

Introducing The Lendified Canadian Small Business Index

The Lendified Canadian Small Business Index (The Lendified Index) is the result of polling 350 people who own and operate a small business in Canada with less than 20 employees. Online interviews were taken on September 18-19, 2015, using Vision Critical's B2B Aeroplan Panel. Dr. Heather Bastedo, an independent researcher hired by Lendified, directed the project

Key Findings:

People who own a small business in Canada are:

Facing significant challenges	<ul style="list-style-type: none"> • More than 7 in 10 small businesses are not growing — 38% with no growth and 31% are declining or struggling.
Worried about growth and money	<ul style="list-style-type: none"> • The greatest concerns of small business people, in order, are acquiring new customers, managing cash flow and paying taxes. • Businesses with less than \$50,000 in annual revenue and more than \$500,000 have the greatest worries about cash flow.
Using their personal credit cards to finance their business	<ul style="list-style-type: none"> • More than any other form of credit, small business people use their personal credit cards to manage their day-to-day business needs • Seven percent of small business people are maxed out on their personal credit cards • Forty-three percent have three or more credit cards • Those in business less than five years or less are more likely to use credit and be at their credit maximum
Using all forms of credit available to manage their business	<ul style="list-style-type: none"> • The order of preference for sources of credit are: <ul style="list-style-type: none"> - Personal credit card (48%) - Business credit card (32%) - Personal line of credit (23%) - Business line of credit (21%) - Creditor other than a bank (4%)
Maintaining current staffing levels	<ul style="list-style-type: none"> • Only 17% of small business people intend to hire new staff with 81% maintaining current staffing levels. Just 3% intend to lay off staff.
If growing, mostly in start-up companies	<ul style="list-style-type: none"> • Smaller businesses with less revenue and shorter times in business are more likely to be growing