RESEARCH REPORT

Industry Overview

State of AI in Canadian Business: 2024 Landscape Assessment

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EXECUTIVE SUMMARY

CSBAA's inaugural research publication. A landscape scan of AI tool awareness and adoption across Canadian small businesses — establishing the baseline from which subsequent annual benchmarks are measured. Conducted in the year of CSBAA's founding, this report documents a Canadian SMB sector still in the early awareness stage of AI adoption, with most organizations having limited exposure to structured AI training.

The defining feature of the 2024 landscape is not resistance but absence: absence of awareness of sector-relevant tools, absence of coordinated adoption, and — most acutely — absence of training. Where AI has entered small businesses at all, it has arrived through individual employees, not organizational decisions.

1. NATIONAL CONTEXT, 2024

National data confirms how early in the curve Canadian business stood at the time of fielding. Statistics Canada's Canadian Survey on Business Conditions recorded just 6.1% of businesses using AI to produce goods or deliver services in the second quarter of 2024, with 10.6% planning adoption in the year ahead.[1] The Business Data Lab's May 2024 study found that roughly three-quarters of Canadian businesses had not yet even considered using generative AI.[2]

Yet the same period saw individual use of AI tools growing far faster than organizational adoption — a gap between personal experimentation and business implementation that national surveys documented consistently through 2024.[2] This report examines how that gap looks inside the small-business segment specifically: what owners know, what their staff are already doing, and what support exists between the two.

2. METHODOLOGY

Mixed-methods study combining qualitative interviews and a quantitative survey:

- **In-depth interviews** — conducted with 180 Canadian SMB owners and managers across sectors and regions, exploring awareness, attitudes, current use, and perceived barriers in the respondents' own terms
- **Quantitative survey** — structured questionnaire fielded to the same population profile, measuring tool awareness, active use, coordination of adoption, and training provision
- **Benchmark design** — core measures were designed for annual re-fielding, forming the basis of CSBAA's Annual Benchmark series (continued in the 2025 Baseline Findings report)

Interview material is used throughout to interpret survey results; quotations are paraphrased and anonymized. All percentages are from the quantitative survey unless a numbered source is cited.

3. THE 2024 LANDSCAPE

3.1 Awareness is the first bottleneck

28% of surveyed SMB owners report awareness of AI tools relevant to their sector, and fewer than half of those are actively using any such tool. The constraint operates before cost or complexity ever enters the picture: an owner cannot evaluate a tool they do not know exists. In interviews, awareness clustered around general-purpose chatbots; awareness of sector-specific applications — scheduling, quoting, inventory, client communication — was rare in every industry outside professional services.

3.2 Adoption is individual, not organizational

Where AI is used at all, it has typically entered through a single employee's initiative. Fewer than 1 in 10 organizations has any coordinated adoption approach — a decision about which tools to use, for what, under what rules. Owners frequently learned of staff AI use for the first time during the interview itself. The result is a shadow-adoption pattern: real usage, invisible to management, ungoverned and unshared.

3.3 Training is nearly absent

Only 7% of organizations have provided any form of AI training to staff. The vast majority of exposure is self-directed — vendor tutorials, online videos, trial and error. No interviewed organization below 50 employees had budgeted for AI training in 2024. Owners did not object to training in principle; it simply had not presented itself as a category of thing a small business does.

3.4 Attitude: curiosity without a next step

Owner sentiment split roughly into thirds — curious but uncertain, indifferent, and skeptical or concerned. The curious third is the leading indicator: these owners were far more likely to have experimenting employees and to say they would act given a clear starting point. The recurring frame across all three groups was that AI is "something for bigger companies" — a perception, not a measurement, but one that governed real decisions.

4. BASELINE MEASURES

The following measures constitute the 2024 baseline for CSBAA's Annual Benchmark series. Each will be re-measured with the same instrument in subsequent years.

Measure	2024 baseline
Awareness of sector-relevant AI tools	28%
Active use among those aware	under 50%
Coordinated organizational adoption approach	under 10%
Any staff AI training provided	7%

5. WHAT THE BASELINE IMPLIES

Read together, the four measures describe a sector at the very start of an adoption curve — and they identify where intervention will matter most. Awareness precedes everything: no amount of tooling or subsidy reaches an owner who does not know relevant tools exist. Coordination converts individual experimentation into organizational capability. And training — at 7%, the emptiest column — is where the distance between the current state and productive, governed AI use is widest.

The baseline also sets expectations for pace. National adoption doubled in the year following this survey's fielding[3] — small-business adoption should be expected to move quickly too, which makes the near-absence of training provision the urgent finding rather than the low adoption number itself. Tools will arrive with or without preparation; the baseline shows preparation is what is missing.

6. RECOMMENDATIONS

- **Lead with sector-specific awareness.** Generic AI messaging reinforces the "bigger companies" perception; showing owners tools that solve their sector's specific tasks dissolves it.
- **Surface the shadow adoption.** Owners should assume staff are already using AI tools and start by finding out how — turning invisible individual use into a governed, shared practice.
- **Make training a normal small-business category.** The 7% figure reflects absence of the category, not rejection of it; accessible entry-level formats establish the habit.
- **Reach the curious third first.** Owners who are curious but uncertain are the highest-yield audience for early programming — they need a starting point, not persuasion.
- **Measure annually.** The four baseline measures in Section 4 define the series; annual re-measurement will show whether awareness, coordination, and training keep pace with adoption.

7. CONCLUSION

In 2024, Canadian small business stood at the start of the AI adoption curve: low awareness, individual rather than organizational use, and almost no training. None of these are fixed conditions — they are the natural profile of an early market. What the baseline makes clear is the order of operations for changing it: awareness first, coordination second, structured training throughout. Subsequent reports in this series will measure how the sector moves — and the 2025 Baseline Findings already show adoption rising far faster than the structures around it.

SOURCES

1. Statistics Canada, Canadian Survey on Business Conditions — analysis on AI use by businesses (Q2 2024) and expected use (Q3 2024)
2. Business Data Lab (Canadian Chamber of Commerce), "Prompting Productivity: Generative AI Adoption by Canadian Businesses" (May 2024)
3. Statistics Canada, Canadian Survey on Business Conditions — analysis on AI use by businesses (Q2 2025)