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School of Business  
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Technology Innovation  
Management

# Up Our Game, Canada! Launching a Stronger Future Together

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TIM@Kanata

Friday, February 21, 2025

## “Up Our Game, Canada!” Website

<https://sprott.carleton.ca/up-our-game-canada>

# Problem

- U.S. tariff & assimilation threats directly undermine the foundation of Canadian SME independence & competitiveness
- SMEs are very vulnerable relative to large businesses
  - Crushing cost disadvantages
  - Market access shrinking rapidly
  - Survival vs. Expansion dilemma
  - Forced dependency on U.S. Buyers & investors
  - Innovation drain & intellectual property loss
  - Erosion of bargaining power
- A systematic threat to Canada's economic future & identity

# Why we are here today

- Up our game
- Act now
- Act on three fronts
  - A. Safeguard & expand U.S. market access** – Protect existing trade relationships, counter protectionist measures, & secure long-term stability in the U.S. market
  - B. Build a strong domestic economy** – Enhance internal trade & supply chains to reduce vulnerabilities & increase economic self-reliance
  - C. Diversify foreign trade** – Expand into new foreign markets to unlock growth opportunities & reduce reliance on U.S. trade

# Schedule

	Topic	Minutes
1	Launch of "Up Our Game, Canada!"	5
2	Module: Effectively learn from new knowledge & apply it	30
3	Module: Accelerate your international expansion beyond the U.S.	35
4	Break & workshop set-up	10
5	Workshop	75
6	Group discussion	10
7	Wrap up	5



# Up Our Game, Canada! Effectively Learn From New Knowledge & Apply It

Framework vs playbook, trade block markets, & AI stack

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# Objective

- Encourage immediate action among Canadian SMEs to capitalize on trade opportunities beyond the U.S. & proactively address U.S. tariffs & annexation threats
- Proactively address threats from U.S. tariffs & annexation risks, emphasizing the need for market diversification
- Present a structured roadmap combining strategic frameworks & execution-focused playbooks
- Highlight the role of AI & trade pacts in scaling Canadian SME operations efficiently

# Act Now—Seize Growth & Protect Your Canadian SME

- Every delay costs you opportunities—secure your SME’s future by taking action now
- U.S. tariffs & annexation threats are real, but the growth potential for Canadian SMEs is even greater
- Waiting increases risks—rising tariffs, supply chain disruptions, & stronger competition will make expansion harder
- First movers win—act now to capture profitable markets before competitors do
- Government incentives won’t last—early adopters maximize funding & minimize entry costs



# Why These Modules Matter for Canadian SMEs

- Accelerate your time to market
- Transform insights into action with AI-powered tools that drive real business results
- Provide a clear roadmap by separating big-picture strategy (Internationalization Framework) from step-by-step execution (SME Playbook)
- Shift focus from defense to growth, helping Canadian SMEs expand & strengthen resilience—not just react to U.S. tariff & annexation threats
- Unlock AI & digital trade as powerful tools for scaling
- Break down complex strategies for smarter decision-making
- Deliver practical, ready-to-use steps to grow & operate with confidence

# Our Unique Advantage

- Strategy & execution – A clear roadmap combining big-picture strategy & a step-by-step playbook
- AI-driven growth – Use AI, automation, & e-commerce to cut costs & simplify expansion & operations
- Maximize trade advantages – Leverage CPTPP, CETA, & USMCA & unlock export program funding
- Tailored & adaptive – Structured yet flexible strategies that fit your business & market shifts

# Agenda

1. Framework vs your SME playbook – Strategic planning vs actionable execution
2. Global vs trade block markets
3. AI Stack: Your secret weapon for faster, smarter, & more-cost effective expansion
4. Executive summary – Takeaways & your next steps

# 1. Framework vs Your SME Playbook: Strategic Planning vs Actionable Execution

Aspect	Framework	Playbook Template	SME Playbook
<b>Purpose</b>	Provides a high-level, structured approach for strategic planning	A standardized format to create your customized playbook	Your company's detailed, actionable guide for international expansion
<b>Level of detail</b>	High-level strategic overview	Detailed, step-by-step guidance	Company-specific & highly detailed
<b>Flexibility</b>	Adaptable to various situations	Ensures consistency & best practices	Tailored to your specific needs & goals
<b>Usage</b>	Strategic planning & decision-making	Develop customized playbooks	Guide action & document insights
<b>Components</b>	Key concepts, components, & processes informed by research	Pre-designed step-by-step guidance & best practices	Sections that capture SME expertise

