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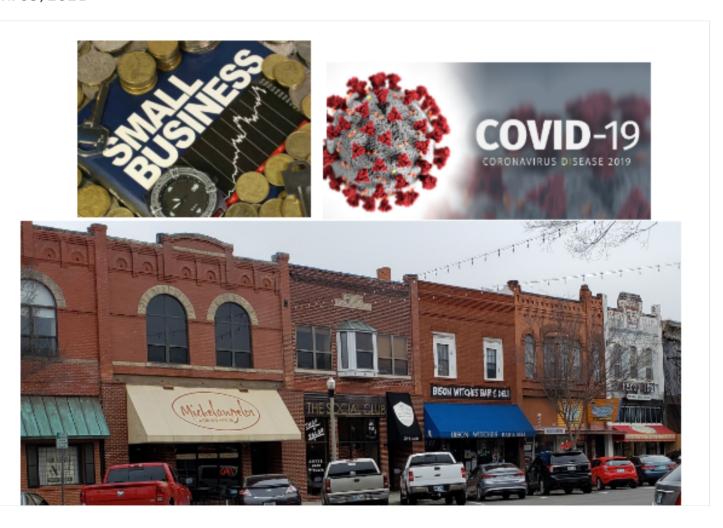
Practice Advisor

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accelerated re-openings of several different industries across the U.S., Alignable's June Revenue Poll shows that 35% of all small business owners are still at risk of closing...

Jun. 03, 2021



Despite expedited COVID vaccinations, eased restrictions in many states, and accelerated re-openings of several different industries across the U.S., Alignable's June Revenue Poll shows that 35% of all small business owners are still at risk of closing permanently by the end of this summer.

Conducted among 3,772 small business owners from 5/22/21 to 6/1/21, Alignable's

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How Researchers Determined That 35% Are At Risk As the chart above indicates, Alignable researchers calculated the percentage of small business owners who believe their businesses are in jeopardy by combining the answers of two questions in this week's poll:

- What percentage of revenue from June through August of 2020 do you expect to earn from June through August of 2021?
- What percentage of revenue from June through August of 2020 **do you need to** earn from June through August of 2021 to ensure that your business stays afloat until September?

Based on the answers to the first question, only 22% of small business owners said they expected to make as much or more than they earned last summer. Considering that 40-50% of small businesses were not fully open last summer, that figure alone is cause for alarm.

But looking at the answers to both questions simultaneously, it's abundantly clear that 35% of these small businesses might not survive until the end of August.

That said, amid these frustrating insights, there is one significant silver lining: 33% of business owners say they have fully recovered to their pre-COVID monthly revenue numbers.

This is why some observers are saying there are two distinctly different types of recoveries occurring simultaneously.

Several At-Risk Industries Revealed

Restaurant owners and retailers were feeling a bit better about their prospects a few

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Entertainers and artists have suffered a great deal during the COVID Crisis, because many have depended on large public events — or even smaller at-home parties — to make money. While some entertainers are getting by with other jobs and smaller "gigs," most report they're very dependent upon local restrictions lifting significantly, so that they can start earning some significant income. That's why 42% are worried they might not be able to keep their businesses going past the summer, if their situation doesn't improve soon.

Retailers & Restaurants On The Ropes Again?

A major percentage of retailers have considered themselves at risk since we first conducted this type of survey back in August of 2020. And, sadly, many have closed since that time, too. Currently, 40% of retailers who have reopened are worried they might not earn enough to keep the lights on this summer, largely because of labor shortages that are holding back their income-earning potential.

Many restaurants aren't far behind, with 39% of those owners expressing concerns about staying afloat until summer's end. While several small construction companies and real estate offices, for the most part, excelled during much of the COVID Era, the skyrocketing cost of supplies like lumber or gas, have slowed their success.

In fact, 33% of construction companies worry they won't make enough money in the summer to stay in business. Because the cost of lumber has curtailed some new construction projects and housing inventory in many areas remains low, 31% of real estate agents are beginning to share their concerns about this summer. Considering that construction activity and real estate sales are usually strong during the summer,

these statistics definitely wave some red flags for our researchers. We'll need to watch

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monunty revenue levels

• And 48% have only seen 50% or fewer of their customers return.

Unfortunately, until those revenue and customer counts go up — and significantly — many businesses on Main St. in both the U.S. and Canada — might not make it through the end of this summer. But consumers can help by changing their purchasing habits. There's no time like the present to show local merchants that you care about their contributions to your community.

Small Business

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