



# Why Small Businesses Should Start Marketing on Day One

A Mailchimp Report

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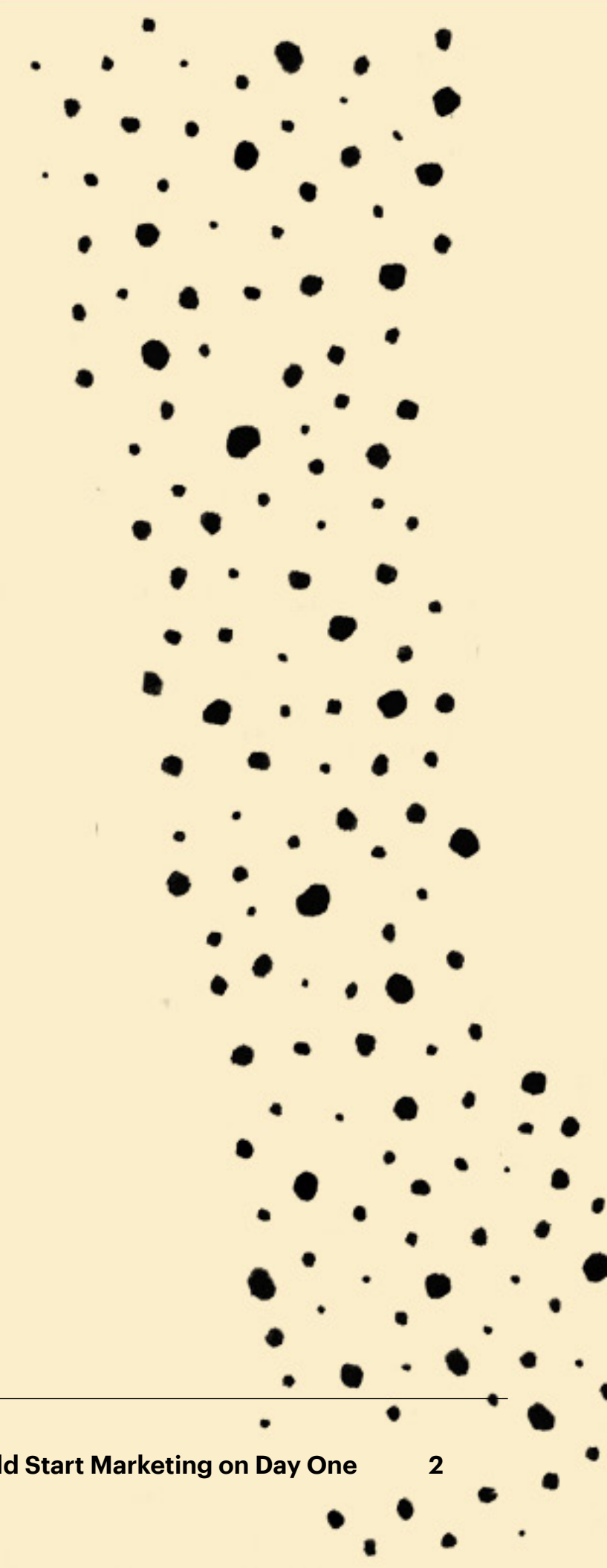
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If you're starting a new business, you're not going through it alone. Around the world, entrepreneurs just like you are experiencing many of the same thoughts, concerns, victories, and setbacks.

That's why we teamed up with Hall & Partners to survey 505 entrepreneurs about their experience of starting a business.

The results confirmed something we've experienced firsthand: launching a small business isn't easy.

It's a time-consuming process that can be tough for even the most seasoned entrepreneurs.

