

Impact of COVID-19 on SMEs: A Case Study of the Pay TV Installation Sector in Johannesburg

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ABSTRACT

This paper intends to determine the impact of the COVID-19 pandemic on Small, Medium and Micro Enterprises, generally referred to as SMEs. The case study is on the Pay TV installation sector in Johannesburg, a city in South Africa. The article further ascertains if Pay TV installers were able to cope with the pandemic due to limited operational and financial resources as a result of the pandemic. The use of qualitative research is deemed suitable for this study to determine the opinions, thoughts, and feelings of SMEs in the Pay TV installation sector in Johannesburg whose operations were affected by the COVID-19 pandemic. The population of Pay TV installers is estimated to be 117. Since this number is quite large and would serve impractical to base the research on the entire population, an approach of sampling Pay TV installation SMEs in the Johannesburg area was adopted. The authors sampled 11 Pay TV installers as participants, which they considered enough to achieve data saturation and article objectives. Amongst others, the article findings indicate that the constrained movement of people limited word-of-mouth advertising. Some participants got infected with COVID-19 and other participants had employees that were infected. Furthermore, poor administration of government financial assistance applications caused additional strain on Pay TV installation businesses. The overall impact of this was limited business continuity.

1. Introduction

According to Engidaw (2022), the coronavirus pandemic, which will hereinafter be referred to as COVID-19, has caused immense distraction to social and economic systems around the world. The World Health Organisation's sentiments were in synch with this author, stating that the COVID-19 pandemic has caused mass trauma than World War II (Feuer, 2021). Engidaw (2022) posited that small businesses are a pillar of any country's economy and with the negative impact of COVID-19, their protection and support has become more imperative than ever. Du et al. (2022) argued that SMEs have few financial resources, limited research and development

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initiatives, and fewer uses of advanced manufacturing technologies. As a result, sustainable performance practices are hardly possible in SMEs (Du et al., 2022). Amongst other impacts of COVID-19, which the researcher will examine in this study, SMEs could face challenges in terms of coping with the pandemic due to the limited operational and financial resources available, posit Hossain et al. (2022).

Berrios and Pilgrim (2013) stated that SMEs play a pivotal role in job creation and poverty alleviation. Razak (2012) agreed with this sentiment, adding that SMEs are a major source of employment, poverty alleviation, revenue generation, innovation, and technological advancement. According to Kalidas et al. (2020) of Mckinsey & Company, South African SMEs employ between 50% and 60% of the country's workforce, which in turn, could lead to poverty reduction. The World Bank (2021) also supported these arguments, positing that SMEs play a major role in most economies, especially in developing countries. The World Bank (2021) estimated that 600 million jobs would be needed by 2030 to absorb the growing global workforce, which makes SME development a high priority amongst many governments around the globe.

PricewaterhouseCoopers (PwC) (2022) reported in their June 2022 South African Economic Outlook report that South Africa lost two million jobs from 2019 to 2021 due to the adverse impact of, among others, COVID-19 lockdown, and a myriad of other factors. The country lost a net 479 000 jobs in 2021 as lockdown and factors forced companies to cut jobs (PwC, 2022). Furthermore, PwC (2022) estimated that unemployment rate would increase to 36% by the end of 2023.

This could be a further strain on Pay TV installers as unemployment negatively affects disposable income of individuals, which could curtail luxurious expenditure like Pay TV.

In a study by Fin Find (2020), the findings revealed that COVID-19 impacted many organisations, but the severity was a lot higher for SMEs.

The study findings indicated that the surveyed SMEs closed due to lack of cash resources necessary to support their operations during COVID-19. According to the study findings, 42.6% of SMEs had applied for the COVID-19 relief funding but 99.9% of these applications were rejected. SMEs also applied for COVID-19 relief funding from commercial banks with limited success. Fin Find (2020) stated that some of the reasons given by the banks for rejecting the applications included poor credit rating, lack of supporting financial documents needed by the banks to process and approve the applications, too much credit exposure, no tax clearance certificates, or the SME did not have the required surety. Furthermore, as can be seen in Figure 1, Finfind (2020) found that SME employees suffered job losses in the first 5 months of the COVID-19 national lockdown.

