

The New Generation of Entrepreneurship in Canada 2022

Exploring the trends and motivations driving
the next generation of Canadian entrepreneurs



What's inside

- The state of entrepreneurship in Canada
- Understanding Early Starts: the next generation of entrepreneurs
- The evolution of marketing for small business owners
- What's next for small business owners
- Resources

About the study

The study, conducted leveraging the Angus Reid panel on behalf of Intuit QuickBooks Canada, included a 2-question omnibus survey among n=1,503 nationally representative Canadians to track year-over-year entrepreneurship shifts in Canada, as well as a 10-minute online survey among n=645 Canadian small business owners to garner a deeper understanding of the overall rise in current small business owners in Canada, to uncover small business sales approaches, current use of technology and future business plans. Both surveys were conducted in English and French. The study took place online collectively between April 26 - May 4, 2022.

Glossary of terms

This report takes a closer look at the evolving entrepreneurial landscape, including the similarities and differences between the two audiences.

- **Early Starts** – defined as small business owners and entrepreneurs who started a business within the past two years.
- **Established Owners** – defined as small business owners and entrepreneurs who started a business over two years ago.

The future of Canadian entrepreneurship is all about **the hustle**

We're at the precipice of a new chapter in our country where massive shifts in the way we work, live, and communicate are taking place – and a new generation of entrepreneurs aren't just experiencing this change, they're leading it.

Powering prosperity for Canadian small businesses is the cornerstone of what we do at Intuit QuickBooks, and in the current economic climate, that's never been more important. Despite a series of economic and financial challenges, including inflation, a looming recession and supply chain disruption, we are seeing innovation and entrepreneurship thrive. To gain insight into how the next generation of small businesses are shaping the future of the Canadian economy, we wanted to get a sense of how Canadian entrepreneurs are navigating this new horizon.

The results are nothing short of inspiring. As our survey shows, overall levels of entrepreneurship have remained stable, with 1 in 4 Canadian small business owners launching their ventures within the past two years. To put that in perspective, that's 2.2 million Canadians – more than the entire population of The Maritimes combined. What's most interesting about this new generation of entrepreneurs is that they continue to evolve in new ways, with 51% likely to have multi-hustles, rather than one business.

Crucially, these Canadian entrepreneurs aren't only continuing to innovate and help power the Canadian economy, but are optimistic about the future of Canadian business. With a number of hardships and challenging times over the past two years, it's encouraging to see a renewed sense of optimism.

As entrepreneurship continues to grow and evolve, it's increasingly clear that small business owners need every advantage they can get. As barriers to entering entrepreneurship decrease and innovative technology and tools expand to meet small business owners where they are, this period of growth will forever change the way entrepreneurs are born in Canada.

David Marquis
VP & Country Manager of Intuit Canada



The state of entrepreneurship in Canada

Ready, set, grow! Our survey reveals that **1 in 4 Canadian small business owners** started their business during the pandemic, which translates to over 2 million Canadians (2.2 million) – that’s more than the entire population of The Maritimes combined.

Over the past two years, many may assume that interest in entrepreneurship has lessened or even been discouraged due to economic uncertainty – this isn’t the case. Overall levels of entrepreneurship will remain stable in 2022.



While their ambition in uncertain times is inspiring, rising costs, and inflation are becoming an issue for entrepreneurs in Canada.



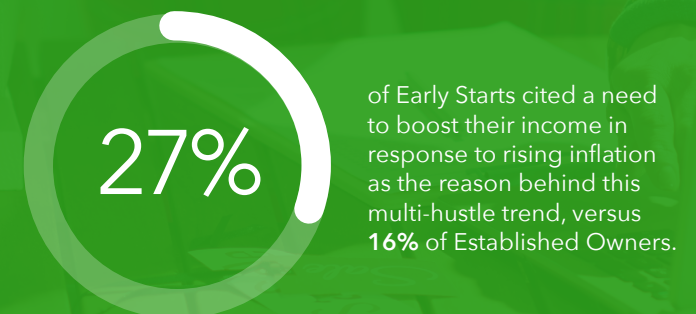
The multi-hustle appeal



What drives them?



Did you know:

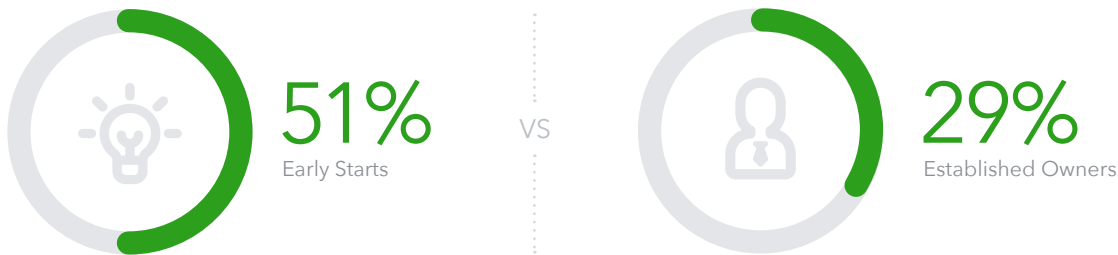


Understanding Early Starts: the next generation of entrepreneurs

In our digital-first world, entrepreneurs who are just starting their own business or have done so over the past two years (Early Starts) are redefining the table stakes of Canadian entrepreneurship.

