

# One-quarter of Canadian businesses had at least some e-commerce sales in 2019

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## Canadian businesses grossed \$305 billion in e-commerce sales in 2019

The importance of e-commerce in the Canadian marketplace continues to grow. In 2019, Canadian businesses with five or more employees grossed \$305 billion in e-commerce sales, which represented 8% of their total revenues and approximately 1% of global e-commerce sales, according to statistics from the United Nations Conference on Trade and Development (UNCTAD). Online sales have more than doubled since 2013 when all Canadian businesses grossed \$136 billion. E-commerce sales refer to sales where orders were received, and the commitment to purchase was made, over the Internet. This includes business-to-consumer transactions, as well as business-to-business transactions.

One-quarter (25%) of Canadian businesses had at least some e-commerce sales in 2019. Large businesses (39%) were the most likely to report online sales, followed by medium-sized businesses (34%) and small businesses (23%). Similarly, the Organisation for Economic Co-operation and Development (OECD) reported that 22% of small businesses from reporting member countries had online sales in 2019.

Sectors that traditionally sell to other businesses accounted for the majority of the value of total Canadian online sales in 2019, a trend that has also been observed in other countries with high e-commerce sales, according to statistics from the UNCTAD. While retail e-commerce is typically the focus of discussions regarding online sales, goods sold in retail stores were often procured in bulk over the Internet at higher levels of the supply chain. The wholesale trade (\$85 billion), transportation and warehousing (\$60 billion) and manufacturing (\$38 billion) sectors were the largest contributors to total Canadian e-commerce sales in 2019, while the retail trade sector grossed \$22 billion in online sales over the same period.

Retail e-commerce sales are on track to reach record levels in 2020 as new measures aimed at slowing the spread of COVID-19 have significantly affected how consumers make retail purchases. Statistics Canada previously reported that retail e-commerce sales more than doubled from February to May 2020, to a record of almost \$4 billion in May. Retail online sales have since slowed as the economy began to reopen over the summer.

## Just over one-tenth of Canadian businesses with e-commerce sales sold through a company app in 2019

To conduct sales online, over two-thirds (70%) of businesses with online sales used a company website, over one-third (36%) used another third-party website, platform, app or online marketplace, and just over one-tenth (11%) used a company app.

The most commonly accepted forms of payment on the websites or apps of businesses with online sales were credit cards (81%), online payment services (55%) and debit cards (25%). Less than 1% of businesses accepted cryptocurrency as a form of payment on their websites or apps.

The vast majority of businesses with online sales (98%) had customers located in Canada, while around one-fifth (22%) had customers in the United States. Just over one-tenth (11%) of businesses with online sales reported having customers located in regions other than Canada or the United States.

Among the 71% of businesses that did not report ever having made online sales, almost three-quarters (74%) indicated that this was because their goods or services were not suitable for online sales. Some businesses also indicated that their employees lacked the skills, training or experience required to conduct sales over the Internet (11%) or that high set-up costs prevented them from conducting sales over the Internet (9%).



## **Among Canadian businesses with company websites, more than half reported they had websites optimized for mobile use**

Most Canadian businesses (86%) had at least one type of web presence in 2019, such as a company website (77%), a social media account (57%) or paid online advertising (23%). Among businesses with company websites, more than half (55%) had websites optimized for use on a mobile device.

The most frequently identified reasons for having social media accounts were to develop the company image or market goods or services (86%), communicate with customers for the development or innovation of goods or services (44%) or communicate with customers for other reasons (59%).

Just over 7 in 10 (71%) large businesses reported recruiting employees as one of their main reasons for having a social media account, compared with just over half (53%) of medium-sized businesses and around one-third (35%) of small businesses.

Over one-tenth of businesses with online sales (14%) used a social media account to conduct those sales. Small businesses (17%) were most likely to use a social media account to conduct online sales, compared with large (7%) or medium-sized (6%) businesses.

## **About one-fifth of Canadian businesses offered their employees the option to telework in 2019**

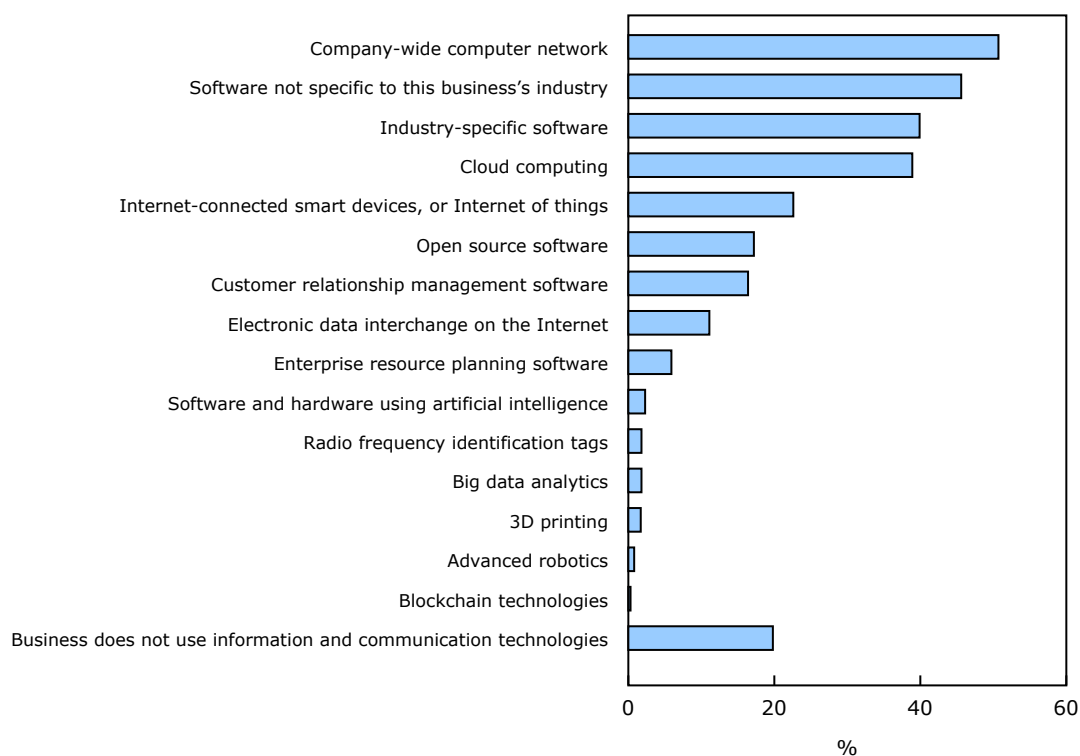
About one-fifth (19%) of Canadian businesses offered some or all of their employees the option to telework in 2019. Almost half (47%) of large businesses allowed teleworking, compared with 31% of medium-sized and 16% of small businesses.

