

NON-EXPORTER TO EXPORTER:
MAKING THE SHIFT

2025 SMALL MEDIUM ENTERPRISES BUSINESS
SURVEY RESULTS

RON KALAFSKY, PHD
DEPARTMENT OF GEOGRAPHY AND SUSTAINABILITY
UNIVERSITY OF TENNESSEE
KALAFSKY@UTK.EDU

MARK RAYMOND, PHD
DEPARTMENT OF ECONOMICS
SAINT MARY'S UNIVERSITY
MARK.RAYMOND@SMU.CA
902-237-7155

SIMON RAYMOND
DEPARTMENT OF ECONOMICS
UNIVERSITY OF WATERLOO

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GROWING INTO AN EXPORTER OR EXPORTING INTO GROWTH

- The Craft Alliance Atlantic Association (CA) and the Halifax Partnership (HP) both completed comprehensive surveys of SMEs in their membership in early 2025.
- The results of an initial investigation of key findings in HP's *HRM Business Survey 2025* and CA's *Atlantic Canada Small Scale Manufacturers Sector Survey 2025* are being presented today.
- It is very important to keep in mind that both exporting and non-exporting firms are SMEs. A strong entrepreneurial mindset is already in place.

GROWING INTO AN EXPORTER OR EXPORTING INTO GROWTH

- The results shed light on how exporting and non-exporting firms view or “see” the business environment around them differently
- Preliminary results indicate that firms that export tend to:
 - Perceive more opportunities or have a more optimistic view of the economy
 - More aggressive in exploring new markets
 - Plan to invest more in their companies
 - Have a purposeful approach to new markets
- The results indicate areas for more in-depth analysis that could help with policy and government initiatives meant to promote business development

LOCATIONS OF EXPORT MARKETS

HP-Q19 If you have export markets, where are they located? Please select all that apply.

Answered: 203

Skipped: 27

Responses:

Location	Number of respondents	Percentage
Rest of Canada	82	40.4
USA	55	27.1
UK and EU	29	14.3
Asia	15	7.4
South America	11	5.4
Rest of the world	20	9.9
Not Applicable	96	47.3

47.3% - "non-exporter"

52.7% - "exporter"

ARE YOU AN EXPORTER?

CA-Q18 Do you currently export outside of Canada, or have you exported within the previous 24 months?

Answered: 186

Skipped: 23

Responses:

Response	Number of respondents	Percentage
Yes	85	46
No	101	54

GROWING INTO AN EXPORTER OR EXPORTING INTO GROWTH

HP-Q6 All things considered, how would you rate HRM as a place to do business?

Answered: 212

Skipped: 18

	Response	Rounded %
Above average	58	27
Average	126	59
Below Average	28	13

THE HRM AS A PLACE TO DO BUSINESS

Taken from HP-Q6. Is the HRM an above-average place to do business?

	No	Yes	%Yes
Non-exporter	102	21	17
Exporter	70	37	35

Chi-square = 9.299, $p = 0.002$

OPTIMISM ABOUT THE BUSINESS ENVIRONMENT

HP-Q7 How optimistic are you of the current economic prospects for your business operations in HRM?

Answered: 212

Skipped: 18

	Response	Rounded %
Extremely optimistic	49	23
Moderately optimistic	137	65
Not very optimistic	24	11
Not at all optimistic	2	1

OPTIMISM: EXPORTER VERSUS NON-EXPORTER

Taken from HP-Q7. Are you extremely optimistic about your business prospects in the HRM?

	No	Yes	%Yes
Non-exporter	103	20	16
Exporter	78	29	27

Chi-square = 4.012, $p = 0.045$

BUSINESS CONDITIONS: EXPORTER VERSUS NON-EXPORTER

Taken from HP- Q8. Are the current economic conditions for your business now worse compared to 5 years ago?

	No	Yes	%Yes
Non-exporter	99	24	20
Exporter	97	10	9

Chi-square = 4.695, $p = 0.030$

GROWTH PROSPECTS: EXPORTER VERSUS NON-EXPORTER

Taken from HP-Q9. Are you extremely confident in your prospects for revenue growth over the next five years?

	No	Yes	%Yes
Non-exporter	106	17	14
Exporter	73	34	32

Chi-square = 10.689, p = 0.001

ADAPTATION: EXPORTER VERSUS NON-EXPORTER

Taken from CA-Q35 Cost of adapting or changing product to suit the likes of a new market are too high or difficult.

	No	Yes	% Yes
Non-exporter	77	9	10
Exporter	119	4	3

Chi-square = 4.514, p = 0.034

NEW MARKETS: EXPORTER VERSUS NON-EXPORTER

Taken from HP-Q11. Do you expect to enter a new market outside of Nova Scotia but within Canada in the next 12 months?

