

Crossing the Digital Divide

How small businesses are using digital technologies

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Technology is evolving rapidly and small businesses are increasingly looking for innovative ways to be more visible to their customers and expand their client base. Small- and medium-sized enterprises (SMEs) are using digital technologies like the internet and social media to attract new clients and grow their business. This policy brief will explore how well SMEs are adapting to new digital technologies and the challenges they face.

Introduction

Digital technologies, such as websites, social media and smartphones, have transformed how we communicate and this has been no different for SMEs. These technologies have allowed smaller businesses to communicate with their customers on a much larger scale and in more cost effective ways. As digital technologies continue to evolve, SMEs now have a plethora of digital options to potentially attract customers and market their business. To learn more about how SMEs are coping, CFIB surveyed more than 6,300 members in the Fall of 2016 on their use of, and perspectives on, various types of digital technologies. It is hoped that the findings will help guide policy makers and stakeholders on how SMEs are currently using these various technologies, and the challenges they face, with the aim of finding the best ways to assist SMEs in successfully adopting digital technologies to ultimately improve their productivity and better deliver for their customers.

The importance of digital adoption for SMEs

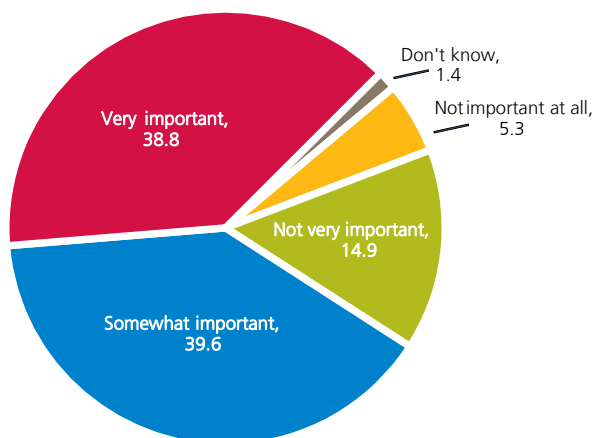
When asked how important digital technology is to the overall success of their business, the vast majority (79 per cent) of SMEs recognize that it is very important (39 per cent) or somewhat important (40 per cent). Another 15 per cent said it was not very important and only 5 per cent said it was not important at all (see figure 1). Clearly, most SMEs understand that these technologies can be of great benefit to their business.

In fact, businesses that are less than 5 years old were even more likely to view digital technology as important to the overall success of their business with 85 per cent stating it was very (52 per cent) or somewhat (33 per cent) important to their business. When looking at the results by major industrial sector, digital adoption tends to be less important for the agriculture and natural resources sectors, but

very important for the arts, recreation and information sector. See Appendix 1A and 1B for full breakouts by age of business and industry sector.

Figure 1

Importance of digital technology to success of the business (% of responses)

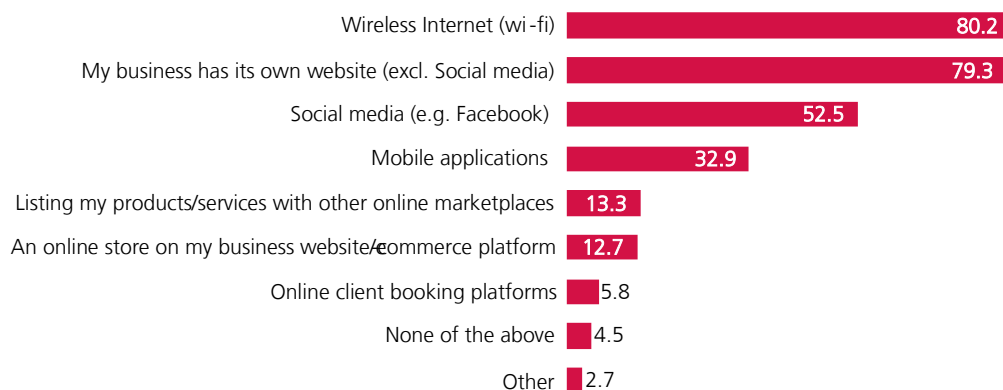


Different types of digital technologies used by SMEs

When respondents were asked what kind of digital technology their business was using, 80 per cent of Canadian small- and medium-sized businesses said they use wireless internet (Wi-Fi), 79 per cent have their own website, and 53 per cent use social media (e.g. Facebook, Instagram, Twitter, LinkedIn, etc.). In addition, about one-third (33 per cent) use mobile applications, and almost one in eight (13 per cent) have an online store/e-commerce platform, with a similar amount (13 per cent) listing their products/services with other online marketplaces. In fact, almost all SMEs use some form of digital technology as less than 5 per cent said they do not use any of these technologies. Of the almost 3 per cent who said “other”, the most commonly cited types of digital technology were cloud computing and Customer Relationship Management (CRM) systems (see figure 2).

