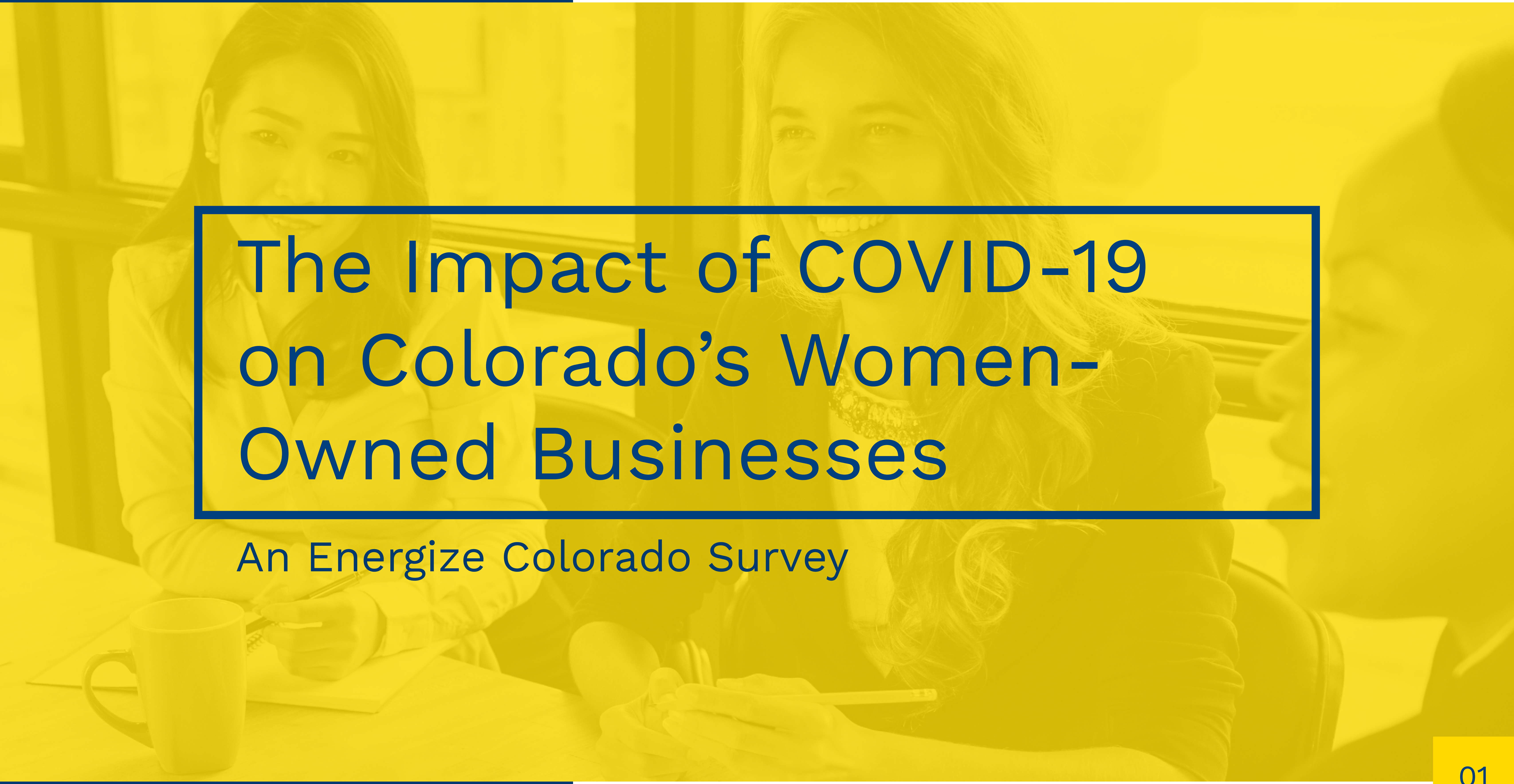


The Impact of COVID-19 on Colorado's Women-Owned Businesses

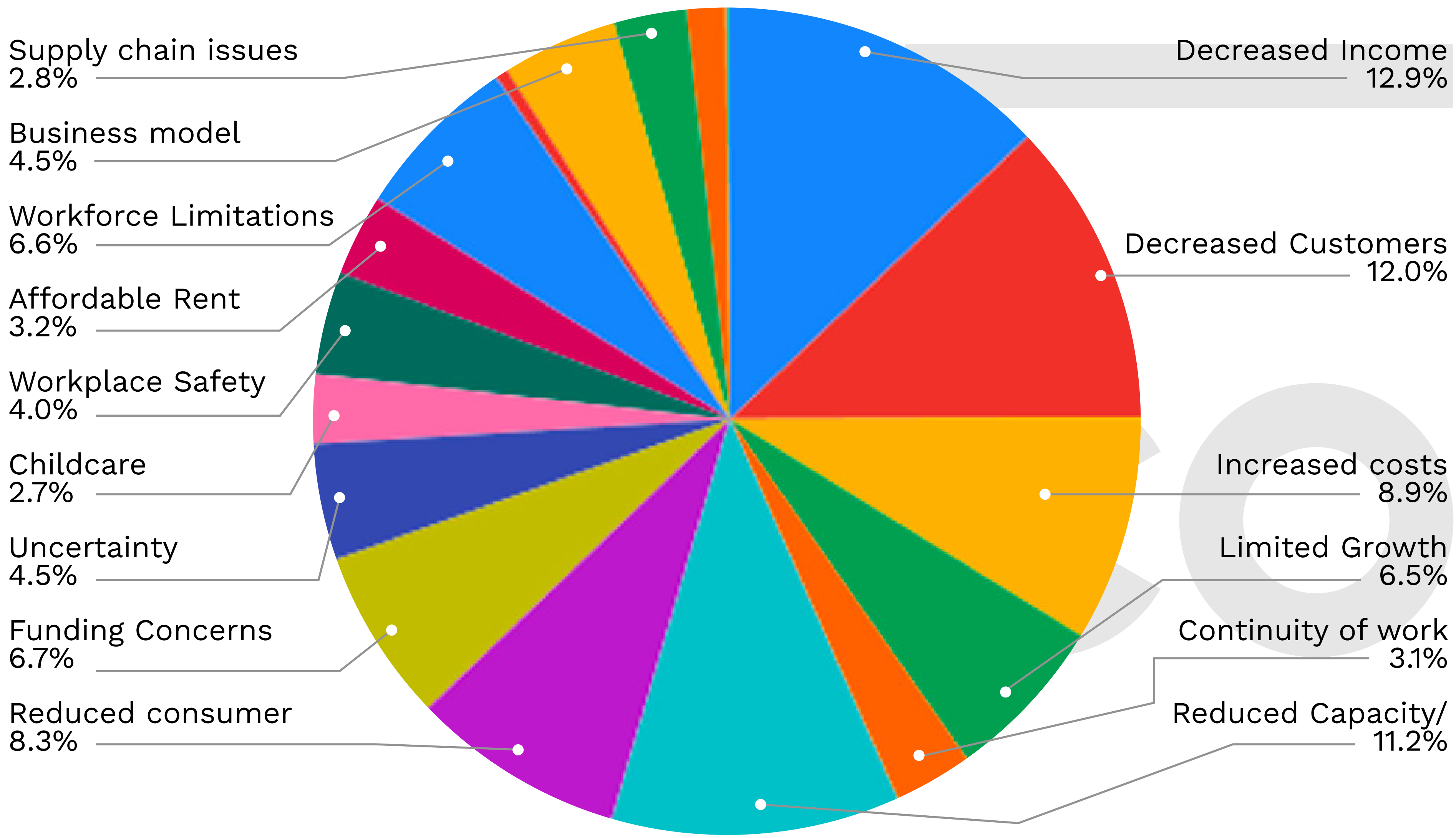
An Energize Colorado Survey

Executive Summary

- Small businesses have suffered immensely since the begin of the COVID-19 pandemic, and women-owned businesses are no exception.
- We have asked thousands of Colorado-based women-owned businesses to take our survey and received 935 responses from businesses from all over the state. The majority of businesses that responded are microbusinesses with up to 10 employees.
- Almost all respondents reported a significant loss of revenue since the pandemic began.
- While over 75% of respondents reported having received some form of financial aid, the amount of help still is not sufficient to keep many of them in business if impacts due to COVID-19 persist – over 50% of respondents stated that their business could only remain operational for up to three more months if nothing changes.
- On the upside, several respondents reported that their community and customer relations have strengthened during the pandemic.

Key Impacts From COVID-19 on Women-Owned Small Business in Colorado

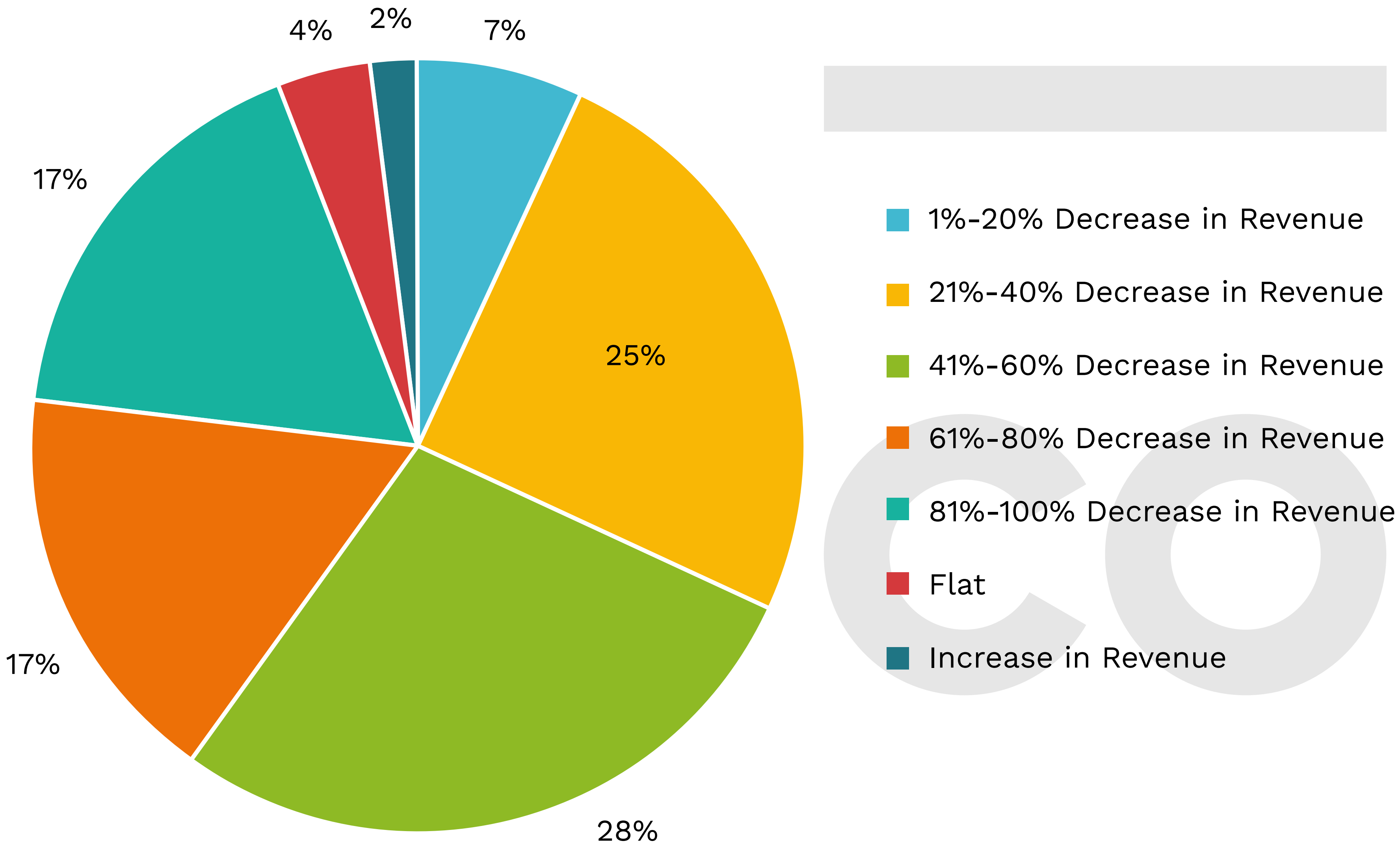
TOP 3 CHALLENGES DUE TO COVID-19



Key Findings:

- The majority of challenges links back to financial issues, including decreased income, decreased customers, or reduced capacity to name a few.

