



MSE TRACKER SURVEY – SEGMENTATION

December 2022

STUDY OVERVIEW

- The Kenya National Bureau of Statistics (KNBS), The Central Bank of Kenya (CBK) and Financial Sector Deepening Kenya (FSD Kenya) conducted three waves of the **FinAccess Micro and Small Enterprise (MSE) COVID-19 Tracker survey** between November 2020 and July 2021
- The objective of this pilot study was to better **understand the impact of COVID-19 on micro businesses**
- Micro businesses (firms with 1 – 9 employees) account for 98% of all businesses in Kenya, according to the 2016 MSME Survey
- Unlike the more formal MSME sector, which includes small and medium-sized businesses, micro enterprises tend not to exist in Government records, such as business license lists or the tax register
- **The FinAccess MSE COVID-19 Tracker survey attempts to fill some of these knowledge gaps on micro firms, specifically how they responded to and coped during the COVID-19 pandemic**
- To provide additional insight on the lived experience of business owners during the pandemic, **six follow-up interviews were conducted with respondents who participated in the tracker survey**
- Analytical support was provided by 71point4 Consulting and the qualitative follow-ups were conducted by Gmaurich Insights



COVID-19 MSE TRACKER METHODOLOGY & SAMPLE

Sample

- Sample was drawn from the 2019 FinAccess household survey
- 1,198 respondents who said that they were running a business in the 2019 FinAccess survey and who agreed to participate in follow up surveys were invited to participate in the MSE Tracker survey
- **Final sample consisted of 603 business owners who were actively running a business in February 2020 (pre-COVID)**

Data collection

- Implemented remotely using a Computer-Assisted Telephonic Interviewing (CATI) approach
- Data collected in three waves:
 - Wave 1: November / December 2020
 - Wave 2: March 2021
 - Wave 3: July 2021
- Wave 1 collected data for three periods: recall data for pre-COVID (February 2020), recall data for the lockdown period (April – July 2020) and data for November 2020
- Wave 2 and 3 went back to the same sample of 603 business owners and attempted to reinterview them to track their business activity and performance overtime
- After attrition, the sample for Wave 2 and 3 were 442 and 433 business owners respectively (around 73% of the sample of business owners that were active pre-COVID (603)). The sample of business owners that could be tracked across all three survey waves includes 347 respondents

Limitations

- The findings in this report are presented based on the observations from the sample of 433 business owners who participated in the first and final survey wave (W1 & W3). The observations are not weighted and therefore not representative of all MSEs in Kenya, since no appropriate weights currently exist
- As such, the findings from this survey are purely indicative. Further, due to the high survey attrition, sample sizes are small, particularly for the segmentation analysis. At all times, we have reported on the sample size together with the charts to draw the readers attention to this.

Snapshot of businesses in the survey sample

Mostly **wholesale and retail traders** selling agricultural produce (32%), clothing (12%), or general goods (10%).



Just over half of all business owners (across all segments) were **residing in rural areas (53%)** in July 2021.

A **minority had any paid staff** in their businesses pre-COVID (22%)



One third were operating in **formal premises** (commercial / industrial) pre-Covid (33%), while 30% were in **less formal premises** (open market / mobile). The rest were either already working from home pre-Covid (20%) or in more formalized market spaces e.g., a market stall (17%).



The **median monthly revenue in February 2020 (pre-Covid)** was **KSh 43 000¹**.



Close to half of the business owners either have **no formal education** or **only a primary education (48%)**.



More female business owners than male business owners (58% to 42%), but relatively even spread across age groups.

The majority are the **sole income earners** in their household (70%) and **married or living with a partner** (79%).



In addition to their business income, one third of respondents were also generating income from **farming activities** and 20% from **casual work** in July 2021.

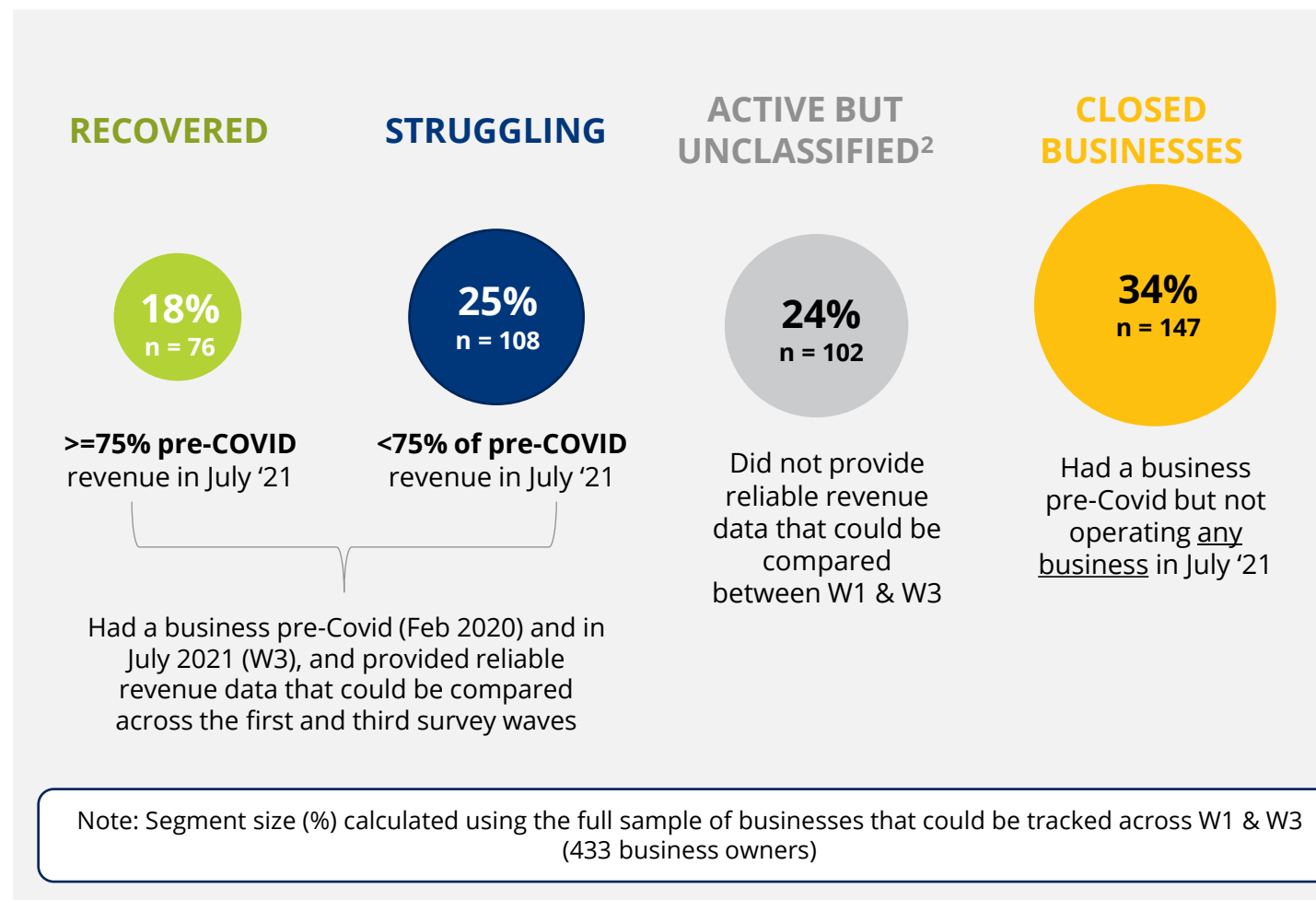


SEGMENTATION OVERVIEW

To understand how micro businesses coped during the pandemic and what helped or hindered their recovery, business owners who participated in the COVID-19 MSE Tracker survey **were grouped according to their operational status and reported revenue between the first and third survey waves (W1 & W3)¹**