Figure 2

Types of digital technologies SMEs are using (% of responses)

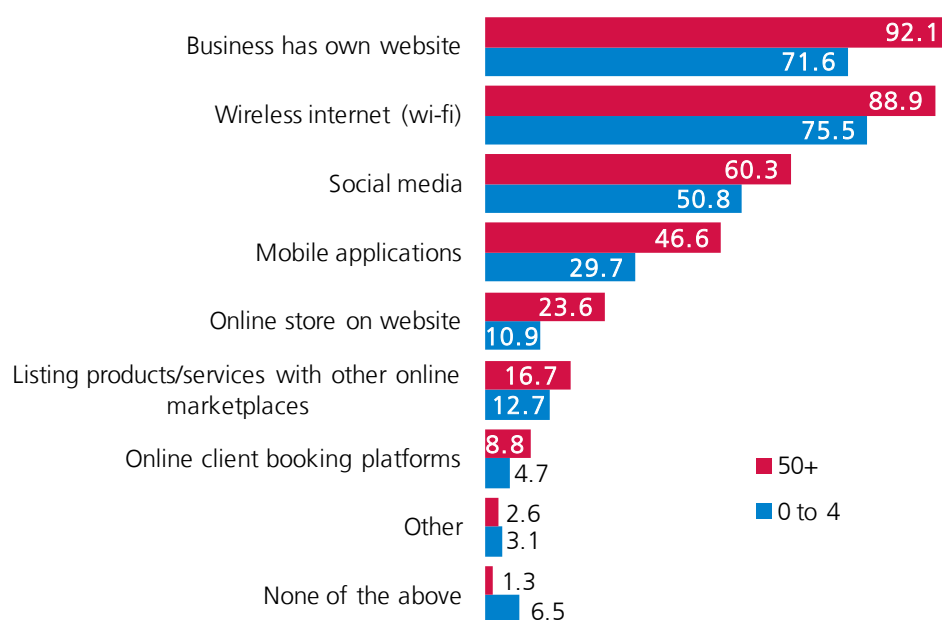


CFIB asked some similar questions on SME use of digital tools in 2009¹ and 2012². In 2009, about half of those surveyed had their own website but this had grown to 71 per cent by 2012 and 79 per cent in 2016. There has been even more significant growth in SME use of social media as less than one-third were using social media in 2012 (27 per cent) but now more than half (53 per cent) are active on social media.

When looking at the results by business size, the larger the business, the more likely they are to adopt certain types of digital technologies. For example, almost all (92 per cent) business with 50 or more employees have a website compared to 72 per cent of firms with fewer than 5 employees. Similarly, almost one in two firms (47 per cent) with 50 or more employees are using mobile applications versus 30 per cent of businesses with fewer than 5 employees (see figure 3). See Appendix 2A for a full breakout by business size.

Figure 3

Types of digital technologies SMEs are using, by business size (% of responses)



Interestingly, there was little variation in the types of digital technologies being used by age of business, with one important exception: younger businesses are much more likely to use social media as 72 per cent of those that have been in business for less than five years are using social media versus 48 per cent of those who have been in business for more than 10 years. This could partially be because younger firms are very focused on marketing their business and are more familiar with social media tools and their benefits, whereas older businesses may be more established and already have a strong client base, and therefore do not feel they need to publicize as much and may be less familiar with how to best use these digital tools. See Appendix 2B for full breakout by age of business.

When looking at the results by sector, only the agriculture (48 per cent) and natural resources (68 per cent) sectors are less likely to have a website. However, social media is much more likely to be used by businesses that service consumers directly, which includes arts, recreation and information (78 per

¹ CFIB, *Communicating with your Business Survey*, July 2009, 6,840 responses

² CFIB, *Technology, Innovation and Trade Survey*, November 2012, 7,797 responses

cent), hospitality (76 per cent), retail (70 per cent) and social services (67 per cent). See Appendix 2C for full breakout by industry sector.

Types of social networking sites

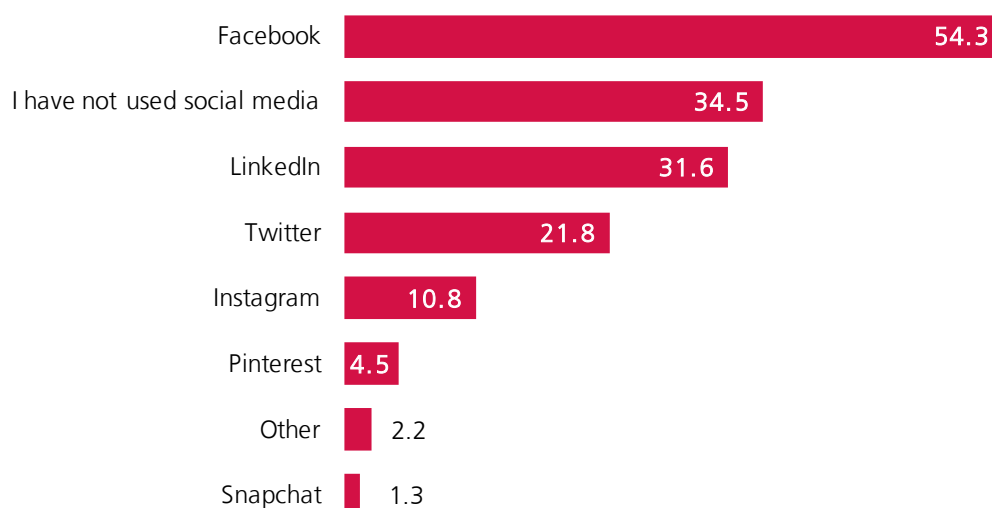
When our members were asked what type of social networking sites they currently use, 54 per cent said they use Facebook, followed by 32 per cent that use LinkedIn and 22 per cent that use Twitter. Of the 2 per cent who said “other”, the most commonly used social networking sites not listed were Google+ and YouTube. In fact, only about one-third (34.5 per cent) said they did not use social media, which means the majority of SMEs were using some form of social media in their business (see figure 4).

