



Clients tell all:
What small businesses
need from marketing
agencies today



Introduction

Over the past 18 months, life as we know it has been upended. We've all been affected in some way, shape, or form. And the notion of 'business-as-usual' is no more.

What are businesses — your potential clients — currently struggling with? And more importantly, what do they need?

Thankfully, you don't need to take any wild guesses — you just need to read this report. The findings that we outline are based on a survey of 600 US-based small-to-medium-sized (SMB) business owners (companies employing up to 200 people) across various industries: financial services, home services, healthcare, real estate, legal services, automotive, and advertising agencies.

It brings what your current and future clients want front and center so you can better position your agency as a strategic partner. Plus, additional insights illuminate how you can better reach today's businesses to grow your agency.



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Top three takeaways

If you remember anything from this report, make sure it's these three key findings:

80% of businesses say they're back

Most say they've fully recovered from the pandemic. Still, one in four are not fully confident about the future of their business. This presents an opportunity.

94% are looking for marketing agencies like yours

Most are somewhat or highly likely to hire an external agency to help improve their post-COVID-19 marketing efforts. But that's not all.

96% are open to paying their agencies MORE

The vast majority of businesses are interested in additional services beyond lead generation. So go forth and upsell, just don't overpromise: 48% of clients have had negative experiences with agencies that couldn't deliver more than lead generation. Be creative, providing novel services to help your clients improve their business workflows.

Right now, the news is all good for marketing agencies: they're needed, valued, and considered pillars of SMBs' strategic growth operations.



Restart and rebuild: Leaving 2020 in the rearview

Before we dig deeper into the good news, let's talk 2020. Last year had a profound impact on everyone, but it was particularly tough for many business owners.

Most struggled

56%

of businesses were negatively impacted by COVID-19

The above respondents lost an average of 38% of their revenue (when compared to 2019 figures)

20%

of businesses have not yet fully recovered

Key takeaway:

Businesses need to rapidly recoup that 38% of lost revenue if they are to bounce back sharply from 2020. By clearly demonstrating how your agency delivers rapid ROI, you'll attract a constant stream of new clients.

Some survived — others thrived

33%

said that the pandemic had no effect on their business

11%

were able to grow their business during the pandemic

80%

of businesses have fully recovered

Key takeaway:

With 80% of businesses having fully recovered, now's the ideal time to position yourself as a strategic growth partner. If you can demonstrate how you help businesses unlock sustainable growth, you'll be off to the races.

2021 business outlook: What prospective clients need

You don't want your agency to have to sell the concept of marketing to your prospects. You're ideally looking to work with business owners that are fans of marketing.

Fortunately, the majority of SMBs we surveyed recognized just how important effective marketing was during the pandemic.

81%

say that marketing strategy was critical to the success of their business during COVID-19

71%

say that it was critical to the survival of their business over this period

Meanwhile, many business owners are struggling and overburdened — and need help.

57%

of SMB owners feel stressed out by their job

59%

don't have enough time in the day to complete all their job responsibilities

For agencies like yours, that means there's an audience that already sees value in your work but simply doesn't have the time or expertise to handle their company's strategy by themselves.

Key takeaway:

Start any new conversation with prospects by explaining how you'll make their lives easier. By handling their marketing, you'll give them more time and energy to focus on their core business.

Better still, by hiring genuine experts, their growth will skyrocket — and yet, they'll be doing less work than before.

Achieving greater results from less effort = a win-win for both sides.



A quick temperature check

Let's take a look at how SMBs are currently approaching their marketing efforts.

Strategy-setting

Yes, we have a strategy to cover the next six months: 45%

Yes, we have a strategy to cover the next three months: 36%

Yes, we have a strategy to cover the next year or more: 16%

No, my business does not currently have a marketing strategy: 3%

The good news is that most respondents have a strategy to cover the next six months. This means you won't be tasked with frantically devising a new strategy from scratch that's due.

But there's still plenty of work to be done.

The best marketing agencies adopt a multi-year view. They build out long-term strategies for their clients with the benefits accruing and compounding over time. They don't over-promise, luring potential clients in with quick fixes.

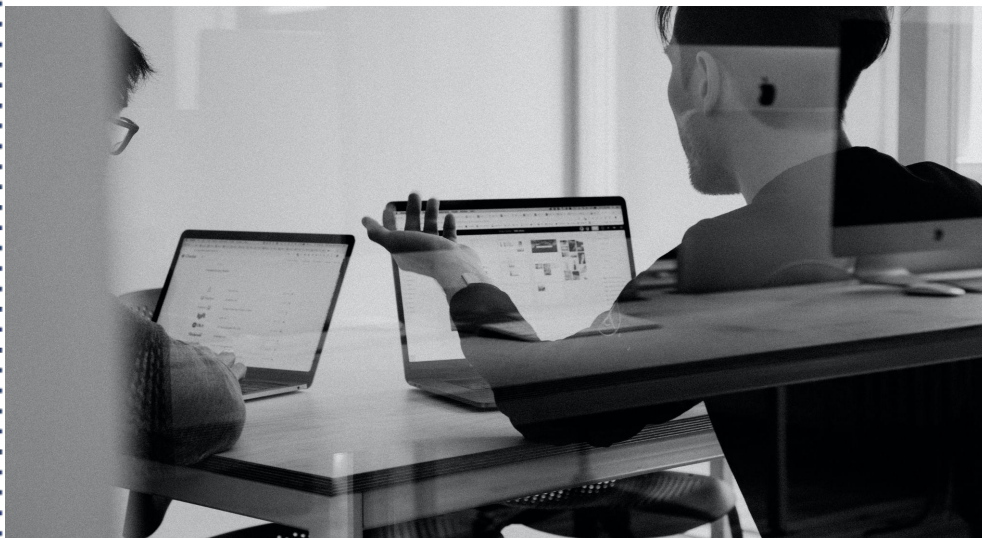
So what does this mean for you? Take the necessary time to build out long-term marketing strategies. Of course, your clients' strategies might need tweaking and fine-tuning — but at least they have a strategy for the foreseeable future. In the meantime, you can adopt a higher-level overview and devise growth plans that offer your clients killer ROI for years to come.