## How old were the businesses we surveyed?<sup>1</sup>

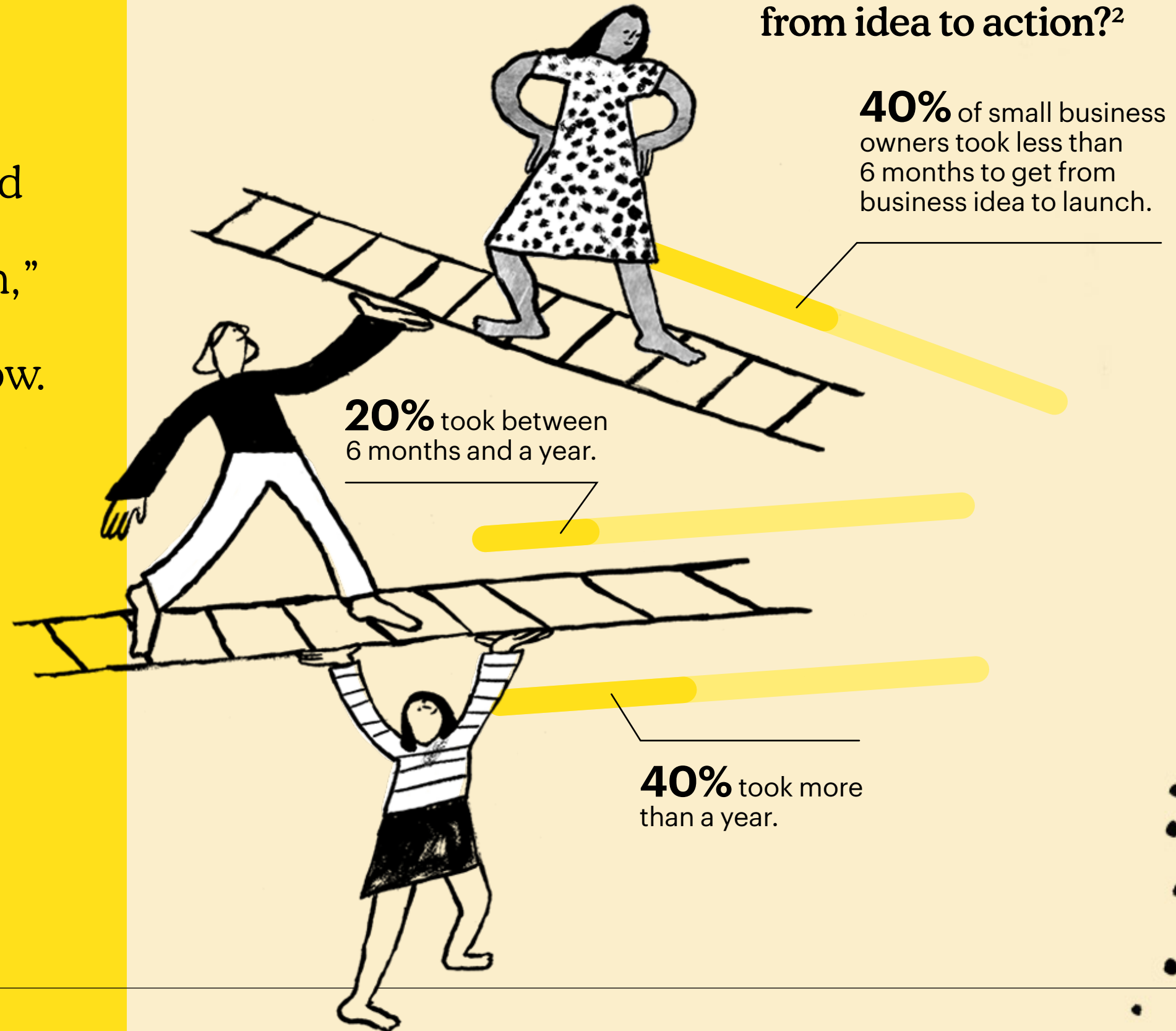
**80%** had launched their business within the past 2 years.



**20%** were still in the pre-launch stage, focusing their attention on planning and research.

Nearly half of the entrepreneurs we surveyed identified their startup experience as a “slow burn,” meaning that the journey from idea to action was slow.

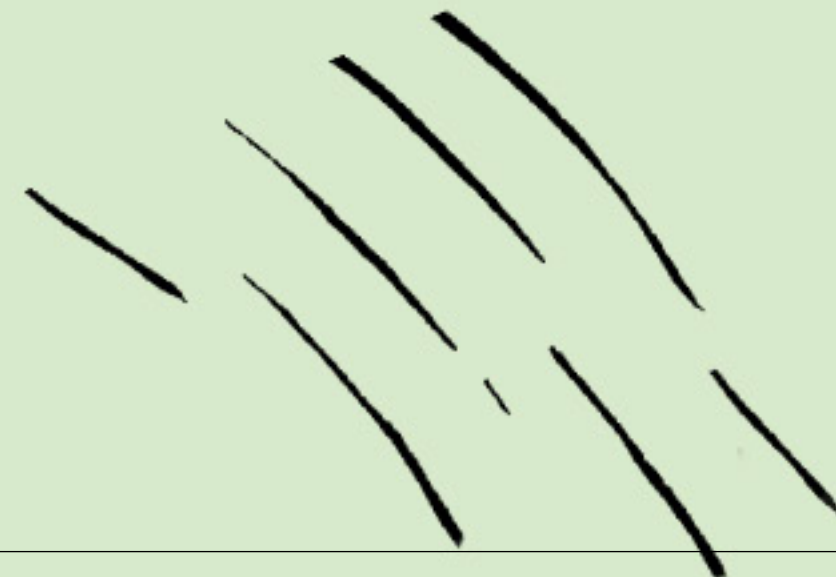
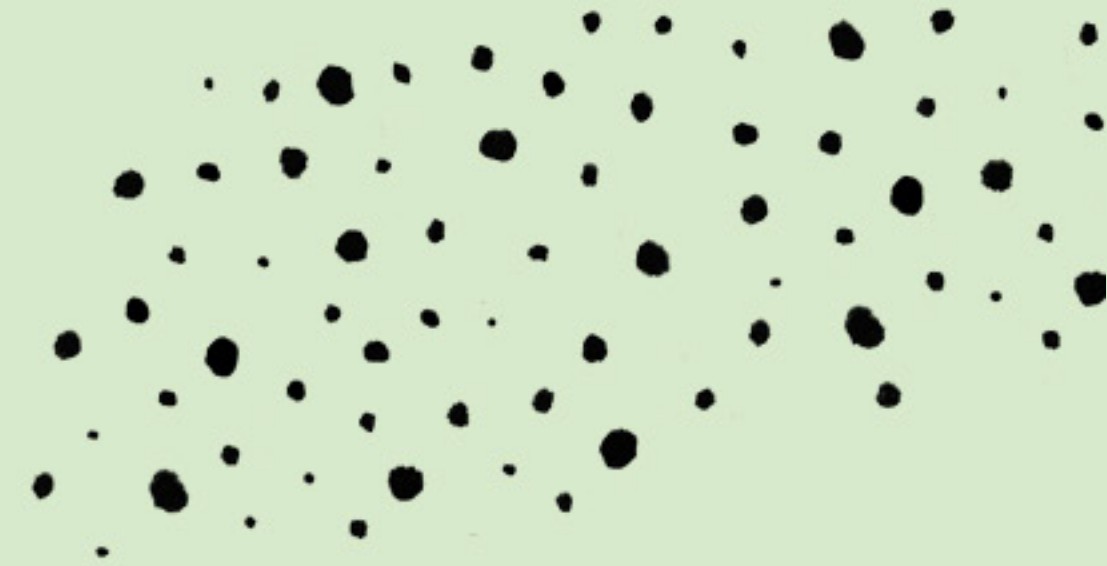
## How long did it take to go from idea to action?<sup>2</sup>



