



COVID-19 Impact Survey Results

July 2020

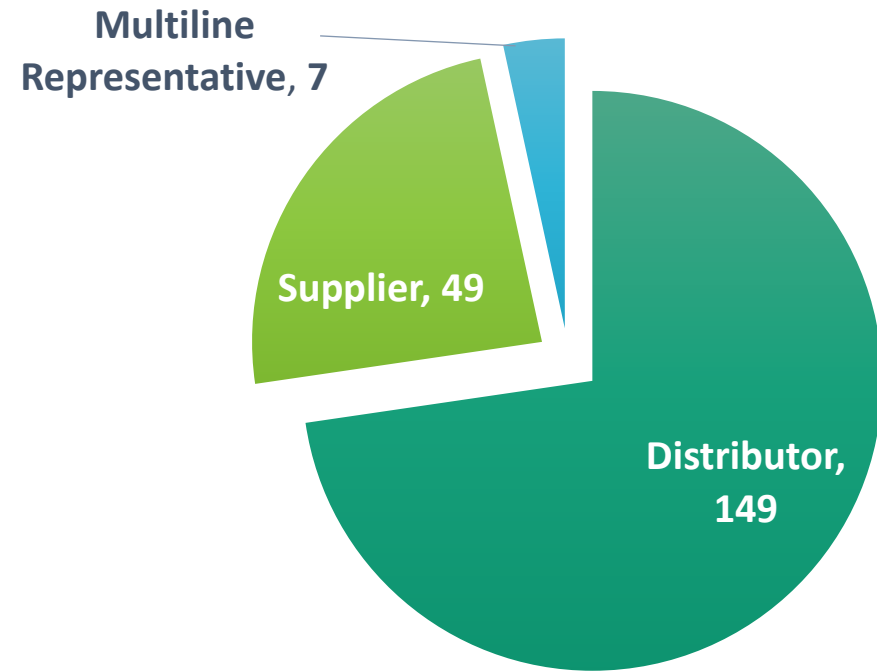


PPPC
Promotional Product
Professionals of Canada

NUMBER OF SURVEY RESPONSES



207



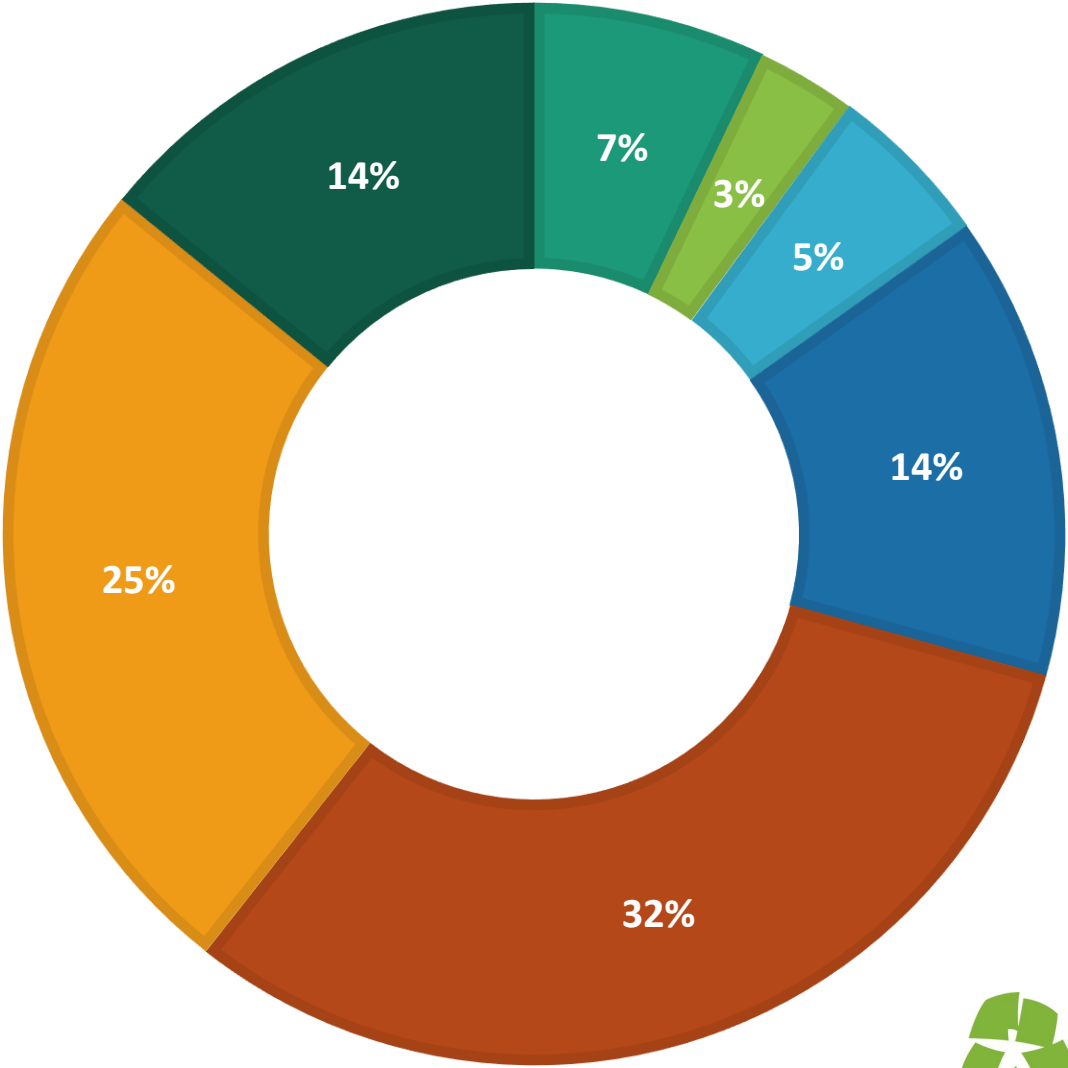
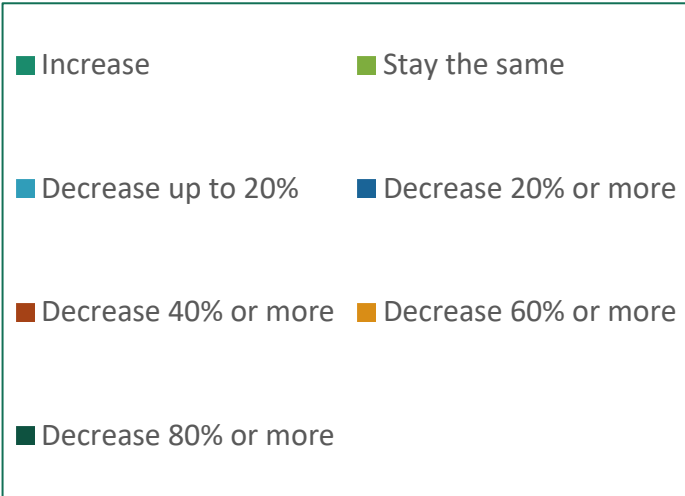
■ Distributor