Their results

When asked, 'How effective are your marketing activities at generating leads?':



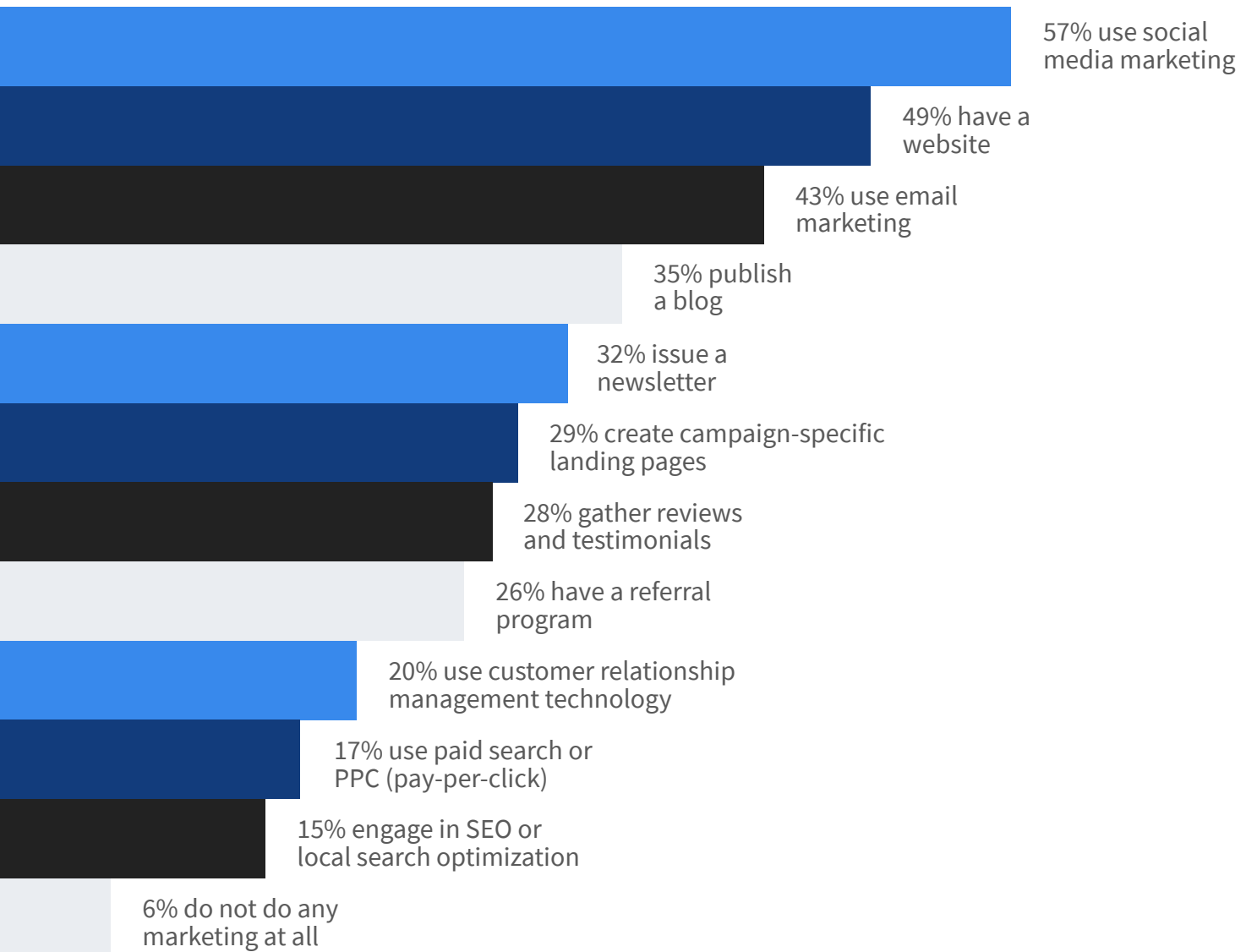
SMBs gained 20 leads on average per week

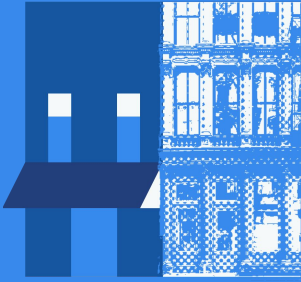




Most used tools in the marketing toolbox

To understand a little more about our respondents' approaches, we asked SMBs to list the marketing strategies that they currently use.