Here are some of the insights we gained from our research—and a few suggestions to help make your own journey to entrepreneurship a little smoother.

## Chapter 1

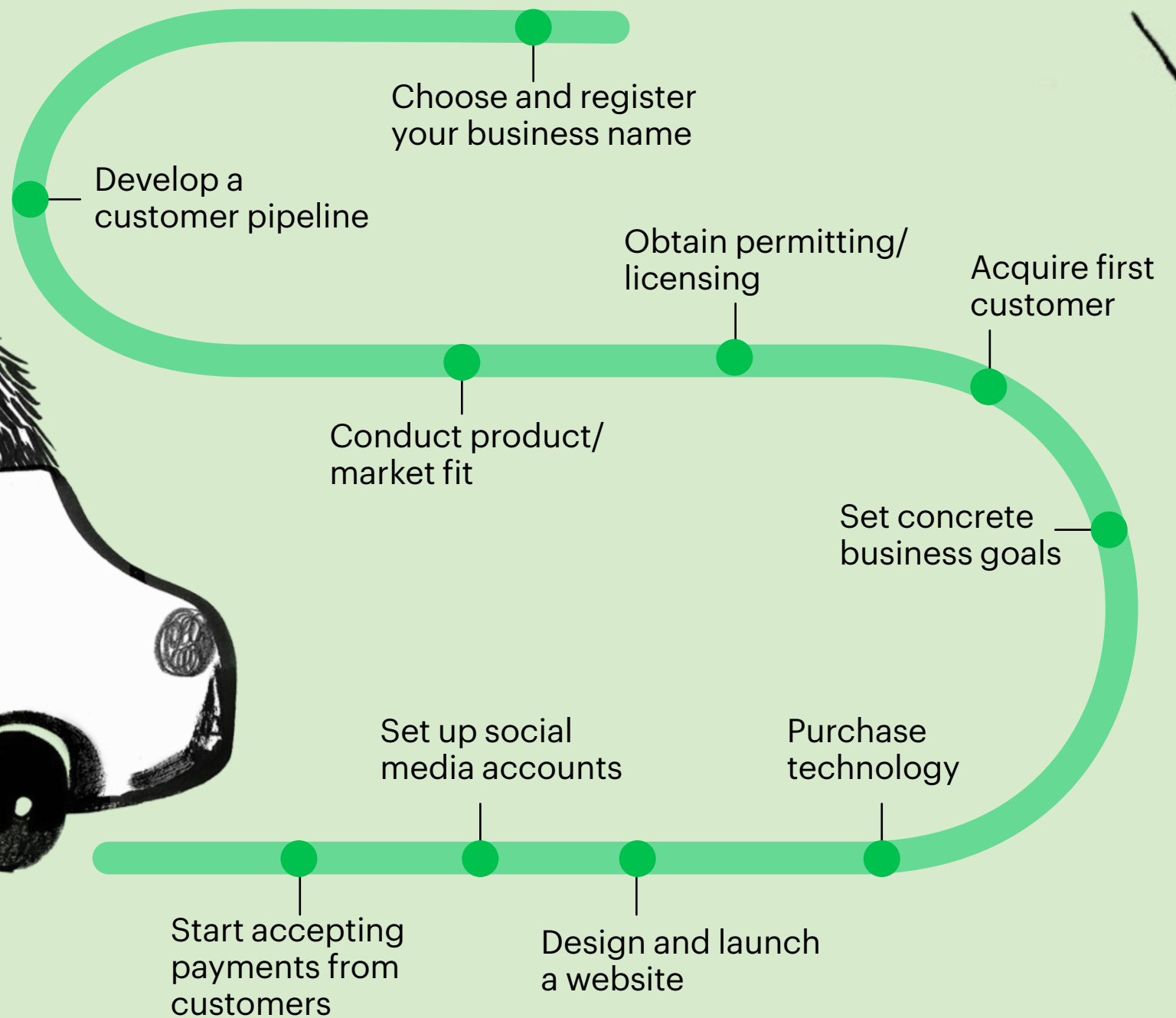
# Conquering the uncertainty around starting a business



Entrepreneurs have to reach at least 10 different milestones before their business gets off the ground.