EXPECTED CHANGE IN REVENUE DURING COVID-19

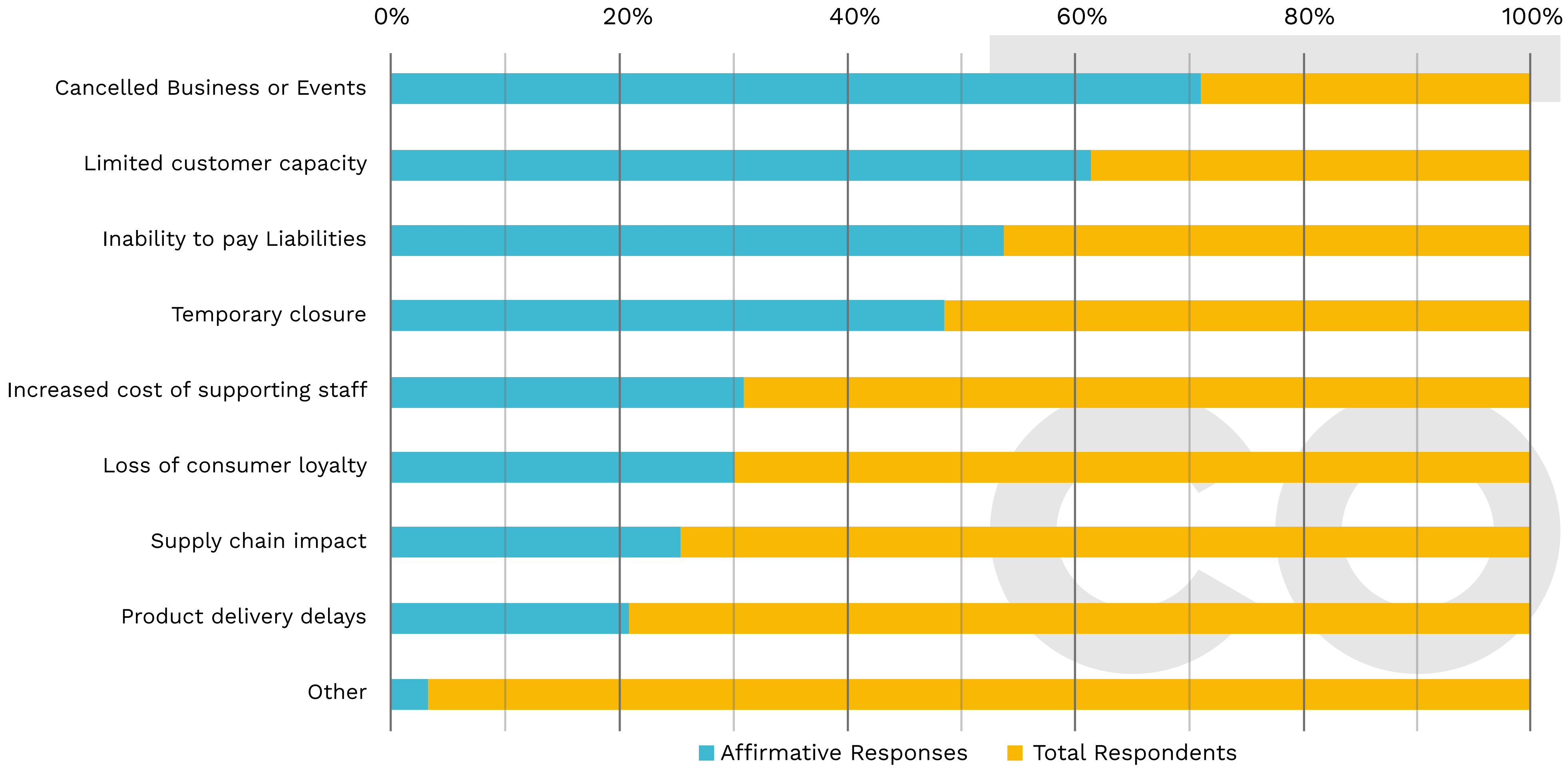


Key Findings:

- Almost all survey respondents expect a decrease in revenue.
  - The majority of businesses expect a 40-60% decrease in revenue.
  - However, almost 1 in 5 respondents expect an 80-100% decrease in revenue.
- Only 2% of respondents expect an increase in revenue.

BUSINESS IMPACTS EXPERIENCED

Type of Impact Experienced from COVID-19*

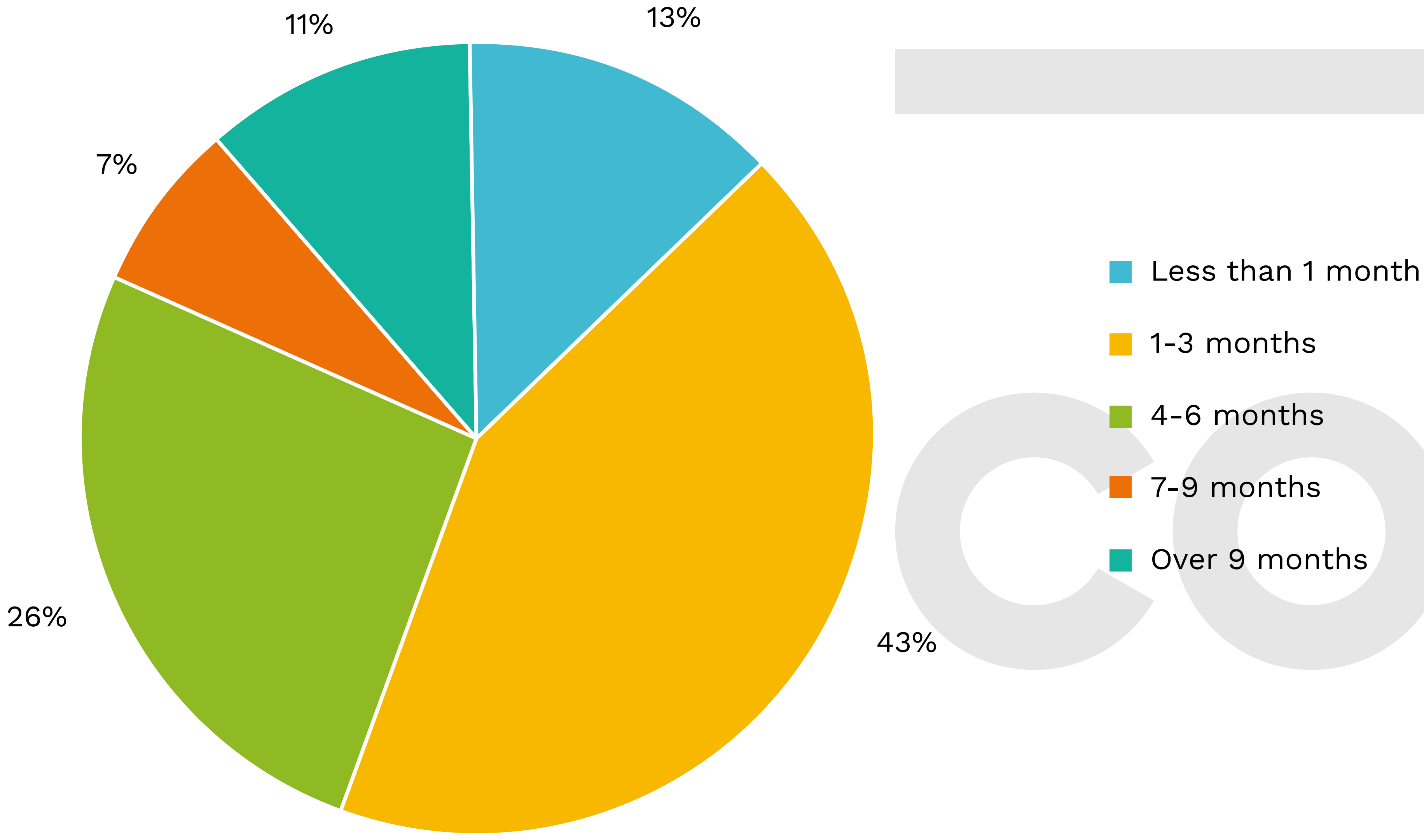


Key Findings:

- The average respondent has been impacted by 3-4 events.
- Almost 3 out of 4 respondents have experienced cancelled business or events.
- “Other” category included:
  - Higher operational, non-staffing, costs.
  - Local mandates or restrictions.
  - Challenges in pivoting business practices.

