

The Impact of COVID-19 on Austin Businesses

Hobby School of Public Affairs

University of Houston

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The Survey

- Administered between June 10 & June 24
- Online
 - English, Spanish, Chinese, Korean
- 7 to 8 Minutes in Length
- 1,050 Completions

Distribution of Respondents by Industry

| Industry | Percentage of Businesses (13% Other) |
|--|--------------------------------------|
| Hospitality | 18% |
| Professional Services | 15% |
| Arts, Entertainment & Recreation (NCH) | 11% |
| Construction | 8% |
| Health Care | 7% |
| Retail | 7% |
| Technology | 5% |
| Education | 4% |
| Financial Services | 4% |
| Real Estate | 4% |
| Child Care | 2% |
| Manufacturing | 1% |
| Social Assistance | 1% |

Hospitality Industry: Sub-Groups

| Sub-Group | Percentage |
|----------------------------------|------------|
| Restaurants, Bars & Food Trucks* | 10% |
| Live Music Venues* | 5% |
| Hospitality Services | 3% |
| Lodging * | 2% |

* Non mutually exclusive

Business Size

| Number of Employees | Percentage |
|-------------------------|------------|
| Sole Proprietorship | 19% |
| 2 to 9 Employees | 32% |
| 10 to 24 Employees | 18% |
| 25 to 49 Employees | 10% |
| 50 to 100 Employees | 8% |
| 101 to 500 Employees | 7% |
| More than 500 Employees | 6% |

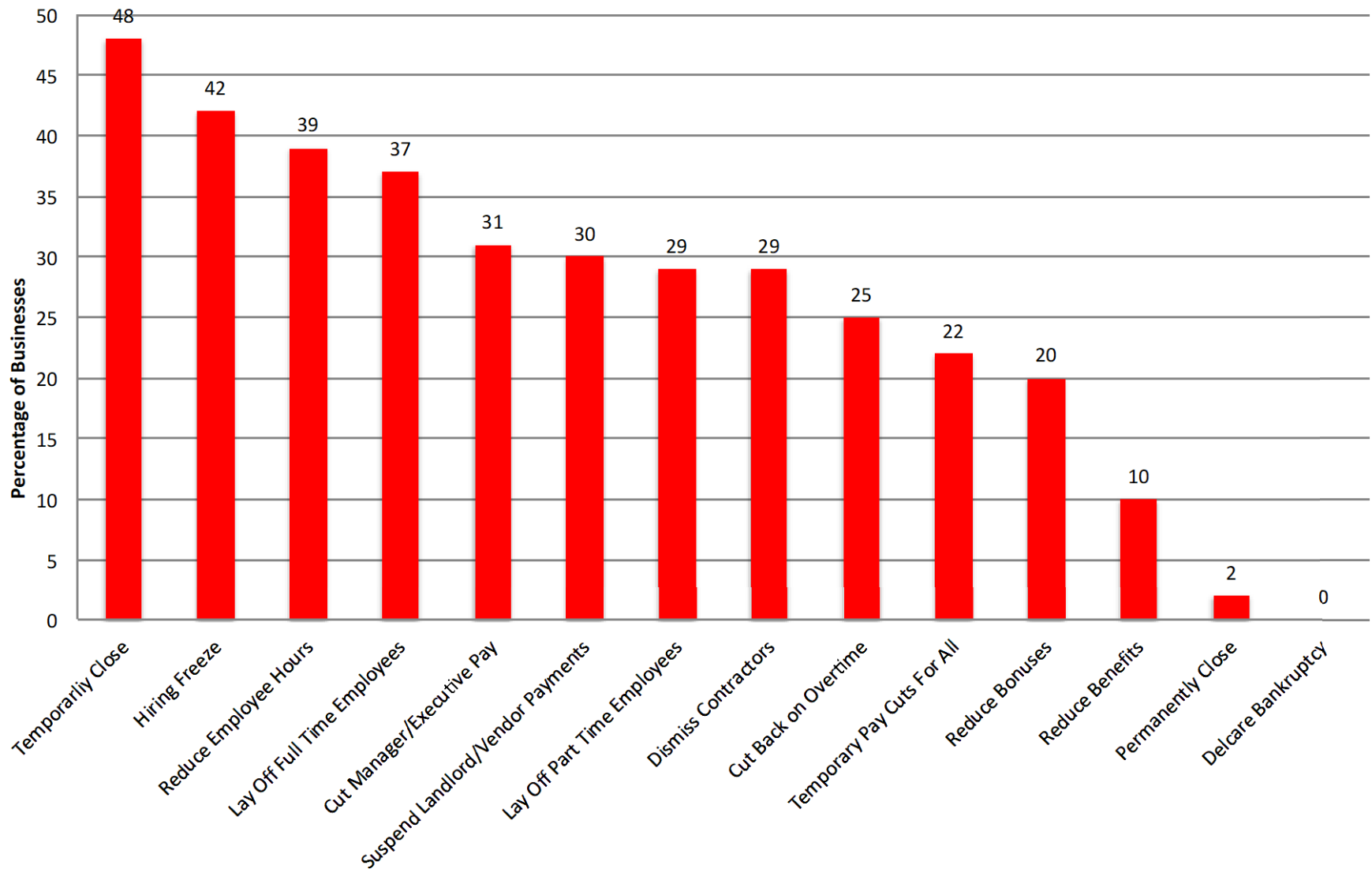
Employee Demographics: The Average Business

| Demographic Group | Average % of FT Employees: All & (25+) |
|---------------------------------|--|
| Anglo/White | 66% (58%) |
| Latino/Hispanic | 20% (25%) |
| African American/Black | 7% (9%) |
| Asian American/Pacific Islander | 4% (4%) |
| Other | 3% (4%) |
| | |
| Women | 47% (51%) |
| | |
| LGBTQ* | 12% (12%) |

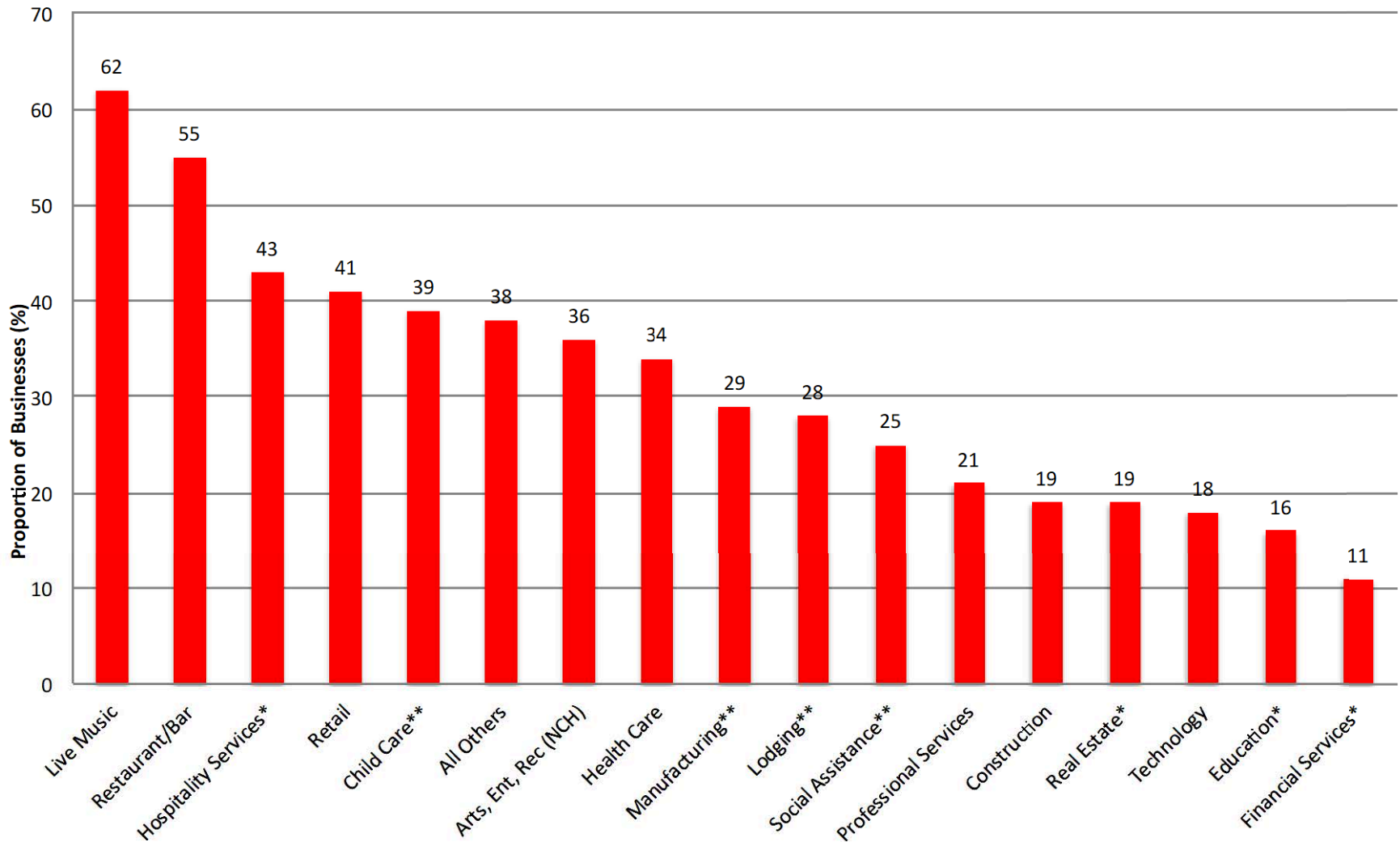
Business Age

| Number of Years in Operation | Percentage |
|------------------------------|------------|
| Less than a Year | 4% |
| 1 to 5 Years | 22% |
| 6 to 10 Years | 19% |
| 11 to 15 Years | 12% |
| 16 to 20 Years | 9% |
| More than 20 Years | 35% |

