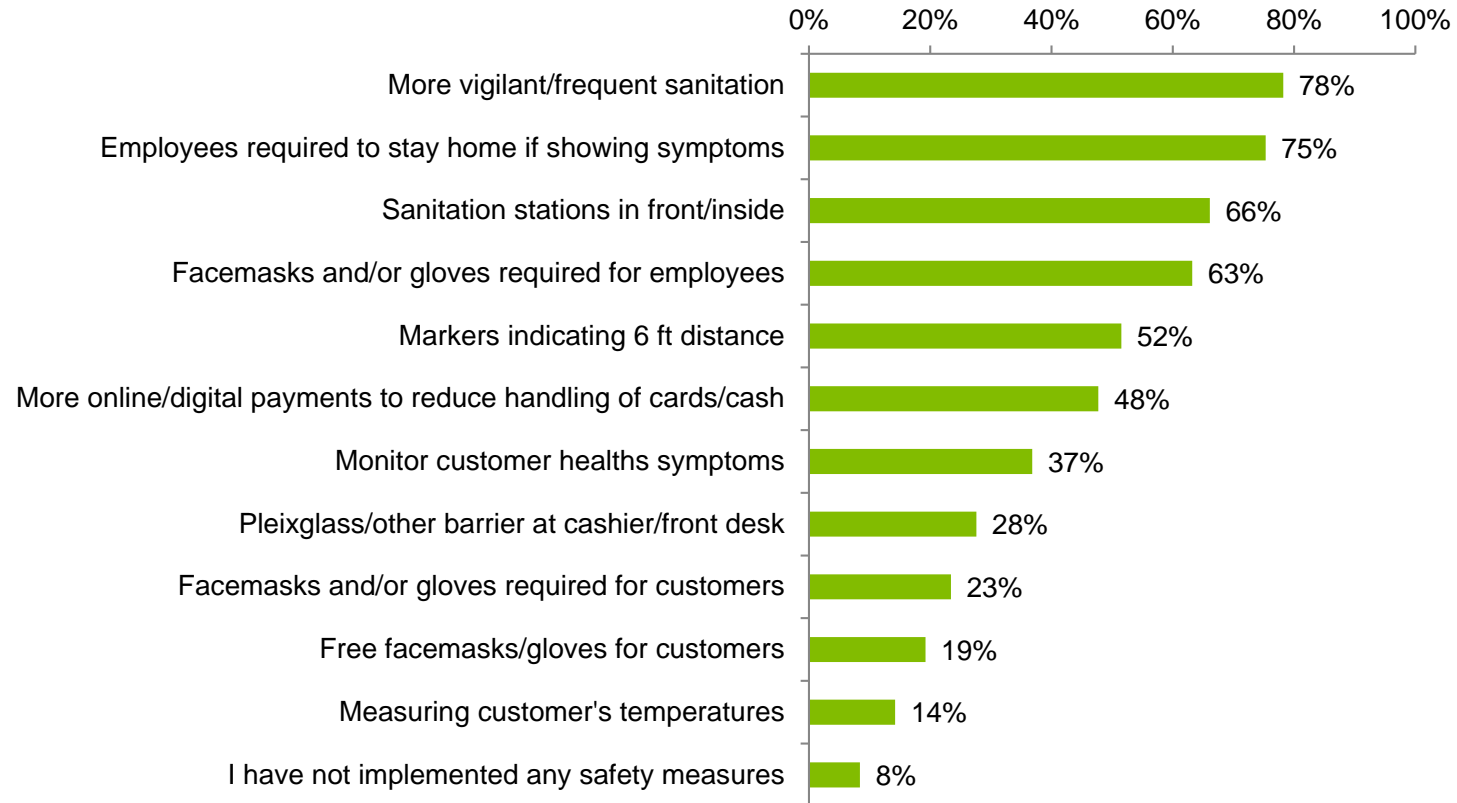


Months of Footwear Inventory On Hand



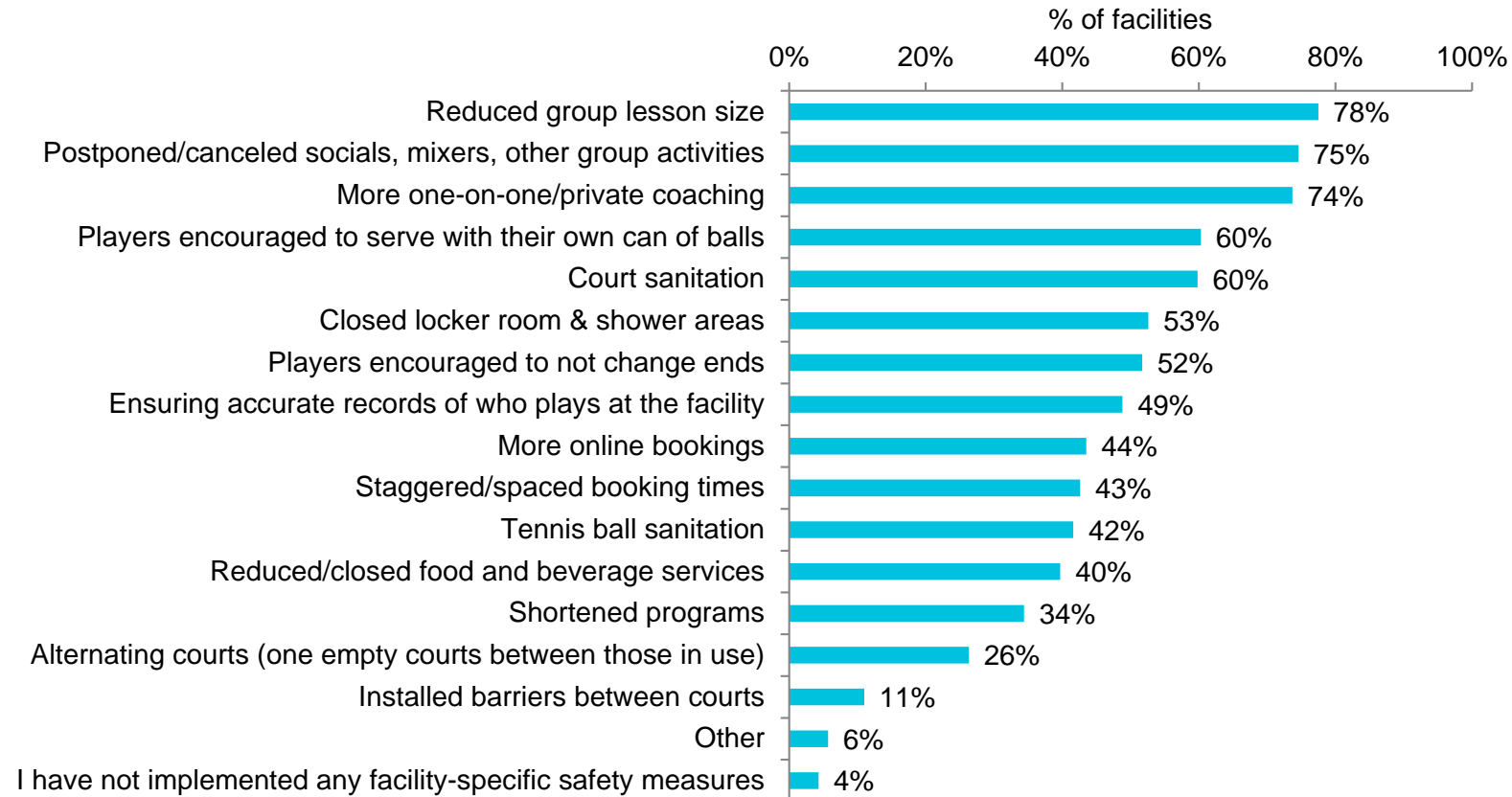
# Health Measures

**General Safety Measures Implemented/Planned to Implement by Tennis Businesses**



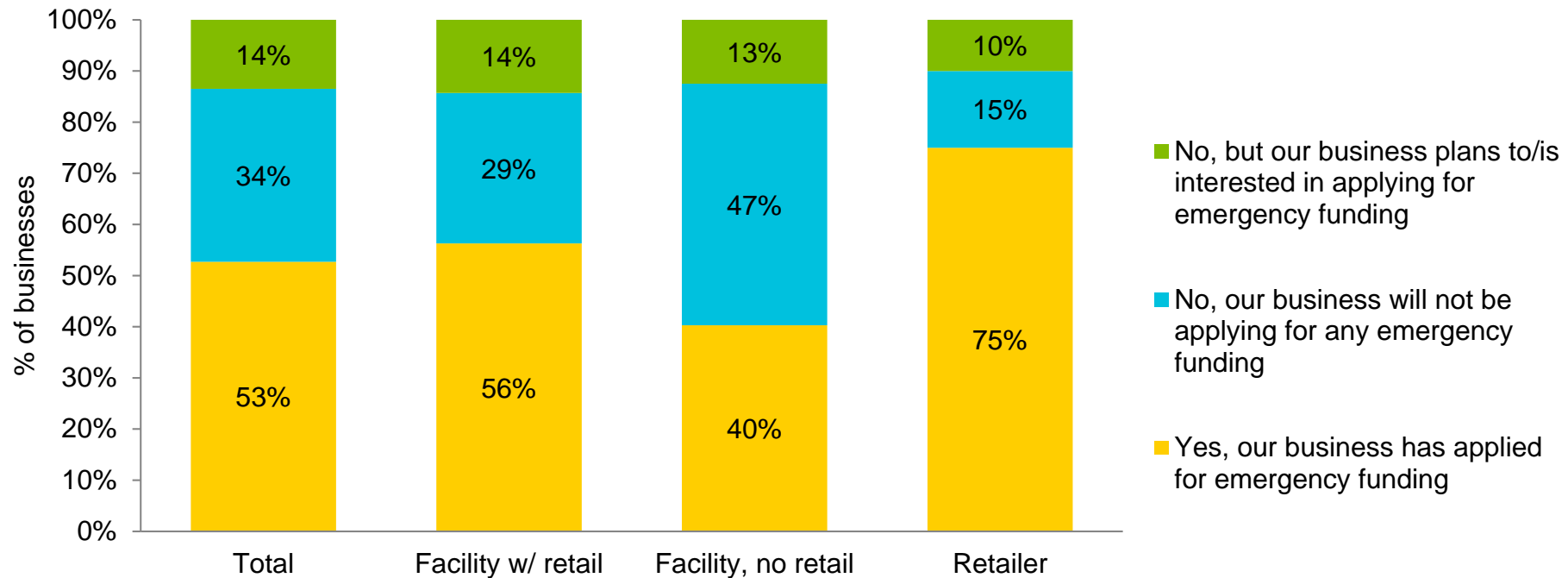
