



The Challenges of Competing in a Digital World

The experiences of Canadian
small businesses with Amazon

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CFIB

**CANADIAN FEDERATION
OF INDEPENDENT BUSINESS**

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Introduction

Small and medium-sized enterprises (SMEs) have been an integral part of our economy, providing jobs and generating income for communities across the country. SMEs are critical to Canada's economic prosperity, representing half of Canada's GDP.¹ They make up 99.8% of employers in Canada and employ 88% of the total private sector labour force (10.7 million individuals).² However, over the past 30 years, the rate at which Canadians start new businesses has fallen by half.³ The growth rate of small business startups in Canada is on the decline, and each year fewer Canadians are choosing to start their own business.

After more than three years of uncertainty linked to the pandemic and lockdown measures, many Canadian small businesses are feeling the financial pressure and are fighting to compete within the Canadian marketplace as they attempt to return to normal sales. While many SMEs adopted various digital technologies to cope with the crisis, the rapid digitalization of our economy has primarily benefited and been profitable for corporate giants (e.g., Amazon, Walmart, etc.). The competitive landscape has been rapidly evolving, especially with the emergence of more and more large multinational corporations and the growth of online competitors making the current business environment more challenging for many SMEs.

The current state of small business in Canada

In a recent survey, about two-thirds (66%) of SMEs noted an increase in large corporate giants within Canada, which has made it harder for them to compete. Not surprisingly, businesses in the retail (78%) and hospitality (71%) sectors were more likely to say that the emergence of these larger firms has made it harder to compete. Just about half of SMEs (48%) have also found it harder to compete with the rise of online giants like Amazon, Walmart, etc., (figure 1). Businesses in the retail (76%) and wholesale (58%) sectors, as well as businesses with fewer than 20 employees were more likely to find it harder to compete with these digital giants.

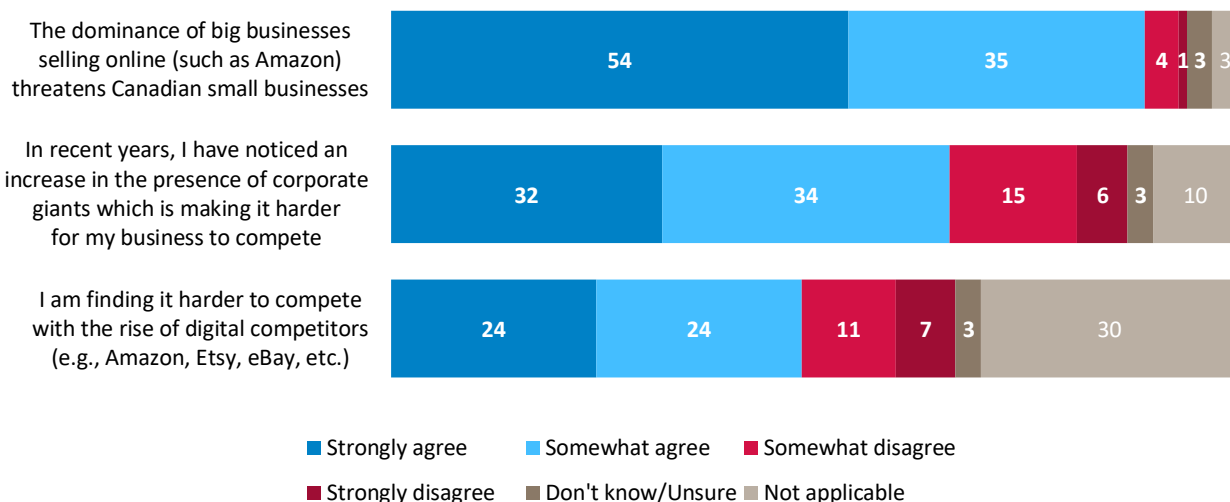
¹ Innovation, Science and Economic Development Canada (ISED), Key Small Business Statistics – 2021, December 2021. <https://ised-isde.canada.ca/site/sme-research-statistics/en/key-small-business-statistics/key-small-business-statistics-2021#5.1>

