Sixty-Six Percent of Small Business Owners Use Mobile Technology

But a majority of the mobile holdouts don't plan to change their course

WALTHAM, Mass.--(<u>BUSINESS WIRE</u>)--For those wondering if small business owners are actually using mobile technology for their business, the answer is a definitive "yes," according to new survey data from <u>Constant Contact®</u>, <u>Inc.</u> (NASDAQ: CTCT). Of those surveyed in March 2013, 66 percent report currently using a mobile device, including smart phones and tablets, or a solution, like mobile-optimized websites and text message marketing. While this majority adoption is promising, it's important to note that, of the 34 percent not using any mobile device or solution for their business, a resounding 65 percent have no plans to do so in the future, mainly citing a lack of customer demand.

Email and Social Media Marketing Paving the Way

How are small businesses using mobile technology? The top two ways are email and social media marketing, and they have a considerable lead over other uses:

- 73 percent conduct social media marketing.
- 71 percent conduct email marketing.
- 44 percent advertise through social platforms.
- 34 percent have a mobile-optimized website.
- 18 percent run a mobile tablet-based payment point-of-sale.
- 18 percent use mobile apps to manage operations, like accounting.

"It's encouraging that a majority of small businesses recognize that their customers are relying more than ever on their mobile devices to find information, look for deals, and even to make purchases," said Joel Hughes, senior vice president of strategy and corporate development. "That said, small business owners are still getting their sea legs, so it's not surprising that they're leading with two areas where they have a solid track record of success with customer engagement: social media and email."

When asked what types of mobile/social advertising they currently employ, 97 percent of respondents said social media like YouTube™, Pinterest®, Twitter®, Facebook®, and Instagram®. Location-based promotions (Foursquare® check-in, etc.) came in a distant second at 17 percent, and text message came in third at 15 percent.

A deeper look into mobile-optimized websites of small businesses reveals that 70 percent are social-media optimized. Other findings:

- 44 percent contain a menu.
- 40 percent contain individual product listings.
- 39 percent contain videos.

Apple® & Android® - The New POS?

In the battle of iOS vs. Android, iOS is the clear winner. Among small business owners, iPhone users trump Android users 66 percent to 39 percent, while iPad users trump Android tablet users 49 percent to 15 percent. iOS popularity among small business owners is not reflected among the general public where, according to a recent comScore MobiLens study that measures the smartphone platforms used by everyone in the U.S., Android subscribers account for 52.3 percent of all subscribers, while iOS subscribers account for 37.8 percent. Small businesses are using these devices for point-of-sale functions. Seventy-one percent of small businesses using mobile technology accept mobile payments and 52 percent utilize a mobile-/tablet-based point-of-sale system.

Mobile apps are playing a growing role in how small businesses manage operations.

- 82 percent use a calendar/time management app.
- 74 percent use a customer communications app.
- 52 percent use a GPS and mapping app.
- 44 percent use an accounting/invoicing app.
- 44 percent use an app for industry news/information consumption.
- 29 percent use a travel planning app.

Why Aren't All Small Businesses Mobilizing Behind Mobile?

When Constant Contact asked small business owners not using mobile the all-important question of why, here's how they responded:

- 56 percent said their customers haven't expressed demand for mobile communications.
- 47 percent said their customers haven't expressed demand for mobile payment solutions.
- 36 percent said they are interested in mobile solutions but don't know enough about how to best use them.
- 33 percent said they're interested in mobile solutions but haven't had time to implement any yet.
- 31 percent said they don't have a work-/business-related smartphone.
- 28 percent said mobile is not relevant to their industry/business.

"Generally speaking, small business owners have very little spare time on their hands, so learning how to use mobile technology for their business is not necessarily tops on their 'to do' list," said Hughes. "We received some anecdotal survey responses that said 'It costs too much' and 'I have no idea how this stuff works,' representing the subset of small businesses that will forgo mobile opportunities until their customers start demanding mobile communications or payment solutions."

About the Survey

This Constant Contact-sponsored survey was administered in March of 2013 to 1,305 participants in the Constant Contact Small Biz Council – a research panel of US small businesses and nonprofits recruited from the Constant Contact customer base. This is the second installment of an ongoing study about the state of small businesses and the ways they connect with, and grow, their audiences. Results include responses from respondents across a range of business-to-business and business-to-consumer industries.

About Constant Contact®, Inc.

Constant Contact wrote the book on Engagement Marketing™ – the new marketing success formula that helps small organizations create and grow customer relationships in today's socially connected world. More than half a million small businesses, nonprofits and associations worldwide use the company's online marketing tools to generate new customers, repeat business, and referrals through email marketing, social media marketing, event marketing, local deals, digital storefronts, and online surveys. Only Constant Contact offers the proven combination of affordable tools and free KnowHow®, including local seminars, personal coaching and awardwinning product support. The company further supports small organizations through its extensive network of consultants/resellers, technology providers, franchises and national associations.

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