# Choose the Right Tool for Doing Things

- A Framework is best suited for strategic planning & high-level decision-making
- Playbook Template is ideal for creating SME playbooks, standardizing processes & driving continuous improvement
- SME Playbook is best for hands-on execution & implementation

# Our Partnership: Working Together for Your Success

## What we do

- Provide expert-developed frameworks & templates, based on the latest research
- Continuously refine these tools based on real-world feedback & results
- Offer ongoing support & guidance throughout your journey

## What you do

- Develop your company-specific playbooks using our provided framework & template
- Implement your playbooks, actively monitoring & measuring results
- Provide feedback to continuously improve the framework & template
- Embrace a culture of continuous learning & adaptation

# Benefits of Frameworks

- Strategic clarity & direction – Provide a structured approach to decision-making, goal setting, & resource allocation
- Risk mitigation – Help identify business challenges early, reducing uncertainty & improving adaptability
- Scalability & consistency – Ensure that processes, strategies, & objectives are aligned across teams & can grow with the organization
- Data-driven decision-making – Encourage the use of metrics, AI, & analytics to refine strategies & improve performance
- Efficiency & productivity – Reduce time spent on trial-and-error approaches by offering a structured plan for execution

# Addressing Challenges of Frameworks

<b>Challenge</b>	<b>How to Address</b>
Execution gaps due to lack of leadership buy-in	Implement structured accountability measures & ensure leadership alignment early in the process
Requires significant time & effort to implement	Use pre-built, modular frameworks that can be customized instead of starting from scratch
May be too general & require customization	Provide industry-specific examples, case studies, & AI-driven recommendations for better applicability



# Benefits of Playbook Templates

- Process standardization – Provides step-by-step guidance, making execution efficient & repeatable
- Faster implementation – Helps teams transition from strategy to action quickly, reducing delays
- Customization & Flexibility – Can be adapted to different industries, business models, & operational needs
- Performance Tracking & Continuous Improvement – Incorporates KPIs, monitoring systems, & feedback loops to refine execution
- Team Alignment & Training – Helps onboard employees, document best practices, & maintain consistency across teams

# Addressing Challenges of Playbook Templates

<b>Challenge</b>	<b>How to Address</b>
Requires extensive data input & research	Utilize AI-powered automation & analytics tools to gather & structure data efficiently
May not adapt quickly to market or operational changes	Incorporate agile principles, allowing for iterative updates based on real-time feedback
Depends on consistent execution across teams	Establish clear roles, ownership structures, & progress-tracking mechanisms to ensure compliance

## 2. Trade Block Markets

- A Trade Block Market creates a predictable, low-barrier environment for SMEs to expand internationally
- For Canadian SMEs, the Comprehensive & Progressive Agreement for Trans-Pacific Partnership (CPTPP), Comprehensive Economic & Trade Agreement (CETA) & United States-Mexico-Canada Agreement (USMCA) provide the best opportunities to access diverse, high-growth international markets with lower costs & reduced trade risks
- Provide SMEs with preferential entry to multiple economies at once, instead of negotiating separate trade terms with each country

# Global vs Trade Block Markets

Factor	Trading in Global Markets	Trading in Trade Block Markets
<b>Market access</b>	SMEs can access any country, but face higher trade barriers, tariffs, & compliance costs	Preferential access to 51 countries under CPTPP, CETA, USMCA, reducing tariffs & regulatory barriers
<b>Tariffs &amp; trade costs</b>	Higher tariffs, unpredictable regulatory changes, & more expensive customs procedures	Lower or eliminated tariffs under agreements like CPTPP & CETA, leading to cost savings
<b>Regulatory complexity</b>	SMEs must comply with varied & often complex foreign regulations with no harmonization	Trade blocks offer harmonized regulations & simplified trade procedures across multiple countries
<b>Geopolitical &amp; economic risks</b>	Vulnerable to trade wars, sanctions, & policy shifts (e.g., U.S.-China tensions)	More predictable trade relationships, as agreements provide legal protections & dispute mechanisms
<b>Supply chain stability</b>	Global sourcing options, but longer supply chains increase risks (e.g., China dependency, shipping disruptions)	More secure & diversified supply chains, as trade blocks promote regional cooperation & nearshoring
<b>Trade support &amp; financing</b>	Fewer government-backed incentives for non-trade block markets	Canada provides export support programs (EDC, CanExport, TCS) specifically for trade block partners
<b>Competitive advantage</b>	Harder to compete with large multinational corporations in open global markets	Trade agreements offer competitive benefits (e.g., Canadian dairy & agriculture get exclusive access under CETA)
<b>Ease of market entry</b>	Requires extensive market research, adaptation to different standards, & logistics setup	Faster & easier entry due to harmonized standards, reduced red tape, & existing trade relationships

