

# Small Business Now

How SMBs are navigating the economy ahead of the busy holiday season.



Research created in partnership with Ascend2





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## Introduction

For many small businesses (SMBs), the holiday season is a critical period for revenue generation. It's also a stressful time of year for businesses as they work to meet goals, clear inventory, and set themselves up for success in the new year.

As we turn the corner into the final months of 2024, inflation is still exerting pressure on businesses and consumers alike. In fact, 89% of the 1,600 SMBs we surveyed worldwide report being impacted by inflation, and our research shows that the percentage of consumers planning to decrease their spending due to inflation has almost doubled since 2022. Adapting to these challenges will be essential for SMBs in the coming months.

To better understand how they are preparing, we asked small business leaders about their strategies, concerns, and expectations as they brace for the final quarter of the year. We also polled their customers to learn whether their preferences and behavior should impact the way SMBs prepare.

Despite these economic headwinds, SMBs are remarkably resilient. They are not only weathering the storm but also making thoughtful adjustments to ensure their success during the holiday season, proving that this period, while challenging, remains a significant opportunity for those with the right approach.

## About The Survey

To collect data for this report, we surveyed 1,600 small business owners and marketers from companies with 250 employees or fewer throughout the United States, Canada, the United Kingdom, Australia, and New Zealand. We also surveyed over 3,000 consumers aged 18 and older, in the same regions to gain insight into the habits and preferences of the customers that the SMBs serve. You can find details about survey participants and our survey methodology at the end of this report.



# 1.0 An Inflated Holiday Season

Small businesses are used to running lean and making every dollar count. Unfortunately, years of record-high inflation have made it even more difficult for them to manage through adversity. While inflation has receded from its peak in 2022, its longtail effects may finally be coming to a head.

With the holiday season fast-approaching, it's clear that both SMBs and consumers expect their behavior to change in the last quarter of the year.

## Consumer engagement and spending at SMBs is down

Inflation has certainly caused a shift in how consumers interact with small businesses in their communities. Globally, just 30% reported interacting with three or more small businesses each week, and in the US, that figure is even lower at 25%. This represents a decline of about 50% [since 2022](#), when a whopping 52% of US consumers said they interacted with three or more SMBs in a typical week.





Some of this can likely be attributed to a pullback from pandemic-era highs in sentiment for small businesses, but inflation is certainly a contributing factor. **Over half of consumers globally say they have reduced their spending with SMBs this year due to inflation** — almost double what we found in our 2022 report. That year, just 27% of consumers expected to spend less with SMBs due to inflation. With the holidays on the horizon, this shift should raise concerns for small businesses around the world.

## Has inflation impacted your spending at small businesses this year?

- 10% Yes, I've increased my spending to help support them
- 31% Yes, I've had to reduce my spending slightly
- 21% Yes, I've significantly cut back on my spending compared to what I planned
- 34% No, I still spend the same amount with them
- 4% No, I still don't spend at small businesses

Consumers planning to decrease their spending at small businesses due to inflation have nearly doubled since 2022. Small businesses in ANZ and Canada are most likely to have seen a decline in revenue this year, thanks to this shift in consumer spending.

### % of consumers who have had to reduce spending at small businesses due to inflation

	47%
	52%
	60%
	56%



# The fight against inflation

Just one in ten SMBs we surveyed have escaped any inflation-related impact on their business. All others have had to make adjustments — most notably, cutting back on expenses and increasing prices. Others are working to improve their efficiency or improve customer retention efforts as they try to manage through this inflationary period.

## What measures have you taken to mitigate the impact of inflation on your business?



Globally, 44% of small business enterprises (SMEs) in the UK have raised prices to combat inflation, the highest of any nation we polled. Conversely, Canadian consumers are typically more price sensitive than those in other markets, so Canadian SMEs are the least likely to have raised their prices (35%).

## Impact of Inflation: Company Size

SMBs with fewer than 100 employees are more likely to have reduced expenses and increased prices than companies with more than 100 employees. Those SMBs with over 100 employees are instead focused on expanding their potential customer base by diversifying their product and service offerings and breaking into new markets and segments.

