

Startup Barometer

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The Startup Barometer is reinventing itself!

For the last five weeks, the Startup Barometer has been providing monitoring of the issues and needs of Quebec's high-growth potential companies in the context of the current sanitary and economic crisis. It informs government decision-making, as well as that of business accelerators and incubators (BAIs) and all actors who provide startup support.

Change - not to mention uncertainty - remain, but after this first sprint, we are gearing up for a marathon-style approach in order to focus the energy of our startups, our collaborators, our readers, and, of course, that of our team!

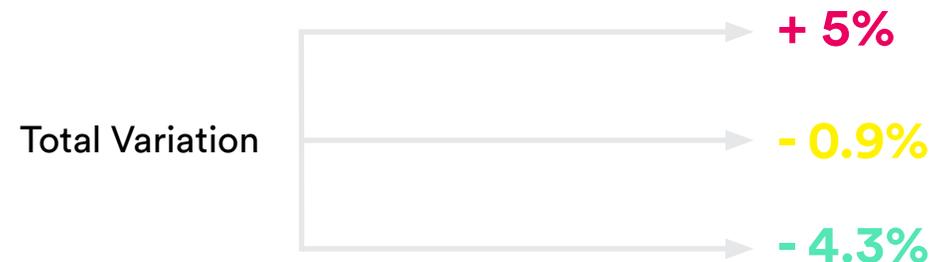
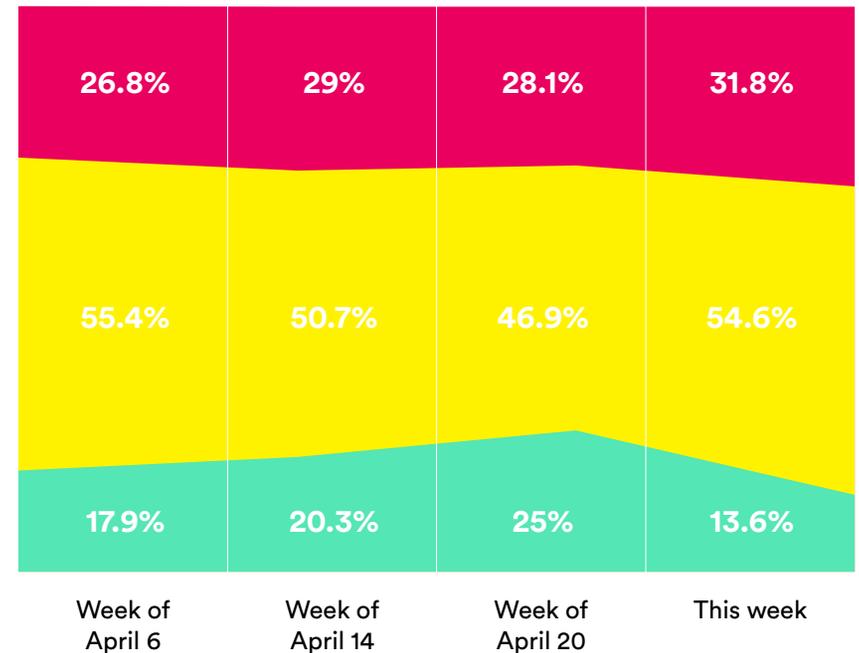
The Barometer will continue to play its role of monitoring the pulse of startups, and that of BAIs as they experience the impacts of events and reinvent themselves thanks to their resilience and ingenuity.

The Barometer will continue to increase the pathways between needs and solutions. It will take the form of thematic surveys that will be open for response for a month at a time, allowing more startups to provide input.

The first thematic survey topic, startups are reinventing themselves, will be launched in the beginning of May.

How are you?

In general, how would you qualify your situation compared to last week?

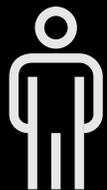


Key points this week

Data collected April 20 to 22, 2020

	Data analyzed	Broadcast	Sample total	Sample of the week
Initial Barometer →	19 to 26 March 2020	30 March 2020	275 startups	
Week 1 →	19 March to 2 April 2020	6 April 2020	322 startups	63 startups
Week 2 →	19 March to 8 April 2020	14 April 2020	337 startups	69 startups
Week 3 →	19 March to 15 April 2020	20 April 2020	336 startups	51 startups
Week 4 →	19 March to 22 April 2020	27 April 2020	360 startups*	37 startups

*We regularly "clean" the total sample in order to ensure that it is genuinely representative.



→ **37**

Participants in this week's survey

360

Total participants in the Barometer

The 'killer question':

What are your chances of survival in the next year?

75.5%

of startups rate their chances of survival as **high**.

13.5%

of startups have **no doubts about the survival** of their business.

