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2022 Trade Commissioner Service Interviews of Potential Clients

Final Report

Prepared for Global Affairs Canada

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This public opinion research report presents the results of in-depth interviews conducted by EKOS Research Associates Inc. between November 4 and December 9, 2022 on behalf of Global Affairs Canada. The research study was conducted with 39 representatives of Canadian organizations planning to export, or already exporting, services or products outside of Canada and who have not used the services of the Trade Commissioner Service in the previous 3 years.

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SUMMARY

A. BACKGROUND AND OBJECTIVES

The Trade Commissioner Service (TCS) is a service offered by Global Affairs Canada (GAC) that provides expert advice and support to Canadian businesses on matters related to exploring and growing opportunities in foreign markets; improving access to foreign markets; attracting foreign investment; Canadian direct investment abroad; and innovation. With offices across Canada and a presence in more than 150 cities worldwide, the TCS helps thousands of businesses each year. The TCS also works with partner organizations such as provincial or municipal governments or industry associations that deliver programs and services to Canadian businesses.

The TCS regularly conducts research with existing clients, including client-experience quantitative surveys investigating performance and client satisfaction, along with in-depth qualitative research relating to client experience. There is a dearth of information, however, on exporting firms that are not current TCS clients. This is either because these firms have never used, or no longer use, TCS services or have not yet started exploring exporting opportunities for their business. The TCS identified the need to obtain feedback from small and medium-sized exporters who may be potential clients to understand their needs, challenges and the ways in which the TCS can support their exporting activities. This research with potential clients will also inform the implementation of the GAC digital evolution strategy that will target a larger client base through the Digital Experience Platform.

Having increased knowledge of potential TCS clients will support GAC's strategic outcomes and operational priorities in support of increased and more diverse trade and investment. The objective is to enable Canadian businesses to grow internationally and create economic opportunities and, ultimately, to raise the standard of living for all Canadians.

Specifically, the objectives of the interviews with potential clients are to:

- understand the needs of potential TCS clients and to help determine if the TCS can enhance its services, for example, through a digital platform to reach and support more Canadian exporting firms
- identify opportunities for improvement in the delivery of international business development services to Canadian businesses across the TCS's entire network of trade offices

B. METHODOLOGY

The qualitative research involved 39 interviews with Canadian companies planning on or currently exporting services or products outside of Canada and who had not used TCS services in the previous 3 years. A sample of interview participants was drawn from a research panel of Canadian businesses maintained by the Business Development Bank of Canada (BDC). With the assistance of the BDC, business representatives responding to BDC's 2022 fall survey were informed about the TCS interview research. Interested representatives were asked to use a link set up and hosted by EKOS Research (external to BDC) to complete screening questions about the nature and history of their export business. Representatives were also asked to confirm that they had not received TCS services in the previous 3 years. A total of 81 small to medium-sized businesses initially agreed to participate in a 50- to 60-minute interview. Among the 81 organizations satisfying the criteria and providing consent to further contact, a further 5 were found to have received a service at some point in the previous 3 years and were removed from the sample. Among the remaining 76 representatives who were sent email invitations, 39 participated in an interview.

Interviews were conducted using a semi-structured interview guide. The guide included questions about participants' experiences during the COVID-19 pandemic and their needs for support in conducting their international business, as well as about their experiences looking for information to support their efforts, support they may have received from other organizations, and awareness of the TCS and what it offers.

An incentive of \$150 was offered for each interview, and only one interview was conducted per business sampled. The 39 interviews (34 in English, 5 in French) were conducted between November 4 and December 9, 2022.

Interviews were conducted using the Recollective online consultation platform, although a few were conducted by telephone or Zoom, and each was recorded to ensure accurate summary notes could be prepared for each discussion, with informed consent obtained in advance. Notes were subsequently developed from each recorded interview.

The analysis of the interview findings included a review of each participants' response for a given question—looking for major themes pertaining to each issue area, any nuances in opinion among the different types of participants, and anonymized, illustrative quotes. It should be noted that the results are qualitative in nature. The analysis is based on multiple reviews of the notes by the senior researchers conducting the interviews. These results cannot be generalized or used to estimate the percentage of small and medium-sized enterprises (SMEs) conducting business

internationally who are not currently using TCS services and have had a similar experience or hold similar views. Results from the interviews do, however, provide insight into the challenges and support needs of this segment of SMEs conducting business internationally, particularly in the last few years. In addition, the interviews shed light on the information sources and methods used by some organizations and their awareness level regarding the TCS, through illustrative experience and perspectives described in the interviews.

C. KEY FINDINGS

Sources of information

Most participants said they had looked for information and services to support international business. Only those who were in the early stages of their planning process, and had not yet exported internationally, had not sought any information. Participants most often mentioned BDC and the Export Development Canada (EDC) as sources of information and support. EDC was noted as having provided information about receivables and insurance, or general advice and support. BDC was cited as a source of financial information or advice, or broad-based intelligence or strategy.

About half of the participants mentioned industry or business associations as a source they have used for information about and support for export activities. This source can include trade publications, newsletters, meetings or webinars. Membership in a business association both locally and abroad has been a source of support for these participants.

Brokers, along with shipping or freight forwarding companies, have been a source of information or support for a few participants, helping with regulations and processes in target markets. For other participants, such information may not have been specific enough.

A few participants also mentioned provincial organizations as a source of information and support.

Methods used to obtain information

Most often, participants use their personal network of contacts and colleagues as a key source of information. These contacts are used because they are trusted sources who understand the needs of the business, market or sector. Some participants also mentioned conferences and trade shows in Canada and in key markets as another method of obtaining and sharing information. A few participants also fulfill their information needs by conducting their own online research

and/or purchasing market reports. Overall, participants said it is most valuable to seek and use information that is specific to their business, intended market, or unique problem or requirement.

Awareness and use of TCS

As mentioned above, some participants identified BDC and EDC when asked if they were aware of support offered by the Government of Canada. Aside from BDC or EDC, participants showed a very low level of awareness of other federal government support programs for businesses exporting internationally.

Some participants were aware of the TCS, having had some previous contact with them—almost always many years prior. A handful were made aware of the TCS through their interactions with either BDC or EDC. Among those who were aware of the TCS or had direct contact with the TCS at some point in the past, only a few had an understanding of the support that the TCS can provide for businesses exporting internationally. A few perceived that the TCS only supports larger businesses. Some participants felt that the TCS should be doing more to reach out to businesses and build awareness of the support it provides.

Most participants were interested in connecting with the TCS for assistance and advice on exporting internationally. Some indicated that they would like the TCS to reach out to them to offer assistance and noted generally that the Government of Canada has information on business activities and contact information to facilitate this. Some said that they would go online to learn more about the TCS and how to reach a trade commissioner, either in Canada or abroad.

Obstacles/challenges

Most participants experienced challenges related to the COVID-19 pandemic. These included a disruption in demand and restrictions on travel related to business development. Participants also noted challenges related to shipping costs and delays, access to financing or funding, and hiring and retaining labour. A few identified regulatory requirements, tariffs, protectionist practices and currency fluctuations.

Many participants expect that most of their business-related challenges will remain over the next 5 years, with the pandemic exacerbating challenges that already existed.

Need for TCS services

When thinking of the challenges they expect to face over the next 5 years, many participants felt that TCS services would be useful for their business. When potential TCS activities were described to them, many participants felt that obtaining information on qualified contacts in Canada or abroad would be a valuable service. Some specified that they would welcome or expect to receive strategic business advice from the TCS in terms of how to approach a new market, or gain a more holistic overview of factors to consider when entering a specific market.

Some participants felt that it would be useful to obtain market intelligence or a list of events or trade fairs from the TCS. Participants also specified that such information would need to be customized or targeted for their specific business needs.

Information or advice in locating financial or funding assistance was of interest primarily to participants in the development stage or not yet exporting. Very few participants generally thought they would be eligible for any funding. Some participants considered that practical information provided by TCS on timing and organizing a business trip, responsible business practices in foreign markets, and organizations or companies in foreign markets would be useful when exporting internationally.

