

Constant Contact Small Business Pulse

The Health and Wellness of Small Businesses

Based on Research Conducted in May 2012

Constant



In This Report

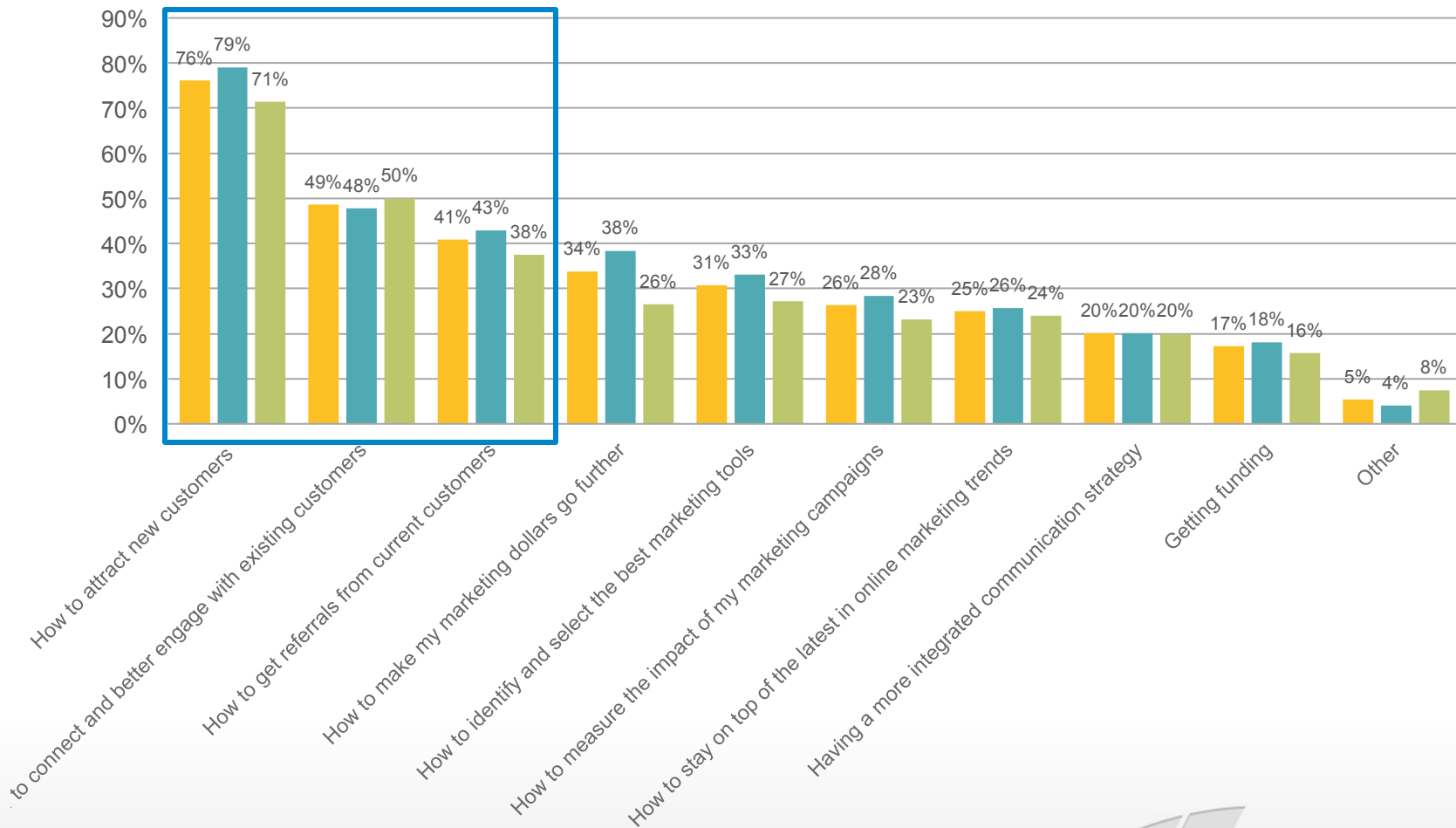
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1. What's Keeping Small Businesses Up At Night?