# Facility-Specific Health Measures

## Facility-Specific Health Measures Implemented/Plan to Implement



# Emergency Funding

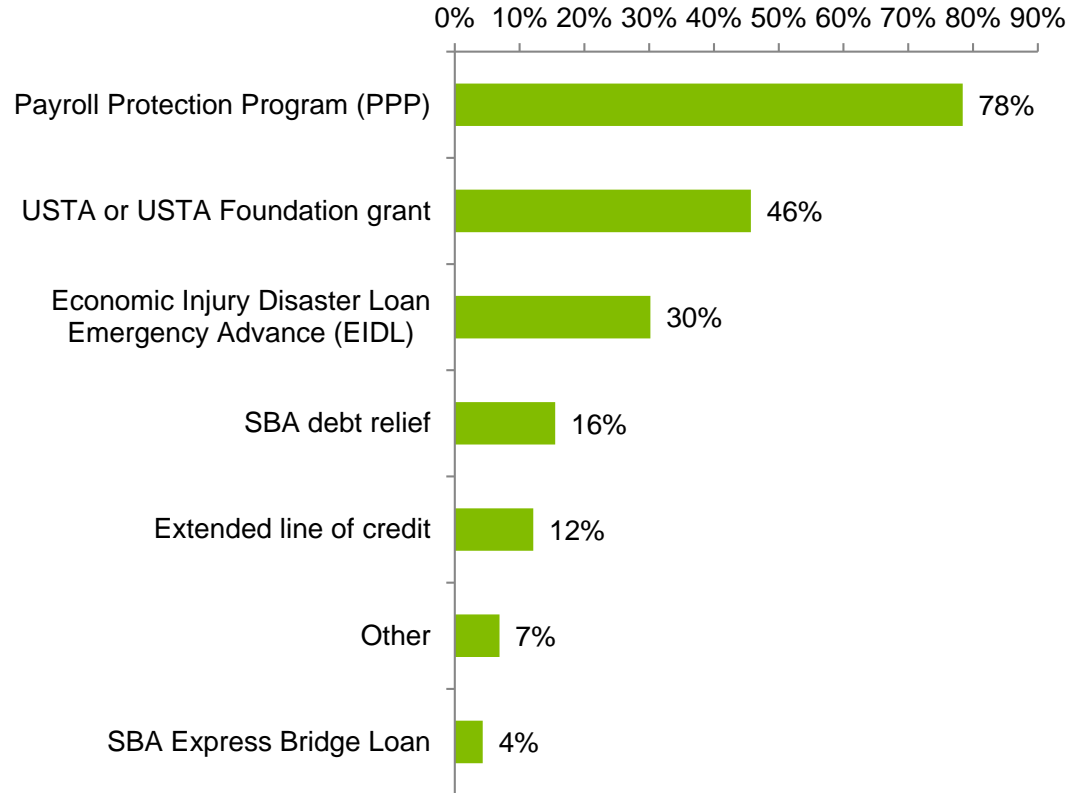
Applied For/Intent to Apply for Emergency Relief