Key takeaway No. 1:

What's wrong with websites?

Websites are the face of your brand. They let prospects and customers alike take a glimpse into who you are, what you do, and why you do it better than anyone else. Customers flock to websites throughout their buying journey — whether they want to learn more about a brand or if they're finally ready to convert.

So why do 51% of SMBs lack a website?

Undertaking website projects can seem daunting for most businesses. But if you can show your customers a detailed plan for how you will approach it — including milestones for key dates, like web copy delivery, wireframe delivery, launch date, and more — it can help them feel more comfortable starting a new web project.

Key takeaway No. 2: Unearthing a goldmine

Customer reviews and testimonials are a marketing goldmine. Sure, most businesses can tell prospects how great they are — but this will never be as powerful as hearing an actual customer's feedback.

Despite this, only 28% of businesses are currently using customer feedback/testimonials. The others might be doing stellar work and have built up a loyal customer base, but their great work will go unnoticed unless they get them to speak up.

The best part is, customer testimonials/feedback provide astounding results while requiring minimal effort from your agency. Help your clients out by creating a customer review and testimonial program that makes it easy for them to collect valuable customer information.

Doing so will help your clients generate more business from your efforts — leading to higher customer satisfaction and retention rates.

Key takeaway No. 3: Help your customers serve their customers

Your clients are the lifeblood of your agency. However, if you want to build profitable long-term relationships with them, then you need to ensure your clients can effectively serve their customers.

The customer isn't king — customer service is.

When we asked our respondents who had a negative experience with a marketing agency what the agency could've done to be more of a strategic growth partner, 55% stated, "Helping us improve our customer service." Fortunately, you don't need to hire a team of customer service gurus — you just need to work with the right tools.

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By using a business communications software with integrated call analytics, such as CallRail's [Lead Center](#), your clients can ensure that all customer communications and insights are kept in one centralized place. No call, text, chat, or form submission ever gets missed, while employees can instantly identify who a customer is (and what they care about) as soon as they get in touch.

Turn customer service into a genuine value-driver for your clients — not a mere afterthought. Doing so not only helps you better position your agency as a strategic partner, but can also lead to an additional revenue stream for your business.

Key takeaway No. 4:

Stepping over dollars to pick up a dime

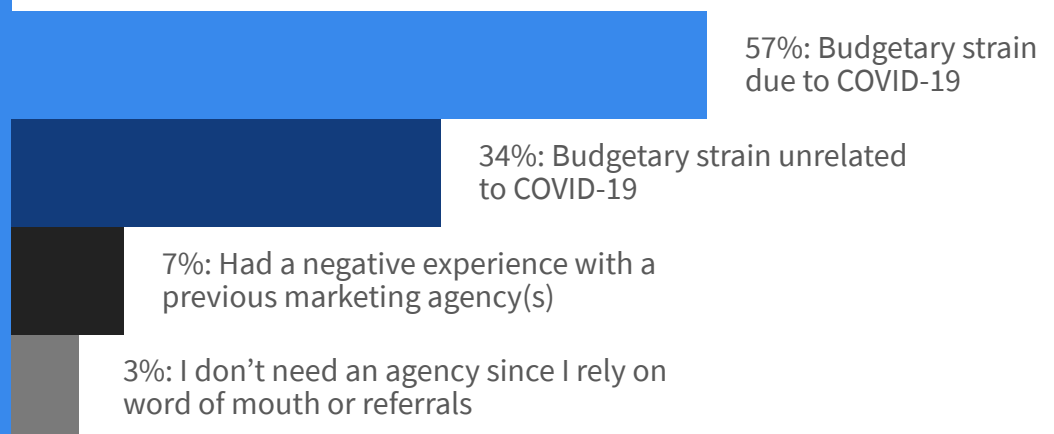
Clients can become excited at the prospect of trying a brand new tool or implementing a complex marketing strategy. But if they're doing this at the expense of investing in paid search and SEO, however, they're literally stepping over dollars to pick up a dime.

Given that only 17% are currently running paid search campaigns and 15% are investing time into improving their SEO, it's clear that businesses desperately need help in getting these basics right.

To make sure you're not just helping your clients with their PPC and SEO challenges, tap into a tool like CallRail's Call Tracking to also prove and show the value you are driving for them. Layering Call Tracking on top of your SEO and PPC efforts is a great way to connect the dots between your marketing efforts and leads generated.

Why some businesses ditched their agencies

64% of our respondents have worked with an agency in the past. So why did some of them stop?



Overcoming budgetary concerns

A total of 91% of respondents cited budget concerns (whether related or unrelated to COVID-19). Let's dig into how you can overcome these objections going forward.

COVID-19 related

Remember: 80% of businesses have now fully recovered from the pandemic, meaning most owners no longer possess these concerns. Which brings us to...

Non-COVID-19 related

Demonstrate client case studies that resulted in a fairly quick ROI. A business owner's pockets might not be deep enough for a five-year plan that promises long-term gains, but they'll likely be able to find the funds for a short-term strategy that promises an almost instant ROI.