## What measures have you taken to mitigate the impact of inflation on your business? (Number of employees)

	1 employee	2 - 10 employees	11 - 99 employees	100 - 250 employees
Cut back on expenses	45%	51%	45%	37%
Increased prices	39%	41%	42%	25%
Offered fewer promotions/ discounts	12%	11%	12%	20%
Diversified with new products or services	15%	20%	21%	27%
Focused on customer retention and loyalty programs	13%	20%	27%	36%
Improved operational efficiency (finding new suppliers, investing in technology)	12%	24%	29%	38%
Expanded into new markets or customer segments	11%	15%	19%	30%
Have not been impacted by inflation	20%	10%	7%	5%





## Resilience in the face of economic downturns.

Inflation presents a unique challenge that requires SMBs to balance profitability with customer satisfaction and support. While raising prices is often the simplest way for SMBs to recover costs, it may not be the best approach this holiday season.

Sixty-two percent of consumers globally say a competitive price is what encourages them to shop small during the holidays, and many are already balking at high prices. Without the holiday deals and discounts they have become accustomed to, they could elect to save their dollars instead of supporting the local businesses in their communities.

Fortunately, there are ways for SMBs to inflation-proof their businesses without sacrificing the customer experience. Tweaking their digital marketing is a great way to remain resilient, even in the face of the most difficult challenges.

Here are some ways SMBs can improve their ability to adapt:

- **Prioritize the Customer:** Improve retention by offering loyalty programs, ensuring exceptional customer service, and building trust with your customers.
- **Get Customer Feedback:** To understand their needs and pain points, engage with customers through surveys, social media, or face-to-face conversations.
- **Expand Product or Service Offerings and Pricing Models:** Consider diversifying your revenue streams while thinking of new and relevant ways to serve your customer
- **Strengthen Digital Marketing Strategies:** Invest in digital marketing channels like social media, email marketing, and SMS to reach a larger audience. Consider all-in-one platforms that allow you to execute multi-channel strategies from one place.
- **Measure Performance and Collect Customer Insights:** Analytics tools can track customer behavior, sales patterns, and marketing effectiveness. Use data to reassess your marketing budget to focus on high-impact, low-cost strategies.

Constant Contact offers [everything you need](#) to up your digital marketing game, whether it's connecting with customers through email, social media, or SMS — all in one place. Plus, our analytics tools make it easy to see what's working so you can focus on strategies that really matter.

### Main Street POV



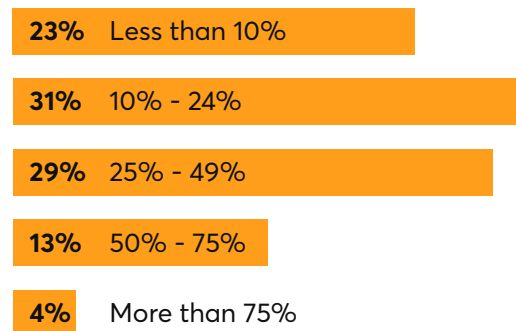
*"For us, it's a competitive market out there right now. People are being careful about how they spend their money. So we're making sure that we're providing ... products that provide good value but are also special and tell a story."*

- Brad McInniery, Marketing Director at [Wellington Brewery](#), Constant Contact customer

## 2.0 The Most Stressful Time of the Year

The stakes are high in the final months of the year. The typical holiday season drives significant revenue for SMBs, with 46% saying that they can attribute more than one-quarter of their annual sales to the holiday season. As expected, **retail and ecommerce businesses feel the most pressure** during this period as one quarter of those SMBs gets at least 50% of their annual revenue from holiday sales. **Canadian small businesses stand out as being the most reliant on holiday sales**, with 21% saying at least half of their annual revenue is generated during the holidays.

