JUDY ZHU AND JAMES THOM
LEND YOUNG ENTREPRENEURS A HAND

BUSINESS (NOT) AS USUAL
ALUMNI PERSPECTIVES DURING COVID-19

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Features

The Best Bad Timing
Ryan and Ross Rich launch a new company just before the pandemic hits

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Jessica Craig and Morgan Tate explain why every business needs an exit strategy

Mealshare on a Mission
No more youth hunger

Can Tourism Survive the Pandemic?
Q & A with the interim president & CEO of Destination BC, Richard Fortes

Global Business from Here
Staying entrepreneurial keeps this grad’s spirits up

Testing Trust
Media is the least trusted category in the 2021 Brand Trust Index

We acknowledge and respect the lək̓ʷəŋən peoples on whose traditional territory the university stands and the Songhees, Esquimalt and W̱ SÁNEĆ peoples whose historical relationships with the land continue to this day.
Message from the Dean

Trust, Inspiration and Looking Ahead

AS SUMMER BEGINS, it is a good opportunity to reflect on what has been a challenging year for all of us. The pandemic has stretched us in new ways and highlighted the needs for greater resiliency, flexibility and creativity. The Gustavson School of Business has responded well and I am very proud of the incredible work we have done during these difficult times.

Over the last year we have continued to support our students, faculty and staff as they learned and worked online. The university has now announced its plan for a full return to face-to-face teaching and learning this fall. At Gustavson we are excited to welcome students back to in-person classes, and planning has now begun on how to safely bring everyone back to campus.

This fall will bring more welcome changes, including the launch of our Master of Management program—a 12-month, pre-experience master’s degree that will provide intensive, hands-on experiential learning for those looking to make a positive impact in their businesses and communities. We will also be welcoming a new director for Gustavson’s Centre for Social and Sustainable Innovation, Dr. Natalie Slafrincki. Her appointment will allow us to continue cementing our school’s focus on sustainability research and practice. On that front, Gustavson has continued its commitment to carbon neutrality by completely offsetting our travel and commuting emissions for another year. In May, we were also proud to release Gustavson’s seventh annual Brand Trust Index. The results show us the crucial importance of trust in times of crisis, and that now, more than ever, we need businesses and leaders who are ready to tackle the big societal issues of our time.

As shown in the pages of this issue of Business Class, Gustavson was not alone in adapting to a new reality. I take inspiration from the exemplary perseverance and determination that our alumni, students and staff have demonstrated. Their stories showcase what the values and spirit of our school extend well beyond our campus and international borders.

Last but not least, I am excited to welcome Gustavson alumna Brian Cant as a guest editor for this issue of Business Class. Brian’s term as president of the UVic Alumni Association will come to an end this summer; his work for our alumni has been indispensable for our school and he has been an amazing ambassador for Gustavson. We thank him for his years of service and look forward to the work we will continue to do with him and all our alumni in the years to come.
**BIZ BITES**

offers recent non-business degree this September. students to a new master’s program A New Master of Management Economy Transitioning as co-principal investigators. The faculty members Dr. Michael King and Climate Solutions (PICS). Gustavson (BCI) and the Pacific Institute for Investment Management Corporation Decisions—will be led by Gustavson Considerations into Investment Climate Finance: Integrating Climate project in support of that goal—a three-friendly, low-carbon future. A new Innovation’s Centre for Social and Sustainable Innovation will be joining Gustavson from Dr. Natalie Slawinski. Slawinski for Social and Sustainable Innovation professor that you’d like to see featured in a future issue of Business Class? Email bizbites@uvic.ca for consideration.

**Transitional to a Green Economy**

Finance has a critical role in supporting the transition to a climate-friendly, low-carbon future. A new project in support of that goal—a three-year, $180,000 research project titled Climate Finance: Integrating Climate Change Mitigation and Adaptation Considerations into Investment Decisions—will be led by Gustavson in partnership with British Columbia Investment Management Corporation (BCI) and the Pacific Institute for Climate Solutions (PICS). Gustavson faculty members Dr. Michael King and Dr. Basma Majerbi will lead the project as co-principal investigators. The project is funded by PICS. The project partners will co-

**A New Master of Management**

Gustavson will welcome the first students to a new master’s program this September. The UVic Master of Management offers recent non-business degree graduates a 12-month master’s degree, providing intensive, hands-on experiential learning with a focus on building career-ready graduates. The program fosters the management skills to lead teams and keep organizations nimble in rapidly changing social and economic circumstances. “As the economy recovers from the pandemic, there will be pressures on organizations to deliver and recover faster,” says Saul Klein, Dean of the Gustavson School of Business. “For students, this gives them an opportunity to upskill now to meet the future demand for socially-conscious leaders across all sectors.”

**Welcoming the Centre for Social and Sustainable Innovation’s New Director**

This summer, Gustavson’s Centre for Social and Sustainable Innovation (CSSI) will welcome its new director, Dr. Natalie Slawinski. Slawinski will be joining Gustavson from New Zealand, where she has served as a professor of strategic management at Memorial University and director of its MBA in social enterprise and entrepreneurship. Slawinski is also a co-founder and adviser to Memorial’s Centre for Social Enterprise. Slawinski will contribute her expertise to helping advance Gustavson’s commitment to sustainability and social responsibility. “I’m so excited to join the amazing folks at the CSSI and Gustavson to continue to push the boundaries of sustainability research, business education and community engagement. I’m so honoured to have been invited to lead these efforts while exploring new avenues for Gustavson to make a difference to people, places and the planet,” Slawinski says.

**A QUESTION OF JOB RECKONING**

As the post-pandemic recovery begins, what should I expect at my workplace and how do I continue to pursue career success in times of disruption? by Dr. Rick Cotton

A s Canada’s pandemic recovery begins, the federal government in prioritizing COVID-19 relief programs, job creation, investments in young Canadians and investing towards a greener economy. These are all important areas of focus that should provide interesting options that help buoy sustainable careers. The effects of workplace disruption and economic recovery will vary quite a bit and require determination, innovation and sensitivity. Consequently, I’d like to examine how the recovery will affect three different worker groups.

