



NEWS RELEASE

Optimism Returning to Small Businesses in Australia, but Fears of a Slow Rebound Persist

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AMERICAN EXPRESS BRINGS FORWARD SHOP SMALL TO SPOTLIGHT THE IMPORTANCE OF SMALL BUSINESSES DURING THE COVID-19 RECOVERY

Sydney

June 15, 2020 - The overwhelming majority of Australian small business owners (80 per cent) are optimistic their business will survive the COVID-19 pandemic; however, if trade doesn't pick up quickly enough, about half (52 per cent) fear for their long-term survival, according to this year's **Small Business Recovery** research commissioned by American Express.

The research examines the impact of COVID-19 on Australian small businesses and the measures that can best support them in rebuilding. These insights accompany an early return of Shop Small, a national movement founded by American Express to celebrate the valuable contributions small businesses make to their communities and the economy, and to encourage shoppers to support them.

Corrina Davison, Managing Director, American Express Australia, said, "State restrictions are easing and it's encouraging to see the progress we're making as a country. While people are starting to head out again, small businesses still face the challenge of getting customers to return at the levels they need. We're bringing back Shop Small early this year to encourage shoppers to support the nation's resilient small business operators and accelerate their recovery.

"In our eighth year of Shop Small, American Express will fund the largest cashback offer in the history of the movement in Australia to do what we can to help small businesses recover after what has been, for many, the most challenging year they have ever faced.



As the nation takes important steps on the road to recovery and more businesses reopen, we're encouraging all Australians to recognise the critical role they play in helping the businesses at the heart of our local communities by Shopping Small."

The Shop Small Card Member offer gives eligible American Express Card Members up to \$50 credit back on their American Express Card. Once the offer is saved to their Card, when they spend \$10 or more, in one transaction, online or in-store at participating small businesses by 31 August 2020 they will receive a \$5 credit. The offer is valid up to 10 times, once per participating business.*

Davison added, "Through the Shop Small campaign, American Express has given \$19.5 million** back to Card Members for spending at local small businesses across Australia between 2013 and 2019, and over the same period our Card Members have contributed more than \$4 billion** to the Australian small business sector as a result of Shop Small."

Part of getting Australians out and shopping again will entail a greater level of comfort about precautions businesses are taking to protect the health of their customers. More than half (52 per cent) of shoppers said they were concerned for their safety, and 80 per cent said businesses need to implement safety measures such as sanitisers and distance markers for them to feel safe.

Only a third (33 per cent) of shoppers said they felt at ease to return to bricks-and-mortar stores, and 22 per cent will only do so once COVID-19 cases get down to zero in their state. Another 15 per cent said only when no cases exist nation-wide.

Kate Carnell, Australian Small Business and Family Enterprise Ombudsman, said, "There's no doubt there has never been a tougher time to be in business. While it's encouraging to see so many small businesses confident they can survive this crisis, they will face enormous challenges over the coming months as they work to get back on their feet. What small businesses need right now is our support. The best way to do that is by visiting your local small businesses or shopping online for local products and services. Every dollar spent not only goes to that small business, but to the community as well."

MORE WAYS AMERICAN EXPRESS IS BACKING SMALL BUSINESSES ACROSS AUSTRALIA

This year, American Express has a number of important initiatives designed to help small businesses recover from this unprecedented year. They include:

- A Small Business Support Hub housed on shopsmall.com.au offering support from well-known brands such

eBay, NewsCorp and Redballoon to help small businesses get back on their feet, including offers for small businesses.

- American Express **Idea Exchange** virtual masterclasses led by some of Australia's most accomplished experts and entrepreneurs; giving small business owners the knowhow to drive their businesses forward.
- An "Open for Business" map housed on **shops-small.com.au**, helping shoppers identify which businesses are trading.
- A multimillion-dollar advertising and social media campaign to encourage consumers to Shop Small and provide exposure for a selection of amazing businesses from across the country featured in the campaign.
- Complimentary Shop Small 'Back to Business' merchandise, available for eligible American Express accepting businesses, to help encourage customers to Shop Small and to create a COVID-safe shopping experience. Items will be distributed by American Express and include: hand sanitiser stations, decals to encourage contactless payments, alcohol wipes, social distancing floor markers and Shop Small signage.

American Express encourages all Australians to support the movement and 'Shop Small' by placing a focus on where and how they shop. To learn more visit **www.shops-small.com.au**

NOTES TO EDITORS

* Ts&Cs at www.shops-small.com.au

** Shop Small statistics based on American Express internal data from the Shop Small campaign from 2013 to 2019.

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RESEARCH METHODOLOGY

The **Small Business Recovery** research was commissioned by American Express and undertaken by Morning Consult. The research conducted in May 2020, explored insights from 750 consumers and 500 small business owners via quantitative surveys. This poll was conducted between May 28-June 4, 2020 among a national sample of 500 Small Business Decision Makers and 760 Consumers. The interviews were conducted online among a target sample of adults based on company size (<100 employees, fewer than 25 locations) and job description (decision maker) for Small Business Decision Makers, and based on income level (Household Income of AUD100,000+) for Consumers. Results from the full survey have a margin of error of plus or minus 3 percentage points.

ABOUT SHOP SMALL

Shop Small is a national movement founded by American Express to ignite passion for small businesses, call attention to the valuable contributions they make to their communities and the economy, and encourage shoppers to support them.

Shop Small celebrates small businesses ranging from retail stores and restaurants to fitness studios and salons, and everything in between.

Visit **www.shopsmall.com.au** and follow #ShopSmall for more information.

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