



Supporting BC Business Transition to the Digital Marketplace

Presentation for the Financial Management Institute

May 26, 2022

Changing operating environment

- COVID-19 changed the operating environment for BC businesses in all sectors and regions
- Lockdowns forced businesses to accelerate plans to set up ecommerce and participate in the digital marketplace
- Consumer preferences shifted in favour of online shopping

Role of Government

- Provide supports to help businesses survive COVID-19
- Suite of programs and initiatives were announced as part of *StrongerBC: BC's Economic Recovery Plan*
 - Launch Online Grant Program



Concept Development

- What: Support small and medium sized businesses whose customers are not coming to shop for goods in person
- Why: To reach existing and new local customers and expand to new markets
- How: Funding to help build a new online shop or improve an existing one
- Funding amount: 75% of eligible expenses, up-to a maximum of \$7,500
- Matching funds requirement: None
- Eligible applicant: Business owned by a BC resident or residents, located in BC and registered to do business in BC
- Diverse distribution of funds: Up-to 25% of funds were reserved for Indigenous owned businesses and businesses operating in regions



Transitioning to Digital – Program Comparison

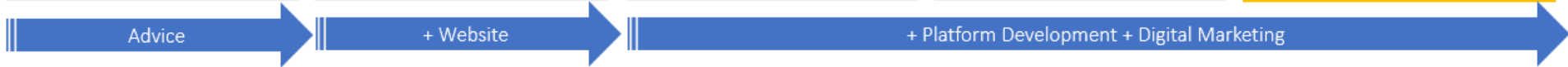
	DER3 – in BC only	webnames.ca – nationally	Shopify Go Digital – nationally	DMS ShopHERE – in Ontario only	Online Shops Recovery Program – in BC only
Program	One-to-one consultations for businesses that are considering entering or expanding their online presence or putting technology-based tools in place to better serve their needs.	Build a 1-page website for small business. Self-directed, LiteSite Website Builder. Drag and drop builder with pre-designed templates that will allow for quick and easy set up in less than 60 minutes.	Step by step guidance to businesses to bring their company online, build and grow their business. Shopify Go Digital is entirely online and provides support.	Builds online storefronts for local independent businesses of 1-10 employees or fewer than 25 employees if a restaurant or bar, or artists. Deploys students to build online stores and provides initial support for operating these stores as well as related digital marketing services.	Reimbursements up to \$7,500 to BC SMEs to cover expenses incurred to set up their own online shop or e-commerce improvements. Allows businesses to go out and secure their own local contractors to provide the services. Matching assistance provided.
Cost	When required, the program will also match businesses with regional service providers who can deliver contracted solutions. No cost	Does not allow for database or dynamic content. Free for 1 year	Offer available until Oct 1, 2020. A free 90-day trial of the Shopify platform, free tutorials and guidance, free tap and chip reader until October 31 st , and access to additional free online features.	Ontario only No cost	25% of the funds are reserved for Indigenous and regional businesses. 75% of eligible costs covered.

Planning Online Store

e-Commerce

Multiplier Effect: Who Else Benefits?

	DER3 – in BC only	webnames.ca – nationally	Shopify Go Digital – nationally	DMS ShopHERE – in Ontario only	Online Shops Recovery Program – in BC only
Supply Chain Description	BC businesses that have been matched to deliver contracted solutions – the DER3 client will pay, not the program	webnames.ca will gain subscribers for domain extensions, hosting, email accounts etc. after the 1 year fee trial period ends	Shopify and partners will gain subscribers after the 90-day free trial period ends	Students hired to build online stores.	Local BC companies contracted to do the work (photographers, digital marketers, technology companies, etc) Service providers such as Shopify, Google, Facebook who provide eligible services