Offering TCS services online

Many participants felt that some of the services offered by the TCS could be provided online, in addition to one-on-one services. However, most participants emphasized the importance of one-on-one contact and felt that individual and personalized contact would be necessary in any services provided by the TCS. Some participants stated that once one-on-one contact was established and the TCS was aware of their business and needs, it could potentially be helpful to go online for updates. Some participants expressed interest in an online forum to be able to learn from other businesses who are exporting internationally. These participants felt that the TCS could set up peer-to-peer connections to share knowledge and experiences in exporting and entering new markets.

D. NOTE TO READERS

As per section 10.2.3 of the Standards for the Conduct of Government of Canada Public Opinion Research—Qualitative Research, “Qualitative research is designed to reveal a rich range of opinions and interpretations rather than to measure what percentage of the target population holds a given opinion. These results must not be used to estimate the numeric proportion or

number of individuals in the population who hold a particular opinion because they are not statistically projectable.”¹ In order to avoid portraying these results as generalizable to the population, terms such as “a few,” “some” and “most,” rather than specific percentages, are used to broadly indicate views. To ensure a common understanding of the terms used in the analysis, the following guidelines were used in analyzing and reporting on participant results:

- “a few participants” = at least 2 people but fewer than 25%
- “some participants” = 25% to 49%
- “many participants” = 50% to 75%
- “most participants” = over 75%

It should also be understood that the information provided by participants is subjective in nature and based on their own recollections and perceptions and on information provided by Canadian business representatives. The screening questionnaire is found in Appendix A, and the interview guide is found in Appendix B.


E. EXPENDITURE

The contract value for this project was \$63,878.90 HST included.

F. POLITICAL NEUTRALITY CERTIFICATION

I hereby certify as Senior Officer of EKOS Research Associates Inc. that the deliverables fully comply with the Government of Canada’s political neutrality requirements outlined in the Policy on Communications and Federal Identity and the Directive on the Management of Communications. Specifically, the deliverables do not include information on electoral voting intentions, political party preferences, standings with the electorate, or ratings of the performance of a political party or its leaders.

Signed by:



Susan Galley (Vice President)

¹ Public Services and Procurement Canada. [Standards for the Conduct of Government of Canada Public Opinion Research - Qualitative Research](#). Last updated: Spring 2019.

DETAILED FINDINGS

A. PROFILE OF PARTICIPATING ORGANIZATIONS

The organizations participating in the study are categorized as follows:

- **Size** - 23 participants representing small organizations (fewer than 10 employees), 16 with medium-sized organizations (between 10 and 99 employees)
- **Type** – all 39 participants represent private sector organizations
- **Region of Canada** – 19 businesses are located in Ontario, 8 in Quebec, 7 in British Columbia, 3 in the Prairies and 2 in the Atlantic
- **Industry** – A wide range of industries is represented:
 - o business services (financial, design and marketing): 14
 - o manufacturing/parts/textiles: 8
 - o agriculture/animal care: 4
 - o aerospace: 3
 - o IT/telecommunications: 3
 - o environmental/clean tech: 2
 - o food and beverage: 2
 - o the arts: 1
 - o education and training: 1
 - o humanitarian aid: 1
- **Service or product** – 16 of the organizations sell services, 20 sell a product(s), and 3 sell both a product and services
- **Length of time exporting** – 11 are in the planning stages with regards to exporting, whereas 28 are currently selling a product or service abroad
- **Markets** – of the 39 businesses:
 - o 20 sell a product or service in the United States; of these, 13 do not currently sell in any other international markets
 - o 10 are involved in 1 or 2 international markets, but not in the United States
 - o 9 are involved in more than 2 markets around the world, but not in the United States

B. SOURCES OF INFORMATION

Sources of information and services to support international business

Most participants have accessed organizations or services for information and advice to support their business abroad. Only a few of the 39 participants said that they really have not looked for information, or could not point to specific sources, typically because it was too early in their planning process.

EDC and BDC

The most frequently cited source of information and support are BDC and EDC, which were noted by many participants (just over half), with a slight lean toward medium-sized organizations and those selling products rather than services. Those pointing to EDC as a source often spoke of information about receivables and insurance, although some described more broad-based information, advice or support (e.g. suggestions from an account manager). A few participants said information provided by BDC took the form of financial information or advice; however, most said information and advice provided by BDC took the form of broad-based intelligence or strategy. A few participants said they attended mentorship training or events hosted by BDC, which provided information and advice. These also afforded opportunities to build professional networks and connect with other entrepreneurs to share information on common issues of interest.

“I did the (BDC) Trade Accelerator Program and I did the TAP for female entrepreneurs. So, I can reach out to them for advice.”

“BDC provided me with a loan and some information and, more recently, they have provided advice. They have been inviting me (more recently) to come and access resources.”

“We used BDC once for a consulting project about 10 years ago. They helped us on the marketing side for the technical business.”

“My BDC account manager has also pointed me to some funding sources. So, now knowing that these exist means I might try to take advantage of them.”

Participants said both EDC and BDC provided useful information, although a few said that the information was not specific enough to be helpful.

Trade/industry and business associations

Some (nearly half of) participants said they rely on industry or business associations for information and services that support their export activities. This view was expressed more often by smaller organizations and those actively exporting rather than businesses planning to export. It was also more concentrated among organizations selling services rather than products. A few mentioned industry or trade publications as a source of information. A few referred to association newsletters, and a few attended webinars held by industry associations. Others mentioned their participation in panels or membership in association boards as useful vehicles for obtaining and sharing information and building professional networks.

“Trade publications are good—you can see what are the trends, the advertisers in the market, other players.”

“We are members, and I have a senior role on the board of a [specialized standards] association in Canada. This provides us with a built-in, large network of very relevant and targeted connections, which is our best opportunity to talk to the right people in a very specialized field.”

A few participants specifically noted belonging to a professional association in a foreign market, saying this was key to their operations abroad. Membership gives them access to information about the industry in that country and to events and trade shows, and is also a vehicle for building their network in that country. Many of those who said they rely on information or services provided by such professional associations described them as useful and relevant.

“Have also used the [association] in the U.S., which is a massive organization. So, when I need something, I will check with them because they are a trusted source, rather than googling and hoping it will work out okay.”

“I am a member of the [association in foreign market], which has been very helpful with information and networking. There is also a similar organization in the U.S. that has a very large trade show.”

“For us, we rely a lot on industry trade shows in order to grow our network, particularly in the American market.” [translated]

Brokers, dealers and other companies

A few participants said they have gone to customs brokers for information about regulations or processes. A few found this to be a helpful source, although others said the information is often not specific enough for their needs. Fewer still have relied on shipping or freight forwarding companies for information related to a specific issue.

“We have used customs brokers to the same end as well. They don’t really understand what we are talking about or how to answer potential client questions, so they come back to us and so on. In the end we are just doing their work and it takes as long as if we didn’t have the intermediary, so we just do it directly ourselves now.”

“I often deal with customs brokers, but they don’t always know about trade barriers, procurement issues either. Often it is me who is teaching them.”

“Freight forwarders have provided us with some strategic advice about how to do some things and get around some issues.”

Provincial and federal government organizations

A few participants have gone to a provincial body for information or support with some success. A few mentioned Ontario government organizations and 1 participant described a very successful emerging managers board organized by the Government of Quebec.

“We had a 1-day workshop put on by the Government of Ontario that was an ‘Exporting to the US 101.’ It was helpful in the planning stages.”

“In Quebec, there is an ‘emerging managers board’ with up-and-coming startups, where a lot of helpful and relevant information and knowledge is shared, and a lot of connections are made.”

“We were recently involved in Entrepreneurship World Cup, which was facilitated by Startup Canada. We are also closely involved with Desjardins in developing an Ontario program for entrepreneurs.”

Methods used to obtain information

Of the various methods used to obtain information, participants often cited informal personal networks as a key source. They rely on these networks because they are the most relevant, the most likely to provide useful information, and are a trusted source based on established relationships. A few described these as international networks developed in key markets over time. A few described their networks as including current and past clients, as well as referrals from clients. Overall, a slightly higher number of smaller organizations, as well as businesses who are actively exporting, mentioned using informal networks.