# Major Trade Blocks

<b>Trade Block</b>	<b>Region</b>	<b>Key Members</b>
<b>United States-Mexico-Canada Agreement (USMCA)</b>	North America	USA, Canada, Mexico
<b>Comprehensive &amp; Progressive Agreement for Trans-Pacific Partnership (CPTPP)</b>	Asia-Pacific & Americas	Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, Vietnam, United Kingdom
<b>Comprehensive Economic &amp; Trade Agreement (CETA)</b>	Europe	Germany, France, Italy, Spain, etc.
<b>Association of Southeast Asian Nations (ASEAN)</b>	Southeast Asia	Indonesia, Malaysia, Philippines, Thailand, Vietnam, etc.
<b>MERCOSUR</b>	South America	Argentina, Brazil, Paraguay, Uruguay
<b>African Continental Free Trade Area (AfCFTA)</b>	Africa	54 African countries

# Best Industries for Canadian SMEs to Expand Under CPTPP

Industry	Why It's a Great Fit for CPTPP Expansion
<b>Agriculture &amp; Agri-Food</b>	CPTPP removes tariffs on beef, pork, seafood, grains, & dairy products, opening lucrative Asian markets (Japan, Vietnam, Malaysia)
<b>Technology &amp; SaaS</b>	Digital trade rules allow Canadian tech startups & SaaS companies to scale internationally with fewer restrictions
<b>E-Commerce &amp; Retail</b>	Preferential trade terms for Canadian online retailers, reducing shipping & import costs to Asia-Pacific & Latin America
<b>Clean Energy &amp; Green Tech</b>	CPTPP promotes sustainability-focused trade, supporting Canadian renewable energy solutions & clean tech exports
<b>Professional Services</b>	Consulting, legal, finance, & engineering services benefit from simplified cross-border trade
<b>Manufacturing &amp; Automotive</b>	Access to fast-growing industrial markets in Vietnam, Mexico, & Japan with lower import duties

## Example: Why CPTPP offers to be a game changer for Canadian SMES under U.S. tariff threats

- Reduces tariffs & opens high-growth Asia-Pacific & Latin American markets
- Digital-friendly trade agreement enables tech, SaaS, & e-commerce growth
- Expands Canada's global trade footprint beyond the U.S. & EU
- Encourages supply chain diversification & stronger business partnerships
- Government-backed trade programs provide funding & risk mitigation for SMEs

# Key Benefits of CPTPP for Canadian SMEs 1/2

## **Lower tariffs & market access**

- 99% tariff elimination on exports to CPTPP countries (agriculture, tech, manufacturing, services)
- Cost-effective entry into Japan, Australia, Vietnam, Malaysia, Mexico, & more
- Diversifies trade beyond the U.S., expanding into Asia-Pacific & Latin America provides competitive advantage over non-members

## **Competitive edge**

- Preferential access unavailable to non-CPTPP competitors
- Stronger positioning in fast-growing economies with rising demand for Canadian goods & services

## **Digital trade & e-commerce growth**

- No barriers to cross-border data & transactions
- Easier market entry for tech startups, SaaS providers & digital services
- No localization requirements, enabling seamless cloud-based operations



# Key Benefits of CPTPP for Canadian SMEs 2/2

## **Stronger IP protections**

- Safeguards patents, copyrights, trademarks, & trade secrets internationally
- Simplifies enforcement of Canadian brand rights in CPTPP markets

## **Easier expansion & investments**

- Removes foreign investment restrictions, enabling SMEs to establish subsidiaries, joint ventures, & local offices
- Simplifies Foreign Direct Investment (FDI) rules, reducing bureaucratic delays