*Respondents could choose all categories that applied

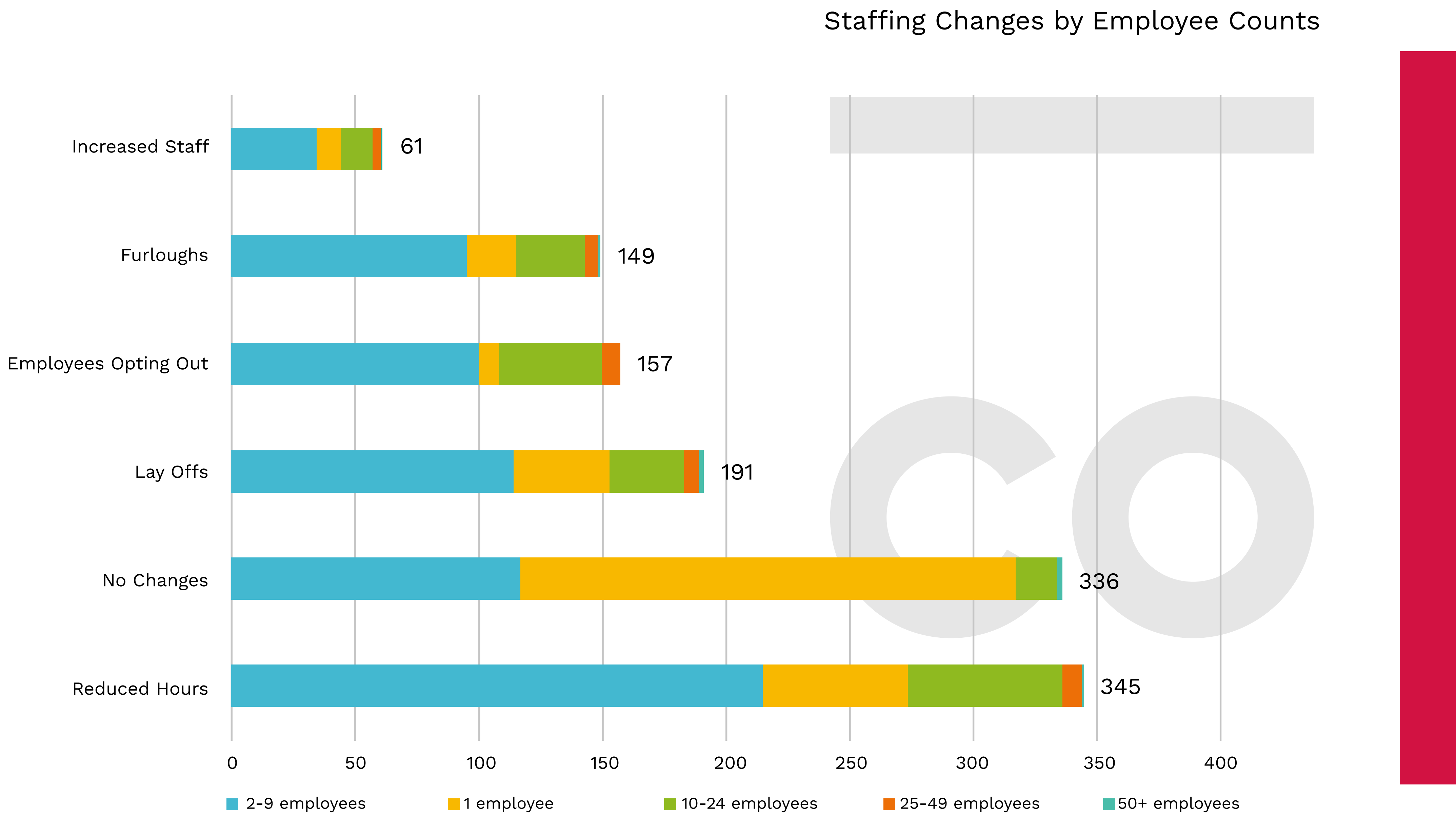
RUNWAY



Key Findings:

- Half of respondents report sustaining operations less than 3 months.
- 80% of respondents report being able to sustain operations less than 6 months.

STAFFING CHANGES



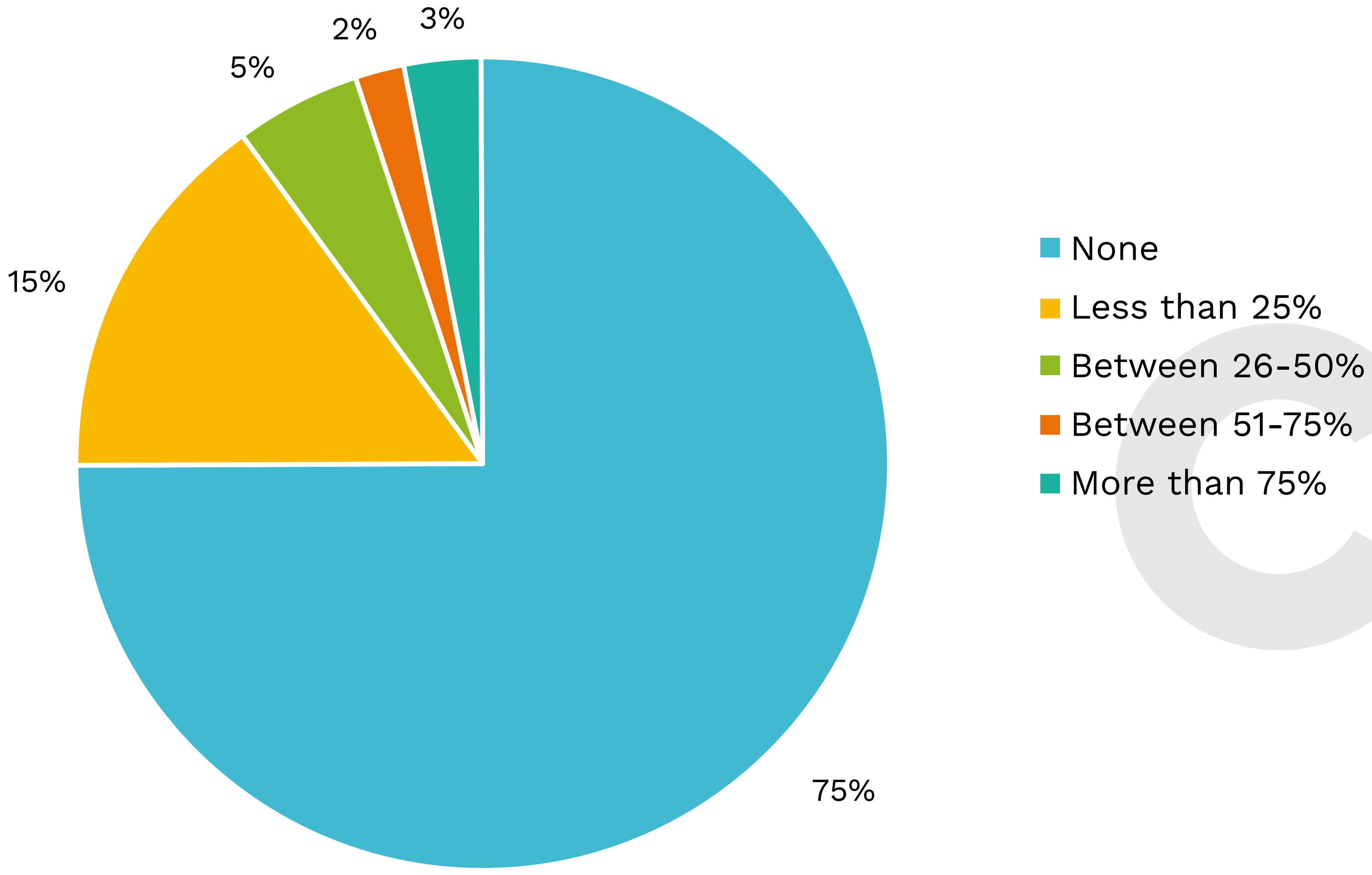
*Respondents chose all categories that applied for staffing changes

Key Findings:

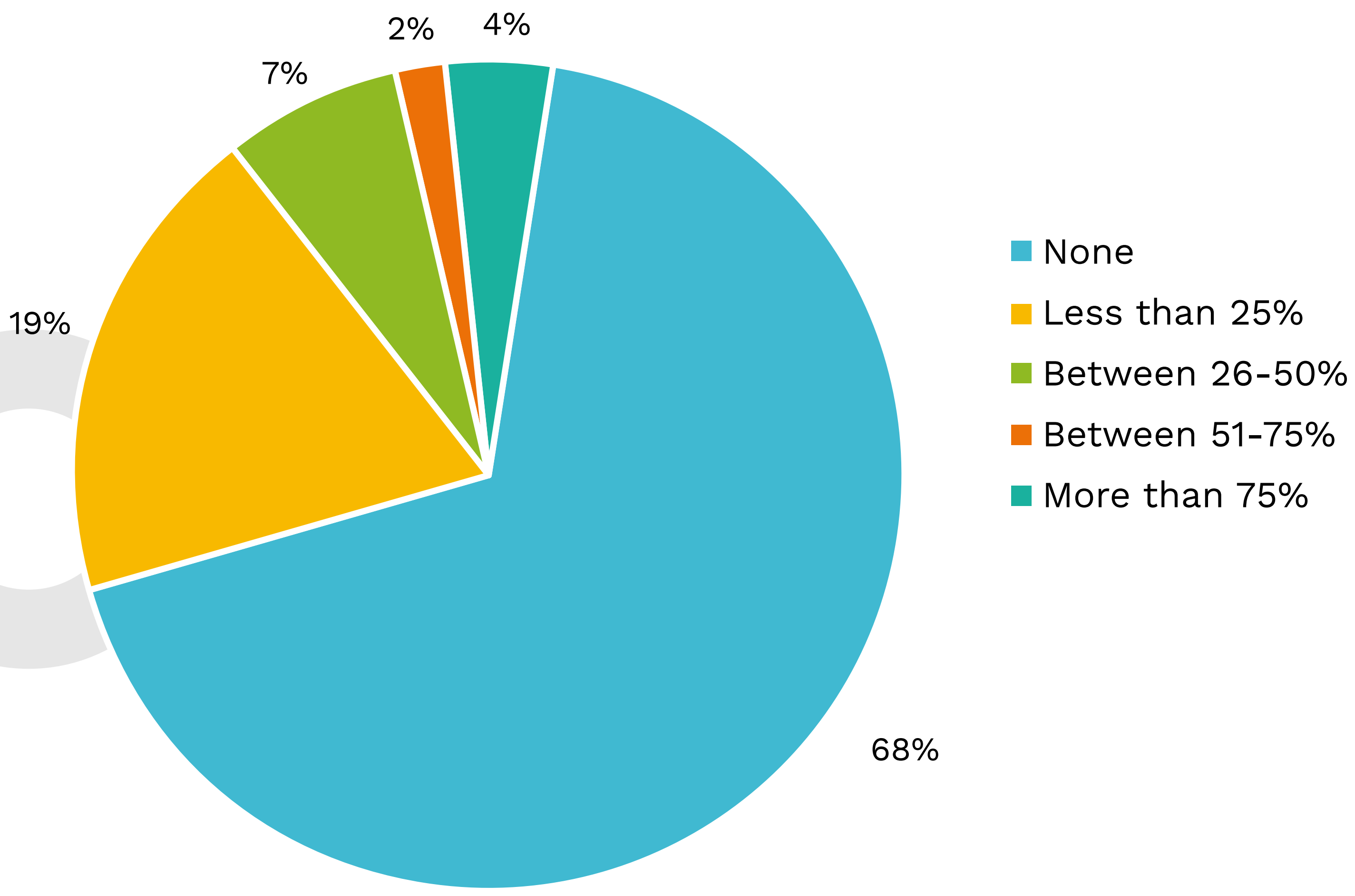
- ~60% of all respondents had to decrease staffing during COVID-19, and ~35% had maintained staff levels.
- Smaller businesses were less likely to report decreased staff.