When looking at the use of social networking sites by province, there was little variation with one exception – the use of Twitter in Quebec. Just 11 per cent of Quebec respondents said they use Twitter for business purposes compared to the national average of 22 per cent. See appendix 3A for full breakout by province.

When comparing this most recent data with previous findings, we see tremendous growth in SME use of many of these platforms. Since 2009³, the use of Facebook by SMEs has more than doubled from 22 per cent to 54 per cent. Even more impressive growth was seen in the SME use of LinkedIn, growing from 6 per cent in 2009 to 32 per cent in 2016, and the use of Twitter, which grew from 3 per cent in 2009 to 22 per cent in 2016.

Figure 4

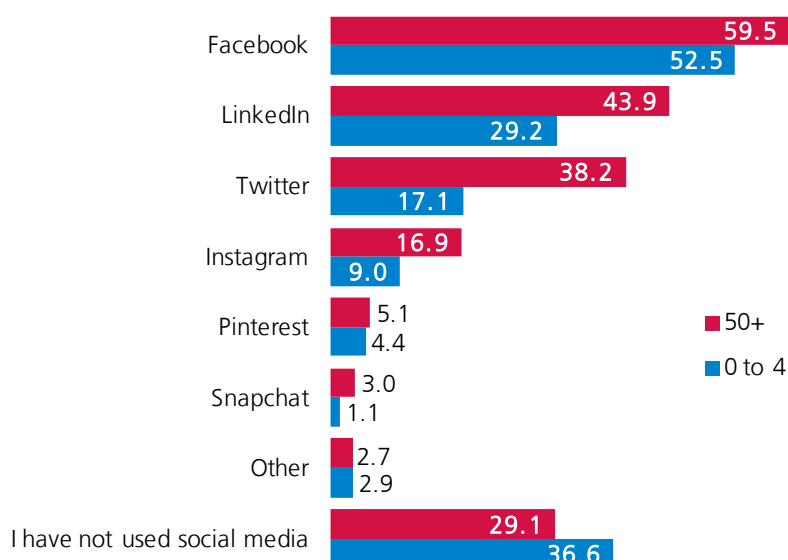
SME use of social networking sites (% of responses)



When looking at size of business, the results show that the larger the business, the more likely they were to use social media in their business. For example, 38 per cent of businesses with 50 or more employees use Twitter in their business compared to 17 per cent of businesses with fewer than 5 employees. Similar results were found for Instagram and LinkedIn, a little less so for Facebook (see figure 5). This may be due to the fact that larger businesses have the capacity to hire social media experts to set up and manage these accounts compared to a smaller business that may find it difficult to access such resources and therefore may choose to focus on just one social media platform if they choose to engage in social media. See Appendix 3B for a full breakout by business size.

³ CFIB, *Communicating with your Business Survey*, July 2009, 6,840 responses

Figure 5

SME use of social networking sites, by size of business (% of responses)

When looking at number of years in business, the results revealed that younger businesses are more likely to use Facebook and Twitter than older businesses. Three-quarters (75 per cent) of firms that are less than 5 years old are using Facebook versus 50 per cent of firms that are more than 10 years old. Similarly, 31 per cent of firms that are less than 5 years old are using Twitter compared to 20 per cent of firms that are more than 10 years old. See Appendix 3C for breakout by age of business.

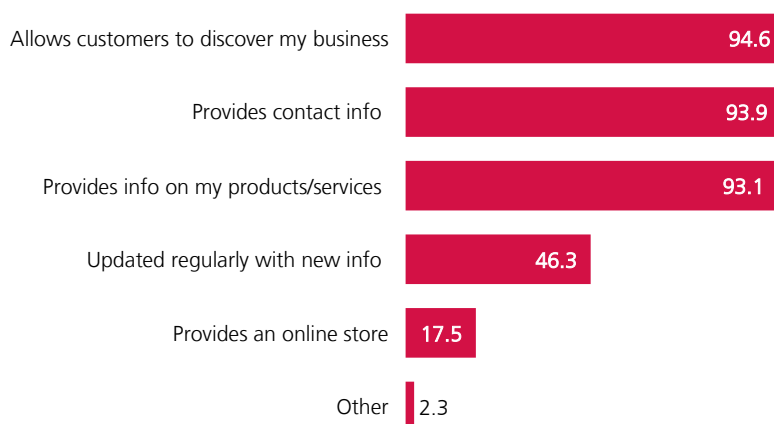
When looking at the results by major industrial sector, those businesses that deal directly with consumers are much more likely to be using Facebook, Twitter and Instagram. For example, 81 per cent of hospitality businesses, 79 per cent of arts, recreation and information businesses and 75 per cent of retailers are using Facebook in their business. Alternatively, businesses that primarily deal with other businesses are much more likely to use LinkedIn. For example, 50 per cent of businesses in finance, insurance and real estate, 48 per cent of those in professional services and 45 per cent of businesses in the enterprises and administration management are using LinkedIn in their business. See Appendix 3D for full breakout by industry sector.

