

SMALL BUSINESS NOW

The Current State of SMB Marketing

How SMBs are thinking about marketing & where they need the most assistance.

Research conducted in partnership with Ascend2





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Introduction

Marketing is crucial for businesses to stand out in a crowded market and communicate value to customers. However, many small businesses feel overwhelmed by marketing, particularly alongside their other operational responsibilities. They need clarity on how to get more out of their digital marketing without increasing their workload.

So, what are the biggest barriers preventing them from marketing effectively, and how can they adapt to become more efficient?

To answer those questions, [Constant Contact](#) partnered with Ascend2 to survey over 1,300 SMBs across Australia, Canada, the UK, and the US. The study revealed that only a small fraction of SMBs feel confident about their current marketing strategies.

Key obstacles are a lack of time and limited marketing expertise, both of which cause many SMBs to put marketing on the back burner. They recognize the need to amplify their voice and attract new customers, but many are uncertain about which channels to leverage, what content resonates, and how to create a strategy that achieves their goals.

This report explores these barriers in greater detail and highlights ways SMBs can make small tweaks in their approach to reach new audiences, send better messages, activate their followers, drive more sales, and grow.

73% of SMBs surveyed lack confidence in their marketing strategies.

Key Findings



Small businesses are not confident in their marketing, and they want help. Only one quarter of SMBs globally feel confident about the effectiveness of their marketing strategy, so they are increasing budgets, dedicating more time, and adding more channels to improve performance.



There isn't enough time in the day for small businesses to prioritize marketing. Marketing tasks get pushed down SMBs to-do lists in favor of other business responsibilities. Most SMBs have less than an hour each day for marketing, so tools that enhance speed and efficiency are game-changers.



Attracting new customers is critical to success, but small businesses need a better strategy. Most leverage either email or social media as their primary marketing channels and they are hesitant to try something new. Just 16% feel very confident that they are using the right channels, and updating their strategy is a top challenge. They need a tool that develops a strategy for them based on their goals.



Economic headwinds are causing small businesses to feel uneasy. Over 80% percent of those surveyed are concerned that the current economic climate will negatively impact their business this year. That could be attributed to a stubbornly hot global economy, low unemployment and high interest rates. In the US, a contentious upcoming presidential election is also a factor to consider.



1.0 Where are SMBs in their Marketing Journey?

Most small businesses aren't confident in their current marketing efforts and outcomes.

Nearly three-quarters of small business owners and operators (73%) express a lack of confidence in the effectiveness of their marketing strategy. This signals that many SMBs need help determining what they should do to reach their customers and stand out from their competitors. However, keeping up with marketing technology and trends can be difficult, especially when faced with an endless list of other daily responsibilities.

Throughout this report, we'll look at what is contributing to this unease, what small businesses are doing to course correct, and what is working for those seeing the most success from their strategies.

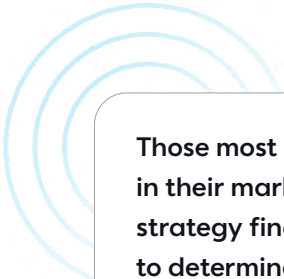
How confident are you about the effectiveness of your current marketing strategy?

27% Very confident

56% Somewhat confident

12% Somewhat unconfident

5% Not confident at all



Those most confident in their marketing strategy find it easier to determine the right messaging to deliver to their target audiences, and they are more confident about which channels will reach their customers.

The current economic climate doesn't help...

Small businesses are particularly vulnerable to economic fluctuations, and an overwhelming majority are feeling nervous about what the future looks like. In fact, 81% of small business owners and nonprofits we surveyed expressed concern about the current economic climate negatively impacting their business this year. This is a departure from the optimism that we saw from small businesses throughout much of 2023.

As the world faces continued economic instability, high inflation, shifts in the labor market, supply chain disruptions, and evolving consumer habits, SMBs feel increasingly uneasy.



Australian SMBs are the most confident in their marketing strategy, perhaps somewhat due to being the least concerned about the global economic climate having an impact on their strategy.