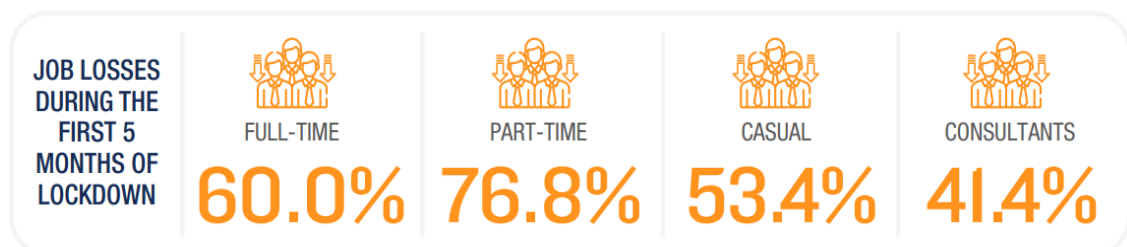


Figure 1: SMEs job losses in first 5 months of lockdown

Source: Finfind, 2020, p.4

With this research paper, the authors will examine the impact of COVID-19 on SMEs, using the Pay TV installation sector in Johannesburg as a case study. The authors will assess the

impact of the pandemic through interviewing the sampled study participants. The authors will then draw conclusions regarding the extent of the impact of COVID-19 on Pay TV installers, inferring these results on SMEs. This article will also contain research recommendations, based on key issues that were identified during the data collection of the study.

2. Research Methodology

According to Williams (2007), there are three main research approaches, namely quantitative, qualitative and mixed methods, which is where researchers use both quantitative and qualitative research for research questions that require both numerical and textual data. The quantitative method, which has its origin based in the scientific method, relies on statistical procedures for data analysis (Gunell, 2016). Quantitative research involves the process of objectively collecting and analysing numerical data to describe, predict, or control variables of interest. The goals of quantitative research are to test causal relationships between variables, make predictions, and generalise results to wider populations (McLeod, 2019). For this study, the authors used a qualitative research approach. A qualitative data is a process of generating non-numerical data with an intention of understanding people's beliefs, experiences, attitudes, behaviour, and interactions (Babu et al., 2013). A qualitative research approach seeks to interpret meaning from the data collected to understand the opinions of the targeted population about a specific phenomenon (Crossman, 2020).

Rehman and Alharth (2016) state that there are three main research paradigms that exist, and these are interpretivism, positivistic and critical theory. The two research paradigms that are commonly used are interpretivism paradigm, where researchers employ methods that generate qualitative data; and a positivistic paradigm, which often generates numerical data (Rehman & Alharth, 2016). For this study, the researchers have adopted the interpretivism research paradigm to understand the opinions, thoughts, and feelings of SME owners in the Pay TV sector in the Johannesburg area, on the impact of COVID-19.

The authors have used case study as the research design. Case study research is a qualitative approach in which the investigators explore a bounded system (a case) or multiple bounded systems (cases) over time through detailed, in-depth data collection involving multiple sources of information (e.g., observations, interviews, audio-visual material, documents, and reports) (Harrison et. al, 2017). Heale and Twycross (2018) are in synch with Harrison et. al (2017), positing that a case study is a study of a person, a group of people or an organisation, with the intention of extrapolating or generalising the study findings to a broader group.

Shukla (2020) describes a population as consisting of all the elements on which the findings of research can be applied. Casteel and Bridier (2021) further expand that the population of attention for research encompasses of the individuals, dyads, groups, institutions, or other entities one pursues to understand and to whom or to which the research results may be inferred or transferred and is the principal group about which the research is concerned. Bhandari (2020) defines the research population as an entire group that a researcher wants to make inferences about. Canonizado (2021) states that total population sampling is a type of goal-directed sampling method that entails examining the full population that have a certain set of commonalities. For the purposes of this study, the researchers could not use the entire population of over 117 installers since this number was quite large and would serve impractical to base the research on the entire population. As a result, an approach of sampling Pay TV installation SMEs in the Johannesburg area was adopted.

