
Study of Stakeholders' Perceptions of the Exporting Situation in Atlantic Canada

Final Report

Prepared for:

Canada/Atlantic Provinces Agreement on International
Business Development

July 2005



www.cra.ca

1.888.414.1336

Table of Contents

Page

Introduction and Research Methodology	1
Context of Qualitative Research	2
Executive Summary	3
Conclusions	5
Recommendations	8
Key Findings	10
Defining Export Potential.....	10
Success Factors.....	14
Challenges	17
Seeking Support and Information.....	20
Increasing the Number of Exporters/Export-Ready Businesses.....	24
Communication	30
Appendices:	
Appendix A: Email Invitation Letter	
Appendix B: Invitation Screener	
Appendix C: Interview Protocol	

Introduction and Research Methodology

The Canada/Atlantic Provinces Agreement on International Business Development (IBDA) is a federal/provincial agreement designed to help small- and medium-sized enterprises (SMEs) in Atlantic Canada explore, enter and succeed in international markets. One of the objectives of the agreement is to increase the number of new exporters in Atlantic Canada, in part by increasing awareness of the benefits of exporting. This includes promoting the benefits and opportunities that exist for Atlantic Canadian SMEs in international markets and the resources available to assist them to access new markets and by promoting exporting as a source of SME growth and overall economic growth in Atlantic Canada.

To meet this objective, the IBDA has made an export outreach campaign a priority. More specifically, the intent of the export outreach campaign is to promote the benefits of exporting and to increase awareness of export opportunities in Atlantic Canada. Prior to undertaking this campaign, the IBDA commissioned Corporate Research Associates to conduct a qualitative research study of stakeholders to gather opinions with respect to the current export situation in Atlantic Canada and their outlook on existing potential. More specific study objectives included:

- Determining where large pools of untapped export potential lies in Atlantic Canada;
- Determining the communication strategies that will best reach that audience; and
- Developing recommendations to guide the development of an export outreach campaign to the target audience identified by the research collected.

To meet the study objectives, a total of thirty-one (31) interviews were conducted with representatives of key stakeholder groups, across all four Atlantic Provinces. Fewer interviews were conducted in PEI due to sample limitations. The following table illustrates the number of completed interviews based on province and on stakeholder type.

Type of Organizations	NS	NB	PE	NL	Total	Quota
Canada Business Service Centres	1	2	1	1	5	4
Community Business Development Corporations	3	3	1	3	10	10
IBDA management committee members	1	3	0	0	4	4
Provincial government employees	1	1	1	1	4	4
Federal government employees (Industry Canada, CMHC, Agriculture and Agri-Food Canada)	1	1	1	1	4	3
Industry and trade associations	1	1	0	2	4	5
Total	8	11	4	8	31	30



Interviews were conducted over the telephone at a time convenient to participants, and each lasted an average of 40 minutes. Participants were also offered the choice of completing the interview in English or in French. Interviews were conducted from June 14th to July 7th, 2005. There were no participation incentives provided. A sample list of names and contact information was provided by the IBDA for the purpose of recruiting participants.

A number of departments and agencies were represented in the interviews with the federal government employees (4 interviews) and the IBDA Management Committee members (2 interviews), including Industry Canada, the Canada Housing and Mortgage Corporation (CMHC), the Atlantic Canada Opportunities Agency (ACOA), and Agriculture and Agri-Food Canada. An additional two interviews were conducted with the IBDA Management Committee members representing provincial governments. It should be noted that some stakeholders interviewed (including the CBDCs, selected government departments, and trade or professional associations) do not have a mandate to develop new exporters, which may explain some of their comments during the interviews.

This report includes the detailed findings of the discussions, including participants' quotes, a series of conclusions and recommendations based on the detailed findings, an executive summary, and a description of the study methodology. Working documents are appended to this report and include an email invitation letter (Appendix A), an invitation screener (Appendix B), and an interview protocol (Appendix C).

Context of Qualitative Research

In-depth interviews are intended as moderator-directed, informal, non-threatening discussions with participants whose characteristics, habits and attitudes are considered relevant to the topic of discussion. The primary benefits of in-depth interviews are that they allow for in-depth probing with qualifying participants on behavioural habits, usage patterns, perceptions and attitudes related to the subject matter. The group discussion allows for flexibility in exploring other areas that may be pertinent to the investigation. In-depth interviews allow for more complete understanding of the segment in that the thoughts or feelings are expressed in the participants' "own language" and at their "own levels of passion."

The in-depth interview technique is used in marketing research as a means of developing insight and direction, rather than collecting quantitatively precise data or absolute measures. Due to the inherent biases in the technique, the data should not be projected to any universe of individuals.



Executive Summary

Findings from the **IBDA Study of Stakeholders' Perceptions of the Exporting Situation in Atlantic Canada** suggest that a targeted approach to increasing awareness about exporting is warranted to increase the number of Atlantic Canadian exporters.

According to stakeholders, export potential businesses include those that display a mix of good entrepreneurial characteristics, have a product/service in high demand, and have strong financial and human resources. Four key sectors were identified as offering the greatest potential, namely Information and Communication Technology, Food (Agri-Food and Seafood), Consumer/Wholesale, and Ocean Industries although the level of importance varied slightly by Province. Businesses that offer growth potential and capacity are also most suited to become exporters. It is felt that small and medium size enterprises would most benefit from tailored support to help them prepare for exporting.

Leadership skills considered essential to successful exporting include the ability to instil confidence among employees and partners, being visionary, committed to the process, tenacious, patient, enthusiastic, and forward-thinking. Successful exporters are also well traveled, culturally sensitive, open-minded, and can adapt quickly to changing situations. Due diligence, good business acumen and strong financial resources are other attributes often used to describe successful exporters.

The greatest challenge to exporting successfully is the lack of preparedness or planning, often resulting from the business person's limited knowledge of the steps involved in the process, the resources available, and the time commitment needed. This situation may result in poor assessment of market potential, poor business decisions, inability to manage the risk involved with exporting, and inability to respond to customer requests.

Although export-ready businesses are considered as having limited awareness of resources available to them, they express a need for information, advice, and financial assistance to help them prepare their exporting activities. This suggests the need for an awareness campaign to communicate the benefits of exporting as well as the steps required. Although stakeholders identified numerous export-related resources, only a few were consistently mentioned across stakeholder groups (Industry Canada, International Trade Canada, ACOA, CBSC, the Internet, industry associations, and private consultants).

Moving forward and based on the findings from this study, the IBDA should consider developing an awareness campaign targeting the business community in specific sectors to instil interest in exporting and promote the presence of a support mechanism, as well as showcasing successful exporters. In addition, outreach initiatives targeted at individual export-potential and export-ready businesses, through stakeholders' clientele or otherwise, should be explored. To help businesses and stakeholders take advantage of resource available, the IBDA should also consider developing a network of resources and share this information with key parties interested. Finally, there is merit in developing a strategy



to encourage selected stakeholders, namely those whose mandate does not specifically relate to developing new exporters, to play a more active role in identifying export-potential businesses among their clients, and encouraging them to explore this avenue.



Conclusions

The following conclusions are derived from the detailed findings of the study.