### Approximately what portion of your annual sales do you typically attribute to end-of-year/the holiday season?



There is a higher rate of businesses that depend heavily on end-of-the-year sales than last year. In fact, **businesses that attribute 50% or more of annual sales to what they sell during the holiday season have nearly doubled** (17% in 2024 compared to 8% in 2023). At the same time, we see a decrease from last year overall in annual revenue attributed to end-of-year sales. Nearly one-quarter (23%) attribute less than 10% of their annual sales to end-of-year/holiday season efforts.

This could indicate SMBs are trying to become less reliant on holiday sales, but the SMBs who know this season works for them are doubling down on it - possibly as a way to guarantee revenue during an uncertain economy.

### Main Street POV



*"We're coming into what's a really, really huge season for us. November is our most important month of the year, when it comes to sales, because of the holidays."*

- Julianna Curtis, Founder & CEO of [The Energy Barre](#), Constant Contact customer







## 2.0 The Most Stressful Time of the Year (cont.)

It is no surprise, then, that SMBs feel a great sense of urgency to boost sales and revenue at the end of the year — 33% report that Q4 (October - December) is when they feel the most pressure to drive revenue.

As a result of this urgency, most SMBs dial up their marketing efforts in an attempt to market themselves to customers and boost sales. On the surface, that makes sense, but it could also represent a potential pitfall — trying to do more during their busiest season could leave SMBs stretched too thin and unable to make the most of the season.

US businesses are significantly more dependent on Q4 (and therefore feel the most pressure to drive revenue during this time) than other regions. ANZ small businesses have the most evenly distributed dependency throughout the year.

### During which quarter do you feel the most pressure to drive revenue for your business?

				
Q1 (January - March)	22%	29%	23%	23%
Q2 (April - June)	16%	18%	25%	17%
Q3 (July - September)	24%	22%	23%	28%
Q4 (October - December)	38%	31%	29%	32%



# Top challenges of holiday marketing in 2024.

Of course, it's not just the economy that SMBs are fighting with during the holidays. In a typical year, **65% of SMBs struggle with either budget limitations or a lack of time for marketing.** They also face customer engagement challenges, and **about one-third (32%) find it difficult to come up with new ideas for marketing.**

The biggest barriers to success are also highly dependent on industry. Small businesses in the retail and ecommerce sector appear to struggle more than other industries when it comes to brainstorming new content and ideas for holiday marketing, while health and wellness businesses have difficulty with customer engagement and time constraints. Retail businesses are also particularly concerned about choosing the right marketing tactics and channels.

## What are your biggest barriers to marketing your business during the end-of-year/holiday season?

	Retail	Health	Tech	Prof Svcs	Construction
Budget limitations	45%	44%	43%	31%	31%
Coming up with new content or ideas	38%	31%	32%	28%	34%
Getting customers to engage	37%	42%	38%	35%	36%
Choosing the right tactics/channels	32%	23%	32%	22%	24%
Too busy/not enough time	25%	36%	21%	30%	24%
Trying new tactics/channels	19%	17%	21%	16%	18%
Measuring results	16%	12%	21%	14%	16%
We don't have a marketing strategy for end-of-year/holiday season	12%	15%	18%	26%	25%

## Year After Year: SMBs are taking on too much during the holiday season.

When we surveyed SMBs in 2023, a top mistake they identified was trying to do too many things at once. This remained consistent in 2024 as well, which could indicate that they should be planning their holiday marketing earlier in the year to avoid that stress. Of the SMBs who list being too busy as one of their top challenges, 43% report starting their holiday marketing efforts during Q4.



## 3.0 Beating the Holiday Rush

Staying on track with goals is the most important indicator of success, particularly during an uncertain economy. As more SMBs rely on holiday sales to make ends meet, understanding what marketing tactics drive results is even more critical.

While they are dialing up their marketing in Q4 to match consumer demand, unfortunately, many SMBs aren't seeing the return. One in five (20%) of the SMBs we polled said they do not have a way to measure the impact of their holiday marketing, and **79% of those who can measure their marketing efforts expressed uncertainty** about whether their strategy was effective last year.