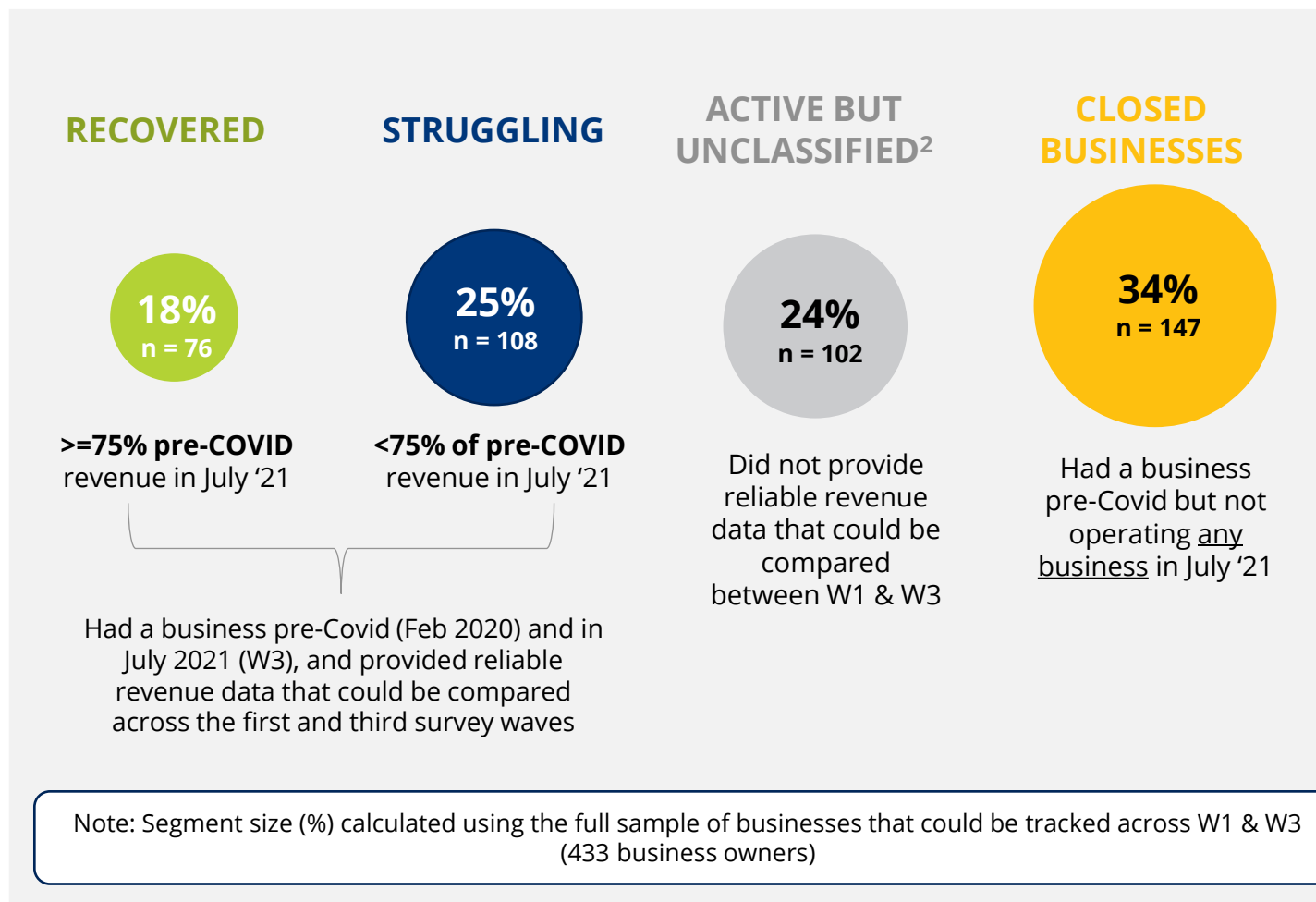
KEY FINDINGS

- Just over **one third of business owners had stopped all business activity by July 2021**
- Of the remaining two thirds of business owners who were **still active in July 2021**:
 - **18% were generating revenues in July 2021 that was at least 75% of their pre-Covid revenues.** These businesses have been termed the **'recovered segment'**
 - 25% had reported revenues in July 2021 that were **less than 75% of their pre-Covid revenues.** These businesses have been termed the **'struggling segment'**
 - A further **25% of respondents' revenue status could not be classified** due to inconsistent revenue reported in the first survey wave. These



WHAT DOES 'RECOVERY' MEAN?

- As noted, the segmentation used the **change in reported business revenue** between pre-COVID (February 2020) and July 2021 (when the final wave of the survey was conducted) to classify business owners as either 'recovered' or 'struggling'
- While a return to pre-COVID revenue levels is one measure of 'recovery', it is certainly not the best measure
- As highlighted in the qualitative research, some businesses 'recovered' to pre-COVID revenue levels simply because the **ticket prices of their goods increased**, driven largely by increased stock prices
- Changes in **business profitability would have been a better measure of recovery**. However, given the nature of this study (telephone survey), we would not have been able to collect profit data reliably
- Given this, it is important to keep in mind when reviewing these findings that **the 'recovered' segment are not necessarily the better performing / thriving businesses**
- Instead, what seems to emerge from the findings is that it was perhaps the **smaller** (in terms of revenue) and **more informal businesses that recovered quicker / were less likely to close**



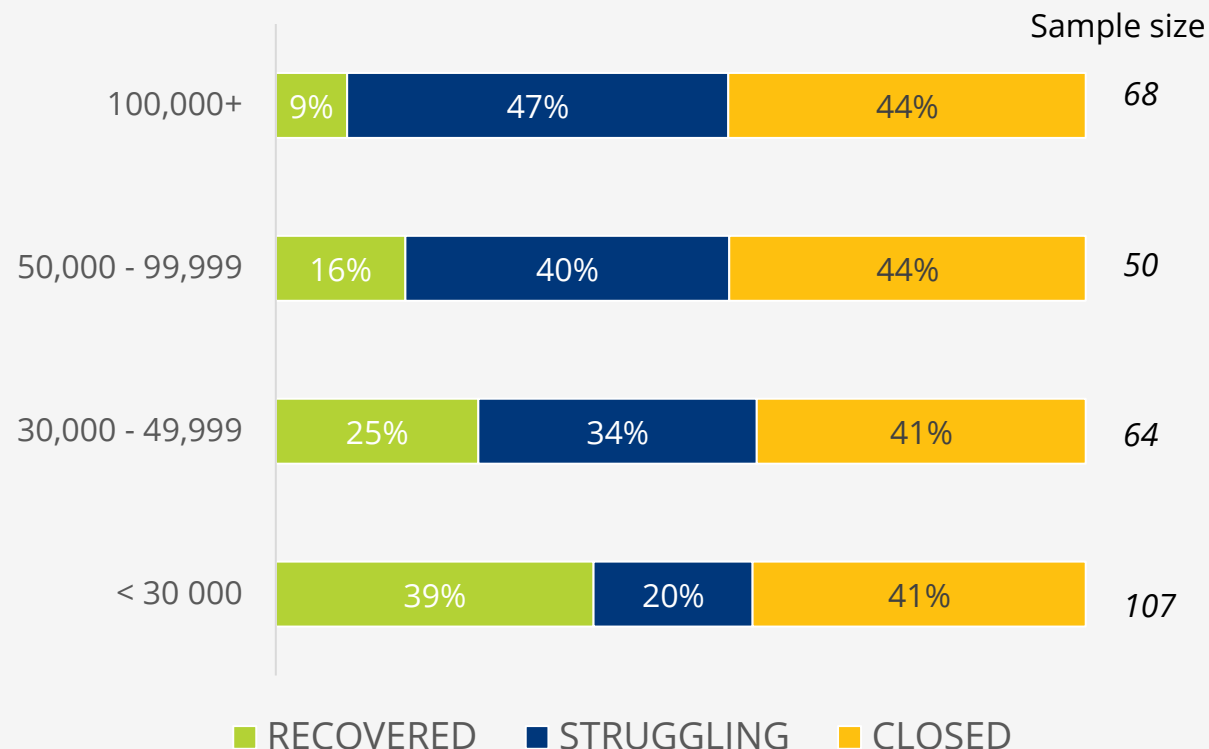
WHICH MICRO BUSINESSES WERE ABLE TO RECOVER?

- **The size of the business**, as measured by its turnover (revenue), appears to have **played an important role in determining which businesses were able to 'bounce back'**
- **Businesses with lower pre-COVID revenues** appear to have **recovered quicker** than businesses with higher revenues;
 - 39% of business owners who reported pre-Covid revenues of Ksh 30 000 or less per month had recovered by July 2021, compared to only 9% of business owners who reported revenues of Ksh 100 000 or more per month pre-Covid
 - This is likely because it is comparatively easier to 'bounce back' from a low base than it is a higher base
 - However, as noted previously, recovery in revenue does not necessarily imply the business owner is better off

I have been able to record income of Ksh3,000 by the fact that prices of basic products stocked in my shop has gone up...this is why you can see the rise in sales

- Male, general trader, Kawangware (recovered segment)

MONTHLY REVENUE PRE-COVID (FEB 2020) BY SEGMENT¹



Sample n = 289 (analysis excludes the respondents with unclassified revenue and outliers)

Source: FinAccess MSE Tracker Survey: Wave 1 & Wave 3 datasets

Note: [1] Respondents were asked to give an estimate of their **total sales / revenue** in a day, week or month in February 2020 (pre-Covid). Daily and weekly revenues were converted to monthly revenues assuming 6 days worked per week and four weeks in a month

WHICH MICRO BUSINESSES WERE ABLE TO RECOVER?

Slight differences in recovery were observed between different types of businesses based on aspects such as their premises and location. For example:

- Businesses operating in **more informal arrangements** such as an open market or hawking (mobile) were the least likely to close compared to businesses operating in other premises
- The high fixed costs of commercial premises is likely to have contributed to the closure of businesses operating in these environments
- Whereas the informality of mobile / hawker businesses somewhat contributed to their resilience

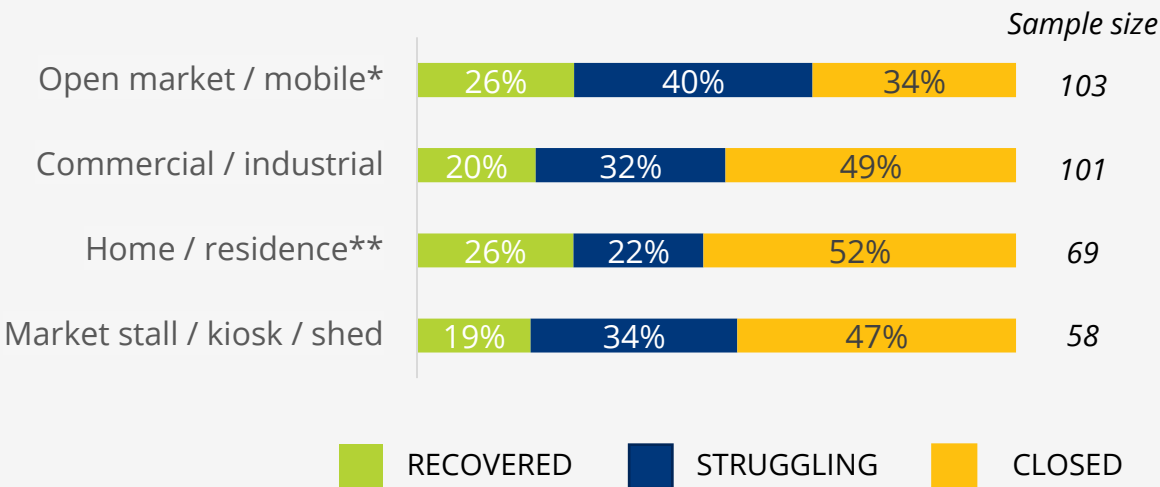


What are some of the things that helped you cope during this time?

I would say the use of the Handcart and Wheelbarrow to hawk I have been able to reach customers and also spread my net in making some sales.

