Small Businesses Will Win New Holiday Customers They Aren't Prepared to Keep, Constant Contact Research Finds

More than 70% of owners aren't yet inviting new holiday shoppers to stay engaged

WALTHAM, Mass., Nov. 3, 2026 /PRNewswire/ -- Constant Contact, the marketing platform that helps small businesses grow, today released its annual Small Business Now Holiday Report. The report examines how small businesses and consumers globally are managing economic pressure ahead of the holiday season. A major finding is that shoppers are aligned to support small businesses, and small businesses are confident that they will have a successful holiday season.

The study finds that inflation is weighing on both sides of the counter, cited as the top obstacle by 31.5% of consumers and 30.1% of small businesses. Most small business owners (77.2%) remain confident they can achieve their revenue goals, and more than 68% plan to use AI to streamline operations. While they plan to use AI for recurring processes, more than 70% have no plan to invite new shoppers to join their email list or loyalty program. With 75% of shoppers looking to buy from a new small business this year, small business owners are missing an opportunity to build on holiday momentum and gain repeat customers in the new year.

"Small business owners are confident, and shoppers are ready to show up and support these businesses this holiday season," said **Frank J. Vella, CEO, Constant Contact.** "Three in four shoppers are looking to try a new small business this season, and every one of those first visits is a chance to earn a regular customer. The businesses who come out ahead will be the ones with a plan to bring those customers back in February and again in June. Our job at Constant Contact is to make that easy, and to do as much of that work for them as we can so they can focus on running their business."

Small Businesses' Unique Selling Points Give Them Confidence Going Into the Holiday Season

Small businesses are feeling optimistic about the season ahead, with 77.2% confident or extremely confident they will hit their 2026 holiday revenue goals. This optimism comes from a successful 2025 season with 71% of owners rating last year's holiday marketing as effective across the board.

Owners lead with discounts (38.1%) as their top sales tactic, recognizing that inflation is a top concern for shoppers. Sales and discounts are the main reasons for shoppers to choose one place to shop over another (52.6%). Shoppers are also doing their part to support the small business community, with those looking to increase their support specifically for small businesses doubling over the last two years to more than 20%.

Shoppers and small businesses agree on what gives small businesses their edge:

- **Unique offerings:** 48.5% of shoppers choose small businesses for original or more exciting gifts that big chains cannot match.
- **A better experience:** 43.9% prefer a more enjoyable shopping environment, and 26.2% value personalized customer service.
- **Practical incentives:** Flexible pickup, returns, and free shipping appeal to 44.1% of consumers with 21.9% of small businesses already prioritizing these incentives as standard.

AI is a Force Multiplier, and Consumers Are Comfortable With It

To deliver that experience, small businesses are turning to AI in ways that feel comfortable for both them and their customers. While more than 68% of small businesses plan to use AI to streamline operations, they are focusing on using it where customers welcome it most, in marketing assets, where 56.3% of customers prefer AI over human interaction. This includes drafting marketing content (33.6%), creating product imagery (32.2%), and forecasting inventory demand (30.9%). Small businesses plan to keep the human touch for activities like customer service inquiries where a more delicate, personalized approach makes the difference.

While AI is helping with holiday operations, many small businesses lack plans to utilize AI or technology to continue momentum

in the new year. Only 39% plan to send follow-up emails for offers in the new year, while almost 34% are planning to introduce new products in January and February. 53.4% of the small businesses surveyed say that more than a quarter of their holiday customers are repeat buyers. A consistent follow-up plan that leveraged the use of AI could likely increase that number the following year. With 22% of small businesses having no plan and more than 70% not planning to invite shoppers to their email list or loyalty program, they are missing an opportunity to market to their new and returning customers.

"Small business owners are being smart about AI; they're using it where it saves the most time behind the scenes and keeping the personal touch where customers want it," said Vella. "The follow-up is where those two come together. AI can draft the email in seconds, but it's the florist who knows a customer orders peonies every spring who makes that message land. That's how a holiday shopper becomes someone you see all year."

The report surveyed more than 1,800 small business owners and more than 2,600 consumers in the United States, Canada, the United Kingdom, Australia and New Zealand. To read the full Small Business Now Holiday Report, visit the Constant Contact website.

About Constant Contact

Constant Contact is the AI-powered marketing partner for small businesses, nonprofits, franchises, multi-location brands, and real estate teams. For more than 30 years, Constant Contact has helped entrepreneurs, franchise owners, and nonprofit leaders run smarter marketing. Today, it combines AI-driven content creation, intelligent audience targeting, and plain-English insights in one unified platform across email, social, SMS, and events—keeping every location, agent, or office on-brand and in sync. By doing the heavy lifting, Constant Contact gives every business owner the capability of a full marketing team, without needing one. Learn more at constantcontact.com.

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