We examined how SMBs gauge the success of end-of-year marketing campaigns, and according to those surveyed, increases in sales, customer acquisition, and customer retention are all important markers of success.

### How do you gauge the success of your end-of-year/holiday marketing campaigns?



#### BEST-IN-CLASS

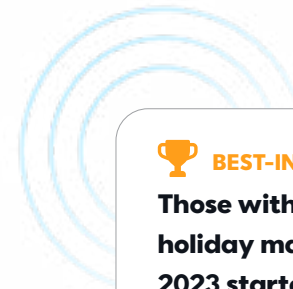
Small businesses with the most effective holiday strategies are significantly more likely than others to analyze marketing performance and use data to make better decisions about how, where, and when to market themselves to customers.

The holiday season can be incredibly stressful for small businesses — especially with so much riding on end-of-year sales. Constant Contact is here to help you stay on track and make the most of this crucial time. Whether you need to [email your customers](#) about a holiday promotion, [text them an update](#) about their order, keep them engaged on [social media](#), or [announce an event](#), ask for donations or simply stay in touch, our AI-powered platform turns your holiday goals into gains without adding extra work to your plate.

### 3.0 Beating the Holiday Rush (cont.)

October is almost universally considered to be the unofficial start to the holiday season, according to both the consumers and SMBs we polled. That is also when most small businesses begin thinking about their holiday marketing strategy. But, there's reason to believe they shouldn't wait that long to switch into holiday mode.

**Over half (52%) of consumers** globally told us that their preference for shopping with SMBs stays the same throughout the entire year, and **99% of those we surveyed report revisiting the same businesses each holiday season.** Within that group, **92% include small businesses in their plans.** That indicates that shoppers don't wait until October to seek out small businesses, and they tend to become repeat customers when it's time to purchase holiday gifts again.







#### **BEST-IN-CLASS**

**Those with the most effective holiday marketing strategies in 2023 started preparing earlier than other businesses. About 33% of those who describe their holiday marketing last year as extremely effective say that they started preparations in Q3 (July - Sept).**

#### **Consumer Insight**

Shoppers in the UK represent a notable deviation from other countries polled when asked about the timing of their festive season shopping. **A whopping 58% of UK consumers start thinking about festive season before October,** compared to 38% of consumers globally.

#### When do you typically start thinking about holiday shopping?

				
January - June	5%	22%	7%	4%
July - August	12%	21%	7%	9%
September	18%	15%	14%	16%
October	30%	20%	26%	28%
November	27%	16%	28%	31%
December	8%	6%	18%	12%





### 3.0 Beating the Holiday Rush (cont.)





#### Waiting until October is a missed opportunity.

Despite such consistent consumer interest, **nearly half (47%) of SMBs who market during the holidays wait until at least October to start their preparations** — the same period when they are busiest and feel the most pressure. One in five don't do any holiday planning at all.

With such a high number of SMBs already questioning the return on their marketing efforts during this time of year, it's notable that only 17% of the small businesses we surveyed start to prepare for their end-of-year/holiday operations during the summer months (June, July, and August), and only 12% start preparing prior to June.

SMBs in the ANZ region tend to start later than in other regions, according to those surveyed. In fact, nearly half (48%) of ANZ SMBs surveyed wait until Q4 to start preparing for the holiday season. UK SMBs start the earliest with seven out of ten of those surveyed starting holiday prep prior to October.

#### When does your business typically start end-of-year/holiday preparations?

				
January	2%	3%	2%	5%
February	1%	3%	1%	2%
March	1%	3%	2%	3%
April	2%	6%	1%	3%
May	1%	3%	3%	2%
June	3%	5%	3%	3%
July	6%	5%	6%	2%
August	9%	8%	7%	6%
September	14%	14%	12%	13%
October	22%	12%	18%	18%
November	15%	13%	20%	15%
December	3%	6%	10%	8%
We don't do any end-of-year/holiday preparations	21%	19%	15%	20%

# An uptick in the frequency of marketing communications during the holidays

During the holiday season, 57% of SMBs increase the frequency of their marketing communications. Another 31% say they keep the frequency of communications the same.