- ***Both the business owners/executives and characteristics of the business itself play a role in defining the export potential.***

Study findings suggest that both the entrepreneur and business characteristics are important in helping to identify businesses that offer export potential. An open mind, good business skills, a desire to grow and an entrepreneurial attitude were all viewed as key personal characteristics. Other key indicators of export potential include the business' financial capacity, sectors or products/services, foreign market demand, and company size.

Industries identified (unaided) as offering the greatest export potential for Atlantic Canada (as labelled by the IBDA) mainly pertain to the following sectors: ***Information and Communication Technology (ICT), Food (Agri-Food and Seafood), Consumer/Wholesale, and Ocean Industries.*** Within ICT, e-commerce/training, IT, telecommunications and surveillance, software development, wireless technology, and marine communications were mentioned. Food industries identified mainly relate to fisheries, general agriculture, potato farming, and blueberries. Manufacturing, coal mining, packaging, Christmas trees, furniture making and processed goods were mentioned as part of the Consumer/Wholesale sector. Finally, Ocean industries include mentions such as marine sector, ocean/marine technology, biomarine, ocean mapping, and marine products/services.

Stakeholders consider that markets offering the greatest potential for first time exporters depend on the product/service, the market demand, and the entrepreneurs' ability to enter a market. That said, the United States, specifically the New England States, was seen as an easy market for first time exporters, given its cultural and language similarity to Canada, as well as existing trade agreements and close proximity.

- ***Having a vision, instilling confidence within the company, and due diligence about foreign markets are considered essential to successful exporting.***

A number of business and entrepreneur characteristics were seen as defining successful exporters. In fact, a leader with a vision and one that can instil confidence within a company is considered key to success. Other personal skills and attributes associated with success include being committed, tenacious, patient, enthusiastic, forward thinking, intelligent, and credible. In addition, it is felt that successful exporters are generally well travelled, culturally sensitive, have an open mind and the ability to adapt to new situations quickly. They possess good business acumen, notably with respect to sales/marketing skills and exporting knowledge and are supported by good financial and human resources.



- ***A lack of preparedness, poor business acumen, the inability to manage risk, and limited resources are viewed as key challenges to exporting.***

Stakeholders consider some businesses that may exhibit export potential by definition are lacking considerable factors to be successful. These include mainly preparedness, namely having invested time and resources to carefully plan an exporting strategy, assess market potential, and build relationships. Poor business acumen, the inability to accept and manage the risk involved with exporting, limited financial and human resources and the inability to make a long-term commitment internally are also considered factors that hinder success.

In addition, most critical challenges to successful exporting include the lack of knowledge or understanding of steps involved in the process, as well as available resources to help, limited financial and human resources within companies exporting, and poor understanding of the target markets' cultural, political, and competitive backgrounds.

- ***Although export ready businesses have limited awareness of resources available, they seek information, advice, and financial support.***

For the most part, stakeholders consider that export ready businesses do not readily know where to turn for export related advice or financial support. These businesses generally contact an organization they know, or one they have heard of through word-of-mouth, after attending an event, or after having seen an advertisement.

Export ready businesses equally seek advice or counselling and financial support to help them plan and execute their exporting strategy. They need information on the process and the various steps involved, market information, knowledge of foreign regulations and standards, contact information for mentors or partners, as well as logistical details pertaining to production and shipping. Financial support is mainly sought to fund planning and marketing activities.

Stakeholders identified numerous resources providing export related support, with Industry Canada, ACOA, CBSC, the Internet, industry associations, and private consultants being most common mentions. A number of provincial business development organizations were also mentioned, including the Department of Innovation, Trade and Rural Development (NL), Nova Scotia Business Inc., PEI Business Development, Business New Brunswick, Regional Development Authorities, and MLAs. A complete list of mentions can be found in the detailed finding section of the report.



- ***Public education and demonstrating success stories are means suggested to increase the number of export ready businesses, while a targeted consultation process and financial support are needed to increase the number of exporters.***

Stakeholders consider that to increase the number of export ready businesses, a public education campaign or targeted business communication initiatives should be undertaken to instil a sense of confidence in export potential businesses by suggesting the benefits of exporting activities. There is also a sense that export potential businesses should be catered to individually, and encouraged to participate in trade missions to familiarize themselves with foreign markets and with the process of exporting. Such initiatives are also viewed as creating opportunities for them to share with entrepreneurs further along in the exporting process, therefore learning from the experience of others.

Demonstrating success, through testimonials at business events, mentorship programs, and advertisements are also viewed as necessary to instil confidence in the business community at large. This could be achieved by featuring successful exporters in advertisements, inviting those businesspeople to speak at various events, featuring more prominent export-related awards competitions, and structuring a mentorship program.

Finally, stakeholders consider that business and trade organizations have a role to play in educating their own clients on the benefits of exporting as part of a business growth plan, therefore seeding the idea of exporting earlier on in a business' life cycle. This may help to identify export potential businesses and encourage them to go the next step. That said, a number of trade associations representatives interviewed suggested playing a reactive role with their members wishing to receive export-related support, often referring those members to other public or private sector organizations they feel are more suited to help (such as Industry Canada and ACOA). Such behaviours were also reported among some CBDC representatives. This is not surprising given that the development of new exporters and promotion of exporting activities may not be reflected in the mandate of those organizations.

The best means of ensuring that export ready businesses become exporters include providing them with one-on-one consulting opportunities, improved financial support, and ensuring that companies build adequate production and managerial capacity prior to exporting. Improving the follow up activities after trade missions and training sessions were also suggested to increase the number of exporters.

- ***Personal communications are considered best ways of reaching clients.***

Stakeholders suggested that in-person communications, either a meeting or a telephone call, were preferred by stakeholders, and considered best ways to reach clients along with email. The Internet plays an important role for clients as a research tool for market information, to communicate through email, to raise a company's profile worldwide, and establish a means of selling products and services without physical boundaries.



Recommendations

The following recommendations are presented for IBDA's consideration.

1. IBDA should consider an outreach campaign to increase awareness and educate businesses that offer potential on the benefits of exporting.

There is clearly a perception among stakeholders that businesses that offer export potential are not always cognizant of their potential, and would benefit from an outreach campaign. The purpose of such initiative has to be two-fold. On one hand, it should raise their awareness levels of their own export potential, while at the same time familiarize themselves with the benefits of exporting activities. In addition, educating them on the impact of exporting on a business' growth strategy may entice some to work towards becoming export-ready. Communication initiatives should also promote the availability of support resources. A variety of communications and training tools should be considered to better inform export-ready businesses of the processes.

In addition, informing the business community about success stories of various size businesses and in various industries will help create a sense of confidence and motivate some export potential and export ready businesses to undertake further steps in the process. This could be achieved by featuring successful exporters in communications campaigns or as speakers at business events, as well as through a mentorship program.

2. The IBDA should consider developing a comprehensive and easily accessible listing of export-related resources available to the business community.

Findings suggest that stakeholders do not believe export-potential and export-ready businesses are aware of the depth and breath of support resources available to them. In addition, there is a sense that the process of exporting is lengthy and complex, requiring extensive time and resource commitment on the part of businesses. Therefore, to ensure the process does not deter those businesses ready or interested in exporting to go the next step, there is merit in establishing or further promoting the existence of a comprehensive network of resources available to them. This initiative will help make it easier for businesses and stakeholders involved in the process to identify relevant resources. Existing web resources such as the website "exportsource.gc.ca" could be used as a starting point for such initiative.

