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Hello and welcome. Today, we're taking Canadian business to new heights. 'Up Our Game, Canada!' is not just a call—it's a strategic invitation to accelerate your international expansion beyond the U.S.

In this session, we'll explore a comprehensive framework and playbook template specifically designed for Canadian SMEs ready to break new ground. I'm Prof. Tony Bailetti [AI] from Carleton University's Sprott School of Business, and it's my pleasure to guide you through this journey. Let's embark on this transformative exploration together.

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As we transition from our introduction, let's focus on our primary objective: empowering your SME's international expansion. Our mission today is to equip your top management team with a robust, data-driven framework and a tailored playbook template—your strategic blueprint for success on the global stage.

Imagine this framework as your map, turning tariff challenges into strategic growth opportunities. Complementing it is our playbook template: a standardized structure featuring detailed instructions, best practices, and guidelines precisely tailored to your business scenario. With these tools in hand, you'll navigate the complexities of international expansion with confidence and clarity.

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Let's address a critical question: Why must Canadian SMEs internationalize now? In today's globalized economy, expanding beyond domestic borders isn't just an opportunity—it's an absolute necessity.

First, by reducing your reliance on the U.S. market, you build resilience in your business. Trade agreements now provide preferential access to more than 1.5 billion consumers—a vast market waiting to be tapped.

Digital transformation plays a key role by enabling cost-effective expansion, while advanced AI-driven marketing and innovative international logistics solutions simplify reaching and serving customers around the world. Without taking this step, foreign competitors are poised to dominate local markets, leaving Canadian SMEs at a significant disadvantage.

Moreover, government support and export incentives further lower the risks associated with expansion. Together, these factors converge to make internationalization an essential strategy for ensuring sustainable growth and competitiveness in an increasingly interconnected world.

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Let's now set the stage by outlining our journey together today. Our agenda is built on five essential pillars:

We'll begin by exploring key insight groups derived from extensive research, revealing what truly unlocks international success.

Next, we introduce a specialized framework designed specifically for Canadian SMEs.

Then, we'll dive into the playbook template—a detailed guide tailored to your business's unique challenges.

We'll also discuss the tangible benefits these tools offer, while addressing common challenges along the way.

Finally, we'll conclude with an executive summary that encapsulates our key takeaways and outlines your next steps.

Each of these segments builds on the last, creating a seamless narrative to empower your expansion journey. Let's move forward.

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Now, let's dive into the core of our research insights—28 key findings distilled from 17 rigorous studies, each one unlocking a facet of international success. These insights are grouped into five strategic areas:

Group 1: Overcome Barriers – Your first step is breaking through obstacles that stand in the way of global expansion.

Group 2: Digitalization – This is your gateway to internationalization, opening doors to new markets with innovative technologies.

Group 3: Digital Transformation – Here, we explore how reinventing your business can set the stage for international success.

Group 4: Strategic Market Entry – Learn how to maximize opportunities and minimize risks as you enter new markets.

Group 5: Scaling through Partnerships & Trade Blocks – Build and leverage your international network to drive sustainable growth.

Each group not only represents a pillar of our framework but also serves as a guide to converting research into actionable strategy. Let's explore these insights further to understand how they can propel your business onto the global stage.

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Let's begin with Group 1: Overcome Barriers. When Canadian SMEs set their sights on international markets, they often confront several common obstacles—limited insight into foreign markets, complex regulatory environments, and tight financial resources.

However, this is not a dead end. Export promotion agencies and robust market intelligence serve as crucial lifelines. They deliver deep competitive analysis and valuable customer insights, while also offering essential training, financial assistance, and infrastructure development. In essence, these resources provide the expert guidance you need to navigate and overcome the challenges of entering foreign markets.

By leveraging these tools, your business can turn these barriers into stepping stones toward global success.

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Now, let's transition to Group 2: Digitalization – Your Gateway to Internationalization. In today's landscape, digital platforms such as e-commerce and social media are revolutionizing the way SMEs enter new markets. They dramatically reduce entry barriers and cut internationalization costs by 30-40%, enabling rapid market testing and expanding your international reach.

SMEs leveraging digital trade platforms benefit from a 28% faster adaptation to tariff changes and 19% lower compliance costs—clear competitive advantages in today's fast-moving global economy. Furthermore, technologies like AI, cloud computing, and predictive analytics are optimizing supply chains and targeting customers with unparalleled precision.