## **Streamlined regulations & faster customs processing**

- Streamlined customs processing with simplified documentation
- Recognized certifications lower compliance costs for exporters

# Challenges for Canadian SMEs Expanding Under CPTPP

<b>Challenge</b>	<b>How to overcome it</b>
<b>Cultural &amp; language barriers</b>	Work with local partners or hire consultants to navigate business etiquette. Use AI translation tools (e.g., DeepL, Google AutoML) to assist with localization
<b>Regulatory differences</b>	Consult trade specialists to ensure compliance with market-specific trade & tax laws
<b>Supply chain &amp; logistics</b>	Partner with global shipping providers (DHL, FedEx, UPS) for efficient distribution
<b>Currency exchange risks</b>	Use hedging strategies & multi-currency payment platforms (Wise, Payoneer) to manage fluctuations
<b>Local competition</b>	Differentiate through branding, quality, & digital marketing strategies to compete effectively

# Government Resources & Support for Canadian SMEs Expanding Under CPTPP

- **Export Development Canada (EDC)** – Provides financing, insurance, & market entry support
- **Trade Commissioner Service (TCS)** – Offers free advisory services, B2B matchmaking, & trade missions in CPTPP countries
- **CanExport Program** – Grants covering up to 50% of international expansion costs (market research, digital marketing, export certification)
- **Canadian Technology Accelerator (CTA) Program** – Helps tech startups expand internationally via incubators in Asia-Pacific

### 3. AI Stack: Your Secret Weapon for Faster, Smarter, & More-Cost Effective Expansion

- AI tools can significantly reduce barriers, optimize operations, & enhance decision-making for SMEs looking to expand
- For Canadian SMEs looking to scale domestically & internationally, the AI tools should integrate across marketing, sales, supply chain, & financial operations
- Quantify the overall benefit of AI across all tool categories
- Shift to Canadian suppliers who can provide stronger benefits
- The following AI tools can dramatically streamline your process, providing data-driven insights & automating key tasks

# Examples of AI tools that can be part of a SME stack

Category	AI Tool	Key Features	U.S. based
Market Research	Crayon	Competitive intelligence, real-time monitoring	
Market Research	SimilarWeb	Web traffic & market analysis	
Localization & Translation	DeepL	AI-based translation, high contextual accuracy	
Localization & Translation	Localize	Automated website localization	
Marketing & Lead Generation	Jasper AI	AI-driven content generation & SEO optimization	
Marketing & Lead Generation	Adzooma	AI-based ad management & performance optimization	
Customer Support	Zendesk AI	Multilingual AI chatbot & customer service automation	Replace
Customer Support	Tidio AI	24/7 multi-lingual chatbot & FAQ automation	
Supply Chain & Logistics	Flexport AI	AI-powered freight forwarding & supply chain optimization	Replace
Supply Chain & Logistics	ShipBob AI	E-commerce fulfillment automation	Replace
Payments & Finance	Wise AI	Cross-border payment processing & currency conversion	
Payments & Finance	Stripe Radar	Fraud detection in global transactions	Replace
Compliance & Risk Management	OneTrust AI	GDPR & global data compliance automation	Replace
Compliance & Risk Management	Kira Systems	AI-driven contract analysis & legal compliance checks	

## 4. Executive Summary – Takeaways (1/2)

- Urgency to expand beyond the U.S.
  - U.S. trade policies create risk—SMEs must diversify beyond the U.S. to remain competitive
  - First movers gain an advantage in securing new markets before they become saturated
- AI & digital trade as growth accelerators
  - AI-driven decision-making & automation make internationalization more cost-effective & scalable
  - E-commerce platforms simplify global sales & reduce barriers to entry
- Trade blocks offer safer, easier market entry
  - CPTPP, CETA, & USMCA provide preferential trade access & lower tariffs
  - Diversifying into multiple markets reduces reliance on a single economy

## Executive Summary – Takeaways (2/2)

- Playbooks drive execution & results
  - A SME Playbook ensures repeatable success in new markets
  - KPIs, market tracking, & strategic alliances sustain long-term expansion
- Government support is available, but time-sensitive
  - Delaying action could mean losing funding & missing market entry windows

# Executive Summary – Your Next Steps

- Develop your SME playbooks using the provided template
- Analyze your AI, digital infrastructure, & supply chain readiness for domestic & international expansion
- Leverage automation, e-commerce, & digital trade tools to scale efficiently
- Establish domestic & local partnerships
- Join our community – Connect with other Canadian SMEs on the same journey to share best practices & support





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# Up Our Game, Canada! Accelerate Your International Expansion Beyond the U.S.

