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Business Supports Campaign Evaluation Research

Executive Summary

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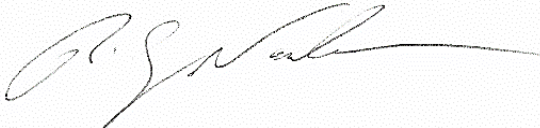
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Political neutrality statement

I hereby certify as Senior Officer of Quorus Consulting Group Inc. that the deliverables fully comply with the Government of Canada political neutrality requirements outlined in the [Policy on Communications and Federal Identity](#) and the [Directive on the Management of Communications - Appendix C](#).

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:



A handwritten signature in black ink, appearing to read 'R. Nadeau', is written over a light gray, textured rectangular background. The signature is fluid and cursive.

April 2024
Rick Nadeau, President
Quorus Consulting Group Inc.

Executive summary

Background and objectives

To bring awareness to Canadian small and medium-sized enterprises (SMEs) of the easy access to hundreds of programs and services provided by the Government of Canada to help them address their business needs. In order to raise awareness, promote the program and engage SME's, ISED developed an advertisement campaign. This research was used to help select and develop creative concepts (both organic and paid messaging) for this campaign by seeking feedback from the campaign's intended audience.

Additionally, the research sought to establish a baseline of awareness against which to measure the success of the campaign.

Methodology

Qualitative phase

The qualitative research methodology consisted of nine online focus groups and four one-on-one interviews which were completed between September 25 and September 28, 2023. Participants were owners, partners or senior managers of small and medium-sized businesses from across Canada, with six focus groups and three interviews with businesses 1 to 40 employees and three focus groups and one interview dedicated to businesses with 41 to 500 employees. A total of 55 individuals participated in the research.

Quantitative phases

The quantitative research methodology consisted of two waves of online surveys with small and medium-sized businesses: a baseline survey and a post-campaign survey. The baseline wave consisted of 706 surveys with SMEs conducted between October 13 and November 9, 2023. The post-ACET wave consisted of 705 surveys with SMEs conducted between March 18 and April 12, 2024.

A non-probability sample approach was used – more specifically, the data were collected among respondents drawn from an online Canadian business panel. Results were weighted by region and business size to reflect the distribution of Canadian SMEs, as catalogued in Statistics Canada’s Business Register, as of June 2023.

Research findings – qualitative phase

Current challenges, priorities and awareness of federal supports

When asked to describe the main challenge their business is facing these days, most businesses focused on either access to funds or to labour. Challenges related to funds pertained mostly to accessing loans in general and affordable/low(er) interest loans in particular. Profitability was also an important fund-related challenge mostly due to the increase in the cost of business inputs such as supplies, goods, and labour. As for labour-related challenges, the focus was mostly on finding qualified workers, and related to this, retaining staff.

Business owners and senior managers feel the Government of Canada can best support SME’s in the short term by improving access to low-interest loans and grants, through wage subsidies, lowering business taxes, additional tax credits related to hiring and training, and by generally making it easier for businesses to qualify for these various forms of support.

Awareness of current federal programs designed to help support small and medium-sized businesses is moderate at best. Many seemed to be aware that programs and supports exist although they are hard-pressed to name them specifically.

Nearly all participants agreed that better knowledge of available programming would benefit their business. Suggested channels for increasing awareness included social media, mass media, more/better promotion on the Government of Canada website, mailers, working through the CRA, subscribing to an email bulletin or newsletter, and collaborating with local business groups.

Reactions to proposed advertising concepts

Participants were presented four campaigns (Concept 1A, Concept 1B, Concept 2, and Concept 3). Summary reactions to each concept are presented below.

Concept 1A – Uncomplicated – magic ball

Concept 1A received mostly moderate to low appreciation scores. The general reactions to this concept included the following:

- Some participants, particularly the younger businesses participants, did not understand the reference or the use of a magic 8-ball.
- Many who recognized the magic 8-ball felt that the ad was designed to support business owners who did not know what they were doing or were resorting to luck to run their business, which they did not relate to.
- The concept was seen by some as overly broad and not speaking to the specific needs or business problems they have.
- Participants enjoyed the last two scenes of the video storyboard where participants could see the possibility of an interactive website or tool they could use to find supports, as well as the reference to “unique business challenges”.