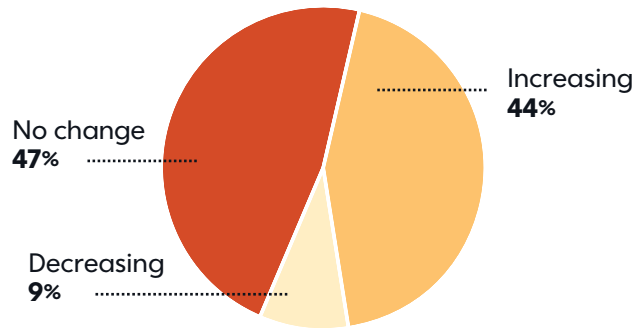
2024 is a presidential election year in the United States. American small businesses are bracing for potential changes in policy and regulation that may impact their operations while hoping for a boost in consumer confidence.

1.1 WHERE ARE SMBs IN THEIR MARKETING JOURNEY?

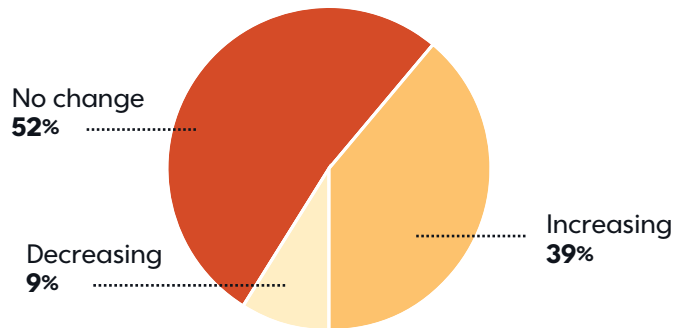
To stay competitive, SMBs are increasing marketing resources.

Doing more with less is a common business challenge in 2024, but many small businesses are increasing marketing resources in an effort to improve their outcomes. In fact, 39% of SMBs expect to spend more dollars on marketing this year than they did in 2023, and 44% are dedicating more time to marketing efforts. Unfortunately, doubling down on marketing likely won't change the picture without a well-thought-out strategy powered by the right tools.

How is time spent on marketing changing?



How is marketing budget changing?



Marketing budgets are on the rise

Of those increasing their marketing budget in the coming year, nearly half (46%) say they expect to spend at least 10% more than they did in 2023. One-third of SMBs surveyed expect to spend between 5% and 10% more on marketing in the coming year.

How much more do you expect to spend on marketing over the next 12 months?

1 - 4%	17%
5 - 9%	34%
10 - 19%	29%
20 - 30%	14%
More than 30%	3%
I'm not sure	3%

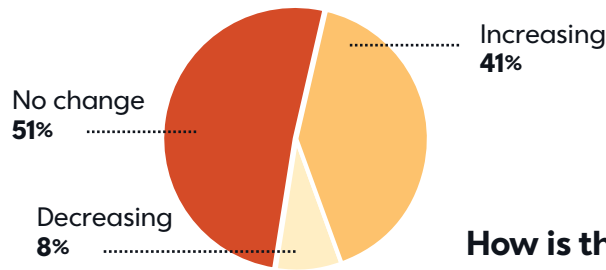


1.2 WHERE ARE SMBS IN THEIR MARKETING JOURNEY?

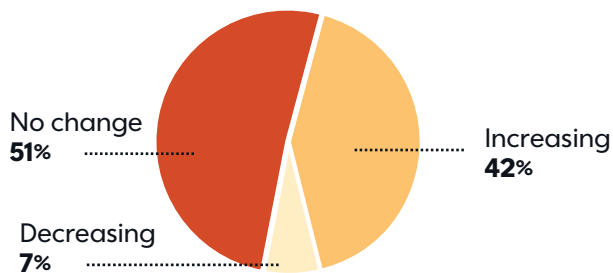
Marketing channels and tactics are also increasing.

Over 40% of small business owners want to increase the number of marketing channels and tactics they use in 2024. We'll see time play a significant role throughout this report, but as SMBs take on more work, finding efficient ways to execute will be critical. Saving time requires an understanding of what works, in conjunction with tools that can help them automate their workloads and leverage new channels strategically.

How is the number of marketing channels used changing?







How is the number of marketing tactics used changing?



Small businesses in the United Kingdom and Australia are most likely to spend more time on marketing in 2024, while Canadian SMEs are decreasing marketing resources (time and spend) at a higher rate than other nations.