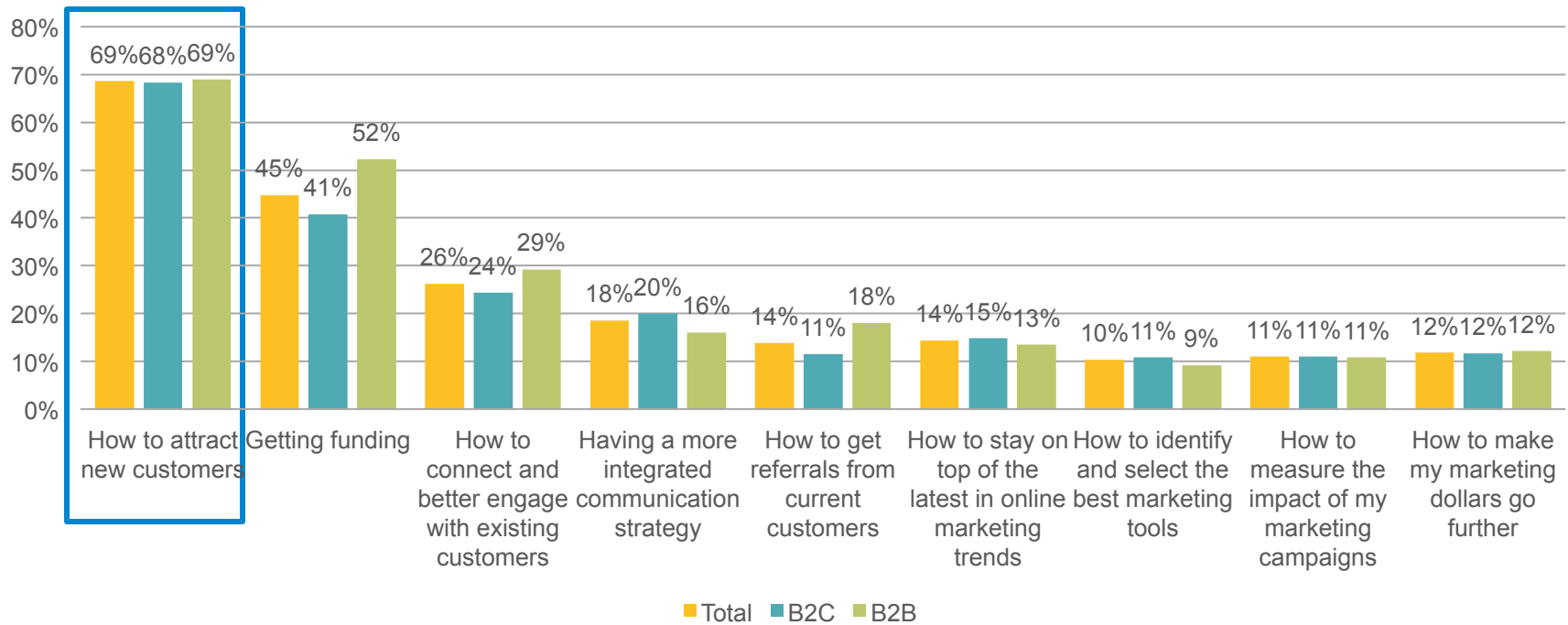
Attracting new customers, engaging existing customers, and getting referrals are the top concerns for small businesses surveyed

When you think about how to run your organization most effectively, which of the following “keeps you up at night”?