“We don’t tend to go to websites and so on, but mostly go through networks of people who are in the know and have more experience than we do. Now that I’ve been in it for a while, I have a lot of people in the sector coming to me to ask advice.”

“I have a good personal network, which is the strongest form of contact. They know what they are talking about, but maybe only in certain areas or can only introduce you to so many businesses.”

“We just get referral jobs from (...) who work in Canada but also on jobs in the U.S. We also have a U.S. dealer network we use.”

“I have a lot of network groups to access, and that helps me get information to formulate questions to get answers to questions. The focus on women-led startups is helping to cement relationships and networks.”

“I have contacts all around the world in [specialized arts field]. I have friends in art circles, I belong to associations and go to events and trade shows. I prefer contacts or referrals from people I know and trust, so I know there is no ulterior motive for suggesting something. I also want the full story—stats only tell you so much, but it doesn’t give you the history and context and what’s going on and why. You need that nuance, so you don’t misstep in establishing yourself or in marketing.”

“I have a good network in Europe from when I lived in Amsterdam.”

Some participants said they attend trade shows and conferences in Canada and in key markets as their primary method of obtaining and sharing information, as well as building their network. This was typically noted among organizations actively exporting. According to one participant, it can take weeks to follow-up on all of the leads from one trade show and this can result in many useful connections. Several emphasized the importance of picking the most targeted and relevant trade shows to attend. Some of these participants emphasized the importance of

connecting with others in person to adequately converse about a product or service and to establish trust. As noted in the Obstacles/challenges sub-section, above, some spoke of the disruption caused by COVID-19 which removed the opportunity to attend trade shows and conferences for the past few years and made it difficult to continue business development activities. A number of participants said that email is no longer a fruitful method of reaching a new client base—because of the volume of emails received and resulting lack of attention given to them—unless there has been some previous contact or introduction.

“We have ongoing communications with [professionals] through trade shows in Canada and dealer networks. You have to see people in person. It makes it possible to connect and explain your product.”

“Word of mouth and trade shows are the main way for me to get information and connect with new clients.”

“[The best for us] is chasing down contacts of trade shows. Doing some basic research on the company that may have contacted us.”

“We prefer one-on-one relationships, not going online, so that we are developing a cooperative network. They need to be informed sources on how to sell in the U.S. and on navigating the Canadian bureaucracy.”

“Trade shows are also big for us. We connect with a lot of people that way.”

Conversely, a few participants said that, for the most part, they rely on their own online research, through key websites, publications and databases, to support their international efforts. This was somewhat more likely among smaller organizations and those actively exporting. Participants said that they have accumulated knowledge over time of where to find the most useful and relevant information, based on their own specific needs.

“I use trade journals, and databases, and I read hundreds of newsletters from industry associations and independent experts, as well as all sorts of publications. This gives me lots of knowledge that I can share with others in my contact network, which leads to more contacts. I also do all of my own online research. It’s easy for me to find information and business leads I am looking for. I know what databases I want to access and can find someone who does if I don’t.”

“We use Internet search. We are members of several organizations that are cross-border. That gives us some insight into marketplace in the U.S. as well. It’s [useful] information and knowledge sharing.”

“We mostly just use Google and Alibaba. We go to websites [mostly text-based] to look for info on legal and regulatory issues in selling [product] in the U.S.”

“We do online searches for events and names of companies, but [it’s] informal and not so useful. Often, we hear about trade shows that could have been useful, but we heard about them too late to be able to attend.”

“We do our own searches online (Google, etc.). We are looking for specific types of dealers [of a size, in a region, serving the same type of demographic as we serve]. We don’t use social media, publications or market research reports. We are pretty clear on what or who we are looking for, so we go right to the active search.”

A few participants said that they have used market reports on occasion, with some success.

“I read market reports specific to packaging and opportunities in a country and what countries are requiring more services like that.”

“We have bought reports from McKinsey or different consultants out there that write those reports. They write for the world and then break it down to certain markets. We have used them for a particular country. But then you get inundated with more info, and it didn’t help much to begin with.”

Regardless of the preference for reading information versus speaking with someone, many suggested that the priority is to obtain information that is specifically tailored to their own business and intended market and, in some cases, to their unique problem or requirement. This was universal across different sizes of organizations, as well as among those actively exporting or planning to export, and those selling both products and services.

C. AWARENESS AND USE OF THE TCS

General awareness of support offered by the Government of Canada

As all participants were recruited through BDC, there was a high level of awareness of BDC. However, not all participants mentioned BDC when asked about support from the Government of Canada for businesses exporting internationally. Some participants said they used BDC services. A few of these had participated in a mentoring program or generally received support from advisers at BDC. About as many had heard of EDC or been in contact with EDC.

Of these participants, a few spoke highly of BDC in particular, saying that they learned a lot from them, or were well advised and supported. A few said that they had the impression that both organizations turned away many businesses, particularly smaller-sized enterprises, or startups.

“We get a lot of referrals from BDC. They give us leads, but we don’t have a specific person we deal with there.” [translated]

“[Other colleagues in the industry have] basically been turned down through BDC, EDC, what else is there? They say, no, we don’t do [sector]. Or, we won’t even consider [working with this sector in a target market].”

Aside from BDC and EDC, there is very low awareness among participants of any other support offered by the Government of Canada for businesses exporting internationally. A few participants said that market intelligence was available through Statistics Canada, that the Government of Canada organizes trade missions, or that support exists generally for business, but without any specific knowledge.

“[We have] heard of Statistics Canada, but they are not specific enough or the information is not current.”

A few said that they had not heard of services provided by the Government of Canada to support small business doing business internationally.

Awareness of the TCS and what it does

Some participants were aware of the TCS, having had some previous contact with the service, almost always many years prior. This occurred slightly more often among medium-sized organizations. A few of these participants said that they approached the TCS when they were planning a visit to a target market, or met a TCS representative at a trade show. One or two had more recent contact, although this did not result in any services being provided. Several participants said that they had been made aware of the TCS through BDC, or, to a lesser extent, EDC.

“BDC told me about TCS and it was added as part of the strategy (to find out more and access information), but when we prioritized the list of things to do, that fell further down the list and became a step for 2023.”

“I just heard about the TCS through an EDC webinar on procurement.”

“About 10 years ago, we approached TCS about business in Brazil, but they seemed more interested at that time in having Brazilian companies invest in Canada. They only said they could offer market reports.”

“I connected with them at a trade show. I was looking for potential partners but they said that I was not in the size or industry [service] category that fit their mold so they couldn’t really help me. I got the sense that they are good at intel of who’s who and who might connect well with whom in the product market, but not on the services side of things.”

“I contacted the Canadian embassy in Seoul, [South] Korea to learn more about the business. I went on a 3-week swing [in Asia, South Africa], met with a customer and went to an embassy.”

“We went to Foreign Affairs (TCS) some years back to see if we could get some assistance in Japan. We were connected by TCS with a market facilitator in Japan, but I guess we really just wanted an interpreter.”

“I can remember using them to locate a distributor in Sweden. The trade commissioners in Sweden were very helpful in aligning us with the right people to speak with as far as someone who wanted to distribute our products.”

Although some participants may have had contact with the TCS, only a few seemed to have a good understanding of what the TCS offers. Likewise, few perceived that that it would not be useful to contact the TCS to support their business activities. This was among those organizations—notably, medium-sized—who had approached the TCS to solve a particular issue in the past.

“Yes, I am aware. I know what they can do, but it tends to be a lot of running around. I used them years ago for another company. They try, (but) it’s hard for them to be an expert in everything.”

A few participants had some awareness of what the TCS does based on what they had heard or read about TCS services, or from someone in their network they had spoken with, or through BDC/EDC.

“My impression was that it’s a fairly new service and that [TCS is] looking to build based on the issues or concerns or the holes or gaps that people are experiencing when they’re dealing with international business.”