² Statistics Canada, Table 33-10-0304-01 Canadian Business Counts, with employees, December 2021. Table 17-10-0005-01 Population estimates on July 1st, by age and sex; and ISED calculations, November 2022. <https://ised-isde.canada.ca/site/sme-research-statistics/en/key-small-business-statistics/key-small-business-statistics-2022>

³ Government of Canada, Canadian New Firms: Birth and Survival Rates over the Period 2002-2014, May 2018. <https://ised-isde.canada.ca/site/sme-research-statistics/en/research-reports/canadian-new-firms-birth-and-survival-rates-over-period-2002-2014-may-2018/canadian-new-firms-birth-and-survival-rates-over-period-2002-2014-may-2018>

Figure 1

**To what extent do you agree or disagree with the following statements about competition?
(% of responses)**



Source: (1) CFIB, Survey on competition policy in Canada, January 2023, n=2,423.

(2) CFIB, E-commerce and competition with big business survey, October 2020, final results, n=3,607.

Note: Totals may not add up to 100% due to rounding.

Over the last 20 years, the Canadian economy has exhibited a number of signs that point to increased consolidation across many industries.⁴ In fact, the presence of multinational corporations, such as Walmart, Costco, and Amazon, has become more prominent within Canada. With their limited budgets and resources, small businesses are no match against large corporations that have more power to negotiate with suppliers and can offer more products at lower prices.

One of the more recent and fastest-growing areas of concern is coming from those small businesses that sell online. Evidence shows consumer spending has shifted toward big businesses, which were in a better position to weather COVID-19-related restrictions by focusing on their online sales.⁵ Meanwhile, Canadian small businesses were fighting to remain afloat and did their best to adjust, but it was a difficult time to compete with big businesses' dominance, particularly within the e-commerce space. In fact, the majority (89%) of SMEs have indicated that the dominance of big businesses selling online threatens their ability to compete (figure 1). Transitioning to online sales involves much more than just launching a website. It requires a shift in how a business operates, including technology upgrades and changes to its human resources, which necessitates significant time and financial investment.⁶ Despite that, many small businesses turned to digital means to keep their doors open throughout the pandemic.

⁴ Are Industries Becoming More Concentrated? The Canadian Perspective, March 2019.

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3357041

⁵ Statistics Canada, Canadian Internet Use Survey, 2020, June 2021. <https://www150.statcan.gc.ca/n1/daily-quotidien/210622/dq210622b-eng.htm>

⁶ Saving Main Street: Local businesses need community support to stay afloat. November 2022. <https://ca.news.yahoo.com/saving-main-street-local-businesses-200636865.html>