How do SMEs use their websites?

When members were asked how they use their website, most (95 per cent) said they use it to allow customers to discover their business, provide their contact information, and provide information on their products and services. Almost one in two (46 per cent) said that their website is regularly updated with new information for their customers and 18 per cent provided an online store for customers to purchase products/services (see figure 6).

Figure 6

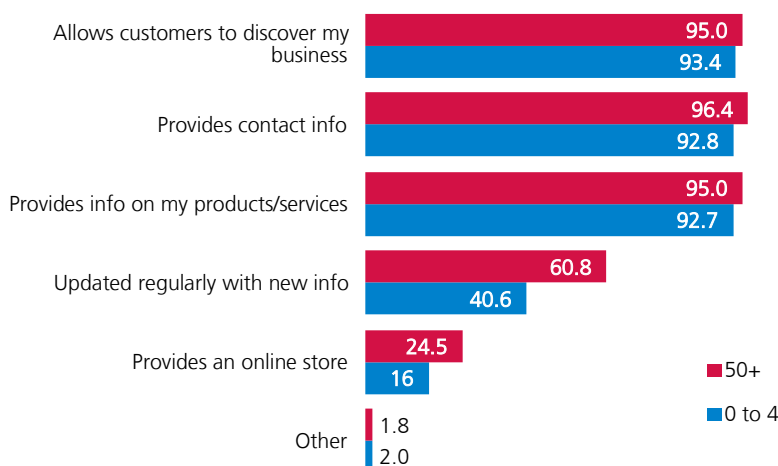
How does your business use its website? (% of responses)



When looking at the results by size of business, larger businesses with 50 or more employees are more likely to provide an online store (24 per cent) and regularly update the website with new information (61 per cent) than smaller businesses with fewer than 5 employees (16 per cent provided an online store and 41 per cent updated their websites regularly) (see figure 7). See Appendix 4A for a full breakout by business size.

Figure 7

How does your business use its website? By size of business (% of responses)



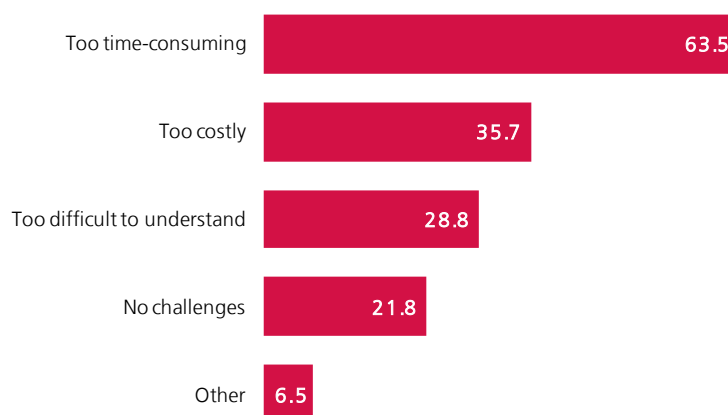
When looking at the results by major industrial sector, SMEs in all sectors used their websites to allow customers to discover their business, to provide contact information and obtain information on their products and services. However, there was a greater tendency for businesses in sectors that have a consumer-facing focus to have an online store and to update their websites more regularly. For example, 29 per cent of retailers, 28 per cent of arts, recreation and information businesses and 26 per cent of hospitality businesses have an online store. Somewhat surprisingly, 26 per cent of agriculture businesses also said they have an online store for customers to purchase their products/services. See Appendix 4B for a full breakout by industry sector.

The challenges of digital technology

When members were asked about what challenges they face when adopting digital technologies into their business, about one in five (22 per cent) SME owners stated that they had not faced any challenges. However, another 64 per cent indicated that it was too time consuming, 36 per cent said it was too costly, and 29 per cent stated that it was too difficult to understand (see figure 8). Of the almost 7 per cent who said “other”, the most commonly cited challenges of adopting digital technologies were: lack of availability/access to high speed internet; constantly changing environment making it difficult to keep up; having enough skilled staff/resources to implement and manage the digital technologies; and perceived security risks.

Figure 8

Challenges faced by SMEs when adopting digital technologies (% of responses)



When looking at the results by size of business, there was little variation around cost, however, smaller firms with fewer than 5 employees found it much more time-consuming (65 per cent) and difficult to understand (32 per cent) than larger firms with 50 or more employees (57 per cent found it too time-consuming and 21 per cent found it too difficult to understand). This is likely because larger firms have more resources to hire and/or outsource some of the skills needed to properly integrate these technologies in their business. See Appendix 5A for full breakout by size of business.

When looking at the results by major industrial sector, there was little variation in the challenges faced by businesses. Those in the enterprises and administration management (43 per cent) and wholesale (42 per cent) sectors were most likely to say it was too costly, retailers (72 per cent) and wholesalers (69 per cent) were most likely to say it was too time-consuming and, retailers (33 per cent) and agriculture businesses (32 per cent) were the most likely to say it was too difficult to understand. See Appendix 5B for full breakout by industry sector.