Concept 1B – Uncomplicated – Business Benefits Finder Tool

Concept 1B received moderately positive appreciation scores and often outperformed Concept 1A. The general reactions to this concept included the following:

- The concept was considered straightforward, easy to follow and highly relatable for business owners / managers because of the various keywords used.
- Some appreciated the potential glimpse of what to expect in terms of user interface of the website to which the ad would take them if they clicked through.
- More than twice as many participants would click on Concept 1B compared to Concept 1A.
- Mixed reactions were heard regarding the two static ad approaches. Most did prefer “Option 1” (drop-down menu) mostly because it allowed them to better understand the range of possibilities. Those who preferred the “simple way” in Option 2 felt it was less cluttered and generally more appealing.
- Participants were clearly in favour of Concept 1B when it came to the preferred video approach.
- Some were disappointed that the ads were not interactive.

- Appreciation for “support” and “funding and resources” was generally split with a seemingly slight advantage in favour of “funding and resources.”

Concept 2 – Don’t problem solve alone

Concept 2 received a wide range of appreciation scores leading to a mildly positive overall rating. The general reactions to this concept included the following:

- Many felt that the concept was highly relatable.
- Some felt that the concept seemed more like an ad for mental health support for business owners than one for business solutions specifically. Participants would have preferred to see business owners actively trying to solve their business problems rather than seeing them struggle alone in the middle of the night.
- Also, some felt the concept was too negative overall and overly focused on fixing problems – without actually showing much of a solution. There was a sense that business owners are always looking for opportunities which could be related to business problems as much as they could be related to something positive such as expansion, developing new markets, etc.
- Some, who sensed the concept was too broad, would have preferred references to specific business problems and/or specific forms of support.
- Having different genders in the campaign was viewed positively.

Concept 3 – At your fingertips

Concept 3 also received a wide range of appreciation scores leading to a mildly positive overall rating. The general reactions to this concept included the following:

- The variety of forms of support featured in the ad were appreciated and seen as relevant. Many also liked the suggestion, through the use of the keyboard image, that the support is easily accessible and “at their fingertips.”
- Others felt the concept was too cluttered and busy which made it difficult to read all of the forms of support. Some also felt the ad would take them to a website that would overwhelm them due to all of the forms of support. The reference to “hundreds” in the second static ad reinforced these sentiments.

- Some would have preferred a clean list of forms of support rather than blending them into a keyboard visual. Similarly, the use of short statements on coloured keyboard keys was something that worked well but only if the message on the key was short. A few suggested that statements like “Get support right at your fingertips” would be more appealing on a coloured keyboard key.

Summary reactions to the campaign

Participants were asked to cast two final votes based on two different questions. They were asked to select across the four concepts presented:

When asked which concept they felt was most appealing to them and the one most likely to compel them to click through to the website, voting was in slight favour of Concept 3, with Concepts 1B and Concept 2 then tied for second place.

Participants were then asked which ad concept was most effective at generating awareness that the government offers easy access to a wide variety (hundreds) of programs and services to help SMEs address their business needs. For this scenario, votes were nearly evenly split between Concept 1B and Concept 3, with Concept 2 a distant second.

Summary reactions to a mock-up of the the Business Supports landing page

Before seeing the the Business Supports landing page concept, participants would hope the landing page would be simple, easy to navigate and allow them to quickly find the forms of support relevant to their business. Some suggested it should feature a prominent search bar, it could include a mini-questionnaire so that they could easily profile their business or their business needs/challenges, and a simple menu of the various forms of supports.

Once presented with the mock-up, reactions were for the most part favourable. Some of the aspects of the design participants appreciated the most included:

- It seemed easy to navigate and not overwhelming;
- The site provided a clear path to the different ways in which one could obtain information or contact the Government of Canada;

- Some were pleasantly surprised that there is a mobile application;
- Being able to subscribe to a newsletter to be informed about business supports from the Government of Canada was appreciated.

Some of the concerns raised by participants included:

- Uncertainty whether the content in the mobile app would be the same as on the web;
- They are not seeing the “fill in the blank” tool that was featured in the advertising concepts;
- Many were intrigued by connecting with an expert although some were skeptical that about the knowledge of these experts as well as potential wait times. Some would have liked to be able to email an expert.
- Many suggested adding a chat feature.
- A reference to the Business Benefits Finder could be made in the ad concepts.

In the end, nearly all participants felt this would be a website they would want to explore.

Finally, reactions to the proposed URL (Canada.ca/BusinessSupports and Canada.ca/soutienauxentreprises) were either positive or neutral. Many who liked it felt it was simple and memorable. A few explained that they don’t typically pay attention to URL names since they use bookmarks. Of the few concerns raised, it was mostly to do with how often the letter “s” appears in the English URL and the length of the French URL.