STAFF SHORTAGES/ENGAGEMENT DUE TO CHILDCARE CHALLENGES

Amount of Staff Shortages due to Childcare Responsibilities

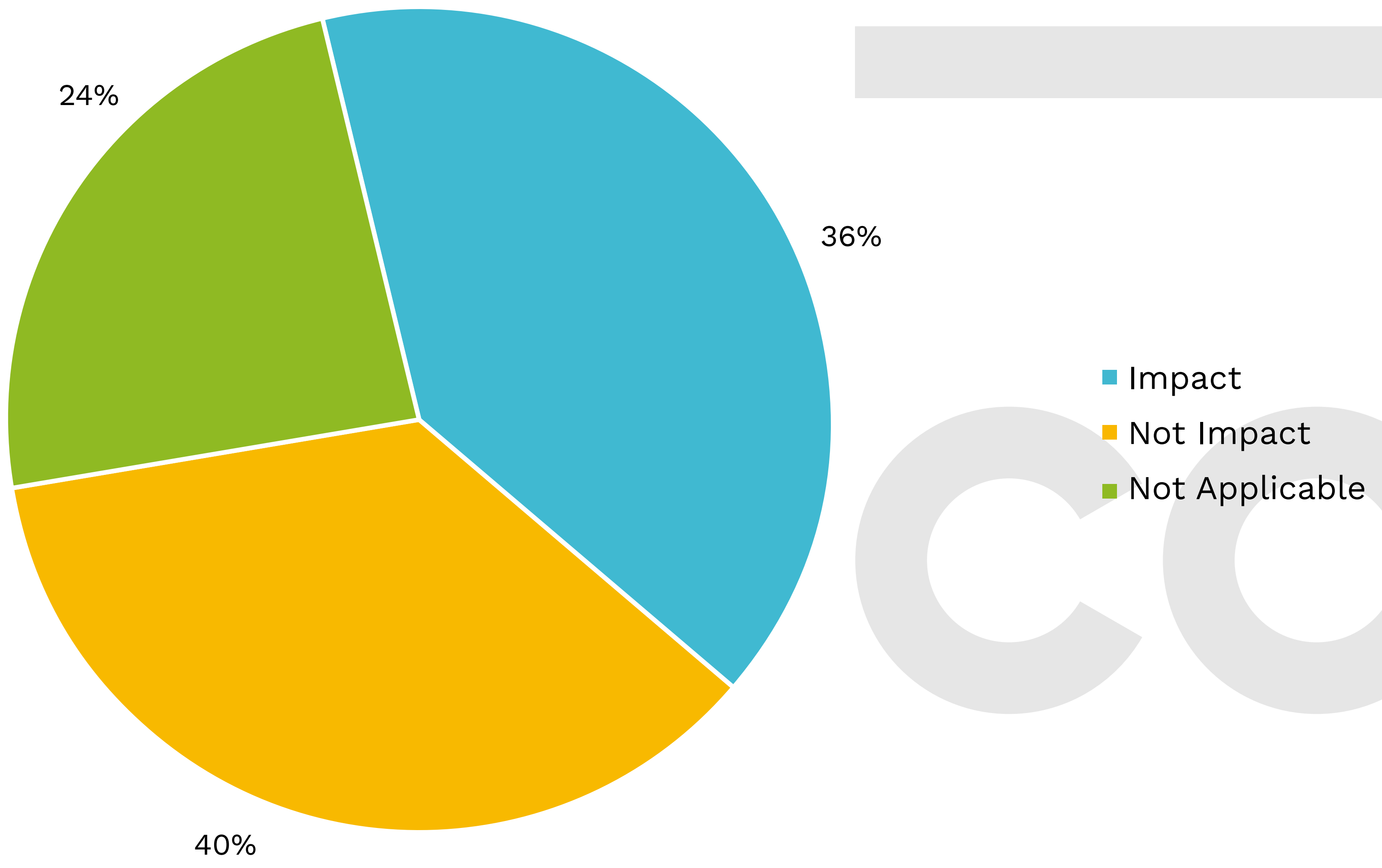


Amount of Reduced Staff Engagement due to Childcare Responsibilities



Most respondents report little to no staff shortages or reduced staff engagement resulting from lack of childcare coverage.

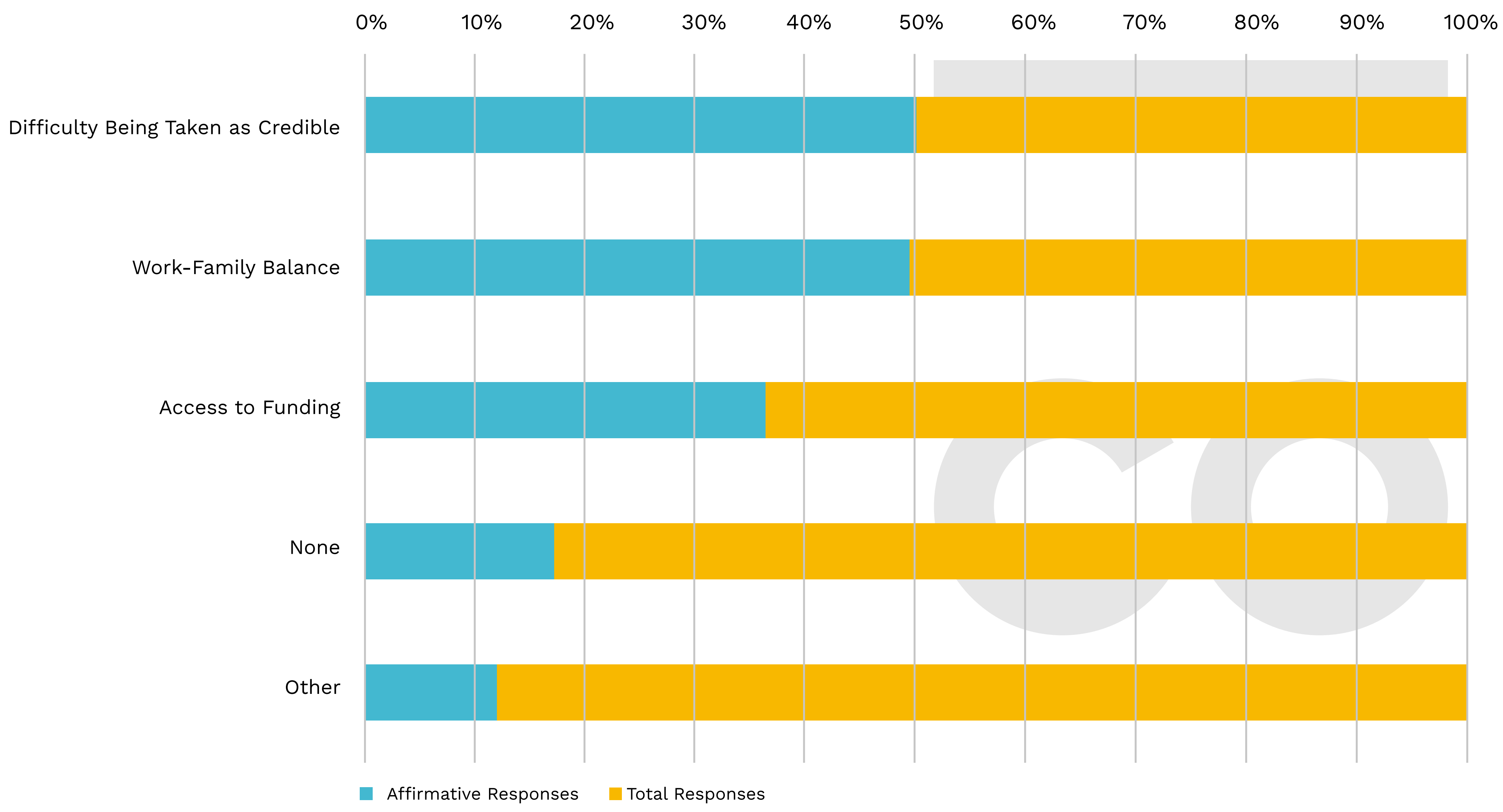
DID VIRTUAL SCHOOLING IMPACT BUSINESS OPERATIONS



Key Findings:

- Almost even split between those impacted and not impacted by virtual schooling.

WOMAN-SPECIFIC CHALLENGES



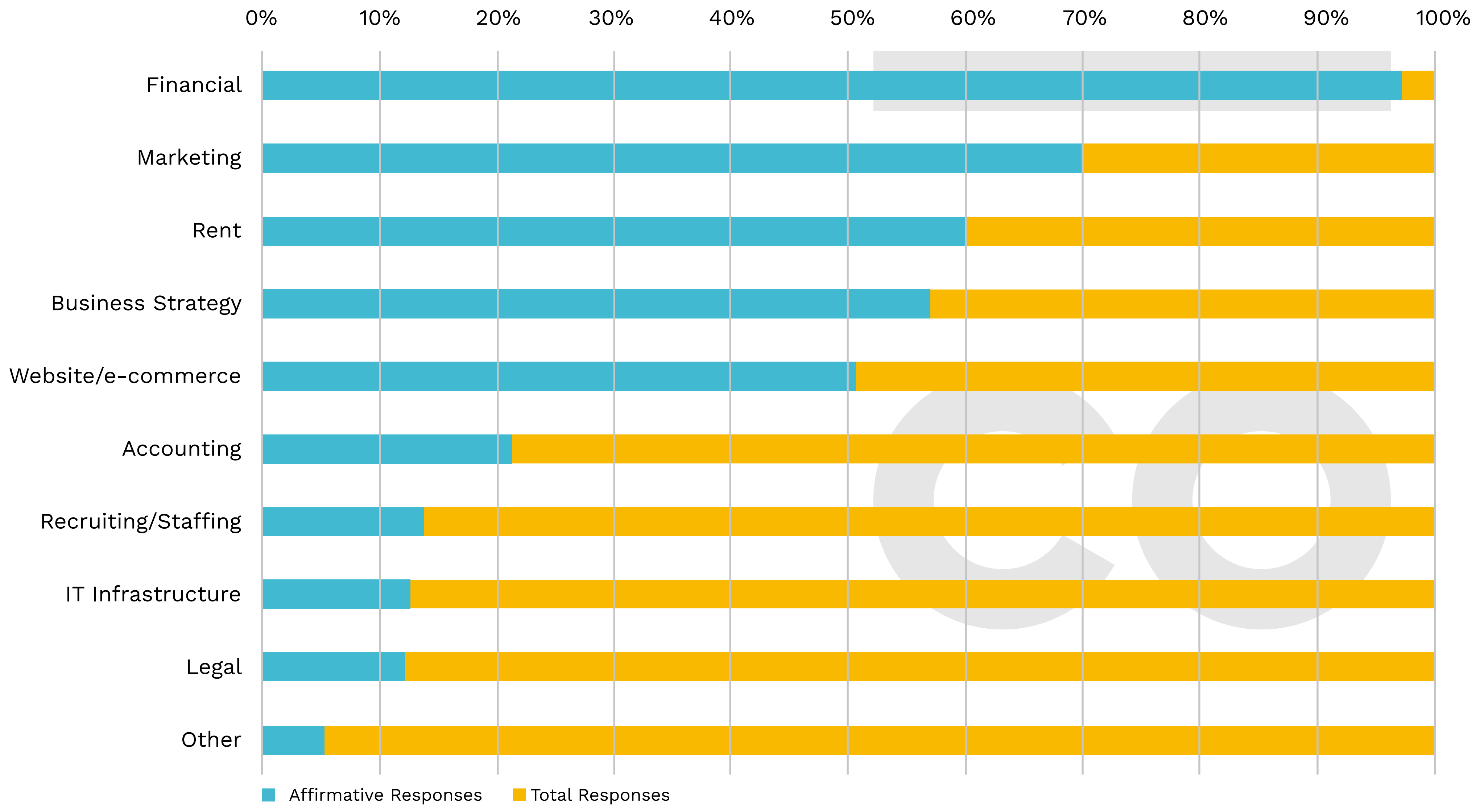
*Respondents chose all categories that applied

Key Findings:

- About 50% of women report that it seems harder for them to be taken credible in a business setting than their male counterparts.
- Other women-specific key challenges include work-family balance and access to funding.
- 77% of respondents felt these challenges have increased during COVID-19.
- “Other” includes financial and family related challenges, difficulty recruiting, lack of professional services and mental health challenges.

