



## Small Businesses in India optimistic about their recovery – American Express survey

*Safety for staff and consumers high priority as 44 percent enhanced in-store safety measures and 40 percent endorsed non-cash payments*

A significant proportion of Indian small business owners (80 percent) are optimistic that their business will survive the COVID-19 pandemic and 71 percent say that they are confident of the measures taken to gain consumer trust according to the survey commissioned by American Express. This sentiment is corroborated by the 63 percent consumers as well who are quite optimistic about resuming their pre-COVID shopping habits in the next 3-6 months.

The survey examines the impact of the pandemic on the country's small businesses, and their plans for business continuity by adopting new approaches aligned with the changing consumer preferences. Contactless payment and delivery methods, social media marketing and communication and in-store safety and hygiene stand out as focus areas for small businesses to build business resilience and trust with consumers.

*Sharing his thoughts on the survey insights **Manoj Adlakha, SVP and CEO, American Express Banking Corp. India said**, "With the lockdown restrictions easing it is heartening to see small businesses and consumers being optimistic about returning to pre-COVID shopping levels while taking appropriate safety measures. Interestingly, our survey reveals that 70% consumers are likely to prioritize shopping from local small businesses as they open. While people are starting to head out again, small businesses are still facing the challenge of getting consumers to return at the levels they need. We have launched Shop Small campaign to encourage shoppers to support the nation's resilient small businesses and accelerate their recovery."*

**A Critical Time but Bright Future for Small Businesses - Small businesses optimistic about resuming Pre-COVID shopping levels in next 3- 6 months.** 4 in 5 merchants predict that their business will survive, even if COVID-19 were to increase in their region. 42 percent small business owners hope to see consumer spending return in the next 3 months for their businesses to stay afloat. 71 percent say that they are confident that they have taken measures to gain consumer trust. Mental health advice (32 percent) and financial assistance/relief measures (28 percent) emerged as the top two most helpful support areas during COVID-19 to run business.



**Innovation key to maintain and build customer trust and make businesses more resilient** – Innovation is the key to success. To retain and build trust amongst the consumers small businesses have adopted new ways of doing business. 45 percent of small businesses started accepting new methods of payments (e.g. contactless payment channels); 43 percent educated/trained self/staff on maintaining safety in the stores; 37 percent increased efforts to advertise on social media and a whopping 34 percent started new methods of delivery (e.g. contactless delivery methods) to their consumers.

**Consumer interest in supporting local shops/small businesses (LSSBs)** – 75 percent (3 in 4) say that in the current times they found LSSBs to be useful and a vast majority (70 percent) also state that they are likely to prioritize shopping from LSSBs. While practical factors such as distance, reliability of service are the main reasons for shopping from LSSBs, consumers also identify that shopping at LSSBs benefits the local business owners. Use of sanitizer, masks, temperature screens, contactless payment options by the LSSBs top the list of consumers to Shop Small.

## ABOUT SHOP SMALL

Shop Small is an international movement to support small, independent businesses and call attention to the valuable and distinct contributions they make to their communities and the economy. Shop Small celebrates small businesses ranging from retail stores and restaurants to fitness studios and salons, and everything in between. The Shop Small movement was spurred by the widespread participation in Small Business Saturday, a day founded in 2010 by American Express in the U.S. This national holiday shopping tradition is dedicated to celebrating small businesses and driving more customers through their doors on the Saturday after Thanksgiving.

Learn more and connect with us on [ShopSmall.com](https://ShopSmall.com), [instagram.com/shopsmall](https://instagram.com/shopsmall), [facebook.com/SmallBusinessSaturday](https://facebook.com/SmallBusinessSaturday).

## ABOUT AMERICAN EXPRESS

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Notes to editors - This survey was conducted by YouGov between Sep 3-11, 2020 on behalf of American Express India among a national sample of over 1000 Consumers and 300 small business decision makers. The interviews were conducted online among a target sample of adults based on company size (<50 employees) and job description (decision maker) for small businesses. Consumers surveyed were adults from NCCS\* A.

*\*NCCS = New Consumer Classification System is a system that helps classify consumers in India. It is decided based on education of the chief wage earner and the number of consumer durables owned by the household from a predefined list.*