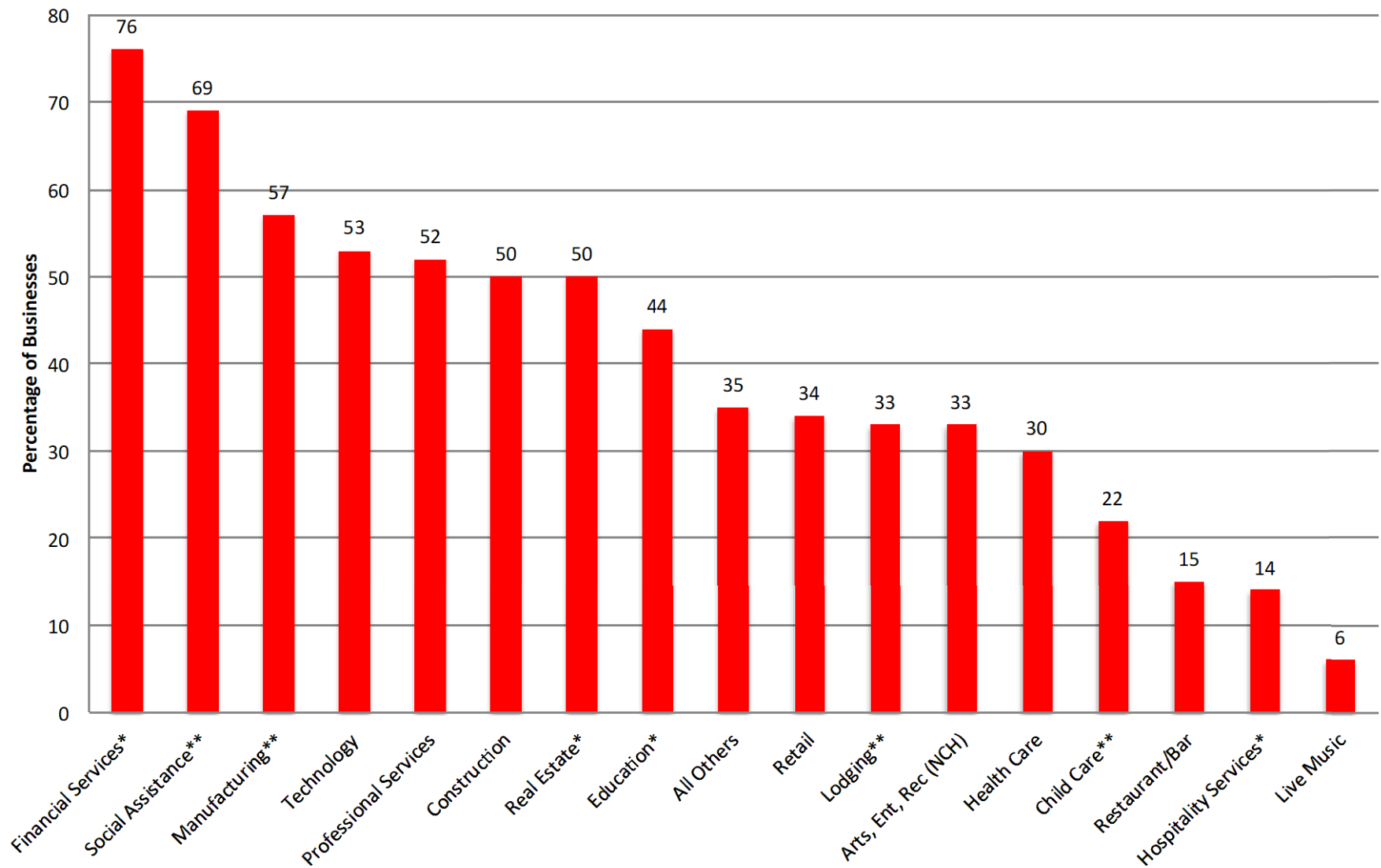
Responses by Businesses to the COVID-19 Pandemic



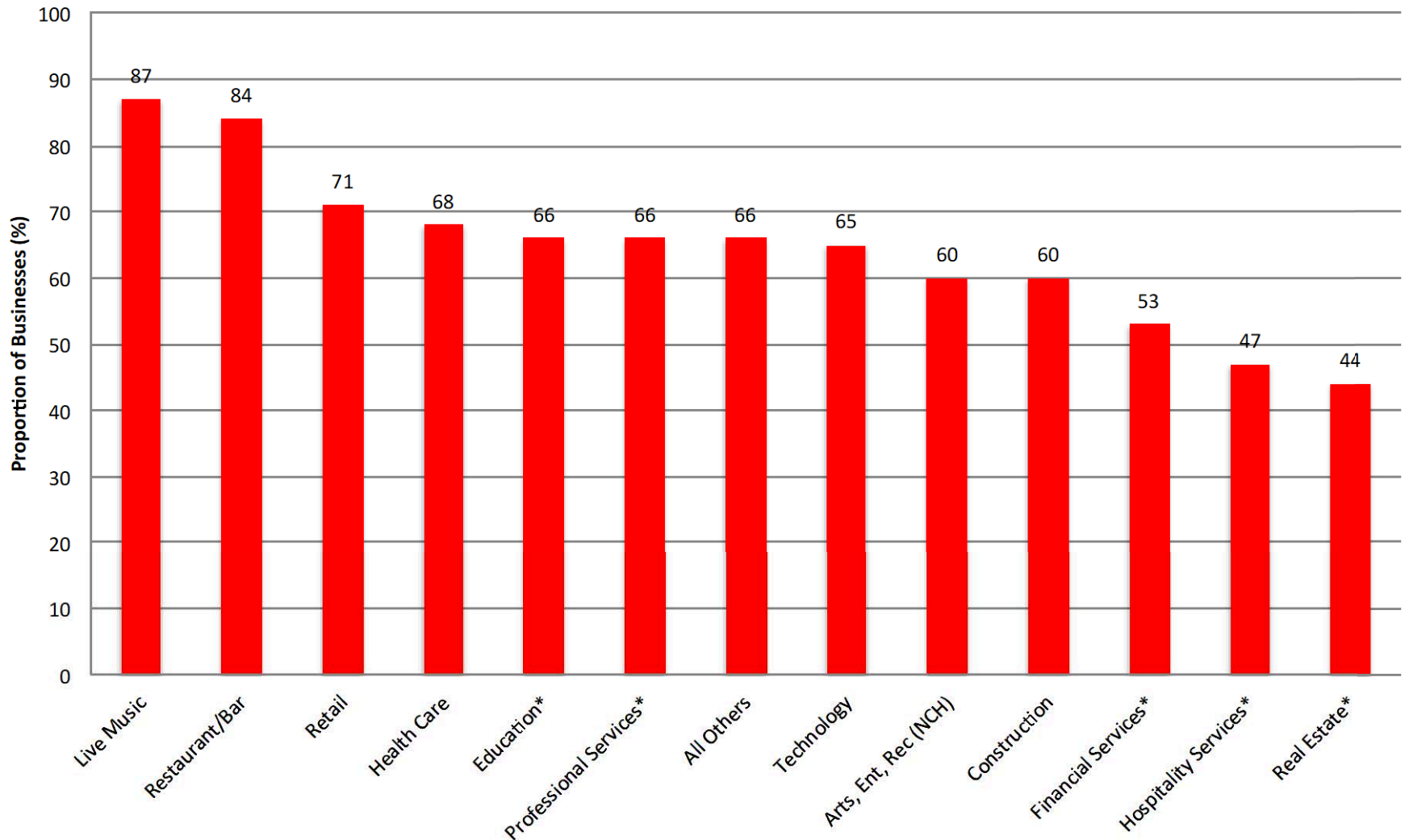
Proportion of Industry Businesses That Can Endure for 4 Months or Less Under Current Conditions



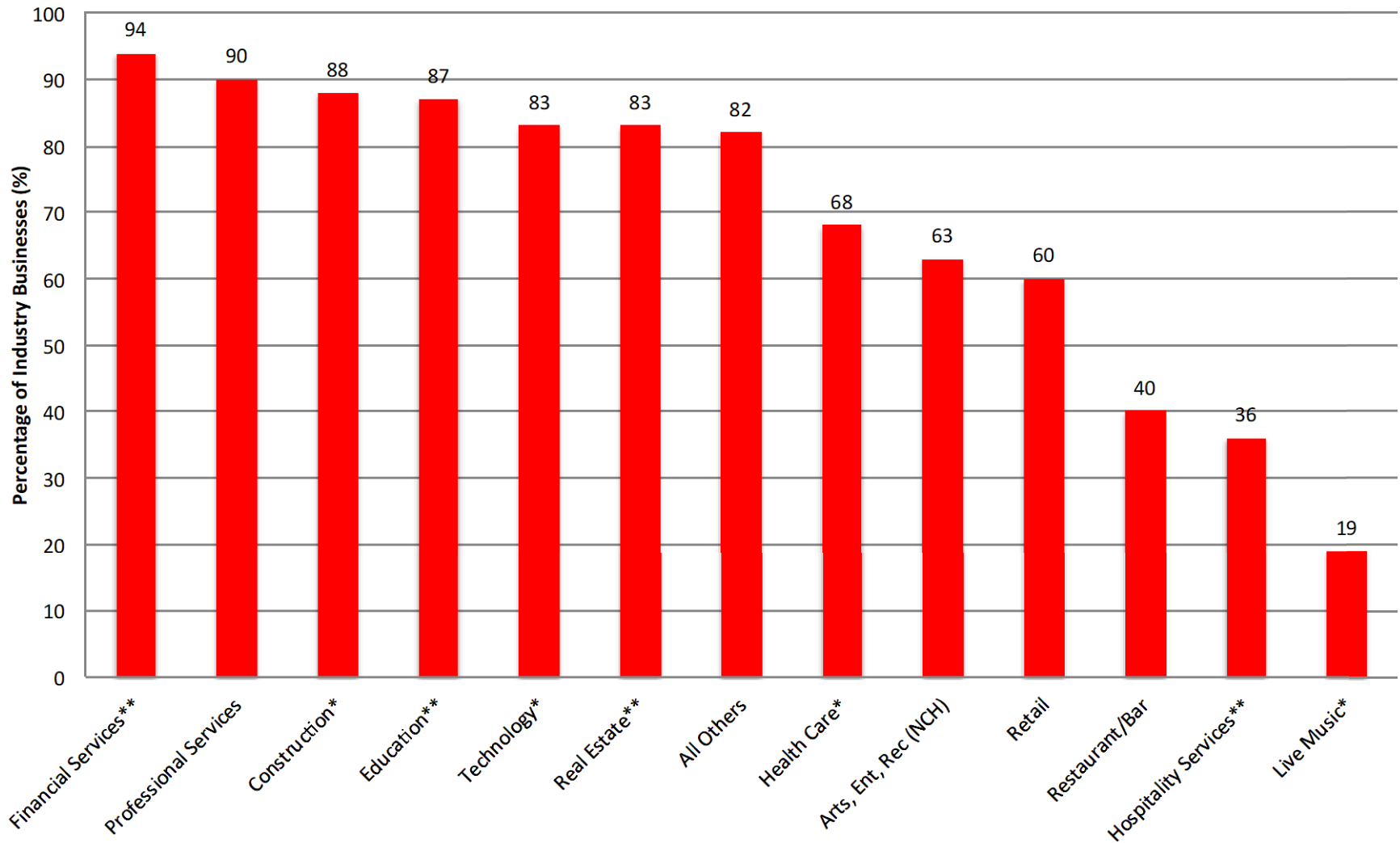
Proportion of Industry Businesses that Can Scale As Needed



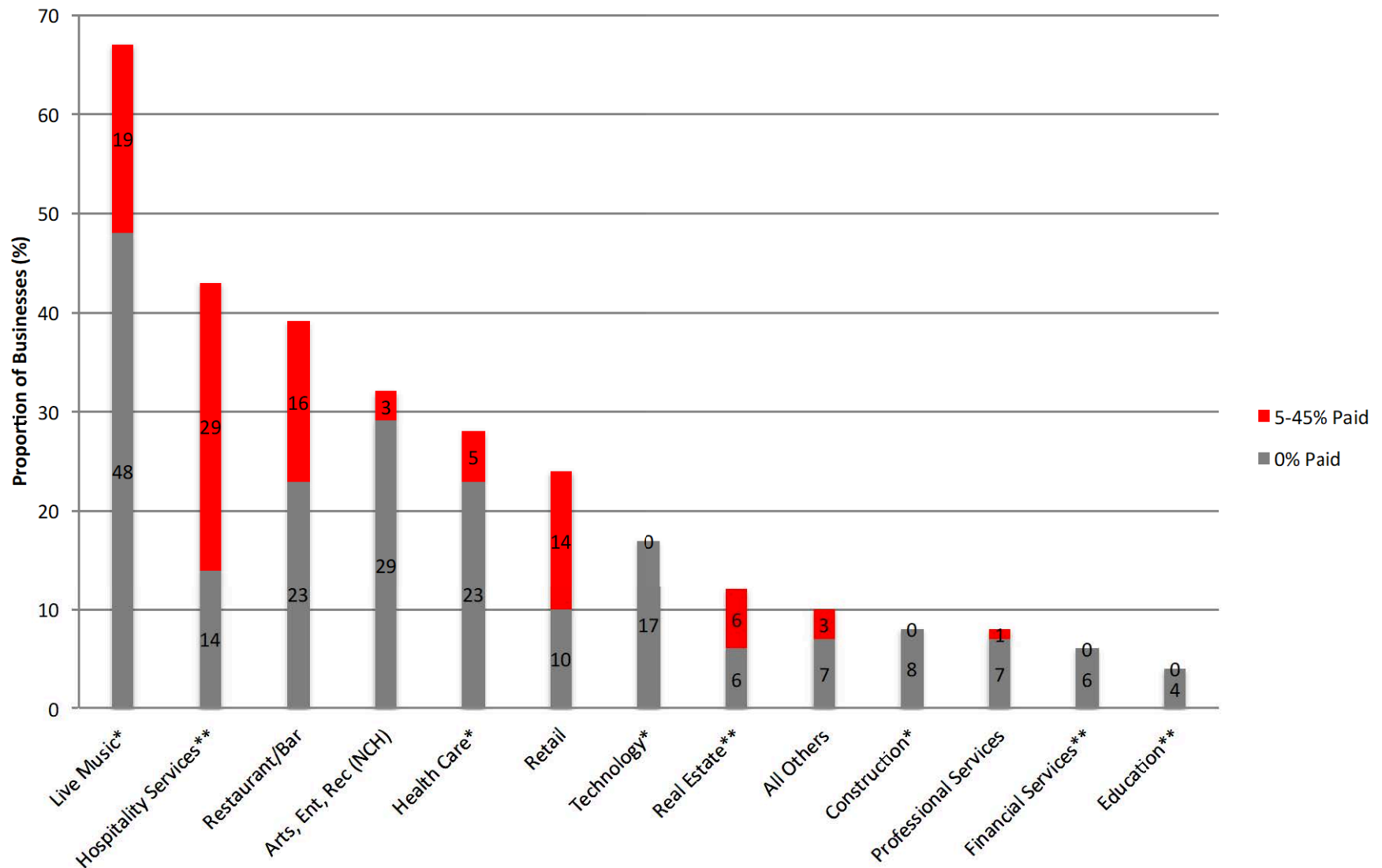
Proportion of Businesses by Industry that Rent Their Business Property



