Small Businesses are Marketing More, Wherever and Whenever They Can, According to New Constant Contact Survey

Small businesses projecting strong 2015 annual revenues, though holiday expectations not as bright

WALTHAM, Mass.--(<u>BUSINESS WIRE</u>)--According to a <u>new survey</u> by <u>Constant Contact®</u>, <u>Inc.</u> (NASDAQ: CTCT), the majority of small businesses expect 2015 to end on a high note, with 67 percent expecting their annual revenue to exceed 2014 revenue. The economy remains an obstacle, however, with 46 percent saying it is still taking a toll on their business.

Despite this, small businesses are maintaining a cautiously optimistic outlook, with 78 percent expecting 2016 revenue to increase (44 percent are expecting an increase of 10 percent or more; 34 percent expect an increase of less than 10 percent). The holidays, however, are invoking less confidence. When owners of B2Cs were asked if they expect 2015 holiday revenue to exceed 2014 holiday revenue, 40 percent said yes; 26 percent said no; and 34 percent were unsure.

Becoming Better Marketers

So what's the upside of challenging business conditions? Seventy-one percent say that external forces, such as the economy and increased competition, have forced them to become better marketers. And marketing is clearly a priority: 68 percent of respondents say their businesses are marketing more today than they did two years ago, with 60 percent spending more time on marketing per week than two years ago.

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More than half (52 percent) say they squeeze in their marketing activities anytime they can, day or night. Twenty-four percent say they conduct their marketing activities anywhere by using their mobile device.

More marketing activity does not necessarily mean an increased marketing spend, however. Respondents were fairly evenly divided when it came to whether or not they were planning to allocate more money to marketing in 2016:

- Yes--34 percent
- No--35 percent
- Unsure--31 percent

"The fact that the majority of small businesses are marketing more than in the past, and they're expecting higher year-over-year revenues, indicates that their marketing is likely working," said Christopher M. Litster, senior vice president of sales and marketing, Constant Contact. "There's no doubt that the proliferation of mobile devices and affordable online marketing tools have helped small businesses persevere, and even thrive, during some rocky times."

"Go To" Marketing Tools

Attracting new customers is the holy grail of growing and sustaining a business, large or small. "Small business owners tell us that their top three marketing methods for finding new customers are word of mouth, email, and websites, not surprising given that these complementary channels offer strong ROI and play well into their competitive advantage – the ability to build genuine and lasting customer relationships," said Litster.

Marketing Trends Expected to Have an Impact

With all that is on their plates, small businesses are not traditionally early technology adopters, but they certainly think about which emerging trends might play a role in how they market in the years to come. When

asked what trends they expect to impact their marketing the most in the next two to three years, these three came out on top:

- Video streaming--51 percent
- Internet of Things--43 percent
- Messaging Apps--37 percent

Garnering less than a quarter of the vote:

- Podcasts--22 percent
- Sharing Economy--21 percent
- Web-rooming/Showrooming--16 percent
- Big Data--15 percent
- Crowd Funding--15 percent
- Wearables--10 percent
- 3D Printing--4 percent

"It's exciting to think about what the future holds for small businesses and how some seemingly advanced technologies will be incorporated into their daily marketing in a relatively short period of time," said Litster. "The more comfortable they become with the power of technology to fuel their growth, the shorter many of the adoption cycles will become."

In celebration of the upcoming holiday season, Constant Contact has curated tips from small business owners and influencers on how to make a small business stand out during the holidays. <u>Click here</u> to view the advice.

About the Data

This Constant Contact data was compiled from a survey administered in September 2015 to 893 people running a small business who participate in the Constant Contact Small Biz Council – a research panel of US small businesses and nonprofits recruited from the Constant Contact customer base. The survey is part of an ongoing series about the state of small businesses and the ways they connect with, and grow, their audiences.

About Constant Contact

Constant Contact introduced the first email marketing tool for small businesses, nonprofits, and associations in 1998. Today, the company helps more than 650,000 customers worldwide find marketing success through the only all-in-one online marketing platform for small organizations. Anchored by our world-class email marketing tool, Constant Contact helps small businesses drive repeat business and find new customers. It features multi-channel marketing campaigns (newsletters/announcements, offers/promotions, online listings, events/registration, and feedback) combined with shared content, contacts, and reporting; free award-winning coaching and product support; and integrations with critical business tools – all from a single login. The company's extensive network of educators, consultants/resellers, technology providers, franchises, and national associations offer further support to help small organizations succeed and grow. Through its Innovation Loft, Constant Contact is fueling the next generation of small business technology.

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