This method may also help those stakeholders become familiar with the extent of the support mechanisms offered, and build their own initiatives or programs accordingly to either complement or support existing ones. It may also help identify what is lacking in terms of support.



3. There is merit in better assessing the export potential offered by targeted sectors across Atlantic Canada.

There are clearly sectors identified as offering greater export potential than others in Atlantic Canada. As such, there is merit for the IBDA to assess the extent of the potential offered by those sectors and target communications and outreach initiatives towards those with the greatest potential. Most promising sectors according to stakeholders include Information and Communication Technology, Food (Agri-Food and Seafood), Consumer/Wholesale, and Ocean Industries.

4. The IBDA should consider a strategy to encourage key stakeholders to play a more active role in identifying export potential businesses among their clients.

Findings suggest that some stakeholders, most notably selected CBDCs and trade associations, do not perceive they play an active role in identifying and grooming their clients to become exporters, based on their mandate. As such, there is merit for the IBDA to develop a strategy geared at informing stakeholders of the role they can play and identifying tools or techniques they can use to assess export potential among their clients, even though it is not expressly part of their mandate. The IBDA should also ensure all stakeholders involved understand the importance of increasing the number of exporters, as well as the stages to becoming an exporter (e.g. businesses are identified as export-potential, then some become export-ready, with a number becoming exporter). Such initiative will help ensure that all stakeholders are working in the same direction, with the same goal in mind.

5. There is merit in establishing a formal sector specific exporting network.

The IBDA, along with key partners, should consider establishing a formal mentoring program where potential exporters would learn from successful ones, throughout the planning stages. This program could take the form of an “exporting club” whereby participants could meet regularly, receive information through newsletters, and be in contact with other participants through an online chat room.

Such initiative would have the benefit of increasing confidence among export potential and export ready businesses in being persistent through the planning process.

Witnessing success and being encouraged to continue in their endeavours by business people who have gone through the process may give them the support they need to continue. Industry or sector specific networks would enable business people to share thoughts, ideas, and address challenges with the help of other like business people. Such program may also help companies form partnerships needed to be successful exporters.



Key Findings

Defining Export Potential

Both the business owners/executives and characteristics of the business itself play a role in defining the export potential.

Experience with Exporters

Stakeholders reported various degrees of experience with exporters. Those representing organizations whose main purpose is the promotion or support of exporting activities were more actively involved with export potential and export ready businesses. Other representatives, whose organizations had a more general mandate or a mandate that did not include increasing the number of exporters, suggested they rarely or never come in contact with businesses expressing an interest in exporting. These included selected Community Business Development Corporations and industry or trade associations. Most of these stakeholders did not actively seek to identify clients offering export potential, nor did they provide direct export-related support, but rather referred requests to other organizations who provide export related advice or programs.

“We do not provide services directly; we refer them to other agencies or departments.”

Identifying Export Potential

Virtually all stakeholders believe some types of businesses are more open to exporting than others. Success factors are attributed to a good mix of business attributes and entrepreneurial spirit. They consider the **entrepreneur** as clearly playing an important role in determining a business' export potential. A desire to grow, being open-minded, having business savvy, and clearly displaying an entrepreneurial spirit were deemed important characteristics needed in a business owner who wishes to export.

“I think it is not so much the business or the type of business or the sector or the size or any business attributes... I do think this question is applicable to the individual, to the entrepreneur and relate to the mindset of the owner.”

“The biggest difference is the entrepreneur himself and what he has in his mind.”

On the business front, the basis of export potential is viewed as being the strength of the **product or service** offered. Although some suggested it needs to have universal appeal, others suggested that niche products likely would have greater chances of succeeding in foreign markets. Regardless, quality and follow-up service are perceived as a paramount conditions to exporting.



The *size* of a successful business also prompted some comments. In fact, mixed opinions were garnered, with some believing that only mid to large size businesses had greater chances to succeed, given they are considered more likely to possess greater financial means, productivity potential, more developed marketing plans, and better business expertise. Conversely, other stakeholders were of the opinions that small and medium size enterprises also offered potential, especially in service-base industries, as well as with respect to knowledge-based sectors. Overall, there is a sense that start-up businesses do not offer as great an exporting potential as established ones given they have not yet established their business parameters. That said, several participants noted within the knowledge-based sectors, exporting is often the first market as in many cases there is no local market or demand for the service or product and exporting is the only means in which to develop. **Financial** stability and the ability to access financing are also viewed as critical for businesses to become export ready.

Products or services are considered important, but only in the presence of viable markets. **Market demand** abroad, is therefore considered an essential condition to exporting. Perhaps the greatest asset of a successful exporter is an entrepreneur's ability to adequately assess market demand in foreign markets and identify which ones might offer potential. A few stakeholders suggested that the limited local market for specialised products or services (such as those in the information technology sector) forced some businesses to export at an early stage in the business' life.

Sectors Offering Export Potential

Stakeholders believe that a number of *sectors* in Atlantic Canada offer greater potential for exporting, when asked to name unaided, where they believe opportunities exist. Opinions varied across Atlantic Provinces with respect to which sectors offered the best potential, however some of the sectors identified by the IBDA as offering export potential emerge from stakeholders' comments. Specifically, across the Atlantic Provinces, industries within the **Information and Communication Technology (ICT)** and **Food (Agri-Food and Seafood)** sectors were viewed as most interesting, closely followed by **Consumer/Wholesale** and **Ocean Industries**.

A few mentions were made pertaining to each of the following other industries identified by the IBDA: Building Products/Constructions, Business/Professional/Education, Environmental Industries, Plastics and Metals, and Life Sciences. Finally, very few identified potential, unaided, with respect to the Fish and Aquaculture Technology sector. Other popular mentions not included in a pre-determined sector included aerospace, transportation services, and secondary processing.

Minor variations in opinions exist based on where stakeholders reside within Atlantic Canada. In fact, stakeholders in both **Nova Scotia** and **New Brunswick** shared mixed opinions with respect to sectors offering the greatest potential, although slightly more



mentions were made of industries in the Consumer/Wholesale and ICT sectors. In Newfoundland and Labrador, stakeholders were more apt to have mentioned industries pertaining to ICT or Ocean Industries, while in Prince Edward Island, there is a clear belief that Food (Agri-Food and Seafood) industries, notably potato farming, offer the greatest opportunities for exporting.

The following table presents all key industry mentions by sector, across stakeholders. This table does not reflect the order of importance given to each of the sectors, but rather serves as a comprehensive list of the variety of mentions.

