



Impact of COVID-19 on Canadian Businesses Survey Results March 25-31

Modus Business Monitor
The Voice of Canadian Business

COVID-19 is having a massive impact on Canadian businesses

Large numbers of businesses are adjusting to COVID-19 with layoffs and reducing or suspending operations.

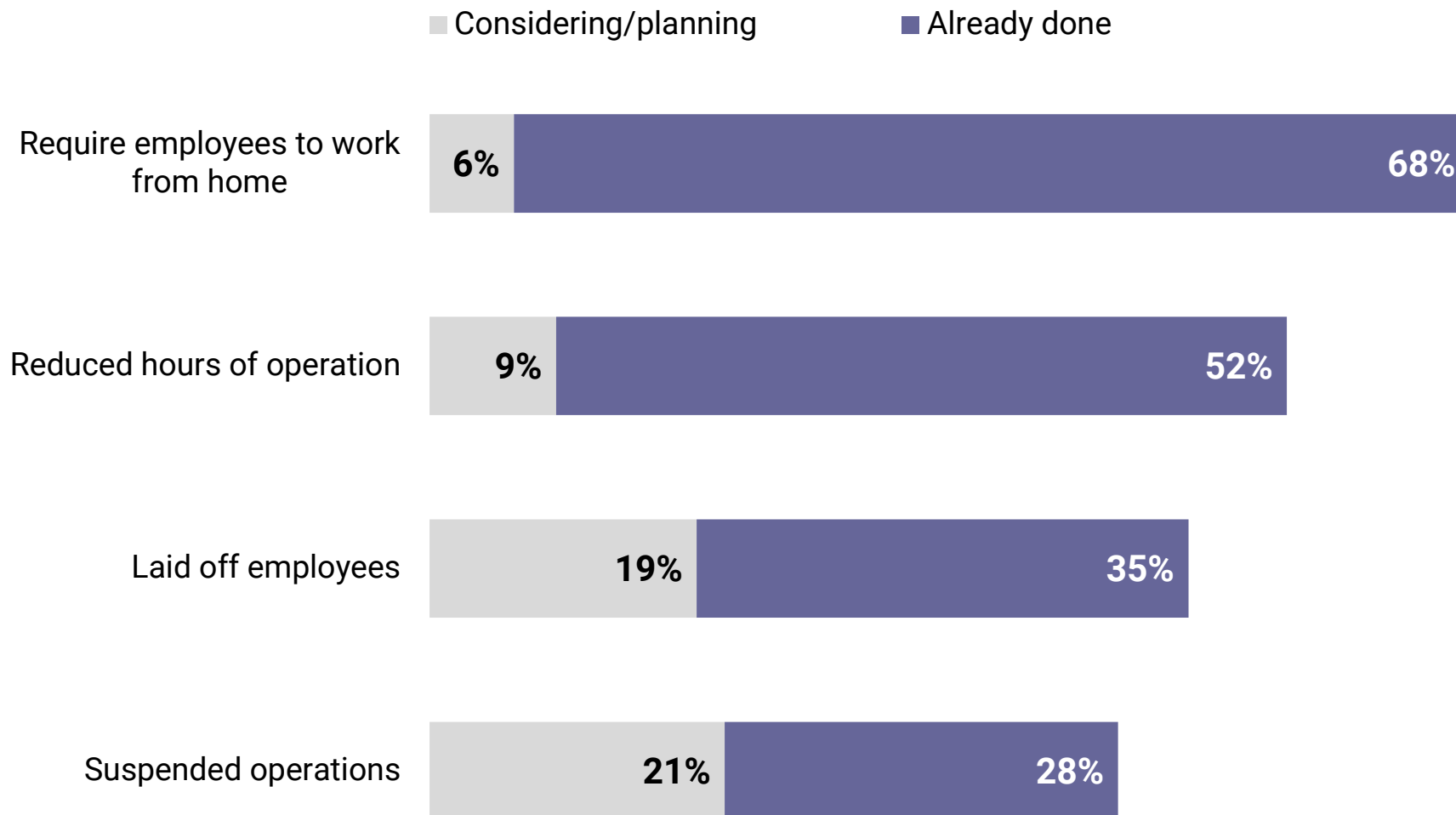
Our baseline COVID-19 survey of over 850 Canadian managers and executives (March 25 to 31) reveals the extent of the impact of COVID-19 on Canadian businesses.