A framework & playbook template for Canadian SMEs expanding internationally

Tony Bailetti, Ph.D.

February 21, 2025

## Objective: Empower Your SME's International Expansion

- Provide your top management team with a data-driven, Framework & a Playbook Template to confidently navigate international expansion, turning tariff challenges into growth opportunities
- Framework: Your blueprint for internationalization success
- Playbook Template: Standardized structure for creating your playbooks - a detailed set of instructions, best practices, & guidelines specifically tailored to a business scenario

# Why Canadian SMEs Must Internationalize Now

- Expanding internationally is no longer an option – it's a necessity
- Reduce reliance on the U.S.
- Trade agreements give Canadian SMEs preferential access to over 1.5 billion consumers
- Digital transformation enables cost-effective expansion
- Foreign competitors will dominate the local markets of Canadian SMEs that do not expand internationally
- Government support & export incentives reduce expansion risks
- AI-driven marketing & international logistics solutions make it easier than ever to reach & serve international customers

# Agenda

1. Key Insight Groups from Research – Unlocking International Success
2. Framework for Canadian SMEs
3. Playbook Template for Canadian SMEs
4. Benefits & addressing challenges
5. Executive summary – Takeaways & your next steps

# 1. Key Insight Groups from Research – Unlocking International Success

28 key insights extracted from 17 research articles organized into:

- Group 1: Overcome barriers
- Group 2: Digitalization – Your gateway to internationalization
- Group 3: Digital transformation – Reinvent your business for international success
- Group 4: Strategic market entry – Maximize opportunities, minimize risks
- Group 5: Scaling through partnerships & trade blocks – Build your international network

## Group 1: Overcome Barriers

- Common barriers to SME internationalization include lack of knowledge about foreign markets, regulatory complexities, & financial constraints
- Export promotion agencies & robust market intelligence (competitive analysis, customer insights) are vital resources, providing training, financial assistance, infrastructure development, & guidance for successful foreign market entry

## Group 2: Digitalization – Your Gateway to Internationalization

- Digital platforms (e-commerce, social media) dramatically reduce entry barriers, lower internationalization costs by 30-40%, & enable rapid market testing & international reach
- SMEs using digital trade platforms see 28% faster tariff adaptation & 19% lower compliance costs – a significant competitive advantage
- AI, cloud computing, & predictive analytics optimize supply chains & target customers with precision
- By embracing digital technologies, Canadian SMEs can overcome traditional size & resource limitations, achieving awareness, service innovation, & mass customization

## Group 3: Digital Transformation – Reinvent Your Business for International Success

- Digitalization is about transforming your business model, not just about e-commerce
- Successful internationalizing SMEs integrate digital strategies across their entire operation, creating a significant competitive advantage
- Digital transformation differentiates successful internationalizing SMEs from those that struggle
- SMEs must align their transformation efforts with their overall internationalization strategies to maximize efficiency & effectiveness



## Group 4: Strategic Market Entry – Maximize Opportunities, Minimize Risks

- SMEs use diverse international strategies: exporting, joint ventures, licensing, digital channels
- Exporting is dominant (62%), hybrid models (joint ventures + licensing) boost resilience by 22% because they diversify risks across different control & resource commitments
- Multi-country diversification cuts U.S. tariff exposure by 34% compared to single-market strategies
- Diversification mitigates over-reliance on any single market, including U.S.
- Digital-first entry (e-commerce, social selling) minimizes upfront investment & risks
- Cultural & regulatory differences require SMEs to adapt strategies for various markets

## Group 5: Scaling Through Partnerships & Trade Blocks – Build Your International Network

- SMEs with formalized international networks achieve 2.1x faster revenue growth post-entry relative to those that expand without partnerships, relying on ad-hoc market entry strategies
- Digital ecosystem participation (e.g., Alibaba, Amazon Global Selling) correlates with 37% higher export survival rates)
- Role of trade agreements & economic partnerships is becoming more critical as international trade patterns shift
- Canada's participation in major trade blocks like the CPTPP, CETA, & USMCA provides access to 1.5 billion consumers worldwide

