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Empty-Nest Boomers Driving the Small-Business Economy: RBC Poll

But Millennials Most Likely to Consider Starting a Business in the Future

Toronto, Sep 18, 2019 — The small-business landscape is driven by Canada's baby boomers, particularly those who are empty nesters, according to the 2019 RBC Small Business Poll conducted by Ipsos. Among those who own a small business in Canada, 42% are baby boomers while only 24% are Millennials. Moreover, among the 57% of Canadians who have thought about starting their own business, empty nesters are the most likely to have followed through on this desire by either starting a business or purchasing one.

Driving boomers' desire or decision to own their own small business is the belief that they want to continue using their rich experience to supplement their retirement income (49%), while 41% of empty nesters say that the trigger for them will or has been the departure of their children from their family home.

While Boomers might dominate the small-business landscape presently, the driving force in the future might very well be Millennials. About 70% of those under the age of 35 have thought about owning a business, which represents a significant increase of 7 points over last year. Perhaps blurring the definition of what it means to be a small business owner, a majority (53%) of Millennials who don't own a business say they are currently participating in the gig economy in some way, effectively dipping their toe into entrepreneurship.

Millennials are more likely than older cohorts to indicate that they started or would start a business which aligns with their personal values (89%), brings something new and exciting to the market (85%), and gives them greater control over their career (92%). Millennials are also more inclined than others to say that they want to create something they can pass down to their children (62% agree, compared to a Canadian average of 44%). In contrast, only 34% of empty nesters say this is a motivating factor which would inspire them to own a business.

The proportion of Canadians who have thought about owning a business has edged upwards to 57%, an increase of 3 points since last year. But aspiring entrepreneurs appear to be more cautious about the conditions or pre-work necessary to start a business than existing owners say was the case for them before they took the plunge.

The chart below shows that aspiring entrepreneurs are placing a greater emphasis on reaching out to potential clients, conducting research about how to open a business (including seeking advice from other entrepreneurs or business professionals) and testing out a new business in their spare time, along with saving money or being debt free before launching their business. Aspiring entrepreneurs are also more likely to say that they'd seek out a coach/mentor, or connect with investors before starting their business, while relatively fewer existing owners say that they did this before opening shop.



FACTUM

Preparing to start a business	Business Owners	Aspiring Entrepreneurs*
Base:	n=383	n=815
Reach out to potential clients to drum up business	44%	49%
Research how to open a business, including seeking advice from other entrepreneurs and business professionals	34%	68%
Test out a new business idea in my spare time	26%	48%
Save money or pay off debt	23%	52%
Seek out a coach/mentor or business advisor who can help me start and grow my business	21%	46%
Connect with investors	12%	31%

* "Aspiring entrepreneurs" are non-business owners who thought about starting a business.

About the Study

These are some of the findings of an Ipsos poll conducted on behalf of RBC between June 21st and 24th, 2019. For this survey, a sample of n = 2007 Canadians aged 18+ was surveyed online via the Ipsos I-Say sample and non-panel sources. Quotas and weighting were employed to ensure that the sample reflects the population parameters of Canada and to approximate the sample universe. The precisions of Ipsos polls is measured using a credibility interval. In this case, the results of the poll are considered accurate to within +/- 2.5 percentage points, 19 times out of 20, of what the results would be had all Canadian adults been polled. The interval will be wider among subsets of the sample population.

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FACTUM

About Ipsos

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ISIN code FR0000073298, Reuters ISOS.PA, Bloomberg IPS:FP

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