- Male, fruit vendor, Pipeline Nairobi (struggling segment)

BUSINESS PREMISES PRE-COVID (FEB 2020) BY SEGMENT



Sample n = 331 (analysis excludes the respondents with unclassified revenue)

*My business kept going further down, and it reached a point where **I was not even able to pay rent for the business** and I had to involve my husband for rent and electricity payment. He paid for 3-4 months before I closed down*

- Female, salon owner, Thika (closed segment)

Source: FinAccess MSE Tracker Wave 1 sample.

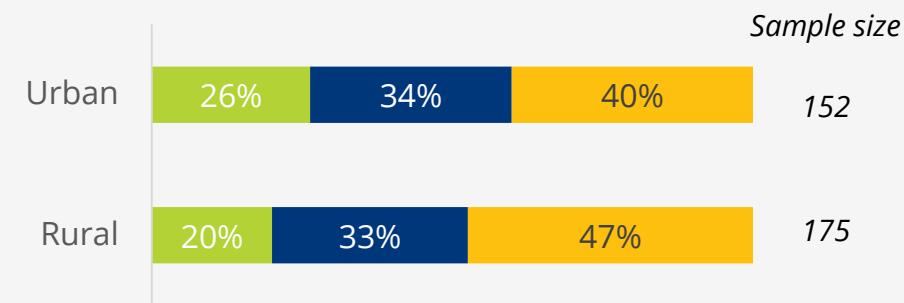
Note: *Mobile includes hawkers and businesses in the transport sector (e.g. Boda boda drivers). **Almost a third of respondents working from **home** were operating in the **food trade sector (preparing and / or selling food from home)**, and 20% were in the agriculture sector (likely farming on their own land)



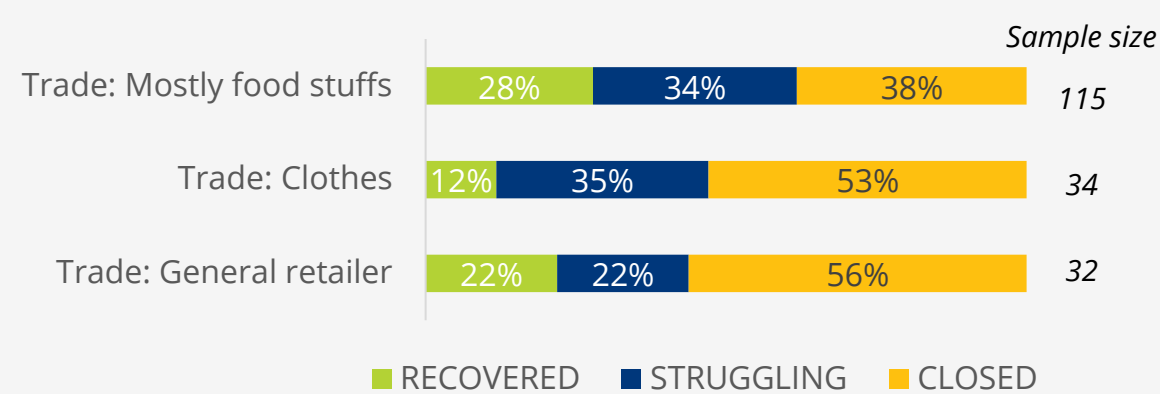
WHICH MICRO BUSINESSES WERE ABLE TO RECOVER?

- **Urban businesses were slightly more likely to remain active** compared to their rural counterparts
 - 40% of urban business owners in the sample had closed operations by July 2021 compared to 47% of business owners based in rural areas
- Differences in recovery across different sectors, for example trade versus manufacturing businesses, could not be explored in detail due to the small sample sizes
- However, within the trade sector, the dominate sector in this sample¹, **food trade businesses were less likely to close** compared to clothing and general retail trade businesses. This is not surprising given the necessity of food purchases

LOCATION OF BUSINESS OWNER BY SEGMENT*



MAIN BUSINESS ACTIVITY PRE-COVID (FEB 2020) BY SEGMENT



Sample n = 331 (analysis excludes the respondents with unclassified revenue)

WHICH MICRO BUSINESSES WERE ABLE TO RECOVER?

- Differences in the recovery of businesses was also observed based on the gender of the business owner:
 - **Male business owners were slightly more likely to have recovered by July 2021**, compared to female business owners
 - **Spousal support in the business and/or household** may explain some of the difference in recovery between male and female business owners; **89% of men in the sample were married / living with a partner compared to 69% of female business owners**
 - Interviews with business owners highlighted the critical support spouses play in enabling them to conduct other activities related to the business, such as buying stock, or separate from it, such as looking for casual work. The **ability to generate income separate from the business was particularly important during COVID** due to reduced customer demand

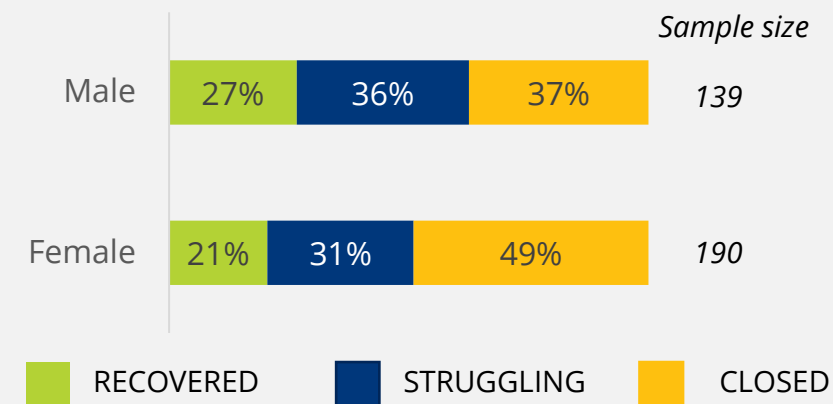


What things helped you cope during this time?

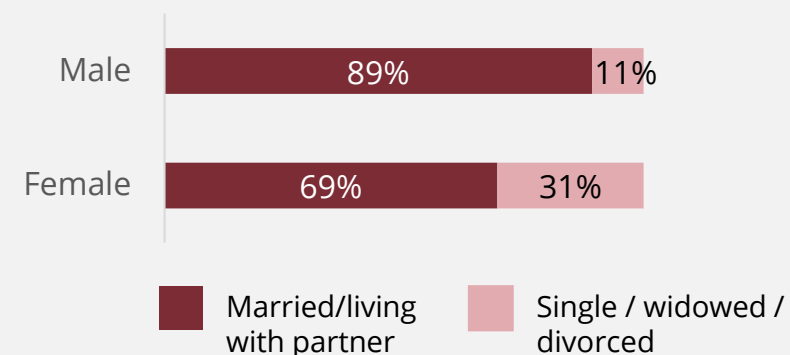
The fact that my wife is always here helping with the shop, I get opportunity to go look for some casual work.

- Male, general trader, Kawangware (Recovered segment)

GENDER OF BUSINESS OWNER BY SEGMENT



GENDER OF BUSINESS OWNER BY MARITAL STATUS

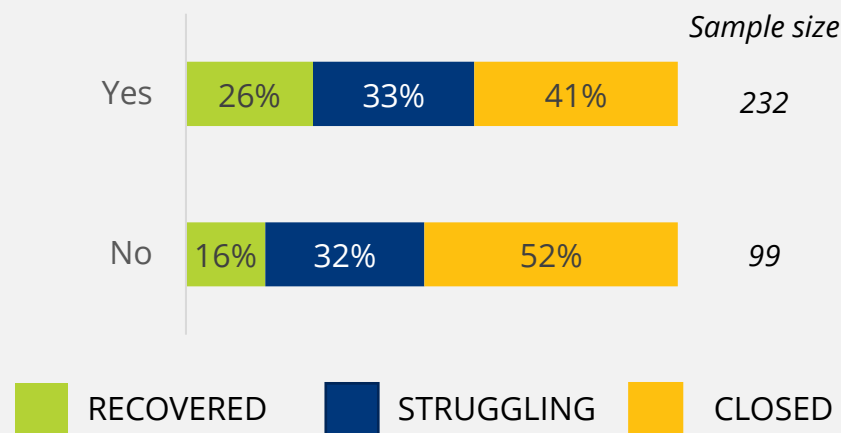


Sample n = 331 (analysis excludes the respondents with unclassified revenue)

WHICH MICRO BUSINESSES WERE ABLE TO RECOVER?

- Beyond practical assistance in the household and / or business, financial support from spouses was also highlighted as a critical lifeline for business owners
- **However, the survey data also suggests that a lack of financial support from a spouse or other income earner in the household may have contributed towards business continuity.** This is most likely because these business owners had **no choice but to keep going** –
 - Business owners who were the sole income earner in their household had lower levels of business closure (41%) compared to business owners who were not (52%)
- Other demographic factors such as the age and education level of the business owner did not appear to play a role in the recovery of businesses in this sample

BUSINESS OWNER IS SOLE INCOME EARNER IN HOUSEHOLD*



Sample n = 331 (analysis excludes the respondents with unclassified revenue)

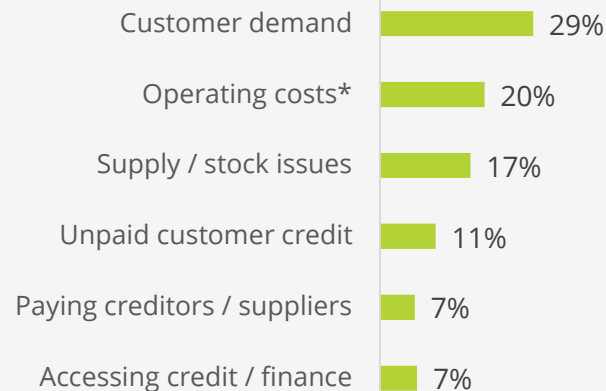
WHAT CHALLENGES DID MICRO BUSINESSES FACE DURING COVID?

