

GRIT

a NEXT Canada publication

THE DIGITIZATION SHOCK

▼
HOW 2020 CHANGED
THE WAY WE...

SAVE

The power of
personalization with
Saroop Bharwani

LEARN

The future of education
is bright with Emilie
Cushman

WORK

Conversations are the
new currency with
Mike Murchison ▶

**DIGITAL
DISRUPTORS
TO WATCH
IN 2021**

& more



ED.04
FEB 2021

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LETTER FROM THE EDITOR

It's hard to believe that we are nearly one year into the COVID-19 pandemic. Undoubtedly the crisis has disrupted our world as we know it, but as we have seen, it has also helped to accelerate technological adoptions and innovations, and provide new opportunities for entrepreneurs to seize.

That's why for Ed. 4 of GRIT, we chose the theme "**The Digitization Shock**", exploring these seismic technological shifts, and sharing stories from talented entrepreneurs and business leaders who are taking action to help our communities rebuild and thrive. We kick the edition off with **A New Frontier**, an insightful piece from our Board Co-Chair, John Kelleher, who shares how consumer behaviour has changed and the role entrepreneurs can play in responding to these shifts.

As always, we love amplifying the stories of our alumni, and this edition of GRIT is no different. We hear from Vendasta's Jacqueline Cook on the **future of local businesses** and how they're redefining what it means to "go local". In **The Power of Personalization**, Saroop Bharwani, CEO of Senso, discusses how using AI to democratize data will win new customers in the financial services sector.

Elsewhere in the magazine, we feature a **behind the scenes** with Sevaun Palvetzian, the widely-respected Chief Communications Officer at Rogers Communications, who shares her thoughts on post-COVID

recovery. We also learn about the **importance of people-centered digital transformation** from BDC's Michelle Scarborough; how **conversations are the new currency** with Mike Murchison, CEO of Ada; the **reimagined role of banks** from Flybits' Hossein Rahnema; and the **"new normal" in academic admissions** with Emilie Cushman, CEO of Kira Talent.

As CEO of NEXT Canada, it has been my pleasure to act as Guest Editor for this edition. I've taken over the role from our incredible former CMO, Jenn Patterson, who built GRIT from an initial concept to what it is today. I am so grateful to Jenn for her contributions to NEXT, and wish her the best of luck as she pursues her own entrepreneurial journey with [Cafe Plenty](#).

A lot has changed in the last year, but I hope this edition of GRIT illustrates the ingenuity of Canadian entrepreneurship, and a sense of excitement about the business opportunities that are presenting themselves in 2021.



JOE CANAVAN

*Chief Executive Officer,
NEXT Canada*

GRIT, Edition 04; February 2021 **PUBLISHER:** NEXT Canada **CEO/EDITOR IN CHIEF:** Joe Canavan
MANAGING EDITOR: Emily Gilmour **ART DIRECTION:** Olivia Tomic NEXT Canada, 175 Bloor Street
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THE DIGITIZATION SHOCK

For this edition of GRIT, we're exploring how the pandemic has driven a rapid migration to digital technologies and what that means for Canadian entrepreneurship. Shifting consumer behaviours, unpredictable demand and a huge spike in remote working has accelerated digital adoption and innovation at an unprecedented rate. We take a deep-dive into three distinct behavioural changes, and the approaches taken by entrepreneurs and business leaders alike to adapt.

ON

THE DIGITIZATION SHOCK HAS IMPACTED:

HOW WE SAVE

Digitization has been an item on the agenda for global banks for several years. Now, it's at the top. A rise in online banking, cashless transactions and the demand for more personalized customer services are all contributing to a revolution in the industry, prompting new questions for how we can best manage our finances. [JUMP TO SECTION](#) ▶

HOW WE LEARN

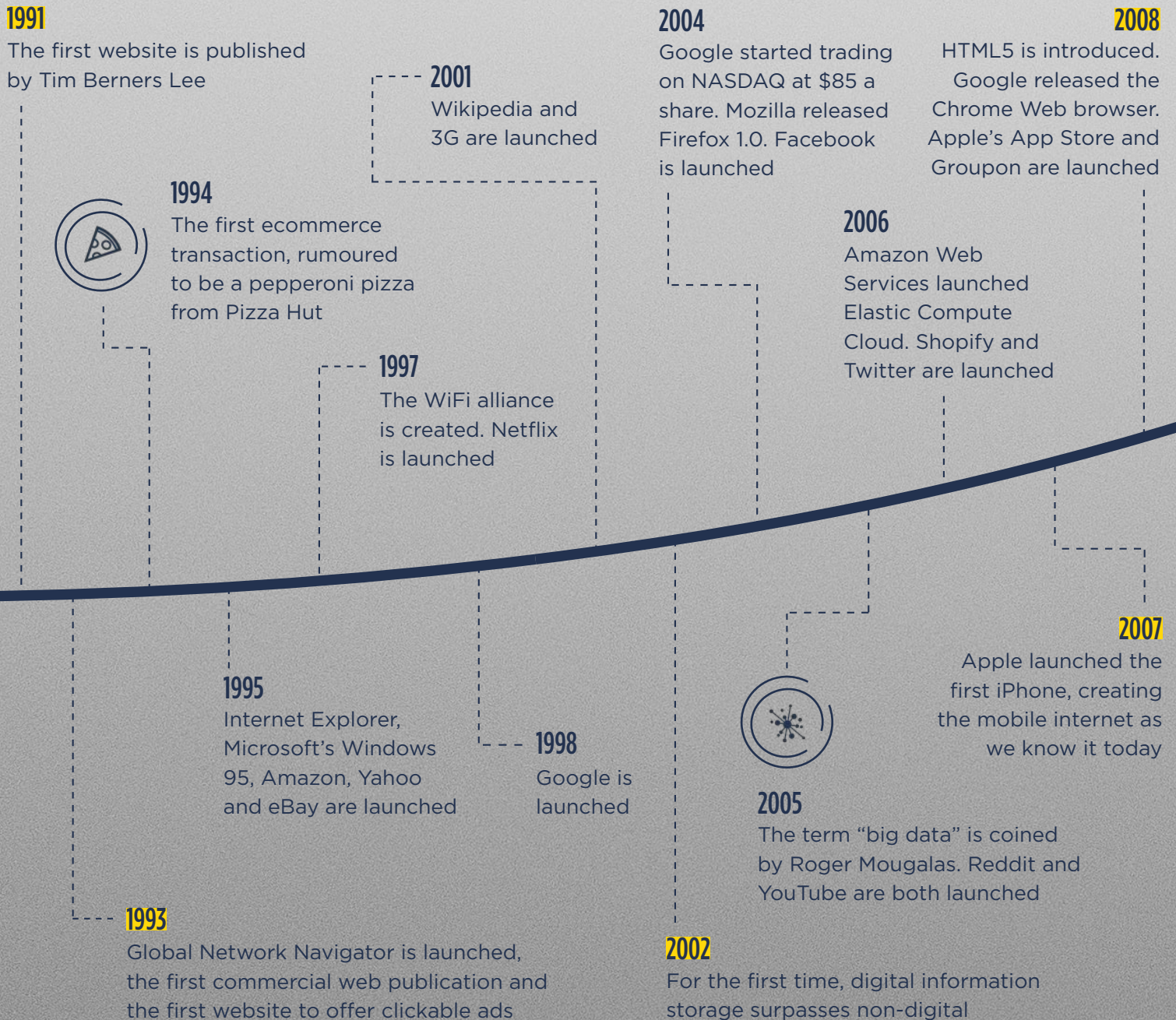
The pandemic has created the largest disruption of education systems in history, affecting nearly 1.6BN learners worldwide and forcing organizations to implement changes in weeks that would have typically taken years. But it has also provided an opportunity for educational institutions to rethink how education is delivered, and ask the industry's biggest question: what will the future of education look like? [JUMP TO SECTION](#) ▶