## 2. Framework for Canadian SMEs

Key components:

- A. Strategic market research – Identify & prioritize high-growth markets
- B. Digital enablement & e-commerce strategy
- C. Navigating regulations & minimizing risk
- D. Financial planning & maximizing government support
- E. Strategic partnerships & scalable distribution networks

## A. Strategic market research – Identify & prioritize high-growth markets

- Identify & prioritize markets with the best trade agreements & lowest tariff risks
- Choose the most effective market entry strategy: direct export, digital platforms, strategic alliances, or licensing
- Leverage AI-driven market intelligence to accelerate decision-making & optimize market selection

## B. Digital Enablement & E-Commerce Strategy

- Expand international reach using top digital marketplaces like Amazon, Alibaba, & Shopify
- Drive international sales with targeted digital marketing & localized content
- Automate customer acquisition & engagement using AI-powered tools

## C. Navigating Regulations & Minimizing Risk

- Emphasize the proactive nature of navigating regulations & risk mitigation, not just reactive compliance
- Engage legal & trade experts to ensure full compliance with all relevant international trade regulations, minimizing legal risk
- Diversify market focus to reduce dependency on U.S. markets & mitigate tariff risks

## D. Financial Planning & Maximizing Government Support

- Secure funding through Canadian export programs like EDC financing, CanExport grants, & trade insurance
- Implement hedging strategies to protect against currency fluctuations & trade uncertainties
- Optimize cost structures by leveraging tax incentives & government-backed trade benefits
- Increase ROI from government support programs & strategic financial planning

## E. Strategic Partnerships & Scalable Distribution Networks

- Establish alliances with regional distributors & logistics partners to streamline market entry
- Strengthen brand presence by forming joint ventures & co-branding opportunities
- Use AI-driven supply chain analytics to optimize distribution efficiency
- Establish different types of partnerships that cover distribution, technology, & marketing



### 3. Playbook Template for Canadian SMEs

Steps:

- 1. Pre-entry** – Conducts market research, competitor analysis, risk assessment, & AI adoption to identify optimal entry strategies
- 2. Enter new market** – Establishes a cost-effective presence through exports, e-commerce, partnerships, or local operations.
- 3. Build local partnerships & streamline supply chain** – Enhances market positioning by partnering with distributors, suppliers, & logistics providers to improve efficiency & reduce risks
- 4. Utilize Canadian government export support & ensure regulatory compliance** – Leverages trade agreements, financial incentives, & export programs to lower costs, & navigate regulations
- 5. Continuously monitor, analyze, & improve performance** – Uses data-driven KPIs & customer insights to refine strategies, optimize operations, & scale effectively

## Step 1: Pre-Entry

- Set clear internationalization goals & define measurable KPIs
- Analyze high-potential markets based on trade agreements, tariff structures, & competitive landscapes
- Leverage AI-driven tools to accelerate market research & uncover data-driven insights
- Select the most effective entry strategy—direct export, partnerships, digital platforms, or licensing
- Develop a digital-first internationalization strategy for cost-effective expansion

## Step 2: Enter New Market

- Emphasize the agile & data-driven approach to market entry – launch, learn, & refine
- Launch in new markets using global e-commerce platforms like Amazon, Alibaba, & Shopify
- Localize branding, websites, & marketing campaigns to engage regional customers
- Optimize pricing models by accounting for tariffs, logistics, & regional costs
- Implement automated digital marketing campaigns to accelerate customer acquisition
- Refine your entry approach based on real-time sales & customer insights

## Step 3: Build Local Partnerships & Streamline Supply Chain

- Secure distributor agreements, joint ventures, or alliances to strengthen market entry
- Build long-term relationships & cultural sensitivity in partnerships
- Engage with local trade associations & business networks to build credibility
- Optimize supply chain operations using AI-driven logistics & real-time tracking
- Reduce operational risks by diversifying suppliers & transportation channels
- Expand regional reach by leveraging government-backed business matching programs

## Step 4: Utilize Canadian Government Export Support & Ensure Regulatory Compliance

- Apply for financial incentives, grants, & trade support programs like Export Development Canada (EDC), CanExport, & Trade Commissioner Services (TCS)
- Ensure compliance with international trade regulations by working with legal experts
- Monitor trade policy changes & proactively adjust market strategies
- Secure intellectual property protections to safeguard brand assets
- Work with trade advisors & government agencies to streamline export documentation