First up are the remote workers. These are mostly technology, managerial and professional workers who work from home, and who have been collecting more or less the same pay as they were before COVID-19. This group is prone to anxiety and boredom as they cope with Zoom fatigue and juggle work-life responsibilities. In terms of disruptions during the pandemic, this group has navigated key work-life balance issues, ‘face time’ challenges and team interactions that in many cases are very different from their pre-pandemic worlds. These workers are likely to continue to have epiphanies regarding how they find meaning in and at work and may question their job commitments more broadly, especially at the occupational level where workplace cultures may not have the pull they once did. It will be important for them to consider their employment from a ‘Total Rewards’ perspective, for example compensation, benefits, work-life effectiveness, talent development and especially work satisfaction. These workers are increasingly facing a ‘great reckoning’ where the desire for career success is framed in new office configurations, changed relations and remote work norms and possibilities.

For those in this sector, being true to what they really want (and need) will be key.

Next are essential workers. They include professions ranging from nurses and doctors to teachers, farm workers, truck drivers and firefighters. During the pandemic, this group has sometimes lacked protective gear, worked long hours and faced constant, debilitating worry and even PTSD. As recovery from the pandemic goes on, workplace disruptions will hopefully lessen for essential workers, with cleaning standards, protocols and required precautions gaining both clarity and predictability. These workers will face their own reckoning, but it is more likely to be at the occupational level as they do some serious reflection as to whether the pay they earn and the shifts they have to take in times of crisis are still worth it to them—financially and emotionally. For others in this group, their commitment to their profession may be even stronger as they recognize the critical roles that they played and may play again in such crises.

Those who were laid off or furloughed have made up 25 per cent of the workforce at various inflection points of the pandemic. They often hail from retail, transportation, travel, the entertainment and hospitality sectors. They have experienced the heart of pandemic-driven layoffs and furloughs. Going forward, this group may see more of their jobs automated, eliminated or changed in substantive ways. They too will likely revisit their occupational and career choices while looking to education and training to make themselves more employable within and outside their industries. Being flexible and forward-looking will be key for this sector. In terms of career success, this group will need to determine whether the potential disruptions and uncertainty they have experienced in their lines of work will prompt them to switch careers in order to enhance stability, pay and work satisfaction.

The pandemic has disrupted all sectors of industry, but taking a clear-eyed and objective perspective on occupation and career choices has rarely been so important—and so ripe for innovative, life affirming options. For many, COVID-19 has brought with it feelings of languishing, despair, anxiety, and uncertainty. The key is to recognize that we are not facing these battles alone and that helpful resources abound.

As time marches on, work changes and what matters most comes into greater focus, it is appropriate for each of us to continue to look for that sweet spot where wants, needs, passion, strengths, profession and desired impact intersect. For it is in that space—whether we stay put or move on—where potential becomes purpose.
Accord founders Ryan and Ross Rich launched their business right before the COVID-19 pandemic hit—but the entrepreneurial brothers have turned an unlucky break on its head.

By Stacey McLachlan

When you know, you know. And what brothers Ross and Ryan Rich (BCom ’14 and ’15, respectively) knew in late 2019, was that it was time to take the leap into a business of their very own. They’d spent years scheming and dreaming about an intuitive streamlined sales platform for the B2B market—one that they would’ve loved to have had at their own sales jobs at Google and Stripe—and knew they needed to strike out on their own to really put the idea to the test. They know their experience planning and marketing events to students during their UVic days would serve them well in this new hustle; they knew they had a solid business education from Gustavson to fall back on; they knew they had each other’s backs, and a talented programmer in Wayne Pan lined up to make their vision a reality.

But there was one important thing they didn’t know: that a pandemic was about to take the world by storm, just months after they had handed in their resignations and launched Accord.

Starting an entrepreneurial venture is a scary, uncertain experience in its own right. (“We took a leap before having funding or anything figured out. It was a plunge without a safety net,” says Ryan.) To do so as the economy and social interactions were being turned upside down by COVID-19 would be enough to throw anyone into a doubt spiral. Somehow, however, Accord has emerged on the other side of a strange first year with $6 million in seed funding, a solid product and the confidence to take on year two with even more gusto.

In some ways, the Rich brothers were at an advantage when the pandemic hit. “We were kind of lucky to be at the stage we were at, going through research and development, and our first financing round was super-lucky ideal timing—it was literally weeks before the market stalled out,” says Ross. “It was nice to not have that pressure.”

Ryan and Ross had already been planning a remote-first workplace, to allow for both personal flexibility and to keep things open for hiring; it put them in the perfect position when everything pivoted to a work-from-home format. The circumstances are what allowed them to hire Pan from afar. “We might not have been open to it before that,” says Ryan.

One of the biggest challenges has been selling a sales tool without any face-to-face contact or physical networking opportunities. “Connecting with people in-person builds such a deeper relationship, and gets them to buy into the vision as well as the value,” says Ross. “Losing those moments was tough.”

Yet, over the optimists, Ross and Ryan use a positive side to that networking struggle; it pushed the team to double down on the clarity and conviction of their web presence and marketing, and to get more structured with their meetings.

“To be honest, I don’t know if I could’ve done it without Ross. We both kept telling each other we weren’t crazy,” says Ryan. “I have a lot of respect for founders who do it on their own…but I couldn’t.”

In fact, the brothers had only a hand-drawn sketch as they applied to Y Combinator (a US technology accelerator that birthed companies like Stripe, Dropbox and Airbnb). It may not have been flashy, but the idea of a platform for looping B2B salespeople and buyers into a streamlined decision-making process was impressive enough to get them into the incubator in the first place.

Accord founders Ryan and Ross Rich launched their business right before the COVID-19 pandemic hit—but the entrepreneurial brothers have turned an unlucky break on its head.
Know Your Worth

Why every business, even a start-up, needs an exit strategy

by Natalie Bruckner

You’ve invested time, money and so much energy into building your business. Suddenly, your situation changes and you need to sell, now! It’s not exactly something you’d planned for because you were so busy juggling all the balls it takes to build a business. You’re not alone if you’ve been asking yourself, “What if I had to sell?”