Edgar and Manz (2017) describe convenience sampling as a method where items are sampled because they are in a specific convenient. Semasinghe (2019) states that snowball sampling is when one or few sampled members of the population refer researchers to other potential

participants with similar traits of what the researchers are investigating. For the purposes of this study, the researchers used convenience and snowball sampling techniques.

According to Saunders et al. (2012), the number of participants for a qualitative study must be at least 5 and must not be more than 25. On the other hand, Dworkin (2012) suggests a range of 5 to 50 participants for qualitative research. The researchers sampled 11 participants for the population, which they considered sufficient as this sample was within the range recommended by the two studies in this paragraph.

Peters and Halcomb (2015) state that interviews are a commonly used instrument of data collection, and they are frequently used alone in a qualitative study. The researchers conducted interviews with the sampled participants.

According to Kiger and Varpio (2020), thematic analysis (TA) is the most used form of analysing data in qualitative research. This is a method where the responses of the participants are examined to identify, analyse, and report repeated patterns or themes through coding. According to Andrasik et al. (2014), coding is an act of linking themes or codes with data passages. Medelyan (2019) also supports this definition, stating that coding involves labelling and organising of qualitative data to identify different themes and relationships between the themes. To deduce themes from the interviews of the 11 participants, the researchers listened to the interviews and grouped the data into categories and coded that data. During the coding process, the researchers then constructed themes through labelling these themes into words and phrases for ease of analysis. This entailed the researchers using the recorded audio interviews to identify codes and themes, label and organise those codes and themes to understand the relationships between them.

3. Analysis of Findings

This section reports the empirical results obtained from the open-ended interviews conducted with 11 Pay TV installation business owners. The researchers aim at identifying what the impact of COVID-19 was on SMEs, by making inferences from Pay TV installation business owners that were case-studied. This section further aims to ascertain the extent into which COVID-19 related sicknesses affected Pay TV installation businesses, how the lockdown restrictions limited these businesses from continuing with their operations as per normal and if the government coronavirus alleviation funds for small businesses assisted the Pay TV installation sector.

3.1. Loss of Income Due to the Pandemic

Many people and organisations lost their income during the COVID-19 pandemic due to a financial set-back created by the COVID-19 pandemic (Vieira et. al, 2021). According to a report by PwC (2022), the country lost a net 479,000 jobs in 2021 as lockdown and other factors forced companies to cut jobs. The report further estimated that unemployment rate would increase to 36% by the end of 2023. The Pay TV sector also directly experienced the effects of unemployment that resulted from the COVID-19 pandemic (Viljoen-Stroebe, 2023), as discussed in subsections 3.1.1 and 3.1.2, below.

3.1.1 Retrenchment by Pay TV Installation Businesses

All the interviewed participants indicated that their businesses were doing relatively well before the COVID-19 pandemic, compared to when the pandemic started affecting South Africa. Fairlie (2020) concurred with these findings, stating that the drop in active business

owners was the largest on record, and losses to business activity were felt across nearly all industries.

About 27.3% of the participants of this study gave an indication that when they approached potential clients a few months after the pandemic, the potential clients were not able to accept installation offers from the installation service providers. According to the participants, most of those potential clients indicated that they did not have funds to finance the installation due to loss of jobs or their businesses were not doing well, for self-employed potential clients. This led to these participants retrenching some of their staff members as they could no longer afford to keep them in the payroll.

One of the interviewed participants (9.1%), with a total of 12 employees in the Pay TV installation division, mentioned that they had to retrench about 50% of their Pay TV installation technicians and support staff due to lack of financial means to compensate the employees. The participant further stated that before resorting to retrenchment, they tried to move the employees to other areas of the business like the school transport and carwash divisions that the participant owns.

However, moving these employees to other areas of the business did not prove successful as schools were mostly closed during the pandemic and most people lost their jobs or were working from home, resulting to limited or no need to wash cars. The participant was left with no choice but with a decision they referred to as hard and heartbreaking, which was to retrench the employees. Mokofe et. al (2022) stated that some employers had no choice but to downscale its workforce based on economic reasons caused by COVID-19.