A few participants said that they were not clear on the difference between the TCS and EDC, or that there seem to be many places where one can access similar types of support.

“Probably everything, but they do it 50 different ways. And there is the Government of Canada, but then the same thing is offered through the province of Ontario. And then there are the incubator programs, and they are close and at your fingertips, and those are good. There are too many places to go and when I get an email, I don’t even know who it’s coming from.”

“Maybe it wasn’t TCS actually. Maybe it was EDC. I’m not sure I know the difference or recall which it was.”

“I would have thought the TCS was a division of EDC.”

A few participants had not really heard of the TCS before, but still had some notion of what it offers, or who its services are geared toward, particularly among medium-sized organizations. Some seemed correct in their assessment, or at least understood some elements of what the TCS might offer. A few participants also outlined their impression that the TCS is in place to serve the needs of large organizations and not that of small/start-up businesses. This was more often the case among small organizations.

“Yes, I heard that [the TCS] they were a network builder and could help companies locate markets, locate customers in foreign markets. If we had a big project, they could facilitate that, like building a plant in India. The TCS has trade commissioners living in the (market) country.”

“I am somewhat aware of what the TCS does, but I have never tried to access the services of TCS. I just assumed that they would not be there to help a little shop like mine. They are there to serve the medium to larger organizations with bigger operations than mine is.”

“I think I had a meeting very early on (more than 6 years ago), but it was only a first meeting, and we were told that we were too small and new in the business for them to be able to help us. I think that they should be in the business of helping new businesses who aren’t in the export game yet.”

“I get the impression they are for the big companies, not for small-business owners. Small-business owners never seem to get the attention of government [or policies].”

“The services provided by the embassy are geared to large businesses. They’re not particularly geared to start-ups and they’re not particularly geared to entrepreneurship. At what point would I be big enough to attract the interest of the staff in the individual countries?”

Some participants (nearly half) had not heard of the TCS prior to the BDC survey, and were not aware of their purpose, other than the information provided in the recruitment question in the BDC survey. This was noted more often among those selling services rather than products. A handful of these participants were surprised that they had not heard about the TCS before, and one or two were dismayed, indicating that it would have been useful for them to be aware of these services, which could have saved them a lot of work.

“I knew there was a trade commissioner, but no idea there was a service. I don’t know how they could reach out. I am on the Internet all the time looking for information, I don’t know where they’ve been hiding it. It’s not popping up if you do a search on exporting from Canada.”

“Sounds like I could use these services and should have already been using them for a while now. Why don’t you hear about the TCS? As a small business involved in exports, I am not sure why others who are advising don’t know and tell you about the TCS.”

Some participants with limited or no prior awareness of the TCS said that more should be done to make small to medium-sized businesses aware of the services and information offered by the TCS. These participants felt that the TCS should be doing a lot more outreach to Canadian businesses to create greater awareness of the TCS and the support available for businesses who are exporting, or looking to export, internationally.

“They haven’t been reaching out, and I’ve been doing this since 2013. And they haven’t reached out to our association. We’re talking 250 businesses who haven’t heard anything.”

“If somebody would actually travel around to call on small businesses and promote the concept they did, that would be really helpful. It would also be really helpful to get anybody that was trying to help if they are in the area to go see what we do.”

“I don’t know anything about them or services they offer. I’ve never seen it mentioned anywhere. I have come across Industrial IRAP [Industrial Research Assistance Program] and SR&ED [Scientific Research and Experimental Development tax incentives] a lot, but not TCS. [I’m] not sure why not if this is a core Government of Canada service that businesses could be using. They could go to Small Business BC, accelerators in major centres that help small business to tell businesses about TCS.”

How to reach out to/make contact with the TCS

Some participants spoke about how they would connect with the TCS to access assistance. Some participants said that they would be quite comfortable going online to find the best access point to the TCS. For some, this would be a local contact within their own Canadian region, but for others it would be an access point within their target market. In terms of accessing an embassy or trade commissioner abroad, a few participants said they would like to first have a warm introduction from the TCS in Canada and others said they would go directly to the source in the country of interest.

“Would try to garner customer information, customer development areas. Unless there was a specific benefit to go through Canada, a central office, would go to find TCS in the markets. One more layer we don’t have to deal with.”

“I would determine which country has opportunities and then just reach out to them with some of our marketing material, and then just ask if there are opportunities and is there a place we can advertise. Would go online to find the info.”

“Go online, figure out who and how to contact. I wouldn’t expect TCS to seek me out and spam me into a contact. But, advertising their existence more would be helpful, including ways to contact them. BDC is doing a large campaign right now and I feel it will be very successful for them.”

A few participants felt that the TCS could increase advertising and reach out to businesses to help build awareness of the information and services available to Canadian businesses. A few noted that the Government of Canada has information on business activities and contact information and should have the ability to reach out to businesses such as their own. Further, a few said that referrals from other organizations, such as other federal departments, levels of government, or organizations such as the Chamber of Commerce would help build awareness.

“Send an email and that would at least trigger some information. I don’t see anything of that nature coming to me. Whether that’s not being done, or that they are only channelling to certain types of businesses. I get targeted emails from manufacturers in India or China, so people are aware of us. So why is the organization that could be helpful to us [the TCS] not reaching out to us?”

“... spend money advertising. People should understand that there are embassies out there to help you. Before you ever get there, someone in your industry should be able to point you to someone to contact there.”

“Is it just someone at the Chamber of Commerce saying you should talk to TCS. Or referrals from other federal departments. I would have thought in any of the instances that I engage in organizations on the topic of exports, one might have said, ‘Hey, have you looked at this?’ [TCS].”

“If somebody would actually travel around [Canada] to call on small businesses and promote the concept they did, that would be really helpful.”

D. OBSTACLES/CHALLENGES

Over the past 2 years, most participants faced challenges related to the COVID-19 pandemic. This included a disruption in demand, which a few participants attributed to a fear of what the future would bring, or a general pandemic-related “distraction.” Key informants mentioned that travel limitations due to the pandemic were a primary challenge, reducing their ability to attend trade shows or meet with current or potential customers.

Some participants who export physical products noted shipping costs and delays as a challenge. A few said that they are looking to move their manufacturing infrastructure to geographically closer regions to mitigate shipping costs and timelines. One respondent noted that they have a very bulky and complicated product to ship, which requires significant planning and investment to be able to deliver the product to customers in foreign markets.

“Supply chain was a nightmare, and even now it is still a problem. It teaches you to have more Canadian manufacturers.”

“Have struggled getting components in from other countries.”

Some participants cited challenges related to financing or funding, more notably among smaller businesses. This affects the ability to develop products, along with hiring staff to take on sales and marketing roles to expand business activities. A few mentioned challenges with cash flow during the pandemic, such as having enough funds to purchase material before completing the sale of the product or service. One participant noted that accounts receivable were more volatile over the last few years than at any other point in time.

Some participants identified hiring and retaining labour as a challenge. This includes both professional labour, such as sales agents, and manufacturing labour, such as skilled machinists. A few mentioned that wages have been increased in order to attract and retain employees. Further, the inability to fully staff their business has resulted in production delays or reduced sales leads.

“It’s a high risk for someone to come to our company [as an employee] when there are so many choices of employers.”

“We have had our backs against the wall, where demand is far greater than our ability to supply. There is almost a 12-month lead time currently. Can’t find [manufacturing] labour.”

“At the moment, we have an issue with [human] resources. We need specialists in our field, and there aren’t any available. This was true as much during the pandemic as it was before. So I would say the major challenge we’re facing is a lack of resources.” [Translated]

A few participants noted regulatory requirements as a challenge in terms of understanding requirements, obtaining regulatory approval and changing regulatory requirements, particularly for products that require a registration in the export market. Smaller businesses, in particular, more often noted difficulties in understanding local regulations in markets, legal requirements and tax implications.

“You’d have to go through the federal FDA [U.S. Food and Drug Administration], which may be a formality depending on the ingredients you’re claiming. But then you get down to the state regulations and things become more complex.”

“Information on tariffs and trade barriers and regulatory requirements in other countries is always an issue. There’s always something new and you need to learn it all in new markets.”

