Small Business Owners Express Desire to Outsource Social Media and Other Marketing Activities, But Have Cost Concerns

The Estimated Value of an Extra Hour in their Day: \$273

WALTHAM, Mass.--(<u>BUSINESS WIRE</u>)--While many small business owners are "do-it-yourselfers," handling marketing tasks from email to SEO in-house, many do outsource select activities, particularly those related to advertising and website management, according to <u>new survey data</u> from <u>Constant Contact®</u>, <u>Inc.</u> (NASDAQ: CTCT). Then there are the marketing activities that small businesses handle largely in-house but would prefer to outsource: 96 percent of those surveyed handle social media in-house but 19 percent said they would prefer to outsource this responsibility.

Reluctant Marketers

The majority of small businesses surveyed conduct email –related marketing activities, including newsletters and surveys, in-house. When it comes to outsourcing, small businesses are focusing on those marketing initiatives that have larger associated costs and require more time away from running their core business.

TV/Radio Ads	40 percent
- SEO	35 percent
Online Banner Ads	23 percent
• Website	22 percent
Local Print Ads	20 percent

"We hear from small businesses that it's challenging to keep pace with evolving online marketing technologies, from Facebook ads, to mobile-optimized websites, to Google Analytics, so it's understandable that many outsource these kinds of activities," said Christopher M. Litster, senior vice president of sales and marketing, Constant Contact.

Among the activities that small businesses handle in-house but would prefer to outsource, social media marketing tops the list. There is a clear gap between small businesses that do outsource and those that want to outsource:

	Outsource	Prefer to Outsource	Gap
- Social Media	3 percent	19 percent	16 percent
SEO	35 percent	50 percent	15 percent
Local Print Ads	20 percent	32 percent	12 percent
Online Banner Ads	23 percent	34 percent	11 percent

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TV/Radio Ads 40 percent 51 percent 11 percent

"Managing social media is a hot button with small businesses," said Litster. "In an earlier Constant Contact survey, 80 percent said they conduct social media marketing, yet more than half also told us it's the marketing activity they need the most help with, so it's not surprising to see here that social media has the biggest gap between those who do outsource it and those who'd like to."

Why are they not outsourcing these marketing responsibilities? Cost was an issue. The percentages ranged from 46 percent saying they cannot afford to outsource SEO, to 29 percent saying they cannot afford to outsource online banner ads.

Time is Money

Survey respondents estimated that they, their employees, and their volunteers spend a combined total of approximately 33 hours per week on marketing activities. When asked to provide a dollar amount to the value of an extra hour in their day, the mean came out to \$273, with responses ranging all the way up to \$5,000.

"When you consider that small businesses are taking on a lot of their marketing themselves, it's understandable that 67 percent say that they don't have enough time in their day to get everything done," said Litster. "But if they take a look at the monetary value of their time, and compare that to the time spent on activities they'd prefer to outsource, like social media, there may be occasions when outsourcing proves more cost-effective. Constant Contact's 9,000-plus Solution Providers are small business marketing consultants who support many of our customers with marketing resources, and they often see small business owners have the outsourcing 'ahha' moment, when they realize that the time-savings more than makes up for any service fees."

For more information on Constant Contact's Solution Provider Program, visithttp://conta.cc/bsAooD.

About the Survey

This Constant Contact-sponsored survey was administered in June 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 award-winning 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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