Key takeaway

Perhaps your agency struggled to retain clients over the last year. But this doesn't mean that your services are no longer valuable or that businesses no longer want to work with you.

If you can overcome a client's budgetary concerns by proving your agency's quick ROI, there's no reason for prospective clients to hesitate. This is where partnering with innovative tech providers can help.

A platform like CallRail can provide you with all the tools you need to prove the ROI of your marketing efforts. By providing detailed analytics like cost per lead reporting that includes calls and form submissions, you can paint a better picture of how your marketing campaigns impact the bottom line.

You might have the greatest ideas in the world, but without the right tech by your side, your ideas will never translate into results.



Their marketing resources today

Not all businesses are created equal. As the above figures show, our respondents range from teams of 0 to 20 people generating up to \$99,000 per year to teams of up to 200 employees bringing in \$80M - \$90M annually.

It's therefore unsurprising that some businesses have sought external marketing assistance over the past year, others have hired internal resources, while there are even some that decided to take marketing matters into their own hands.

Let's delve into who has followed each approach and why.

DIY marketing

49% develop and execute marketing strategies themselves

Whoah. I mean, we know that DIY really took off throughout the pandemic, but we assumed this was more related to putting up shelves than setting up multi-touch attribution models.

Why is this?

93%

personally invest time into analytics to determine the best marketing strategy

77%

77% invest money into marketing-related analytics

If SMB owners are investing their own time and money into marketing analytics, then it's no wonder that 49% are currently tackling their marketing strategy and execution themselves.

A silent cry for help

Despite the above figures...

74%

would rather spend time on their business than marketing

20

hours per week — the average time that SMB owners personally spend on marketing

Huh. So perhaps their DIY approach to marketing is more out of necessity than choice.

Key takeaway

These stats are great news for your agency. You now know there are three key value propositions that you need to emphasize. Specifically, your agency can provide business owners with more:

time

energy

results

When building our service offerings or working on projects, make sure to hit on all three key value propositions. Doing so will show business owners exactly how you're going to help them reach their business goals — improving customer satisfaction and retention.

Internal marketing

36%

hired an internal role responsible for marketing their business

75%

say their in-house employees run analytics to help determine appropriate marketing strategies

96%

agree that the ROI from hiring an internal role to handle their marketing has been acceptable

82%

say they have good visibility into their marketing team's effectiveness

It's not as if this strategy has fallen flat — in business owners' minds, handling marketing internally has so far been acceptable.

But you can do so much better than acceptable.

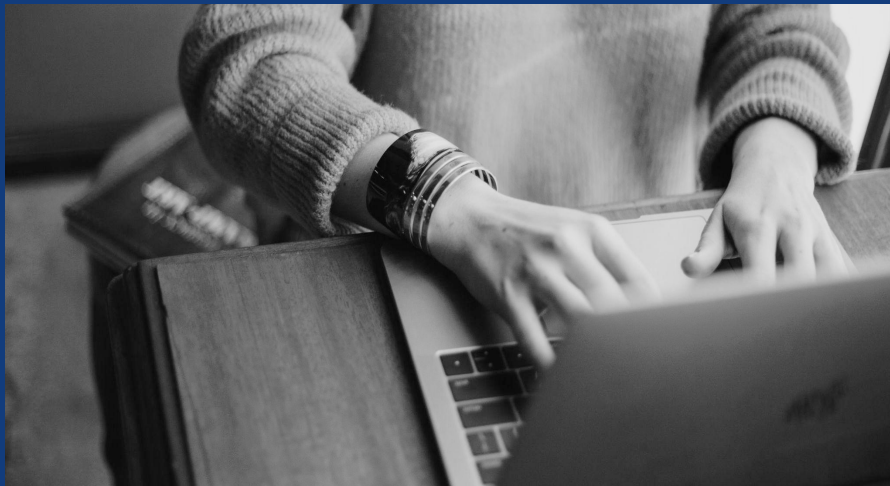
And don't they know it

67%

admit that they wish they'd hired a marketing agency instead of hiring internally

93%

of SMBs that hired internal marketing resources still think it's somewhat to highly likely they'll engage the services of an external agency in the future



Why they hired internal marketers in the first place

65%

Thought it would be less expensive to hire internally

55%

Wanted more control over the process

30%

Didn't feel I could trust an external agency with my brand

24%

Had a negative experience with using a marketing agency previously

18%

Had an existing employee take over marketing in addition to their regular responsibilities

Key takeaway

The most prevalent reason — costs — can quickly be disproven by demonstrating your agency's ROI. Wanting more control over the process or not trusting agencies are slightly trickier hurdles to overcome. However, this is where client case studies can go the extra mile.

Nothing convinces a hesitant prospect more effectively than hearing the first-hand experience of somebody who was in the exact same position. Take wasted ad spend, for example. Every business wants to reduce wasted ad spend, but what's more valuable: learning the theoretical ropes or hearing how one agency actually identified and diverted 43% in wasted ad spend?