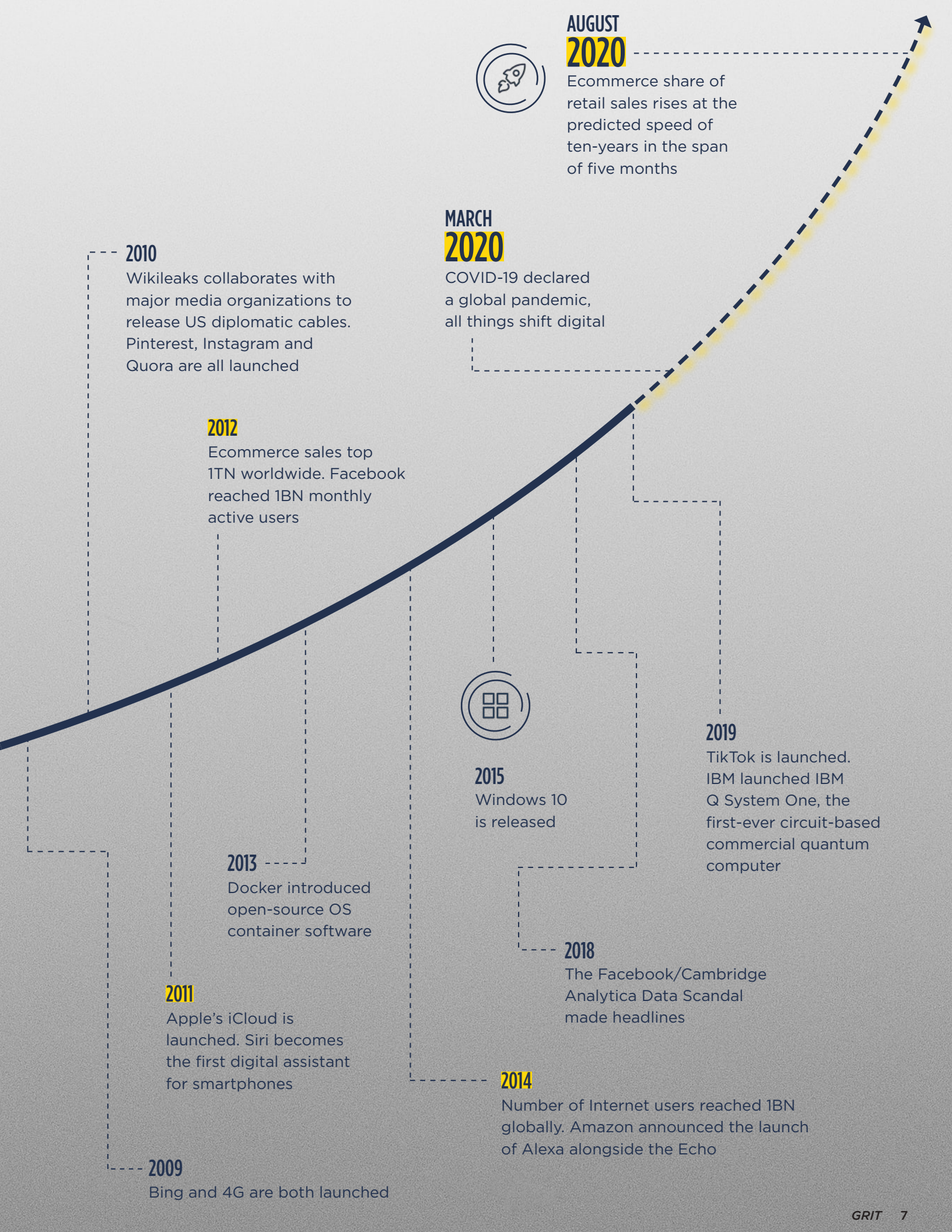
HOW WE WORK

Since last year, businesses have found new ways to connect with one another, with many B2B sales leaders embracing the shift to digital and remote engagement. For many local businesses, the road has been rockier, but a competitive advantage is available for those who capitalize on digital adoption. [JUMP TO SECTION](#) ▶

A BRIEF HISTORY OF DIGITIZATION

We've experienced a step function increase in digital adoption over the last year. But what milestones have led up to this point, and how does it all relate? Taking a step back from current events, we've compiled a timeline of digitization over the last thirty years, highlighting key innovations that continue to shape our lives today.





MARCH 2020

COVID-19 declared a global pandemic, all things shift digital



2015
Windows 10 is released

2018
The Facebook/Cambridge Analytica Data Scandal made headlines

2014
Number of Internet users reached 1BN globally. Amazon announced the launch of Alexa alongside the Echo

2019
TikTok is launched. IBM launched IBM Q System One, the first-ever circuit-based commercial quantum computer

2009
Bing and 4G are both launched

A NEW FRONTIER

HOW STARTUPS CAN LEAD THE CHARGE IN THE DIGITAL REVOLUTION



By John Kelleher,
Co-Chair, NEXT Canada

Beyond the humanitarian health tragedy of the COVID-19 pandemic, we have witnessed the profound impact the crisis has had on our local and global economies. It has reshaped how we work, bank, learn, shop and connect with one another. Our day-to-day lives were changed with immediate effect and—as one does—we adapted.

Naturally, these micro behaviour changes reverberated through to the macro-level, and economists quickly sought to gain insights into how consumer behaviour has changed. After a ten-year period of almost perfect linear increase in the percentage of retail sales that were conducted online relative to offline, we experienced a step function increase that would represent a ten-year acceleration in a mere five months. This digiti-

zation shock occurred across all other major domains including e-health, e-learning and e-banking. In the process, businesses were quickly forced into making significant changes, as they scrambled to find new ways to interact with customers in a contactless world.