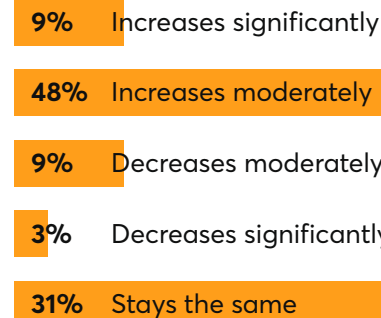
Holiday marketing communication frequency varies by region. In the UK, 61% of SMBs are increasing their marketing communication frequency at the end of the year. The USA is actually the least likely to increase (53%).

Consumers are feeling especially price-sensitive due to inflation, which could be causing them to spread out their holiday shopping throughout the year. Most will shop whenever they feel like they are getting the quality or deal they are looking for, and they don't feel compelled to wait for holiday sales. Want to have a successful holiday season?





**Don't wait until October, or later, when you're already busy and stressed.**

**Planning a holiday strategy in September—or even earlier—can give you a significant advantage** and help you achieve better results. Many consumers begin thinking about their holiday shopping well before October, with a notable number in the UK starting their festive planning months ahead.

## How does the frequency of your marketing communications change during the end-of-year/holiday season?



## How does the frequency of your marketing communications change during the end-of-year/holiday season? (Region)

				
Increases significantly	9%	10%	8%	8%
Increases moderately	44%	51%	49%	48%
Decreases moderately	8%	9%	10%	11%
Decreases significantly	2%	3%	4%	3%
Stays the same	38%	28%	29%	30%

## Main Street POV



*"When I first started [marketing], I was super careful. I just didn't wanna spam people... We're finding that we do unfortunately have to send out a little more mail than I would like, but you only have that week or two window, especially if people are going to order online and want our product shipped. So, we could be sending out 3 or 4 emails a week during these compressed holiday seasons, but then in the normal months, I try to keep it to maybe once per week or less."*

- Mark Chinsky, Partner & Technology Director at [Enjou Chocolate](#), Constant Contact customer



## 4.0 Turning Mistakes into Mastery

**Small businesses want to be more efficient this holiday season, and they want to see better results** — so, it's not surprising that they felt their biggest marketing mistake in 2023 was trying to do too many things at once. As they work to mitigate the impact of a rocky global economy, this is not a strategy they are interested in repeating in 2024.

How can SMBs strike a balance that allows them to plan and execute a strategy while alleviating pressure brought on by the holiday season? Fortunately, it doesn't require a complete marketing overhaul.

### **What is the biggest mistake you made in your end-of-year/holiday season marketing last year?**

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- 1 Trying to do too many things at once
- 2 Not trying new things to attract or retain customers
- 3 Overspending on ineffective tactics or campaigns
- 4 Underestimating the surge in customer demand
- 5 Failing to adjust to customer feedback

### **Consumer Insight**

Despite economic concerns, shopper sentiment for supporting SMBs remains high, indicating a strong opportunity for new customer acquisition during the holidays.



**Over three quarters of consumers (78%)** told us this is the year they plan to holiday shop at a small business they have never purchased from before. While planning ahead and marketing throughout the year is a great way to keep current customers engaged, SMBs who want to grow may want to augment that strategy by focusing on new customer acquisition during the core of the holidays. Once those customers are acquired, 88% say they typically return as repeat customers after the holiday season ends.





## Minor adjustments can make a big impact.

Nearly half of all SMBs we surveyed (46%) plan to make small adjustments to their end-of-year strategy — like giving current initiatives a holiday spin. Another 17% don't plan for any proactive changes, but will adapt if they find a good opportunity to do so.

### How does your business' end-of-year/holiday marketing strategy differ from your strategy during the rest of the year?