It’s a question that’s come up for many businesses lately as they’ve headed down the rocky pandemic road. Jessica Craig, business broker at Pacific M&A and Business Brokers Ltd., MBA ’19, and Morgan Tate, co-founder of Paratus Business Resources, BCom ’17, are in the business of mergers and acquisitions (M&A). They have helped countless business owners successfully exit their business. Their top advice? Start thinking about your exit plan as soon as you can.

Top tips for small business owners on planning their exit strategy

by Jessica Craig and Morgan Tate

• PLAN YOUR EXIT FROM DAY ONE. When you first go into the business, think about your exit strategy. Even if you’re not planning on selling, having an exit strategy helps you plan ahead.

• KNOW YOUR NUMBERS! Don’t leave it up to the accountant alone. Understanding your numbers will give you a clear insight into where you are and where you’ve been so you are able to make educated decisions on how to move your business forward—and, should someone come to you with an offer to buy it, you know where you’re at.

• PREPARE YOUR DOCUMENTS. Gather your financial statements and create a list of what is sold with the business, as well as a list of contacts related to sales transactions and supplies. The idea is to show a potential buyer how the business was operated on a day-to-day basis.

• THINK AHEAD. The average timeline on a business sale is six to nine months. If you have all your ducks in a row and you find the right buyer, it could be sooner.

• CONSIDER A BROKER. Businesses offered through business brokers have a much higher listing-to-closing rate. Also, brokers have access to a wider buyer pool, know where to list your business and can provide the discretion needed for a smooth sale.

• TIMING. The pandemic caused quite a bit of chaos, but for many businesses it was the wrong time to sell. If you can, hold off for a bit and your numbers are likely to come back up, meaning you will get more for your business in the end.

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• TIMING. The pandemic caused quite a bit of chaos, but for many businesses it was the wrong time to sell. If you can, hold off for a bit and your numbers are likely to come back up, meaning you will get more for your business in the end.
To a start-up or a new entrepreneur, it seems counterintuitive to think of leaving a business before it’s even got off the ground. But that’s one of the biggest mistakes a start-up makes—and why 80 to 90 per cent of business owners end up going out of business, when, instead, they could have sold it and made some hard cash.

“When you hear about M&A, you think about Facebook’s $1 billion acquisition of Instagram—you don’t think about the coffee shop in town being bought by somebody. It’s a secret world in many ways because it doesn’t go public,” explains Tate.

Tate adds that most business owners get so busy fighting daily fires, they don’t have time to plan ahead. So when it’s time to exit (having spent thousands of hours building upon their passion), all that hard work comes to nothing because they don’t have a true grasp of the value of their business.

Ask small- to medium-sized business owners what “EBITDA” means, for example, and many won’t know. But earnings before interest, taxes, depreciation and amortization are extremely important to the business valuation process, “and something every business owner should know,” says Tate.

This leads us to the biggest misconception out there with M&A: you as your business—the one you have poured years of sweat, blood and tears into—just isn’t worth anything. And that’s the beauty of what Craig and Tate do. They make sure that all that hard work doesn’t go to waste.

“I find that there are a lot of resources out there that focus on advice for entrepreneurs and plenty of places, like Small Business BC and the Women’s Enterprise Centre, which offer great resources for how to start and build your business. But when you get to the point where you are ready to sell it or to make a transition, many of those resources dry up,” says Craig. Tate agrees, adding, “There’s so much room on that front to build awareness and education.”

Both Tate and Craig are driven by their passion for business and a desire to help others get out of their business what they put in, making them well-suited to the M&A world. As they explain, M&A isn’t something just for those at the end of their business journey wishing to retire.

“When you go into the business, you have to think about your exit strategy—this makes you plan ahead, whether that’s five years or 20 years. There’s a lot that you can do right from the outset that puts you in a good position, so should somebody reach out and want to buy your business, you will be in a good spot and be able to take that opportunity,” says Craig.

“A good place to start is by understanding your tax strategy and what your accountant is doing—and when you don’t understand something, don’t be afraid to ask about it.”

While Craig’s M&A involvement is very much face-to-face (or Zoom these days), Tate mixes that with an online platform he helped create (Paratus). It directly targets small- to medium-sized businesses.

“A lot of small businesses get neglected; that’s why we came up with this software solution. There are many costs involved in a small business; these costs become a bigger percentage of the purchase price the smaller your business,” says Tate.

Interestingly, Paratus was launched in the spring of 2020. A risky time, some might say; as the world saw the eruption of the pandemic, and yet, both Tate and Craig agree that COVID-19 has had little impact on the world of M&A.

“Nobody really knew what was going to happen back in the spring of 2020. The fortunate thing for us is that buyer interest has remained strong, especially here in Victoria. By the end of May 2020 it started picking up and then just continued to grow,” says Tate.

Similarly, Craig says she hasn’t witnessed any significant impacts on the market, but believes that in the long-term the restaurant industry could be impacted. “We definitely don’t want to ignore COVID-19, but we also don’t want to overestimate the impact it will have on your valuation. If you have had a really great growth trajectory for the last five years, and then the value dropped because of COVID-19, yes, that will have an impact, but it may not be as terrible as you might think. More importantly, you have to consider, is now the right time to sell? There may be a lot of underlying factors that could influence your decision to sell, other than the impact the pandemic has had on your business value.”

Craig noted that the evaluation process can be tricky, as most owners overestimate the value of their business. A client may perceive their business to be worth a certain multiple or percentage of revenue and think, okay, that’s okay. Regularly, only, to have it valued and get a result closer $300,000.

“Value is not unheard of, but planning ahead and having valuations performed regularly, before you are ready to sell, can give you a better understanding of what is generating that business value and how to improve it to get closer to a value you are happy with,” says Craig.

As for the timeline, on average a business takes six to nine months to sell. Although, Craig says, there has been the odd unicorn when a business has sold in six weeks because they had all their ducks in a row, and both buyer and seller were really flexible.

Craig advises owners who find themselves in a situation and want to sell quickly, to still meet with an adviser.

“For those that are in a bind right now, I recommend reaching out to someone like Morgan or me to help them understand their options. Selling might not be the best or only solution, but at least they will have an idea of what it might look like and not wonder, ‘what if?’ later on.”

She also recently commending a potential sale with an accountant to understand the tax implications and financial impacts of the various options.

