Small Business Marketing Trends

June 2018
Shannon Kinney
shannon@dreamlocal.com
@shannonkin
About Dream Local Digital

- Deep Experience: 9 Years experience
- Strong Brand: 44,000 Businesses Served
Media Industry Trends
U.S. Advertising Growth is All Digital

2018 Local Advertising Forecast

Non-Digital

-2.2%

Digital

+12.7%

$126.8 billion
Advertising Isn’t Driving That Growth

$ Billions

- Local Advertising
- Local Promotions/Marketing

© 2018 Borrell Inc. ALL RIGHTS RESERVED.
Where is the Money Going?

• Social Media management and advertising
• Email outsourcing
• Website development & maintenance
• Digital is often a combination buy

Borrell Associates 2018
Where The Money Is Going

Social Media Outsourcing

Realty agents spend half as much on advertising as the typical advertiser but nearly 2x the average on managing social media.

Annual Expenditures

- All Local Advertisers: $17,191
- Franchises: $12,000
- Real Estate Agents: $31,817
- Health Care Advertisers: $9,810
- Restaurants/Bars: $5,870
- Tiny Businesses: $10,154

Even businesses with 10 or fewer employees spend big money on managing social media.

*Average annual expense for local businesses surveyed from April-July 2017
Source: Borrell's 2017 Local Advertiser Survey. N = 3,351 responses from all advertisers; 189 real estate agents; 354 health care providers; 194 restaurants/bars; 1,652 tiny businesses (10 or fewer employees)

© 2018 Borrell Inc. ALL RIGHTS RESERVED.
Small Business Trends
28 million

SMBs in the U.S.

Small Business Administration
72% of SMBs are planning on spending **more** on online marketing

SMBs are Spending ….. but need help

- Social Media Rises to top: 21% of spend more than any other channel
- SMBs spent $2.3 billion in 2016 in social
- 81% of SMBs Utilizing Social
- Social Media Management Fastest Growing Segment, growing 247% between 2016 and 2020

SMBs are overwhelmed by online marketing options and seek a trusted advisor and a brand they trust to assist them. Media Companies are well positioned to capture this opportunity.
96% of SMBs use social media in their marketing strategy

1. Digital marketing success remains elusive to most small business owners.

- 46% don’t know if their marketing strategies work
- 17% know their strategies aren’t working
- 37% can say their marketing efforts are effective

2. 2018 is the year of social media marketing.

- 71% plan to use social media content to acquire customers
- Facebook is overwhelmingly the social media platform of choice for small businesses
- 75% will include Facebook in their social media strategy

Biggest Challenge: Finding Time & Resources

- Finding time and resources for marketing: 21.4%
- Converting leads into customers: 19.1%
- I won’t be using digital marketing in 2018: 14.8%
- Generating web traffic: 13.7%
- Retaining and re-engaging customers: 12.6%
- Capturing leads: 9.8%
- Understanding marketing tactics and trends: 8.6%

Where SMBs are focusing Digital Spend

- Social media: 74.4%
- Digital advertising: 40.9%
- Search engine optimization: 40.8%
- Email marketing: 37.7%
- Content marketing: 21.6%
- Print advertising and direct mail: 21.3%
- None of the above: 12.3%

What is Driving Results?

• Social Media Management: High engagement interactive content, video
• Social Media Advertising: Facebook & Instagram
• SEO, SEM & Reputation Management
• Video: YouTube & Facebook, Facebook Live
• Email Marketing: The importance of list-building
• Mobile Advertising
• Website Development
• What’s coming next? Messenger Advertising, Chatbots
How Can Media Companies Capture Opportunity?

- Selling Digital Marketing Services
- In-House or Outsource
- Many Pros & Cons
Digital Marketing Services: The Lightning Round

• Should we prioritize this in the next year?
• What has highest revenue potential?
• Where do we put our efforts first?
Shannon Kinney

https://dreamlocal.com/partner-program/

shannon@dreamlocal.com

207-593-7665

@shannonkin, @dreamlocal