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https://escholarship.org/uc/item/00x2q52k

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Publication Date

2022-09-29

CAL-IN-SACRAMENTO FELLOWSHIP PROGRAM, FALL 2022 DIVERSITY AND ENTREPRENEURSHIP IN CALIFORNIA

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In the spring of 2021, IGS launched a two-year Diversity and Entrepreneurship Fellowship as part of the Cal-in-Sacramento Fellowship program. Now in year two, IGS and the Matsui Center are proud to showcase students' original research on the challenges and opportunities facing women- and POC-owned small businesses and diverse entrepreneurs in California. This series includes op-eds, blog posts, policy briefs and other research products. Learn more at https://igs.berkeley.edu/matsui-center/fellowships/cal-in-sacramento.

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The Impact of COVID-19 on Small Business Owners of Hair and Nail Salons By Jose Gonzalez Ramirez

The Covid-19 pandemic was an unprecedented event for everyone across the country. From individuals to businesses, many had their lives changed in an instant, without notice. Currently, there are various reports and studies that have examined precisely how the pandemic affected individuals and businesses. Some studies have examined the impact on small business owners across California. However, there is little information on the pandemic's impact on small business owners of hair and nail salons. This report will provide insight into the challenges these small business owners in the Sacramento area faced during the pandemic.

The information presented in this report is from interviews with four small business owners of hair and nail salons in Sacramento County. All had requested not to share their name or location of business.

Impact of Lockdown Mandates

When the first lockdown mandate occurred, many business owners had no option but to shut down due to state orders. The shutdown did create initial problems since many owners depended on their business for financial stability. However, the issue continued even after the lockdown mandate was no longer enforced. Businesses, such as hair and nail salons, were permitted to continue operating if following specific guidelines. A few guidelines required that all operations be done in an outside area, sanitizing stations available, and wearing the appropriate protective gear. At first, this sounds like an excellent opportunity for these business owners to continue their operations, but that was not the case.

The business owners interviewed for this study shared that having to operate outside of their building was very challenging. First, having the necessary space outside to continue their usual services is not always ideal. For example, the sidewalk is the only space available outside one's business. The owner said he initially tried to move his setup outside, but there was no space where he could comfortably provide a service. Working in an outdoor setting was nearly impossible, with people having to use the sidewalk. Another business owner said that some of her equipment was too heavy to move and relocate outside. Additionally, the costs of sanitizing everything they used before and after a customer was not a small expense. Many did not realize how expensive it would be to purchase and restock sanitizers, gloves, masks, and other protective gear. Not only were these measures necessary to protect themselves but also to protect the customer.

Lastly, another thing to keep in mind is the weather. The business owners were allowed to continue working during the summer period. In Sacramento, the summer temperature tends to reach high levels near 90 degrees Fahrenheit. All owners agreed that working long hours outside was not ideal for them or the customers. This meant that at times, without being able to work indoors, they would have days where minimal customers would seek their services.

Personal Issues from the Pandemic

Issues small business owners faced due to the pandemic affected not only their business but also their personal lives – an aspect that is not always noted in other reports or studies but is equally important to understand.

One owner discussed how, during the lockdown period, her son was advancing from middle school to high school. Trying to provide the best educational outcome for her son, she hoped to enroll him in a private school before the pandemic. However, she could not do so with the lockdown and loss of income due to the pandemic. She was particularly devastated since she viewed pursuing education as the most vital factor in having a more successful life. As a single mother, she wanted more for her only child and could not do anything. The pandemic had taken away her ability to grant a more significant opportunity to her family.

Similarly, another business owner shared how being unable to continue her business for months created issues with her family back in Vietnam. She began her nail salon business almost two decades ago after living in California for many years. With most of her family still living in Vietnam, her primary purpose in creating and owning a nail salon is to support herself and her family in Vietnam financially. During the start of the Stay-at-Home order issued by California's Governor, Gavin Newsom, she realized that perhaps she would face some financial issues but never realized to what extent. The business closed for many months, leaving her without any income. She shared how many of her family members were much older and depended on her contribution to pay necessary expenses. She felt ashamed and sad that there was nothing more she could do, but she knew that it was not her fault.

The pandemic affected many small business owners across the state. The level of severity that each different business or occupational sector faced during the pandemic has varied. Focusing this report on hair and nail salon owners is one way to add to the conversation and to focus on a topic not considered often.