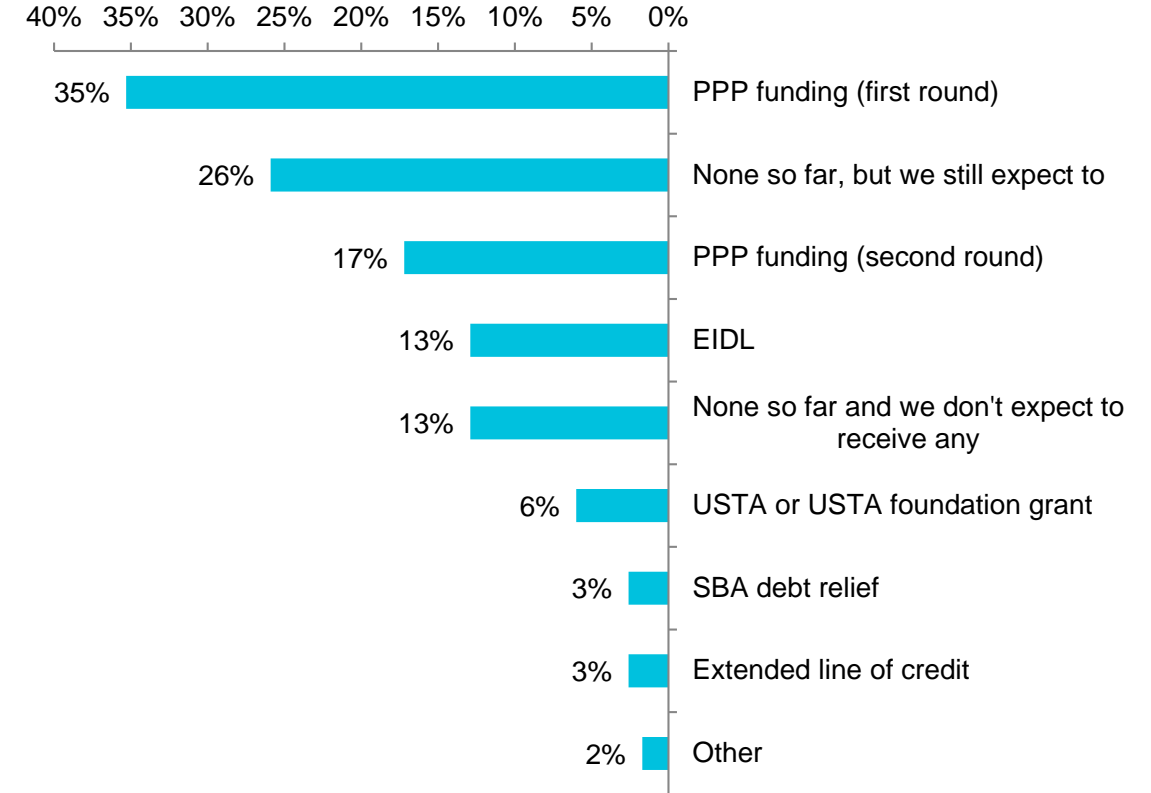
# Emergency Funding

## Emergency Relief Applied For

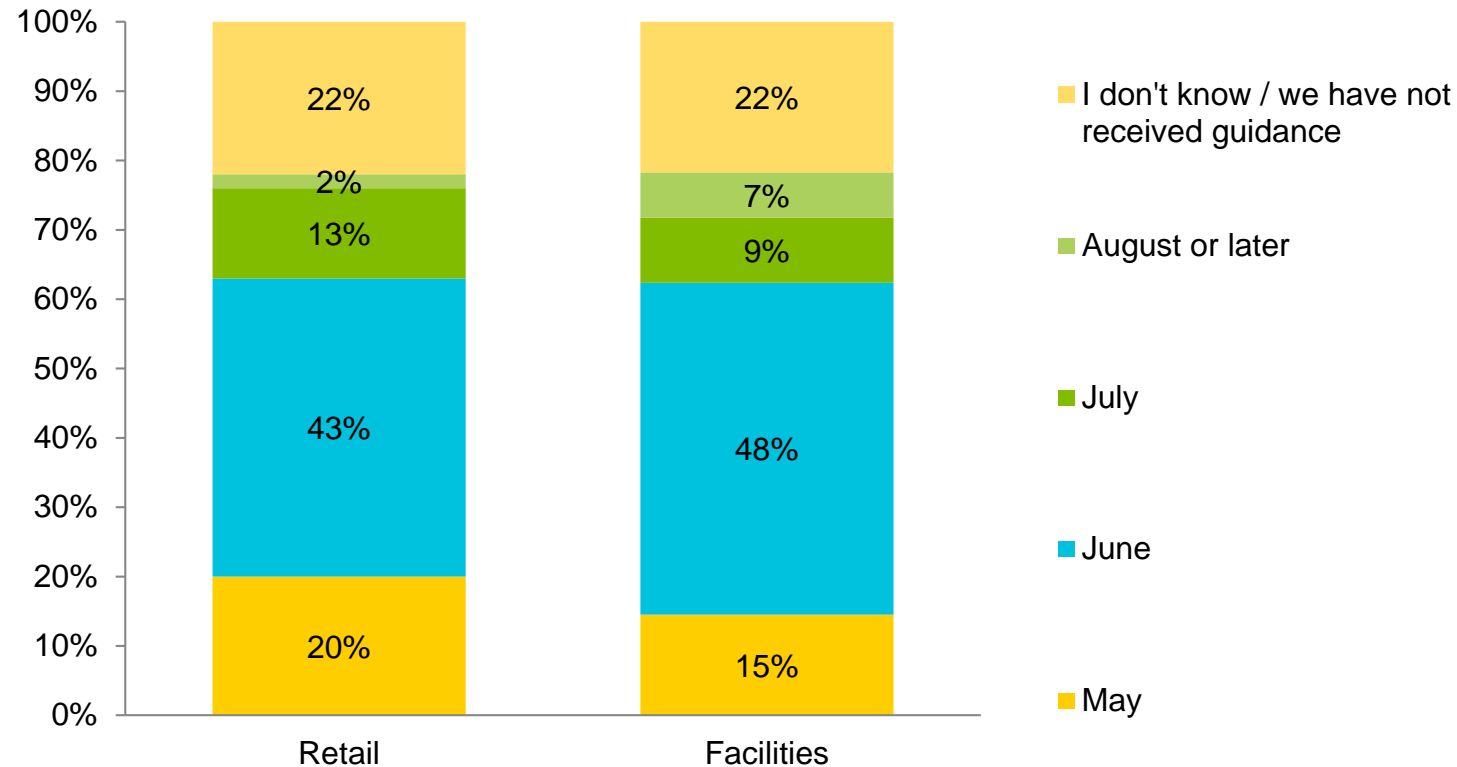
% of tennis businesses