- **Reduced customer demand** was the biggest challenge business owners faced during Covid
- Demand was suppressed due to **customers migrating to rural areas** either because of job losses in the urban centres and the need to seek cheaper accommodation, or due to the fear of contracting COVID-19
- **Those that remained in the cities had less money to spend** at businesses, again due to job losses / income opportunities. For example, domestic work opportunities reduced due to people not wanting others in their homes
- **Government curfews** also had a material impact on businesses operating hours
- Businesses were also affected by **issues with the quality of supplies, stock prices**, as well as the **availability and cost of transporting goods**
- Anecdotally, **government communication** regarding the risk of contracting Covid-19 from informal businesses, such as Mama Mboga's*, also decreased demand in certain sectors – *"customers disappeared and went to buy at the supermarkets"*

MAIN BUSINESS CHALLENGE¹: July 2021

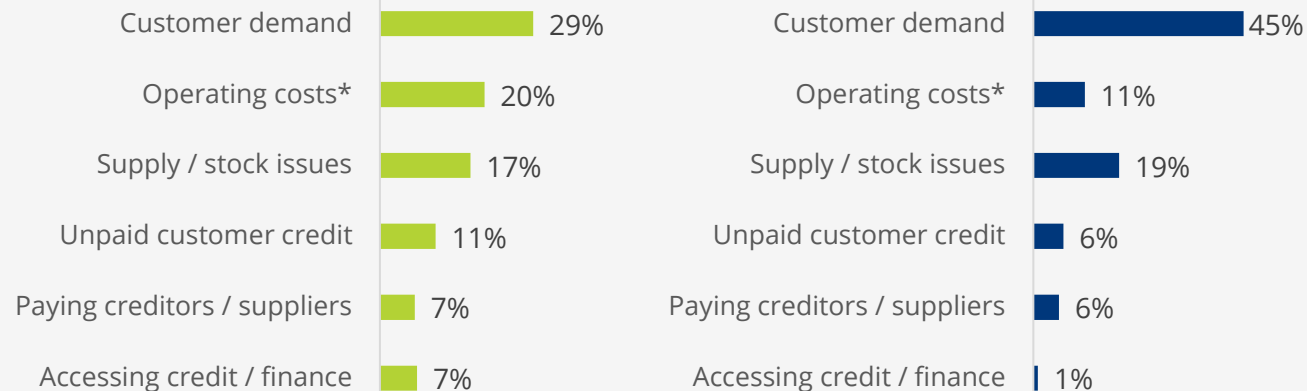
RECOVERED

(n = 76)



STRUGGLING

(n = 108)



*When covid was announced, so many of my **customers lost their jobs and others opted to go to the rural areas** to avoid contracting the virus. Also, most of my customers would come to the store in the evening, but **because of the 7 pm curfew so many of them would not come**. During curfew time the police would come to our area and throw teargas to force us into our homes. - **Female trader, Embakasi (struggling segment)***

Source: FinAccess MSE Tracker: Wave 3 and in-depth interviews

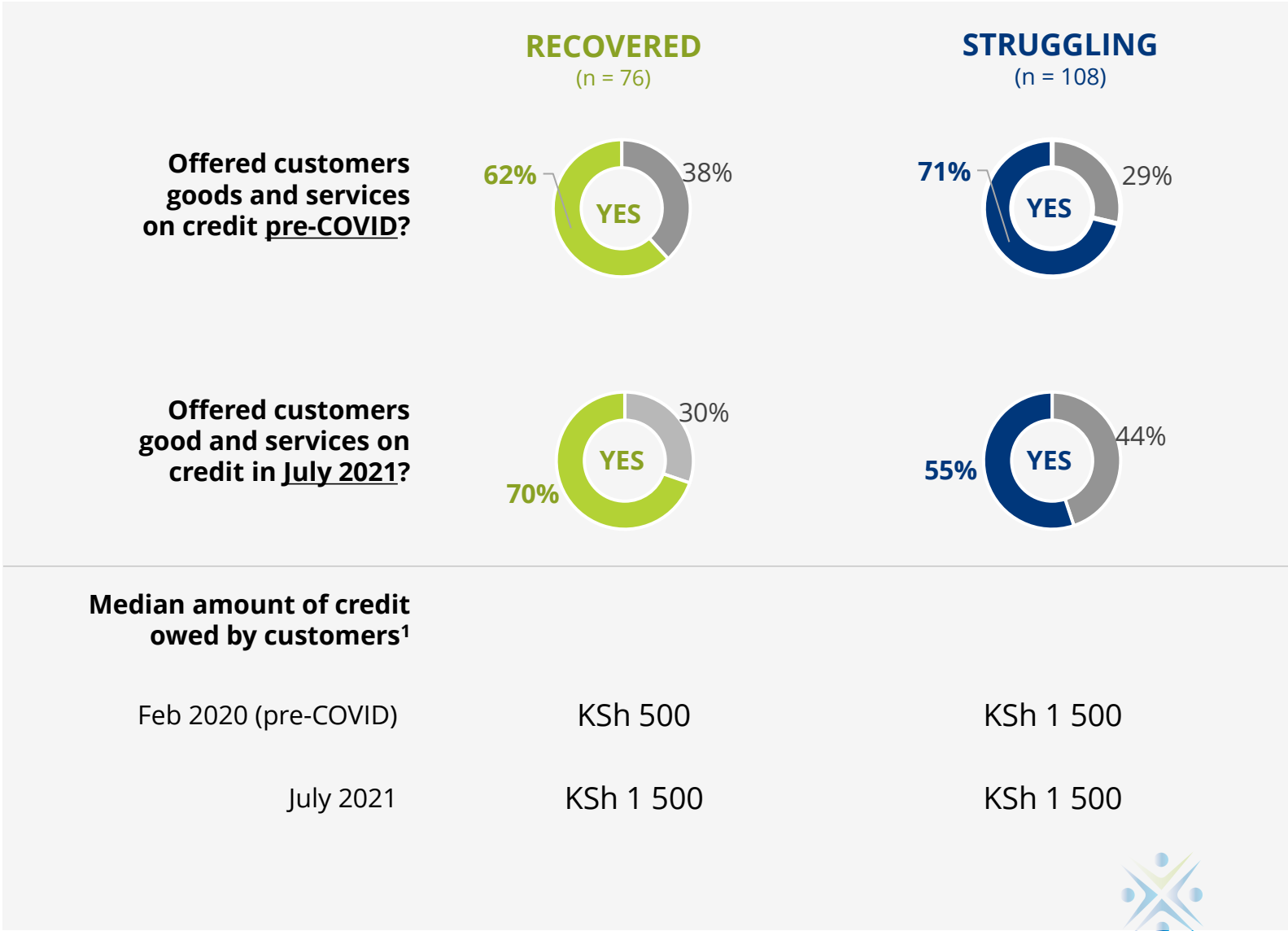
Note: [1] What is the main risk or challenge facing your business right now? *Operating costs includes paying business rent and utility costs. Top six challenges shown.

*See: <https://www.tuko.co.ke/362851-mama-mboga-stop-chopping-vegetables-customers-covid-19-guidelines.html>

WHAT CHALLENGES DID MICRO BUSINESSES FACE DURING COVID?

- In addition to low demand, business owners also faced challenges with **customers not being unable to repay money owed to them**
- This bad debt **impacted on business cash flows**, but perhaps more damaging was the **negative impact it had on their customer relationships**
- In response some business owners stopped offering customers goods on credit
 - 71% of businesses in the ‘struggling’ segment were offering customers credit pre-Covid. This dropped to 55% by July 2021

Some of my customers also took debts that they did not pay back so this also made relationships with some of my customers really strained.
Female, general retailer closed during Covid, Kangemi



WHAT CHALLENGES DID MICRO BUSINESSES FACE DURING COVID?

- **Challenges with suppliers, particularly increased prices of goods and services**, was another major challenge for business owners
- Travel bans to get in and out of the cities and transport permit requirements resulted in fewer transport providers operating during COVID, driving the price up of transport
- Some business owners also felt that the **disruptions to the normal bargaining practices** during COVID also drove stock prices up -

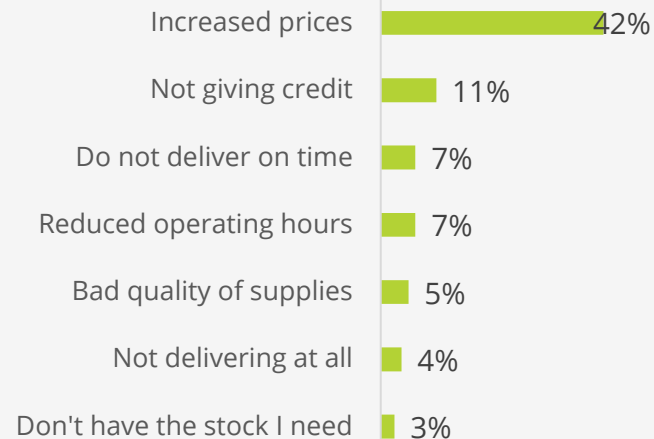
"In Meru market, the chief was chasing the crowd of people. It meant a buyer couldn't properly bargain with the seller, so it was better to order on phone but again they take advantage and hike the prices."