All arrows point towards this being a seismic paradigm shift. Take the ecommerce space, where consumers are reporting a long-term intent to do the majority of their shopping online, with a growth of up to 35 percent. This insight reflects an emerging trend across industries, yet businesses must respond by bridging awareness of the options open for digital customers, invest in relevant marketing strategies and support vulnerable customers who are less familiar with digital channels.

Brand loyalties are also facing a reckoning, with consumers choosing alternative purchasing behaviours in response to new economic challenges, store closings, and changing priorities. In fact, more than 75 percent of consumers are trying new shopping methods, with 73 percent expressing an intent in moving away from their typical brand habits. Beneficiaries of this change have been large, trusted companies who are seeing 50 percent growth during the crisis, and private labels, which have outpaced the retail market.

These drastic consumer behaviour changes have led companies to make significant changes to keep up with the altered demands, including accelerating the timeframes of their digital transformation strategies. Prior to the pandemic, many executives listed cost savings as a #1 priority for their digital strategy. Now, only 10 percent are tightening their purse strings. In fact, executives have begun to see technology as a competitive advantage, and many are actually recentering their entire businesses around new and improved digital channels.

With the increased need for companies to be agile and more digitally connected, startups are perfectly positioned to fill the gap. They help companies to do things faster, smarter and cheaper. And with today's context in mind, the need for innovation, adaption and scaling up solutions is all the more pressing.

Entrepreneurs must seize this opportunity while they can. As a starting point, entrepreneurs—particularly those developing deep-tech solutions—should challenge their perceived notions of which industries they can operate in. Advanced industries, for instance, are responsible for a large portion of the nation's output, exports and R&D, yet they are often overlooked by startups due to their typically slow pace of innovation.

In order to achieve success in this area, entrepreneurs must begin by asking themselves the right strategic questions. Who are the main suppliers in your industry that you can seek a partnership with? Who are the major blue chip customers that you could solicit for a strategic investment? Who are the directors of large companies in your industry that would be a good

With the increasing shift to a digital-driven economy, we must protect and stand by our startup community to help drive us forward.

fit for your board? As you start to put these puzzle pieces together, you are more likely to gain a critical seat at your industry's table and, in turn, further growth opportunities down the line.

Success stories are already emerging. Startups like [Tia Health](#), a telemedicine startup founded by Next 36 '14 alumni David Del Balso and Matthew Mazzuca, who have worked in partnership with companies such as Rexall and Remedy'sRx to launch a virtual care

service for patients. Through this effort, Tia Health is helping to reduce bottlenecks and relieve the current burden on the acute healthcare system. Or [Ada](#), an AI customer experience company led by Mike Murchison (Next 36 '12). At the beginning of the pandemic, the Ada team was working hard to best support their enterprise clients during the fallout. After shifting their focus and prioritizing clients in several growth sectors, they secured a new contract with Zoom, and helped them to scale from 10M daily active users to more than 300M active users. Other large companies followed, resulting in a record year of growth for the company.

As Co-Chair of NEXT Canada's Board of Directors, I have seen first-hand how Canada's entrepreneurial ecosystem has responded to the pandemic. From manufacturing PPE to using AI in the search for COVID-19 drug discovery—through their actions, entrepreneurs have leveraged their unique skill sets and demonstrated the critical role they play in the road to recovery.

With the increasing shift to a digital-driven economy, we must protect and stand by our startup community to help drive us forward. The ideas are there. The innovation is there. The willingness to succeed is there. And, in Canada, the networks and institutions are there.

As we look towards a path to recovery, we see a new world in front of us. A world that has been altered not just by the health crisis, but by the new digital frontier. Let us leverage the power of our entrepreneurial ecosystem, so that we can chart a stronger and more sustainable future for Canada.

HOW PUTTING PEOPLE FIRST EMPOWERS DIGITAL TRANSFORMATION

A HUMAN-CENTRED APPROACH
TO DIGITAL TRANSFORMATION
DELIVERS MORE EFFECTIVE
RESULTS



By: Michelle Scarborough,
Managing Partner, Strategic
Investments and Women in
Technology Venture
Fund, [BDC Capital](#)

I'm a firm believer that there's never been a more exciting time to be an entrepreneur than today. We're in the midst of truly unprecedented times—and unprecedented opportunity—for founders eager to change the world like never before.

Nowhere is that more apparent than in our shift to the digital economy. Entire industries are being reinvented seemingly overnight, and businesses are embarking on digital transformation at incredible scale and complexity. There will no doubt be unexpected twists and turns along the way. Those that learn from their mistakes the quickest will prosper.

On that note, there's one piece of advice I'd like to offer entrepreneurs: put people at the heart of your digital transformation. A human-centred approach that crafts technology solutions around user experiences will make your reimagined business more valuable to customers, relevant to employees, and profitable to stakeholders.

UNDERSTAND THE REAL PROBLEMS OF REAL PEOPLE

The biggest mistake many leaders make when it comes to digital transformation is rushing to adopt new technologies without fully understanding the problems that need solving. These decisions are often based on assumptions about what's behind the pain points of employees and customers. What's needed instead is quantifiable data about the shortcomings of business processes so that solutions can be tailored to resolve them.

A human-centric approach to digital transformation makes user experiences the foundation for technology-driven tools. It begins with mapping the interactions of a diverse cross-set of users and then consulting them throughout the design process. These insights are invaluable to creating smarter digital processes that actually address real pitfalls.

The immediate benefits of tightly aligning a solution with a problem are twofold. They encourage rapid adoption of new digital tools while also building enormous goodwill around digital transformation efforts. Plus, these tailored solutions yield more accurate user data over the long term that can be used to iterate and improve digital processes.

INSPIRE EMPLOYEES TO EMBRACE UNCERTAINTY

Fostering buy-in among employees is one of the keys to successful digitization. Let's face it: nobody likes change. Employees can become fearful when they don't understand exactly where they fit in a company's digital future. Top-

down approaches to digital transformation tend to leave employees in the dark, which can lead them to disengage.

A human-centric approach to digital transformation imbues empathy into the change process and inspires employees to embrace the larger vision.

A human-centric approach to digital transformation imbues empathy into the change process and inspires employees to embrace the larger vision. Incorporating user experiences into the design process empowers employees with a sense of agency over the future of their work. It also enables employers to personalize the learning process for different skill sets, making the transformation more inclusive.

That last point is particularly important given how prevalent the need for upskilling will be in most workforces. The World Economic Forum estimates that half of all employees will need to upgrade their skills by 2025. Meanwhile, a whopping 94% of business leaders expect employees to pick up new skills on the job. Human-centred digital transformation helps them meet this growing demand — one that over 90% of employees surveyed view as important.

MAXIMIZE THE INNOVATION BUDGET

Digital transformation is a lot like compound interest: the benefits start small, but grow exponentially. That's

why it's so important to spend the time, money, and effort needed to establish highly effective technology solutions rather than turning them over frequently. Forrester estimates that for every \$1 to fix a problem during design, it costs \$100 to fix the same problem after implementation. That's a lot of wasted budget!