Support to Mitigate Impacts From COVID-19

AREAS OF ASSISTANCE NEEDED

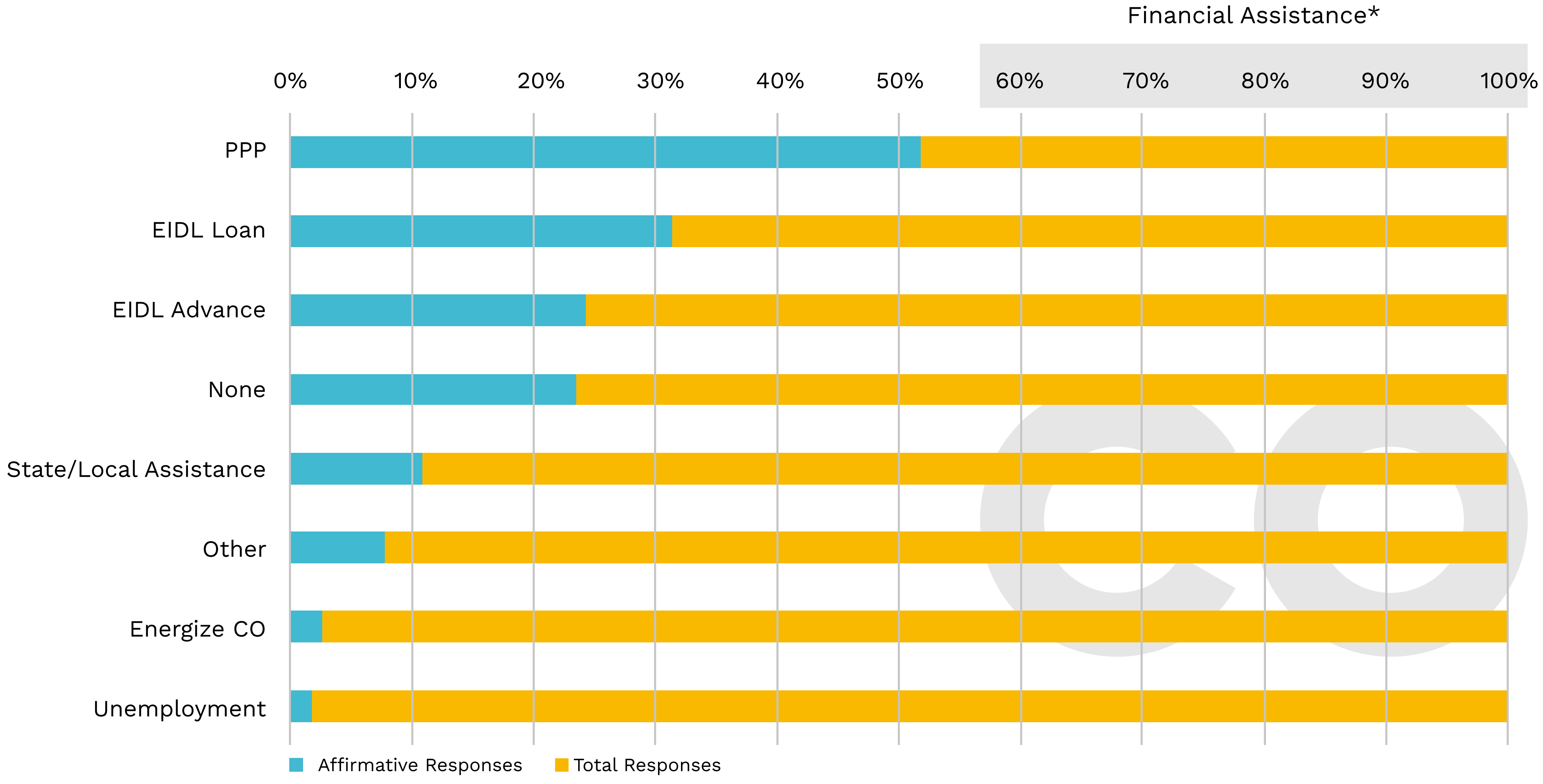


*Respondents were asked to choose top 4 categories that applied

Key Findings:

- Financial assistance ranked highest with almost 100% of respondents in need of loans and grants and almost 60% in need of rent relieve/assistance.
  - Note: "Other" responses overwhelmingly mentioned financial needs, which were reclassified as Financial.
- Professional services such as assistance with marketing or business strategy also ranked high.
- "Other" category includes professional services, decreased restrictions, and better economic conditions.

FINANCIAL ASSISTANCE RECEIVED

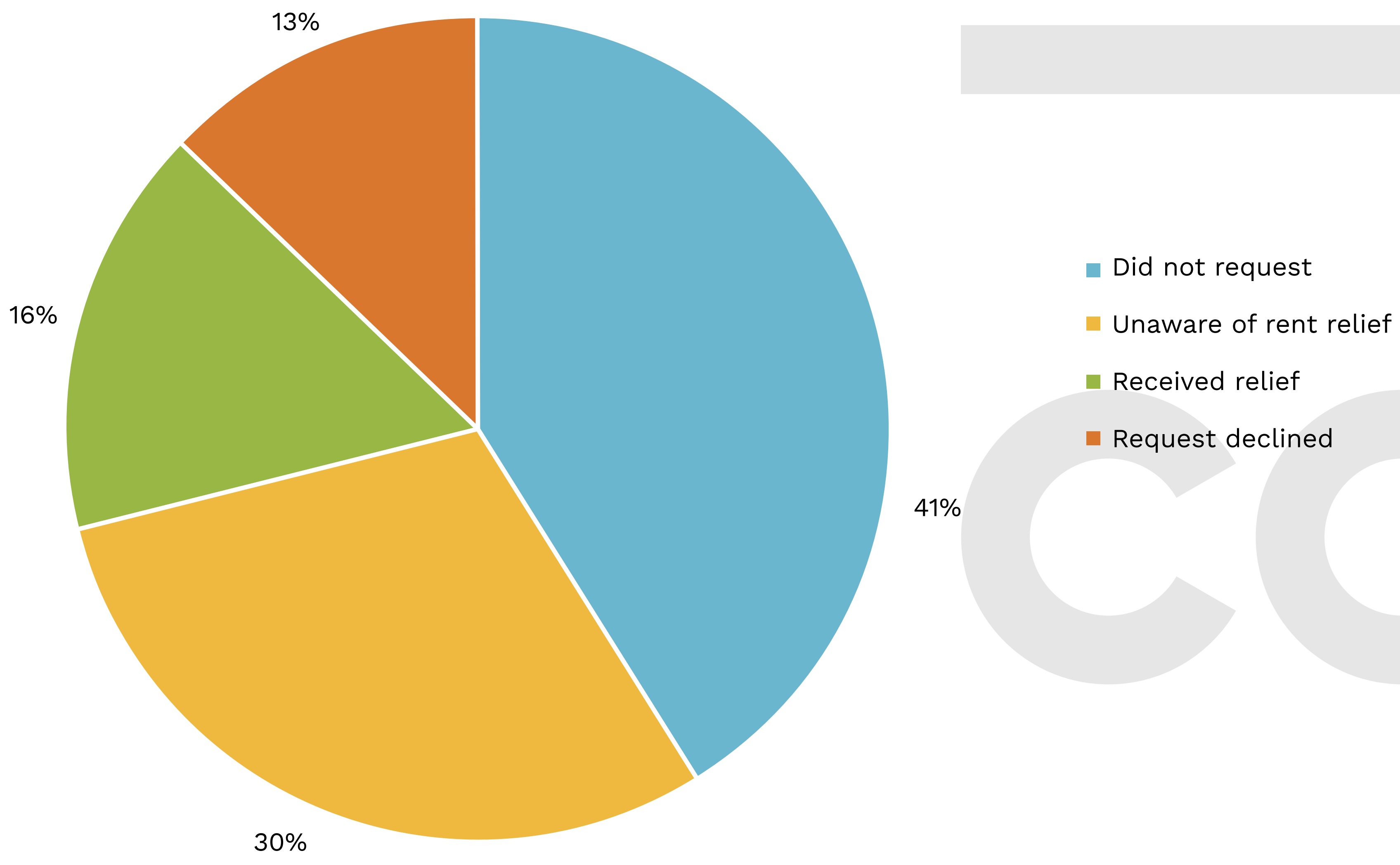


Key Findings:

- The Paycheck Protection Program (PPP) was by far the most leveraged financial at over 50%.
- Less than 25% of respondents reported receiving no aid at all.
- ”Other” category includes SBA loans/ grants, non-Profit assistance, private business aid, and personal network aid.

*Respondents chose all categories that applied

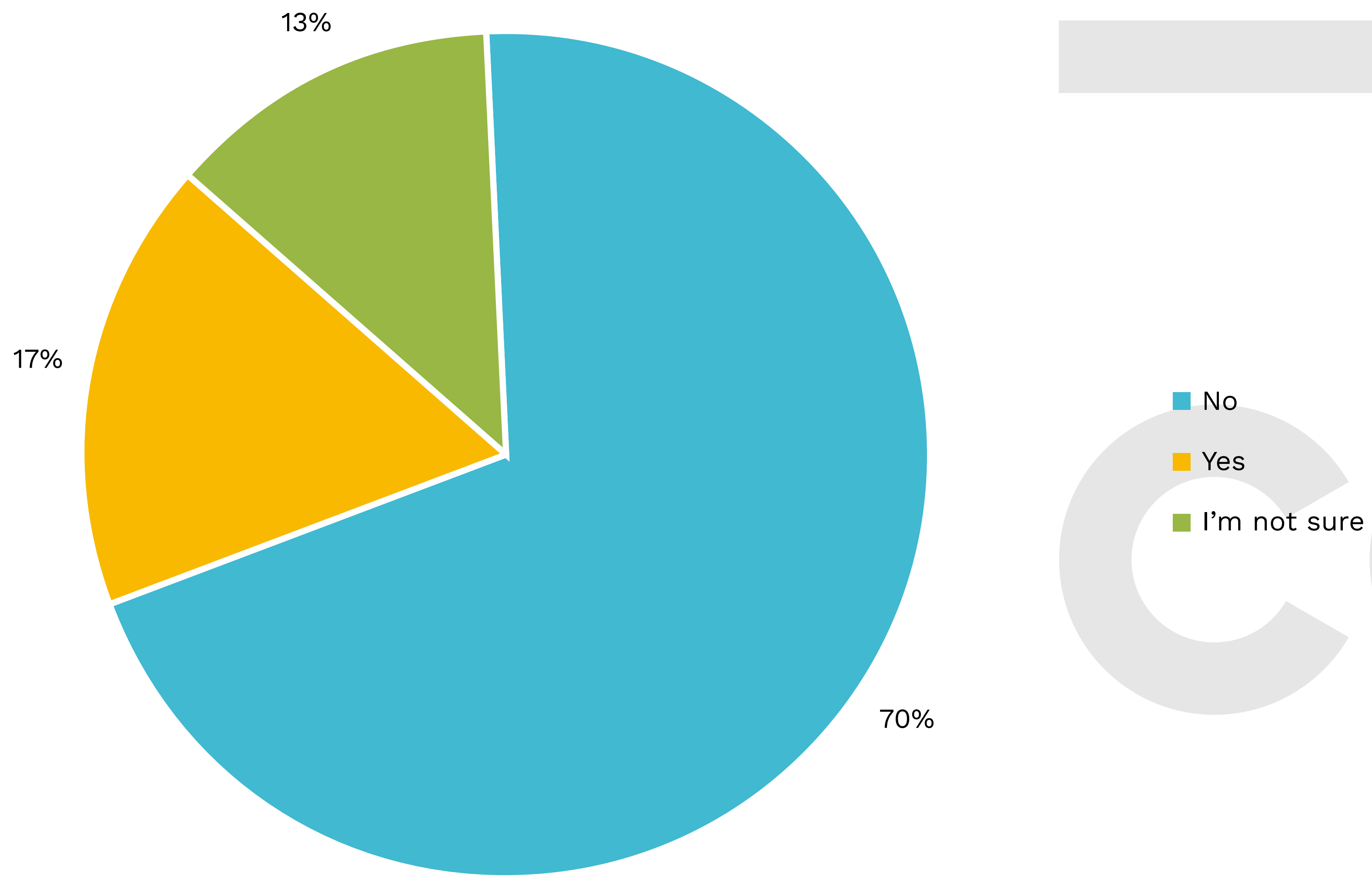
RENT RELIEF



Key Findings:

- Despite almost 60% of respondents stating the need for assistance with rent, 70% of respondents did not request rent relief.
  - Almost 30% of respondents didn't realize they could request help.
- Rent Relief is a high priority across all respondents, yet, only 16% reported having received aid.