Sectors Offering Potential Key Mentions (In no particular order of importance)		
Building Products / Construction	Business / Professional / Education	Consumer / Wholesale
Lumber Boat building Wood product Forestry Construction Housing	Education Engineering Market research Architecture Training Service industry	Packaging Coal Christmas trees Manufacturing Furniture making Processed goods
Environmental Industries	Food (Agri-Food and Seafood)	Information and Communication Technology
Solid waste fields Environmental laws Climate change / adaptation Natural resources Oil and gas	Agriculture / Agri-Food Seafood Fish Blueberries Potato Food and beverage	ICT E-commerce High knowledge IT E-learning Telecommunications and surveillance Software development Wireless technology Marine communication
Plastics and Metals	Life Sciences	Ocean Industries
Plastic Automotive parts Mining Airline part manufacturing Specialty mining (slate)	Bioscience Animal and human health Biotechnology Biomedical Geomatic	Marine sector / Ocean industry Ocean / Marine technology Ocean mapping Biomarine Marine products / services
Fish and Aquaculture Technology	Other	
Aquaculture	Aerospace Transportation services Secondary processing	



Markets Offering Potential

Stakeholders were asked if any foreign markets offered better potential for first time exporters. While some believe that the type of product to be exported defines potential, others consider that countries offering a similar cultural setting and language were most appropriate to help first time exporters familiarize themselves with the process.

“It depends on the product, the technology, and the businessperson.”

“Any market with a similar culture and language... where business culture is more like your own. It is harder if (companies) don't speak the same language.”

As such, a number of stakeholders suggested that the United States, more specifically the New England States, were most appropriate given the past trade history between Canada and the United States and its close proximity, especially when items or goods are to be shipped.

“United States. They are already a strong trading partner with Canada, they are geographically close to us. With the NAFTA agreement a lot of barriers have been relieved and you know, we speak the same language and have similar types of cultures.”

“The New England States offer the best for first time exporters because of the close proximity, similar culture, lifestyle, it is a good test market. My only beef with that is that not every product we are trying to export can be exported to that area.”

That said, when referring to the knowledge-based industry, stakeholders suggested that no one market stood out, and that those companies were most apt to have to approach markets other than the United States.



Success Factors

Having a vision, instilling confidence, and due diligence about foreign markets are considered essential to successful exporting.

Success Factors

Stakeholders generally consider that successful exporters display a range of skills and attitudes that contribute to their accomplishments. For the most part, it is considered that a range of elements contributes to success rather than just a few key attributes.

“All of it works together as a package. You have to have a good product or service, you have to have market demand for the product or service in the international market, but you also have to have an entrepreneur that is willing to commit to a new endeavour for doing business overseas, a positive attitude about it, a keen attitude about it.”

Perhaps most importantly is the attitude of business owners and management, as well as their leadership qualities. Having a vision and believing in success are viewed as instilling a sense of confidence within a company that may drive success. Furthermore, looking ahead with a positive attitude, showing patience, and realizing that hurdles can be conquered are signs of commitment on the part of business owners or managers that may explain the extent of their exporting successes. As well, to be successful in exporting, it is key that business owners be in it for the long haul and realize that success will come slowly as opposed to happening overnight.

“It all comes down to recognizing an opportunity for what it could be, not for what it is, and going after it. Too many businesses look at an opportunity and say it is not there, instead of saying, wait now, if I did this and that, it might be an opportunity and with export markets, that is what it is all about.”

“The management commitment is a big part of your success. Putting real resources to export. For example if you are going to deal with China, you need to have someone who can speak the language.”

From a business perspective, stakeholders identified that successful exporters have done their homework prior to begin exporting. Specifically, they have learned about the process of exporting, the challenges to overcome, and the market potential. They have also identified markets offering the greatest opportunities for their business, as well as developed and nurture relationships within those markets to secure clients or establish distribution networks. Other aspects of knowing the market include ensuring product demand, learning about cultural differences, and keeping track of trends and changes within targeted markets. Due diligence is clearly viewed as an important step to success.



“That (business owners) have done their homework. They have studied the market, they have really dug in, they have done research.”

“The companies that are focused, that do their market research, do their competitive intelligence. They have to have a solid business plan, they have to have explored the market, understand where the greatest potential is, understand how to set up the meetings and go and merchandise their trips and be very focused and do their due diligence before they go.”

Although attitude and knowledge are viewed as key to success, stakeholders recognize the importance of a unique or desirable product or service in ensuring it sells abroad. There is a sense that successful exporters also enjoy sufficient human and financial resources, are already successful in the local market, and display strong business acumen. One stakeholder also suggested that a positive exporting experience on a small scale may be an indication of future success on a larger scale.

Finally, several participants made reference to the importance of human resources and having the capacity to meet the demand. More specifically, many felt that getting the first order was not necessarily the greatest challenge in exporting, but rather being able to fill the order in a timely manner can sometimes be problematic for companies as they have failed to consider the additional capacity required to meet the demands of international markets.

Entrepreneurial Characteristics

Stakeholders identified a wide variety of characteristics they consider essential for a businessperson to be successful exporting. All can be divided into four themes, namely personal characteristics and attributes of the business owner, general openness, knowledge and experience, as well as business skills and attributes.

“You have to be a little thick skinned because you will have a lot of bumps along the way... You have to be a bit of a go getter.”

The following table lists what stakeholders consider characteristics of business owners or executives that are essential to ensure successful exporting.



Attributes of Owners or Executives Open to Exporting

Personal Attributes:

Committed / Dedicated
 Proactive / Forward thinking
 Enthusiastic / Positive / Motivated
 Diligent / Well organized
 Focused
 Intelligent / Clever / Smart
 Thick skinned / Persistent /
 Determined
 Go getter / Aggressive / Tenacious
 Patient / Flexible
 Outgoing / Energetic
 Leadership / Innovative / Progressive
 Brave
 Credible

Knowledge and Experience:

Knowledge of exports
 Marketing and sales ability
 Good market sense
 Does his/her homework
 Knows how to adapt based on learning

Business Skills and Attributes:

Business savvy
 Managerial skills
 Willing to take measured risks
 Desire to grow
 Diversified team
 Financially stable

Openness:

Culturally sensitive
 Global sense
 Well travelled / Worldly
 See outside of community
 Foresight
 Broad international vision
 Open minded
 Passion to travel/Explorer/Adventurer
 Look at big picture
 Contacts abroad



Challenges

A lack of preparedness, poor business acumen, the inability to manage risk, and limited resources are viewed as key challenges to exporting.

What is Lacking to be Successful

There is a sense that businesses' lack of *preparedness* may be the greatest impediment to being successful exporters. Stakeholders suggested some business people did not expect the process of exporting to require a well thought out plan. As one stakeholder suggested, businesses' first exporting experiences are generally as a result of a client request, a situation that does not require as much effort and resources than being proactive in developing a new market.

“Generally, the first one or two export sales can be by accident... but to have any thought out export plan, business approach takes time and money to do all that prep work...”

Additionally, suggestions were made that some business people less successful at exporting may have neglected to carefully assess *market potential* and characteristics prior to exporting. Thorough knowledge of market and cultural characteristics is viewed as essential in being successful.

There is also an expressed need for business people to take the time and put the efforts into proactively building relationships abroad and follow up on promises. Similarly, taking the *time* to better understand the process of exporting, as well as going through the bureaucratic steps were considered essential. It is felt that smaller operations may not be able to commit such time without their local market suffering from a lack of attention.

“A lot of these companies are small, the owners wear a lot of hats so taking the time away from satisfying their local market to venturing out to do what they need to export takes time away from what they have to do to remain afloat.”

Poor *business acumen* as well as limited marketing, management, and human resources *skills* were also identified as possible challenges to overcome prior to exporting.