Qualitative Research Disclaimer

Qualitative research seeks to develop insight and direction rather than quantitatively projectable measures. The purpose is not to generate “statistics” but to hear the full range of opinions on a topic, understand the language participants use, gauge degrees of passion and engagement and to leverage the power of the group to inspire ideas. Participants are encouraged to voice their opinions, irrespective of whether or not that view is shared by others.

Due to the sample size, the special recruitment methods used, and the study objectives themselves, it is clearly understood that the work under discussion is exploratory in nature. The findings are not, nor were they intended to be, projectable to a larger population.

Specifically, it is inappropriate to suggest or to infer that few (or many) real world users would behave in one way simply because few (or many) participants behaved in this way during the sessions. This kind of projection is strictly the prerogative of quantitative research.

Research findings – quantitative phase

Pre-campaign ACET survey

Unaided ad recall

Many business respondents (41%) claimed to recall a Government of Canada advertisement over the three week period preceding their participation in this study. The most frequently cited elements of the advertisement related to government programs or services (15%), followed by various environmental actions (9%), political messaging (7%), or tax programs and benefits (7%).

Campaign recall

A total of 18% claimed to recall a Government of Canada advertisement specifically highlighting easy access to hundreds of government programs and services to help SMEs address their business needs. Most claimed to have engaged with the advertisement via digital media (63%), primarily through Google (26%) or YouTube (24%). Many recalled engaging with the advertisement on television (45%), radio (21%), or printed materials (12%).

Among those who claimed to recall seeing a campaign advertisement, 34% described elements of business assistance or support, while additional mentions included advertising for the Business Development Bank of Canada (9%), or various public services (6%).

Business outlook

When asked to rate the overall health of their business, 56% of described overall business health as good, while fewer provided neutral (29%) or poor (12%) ratings. The top three biggest challenges facing businesses included the cost of goods and services (37%), increasing profitability (31%), and marketing or customer base challenges (29%).

Government support

Many business respondents agreed that the Government of Canada has programs that support Canada's SMEs through business loans (51%), offers a wide variety of programs to support businesses (47%), has programs that support SMEs through access to funding (45%), and has programs that support SMEs to start-up a new business (45%).

Agreement was lowest when asked whether the Government of Canada understands the challenges facing Canadian businesses (35%), has programs supporting customer development outside of Canada (37%), and has programs supporting SMEs through wage subsidies (38%).

The Government Support Index (GSI) was developed to produce an overall score based on the agreement scores provided using the following calculation:

$$\text{GSI} = \text{SUM} [\text{business loan programs} + \text{wide variety of programs} + \text{start up} + \text{access to funding} + \text{tax credits} + \text{R\&D capabilities} + \text{scale up} + \text{wage subsidies} + \text{customers outside Canada} + \text{understands business challenges} / \text{\# of valid answers provided (score of 1 to 5)}]$$

Results from this exercise reveal that, on average, 40% of business respondents agree that many or most of the various forms of support are being provided by the Government of Canada. Support is mixed for about 36% of businesses while roughly 23% of businesses would feel that most if not all forms of support are not provided by the Government of Canada.

Business priorities

The Government of Canada business-related priorities garnering the most support included having a competitive business tax regime (70%), improving high-speed internet access (70%), providing assistance accessing financing (64%), and improving the government's online service experience for businesses (64%).

Perceived importance was lowest when it came to investing in domestic manufacturing (56%), encouraging green technology incentives (56%), helping businesses access new markets (57%), and investing in infrastructure (57%).

The Business Priority Index (BPI) was developed to produce an overall score based on the importance scores provided using the following calculation:

$$\text{BPI} = \text{SUM} [\text{tax regime} + \text{financing} + \text{high-speed internet} + \text{online services} + \text{scale up} + \text{digital technologies} + \text{economic development} + \text{innovation} + \text{fair competition} + \text{infrastructure} + \text{intellectual property} + \text{manufacturing} + \text{new markets} + \text{green technology} / \text{\# of valid answers (scores of 1 to 5)}]$$

Based on this calculation, 64% of respondents consider the full range of priorities explored in the survey at least important. Results were a bit more mixed for 25% of businesses while a small group, 10%, would generally say that, on average many or most of the priorities proposed were not important.

Government performance

Having established how important the various priorities are to businesses, they were then asked to assess how well they feel the Government of Canada is performing on these same priorities. The Government of Canada was perceived as performing strongest (scores of 4 or 5) when it comes to improving high-speed internet access (39%), encouraging businesses to innovate (36%), incentivizing green technology investment (35%), and helping businesses access funding (35%).

Performance ratings were lowest (scores of 1 or 2) when it comes to having a competitive business tax regime (29%), promoting fair competition (27%), and helping businesses access funding (24%).