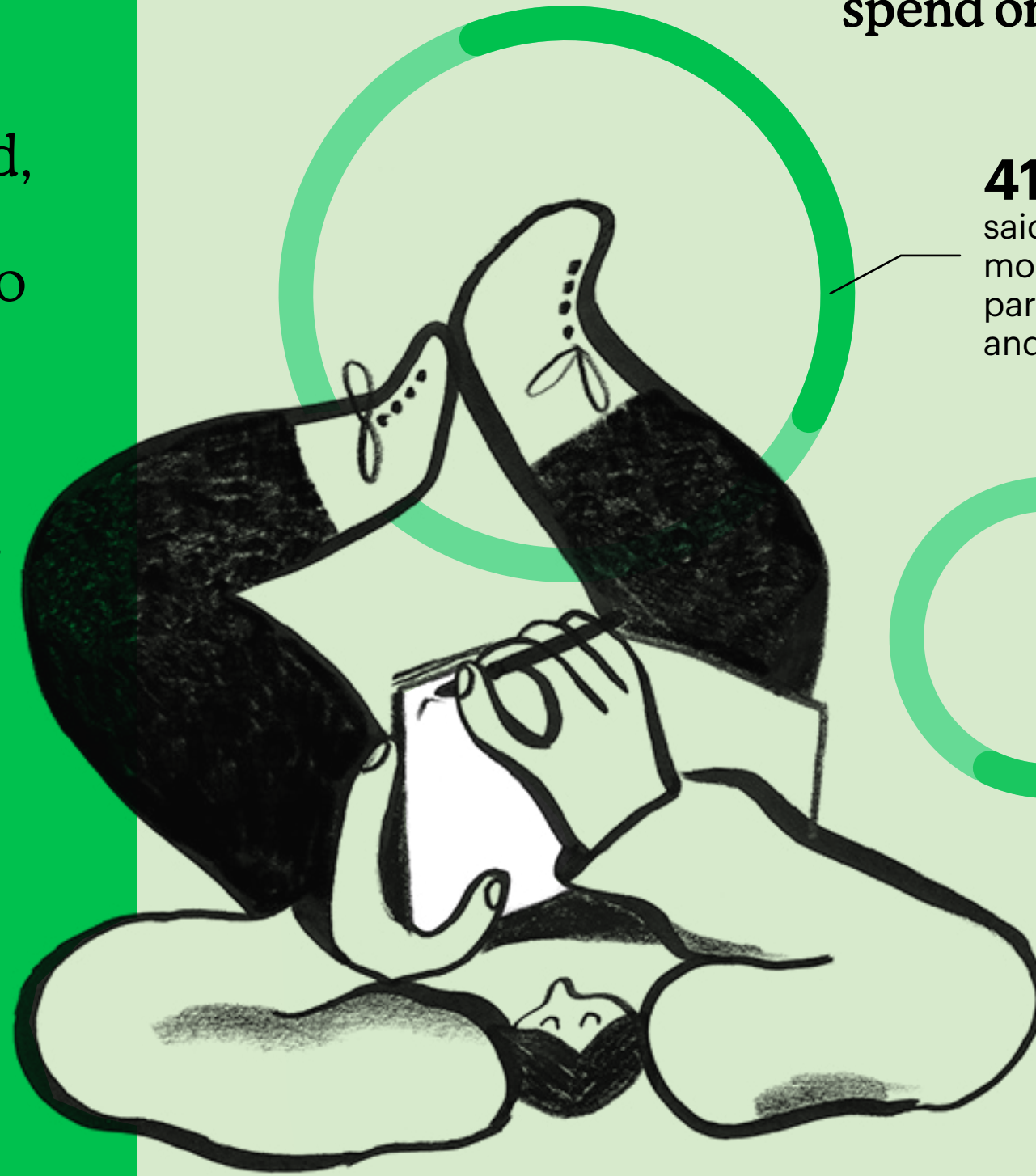
## What are the top milestones for business owners?<sup>3</sup>





With so many steps involved, it can be difficult for small businesses to know where to start and what to prioritize along the way.

To help ease their concerns, entrepreneurs often try to learn everything they can about running a business.



## How much time do small businesses spend on research and planning?<sup>4</sup>

**41%** of pre-launch businesses said they spend more than 3 months attending seminars, participating in training sessions, and talking with their peers.

**54%** of businesses where the founder is the sole employee indicated that their research is still ongoing today.

**What was the hardest part  
of starting your business?**

“The hardest thing was  
learning, becoming proficient,  
and feeling *confident* enough  
to start this business.”

— **Founder of a financial services firm**  
Pre-launch business

**What scared you the most?**

“The fear of *failing*. I was too afraid to start this brand for about 6 years before actually taking action.”

— **Founder of a retail business**  
Launched in 2012

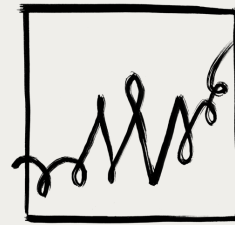
**Was there anything that  
slowed down your progress?**

“Getting over the idea that I have  
to know *everything* before I’m  
able to be a business owner.”