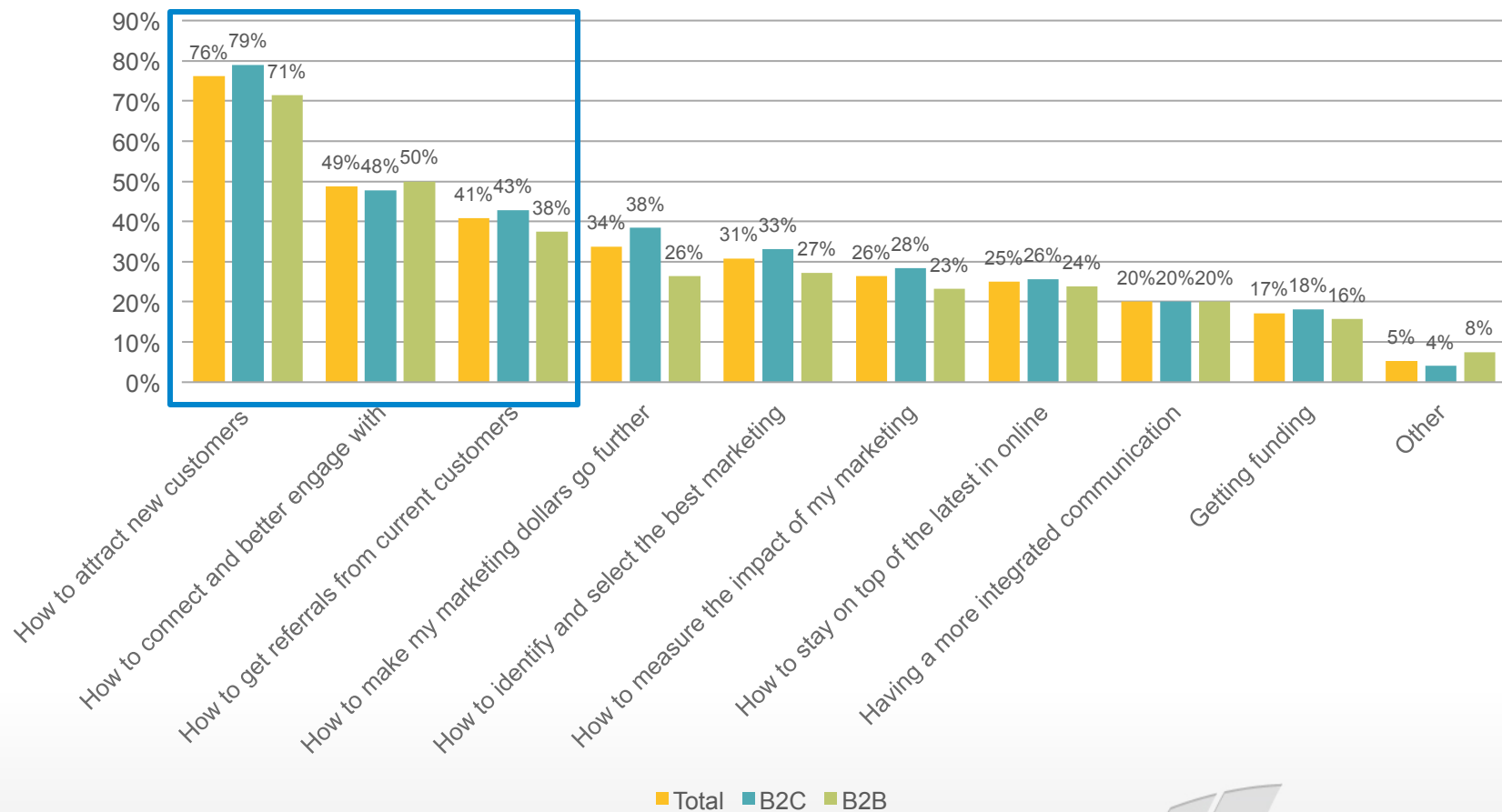
Attracting new customers is the #1 challenge facing SMBs; getting funding is also a large challenge

Of the items that keep you up at night, which do you rank #1?



Attracting new customers, engaging existing customers, and getting referrals are the top issues for small businesses

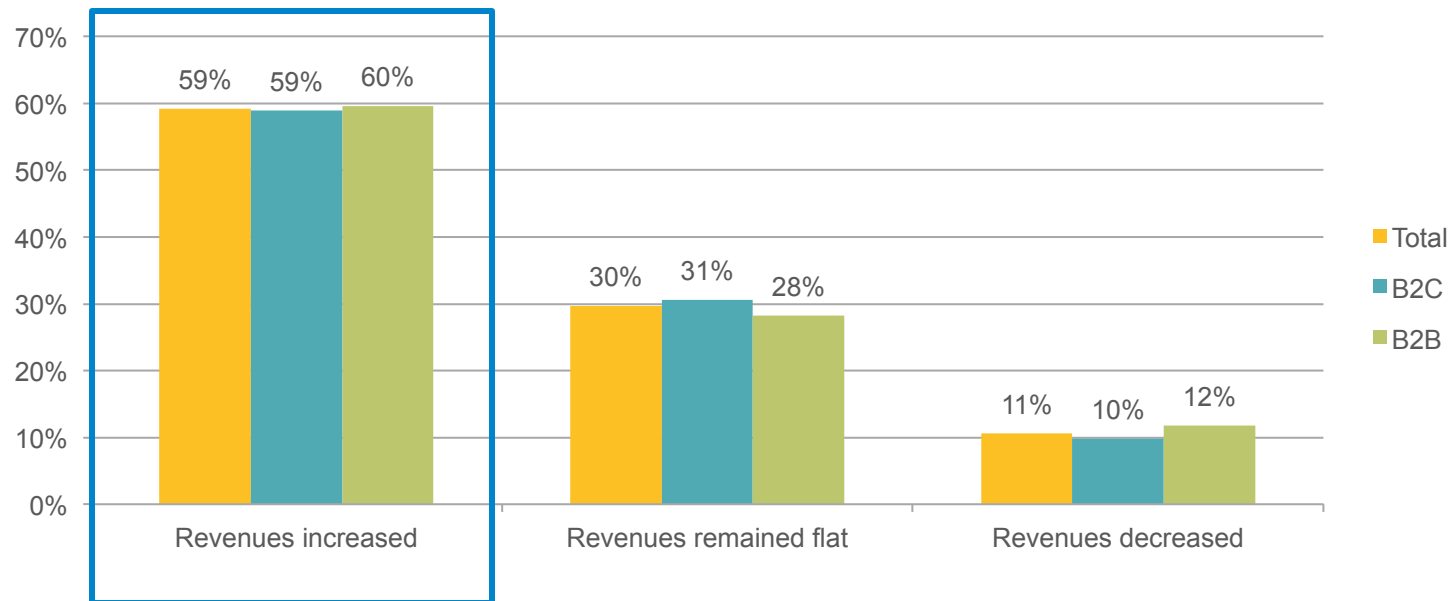
When you think about how to run your organization most effectively, which of the following “keeps you up at night”?