- 9%** Complete overhaul: We create entirely new end-of-year/holiday campaigns and/or messages
- 46%** Small adjustments: We tweak our existing campaigns and/or messages to incorporate end-of-year/holiday themes, but don't do a complete overhaul
- 17%** Wait and see: We don't plan for any changes, but sometimes we end up making changes if we see something that works for another business
- 21%** No change: We keep the same campaigns and/or messaging throughout the end-of-year/holiday period
- 7%** Other/none of the above



Retail and technology SMBs were more likely than other industries to completely overhaul their marketing strategy for end-of-year efforts. Professional services and construction/manufacturing SMBs are most likely to make no change at all.

## Steps for a more successful end to the year.

When it comes to the ways SMBs are trying to overcome their holiday challenges, **most want to improve efficiency, offer better special promotions and discounts, and refine their holiday marketing strategy.** Notably, while many SMBs said they struggle to understand the effectiveness of their holiday marketing, **just 20% are making it a priority to analyze which of their marketing efforts are working.**

Those with the most effective end-of-year marketing strategies are significantly more likely than others to execute ALL of the steps listed below to ensure their business's success during the holiday season. They are over 2x more likely than others to hire additional staff and over 1.5x more likely to learn how to analyze what marketing efforts are working, test out new technology, and use customer data to make better marketing decisions.

### Which of the following steps are you taking to make sure your business has a successful end-of-year/holiday season?

	Extremely Effective SMBs	All Other SMBs
Improving our efficiency	48%	33%
Creating or refining an end-of-year/holiday marketing strategy	39%	24%
Offering special promotions or discounts	39%	27%
Using customer data and insights to make decisions	38%	24%
Learning how to analyze what marketing efforts are working	32%	20%
Increasing marketing budget	30%	21%
Hiring additional staff to handle increased demand	29%	13%
Ordering inventory earlier than usual	26%	15%
Testing out new tools or technology	25%	16%



Canadian SMEs are significantly more likely than other regions to be testing out new tools or technology in preparation for a successful end-of-year (21%).



Those in the ANZ region are much more likely to start ordering inventory earlier than usual with 24% reporting this to be the case compared to 15% across all other regions.



Notably, SMBs in the U.S. are the least likely to analyze what marketing efforts are working compared to other regions.



Small businesses in the UK are creating or refining their end-of-year/holiday marketing strategy (30%) and using customer data and insights to make decisions (29%) at higher rates than in other regions.



## The most effective promotions, according to SMBs (and consumers).

According to 35% of SMBs, **discounts and sales** are typically the most effective holiday promotions, followed by bundles and exclusive/early access offers. One-third of SMBs report not offering any promotions during the holiday season.

### What types of promotions do you find most effective for driving revenue during the end-of-year/holiday season? (Holiday marketing effectiveness)

	Extremely Effective	All Others
Discounts and sales (percentage off, flash sales, BOGO, etc)	48%	33%
Loyalty rewards and personalized offers (loyalty points, personalized discounts, etc)	39%	24%
Bundled offers (product bundles, gift sets, etc)	39%	27%
Convenience options (free shipping, pick-up in-store, extended returns, etc)	38%	24%
Giveaways, contests, and experiential promotions (social media contests, in-store events, etc)	32%	20%
Coupons and vouchers	30%	21%
Exclusive offers and early access (exclusive offers, early access for subscribers)	29%	13%
None of the above/We don't do any promotions	26%	15%

#### BEST-IN-CLASS

The most effective end-of-year marketing strategies are significantly more likely to include promotions. This group is also 2x more likely than others to list customer retention programs such as loyalty rewards among the most effective promos.



## Consumer Insight

Shoppers are feeling frustrated with inflated prices, so as expected, price is the biggest factor in whether they will buy from a small business this holiday season. They also turn to SMBs when seeking unique product or service offerings, and the convenience of shopping small is also something they value and appreciate.

### Which of the following would encourage you to make a purchase from a small business this holiday season?

	USA	UK	ANZ	CAN
A competitive price or sale	63%	58%	64%	61%
A unique product or service I can't get anywhere else	63%	50%	56%	58%
Convenience	49%	49%	58%	45%
Inventory or product availability	41%	25%	31%	33%
Positive customer reviews	34%	38%	38%	33%
Personalized customer service	30%	27%	29%	27%
A timely message encouraging me to buy	15%	17%	18%	16%

Retail and ecommerce SMBs find discounts and sales to be the most effective type of promo by a wide margin. Technology industry SMBs ranked exclusive offers as well as giveaways and contests among their top most effective promos.