— **Founder of a professional services firm**  
Launched in 2018

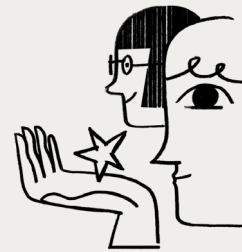
Now what?

Keep moving forward,  
even if you don't have  
all the answers.



### **Set long- and short-term goals.**

Establish long-term goals for growth, revenue, and profits, so you never lose sight of where you're going. Then, identify short-term goals to help you stay motivated along the way.



### **Learn from your peers.**

Seek out advice from other entrepreneurs as you're starting your business. Read books, listen to podcasts, attend trade shows, or visit local businesses to chat with like-minded folks who have been in your shoes.



### **Don't be discouraged by failure.**

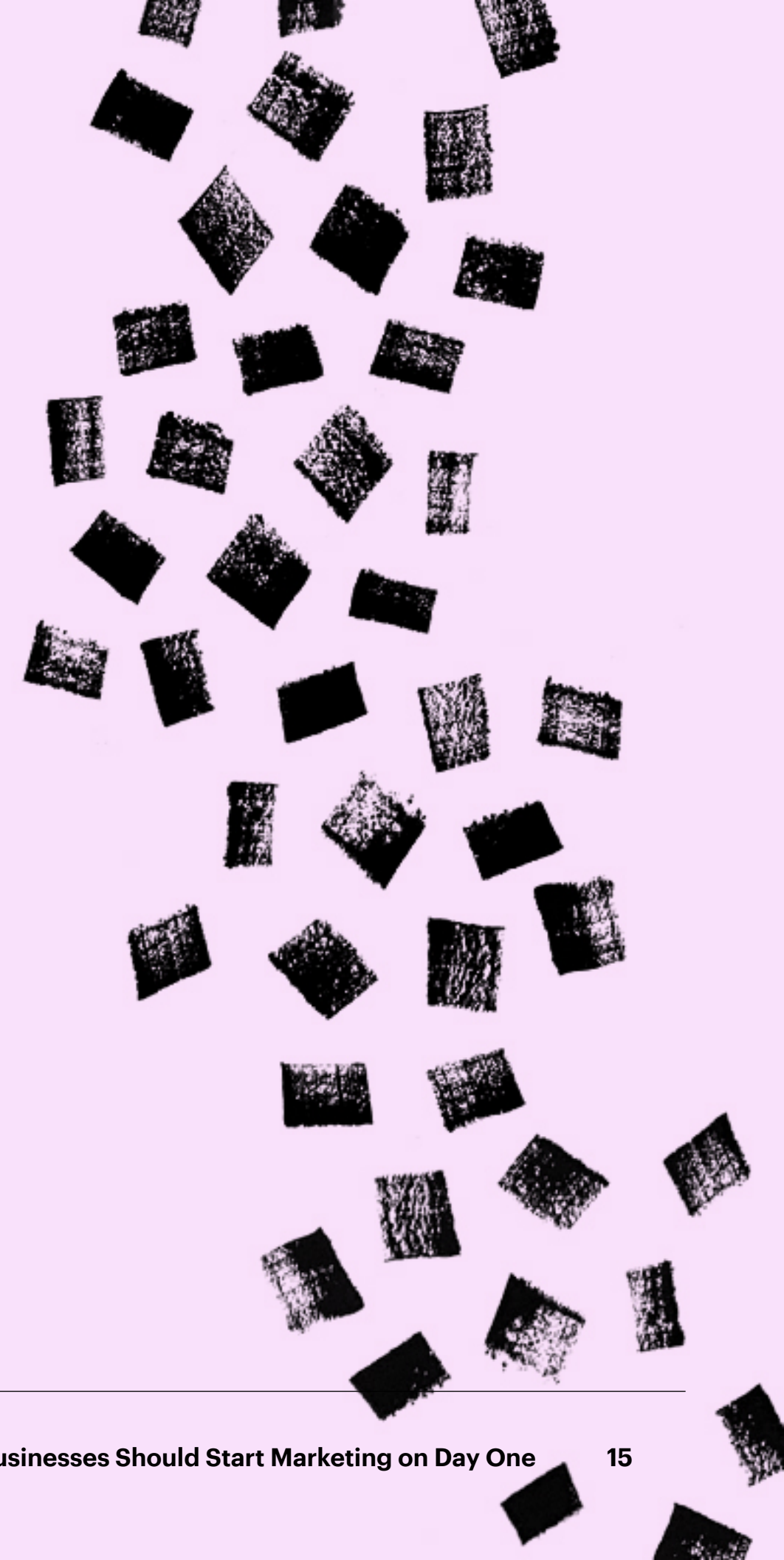
When you're a business owner, it's important to remember that everything is a learning opportunity—especially the stuff that doesn't turn out exactly as you expected.

## Chapter 2

# Don't wait to start finding your audience

Small business owners have a lot on their plate, and attracting customers often seems like a task that can wait until after launch.