2. The Health of Small Businesses

The majority of small businesses surveyed are stable or growing compared to 2011

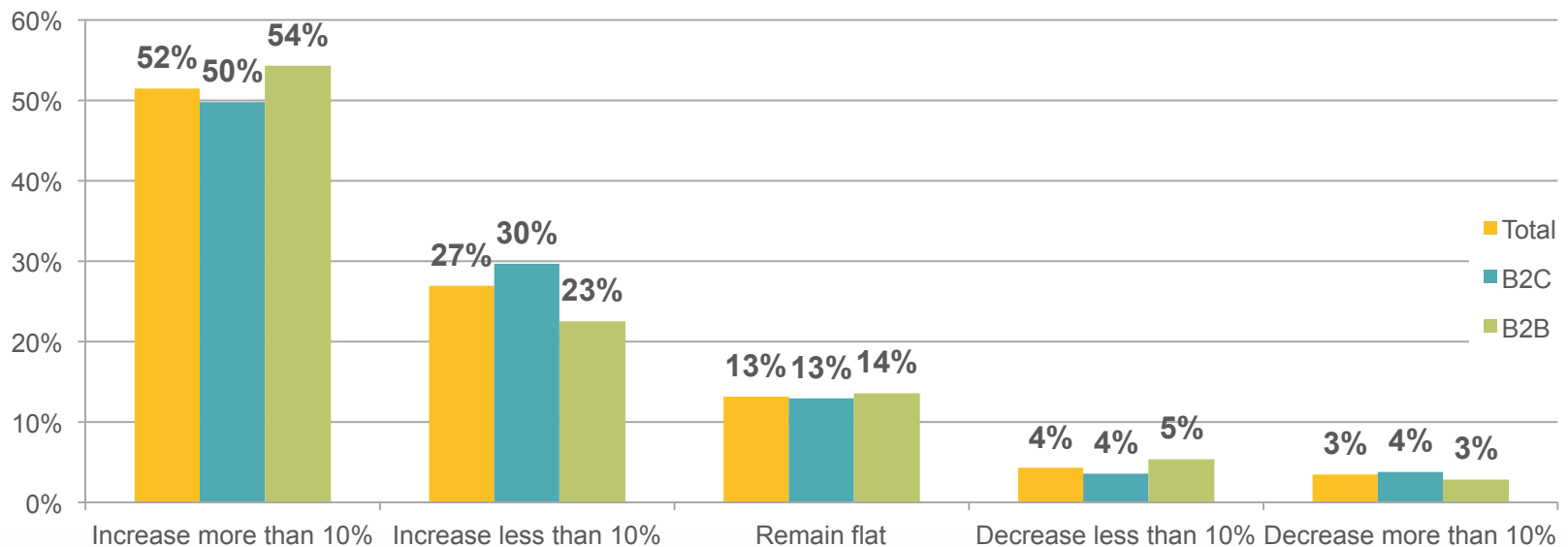
How has your organization done so far this year?



Many SMBs are expecting significant revenue growth this year, few are expecting a major decrease

- 79% of small businesses expect 2012 revenues to increase over their 2011 revenues with 52% expecting revenues to increase more than 10%.