The Government Performance Index (GPI) was developed to produce an overall score based on the performance scores provided using the following calculation:

$$\text{GPI} = \frac{\text{SUM [tax regime + financing + high-speed internet + online services + scale up + digital technologies + economic development + innovation + fair competition + infrastructure + intellectual property + manufacturing + new markets + green technology / \# of valid answers (scores of 1 to 5)]}}{\# \text{ of valid answers (scores of 1 to 5)}}$$

Based on this calculation, 33% of businesses felt that the Government of Canada was performing well across the full range of priorities explored in the survey. Most businesses felt that the government was performing moderately well (42%), while 22% would say that, on average the government was performing poorly across most business support priorities.

Government program aided familiarity

When presented with a list of federal programs, aided familiarity was highest for the Canada Small Business Financing Program (34%), followed by the Women Entrepreneurship Strategy (28%), the Strategic Innovation Fund (25%), CyberSecure Canada (24%), and Innovative Solutions Canada (24%).

Familiarity was lowest for the 50-30 Challenge (14%), Biomanufacturing (16%), the Innovation Superclusters Initiative (18%), the Accelerated Growth Service (18%) and the Venture Capital Catalyst Initiative (18%).

The Government Program Familiarity Index was developed to produce an overall score based on awareness across the entire set of programs. Those that were at least somewhat familiar with at least 10 of the 18 programs were considered highly familiar overall, while those aware of 3 to 9 programs were considered moderately familiar, with low familiarity categorized as 2 or fewer.

Few business respondents (5%) could be considered highly familiar overall, with another 11% considered moderately familiar with government programs. Most business respondents (84%) were aware of 2 or fewer programs supporting SMEs. A total of 18% of business respondents were not aware of a single government program supporting SMEs.

Post-campaign ACET survey

Unaided ad recall

Half of business respondents (50%) claimed to recall a Government of Canada advertisement over the three week period preceding their participation in this wave of the study, increasing from the pre-campaign wave (41%). The most recalled elements of the advertisement related to tax programs and benefits (23%), followed by various government programs or services (18%), financial assistance (7%), the economy (5%), or environmental actions (4%).

Campaign recall

A total of 19% claimed to recall a Government of Canada advertisement specifically highlighting easy access to hundreds of government programs and services designed to help SMEs address their business needs. Most claimed to have engaged with the advertisement via digital media (64%), primarily through a generic website (28%), or Google (25%). Many recalled engaging with the advertisement via television (45%), radio (21%), or printed materials (13%).

Overall, results were nearly identical to those observed in the pre-campaign wave (18%), including a similar distribution of advertising sources.

Among those who claimed to recall seeing a campaign advertisement, 35% described elements of business assistance or support, a nearly identical result compared to the pre-campaign wave (34%). Awareness of business assistance programs generally increased compared to the pre-campaign wave, most notably recall that the government has different programs that help small and medium businesses (up to 22% from 13%).

Business outlook

Business respondents in the pre-campaign wave were more likely to describe their overall business health as good compared to the post-campaign wave (56% vs. 47%). In the post-campaign wave 30% provided a neutral rating, while 22% provided a poor rating. Remaining consistent with the pre-ACET wave, the three most common challenges facing businesses were the cost of goods and services (37%), increasing profitability (32%), and marketing or customer base challenges (27%).

Government support

Many business respondents agreed that the Government of Canada has programs that support Canada's SMEs through business loans (44%), has programs that support SMEs through tax credits (42%), has programs that support SMEs to start-up a new business (41%), has programs that support SMEs through access to funding (40%), and offers a wide variety of programs to support businesses (40%).

Agreement was lowest when asked whether the Government of Canada understands the challenges facing Canadian businesses (28%), has programs supporting customer development outside of Canada (28%), has programs supporting SMEs to scale up (31%), and has programs supporting SMEs through wage subsidies (32%).

The Government Support Index (GSI) was developed to produce an overall score based on the agreement scores provided using the following calculation:

$$\text{GSI} = \frac{\text{SUM} [\text{business loan programs} + \text{wide variety of programs} + \text{start up} + \text{access to funding} + \text{tax credits} + \text{R\&D capabilities} + \text{scale up} + \text{wage subsidies} + \text{customers outside Canada} + \text{understands business challenges}]}{\text{\# of valid answers provided (score of 1 to 5)}}$$

Results from this exercise reveal that, on average, 32% of business respondents agree that many or most of the various forms of support are being provided by the Government of Canada. Support is mixed for about 39% of businesses while roughly 28% of businesses would feel that most if not all forms of support are not provided by the Government of Canada.