- **Access to markets, fewer suppliers in the market and changes in supply schedules (when stock was delivered to the market)** also made getting stock and supplies more difficult for business owners

SUPPLIER CHALLENGES¹: July 2021

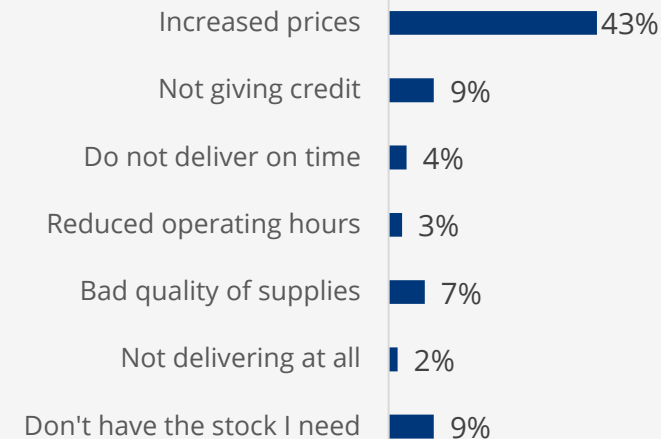
RECOVERED

(n = 76)



STRUGGLING

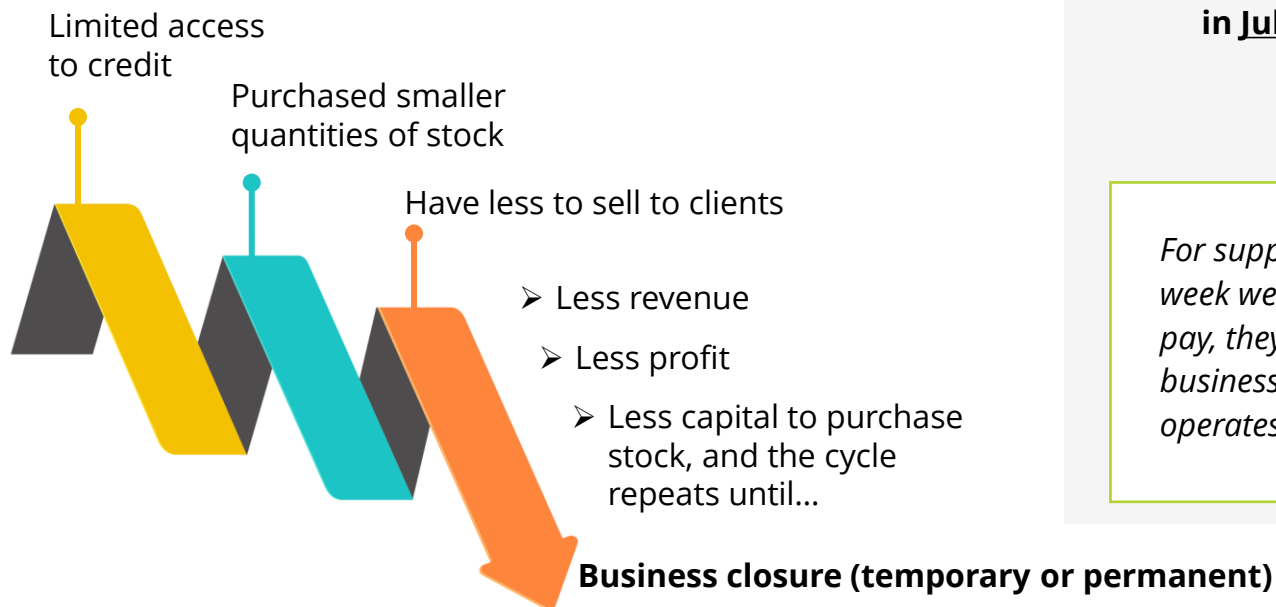
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*From the suppliers side the challenge was getting goods to Nairobi from Meru because you remember the zoning and the lockdown, the **few vehicles with travel permit hiked their cost to up to 350 shillings per bunch of bananas, we used to pay 150 to 200 shillings** and also getting space in such trucks became a problem too. – **Male, fruit vendor, Nairobi (struggling segment)***

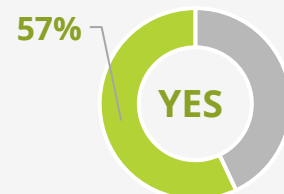
WHAT CHALLENGES DID MICRO BUSINESSES FACE DURING COVID?

- **Reduced access to trade credit** and **unfavourable payment terms** was another major challenge business owners faced with their suppliers
- The lack of access to credit to purchase stock put a lot of strain on businesses, driving down the quantities they were able to purchase and therefore sell
- This was particularly challenging for those with higher fixed costs, many of whom were already operating at the margin prior to COVID, but ultimately the additional strain from COVID-related challenges created a **downward spiral leading to business closure for many**

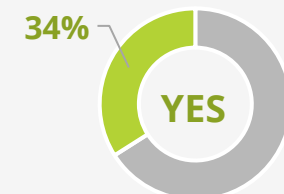


Could access trade credit from suppliers pre-COVID?¹

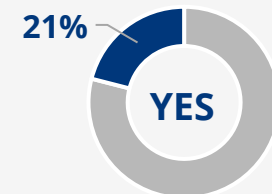
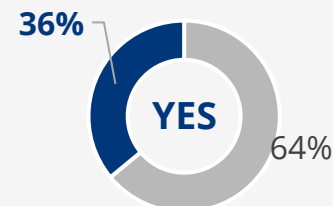
RECOVERED
(n = 76)



Could access trade credit from suppliers in July 2021



STRUGGLING
(n = 108)



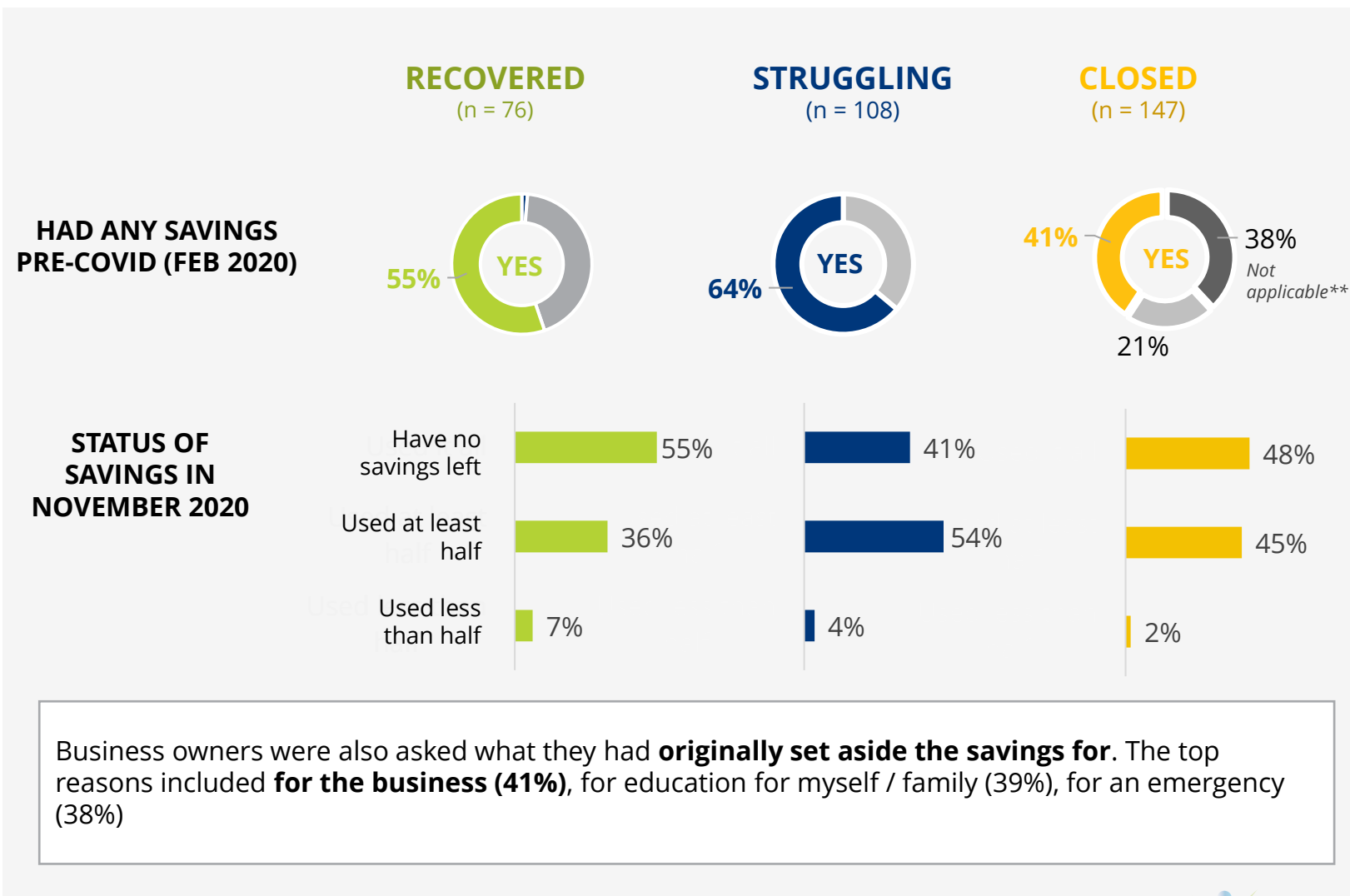
For suppliers there **was uncertainty that my shop will be able to survive...**in the first week we got goods on credit and I think because of the trend and people were not able to pay, they **changed their terms to cash payment** which became a challenge to us in business. I ended up having rent arrears (for the house he rents, which is also where he operates his business). – **Male, general retailer, Kawangware (recovered segment)**

WHAT CHALLENGES DID MICRO BUSINESSES FACE DURING COVID?