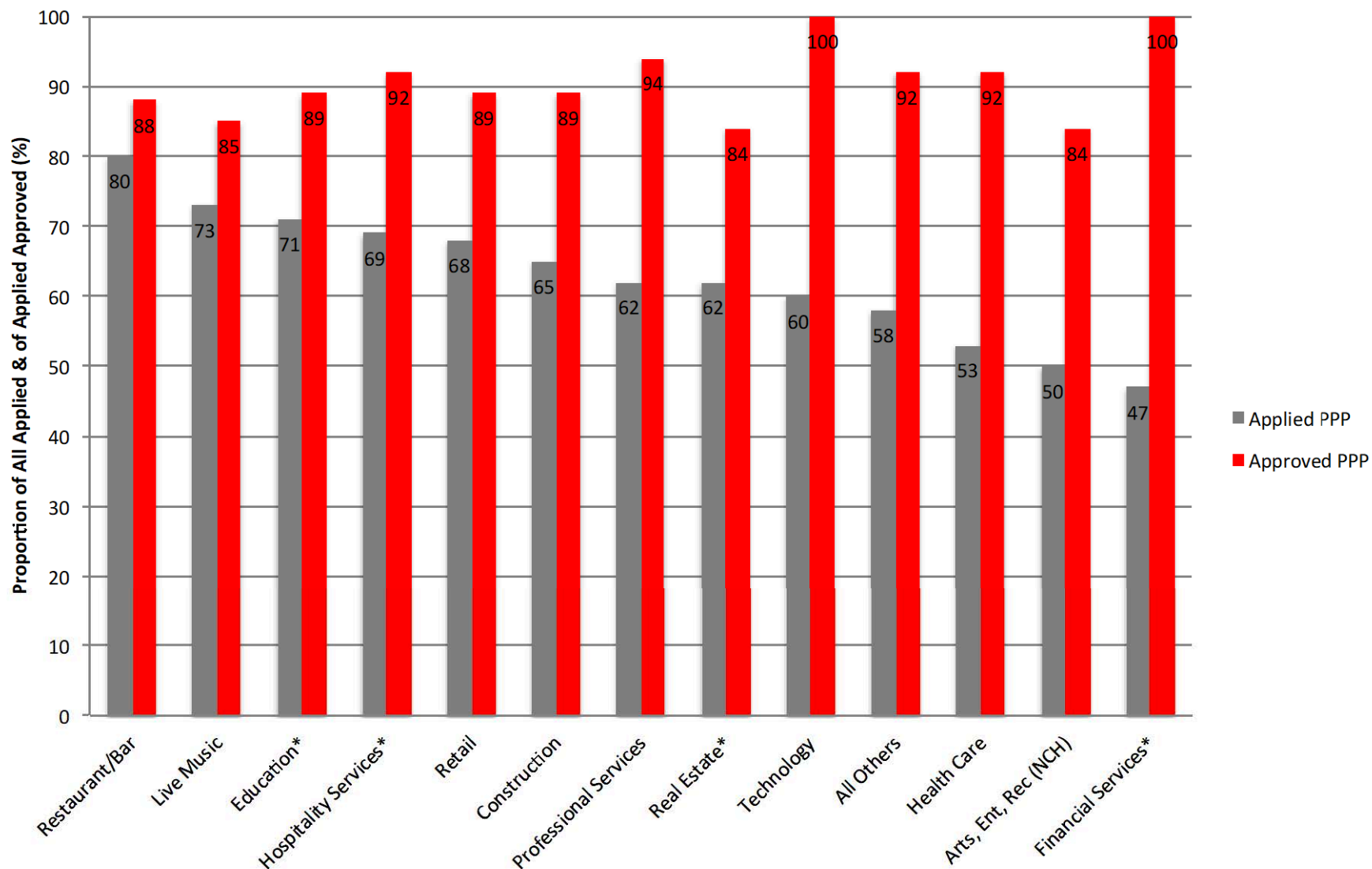
Percentage of Businesses by Industry That Rent and That Paid 100% of Their June Rent



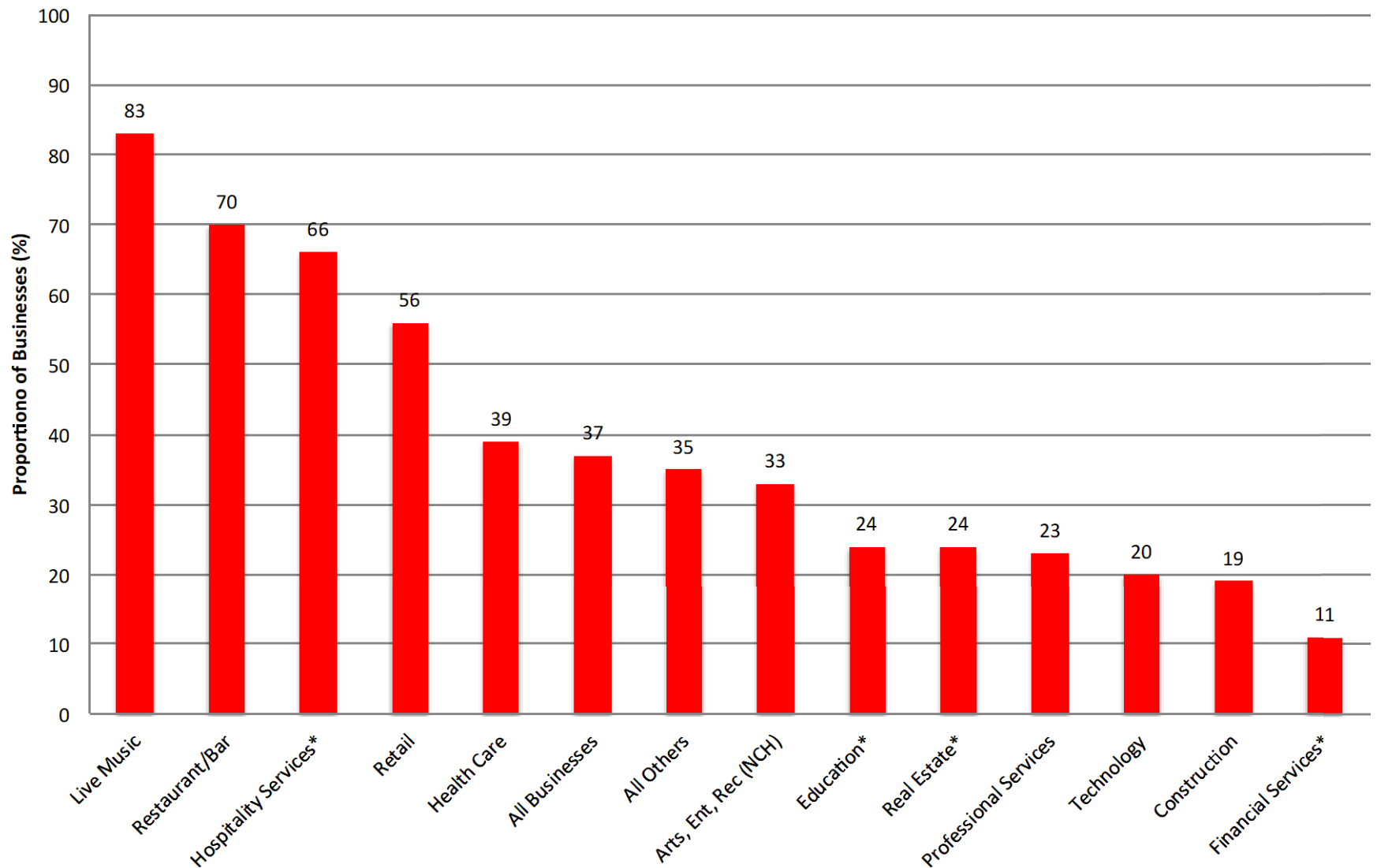
Proportion of Businesses That Paid Less than 50% of Their June Rent



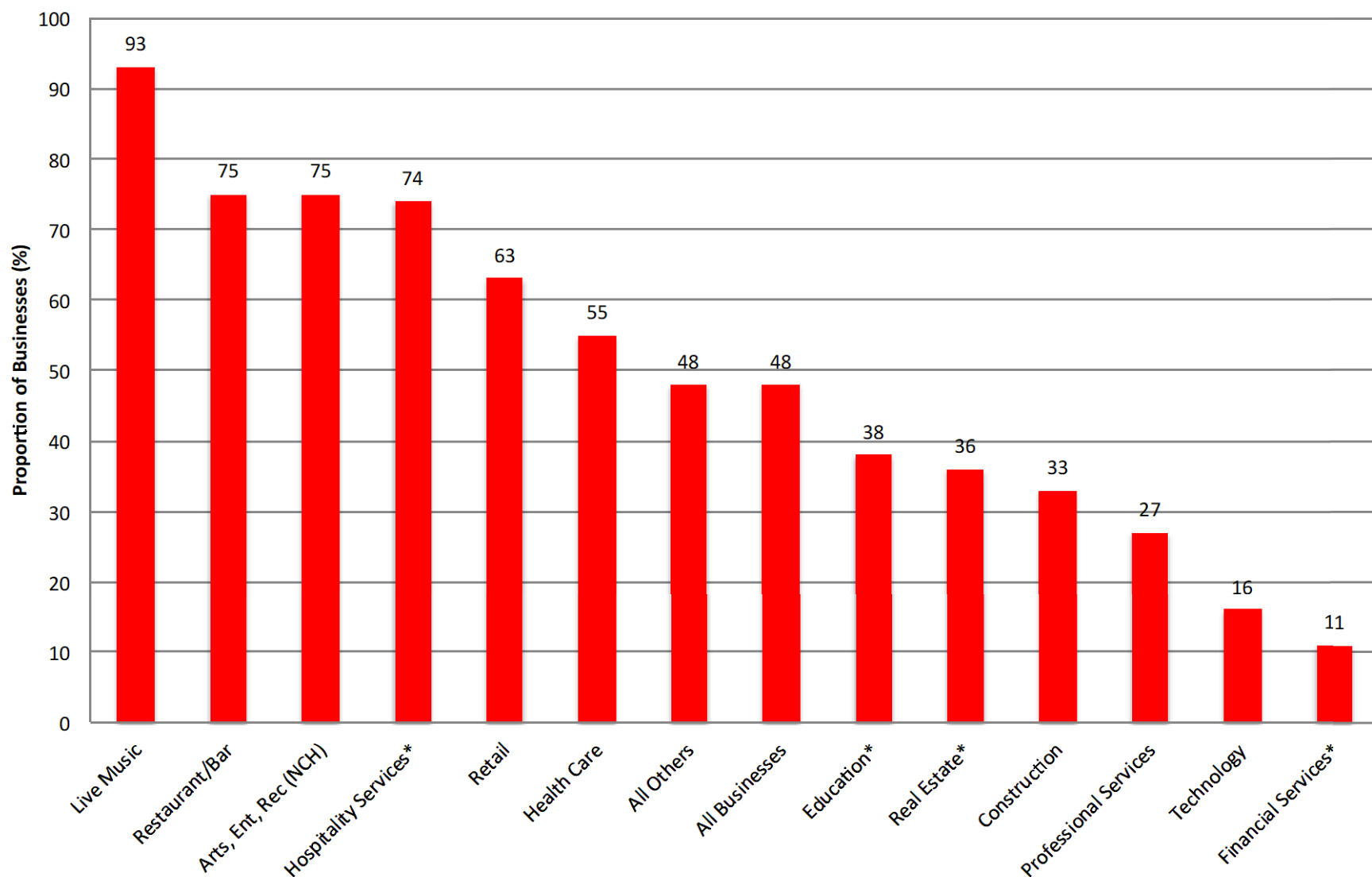
PPP Applications and Applications Approved by Industry



