News Room

Marketing Survey Reveals 46% of Small Businesses Use Email Marketing Today, 36% Plan to Start Using in the Coming Year

Small businesses cite email marketing's effectiveness for reaching out to new customers, building customer loyalty, affordability and fast response time as its top benefits

OTTAWA - November 16, 2009 - According to online Marketing 2009 State of Small Business

<u>Online Marketing Survey</u>, 46 percent of small businesses surveyed rely on email marketing to help them find new customers, keep existing ones and grow their businesses. With the economic recovery underway, the survey also found that 36 percent of small businesses plan to begin using email marketing in the next 12 months.

<u>Campaigner</u>, a leading email marketing solutions provider, sponsored the online survey conducted by Hurwitz & Associates, gathering responses from 259 small businesses with 1-20 employees. The first report - *Small Business Marketing Health Check* - focused on how small businesses are succeeding today and the mix of marketing tools they are using. Those findings were published in October.

Today's announcement provides highlights from the second report - *Small Businesses Put Email Marketing to Work* - focusing on small business adoption, plans, use and requirements for email marketing solutions.

Email marketing a factor in small business success

As demonstrated in the Campaigner survey results released in last month's report - *Small Business Marketing Health Check* - small businesses that use email and other Web marketing tools expect to achieve greater business growth and higher revenues than businesses that are not using online marketing tools.

When asked more detailed questions about email marketing, small business owners cited the following as top benefits:

- Inexpensive/effective way to reach out to new prospects and customers
- Generates a fast response so I can tell if a campaign is working
- Effective way to build customer loyalty

Newsletters, sales and promotional offers and announcements are the most common ways small businesses said they are using email marketing.

"The survey points to a major adoption trend in small business email marketing - 46 percent currently use email marketing and 36 percent plan to use it next year," said Laurie McCabe, partner, Hurwitz & Associates. "As the recovery from the recession gets underway, businesses that already have email marketing programs in place are better positioned to take advantage of new opportunities to increase sales and revenues."

Some email marketing challenges remain for small businesses

Despite the growing confidence in using email marketing, both current users and those that plan to use email marketing view spam as the biggest barrier or potential barrier to successful email marketing. When questioned about their concerns in designing and executing email marketing campaigns, respondents reported the following top challenges:

- Concerns that my customers will view email marketing as spamming
- Too many email campaigns are filtered out by spam filters
- Poor response rates

When shopping for an email marketing vendor, small businesses want a user friendly solution and plenty of customer support to help them cope with email marketing barriers and challenges. Survey respondents cited the following as their top criteria for choosing an email marketing provider:

- Ease-of-use
- Quality of customer support
- Price

The survey results show that email marketing is now a mainstream tool for small businesses to stay connected to customers with informational e-newsletters as well as sales and promotional offers to drive sales, We also hear the concerns and challenges small businesses have voiced in their responses. Campaigner addresses these challenges by offering free advice and tips that help small businesses get started and follow email marketing best practices that lead to success.