Conclusions and Recommendations

These survey findings reveal that businesses of all sizes and sectors have adopted various digital technologies in their business. Most are using the internet in some form within their businesses, and many are using social media platforms like Facebook, LinkedIn and Twitter to help promote their business and find new customers/contacts. However, SMEs have made it clear that adopting digital technologies, although important for the promotion of their business, can be time consuming, costly, and difficult to understand. However, digital technologies can bring productivity improvements and better service for customers of SMEs if they can be made easier to adopt and use. To initiate discussion on what else can be done to encourage more digital adoption among smaller firms, CFIB offers the following recommendations:

1. **Make it easier to adopt digital technologies by encouraging the development of simple, cost effective, “off-the-shelf” digital tools for small businesses:** In recent years there have been many more competitive options available for smaller businesses to more easily adopt digital tools. These include services like website design, and online sales/purchasing tools that are easy to set up and come at a more reasonable cost. Encouraging more of these types of product developments would certainly be welcomed by smaller businesses. For its part, CFIB offers its members such services for web development (Bark Builder) and email marketing (CyberImpact) at discounted prices to encourage more smaller firms to adopt these types of technologies.
2. **Introduce a “Digital Technology Deduction”:** that would allow businesses to claim up to \$100,000 per year spent on new equipment or technology, in the year of purchase. This could be similar to the United States’ Expense Deduction Bill (Section 179 Deduction).
3. **Reintroduce a 100 per cent Capital Cost Allowance (CCA) rate for technology purchases:** This would spur new investments by businesses into new digital technologies and help drive innovation.
4. **Improve competitive options for high speed/wireless services:** Many respondents lamented the lack of competition in Canada, especially in rural areas. In fact in many areas of Canada, there is little choice for high speed internet service. Small business owner feel this drives prices up and customer service down. Options to improve competition could include requiring incumbents to provide competitors with wholesale access to Ethernet lines at fair prices, or by looking at allowing foreign providers to access rural markets.
5. **Create an “innovations lens”:** Apply an “innovation lens” when implementing new regulations, policies and taxes to ensure that these do not negatively impact a firm’s ability to innovate or adopt new technologies.
6. **Consider creating a website of digital tools to enhance digital literacy:** Government could take the lead on creating a website that contains a database of tech guides and tools to develop digital skills that would help SMEs deal with daunting technology tasks quickly and easily. It could be modeled after a site developed by the US government that already contains that type of information (<https://digitalliteracy.gov/taxonomy/term/88>).

Methodology

CFIB conducted the *Digital Adoption* Survey from September 13, 2016 – October 6, 2016, across Canada. The password-protected online survey received 6,362 responses from small business owners across all sectors and provinces. The results are accurate to ± 1.2 percentage points, 19 times out of 20. Unless otherwise indicated, data in this report was obtained through the above survey.

Appendix

Results of CFIB Digital Adoption Survey

Table 1A

Importance of digital technology to success of the business, by age of Business (% of responses)

	1	2-4	5-10	11+	Total
<i>Very important</i>	56.5	50.7	45.4	35.9	38.8
<i>Somewhat important</i>	28.7	34.6	34.7	41.4	39.6
<i>Not very important</i>	10.4	10.8	14.2	15.5	14.9
<i>Not important</i>	3.5	2.5	4.9	5.7	5.3
<i>I don't know</i>	0.9	1.4	0.9	1.5	1.4
Total	2.2	6.7	14.8	76.2	100.0

Table 1B

Importance of digital technology to success of the business, by industry sector (% of responses)

	Agriculture	Natural Resources	Construction	Manufacturing	Wholesale	Retail	Transportation
<i>Very Important</i>	21.4	20.0	28.5	33.0	37.6	44.5	34.5
<i>Somewhat Important</i>	47.1	44.0	42.3	40.6	41.5	39.5	39.9
<i>Not very Important</i>	18.4	24.0	18.3	18.6	15.8	10.5	17.9
<i>Not important</i>	10.2	9.3	9.9	6.2	3.6	3.8	0.1
<i>Don't Know</i>	2.9	2.7	0.9	1.7	1.4	1.7	1.8

Table 1B (Continued)

Importance of digital technology to success of the business, by industry sector (% of responses)

	Arts, Recreation & Information	Finance, Insurance, Real Estate	Professional Services	Enterprises & Admin. Mgmt.	Social Services	Hospitality	Personal Misc. Services	Total
<i>Very Important</i>	62.9	45.3	42.1	43.8	40.3	48.0	38.0	38.8
<i>Somewhat Important</i>	27.6	42.0	34.9	38.8	39.8	36.7	40.0	39.6
<i>Not very Important</i>	7.8	8.6	18.0	11.9	16.1	11.3	14.6	14.9
<i>Not important</i>	1.7	3.3	4.8	4.4	2.2	2.4	5.7	5.3
<i>Don't Know</i>	0.0	0.8	0.2	1.3	1.6	1.6	1.6	1.4

Table 2A

Types of digital technologies SMEs are using, by business size (% of responses)