■ Supplier

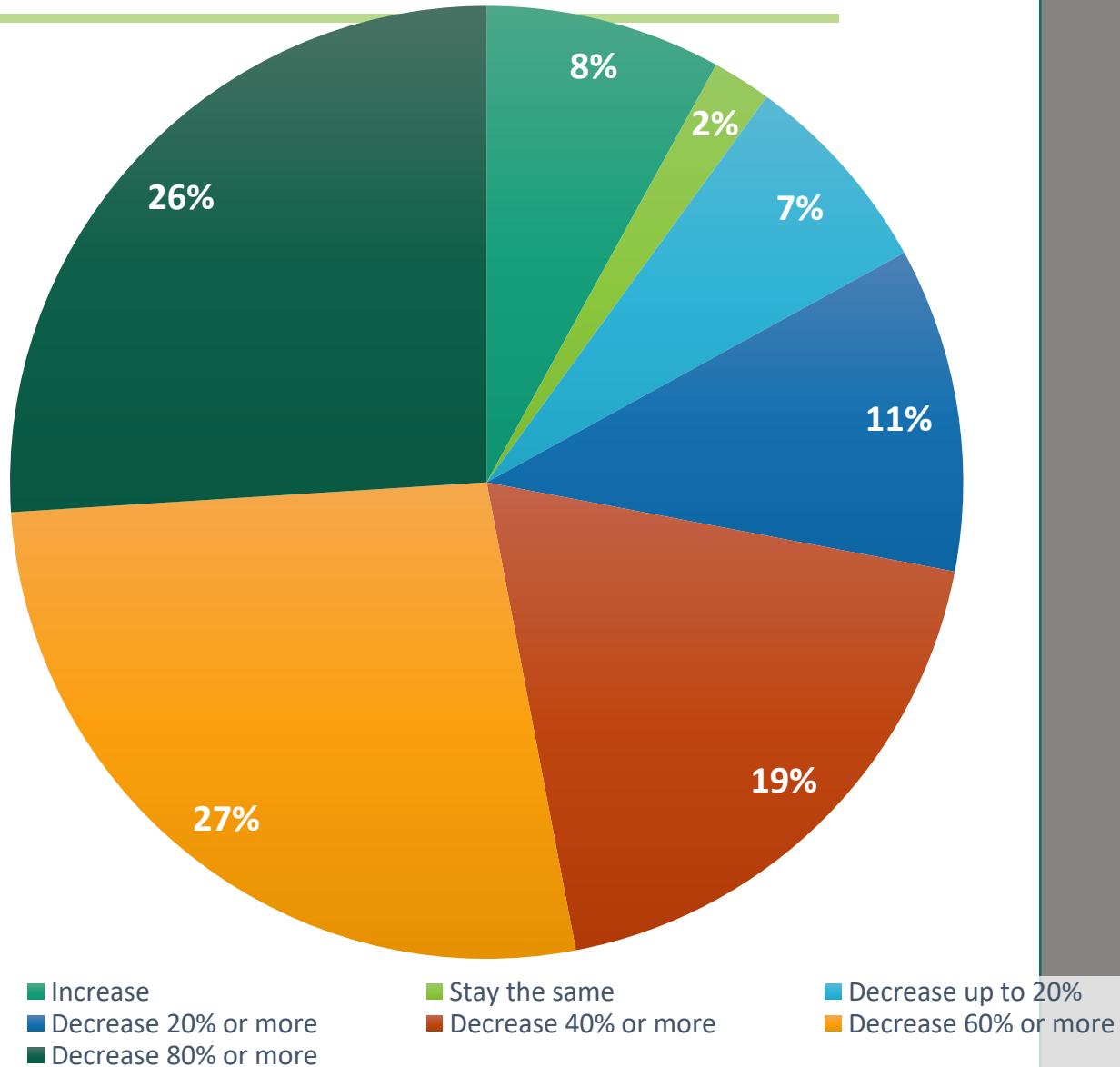
■ Multiline Representative

Q2: If applicable, by approximately what percentage have your overall sales decreased January to May this year compared to the same period last year?