A human-centric approach to designing digital processes avoids the need for costly rework. Research into user experiences early on focuses development around features that yield the biggest impact and iterations on areas of true need. This ultimately minimizes costly system downtime and productivity losses.

Consider that some of the most effective key performance indicators for digital solutions rely on measuring the experience of end users. How much time does it save my customers? How much more productive are my employees? How has it improved team morale? These are just a few examples. A human-centric design process helps managers more easily find answers to these questions because the user data already exists!

As entrepreneurs know firsthand, the X-factor to building a profitable business is fostering a culture of continual innovation. Putting people at the forefront of digital transformation means they'll soon have the tools, skills, and motivation needed to let their creativity shine. That's how great ideas turn into even better businesses.



*BDC is a NEXT Canada
Innovator Supporter*

REIMAGINING THE ROLE OF FINANCIAL INSTITUTIONS IN THE WAKE OF COVID-19

By Hossein Rahnama,
Founder and
CEO, *Flybits*



*Flybits is a
NEXT Canada
Champion
Supporter*



2020, without a doubt, was the toughest year on record for most startups and Canadian businesses. As the founder and CEO of Flybits, an experience platform built for the financial services industry, we were not immune to the challenges posed by the global pandemic.

Flybits, along with our customer base, was impacted dramatically, not only from a revenue growth standpoint but also at an organizational level where we had to quickly mobilize our entire employee-base to a new working environment while working closely with our customers who faced significant challenges.

Most financial institutions entered a crisis mode of accelerating and building digital capabilities to catch up to where they should have been. It was at this time a critical question had to be asked of ourselves—when all this is over, what is the story we want to tell? This

would change our trajectory amidst the crisis.

A UNIQUE OPPORTUNITY

Inspired to be a catalyst for change and empowered by our entrepreneurial spirit, we embarked on a bold mission to redefine the role of financial institutions in society.

The customer-bank relationship has remained fairly static for hundreds of years — banks safeguard people's money, help them pay for things, and manage wealth. Today people are banking less in-person and there is a mass migration towards digital banking. Most financial institutions risk losing the emotional relationships they once had with customers as banking continues to become more and more transactional.

That is, until now. We see financial institutions in a unique position as trusted gatekeepers of their customers' data. They can play a critical role in renewing the health and prosperity of the communities they serve, by acting as community hubs.

DATA ALLIANCES - A NEW BANKING ECOSYSTEM

Financial institutions are sitting on a wealth of consumer data, with deep insights into consumer

demographics, behavioural patterns, life milestones, service preferences, and more. An insights-driven ecology ensures the interests of consumers, their financial institutions, and other businesses are better aligned. It can empower the customer to choose when to share their data, and for what purpose. In turn, businesses provide value to customers by offering them what they need when they need it. The data alliance enables organizations to move from big data to shared data, and create the next generation of AI and consumer interactions with banks at the center, acting as the trusted gatekeeper of their data.

In doing so, financial institutions will be able to accurately predict and fill consumer needs, arbitrate consumer data usage, and collect permissions between partners over the network, ensuring that participants are compliant with regulations. As partners from different industries join the ecosystem and share their insights, the network gains a better understanding of consumers across different contexts. For example, web traffic patterns from a telecom, joined with a bank's transactional data, might shed light on an individual's purchasing behavior at different geo-locations and times of the day.

Flybits can help financial institutions build and power data alliances in a privacy-preserving way that truly impacts the well-being of individuals and SMEs. The pandemic has shaken the industry, but it has also given us the opportunity to reinvent how we partner with financial institutions.

A WAY FORWARD

Coming out of this pandemic, the businesses that thrive are not just reacting to the current crisis — they are thinking creatively about how to evolve their business model and recognize that their own success is tied to the well-being of their customers.

Despite the hardships we endured at Flybits over the past 12 months, we've been fortunate to be able to share a positive story. We invested in product innovation, expanded into new geographies, and still managed to grow the company. We took this opportunity to reimagine the role of banks in society, and have secured additional funding towards R&D in 2021 to explore this even further. This has been a true testament to the people behind Flybits and their resilience.

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THE POWER OF PERSONALIZATION

—
AND WHAT IT MEANS FOR BANKING



*By Saroop Bharwani, Co-founder
and CEO, [Senso](#); Next AI, 2017*

In the past few decades, brands like Apple and Amazon have completely shifted how we define ‘great customer service’. Digital interactions which enhance our ability to decide, connect, and communicate are table stakes, and brands investing into experiences which enhance our ability to become better personally and professionally will earn and retain our business.

Consumers demand more, and in an age where we are asked to give so much of our data to the brands who manage our money, a balance in value exchange is needed. When we think about banking, we expect easy ways to purchase, borrow, and invest, and if the experience lacks what others can offer, we switch. It’s as simple as that, and it’s becoming easier to do so.

At Senso, we see this as a fundamental gap prohibiting the ability for most banks to differentiate themselves and deliver on their promise. Our goal is to democratize access to contextual and connected financial experiences by working with forward-thinking banks to better serve consumers leading up to crucial moments in their lives.

PROACTIVE BANKING

The interactions we have with brands who lend to us, invest for us, and insure us, need to be meaningful and proactive. For example, I recently refinanced my mortgage with another bank, and it’s simply because I was introduced to an advisor who provided me with a

compelling incentive to switch. She calculated how much I would save and recommended some contacts to assist me with my other financial products. When reflecting back, the experience happened quite serendipitously, and required quite a bit of manual effort. In an age where the data required to automate this workflow could be made accessible via a single endpoint, so is the ability to proactively surface meaningful experiences when we need them most.

Senso focuses on transforming fragmented data into proactive experiences, supporting consumers at key inflection points in their lives. We’re currently working with banking partners across North America to provide support and enhanced service to almost two million consumers seeking financial guidance during the pandemic.

THE FUTURE OF DATA

Providing more meaningful and data-driven experiences requires a shift in how digital marketers think about online consumer interactions. This shift has been initiated by firms like Apple and Google who finally realized the use of tracking via third-party cookies is an outdated way of tracking people. I believe banks need to adopt the following in order to earn consumer trust and win more business:

- 1. Consent-driven workflows:** Well-designed communication frameworks where consumer consent and transparency around value exchange is inherent in digital workflows.
- 2. Embedded finance:** Brands extending their offerings beyond their own digital assets, into external touchpoints where consumers are interacting at the point of sale.

As consumers, we have clearly stated our expectations, and banks who act on ingraining these two concepts into their tech stack, and utilize data as an asset, will win our business over and over again—table stakes.

THE FUTURE OF EDUCATION IS BRIGHT



◀ *In conversation with Emilie Cushman, CEO and Co-founder, Kira Talent; Next 36, 2013*

Kira Talent makes the admissions process more human for higher education institutions. How did you identify that there was a need in this area?