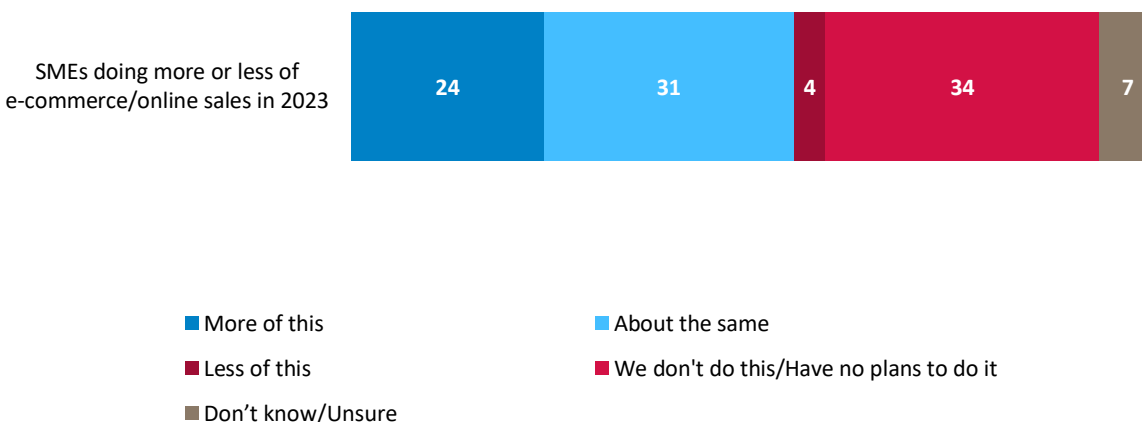
Online sales are here to stay

As we all know, the way people shop has changed, and the future of shopping is increasingly online. Online shopping by Canadians grew by almost 50% in just two years (from \$57.4 billion in 2018 to \$84.4 billion in 2020).⁷ Only about 20% of small businesses were selling online prior to the start of the COVID-19 crisis. In November of 2020, CFIB reported that small business using e-commerce had increased by 13% (8% started selling online and 5% were in the process of setting up e-commerce due to COVID-19). The top e-commerce adopters are the businesses that were hit hardest by the pandemic, including those in the retail, arts and recreation, hospitality, and health services sectors.⁸

The shift to online sales was a necessity for many SMEs. In a more recent CFIB survey, we asked small business owners whether they intended to do more or less online sales in 2023, and over half (55%) indicated they would like to do “more of this” (24%) or “about the same” (31%) (figure 2). Not surprisingly, businesses in the arts and recreation (73%), retail (70%), wholesale (68%), and hospitality (67%) sectors topped the list with wanting to do more e-commerce or online sales in 2023.

Figure 2

Compared to 2022, does your business intend to do more or less e-commerce/online sales in 2023? (% of responses)



Source: Your Voice - January 2023 survey, January 18-31, 2023, final results, n=3,087.

Notes: Respondents were asked to select only one response. Totals may not add up to 100% due to rounding.

⁷ Statistics Canada, Canadian Internet Use Survey, 2020, June 2021. <https://www150.statcan.gc.ca/n1/daily-quotidien/210622/dq210622b-eng.htm>

⁸ CFIB, E-commerce and competition with big business survey, September 17-October 7, 2020, n=3,601.

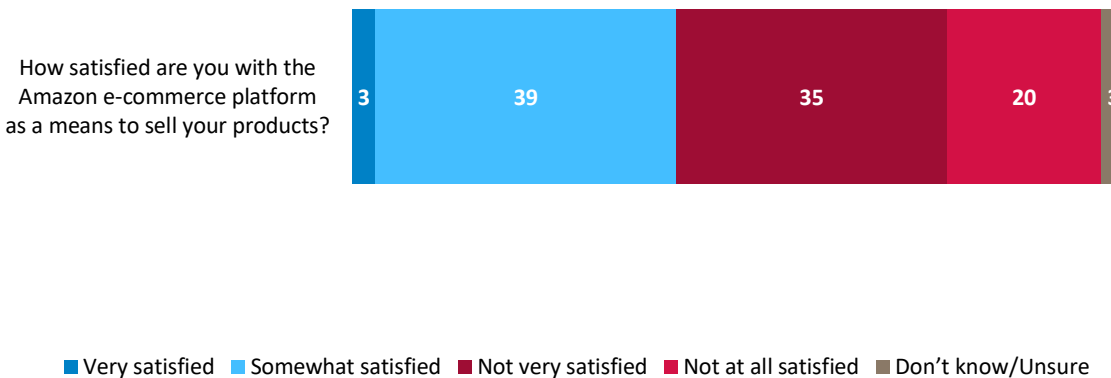
Despite only one in five small business claiming that e-commerce brought in significant revenue for their business,⁹ big businesses were thriving through the pandemic, reporting higher profits in 2020 than in previous years.¹⁰ With Amazon as the most popular e-commerce platform in Canada—earning over US\$9.8 billion (followed by Walmart and Costco),¹¹ many small businesses have had no other option but to set up a business profile on Amazon Marketplace in order to compete and stay afloat. Given Amazon's dominant market share and massive customer base, third-party sellers (e.g., small businesses) rely on Amazon's online retail platform to sell their own products.