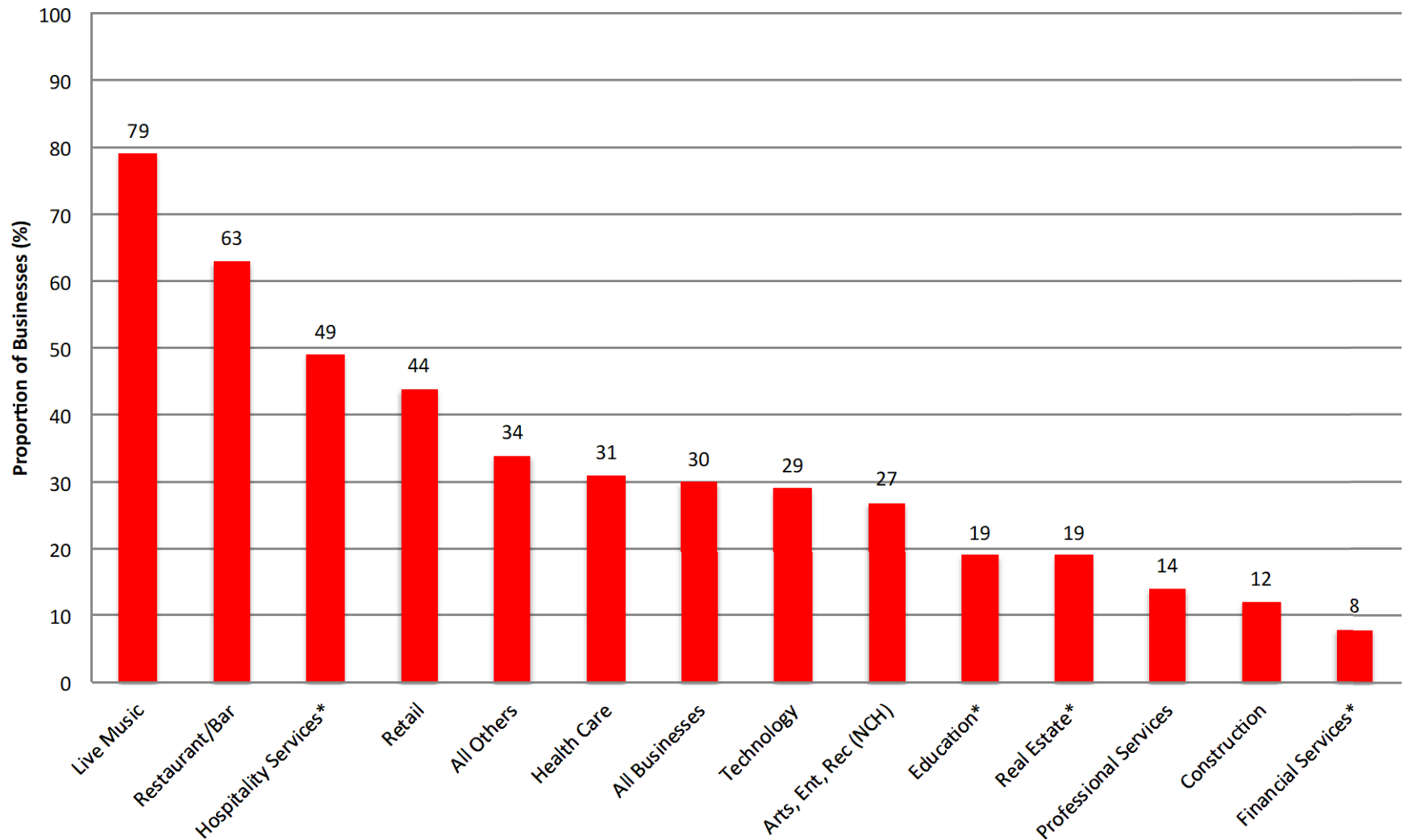
Proportion of Businesses in Industry That Laid Off Full Time Employees



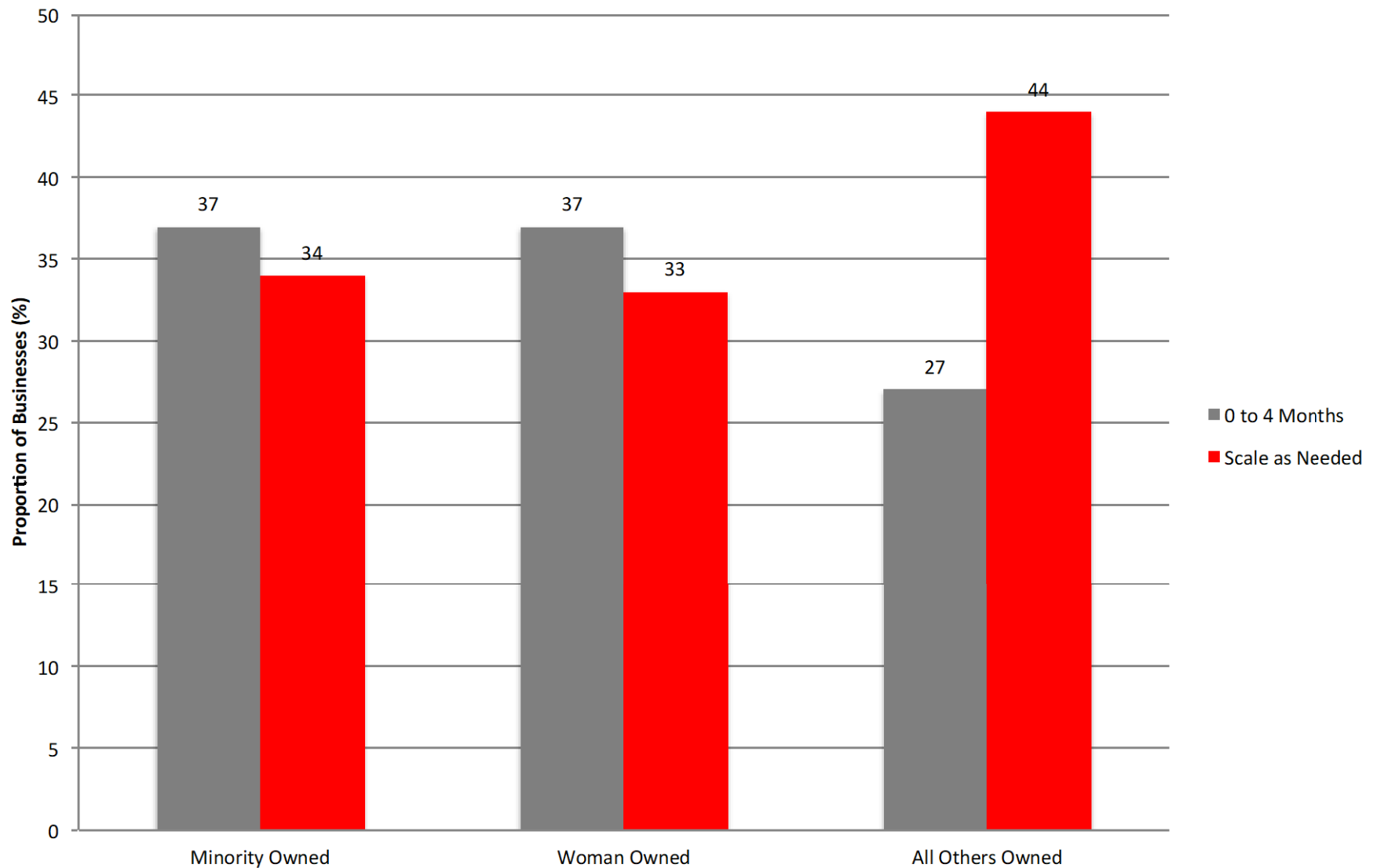
Proportion of Businesses in Industry That Temporarily Closed



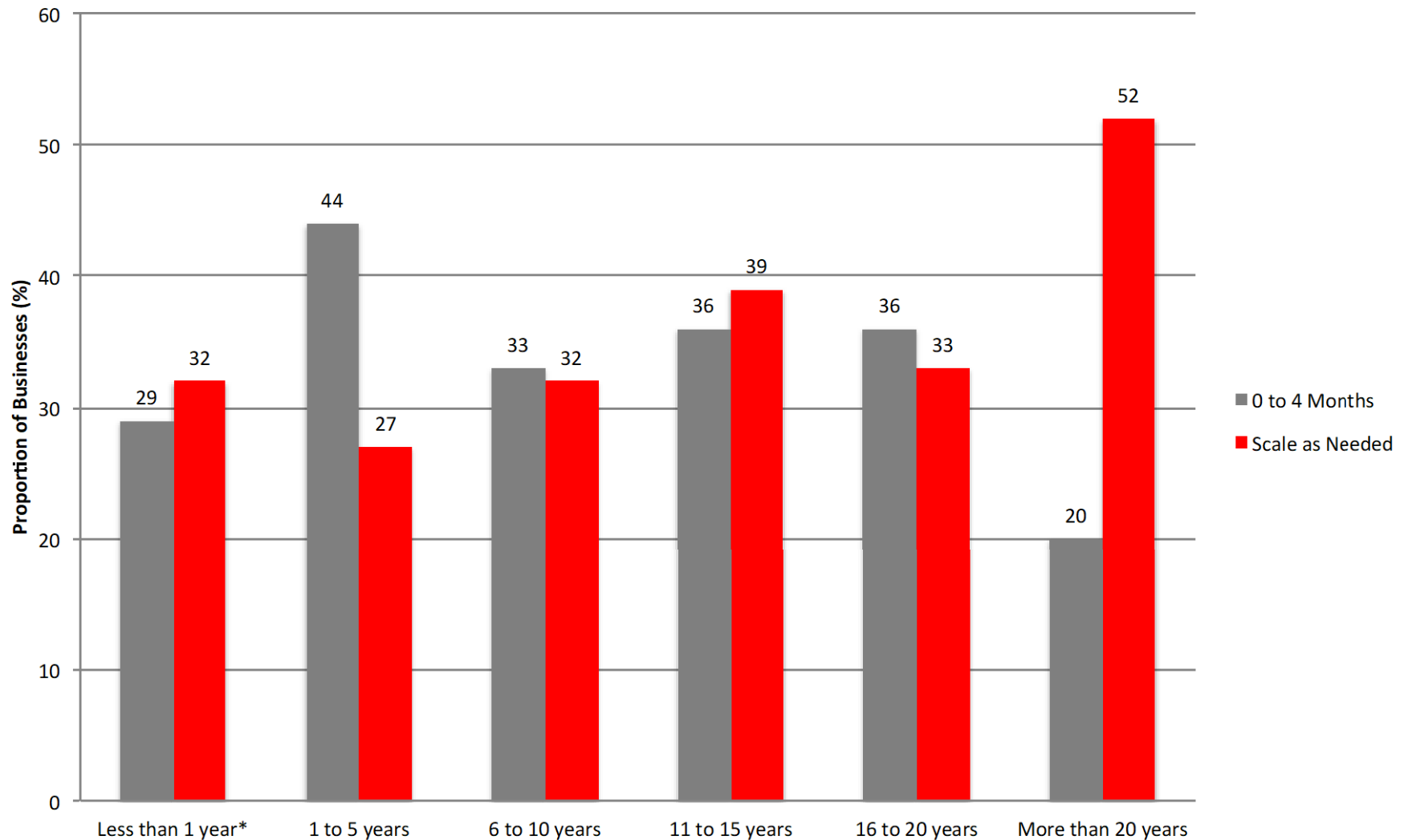
Proportion of Businesses in Industry that Suspended Payments to Vendors, Suppliers and Landlords



