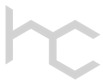


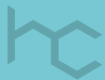
# #COMBATCOVID SMME SURVEY

**APRIL 2020**

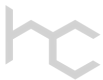
BROUGHT TO YOU BY HEAVY CHEF IN COLLABORATION WITH  
RETAIL CAPITAL, PAYFAST, XERO, YOCO, WHIPPING THE CAT & WORKSHOP 17



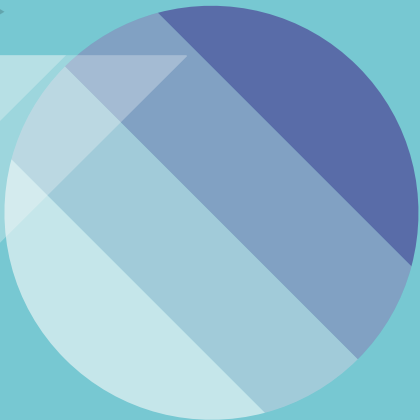
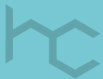
*In April 2020 a collective of stakeholders servicing small businesses in South Africa surveyed small business owners to assess the impact COVID-19 interventions have had to date on their livelihoods. The survey was conducted among 2,280 small business owners using a convenience sampling methodology. We have summarised the results into 4 categories - Money, Support, People & Adaptability - that shine a light on the state of their businesses during this pandemic.*



# MONEY

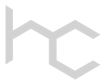


*No business is safe from the negative financial impact of COVID-19 interventions. Even though 2/3 of small businesses surveyed are 'mature' business (meaning, older than 3 years with healthy monthly revenue streams), 89% of them indicated a sharp decrease in monthly income. 33% of them estimated a monthly decline of between 75%-100%. 3 out of 4 small business owners, across industries, sadly indicate that their business will not survive prolonged lockdown restrictions beyond 1 July 2020.*

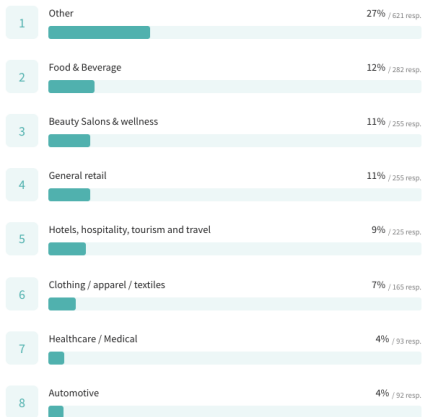


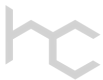
# 3 OUT OF 4

**SMMES WILL NOT SURVIVE BEYOND 1 JULY 2020  
UNDER STRICT LOCKDOWN CONDITIONS**

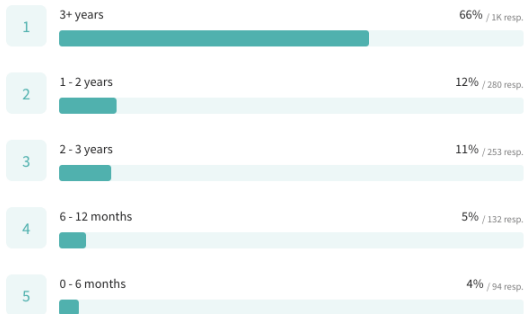


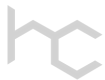
## WHAT INDUSTRY DOES YOUR BUSINESS OPERATE IN?





## HOW LONG HAS YOUR BUSINESS BEEN OPERATING?



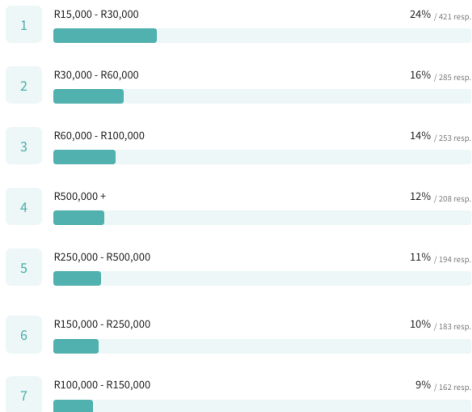


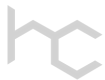
## IS YOUR BUSINESS CURRENTLY TRADING?