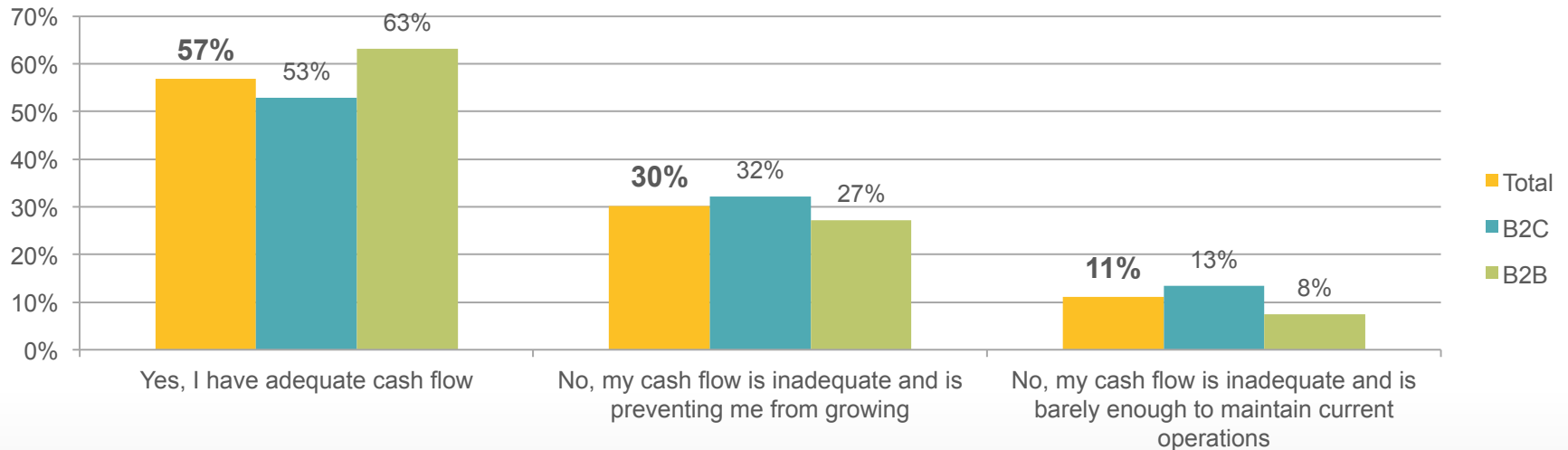
What are your revenue expectations this year compared to last year? I expect my revenues to...



Cash flow is affecting growth for over 40% of small businesses

- Despite operating costs having increased for 45% of small businesses, 57% of small businesses have adequate cash flow to run their business effectively.
- 19% of small businesses have sought funding this year, of which 16% got some or all of the funding they needed.

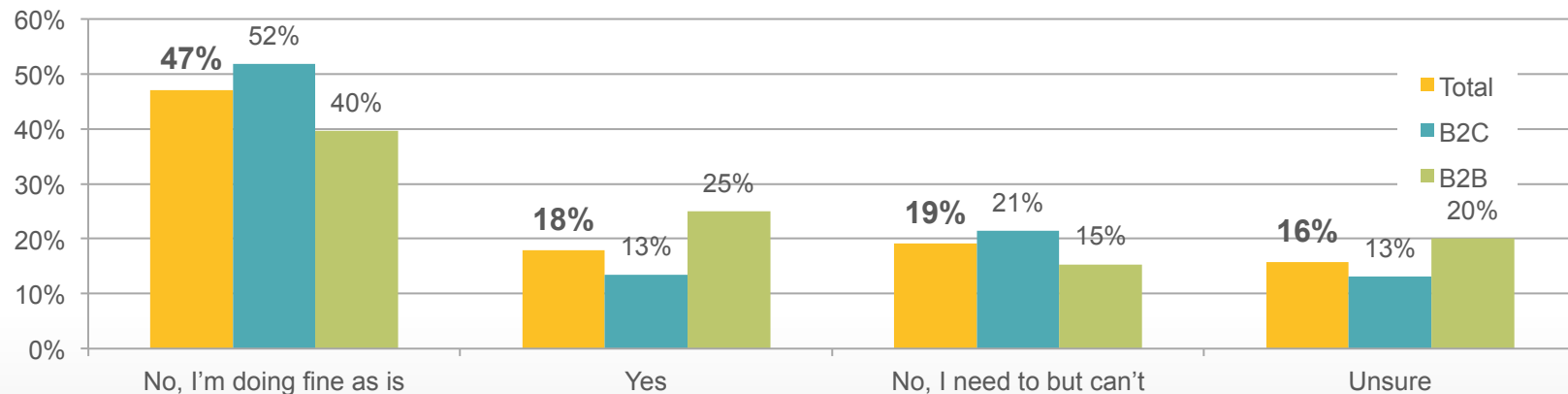
Is your cash flow sufficient to run your organization effectively?



Over half of small businesses are not planning to hire more FTEs in the next 6 months

- So far this year 63% of small businesses have kept the number of employees the same. 27% of small businesses have increased the number of employees.
- 50% have kept payroll the same, while 38% have increased payroll.

