

Survey of Innovation and Business Strategy, 2012

Released at 8:30 a.m. Eastern time in *The Daily*, Monday, August 25, 2014

Canadian enterprises focus on business strategies

Canadian enterprises use various performance indicators to monitor their long-term strategic objectives. In 2012, sales and income growth was the most common performance indicator, with 76.7% of enterprises using it, followed by gross margin and operating margin growth (60.2%).

In 2012, medium-sized (79.8%) and small (76.2%) enterprises used sales and income growth as their principal indicator to measure their long-term strategic objectives. In contrast, large enterprises were more apt to apply two principal performance measures: gross margin and operating margin growth (78.0%) and sales and income growth (77.4%).

With respect to their strategic focus, Canadian enterprises directed their efforts on maintaining or optimizing their existing business activities rather than on introducing new or significantly improved products or practices (management, operations and marketing) in 2012.

Table 1
Strategic focus of Canadian enterprises business activities, all surveyed industries, 2012

	Maintaining or optimizing business activities	Introduction of new or significantly improved business activities	Do not know
	%		
Products (goods or services)	71.4 ^A	21.2 ^A	7.4 ^A
Organizational or management practices (long term)	65.0 ^B	29.3 ^A	5.7 ^A
Operational activities (long term)	60.2 ^B	34.4 ^B	5.4 ^A
Marketing practices or methods (long term)	53.6 ^B	33.5 ^B	13.0 ^A

A very reliable (standard error between 0% and 2.49%)

B reliable (standard error between 2.50% and 7.49%)

Note(s): Survey of Innovation and Business Strategy (SIBS) 2012 estimates are provided as percentages accompanied by quality indicators. Data quality indicators are based on the standard error (SE) and number of observations in the estimates. Quality indicators for SIBS are the following: A is very reliable (SE between 0% and 2.49%); B is reliable (SE between 2.50% and 7.49%); E is use with caution (SE between 7.50% and 14.99%); and F is too unreliable to be published (SE greater than or equal to 15.00%).

Canadian enterprises estimated that 58.1% of their total sales of their highest selling good or service came from their local market in 2012. Small enterprises (60.7%) had the highest propensity of relying on local markets in terms of percentage of sales of their highest selling product, followed by medium-sized (51.4%) and large (31.8%) enterprises.

In 2012, 90.2% of enterprises in surveyed services industries concentrated sales of their highest selling good or service in Canadian markets—locally, provincially or in other provinces.

Three-quarters of the total sales of Canadian manufacturers' highest selling good or service came from within Canada. In contrast, half of the total sales of the highest selling product of large manufacturing enterprises came from markets outside of Canada.



Business strategy module: Data availability

Additional data on business strategy from the Survey of Innovation and Business Strategy are now available in CANSIM for 2009 and 2012. Tables on business strategies and monitoring, production performance management practices, human resource management practices and highest selling good or service and main market are available by region, enterprise size and for detailed industry groups.

Available in CANSIM: tables 358-0304 to 358-0335.

Tables 358-0304 to 358-0311: Business strategies and monitoring.

Tables 358-0312 to 358-0318: Production performance management practices.

Tables 358-0319 to 358-0323: Human resource management practices.

Tables 358-0324 to 358-0335: Highest selling good or service and main market.

Definitions, data sources and methods: survey number 5171.

For more information, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca).

To enquire about the concepts, methods or data quality of this release, contact Louise Earl (613-951-2880) or Marc Nadeau (613-951-3692), Investment, Science and Technology Division.