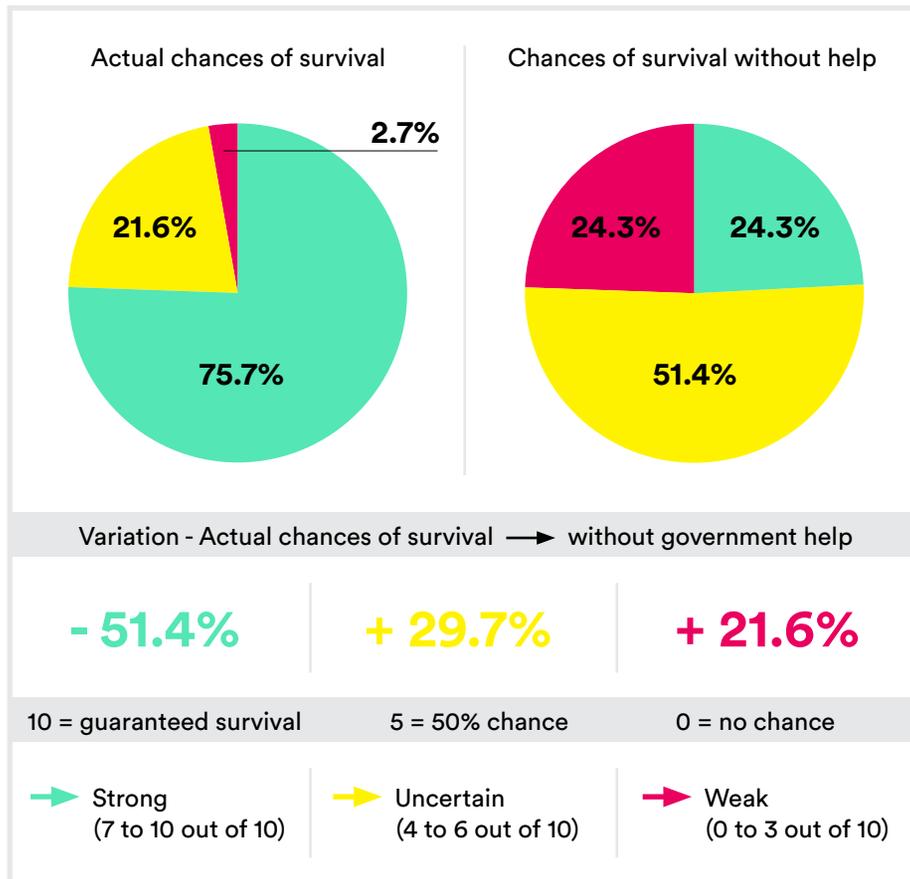
2.7%

of startups rate their chances of survival as **low** and none believe that their chances of survival are zero.

Chances of survival and government measures

How much would you assess your chances of survival without the government support measures announced to date?

When we ask startups to assess their chances of survival **without the government support measures** announced to date, the outlook is much **less optimistic**.



Based on questions: 1. Based on your understanding of the current crisis, the short- and medium-term economic outlook and your specific situation, how much do you estimate your company's chances of survival in the next year?
2. You estimate your chances of survival within a year. How much would you assess them without the government support measures announced to date?

Startups that consider their chances of survival to be **strong** decrease from

75.7% — to — **24.3%**
without the announced government measures.

Startups who consider their chances of survival **low** increase from

2.7% — to — **24.3%**
without the announced government measures.

24.3%

of startups claim that government measures have **no impact** on their chances of survival.

Businesses who see their chances of survival **diminishing** without government measures, i.e.

75.7%

do so by an average of 3 points (out of 10).

Among companies **disproportionately impacted** (18.9%) by government measures (an impact of between 4 and 6 points on their chances of survival),