The SME experience with Amazon

The online marketplace has become highly competitive which makes it difficult for SMEs to stand out and develop a strong online presence. For many, turning to Amazon Marketplace provides an opportunity for their small businesses to expand their reach and access a larger customer base. While only 2% of CFIB members have used Amazon Marketplace, the majority (55%) of these users were dissatisfied with the e-commerce platform as a means to sell their products (figure 3).¹²

Figure 3

Small business satisfaction with Amazon e-commerce platform (% of responses)



Source: E-commerce and competition with big business survey, October 2020, final results, n=3,607.

Notes: Respondents were asked to select only one response. Totals may not add up to 100% due to rounding.

⁹ CFIB, Small Businesses' Experience with e-Commerce during the Pandemic. November 2020. <https://www.cfib-fcei.ca/hubfs/legacy/2020-11/Small-business-and-ecommerce-deck.pdf>

¹⁰ CFIB, Conscious Consumerism: Choosing to Shop Small during the Pandemic. October 2020. <https://www.cfib-fcei.ca/hubfs/legacy/2020-10/Conscious-consumerism-choosing-shop-small-during-pandemic.pdf>

¹¹ Saving Main Street: Local businesses need community support to stay afloat. November 2022. <https://ca.news.yahoo.com/saving-main-street-local-businesses-200636865.html>

¹² CFIB, E-commerce and competition with big business survey, October 2020, final results, n=3,607.

The Competition Bureau of Canada has been investigating Amazon since 2020 for possible abuse of dominance but the results of the investigation have yet to be made public. More recently, the U.S. Federal Trade Commission (FTC) and 17 states filed an antitrust lawsuit against Amazon over its business practices.¹³ Amazon portrays itself as beneficial to independent small businesses and it is for many SMEs. However, for several years, CFIB has been hearing from businesses owners about the imbalance of power within the e-commerce space, specifically around Amazon Marketplace. Below is a summary of the key issues that have been repeatedly raised by SMEs.

Amazon encourages consumers to purchase their own products over those offered by small businesses

Many members stated that Amazon seemed to encourage consumers to purchase their own products over the same offered products from other businesses (i.e., self-preferencing). Small businesses have reported that when a product they sell on Amazon Marketplace becomes popular, Amazon will often start selling that product as well. We have also heard from many members that Amazon seems to deliberately restrict small businesses from offering lower prices within Amazon Marketplace, making it more and more difficult for them to compete.

“

We recently stopped selling on Amazon because it was pretty much taking all our sales (we'd be lucky if we got one per month). We can no longer sell certain brand name shoes, as our suppliers are not allowing us to ship to the US, even though the exact same shoes can be found on Amazon.com.

– Retail business owner, Alberta ”

Additionally, once Amazon starts selling a popular product in competition with a small business, many of our members have claimed that it became harder for them to obtain that product from their supplier. Some suppliers even prohibited the SME from continuing to sell that product on Amazon Marketplace. Small business owners who continue to offer their product have received threatening legal notices from their suppliers indicating that they can no longer sell such brands via Amazon Marketplace.

“

They started selling the same products as us (same brand) and gave themselves priority to sales.

– Retail business owner, Ontario ”

¹³ Global News, Will Canada follow U.S. and go after Amazon? MPs, Businesses hope so. September 29, 2023. <https://globalnews.ca/news/9992611/amazon-antitrust-lawsuit-canada/>

SMEs have experienced confusing fee structures to continue accessing the platform

While there are some basic fees for accessing the platform, some small business owners have expressed concerns over the confusing fee structure. For example, it has been reported that Amazon's fees and add-on services for third-party sellers/SMEs can be up to 40% of the total product price in the United States¹⁴ and that Amazon keeps an average of 30% of each sale a third-party seller/SME makes on its platform.¹⁵ Many of our members have expressed that the situation feels similar in Canada. Furthermore, some SMEs have reported that those who do not purchase Amazon's add-on services encounter unexpected costs imposed by Amazon, which are attributed to compliance matters.

“

With the software fees, Amazon fees and shipping fees, making a decent profit is almost impossible.