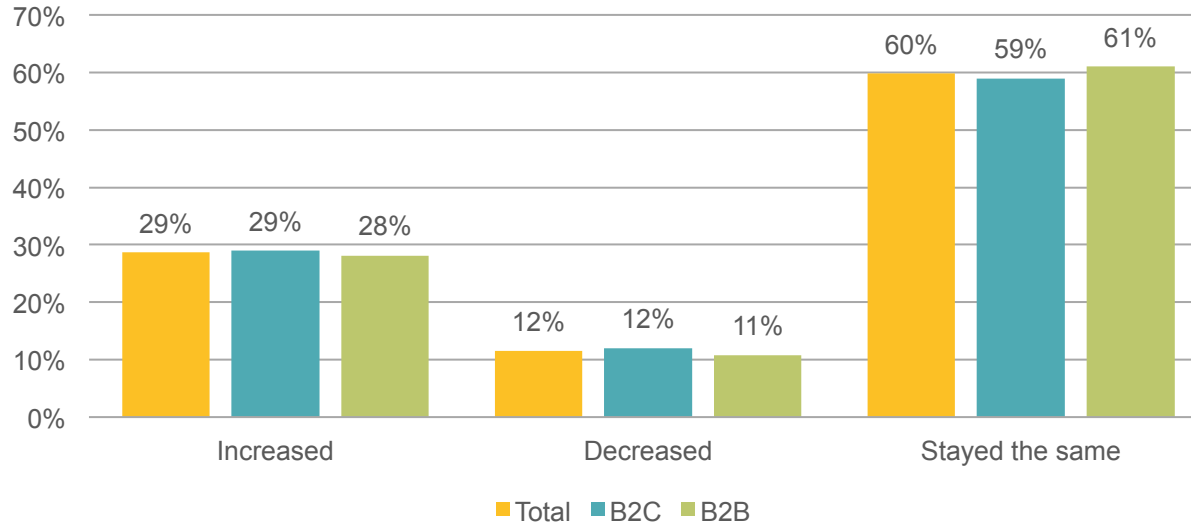
Will you be hiring additional full-time equivalent (FTE) employees in the next 6 months?



3. Small Business Marketing

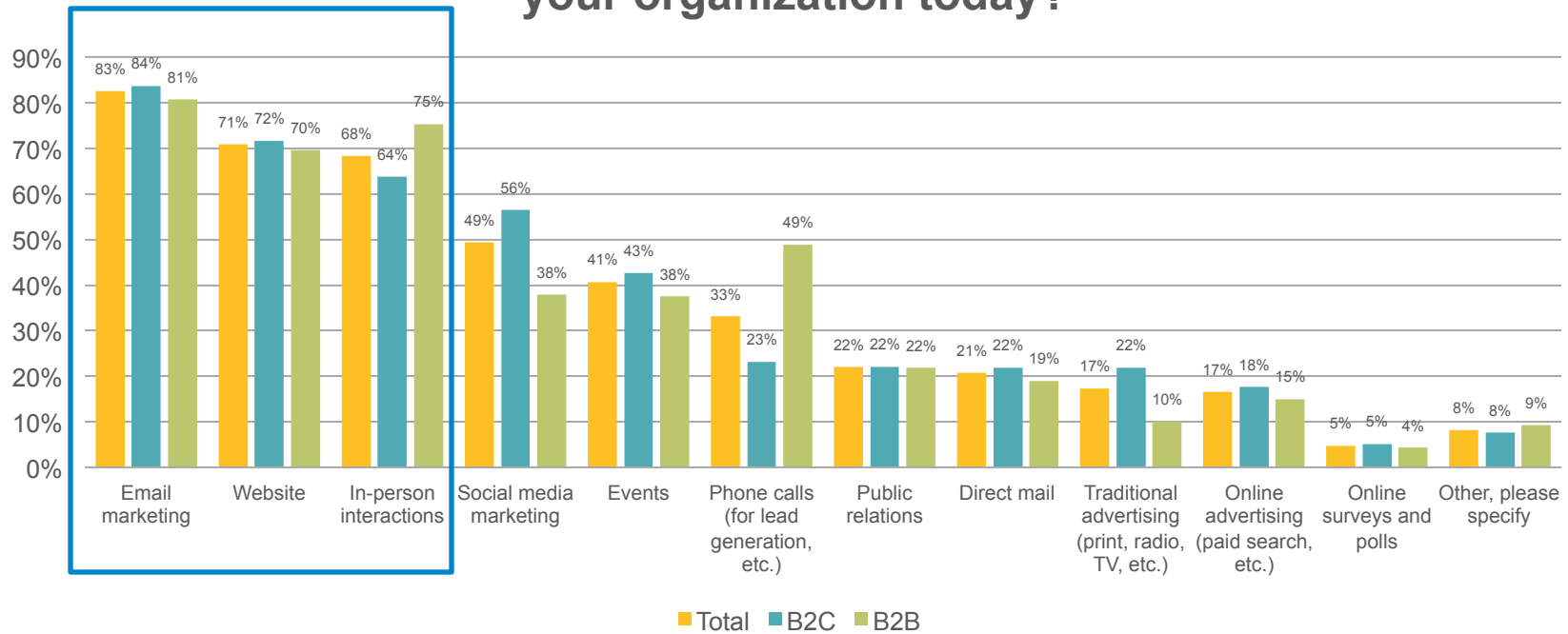
Marketing spend has stayed steady for most small businesses surveyed

So far this year, the marketing budget has...