- In the **absence of any targeted social support programmes** to help businesses withstand the impacts of COVID, business owners had little choice but to dip into whatever available savings they had
- This clearly was not enough though – the **availability of savings pre-Covid appeared to have little impact on the recovery** of businesses and most of this money was already used by November 2020
- No doubt some of this money had to be diverted to help cover household expenses and other emergencies

*During covid, one of my children was sick, and I had to rush him to the hospital. I took Ksh 4,000 which was supposed to buy stock for my business in order to take care of his consultation and buy him medicine. **I was never able to return the money I took from the business**, and this contributed to it's downfall.*

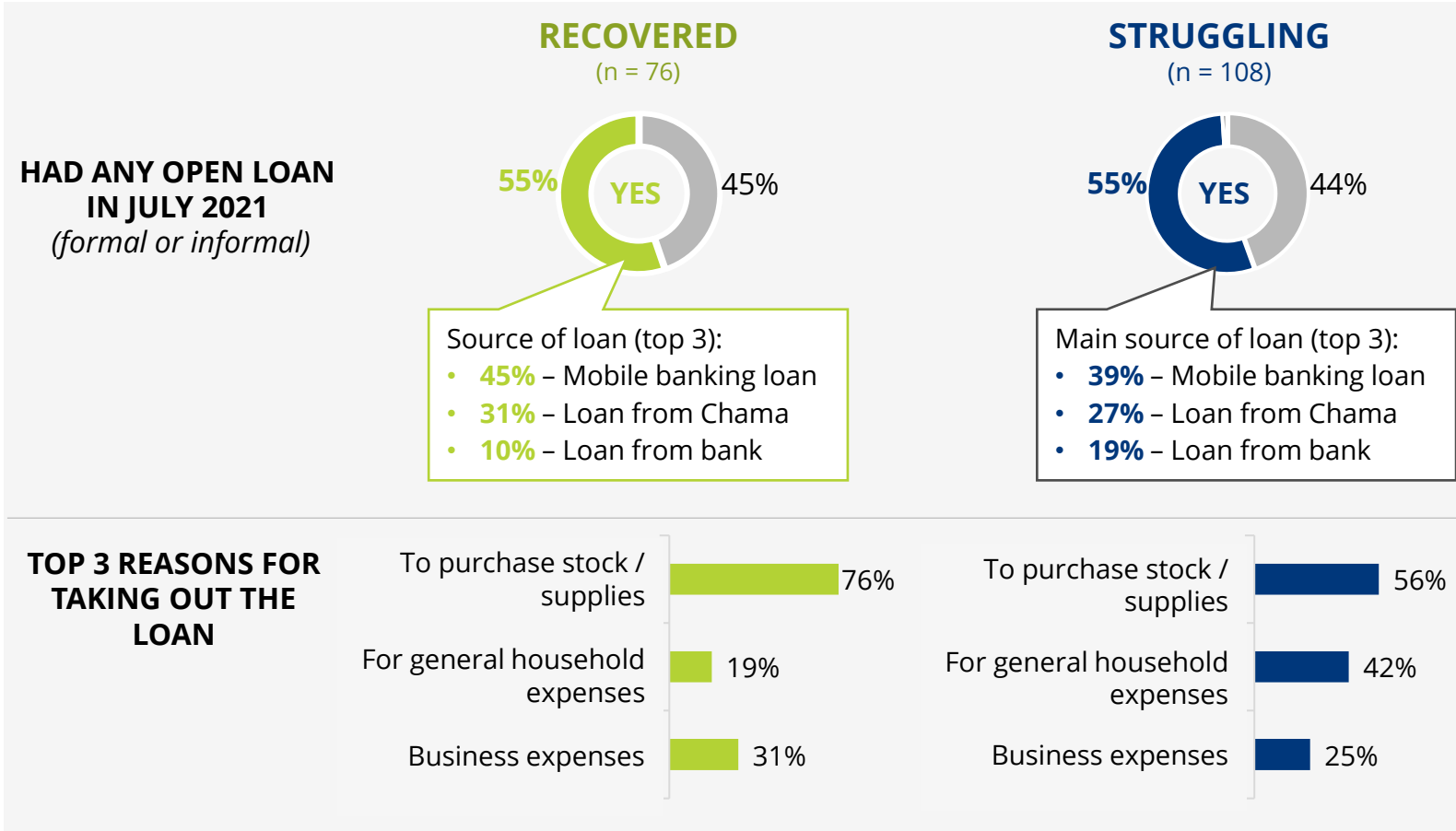
– Female, used to be a general trader in Kangemi



DID FINANCE HELP MICRO BUSINESSES COPE DURING COVID?

- Around half of the businesses that remained active had at least one open loan in July 2021
- **Digital credit (mobile banking loans) was the top source of credit**
- Chamas were also an important source of financial support. Though during the qualitative interviews, some described how COVID ‘broke up’ their groups and weakened their relationships with other members
- These loans were used to support both household and business liquidity, but the **recovered segment were more likely to take the loans for business purposes**

*I was also part of a merry go round, which had 10 members. **We used to contribute Ksh 50 every day, this really helped boost my stock, but after covid was announced, half of the members moved to their rural homes, and the other half didn't have money to spare so we dismantled it.***
- Female, vegetable trader, Kawangware (struggling segment)



DID DIGITISATION HELP MICRO BUSINESSES COPE DURING COVID?

- Even the most rudimentary usage of technology, such as SMS and phone calls, seems to have made a difference in the recovery of businesses
- Both the recovered and struggling segments had relatively high acceptance of digital payments, but the recovered segment were more likely to use technology to reach their customers
- Combining these two factors, **the recovered segment were twice as likely to be 'digitally advanced' compared to the struggling segment in July 2021**
- The need to support further digitization and technology usage among business owners also emerged as a key theme during the qualitative interviews

*I don't have a smart phone but when I get one I would be able to **create a page on whatsapp to market my bananas** because I have never seen anybody marketing fruits online apart from Twiga Foods*

- Male, fruit trader, Pipeline (struggling segment)

*I would say technology really has helped because **8 out of 10 of my usual customers call me first to enquire what I have, then make an order and come get it or send their children.***

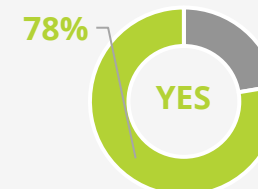
- Female, vegetable trader, Kawangware (struggling segment)

ACCEPTS DIGITAL PAYMENTS

(July 2021)

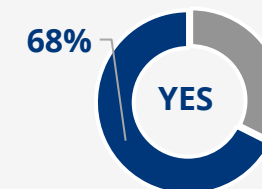
RECOVERED

(n = 76)



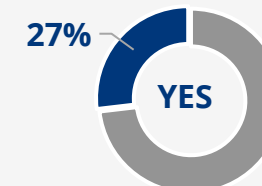
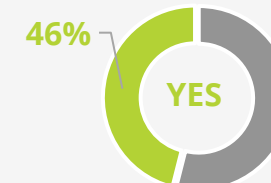
STRUGGLING

(n = 108)



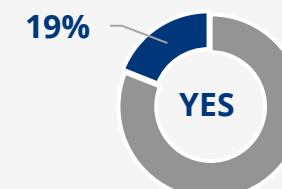
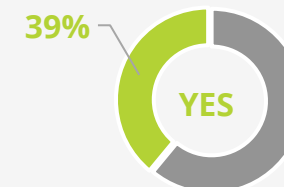
USED AT LEAST ONE DIGITAL MARKETING CHANNEL*

(July 2021)



DIGITALLY ADVANCED

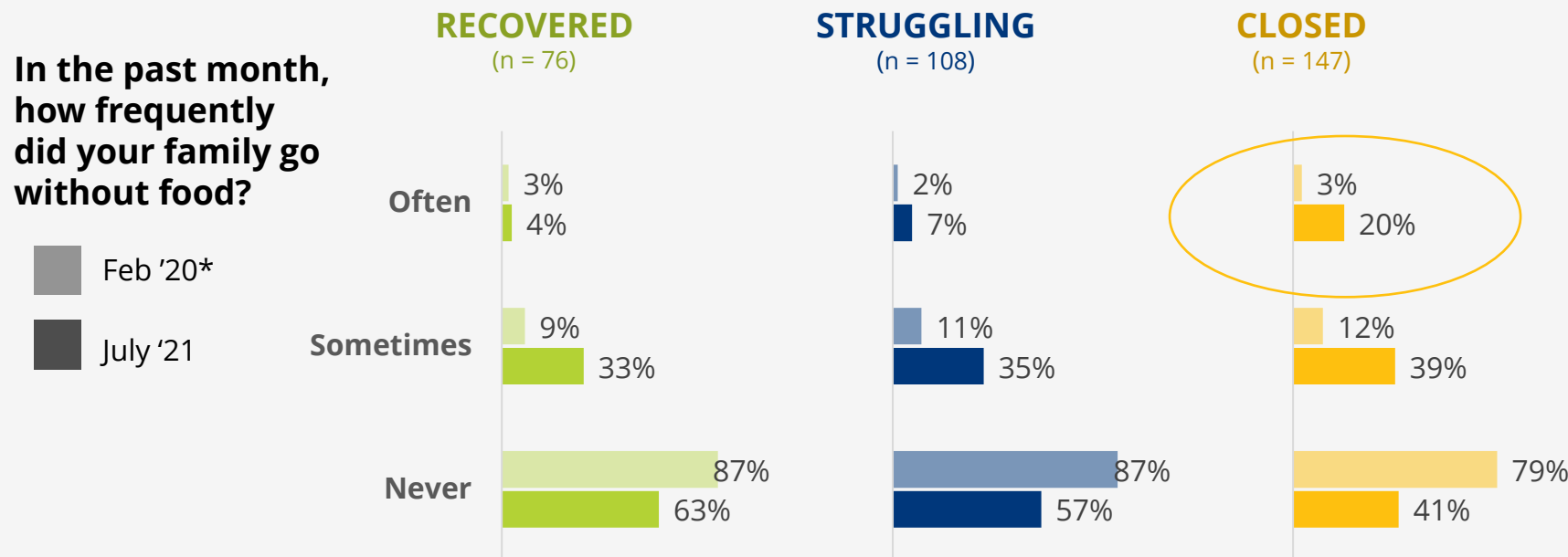
Use digital payments and at least one digital marketing channel* to reach customers



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IMPACT OF BUSINESS CLOSURES ON MICRO BUSINESS OWNER HOUSEHOLDS

- The culmination of the challenges faced by business owners resulted in an **increase in food insecurity for business owners and their families** between February 2020 and July 2021
- This is most pronounced in the closed business segment; 20% of those who had closed their businesses by July 2021 reported that their families often went without enough food to eat in July 2021, up from only 3% in February 2020 (pre-Covid)
- Beyond food insecurity, the qualitative research also revealed other household impacts such as **falling behind on school fees**, as well as personal psychological impacts of not being able to meet their household's needs