The use of teleworking has increased since the onset of the COVID-19 pandemic. Statistics Canada previously reported that over two million Canadians who do not normally work from home did so in October 2020.

## **Almost two-fifths of Canadian businesses used cloud computing in 2019**

Four-fifths of Canadian businesses (80%) used at least one type of information and communication technology (ICT) in 2019, such as company-wide computer networks (51%) or cloud computing (39%). However, adoption of some more advanced types of ICT was less common, such as software and hardware using artificial intelligence (AI) (2%) or advanced robotics (1%).

**Chart 1**  
**Information and communication technologies used by businesses, Canada, 2019**



Source(s): Table 22-10-0117-01.

To help implement these technologies, about one-tenth (9%) of Canadian businesses employed one or more ICT specialists in 2019. ICT specialists are employees for whom ICT-related activities are central to their job.

The two cloud computing services most commonly used by businesses were storage capacity (88%) and cloud-based software (83%). Large (93%) and medium-sized (88%) businesses identified cloud-based software as their most commonly used type of cloud computing service, compared with 81% of small businesses.

On average, businesses with cloud computing reported spending \$27,000 on those services in 2019, an expenditure which represented less than 1% of their average revenue.

Although adoption of software and hardware using AI was rare within the overall business population, adoption was greater for large businesses (17%), and businesses in the management of companies and enterprises (12%) and information and cultural industries (11%) sectors. Among businesses that used AI technologies, machine learning (56%) and automatic speech recognition (33%) were the most frequently used technologies.

## Digital Economy and Society Portal

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## Note to readers

Data for the Survey of Digital Technology and Internet Use were collected from November 2019 to March 2020.

The questions on this survey asked respondents to report for reference year 2019 exclusively, so effects of the pandemic are not reflected in the results of this survey.

The target population of the 2019 iteration of this survey included enterprises with Canadian operations and five or more full or part-time employees, with some exceptions. The sample size was 14,127 enterprises and the response rate was 77%. Please refer to the "Related information" tab of this release for further details on the target population.

This survey was previously conducted in 2013 with a target population which included all enterprises with Canadian operations, with some exceptions. Please refer to the "Related information" tab of this release for further details on the target population.

Businesses were classified into small, medium or large categories based on the number of full-time employees that they reported having. Small businesses have 19 or fewer full-time employees. Medium-sized businesses have 20 to 99 full-time employees, except for medium-sized manufacturing businesses which have 20 to 499 full-time employees. Large businesses have 100 or more full-time employees, except for large manufacturing businesses which have 500 or more full-time employees.

Percentages published in this article represent a percentage of businesses.

Comparisons to other surveys are provided for context, but caution should be used when interpreting these comparisons as the target populations, reference periods and definitions used in other surveys are not identical to those used for the Survey of Digital Technology and Internet Use.

Global e-commerce statistics are from the United Nations Conference on Trade and Development Estimates of Global E-commerce 2018 report (published April 2020).

Average statistics for 2019 for reporting members of the Organisation for Economic Co-operation and Development (OECD) are from the OECD Going Digital Toolkit. In these OECD statistics, small businesses are defined as businesses with 10 to 49 employees, which differs from the small business definition used for the Survey of Digital Technology and Internet Use.

Monthly retail e-commerce sales figures are from Statistics Canada's Monthly Retail Trade Survey.

Teleworking statistics for October 2020 are from Statistics Canada's Labour Force Survey.

### Definition of e-commerce sales

E-commerce sales refer to all sales of a business's goods or services where orders were received, and the commitment to purchase was made, over the Internet. Payment can be made by other means. This includes business-to-consumer transactions, as well as business-to-business transactions.

**Available tables:** [22-10-0116-01](#) to [22-10-0123-01](#) , [22-10-0125-01](#) and [22-10-0127-01](#).

**Definitions, data sources and methods:** survey number [4225](#).

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; [STATCAN.infostats-infostats.STATCAN@canada.ca](mailto:STATCAN.infostats-infostats.STATCAN@canada.ca)) or Media Relations (613-951-4636; [STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca](mailto:STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca)).