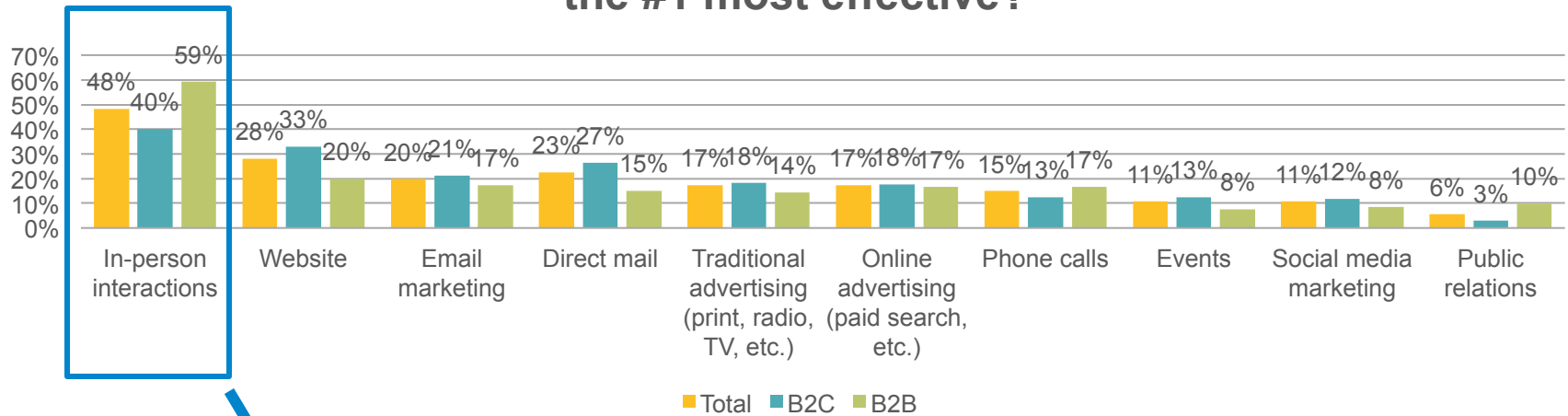
Email marketing, websites, and in person interactions are most often effective for small businesses

Which marketing activities do you find to be effective for your organization today?



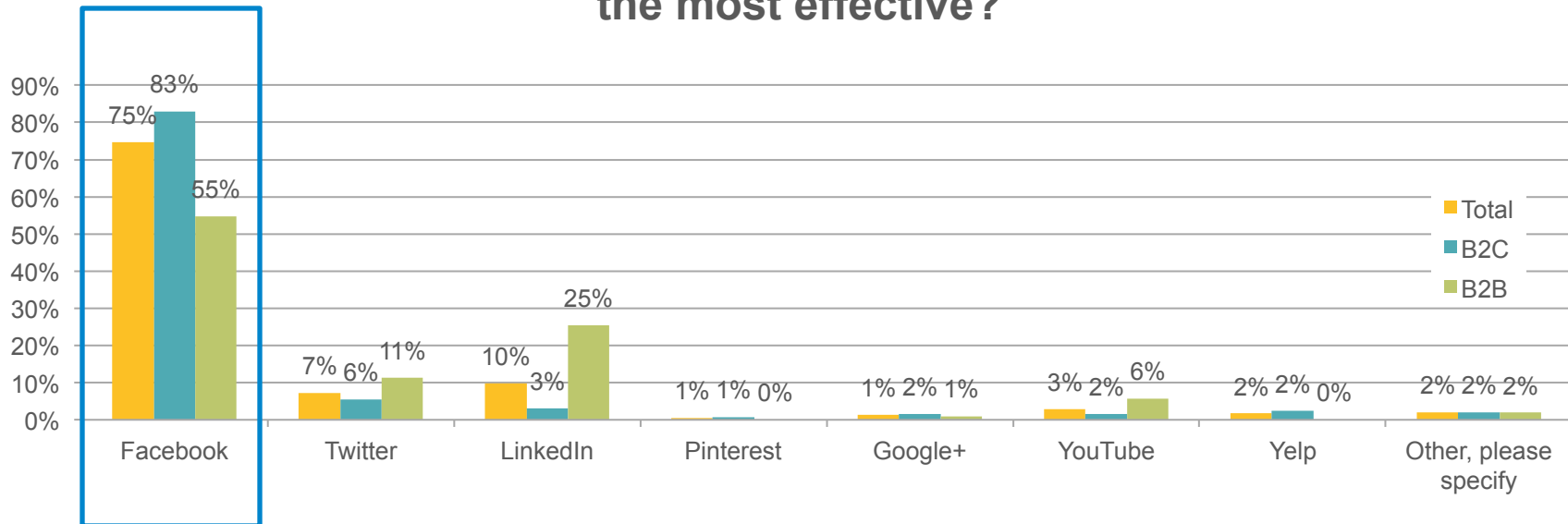
Small businesses are still most driven by in person interactions