3.1.2 Repossession of Assets from Pay TV Installers

The effect of unemployment that most South Africans experienced during the pandemic filtered down to Pay TV installers. Pay TV installation service providers earn revenue from providing installation services to homes with individuals that want to subscribe to Pay TV streaming services. One participant indicated that during the pandemic they lost revenue, and this led to them losing the van they bought for installation services, as they could no longer afford to pay the instalments to the bank that financed the purchase of the van. The participant stated that not having a reliable form of transportation put a further strain on their business as it became difficult for them to attend to customer installation requests.

Madubela (2021) posited that South African car owners faced the negative impact of the pandemic, with many, defaulting on their vehicle loan repayments.

3.2. Government Financial Assistance

As the COVID-19 impact became severe on the livelihoods of individuals and on the survival of businesses, especially SMEs, the government implemented different business relief funds that would ensure that affected SMEs could survive through cash injections from these funding initiatives. These relief funds included existing loan repayment holidays, and potentially writing off these loans through government funding (Parliamentary Monitoring Group, 2021). They also included new loans at interest rates considerably below prime with soft repayment terms (Organisation for Economic Co-operation and Development, 2022).

During the data collection phase through interviews, the researchers observed that the study participants had different experiences regarding the COVID-19 relief funds for small businesses, as discussed in the subsections below.

3.2.1 General lack of Information about the Government Financial Assistance

Of the sampled participants, 45.5% indicated that they did not have much information regarding the government financial assistance for SMEs. The details of how they lacked information on the government financial assistance is discussed below:

- Two of these participants mentioned that the information regarding the government relief funds for SMEs was not widely distributed for all affected SMEs to know. The participants further mentioned that no one explained the process in terms of the documentation that was needed and the criteria that they had to meet for their application for the funding to be successful.
- Another participant indicated that they were under the impression that these were high interest-bearing loans to be provided by the government and the SMEs would need to repay the loans back to the government with no option to appeal for write-offs of the amounts owed.
- “I heard about these government alleviation funds in passing. I did not pay much attention to this because I thought that by small businesses, they meant spaza shops. It was a pure misunderstanding from my side”, one participant responded.
- One last participant mentioned that they did not apply after hearing that other SMEs, especially the Pay TV installers, had applied for this funding but did not get approved. The participant further stated that they thought the application would be a waste of time as it posed a risk of them losing possible business while they would be up and down sorting out an application process that could potentially not get approved.

3.2.2 Application Done But no Feedback

About 18.2% of the participants stated that they applied for the funding, but their applications were not successful, and there was no communication regarding the rejection of their applications.

One of these participants mentioned that they experienced a perfect customer service at the government institution they applied at in the Johannesburg City Centre. They still did not understand how there was no courtesy communication advising them of what additional documentation was needed or communication of the reasons for the rejection of their application.

According to Finfind (2020), more than 60% of SMEs who applied for government funding did not receive a response to their applications.

3.2.3 Fraud and Inefficiency in the Application Process

One participant applied for the relief funding and was promised that their business would receive R 70 000 towards financing business operations, but those funds never got allocated to their business. The participant enquired with the government institution they applied with, and the feedback was that there was fraud that took place in the institution. This resulted to the institution putting the application monitoring process on hold while they were busy investigating the fraud. According to the participant, up to the day of the interview with the participant, there was still no feedback on the outcome of their application or at least the outcome of the fraud investigation. This participant had also applied for a R15 000 financial assistance from the National Youth Development Agency (NYDA) but there was no progress communication on this application.

A report released by the Auditor General of South Africa revealed that about 30 000 COVID-19 relief grants were flagged for fraud (Maseko, 2020).

3.2.4 Did Not Apply Due to Illegal Immigration

Being an illegal immigrant affected one of the participants. The participant mentioned that they could not apply for the funding as they did not meet the basic requirements of being a South African citizen. This participant was not a citizen of the country and was also in the country illegally.