“That is the biggest need I have is to tap into the rules in a country.”

A few said that tariffs on materials coming into Canada are a challenge when trying to source production materials from other markets. Others said that federal or provincial policies that impact their sector are a challenge, such as restrictions on plastics manufacturing or alcohol sales regulations between provincial borders. Overall, participants said that government regulations and decisions within Canada have created a notable barrier in allowing Canadian businesses to be successful, including those who export internationally.

“Our biggest [taxation] issues are Canada, quite frankly.”

“Bureaucracy. We are getting hit from all sides. Federally, provincially, municipally. It’s getting very hard to run a business and follow all the rules and regulations.”

“It’s really hard to justify continuing to invest in the plant in Canada because of Canadian law.”

A few mentioned protectionist policies in markets such as the United States, Japan and Brazil as a challenge. Concerns over protectionist activities were more noticeable among participants who only export to the United States. Of these, a few noted that they have opened an office in the United States to mitigate these purchasing policies.

“Japan is a little different because their government discourages imports. If there is a Japanese manufacturer, it’s very difficult to get product into Japan.”

The value of the Canadian dollar was mentioned as a challenge by those selling into certain markets, or, notably, those purchasing material in the U.S. A few said that they pass along the increased costs to their customers or manage the related costs through currency hedging.

“I think the biggest issue for us has been the drop in the value of the euro, because it was really nice when we got paid in euros and constantly converting to Canadian. But I lose about 10 points on every euro that we’re converting at the moment.

“I’ll do some currency hedging if need be or will factor a pretty conservative exchange rate in our favour, maybe use 15% even though it’s running at 30 so that we’ve got some buffer built into that.”

Many participants expect that most of their business-related challenges will remain over the next 5 years. As noted by a few, the pandemic restrictions simply exacerbated challenges that were already present or highlighted vulnerable areas. A few cited as an expected, continuing challenge, the resulting pandemic-related recession and corresponding contraction in demand, or income, for business activities.

A few indicated that they expect the cost of shipping to decrease in the next few years or that there will be a return to more timely and predictable shipping; a few others felt that shipping challenges will be ongoing.

Participants expect challenges to pandemic-related travel restrictions to lessen, although some mentioned that business travel frequency or ease of travel is not at the same level as before the pandemic. As described earlier in the report, some participants said that while video meetings served as a means for connecting with other people, business travel will never be completely replaced by video meetings as people want to meet in person to establish trust in a business relationship. This is especially for some cultures. However, a few lamented the return to in-person meetings and the resulting costs and time spent travelling internationally.

E. TCS SERVICES

When thinking of the challenges expected over the next 5 years, many participants felt that the TCS services would be useful for their business. Although only some participants were familiar with the TCS generally or with any specific TCS services, most participants indicated—when the activities were described to them—that they would be interested in receiving this type of support for their international business activities. Generally, participants said they would welcome assistance from the TCS, whether they were a new entity in product development, entering a new market or expanding within a market. One participant noted that the TCS could be a very important partner due to its global presence. A few participants said that although they began exporting using their own networks and resources, having information and services from the TCS would also be an asset.

“In researching new markets like U.K. and Australia, we would need all of it [understanding environment—the market, the regulatory environment, etc.]. Anything we can get because it would be starting from zero, since it took me about a year of research in going into the U.S. market. It would have been helpful back in 2019 when we were starting, but we’re in a different place now for the U.S. But, it would save us a lot of research to understand the basic environment in new markets.”

“Mostly just the need to get the word out about our products. But anyone who can help us needs to have a very good understanding of who we are and what we sell in order to be useful.”

“Would like to be plugged into events where we meet decisions makers looking for our types of services in sector and size range where there is typically more interest. We just want the exposure opportunity.”

Qualified contacts in Canada or abroad

Many participants felt that having the TCS identify relevant contacts that can enable them to export to a new market would be a valuable service. Some participants said the most useful assistance from the TCS would be facilitating connections with other stakeholders through meetings. Some cautioned that the contacts would need to be very targeted, with the right level of decision maker in order for the contact to be useful. Most participants have been identifying contacts through their own networks and welcomed any additional support from the TCS to facilitate introductions. A few said that due to the COVID-19 pandemic, they have not travelled

to the target markets for a few years and having the TCS verify any new or alternate contacts would be of benefit.

“Mostly, we just need connections to get me in the room with people who will listen.”

“We are so used to doing those types of connections on our own, or through a mutual contact. I would have never thought that TCS could play that role as an introduction service.”

“Absolutely, because that really starts relationship building. And the opportunity to talk about what advantages we could provide for another company.”

“We have a few international areas we want to move into over the next few months to a year. It will be a few million dollars-worth of investments our partners have agreed to help us with, but TCS could assist by facilitating meetings and partnerships with external stakeholders.” (Translation)

Strategic advice

Some participants indicated that they would like information and advice beyond market intelligence, including strategic advice on how to approach a new market or which markets may be more difficult to enter, given their product or service. A few participants noted that they are entrepreneurs, creative or knowledgeable about a technology, but do not have experience with all aspects involved in developing a business.

As articulated by one participant, a list of “red flags” would be valuable from TCS to help their business understand factors such as which markets can be managed from Canada and which ones may require on-the-ground support. The strategic advice requested often includes a holistic perspective and includes services discussed further below, such as regulatory and legal advice, cultural considerations, and use of financing.

“To have someone advising us on where to concentrate. Market intelligence on how to strategize and approach a new market.”

“It will tell me which markets I can easily access from here and which ones I need to have people on the ground in-country to run it. There are companies where they don’t even allow you to export it out [India]—no data can leave that country.”

“I am so new at this and I have lots of connections, but I need more support to understand how best to plan it and develop the best strategy.”

“I am a creative at heart but now I’m running this business, which is growing and that’s great, but I often feel out of my element. Having strategic advice from someone I’ve established a relationship with is helpful. In particular, having the knowledge in place to figure out how to use financing smartly is an area I’m looking to have more information about.”

Market intelligence and information

Some participants said that they would be interested in receiving market intelligence and information from TCS. These participants felt that the information would need to be industry-specific, and tailored to their needs, to be useful. As noted by a few, “macro” or general information can be found on the Internet. A notable proportion of participants did not identify market intelligence as a support they needed to do business internationally, or that it is “not their first thought” in the services that the TCS could provide.

“That kind of information is very helpful; being able to compare industry by sector.”

“Especially if it is sectoral. Probably would have to talk to an individual to get the specific market intelligence you are looking for. I know how much [...] is produced in Chile, but I don’t know who produces it. The big macro stuff you can get on the Internet. The specific detail information you would probably have to focus in on that more and that would probably require talking to somebody.”

Information on the protection of intellectual property rights, government procurement and/or regulatory matters

When asked about the need for any assistance in these areas, participants identified various elements, depending on their sector. This included support in navigating issues related to tariffs and visas, along with regulatory issues when registering or certifying a product in any country outside Canada. Advice on the confidential protection of intellectual property was also noted. Others said that assistance in these areas is not necessary for their sector or specific product or service.

“The problem is that regulators are often updating and ‘improving’ their requirements, which is great because then you can meet stricter criteria and it allows you to make stronger and stronger claims. But you have to go through the new hurdles each time.”

“I need to protect my design [IP] so would like advice and assistance but it needs to be confidential.”

Information or advice on locating financial/funding assistance

Several participants who were already doing business in foreign markets indicated that they did not have a need or interest in financial assistance, in terms of investment or loans. For those in the development stage or not yet exporting, there was stronger interest in securing financing. Overall, very few thought there would be funding available, such as CanExport, to support business development in foreign markets. Many participants said they would appreciate assistance from the TCS to identify what funding or financial support they may qualify for, along with assistance in applying for and generally navigating the process. One participant said that applications for funding can require the provision of market intelligence and would welcome TCS assistance with all material to support securing funding. Another participant felt that they would not be eligible for any funding or there are too many “hoops” to go through.

“Financing is not an issue, although it is costly to attend trade shows. So if there were grants to offset this, it would be interesting and useful.”