	0-4	5-19	20-49	50-99	100-499	500+	Total
<i>Business has own website</i>	71.6	81.5	87.9	92.6	91.8	85.7	79.3
<i>Social media</i>	50.8	52.0	55.2	58.0	63.1	71.4	52.5
<i>Mobile applications</i>	29.7	32.2	38.8	44.3	48.4	71.4	32.9
<i>Wireless internet (wi-fi)</i>	75.5	81.6	85.0	86.4	91.8	100.0	80.2
<i>Online store on website</i>	10.9	12.5	13.3	21.6	24.6	57.1	12.7
<i>Listing products/services with other online marketplaces</i>	12.7	12.8	15.0	17.0	16.4	14.3	13.3
<i>Online client booking platforms</i>	4.7	5.8	7.7	10.2	7.4	0.0	5.8
<i>Other</i>	3.1	2.6	2.1	3.4	1.6	0.0	2.7
<i>None of the above</i>	6.5	3.8	2.7	1.7	0.8	0.0	4.5
<i>Total</i>	36.4	45.2	12.9	3.2	2.2	0.1	100.0

Table 2B

Types of digital technologies SMEs are using, by age of business (% of responses)

	<i>1</i>	<i>2-4</i>	<i>5-10</i>	<i>11+</i>	<i>Total</i>
<i>Business has own website</i>	79.2	81.8	81.6	78.7	79.3
<i>Social Media</i>	70.8	73.0	62.1	48.4	52.5
<i>Mobile Applications</i>	34.2	30.9	33.3	33.0	32.9
<i>Wireless Internet (wi-fi)</i>	85.8	81.3	83.4	79.4	80.2
<i>Online store online</i>	17.5	14.3	13.6	12.1	12.7
<i>Listing products/services with other online marketplaces</i>	14.2	15.2	15.6	12.6	13.3
<i>Online client booking platforms</i>	10.8	7.7	8.1	5.0	5.8
<i>Other</i>	3.3	2.2	2.5	2.8	2.7
<i>None of the above</i>	3.3	3.0	2.3	5.0	4.5
<i>Total</i>	2.2	6.6	14.4	76.8	100.0

Table 2C

Types of digital technologies SMEs are using, by industry sector (% of responses)

	<i>Agriculture</i>	<i>Natural Resources</i>	<i>Construction</i>	<i>Manufacturing</i>	<i>Wholesale</i>	<i>Retail</i>	<i>Transportation</i>
<i>Business has own website</i>	48.0	68.3	76.0	86.7	87.4	78.1	70.9
<i>Social Media</i>	36.7	35.4	35.8	43.2	41.1	69.7	43.0
<i>Mobile Applications</i>	36.7	41.5	38.3	27.3	31.7	30.1	44.7
<i>Wireless Internet (wi-fi)</i>	80.3	84.1	80.8	79.6	78.2	77.8	82.1
<i>Online store</i>	9.6	2.4	2.1	11.3	19.3	21.8	10.6
<i>Listing products/services with other online marketplaces</i>	12.2	12.2	9.2	10.6	16.6	20.1	15.1
<i>Online client booking platforms</i>	1.3	2.4	3.6	1.7	2.8	4.9	7.3
<i>Other</i>	3.5	3.7	2.2	2.4	1.8	1.4	2.8
<i>None of the above</i>	9.2	9.8	5.8	2.8	3.7	4.6	6.1
<i>Total</i>	4.1	1.5	12.1	13.5	7.9	19.3	3.2

Table 2C (Continued)

Types of digital technologies SMEs are using, by industry sector (% of responses)

	Arts, Recreation & Information	Finance, Insurance, Real Estate	Professional Services	Enterprises & Admin. Mgmt.	Social Services	Hospitality	Personal Misc. Services	Total
<i>Business has own website</i>	94.8	84.7	78.5	89.8	88.0	79.0	74.7	79.3
<i>Social Media</i>	77.6	57.6	47.4	56.9	66.7	76.2	50.8	52.5
<i>Mobile Applications</i>	37.9	38.8	30.6	38.9	29.2	36.1	29.1	32.9
<i>Wireless Internet (wi-fi)</i>	90.5	75.3	80.2	78.4	83.9	88.1	80.7	80.2
<i>Online store</i>	23.3	7.5	9.3	12.6	9.9	13.9	9.6	12.7
<i>Listing products/services with other online marketplaces</i>	17.2	12.5	4.5	18.0	7.8	11.1	13.8	13.3
<i>Online client booking platforms</i>	11.2	3.9	4.9	6.6	15.6	20.2	9.6	5.8
<i>Other</i>	2.6	5.5	3.6	5.4	6.3	2.4	2.5	2.7
<i>None of the above</i>	1.7	3.1	5.1	2.4	3.1	2.4	5.0	4.5
<i>Total</i>	2.1	4.6	9.1	3.0	3.5	4.6	9.4	100.0

Table 3A

SME use of social networking sites, by province (% of responses)