## Step 5: Continuously Monitor, Analyze & Improve Performance

- Track sales growth, customer feedback, & market penetration using real-time analytics
- Use AI-powered forecasting to refine marketing, supply chain, & pricing strategies
- Expand to additional markets by leveraging performance insights & playbook adjustments
- Adapt products & services to meet evolving regional demands & customer preferences
- Strengthen international brand recognition through continuous innovation & localized engagement

## 4. Benefits & Addressing Challenges

- A. Key Benefits of the Internationalization Framework
- B. Addressing Challenges of the Internationalization Framework
- C. Key Benefits of the Playbook Template
- D. Addressing Challenges of the Playbook Template

## A. Key Benefits of the Internationalization Framework

- Framework reduces uncertainty by providing a step-by-step roadmap, helping SMEs confidently enter new markets
- Encourages the use of AI, e-commerce platforms, & automation, reducing costs & operational inefficiencies while improving scalability
- Helps SMEs navigate tariffs, trade laws, & regulatory requirements, reducing legal risks & compliance challenges
- Positions SMEs to leverage trade agreements (CPTPP, CETA, USMCA) & international networks, ensuring sustainable market penetration
- Recommends AI-powered analytics & market intelligence tools to support data-driven expansion strategies



# Addressing Challenges of Internationalization Framework

Challenge	How to Address
Significant change in mindset & digital adaptation required	Provide ongoing support & training to help SMEs integrate AI, digital tools, & automation smoothly
Framework needs tailoring for industry-specific needs	Offer industry-specific case studies, AI-driven market analysis, & expert consultation to refine strategies based on sector-specific needs
Country-specific regulations require additional research	Recommend leveraging trade advisors, local partners, & government-supported trade missions to address regulatory complexities
Low digital literacy & outdated infrastructure hinder adoption	Offer step-by-step digital adoption guides, access to government-funded tech grants, & AI-based training modules for smooth integration
Risk of over-reliance on government incentives	Encourage SMEs to combine government support with revenue diversification strategies, private investment, & organic growth initiatives
Resistance to digital adoption in traditional SMEs	Offer step-by-step digital transformation training, AI-powered process automation tools, & real-world success stories to help SMEs transition smoothly

## C. Key Benefits of the Playbook Template

- Provides a step-by-step guide from market assessment to post-entry adaptation, simplifying international expansion
- Customizable to SME needs, allowing businesses to document their own strategies & operational workflows
- Ideal for first-time exporters, reducing barriers for SMEs with limited international experience
- Tracks performance in real-time, using built-in KPIs & progress monitoring tools
- Enhances team alignment & training, ensuring consistency in execution & knowledge sharing

# Addressing Challenges of Internationalization Playbook Template

Challenge	How to Address
Requires extensive data collection for playbook effectiveness	Provide AI-driven research tools & market intelligence resources to efficiently collect & analyze critical data
Developing a customized playbook takes time	Offer pre-built templates & sector-specific case studies to accelerate the process, allowing SMEs to incrementally build their playbook
Limited flexibility for rapid market changes	Incorporate agile strategy frameworks & AI-driven forecasting tools to dynamically update the playbook based on real-time market changes
Success depends on execution & leadership commitment	Provide executive training, onboarding support, & accountability check-ins to ensure SMEs remain committed to their internationalization plan
Resistance to digital adoption in traditional SMEs	Offer step-by-step digital transformation training, AI-powered process automation tools, & real-world success stories to help SMEs transition smoothly

## 5. Executive Summary – Takeaways

- Act now to secure your SME's future. Every day of delay is a lost opportunity
- Threat of U.S. tariffs & annexation is real, but for Canadian SMEs the opportunity for international growth is even greater
- Delaying expansion increases your risk exposure to U.S. tariffs, supply chain disruptions, & competitive threats
- Canadian SMEs that act now gain first-mover advantage in international markets, securing profitable opportunities before competitors
- Government grants & trade incentives won't last forever. Early adopters will maximize financial support & minimize entry costs
- Expanding beyond North America is crucial for Canadian SMEs long-term growth & risk diversification

# Executive Summary – Your Next Steps

- Develop your playbooks using the provided template
- Identify high-potential CPTPP, CETA, & USMCA markets
- Analyze your AI, digital infrastructure, & supply chain readiness for international expansion
- Choose the best market entry mode - export, digital platforms, joint ventures
- Leverage automation, e-commerce, & digital trade tools to scale efficiently
- Apply for CanExport funding & leverage EDC financing to reduce risks
- Engage with the Trade Commissioner Service (TCS) for market entry guidance
- Establish local partnerships
- Join our community – Connect with other Canadian SMEs on the same journey to share best practices & support



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# Up Our Game, Canada! Workshop: Expand Beyond the U.S.