	No	Yes	%Yes
Non-exporter	104	19	15
Exporter	54	53	50

Chi-square = 30.915, $p < 0.001$

NEW MARKETS: EXPORTER VERSUS NON-EXPORTER

Taken from HP-Q11. Do you expect to enter a new market outside of Canada in the next 12 months?

	No	Yes	%Yes
Non-exporter	119	4	3
Exporter	71	36	34

Chi-square = 36.791, $p < 0.001$

R&D AND TRAINING: EXPORTER VERSUS NON-EXPORTER

Taken from HP-Q12. In the next 12 months, does your company plan to spend more than two percent of revenue on R&D?

	No	Yes	%Yes
Non-exporter	104	19	15
Exporter	52	55	51

Chi-square = 9.299, $p = 0.002$

Taken from HP-Q14. In the next twelve months, does your firm expect to increase employee training or skills development activities?

	No	Yes	%Yes
Non-exporter	60	63	51
Exporter	30	77	72

Chi-square = 10.337, $p = 0.001$

STRATEGIC PLAN: EXPORTER VERSUS NON-EXPORTER

Taken from HP-Q17 from the survey. Does your firm have a 3-to-5-year strategic plan?

	No	Yes	%Yes
Non-exporter	25	98	80
Exporter	0	107	100

Chi-square = 24.400, $p < 0.001$

While most of the surveyed firms indicated that they had a strategic plan, no exporters *didn't* have one.

Taken from HP-Q18. Do you have a business continuity plan in your strategic plan?

	No	Yes	%Yes
Non-exporter	93	30	24
Exporter	51	56	52

Chi-square = 19.090, $p < 0.001$

MARKETING BUDGET: EXPORTER VERSUS NON-EXPORTER

Taken from CA-Q29. What is your annual budget for marketing? None – I use free social media sites.

	No	Yes	%Yes
Non-exporter	43	43	50
Exporter	94	29	24

Chi-square = 15.648, $p < 0.001$

MARKETING BUDGET: EXPORTER VERSUS NON-EXPORTER

Taken from CA-Q29. What is your annual budget for marketing? None – I don't advertise

	No	Yes	%Yes
Non-exporter	66	20	23
Exporter	110	13	10

Chi-square = 6.127, $p = 0.034$

FIRM AGE: EXPORTER VERSUS NON-EXPORTER

Taken from CA-Q5. How long have you been selling your products? One to five years?

	No	Yes	%Yes
Non-exporter	52	34	41
Exporter	92	31	25

Chi-square = 4.851, $p = 0.028$

THE EFFECT OF TARIFFS

Taken from CA-Q19. How has the threat of impending tariffs changed how you do business? Do not export to the US.

	No	Yes	%Yes
Non-exporter	23	63	73
Exporter	120	3	2

Chi-square = 117.474, $p < 0.001$

Taken from CA-Q19. How has the threat of impending tariffs changed how you do business? Still exporting to existing clients in the US.

	No	Yes	%Yes
Non-exporter	86	0	0
Exporter	74	49	40

Chi-square = 44.753, $p < 0.001$

THE EFFECT OF US TARIFFS

Taken from CA-Q19. How has the threat of impending tariffs changed how you do business? Have stopped pursuing the US and will concentrate on Canada.

	No	Yes	%Yes
Non-exporter	73	13	15
Exporter	88	35	28

Chi-square = 5.090, p = 0.024

SALES: EXPORTER VERSUS NON-EXPORTER

Taken from CA-Q21. What is the range of your domestic sales? \$100,000 or more?

	No	Yes	%Yes
Non-exporter	83	3	3
Exporter	104	19	15

Chi-square = 7.685, p = 0.006

Taken from CA-Q21. What is the range of your domestic sales? Under \$1000?

	No	Yes	%Yes
Non-exporter	66	20	24
Exporter	119	4	3

Chi-square = 19.925, p < 0.001

LOOKING AHEAD

- Initial analysis suggests this data can be used to direct efforts and resources to help firms when increase exports. Further investigation will be needed.
- With the data collected from both surveys we anticipate being able to provide a set of suggested “best practices” for helping more firms to export and then helping firms to export more.
- Helping firms to address impediments and work on their business strategy and specifically an export strategy shows very good potential. These results, in conjunction with “Growth Compass”, show promise in helping firms grow their exports.

Questions and thoughts for moving forward

- Please do not hesitate to contact (with ideas, concerns or suggestions):

Ron Kalafsky, PhD
Department of Geography and Sustainability
University of Tennessee
kalafsky@utk.edu

Mark Raymond, PhD
Department of Economics
Saint Mary's University
mark.raymond@smu.ca
902-237-7155