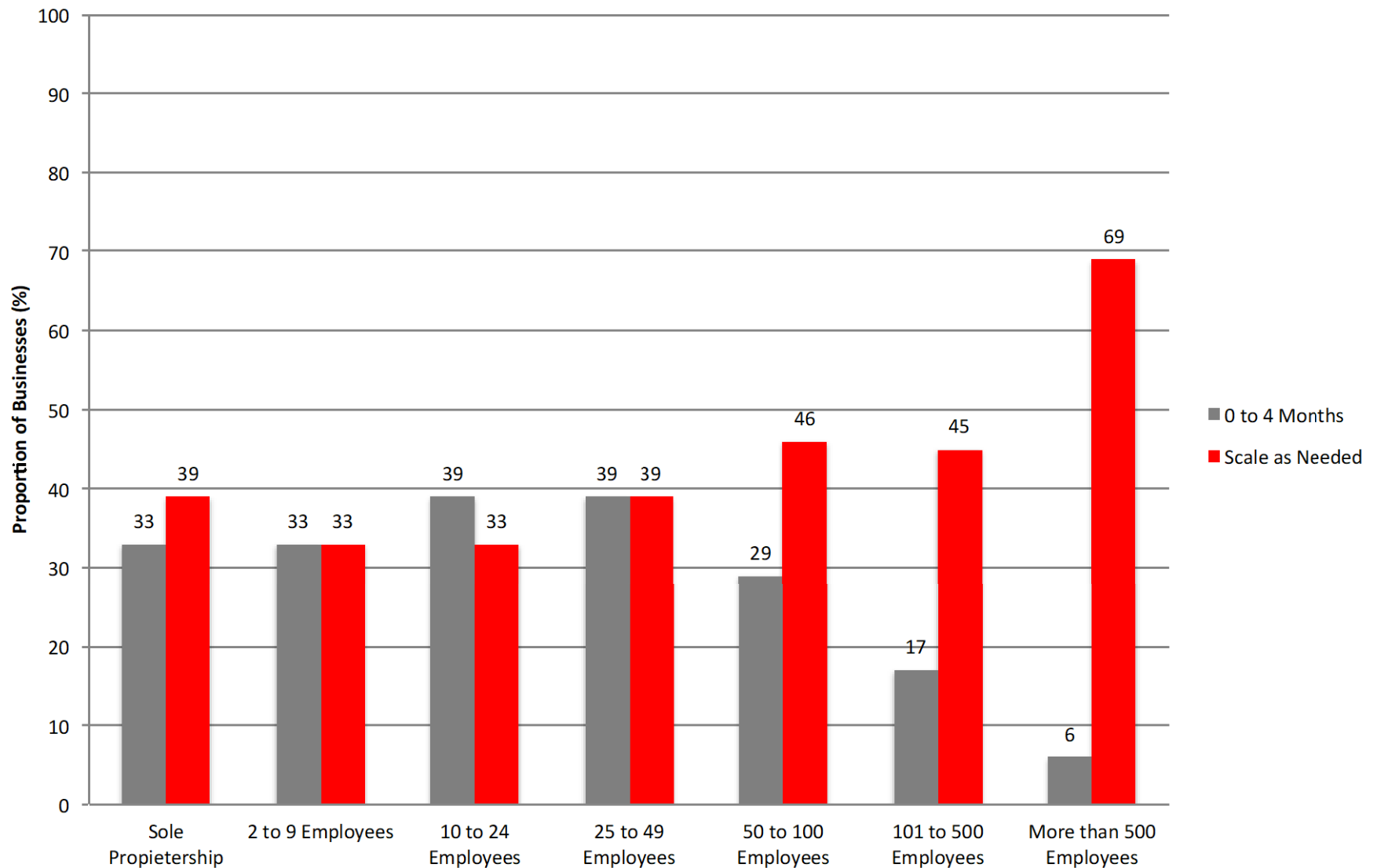
How Long Can Business Endure Under Current Conditions?



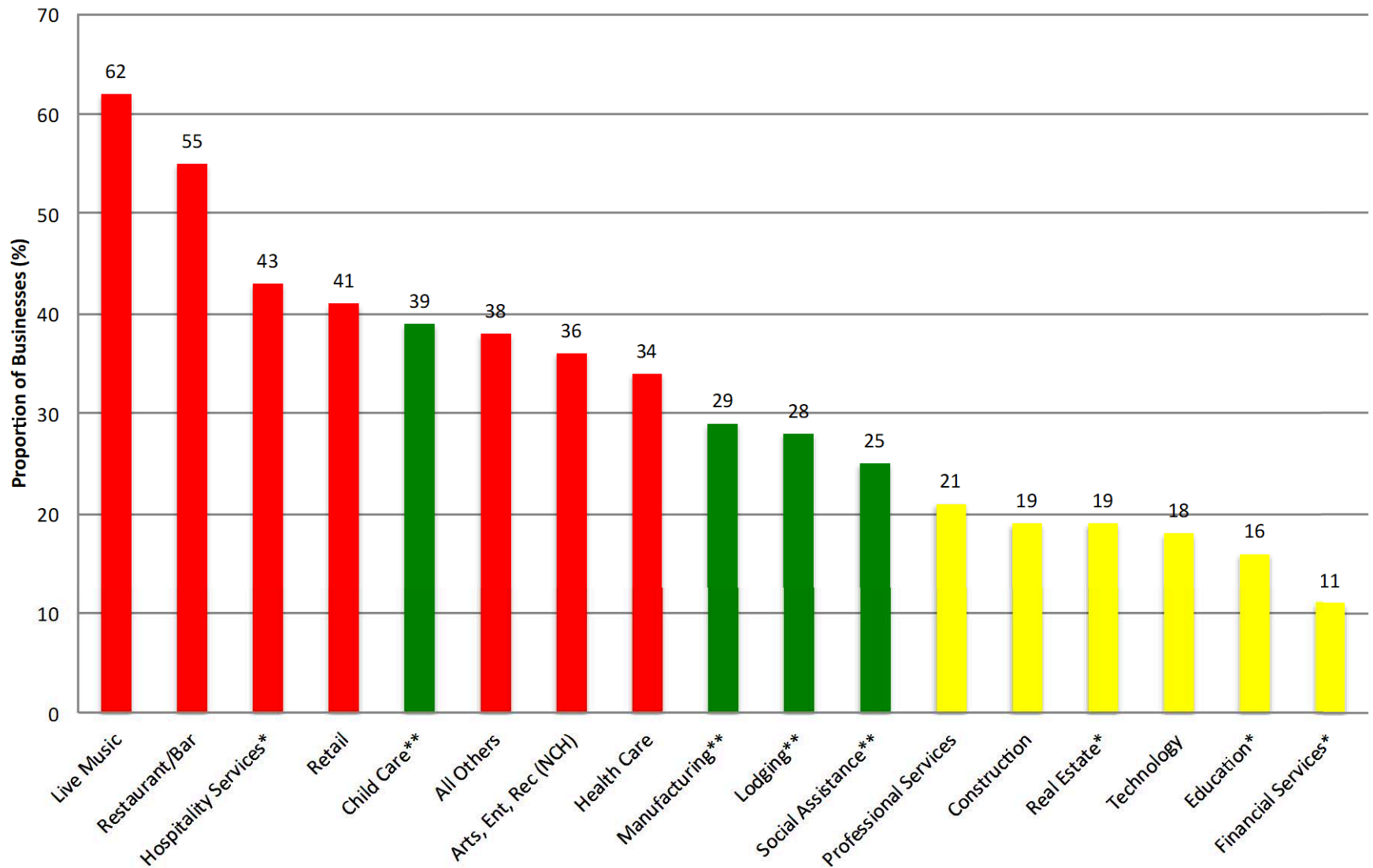
Business Age & How Long Can the Business Endure Under Current Conditions



How Long Can Business Endure Under Current Conditions?



Proportion of Businesses Than Can Endure 4 Months or Less:



Threatened Business Size Proportions (# of Employees)

| Industry | Sole Prop. | 2-24 | 25-100 | 100+ |
|-----------------------------|------------|-----------|-----------|-----------|
| Health Care | 30 | 40 | 12 | 18 |
| Hospitality Services | 3 | 49 | 29 | 20 |
| Retail | 10 | 66 | 16 | 9 |
| All Others | 18 | 56 | 15 | 11 |
| <u>Arts, Ent. & Rec</u> | 41 | 47 | 7 | 5 |
| <i>All Businesses</i> | <i>19</i> | <i>51</i> | <i>17</i> | <i>13</i> |
| Restaurant/Bar | 6 | 48 | 31 | 15 |
| Live Music | 4 | 47 | 36 | 13 |

Threatened Business Age Proportions (Years in Business)

| Threatened Industry | Less than 1 | 1 to 5 | 6 to 10 | 11 to 15 | 16 tp 20 | More than 20 |
|-------------------------|-------------|--------|---------|----------|----------|--------------|
| Health Care | 3 | 30 | 19 | 11 | 12 | 25 |
| Hospitality Services | 3 | 26 | 29 | 14 | 11 | 17 |
| Retail | 6 | 21 | 16 | 11 | 3 | 43 |
| All Others | 3 | 29 | 20 | 7 | 8 | 33 |
| Arts, Ent, Rec (NCH) | 4 | 24 | 23 | 13 | 10 | 27 |
| All Businesses | 3 | 22 | 19 | 12 | 9 | 35 |
| Restaurant/Bar | 7 | 22 | 32 | 9 | 7 | 23 |
| Live Music | 2 | 21 | 21 | 19 | 13 | 24 |

Average Percentage of African American & Latino Employees in Threatened Industries