	<i>BC</i>	<i>AB</i>	<i>SK</i>	<i>MB</i>	<i>ON</i>	<i>QC</i>	<i>NB</i>	<i>NS</i>	<i>PE</i>	<i>NL</i>	<i>Can.</i>
<i>Facebook</i>	57.9	55.6	51.9	50.9	52.6	54.4	61.4	56.7	76.7	59.3	54.3
<i>Twitter</i>	18.4	26.1	21.6	21.4	24.6	10.6	17.0	21.6	43.3	22.0	21.8
<i>Instagram</i>	12.7	12.9	12.5	16.2	11.0	5.6	5.8	9.3	13.3	5.1	10.8
<i>LinkedIn</i>	29.0	38.4	25.0	25.6	33.1	29.0	26.3	26.8	23.3	25.4	31.6
<i>Pinterest</i>	5.0	5.3	3.8	5.1	4.7	3.4	1.2	5.2	10.0	1.7	4.5
<i>Snapchat</i>	1.6	1.2	3.8	1.7	1.0	1.0	1.8	1.5	6.7	0.0	1.3
<i>Other</i>	3.7	2.8	3.4	3.0	1.5	1.9	2.3	1.5	0.0	6.8	2.2
<i>I have not used any social media</i>	34.2	31.1	38.6	38.5	35.2	35.5	32.2	32.0	20.0	32.2	34.5
<i>Total</i>	10.4	16.3	4.9	4.3	42.4	12.9	3.2	3.6	0.6	1.1	100.0

Table 3B

SME use of social networking sites, by size of business (% of responses)

	<i>0-4</i>	<i>5-19</i>	<i>20-49</i>	<i>50-99</i>	<i>100-499</i>	<i>500+</i>	<i>Total</i>
<i>Facebook</i>	52.5	54.7	56.0	58.4	60.3	71.4	54.3
<i>Twitter</i>	17.1	21.9	28.0	32.9	44.0	71.4	21.8
<i>Instagram</i>	9.0	11.3	11.4	16.2	17.2	28.6	10.8
<i>LinkedIn</i>	29.2	30.2	38.6	42.8	44.0	71.4	31.6
<i>Pinterest</i>	4.4	4.7	4.0	3.5	7.8	0.0	4.5
<i>Snapchat</i>	1.1	1.2	1.7	3.5	2.6	0.0	1.3
<i>Other</i>	2.9	1.8	1.7	3.5	0.9	14.3	2.2
<i>I have not used any social media</i>	36.6	34.5	31.1	28.9	30.2	14.3	34.5
<i>Total</i>	36.5	45.0	12.9	3.2	2.1	0.1	100.0

Table 3C

SME use of social networking sites, by age of business (% of responses)

	1	2-4	5-10	11+	Total
<i>Facebook</i>	71.4	76.2	64.5	50.0	54.3
<i>Twitter</i>	28.6	32.1	27.5	19.6	21.8
<i>Instagram</i>	17.6	19.7	14.8	9.1	10.8
<i>LinkedIn</i>	31.1	38.0	37.4	30.0	31.6
<i>Pinterest</i>	6.7	9.1	5.1	3.9	4.5
<i>Snapchat</i>	0.8	1.7	1.3	1.3	1.3
<i>Other</i>	5.0	2.2	3.1	2.0	2.2
<i>I have not used any social media</i>	21.8	16.6	23.4	38.6	34.5
<i>Total</i>	2.2	6.7	14.5	76.6	100.0

Table 3D

SME use of social networking sites, by industry sector (% of responses)

	Agriculture	Natural Resources	Construction	Manufacturing	Wholesale	Retail	Transportation
<i>Facebook</i>	38.3	35.4	36.7	43.7	41.2	75.1	47.1
<i>Twitter</i>	23.3	10.1	10.6	16.9	20.5	25.6	17.6
<i>Instagram</i>	8.8	3.8	4.0	8.5	6.4	15.8	7.1
<i>LinkedIn</i>	18.1	39.2	32.4	34.3	32.2	23.1	34.7
<i>Pinterest</i>	2.2	1.3	2.9	5.5	2.8	7.8	2.4
<i>Snapchat</i>	1.3	0.0	0.6	0.7	0.5	2.1	1.2
<i>Other</i>	2.2	1.3	2.3	2.1	2.1	2.4	1.8
<i>I have not used any social media</i>	48.9	48.1	47.4	42.3	43.5	21.9	38.8
<i>Total</i>	4.2	1.5	12.0	13.4	7.8	19.3	3.1

Table 3D (Continued)

SME use of social networking sites, by industry sector (% of responses)

	Arts, Recreation & Information	Finance, Insurance, Real Estate	Professional Services	Enterprises & Admin. Mgmt.	Social Services	Hospitality	Personal Misc. Services	Total
Facebook	78.8	55.4	41.0	56.7	67.5	80.7	57.6	54.3
Twitter	50.0	27.1	21.0	27.4	27.7	39.8	15.1	21.8
Instagram	31.4	5.2	5.9	11.0	11.0	27.3	11.8	10.8
LinkedIn	40.7	49.8	47.5	44.5	35.6	17.3	21.9	31.6
Pinterest	9.3	1.2	3.2	1.2	5.8	5.6	4.3	4.5
Snapchat	4.2	0.8	1.6	1.2	1.6	4.0	0.8	1.3
Other	4.2	1.6	1.6	1.2	1.6	3.2	2.7	2.2
I have not used any social media	16.9	27.1	36.6	31.1	26.7	14.5	37.0	34.5
Total	2.2	4.6	9.1	3.0	3.5	4.6	9.5	100.0

Table 4A

How does your business use its website? By business size (% of responses)

