# Table of contents

1. Key highlights  
2. Methodology  
3. Detailed results  
4. Respondent profile
Key highlights
Key highlights

Growth is **IMPORTANT** to almost all SMEs

- **74%** of respondents find it **very important** to grow their business
  - More likely to find growth **very important**: Owners of younger SMEs, People in Atlantic and Ontario, Those who belong to a diversity group, Women

**SME owners believe that growth is **LINKED** to success**

- **95%** of respondents believe that growth and success are interconnected
  - About two thirds of respondents think that these two concepts are “closely related”

**18%** of business owners reported **no revenue growth** in the last year

- Businesses that **did not grow** in the last 12 months are more likely to be **small** (lowest revenue and smallest number of employees)
- Those who own a business with no growth are more likely to say that it is “very important” for them to **grow their business**
Key highlights

Respondents were asked to assess their growth mindset and their business’s growth potential on a scale from 0 to 10, based on ten statements, and grouped into six characteristics. Characteristics’ scores were then summed up to obtain a total score out of 60 points.

Business owner growth mindset

Average scores

- Tenacious: 8.9
- Innovative: 8.6
- Visionary: 8.5
- Adaptable: 8.3
- Risk-taker: 8.3
- Strong networker: 7.2

50 out of 60
VERY HIGH

More likely to get a very high score:
- $10M+ annual revenues

Business growth potential

Average scores

- Product-market fit: 8.9
- Team: 8.1
- Competitive advantage: 7.5
- Market size potential: 7.2
- Scalability: 7.1
- Financials: 6.9

46 out of 60
HIGH

More likely to get a very high score:
- $10M+ annual revenues
- Owners of younger businesses
- Businesses with 50-99 employees
Methodology
Methodology

Survey methodology
- Online survey

Respondent profile
- Business owners from the BDC ViewPoints online panel

Survey dates
March 7th to 17th, 2023

Margin of error
- For a probabilistic sample of 697 respondents, the maximum margin of error is ± 3.7 percentage points, 19 times out of 20. However, as this survey is based on a non-probabilistic sample, this information is provided for reference only.

Data processing and analysis
- Were performed by the BDC Research and Market Intelligence team.

Weighting factors
- Results were weighted by region and number of employees to be representative of the Canadian SME population.
3 Detailed results
Importance of business growth

S3Q1. How important is it for you to **grow your business**?

<table>
<thead>
<tr>
<th>Importance of Business Growth</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very important</td>
<td>74%</td>
</tr>
<tr>
<td>Somewhat important</td>
<td>21%</td>
</tr>
<tr>
<td>Not very important</td>
<td>4%</td>
</tr>
<tr>
<td>Not at all important</td>
<td>0%</td>
</tr>
</tbody>
</table>

**Important (96%)**

**Not important (4%)**

More likely to say it is...

**VERY IMPORTANT**
- Young businesses (<5 years) (91%)
- SMEs in Atlantic (89%) and Ontario (81%)
- Non profitable SMEs (88%)
- Members of a visible minority group (87%)
- Those in manufacturing (85%) or retail (86%)
- Women-owned businesses (84%)
- Younger entrepreneurs (<45) (84%)

**NOT IMPORTANT (TOTAL)**
- SMEs in business for 25+ years (8%)
- 1 to 4 employees (7%)
- Older entrepreneurs (45+) (5%)

Base: All respondents (n=696). Those who were not sure were excluded from the calculation base.
S3Q2. To what extent do you think *your company's success is linked to its growth*? Success and growth are…

- Closely related: 62%
- Somewhat related: 33%
- Not at all related: 5%

More likely to say they are…
- CLOSELY RELATED
  - Members of a visible minority group (80%)
  - SMEs with a very high growth potential score (50+) (71%)
  - SMEs in Atlantic (78%) and Ontario (68%)
  - Those is business for <10 years (74-77%)
  - Non profitable SMEs (74%)
  - English-speakers (65%)

Base: All respondents (n=694). Those who were not sure were excluded from the calculation base.
Annual growth in the last 12 months

S3Q3b. What was your business’s **annual sales or revenue growth** over the last 12 months?