– Retailer business owner, Ontario

”

Another issue raised by some SMEs is Amazon's requirement for sellers to beat their own pricing by as much as 10% to be included in a “buy box.” This allows customers to instantly add a product to their cart with a single click of a button (e.g., “add to cart” or “buy now”), and the fulfillment is then completed by the seller who was awarded this feature. Some small businesses have indicated that it is unclear to them how Amazon decides who is granted the “buy box”. Due to Amazon's market dominance, some SMEs have no other options but to take the hit to their bottom line and continue paying the various fees to access the platform.

Amazon likely has an enormous amount of customer data

With Amazon having established a dominant position within the online marketplace, they likely possess a significant amount of customer data, which allows them to personalize recommendations, offer discounts, and are able to create targeted marketing campaigns to specific demographics. This type of tailored marketing is very difficult for small businesses to achieve, especially if they lack the resources to invest in data analytics tools/software.

In addition to these challenges, Amazon's dominance in certain product categories has made it difficult for small businesses to stand out. For example, Amazon's private label products (i.e., “Amazon Basics”), which are often cheaper than competing products, have taken a significant share of the market in many categories, making it harder for small businesses to compete. Some of our members

¹⁴ DISTRICT OF COLUMBIA V. AMAZON.COM, INC. 2021 <https://oag.dc.gov/sites/default/files/2021-05/Amazon-Complaint-.pdf>

¹⁵ Issue Brief: How Amazon Exploits and Undermines Small Businesses, and Why Breaking It Up Would Revive American Entrepreneurship. June 2021. https://ilsr.org/fact-sheet-how-breaking-up-amazon-can-empower-small-business/#_ednref22

believe that the data and analytics collected from Amazon's Marketplace platform should not be utilized by Amazon to make it harder for small businesses to compete.

Certain small business listings appear lower in the search results

Amazon's platform is designed to make it easy for customers to find and purchase products quickly. However, some small business sellers felt that if Amazon detects that they are offering a lower price elsewhere, Amazon may suppress the sale by lowering the listing in the search results, so that customers are unlikely to see it. Amazon can revise and change their search algorithms or selling terms at any time, and some small business owners have reported their listing on the platform being essentially hidden from consumers, which has impacted their ability to continue making sales.

“

Amazon constantly removed our listed products, stating they had pricing errors. Our listings are often not searchable or end up lower down the list.

– Retail business owner, Alberta

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The ability of small businesses to communicate with their customers

One of the biggest advantages SMEs have over large retailers is their ability to provide memorable customer service that is hands-on and personable. SMEs can't always offer the best price, but many of our members pride themselves on being able to go above and beyond for their clients. However, our members believe they should have the ability to communicate with their customers, and that Amazon seems to limit this ability, impacting some SMEs from remaining competitive. For example, when an issue arises with a product via Amazon Marketplace, members have reported having very few recourse options to rectify the situation with the consumer. Some CFIB members reported that Amazon prohibited the seller from contacting their customers directly and that violating these rules could result in Amazon suspending or removing them from the platform.

“

“Amazon restricted my ability to communicate with my customers on the platform, and I could not get a replacement part shipped to my client to fix an issue they had with our product.”

– Wholesale business owner, Ontario

”

Small businesses lack control over refund decisions

Amazon's refund policy seems to favour the customer which can have a significant financial impact on small businesses. In fact, some SMEs have reported problems with customer refunds being issued for essentially any reason, even if the seller is contesting the return. For example, some small business owners have experienced funds getting automatically deducted from their accounts, despite having proof that the product was properly delivered. These determinations are made by Amazon, which sometimes results in the small business owner having to deal with the additional fees associated with the refund (e.g., fees to cover shipping costs, fees associated with returned product or even fees to cover the restock of the product). Some SMEs feel that they have little recourse when looking to appeal these decisions.

“ They took money out of our account because a customer said that they didn't receive an item (5 months after we shipped it), even though that customer took a picture of the item and sent it to us through the Amazon website. We also had conversations with the customer where they disclosed that they had the product and had used it. All conversations were done through the Amazon website, so Amazon had full access to these conversations, but still took the money out of our account. (We also had a tracking number for the item showing the customer had received the item.)