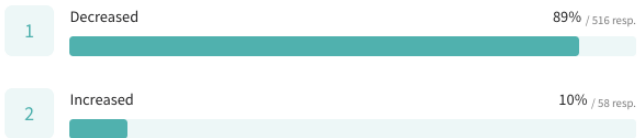


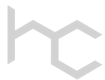
## WHAT WAS YOUR AVERAGE MONTHLY TURNOVER BEFORE LOCKDOWN?



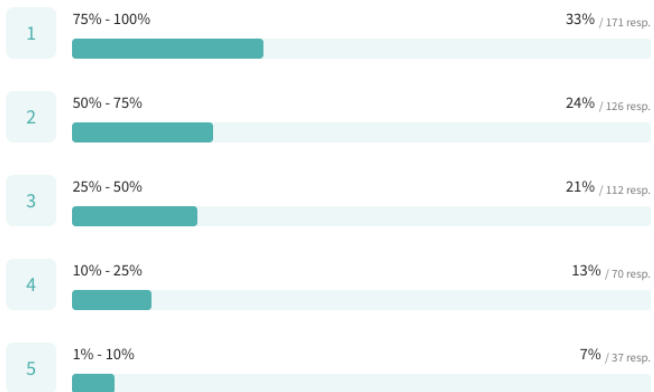


## HAS YOUR TURNOVER INCREASED OR DECREASED?



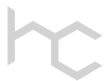


## HOW MUCH HAS YOUR TURNOVER DECREASED?

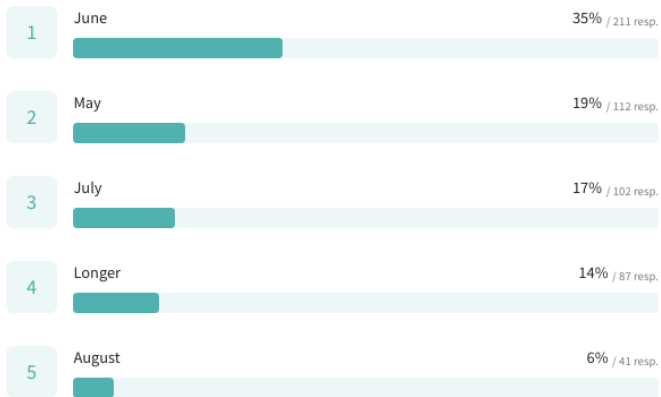


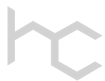
## WOULD YOUR BUSINESS SURVIVE ANOTHER EXTENSION TO THE LOCKDOWN?



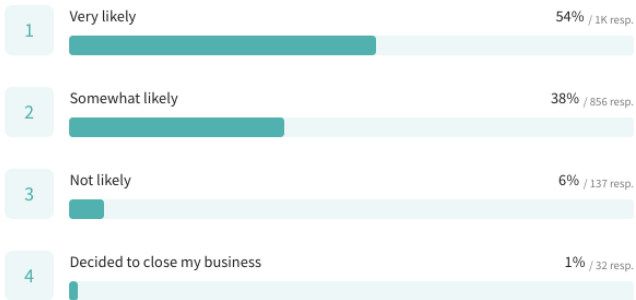


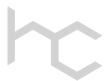
## WHAT IS THE LONGEST EXTENSION YOU COULD SURVIVE? OPENING THE MONTH OF...