By fully embracing these digital technologies, Canadian SMEs can break free from traditional limitations, driving greater brand awareness, fostering service innovation, and achieving mass customization. In essence, digitalization isn't just a tool; it's the transformative gateway to becoming a true international competitor.

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Moving on to Group 3: Digital Transformation – Reinvent Your Business for International Success. Here, it's not just about adopting e-commerce—it's about fundamentally transforming your entire business model.

Successful SMEs that are venturing internationally embed digital strategies into every facet of their operations, forging a significant competitive edge. This digital transformation clearly differentiates those who thrive in global markets from those that struggle to keep pace.

For Canadian SMEs, the key is aligning your transformation initiatives with your overall internationalization strategy. By doing so, you maximize both efficiency and effectiveness, ensuring that every digital upgrade propels your business forward on the international stage.

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Now, we turn to Group 4: Strategic Market Entry – Maximize Opportunities, Minimize Risks. Canadian SMEs employ a variety of international strategies—from traditional exporting and joint ventures to licensing and leveraging digital channels.

Consider that exporting alone accounts for 62% of international strategies. Yet, when SMEs adopt hybrid models such as joint ventures and licensing, they not only diversify their resource commitments but also boost resilience by 22%. Multi-country diversification, for instance, can reduce U.S. tariff exposure by a remarkable 34% compared to single-market strategies. This diversified approach not only mitigates over-reliance on any one market but also cushions your business against regional volatility.

Moreover, a digital-first entry—using e-commerce and social selling—allows you to minimize upfront investments and associated risks. However, it's essential to remember that cultural and regulatory differences demand that your strategies be tailored to each market.

In essence, a well-calibrated market entry strategy maximizes your opportunities while prudently managing risks, setting the stage for sustained international success.

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Finally, let's explore Group 5: Scaling Through Partnerships & Trade Blocks – Build Your International Network. Consider this: SMEs that formalize their international networks see revenue growth that's 2.1 times faster than those relying on ad-hoc strategies. Engaging in digital ecosystems—think Alibaba or Amazon Global Selling—correlates with a 37% higher export survival rate.

This isn't merely about connecting with partners; it's about strategically aligning with trade agreements and economic partnerships as international trade patterns evolve. Canada's participation in major trade blocks like the CPTPP, CETA, and USMCA isn't accidental—it grants you access to a global market of 1.5 billion consumers.

By building a robust international network, you're not just scaling; you're transforming your growth trajectory on a global stage.

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Having laid the foundation with our research insights, let's now move into the framework that Canadian SMEs can adopt to drive their international expansion. This framework consists of five key components:

First off, **Strategic Market Research**: Identify and prioritize high-growth markets to ensure you're targeting the most promising opportunities.

Then we consider **Digital Enablement & E-commerce Strategy**: Leverage digital technologies to streamline your market entry and operational processes.

Followed by **Navigating Regulations & Minimizing Risk**: Develop strategies to overcome regulatory challenges and reduce exposure to international risks.

The fourth is **Financial Planning & Maximizing Government Support**: Optimize your financial structure while tapping into government incentives and export support.

And the fifth is **Strategic Partnerships & Scalable Distribution Networks**: Build strong alliances and networks that allow you to scale effectively in global markets.

Each of these components is designed to integrate seamlessly, creating a cohesive playbook that empowers your internationalization journey. Let's explore each pillar further.

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So, we start with the first component: Strategic Market Research – the critical first step in identifying and prioritizing high-growth markets.

Here, your task is threefold. First, identify and prioritize those markets that offer the best trade agreements and the lowest tariff risks—markets that provide fertile ground for expansion. Second, select the most effective market entry strategy tailored to each opportunity, whether that be direct export, harnessing digital platforms, forming strategic alliances, or licensing. Finally, leverage AI-driven market intelligence to accelerate your decision-making process and optimize market selection.

By integrating these elements, you create a robust research foundation that guides your international strategy with precision and agility.

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Now, let's delve into the second component: Digital Enablement & E-Commerce Strategy. In today's digital age, expanding your international reach is not just an option—it's a strategic imperative. Leverage leading digital marketplaces like Amazon, Alibaba, and Shopify to tap into global customer bases effortlessly.