Marketing Budget

				
Increasing	38%	33%	40%	46%
Decreasing	9%	11%	8%	9%
No change	53%	56%	52%	45%



60% of US SMBs spend \$10,000 or less on marketing annually



63% of CAN SMBs spend CA\$14,000 or less on marketing annually







53% of UK SMBs spend £8,000 or less on marketing annually



50% of AUS SMBs spend AU\$15,000 or less on marketing annually

Time Spent on Marketing

				
Increasing	41%	42%	49%	51%
Decreasing	9%	11%	8%	6%
No change	50%	47%	43%	43%



Of the Australian SMBs that plan to boost their marketing budgets this year, 23% expect to spend at least 20% more than they did in 2023.



2.0 Finding the Time for Marketing

SMBs want to dedicate time to marketing, but they don't have it.

Small businesses have a never-ending list of tasks that occupy their time. Marketing often falls to the bottom of the to-do list in lieu of more pressing matters such as interacting with customers, managing day-to-day operations, and processing or fulfilling orders. In fact, over half of SMBs report spending less than one hour daily on marketing.

On average, how many hours per day do you spend on the following tasks?

	<1 hour	1-2 hours	3-5 hours	>5 hours
Interacting with customers, clients, or supporters (online or in-person)	32%	36%	20%	12%
Managing operations (inventory, logistics, etc.)	46%	35%	12%	7%
Processing and fulfilling orders	50%	27%	15%	8%
Managing finances and accounting	54%	32%	10%	4%
Other administrative tasks	54%	33%	9%	4%
Planning & business development	55%	31%	10%	4%
Marketing (email, text, social media, etc.)	56%	32%	9%	3%
Managing staff or volunteers	59%	25%	10%	6%
Meetings (virtual or in-person)	61%	27%	9%	3%

What does this translate to? Over half (58%) of those surveyed report spending just 5 hours or less on marketing their business in an average week. This clearly demonstrates a need for more efficiency in the marketing process. It's crucial that SMBs either find more time or take advantage of technology that can help them amplify their messages and engage customers.

In an average week, how much time do you estimate you spend on marketing efforts for your business?

1 - 5 hours	48%
6 - 10 hours	23%
11 - 20 hours	13%
21 - 30 hours	4%
More than 30 hours	2%
I don't spend any time on marketing	10%

Marketing tasks can be time-consuming, so SMBs put them off for later.

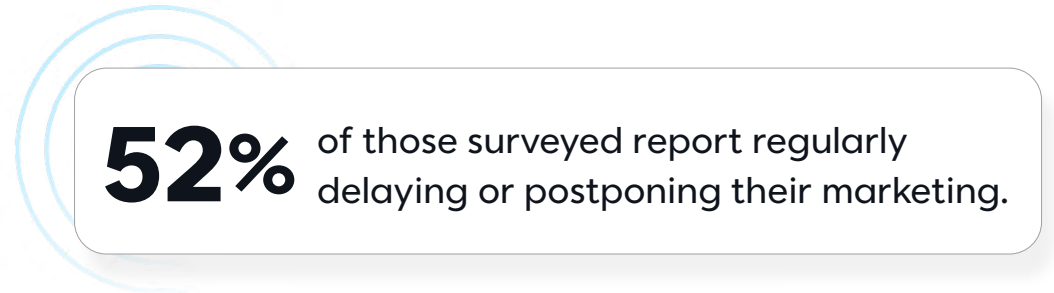
“I’ll get to it eventually” is a familiar feeling for most small businesses, particularly when it comes to marketing. After all, these entrepreneurs typically don’t have much formal marketing experience or education, so it can feel difficult to get started.

When SMBs find the time to work on their marketing, that lack of familiarity translates into an experience that’s time-consuming and frustrating. The SMBs we asked told us creating content, planning a strategy, measuring performance, and posting on social media are the most time-consuming marketing tasks.

It’s no surprise, then, that **52% of those surveyed report regularly delaying or postponing their marketing.** The most common tactics to be put off for later tend to be the ones that require the most time. Posting on social media, strategic planning, and measuring performance each take up too much time, according to those surveyed.

Top three marketing-related tasks most likely to be delayed or procrastinated:

Posting on social media	44%
Planning/creating a strategy	42%
Determining what is working/measuring performance	31%



Which of the following marketing tasks are the most time-consuming?

- 51% Creating content (writing copy, finding images, etc.)
- 40% Planning/creating a strategy
- 35% Determining what is working/measuring performance
- 34% Posting on social media
- 19% Managing my email campaigns
- 19% Managing advertising campaigns
- 17% Entering/integrating data
- 14% Managing marketing for my events

2.2 FINDING THE TIME FOR MARKETING

Procrastination stems from a lack of time and knowledge.