Program Design

BC E-Commerce Business Recovery Program SERVICE BLUEPRINT with REQUIREMENTS

1/2

Legend

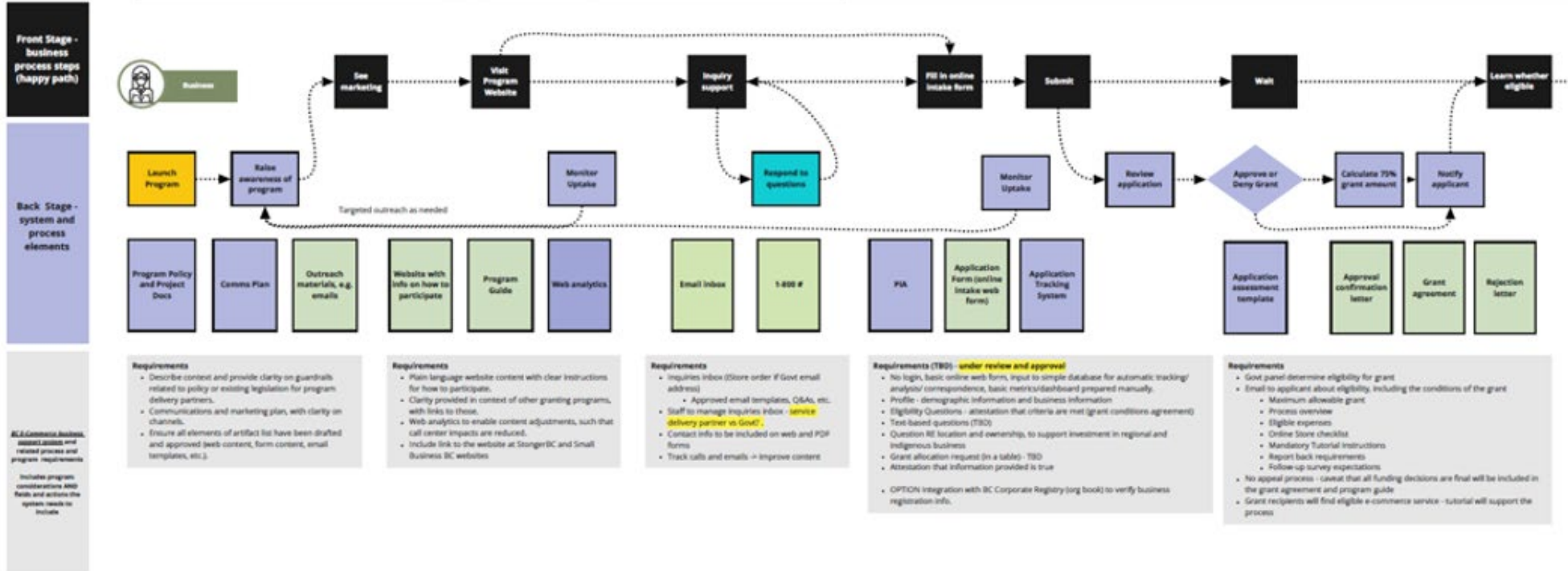


- Purpose:**
How might a new program enable BC businesses to apply for a grant to create or augment e-commerce capabilities?
- Conditions:**
- Up to 1,500 registered BC small and medium sized businesses may apply to be reimbursed for 75% of costs to create or improve e-commerce functions, up to \$7,500. *Number of applicants to program unknown.*
 - Eligible applicants have repeatable products that fit an e-commerce model with online sales and distribution that may retain existing local clientele AND possibly grow markets beyond locality.
 - Application process and grant payments administered by JEDC.

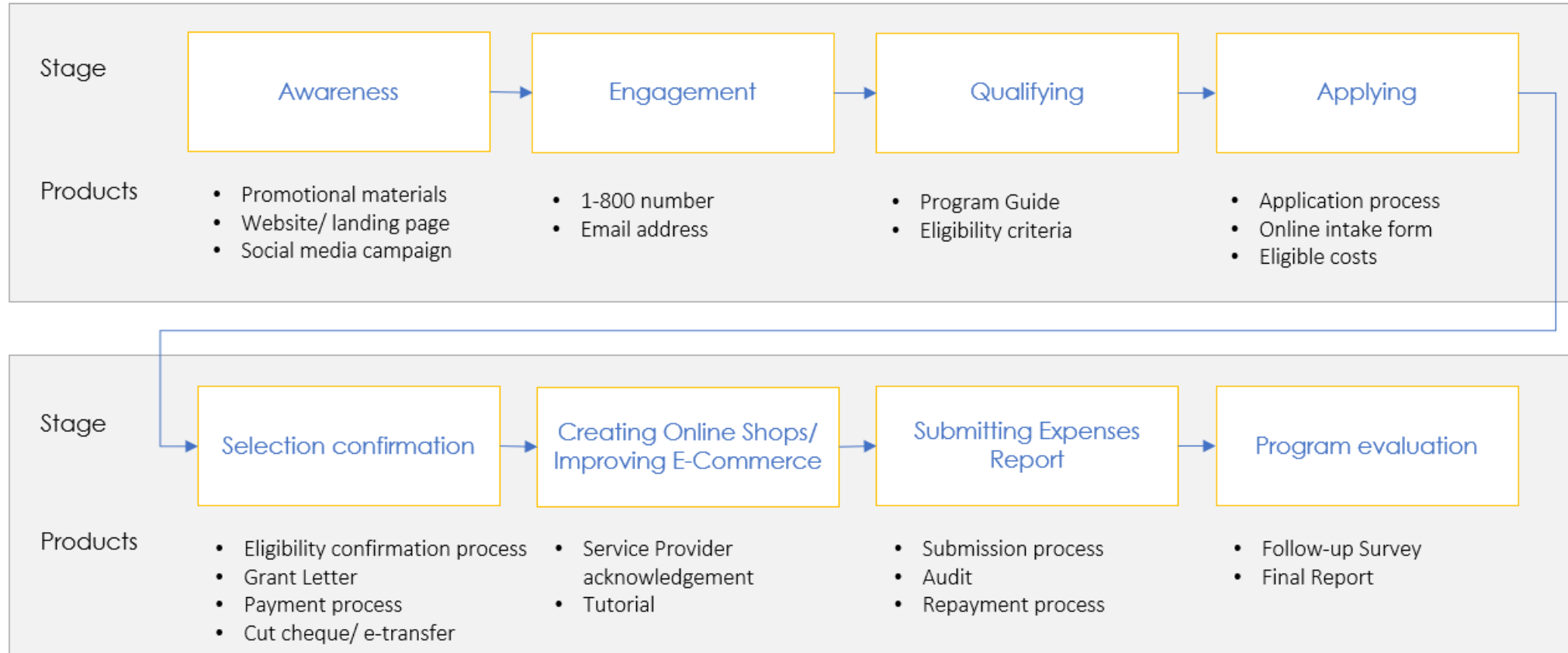
Draft, transitory and confidential: FOR DISCUSSION