### What types of promotions do you find most effective for driving revenue during the end-of-year/holiday season?

	Retail	Health	Tech	Prof svcs	Construction
Discounts and sales (percentage off, flash sales, BOGO, etc)	57%	34%	38%	25%	29%
Bundled offers (product bundles, gift sets, etc)	24%	31%	26%	16%	18%
Coupons and vouchers	23%	16%	24%	11%	12%
Convenience options (free shipping, pick-up in-store, extended returns, etc)	21%	18%	15%	10%	12%
Exclusive offers and early access (exclusive offers, early access for subscribers)	21%	25%	26%	15%	13%
Giveaways, contests, and experiential promotions (social media contests, in-store events, etc)	21%	20%	25%	13%	16%
Loyalty rewards and personalized offers (loyalty points, personalized discounts, etc)	17%	21%	34%	12%	13%
None of the above/ We don't do any promotions	13%	23%	21%	48%	43%

# Choosing the right marketing channels

During the holiday season, SMBs report that social media and email marketing are the top channels that have the most significant impact on achieving business goals. However, 20% don't currently have a way to understand how each marketing channel contributes to their overall holiday marketing goals. This is a significant blindspot, given how important SMBs say the holiday season is to their overall success.

The channels driving the biggest impact vary by industry. Health and wellness SMBs are starting to master SMS/text marketing more than other industries, while professional services are steadfast in their use of email marketing.

## Which of the following has the biggest impact on your business goals during the end-of-year/holiday season?

- 32% Social media marketing
- 19% Email marketing
- 10% Event marketing (in-person or virtual)
- 10% Paid media (running ads)
- 5% SMS/text marketing
- 4% Other
- 20% I'm not sure/don't have a way to measure marketing impact

## Which of the following has the biggest impact on your business goals during the end-of-year/holiday season?

	Retail/ ecommerce	Health/ wellness	Technology	Professional services	Construction/ manufacturing
Email marketing	18%	19%	20%	22%	16%
SMS/text marketing	5%	13%	4%	2%	5%
Event marketing (in-person or virtual)	12%	7%	9%	8%	10%
Social media marketing	36%	25%	32%	26%	32%
Paid media (running ads)	12%	19%	17%	6%	9%
Other	4%	3%	3%	4%	3%
I'm not sure/don't have a way to measure marketing impact	13%	14%	15%	32%	25%

## Main Street POV



*"If you aren't collecting emails, you might find yourself in trouble in a few years. An algorithm change [on social media]... can change immediately, and I've seen that. Those platforms are taking a bigger cut these days, so we're... leaning into email marketing. If you aren't building your customer base by email, you could find yourself in a lot of trouble".*

- Marissa Tilley, Owner and Founder of [Lady Black Tie](#), Constant Contact customer

## Choosing the right marketing channels (cont.)

We understand how overwhelming holiday marketing can be, but the good news is that **you don't have to completely rewrite the script to be successful**. Much of what you are doing all year long can simply be tweaked to help ensure a strong end to the year.

Whether you need to manage multiple promotions or understand what's working, we've got you covered. **Constant Contact makes it easy for SMBs to plan, execute, and track holiday marketing campaigns effortlessly**. Tools like our new [Campaign Builder](#) use AI to help automate the most time-consuming areas of marketing in seconds — things like creating content, personalizing content for customers, and expanding your reach. We do the heavy lifting for you so you can spend less time worrying about marketing and more time doing what you love.

If sales are your top priority, check out our [ecommerce tools](#), which target the right buyers and capture more sales using the tools you already know and love — like Shopify, Etsy, Square and Stripe.





