

# AI Stats and Trends Small Businesses Need to Know Now

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If you could have an extra hour in your week, how would you use it?

That's a question many of us have pondered when we're feeling particularly stressed or busy. If you're a small business, though, you probably feel that way all the time.

On any given day small businesses (SMBs) are fulfilling orders, keeping up with their books, interacting with customers, managing staff, and performing dozens of other tasks. Most would relish an opportunity to gain back an extra hour — whether to be more productive or just take a break.

The good news is that technology can help small businesses claw back that extra time — specifically, we're talking about [artificial intelligence \(AI\) and marketing automation](#).

Thanks to [ChatGPT](#) and an explosion of practical applications over the last 12 months, interest in AI is booming. It's helping businesses cut back on manual work, and it feels like everyone wants to get their hands on AI.

But, what about small businesses? What's their take on these technologies, and for those who are using them, what results are they seeing?

We polled over 480 small businesses across the country to find answers to those questions. Our new report, [Small Business Now: An AI Awakening](#), outlines how small businesses are feeling about AI and marketing automation and provides insights into how these technologies can enhance marketing effectiveness and help SMBs save time and money.

Here are the AI stats and trends small businesses need to know now, along with some additional findings.

## Biggest small-business challenges

### The top challenges facing small businesses

- **Attracting new customers** – 60% of small businesses say attracting new customers is the biggest challenge their business is currently facing.
- **Marketing to a target audience** – 39% have trouble getting, and keeping, the attention of their target customers.
- **Converting leads to sales** – 35% of small businesses report struggling to turn visitors into customers

## The challenges taking up the most time for small businesses

- **Customer acquisition** – 31% of small businesses told us attracting new customers is the challenge that takes up the most time. Almost twice as many
- **Hiring/retaining staff** – Hiring challenges have been well-documented over the last several years, and 17% of small businesses say they spend more time on staffing than any other obstacle.
- **Converting leads to sales** – 14% of small businesses spend an inordinate amount of time working to turn interest into sales.

With regard to hiring, AI probably isn't going to take over that process any time soon, but it can be the extra marketing team member many small businesses need — and that might enable them to accomplish more work without needing to hire more help.

## Solving An SMB's Biggest Challenges With AI

AI is a terrific marketing tool. And, when combined with marketing automation, it can help small business leaders gain back precious time while feeling confident that their marketing campaigns will still be effective.

[Check out all the ways Constant Contact's AI and automation tools can help your marketing strategy.](#)

## AI adoption & understanding

**Small Businesses are rapidly adopting AI and automation, but most are still just beginners.**

- 74% of small businesses are interested in using AI or automation in their business.
- 55% reported that their interest in using these technologies grew in the first half of 2023.
- 26% are already using AI or automation, and the top use cases are social media (52%), generative content creation (44%) and email marketing (41%).
- SMBs say the easiest places to start leveraging AI technology are social media, content creation, and analytics.

## **Some small businesses are still hesitant to start using AI and automation.**

- 46% say they have only a beginner's understanding of the benefits of using AI and automation for their business.
- The top concerns small businesses have about AI and automation are data security, a high perceived cost, and the potential learning curve.

Do small businesses want to use AI and automation? The answer is a resounding yes! In fact, many have already started incorporating these technologies into their businesses, and marketing is their preferred place to start. After all – getting new customers is hard, and retaining current customers takes a lot of effort, too.

Most small businesses are only marketers by necessity, and we already know it is one of their biggest challenges. So, AI and automation are great options to improve their strategies, develop stronger relationships with customers, and work more efficiently.

But, these technologies are still new to SMBs. Up until recently, they have only been available to larger companies with big marketing teams and bigger budgets. So, many small businesses feel very green when it comes to understanding exactly where and how AI and automation can help them.

Constant Contact was one of the first companies to develop AI and automation tools specifically for small businesses, and we have the solutions, and expertise, to help you [take your marketing from “meh” to “marvelous.”](#)

## **AI's impact**

**AI is making an immediate and lasting impact for SMBs who have started using it. ([share on LI](#))**

- 91% of small businesses who are currently using AI say it has made their business more successful.
- 85% of SMBs expect to see a positive impact on their marketing in 2023 because of AI and/or automation.
- 70% of small businesses would pay more for access to AI or automation tools.