Of the items you find to be effective, which do you rank as the #1 most effective?



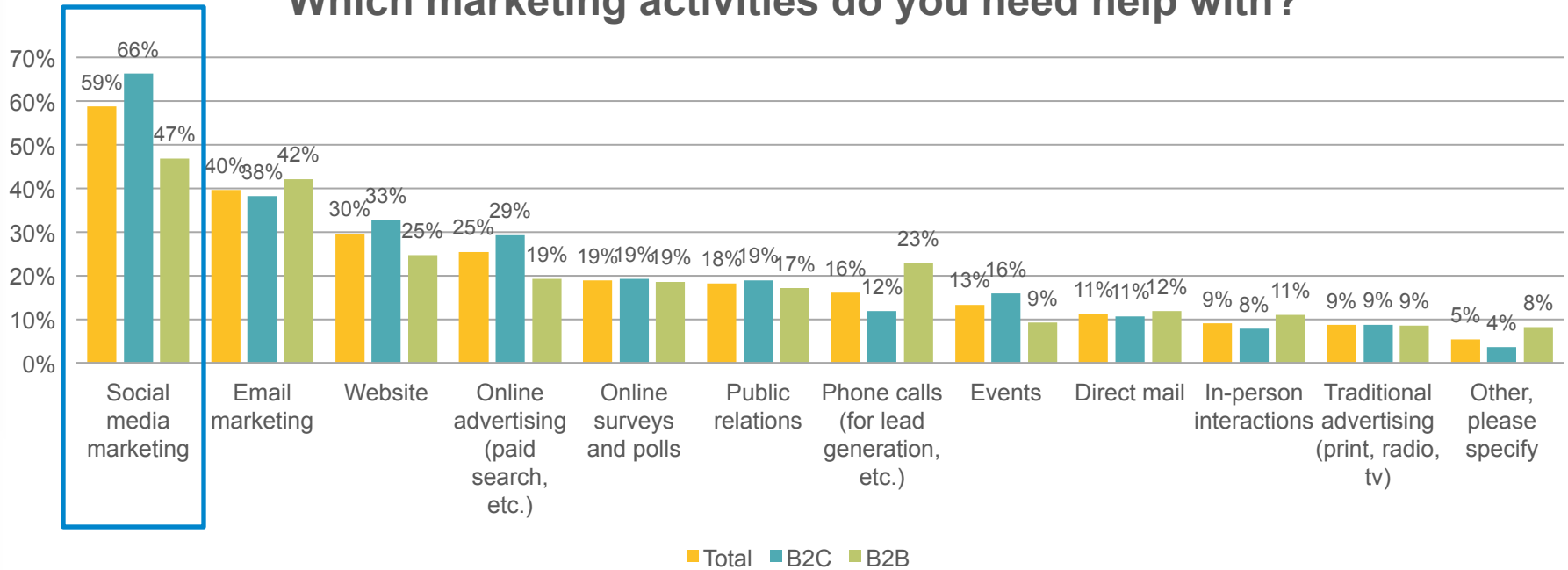
Of those using social media, Facebook is far and away the most effective, even for B2Bs

If social media is ranked in the top 3, which tool do you find the most effective?



Still, SMBs need more help with social media marketing

Which marketing activities do you need help with?



53% of Small Business ranked social media as the marketing channel they need the most help with

About this study

- This is the first wave of an ongoing study about the state of small businesses and the ways they connect with and grow their audiences.
- We surveyed over 1000 participants in the Constant Contact Small Biz Council – a research panel of US small businesses and nonprofits recruited from the Constant Contact customer base – between April 24 and May 8, 2012.
- This preliminary report includes responses from 728 participants including 448 business-to-consumer organizations and 280 business-to-business organizations.

Media Contact
Erika Dornaus
Constant Contact
(781) 482-7039
pr@constantcontact.com



Number of employees for businesses included in this study