“A lot of firms that are quite successful have a sales member or a marketing person or somebody who can pursue these markets and who can put the time and effort into it.”

Other factors viewed as lacking include the owners' willingness to take on the additional *workload*, accepting the *risks* associated with the unknown, and a lack of long-term *commitment* on the part of those who have started the process. A greater sense of *trust* on the part of business owners, a general positive *attitude*, the lack of fear of the unknown, and *confidence* in their product or service were also mentioned.



It was felt that smaller size businesses were faced with greater challenges among those named above, and as such, would benefit most from a mentoring program.

Challenges to Considering Exporting

Perhaps the most often identified challenge for export potential businesses to consider exporting is the lack of **knowledge** about the process. In fact, most consider that not knowing the steps involved in exporting, having a limited knowledge of how to assess market potential, the inability to understand their product's or service's appeal on foreign markets, and being unaware of the extent of support available to them may explain in part why some businesses that may offer potential have not yet exported.

“Not knowing how to do it, not knowing what to do, not knowing if they should do it, ... all the steps that are involved. Sometimes, that's just too much for people.”

“There is a lot of information and getting the correct information and being able to use it has been a bit challenging.”

Another key deterrent for businesses to start exporting is their limited ability to allocate human and financial **resources** towards the process. This is most notably the case for smaller size businesses or those in the early stages of the business. Preparing an exporting strategy, supporting marketing and sales activities, hiring qualified employees, building relationships abroad, as well as expanding production capacity to meet the demand are all viewed as essential activities that require funding. The inability of some entrepreneurs to deliver on customer requests because of poor planning was considered damaging to a business' reputation abroad.

“You have to make sure that you are financed properly. I have seen companies fail in spite of their success. The success brought about their failure because they could not finance the operations that were needed; they were not prepared.”

“They sit down and they look at the reality of it all and they say they can't spend that type of money going out to market and trade shows and on these missions and they get discouraged instead of sitting back saying okay, is there any assistance out there? Can somebody help me share the risks? Is there a loan that I could get to do this mission? The amount of work and training they will need shies them away from it.”

It is felt that a lack of time and resources often result in a **poor understanding** of targeted markets, therefore creating additional challenges to a successful exporting experience. Not knowing the language, the culture, or the political situation of those markets, limited market access information, or unstable business climate may not enable those businesses to define the best marketing strategy for their product or services.



The *lack of confidence* in the process and the *fear of failure* are also attitudinal problems that limit the number of businesses ready to export. Being closed minded and unable to take risks is perceived as leading to a businessperson not seeing the opportunities that exists or the ability to overcome challenges along the way. In addition, impatience on the part of businesspersons for results and their inability to recognize that the process takes time often leads to failure.

“Fear and money. They are afraid of losing money, afraid of not collecting on their bills, afraid the product is going to get there and get stolen, afraid of the shippers.”

Finally, poor business skills, a lack of understanding of regulations or legal procedures involved, as well as transportation and custom issues are additional challenges identified by stakeholders.

“There is quite a nack to marketing and a lot of these people (business owners) can produce or manufacture or have the knowledge, but they are weak in marketing.”

“A lot of people feel that to export, you need to be a sophisticated business person and therefore they don't see that opportunity.”

It should also be noted that in some cases businesses choose not to export because they are content with the local market. While such businesses may have a product or service that is export worthy, they have no desire or drive to expand their operations.



Seeking Support and Information

Although export ready businesses have limited awareness of resources available, they seek information, advice, and financial support.

Reasons for Seeking Support or Information

For the most part, stakeholders suggested export ready businesses that seek their support are generally current or past clients looking for advice or referrals. Organizations located in smaller communities are generally the first point of contact, and are selected as a result of word-of-mouth, previous contact, after attending an event sponsored by the organization, or less frequently as a result of an advertisement.

“They don’t know where to start, they don’t know who to talk to, who to contact, who might have expertise in their sector.”

“In most situations, it is (they contact us) because they already know us.”

Stakeholders from the Canada Business Service Centres suggested that providing exporting advice and support was part of their mandate, which may explain why some businesses, more familiar with their services, first contacted them.

“That is what we do for a living. We have the expertise. If we don’t have it in-house, they are able to access it through us.”

A few stakeholders from Community Business Development Corporations noted that while they did not have programs to support businesses with their exporting activities, they were sometimes contacted by export ready businesses looking for funds to help with their marketing activities, travel plans, or participation in trade missions or trade shows. Those entrepreneurs are often referred to other governmental organizations, most notably the Atlantic Canada Opportunities Agency.

“I may not have a lot of knowledge, but I can direct them quickly and direct them very specifically to a targeted individual. We can sort of layout the process of how they have to go to get to their end objective.”

A select few stakeholders from professional associations also noted that they had never been contacted by their members for export-related advice or support.



What They Look for

Stakeholders suggested that their clients are looking for a variety of information or support to help with exporting activities, although a few categories clearly stand out as most frequently mentioned. Of note, stakeholders equally mentioned both *advice* and *financial support* as requests they receive from export ready businesses.

Process. Stakeholders consider that export ready businesses generally look for information on the process of exporting, as well as resources available to them to support their endeavour. Not only are they looking to learn about the fundamentals of exporting, but they also seek an assessment of their export potential. Expert counselling, as well as information on upcoming trade missions or trade commissioner contact information, and government information are also sought after by businesses interested in exporting.

“Export 101 sessions; the fundamentals of exporting. The half or full day sessions are usually in demand.”

“They are looking to find someone to look at their product and give them an idea on where they should go next and if it is a product that would be marketable.”

Contact. A few stakeholders also noted being approached by businesses looking for mentorship information or contact information to build partnerships.

“They also want to know if there are other firms in this region or elsewhere in Canada going after an export market where they might pool resources.”

“They are looking for people with experience who can give them some guidance.”

Financial resources. Available financial resources to fund marketing and sales activities were also requests directed at stakeholders from export ready businesses.

“Financial assistance when they are preparing to go to market or money to do a market research report.”

Market information. Market intelligence was also noted by stakeholders, especially demographics and population profiles, market potential, competitive information, market conditions, market entry barriers, cultural differences, market leads, best ways to approach the market, and best ways to advertise.

Regulations. Regulatory information such as codes and standards applicable in foreign countries that may impact the product or service offered, customs requirements, as well as tariff and non-tariff barriers in general were also information requested in the past by export ready businesses. In addition, those businesses sought advice on the bureaucratic process involved and the manner in which specific forms should be filled out.



Finally, **logistical information** relative to transportation, shipping, or packaging is also of interest to export ready businesses.

Existing Sources

Based on their experience, stakeholders generally believe that most business people are not well informed about export-related resources and supports available to them. Some perceive that businesses will not seek this type of information until they are ready to export, suggesting companies with export potential may not realize the extent of the help available until they have decided to export.

“Not as informed as they could be. I think the information is out there, it is just a matter of digging and finding it. I don’t know why people don’t have the time or they get frustrated when they don’t find things out as fast as they would like to, but I think if anyone is serious, I think the information is out there.”

“Often a client does not know about your resources until they come looking for them. We can be out there promoting and in their face all the time, but until they really need our services, they won’t think of us necessarily.”