## Emergency Funding Received

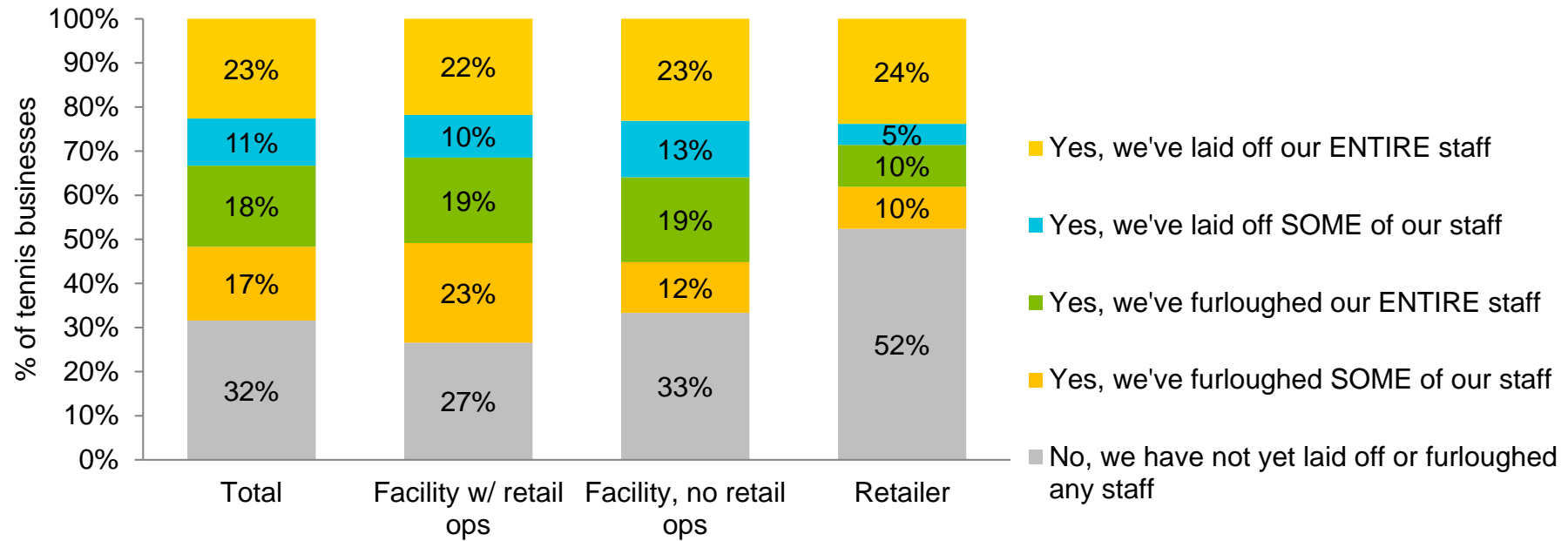


Based on communication from your local government, when do you believe you will be able to reopen your tennis business?