Learn about program (GOING LIVE Date TBD)

Eligibility screening (GOING LIVE Date TBD)



Participant Journey



Program Implementation

StrongerBC: BC's Economic Recovery Plan committed \$12M to support businesses moving operations online

- Grants for 1,500 businesses

Procurement for Grant Administration Services

- Request for Proposal posted on BC Bid
 - RFP was prescriptive of what the expectations were – program to provide
 - Six proposals received
 - Shared Cost Agreement – STOB 80

Procurement for Program Guide Translations

- Request for Quotes from vendors on pre-qualified list of Corporate Supplier Agreements
 - Korean, Chinese – simplified, Chinese – traditional, Punjabi (Gurmukhi), Tagalog (Filipino), French (Canadian) and Spanish (Latin America)
 - General Service Agreement – STOB 60



Launch Online Grant Program

Program steps for applicants and grant recipients



Step 1: Application Submission

Businesses submit application through the grant program online intake.



Step 2: Application Review

Review panel assesses completed applications for eligibility and grant proposal.



Step 3: Grant agreement

Approved applicants are issued with confirmation letter, signed grant agreement and the grant payment.



Step 4: Build Online Shop

Businesses will engage with service providers to build their own online shops or improve existing e-commerce over a 12-week period.



Step 5: Due Diligence

Businesses must provide an expense summary report that account for the spending and outcome of their project supported by grant funding.



Step 6: Financial Audit

All grant recipients must agree to participate in a third-party audit at the end of the program.

10% of the expense summary reports will be selected for an audit.



Step 7: Follow-up Survey

All grant recipients must agree to participate in a short follow-up survey 6-months following project completion.

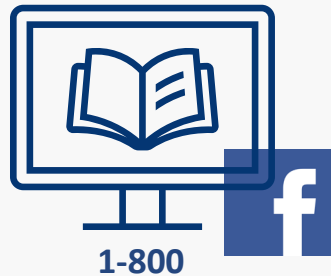
Launch Online Grant Program

The Ministry provided the following documentation that outlined the program design, content for supporting deliverables, templates and online content

- Landing page/website content
 - Program Guide + translations
 - FAQs
 - Questions and answers list for customer inquiry support script
 - Promotional messaging
 - Application intake fields for online intake form
 - Grant general eligibility criteria
 - Grant business eligibility criteria
 - Eligible expenses/costs to be used by the grant
- Online store completion checklist
 - Examples of ineligible expenses
 - Indigenous and regional community criteria
 - Grant funds to distribute to approved applicants
 - Applicant confirmation and rejection letter templates
 - Grant letter template
 - Expense Summary Report
 - Follow up survey questions

Launch Online Grant Program

Administrative requirements



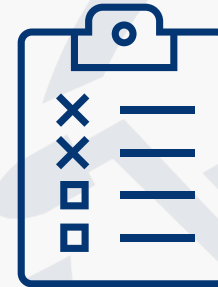
ONLINE INTAKE
LANDING PAGE
CUSTOMER SERVICE
SOCIAL MEDIA
CAMPAIGN



BACK END DATA BASE
GRANT TRANSFER
PROCESSES
SECURITY



HIRE ADJUDICATORS/
CUSTOMER SERVICE
PROVIDE TRAINING



REVIEW EXPENSES
CONTRACT
INDEPENDENT AUDITOR



FOLLOW UP SURVEY
REPORTING

Launch Online Grant Program

Timeline



Program Expansion

- The program was fully subscribed to within three weeks of launch
- Received feedback that service sector, e.g. tourism businesses and those with repeat customers, would also benefit from support towards online booking systems
- Six week after initial launch, an additional \$30M to expand the program to another 4,000+ businesses
 - Included all businesses that need to establish own online shop or online booking system, or improve existing one
 - Reserved 30% of the grants to regional businesses and businesses owned by Indigenous, Black or person of colour (self-identified)



Program Outcomes

- Total applications received: 8,662 (intake closed on July 7, 2021)
- Total ask \$61.68M
- **\$40.775M payments issued to over 5,500 businesses**
- **51% of grants to Regional / IBPOC businesses**
- Final report due soon – will include aggregate follow-up survey data



Thank you

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