Reporting findings in a journal by Fubah and Moos (2022) stated that most illegal immigrants resort to illegal entrepreneurship for survival due to lack of proper immigration documentation and high unemployment rate in South Africa.

3.2.5 Government Financial Assistance Application Approved

There was only one participant that indicated that their government financial assistance application was approved. This participant indicated that they used these funds to finance their operations, which included paying salaries of their remaining staff numbers.

According to Molafo (2020) of the Parliament of the Republic of South Africa, the Rupert family, being the wealthiest family in Africa (Thorne, 2024) and its business, Remgro Limited, established the Sukuma Fund, which offered non-repayable survival grants of R25 000 to small businesses, as well as soft loan to qualifying small and medium enterprises. By the 17th of August 2020, this fund had allocated 3 432 survival grants to sole proprietors and approved 1 224 soft loans.

3.3. Limited Movement of People

All the study participants mentioned that the limited movement of people arising from the lockdown restrictions was a detriment to the success of their businesses as the nature of services they provide required them to move around to different households to provide these installation services. One participant mentioned that potential clients used to come in numbers before the pandemic.

When different levels of lockdown restrictions were implemented, with level 5 being the strictest, the president announced that no movement of people would be allowed (Omonona et al., 2021).

3.3.1 Impact on Word-of-mouth Advertising and Other Advertising Methods

Word-of-mouth advertising was a common form of promoting installation services for 54.5% of the participants before any lockdown restrictions were applied due to the pandemic. One participant mentioned that before COVID-19 lockdown restrictions, they used to go to nearby shopping malls to hand out flyers and business cards, promoting their installation services. Another one stated that they used to go all around the streets of the township to hand out business cards but that came to an end when the president announced the implementation of lockdown restrictions. Results in a journal by Byun et. al (2023) revealed that the influence of word-of-mouth on buying decisions decreased after COVID-19, while the influence of social media advertising increased.

Doing an excellent job and providing good quality installation services and being open for post-installation follow-up queries was indicated as an advantageous strategy by 27.3% of the participants. One of these participants felt that the scarcity of installation requests during the lockdown restrictions limited opportunities of their services being referred, as happy clients

would refer the participant's services to other potential clients. They further stated that they would appreciate even one installation request call per week, as they were no longer getting calls due to no more referrals, being a long-term effect of the COVID-19 pandemic. According to Amaresan (2018), it is hard to put a price on a great service, and an extraordinary number of customers are willing to pay a premium to experience it. An article by Perez (2019) supported the assertions made by Amaresan (2018) on the importance of customer service, stating that providing customers with an excellent customer support is as important as developing and selling goods and services.

Even though they confirmed that their business was completely shut down at the early stages of the lockdown restrictions, one participant indicated that their promotion strategies worked, after the president allowed installers to continue providing installation services, identifying these services as essential. This participant stated that word-of-mouth advertising worked well for them, as they would ask supermarkets like Pep Stores to refer customers buying Pay TV installation kits, to the participant for installation. The participant mentioned that they still got referral jobs through clients that they had previously installed for. Another strategy that worked for this participant's business was their branded vehicles they would ensure they drove when going out for installations, even though they believed this strategy did not attract many clients.

3.3.2 Oversupply of Installation Services Due to Limited Movement by Installers

One participant mentioned, "there were too many, and there are still too many installation service providers in the area". This limited business opportunities for the installer, as they would stand a good chance of being approached by potential clients had the supply of installation services been far less than the demand.

According to Cook (2023), the bargaining power of suppliers is low when there are too many suppliers in the market, and this could limit business opportunities.

3.4. Impact of COVID-19 Infections

COVID-19 was shown to be the source of a respiratory illness outbreak (Omonona et al., 2021) that affected the livelihoods of many people. People infected with COVID-19 could face a situation where they were not able to function properly throughout their daily lives, including in the workplace or in their businesses, for self-employed individuals.

It is without a doubt that the prevalence of the COVID-19 pandemic instilled fear and disruptions in livelihoods as many people lost their lives or lost their loved ones (Shang et al., 2021). The participants were also fearful of contracting the disease and they also came across clients that were as fearful.