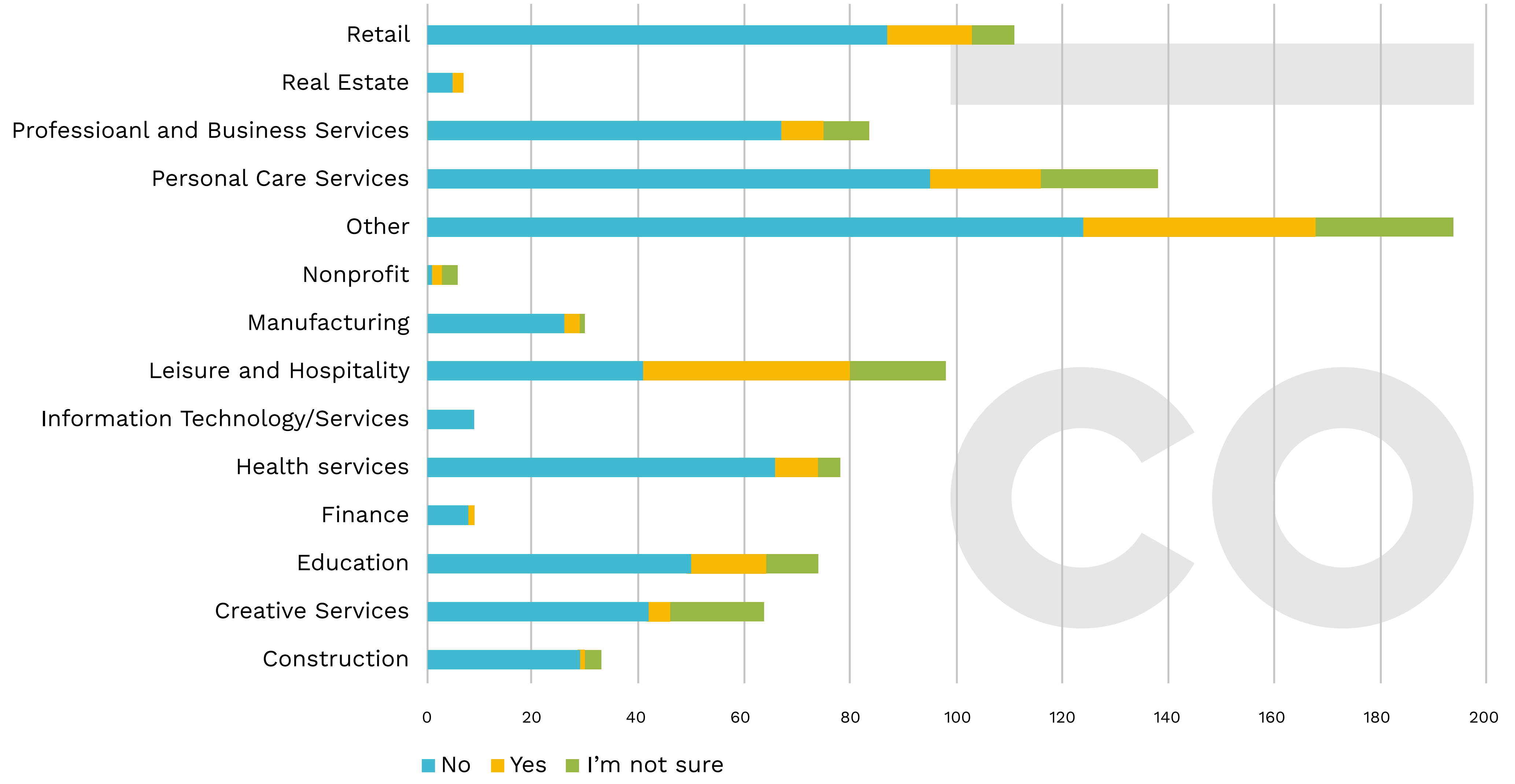
WOULD ENHANCED OUTDOOR AMENITIES BE BENEFICIAL



Key Findings:

- ~70% of respondents don't think outdoor equipment would be beneficial for business

NEED FOR OUTDOOR AMENITIES BY INDUSTRY



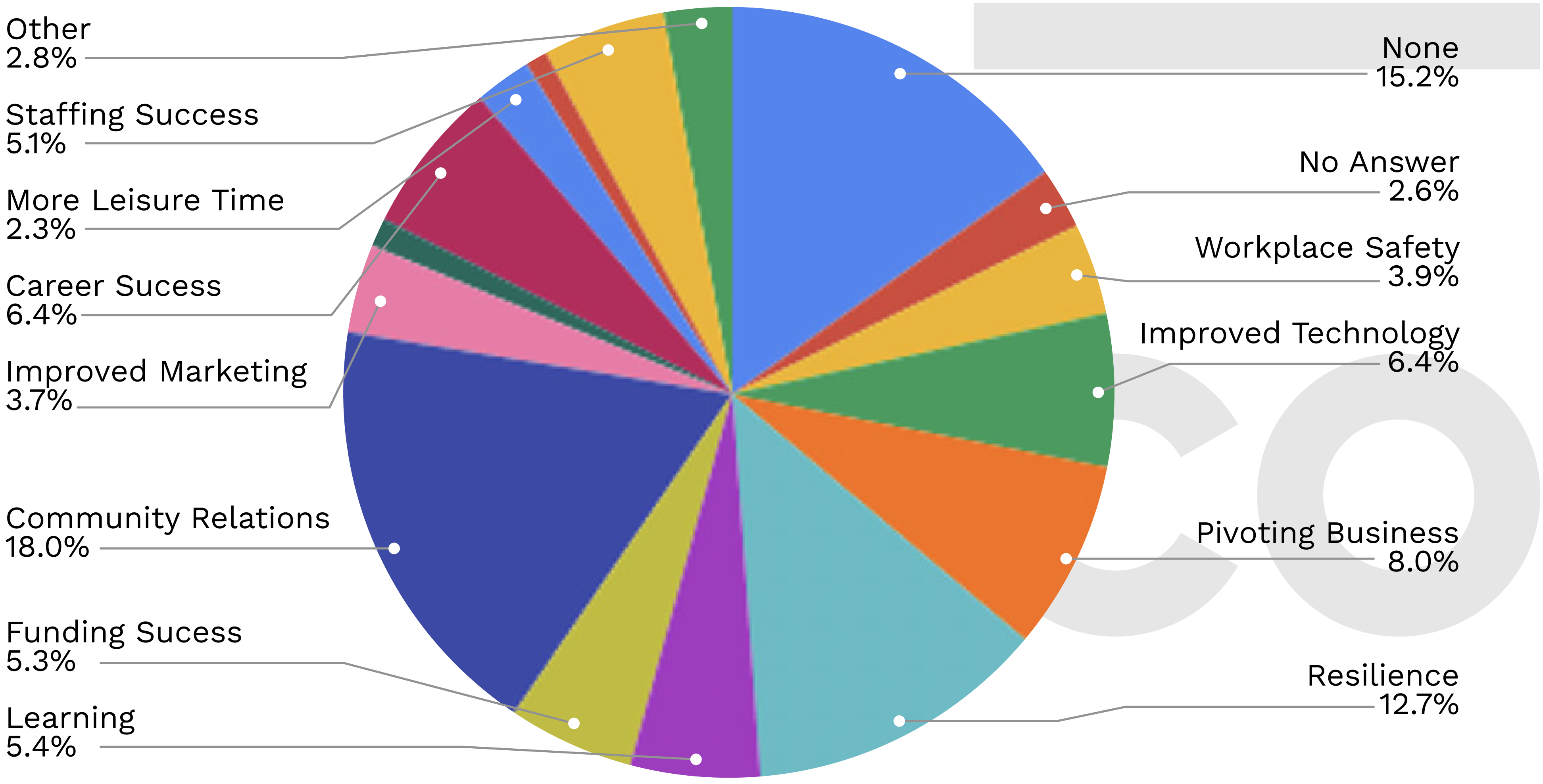
Key Findings:

- ~70% of respondents don't think outdoor equipment would be beneficial for business
- Across industries, only Leisure/ Hospitality, Non-Profits, and Real Estate industries significantly (>30%) believe outdoor equipment would be beneficial*

*Data from O_3 used

Silver Lining

TOP 3 SUCCESSES DURING COVID-19



Key Findings:

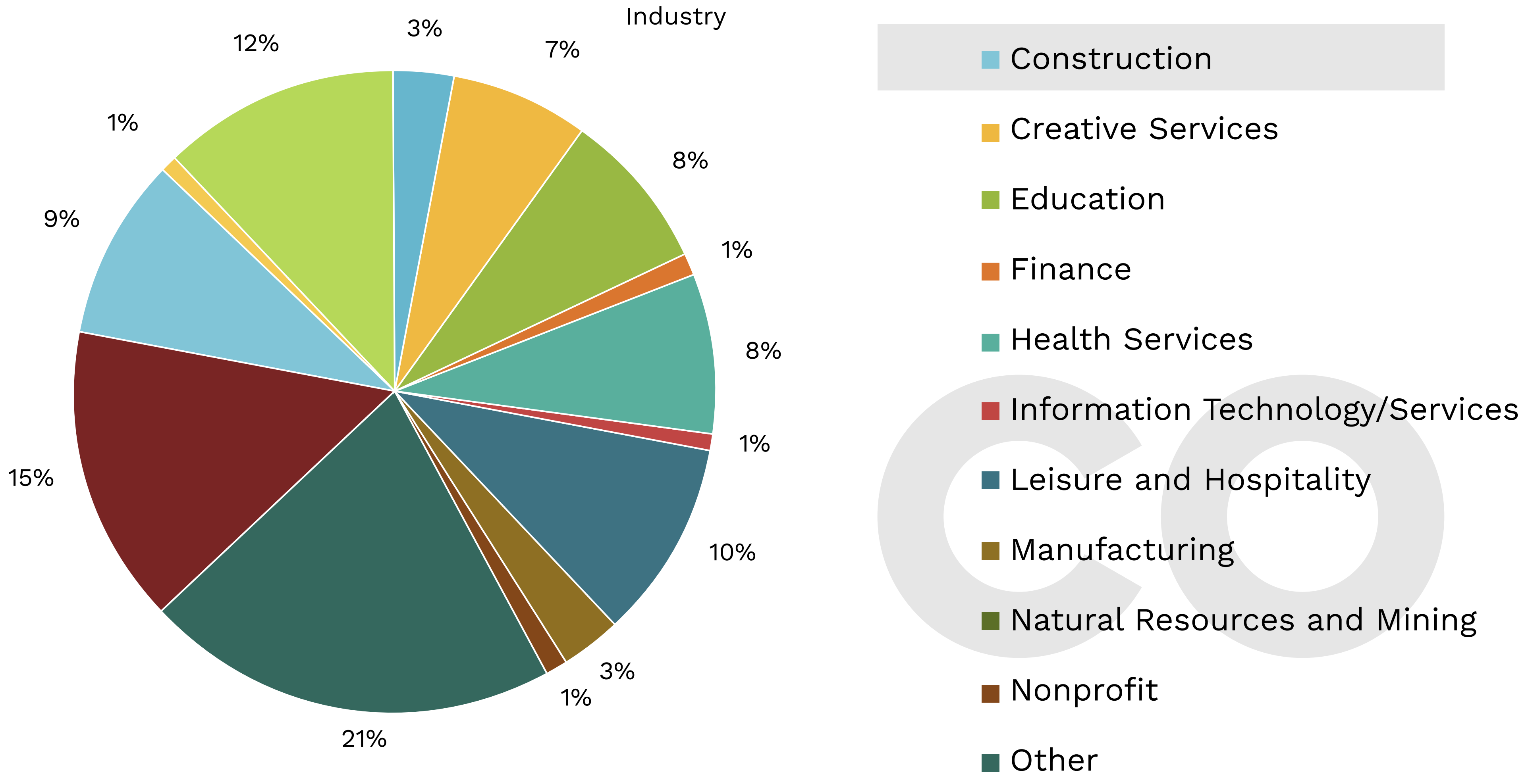
- Despite the many challenges, there have been a few silver linings for women-owned businesses:
  - 18% of respondents reported improved community and customer relations; this included seeing active community support.
  - Almost 13% reported increased resilience or that they have experienced their resiliency in the first place.
- However, over 15% of respondents had no successes to share.