A few stakeholders also suggested that there is a need to educate businesses on the availability of support programs as well as the diversity of programs offered.

“For the small business not properly export ready, they might not have much knowledge about what is out there to help them, so it is our task to educate them and provide information that they will require.”

When asked about current resources offering such services to business people, a number of suggestions were provided that included federal and provincial departments or agencies, as well as private sector resources. Most frequently cited sources of information and support include Industry Canada, specifically International Trade Canada, the Atlantic Canada Opportunities Agency, the Canada Business Service Centres, the Internet, trade or professional associations, as well as private consultants in general. The following table lists all resources identified that are available to businesses for export related advice or support, with those most commonly mentioned in red.



Export-Related Resources	
Federal Government	<ul style="list-style-type: none"> • Industry Canada • International Trade Canada • Atlantic Canada Opportunities Agency • Export Development Canada • Business Development Bank of Canada • National Research Council / Industrial Research Assistance Program (IRAP) • Canadian International Development Agency • Consulates / Embassies • Canada Revenue Agency • Canada Boarder Services Agency • Canadian Food Inspection Agency • Member of Parliament • Agriculture Canada??
Provincial Government	<ul style="list-style-type: none"> • Department of Innovation, Trade and Rural Development (NL) • Nova Scotia Business Inc. • PEI Business Development • Business New Brunswick • Provincial department of agriculture • Regional development authorities • Members of Legislative Assembly
Public Sector Partnership	<ul style="list-style-type: none"> • Canada Business Service Centres • Trade Team Nova Scotia / New Brunswick • Community Business Development Corporations • Canada/Atlantic Provinces Agreement on the International Business Development
Other	<ul style="list-style-type: none"> • Internet • Trade or professional associations • Private consultants / banks / accountants / brokers • Library • Universities • Zone Boards • Other business people • Magazines • College of North Atlantic (NL)



Increasing the Number of Exporters/Export-Ready Businesses

Public education and demonstrating success stories are means suggested to increase the number of export ready businesses, while a targeted consultation process and financial support are needed to increase the number of exporters.

Encouraging Businesses to Consider Exporting

When asked what, if anything, can be done to encourage other businesses to consider exporting, stakeholders provided few suggestions. For the most part, instilling a sense of confidence in the business community with respect to exporting, while suggesting the benefits of this process were deemed most important. Introducing a greater number of businesses that are export ready to foreign markets through the use of trade missions was suggested by a few stakeholders as a good way to educate business people on the benefits of exporting. In fact, this process is deemed interesting as it introduces the steps involved in exporting to export-ready business people, as well as encouraging contact with existing exporters participating to those trade missions.

“We need to give people confidence in doing international business. Answer their questions and let them know the services and programs that are available to them.”

“Try to convince the individual that it is a safe bet for them and that it is a way to improve their overall sales and profitability.”

Similarly, others suggested that an advertising campaign should be undertaken across Atlantic Canada to increase awareness of the benefits of exporting as well as educate business people about the process itself. Such attempt may help alleviate the misperceptions that may currently exist with respect to the timing of exporting activities in a business' life cycle, as well as increase awareness of support services available to entrepreneurs.

“We have not spent in the last four or five years any dollars in terms of putting our services out there.”

“A targeted media campaign (is lacking). I don't know that we have had a really good professionally developed promotional campaign that is directed at instilling a sense of opportunity in our non exporters or encouraging exporters to look at diversified markets.”

Through communications initiatives, there is a sense that the business communities and government departments need to demonstrate to business owners and executives how easy the process can be when it is well planned and how accessible exporting is for all types and sizes of businesses.



“Show them examples that they don’t have to be making a million dollars before they start to try and export.”

One way of achieving this may be through the promotion of success stories, an approach suggested by many stakeholders. The use of successful examples, testimonials, or mentorship was viewed as best ways to communicate success to the business community.

“We have got to talk about our success stories. Traditionally, Canadians are not good at promoting themselves.”

“The testimonials of other successful exporting companies go a long way in encouraging other companies.”

“Work closely with four or five companies that we think have the best shot of making it and if we can make them successful and they grow significantly.... It is a success driven model, I mean you can talk and do seminars all day and it won’t make a difference.”

Outreach activities were also suggested as a means to increase the number of exporters in Atlantic Canada, although it was not a frequent mention. Themed workshops or presentations, as well as training sessions were suggested, although stakeholders recognize the difficulty in reaching business people in rural locations through these types of initiatives.

Although initiatives with widespread appeal were suggested, it is worth noting that most stakeholders consider that the best way to increase the number of exporters is to develop a tailored strategy targeting specific businesses, one-on-one. Others suggested that giving attention to specific industries may help focus efforts. Yet others suggested that the size or life cycle of the business may be a better indication of which ones offer export potential and therefore warrant individual attention. This is especially the case with businesses that are starting to expand their production capacity, suggesting they may have a greater ability to market their product or services abroad, but also respond efficiently to an increase in customer demand.

“What we really need to work on are those small companies that are starting to grow to become medium size companies, that are focused on a local market and help them identify new products and services by which they can add and graduate up to a line they can export.”

“Create awareness first, then stimulate the interest and provide education.”

Finally, some stakeholders suggested educating existing clients on the benefits of exporting, even though they are not seeking export-related advice at this time. Encouraging them to have a longer-term vision growing their business and introducing the benefits of exporting



in increasing their sales potential were seen as effective means of building relationships with potential exporters.

“Let’s say we are just looking at our own clients; those who may have a product they may wish to export down the road. It is a matter of us making contact with the client and encouraging them to investigate the possibilities.”

Demonstrating Success

Although most stakeholders recognize the importance of sharing success stories within the business community to raise the profile of exporters, mixed opinions were shared with respect to the extent to which businesses currently know of other businesses’ exporting success within their industry. While it is felt that the business community in smaller places do a good job of sharing success stories, others feel that the formal and informal focus is too often placed on larger size businesses, therefore not sending a compelling message to SMEs.

“...they (successful exporters) are seen as being in a different league. (Exporters featured) are seen as being very big and being in the big league and (export ready businesses) just don’t see themselves in that way.”

That said, stakeholders clearly perceive that sharing success stories has a positive impact on the business community as a whole but also on individual entrepreneurs. It instills a sense of confidence, may eliminate fear and uncertainty, provides a more realistic picture of exporting, and providing a role model to follow.

“It might eliminate some of the fears and uncertainty that people have about doing business outside of Canada.”

A few suggestions were provided as to how to demonstrate success to export ready businesses. Most of all, a media campaign promoting the success achieved by all types and sizes of businesses is deemed effective, notably if it includes aspects such as challenges that were overcome, ways to achieve success, and the impacts on the business itself and the community at large. Most of all, showing both sides of the coin (e.g. the success but also the challenges) is viewed as the best way to ensure export ready businesses are provided with a true picture of the exporting situation.

“We are probably a society that likes to emulate those that succeed. There is nothing like examples to inspire, so I think the impact would be profound.”

“Publicize it. You get that knowledge out there that company ABC has scored in (foreign) markets, they have added to the workforce, they are making profits.”



Demonstrating opportunities that exist in different sectors or markets was also suggested as a different means of showing success.