- More than a quarter of Canadian employers have suspended operations and a further 1 in 5 are considering or planning to do so.
- Overall, slightly more than half have reduced hours of operation.
- Over two-thirds of employers are requiring employees to work from home.
- Over one-third have laid off employees, while another 1 in 5 are considering or planning it.



Response to COVID-19 Outbreak

Please indicate whether your organization is considering/planning or has already enacted any of the following measures in response to the coronavirus outbreak?



Grim expectations for impact of COVID-19 on revenues

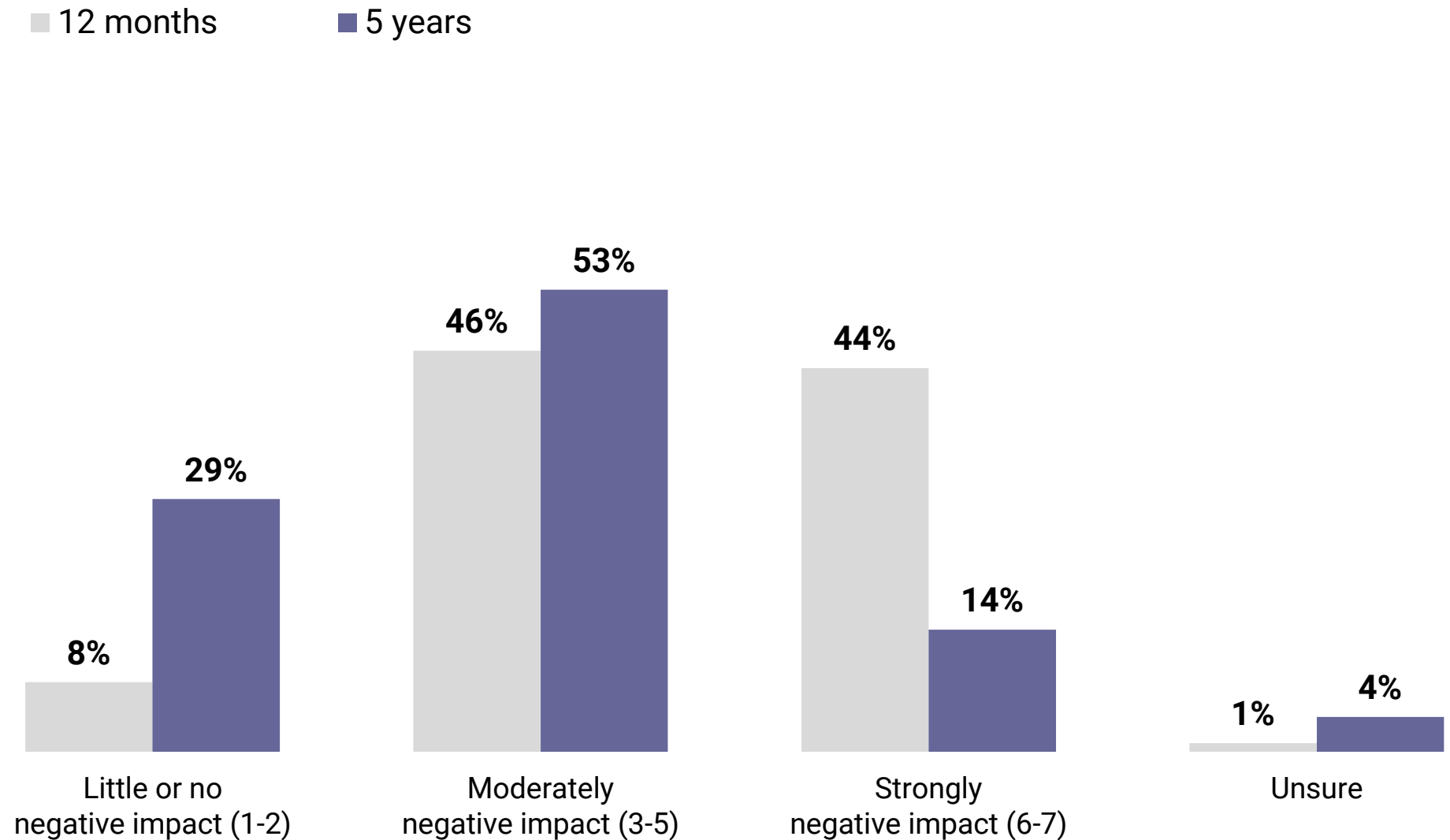
The vast majority of businesses expect a negative impact on revenue this year due to COVID-19, while two-thirds are also expecting a long-term reduction.