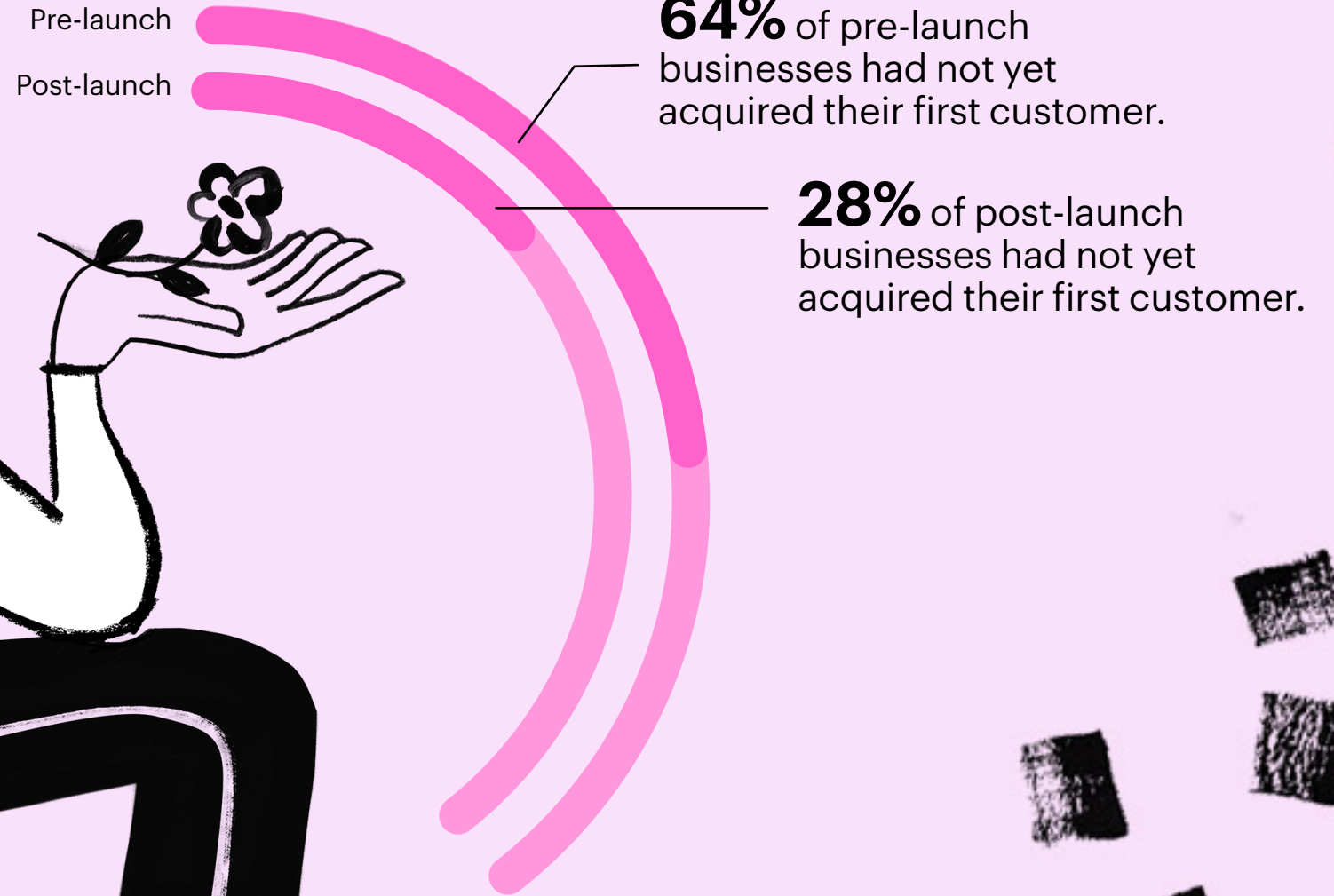
But by having a pipeline of potential customers in place earlier, you may find that it's easier to start generating business.



Entrepreneurs recognize the importance of developing a customer pipeline, but don't always focus on the steps that could help them get their first customer faster.



## Have you acquired your first customer?<sup>5</sup>

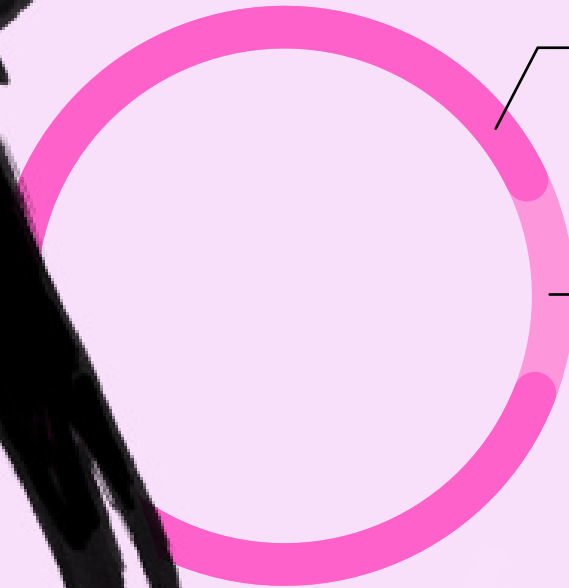




Small businesses are also less likely to pay for tools when they're just getting started.