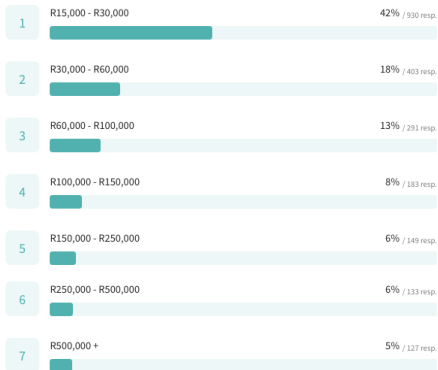


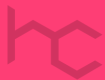
## WHAT IS THE LIKELIHOOD OF YOU RE-OPENING YOUR BUSINESS AFTER LOCKDOWN?





## WHAT DO YOU EXPECT YOUR FIRST MONTH'S TURNOVER TO BE WHEN YOU GET BACK TO BUSINESS?

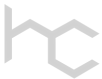




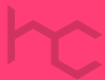
# SUPPORT

[WWW.HEAVYCHEF.COM/FOUNDATION](http://WWW.HEAVYCHEF.COM/FOUNDATION) #COMBATCOVID SMME SURVEY





*Small businesses seem to be cynical about the COVID-19 relief options available to them. Less than half surveyed have applied for relief from government, banks or other financial institutions. Of those that have applied 68% were unsuccessful in their applications. Some of the relief options that were able to support them include the South Africa Future Trust, Debt Relief Fund and SMME Relief Finance Facility. 71% expect that they will require business funding when COVID-19 restrictions are relaxed; more than half indicate they will need less than R100, 000 of funding.*



68%

**SMMES WERE UNSUCCESSFUL IN THEIR  
APPLICATION FOR COVID-19 RELIEF FUNDING**

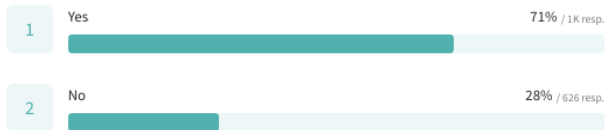
## HAVE YOU APPLIED FOR RELIEF FROM BANKS, GOVERNMENT OR OTHER FINANCIAL INSTITUTIONS?

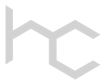


# WERE YOU SUCCESSFUL IN RECEIVING ANY FINANCIAL RELIEF FROM BANKS, GOVERNMENT OR OTHER FINANCIAL INSTITUTIONS?



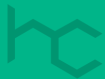
## WOULD YOU REQUIRE BUSINESS FUNDING TO RE-START AFTER THE LOCKDOWN?



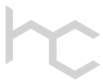


## HOW MUCH FUNDING DO YOU BELIEVE YOU WOULD NEED?



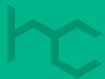


# PEOPLE



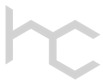
*Small businesses are trying their best to avoid their precarious position to not impact their staff. 1/3 of those surveyed indicated that they are paying their employees as usual even if they are not working currently. 81% have indicated that they have not retrenched staff as yet. Unfortunately, the current financial reality cannot stop the collateral damage in its entirety. 71% said that a prolonged state of lockdown will make it likely that they will need to start retrenchment processes. 66% had to reduce staff salaries due to COVID-19 interventions already. 1/3 of which reduced salaries between 75%-100%.*





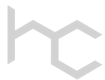
75%-100%

SALARIES REDUCED BY ONE THIRD OF SMMEs



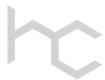
## FOR EMPLOYEES WHO ARE NOT WORKING, ARE YOU...



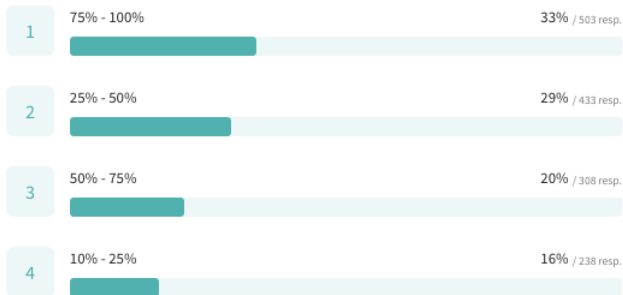


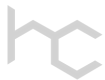
## HAVE YOU HAD TO REDUCE SALARIES DUE TO THE LOCKDOWN?