External marketing

14%

currently employ a marketing agency to develop and execute marketing strategies for their business

60%

say it's highly likely that they will hire a marketing professional in the future

34%

say that it's somewhat likely think that they will

probably hire external marketing help

79%

admit that it has resulted in a significant uptick in leads

100%

that have already partnered up with an agency say their investment has paid off

94%

are happy with their current agency

Why SMBs love working with external agencies

SMB owners love that their agencies:

Help us improve our customer service: 53%

Review analytics with me at a regular cadence: 47%

Use call tracking to show the effectiveness of various strategies: 39%

Took the time to deeply understand my brand position and voice: 32%

Provide good transparency into ROI: 31%

Provides analytics showing proof of results: 31%

Go above and beyond the scope of work to help us better understand our customers: 31%

Help me refine our value proposition: 31%

Improve the quality of leads generated: 26%

Generate a positive ROI: 23%

SMB owners are looking for consultative partners who truly understand their business and make data-driven recommendations on how to improve their operations. They're looking for more than just leads — business owners want agencies to help them foster a genuine understanding (and connection) with their target audience.

So how can you do this? Simple: by implementing a comprehensive business communications and analytics platform, like CallRail.

CallRail's unified business communications solution with integrated analytics provides your clients with a single place to store and manage all their customer communications. It provides richer, deeper insights into who their customers are — helping your clients improve their customer service going forward.

Top-rated inbound call tracking and form tracking solutions (for instance, CallRail's [Call Tracking](#) powered with [Form Tracking](#)) will provide clear proof of results, demonstrating how effective your strategies are at attracting callers/form fills.

Use these key learnings to refine your clients' value proposition, crafting more effective strategies that improve the quality of the leads they attract.

How your agency can provide additional value

96% of SMBs would be willing to pay their agency for additional services outside of marketing. These include:

Customer service
training

Sales
training

Brand
coaching

You might be thinking, “Woah, we don’t do any of these!” Fortunately, you don’t have to — you can instead arm your clients with tools that will basically provide these services to your clients on an ongoing basis.

Take CallRail’s Lead Center, for example. Its functionality lets your clients capture the entire customer experience timeline — from the customer’s initial phone call to purchase and all points of contact made in between. This enables you, together with your client, to identify potential lapses in their customer service and highlights individual team members in need of additional training to improve their customers’ experience.

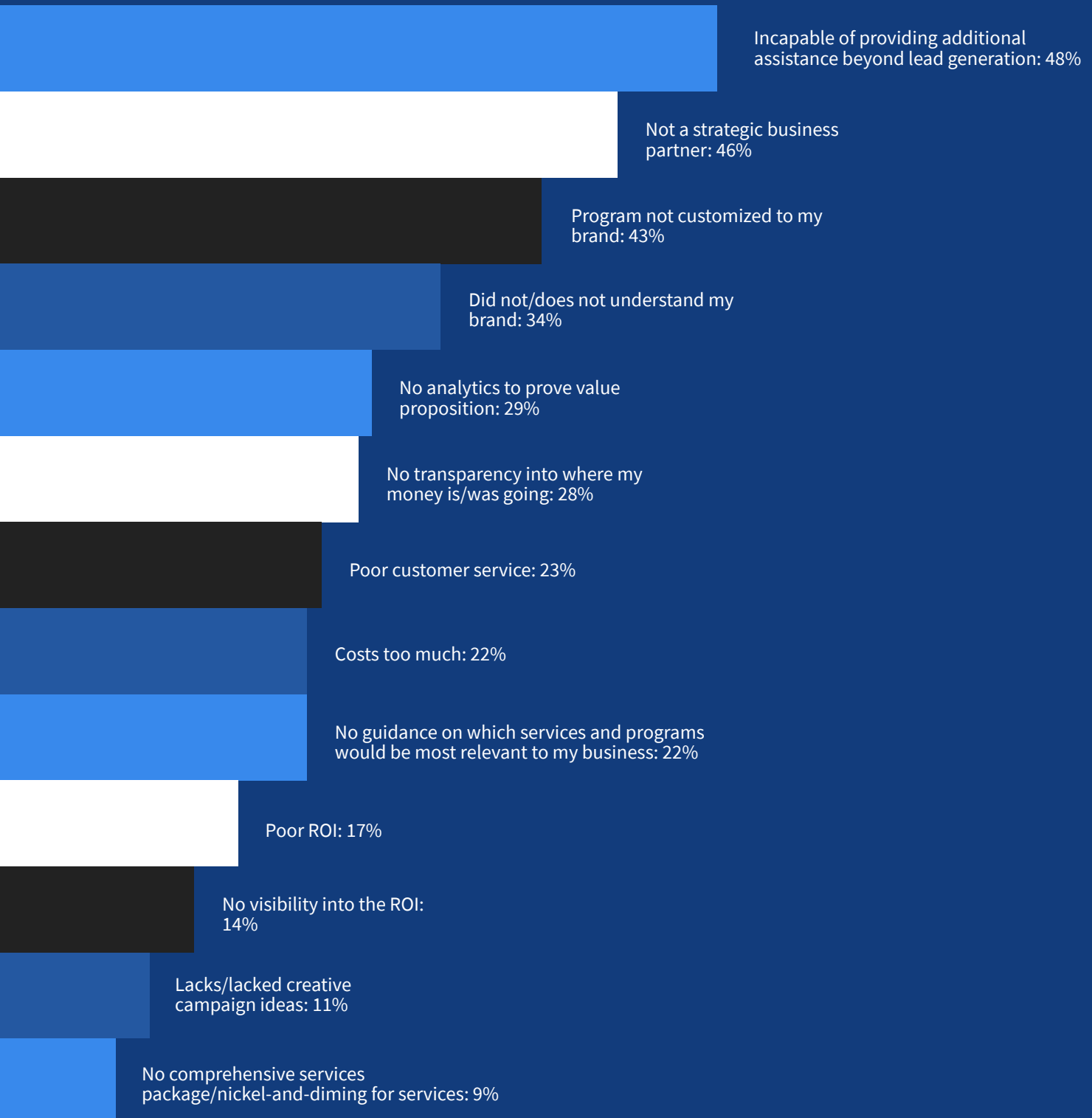
When powered with CallRail’s Conversation Intelligence, Lead Center automatically transcribes your clients recorded calls for review and analysis. This saves the time and effort previously spent manually transcribing or listening to your clients’ call recordings. Subsequently, you can spend your time more productively, identifying areas where your clients can improve their sales talk track and finding ways to enhance their customers’ experience.