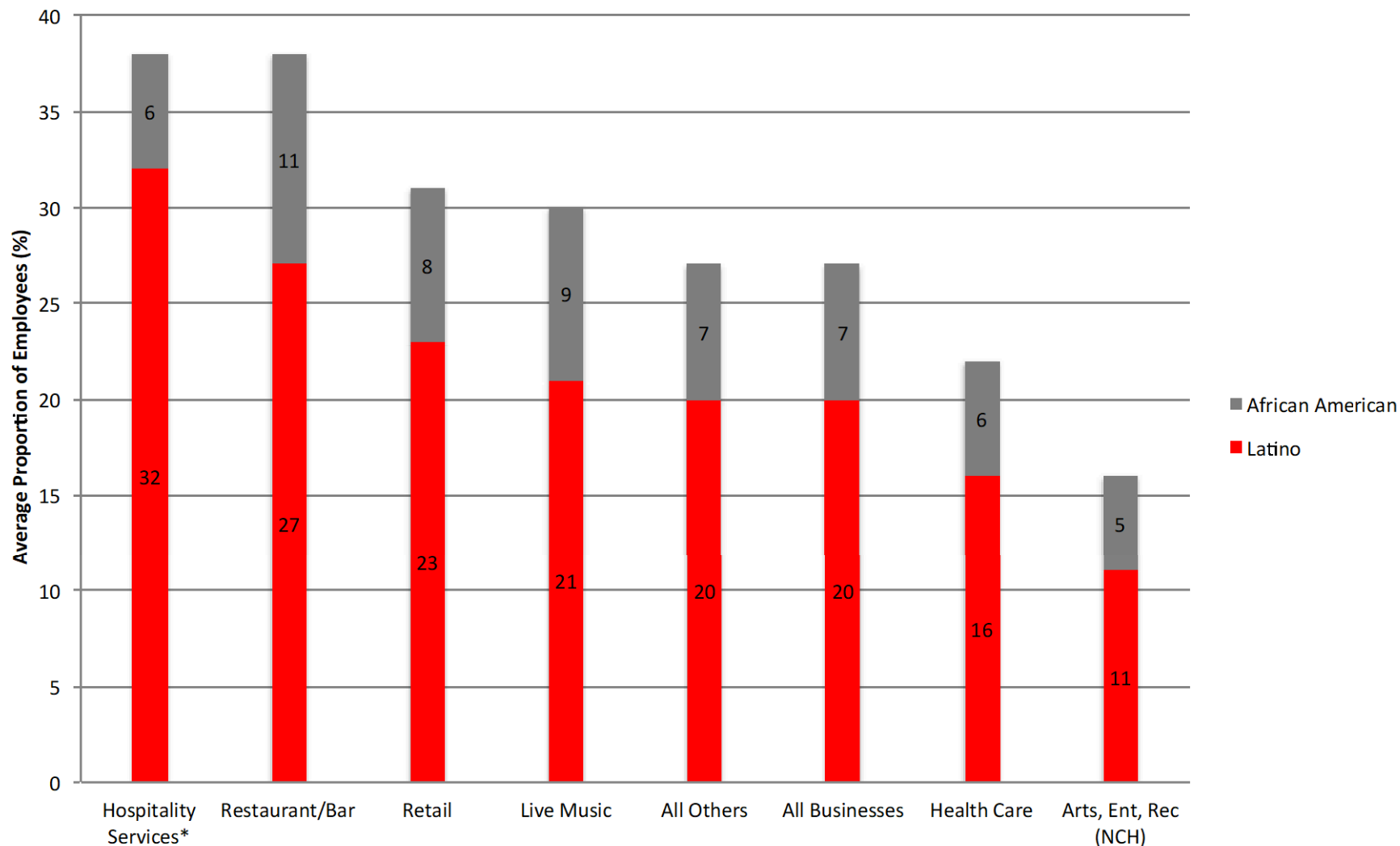
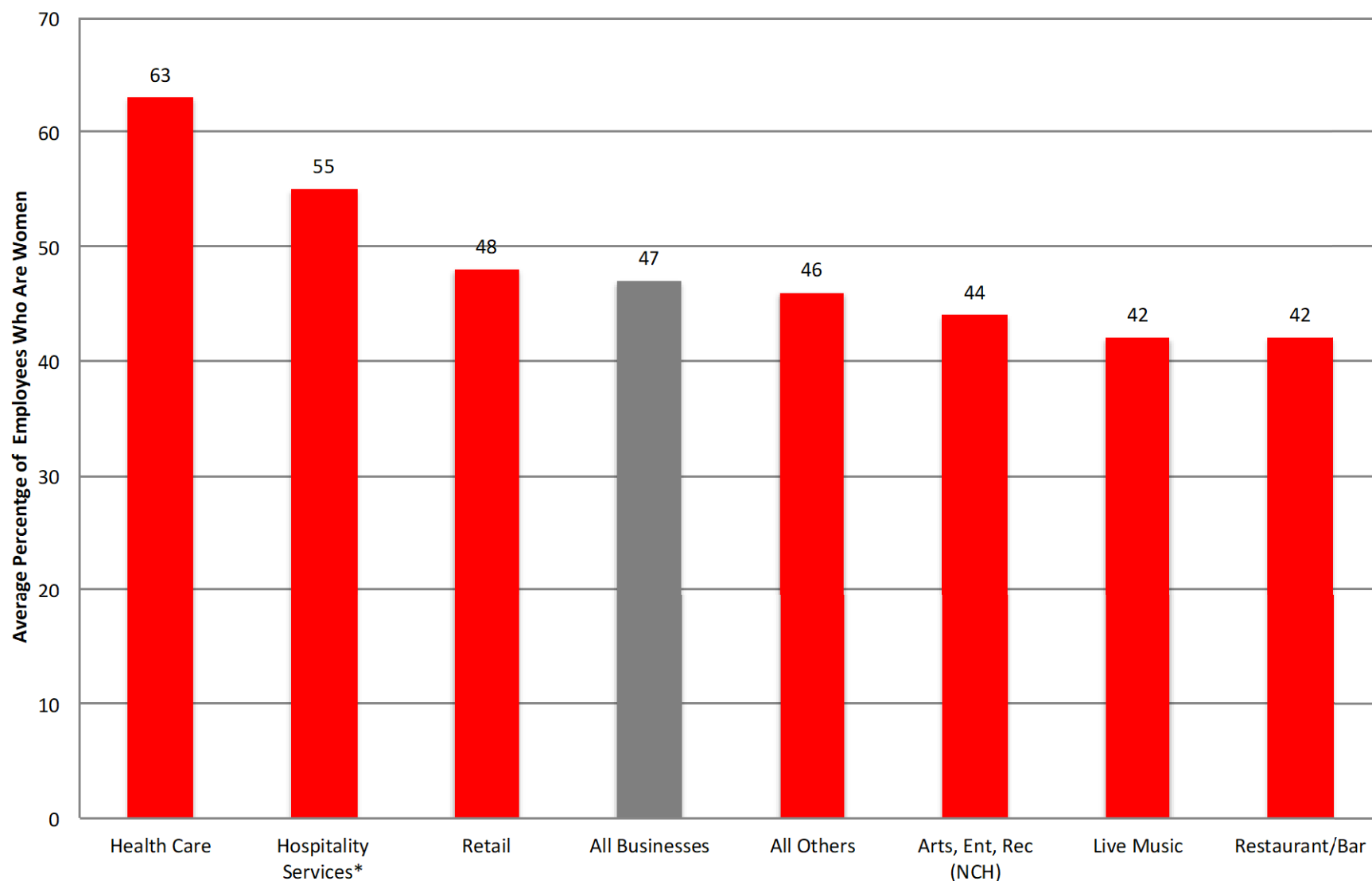
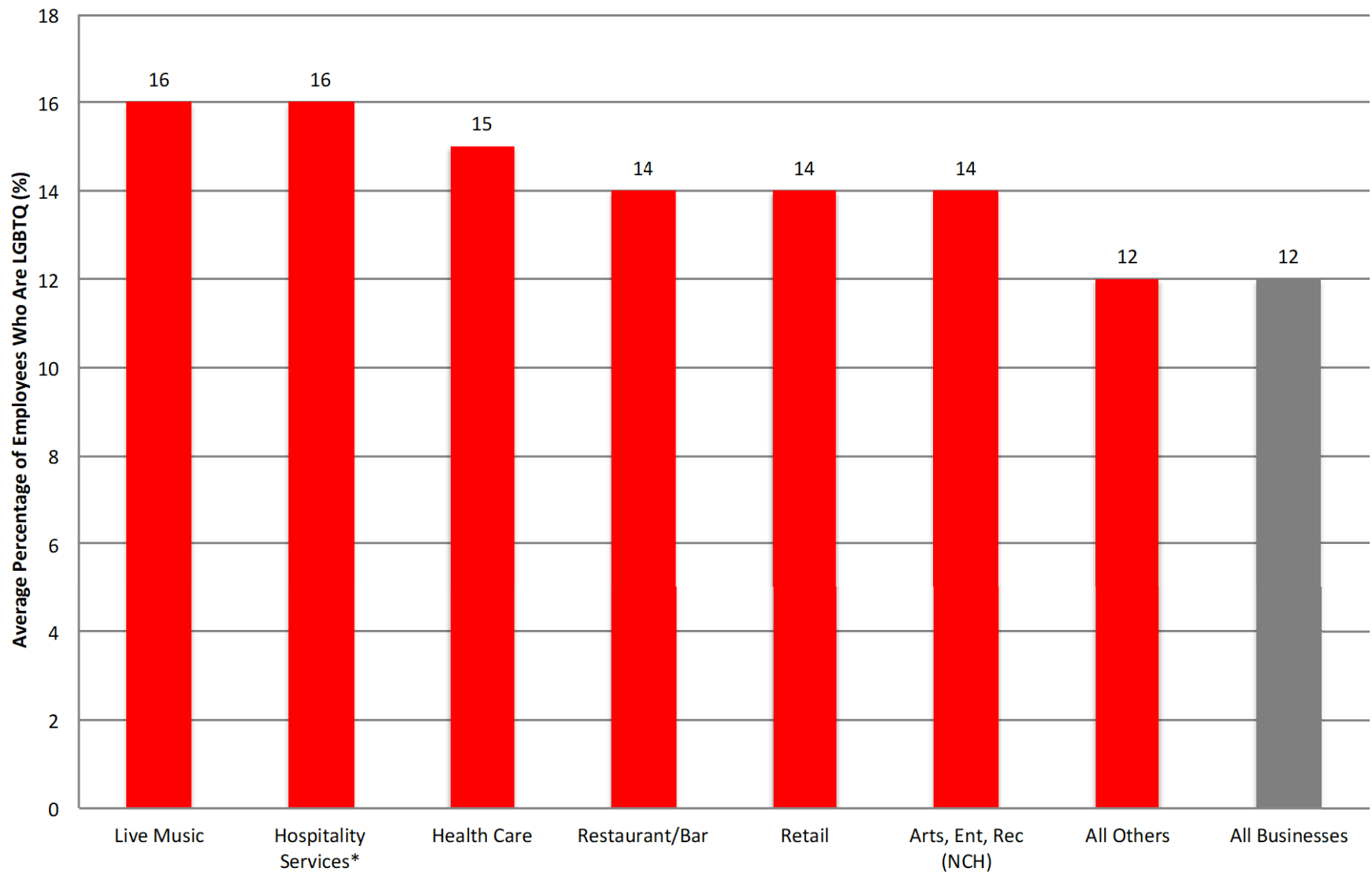