Prepare to build your SME Playbook for international expansion

TIM@Kanata

February 21, 2025

# Objective

- By the end of this workshop, you will identify & discuss challenges in constructing your first draft of the SME Playbook for international expansion, which includes:
  1. Prioritized international markets based on trade agreements, tariff risks, & growth potential
  2. Market entry strategies (e.g., direct export, digital platforms, strategic alliances, licensing)
  3. AI tools they will leverage for international expansion
- Workshop will provide participants with better understanding of the SME Playbook for international expansion & insights into how to implement the SME Playbook Worksheet within their own organizations

# Structure for Workshop

We have 10 minutes to set up, & 75 minutes to complete the workshop

We'll go over the instructions first & then divide you into groups of 3

Time will be displayed on the screen

**Phase 1 (30 min) – You will be separated into groups of 3 to complete the task.**

- This phase has 3 parts of 10 minutes each. The timer will keep us on track.

**Phase 2 (30 min) – We will regroup to present findings**

**Phase 3 (15 min) – We will discuss solutions to the challenges identified**



# Phase 1

Be ready to present  
your findings

Review the three core sections below.

**TASK: Identify the most challenging aspects of drafting your playbook. Explain why.**

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▶ Follow the timer to stay on pace with everyone.

Three core sections to focus on to draft the Playbook for international expansion:

## **(a) Prioritize International Markets (10 min)**

- Identify high-potential markets using trade pacts (CPTPP, CETA, USMCA)
- Evaluate market attractiveness based on tariffs, ease of entry, & demand

## **(b) Select the best market entry strategy (10 min)**

- Choose between direct export, digital platforms, strategic alliances, or licensing
- Justify the selected strategy based on cost, control, & scalability

## **(c) Leverage AI for internationalization (10 min)**

- Identify AI tools for marketing, sales, supply chain, & customer insights
- Plan how AI will streamline international expansion efforts

# SME Playbook Worksheet

## **Section 1: Prioritizing international markets**

- Which markets are you considering for expansion?
- What trade agreements or tariff benefits influence your decision?
- Key opportunities & risks for your chosen markets?

## **Section 2: Market entry strategy**

- Which entry mode best suits your business? (Direct export, digital platforms, strategic alliances, licensing?)
- Why did you choose this approach? (Consider cost, speed, control, & risk.)
- What partnerships or support services will you use?

## **Section 3: AI tools for internationalization**

- Which AI tools will you use? (Market research, digital marketing, supply chain automation, predictive analytics?)
- How will AI enhance efficiency & reduce internationalization costs?
- What AI-driven insights will guide your market entry decisions?

# Phase 2

**TASK: Present the top two challenges identified for each core section. Explain why.**

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The workshop leader will identify groups to present & capture list of challenges. 30 minutes.  
When identified, please present & keep answers to 3 minutes or less.

Reminder of three core sections:

## **(a) Prioritize International Markets**

- Identify high-potential markets using trade pacts (CPTPP, CETA, USMCA)
- Evaluate market attractiveness based on tariffs, ease of entry, & demand

## **(b) Select the best market entry strategy**

- Choose between direct export, digital platforms, strategic alliances, or licensing
- Justify the selected strategy based on cost, control, & scalability

## **(c) Leverage AI for internationalization**

- Identify AI tools for marketing, sales, supply chain, & customer insights
- Plan how AI will streamline international expansion efforts

# Phase 3

## TASK: Discussion

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**What are the solutions to the challenges identified?**

Moderated by workshop leader. 15 minutes.

Review the list & discuss how to remove the barriers that the challenges pose.

Additional: What are the next steps you can take to develop & implement the Playbook?

## Closing remarks

**Canadian SME expansion away from the U.S. is a necessity, not an option**

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# Up Our Game, Canada!



**Thank you for being here.  
Let's do this!**

**For feedback, support, or partnership**

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