“That’s going to be the challenge for anyone who is a small to medium business. Definitely would take advantage of that.”

“We’re fairly well capitalized. We’ve been around for a long time.”

“Funding is the main critical issue. I cannot hire more and expand without the funding to do so, and it also hampers our ability to travel to new markets.”

List of events or trade fairs/trade missions to attend

Identifying events, trade fairs or trade missions to attend would be helpful for business activities, according to some participants. A few participants stipulated that these events would need to be very specific to their business and have the right level of contacts in order to be worthwhile.

“It doesn’t help to go on a trade mission to talk to their general pile of contacts. It works if there’s a [sector] expo or a half a dozen distributors of [product in the market]. It has to get as specific as that.”

“We often hear about trade shows that could have been useful, but we hear about them too late.”

“We attend a conference now with the [...] which is very specific, relevant and helpful. It needs to be that specific and specialized to be worth the time.”

Practical information on timing and organizing a business trip

Some participants felt that it would be useful to receive TCS support on practical information such as timing and organizing a business trip to new and unfamiliar markets. A few pointed out that they are not aware of holiday periods in some cultures or that events may be taking place that would interfere with the ability to meet with individuals in the market. A few businesses also mentioned that having access to an interpreter to plan and conduct the business trip would be valuable.

“Anywhere else where the nature of government is different enough, I would want someone who knows that they are doing. Even just to get things organized or validate my ideas. If that’s something TCS could offer, absolutely I would take advantage of that.”

Information about organizations or companies in foreign markets

Receiving information about organizations or companies in foreign markets would be useful, according to a few participants. This was seen as an asset, particularly in terms of having TCS validate the authenticity of a business in that market. As a few participants noted, it is not enough to pursue a website or verify an online presence: the physical presence of a potential business contact needs to be confirmed to validate that it is a legitimate enterprise.

“It’s not as simple as doing a Google search and see if they are a legitimate business or not. There would be nothing worse than spending time and money that you don’t have, and [the company] is not legitimate.”

Responsible business practices in foreign markets

Some participants felt that the TCS would be valuable in helping to identify responsible business practices in foreign markets. These participants felt that the TCS could provide intimate knowledge of a market, including cultural norms and expectations in order to conduct business and stimulate good relationships in a foreign market. A few hoped that the TCS could also alert them to corruption and businesses or markets to avoid. Conversely, one participant felt that as

long as they conduct themselves in a responsible and ethical manner when reaching out to foreign markets, they would not need any advice in this area.

“I don’t know what I don’t know until somebody tells me.”

“If there were customs that we are not used to, you can become embarrassed pretty easily.”

Offering TCS services online

Most participants emphasized the importance of one-on-one contact in business and felt that individual and personalized contact would be necessary in any services provided by the TCS. Most participants indicated that individual support would be necessary, as every business is unique—with specific needs that they do not foresee being met through general information populated online.

“I think a conversation is always better because sometimes you don’t ask the right questions. In a conversation you can have that back and forth that is more informative.”

“I doubt very much there would be anything specific enough [online].”

Many participants felt that some TCS services could be provided online, in addition to one-on-one services. These participants envisioned a model where a business could log in to a portal to access general information “as a starting point” on a market, such as responsible business practices; lists of trade fairs to attend; practical information on timing and organizing a business trip; or available funding assistance. A few emphasized that it would be worthwhile for them to regularly access online information if it was relevant and updated frequently.

“I would love for it to evolve for it to be one-on-one discussions. We have a specific skills set and would want to make sure TCS understood that and what our capabilities are.”

“Online portal for information to access would be interesting for contacts and information on financing, and trade shows. But a one-on-one contact is important foremost since what I need would be different for different markets.”

Many indicated that the information available online would need to be specific to their needs and not overly general. For example, participants did not believe that general market intelligence

online would be useful and would need to be sector specific or, in many cases, a niche within a sector. Further, identifying contacts within a market needs to be very specific to a business in order to be useful. Another participant indicated that they already subscribed to a database that describes what projects are being carried out in their sector; however, it is very expensive.

Some participants did distinguish that one-on-one services may be conducted online, in person or by phone. Some participants were comfortable with or saw value in interacting with the TCS through virtual meetings or email, without the necessity of meeting in person. A few, however, felt that the TCS should visit their business in person to tour their facilities as a means to understand the dynamics of that specific organization.

Some participants stated that once the one-on-one contact has been established and the TCS is aware of their business and needs, then it could potentially be helpful to go online for updates. In particular, once a business has had one-on-one interaction with the TCS, they will be informed of the specific information they can access online, or they can suggest areas that the TCS can add to the online services that would be useful for the business.

“I wouldn’t want online as a replacement for the one on one, but it would be useful to go to a website after I’ve been pointed in the right direction, or for updates from time to time. Yes, that would be useful. I would want it to supplement and not replace one on one.”

“We would want to work one on one with a trade commissioner and then, once we are both fully briefed and understand, we can go online with the advice and guidance regarding what is useful and then go checking online when pointed in the right direction.”

Some participants expressed interest in an online forum to be able to learn from other businesses that are exporting internationally. These participants felt that the TCS could set up peer-to-peer connections to share knowledge and experiences in exporting and entering new markets. Likewise, a few perceived that the TCS could link Canadian businesses together to operate “joint booths” at trade shows or other business development activities.

“Would be interested in an online communications platform to connect with others, particularly in Canada, to share information with others in Canada who are developing markets.”

“I would love to follow that up with a virtual group of people who are building subscription [...] models, to share knowledge about what they’ve tried or know about. Those and also experts in the know on key issues.”

“It would be good to have TCS assist with peer-to-peer network development to promote business development of the small guys doing a lot of work internationally. If they could operate a communications platform for this to enable mentors to connect to learn, share and mentor others this would be great. There could be webinars, for example, on a range of topics of interest to those micro companies working in international markets.”

“We also want connections to other Canadian companies trying to operate in foreign markets because they could also be our clients and lead us to other foreign market clients.”

CONCLUSIONS

The purpose of this study is to inform GAC's operational priorities to support increased and more diverse trade and investment. The ultimate objective is to raise the standard of living for all Canadians and to enable Canadian businesses to grow internationally and to create economic opportunities.

Specifically, the objectives of the interviews with potential clients are to:

- understand the needs of potential TCS clients and to help determine if the TCS can enhance its services, for example, through a digital platform to reach and support more Canadian exporting firms
- identify opportunities for improvement in the delivery of international business development services to Canadian businesses across Canada's entire network of trade offices

Using the detailed findings presented above, the following conclusions and recommendations can be made to address the study's objectives:

A - Understanding potential TCS clients and their needs

1 - Obstacles and needs

The COVID-19 pandemic caused disruption in demand for and restrictions on travel related to business development for most participants. Participants mentioned other challenges such as costs and delays in shipping, accessing financing or funding, and hiring and retaining labour. Many participants expect that most of these business-related challenges, along with concerns over regulatory requirements, tariffs, protectionist practices and currency fluctuations, will remain over the next 5 years.

In the face of these challenges, participants said that obtaining qualified contacts in Canada or abroad were the most valuable form of support they could get. Some emphasized their interest in or expectation for strategic business advice from the TCS (i.e. how to approach a new market, factors to consider when entering a specific market). Some participants saw market intelligence or a list of events or trade fairs as useful, provided these were appropriately customized or targeted for their specific business needs. Those in the development stage or not yet exporting

also deemed that information or advice in locating financial or funding assistance was helpful. Practical information on responsible business practices in foreign markets were also noted as helpful.

2 - Use of information sources

To support export activities, many participants described a history relying on industry associations, trade groups and personal networks—all of which offer useful information because it is tailored to their own sector or sub-sector. This, along with relationship building, make business/industry associations a trusted source of information and services for many. In some cases, participants also, or exclusively, rely on their own online research (Google), in addition to relevant trade publications, websites and databases, to find information.