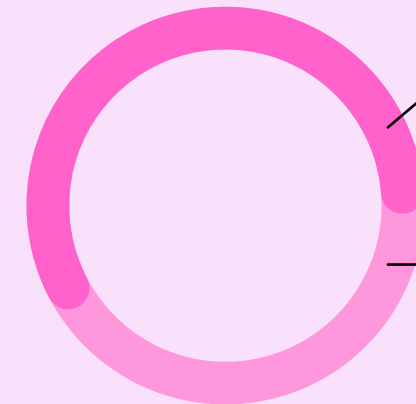
### Which businesses paid for email marketing software?<sup>6</sup>



**81%** were in the post-launch phase.

**19%** were in the pre-launch phase.

### Which businesses purchased a domain?



**58%** of launched businesses paid to register their domain.

**42%** of pre-launch businesses used a free option.

**What was your biggest concern while getting started?**

“It was difficult to know what to say for people to buy my product. I was worried I was charging too much.”

— **Founder of a retail business**  
Launched in 2018



**Which milestone took longer to reach than expected?**

“Making our first *sale*. It took us time to find the right customers for our business.”

— Founder of a content provider  
Launched in 2019

What has been the biggest challenge for your business?

“Getting *new* customers. It’s hard to get a regular customer base.

— Founder of an e-commerce business  
Launched in 2017

**What was the most difficult obstacle you had to overcome?**

“Finding *customers* who were willing to give my business a chance without having an impressive or extensive portfolio.”

— **Founder of a real estate firm**  
Launched in 2018

Now what?

Conduct research to identify product/market fit and learn about your target audience.



### **Talk to your potential customers.**

Use surveys, interviews, or focus groups to help you understand who your customers are, what type of messaging resonates with them, and how much they're willing to spend.



### **Perform beta tests.**

As you're getting started, invite potential customers to test your product, share feedback, and help you make sure everything will work as expected when you're ready to launch.

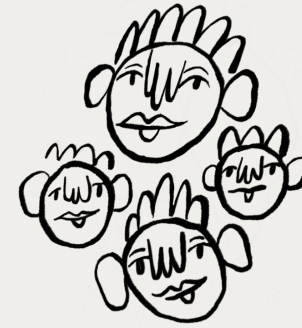


### **Keep an eye on your competition.**

Try to find gaps in the marketplace. Determine what sets your business apart from everyone else, and then capitalize on it.

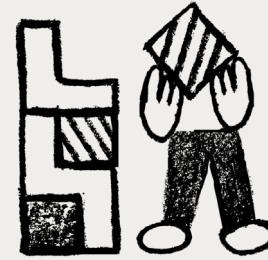
Now what?

Invest in tools that help you grow and scale your business.



**Streamline your marketing.**

Find a marketing platform that fits your budget and allows you to create personalized content, automate your messaging, and reach customers across different channels.



**Start building your online presence.**

Even if you're not ready to create a full website, you can buy a domain name and publish a quick 'Coming Soon' page to start collecting email addresses for your launch.

## Chapter 3

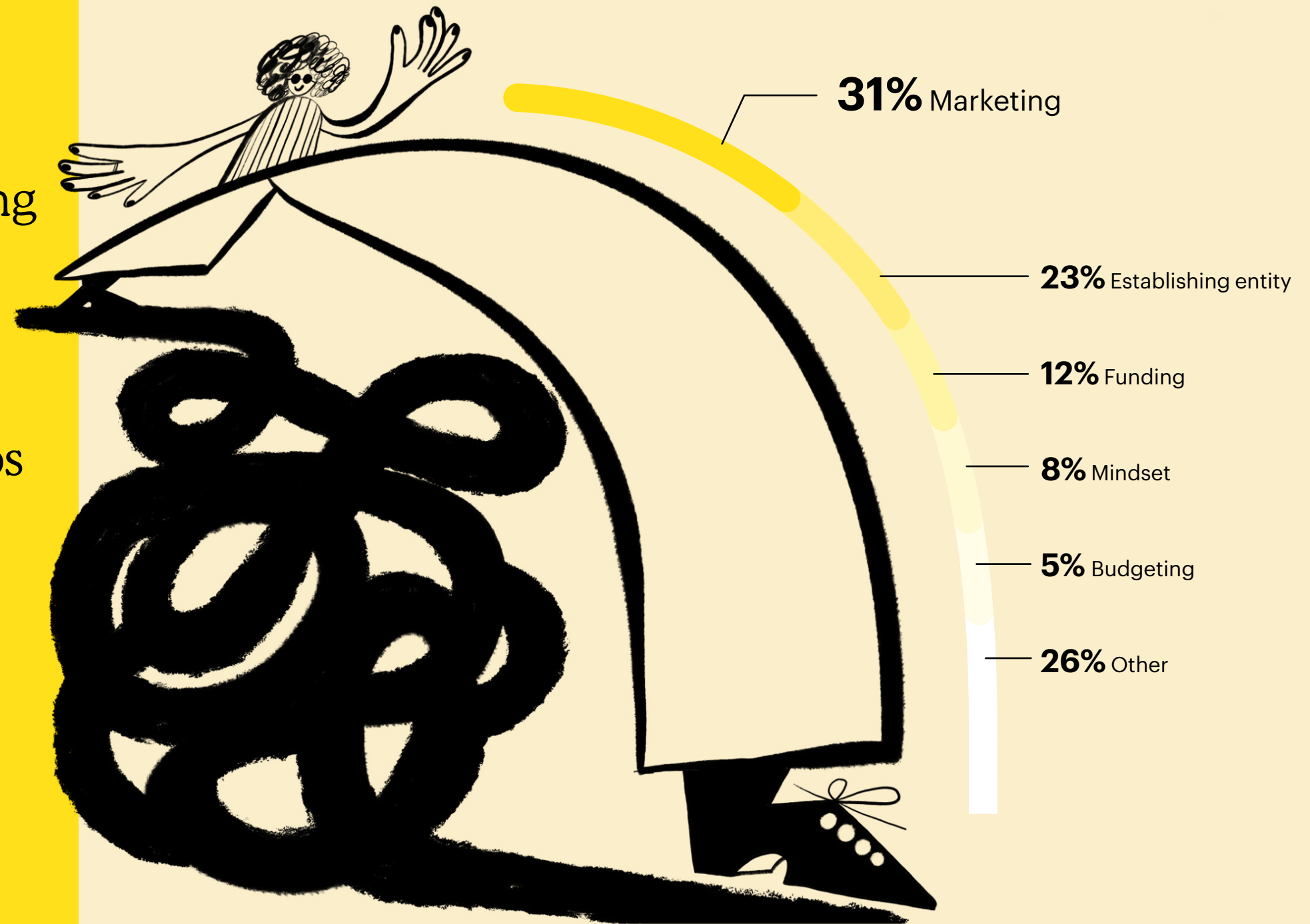
# It's never too early to start marketing your business