	0-4	5-19	20-49	50-99	100-499	500+	Total
Allows customers the opportunity to discover my business	93.4	95.2	94.8	93.8	96.4	100.0	94.6
Provides contact information	92.8	94.3	94.2	96.3	96.4	100.0	93.9
Provides information on products/services	92.7	92.9	93.9	94.4	95.5	100.0	93.1
Provides an online store	16.0	16.9	19.4	20.6	28.6	50.0	17.5
Updated regularly with new information	40.6	46.6	51.6	55.6	67.9	66.7	46.3
Other	2.0	2.4	2.8	1.9	1.8	0.0	2.3
Total	32.8	46.5	14.2	3.7	2.6	0.1	100.0

Table 4B

How does your business use its website? By industry sector (% of responses)

	Agriculture	Natural Resources	Construction	Manufacturing	Wholesale	Retail	Transportation
<i>Allows customers the opportunity to discover my business</i>	94.5	92.9	94.6	96.1	91.0	94.1	95.2
<i>Provides contact information</i>	92.7	96.4	93.0	93.3	91.6	95.5	92.7
<i>Provides information on my products/services</i>	89.0	94.6	92.0	94.9	94.5	92.3	90.3
<i>Provides an online store for customers to purchase products/service</i>	25.7	3.6	4.0	13.6	24.3	28.6	15.3
<i>Updated regularly with new information</i>	46.8	30.4	37.6	39.6	51.2	55.1	41.1
<i>Other</i>	0.9	5.4	1.6	1.6	1.8	2.2	3.2
<i>Total</i>	2.5	1.3	11.5	14.8	8.7	19.0	2.9

Table 4B (Continued)

How does your business use its website? By industry sector (% of responses)

	Arts, Recreation & Information	Finance, Insurance, Real Estate	Professional Services	Enterprises & Admin. Mgmt.	Social Services	Hospitality	Personal Misc. Services	Total
<i>Allows customers the opportunity to discover my business</i>	96.4	95.3	94.4	95.3	97.0	95.0	93.7	94.6
<i>Provides contact information for my business</i>	92.7	96.7	94.2	92.6	95.3	93.0	94.2	93.9
<i>Provides information on my products/services</i>	95.5	92.9	91.9	93.9	94.1	96.5	92.4	93.1
<i>Provides an online store for customers to purchase products/service</i>	28.2	17.5	9.8	18.2	11.8	26.1	13.1	17.5
<i>Updated regularly with new information</i>	70.0	45.3	39.6	43.9	49.1	56.8	42.4	46.3
<i>Other</i>	2.7	1.4	3.0	2.0	5.3	2.0	3.1	2.3
<i>Total</i>	2.5	4.9	9.1	3.4	3.9	4.6	8.8	100.0

Table 5A

Challenges faced by SMEs when adopting digital technologies, by business size (% of responses)

	<i>0-4</i>	<i>5-19</i>	<i>20-49</i>	<i>50-99</i>	<i>100-499</i>	<i>500+</i>	<i>Total</i>
<i>Too costly</i>	36.1	35.6	36.0	32.9	35.9	16.7	35.7
<i>Too time-consuming</i>	64.8	64.1	60.7	60.6	53.0	33.3	63.5
<i>Too difficult to understand</i>	32.0	28.9	23.3	24.7	16.2	16.7	28.8
<i>Other</i>	6.4	6.7	6.4	4.7	5.1	0.0	6.5
<i>No challenges</i>	20.2	22.0	23.3	25.3	29.9	66.7	21.8
<i>Total</i>	35.8	45.5	13.0	3.3	2.2	0.1	100.0

Table 5B

Challenges faced by SMEs when adopting digital technologies, by industry sector (% of responses)

	<i>Agriculture</i>	<i>Natural Resources</i>	<i>Construction</i>	<i>Manufacturing</i>	<i>Wholesale</i>	<i>Retail</i>	<i>Transportation</i>
<i>Too costly</i>	19.8	36.1	34.6	35.3	42.2	39.0	26.2
<i>Too time-consuming</i>	61.4	48.6	63.7	61.2	68.7	72.1	46.3
<i>Too difficult to understand</i>	32.2	27.8	28.0	27.9	27.2	33.1	27.4
<i>Other</i>	4.5	12.5	5.6	6.3	5.6	5.0	6.7
<i>No challenges</i>	24.8	26.4	24.0	24.7	17.2	16.3	31.1
<i>Total</i>	3.9	1.4	12.0	13.7	7.9	19.2	3.1

Table 5B (continued)

Challenges faced in adopting digital technologies, by industry sector (% of responses)

	Arts, Recreation & Information	Finance, Insurance, Real Estate	Professional Services	Enterprises & Admin. Mgmt.	Social Services	Hospitality	Personal Misc. Services	Total
<i>Too costly</i>	31.0	36.5	28.0	43.4	39.8	35.7	38.5	35.7
<i>Too time-consuming</i>	56.9	64.7	60.2	61.6	64.0	57.8	61.9	63.5
<i>Too difficult to understand</i>	18.1	29.5	21.3	30.2	31.2	29.1	30.8	28.8
<i>Other</i>	8.6	6.2	9.1	7.5	8.6	11.1	5.5	6.5
<i>No challenges</i>	25.9	18.7	28.0	21.4	19.9	18.9	22.0	21.8
<i>Total</i>	2.2	4.6	9.1	3.1	3.6	4.7	9.4	100.0