By implementing a platform like CallRail that automatically records all calls, agencies can dive in and see which calls went well, which didn’t, which keywords pop up time and time again from frustrated customers, and which phrases or pitches they responded well to on sales calls. In turn, agencies can use these crucial findings to further refine their clients’ brand positioning or value propositions.

Key takeaway

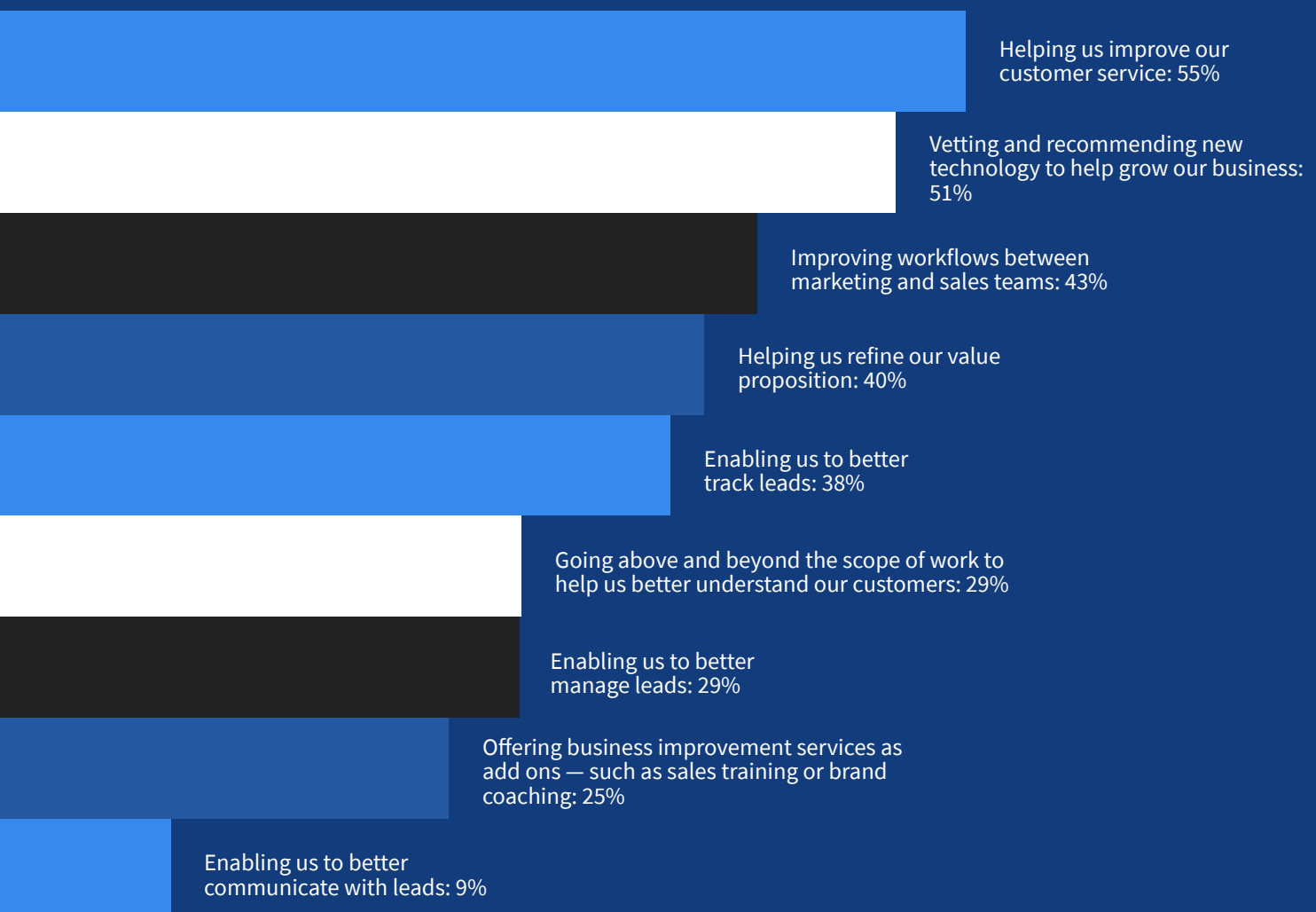
Help your clients build out their tech stack by seeking out tools that can go one step beyond simply accruing insights. Pick those that provide businesses with a clear route to go from interesting insight to applicable action — revealing not only what customers are thinking and doing, but how their business should respond.