Many entrepreneurs who already launched admit they should have started promoting their business sooner.

The most common thread connecting all of them is the uncertainty about which steps they should prioritize.

## What is the number 1 challenge for small businesses?<sup>7</sup>



**Any advice for other small business owners?**

“It’s all about *marketing*, advertising, and creating the right sales channels... Everything is time-consuming, but it all comes together in the end.”

— Founder of an e-commerce business  
Launched in 2018

Now what?

Connect with your audience across multiple channels.



**Use social media to your advantage.**

Claim social handles and set up profile pages for your business. Use industry-specific hashtags when you post, and consider setting aside a portion of your budget for social advertising, too.



**Start building an engaged audience.**

Consider creating a landing page where people can sign up to receive updates, pre-order your products, or be among the first to find out when you're ready to open.

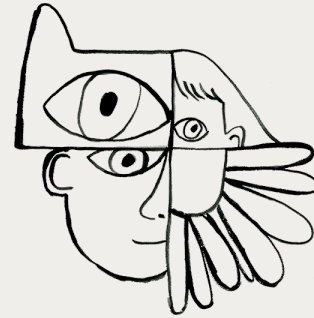


**Establish yourself as a source of helpful, unique content.**

Create a website or blog for your business and publish informative articles about your area of expertise. It's a great way to boost your name recognition and reach more potential customers.

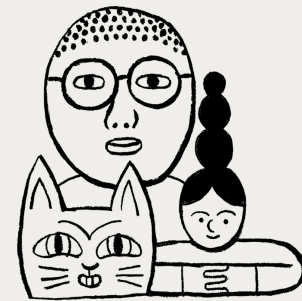
Now what?

Use customer data to fine-tune your marketing strategy.



**Keep all your data in one place.**

Use a customer relationship management (CRM) tool to collect, organize, and analyze everything you know about the people who are important to your business in one convenient location.



**Turn your customer data into customer insights.**

Monitor your customer data for trends and patterns. As you learn about the preferences of your audience, you can create more relevant content and improve your marketing.

When small businesses focus on marketing earlier in their business creation journey, they'll be able to launch sooner—and will be poised for growth right away.

Our 3 key takeaways:

1. Don't let uncertainty slow you down.
2. Find your people early and connect with them often.
3. Start marketing your business on day one.



## Methodology

This research was commissioned by Mailchimp and administered by Hall & Partners—a third-party, independent research firm—between June 28–July 9, 2019.

They conducted surveys with an independent sample of 505 small business owners in the U.S. All were either developing a business or had launched within the last 2 years.

The survey, which took about 15 minutes to complete, explored the milestones that these small business owners experienced while developing and launching their business. They were asked to indicate which actions they had taken and rate the most significant milestones in their business creation process.

The Mailchimp research team collaborated with Hall & Partners to analyze the survey results. The analysis focused on identifying statistically significant differences in stated behaviors and attitudes between pre-launch and post-launch businesses.



## Research questions

- <sup>1</sup> How would you classify the stage of this business?
- <sup>2</sup> When did you first get your idea for your business?
- <sup>3</sup> Top 10 most frequent milestones completed in order of average months into business creation journey that they are completed.
- <sup>4</sup> How long did it take for you to complete the action of attending seminars/trainings/meetups to learn from other business owners?
- <sup>5</sup> Have you acquired your first customer?
- <sup>6</sup> Please indicate whether you used a software/digital tool and, if so, whether you built a tool, used a free third-party tool, or paid for a third-party tool.
- <sup>7</sup> Thinking about the overall process of starting and growing your business, which action or event was the most difficult for you? Choose all that apply.



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