“Each business and personal circumstance is unique so it’s impossible to know what the best option will be for each business, but that’s what we’re here for,” says Craig.

And what about selling a business yourself? Craig admits it can be done. Much like selling your own house, but she advises caution.

“A broker can objectively look at what’s going on in your business, provide a realistic evaluation and prepare your business for sale, while maintaining confidentiality. A lot of people plan to ask around or post something online to find a buyer, but that puts you in a very delicate position, as staff, competitors and clients may find out and disrupt your regular operations. It could lead to a huge drop in sale price or kill a deal you are working on. There’s a certain management needed with appropriate non-disclosures, and strict confidentiality between advisers. It can be very delicate, especially with small businesses,” says Craig.

Looking ahead, Craig and Tate see the world of M&A becoming more prevalent as more transactions happen. According to data from the National Venture Capitalist Association’s 2018 yearbook, mergers and acquisitions in 2017 accounted for 93 per cent of all venture capital-backed exits. Despite the slight drop last year, things seem to be back on track.

“The best advice I can give is to plan your exit when you launch your company. The earlier you establish your exit strategy, the clearer the vision becomes for you and your company,” says Tate.
While on the surface computers have seemingly nothing to do with food insecurity, Andrew Hall, BCom ‘11 and co-founder of non-profit Mealshare, points out one thing his industry can take from the history of computers: the lesson of human ingenuity.

“In the course of a generation or two, computers went from being clunky, large machines that filled entire rooms to fitting in your pocket,” says Hall. “And the one in your pocket outperforms the apartment-sized one by a long shot. If we can make that leap in such a short time, there’s no reason we can’t completely end youth hunger.”

Hall founded Mealshare in 2013 with cousin Jeremy Bryant (and was joined shortly after by Derek Juno, also BCom ’11 and now EVP at Mealshare). As a growing non-profit, Mealshare has experimented, evolved and ultimately curved a mission for itself: to be Canada’s restaurant charity.

The model is simple: customers in any of their 1,180 partner restaurants across Canada can choose an item on the menu that is marked as a Mealshare item. The team then provides a healthy meal to a local young person through its network of partner charities.

This focus, combined with a mission to partner with big restaurant brands (“that’s where the impact is”) has meant making some tough choices along the way.

“In order to stay true to our brand and mission to move the hearts of people, and being specific enough about your goals, there’s no right answer about how you diversify,” says Hall. “There was an upside, too.”

As COVID-19 kept restaurant-goers at home, the Mealshare team grappled with the frustration of knowing there were more people than ever who were food insecure, at the same moment that the non-profit’s plunge in revenue meant they couldn’t provide as many meals as usual. (It’s fairly well understood that about one in five Canadian children experienced food insecurity leading up to the pandemic. While studies and updates are still in the works, some organizations predicted that one in three Canadian youth would be food insecure in spring 2021.)

“Last year completely obliterated the business,” says Hall. “Our revenue plunged by 90 per cent. We had to lay everyone off, ourselves included. We spent the summer exploring different pivots that would keep us going until things levelled out.”

From May to September 2020, they considered everything from getting acquired by a non-profit to getting acquired by a for-profit, from partnering with grocery stores and delivery services to moving in-house and being run by a major restaurant chain. (They recently announced a partnership with Skip the Dishes, so some of these ideas paid off.) From their years in the business, however, they knew any new conversation with a big chain would take longer to come to fruition than Mealshare could afford to wait.

But remember that dogged focus they had? The single-mindedness that initially looked like a downside, because it meant their business was at risk when restaurants weren’t able to operate as usual? “There was an upside, too.”

“We had a partnership in the works pre-2020 that was delayed by the pandemic. After exploring all these pivots that ultimately wouldn’t save us, we finally went to the restaurant chain we had been planning to roll out with and said: ‘We may not be around next year to partner with, so if you want to do this, let’s do it soon.’”

The chain was A&W, and in the fall, A&W responded that yes, it wanted to partner. Announced in February 2021, the deal was enough to get Mealshare back to normal operations. But it would never have been possible to pull the launch off if they had not been planning and building towards it in a general way for years—and in specific ways for all of 2020. “A&W has 1,000 restaurants in 475 communities across the country,” says Hall. “And part of Mealshare’s promise is that you make a local impact with the meals you donate. So to keep that promise we had to deliver partnerships with 400 new charities, and it takes a lot of time to build relationships with all these little charities.”

Fortunately, they had been diligently working on these relationships all year, and by the time of launch, every A&W location had a local charity partner.

“In the long run, our mission is the same: end youth hunger in Canada,” says Hall. “When we look at the 50-year graph, 2020-2021 will hopefully be just a blip.”

There’s no reason we can’t completely end youth hunger.”
On The Money
Two grads give back
by Natalie Bruckner

“We have such great memories of UVic and the stepping stones it created for our careers. The award is a way of giving someone who may not have that safety net an opportunity.” — Judy Zhu, BCom ’03

James Thom and Judy Zhu, both BCom ’03, recently established the Judy Zhu & James Thom Business & Entrepreneurship Award. Pictured here with their children.
Improving access to entrepreneurship education

The Judy Zhu and James Thom Business & Entrepreneurship Award

PURPOSE:

To open doors for future entrepreneurs. Awarded for the first time in all 2021, the scholarship will go to an academically outstanding undergraduate student entering the Gustavson School of Business directly from a public high school in BC, who is the first in their immediate family to attend a post-secondary institution or is an immigrant, and who has an interest in pursuing entrepreneurship as a career.

DONORS:

Established by two Gustavson alumni, the award is in recognition of how their UVic experience was the launch pad for their professional trajectories. Judy Zhu, BCom ‘03, is building the future of fintech for a rising generation and James Thom, BCom ‘03, is chief product officer at Vertafore.

“A case competition was phenomenal experience in building the muscles for fast analysis and concise communications.”

Apart from meeting his future wife, Thom regards the school’s business case competitions as his most formative training. “It was a phenomenal experience in building the muscles for fast analysis and concise communications.”