“Look at some of the ones that are doing it successfully and try to impact upon the new people the opportunities that are there for them.”

Finally, increasing media coverage, placing articles in industry association or business groups' newsletters, and inviting exporters to speak at a business event or be part of a panel on exporting were suggested means of sharing success stories within the business community. Other suggestions include establishing mentoring programs to team up successful exporters with export ready businesses, as well as increasing the number of export achievement awards.

Increasing the Number of Exporters

As for best ways to increase the number of exporters among export ready businesses, stakeholders suggested that targeted counselling and improved financial support were likely the best means of achieving results.

“Small companies need financial leverage and backing.”

“Work with them to stage where they are ready to export. More consultation, more advice.”

Once again, the one-on-one approach was deemed most appropriate to build relationships with these business people, and ensure a greater rate of success. Personalizing the approach was seen as important to be able to analyze a business' specific situation and identify real export success that may be achieved.

“Sit down with them individually and educate exporters. One by one or sub sector by sub sector.”

Other suggestions related to improved follow up after trade missions or training seminars to ensure those businesses truly interested in exporting have the necessary support available to them.

“We are good at putting together the missions and the training, but we don't seem to have it right with regard to the follow-up.”

Yet another stakeholder suggested helping facilitate partnerships among those interested in exporting, so resources can be pooled, therefore increasing the chances of success.



“There needs to be a mechanism to help support collaboration within the province (between exporting companies).”

Along the same lines, there is a sense that an important component of increasing the number of exporters is working with businesses showing potential to ensure they build production and managerial capacity to meet increased customer demand from foreign market. Only when a company has capacity to handle growth should they be enticed to export. Finally, other suggestions included better informing businesses on the way Export Development Canada works and providing personal coaching.

Establishing Relationships

Few suggestions were provided on the best ways to establish strong relationships with export ready businesses that are not as actively involved in exporting. For the most part, stakeholders consider that increased and improved personal communications as well as well planned mentorship programs, partnership opportunities, and networking events would be most appropriate.

“Go see them. Call them up and be proactive and go sit down with them and talk about what you can deliver and the successes they could have.”

In Prince Edward Island and Newfoundland and Labrador, a few stakeholders suggested the existence and success of an exporting club that encompass exporters and export ready businesses, allowing them to share information and best practices, as well as form partnerships.

“Exporters themselves are starting an export club; they might generate some discussion of their own.”

“We have a network of businesses that we believe are or should be involved in exporting. And they get together and feed off each other and learn from each other and motivate each other.”

Finally, a few stakeholders suggested that the various resources currently in existence should attempt to better work together to ensure their efforts are not duplicated but rather that they build on each other's strengths and initiatives.

To establish relationships with the exporting community, whether it be with export-potential companies, those export-ready, or current exporters, a number of stakeholders also suggested a network or resources be established across governments and with trade or professional associations. Sharing the wealth of information and experience could be done through a unique point of contact online, accessible as a reference to both the end users (businesses) and resources. Others suggested increasing financial support to help companies



prepare to export (e.g. towards market development and marketing activities, as well as to build production capacity and develop expertise). Yet another stakeholder suggested placing a greater focus on the benefits of exporting at an earlier age, for example by incorporating it in business teachings in high school or by promoting its value as part of a business plan. The establishment of regional goals rather than provincial ones was also a suggestion to focus efforts, although not at the expense of individual provinces.

“...regional development should not take place at the expense of what the provinces are doing because each province has their own requirements and some are political. The Atlantic initiative should take a very strong look at what the individual provincial needs are and the strengthening of that will help to achieve the overall regional goals.”



Communication

Personal communications are considered best ways of reaching clients.

Best Means of Reaching Clients

In-person communications, through meetings or telephone calls, as well as email communications are viewed as best ways to reach their clients. Similarly, when asked which means of communication is preferred by their clients, stakeholders suggest that telephone calls and in-person meetings are most appropriate, especially to develop a relationship over time.

“Face to face or voice to voice.”

“Internet is the most preferred way for making contact, but if you are trying to develop a rapport with individuals, you have to meet with them.”

Based on stakeholders' opinion, the Internet plays an important role for their client as a source of information and a means of communication, as well as to establish a presence online, raise the company's profile globally, and conduct transactions with foreign clients. It is felt by some that an online presence is an essential step in the process of exporting.

“To market their products, get their website up so they can communicate all over the world. It is very important when you are looking at international markets.”

A few stakeholders consider that older entrepreneurs may not use the Internet as often as the younger generation, based on limited previous experiences.



Appendix A: Email Invitation Letter

May 31, 2005

Dear NAME:

I am writing to request your assistance in an important project. As a stakeholder to the Canada/Atlantic Provinces Agreement on the International Business Development (IBDA), you are aware of the work undertaken by the Agreement and the next phase which will be launched shortly.

One of the objectives of the IBDA is to increase the number of new exporters in Atlantic Canada, in part by increasing awareness of the benefits of exporting among Atlantic Canadian businesspeople. To that end, the IBDA is interested in gaining greater insight of the current exporting situation in Atlantic Canada and better understand where opportunities for potential exporters might exist. As a result, IBDA has commissioned Corporate Research Associates Inc. (CRA) to conduct a study among stakeholder groups to obtain their feedback on the Region's current exporting situation.

The study consists in a series of in-depth interviews with a variety of stakeholders. Over the next few weeks, you *will* be contacted by telephone by a representative of CRA who will invite you to participate in the study. If you accept to participate in this project, the representative will make arrangement for a 20 to 30 minute interview that would be conducted over the telephone, at a time convenient to you. Your participation in this project is entirely voluntary. The information collected will remain strictly confidential, and participants will remain anonymous.

If you have any questions, or would like more information, please contact Claude Perreault from CRA at 902-493-3254 or 1-888-414-1336, mailbox 3254, or by email at cperreault@cra.ca.

Your assistance is greatly appreciated.

Sincerely,

Le 3 mai 2005

Monsieur/Madame (nom),

Par la présente, nous désirons obtenir votre participation pour un projet d'importance. En tant qu'organisme jouant un rôle important dans l'Entente Canada/Province de l'Atlantique sur la promotion du commerce extérieur (EPEC), vous êtes familier avec le rôle entrepris par l'Entente et la prochaine étape qui sera lancée prochainement.

L'un des objectifs de l'Entente est d'accroître le nombre de nouveaux exportateurs au Canada Atlantique, en partie en faisant la promotion des avantages reliés à l'exportation auprès des gens d'affaires du Canada Atlantique. Pour ce faire, l'EPEC aimerait obtenir un aperçu de la situation actuelle au Canada Atlantique afin d'identifier les opportunités qui existent pour les exportateurs potentiels. En tant que tel, l'EPEC a donné le mandat à Corporate Research Associates Inc. (CRA) de mener une étude auprès de groupes cibles afin d'obtenir leurs opinions sur la situation actuelle de la région face à l'exportation.

L'étude consiste en une série d'entrevues individuelles menées auprès de groupes cibles. Dans les prochaines semaines, un représentant de CRA communiquera avec vous par téléphone pour vous inviter à participer à l'étude. Si vous acceptez, le représentant prendra rendez-vous pour une entrevue téléphonique d'une durée de 20 à 30 minutes, à un temps qui vous convient. Votre participation à ce projet est tout à fait volontaire. L'information retenue restera strictement confidentielle.

