

# Welcome

## COVID-19 Missouri Economy Indicators

### Small Business Openings & Revenue Update

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Since the novel coronavirus, or COVID-19, pandemic emerged as a global health concern, many efforts have focused on containing and treating the disease. At the same time, states and municipalities must manage how to reopen their economies. This Missouri Economy Indicators series will highlight data and resources that businesses and policymakers can use to navigate this evolving situation.

#### Open for Business

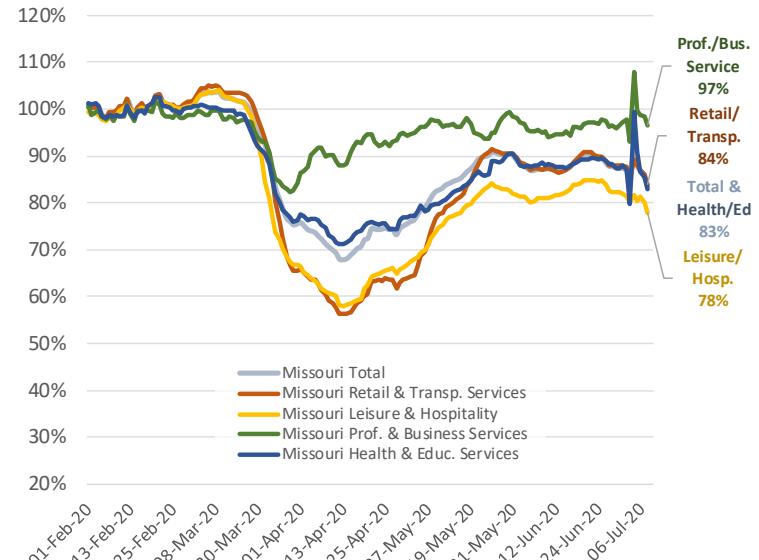
Most small Missouri businesses (83%) were open in early July, based on credit card transaction data from womply.com. This is slightly more than the 80% U.S. average.

The share of businesses that were open varied by industry — for example, 97% of *professional and business services* firms were operating, but 78% of *leisure and hospitality services* businesses were open. (See chart at right).

The fewest Missouri small businesses were open in mid-April, and the number rebounded by late May. Open businesses decreased slightly in the second week of July — possibly due to renewed COVID-19 health concerns.

#### Percent of Missouri Small Businesses Open

As of July 8th. 7-Day Moving Average Compared to Jan. 2020



Source: Womply.com data available through the [trackthereccovery.org](http://trackthereccovery.org) website

#### Small Business Revenue Compared to January 2020

Seasonally adjusted sales in mid-June were on par with January 2020 revenue for the nearly nine in 10 small businesses that were open in Missouri. This is significant given that revenue in early April was down nearly 30% from the prior month and resulted in large job layoffs. However, the recent U.S. increase in COVID-19 cases appears to be dampening consumer spending as early July revenue figures were down for both Missouri and the U.S. In Missouri, business revenue was down 7% from January compared with a 19% decline for the nation.

For businesses unable to reopen, revenue has obviously dropped to zero. Revenue for operating firms has been mixed; some businesses have done better than January's revenue levels while others' early July revenues are substantially less than their January sales. Consumers still need to purchase items such as groceries and retail goods, and many of those businesses are benefiting from this focused and, at times, increased spending.

Compared to January, revenue gains and losses for open businesses have differed by industry sector. *Retail and transportation services* revenues were up 19% in Missouri in early July, but their U.S. sales were down 10% from earlier in the year. Note, some retail sales can concentrate in larger general merchandise or hardware stores and mask much lower sales in smaller firms.

*Professional and business services*, which employ people who can more readily work remotely, had 4% sales gains in Missouri; sales were also positive for the larger U.S. industry. Although people are visiting doctors again, early July revenues were still down 13% from January for health care firms that constitute a large share of *health and education services*.

Sales at open Missouri *leisure and hospitality* firms, which include arts and entertainment, lodging and restaurants, were still down 53% in early July compared to down 44% for the U.S. These firms have also had the largest drop in employment as sales declined by more than 75% in late March. Although recent job gains brought back some of this industry's employment, renewed COVID-19 health concerns may hamper recovery efforts in these tourism-focused businesses.

It bears repeating that these revenue changes are only for open businesses and do not represent overall industry revenue changes as those would include closed firms. But these data provide a window into changing revenue patterns across industries that will be useful to follow as Missouri businesses reopen.

Data source: Womply credit card transaction data for small businesses analyzed by Opportunity Insights. Revenue in cash or through third-party apps, such as GrubHub for restaurants, is not tracked by Womply. Revenue used in percent change estimates are seasonally adjusted, seven-day moving averages for early July compared to January 2020 revenue levels.

## Additional Resources

- **Opportunity Insights Economic Tracker** provides the Womply data and analysis used in this brief for all states at <https://trackthereccovery.org/>. Read more about this data source and how it compares to other data sets here: [opportunityinsights.org/wp-content/uploads/2020/05/tracker\\_paper.pdf](https://opportunityinsights.org/wp-content/uploads/2020/05/tracker_paper.pdf)
- **Missouri Small Business Development Center COVID-19 Resource Page** has a small business guide to the CARES Act, video guides and other resources at [sbdc.missouri.edu/sbdc-covid-19-resources](https://sbdc.missouri.edu/sbdc-covid-19-resources)

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*This brief is the 10th in a series meant to explore economic indicators associated with the COVID-19 pandemic. Future updates will be available at [tinyurl.com/ExceedEconomyIndicators](https://tinyurl.com/ExceedEconomyIndicators)*

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