Next, drive your international sales by deploying targeted digital marketing campaigns, complemented by localized content that resonates with diverse audiences. And to streamline this process even further, embrace AI-powered tools to automate customer acquisition and engagement.

This approach not only enhances efficiency but also positions your SME to compete robustly on the global stage.

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Next, we address the third Component: Navigating Regulations & Minimizing Risk. Here, our approach is proactive—not merely reactive compliance. By engaging with legal and trade experts, you ensure full adherence to international trade regulations, dramatically reducing legal risks. Moreover, diversifying your market focus is key. Reducing dependency on U.S. markets not only spreads your risk but also helps mitigate tariff exposures. This balanced, forward-thinking strategy equips your SME to navigate complexities with confidence.

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Next, let's turn our focus to the fourth component: Financial Planning & Maximizing Government Support. For Canadian SMEs, securing robust funding is essential. Tap into Canadian export programs like EDC financing, CanExport grants, and trade insurance to fortify your financial foundation.

At the same time, safeguard your investments by implementing hedging strategies to protect against currency fluctuations and trade uncertainties. By optimizing your cost structures through strategic tax incentives and leveraging government-backed trade benefits, you position your business for long-term success.

Ultimately, this rigorous financial planning not only maximizes the ROI from government support programs but also provides a solid base from which your international expansion can flourish.

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Now, let's examine the fifth component: Strategic Partnerships & Scalable Distribution Networks. In the global arena, forging strong alliances is crucial. By establishing partnerships with regional distributors and logistics experts, you streamline your market entry, ensuring your products reach new customers efficiently.

Enhance your brand's presence further by exploring joint ventures and co-branding opportunities—collaborative efforts that not only expand your reach but also bolster your credibility. In addition, leverage AI-driven supply chain analytics to optimize distribution efficiency, providing you with actionable insights to stay ahead of the curve.

Finally, develop a diverse portfolio of partnerships spanning distribution, technology, and marketing. This comprehensive approach builds a resilient network, positioning your SME for sustained international growth.

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Now that you have the framework, let's dive into our Playbook Template for Canadian SMEs—a step-by-step guide to your international expansion journey.

Step 1: Pre-Entry

Begin with rigorous market research, competitor analysis, and risk assessments. Embrace AI-driven insights to identify the optimal entry strategy for your business.

Step 2: Enter New Market

Establish a cost-effective presence—whether through exporting, leveraging e-commerce, forming strategic partnerships, or setting up local operations—to make your first impactful move.

Step 3: Build Local Partnerships & Streamline Your Supply Chain

Enhance your market position by partnering with regional distributors, suppliers, and logistics experts. This not only improves operational efficiency but also mitigates risks.

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

Capitalize on trade agreements, financial incentives, and export programs to reduce costs while navigating international regulations with confidence.

Step 5: Continuously Monitor, Analyze, & Improve Performance

Adopt data-driven KPIs and customer insights to refine your strategies, optimize operations, and scale effectively over time.

This playbook isn't just a checklist—it's a dynamic framework designed to propel your business to international success with clarity and precision.

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Let's begin with Step 1: Pre-Entry. Here, clarity and strategic focus are essential. Start by setting clear internationalization goals and defining measurable KPIs that will guide your progress. Conduct a deep analysis of high-potential markets by evaluating trade agreements, tariff structures, and competitive landscapes.

Leverage AI-driven tools to accelerate your market research—these insights provide the data-driven foundation necessary to select the most effective entry strategy, whether that's direct export, forming partnerships, using digital platforms, or licensing. Finally, develop a digital-first internationalization strategy that ensures cost-effective expansion from the very beginning.

This meticulous pre-entry planning is the cornerstone of your international journey, setting the stage for confident, informed decision-making.

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Step 2: Enter New Market calls for an agile, data-driven approach—one where you launch, learn, and refine in real time. Begin your journey by leveraging global e-commerce giants like Amazon, Alibaba, and Shopify to establish your presence swiftly.

As you enter new territories, it's crucial to localize every aspect of your branding—from your websites to marketing campaigns—to genuinely engage regional customers. Adjust your pricing models by carefully considering tariffs, logistics, and local cost structures, ensuring you remain competitive.