Time is the most valuable asset to a small business, so if something seems too overwhelming, it stands to reason that they would avoid it. When it comes to marketing, tasks such as posting on social media, data entry, and managing email campaigns are most often put off due to a lack of time, according to SMBs surveyed. Many also attribute a lack of knowledge in areas such as creating a strategy and measuring performance to their tendency to procrastinate.

What is the primary reason why you might delay or procrastinate on marketing tasks?

	Lack of time	Lack of budget	Lack of knowledge	Lack of strategy	Too complex	Other
Managing my email campaigns	40%	11%	24%	14%	7%	4%
Planning/creating a strategy	29%	12%	26%	19%	9%	5%
Setting goals	30%	11%	20%	20%	9%	10%
Entering/integrating data	42%	13%	20%	12%	8%	5%
Determining what is working/measuring performance	29%	11%	25%	15%	14%	6%
Posting on social media	44%	9%	19%	16%	3%	9%
Managing advertising campaigns	31%	21%	23%	14%	6%	5%

Small businesses report complexity as a more significant issue when measuring performance than in other areas. But, taking the time to understand what is working and using that information to inform further action can save ample time in the long term. Technology like AI and automation can help SMBs speed up the process for determining which tactics, channels, and campaigns deliver the best results. When used effectively, that enables them to make better use of their time by focusing on what is going to work.

Where do SMBs need the most help?

SMBs report needing the most help with social media marketing. Likely reasons include having to maintain a regular posting cadence on social media networks to keep followers engaged and periodically running out of creative juice when it's time to write more content. Luckily, both of these challenges can be solved with the right marketing tools.

Which of the following marketing activities do you need the most help with?

Social media marketing	54%
Email marketing	19%
Contact management	13%
Event management	8%
SMS (text) marketing	6%



2.3 FINDING THE TIME FOR MARKETING

The Bottom Line: SMBs need tools that help them start marketing.

While increasing marketing budgets and time spent on marketing may be inevitable, small businesses should be careful not to try to “spend their way out of” their challenges. They would benefit greatly from tools that allow them to work more efficiently, and strategically, instead of simply spending more time on marketing.

Constant Contact offers everything small businesses need to [put marketing on autopilot](#) and claw back valuable time in their work weeks. Our platform helps SMBs automate the areas of their marketing that take up the most time — like drafting content for social media and email campaigns, and determining what’s working. That enables them to spend less time on marketing and focus on the rest of their business with confidence, knowing their campaigns will be delivered to the right customers at the right time, automatically.



Canadian SMBs spend less time on marketing than any other country polled.

Time per week spent on marketing

Less than 5 hours

Canada	63%
Australia	59%
United States	56%
United Kingdom	52%



UK SMBs spend the most time on marketing per week of any other country surveyed, with 23% reporting an average of 10+ hours spent on marketing efforts each week.

The biggest procrastinators? Australian SMBs. 59% of Australian respondents said they “regularly” or “always” put off their marketing tasks.

Who puts off marketing the most?

% of SMBs that report procrastination of marketing tasks regularly or always

Australia	59%
Canada	56%
United Kingdom	51%
United States	47%

3.0 Overcoming Knowledge Gaps

Where do SMBs need the most help?

We've established that time is a significant barrier for SMBs hoping to market themselves to customers, but as we look closer at what is holding them back, another big challenge becomes evident – a lack of marketing knowledge. Most small businesses are experts in their field, but they don't have a great sense for what a "good" marketing campaign looks like. Without the expertise to anchor their strategy, many struggle with the basics – like acquiring new customers and figuring out what's working.

According to 60% of the small businesses we polled, customer acquisition is by far their top marketing challenge. They also have trouble understanding what tactics work best, managing resources, and keeping their existing customers engaged.

What are your top challenges when marketing your business?

- 60% Finding new customers
- 33% Determining what is working/measuring performance
- 32% Lack of resources (time, budget, skills)
- 31% Retaining current customers
- 25% Creating a strategy/plan
- 25% Sending the right messages
- 24% Using multiple platforms/tools
- 19% Motivation

Small business owners and marketers are highly driven. As we learned earlier, SMBs want to do more with their marketing, so finding the motivation to improve is not an issue.



Canadian SMBs are more likely to feel challenged by a lack of resources such as time, budget and skills than other regions. They also struggle with writing marketing copy that resonates with their audience. Nine out of ten Canadian SMBs report this as a challenge, more than any other country surveyed.