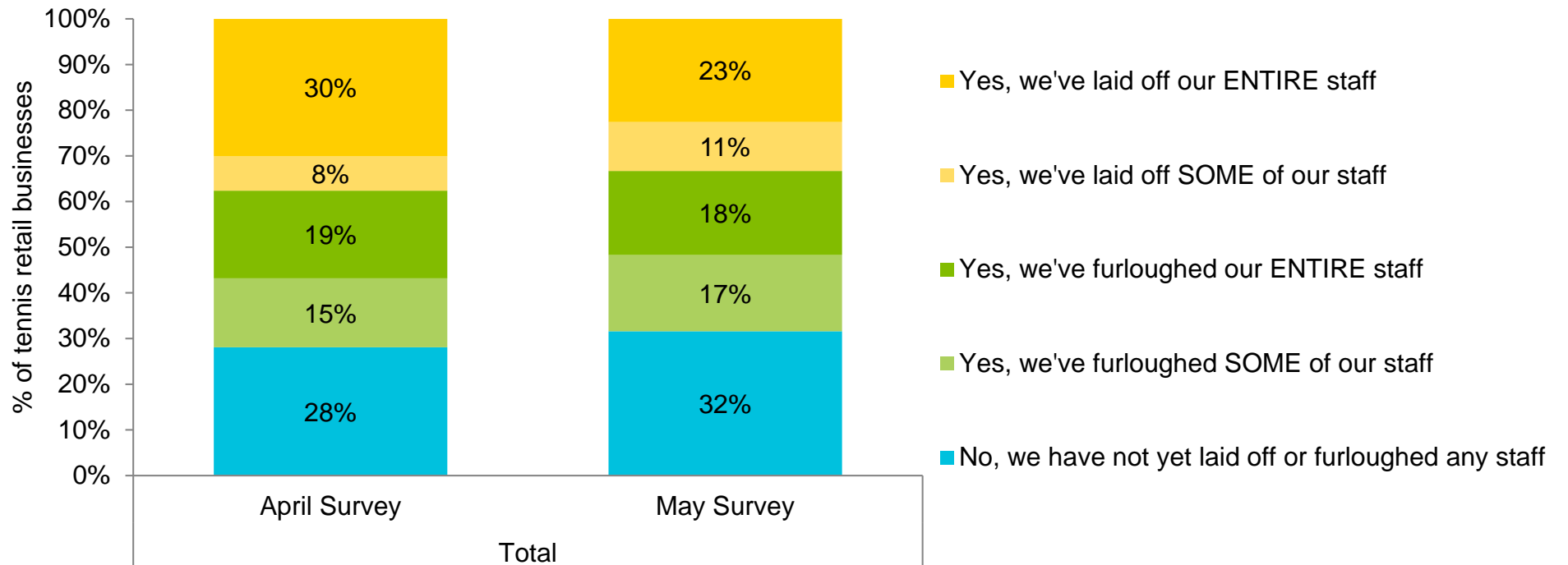


# Staff Layoffs & Furloughs



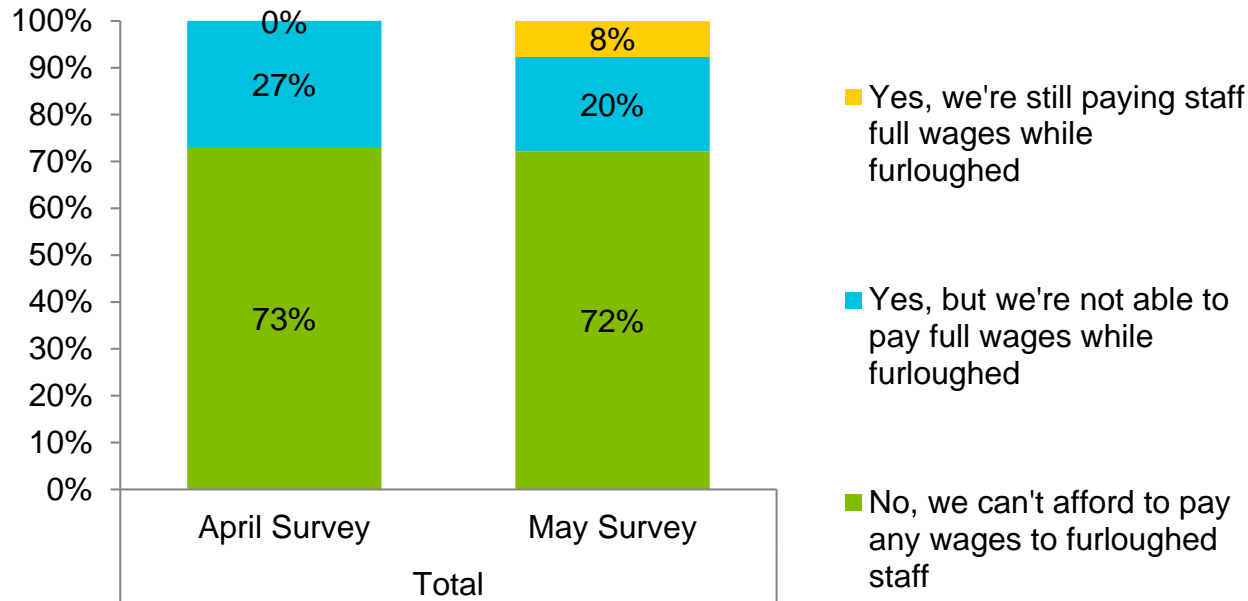
# Staff Layoffs & Furloughs

Staffing Status by Store Size: April Survey vs May Survey

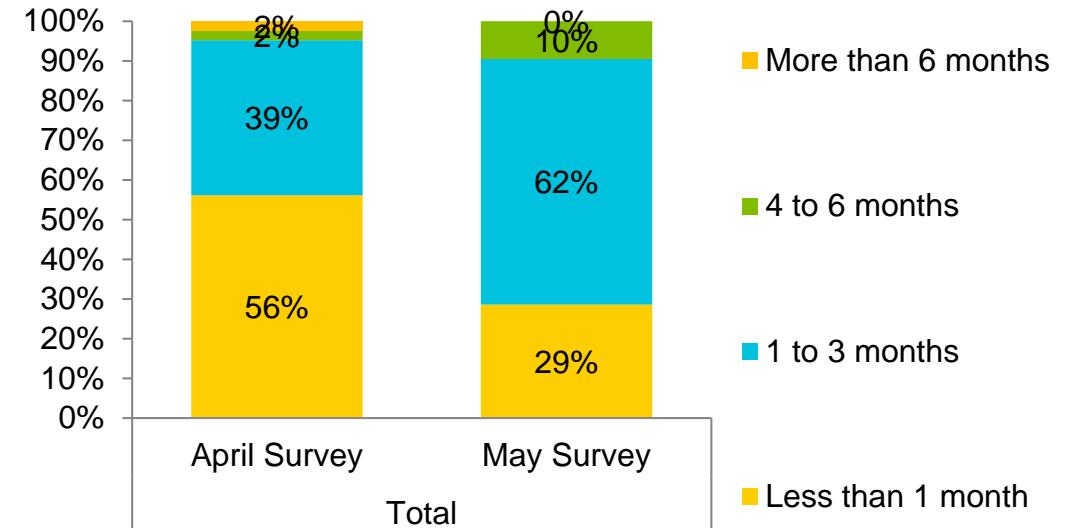


# Staff Furloughs: Wage Support

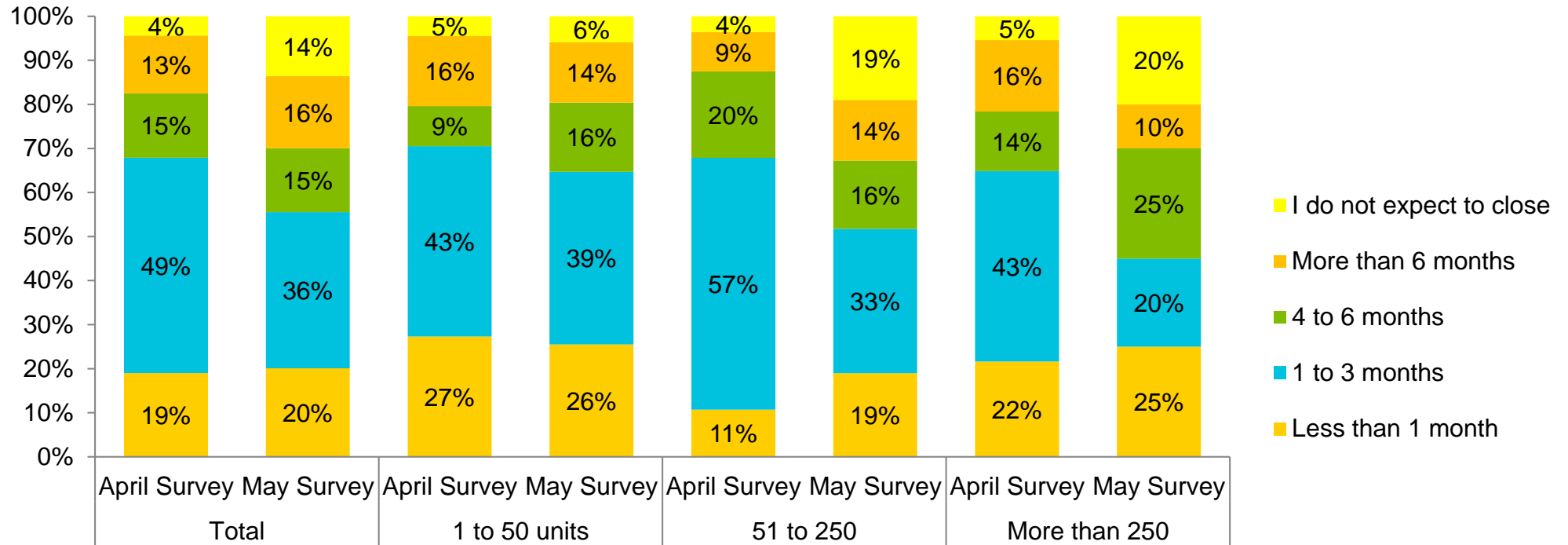
Wage Support While Furloughed



Length of Wage Support for Furloughed Employees

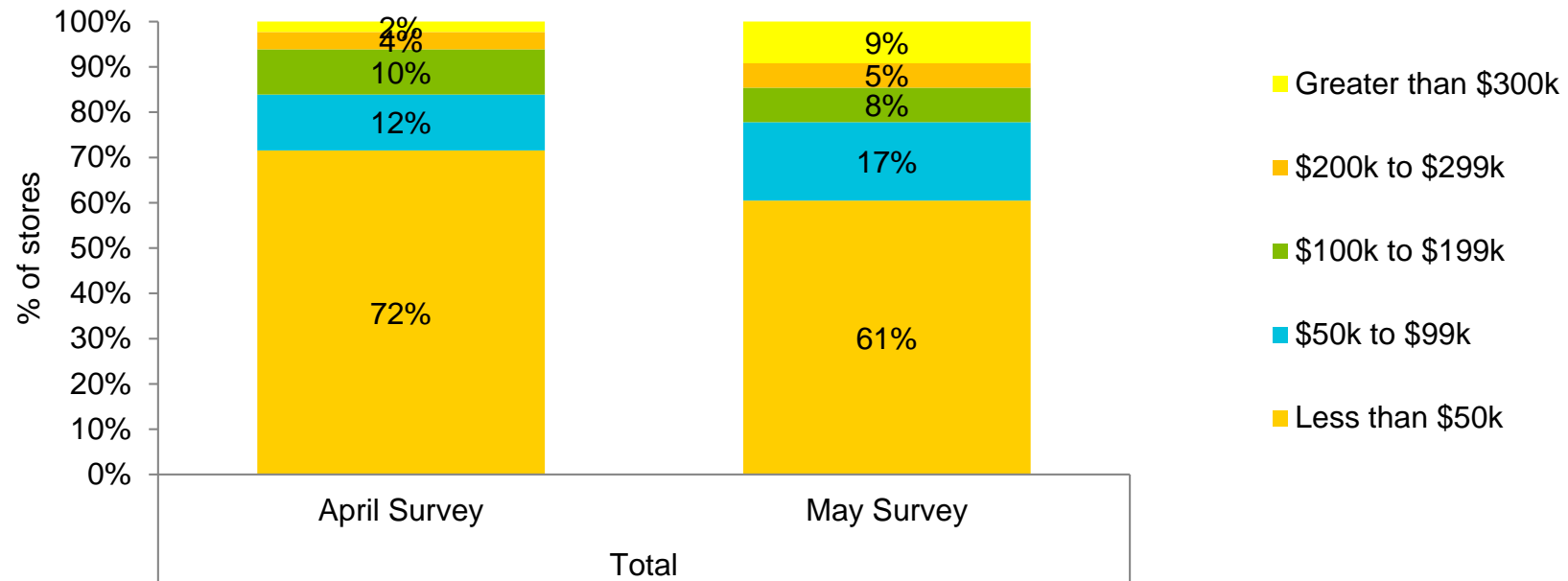


# Cash Reserves

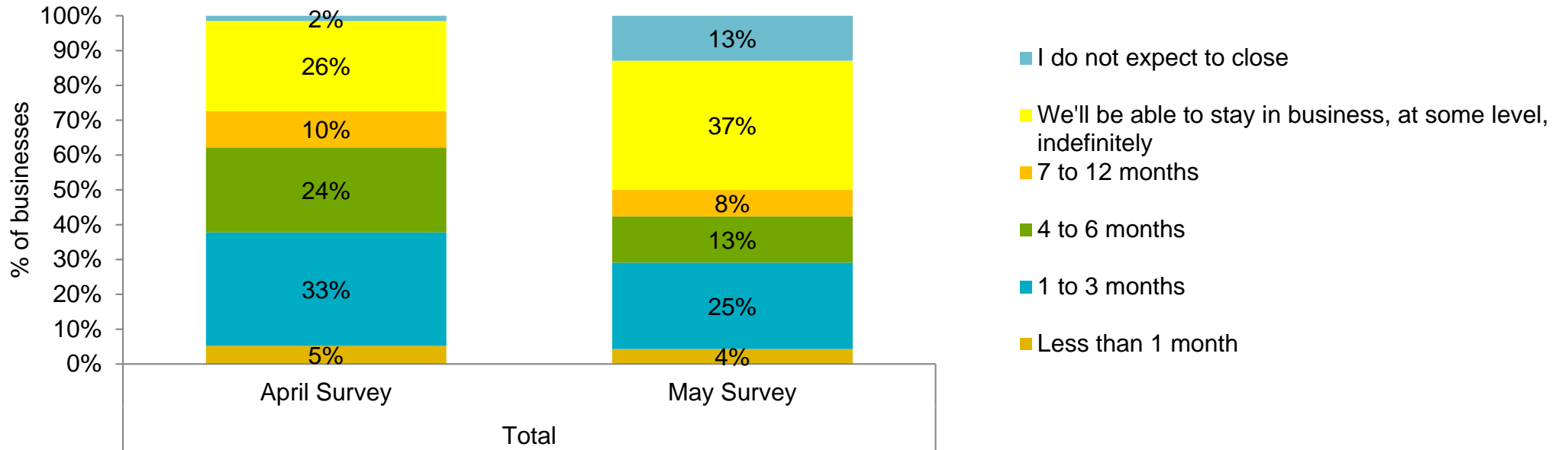


# Use of Debt to Maintain Financial Viability

Max Debt Willing to Incur

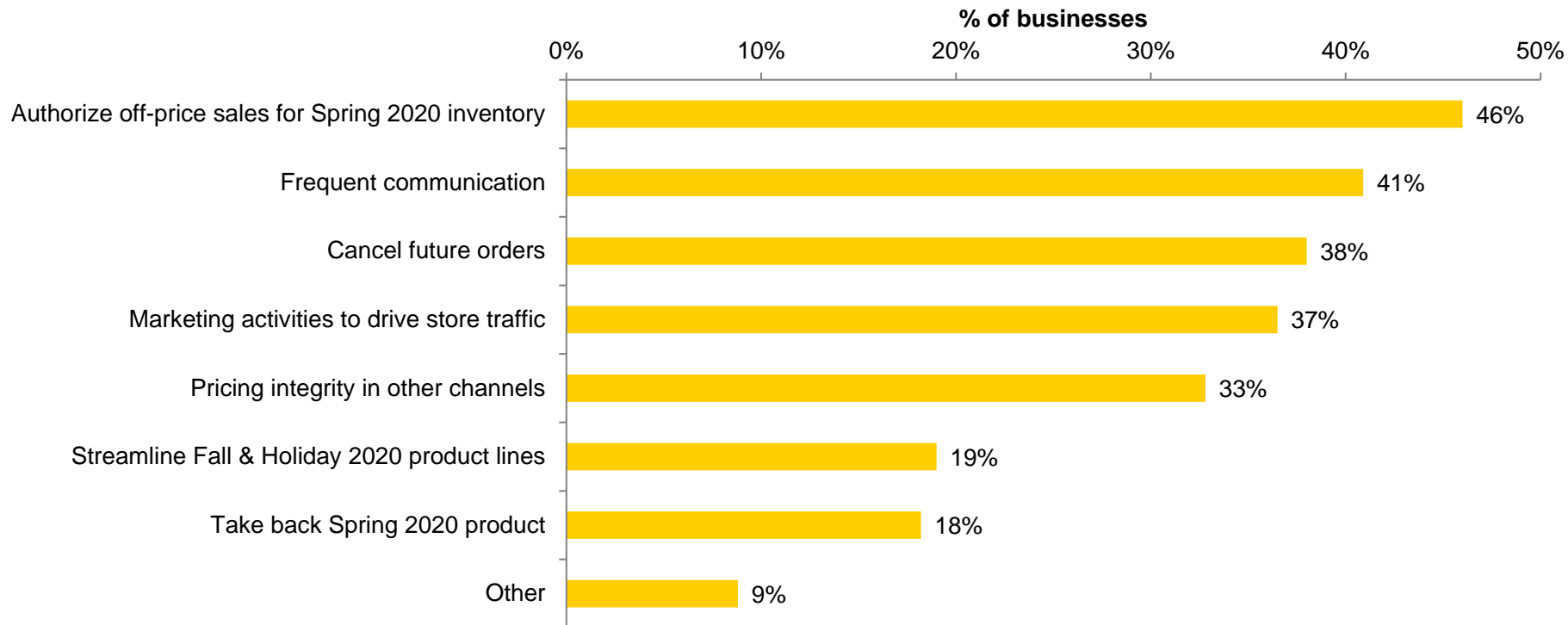


# Duration of Business Viability Before Considering Closure



# How Tennis Brands Can Help Businesses In Need

What are the top 3 things tennis brands can do to help your business?



# FAST-FACTS: ANALYSIS OF KEY STATES:

- California
- Florida
- Georgia
- New York
- Texas



# Executive Summary – Fast Facts

Question	Retail/Facility	Key states (CA, FL, GA, NY, TX)	All other states
Are you closed?	Retail	50%	71%
	Facility	51%	68%
April business?	Retail Sales	66% say > than 80% down	73% > than 80% down
	Facility Court Usage	75% > than 80% down	79% > than 80% down