Si vous avez des questions, si vous désirez obtenir des renseignements complémentaires au sujet de l'étude, veuillez communiquer avec Claude Perreault de CRA au 902-493-3254 ou au 1-888-414-1336, poste 3254 ou par courrier électronique au cperreault@cra.ca.

Espérant que vous donnerez une suite favorable à notre demande, je vous prie d'agréer, Madame, Monsieur, mes salutations distinguées.

Appendix B: Invitation Screener

**ACOA IBDA Exporting Study
FINAL screener – May 31, 2005**

Name: _____ Title: _____

Name of Organization: _____ Province: _____

Tel. (W): _____ Type of Organization: _____

Interview Date: _____ Atlantic Time: _____ Language: E / F

Hello, may I speak with **(name from sample)**

My name is _____ and I am with Corporate Research Associates (CRA), a public opinion and market research company. We are calling on behalf of the Canada/Atlantic Provinces Agreement on International Business Development (IBDA), as a follow up to the email that was sent to you on or around June 1st with respect to an upcoming study on the exporting situation in Atlantic Canada. Do you recall having received this email in relation to this study?

(If don't recall)

One of the objectives of the IBDA is to increase the number of new exporters in Atlantic Canada, in part by increasing awareness of the benefits of exporting among Atlantic Canadian businesspeople. To that end, the IBDA is interested in gaining greater insight of the current exporting situation in Atlantic Canada and better understand where opportunities for potential exporters might exist. As a result, IBDA has commissioned Corporate Research Associates Inc. (CRA) to conduct a study among stakeholder groups to obtain their feedback on the Region's current exporting situation.

The study consists in a series of in-depth interviews with a variety of stakeholders. The interview is conducted over the telephone at a time that is convenient to you and will take between 20 and 30 minutes. A representative from Corporate Research Associates will conduct the interview. Would you be available to participate?

If yes, arrange time and location, fill out top of screener, and continue.

If no, thank and terminate.

(If recall)

As you may recall, ACOA is an active partner in the Canada/Atlantic Provinces Agreement on International Business Development (IBDA), which aims at increasing the number of new exporters in Atlantic Canada. To that end, ACOA has commissioned Corporate Research Associates Inc. (CRA) to conduct a study among stakeholder groups to obtain their feedback on the Region's current exporting situation. The study consists in a series of in-depth interviews with a variety of stakeholders. The interview is conducted over the telephone at a time that is convenient to you and will take between 20 and 30 minutes. A representative from Corporate Research Associates will conduct the interview. Would you be available to participate?

If yes, arrange time and location, fill out top of screener, and continue.

If no, thank and terminate.

(If Questioned on the IBDA)

The Canada/Atlantic Provinces Agreement on International Business Development (IBDA) is a federal/provincial agreement designed to help small- and medium-sized enterprises in Atlantic Canada explore, enter and succeed in international markets. The IBDA is managed by a federal/provincial management committee that is co-chaired by ACOA and the four provincial governments on a rotating basis.

Recruiters:

- Check quotas below
- Confirm phone number
- Confirm the time
- Use calendar provided to track all interview dates & times
- Allow 1 hour between interviews
- Repeat and confirm date and time of interview

QUOTAS

Type of organizations	NS	NB	PE	NL	Total
Canada Business Service Centres	1	1	1	1	4
Community Business Development Corporations	2-3	2-3	2-3	2-3	10
IBDA management committee members	-	-	-	-	4
Provincial government employees	1	1	1	1	4
Federal government employees (International Trade Canada, Export Development Canada)	0-1	0-1	0-1	0-1	3
Industry and trade associations	1-2	1-2	1-2	1-2	5
Total	7-8	7-8	7-8	7-8	30

Appendix C: Interview Protocol

Final Interview Protocol

June 1, 2005

Introduction & Warm-Up

Name: _____ Phone #: _____

Name of organization: _____

Province: _____ Language of interview : _____

Interview date: _____ Time: _____

I would like to begin by thanking you for taking the time to help us with our market research study. Our discussion should take about **25 to 30 minutes**. The objective of our discussion today is to better understand your opinions of the current exporting situation in Atlantic Canada. These findings will help the Canada/Atlantic Provinces Agreement on the International Business Development (IBDA) with its initiatives.

With your permission, I'd like to audio tape our discussion, so I don't have to take notes. I will be the only person who will listen to the tape, and it will only be used to help me write my report on the findings from this study. Your identity will remain confidential and your comments today will be combined with those from other people that I interview, as part of a detailed report. Do you have any questions before we begin?

Defining Export Potential/Export Ready

10 minutes

To begin, I have a few questions to better understand what you do.

- Can you briefly describe the services you offer businesses, specifically as it relates to exporting activities.
- Who are your clients? How would you describe them?
- Do they generally approach you or do you initiate the contact?
- How do they become aware of the services you offer?
- At what stage of the exporting process do they contact you? ***Probe for export potential, export ready, exporters and specific level within each category.***

I would also like to get your thoughts on the type of businesses that offer export potential.

- Based on your experience, are some types of businesses more open to exporting than others?
 - What differentiates those businesses? Probe for, size, sector, tenure, customer base, ownership, revenues, profitability, product/service type, etc.
 - And how would you describe owners or executives running those businesses?
 - What attributes must they have?
- What triggers interest in exporting?
- What specific sectors, if any, do you believe offer the greatest export potential?
- What are the main barriers when considering exporting?
- And what, if anything, prevents export ready businesses from going that next step (e.g. start exporting)?

Thinking of businesses that currently export...

- What's made some businesses more successful than others at exporting?
 - **Probe for:** impact of product vs entrepreneur – business vs attitude
 - How well travelled are these entrepreneurs, if at all?
 - What are some businesses lacking to be successful exporters?
- Which markets offer the greatest potential to first time exporters? Why those?

Thinking about how you communicate with your clients...

- What's the best way to reach your clients?
- What are their preferred means of communication?
- What role does the Internet typically play for them?

What they look for	5 minutes
---------------------------	------------------

Based on your experience with business people who wish to export or those currently beginning to export their product or service...

- Why do these entrepreneurs seek your advice?
- What prompts them to seek support?
- What kind of information or support regarding exporting activities are they looking for from you?
 - What else are they interested in?
 - Where else would they find this information?
 - What other sources do they consult?
- How informed are they regarding existing support available to them?

What's lacking	10 minutes
-----------------------	-------------------

Going forward...

- What, if anything, can be done to encourage other businesses to consider exporting?
 - How, if at all, do you achieve this?
- And what is needed to increase the number of exporters among export ready businesses?
- And what should be done to establish strong relationships with other exporters that are not as actively involved?
- To the best of your knowledge, do businesses know of other businesses' exporting success within their industry?
 - How might that impact their perceptions?
- How, if at all, do you demonstrate success to export ready businesses?

And finally...

- Do you have other suggestions on the best ways to increase the number of export ready businesses and the number of exporters in Atlantic Canada?

Wrap-up and Closing

That concludes my questions. On behalf of the Canada/Atlantic Provinces Agreement on the International Business Development (IBDA), we would like to thank you for your participation.