71.4%

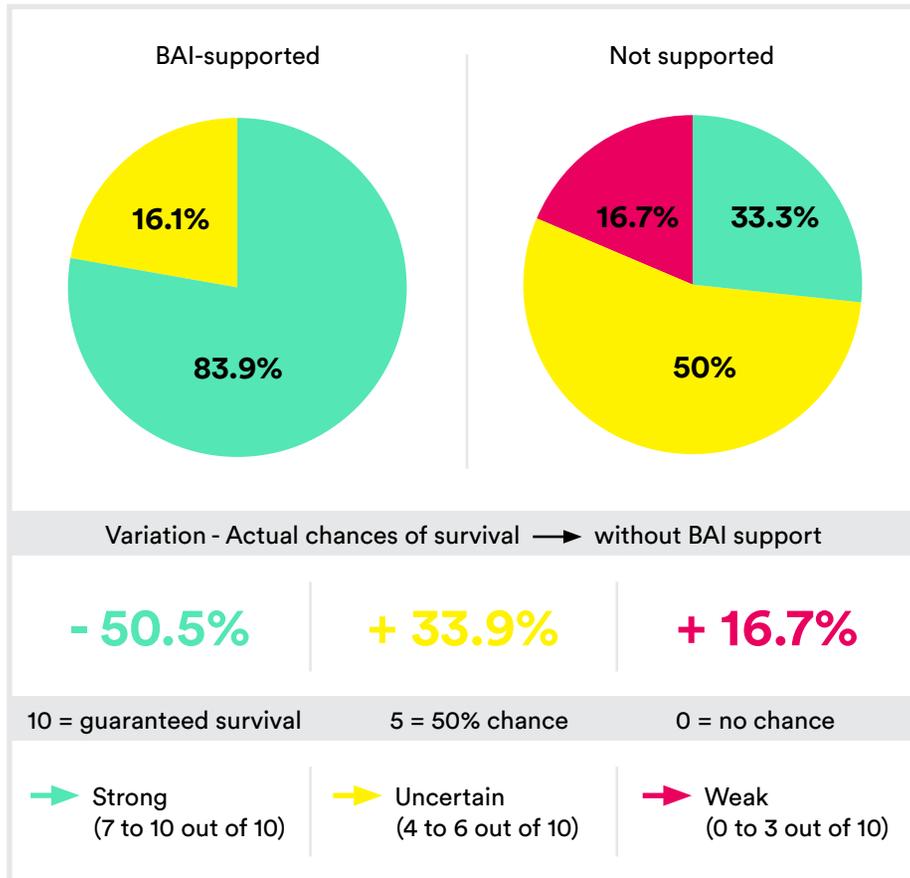
are in the **growing sales** phase.

Chances of survival and support

Startups supported by a BAI generally rate their chances of survival in a much more positive way than those that are not.

83.9%

of BAI-supported startups assess their chances of survival (with the announced government measures) as high. This percentage is 33.3% for unsupported startups.



Based on question: Based on your understanding of the current crisis, the short- and medium-term economic outlook and your specific situation, how much do you estimate your company's chances of survival in the next year?

How can the chances of survival be increased?

We asked an open question to startups

"What factors do you think would increase your chances of survival?"

1

 → Improving understanding and access to government action

89.2%

 of startups cited government-related factors in increasing their chances of survival.

37.8%

 of respondents moreover identified existing measures among measures that would increase their chances of survival.

Noted within the types of government assistance requested by startups that do not seem to exist at the moment is the **increase in interest-free lending**.

2

 → Reducing containment measures and providing recovery assistance

Reducing containment measures would increase the chances of survival for

29.7%

 of startups, allowing them among other things, to ensure minimal service.

"Subsidies (wage, rent, contribution) that take us beyond the crisis, which for us would be through to December 2020 (minimum September)."

How can the chances of survival be increased?

3 → Making it easier for startups to transform and adapt

16.2%

of startups identified the importance of supporting innovation development for their chances of survival, among other things to enable them to pivot or to pursue product development.

"Subsidies for brick & mortar businesses that make the transition to e-commerce, or that use technology to improve their operations."

4 → Getting financial institutions more involved

16.2%

of startups report the importance of financial institutions to their survival. For example, factors such as greater flexibility and a relaxation of requirements would increase startups' chances of survival.

"Banks have been slow to respond to smaller business demands for smaller loans."

5 → Other interesting mentions

The **maintenance and acquisition of human resources** are also mentioned by **13.5% of startups** as determining their **chances of survival**, notably in order to seize specific business opportunities.

For **8.1% of startups**, a **moratorium on rents, or the offer of fixed-fee financing**, would increase their chances of survival.

Faster access to cash: "[...] Right now, there are a lot of programs, but we do not always have the funds to support them [employees] while we wait for the funds. It's nice to want to keep your "payroll", but employees are your biggest expense."

Approach

The Barometer is part of the **LeCoude** action plan, whereby business accelerators and incubators (BAIs) along with MAIN Québec are combining their efforts to obtain a quick and concerted response to the needs of startups.

Organizations subscribed to the Barometer receive a weekly "how are you" question as well as a monthly thematic survey in order to track their challenges and needs over time. Participating BAIs are given access to the data of businesses they work with to better meet their needs.

How to participate

Share the survey (**English** and **French**) with your networks.

If you are a startup and would like to participate, please take a few minutes now to complete the current survey and thus register for the Barometer. You will then receive the next thematic monthly survey straight in your inbox as well as our weekly newsletter with the "how are you" question along with resources targeted to the needs identified in the collected data.

To read upcoming issues of the Barometer as they're published, **[please sign up here](#)**.

Acknowledgments

A special thank you to all of the startups who have been filling out the survey, the BAIs and all of our partners for contributing to the data collection, to Sébastien Bibeau of **Ton Équipier** and Simon Dandavino of **NextAI** for their significant involvement in our data analysis and management efforts, and to Elisabeth Laett from **Holt Accelerator** for the translation efforts.

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Québec 

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