COVID-19 SALES DECLINE

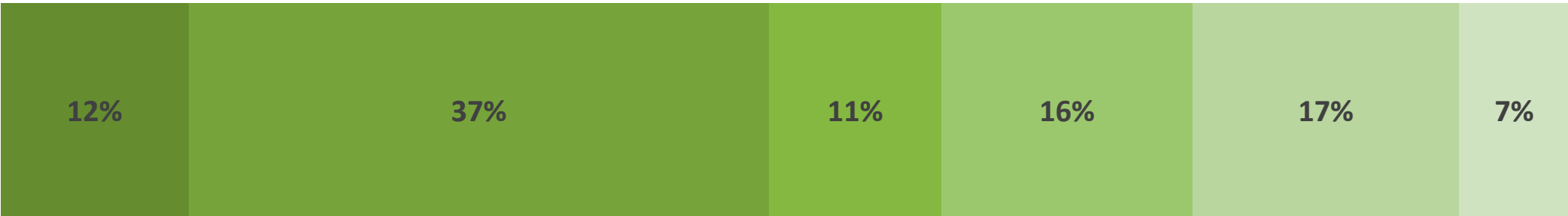


MAY 2019 TO MAY 2020 SALES COM



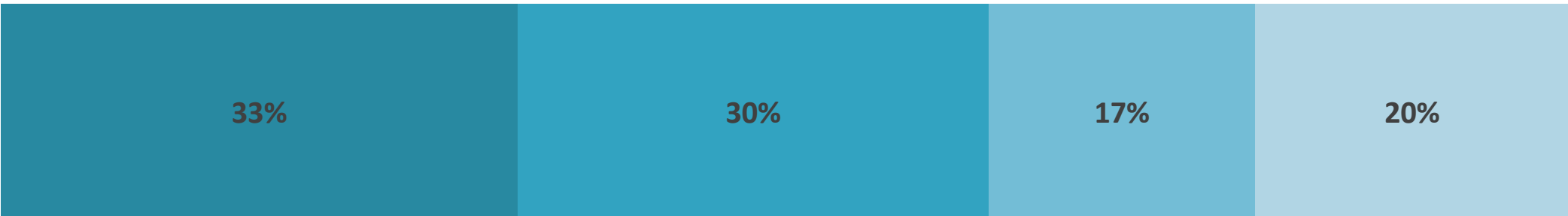
Q3: Comparing the month of May 2020 to May 2019, did your total sales this May?

FUTURE SALES EXPECTATIONS



- Increase a lot
- Increase a little
- Remain the same
- Decrease a little
- Decrease a lot
- Don't know

Q4: Thinking about the next three months ahead (July-September), what are your sales expectations over this period compared to the previous three months (March-May)?