*I used to be able to chip in and pay school fee for my child, I was able to help my husband. I was also able to help my mother and was also supporting my nephew by paying his school fee. I have now paused on helping my mum and stopped paying school fees for my nephew, **I feel like I have failed in my responsibility. We are also now struggling to pay for my child's school fees.** For this term my husband has only managed to pay KSh 2 000 out of Ksh 6 500. I would have paid if it was before corona and the business was operating. – **Mary, 28, used to own a hair salon, husband works as a taxi driver***

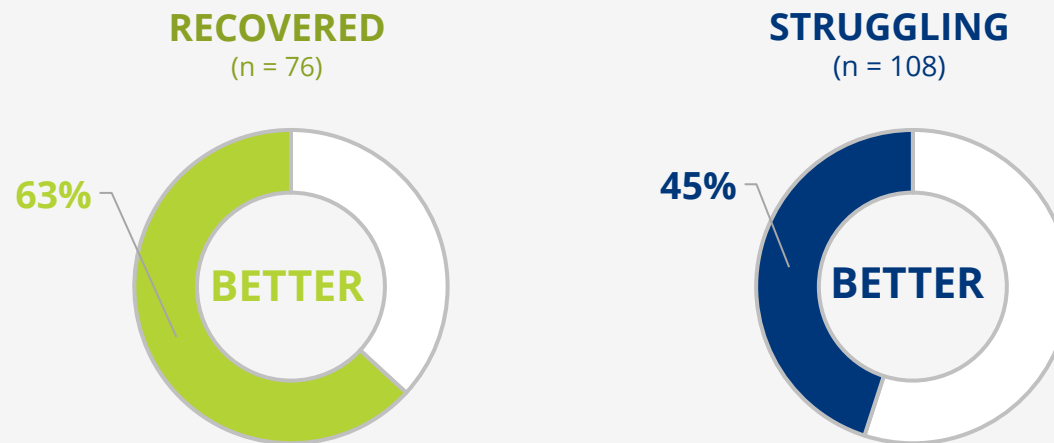
BUSINESS OPTIMISM

- Despite the extensive challenges micro business owners faced, many remained optimistic for the future, even those that were still struggling to recover from COVID in July 2021
- At least half of the business owners who had stopped activity by July 2021 **had intentions to re-start their businesses (54%)**, but access to capital is the key constraint
- The need to diversify their business risk going forward also emerged during the follow-up interviews with closed business owners

Beside the plan of setting up another salon with cosmetic shop and having supporting cereal business, I wouldn't say I have another plan. Those are the major plans I have and Corona has made me think of creating that supporting business and not relying just on one business.

- Female, used to own a salon (closed business segment)

HOW DO YOU FEEL ABOUT THE REST OF 2021, WILL IT BE BETTER, WORSE OR THE SAME FOR YOUR BUSINESS COMPARED TO LAST YEAR?



I have a plan to expand this business, you can see I even added shelves in the shop which have nothing on them. If I was able to get a loan or grant of just Ksh 20,000, I know I could be able to stock variety of items and even my customers wouldn't need to go anywhere else, because they would get everything they needed here. I am very optimistic about the future. -

Female, vegetable trader, Kawangware (struggling segment)

MSE BUSINESS OWNER CASE STUDIES



CASE STUDY: RECOVERED BUSINESS

Other sources of income from casual work, spousal support in the business, and low fixed costs helped Daniel to recover from the pandemic.

Daniel's business revenue has returned to pre-COVID revenues, around Ksh 3 000 – 4 000 per day. During COVID, and particularly when the 7pm curfew was in place, the store would generate less than half of this revenue.

However, while daily sales are back up, **Daniel's profits are still suppressed** due to the increase in stock prices –

“ I have been able to record income of by Ksh 3,000 by the fact that prices of basic products stocked in my shop has gone up. It has been a challenge passing the cost to my customers. Prices of goods like cooking oil, flour, rice, soaps...almost everything has gone up by bigger percentage some even double price

Daniel's business was able to survive COVID due to the income he earned and “ploughed back into the business” from casual work. Without his wife manning the shop in his absence, this would not have been possible -

“ I was working as a mason or would go around with plastics which we exchange for other items for example old clothes, shoes and also electronics (mali mali). My wife is always here helping with the shop, so I get opportunity to go look for some casual work. I would use that money to continue operating the shop

Another advantage Daniel has is that his business operates from the house he rents, so his **monthly business costs** are lower than others that have to rent separate retail spaces.

Daniel's Chama was another important source of financial support for him during this time -

“ I am grateful that I am in a chama which was helpful, as you could borrow, pay suppliers and pay when you get money. I regularly borrowed 5-10k to run the business

While Daniel had previously borrowed from Equity Bank and Faulu micro-finance institution, he didn't borrow from either of these sources during COVID but considers them both important source of loans for the future



Daniel*, 44-year-old married male, owns a **general retail store** in Kawangware informal settlement, Nairobi

CASE STUDY: STRUGGLING BUSINESS

Valerie* is a survivalist who runs a small vegetable trade business and does laundry in people's homes to supplement the business income. Both her business and casual work took a huge knock during COVID.

“ I had 3 regular [laundry] customers who called me every week but once covid hit one of them moved to Jamhuri estate, the other brought her sister from the rural home to help her with the housework. Now I only have one customer left

By July 2021 Valerie's business income has not yet recovered, daily sales were 30% - 50% of what they were pre-COVID. As the sole income earner in the household, this put a lot of strain on her -

“ This business helped me pay school fees, rent for both my house and the business and also feed my children, so when it took a hit due to COVID, so did we. My children never lacked food, but I wasn't able to feed them as well as I would want to

One of Valerie's biggest challenges during COVID was finding the capital to purchase stock.


“ Part of the reason they also spent less on my shop is because I didn't have enough stock. I am not able to stock up the business as I would want to because of lack of funds.

Prior to COVID Valeria used to save for stock purchases through her 'merry-go-round' but the group dismantled during COVID. It has since got back together but she believes the relationship has weakened – **“I don't rely on them as much as I used to”.**

Despite extensive challenges, Valerie kept her business running. She largely attributes this to her sympathetic landlord. She used to operate from a table in front of his property but got “chased away” when the County Government worked on the road. When he saw this, he offered her the small store at a reduce rent -

“ I would say the owner of this plot really helped me cope because he gave me a permanent space that I would feel safe in. It was not easy to keep up with the rent but I have a good landlord, who lets me pay in installments. Some of these landlords who owned other business premises were not very sympathetic

Technology has also been an important enabler for Valerie's business; most of her regular customers call her to enquire what products she has and then send their children to collect the goods. She also estimates that four out of her 10 regular customer pay via Mpesa. She hopes to sell her produce online one day.



Valerie*, 46-year-old single mother of three, owns a small fresh vegetable business in Kawangware, Nairobi

CASE STUDY: CLOSED BUSINESS

Before COVID, Monica felt that her business was doing “fairly well”. She estimates that her average monthly revenue in February 2020, pre-COVID, was KSh 36,000. This **dropped by more than 80% during the first lockdown** –

“ So many of my customers moved due to lack of money to pay rent and the few customers I had left, started spending less. They used to spend 150 shillings but when COVID struck, they would spend 80 – 100 shillings

During COVID, Monica’s suppliers also started demanding cash on delivery which negatively affected her cash flow and ability to purchase sufficient stock to sell -

“ I would only take stock worth the money I had sold the previous day, which was an average of Ksh 400. That wasn’t enough to give me good profits. It became very difficult for me to even make rent for the business

Beyond COVID, Monica faced other financial shocks that also contributed to her business’s downfall. Her child fell ill and her parents house burnt down which cost Monica close to KSh 20,000.

Monica’s main source of support during this time was her family –

“ Business was so bad to a point where my husband and sister helped me out, but when I couldn’t get it back on track I decided to close it

Monica has now turned to casual work, doing people’s laundry, to earn money but she is hoping to find a permanent job. She would like to find a job that pays her KSh 15,000 a month so that she can start contributing towards her household expenses again, especially the cost of her children’s education