May business?	Retail Sales	53% > than 80% down	64% > than 80% down
	Facility Court Usage	42% > than 80% down	63% > than 80% down
Year-end business?	Retail Sales	72% > 40% down	69% > than 40% down
	Facility Court Usage	55% > 40% down	61% > than 40% down
Expect to open?	Retail	62% to open May/June	63% to open May/June
	Facility	65% to open May/June	62% to open May/June



# Executive Summary – Fast Facts

Question	Retail/Facility	Key states (CA, FL, GA, NY, TX)	All other states
General safety measures implementing	All	More vigilant/frequent sanitation 76% Employees required to stay home if showing symptoms 70% Facemasks and/or gloves required for employees 64% Sanitation stations in front/inside 57% Markers indicating 6 ft distance 49%	More vigilant/frequent sanitation 80% Employees required to stay home if showing symptoms 78% Sanitation stations in front/inside 71% Facemasks and/or gloves required for employees 63% Markers indicating 6 ft distance 53%
Facility safety measures implementing	Facility	More one-on-one/private coaching 77% Reduced group lesson size 73% Postponed/canceled socials, mixers, group activities 65% Court sanitation 61% Players encouraged to serve with their own can of balls 55% Tennis ball sanitation 50% More online bookings 46%	Reduced group lesson size 80% Postponed/canceled socials, mixers, group activities 79% More one-on-one/private coaching 72% Players encouraged to serve with their own can of balls 63% Court sanitation 59% Closed locker room & shower areas 57% Players encouraged to not change ends 55%
Giving members credit for missed time	Facility	49% Yes, giving credit for missed time	60% Yes, giving credit for missed time
Retail Inventory	Retail	<ul style="list-style-type: none"> <li>Racquets: 38% have 4 months or more inventory</li> <li>Shoes: 37% have 4 months or more inventory</li> </ul>	<ul style="list-style-type: none"> <li>Racquets: 34% have 4 months or more inventory</li> <li>Shoes: 24% have 4 months or more inventory</li> </ul>
3 most important actions brands can do to help	Retail	Cancel future orders 47% Authorize off-price sales for Spring 2020 inventory 43% Frequent communication 43% Marketing activities to drive store traffic 43%	Authorize off-price sales for Spring 2020 inventory 48% Frequent communication 40% Cancel future orders 33% Marketing activities to drive store traffic 33%



# Executive Summary – Fast Facts

Question	Retail/Facility	Key states (CA, FL, GA, NY, TX)	All other states
Are you aware of the USTA / USTA Foundation grants to help tennis facilities affected by COVID-19?	Facility	86% of facilities are aware of the grant program	93% of facilities are aware of the grant program
Applied for emergency funding?	All	Yes, our business has applied for emergency funding 58% No, our business will not be applying 29% No, but our business plans to/is interested in applying 13%	Yes, our business has applied for emergency funding 50% No, our business will not be applying 37% No, but our business plans to/is interested in applying 14%
What emergency funding have you received so far?		None so far, but we still expect to 34% PPP funding (first round) 25% PPP funding (second round) 21% None so far and we don't expect to receive any 15% EIDL 9% USTA or USTA foundation grant 5% Other 2%	PPP funding (first round) 42% None so far, but we still expect to 21% PPP funding (second round) 15% EIDL 15% None so far and we don't expect to receive any 13% USTA or USTA foundation grant 7% SBA debt relief 4% Extended line of credit 4%

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