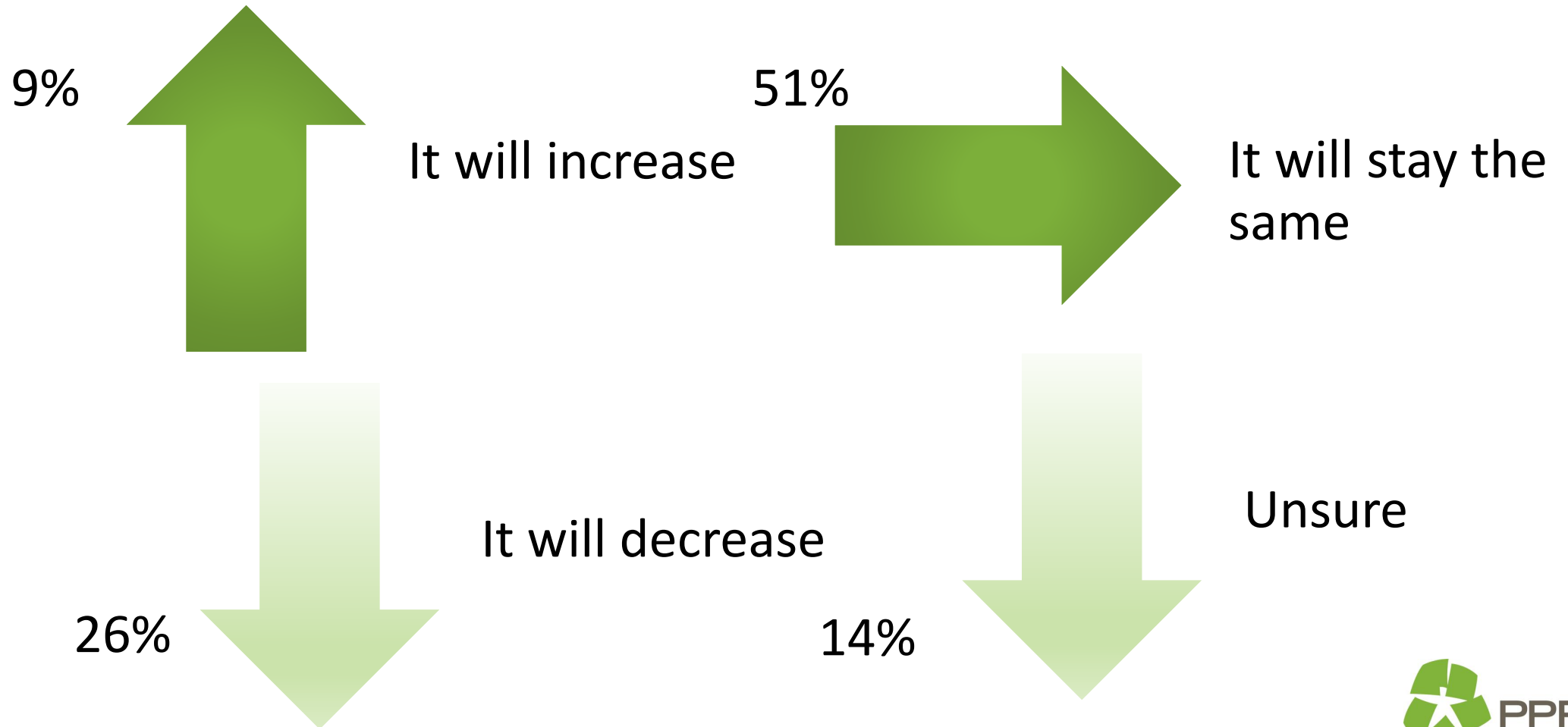


- It will increase
- It will decrease
- It will stay the same
- Unsure

Q5: Thinking about the second half of 2020, what are your expectations of overall profitability for this period compared to the first half of 2020?

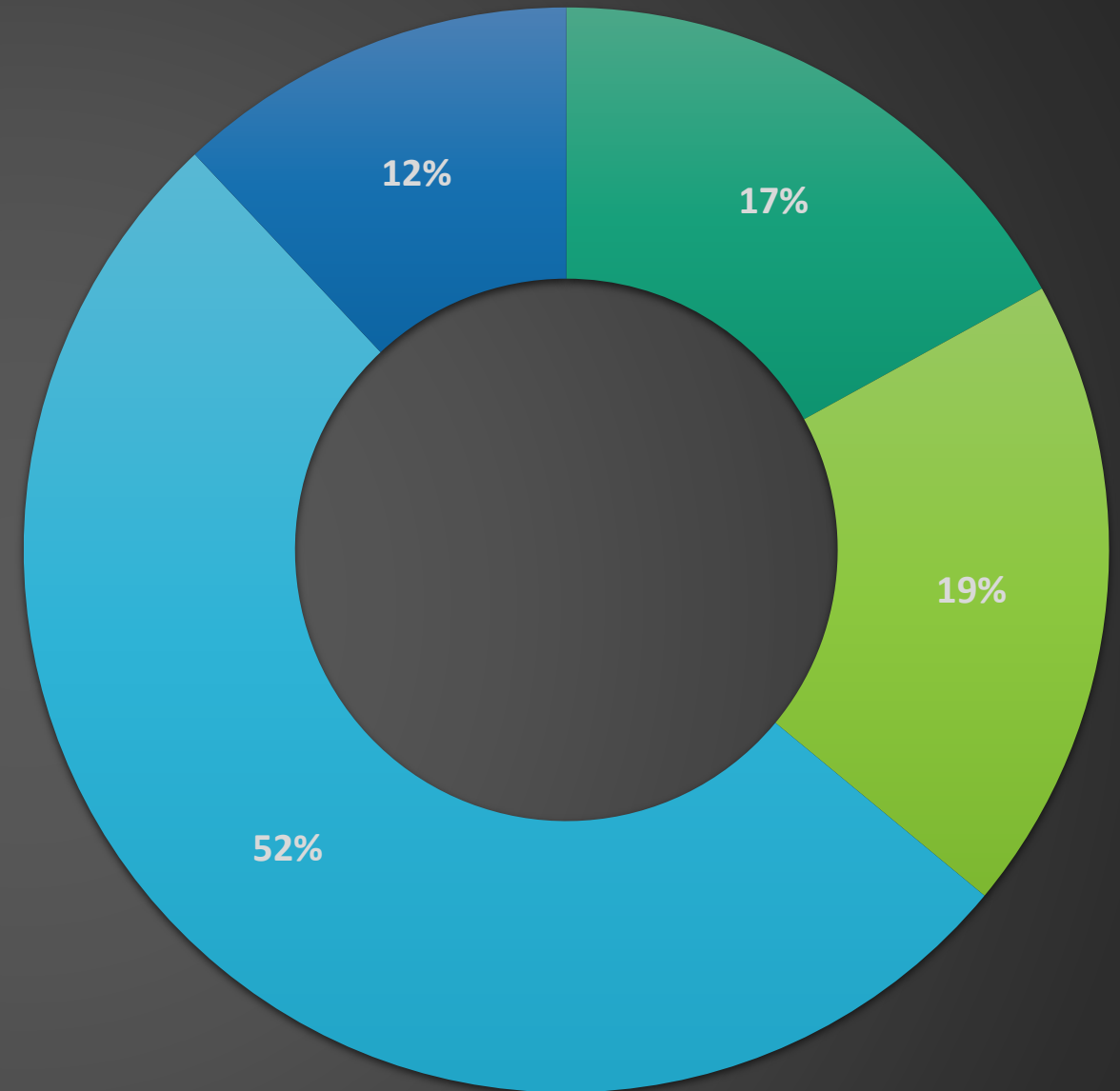
Q6: Thinking about the second half of 2020, what are your expectations for the size of your workforce for this period compared to the first half of 2020?