With traditional applications based on grades, test scores and sometimes personal statements, good candidates often fall through the cracks. Personal statements are easily plagiarized and standardized testing gives an unfair advantage to those from high-income families, while failing to accommodate candidates who are better suited to other modes of assessment.



Kira Talent started as a simple video interview platform so that applicants could complete timed video assessments early on in the application process—hand in hand with their test scores—to showcase their soft skills and tell their stories. Over time though, as we continued working with higher education, we realized there was a need for more than just video. The application process in general needed to be more holistic for the school and more engaging for the applicants. We then added new types of assessments in order to further demonstrate competencies like leadership, motivation or critical thinking—things other than how well they can perform on a standardized test.

How has the fallout from COVID-19 impacted Kira Talent and what pivots have you made to adapt?

When COVID-19 first hit it was the middle of interview season for schools. Overnight we had a surge of demand because schools were no longer able to conduct in-person interviews and therefore, they were going to have to rely on much less information to make their admission decisions. Grades, test scores and a quick Zoom interview (if even possible) would not be enough. While Kira at the time did not offer a synchronous interview platform, the ability to incorporate video and holistic elements into the process became very important. Internally, we reallocated resources on our team so that we could onboard new clients quickly (in a matter of days, not weeks or months).

Once the dust settled in June, after we helped clients get through the current admissions season, we realized there would be a need for further change in order to support clients through a fully remote interview process. We therefore developed a synchronous live interviewing platform with horizontal review capabilities. This has meant that schools can now use Kira for timed assessments and directly schedule their live interviews with candidates from the platform, with the ability to conduct several styles of live interviews suitable for higher education needs.

“There will be a “new normal” with a hybrid model of education that includes both online and in-person classes.

What are the most exciting data-driven solutions you’ve seen emerge in 2020 to improve the admissions process?

Huge growth is coming from existing companies, who are giving tools and guidance to applicants as they embark on this new and sometimes frightening higher education journey. If you are 17 or 18, you aren’t just putting your life on hold because of COVID-19. You are still searching for the right school, the right program and the right post-secondary pathway. The pandemic has made that impossibly difficult. Applicant-focused companies like Apply-

Board—helping international students find the best fit school for them—or AdmitHub—using AI to help students connect with schools throughout the recruitment process—are doing amazing things for what the world needs right now.

As for Kira Talent, I’m excited about our plans to expand further into the recruitment, admissions and enrollment process, making each step more seamless and engaging for applicants and more holistic and effective for schools.

What will the higher education landscape look like in the next decade?

Post-COVID, I believe universities will reopen due to the enormous value that comes from experiencing education and campus life in-person. With that being said, I think there will be a “new normal”, with a hybrid model of education that includes both online and in-person classes. In terms of the recruitment and admissions, I’m very excited because the vast majority of the process can be online and done in a way that is more fair, more effective and more efficient for all parties. I envision a world where applicants are recruited, assessed and admitted using technology platforms like Kira Talent, for a fraction of the cost that they would have otherwise spent to fly to multiple campuses for interviews. And most importantly, a more sophisticated admissions process means less bias, more reviewers, more information, more structure and less fraud.



TRAINING THE NEXT GENERATION OF INNOVATORS

◀ *In conversation with Nadeem Nathoo, CEO and Co-founder, The Knowledge Society (TKS); Next 36, 2011*

You're on a mission to help ambitious young innovators change the world. What led you to focus on this?

My brother and co-founder, Navid, and I were always very ambitious, and maximizing the impact we could have on the world has always been our North Star. We could have dedicated the rest of our lives to working on one important problem, but even if we knocked it out of the park there are still hundreds of other problems that affect millions of people. We realized there wasn't good infrastructure to maximize the potential for young people. School is inherently designed to mitigate risk, not optimize for success. So the idea was simple — let's build an institution that specifically trains people to solve important problems in the world. This turned

into us building our own education methodology, community, technology etc. as we iterated.

Young people have proven to be resilient and flexible when adapting to the technological changes of 2020, what do you think this means for the world's next generation of innovators?

Young people today have way more potential based on hyperconnectivity, better infrastructure, and access to information. The people who cure disease, build fully immersive VR, find solutions to meaningfully redistribute wealth and so on, will come from this generation. In order for them to achieve these things, they need guidance and training on how to problem solve, improve their relationship with risk, aim higher and surround themselves with productive environments versus toxic ones. If they can receive this, I'm confident that they'll be able to achieve some pretty incredible things in a short period of time.

TKS delivers programming in seven cities across North America. What were the main operational challenges you experienced as a result of COVID-19 and how have you pivoted to overcome them?

Originally TKS was an in person program. COVID was a different beast because it was affecting local markets in very different ways which caused municipalities to also have different policies. Our goal has always been to provide a safe and engaging experience for the students this year, and COVID was actually a really good forcing function to help us think of a virtual model that blows every other virtual experience out of the water. We

were able to make it happen and provide a fully virtual experience for students from 20 countries around the world and even grow on every metric this year.

What data-driven innovations are you most excited about for 2021?

1) *The practical insurgence of Machine Learning (ML):* We've all seen and heard about the really cool work OpenAI, Deepmind and others have been doing. But really there's so much low hanging fruit to grab by applying basic ML techniques to traditional organizations. This is what companies like Element AI were trying to do. The problem that most people aren't aware of is that most of these organizations lacked the suitable infrastructure to apply ML meaningfully. To be clear, this isn't an algorithm or tech issue. Last year, there was a massive explosion in ML infrastructure based solutions. NEXT's very own Mike Del Balso is actually building the gold standard of ML pipelines with [Tecton.ai](https://www.tecton.ai), having raised tens of millions from Andreessen and Sequoia. From a consumer perspective, you will start to see better service, better quality, and better experiences this year as a result of this unsexy infrastructure.

2) *Advancements in energy:* There was a lot of hype at TKS around Tesla's battery day. Advancement in battery technology will improve almost every aspect of our lives, especially in developing countries where batteries are the limiting factor for applying solar solutions. This year you will continue to see improvements in lithium-ion, lithium-sulphur, graphene batteries, and faster charging. 2021 will also be a tipping point for solar as the \$/kwh in many countries

is becoming comparable with fossil fuels. You will likely see a lot more coal plants shut down, and hopefully more people in rural communities will have access to off-grid energy.

3) *Health tech:* We have a very reactionary healthcare system — we get sick, then go to the doctor to get treated. Imagine figuring out your brakes needed to be replaced after getting into an accident, seems silly right? The concept of health-monitoring is not new, but this year I'm excited for a few technologies specifically in medical imaging and non-invasive metabolite monitoring. One of our students, Ben Nashman, invented a way to measure blood metabolites like glucose and cholesterol non-invasively. He's raised \$7M to advance the tech and will be announcing some exciting news soon.