## HOW MUCH HAVE YOU NEEDED TO REDUCE SALARIES BY?

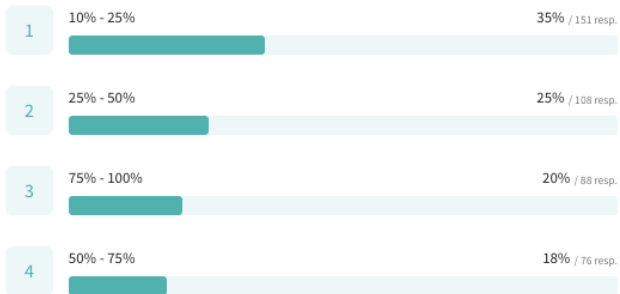




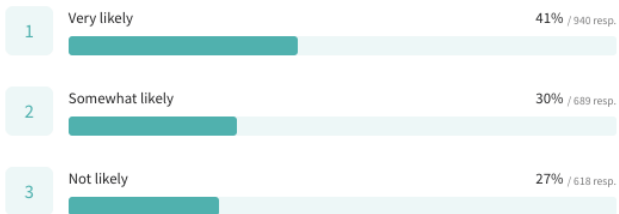
## HAVE YOU HAD TO RETRENCH STAFF DUE TO THE LOCKDOWN?

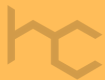


## WHAT PERCENTAGE OF STAFF HAVE YOU NEEDED TO RETRENCH?



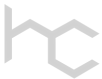
## HOW LIKELY IS RETRENCHMENT OF STAFF IN THE NEXT 3 MONTHS?



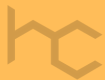


# ADAPTABILITY





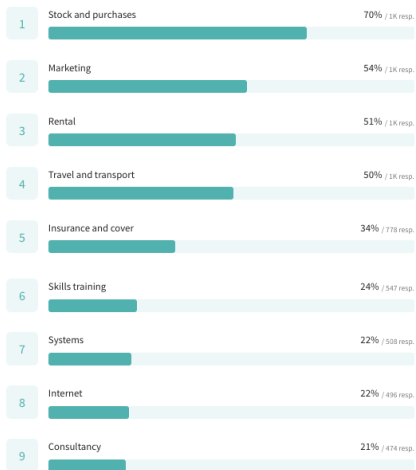
*Small businesses had to adapt quickly and decisively. 1/4 of them indicated that they are attempting to trade in some way or form. 54% work remotely and are using technology - in particular messaging and video conferencing platforms - to streamline their processes. Immediate cost cutting interventions include reductions in stock purchases, marketing, rental, travel and transport, insurance cover and many more. The impact of the pandemic and efforts to 'flatten the curve' already has led to 1/3 of small businesses to change their business model. More than half that have not yet changed their business model, expect that they will be forced to do this soon.*