– Retail business owner,
Alberta ”

“ We were selling an engine oil and paying Amazon to stock it at their warehouse. When the product was delivered to the end user, it was reported as damaged/dented and Amazon gave the customer a refund at my expense.... But it was them who delivered it and damaged it. Totally unreasonable and basically impossible for recourse.

– Wholesale business owner,
Alberta ”

Small businesses feel they have little recourse and customer support from Amazon

Some small businesses have reported that Amazon will suspend their accounts for seemingly no reason. These actions can be harmful and costly for SMEs and they report that there are very few support options available. To rectify a situation, small business owners are to contact an Amazon representative. However, some small business owners have reported that it can take weeks or even months for Amazon to respond to complaints, and it can be very challenging to get a hold of someone knowledgeable over the phone.

“It is very hard to get a hold of anyone at Amazon unless you know certain tricks to get through on the phone, and then when you do get a hold of someone it's rarely anyone that can actually help you. Also, you cannot actually talk to anyone in the accounting department, and you have to rely on a customer service rep to relay any messages to different departments. This is why it took so long for us to get our money back. After months of talking to customer service reps, I finally talked to a supervisor who helped.

– Retail business owner,
Ontario”

“In regard to Amazon taking money out of our account because a customer claimed they never received the product; it took months to get the money back. I literally spent days writing emails and talking to different Amazon employees. We finally got some of the money but not all of it.

– Wholesale business owner,
Alberta”

Ongoing efforts to create a fair and competitive digital economy

As part of its 2021 Budget, the federal government announced an initial set of reforms to the *Competition Act*, which included increasing maximum financial penalties under the Act to three per cent of a corporation's annual worldwide gross revenues, expanding the definition of anticompetitive conduct, and providing a private right of action to the Competition Tribunal for abuse of dominance, among others. Despite some of these positive changes, it is unlikely that small firms will use the private right of action to take on a large company like Amazon as many of them do not have the resources to counter such a large company. Stronger competition rules and enforcement are needed to create a level playing field for small business to compete and succeed in today's online economy. **The ongoing *Competition Act* review is a pivotal opportunity for the federal government to stand up for Canada's small businesses and do more to help them compete online.**

Many of the business practices that are used by Amazon are not unique to Canada. The European Union (EU) and the United States (US) have already proposed legislation to provide clear rules to stop large online platforms ("gatekeepers") from using their market dominance to harm smaller competitors. In the EU, the *Digital Markets Act* (DMA) came into force in the fall of 2022, and it aims to regulate the behaviour of those defined as "gatekeepers" in digital markets. The regulation is part of the EU's efforts to create a fair and competitive digital economy and to address concerns regarding the dominant market powers of large online corporations. Key provisions of the DMA include the definition of "gatekeeper," a detailed list of prohibited practices, and the ability to impose fines for non-compliance.¹⁶

Similarly, in the US, the *American Innovation and Choice Online Act* (AICOA) and *Open App Market Act* (OAMA) are proposed bills which are aimed to address concerns related to competition and antitrust matters within the digital economy. The bills focus on regulating the behaviours of dominant online platforms and would prohibit certain business practices such as self-preferencing and utilizing the data from a third-party seller, and would create more transparency with the use of algorithms, etc.¹⁷ While it is unknown at this time when the bills will pass, it is important to note that the specific provisions currently included in either of these bills may change as they go through the legislative process.

¹⁶ European Commission. About the Digital Markets Act. June 2023. https://digital-markets-act.ec.europa.eu/about-dma_en

¹⁷ Public Citizen. The American Innovation and Choice Online Act & Open App Market Act. July 2022. <https://www.citizen.org/article/the-american-innovation-and-choice-online-act-open-apps-market-act/>

Conclusion & recommendations

Small businesses are facing an uphill battle in trying to compete with large online giants like Amazon. The retail giant's economies of scale, distribution network, and data analytics tools give them a significant advantage over their smaller competitors. While there is no easy solution to this issue, strong support from governments/policymakers, Amazon/online "gatekeepers," and consumers/communities is needed to create an ecosystem that promotes a level playing field so that all, including SMEs, can compete fairly.