These Early Starts are exhibiting tenacity, and setting bold objectives, taking on multiple side-hustles (**multi-hustles**).

Who's more likely to have multiple businesses?



Early Starts are also the digital adopters and technology integrators of the future. In this new digital era, social media is becoming a pillar for small business growth.



69% of Early Starts use social media, compared to 51% of Established Owners.



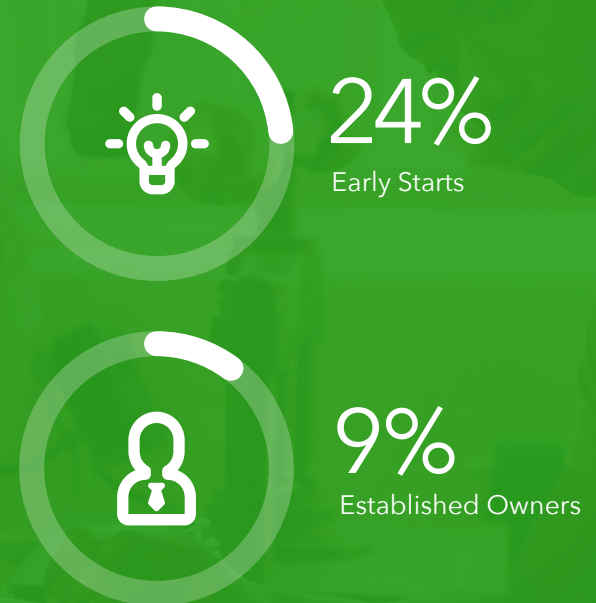
Early Starts are more likely to advertise their business on social media (50%), compared to 35% of Established Owners.



71% of Early Starts say tech plays a crucial role in their current business plans, compared to 61% of Established Owners.

The TikTok trend

Early Starts are more likely to use TikTok for their business, compared to Established Owners.



The evolution of marketing for small business owners

Most small business owners and entrepreneurs didn't likely start a business to become full-time marketers. However, in our digital-first world, marketing has never been more important in helping a business grow and succeed.



of small business owners use social media for their business.

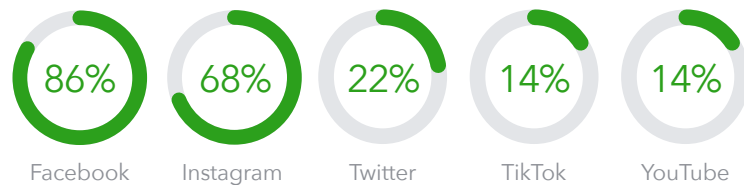


Out of those who use social media, nearly 9 in 10 feel it is an effective way to generate sales for their business.

What are other common marketing strategies?

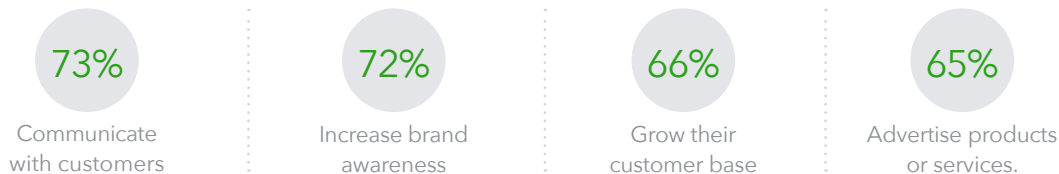


What social media channels are Canadian small business owners using?



Fun fact: YouTube is considered the second most effective social media platform for sales generation.

Why do small businesses use social channels?



Did you know?

QuickBooks is committed to listening and partnering with small businesses to solve their biggest problems. Recently, QuickBooks and Mailchimp, one of the world's leading marketing platforms, came together to help solve one of the most important challenges for small businesses – finding and managing customers.



small businesses owners use email marketing.



Nearly 9 in 10 who use it say it's an effective way to generate sales.

With the addition of Mailchimp, small businesses now have the tools they need to help find, engage, retain, and manage customers so they can grow and run their business with less work and more confidence.

[Learn more](#)

What's next for **small business owners**

As inflation worsens across the country, so does its impact on companies and organizations across all industries. With no signs of letting up any time soon, the trend appears to be hitting small businesses particularly hard and is creating concern for all owners – early and established.

Inflation poses a challenge for small business owners



of Canadian small business owners agree that rising costs due to inflation are a challenge their business is facing.

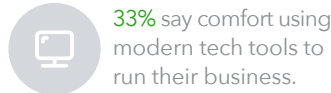
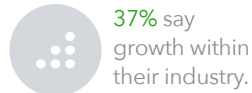
Other challenges identified by small business owners



Despite these concerns, the Canadian entrepreneurial spirit is relentless. Optimism is high among small business owners in Canada.



Top reasons small business owners are optimistic about the future success of their business:



Resources

We want **QuickBooks to be the source of truth** for your business, and we are continuously innovating to provide you with the tools you need to power your business forward.

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