WORKFORCE SIZE (SECOND HALF OF 2020)



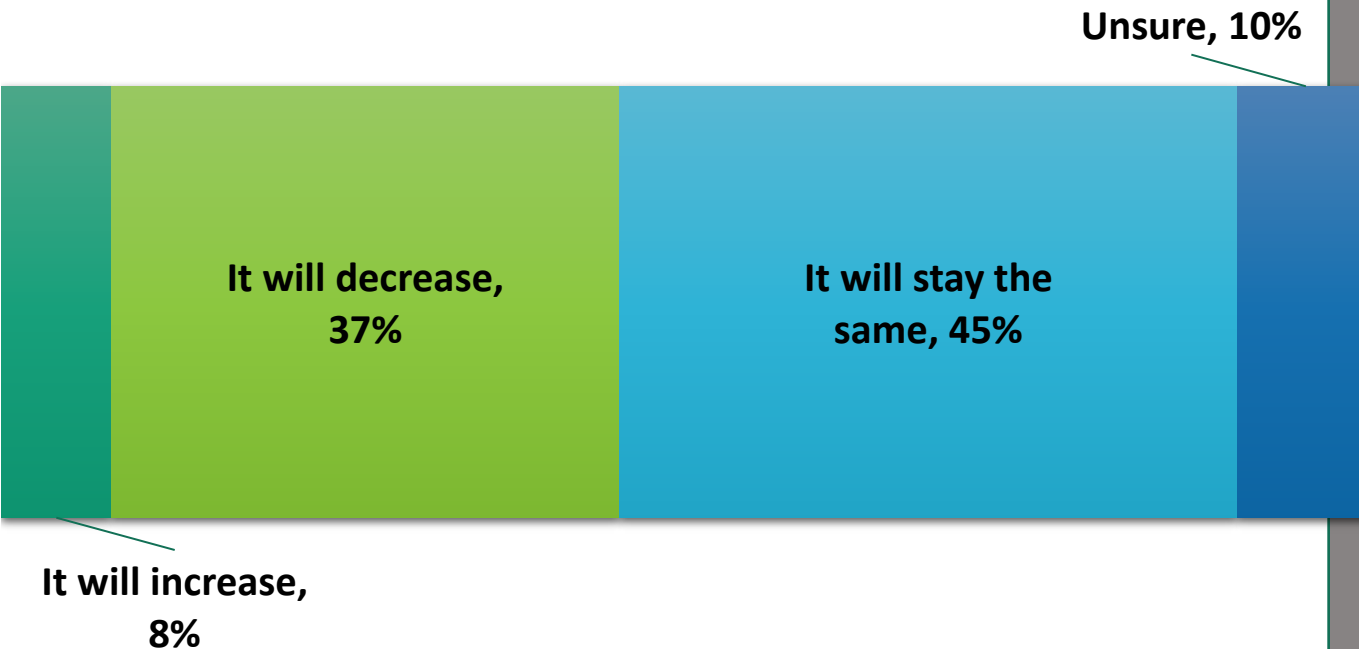
PRICING EXPECTATIONS

Q7: Thinking about the second half of 2020, what are your expectations of the average prices you charge for this period compared to the first half of 2020?