With the digital disruption in mind, what advice would you give to educators looking to help build the next generation?

Find ways to expose yourself to what's happening on the bleeding edge of the world. After you have that exposure, you can filter and deliver the content more meaningfully. The second is to uncap young people's potential. Grades limit potential. Permission to explore outside of a rubric for anything that's not an important exam, in my opinion, should be encouraged. Lastly, the people who have the best grades are not necessarily the people who are going to change the world. At TKS, we look for curiosity, ambition, and work ethic. Grades effectively just demonstrate work-ethic and intellectual horsepower. Being able to identify curiosity and ambition is a prerequisite to nurture it.

HOW HOMEGROWN TECH FROM THE CANADIAN PRAIRIES IS HELPING GLOBAL BUSINESSES SURVIVE AND THRIVE



By Jacqueline Cook, Chief Operating Officer, Vendasta; Next 36, 2012

The start of the pandemic was unsettling on its best days and terrifying on its worst. Not just because experts were scrambling to understand the scope and breadth of the disease, but for what it did—and continues to do—to the global economy. It changed the way we work, shop, and connect with others, and small businesses slow to adopt technology have been disproportionately affected as a result.

Many were making the shift to digital, but the pandemic turned a ripple of adoption into a tsunami. These businesses needed to transact with customers online. They required websites, cyber security, remote communication tools, and online productivity software. Overwhelmed with options, they also needed the help of local experts, like marketing agencies and ISVs—Vendasta’s customers.

Driving local economies with digital has always been the fuel for our fire. Our team’s agility and passion for helping local experts and their small business clients meant we could respond to the pandemic in meaningful ways. When this world-shifting event started to take hold, we transitioned into wartime mode with three objectives: **Protect, pivot** and **position**.

PROTECTING OUR EMPLOYEES AND OUR CUSTOMERS

In March 2020, we were in the midst of a three-year accelerated growth plan backed by \$40M in VC funding—the largest ICT investment in Canadian prairie history. At the onset of the pandemic, we paused the acceleration to evaluate the impact on our business and try to anticipate what lay ahead. The majority of our then 385 team members shifted to remote work virtually overnight.

In the uncertain early days, retaining our customers was key. They weren't operating normally, and we offered credits and relief as they felt the impact of the first wave. In surveying what would come next, it was clear they too needed new tools and processes to adjust how they collaborate, learn, and conduct commerce.

PIVOT ECOMMERCE, COLLABORATION, LEARNING & COMMUNITY

We pivoted all roadmaps to help drive digital transformation for our customers and their local business clients. Early data was staggering: COVID-19 had accelerated ecommerce adoption by four to six years (Forbes).

We produced a free toolkit that included digital marketing solutions and websites with ecommerce to help local businesses rise above the noise and uncertainty. In tandem, we created remote collaboration tools, and helped our customers learn, connect, and support each other through the Conquer Local Academy and Community.

We stuck to the plan through a stomach twisting 8.8% dip in

April, but that was followed by a sharp V-shaped recovery in the months following. Demand more than doubled. Our customers adjusted with our help, and were helping SMBs survive. We could reaccelerate.

POSITION OURSELVES AND PREPARE FOR (CONTINUED) EXPANSION

Vendasta was able to help our customers navigate the storm and find safe harbour with new products and tools local businesses need. We grew to 500 employees through the pandemic, while maintaining a Net Promoter score of 70 among the SMBs we serve.

The past year reminded us how important it is to act fast and solve customer problems. It also served as a stark reminder that small businesses buoy much of the Canadian and U.S. economies and serve as the heartbeat of our communities.

The growth rate of U.S. ecommerce sales in the first weeks of the pandemic was greater than it was in the full decade prior, and Canadian retail ecommerce sales saw a 110.8% increase compared to the same period last year (Statistics Canada). Goliaths like Amazon and Walmart are enjoying most of the profits, but SMBs are working to cross the chasm and take back market share.

THE FUTURE OF LOCAL BUSINESSES

Local businesses aren't just building ecommerce websites; they're fundamentally redefining the way customers discover, interact, and transact with their businesses. But what happens when the pandemic forcing function ends? While we may relish the day we can meet in a crowded restaurant to share appe-

tizers and laughs, people will continue enjoying the convenience of buying from a local business online, or scheduling a service call from their phones. We will want things faster, with greater convenience and transparency.

Just like 'artificial intelligence' has grown in meaning as technology evolves and expands, so too has 'ecommerce'. The definition is expanding beyond an e-cart. The entire customer experience will be optimized for a transaction. The front-facing consumer journey will be transformed, and the back office systems will be revolutionized to support that shift.

As more digital tools become necessary to conduct business, consolidation will be key. Local businesses will look for ways to make software experiences streamlined and simplified. They will lean on experts to help, and these local experts will be able to deliver productivity, security, digital marketing, and ecommerce products under one business app with a single login and bill. It's in this way that we'll deliver power back to our local economies.

At the end of this chapter in our history, we want to walk a vibrant and lively main street of businesses. My hope is that those businesses will be operating, and they will be doing it with greater resilience and agility than ever before. I'm proud to know our team and our customers have played an important part in ensuring it can happen.

Vendasta provides an end-to-end ecommerce platform to companies who sell digital solutions and services to SMBs. [Learn more](#) ▶

CONVERSATIONS ARE THE NEW CURRENCY

*By Mike Murchison, Co-founder and CEO,
Ada; Next 36, 2014*

This year has been an exercise in challenging the status quo. Out of necessity—and seemingly overnight—our world collectively invented and adapted to new ways of living and working digitally. While many of us experienced frustration with this change, our new routine has its advantages. For example, there is less traffic, we spend more time with those in our bubble, and businesses are more open to recruiting internationally. Our world would have never willingly adopted a global, digital-only approach to work had it not been for COVID-19. But we can all agree that, post-pandemic, we're unlikely to ever revert back to exactly the way things were.

For Ada, this has meant questioning our approach to office space and synchronous work. We had never been a strictly 9-5 workplace, even before the pandemic. And while we didn't insist on our team being in the office every day, we always had a physical space in which our team could congregate and collaborate.

We learned very quickly this year that being digital-only is very different from being digital-first. Recruiting, training, and managing teams 100% remotely was the stress-test of our systems and culture. I'm proud of how our team has adjusted to a digital-only environment. We had always maintained that trusting our team to have ownership over their own time



The most successful businesses moving forward will be those who embrace and crave customer interaction.

would empower them to do their best work. That hypothesis was confirmed this year as everyone worked from home, and Ada grew to be used more than 12.5 billion times every month.