What SMBs don't like about working with external agencies



Rising to the challenge

It's clear that SMBs want their agencies to go a step further, providing genuine value beyond lead generation and rising to the mantle of being strategic growth partners. But for business owners, what does the term 'strategic growth partner' even mean?



Tip No. 1: Upgrade your tech toolkit

Don't just work within the limitations of their existing tech stack or your own — work with your clients to actually improve their stack on an ongoing basis. Invest in software that provides transparency and visibility, allowing you to determine the true ROI from all your clients' efforts.

Tip No. 2: Be an insider

Don't see yourself (or operate) as an external entity. Seek to improve your clients' internal workflows rather than simply watching from the sidelines.

Tip No. 3: Know your client's customers

Take it upon yourselves to better understand your clients' customers. It's your key to unlocking new revenue streams and to building more valuable long-term client relationships.



An eye to the future

Tip: Focus on expanding your clients' digital reach

While each client has their own specific set of needs, there's one general rule of thumb that agencies should follow: focus on expanding your clients' digital reach.

The pandemic has accelerated the move towards digital — companies had to either adopt a digital presence or face losing out. That said, there's still plenty of work to be done. Agencies that can show businesses how easy it is to build a digital presence and help them expand their reach will attract new clients in abundance while strengthening their relationships with current customers.

Having examined how businesses have tackled last year's challenges and assessed their current approach, there's only one thing left: examining what the future might look like.

How will your investment in marketing change over the next year?

77%

I plan to invest more time and energy into developing marketing strategies over the next year than I do currently

43%

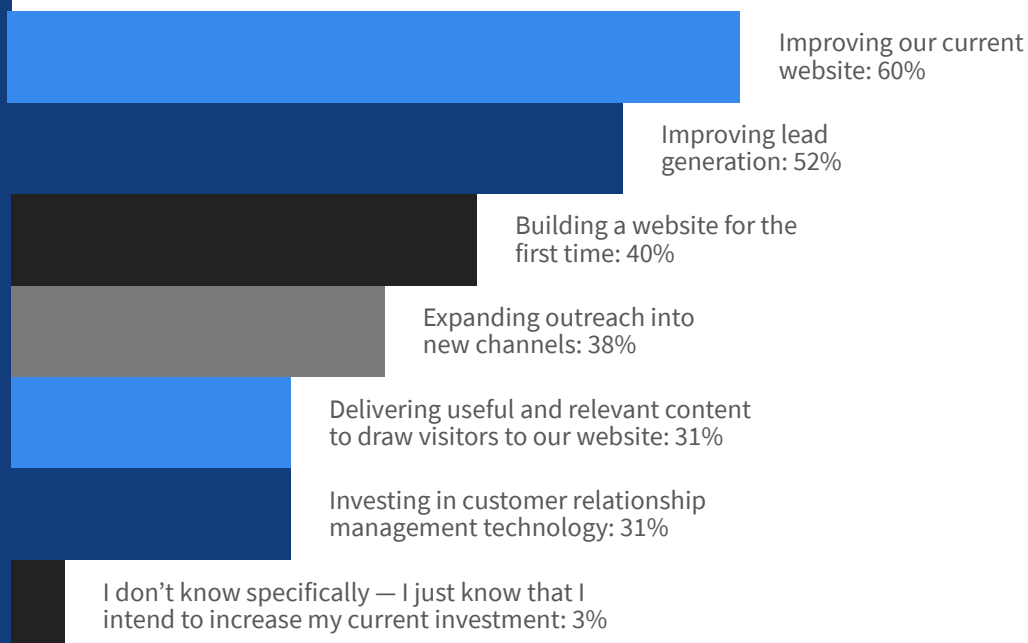
I plan to invest more money into developing marketing strategies over the next year than I invest currently

6%

None of the above

Good news — it seems like marketing is at the top of mind for business owners.

Which areas, in particular, will you focus on?





There's never been a better time to be an agency

All good things must come to an end. Fortunately, so must all bad things. SMBs are beginning to shrug off the effects of the past year, with most having now recovered fully. This presents agency marketers with an unmissable opportunity.

Many businesses scaled down their marketing efforts in a bid to survive the widespread economic uncertainty. Now that things are opening up again, they're gearing up to capitalize on the hotly anticipated post-pandemic economic boom. More than ever, they need agencies to light a fire under their growth efforts, fueling long-term success that will safeguard their organization's future.

Having read this report, the best part is that you now know exactly what they're looking for, what their current marketing looks like, and where you can be of added value. There's no guesswork here — you have the answers in the palm of your hand (or rather, saved in your 'Downloads' folder).

You know that businesses have strategies to see them through the near future but need help devising long-term growth plans. You know that they have taken it upon themselves to handle all marketing — despite the fact that they simply don't have the time, energy, or focus to sustain this going forward.

As a result, you know they're actively looking for external assistance. Businesses are looking for agencies to step up to the plate, acting as strategic growth advisors that provide a wide range of services to their business beyond lead generation alone.