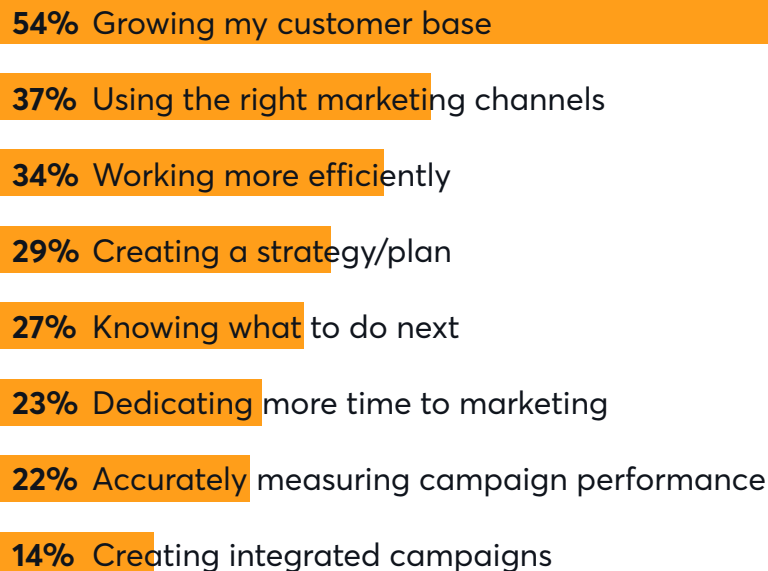


SMBs in the UK feel particularly constrained by a lack of marketing expertise. 35% say their biggest marketing challenge is understanding what's working, which is higher than any other country polled.

SMBs are focused on improving their channel mix, working more efficiently, and adhering to a strategy.

Expansion of their customer base is a top priority for SMBs this year. Still, many report the need to improve their ability to use the right marketing channels, increase efficiency, and create a strategic marketing approach to achieve their goals.

In which areas do you need to improve the most to achieve your marketing goals this year?



Figuring out what works is crucial to success.

One-third of SMBs feel measuring their marketing campaigns is a top challenge, but less than one-quarter report that they need to improve their ability to accurately measure performance to achieve their marketing goals in the coming year. This disconnect is a potential pitfall for SMBs. Understanding which tactics, messages, and mediums resonate most with customers is the primary lever for getting more out of online marketing, so it's important that SMBs use marketing tools that tell them what's working — and give them a strategy for what they should do next.

Knowing what messages work also boosts confidence. Those who can easily determine what messaging spurs engagement in their marketing communications are over 3x more confident in the effectiveness of their overall strategy. However, just 13% of those surveyed find it easy to get their messaging right. Those businesses might want to consider other tools that can help them draft high-quality copy that will catch the attention of their customers.



3.2 OVERCOMING KNOWLEDGE GAPS

Most SMBs are not using the right marketing channels.

Four in five (82%) small businesses agree that using multiple marketing channels in their campaigns typically leads to better results. In fact, nearly two-thirds (62%) regularly or always use more than one marketing channel in their campaigns, and 41% plan to increase the number of channels they use this year.

Only **16% of those surveyed feel confident that they are using the right channels to reach their audience.** Because they often lack marketing expertise and experience, many SMBs take their best guess about where their target audience is most engaged. This illustrates the need for marketing tools that recommend not only what copy will resonate but also where those messages should be distributed.

How often do you use more than one marketing channel in your campaigns?

13% Always

49% Regularly

28% Rarely

10% Never

Opportunity Revealed: Text Messaging

Text messages and events are used less frequently by small businesses surveyed, which could indicate another knowledge gap. Text messages typically drive more engagement than other marketing channels, and events often result in new revenue from customer growth. Exposing themselves to more events and text message campaigns could be a big opportunity for SMBs in 2024.

Which of the following channels do you currently use most frequently as part of your marketing strategy?

60% Social Media

53% Email

49% Website (SEO, blogs, content marketing)

20% Text/SMS

19% Events

Those most confident in their marketing strategy's effectiveness are significantly more likely to report frequent use of text/SMS (26% vs 17%) and event marketing (27% vs 17%) channels in their marketing mix than those with less confidence.



American SMBs are most likely to report frequent use of SMS and events, with 22% reporting frequent use of SMS and 21% reporting frequent use of events in their marketing strategy.