Ada is not the only company that has had to adapt, all of our clients made the same transition alongside us. It was incredibly rewarding to see our product perform at scale, helping hundreds of millions of customers access rapidly changing information at the pandemic's peak, and preserving our clients' human agents for high priority tasks. Our partnership with Zoom is a great example. As Zoom grew from 10M daily active users to 300M daily active users almost overnight, Ada's conversational AI ensured that every visitor to Zoom's website could engage with their business regardless of the time of day or language spoken. At the same time, prospects and paying customers are now prioritized and routed by Ada to a sales representative, so Zoom doesn't miss out on those opportunities amid the myriad questions from free users.

Zoom's case is demonstrative of an emerging trend: the need for collaboration between marketing, sales, and support teams to deliver best-in-class CX.

As customers, we expect our experience with a business to be reliable, consistent, and personalized across the lifetime of our relationship. Whether we are buying software, shoes, or box subscriptions, we are also buying the experience that company has to offer. This includes the conversations we have with those businesses before and after we become customers.

The status quo is that customer interactions are generally bad—bad for customers, and bad for businesses. Consumers are increasingly turning to social media, publicly airing grievances with companies they've tried to contact. Businesses are actively seeking ways to prevent their customers from reaching them, and keep costs down. It's a losing proposition for parties on both sides of the conversation. Simply put, as businesses today get bigger, they speak to their customers less. Ada is changing this.

This is not a new problem. The shift to our new digital life has only made the issue more urgent, while ironically opening up opportunities for new solutions. Conversational AI tools like Ada invite businesses to take a different approach to customer contact. At Ada, we value customer conversations, and actively encourage more of them. Conversational AI with Ada allows businesses to scale high-quality interactions across the customer journey, so every customer can be successful. We invite siloed teams in marketing, sales and support to collaborate inside our product. Together we execute on a CX strategy that reduces cost and human effort, while improving CSAT and driving revenue. We encourage our clients to have more conversations, and drive more powerful conversations as a result.

Just as we have all questioned the best ways to live and work in 2020, Ada is challenging the status quo when it comes to customer contact. The most successful businesses moving forward will be those who embrace and crave customer interaction. Conversations are the new currency, and we should all be imagining more ways to connect with each other.



Q & A

◀ *Sevaun Palvetzian is the Chief Communications Officer at Rogers, a NEXT Canada Board Director and the former CEO of Civic Action*

with

SEVAUN PALVETZIAN

BEHIND THE SCENES

A widely respected leader with deep cross-sector expertise, Sevaun is regarded as one of Canada's most influential voices on civic engagement, urban issues and corporate responsibility.



The fallout from the COVID-19 pandemic will affect our communities for years to come. What do you expect will be some of the key issues facing Canadians?

COVID-19 has turned our world upside down. Some parts of the pandemic we'll be only too glad to put behind us. But there are some important lessons from it we can't lose focus on as recovery kicks off.

One, is the digital divide. We have some of the best networks in the world in Canada. A lifeline during COVID. But there are still gaps—in rural areas in particular—and we need all sectors working together to close them.

Two, support for charities and NGOs. Many have been gutted during COVID but play too important a role in communities to falter. We need deeper partnerships with the community-serving sector to help support their work.

And three, in recovery ahead, we need to ensure that chronic, long-standing issues of inequality are addressed. Deep gaps need targeted efforts. And ongoing commitment to close them.

Is there a role for entrepreneurs in response to these issues?

100%. Canada's productivity and growth depends on getting the most out of our tech and innovation ecosystem. Huge mountain for us to climb in post-pandemic recovery. The social and environmental issues we face, similarly, need big brains from all sectors tackling them creatively. We can't afford to be in low gear on how we leverage our entrepreneurship bench strength on any front.

Which book has had the most profound impact on you?

The *Wisdom of Crowds* by James Surowiecki. It takes the view that the best solutions, the best products, the best approaches, and the best teams are created by having a diversity of views shape them. I first read it years ago, but it remains the most profoundly influential in shaping my leadership style and problem-solving approach. I've seen its value play out in countless ways across every sector — the wisdom of the crowds *always* produces a better outcome.

Finally, what are you most looking forward to once the pandemic is behind us?

Can't pick just one! Personal, human interaction beyond my family — though I love them! Travel beyond my postal code — burning through the pages of my passport. And not having to say, "you're on mute!" 27 times a day during meetings.

ASK A FOUNDER

► We chatted with some of our alumni to learn about the innovations they're most excited about, reading for growth and the first business idea they had — lemonade stand anyone?



FAVOURITE BOOK FOR GROWTH

The Alchemist & Range: Why Generalists Triumph in a Specialized World.



DREAM DINNER GUEST

Dinner for 4? Chamath Palihapitiya, Barack Obama, Kim Kardashian, and myself!



FAVOURITE QUOTE

"Failure at some point in your life is inevitable, but giving up is unforgivable." I replace the traditional meaning of failure with 'learning experience'.



NEW INNOVATION YOU'RE EXCITED ABOUT

The way in which we build meaningful virtual communities, something that we've been working towards creating at FLIK since day one.

RAVINA ANAND ►

Co-founder & COO, *FLIK*; Next 36, 2019



FIRST EVER BUSINESS IDEA

A heated windshield wiper that would cut through the snow and ice without having to get out of the car. I was about 7 at the time.



DREAM DINNER GUEST

I would sit down with Richard Feynman because he is a source of unfettered curiosity and genius that would allow the conversation to cover any topic imaginable.



NEW INNOVATION YOU'RE EXCITED ABOUT

Restaurant robotics are really coming into their own right now. This new area of automation is going to change the cost structure of the food business.

LUKE BUTTERWORTH ►

Co-founder, *JustCook Kitchens*; Next 36, 2019



DER

FIRST EVER BUSINESS IDEA



I wanted to open up a shoe store in an abandoned gas station when I was 12. Seemed to me like it was something I could manage at that young age!

FAVOURITE BOOK FOR GROWTH



"Setting the Table" by Danny Meyer. It talks about company culture, hospitality and so much more.

DREAM DINNER GUEST



Gary Vaynerchuk, I love his energy and positive outlook on business and life.

NEW INNOVATION YOU'RE EXCITED ABOUT



I'm excited about what AI can do for the restaurant industry.

◀ CHRISTOPHER WELLS

Co-founder & CEO, *Piecemeal*; Next AI - Montreal, 2020



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NEXT COMMUNITY NEWS



A Canadian-born anti-racism initiative goes global

Wes Hall (founder of the BlackNorth Initiative) and Reza Satchu (Founding Chairman of NEXT Canada) bring anti-racism education to Harvard — inspired by the courage of one Next 36 entrepreneur.