- Fully 90% of businesses expect a negative impact on revenues over the next year due to COVID-19. They are almost evenly split between anticipating a moderate and strong reduction.
- Importantly, Canadian businesses also expect a long-term impact on revenues. Two-thirds say revenues will be negatively affected by COVID-19 over the next 5 years.



COVID-19 Impact on Revenues: This Year vs. 5 Years

Over the next 12 months, to what extent will the coronavirus outbreak negatively impact ... your company's revenues?



Expectations improve to normal over the long-term

While half of businesses expect things to worsen over the next year, the long-term outlook is a return to normal.

- The outlook for many organizations over the next year is grim with fully one half expecting things to worsen over the next 12 months.
- However, few are expecting a long-term downturn.
- In context, the long-term outlook is similar to recent tracking (albeit slightly more polarized).

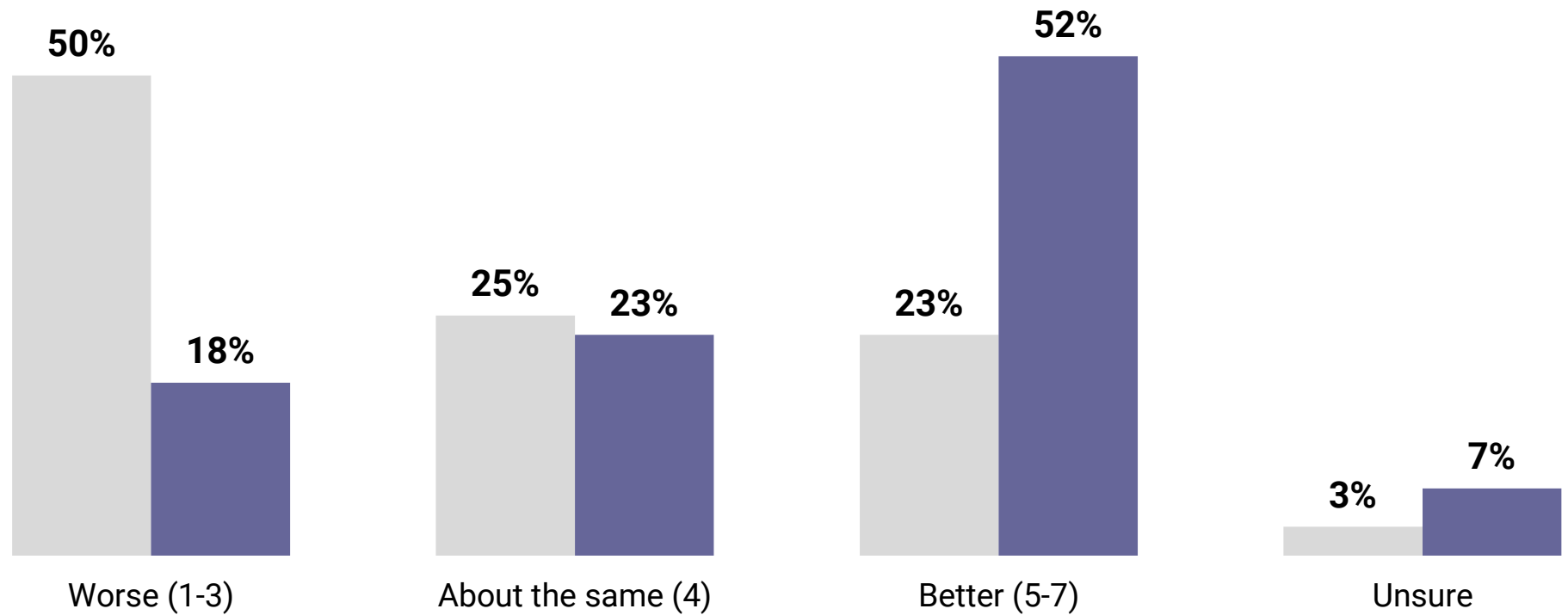


Business Outlook: This Year vs. 5 Years

What do you think will be the general economic outlook for your organization over the next ...?