Thom has put those analytical muscles to work ever since, including eight years at the global management consulting firm McKinsey & Company, and now as chief product officer at Vertafore, an insurance-technology company. Prior to his current role, he also led corporate development at Vertafore and oversaw the company’s $5 billion acquisition by Roper Technologies last year—a deal that was done from beginning to end during the pandemic. But it was when they were graduating from UVic, Thom and Zhu’s future careers were still just a wealth of ideas and potential. The first movement for Zhu was her sales-and-marketing role with L’Oreal, which took the couple to the east coast. Eventually, and with both decided to pursue their MBAs at Harvard Business School. During their studies, Zhu interned at Louis Vuitton in New York: “I thought I had this affinity with French luxury brands and that was it!” Zhu laughs.

Life had different plans. In 2009, as she and Thom completed their MBAs, the financial crisis caused the bottom to fall out of the retail market. It was also a year that saw the rise of entrepreneurship.

“My graduating class at Harvard was incredibly entrepreneurial. They kept telling me that I was an idiot if I returned to retail and mentioned I should look into tech and e-commerce. I was introduced to the founder of diapers.com who was incredibly successful. At first I thought, ‘Excuse me! I don’t think I’m that smart.’ I was persuaded I was being dumb—so I joined them. It wasn’t glamorous, but then, entrepreneurship rarely is. The company was later bought out by Amazon for $860 million. That was the genesis of my next decade in consumer technology.”

This entry into the tech world opened up new doors for Zhu, doors she wasn’t afraid to walk right through. After each new position, Zhu soaked up the lessons.

It was during this journey and as she transitioned into fintech (working for companies including Uber, L’Oreal, Roper Technologies and Quidsi) that she had a revelation; where were all the women? “When I joined Uber, overseeing fintech business development, it really hit me that everyone I was working with were dudes! I found it fascinating that all builders and users of fintech products were male, and that didn’t sit too well with me.”

In her own life, money discussions would often involve her parents or her husband... encouraging the concept that even that today, women aren’t the first to manage their own money. “I admit that I had very little interest in personal finance previously, but I was starting to get impatient with my own lack of confidence on such an important topic. The older you get, the less of a right you feel you have to ask dumb questions; you end up being 35 and too afraid to ask. I didn’t think so. We have such great memories (of UVic) and the stepping stones it enabled someone with that mindset to succeed.”

For me, being an immigrant, it may not have had the same stability as her, the chance to dream big through MoneyGirls, The Fund and now the UVic award. She balances this with raising two children and undertaking her passions of hiking and skiing.

From beauty to fintech to venture investing, it worked out for me. We may not have had the same stability as their, she also acknowledges that she has the privilege of having parents who are emotionally supportive, giving her added confidence. Her husband is her scaffold, too. “James is the tech and commerce guy and I’m the risk-taker. Because we’ve been together since UVic, we completely credit each other for giving the push and support. It was at the moment for me to take that step, I didn’t think so. We have such great memories (of UVic) and the stepping stones it enabled someone with that mindset to succeed.”

The Judy Zhu and James Thom Business & Entrepreneurship Award.

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The emergence of deepfakes suggests we should also question everything we see on the internet. “We trust our senses, and of all the senses, vision dominates our perception of the world around us,” says Jan Kietzmann, Associate Professor of Innovation and Information Systems at Gustavson (and incidentally, a BCom ’88 grad from the school). “When we see something, we accept it as true, and it’s really hard to convince us otherwise.”

In simple terms, deepfakes are mostly videos in which a person appears to be doing or saying things they have neither done nor said. “By understanding what two faces have in common, we can swap one face for another,” Kietzmann explains. Rapid advances in machine-learning technology make it increasingly difficult to differentiate real from fake content. Out of curiosity, Kietzmann has deepfaked himself into movies and episodes of Friends. “It’s kind of fun,” Kietzmann says. “But it’s important that we understand how deepfakes are created” in order to understand their possible uses and implications.

In business and advertising, the potential for disruption by deepfakes is limited only by the imagination. One advertising firm helped the Salvador Dali museum in Florida create a deepfake kiosk featuring the long-dead artist to engage with visitors. Even commercials are seizing on the novelty of deepfakes to create connection and amusement. Moving forward, “we have the opportunity to move from consumers as the audience to consumers as co-creators of value in advertising,” Kietzmann’s research suggests. “For instance, if people can already star in their favourite movie scenes, how about advertisers inviting consumers to replace models to perform in ads or to try on clothes on their actual body in virtual changing rooms?”

“For the movie industry this technology holds a number of promises,” Kietzmann notes. For starters, models and actors may end up licensing their likeness to be used in deepfakes instead of traveling to various locations for in-person shoots. A deepfake version of scenes from Hollywood’s The Irishman, for instance, is one of many examples at least on par with traditional special effects. Then there’s the currently time-consuming process of movie translation. “The entire dubbing industry, unless they are on point right now, will go out of business. By Aaren Madden

I think a market leader will emerge that harnesses deepfake technology to make the same person appear to give a message in any language—no dubbing necessary,” Kietzmann predicts. Deepfakes and similar technologies are also being used in meaningful and life-changing ways, including keeping Holocaust survivors’ stories alive. Peoplestricken with medical conditions that take away their ability to speak are now able to use computers to communicate in their own voices. “These are all good examples of what we can do with this relatively basic technology,” Kietzmann says.

However—and it’s a big however—Kietzmann doesn’t sugar-coat the risks. “There are lots of individual, non-consensual use cases where [deepfakes] could be harmful. But overall what I think is at stake is the institution of trust as a bedrock of our social and economic fabric,” he says.

Recent instances of deepfakes being used for nefarious purposes include one woman who created false videos to damage the reputations of her daughter’s cheerleading rivals, and growing numbers of people who are victims of fake revenge campaigns. 

Alas, “technology always outruns us,” Kietzmann says. “It is commonly accepted that the law is about five years behind.” In the meantime, he adds, “we need to come up with ways to manage the negative impact these technologies will have.” To that end, he and his colleagues have devised a strategy called the R.E.A.L. framework: Record original content; Expose deepfakes early; Advocate for legal protection; and Leverage trust. The framework aims to counter deepfake tricks by giving people and organizations the tools to identify, label and control the dissemination of deepfakes.