■ They will increase ■ They will decrease
■ They will stay the same ■ Unsure

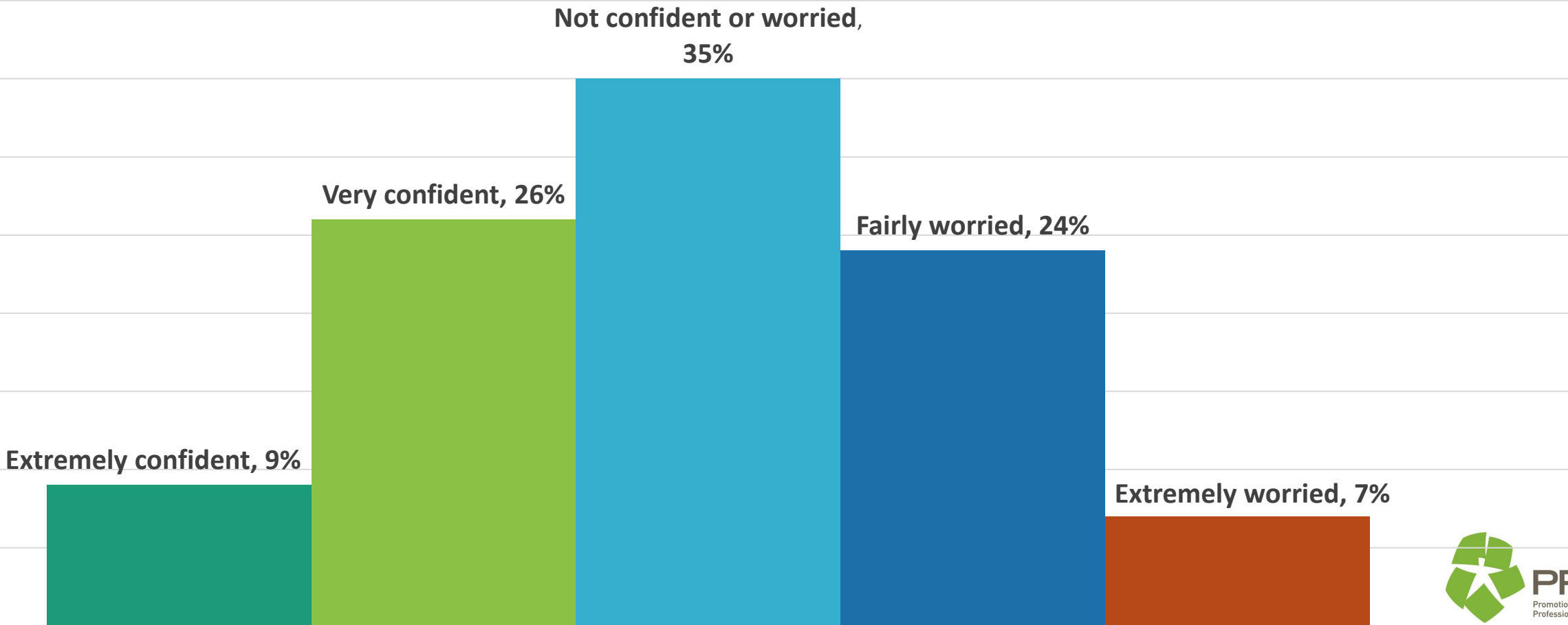
AVERAGE MARGIN EXPECTATIONS



Q8: Thinking about the second half of 2020, what are your expectations of the average margin you obtain for this period compared to the first half of 2020?

Q9: Thinking about the next 6-12 months (especially once the government stimulus packages come to an end, how confident do you feel about your business viability?

BUSINESS VIABILITY



TOPMOST EARNING INDUSTRIES

46%

Health/Medical

43%

Building & Construction

28%

Finance/Banking

Q10: Which three industries do you believe will generate the most sales for the promotional product industry over the next 6-12 months?

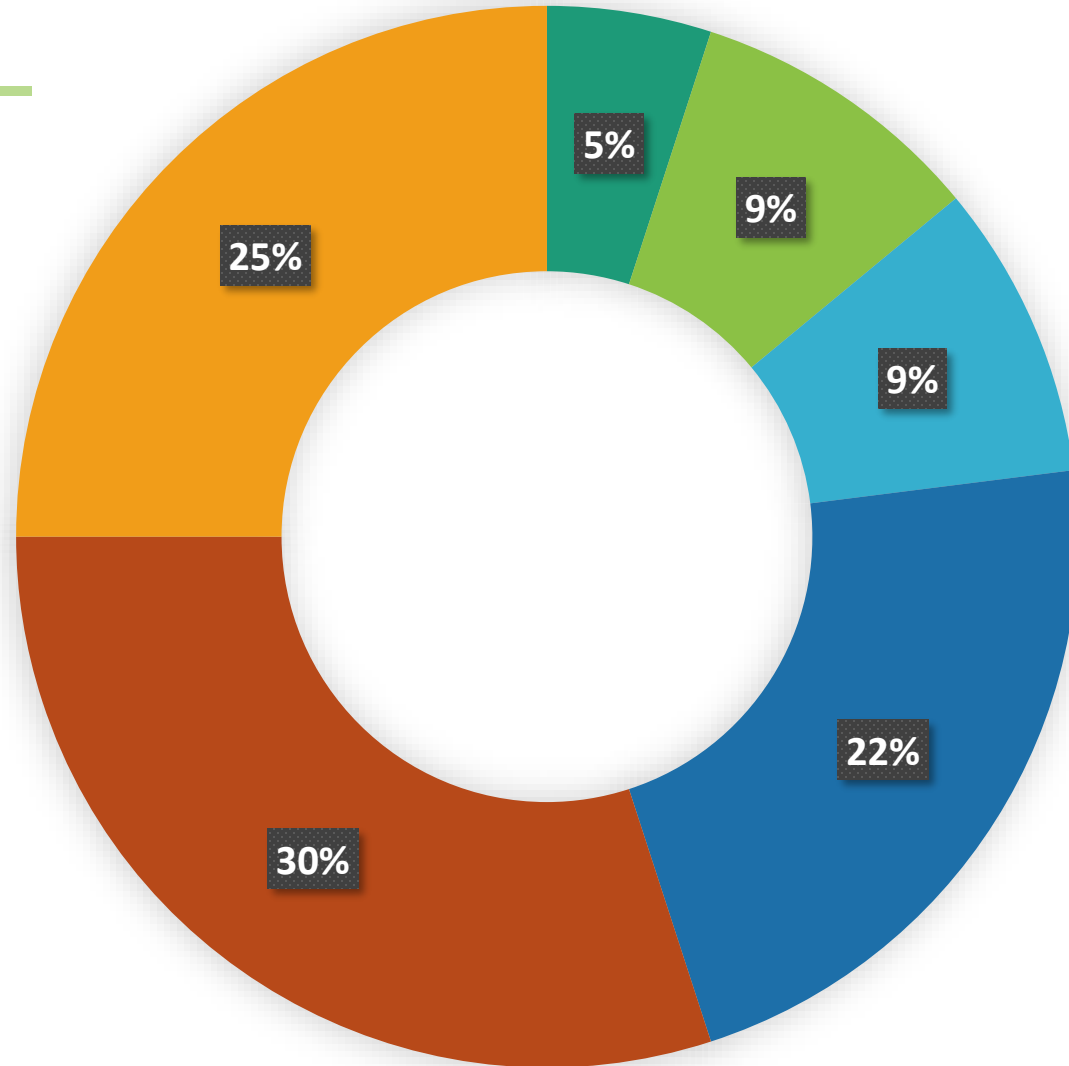
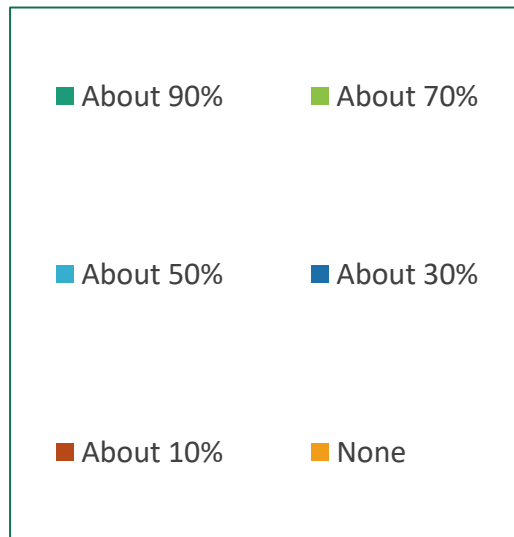
Q11: What are some of the positive outcomes likely to be for your businesses from the COVID-19 pandemic?

