

MUST-WATCH TRENDS

SHAPING THE FUTURE OF CANADIAN BUSINESS











Advances in technology, changing demographics and the global recession have helped shape new consumer behaviours. Small and medium-sized enterprises (SMEs) must adapt to the new reality to benefit from the opportunities that await.

THE INTERNET REVOLUTION



75% THEIR BUYING DECISIONS

"Smartphone shoppers"

TRUSTED SOURCES.

POSTED ONLINE RANK #2 BEHIND PERSONAL RECOMMENDATIONS AS

use the Internet to make buying decisions before, after and while shopping at retail stores.

"Review researchers"

A new shopping culture is emerging thanks to easy and affordable access to the Internet. Review researchers

to compare in-store prices to online deals and to research in-store purchases.

Brick-and-mortar retailers now need to compete

with online retailers within their own walls.

Smartphone-toting shoppers use their devices



\$5.4 billion

Almost I/3 of smartphone users prefer to turn to their device for product information instead of asking store employees.





2012 ~

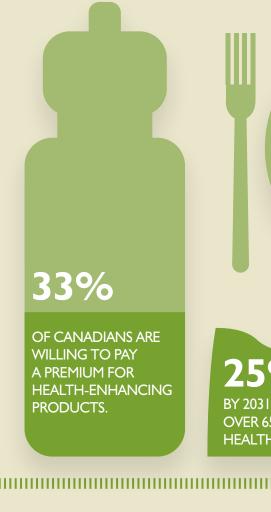
THE "HEALTH MANIA"

LOSS SUPPLEMENTS AS A **MEANS OF SHORTCUTTING**

WEIGHT LOSS.

INTERNET RETAIL SALES -

"MEAL REPLACEMENTS" ARE OVERTAKING WEIGHT



BY 2031, 25% OF CANADIANS WILL BE **OVER 65 YEARS OLD - MEANING THIS** HEALTH TREND WILL ONLY ACCELERATE Pick and choose Acute awareness of health has completely transformed food demand and shifted eating habits from processed

convenience food to fresh produce, and from soft

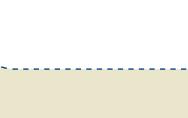
Get off the couch The shift toward wellness has created a new market for health-monitoring equipment and applications. Canadians are getting active, driving sportswear sales and creating a new fitness culture.

drinks to bottled water.

4 out of every 10 dollars



\$935 is the average annual per capita spend on health and wellness (up from \$818 in 2007).



was spent in the health tourism market,

~\$1.3 billion

in sales of health and wellness

smartphone apps was spent

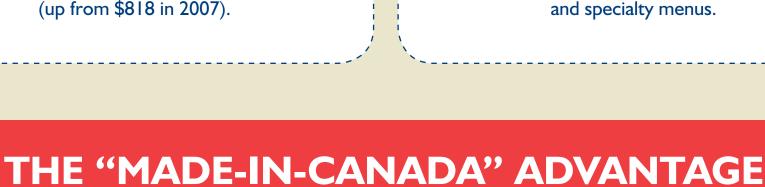
in 2012.



\$5.4 billion

in sales of athletic apparel,





~\$735 million

including spa services, medical tourism

Buy local A majority of Canadians have made an effort to buy local or made-in-Canada products

recently. Consumers in Quebec

and Atlantic Canada lead the way.



+50%

everyday habits, integrating

environmentally responsible

SUPPORT THE LOCAL ECONOMY.

60%

of Canadians

consider themselves

ethical consumers.



OF CONSUMERS

ENVIRONMENT.

OF CONSUMERS

BUY CANADIAN



IN 2013, NEARLY 75% OF CONSUMERS CLAIMED TO

respond to almost every consumer taste.

Only I in 3

Companies are diversifying their product lines to

Excessive variety

WANT PERSONALIZED PRODUCTS AND SERVICES.

would stop buying products from a company if they learned it was using deceptive or irresponsible business practices.

75%

of consumers said they

would pay more for products

or services from a socially

responsible company.

CONSUMERS ARE MOVING AWAY FROM THE

MASS-PRODUCED PRODUCTS.

able to increase their margins and minimize risk.

By delivering made-to-order products, companies are

Mass customization

TRADITIONAL CONSUMPTION OF STANDARDIZED,

Nearly 75%

products and services.

consumers consider the brand of consumers want personalized a key deciding factor. THE THRIFTY CONSUMER

TO MAKE SURE

THEY ARE GETTING

THE BEST PRICE.

OF CANADIAN

CONSIDER A LOW

PRICE A KEY FACTOR INFLUENCING THEIR PURCHASE DECISIONS.

Frugal is the new rich

"Frugal" habits are now badges of

honour consumers wear with pride.

CONSUMERS



buying them. This usage-based consumption model is leading to new business opportunities.

in average order sizes as a result of mass customization of products.

Up to 20% increase

has consumers seeking and willing to pay a premium for local products.

Support your economy

Driven by a desire to support the

local economy, the buy-local trend

the online shopping trend.

Locally

owned businesses can directly

of consumers still seek stores

in their local area, despite

Group

Since the recession consumers have become more aggressive bargain seekers.

couponing

has emerged as the thrifty way

to make impulse purchases.



US\$3.5 billion By 2013, the "Sharing Economy" will reach an estimated US\$3.5 billion.

recirculate up to one-third of their revenues in the community.

Want to know more about these emerging trends and how to leverage them for your business? Download the complete report at bdc.ca. The Business Development Bank of Canada (BDC) is the only bank exclusively dedicated to entrepreneurs.

bdc.ca

Canada

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The sharing economy Budget-conscious consumers are choosing to share, trade or rent goods and services rather than of consumers see it as a way to generate extra income.