For now, the biggest piece businesses and individuals can focus on is trust. “Strong brands will be better positioned to weather deepfake assaults,” Kietzmann wrote in the recent Business Horizons article, “Deepfakes: Trick or Treat?” For individuals, he reflects, “the more I spend time with deepfake research, the more I think about how the construct of trust changes right in front of our eyes. When we can no longer trust online video ‘evidence’ to be true, we need to think much more critically about what we see before we start believing and sharing it.”


https://doi.org/10.1016/j.bushor.2019.11.006
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dom part-time front-counter positions held when I was studying for my Bachelor of Arts degree in the early 2000s to positions with Destination Greater Victoria, Destination BC, Beattie Tartan and my current role in leadership with the not-for-profit Greater Victoria Harbour Authority, the tourism industry is where I have spent my entire 20-year career.

Tourism in BC is big business. In 2018, tourism generated $20.5 billion in revenue and had a direct contribution of $8.3 billion to BC’s gross domestic product. In that same year, the industry employed 161,500 people and included more than 19,000 businesses, the majority of which are locally owned, small and medium enterprises. These numbers are staggering; the industry paced ahead of provincial economic growth for years. All of that came to a crashing halt in March 2020 when the COVID-19 pandemic gained a foothold in BC and across the globe, putting an immediate stop to travel.

Enter Richard Porges, interim president and CEO of Destination BC, the province’s tourism marketing and development organization. While he stepped into the CEO role in late 2019, Porges has spent more than two decades with the organization. During his tenure with Destination BC, Porges helped to guide and shape the role the organization plays in both marketing the province and supporting industry. Before joining Destination BC, Porges served as a visiting and sessional lecturer in the economics, MBA and MPA programs at UVic.

I sat down with Porges via video call in mid-April 2021, seeking a deeper understanding of what the pandemic has meant for this vital economic engine for the province. I wanted to know how his academic and business experience helped him navigate his role as leader of Destination BC. We also discussed what he believes the future holds for tourism in the province and how he thinks we may come through this period stronger as a society and as an industry.
Weaving throughout our conversation was the question: Does tourism in BC have a future? Brian Cant: It’s definitely been a year we never could have predicted. What were some of the biggest challenges in the last year for you and for Destination BC? Richard Porges: How do you manage and lead through what we have been through over the past year? We went from an environment where things were fairly predictable, and where you can plan ahead and put your plans into action, and changed to an environment where everything is fluid. At the beginning of the pandemic, when there was even more uncertainty and no one could predict how bad it was going to last, I had to be agile and nimble and change my messaging, not only externally, but internally. I had to realize that I was telling people to do something one day that was completely different from what I had told them the day before.

Teamwork and collaboration are built around being able to walk down to someone’s office for a chat or pulling a group into a meeting on the spot; we immediately shifted to everyone working at home. And not only were they all working at home, but everyone was coping with their personal circumstances brought on by the pandemic. They’re trying to work, do home school with your kids, and stay safe. How do you support both work and living, and the individual needs of your staff? Not everyone lives in a space conducive to a home office. It was challenging from an operational perspective; the way we operate changed overnight.

Our previous CEO departed in August 2020, and before that I was in a role where I could provide key strategic advice to her for consideration. But there’s a difference being the one proposing and pushing advice to be taken. The position of CEO gives you enormous authority. Sometimes you’re saying something to seek information or provoke thought and, when you’re in the role of CEO, people take that more seriously and they think that’s what you really want or mean. So, I had to learn to adapt my style to become more guarded and careful in what I was saying, especially during this time. It was finding this balance of being open to new ideas and pushing for those to happen, but being careful that when you do respond, people don’t take that to be a direction to go off and do it.

BC: In those first few months from March to June 2020, what was your gut telling you about the strategic steps needed to get through this period of uncertainty? RP: I decided we needed to be realistic about what was happening. During those first few weeks there was a level of denial in the industry and people were being overly optimistic. I went for the unvarnished truth. The sooner we were realistic about how bad this was, the sooner we would think about it and continue moving forward. Don’t paper it over and don’t assume or hope it will disappear. We were very quick out of the gate to create worst-case scenario about what could happen and plan against those, rather than hope for the best and try to adapt as things shifted. We didn’t want to do that and find out we were wrong.

BC: What were some of the biggest challenges in the last year for the tourism industry as a whole? RP: It’s been interesting. Not only does the industry face all the pressures we have encountered at Destination BC, but they’ve also faced increased financial pressures and uncertainty. A lot of not-for-profits and small operators don’t have financial reserves or the ability to go to lenders for financing, whereas large organizations do. The heart and soul of this industry is the small businesses started by families and individuals and built over a lifetime. For them to see their business vanishing before their eyes is absolutely heartbreaking. I’ve stood by and watched people who I have known and worked with for more than 20 years lose their entire investment and have felt fairly helpless in that regard. Our staff have also built really close relationships with many of these individuals as we’ve worked collectively to promote BC and their businesses for years. That’s tough.

BC: Tourism is collaborative, and I think it’s very different from almost every other type of industry in that respect. Of course, we’re still competitive, but it doesn’t matter if, for example, your hotel is full; you’ll take somebody to a competitor and not just leave that person without any assistance. RP: It is a pretty amazing industry in terms of how people work together. It’s also come a long way in the last 20 years. I think that is a great example. In what other business are you really taking your customers to your competitor? What is most important in tourism is a happy customer, and whether it is your bottom line or someone else’s is less important. In BC, so many of our partners realize they are marketing the destination and not their individual business. The collaboration is amazing to see.

BC: You’re an expert in the research field, specifically on tourism research and what is the research when showing you about the industry in the province? RP: There have been no surprises in industry performance. The tourism industry is obviously in a very bad situation right now. In late May 2020, we projected a 65 per cent 70 per cent decrease in revenue for the year. Although the numbers aren’t in, I feel this is where we will end up.

What was different in our research than what has happened was the decline in employment. Government support, such as the Canadian Emergency Wage Subsidy, has been critical in preserving jobs and allowing employers to keep staff on. This is twofold: it shows that business owners care about the staff they have today, and it allows them to plan for the future, knowing they will need qualified staff in the rebound.