Automate your digital marketing efforts to accelerate customer acquisition, and continuously refine your entry approach based on real-time sales data and customer feedback. This dynamic, responsive strategy enables your business to adapt quickly and secure a strong foothold in each new market.

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Step 3: Build Local Partnerships & Streamline Your Supply Chain

Now, let's focus on forging strong local alliances and optimizing your supply chain—a critical pillar for sustained market success. Begin by securing distributor agreements, joint ventures, or strategic alliances to fortify your entry into new markets. It's not just about contracts, but about building long-term relationships grounded in cultural sensitivity and mutual trust.

Engage actively with local trade associations and business networks to bolster your credibility. On the operational front, leverage AI-driven logistics and real-time tracking to streamline your supply chain, ensuring that efficiency is built into every step of your distribution process. Diversify your suppliers and transportation channels to mitigate risks, and expand your regional reach by tapping into government-backed business matching programs.

This multifaceted approach not only secures your foothold in new markets but also builds a resilient infrastructure for lasting international success.

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

In this step, we harness the power of government resources to reduce costs and risk. Begin by applying for financial incentives, grants, and trade support programs such as Export Development Canada (EDC), CanExport, and Trade Commissioner Services (TCS). These programs are designed to boost your international endeavors.

Next, work closely with legal experts to ensure full compliance with international trade regulations. Stay ahead of the curve by monitoring trade policy changes and proactively adjusting your market strategies.

Additionally, secure intellectual property protections to safeguard your brand assets, a critical step in maintaining competitive advantage. Finally, streamline your export process by collaborating with trade advisors and government agencies to simplify export documentation.

This comprehensive approach not only minimizes risk but also lays a solid foundation for sustainable international expansion.

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Step 5: Continuously Monitor, Analyze & Improve Performance

In this final step, the journey never ends. Track sales growth, gather customer feedback, and measure market penetration using real-time analytics. With AI-powered forecasting, refine your marketing tactics, supply chain operations, and pricing strategies on an ongoing basis.

Use these performance insights to adjust your playbook and expand into additional markets. Adapt your products and services to meet evolving regional demands and customer preferences. And always, continuously strengthen your international brand recognition through relentless innovation and targeted, localized engagement.

This data-driven, iterative approach ensures that your strategy remains agile, competitive, and primed for sustained global success.

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Now, let's transition to our final section—exploring the benefits and challenges of our approach.

First, consider the **Internationalization Framework**. This framework provides a clear, structured blueprint that equips your top management team with the tools to enter and expand in international markets confidently. It simplifies complex trade dynamics, turning challenges into opportunities. However, like any strategic model, it demands continuous refinement and integration with your existing business processes to overcome inherent market uncertainties.

Similarly, the **Playbook Template** offers tangible, actionable steps to guide your international journey. It standardizes your approach, ensuring consistency and scalability as you expand. Yet, challenges remain—it requires periodic adjustments to remain aligned with rapidly evolving market trends and competitive pressures.

By understanding both the benefits and the challenges, you're better positioned to leverage these tools for sustained international success, continuously innovating and adapting to maintain your competitive edge.

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Let's dive into the key benefits of the Internationalization Framework. First, it significantly reduces uncertainty by offering a clear, step-by-step roadmap—giving your SME the confidence to enter new markets without second-guessing every move.

By harnessing AI, e-commerce platforms, and automation, this framework cuts costs, eliminates operational inefficiencies, and enhances scalability. It's not just a theoretical model; it's a practical guide that helps you navigate tariffs, trade laws, and regulatory requirements, thereby minimizing legal risks and compliance challenges.

Moreover, it positions your business to fully leverage vital trade agreements like the CPTPP, CETA, and USMCA, and to tap into international networks—ensuring sustainable market penetration over time. And, importantly, it advocates for the use of AI-powered analytics and market intelligence tools, so every decision is driven by data, paving the way for smarter, more agile expansion strategies.