Note: This was an open ended question; Energize Colorado categorized the responses.

Methodology and Survey Respondents Characteristics

- Energize Colorado invited women-owned businesses in Colorado to participate in the survey via direct mail to women-owned businesses in Energize Colorado's database, social media and partners. The survey was open from November 18 to December 4, 2020.
- A total of 935 women-owned businesses responded to the survey, a 12% response rate.
- Respondents were from across industries and are based across Colorado, with the majority being in the Front Range.
- While the survey was open to women-owned small businesses with up to 500 employees in Colorado, small businesses with less than 10 employees accounted for the majority of responses.

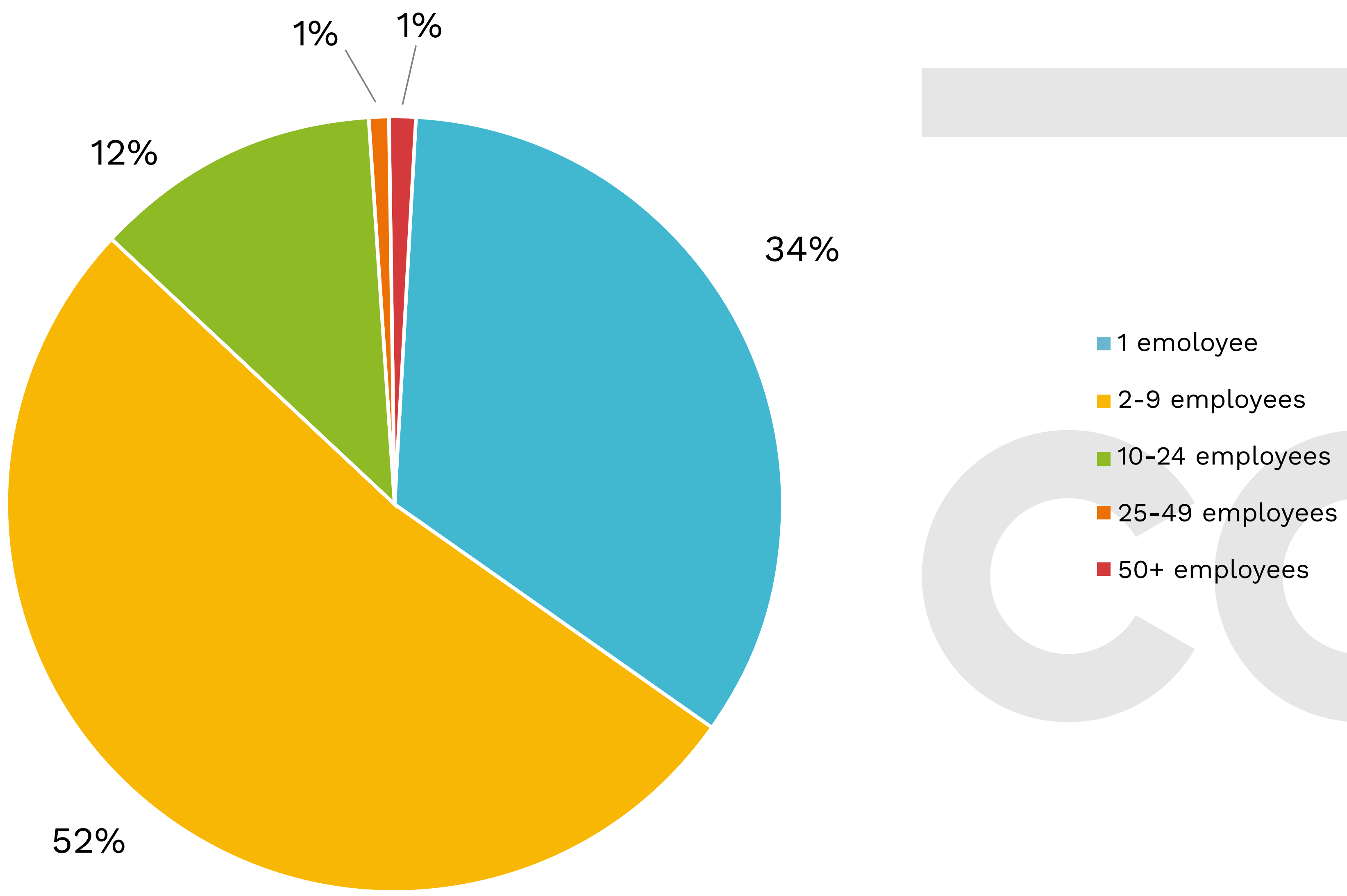
INDUSTRY



Key Findings:

- “Other” category included wholesale, art dealers.

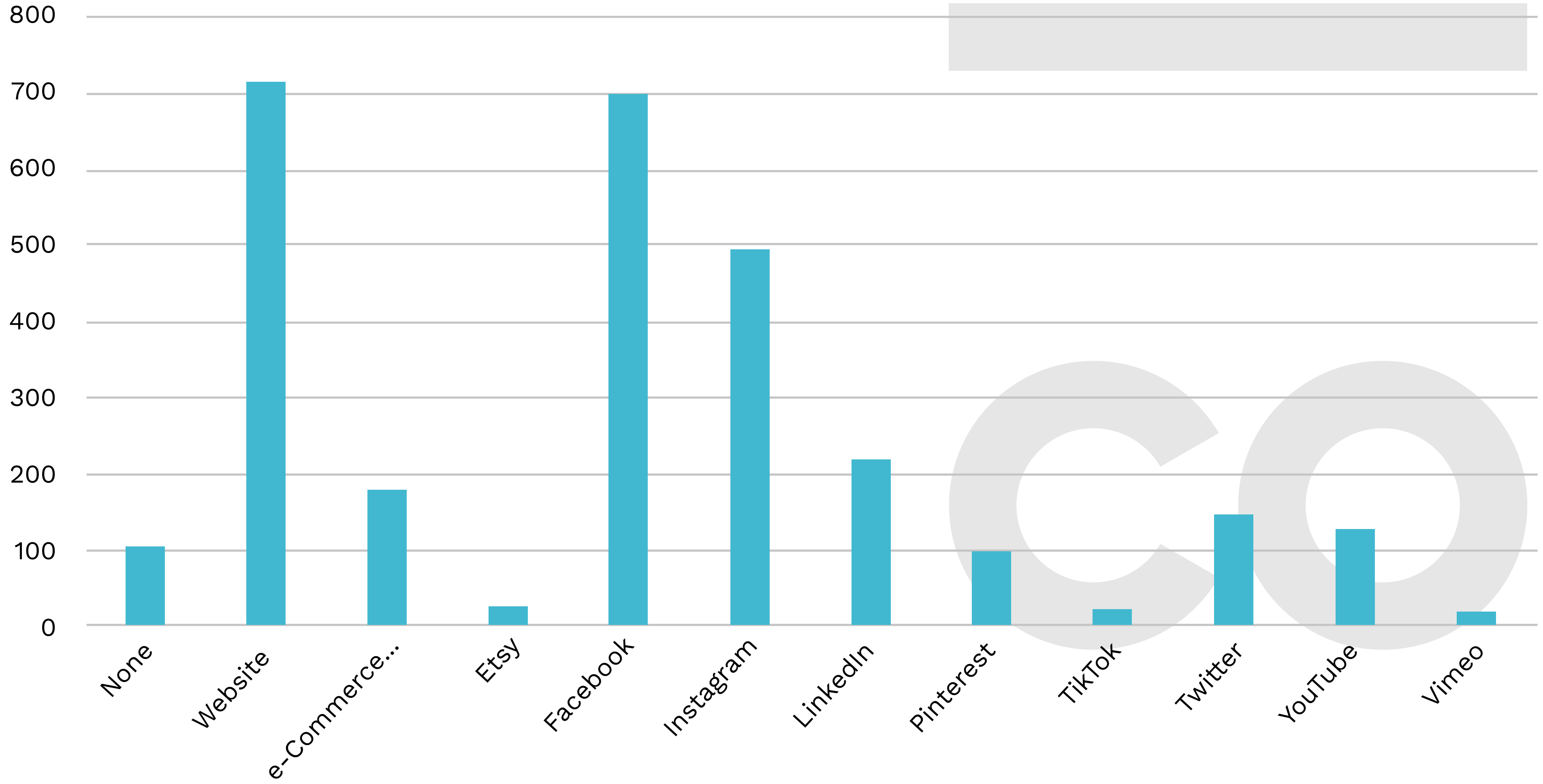
ORGANIZATION SIZE



Key Findings:

- 86% of respondents have less than 10 employees.