3.4.1 Infections on Business Founders

It did not come as a shock to the researchers that some participants got infected with COVID-19, due to the nature of the services they provide. Of the sampled participants, 27.3% indicated that they got infected with COVID-19 and being infected had detrimental impact to their businesses.

- One installer indicated that they could not source installation jobs when they got infected, and their business lost revenue as they were the only employee with the installation know-how in the company.
- Another installer, who is the founder of the business, mentioned that they got infected and could not work for three weeks while another installer stated that they got

infected but there was no impact on business when they got sick. Business continued as usual because they had upskilled other employees in their business.

3.4.2 Installers Being Fearful of Contracting COVID-19

Of the 11 participants, it was 9.1% that indicated that they feared COVID-19 infections, to the extent that they could not even go out to nearby shopping malls to hand out their business cards. As much as other participants feared COVID-19 infections, they had to go out to market their businesses for possible installation jobs to sustain their businesses.

3.4.3 Impact of Infections on Other Staff Members

The installer who was not able to work for three weeks due to being infected (3.4.1 above) disclosed the infection to their staff members. According to the installer, staff members could not hide their fear of being infected and there was a drop in the dedication to their work, signalling a drop in staff morale.

Another participant disclosed that from when they were able to operate as essential service providers, they noticed some staff members calling in sick. This participant immediately created a WhatsApp group for all the employees. The purpose of the WhatsApp group was for staff members to advise in advance if they were feeling sick as this would improve planning for the business.

In their study, Snoubar and Zengin (2022) posited that the COVID-19 pandemic caused fear and anxiety in various fields of work.

3.4.4 Clients Being Fearful of Contracting COVID-19

A sample representation of 27.3% indicated that they experienced a situation where clients were fearful of contracting COVID-19. One of these participants mentioned that they noted that some potential clients would change their minds on installation services due to fear of being infected with COVID-19.

Another participant stated that some potential clients feared interacting with them and this affected business continuity. The participant further mentioned that these clients were very strict and did not trust the installers and would ask if the installers applied safety measures like sanitising.

One other installer mentioned that they came across clients that would need the installer to have Personal Protective Equipment (PPE). Having PPE would give security to the client that they were protected, to some degree, from being infected with COVID-19. The participant mentioned that PPE was costly, and they could not afford it as their business was not doing well, and not having PPE resulted to the participant losing more revenue from missed installation opportunities. This participant also stated that other clients would need the installers to produce vaccination certificates, highlighting how strict other clients were.

By the 15th of May 2020, South Africa was reported to have the highest number of infections in Africa, with 13 524 people infected and 247 deaths (Giandhari et. al, 2020). The number of infections and deaths is what could have led to potential clients being fearful of contracting COVID-19.

3.5. Issuance of Installation Permits

When the lockdown restrictions were implemented, people needed work permits that would allow them to go to work if they were essential workers or provided essential services, if they

were self-employed (Pretorius, 2020), and this affected this study participants too. Of the interviewed participants, 72.7% indicated that they were issued with permits by the MultiChoice Group as they were installers accredited by MultiChoice. MultiChoice is the biggest Pay TV subscription service provider in Africa, head-quartered in South Africa, with a 59% market share in South Africa and 41% in the rest of Africa (Sulaiman, 2023).

These permits allowed them to provide Pay TV installation services. About 18.2% of the sample indicated that they were issued with permits by MultiChoice, but they still struggled to score installation jobs while 9.1% indicated that the permits they got allowed them to stand by the gates of the MultiChoice Group and approach people walking out from the company's customer service centre.

3.5.1 Faults in the Issuance of Permits

A sample representation of 18.2% indicated that they were issued with permits but the mistake that the government made was making Pay TV subscription and installation services essential but did not make businesses that sell installation kits essential. Two participants in separate interviews mentioned that Ellies, a company that sells decoders and other installation equipment, was closed. One of them mentioned that the only way to secure an installation job was if they had a full installation kit they would have bought before the lockdown restrictions, and the customer would buy the kit from the installer.