Governments

To create a fair and competitive digital economy and to address concerns regarding the behaviour of large online platforms, the federal government and policymakers should consider implementing the following recommendations to help small businesses.

1. The federal government should do more to address Amazon's dominance within the digital economy, similar to the approach taken in the US and the EU. To ensure that small businesses can continue to thrive and drive innovation in the years to come, the federal government should use **the ongoing *Competition Act* review to stand up for Canada's small businesses against the dominance of online giants.**
 - As the federal government seeks to modernize competition law in Canada, reforms being made to the *Competition Act* must ensure that small businesses have an equitable opportunity to compete fairly in today's economy.
 - Stronger competition rules and enforcement are needed to create a level playing field for small business to compete and succeed in today's online economy.
 - The government must reduce the regulatory burden on SMEs, giving business owners more time to focus on their business, which will help improve their productivity and competitiveness.
2. SMEs require financial investments and educational support so that they can remain competitive in the digital age. The pandemic has accelerated the need for digital transformation, forcing many small businesses to adjust quickly to online platforms. However, many SMEs lack the expertise and financial means to effectively adopt the latest technologies and digital solutions. The cost of technology adoption, staff training, and cybersecurity measures poses significant barriers. As such, the federal government should consider implementing more initiatives or targeted policies to support SMEs. For example:
 - The federal government introduced the Canada Digital Adoption Program (CDAP) to help SMEs with their digital transformations, but many have faced challenges in fully leveraging the program. Several of our members have shared their concerns with the eligibility criteria of the *Boost Your Business Technology Grant*, which includes requiring a minimum of \$500,000 in annual revenue in at least one of the three years prior to the application. This threshold is too high to be accessible for many small businesses. **We have been asking the federal government to reduce the current \$500,000 in annual revenue threshold to allow more small businesses to access this program.**

- The *Grow Your Business Online Grant* provides up to \$2,400 to owners who have one or more employees or had \$30,000 in annual revenue in the previous fiscal year. Despite this program seeming to be more accessible to SMEs, this initiative falls short in supporting small business owners looking to do more than just setting up the bare minimum. **Government must find better ways to ensure that business owners are aware of the programs that are available to them.**
3. SMEs often find themselves at a disadvantage compared to larger corporations, as regulatory compliance costs disproportionately affect smaller businesses. These disparities contribute to the inability of SMEs to compete fairly within the digital economy. The federal government must recognize the importance of SMEs and provide incentives to aid with digital transformation. It must also implement policies that will reduce their regulatory burden to help level the playing field.
 - Programs such as the Accelerated Investment Incentive (AII) and the Immediate Expensing measures provide some needed financial relief for small business owners who are making important investments to help grow or expand their business. Although the government plans to begin phasing out these programs in 2024, many of our members support **extending the AII and making Immediate Expensing permanent**. Keeping these kinds of programs in place will demonstrate that the government understands some of the challenges businesses are facing and the importance of having legislation that encourages investment.
 4. Shipping costs pose a significant barrier for small business when it comes to competing online. Specifically, independent bookstores have found it extremely difficult to remain competitive in the online marketplace.
 - Small businesses often lack the shipping volume that larger retailers have. As a result, they may not be able to negotiate favourable shipping rates with carriers, thus costing the consumer more money to purchase from a small business. **We would recommend the federal government work with Canada Post to provide SMEs with more pricing options (e.g., deeper discounts for SMEs) so that they can better compete within the digital economy.**

Amazon & online “gatekeepers”

Amazon Marketplace can act as a gatekeeper to e-commerce for many small businesses. According to some of our members, Amazon's policies and practices can greatly impact their ability to compete. As Amazon seeks to portray itself as “small business-friendly,” below are a few actions that Amazon could consider to help small businesses more fairly compete on their platform.