ONLINE PRESENCE

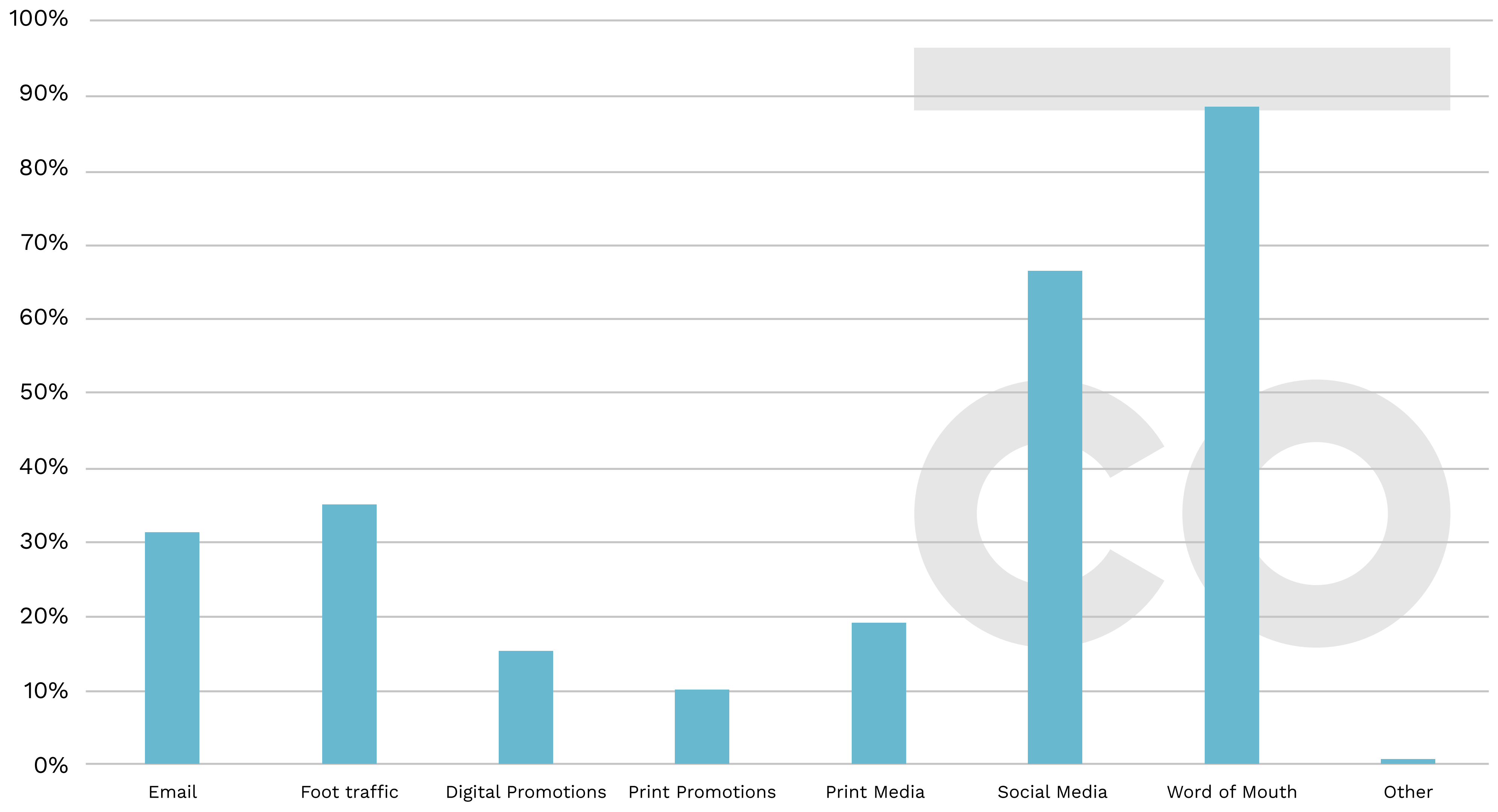


*Respondents chose all categories that applied

Key Findings:

- 11% of respondents had no online presence at all.
- Most businesses leverage 3-4 online platforms with websites and Facebook ranking highest, followed by Instagram.
- "Other" category included websites not yet developed and specialty sites (such as AirBnB).

CUSTOMER ACQUISITION BY CHANNEL

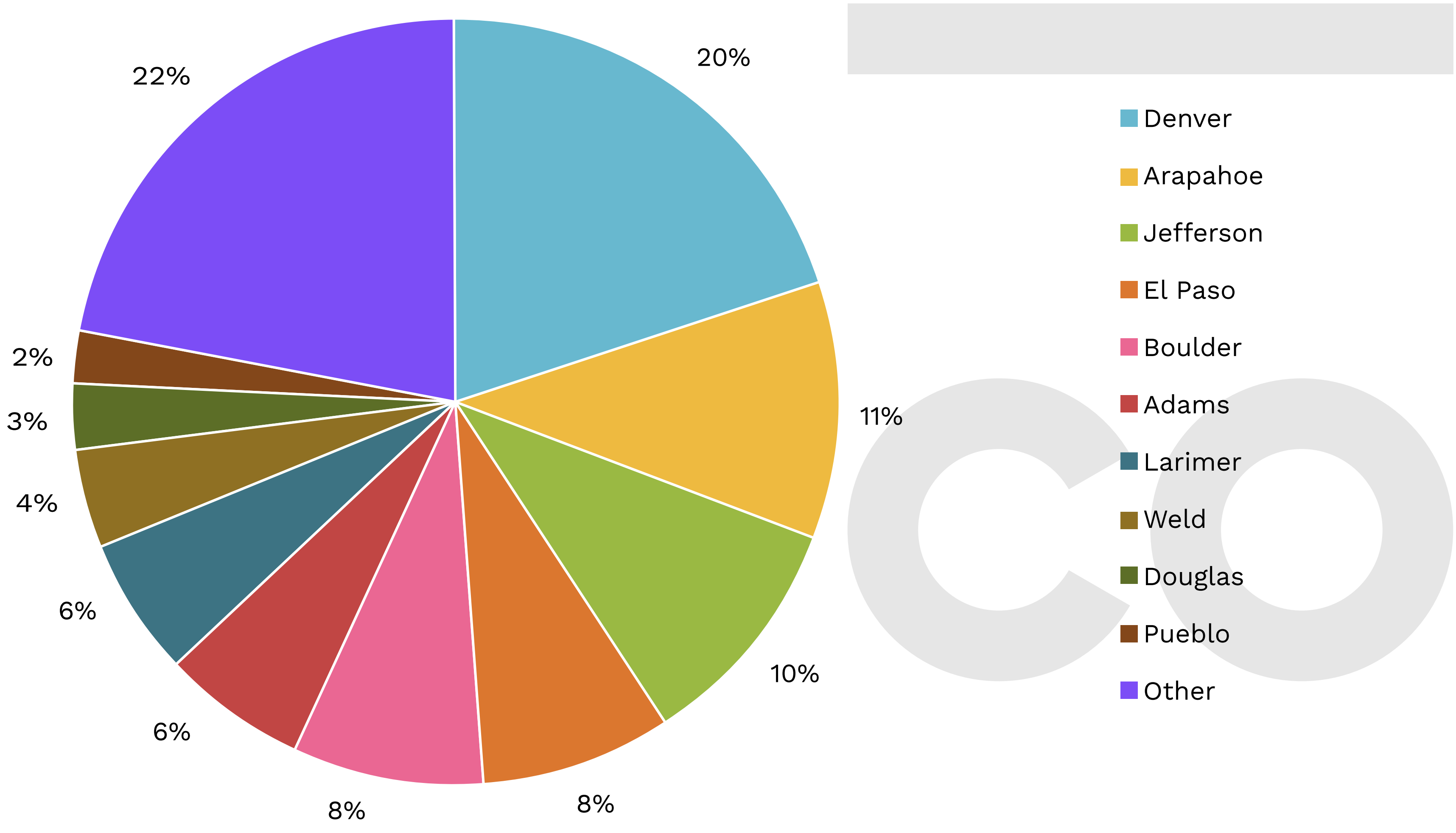


*Respondents chose all categories that applied

Key Findings:

- Almost 90% of respondents state that they attract new customers via Word of Mouth, followed by Social Media with 66%.
- “Other” category mostly referred to professional networking.

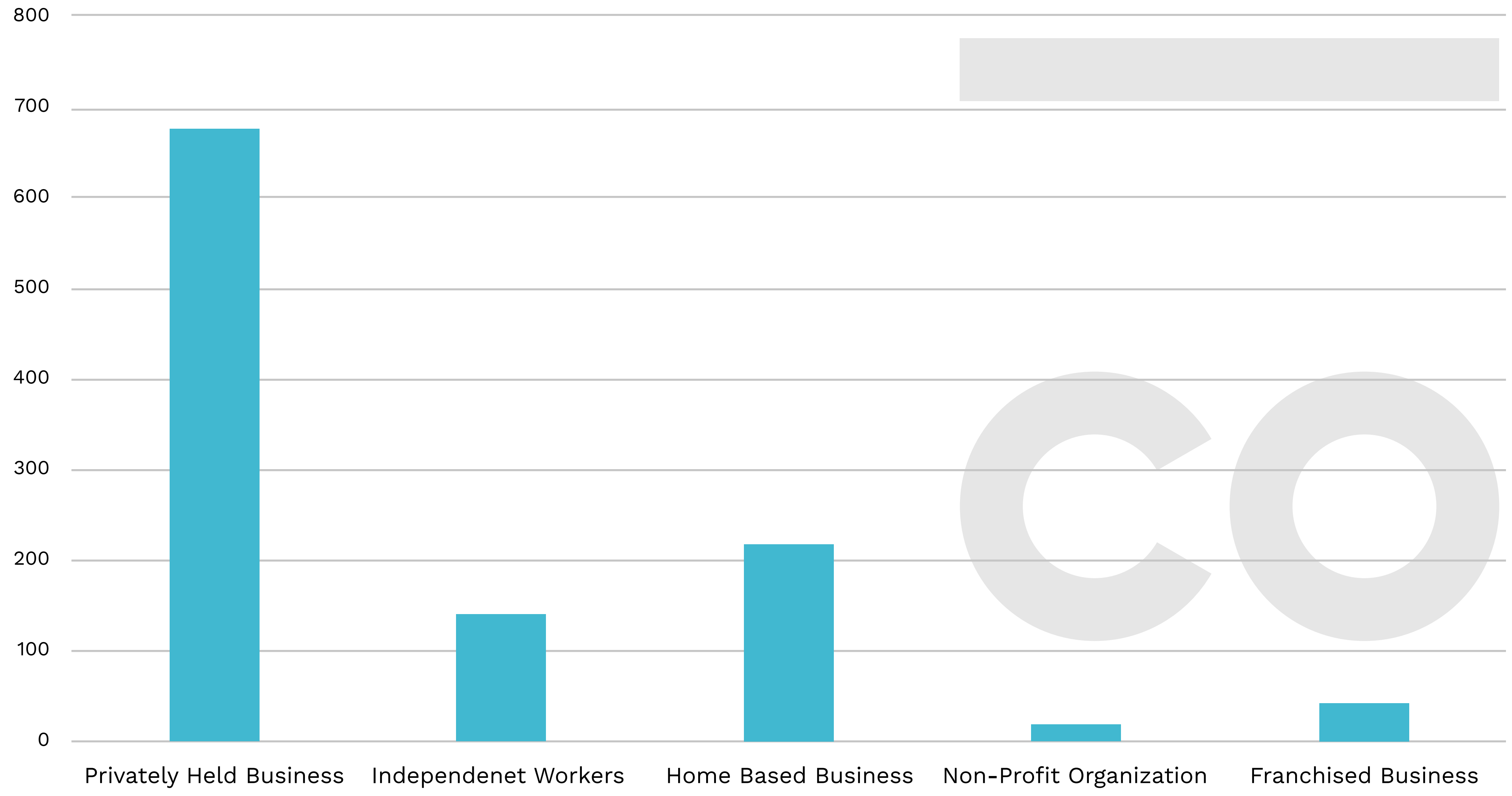
LOCATION BY COUNTY



Key Findings:

- Most respondents are based in urban/ suburban areas.
- “Other” category includes mainly rural counties with less than 10 respondents.

TYPE OF ORGANIZATION



*Respondents chose all categories that applied

Key Findings:

- Most respondents identified as just one type of organization.
  - However, some respondents identified as up to 4 categories.
  - The biggest overlaps were between "Privately Held Businesses" and "Home Based Businesses" (~10%).