### **The biggest benefits small businesses are seeing from AI and automation:**

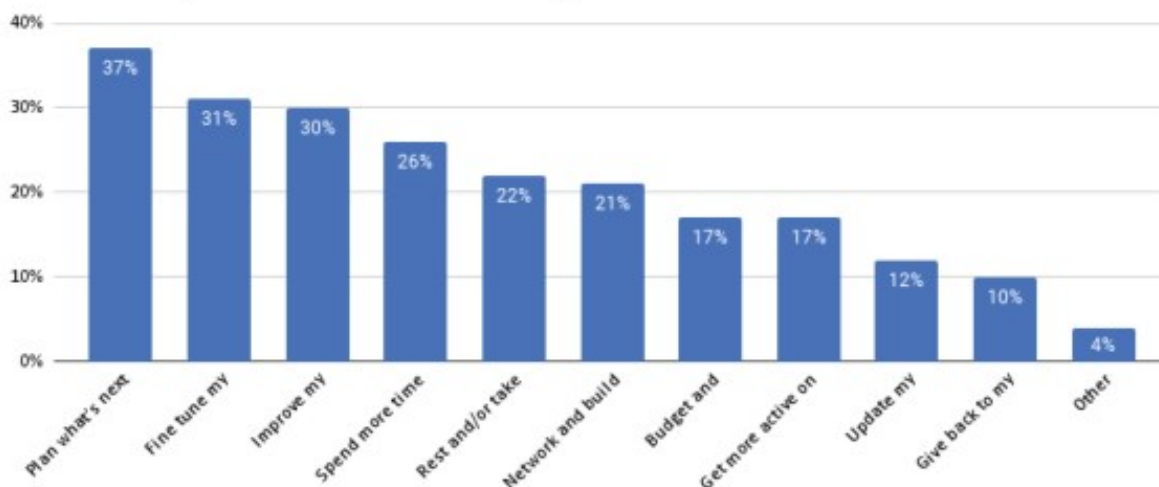
- 60% of small businesses that currently use AI or automation in their marketing say they have saved time and are working more efficiently.
- 28% of SMBs expect AI and/or automation to save them at least \$5,000 in the next year.
- 33% of small businesses estimate they have saved more than 40 minutes per week on marketing by using AI or automation.

Small businesses who are currently using AI and/or automation overwhelmingly agree these technologies are making their businesses more successful. Since incorporating them into their marketing strategies, they are working more efficiently, saving money, improving customer

experiences and growing quicker. Further illustrating the value they are getting, many would be willing to pay more to access the powerful capabilities of AI and automation.

And, how big of a difference would an extra hour in their week make? The majority of SMBs would use that time to plan and make improvements, while others would spend more time on back-of-house activities — or even take a rest!

What would you do with an extra hour in your work week?



Source: Constant Contact's Small Business Now Report, 2023

## AI for Nonprofits

### Nonprofit organizations are using AI, too!

Nonprofit organizations have unique challenges when compared to other small businesses — many feel that they don't have the necessary marketing skills to be successful, and they typically have even smaller budgets. But, as it turns out, that doesn't make them any less likely to use AI or automation. In fact, we discovered that they may actually be more likely than their counterparts to have already started deploying these technologies.

- 78% of nonprofit organizations report being interested in using AI or automation technology for their businesses.
- 37% of nonprofit organizations feel they lack sufficient digital marketing talent — twice as many as for-profit organizations.
- 80% of nonprofits would pay more for a marketing platform that included AI/automation.
- Nonprofits are 53% more likely than for-profit SMBs to have already started using AI/automation.
- As a result, nonprofits are more likely than for-profit businesses to rate themselves as "Advanced" or "Experts" in AI/automation.

## Get started using AI and automation

# in your marketing

There's never been a better time to start using AI and automation in your marketing. SMBs now have access to the same tools larger corporations do, and the businesses who have started using them are working faster, getting closer to their customers, and driving more sales.

Constant Contact's proven digital marketing platform has helped millions of small businesses achieve their goals, and our customers have enjoyed access to AI and automation technology for years. Let us help you get started so you can free up more time, stretch your budget further and improve the performance of your marketing campaigns.

Start a [free 60-day trial](#) today and banish writer's block, craft the perfect messages, and build bonds with your customers — all while saving valuable time.

## Report Methodology

[Constant Contact](#)'s Small Business Now report analyzes insights from 486 small business decision-makers in the United States at the Director level, or above. All stats are representative of their associated demographics. The survey was conducted by [Ascend2](#) in June 2023.

Note that for the purposes of this report, "AI" and "automation" includes toolsets and functions like AI content and image generators, AI-powered customer segments, abandoned cart reminders, automated messaging campaigns and paths, resends to non-openers, plug-and-play automation templates, list-building tools, social media schedulers, and more.

<https://news.constantcontact.com/small-business-now-ai-2023>