



## Coupa Business Spend Index Illustrates the Degree to Which U.S. Businesses Continue to be Cautious about the Economy

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**Report finds that business spend sentiment remains below trend as companies take a wait-and-see approach**

SAN MATEO, Calif., March 17, 2020 /PRNewswire/ -- Today, Coupa Software (NASDAQ: COUP) announced the findings of the Q1 2020 Coupa Business Spend Index (BSI). The report revealed that business spend sentiment remains below the trend line as U.S. businesses continue to be cautious about the economy.



Leveraging billions of dollars of aggregated and anonymized business spend decisions, the Coupa BSI serves as an early indicator of economic health, giving businesses insight into where the economy is going over the next three-to-six months.

### **Coupa BSI Findings**

The Q1 2020 Coupa BSI shows that the U.S. economy will likely continue to operate below trend, consistent with the previous three quarters, and business spend sentiment across many industries including financial services, health and life sciences, manufacturing, and retail declined compared to the previous quarter.

"The Q1 2020 Coupa BSI clearly illustrates the degree to which economic, health, and political implications continue to weigh on businesses as they evaluate their corporate spending over the next three-to-six months," said **Rob Bernshteyn, chairman and chief executive officer at Coupa**. "Not surprisingly, we also started to see distinct purchasing patterns emerge at a category level - in areas such as business travel and protective equipment - that are indicative of the potential impact the Coronavirus will have on the economy."

### **Coronavirus' Impact on Business Spend**

In addition to analyzing business spend sentiment across industries, Coupa looked at real-time purchasing patterns of select categories of goods and services to evaluate how business spending trends compared with consumer purchasing behaviors during the same time period.

Based on aggregated and anonymized transactions from the Coupa BSM Platform, the data showed that during the month of February 2020, trends in business spending mirrored those in consumer spending:

- Businesses spent almost 33 percent more on office sanitizing supplies than during the same month last year.
- Similarly, businesses spent over 75 percent more on personal protective equipment, such as masks and gloves, year over year.
- In addition, business spend on travel and lodging decreased by 46 percent while durable goods (vehicles, appliances, electrical and lab equipment) decreased by 21 percent.
- Finally, property, building, and engineering services decreased by 62 percent and transportation, logistics, and fuel spending decreased by 58 percent year over year.

To continue to show how industries are being impacted in real time, Coupa is monitoring the effects of the Coronavirus outbreak on businesses with monthly updates on [our blog](#) until further notice.

To view the Q1 2020 Coupa BSI, visit [www.spendindex.com](http://www.spendindex.com).

### **The Coupa BSI Methodology**

The Coupa BSI is an early indicator of potential economic growth based on current business spending decisions of hundreds of U.S. companies. It analyzes billions of dollars of anonymized transactions from the Coupa BSM Platform, which has cumulatively processed nearly \$1.7 trillion of spend transactions, to measure confidence around U.S. economic growth at an aggregate level, as well as an industry level within financial services, health and life sciences, high tech, manufacturing, and retail. The index is based on three key spend factors at a business: (1) spend volume, (2) average time to approve spend decisions, and (3) average rate of spend approval/rejection. The Coupa BSI is normalized to a baseline value of 100, which represents the composite value of the three components in the reference period (July 2016).

### **About Coupa Software**

Coupa Software is a leading provider of BSM solutions. We offer a comprehensive, cloud-based BSM platform that has connected hundreds of organizations with more than five million suppliers globally. Our platform provides greater visibility into and control over how companies spend money. Using our platform, businesses are able to achieve real, measurable value and savings that drive their profitability. Learn more at [www.coupa.com](http://www.coupa.com). Read more on the Coupa Blog or follow @Coupa on Twitter.

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