Support for exporting activities is also modestly boosted through activities such as hiring brokers, legal advisors or sales agents on the ground in the target market. Collectively, participants described a range in levels of experience and confidence; however, some participants have become quite proficient at finding information that is sufficiently tailored or customized to their needs, having found ways that work through their own trial and error.

3 - Awareness of and interest in TCS services

Many participants emphasized that they are focused on the practical running of their business, that their business may be very specialized, and that they would like to expand to other markets but lack the resources or knowledge to do so. They often articulated a need for holistic support, most notably strategic advice on how to approach a new market or which markets may be more difficult to enter, given their product or service. This is particularly the case for participants who identify as entrepreneurs who are creative or knowledgeable about a technology but do not have business expertise or experience exporting.

While there is some awareness or experience with the TCS, awareness, by and large, is low and there are some perceptions that TCS support is geared toward large companies. Interest in the services offered by the TCS is high, particularly in areas such as qualified contacts, advice on dos and don'ts, and considerations in planning entry into new markets. Many participants also understand that the federal government has access to information on Canadian businesses with means to reach out in a targeted way (business directories, research funding recipients, etc.). Interest in TCS services comes with the expectation that information and services will be finely customized to their specific requirements for maximum usefulness. Further, there is a keen

interest in one-on-one support: an active adviser who will provide strategic guidance, potentially across several subject areas.

4 - TCS service enhancement through a digital platform

TCS services that could be accessed online are of interest to many participants, who saw online access as a complement to one-on-one services—viewed as a central and necessary aspect of the service. Most participants emphasized the need for individual and personalized contact in order to better understand the services offered by the TCS and, in particular, to outline their service needs, given they had had no prior contact with the TCS. For some participants, being able to periodically visit the online portal for updates was seen as valuable, once this one-on-one contact had been established. Some added the proviso that they would expect content to be updated frequently. Some participants expressed interest in an online forum to be able to learn from and share information with other businesses that are exporting internationally.

B - Opportunities for improvement in the delivery of international business development services to Canadian businesses

- There is a **need for tailored and one-on-one services** to support export activities, such as:
 - strategic guidance
 - identification and vetting of high-quality contacts abroad
 - identification and navigation of funding and financial assistance
 - advice on responsible business practices
- There is a need for improved efforts to **promote awareness of the TCS** and the types of information and services offered:
 - while there is a low awareness of the TCS, there is a considerable interest in the support offered by the TCS
 - efforts could include clear messaging about who the services are designed for and under what circumstances organizations might benefit from these services
 - this may also require outlining the scope of the services, and any limitations, in order to manage expectations
- It may be effective to **work through existing industry associations and networks**, with which many have already established connections, in order to find and share information:

- o businesses have developed sources for and methods of finding information, some have become sophisticated in their approach
- o use of industry groups and networks is prevalent (contextualized to sector/sub-sector)
- o many small and medium-sized businesses work on the principle of collaboration with other businesses to obtain and share the most tailored and therefore useful information
- o working closely with industry/business associations and other similar organizations and networks may assist with:
 - dissemination of information to promote the services of TCS
 - dissemination of information about working in/developing international markets, relevant to specific sectors
 - gathering intelligence on information needs and emerging issues to guide service delivery formats and models
- There is interest in **online service delivery**, provided it is not a stand-alone service:
 - o expectation that the content would be updated frequently
 - o interest in a vehicle for online collaboration within sectors/sub-sectors or other “like” groups (e.g. start-ups, women-led organizations), to build and share specialized knowledge and solve problems collaboratively

APPENDICES

A. SCREENING QUESTIONNAIRE

INTRO

WEB INTRO

Thank you for agreeing to answer this short set of questions in order to determine your eligibility to participate in an interview being conducted by EKOS Research on behalf of the Trade Commissioner Service (TCS) of Global Affairs Canada (GAC). Si vous préférez répondre en français, veuillez cliquer sur français. The TCS helps Canadian companies navigate international markets across a wide range of trade sectors. Trade commissioners offer support to companies by providing practical advice on foreign markets and on-the-ground intelligence to aid in making better, more timely and cost-effective decisions in order to achieve their goals abroad. The objectives of this interview process are to understand the needs of those who are not currently using TCS services, help determine if the TCS can enhance its services and to identify opportunities for improvement in the delivery of international business development services to Canadian businesses. This will take only 5 minutes to complete and is voluntary and completely confidential. Please be assured that all opinions will remain anonymous and will not be attributed to you personally in any way. The information provided will be administered according to the requirements of the Privacy Act, the Access to Information Act, and any other pertinent legislation. To view our privacy policy, [click here](#).

S1 [1,7]

Which of the following statements best describes your company?

Select all that apply

My company intends to pursue foreign business opportunities within the next five years	1
My company is actively planning to do business in foreign markets within the next 12 months	2
My company has been doing business in foreign markets for less than a year	3
My company has occasionally done business in foreign markets over the course of the last five years	4
My company has regularly done business in foreign markets for more than a year	5
None of the above	98
Don't know/ Not sure	99

S2

Have you or someone else in your company received a service from Trade Commissioner Service in the last three years.

Yes	1
No	2
Don't know/Not sure	99

S3

Is your company:

Headquartered in Canada?	1
A foreign subsidiary with operations in Canada?	2
Don't know/neither	99

S4

How familiar are you with your company's international business activities?

I am not involved in my company's international business strategy	1
I am directly involved in my company's international business strategy	2

S4B

Would it be possible for you to forward an email to the best person in your organization to answer questions about your company's international business strategy?

Yes	1
No	2
Don't know/Not sure	99

S4C

Please enter your email address and we will send you an email invitation for you to forward to the person in your organization to answer questions about your company's international business strategy.

Email: 77

BDC

Referral from BDC survey

Note that a few of the following questions may be similar to those you just answered because your responses to the BDC survey are confidential, and therefore not linked to your responses here, related to the TCS interview.

S5

Using your best estimate, how many employees do you have in your company? (Please include employees from all locations in your company, within and outside of Canada.)

Self Employed	1
1 to 9	2
10 to 49	3
50-99	4
100-249	5
250-499	6
500 or more	7
Don't know	98
Decline	99

S6

Which of the following best describes your company's annual sales in Canadian dollars?

Less than \$250,000	1
\$250,000 to less than \$500,000	2
\$500,000 to less than \$1 million	3
\$1 million to less than \$5 million	4
\$5 million to less than \$25 million	5
\$25 million to less than \$100 million	6
More than \$100 million	7
Not applicable	97
Decline	98
Don't know	99

S7

Which of the following best describes your role within the company?

Executive	1
Middle Management	2
Employee	3
Consultant/ Sole Proprietor	4
Other (Please specify)	77
Decline	99

S8

In which province or territory is your company operating primarily?

Newfoundland	1
Nova Scotia	2
Prince Edward Island	3
New Brunswick	4
Quebec	5
Ontario	6
Manitoba	7
Saskatchewan	8
Alberta	9
British Columbia	10
Northwest Territories	11
Yukon	12
Nunavut	13
Don't know/no response	99

Q1

Thank you for taking the time to provide this information about your company and international business activities. Based on your responses, we would be very interested in conducting a 50 to 60 minute interview with you about your company's experiences and needs in the area of international business development and activities. Would you be interested in participating in this research? The research is being conducted by EKOS Research, a third-party research firm. All responses would be completely confidential and any quotes would not be attributed to a specific company. There is an associated incentive of \$150 for participation. All interviews would be recorded, and anonymized transcripts provided to Global Affairs Canada so that they may learn important information about how to tailor the services of the TCS to meet the needs of Canadian business involved in selling, or exploring the potential for selling goods or services internationally.

Yes, I am willing to be considered for participation 1
No, I am not interested in participating in this research 2

QNAME

Please provide your name and the name of your company.

Name: 1
Company name: QNAMEBOX 2

QEMAIL [0,2]

Name:&&AQNAME

Company name &&AQNAMEBOX

Could you provide an email address where EKOS Research can reach you to establish a date and time that is convenient for you to conduct this interview. The interview will take place over a video platform, using audio only or audio and video, based on your preference. Please note that, depending on timing to complete the interview assignment, you may or may not be contacted for an interview. If you are contacted and a date and time are established, EKOS Research will send you a meeting invitation with a link for the interview. Your email address will only be used for the purposes of setting up and conducting this interview and it will not be shared with any other company.