I’ve been surprised that we have seen fewer businesses [than expected] close. Despite that enormous decline in revenue, we’ve only seen 16 per cent of businesses close. I am encouraged that most businesses have survived this long. If we come out of this soon enough, we might not see the attrition that was expected or anticipated.

BC: Staying with research, what insights do you have about our recovery? RP: The industry has grown faster than the BC economy as a whole since 2011. We have a unique product to offer visitors. From thousands of years of culture to our environment, tourism in BC is well-placed to recover from this. We have continued to invest in having an even more compelling story to tell from a branding and marketing standpoint.

We have the right systems in place for the future. I’m sure we will have some permanent changes in place for travel. What those changes look like is yet to be determined. But that will not deter many people from travelling again and we as a province should be ready to welcome people back efficiently. There is also huge pent-up demand for people to want to travel. It is built into our DNA to want to travel and explore.

BC: What do you see as the greatest challenge and greatest opportunity for tourism in our post-COVID-19 world? RP: I see mostly opportunities. The Province of BC has planned for our recovery with tourism-specific investment and destination development, which will set us up well for the decade ahead.

I have also heard from industry around the province that, in 2021, we will have some permanent changes in place for travel. What those changes look like is yet to be determined. But that will not deter many people from travelling again and we as a province should be ready to welcome people back efficiently. There is also huge pent-up demand for people to want to travel. It is built into our DNA to want to travel and explore.

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BC: What will you have changed in the last year if you could go back? RP: It’s interesting, I don’t know if I would change a lot. Human nature makes us overly optimistic, but if anything, I would have listened to the scientists and what they were saying more closely. When it came to the warnings about the second wave, I personally didn’t take those warnings as seriously as perhaps I should have; I was overly optimistic about our collective ability to avoid a second wave of COVID-19. The lesson for me is that there is deep expertise in every field, and to not let my biases or wishful thinking lead me to disregard the perspectives and advice of experts.
Apsassin is one of many new grads around the world who finished their degrees during a pandemic. In his case that also meant starting a co-op, beginning a job hunt and starting a new career, all without leaving his home. The situation was complicated by the fact that the conclusion of his final co-op coincided with the beginning of the pandemic and one of the most uncertain job markets in recent memory. He applied to dozens of jobs and received few responses. “Graduating from university is already an uncertain time,” Apsassin says, “and added to that was the most unpredictable period in recent times.”

During the tough months of lockdown following the end of his program, Apsassin found creative ways to use his time. “As I dealt with the new normal of the pandemic, I kept my spirits up by trying to be entrepreneurial,” he says. He soon decided to start a photography and web design business, and even worked helping others spruce up their résumés. “I used the knowledge I had built with my professional practice courses in the MGB to offer my peers support as they looked for jobs.”

Another thing that helped Apsassin through this time: sharing his experience with peers. He highlights how important it is for graduates to be honest about their immediate post-graduation experiences. “Coupled with COVID-19, I had to deal with post-graduate depression, which is a very real thing. It was the first time I had to face mental health issues in my entire life. What I soon found is that people need to talk and express what they’re going through, and communicate with others who are going through similar experiences so that they can know they’re not alone.”

In fact, it was through sharing publicly about the challenges he faced that Apsassin found the perfect job opportunity. After Apsassin posted to Facebook about his difficulty finding a job, a manager from a co-op Apsassin had previously had with the BC Public Service reached out and offered him a contract position working with Global Affairs Canada’s Free Trade Promotion team. It turned out to be a job perfectly tailored to his background in global business. “I went from having dozens of applications and no responses, to being offered a great job on a silver platter with a team and role that I really liked.”

Although his MGB experience was changed by the pandemic, for Apsassin the program offered him an invaluable experience and satisfied his life-long interest in traveling the world and getting to know other cultures. “During my MGB experience in Taiwan and Austria I found myself serving in an ambassadorial role between cultures. Every time I met someone I felt I served the role of representing Canada,” he says. “It was an incredible experience.” Apsassin had originally been drawn to the MGB because of his interest in living abroad and working with other cultures; so how did that pan out in a time where global travel suddenly ground to a halt?

“Even with the pandemic, changes the MGB prepped me for my work with government, whether it was working through Zoom with international companies during my internship with Global Affairs Canada or just learning about global approaches that I can apply to my current work.”

Apsassin’s application of his skills continues with his new job as a policy analyst for Indigenous Services Canada. Originally from Edmonton and a member of the Blueberry River First Nation, Apsassin is excited about his future and the projects he is helping develop. In his role as a policy analyst he will develop a process for Indigenous self-governance in the education sector, in particular looking at how education can be funded, organized, designed and delivered in First Nations communities, both for pre-secondary and post-secondary programs. “It’s something he feels a personal connection to. “I was myself a beneficiary of these [post-secondary] programs before I ended up in this position,” he says.

Apsassin is now officially set to graduate this summer, an event that brings up many fond memories of his time studying abroad. When the pandemic took hold and students were being flown home, Apsassin and his MGB cohort got together in their communal kitchen for one last dinner.

“That’s when I realized the importance of the program,” he says. “I realized how much I had embraced the people I was with. Many of those in my cohort are still near and dear to me, and whom we left I thought I had missed out on developing those friendships. But I’m realizing now that many of them are going to be lifelong friends.”
May marked the seventh annual release of Gustavson’s Brand Trust Index (GBTI), which looks at the role of trust in the minds of consumers when making purchasing decisions.

It has been a strange and difficult year for companies in Canada and across the world, and the GBTI results reflected how the worldwide disruptions caused by the COVID-19 pandemic affected consumer trust in dramatic ways. Previously trusted brands like Amazon, Whole Foods, Air Canada and Tesla Inc. faced stark drops in the rankings as consumers began to feel the companies’ values no longer aligned with their own. Amazon, which had seen a decline in brand trust when the pandemic began, continued its downward trajectory amid a flurry of concerns around its treatment of employees and bad working conditions. In 2020, the company lost 17 points in overall brand trust.