POSITIVE OUTCOMES DURING COVID-19



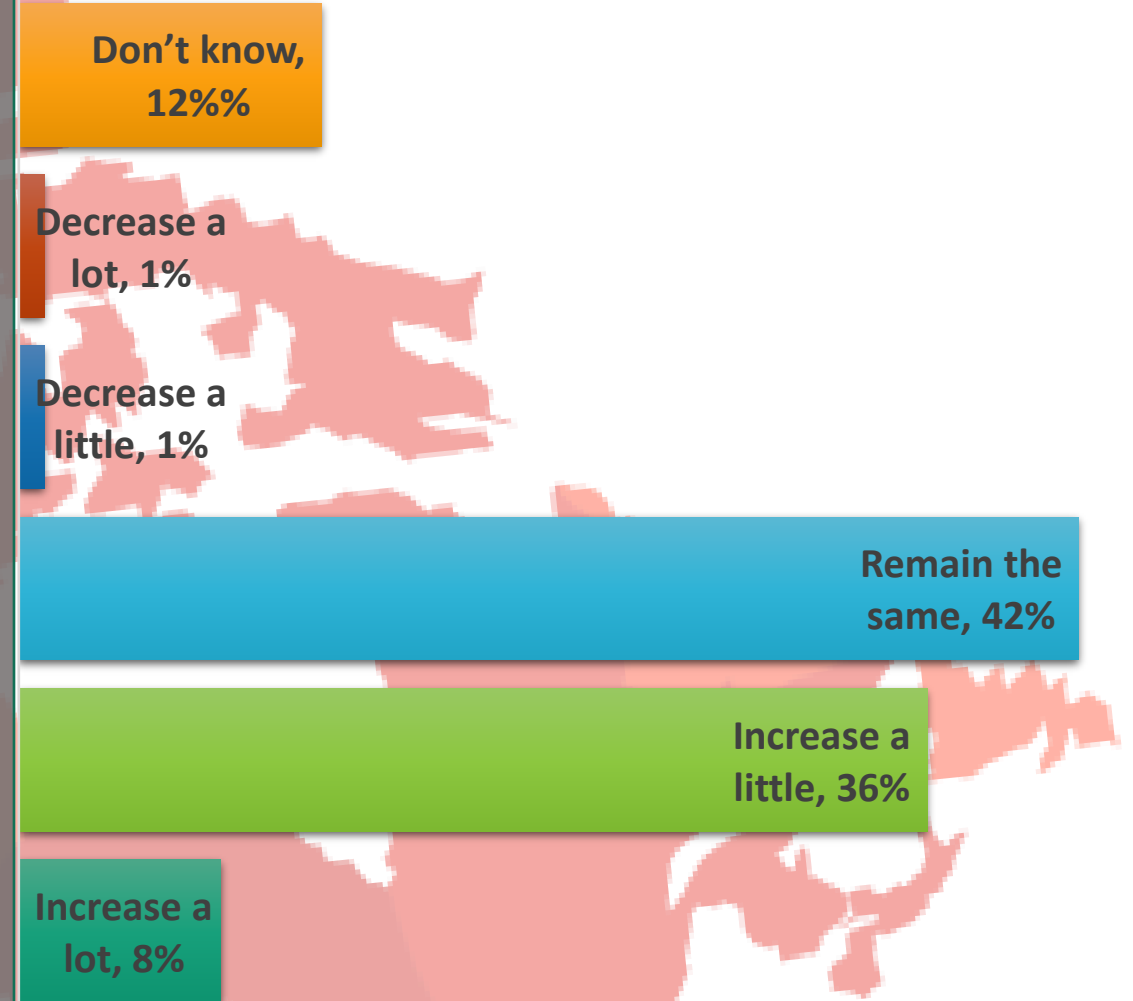
Q12: During the past three months, what percentage of your sales have shifted to personal protective equipment (face masks, medical gowns, face shields, etc.) and hand sanitizer?