[READ MORE](#) ▶

Forbes
30
UNDER
30

NEXT alumni recognized as 2021 Forbes 30 Under 30: Bryan Gold (pictured), Shelby Yee, Vino Jeyapalan [SEE ALL](#) ▶

RockMass Technologies raises \$2.5M

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YPC raises \$1.8M

[MORE](#) ▶

Thumbtack acquires home management startup Setter

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Scotiabank launches ScotiaRISE, a \$500M commitment to foster economic resilience among disadvantaged groups. [MORE](#) ▶



**Mallorie Brodie:
Top 40 under 40
in Canadian
construction**

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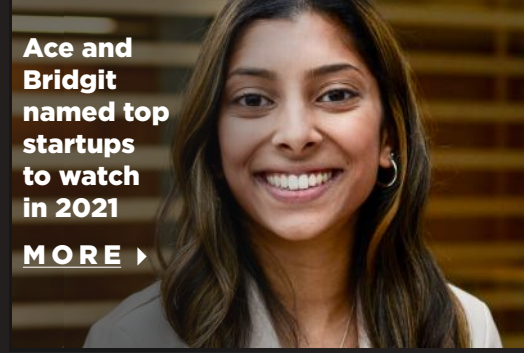
**Maayan Ziv
honoured
with 2020
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**Civalgo named Top 50
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**Ace and
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named top
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to watch
in 2021**

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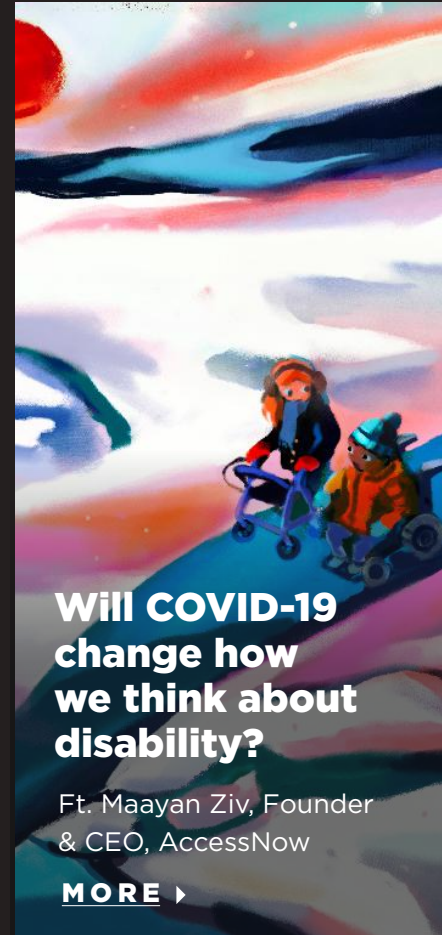


Disruptors

Disruptors, an RBC podcast, is an ongoing podcast series hosted by SVP John Stackhouse about reimagining Canada's economy in a time of unprecedented change.

Find it wherever you get your podcasts.

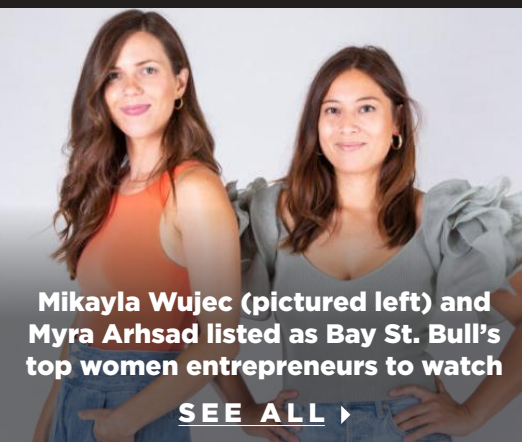
[DISCOVER ▶](#)



**Will COVID-19
change how
we think about
disability?**

Ft. Maayan Ziv, Founder
& CEO, AccessNow

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**Mikayla Wujec (pictured left) and
Myra Arhsad listed as Bay St. Bull's
top women entrepreneurs to watch**

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DIGITAL DISRUPTORS TO WATCH IN 2021



*By Joe Canavan,
Chief Executive Officer,
NEXT Canada*

I It is my pleasure to share with you a group of startups that I've earmarked as ventures to watch over the next year.

The talented entrepreneurs leading these ventures have been able to pivot solutions to adapt to changing consumer behaviours in order to respond more meaningfully to customer needs and wants. They have continued to build company resilience while achieving important milestones such as raising capital, creating partnerships and increasing users. All of this has been achieved while facing the devastating health and economic crises of 2020.

These digital disruptors represent the very best of Canadian entrepreneurship and are truly paving the way in our increasingly digital economy. I am incredibly excited to watch their success grow!

BRIDGIT

Bridgit (*Mallorie Brodie and Lauren Lake; Next 36, 2013*) is a software company which makes construction less complicated with their workforce, punch list and inspection management tools. [**LEARN MORE**](#) ▶

#PAID

#paid (*Bryan Gold; Next Founders, 2016*) builds tools for the creator economy. Companies of every size use #paid's software to collaborate with creators and grow their businesses. [**LEARN MORE**](#) ▶

CLEANSLATE UV

CleanSlate UV (*Taylor Mann; Next Founders, 2016*) helps healthcare and food processing facilities quickly sanitize mobile devices, without the use of harmful chemicals. [**LEARN MORE**](#) ▶

ACCESSNOW

AccessNow (*Maayan Ziv; Next 36, 2016*) uses crowdsourcing to pin-point the accessibility of public spaces and venues worldwide. [**LEARN MORE**](#) ▶

CONVERSATIONHEALTH

conversationHEALTH (*Lexi Kaplin; Next 36, 2016*) delivers highly personalized AI-driven conversations to HCPs, patients and consumers, through text, voice and digital channels. [**LEARN MORE**](#) ▶

SNAPTRAVEL

SnapTravel (*Henry Shi; Next 36, 2012*) offers hotel deals over SMS, Messenger, WhatsApp and Alexa. They recently completed an acquisition and launched a new brand, SnapCommerce. [**LEARN MORE**](#) ▶

THRIVER

Thriver (*Eran Henig; Next 36, 2011*) is a food and culture platform providing workplace culture programs aimed at promoting employee engagement and wellness. [**LEARN MORE**](#) ▶

TIA HEALTH

Tia Health's (*David Del Balso and Matthew Mazzuca; Next 36, 2016*) virtual clinic platform allows patients to access a doctor from anywhere via online video, phone, or IM. [**LEARN MORE**](#) ▶

CHISEL AI

Chisel AI (*Ron Glozman; Next 36, 2016*) uses natural language processing and AI to help commercial insurance brokers automate the underwriting and brokering processes. [**LEARN MORE**](#) ▶

MINVERVA AI

MinervaAI (*Jennifer Arnold and Damian Tran; Next AI, 2020*) is an AI-enabled automated screening platform for anti-money laundering compliance programs. [**LEARN MORE**](#) ▶

NEXT

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NEXT Canada's mission is to build
a more prosperous and competitive
Canada. We offer funding, mentorship,
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entrepreneurs across three programs
(Next 36, Next Founders and Next AI)
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