Despite feeling behind in marketing knowledge, SMBs in Australia displayed the highest confidence in their current marketing strategies. However, email marketing is a particular area of need. Forty percent of Australian SMBs said a lack of knowledge causes them to put off their email marketing campaigns.

SMBs stick to familiar channels that are cost-effective and easy to use.

Expanding beyond a single marketing channel is essential for reaching new audiences, sharing more dynamic content, and raising overall brand awareness. But, developing a multi-channel marketing strategy can quickly become complex, so SMBs tend to stick with what they know. Most use social media or email marketing as their primary channels, but rarely both. Why? They already understand how to use them, and they are easy and cost-effective to implement.

What made you decide to use these channels?

	Easiest to implement	Already understood how to use them	Cost-effective to implement	All other responses
Website (SEO, blogs, content marketing)	27%	29%	26%	18%
Email	36%	22%	30%	12%
Social Media	28%	22%	28%	22%
Text/SMS	37%	24%	22%	17%
Events	19%	31%	23%	27%

What's the hesitation?

Adding new channels can feel daunting. Already pressed for time, many SMBs hesitate to add new channels to their marketing mix due to the perceived learning curve and a lack of time to manage them.

Which of the following is most likely to discourage you from adding new channels to your marketing mix?

30% Limited knowledge or experience with other channels

30% Lack of time to manage multiple channels

21% Difficulty measuring results from multiple channels

12% Difficulty adapting content and/or tone for multiple channels

7% Technical difficulties with using/integrating other channels



Globally, UK SMBs are more likely than any other country polled to leverage multichannel campaigns (64%). They are also most likely to rely on their websites to anchor their marketing efforts, but least likely to leverage SMS. When asked why, 32% said it was because their website already existed, and 38% felt they didn't have time to learn SMS.

3.4 OVERCOMING KNOWLEDGE GAPS

The bottom line: SMBs need marketing tools that provide a strategy that guides them in the right direction to achieve their goals.

While social media, websites, and email drive the most success for small businesses using them, the importance of strategically using these channels cannot be understated. No one marketing channel is enough to reach every customer, so it's important to leverage several of them to drive the maximum awareness and engagement. With a better strategy, SMBs can grow their confidence in the effectiveness of their messaging, channels, and overall marketing efforts. Tools that help small businesses create and stick to a strategy by guiding next steps and plans of action are ideal.

Constant Contact makes it easy for small businesses to take their marketing strategy to the next level and create a plan that maps to their business goals. We use **cutting-edge technologies like AI** to learn what messages will get more opens and clicks, which marketing channels are most likely to convert, and when it's a good time to send an email or a text.

Measuring campaign performance is quick and intuitive, so it's easy to understand which elements of a campaign are working and how they are contributing to the larger goal. Whether it's hosting an event, growing an email list, promoting a sale or simply staying in touch, we give SMBs the confidence and the guidance they need to expand their marketing mix and get closer to their customers.



Methodology and Participants

Participants

INDUSTRY

Retail and e-commerce	19%
Food/beverage and hospitality	5%
Health/wellness	6%
Financial and law	4%
Technology	7%
Real estate	5%
Non-profit	4%
Professional services	22%
Public services	4%
Construction/manufacturing	15%
Entertainment/recreation	6%
Transportation	3%

NUMBER OF EMPLOYEES

1 employee	34%
2 - 10 employees	32%
11 - 99 employees	24%
100 - 250 employees	10%

GLOBAL REGION

United States	38%
Canada	23%
United Kingdom	23%
Australia	16%



Methodology

Using a custom online questionnaire, Constant Contact in partnership with Ascend2 Research surveyed 1,335 small business owners and operators globally. The survey participants represent companies with fewer than 250 employees across all industries. The survey was from February 23, 2024 - March 5, 2024.



About the Research Partners



Constant Contact delivers everything small businesses and nonprofits need to build, grow and succeed. With powerful online marketing tools, contact management and sales features, and innovative AI capabilities, Constant Contact makes it easy to attract the right people, engage more customers, close more deals and grow.

Learn more at [Constant Contact](#).



Companies partner with Ascend2 to create original research from survey conceptualization through report and content creation to media outreach. Ascend2 helps companies fuel marketing content, generate leads, and engage prospects to drive demand through the middle of the funnel.

For more about Ascend, visit [ascend2.com](#).