# Key Takeaways for SMBs Navigating Economic Challenges During the 2024 Holiday Season

## 1. Inflation's Impact:

**Consumer Spending Drops:** Inflation is causing nearly half of consumers to reduce their spending at small businesses this holiday season, especially in ANZ and Canada. SMBs are responding by cutting expenses and raising prices, but maintaining customer loyalty remains crucial.

## 2. Importance of the Holiday Season:

**Revenue Driver:** The holiday season is vital, with many SMBs relying on it for a significant portion of their annual revenue. However, the pressure to succeed can cause them to take on too much, making early planning essential.

## 3. Effective Marketing Strategies:

**Start Early:** SMBs that prepare for the holidays before October see better results. Delaying preparations can lead to missed opportunities.

**Leverage Multi-Channel Marketing:** Social media, email, and SMS marketing are key channels for reaching consumers. Increasing communication frequency during the holidays can improve results.

## 4. Promotions and Consumer Engagement:

**Focus on Offers:** Discounts, sales, and loyalty rewards are the most effective promotions. Analyzing marketing performance and making data-driven adjustments are crucial for holiday success.

## 5. Minor Adjustments for Big Impact:

**Small Tweaks:** Instead of overhauling their entire marketing strategy, many SMBs find success by making small adjustments, such as adding a holiday spin to existing campaigns. This approach allows for flexibility without overwhelming resources.

**Focus on Efficiency:** Improving operational efficiency, offering special promotions, and refining marketing strategies are key steps that SMBs with effective holiday strategies take to ensure success during the season.

 **FINAL THOUGHT**

The 2024 holiday season presents both challenges and opportunities for SMBs. By starting early, focusing on customer retention, leveraging digital marketing, and making data-driven decisions, SMBs can navigate economic pressures and achieve success during this crucial time.

For more tips, best practices, and recommendations on how to succeed this holiday season, visit Constant Contact's [Holiday Marketing Guide](#) and explore our [all-in-one marketing platform](#) to streamline your efforts.

# Methodology & Participants

Using a custom online questionnaire, Constant Contact, in partnership with Ascend2 Research, surveyed small businesses and consumers for this report. 1,600 business owners and marketers operating small businesses with 250 employees or less were surveyed. These individuals represented small businesses in the United States, Canada, the United Kingdom, Australia, and New Zealand. 3,059 consumers aged 18 years and older were also surveyed in these regions.

## Small Businesses

N = 1,600 owners and marketers

### Type of Business

B2B (Business-to-business)	22%
B2C (Business-to-consumer)	50%
B2B and B2C equally	22%
Nonprofit	6%

### Region

United States	32%
United Kingdom	31%
Australia/New Zealand	18%
Canada	19%

### Industry

Retail/e-commerce	19%
Food/beverage and hospitality	6%
Health/wellness	7%
Financial and law	4%
Technology	7%
Real estate	3%
Nonprofit	4%
Professional services	19%
Public services	2%
Construction/manufacturing	9%
Entertainment/recreation	6%
Transportation	3%
Other	11%

### Company Size

1 employee	27%
2 - 10 employees	34%
11 - 99 employees	31%
100 - 250 employees	8%

## Consumers

N = 3,059 consumers

### Region

United States	44%
United Kingdom	22%
Australia/New Zealand	17%
Canada	17%

### Age

Under 28	8%
28-43 years old	30%
44-59 years old	30%
60+ years old	32%

### Household Size

1 - 2 people	57%
3 - 5 people	40%
6+ people	3%

### Annual Household Income

Under \$50,000	37%
\$50,000 - \$100,000	38%
\$101,000 - \$150,000	15%
\$151,000 - \$200,000	5%
Over \$200,000	5%





## About the Research Partners



Constant Contact makes digital marketing easy and effective for small businesses and nonprofits around the world. Whether just starting out, or managing complex multi-channel campaigns, SMBs benefit from our powerful SaaS platform that delivers a simplified marketing experience with less time spent and better results. With cutting-edge technology, best-in-class deliverability and award-winning customer support, we help the small stand tall.

Learn more at [Constant Contact](https://www.constantcontact.com).



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](https://ascend2.com).