

COVID-19 Business Pulse Survey – Poland (second edition)

Executive summary



December, 2020



- **646 companies took part in the second round of Business Pulse Survey (BPS2) in September and October of 2020.** Out of 1005 companies that participated in the first round of survey in May and June of 2020 (BPS1), 646 companies agreed to be surveyed between September 21 and October 16, 2020. The sample is statistically representative for the population of Polish MSMEs.
- **Pandemic restrictions are less severe for business activity....** 97% of the companies were open or partially open due to their own choice compared to 91% in BPS1.
- **...however, the impact of COVID-19 on sales is still widespread – 52% of companies experienced sales drop.....** 52% of companies (compared to 69% in BPS1) recorded a decrease in sales during the 30 days before the survey compared to the corresponding period in 2019. The average decrease in sales was 17% (30% in BPS1).
- **....and most companies experience increasing cost to revenue ratio.** 72% of companies have to deal with:
 - i) a drop in revenue coupled with higher/unchanged costs or
 - ii) unchanged revenue coupled with higher costs.

- **Moreover, firms have consistently pessimistic expectations.** They expect their sales will decline by 12% (11% in BPS1) in the next 3 months compared to the same period in 2019.
- **Vast majority of firms cushions the negative impact of pandemics by receiving public support.....** 82% of companies have received public assistance since the start of COVID-19 pandemic compared to 66% in BPS1. The type of assistance received was in line with the companies' preferences.
- **... and some firms by introducing or intensifying online and digital activities in response to COVID.** Every sixth company introduced or intensified online and digital activities in response to COVID, such as: use of internet, online social media, specialized apps, or digital platforms. 31% continued their regular digital activities and 52% of companies were not conducting and have not introduced any online or digital activities.
- **To target public support effectively, observable characteristics such as size of the company or sector seem to be insufficient.** The pandemic affects differently companies with similar observable characteristics such as size, sector, region or exporter status. This indicates that outcomes (such as revenue drop) should be considered for support targeting.