Another 18.2% indicated that they could not get permits from MultiChoice. One of these participants indicated that the process to obtain the permits was too long and they were sent from pillar to post with no hope of getting the permits. Another participant mentioned that the waiting list for the permits was too long, and they ended up getting permits illegally, not through MultiChoice.

There were clearly errors and faults in the issuance of work permits for COVID-19 in South Africa, given that 14 members in the permits issuing division of the government were being investigated for how they were conducting the process (Department of Home Affairs of the Republic of South Africa, 2021).

3.5.2 Permits Limited to a Specific Number of Kilometres or Days

Having permits limited to days or kilometres was an inconvenience noted by 18.2% of the participants.

One participant noted that even though they had a permit, travelling was too restricted and was limited to not more than 25 kilometres from where the participant's business is situated. The participant further stated that they were required to seek an affidavit from the police if they were travelling for more than this limit.

The participant felt that this process was unnecessary administration that would make them lose business as a potential client would phone another available installer while the participant would be at the police station for an affidavit.

Another participant mentioned that they had to conduct business through the phone for installation services like locating signal for customers with existing installation but were experiencing post-installation issues. This participant mentioned that this was not the most efficient way of conducting business.

The South African government required businesses to re-issue work permits for essential service providers to comply with the lockdown restrictions relevant for the particular lockdown level (Giles, 2020).

4. Conclusion and Recommendations

Lack or instability of cashflows is a threat to all kinds of businesses (Ud-deen, 2020). Small businesses should manage their cashflows wisely by keeping records of cash available from various sources. Small businesses should have cashflow forecasts that detail estimated cash balances in future periods, and this should also detail projects or daily activities that this estimated available cash would be disbursed towards. This would assist small businesses to make assessments of whether they would have enough cash resources to finance future operations. If the prediction shows that there would be a shortage of funds in the future when compared to ad hoc projects and daily activities of the business, it would be up to management to come up with alternative sources of income, whether through raising loans with financial institutions; seek funds from investors for a later repayment or invite individuals who would inject funds for an exchange of owning a stake in the business. Furthermore, small businesses should make thorough assessments of future returns from any investments they are planning to undertake with the cashflows they have. For example, if a Pay TV business wants to diversify their business by adding a catering division, they need to do extensive market research. The market research should include aspects like:

- Competition in the area,
- Whether they will outsource the required skills or hire new personnel,
- Whether they will cater for all markets or specific markers like corporate events, weddings, birthday parties, etc., and
- Any other important aspects.

Undertaking market research through considering these aspects would ensure that funds are not disbursed to projects that would subsequently fail.

High value customer concentration is one of the reasons for failure of small businesses (GP Ventures, 2018). Small businesses should treat all their customers with utmost respect and importance. They should avoid diverting most of or all their attention to customers who individually contribute most revenue to the company. An example could be when a business only prioritises customer complaints from a customer who contributes 30% of revenue to the business while ignoring complaints from hundreds of customers who collectively contribute 70% of revenue to the business. While attending to one high value customer, the business could effectively lose 70% of revenue from all the individual customers who individually account for less revenue.

Longo (2019) stated that funders are most likely to approve funding requests to businesses with a formal business plan than those without. Pay TV and other small businesses should have business plans in place, and this should have the SWOT analysis (strengths, weaknesses, opportunities, and threats), products and services offered and a financial plan which details how the business plans to generate and utilise cash resources. In the strength and opportunities section of the SWOT analysis, the business plan should also allude to how the business would cope in times of crisis and if the strategies put in place would be viable to get the business through financial difficulties.

When customers are not happy, there are higher chances that they would switch their spending budget to suppliers or service providers who would understand their consumption preferences (Peterson, 2020). Small businesses should study the preferences and behaviours of their customers. Business owners should have it on high alert that customer preferences and behaviours change with times. For example, a night club business owner should take note of newly introduced alcoholic beverages or beverages that usually trend on social media. Another

failure would be when a night club business owner serves alcoholic beverages that are preferred by the older market while the club is mostly attended by university students.

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