



Stress, Time & Growth: Factors Affecting Small Business Marketing in 2019

Executive Summary

The majority of business owners are not marketers by trade. They are pursuing a dream, passion or a practical skill they're exceedingly good at. Yet the complexities of operating and marketing a 21st century business of any size are frequently incompatible with the preferences of today's business owners, creating and exacerbating stress.

In February 2019, OutboundEngine, a leading provider of marketing automation software for small businesses, conducted a survey of more than 350 small and medium business (SMB) owners throughout the U.S. We asked them about revenue growth, stress, what is prohibiting them from meeting their business goals, which marketing tactics were most effective for them in 2018, and more.

Key Findings & Figures



50% percent of respondents do not have a marketing plan for 2019.



27% of SMBs feel more stressed about their business this year than last year.



86% of respondents prefer to spend their time on other business activities than spending time on their marketing.



Of the SMBs owners who spend the least time on marketing, 36% are unsure how they are going to grow their business in 2019.

SECTION I:

Small Business Stressors & The 2019 Marketing Ecosystem

Operating a small business is more difficult than ever. As a result, small business owners are much like nearly every other American demographic: stressed. Stressed about keeping existing and getting new customers, stressed about staying on brand. Overwhelmed at the sheer number of options and choices presented to them across every area of business, especially marketing.

62%

OF SMALL BUSINESS OWNERS ARE AS OR MORE STRESSED ABOUT THEIR BUSINESSES IN 2019 THAN THEY WERE IN 2018.

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Owning a small business is a huge commitment that necessitates constant attention and awareness. Most commonly, marketing is the key factor that either drives growth or causes a business to be left behind. There are now numerous technologies to help small businesses automate their marketing, but even those take a weekly commitment that small business owners just don't have time for.

– Marc Pickren, CEO, OutboundEngine

What is prohibiting you from achieving your business objectives?



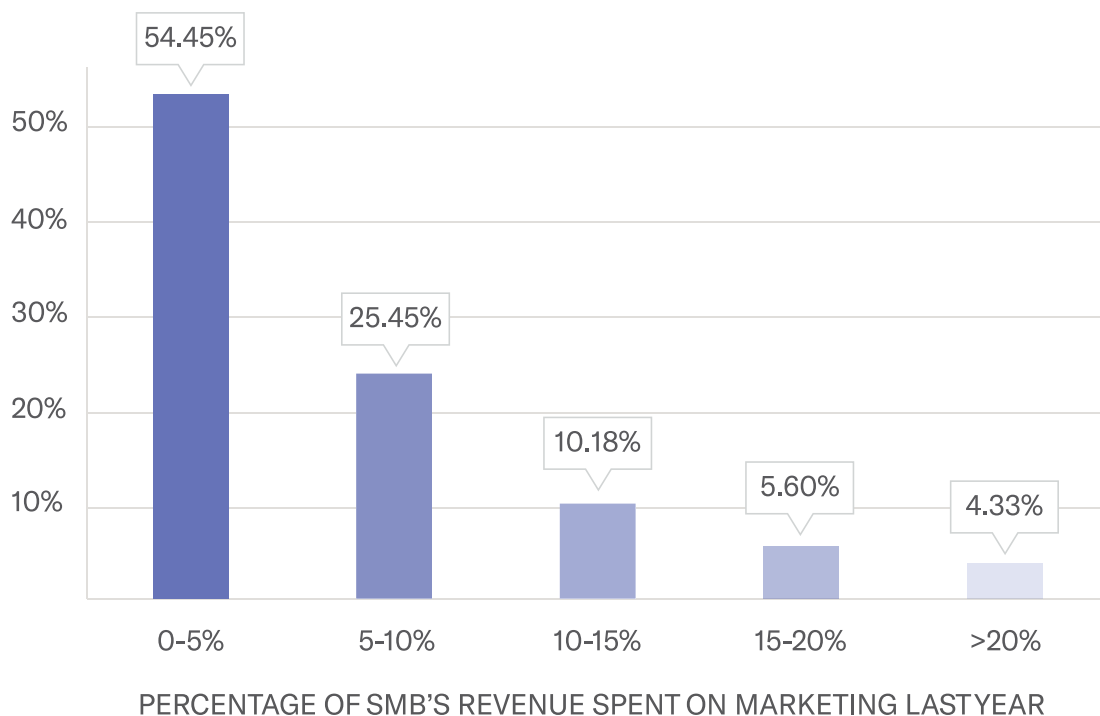
Stress and small business marketing frequently go hand-in-hand. A lack of knowledge of business-specific marketing tactics correlates to higher levels of stress in small business owners.