<table>
<thead>
<tr>
<th>Growth Rate</th>
<th>Grew</th>
<th>Did not grow</th>
</tr>
</thead>
<tbody>
<tr>
<td>0%</td>
<td>7%</td>
<td>11%</td>
</tr>
<tr>
<td>Negative</td>
<td>11%</td>
<td></td>
</tr>
<tr>
<td>0.1% to 4.9%</td>
<td></td>
<td>23%</td>
</tr>
<tr>
<td>5% to 9.9%</td>
<td>18%</td>
<td></td>
</tr>
<tr>
<td>10% to 14.9%</td>
<td>11%</td>
<td></td>
</tr>
<tr>
<td>15% to 19.9%</td>
<td>9%</td>
<td></td>
</tr>
<tr>
<td>20% or more</td>
<td>22%</td>
<td></td>
</tr>
</tbody>
</table>

More likely to say they…

**GREW**
- Businesses with 100+ employees (98%)
- Profitable SMEs (92%)
- Those with revenues of $10M or more (92%)

**DID NOT GROW**
- Businesses with 1 to 4 employees (21%)
- SMEs with revenues under $2M (20%)

Base: All respondents (n=690). Those whose company has been in business for less than a year were excluded from the calculation base.
### Growth mindset (statements’ average scores)

S3Q3. The following statements assess your **mindset** as an entrepreneur. To what extent do you **agree** with each of the following statements?

**Average score out of 10 by statement**

<table>
<thead>
<tr>
<th>Statement</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>I am willing to work hard and make sacrifices to achieve my business goals</td>
<td>9.1</td>
</tr>
<tr>
<td>I am willing to put my own money and reputation on the line to pursue my vision</td>
<td>8.8</td>
</tr>
<tr>
<td>I learn from my mistakes and adjust my business strategy to stay competitive</td>
<td>8.7</td>
</tr>
<tr>
<td>I can overcome setbacks and obstacles, and I am not easily deterred</td>
<td>8.7</td>
</tr>
<tr>
<td>I have a strong sense of purpose and a deep understanding of the problem I am trying to solve with my business’s product or service</td>
<td>8.6</td>
</tr>
<tr>
<td>I regularly come up with new ideas and solutions to problems, and am I not afraid to challenge conventional wisdom</td>
<td>8.6</td>
</tr>
<tr>
<td>I have a clear vision for my business, and I can articulate that vision to other in a compelling way</td>
<td>8.3</td>
</tr>
<tr>
<td>I can adapt to changing market conditions and pivot my business when necessary</td>
<td>7.9</td>
</tr>
<tr>
<td>I can assess risks and make informed decisions for my business based on data and market research</td>
<td>7.8</td>
</tr>
<tr>
<td>I have a strong network of contacts and supporters and know how to leverage those relationships to achieve my business goals</td>
<td>7.2</td>
</tr>
</tbody>
</table>

**Base:** All respondents (n=697).

Visionary
Tenacious
Risk-taker
Adaptable
Innovative
Strong networker
S3Q3. The following statements assess your mindset as an entrepreneur. To what extent do you agree with each of the following statements?

**Average score out of 10 by characteristic**

- **Tenacious**: 8.9
- **Innovative**: 8.6
- **Visionary**: 8.5
- **Adaptable**: 8.3
- **Risk-taker**: 8.3
- **Strong networker**: 7.2

Base: All respondents (n=697). The averages per characteristic were obtained by averaging the scores given to the statements associated to the characteristic.
Growth mindset score

S3Q3. The following statements assess your mindset as an entrepreneur. To what extent do you agree with each of the following statements?

- Very high (50+ out of 60): 55% of respondents
- High (40 to 49 out of 60): 37% of respondents
- Medium (20 to 39 out of 60): 7% of respondents
- Low (<20 out of 60): 0% of respondents

Total average score

50 out of 60

More likely to obtain a...

- VERY HIGH SCORE
  - Businesses with a very high growth potential score (50+) (84%)
  - Those with revenues of $10M or more (70%)

Base: All respondents (n=697). The final score of an individual corresponds to the sum of the averages they obtained for each characteristic.
Growth potential (statements’ average scores)

S3Q4. The following statements assess your **business** and its high-growth potential. To what extent do you **agree** with each of the following statements?