They're crying out for agencies that go above and beyond working within their organization's existing tech stack, proactively recommending and implementing new solutions that will unlock new levels of growth and streamline company-wide efficiency.

Businesses are looking to work with agencies that leverage smart software solutions combining next-level business communications and analytics capabilities.

Businesses are looking to work with agencies that leverage smart software solutions combining next-level business communications and analytics capabilities. If you can provide this level of service, the sky's the limit. There has never been a better time to be a marketing agency.



A look at the businesses behind the survey

We had two primary goals for this survey: to unearth what z businesses across the legal services, healthcare, automotive, real estate, home services, financial services, and advertising industries are thinking, and to reveal what they're currently doing. Our wide breadth of responses has given us a representative sample of this community.

The respondent qualifiers

All of our survey respondents:

- Live and work in the United States
- Own a small business (≤ 200 employees) that operates in legal services, healthcare, automotive, real estate, home services, financial services, or advertising

The breakdown

600

Total respondents

46

States represented (excluding AK, IA, MT & WY)

39

Average respondent age in years

7

Average company age in years

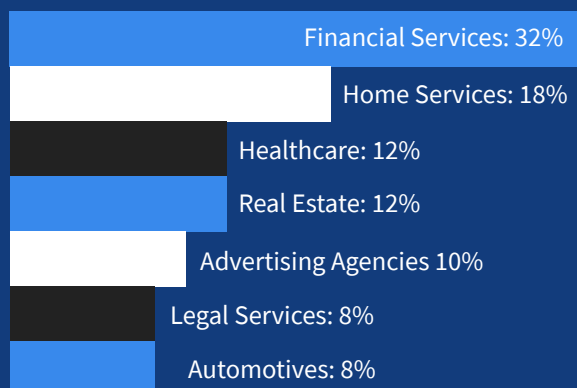
65%

Male

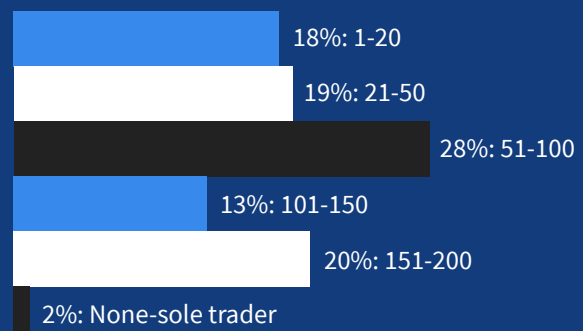
35%

Female

Respondents by industry



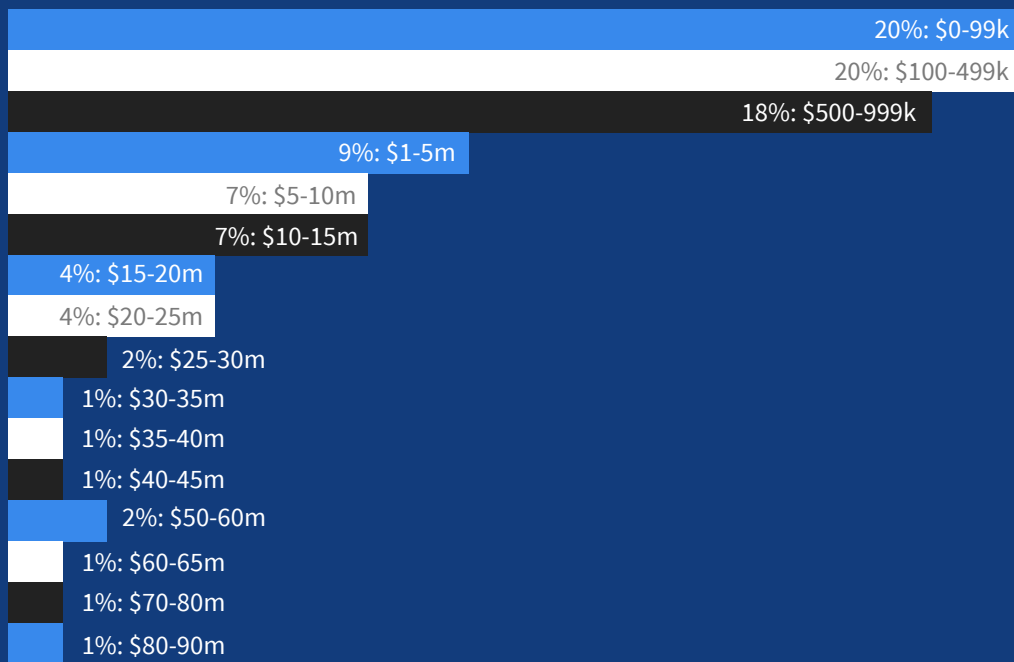
Respondents by size



Annual revenue in 2019



Annual revenue in 2020





About CallRail

Founded in 2011, CallRail is a business communications and analytics platform that helps businesses improve customer experience and marketing performance. Serving more than 180,000 businesses, CallRail's platform fits into existing workflows, integrates with several major marketing and sales solutions including HubSpot, Facebook, Salesforce, and Google Ads and Analytics, and scales with each customer's needs as they grow.

To find out more, get in touch today.

