



## COVID-19 Missouri Economy Indicators

### Small Business Openings and Revenue

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Consumer spending has weakened in recent weeks as COVID-19 health concerns have heightened, and this spending trend may cause more businesses to close. Revenues for open restaurants, hotels and entertainment venues continued to show drastic declines in the first half of November, but sales for other operating businesses have been more varied. Revenue for sports and building suppliers across the state has increased, but other small firms have been impacted differently, depending on their business type and location.

### Open for Business

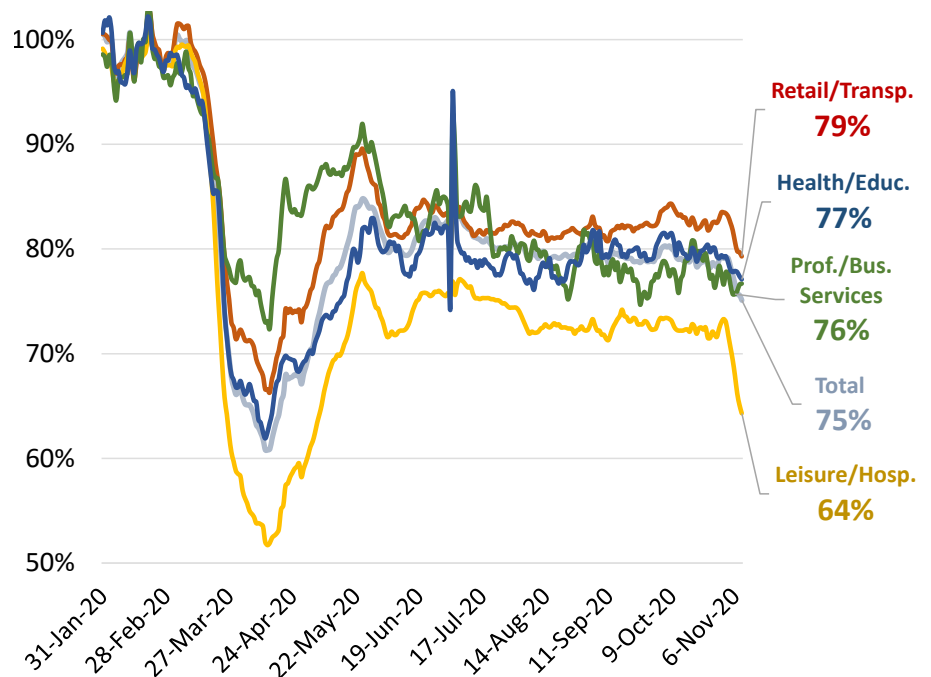
Three out of four small Missouri businesses were open in early November, based on credit card transaction data from womply.com. This is slightly more than the 71% U.S. average.

Opened businesses varied by industry with 79% of *Retail & Transportation Services* operating and 64% of *Leisure & Hospitality Services* being open (see chart).

Mid-April was the low point for Missouri businesses being open, but openings rebounded significantly by late May. In the past three months, 79% of businesses were open on average. Beginning in November, the share of open businesses started to decline.

### Percent of Missouri Small Businesses Open

As of Nov. 9, 2020. 7-Day Moving Average Compared with January 2020



Source: Womply.com open business data available at [tracktherecovery.org](https://tracktherecovery.org)

### Open Missouri Business Revenue Compared with Last Year

Being open for business does not mean revenues have returned to pre-COVID levels. Changes to consumer spending and density restrictions are limiting revenues in many places. Safety concerns have recently increased, and since October, household spending across the U.S. has contracted (see recent [research brief](#)).

For businesses that have been unable to reopen, revenue has obviously dropped to zero. Revenue earned by operating firms is mixed. Some businesses are above last year's revenue levels, but others' revenues are

substantially lower. Consumers still need to purchase items such as food and retail goods, and many businesses supplying those products have benefitted from increased spending if their stores have remained open.

Open businesses' revenue gains and losses, compared with the same time last year, have been similar across Missouri's metropolitan and nonmetropolitan areas with a few exceptions (see table). Open sports and hobby shops showed much higher revenue in the first two weeks of November 2020 relative to a year earlier, especially in metropolitan areas where consumers have increased spending on sporting goods and similar items. Food and beverage shops showed higher revenue as consumers continued a shift away from restaurant purchases.

In metro areas, open building supply stores and home services, which include construction and repair businesses, increased revenue more so than in nonmetro areas. This might reflect spending on homes where remote work may be more prevalent. Remote work may also explain why vehicle sales and services were lower in metro areas as residents are driving relatively less than in 2019. Other open retailers, which include a wide variety of small businesses, showed higher revenue in nonmetro areas — possibly influenced by in-person shopping preferences or lack of internet access.

Again, these revenue changes are only for open businesses and do not represent overall industry revenue changes, which would include closed firms. In early November, one in four Missouri businesses did not operate — a significant share. This is concerning as extended difficult economic times may cause many small businesses to close permanently.

### Metro & Nonmetro Missouri Year-over-Year Percent Change in Open Small Business Revenue

First two weeks of Nov. 2020 compared with same weeks in 2019

Small Business Type	Metro Percent Change	Nonmetro Percent Change
Sports & Hobby Retail	97%	94%
Building Supply & Home Services	28%	2%
Food & Beverage Shops	27%	28%
Other Services	23%	18%
Healthcare & Medical Centers	11%	9%
Other Retail	-2%	31%
Vehicle Sales & Service	-9%	9%
Restaurants & Bars	-18%	2%
Arts, Entertainment, & Recreation	-20%	-47%
Lodging Places	-48%	-13%

Source: Womply.com open business average revenue data

### Additional Resources

- **Opportunity Insights Economic Tracker** provides the data and analysis used in this brief for all states at <https://tracktherecovery.org/>.
- **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](http://sbdc.missouri.edu/sbdc-covid-19-resources)

*This brief is the 18th in a series meant to explore economic indicators associated with the COVID-19 pandemic. Future updates will be available at [tinyurl.com/ExceedEconomyIndicators](http://tinyurl.com/ExceedEconomyIndicators)*

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