SECTION II:

How SMBs Use Marketing Today

The number of marketing channels through which business owners can engage with new and existing customers grows every year. Business owners are then forced to compete for visibility through traditional brick-and-mortar locations as well as an expanding digital marketplace, yet prefer to spend time and money on other elements of their businesses – not marketing.

As you can see from the charts below, marketing is often a much smaller size of an SMB's budget. However, those SMBs that did invest time on marketing reported more growth than those who devoted less time.



Nearly 55 percent of SMB owners spend less than 5 percent of annual revenue on marketing.

Eighty-one percent of respondents who invested between 5 and 10 percent of annual revenue in marketing said they experienced revenue growth in 2018, compared to just 50 percent of respondents who invested less than 5 percent of revenue.

Even a small increase in marketing investment led SMBs to see more revenue growth in 2018 than those who spent less on their marketing.

Of SMB owners who spent the least amount of their time on marketing, 47 percent did not experience revenue growth in 2018.

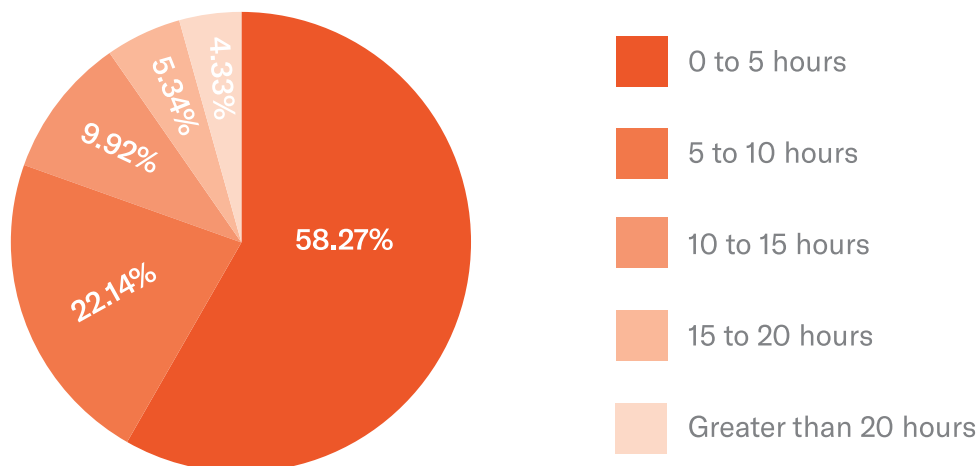


More than 58 percent of SMB owners spend five hours or fewer on marketing every week.

More than 79 percent of respondents who spent between five and 10 hours per week on marketing reported revenue growth in 2018, compared to just 52 percent of respondents who invested fewer than five hours per week on marketing.

It's been a long-held view among marketers and business owners that the more money and time you spend on marketing, the greater the output. It's been the path of least resistance for so long. But you don't have to spend more to get more. Our data shows that a time investment as low as 5 percent can influence revenue growth.

Time spent on marketing per week



Small business owners prefer to spend their time improving operations (36 percent) and helping customers solve their problems (28 percent). However, respondents who invested slightly more time or money in marketing also reported revenue growth at higher rates.