In a year where pressing social issues came to the forefront of public consciousness more than ever, it was clear that consumers’ trust is linked to businesses’ ability to behave in authentic, transparent and ethical ways. “More than ever, CEOs are being viewed as societal leaders entrusted to take a stand on social issues, from climate change to addressing racial injustice,” says Saul Klein, dean of the Gustavson School of Business. “As the world climbs out of the pandemic, brand awareness is no longer the currency of business—consumer trust is the priority. There is a need for companies to rethink how they are driving positive societal change.”

This iteration of the GBTI study found a continuation of low consumer trust across all brand categories. Highlighted among those was the media sector; a category that landed at the bottom of the index for the first time this year.

Traditional media brands such as the CBC, CTV and the National Post saw a growing decrease in trust this year—after reaching an all-time low just before the pandemic. As the COVID-19 crisis grew in the first months of 2020, trust in traditional media spiked. As people began to tune in and rely on TV news and newspapers for up-to-date reporting on infection rates across the country, traditional media helped keep the public informed about new developments and government response, factors which led to a strong increase in public trust. Yet that trust was quickly eroded after the first months of the pandemic. CTV, for instance, saw the most significant growth with a 15-point increase in early spring: but since then, the brand has seen a 12-point decrease.

Yet it was a different type of media that suffered record low scores this year—social media companies like Facebook, Instagram and YouTube were the main drivers of low scores in the media category. The trust gap between news media and social media continued to grow, with news media collectively scoring 40 points higher on the trust index than social media. Most social media brands have scored negatively since 2019, yet their reputation has continued to decline. As critiques about the spread of fake news and privacy issues grew louder—in particular, after a turbulent election season in the United States—social media companies took a hit. The pandemic didn’t do much to help these brands regain trust either, and the latest study found companies like Facebook dropping 47 places over the last year. This year’s survey also indicates an increasing generational gap in trust for leading social media brands, with millennials being much less trusting compared to older generations. This finding appears true across all categories, but is especially prominent in social media, with Generation Z and millennial consumers indicating increasingly negative perceptions of leading brands like Instagram and Facebook, in comparison to the baby boomer generation. This is attributed to younger generations’ inclination to assign their trust to companies that they perceive to share their values, in particular regarding social and environmental issues like climate change and racial justice. Both traditional media and social media companies have increasingly faced issues on this front and the latest GBTI results provide more evidence that for brands to truly gain trust they need to act in ways that are good for people and the planet.
In one of my first weekend MBA classes, our professor displayed a picture of a group of meerkats. They stood surrounding their home looking outwards in all directions for predators. Its intent was to symbolize how our MBA would help us get a 360-degree view of business and anticipate challenges before it was too late. Now, a year into the COVID-19 pandemic, I think this analogy still applies, but the image could include a sinkhole suddenly forming underneath the meerkat’s home and swallowing the entire group.

Prior to the pandemic, Hank’s and Nowhere, two restaurants that I own and operate with my husband Clark Deutscher and our best friend Devon Revelle, were thriving downtown Victoria eateries. Hank’s had become a staple of the Victoria food scene and enjoyed a loyal following. Nowhere, which opened in 2018, was named one of Canada’s top new restaurants in 2019 by Enroute magazine. At the end of that year, we were at the top of our game and our talented team were engaged and invested in the business. Then March 2020 hit, and the moment of elation ended with us—like that group of meerkats—at the bottom of a pandemic-sinkhole.

So, like everyone else worldwide, we asked, “What can we do?” The truth is—you do the best you can.

Some of the questions I asked myself were whether we could afford our staff. How about our rent? Could we change our business model? Could we afford to build? Pay ourselves? If yes, when?

With every new idea we tried, we closely monitored its performance. We created an efficient customer feedback loop; we listened to our team’s feedback; we kept our KPIs in mind and we communicated them to our team. The new safety regulations alone forced businesses to innovate, but for the restaurant industry, we also had to change our business process, losing customer capacity and comfort. Hank’s, a small 19-seat restaurant, was difficult to renovate for outdoor seating and was also difficult to create a plan to maintain proper social distancing. As a result, Hank’s was closed for longer than we wanted or what was required. Because Hank’s had a loyal customer base accustomed to an ever-changing menu, they became our test lab on what would work for take-out. Our customer support and frankness has contributed greatly to our survival. Prior to 2020, we didn’t really have any experience with take-out, and we are still learning the art of it, but isn’t that what continuous improvement is all about?

Our food, especially at Nowhere, has some intricate components (like our deconstructed lemon pie) that are not as take-out friendly as we thought. So we learned to adapt. But the one thing we were adamant about was the need to remain true to our vision—providing good food and good service.

Since we were having a hard time converting Nowhere to a take-out restaurant, a team member suggested we try a membership program. If there is anything anyone can take away from this little confession of mine, it is this: Listen to your team’s ideas! We adopted this idea and with the contribution of our excellent local suppliers, we created surprise boxes that members received every two-to-three weeks. We rolled this program out January 1, 2021 and participants told us it was like extending Christmas for three more months. It was successful in getting people excited again, but more importantly it was fun and reminded us why we love what we do.

Our climb out of the pandemic-sinkhole has been long and treacherous, inch by inch, sometimes up and sometimes down. So really, how has an MBA guided me this last year? What I can say is this: An MBA isn’t a rope that magically appears when you are at the bottom. It’s not that kind of tool. (Besides, who do you expect to throw you the rope? An actual meerkat?) No, what my MBA gave me was the ability to figure out how to free climb out of that sinkhole, even if it is just one inch at a time.

MGB alumnus Kashtin Apsassin took this photo in Porvoo, Finland while traveling Europe after the last semester of his MGB studies at Johannes Kepler University in Austria in early 2020

**FREE CLIMB**

**out of a sinkhole**

Snapshot of a restaurateur’s reflections

by Jonna Deutscher, MBA ’18

by Kashtin Apsassin, MGB ’21

MGB alumnus Kashtin Apsassin took this photo in Porvoo, Finland while traveling Europe after the last semester of his MGB studies at Johannes Kepler University in Austria in early 2020

THE WORLD LOOKS DIFFERENT

by Jonna Deutscher, MBA ’18

Jonna Deutscher, MBA ’18

Photo: Devon Revelle

VIEW FROM EXCHANGE
THE FUTURE IS NOT OPTIONAL

UVic MBA IN SUSTAINABLE INNOVATION

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