1. Amazon could be more transparent about its search algorithms and provide clear guidelines to small businesses on how to optimize their listings for better visibility.
2. Amazon could refine their marketplace policies to include more transparent and consistent terms for doing business, clarifying fees, providing more options for recourse, reducing the number of contested returns, etc.

3. Amazon could consider improving the seller support services. This can include educational programs, training sessions, and dedicated account managers to help small businesses navigate the platform, optimize their listings, and improve their overall performance.
4. To help alleviate the financial burden associated with Amazon Marketplace, small businesses would like to see their service fees reduced. For example, Amazon could consider providing tiered fee structures which could be based on the size or revenue of the sellers.
5. To increase visibility and sales for SMEs, Amazon could actively promote and highlight products from small businesses. It could assist SMEs in developing targeted marketing campaigns to help reach more potential customers.
6. Small businesses would like better access to their own data and analytics from Amazon's marketplace platform, which will help them understand certain market trends, customer preferences, and competitive insights. This kind of information could help to improve small businesses' competitiveness within the digital economy.
7. Amazon could consider establishing an ombudsperson or a commission-like entity to streamline and enhance the resolution of customer/small business complaints. Funding an independent and neutral body that would be responsible for investigating and resolving complaints would help improve transparency and accountability for small businesses using the Amazon platform.

Consumers & the community

SMEs are the heartbeat of Canadian communities. They play a vital role in driving economic growth and innovation, creating jobs, and fostering entrepreneurship. Consumers also play a crucial role in supporting SMEs. Here are some ways consumers can contribute to the online success of SMEs:

1. Make an effort to choose a small business over a large retailer. When making online purchases, actively seek out and purchase products or services from SMEs. By supporting them and engaging with their businesses, shopping small can make a significant difference in the success and growth of many small businesses. In fact, for every \$1 spent buy a consumer at a local business, \$0.66 stays in the community compared to just \$0.11 when that dollar is spent at a large retailer.¹⁸
2. When browsing on Amazon or any other online platform, consumers can look for certain indicators, such as "Small Business" badges, which indicate that items are sold by small businesses. Filters can often be utilized while searching for an item or product. For example,

¹⁸ CFIB research in June 2023, produced in partnership with Scotiabank, with the support of LOCO BC and Civic Economics.

using specific keywords like "handmade," "local," or "independent" can help prioritize small businesses in the search results.

There is no doubt that online sales are here to stay. Many of the recommendations listed above can help address the complex dynamics between small businesses and the digital economy. However, it is important to acknowledge that SMEs must also play an active role in adopting technology, leveraging e-commerce platforms, and training their employees, so that they can improve their competitiveness and continue to drive growth for years to come.

Methodology

This report presents findings from several Canadian Federation of Independent Business (CFIB) surveys conducted with business owners who are CFIB members. These surveys are consistently cited within the report. In addition, to investigate the business practices associated with the use of Amazon's Marketplace, telephone interviews were conducted with a panel of 12 business owners from various industries, who are members of CFIB and have had experience using Amazon's Marketplace. Participants were asked about their views and key concerns with Amazon's Marketplace. The interviews took place from January 2023 to March 2023.

About the author

Michelle Auger is a Senior Policy Analyst for the Canadian Federation of Independent Business (CFIB). Since joining CFIB in 2015, Michelle has assisted hundreds of small business owners in resolving complex federal issues. In addition, Michelle has led and managed several national initiatives, including work on succession planning, competition, credit cards, taxation, fraud awareness, mental health and well-being, among others. Michelle holds a bachelor's degree in Social Sciences with a specialization in Geography and Sociology from the University of Ottawa and recently completed a certificate program in Project Management.

About CFIB

CFIB is a non-partisan organization exclusively representing the interests of 97,000 small and medium-sized businesses in Canada. CFIB's research capacity is second-to-none because it is able to gather timely and concrete information from members about business issues that affect their day-to-day operation and bottom line. In this capacity, CFIB is an excellent source of up-to-date information for governments to consider when developing policies impacting Canada's small business community. To learn more, visit cfib.ca.

Additional resources

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