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Implementing our Internationalization Framework involves several interconnected challenges:

- 1. Shifting mindsets and embracing digital tools.**
We tackle this with ongoing support and training, ensuring AI, automation, and other digital tools integrate seamlessly.
- 2. Tailoring the framework to specific industries.**
Building on a digitally ready team, we refine strategies through targeted case studies, AI-driven market analyses, and expert consultations.
- 3. Navigating country-specific regulations.**
With industry-specific plans in place, we leverage trade advisors, local partnerships, and government-sponsored trade missions to manage regulatory requirements.
- 4. Overcoming low digital literacy and outdated infrastructure.**
To keep everyone aligned, we provide step-by-step digital adoption guides, access to technology grants, and AI-based training modules.
- 5. Avoiding over-reliance on government incentives.**
Strengthening digital capabilities further, we balance government support with revenue diversification, private investment, and organic growth initiatives.
- 6. Addressing resistance in traditional SMEs.**
Finally, we ease the transition by offering digital transformation training, AI-driven process automation, and real-world success stories that highlight tangible benefits.

By confronting these hurdles head-on with targeted solutions and robust support, your business can confidently implement the framework and thrive internationally.

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Now, let's explore the key benefits of the Playbook Template. This tool provides a clear, step-by-step guide—from initial market assessment through to post-entry adaptation—making the complex process of international expansion far more accessible.

What sets this template apart is its customizability; it allows your SME to document its own unique strategies and operational workflows. This is especially valuable for first-time exporters, as it significantly lowers the barriers to entering international markets.

Moreover, the playbook includes built-in KPIs and progress monitoring tools, so you can track performance in real time. This ensures that every step of your expansion is measured and refined as you go.

Finally, it enhances team alignment and training by fostering consistency in execution and facilitating knowledge sharing across your organization. With this playbook in hand, you're empowered to execute your international strategy with precision and confidence.

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Now, let's address the challenges associated with the Internationalization Playbook Template—and, importantly, how we can overcome them:

1. Extensive Data Collection
We address this with AI-driven research tools and comprehensive market intelligence, simplifying data gathering and analysis.
2. Time-Consuming Customization
Building on clear data insights, we offer pre-built templates and sector-specific case studies, allowing incremental playbook creation without heavy upfront effort.
3. Limited Flexibility Amid Rapid Market Shifts
Once customization is underway, agile strategy frameworks and AI-driven forecasting enable real-time updates to your playbook.
4. Dependence on Strong Leadership and Execution
We bolster these initiatives with executive training, onboarding support, and regular accountability check-ins to keep your team engaged and on track.
5. Resistance to Digital Adoption in Traditional SMEs
Finally, step-by-step digital transformation training, AI-powered process automation, and real-world success stories help traditional SMEs adopt a digital-first approach.

By proactively tackling these challenges with targeted solutions, our playbook streamlines international expansion and empowers you to adapt swiftly and execute with confidence.

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Let's wrap up with our Executive Summary – the key takeaways you need to secure your SME's future:

Act now—every day of delay is a lost opportunity.

While U.S. tariffs and the threat of market pressures are very real, the opportunity for international growth is even greater for Canadian SMEs.

Delaying expansion only increases your exposure to risks like U.S. tariffs, supply chain disruptions, and competitive threats.

By moving swiftly, Canadian SMEs can secure a first-mover advantage in international markets, capturing profitable opportunities before competitors do.

Remember, government grants and trade incentives won't be around forever; early adopters will maximize financial support and minimize entry costs.

Ultimately, expanding beyond North America isn't just an option—it's crucial for long-term growth and risk diversification.

These takeaways underscore the urgency and strategic advantage of internationalizing now. Let's commit to leveraging these insights and securing a prosperous future on the global stage

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Now, as we conclude, let's focus on your next steps—actionable moves that will secure your future in international markets.

Begin by developing your playbooks using the provided template, and identify high-potential markets within the CPTPP, CETA, and USMCA frameworks. Assess your readiness by analyzing your AI capabilities,

digital infrastructure, and supply chain robustness. Then, choose the best market entry mode—whether it's exporting, leveraging digital platforms, or forming joint ventures.

Scale efficiently by harnessing automation, e-commerce, and digital trade tools. Mitigate risks by applying for CanExport funding and leveraging EDC financing. For further guidance, engage with the Trade Commissioner Service (TCS) and establish local partnerships to solidify your market presence.

Finally, join our community. Connect with other Canadian SMEs on the same journey to share best practices and mutual support. By taking these steps today, you're not just planning for tomorrow—you're creating a pathway to sustained global success.