Maine Rapid Business Survey

The Maine Rapid Business Climate Survey measures the challenges facing Maine’s business community during the coronavirus (COVID-19) pandemic.

Survey content: The Maine Rapid Business Climate Survey will take no more than 6 minutes to complete. The survey’s 15 questions collect information on location closings, changes in employment, disruptions in the supply chain, use of federal assistance programs, and expectations concerning future operations.

Week 2

The second week of the Maine Rapid Business Survey closed on Monday June 15. We had over 400 responses covering every county and representing a large number of sectors.

Sector Breakdown of Respondents

This week’s responses were evenly split across sectors with notable large returns from accommodation and food services (18.7%), Retail trade (17.2%) and manufacturing (9.4%)

Size of Businesses

The size distribution was heavily weighted towards small businesses with those employing 1-10 people making up (63%) of those that responded
Headline Analysis of Key Indicators

Survey returns this week indicated an increase in supply chain disruption particularly in retail and manufacturing. Slightly fewer businesses indicated they had a change in the number of employees.

Operations

During the week of June 2-7, 2020, 70% of businesses responded that they were operating with modifications to meet social distancing requirements. This is an increase of 6% from the previous week.

Operating revenues

56% of businesses reported that their operating revenues had decreased in the last week, an 8% decrease on last week. 15% reported revenues had increased a rise of 4% from a week ago. 29% did not see a change in revenue.
Supply Chain disruptions

Overall 65% of respondents report supply chain disruptions in the last week, which is an increase of 3% on the previous week. When we look at the sector breakdown retail and manufacturing closely followed by healthcare, reported the most issues.

Cash-in hand reserves

The largest share of businesses report that they have 3 or more months of business operations (55%), this is a modest increase of 1.5% from last week. 4.5% reported no cash available, a decrease of 3% from last week. There was also a notable decrease in those reporting 1-7 days from 9% last week to 5% this week.
Concerns of Business

The largest share of respondents reported that travel restrictions are their biggest concern (29%). Social distancing/operating restrictions was the second largest response at (20%). Safety concerns were identified by 16% of respondents.

Concern by Sector

Overall concerns varied significantly by sector and so to help better interpret the responses, cumulative responses were calculated and averaged for sectors with significant responses to this question. Travel restrictions were a major concern for Accommodation and food services, with the majority of businesses reporting it as their primary concern. Manufacturing and retail trade both reported Supply chain disruptions as a concern, this has grown over the last week by around 6% from the previous survey.

<table>
<thead>
<tr>
<th>Sector</th>
<th>Greatest Concern by Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, Forestry, Fishing and Hunting</td>
<td>Consumer Confidence</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>Supply chain disruptions</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>Supply chain disruptions</td>
</tr>
<tr>
<td>Educational Services</td>
<td>Revenue/cash flow/finances</td>
</tr>
<tr>
<td>Health Care and Social Assistance</td>
<td>Social distancing/operating restrictions</td>
</tr>
<tr>
<td>Accommodation and Food Services</td>
<td>Travel restrictions</td>
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</tbody>
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Concern by County

As well as breaking down concerns by industries, it was have also analyzed by county. This highlighted some other concerns not previously identified. Aroostook county respondents highlighted problems with hiring workers, whilst Cash flow and finances were found to be a significant concern in Hancock, Knox and Lincoln.

Thank you to those who are completing the survey!

Thank you for being part of the Maine Rapid Business Survey panel being run by the School of Economics at the University of Maine. Your responses over the next 3 weeks will help us gain a critical understanding of the present economic conditions that businesses are experiencing in Maine. The next data release will be on Wednesday June 24 2020.

This Analysis has been conducted by the Maine Regional Economic Modeling Lab. For enquiries contact Lab Director—Dr. Andrew Crawley (andrew.crawley@maine.edu).