Marketing's complexity can paralyze small business owners, especially those who don't like marketing in the first place or know how to get started.

Nearly half of SMB owners surveyed do not have a marketing plan for 2019, while nearly 25 percent of respondents are unsure of how they plan to grow their businesses in 2019. Perhaps unsurprisingly, nearly 75 percent of small business owners who have no concrete growth plans don't have a marketing plan.

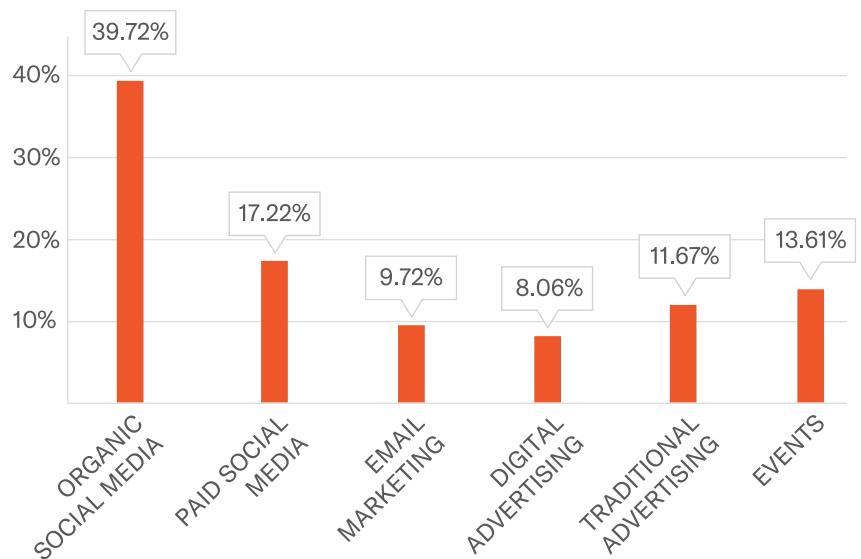
SECTION III:

Effective Marketing Strategies & Opportunities for SMBs

SMB owners value social media engagement across paid and organic, and view events and email marketing as useful tools to nurture existing customers and acquire new ones. Prioritizing these marketing channels is a crucial first step in building a cost-effective strategy that maximizes results with minimal effort.

Nearly 40 percent of respondents view organic social media posts as the most successful part of their customer marketing strategies, followed by paid social posts (17 percent), events (13 percent) and email marketing (9 percent).

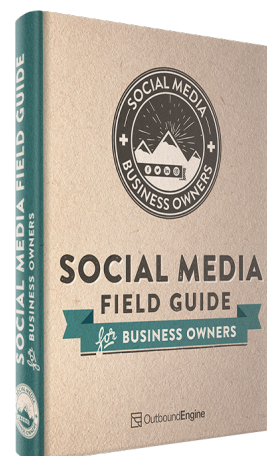
In 2018, where did you find the most success when marketing to customers?



Benefits of utilizing a comprehensive social media strategy:

1. Increased exposure for brand/business
2. Increased traffic to social pages & website
3. More frequent interactions with customers
4. Greater top-of-mind awareness and recall for potential customers
5. More exposure as a thought leader or subject matter expert
6. Expanded referral networks
7. Opportunity to become a social business with which people want to interact and have a relationship

Ready to dig into your social media marketing plan? Download our free guide here:



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Despite social media's necessary time investment, respondents who listed organic social media as their most successful marketing tactic in 2018 also say that to grow their business in 2019, they want to expand their social media presence (47 percent).

Even with the numerous benefits of building a thorough social media strategy, SMB owners still don't have enough time to spend on it. Among respondents who find the most success with organic or paid social, as well as email or digital marketing, the majority of each subset of owners still prefer spending time making sure their business runs smoothly instead of marketing.