■ 12 months

■ 5 years



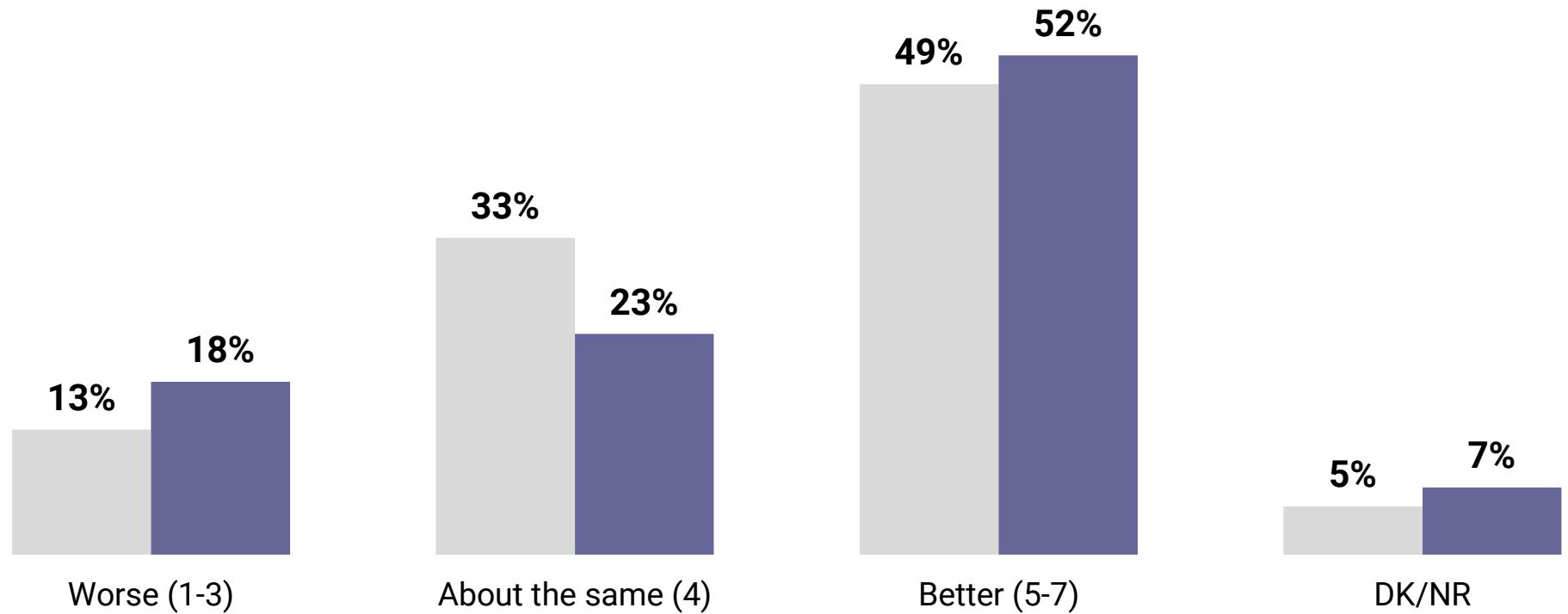


Five Year Business Outlook: Summer 2019 vs. Today

What do you think will be the general economic outlook for your organization over the next 5 years?

■ July 2019

■ Today



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Monitoring Canadian Businesses and COVID-19

Modus will provide continuous monitoring of developments for as long as the COVID-19 outbreak persists and has a significant impact on Canadian businesses and the economy.

- How are Canadian businesses responding to the COVID-19 outbreak?
- What are the economic consequences of the pandemic?
- What do business leaders think about government initiatives? What impact are they having on their businesses?

Our ongoing monitoring of COVID-19 and Canadian business will be conducted as part of the Modus Business Monitor, our B2B omnibus and tracking service. The Monitor is conducted regularly and allows clients to field proprietary questions and take advantage of our extensive tracking and profile data.

The Modus Business Panel

The Gold Standard for Business Research in Canada

Unlike many business surveys released these days, our results are based on truly representative samples of Canadian business leaders rather than members of lobby groups.

Findings presented in this report are based on a representative sample of 851 Canadian managers and executives via email and SMS invitation from the Modus Business Panel.

- As Canada’s only purpose-built, probability-based B2B research panel, the Modus Business Panel is the gold standard for B2B research in Canada.
 - All Panel members are recruited randomly from the Canadian population and screened by live interviewers before joining the Modus Business Panel.
 - Surveys can be completed by telephone, online, tablet and smartphone.
 - The Panel is representative of Canadian enterprises across sector, region and organization size.
- The data presented in this report have a margin of error of +/- 3.36% at a 95% level of confidence. Survey data have been weighted to Statistics Canada population data for Canadian enterprises by size and region.

Modus

R E S E A R C H

Real Respondents, Real Insights