PPE AND HAND SANITIZER SALES

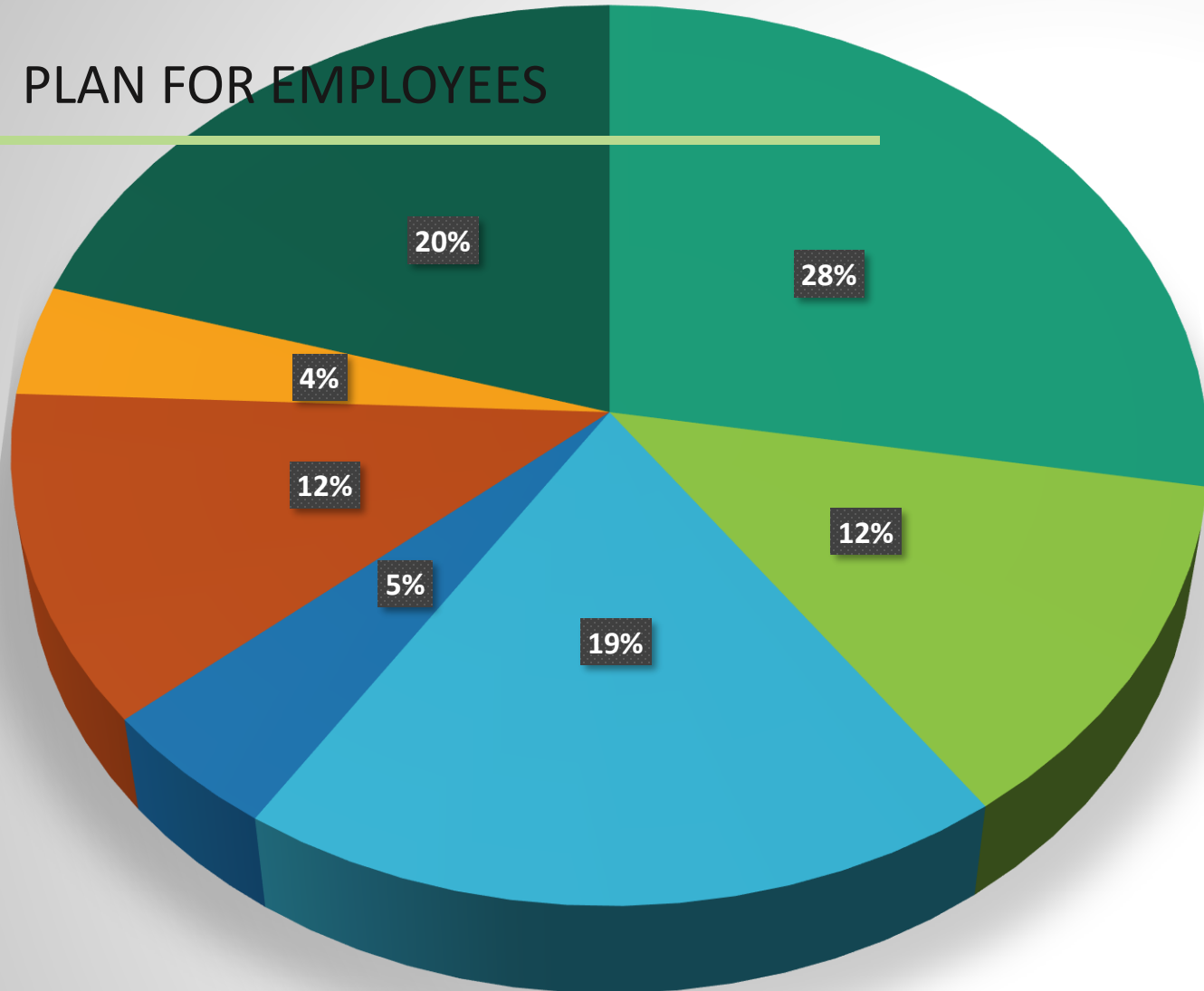


INDUSTRY TRENDS

Q13: Are you noticing a trend for clients inquiring or purchasing Canadian-made promotional products?



PLAN FOR EMPLOYEES



- Reduced work hours
- Workers asked to take leave and use their entitlements
- Permanent workers stood down temporarily
- Permanent staff made redundant
- Casual workers laid off
- Increased staff as demand on business increased

Q14: What arrangements have been made for your employees in response to the impact of COVID-19 on your business?

Q15: If your employees have been working from home, are you considering allowing them to continue on a semi-permanent basis instead of returning to the office?

WORK FROM HOME OR RETURN TO THE OFFICE?