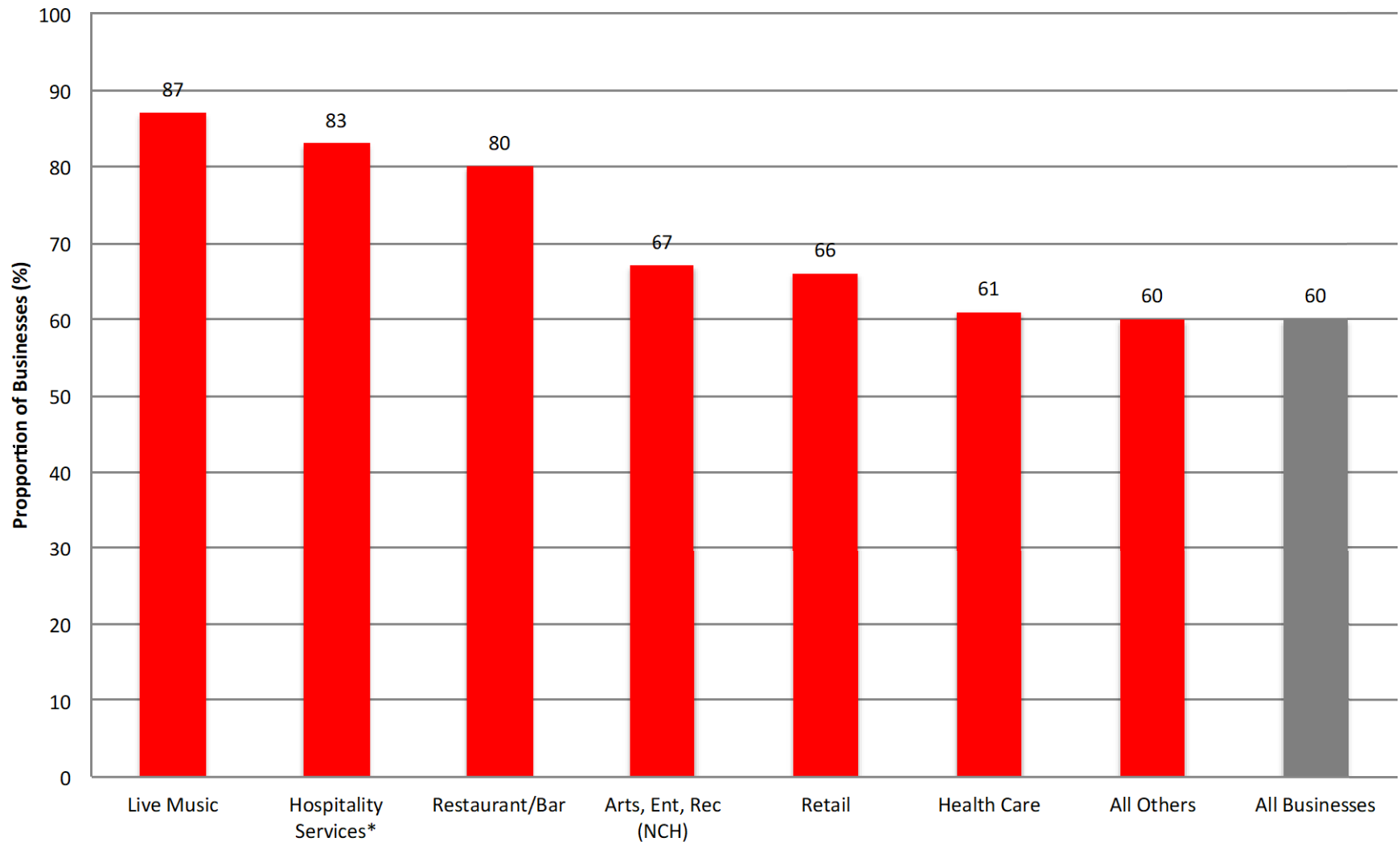
Figure 16: Women Employees in the Most Threatened Businesses



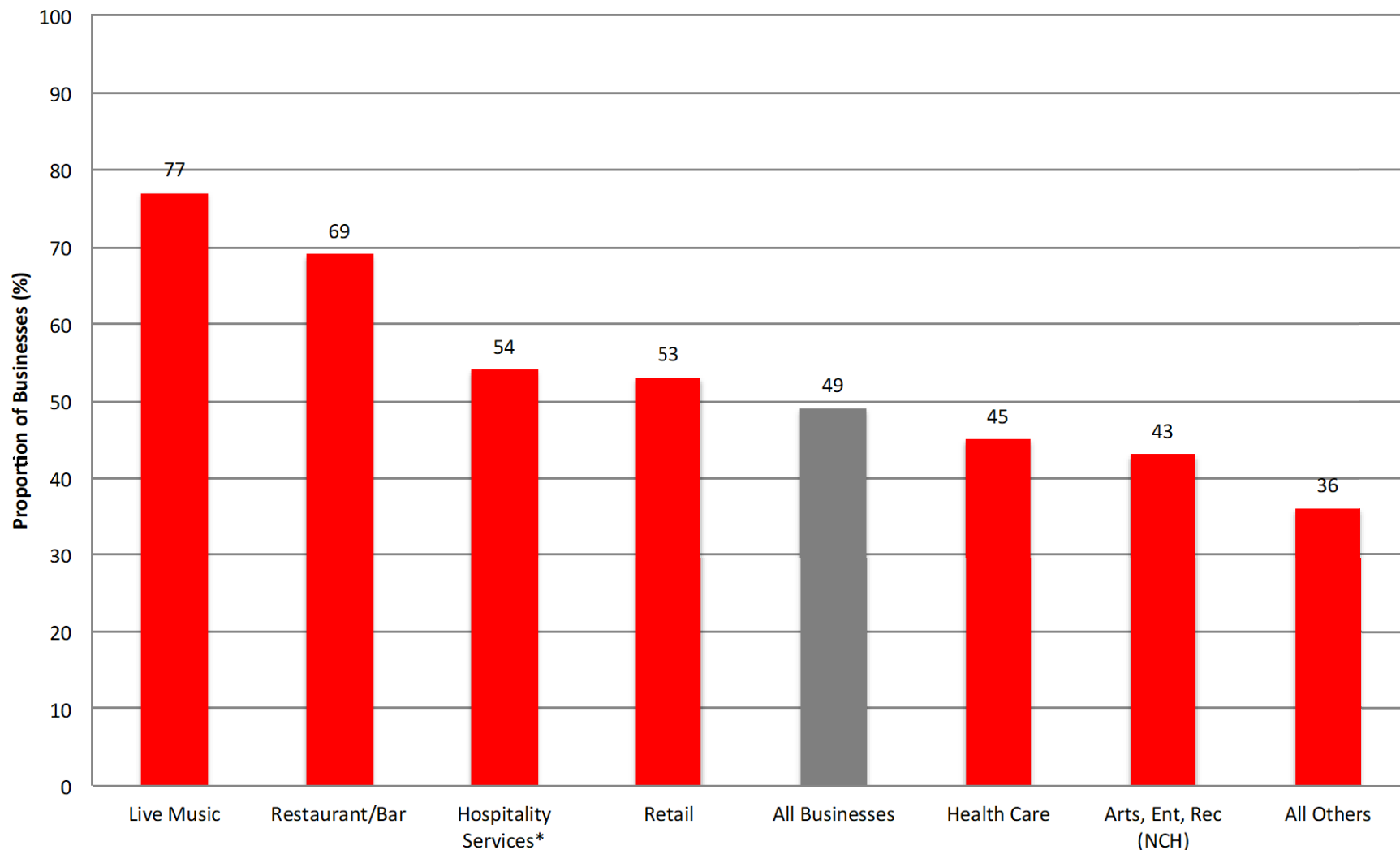
LGBTQ Employees in the Most Threatened Businesses



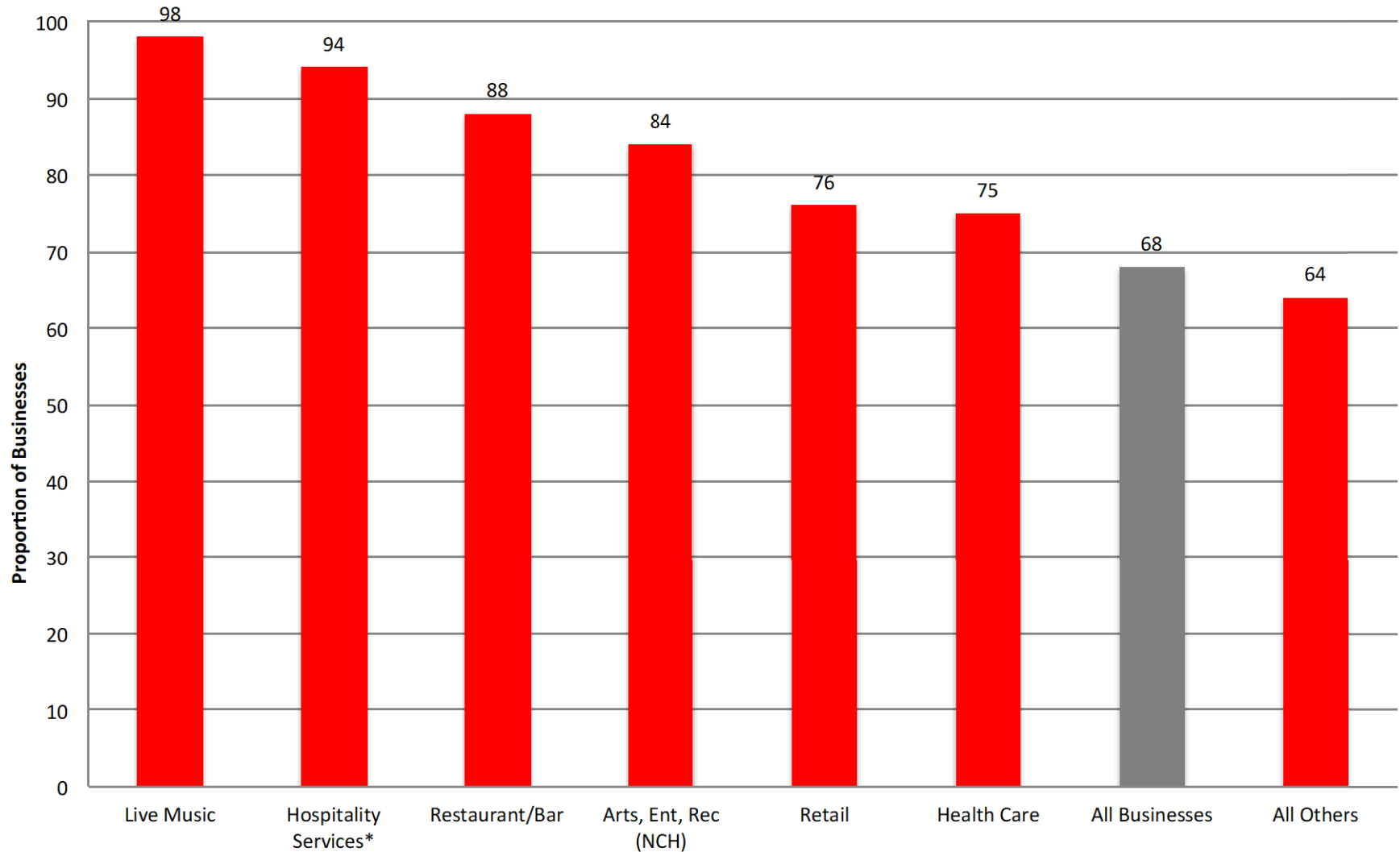
Businesses With a Great or Good Deal of Concern About the Lack of Customer Demand in the Current Environment