Email address 77

I am only willing to be contacted by telephone (enter telephone number to reach me):

TELBOX 97

QLANG

What is your preferred language for the interview?

English 1
French 2

THNK

An invitation email has been sent -- it should be received shortly. Thank you for taking the time to answer these questions. Your input is valuable as we seek to enhance the services we offer to Canadian exporters. If you have any further questions, please contact TCSsurvey-sondageSDC@international.gc.ca.

Visit ekos.com

THNK2**Screened out**

Thank you for taking the time to answer these questions. It seems that you are not eligible to participate in this particular research.

Visit ekos.com

B. INTERVIEW GUIDE

Global Affairs Canada – Trade Commissioner Service Potential Clients Interview Guide

Hello, my name is _____ with EKOS Research Associates. Global Affairs Canada (GAC) has commissioned EKOS Research Associates Inc. (EKOS) to conduct a study with Canadian organizations that do business internationally, or plan to in the near future, but have either not had any interaction with the GAC's Trade Commissioner Service (TCS) or have not used their services in the past three years. This research will help GAC understand the awareness among organizations conducting business internationally of the TCS, best ways to reach these businesses, challenges and obstacles when exporting, and other related issues.

Your participation in this study is completely voluntary. Your responses will be kept strictly confidential, with nothing to identify you in the aggregate report and will not affect any current or future interaction with the TCS. The interview will take 50 to 60 minutes. With your permission, this interview will be audio/video recorded for the purposes of accuracy in reviewing and creating notes for analysis. An anonymized transcript of the interview will also be made available to the TCS.

Do you have any questions before we begin?

Section A: Opening/Exporting Profile

A1. Can you briefly describe your role in your organization and what type of service or product it sells?

A2. What types of international business does your organization do or is your organization planning to do?

- Which markets does your organization currently export (goods and services) to?
- For how many years has your organization been exporting goods or services internationally?

A3. Which markets, if any, is your organization thinking about, or interested in, exporting to?

- [IF US ONLY AND NOT ALREADY ANSWERED:] Why aren't you doing/thinking about doing business in countries other than the US?
- [IF ELSEWHERE AND] NOT ALREADY ANSWERED Why aren't you doing/thinking about doing business in the US?

Section B: Exporting Obstacles and Challenges

B1. What would you describe as the major challenges you have faced over the last two years in doing business internationally?

PROBES:

- Mitigating the effects of changes due to COVID-19 pandemic/ getting back to pre-pandemic business levels / taking advantages of new opportunities due to pandemic
- The value of the Canadian dollar
- Linguistic or cultural obstacles
- Lack of market contacts such as potential buyers and partners, technology sources, agents, etc.
- Lack of information about international business opportunities
- Lack of access to financing or funding
- Labor availability and skills
- Known foreign tariffs or trade barriers
- Uncertainty of regulatory requirements in other countries
- Concern of violation of your patents and/or intellectual property rights
- Corruption or anti-competitive/protectionist concerns
- Rising input costs and supply chain obstacles

B2. Do you expect these same challenges to remain over the next 5 years or do you expect them to change?

- In what ways and why?

B3. In which areas does your organization need assistance when developing business in markets outside of Canada?

PROBES:

- Market intelligence and information – more general or sector specific?
- Referrals to legal professionals, human resource professionals, translators and other professional service providers
- Support for the protection of intellectual property rights, government procurement and/or regulatory matters
- Referrals to international business opportunities/sales leads
- Referral of technology and/or R&D partnership opportunities
- Referrals to other relevant commercial programs and services
- Information or advice on locating financial/funding assistance
- Recommendations on trade fairs/trade missions to attend
- Practical advice on timing and organizing your business trip
- Information about organizations or companies in foreign markets
- Understanding responsible business practices in foreign markets

Section C – Market Intelligence

C1. Are there any organizations or services that you have used for information and advice to support doing business abroad (i.e., exporting)?

PROBES:

- Trade promotion organisations websites and free online tools (webinars, podcast)
 - Trade Commissioner Services
 - Provincial export organization
 - EDC
 - BDC
 - Others
- Private training courses
- Shipping companies (e.g. FedEx, Purolator, UPS, etc.)
- Customs broker/freight forwarder
- Industry/business associations
- Business trade publications (digital or print)
- Financial institutions
- Professional services (lawyers, accountants, consulting firms, etc.)
- Business associate/colleague/partner
- Retailer
- Brokers (e.g., customs, trade, etc.)
- Professional Advisors

C2. Can you describe how you used these services (i.e., what support you were looking for, or problem you were trying to resolve)? What type of services or support did you receive?

C3. How well did this service work for your organization? Did it provide what you were looking for?

- What worked well (i.e., what aspects of the service were particularly helpful)?
- What did not work well (i.e., limitations in the assistance)?
- Was there any service or aspect of the support that was not offered, but you felt you needed?
- Would you use this service again, if the need arose?

C4. Which methods does your organization use for information on international markets.

- Do you prefer to learn about international markets online or through network contacts, conferences or other events?
- (*If online*) do you tend to go to websites, news sources, publications, or social media?
- (*If other methods*) What type of contacts or events do you typically rely on?
- What format typically works best for you, or do you tend to look for (e.g., written form, verbal, through videos, charts or in other formats)?
- What are some examples of search terms you might enter if looking online?

C5. When looking for information to support international business, what have you found to be most helpful?

[Probe: Do you prefer to talk to someone? Do you prefer reading market reports? Do you like general guides of how businesses can typically conduct business internationally or do you prefer something customized for you?]

Section D – Awareness and Use of TCS

D1. Are you aware that the Government of Canada has information and resources available to help companies expand their business abroad?

D2. Have you ever heard of the Trade Commissioner Service, or TCS?

D3. (IF HAVE HEARD OF TCS) What, if anything, have you heard about the Trade Commissioner Service, or TCS?

D4. How did you initially learn about the Trade Commissioner Service (or TCS)?

PROBES

- Export Development Canada (EDC)
- Business Development Bank of Canada (BDC)
- Canadian Commercial Corporation (CCC)
- A federal government body
- A provincial government body
- Another organization
- Internet
- Third party event
- TCS event in Canada (please provide details)
- TCS event abroad (please provide details)

D5. Has your organization ever looked into using the TCS in your international business development?

- (If looked into TCS) What was the assistance you were looking for?
- (If looked into TCS) Did you ever use the TCS?
- (If used TCS) How did you use it? What were your impressions of the support (useful, not useful) and why? What made you stop using the TCS?
- (If looked into but did not use TCS) What was the reason your organization decided not to use the TCS?
- (If looked into or used) What would you have wanted the TCS to provide that it did not provide, if anything?
 - Was this because of changes/challenges faced in the last few years (i.e., during the pandemic)?

D6. (If not already answered) With the challenges you expect to face over the next five years, do you think that the TCS may be more useful to you? Why is that?

D7. What type of information or service would be helpful in developing or growing your international business that the TCS could add or enhance?

D8. *(If not already answered)* The TCS currently provides most of its services one-on-one. What types of services, if any, would you be interested in receiving online to support your international business activities?

PROBES:

- Market intelligence and information – more general or sector specific?
 - Contacts in Canada or abroad – interactive communication platform?
 - Information on the protection of intellectual property rights, government procurement and/or regulatory matters
 - Information or advice on locating financial/funding assistance
 - List of events or trade fairs/trade missions to attend
 - Practical information on timing and organizing your business trip
 - Information about organizations or companies in foreign markets
 - Responsible business practices in foreign markets
- Can you describe how and why this would be useful?

Other comments:

Do you have anything else you would like to add that you feel would help the TCS to understand your business needs?

This is all of the questions I have for you. I want to thank you very much for taking the time to share your opinions and experiences. It will be very helpful to the TCS as it thinks about the types of services and service delivery it offers to Canadian businesses in their international business activities?