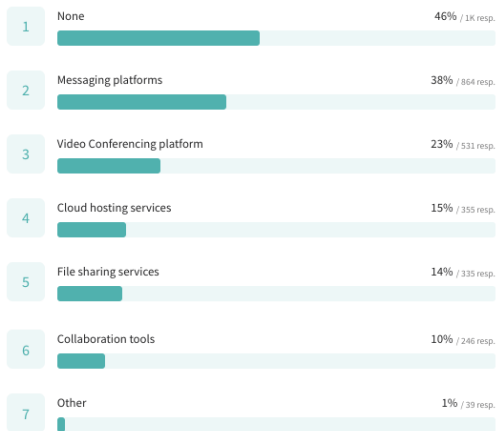
# 1 OUT OF 3

**SMMES THAT HAVE CHANGED THEIR BUSINESS  
MODEL (57% EXPECT TO DO SO SOON)**

## WHAT OTHER COSTS HAVE YOU HAD TO REDUCE DUE TO THE LOCKDOWN?



# WHAT (IF ANY) TECHNOLOGY IS HELPING YOU STREAMLINE YOUR CURRENT BUSINESS MANAGEMENT PROCESSES?

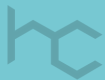


## HAVE YOU CHANGED YOUR BUSINESS MODEL IN ANY WAY SINCE THE LOCKDOWN?

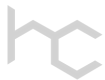


## WILL YOU CHANGE YOUR BUSINESS MODEL AFTER THE LOCKDOWN?

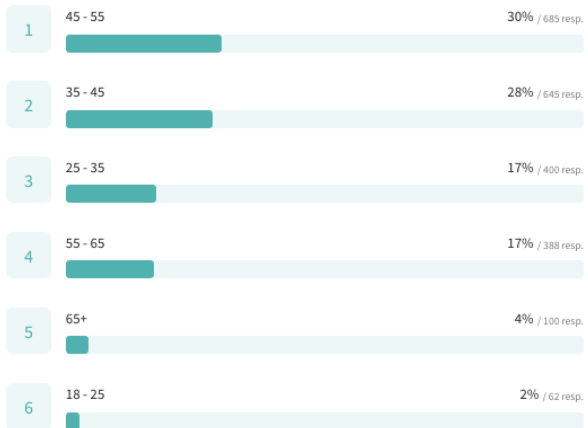




# DEMOGRAPHICS

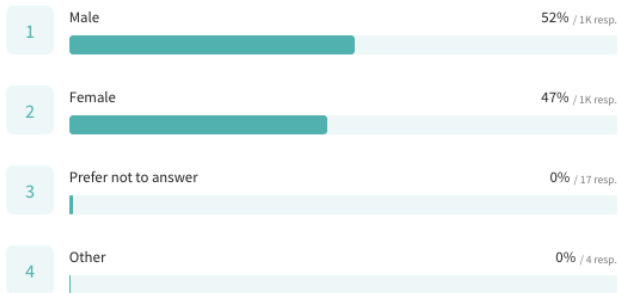


## WHICH AGE GROUP DO YOU FALL INTO?

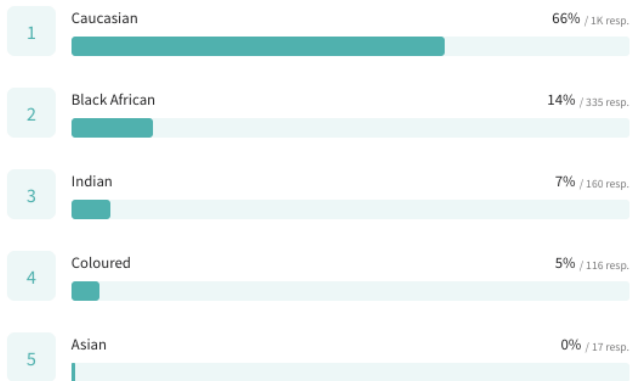


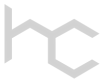


## FOR STATISTICAL PURPOSES, TO WHICH GENDER DO YOU MOST IDENTIFY?



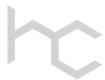
## FOR STATISTICAL PURPOSES, PLEASE CAN YOU INDICATE WHICH GROUP BEST DESCRIBES YOUR RACE?





### Notes on Methodology:

- *The #CombatCovid survey used a convenience sampling methodology. This translates into certain limitations in terms of demographics particularly in terms of race and regionality in this study.*
- *Another limitation was our ability to ascertain whether each individual was, in fact, a legitimate business owner.*
- *We have made the assumption of legitimacy due to the nature of the questions and the time taken to fill in the survey.*
- *The Heavy Chef survey team have not undertaken comparative analysis. For example, looking at impact on established businesses vs new businesses, or impact on female business owners.*
- *The #CombatCovid survey was conducted before 'Level 4' was announced. It is necessary to view results with the lens that some of the companies surveyed are currently operational.*
- *Please note: The #CombatCovid survey is the first of a repeating series of surveys. The Heavy Chef team aims to improve the range of information gathered and the demographic spread of the individuals reached over time.*



THANK YOU