That is likely due to the time-suck of particular marketing channels combined with the nature of small business ownership. For example, SMB owners recognize the value of paid and organic posting, but can't allocate enough time to the related tasks to efficiently deliver on its potential value and ROI.

In fact, of those who say organic social media is their most successful marketing tactic (41 percent), 52 percent also say it is the greatest time suck.

Which marketing tactics are the greatest time-suck for SMBs?



It is a common misconception that social media will replace human interactions. As a small business owner, you must build relationships both in-person and online to maintain relevance with your consumers throughout their buyer's journey. Social media will help you nurture leads and generate more engagement while you are busy running your business.

– Deepak Surana, SVP of Product, OutboundEngine

SECTION IV:

Best Practices & Takeaways

This report has yielded interesting insight into business owners' preparedness and appetite for marketing to existing and new key customer segments, as well as stressors and preferences that inhibit the development and execution of marketing strategies.

Building a formal marketing plan is the next logical step for SMBs. Yes, it can take time away from the other elements of the business that owners would rather be doing, but if SMB owners take the time to answer a few questions and identify key goals, they can establish a marketing plan that will help them meet their objectives. Marketing is complicated -- and is getting more complicated every day. Establishing some basic goals and targets will at least set some parameters around what they are trying to accomplish.

Elements of a Marketing Plan:

PART 1:**How do you want to grow?**

Nearly 25 percent of respondents were unsure of how they wanted to grow their businesses. This crucial question should be answered first, as it will dictate the rest of your marketing plan.

PART 2:**Are your business goals tied to your marketing goals?**

Identify your short- and long-term goals—as simple or as complicated as you'd like—then determine how marketing can support them.

PART 3:**Do you have a marketing budget established?**

Establish a budget for your most potent marketing channels that will help you achieve those goals, otherwise, you will risk underfunding the areas that can help your business grow.

PART 4:**Have you identified your target audiences and what matters to them?**

Knowing who you want to reach and why will help you know which marketing channels can reach them best.



SMBs don't have to do it alone. They can grow their business, generate new customers, engage them with compelling content that matters to them and achieve their business or marketing goals without breaking the bank. They don't need to hire a full-time marketing specialist or outsource to an expensive marketing agency. OutboundEngine understands the value that email content, social media, and SEO deliver, and we put the time in so SMB owners can get back to the things they enjoy most.

– Marc Pickren, CEO, OutboundEngine

Even answering these questions might be challenging, and SMBs might be asking how they are supposed to confidently execute on these tasks when they are not marketers by trade. It's a valid question, and it's the reason OutboundEngine exists in the first place. Small business marketing can be complicated even at its simplest and can make SMB owners go to bed and wake up with pits in their stomachs day in and day out.

Marketing automation can address these challenges directly. OutboundEngine, for instance, offers small and medium businesses professional marketing services that help eliminate some of the stresses of operating a business.

Embracing marketing automation offloads the sustained effort required to curate branded content for potential and new customers, build social or email campaigns, maintain a website, nurture customer relationships and more without a corresponding increase in marketing budget or time allocation.

The best part? Customer engagement becomes more efficient, revenue increases and SMBs get to spend more time on the parts of their business they care about most.



Marketing automation software has introduced a new operational framework for SMB owners: spend less, get even more.

Wrap Up

Methodology

In February 2019, OutboundEngine, a leading provider of marketing automation software for small businesses, conducted a survey of more than 350 small and medium business (SMB) owners throughout the U.S. The survey explored sentiment toward and knowledge of marketing tactics, time management preferences and the stressors and concerns owners feel about the future success of their enterprises.

About OutboundEngine

Established in 2012 and headquartered in Austin, Texas, OutboundEngine is a leading provider of B2B marketing automation software that empowers small business owners with actionable marketing campaigns. OutboundEngine's software enables businesses to maintain impeccable online reputations, build stronger relationships, acquire new customers and stay focused on what they do best.



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