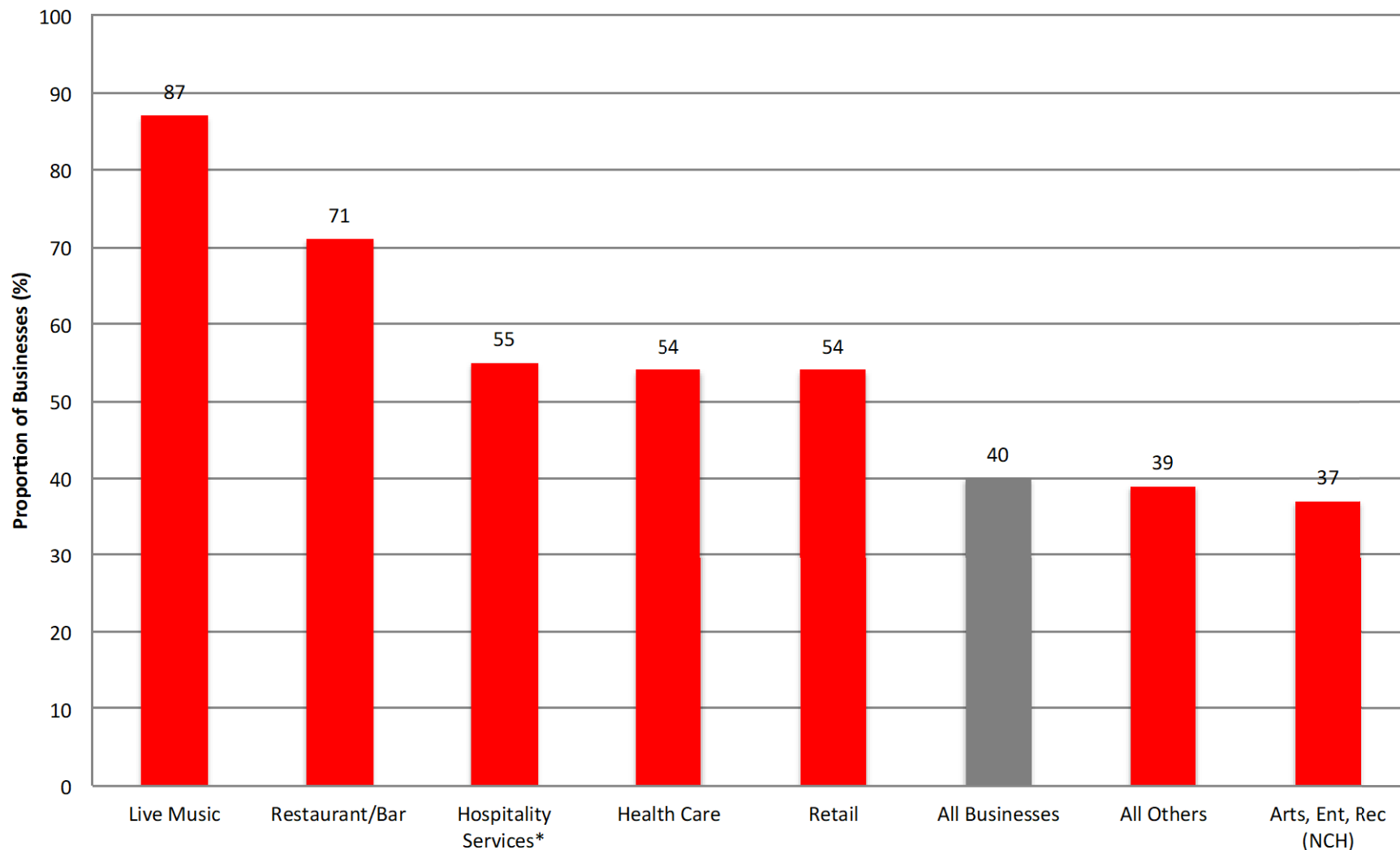
Businesses with a Great or Good Deal of Concern About the Cost of Operations within the Current Environment



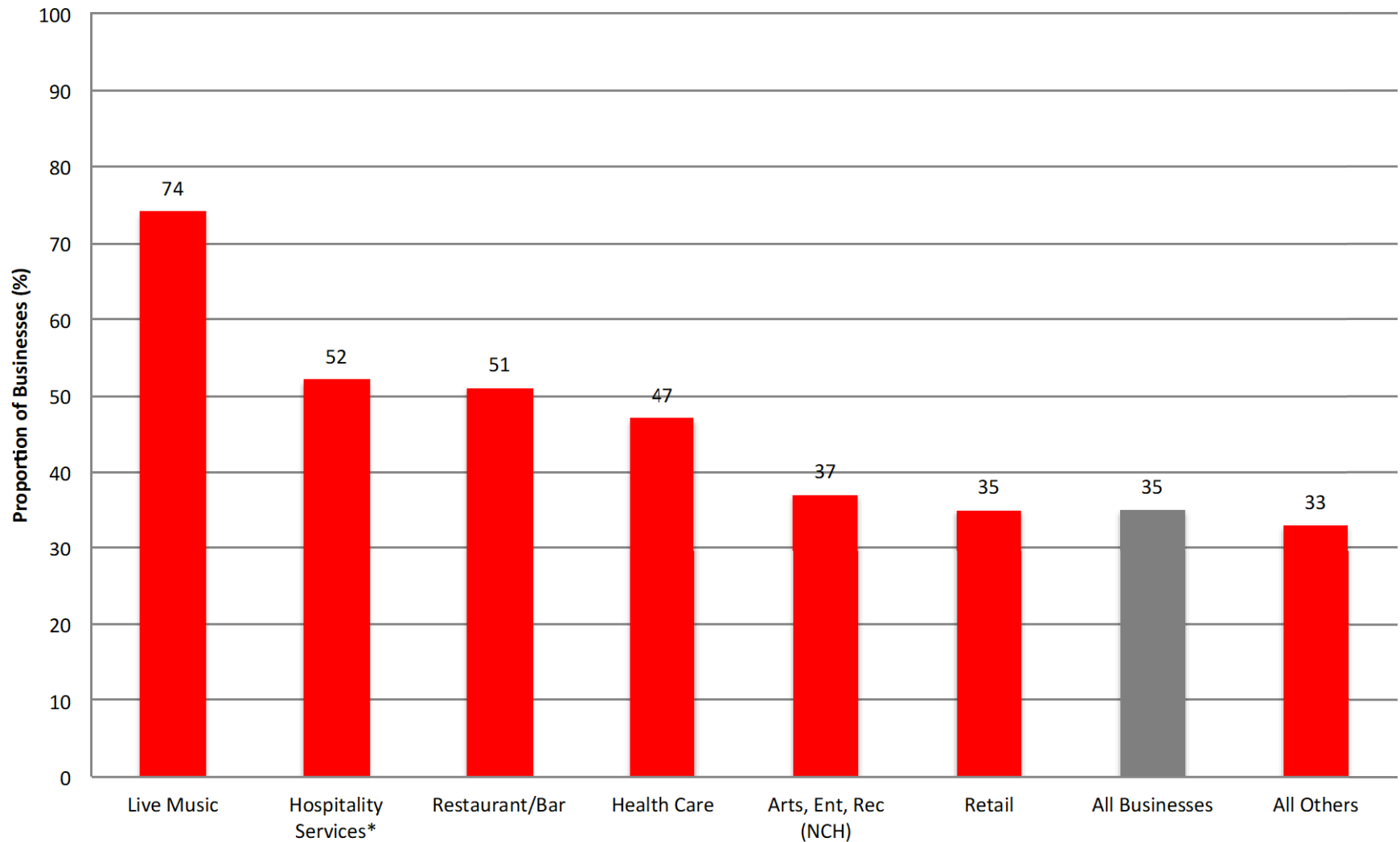
Businesses with a Great or Good Deal of Concern About Generating Cash Flow within the Current Environment



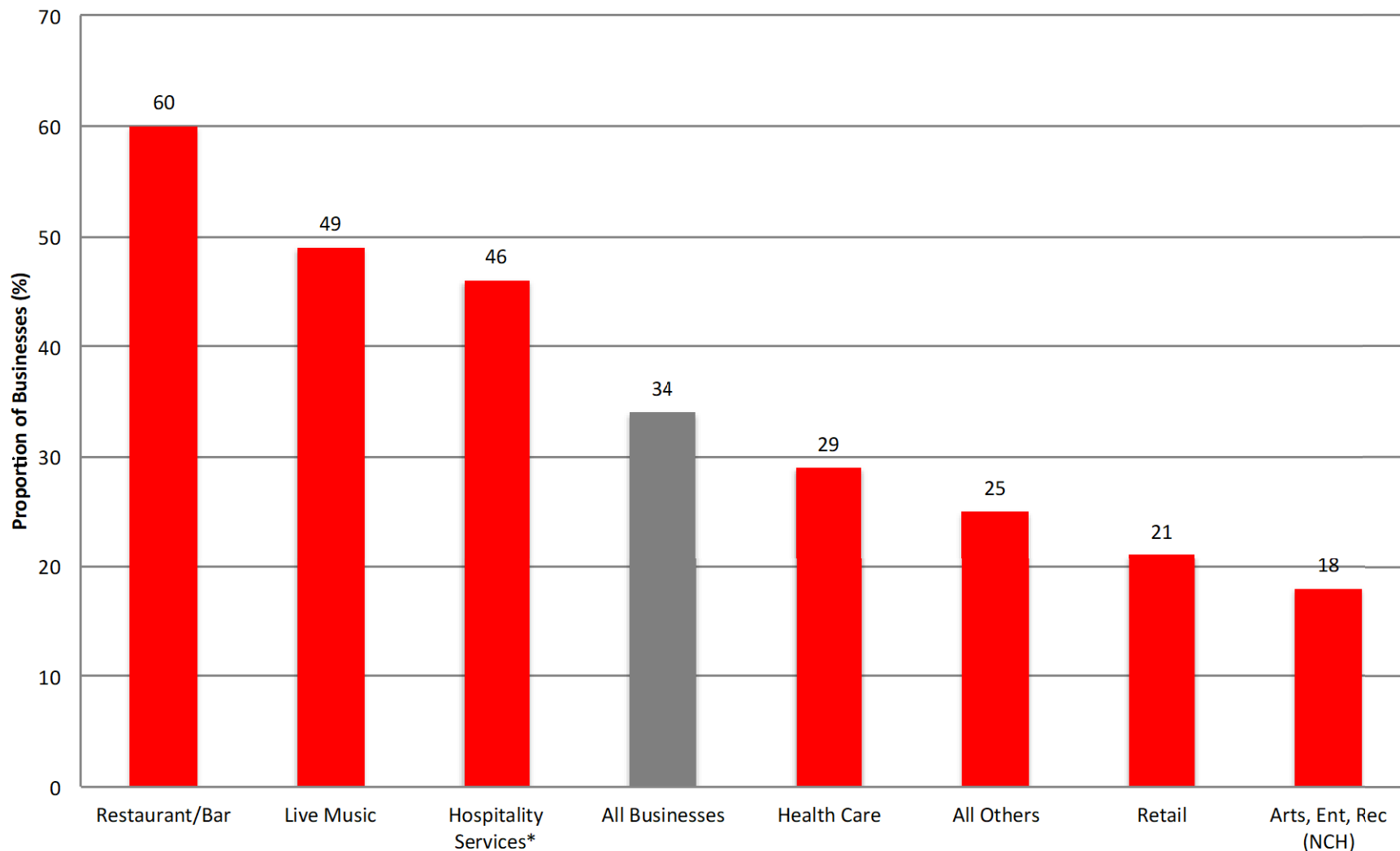
Businesses with a Great Deal or Good Deal of Concern About Their Debt Burden within the Current Environment



Businesses with a Great or a Good Deal of Concern About Obtaining Access to Finance in the Current Environment



Businesses with a Great Deal or a Good Deal of Concern about Workforce Availability within the Current Environment



The Most Threatened Industries

- Live Music Venues & Restaurants and Bars
- Absent:
 - A Decline in COVID-19 Infections & Econ. Growth
 - and/or
 - Additional Federal, State and/or Local Aid
- A Majority of Austin Live Music Venues, Restaurants and Bars Could Close by Halloween
- “I think there’s a real risk of losing 90% of the Independent Music Venues in the next few months”