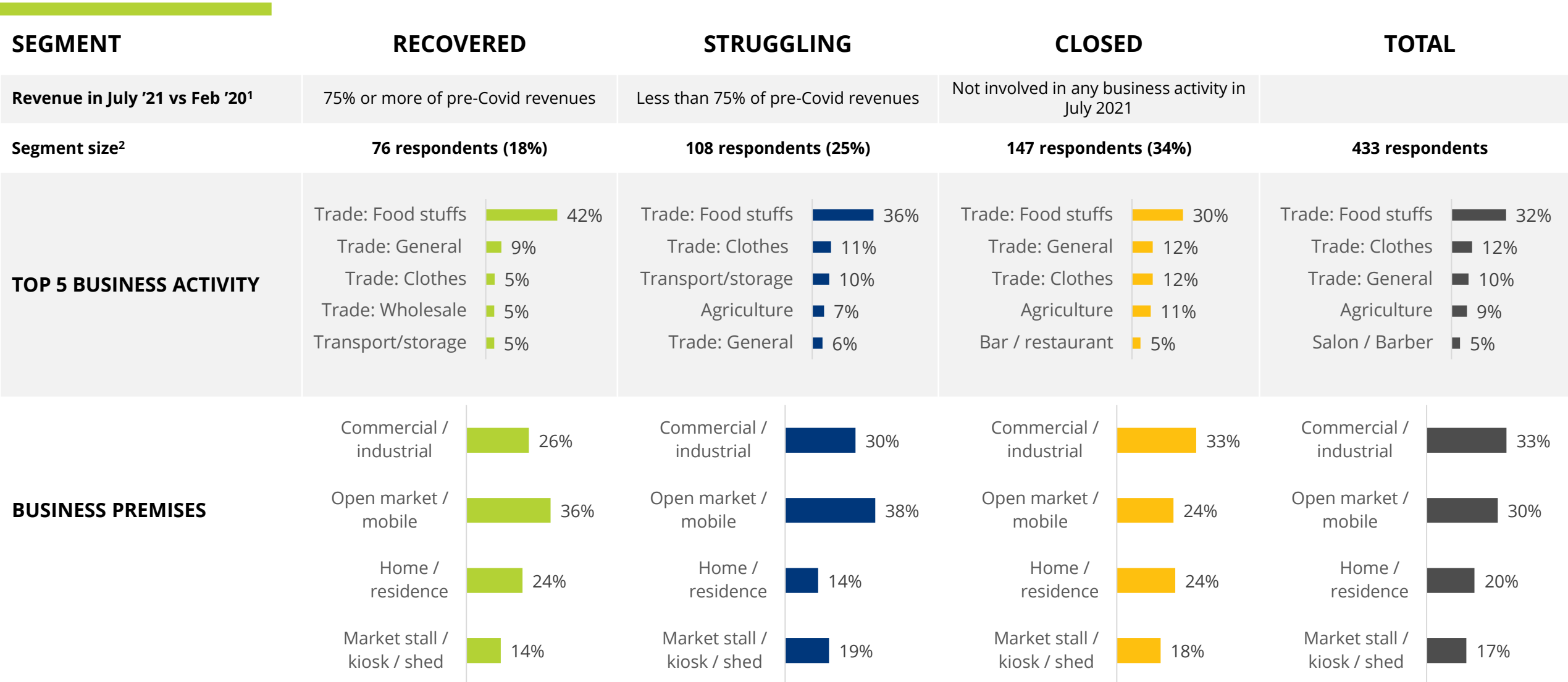
Monica*, 31-year-old married mother of two, used to own a small food trade business in Kangemi, on the outskirts Nairobi

APPENDIX

- Summary data slides



BUSINESS SECTOR & WORK PREMISES: FEBRUARY 2020 (PRE-COVID)



BUSINESS OWNER DEMOGRAPHICS



SEGMENT	RECOVERED	STRUGGLING	CLOSED	TOTAL
Revenue in July '21 vs Feb '20 ¹	75% or more of pre-Covid revenues	Less than 75% of pre-Covid revenues	Not involved in any business activity in July 2021	
Segment size ²	76 respondents (18%)	108 respondents (25%)	147 respondents (34%)	433 respondents
GENDER	<div><div></div> Male</div> <div><div></div> Female</div> <div></div>	<div></div>	<div></div>	<div></div>
AGE	<div><div>55+</div><div>45-54</div><div>35-44</div><div>18 - 34</div><div></div></div>	<div><div>55+</div><div>45-54</div><div>35-44</div><div>18 - 34</div><div></div></div>	<div><div>55+</div><div>45-54</div><div>35-44</div><div>18 - 34</div><div></div></div>	<div><div>55+</div><div>45-54</div><div>35-44</div><div>18 - 34</div><div></div></div>
HIGHEST EDUCATION LEVEL	<div><div>Tertiary</div><div>Secondary</div><div>Primary / none</div><div></div></div>	<div><div>Tertiary</div><div>Secondary</div><div>Primary / none</div><div></div></div>	<div><div>Tertiary</div><div>Secondary</div><div>Primary / none</div><div></div></div>	<div><div>Tertiary</div><div>Secondary</div><div>Primary / none</div><div></div></div>

BUSINESS OWNER DEMOGRAPHICS



SEGMENT	RECOVERED	STRUGGLING	CLOSED	TOTAL
Revenue in July '21 vs Feb '20 ¹	75% or more of pre-Covid revenues	Less than 75% of pre-Covid revenues	Not involved in any business activity in July 2021	
Segment size ²	76 respondents (18%)	108 respondents (25%)	147 respondents (34%)	433 respondents
LOCATION	<div><div></div> Urban</div> <div><div></div> Rural</div> <div><div><div></div> 46%</div><div><div></div> 53%</div></div>	<div><div></div> 53%</div> <div><div></div> 47%</div>	<div><div></div> 56%</div> <div><div></div> 41%</div>	<div><div></div> 53%</div> <div><div></div> 46%</div>
SOLE INCOME EARNER	<div><div></div> Yes</div> <div><div></div> No</div> <div><div><div></div> 21%</div><div><div></div> 79%</div></div>	<div><div></div> 30%</div> <div><div></div> 70%</div>	<div><div></div> 35%</div> <div><div></div> 65%</div>	<div><div></div> 30%</div> <div><div></div> 70%</div>
MARITAL STATUS	<div>Married / living with partner<div></div>79%</div> <div>Single<div></div>14%</div> <div>Widowed / divorced<div></div>7%</div>	<div>Married / living with partner<div></div>80%</div> <div>Single<div></div>10%</div> <div>Widowed / divorced<div></div>10%</div>	<div>Married / living with partner<div></div>76%</div> <div>Single<div></div>13%</div> <div>Widowed / divorced<div></div>11%</div>	<div>Married / living with partner<div></div>79%</div> <div>Single<div></div>12%</div> <div>Widowed / divorced<div></div>9%</div>

BUSINESS OWNER DEMOGRAPHICS



SEGMENT	RECOVERED	STRUGGLING	CLOSED	TOTAL
Revenue in July '21 vs Feb '20 ¹	75% or more of pre-Covid revenues	Less than 75% of pre-Covid revenues	Not involved in any business activity in July 2021	
Segment size ²	76 respondents (18%)	108 respondents (25%)	147 respondents (34%)	433 respondents
OTHER PERSONAL INCOME SOURCES (July 2021)	None <div><div></div> 50%</div>	<div><div></div> 42%</div>	<div><div></div> 24%</div>	<div><div></div> 39%</div>
	Farming <div><div></div> 39%</div>	<div><div></div> 34%</div>	<div><div></div> 32%</div>	<div><div></div> 33%</div>
	Casual work <div><div></div> 8%</div>	<div><div></div> 13%</div>	<div><div></div> 38%</div>	<div><div></div> 20%</div>
	Money from family/friends/spouse <div><div></div> 1%</div>	<div><div></div> 8%</div>	<div><div></div> 11%</div>	<div><div></div> 7%</div>
	Running another business <div><div></div> 5%</div>	<div><div></div> 6%</div>	<div><div></div> 1%</div>	<div><div></div> 4%</div>
	Employed <div><div></div> 0%</div>	<div><div></div> 4%</div>	<div><div></div> 4%</div>	<div><div></div> 3%</div>
	Renting property/equipment <div><div></div> 3%</div>	<div><div></div> 1%</div>	<div><div></div> 1%</div>	<div><div></div> 1%</div>

BUSINESS REVENUE

SEGMENT	RECOVERED	STRUGGLING	CLOSED	TOTAL
Revenue in July '21 vs Feb '20	75% or more of pre-Covid revenues	Less than 75% of pre-Covid revenues	Not involved in any business activity in July 2021	
Segment size*	72 respondents (18%)	95 respondents (25%)	121 respondents (34%)	288 respondents
FEB 2020 (PRE-COVID)				
ESTIMATED MONTHLY REVENUE DISTRIBUTION	100,000+ 8%	100,000+ 34%	100,000+ 25%	100,000 22%
	50,000 - 99,999 11%	50,000 - 99,999 21%	50,000 - 99,999 18%	50,000 - 99,999 15%
	30,000 - 49,999 22%	30,000 - 49,999 23%	30,000 - 49,999 21%	30,000 - 49,999 17%
	10,000 - 29,999 43%	10,000 - 29,999 21%	10,000 - 29,999 30%	10,000 - 29,999 24%
	< 10,000 15%	< 10,000 1%	< 10,000 6%	< 10,000 22%
MEDIAN MONTHLY REVENUE	KSH 22,000	KSH 59,000	KSH 45,000	KSH 43,000
JULY 2021				
ESTIMATED MONTHLY REVENUE DISTRIBUTION	100,000+ 18%	100,000+ 8%	Not applicable	100,000+ 15%
	50,000 - 99,999 18%	50,000 - 99,999 9%		50,000 - 99,999 11%
	30,000 - 49,999 29%	30,000 - 49,999 9%		30,000 - 49,999 19%
	10,000 - 29,999 28%	10,000 - 29,999 45%		10,000 - 29,999 36%
	< 10,000 7%	< 10,000 27%		< 10,000 19%
MEDIAN MONTHLY REVENUE	KSH 36 000	KSH 18 000		KSH 23 000

Note: *Segment size is lower than on previous slides due to the filtering out of those who did not report revenue figures and the exclusion of those that did not have reliable revenue figures in Wave 1

SAVINGS



SEGMENT		RECOVERED	STRUGGLING	CLOSED	TOTAL
Revenue July '21 vs Feb '20*		75% or more of pre-Covid revenues	Less than 75% of pre-Covid revenues	Not involved in any business activity in July 2021	
Segment size		17%	24%	33%	
FEB 2020 (PRE-COVID)	HAD SAVINGS PRE-COVID ¹				
	CURRENTLY HAVE SAVINGS				

PAID STAFF EMPLOYMENT: FEBRUARY 2020 (PRE-COVID)



SEGMENT	RECOVERED	STRUGGLING	CLOSED	TOTAL
Revenue in July '21 vs Feb '20*	75% or more of pre-Covid revenues	Less than 75% of pre-Covid revenues	Not involved in any business activity in July 2021	
Segment size	76 respondents (18%)	108 respondents (25%)	147 respondents (34%)	433 respondents
HAD ANY PAID STAFF (PRE-COVID) <div><div></div> Yes</div> <div><div></div> No</div>	<p>24%</p> <p>YES</p>	<p>21%</p> <p>YES</p>	<p>22%</p> <p>YES</p>	<p>22%</p> <p>YES</p>



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