**Average score out of 10 by statement**

- **Our business has a product or service that solves a real problem or meets a real need in the market**: 8.9
- **Our team has a track record of business success**: 8.1
- **Our team is strong, with diverse skill sets, and experience**: 8.0
- **Our business targets a large and growing market**: 7.9
- **Our business has a strong brand, i.e., one that stands out in a crowded market**: 7.8
- **Our business has a scalable model that can grow rapidly without significantly increasing costs (i.e., it could expand quickly and efficiently)**: 7.1
- **Our business has a unique selling proposition or a proprietary technology**: 7.1
- **Our business has a defined plan for scaling revenue and profits**: 7.1
- **Our business has a strong financial position and a clear revenue model**: 6.8
- **We have done research on our business’s market size, growth rate, and potential demand for our product or service**: 6.5

*Base: All respondents (n=697).*
S3Q4. The following statements assess your business and its high-growth potential. To what extent do you agree with each of the following statements?

**Average score out of 10 by characteristic**

- **Product-market fit**: 8.9
- **Team**: 8.1
- **Competitive advantage**: 7.5
- **Market size potential**: 7.2
- **Scalability**: 7.1
- **Financials**: 6.9

Base: All respondents (n=697). The averages per characteristic are obtained by averaging the scores given to the statements associated to the characteristic.
Growth potential score

S3Q4. The following statements assess your business and its high-growth potential. To what extent do you agree with each of the following statements?

**Total average score**

46 out of 60

**More likely to obtain a...**

**VERY HIGH SCORE**
- Entrepreneurs with a very high growth mindset score (53%)
- Those in business for <5 years (52%)
- Businesses with 50 to 99 employees (50%)
- Those with revenues of $10M or more (49%)

Base: All respondents (n=697). The final score of an individual corresponds to the sum of the averages they obtained for each characteristic.
Respondent profile
SME respondent profile

- **Region**: 16% in 16%, 20% in 20%, 37% in 37%, 21% in 21%, 6% in 6%

- **Number of employees**:
  - 1 to 4: 56%
  - 5 to 19: 32%
  - 20 to 49: 8%
  - 50 to 99: 3%
  - 100 to 499: 2%

- **Annual sales**:
  - Less than $250K: 29%
  - $250K to <$500K: 19%
  - $500K to <$1M: 14%
  - $1M to <$2M: 13%
  - $2M to <$5M: 15%
  - $5M to <$10M: 5%
  - $10M and over: 6%

- **Years in business**:
  - Less than 5 years: 10%
  - 5 to 9 years: 20%
  - 10 to 14 years: 17%
  - 15 to 24 years: 23%
  - 25+ years: 30%

- **Main sector of activity**:
  - Services: 30%
  - Manufacturing: 16%
  - Retail: 9%
  - Technology and information: 8%
  - Construction: 7%
  - Wholesale trade: 7%

- **Specific activities**:
  - Buys goods or services outside Canada: 44%
  - Sells goods or services outside Canada: 37%
  - Invests in R&D: 28%
  - Owner of high value equipment: 23%
  - Owner of 1+ commercial buildings: 21%
  - Owner of a vehicle fleet (gas): 20%
  - Acquired another business in the past: 20%
  - Owner of a vehicle fleet (electric): 3%

Base: All respondents (n=696-697). Those who did not know or preferred not to answer were excluded from the calculation base. For the sectors, only those with 7%+ respondents are presented. *Multiple mentions were allowed, therefore total exceeds 100%.
SME respondent profile

**Profitability**
- Profitable: 64%
- Break even: 13%
- Not profitable: 23%

**Carbon footprint actions**
- Several actions: 18%
- Some actions: 38%
- None, but intend to: 16%
- None, don't intend to: 11%
- Not applicable: 17%

**Gender ownership**
- Male: 52%
- Female: 19%
- Equal proportions: 28%

**Owners' age**
- Less than 45: 15%
- 45 and over: 85%

**Diversity**
- Immigrant person: 27%
- Member of a visible minority: 16%
- Child of an immigrant person: 12%
- Person with a disability: 9%
- LGBTQ2+ person: 5%
- Person with military service: 5%
- Indigenous person: 5%
- None of the above: 47%

Base: All respondents (n=651-684). Those who did not know or preferred not to answer were excluded from the calculation base. *Multiple mentions were allowed, therefore total exceeds 100%.
Thank you

Research and Market Intelligence team