Business priorities

The Government of Canada business-related priorities garnering the most support included improving high-speed internet access (68%), having a competitive business tax regime (68%), providing assistance accessing financing (68%), and improving the government's online service experience for businesses (67%).

Perceived importance was lowest when it came to encouraging green technology incentives (53%), investing in domestic manufacturing (54%), promoting Canada as a place to do business (56%), and investing in infrastructure (58%).

The Business Priority Index (BPI) was developed to produce an overall score based on the importance scores provided using the following calculation:

$$\text{BPI} = \frac{\text{SUM [tax regime + financing + high-speed internet + online services + scale up + digital technologies + economic development + innovation + fair competition + infrastructure + intellectual property + manufacturing + new markets + green technology + Team Canada]}}{\text{\# of valid answers (scores of 1 to 5)}}$$

Based on this calculation, 64% of businesses consider the full range of priorities explored in the survey at least important, identical to results observed in the pre-campaign wave. Results were mixed for 28% of businesses while 8% would generally say that most of the proposed priorities were not important.

Government performance

Having established how important the various priorities are to businesses, they were then asked to assess how well they feel the Government of Canada is performing on these same priorities. The Government of Canada was perceived as performing strongest (scores of 4 or 5) when it comes to promoting Canada as a place to do business (33%), incentivizing green technology investment (33%), improving high-speed internet access (32%) and encouraging businesses to innovate (31%).

Performance ratings were lowest (scores of 1 or 2) when it comes to having a competitive business tax regime (40%), improving the government's online service experience (33%), promoting fair competition (31%) and investing in domestic manufacturing (31%).

The Government Performance Index (GPI) was developed to produce an overall score based on the performance scores provided using the following calculation:

$$\text{GPI} = \frac{\text{SUM [tax regime + financing + high-speed internet + online services + scale up + digital technologies + economic development + innovation + fair competition + infrastructure + intellectual property + manufacturing + new markets + green technology + Team Canada]}}{\text{\# of valid answers (scores of 1 to 5)}}$$

Based on this calculation, 27% of businesses felt that the Government of Canada was performing well across the full range of priorities explored in the survey, decreasing compared to the pre-campaign wave (33%). Most businesses felt that the government was performing moderately well (42%), while 29% would say that, on average the government was performing poorly across most business support priorities.

Government program aided familiarity

When presented with a list of federal programs, aided familiarity was highest for the Canada Small Business Financing Program (38%), followed by the Women Entrepreneurship Strategy (30%), and CyberSecure Canada (28%).

Familiarity was lowest for the 50-30 Challenge (12%), Biomanufacturing (17%), the GC Business Insights Newsletter (17%), and the Global Innovation Clusters (17%).

The Government Program Familiarity Index was developed to produce an overall score based on awareness across the entire set of programs. Those that were at least somewhat familiar with at least 10 of the 18 programs were considered highly familiar overall, while those aware of 3 to 9 programs were considered moderately familiar, with low familiarity categorized as 2 or fewer.

Few business respondents (6%) could be considered highly familiar overall, with another 13% considered moderately familiar with government programs. Most business respondents (81%) were aware of 2 or fewer programs supporting SMEs. A total of 13% of business respondents were not aware of a single government program supporting SMEs.

Awareness and understanding of campaign

After being presented with a series of campaign specific advertisements (specifically highlighting easy access to hundreds of government programs and services designed to help SMEs address their business needs), 13% of business respondents reported having seen at least one related advertisement over the past few months.

A total of 80% of business respondents who recalled one of the presented campaign advertisements specified that they engaged with the advertisement via digital media, most notably a generic website (43%) or YouTube (35%). Fewer recalled seeing the advertisement on billboards (17%), the radio (11%), in magazines (10%), or on television (5%). Digital billboards were among the most cited sources of OOH campaign specific advertising (15%).

When asked to explain what they felt the ads were trying to communicate, most respondents felt the advertisements spoke especially of the variety of services available to support businesses of varying sizes (61%). Many business respondents cited a variety of general support options to help businesses succeed (17%), or that the advertisements were promoting ease of access to government programs or services (16%).

In terms of how the advertisements were perceived, most business respondents agreed that the advertisements were covering an important topic (75%) and demonstrated political neutrality

(74%). Slightly fewer, but still a majority, agreed that the advertisements provide new information (68%), clearly convey the government is helping businesses access programs and services to help address their business needs (65%), are relevant (55%) and capturing their attention (51%). Few respondents agreed that the campaign advertisements were difficult to follow (18%).

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For more information, please contact Innovation, Science and Economic Development Canada at:

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