



Summary Points

August 2021 Panel Survey: Borrell Business Barometer

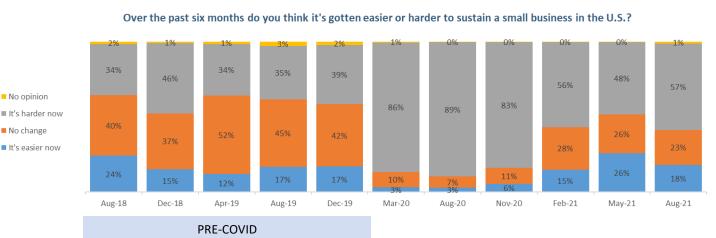
The Borrell Business Barometer has been tracking SMB sentiment since September of 2016.

Highlights from Q3 2021:

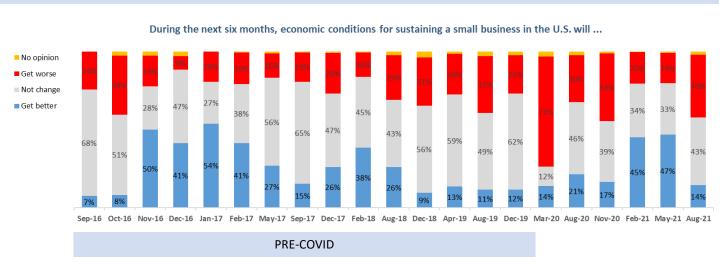
- ➤ In the August 2021 survey, a notably larger share (57%) of the panel feel it's gotten harder to sustain a small business in the US compared to only 48% in the May survey.
- The outlook for the next six months took a turn toward pessimism, with 40% expecting economic conditions for small businesses to worsen and only 14% of respondents believing it will get better.
- ➤ The percentage of SMB panelists who expect to increase their ad spending declined since May, but remains higher than previous Covid era surveys.
- Uncertainty surrounding the Delta Covid variant was top of mind among many of the SMB panelists who shared additional thoughts about their current advertising/marketing challenges. Targeting, cost containment and changing media mix were other topics that grew in importance/number of mentions since the May survey, while content/messaging was less on the forefront in this installment of the BBB.
- ➤ The bonus question regarding the proposed Local Journalism Sustainability Act revealed that 65% of SMB panelists are moderately to extremely likely to consider using the credit if Congress passes the Act.

SITUATION HAS TAKEN A STEP BACK

The August BBB indicates a significantly larger share (57%) of the panel feel it's gotten harder to sustain a small business in the US compared to the May survey.



While Feb and May showed a definite improvement in sentiment of optimism, the August survey data reveals a notable **change towards the worse** in the next six-month outlook, which is more in line with last Fall (Aug/Nov 2020).

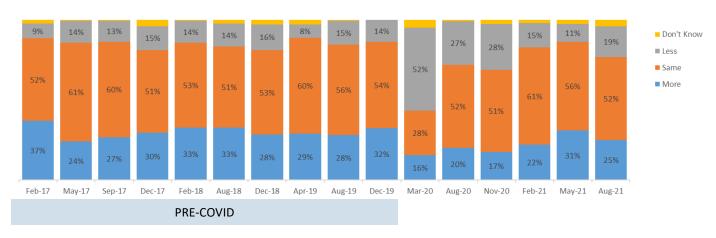




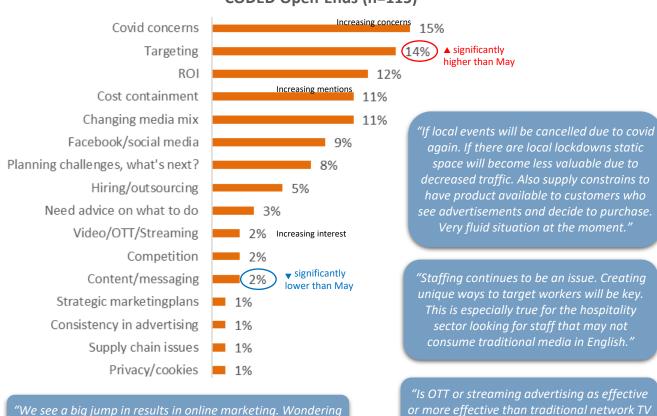
ADVERTISING SPENDING OUTLOOK HAS NORMALIZED

The percentage of SMB panelists who expect to increase their ad spending declined since May '21 but remains higher than previous Covid era surveys.





And, finally, what's on your mind related to advertising/marketing right now? - CODED Open-Ends (n=115)



Source: August 2021 Borrell SMB Panel Survey, n=244

if this trend will stay the same over the next year?"

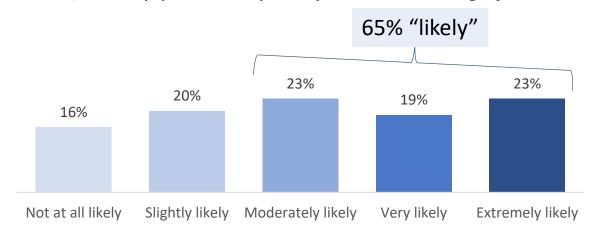
advertising? Would like real data."



LOCAL JOURNALISM SUSTAINABILITY ACT

About 2 in 3 respondents would be "likely" to claim the LJSA credit as a boost for their own business advertising and to support local media outlets. Those who do not favor this act tend to prefer less government intervention.

Congress is considering a 'Local Journalism Sustainability Act' that would, in part, allow local businesses to claim up to \$15,000 in advertising credits over five years to spend with local TV stations, radio stations, and newspapers. How likely would you be to take advantage of this credit?



Selected Comments about the 'Local Journalism Sustainability Act'

NOT LIKELY TO USE CREDIT

"Congress needs to get its foot off the neck of small businesses and get out of the way. Small businesses would be fine if government would stop trying to manipulate outcomes." – Retail Trade

"The cost of advertising in these medium are significantly above \$15K." – Real Estate

MODERATELY LIKELY TO USE CREDIT

"I have concerns about the government helping out an industry like this, but I guess this is happening all the time with airlines, real estate, etc. Journalism is struggling right now but was created to be a watchdog. It seems this blurs the lines.." — Prof. Services

LIKELY TO USE CREDIT

"I haven't had much luck with newspaper advertising. Definitely didn't get ROI. I would be more willing to try if I got a tax credit."_ Healthcare

"A great idea. We would like to have a way to increase our support of local businesses, including TV stations, radio stations, and newspapers. While we currently do not anticipate changing our overall spend, the shift in where dollars is spent is trending towards digital advertising and away from traditional (local) advertising." – Retail Trade

"I think it is a great way to give back to the community of small business. promotes stores and local people in our community. small business is the hub of the communities." – Finance/Insurance

Small & Medium Business Panel

SURVEY TAKER PROFILE

8/18/21 - 8/30/21 244 Completed Surveys

Top Industries of Respondents

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	#	
Retail Trade	41	
Healthcare & Social Assistance	25	
Services – Other	25	
Arts, Entertainment, Recreation	24	
Construction / Contracting	19	
Information, Media, Adv	18	
Prof. / Biz Services	18	
Services – Educational	13	
Orgs: Religious, Civil, Grantmaking	10	
Manufacturing	8	
Accommodation & Food Services	8	
Other	33	

Marketing Expertise

	%
Novice	49%
Mid-Level	20%
Master	31%

Device Used

	%
Mobile/Tablet	11%
Desktop	88%

Location of Respondents

(darker bubble indicates more responses from that area)

Census Region

	%
South	40%
Midwest	35%
West	22%
Northeast	%

