



Small Business Marketing Trends Report

2025 EDITION

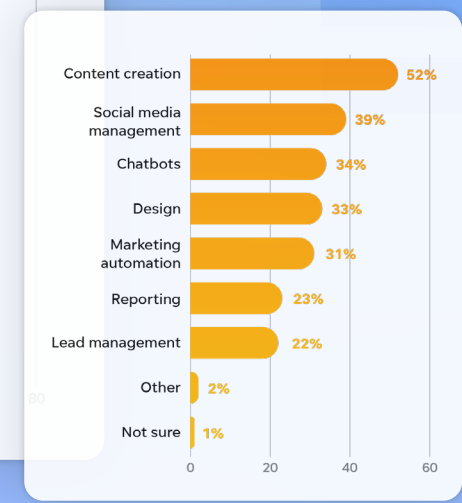
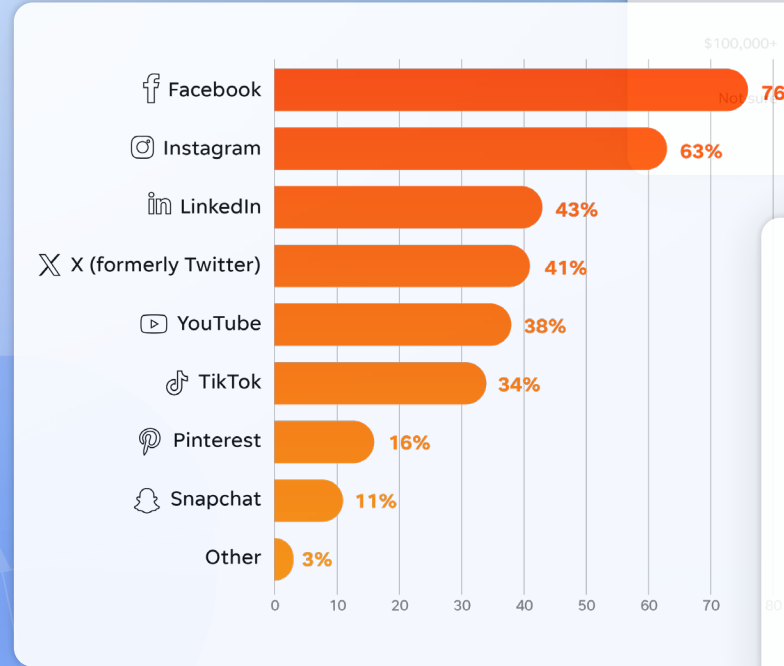


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Need support for your 2025 marketing planning and strategy? We can help.

Introduction

Wouldn't you love to know how other small businesses are running their marketing and how much they're spending? What about discovering what they have planned for next year?

We've got you covered!

We surveyed over 730 small business owners and marketers across the globe on everything from what marketing strategies they're investing in now, what tactics drive the best results for their businesses, their biggest business challenges, how they're using AI, and so much more.

In this report, we're sharing all the data we gathered plus a wealth of valuable strategic information and insights to help you better understand the competitive landscape and inform your small business marketing planning in 2025.

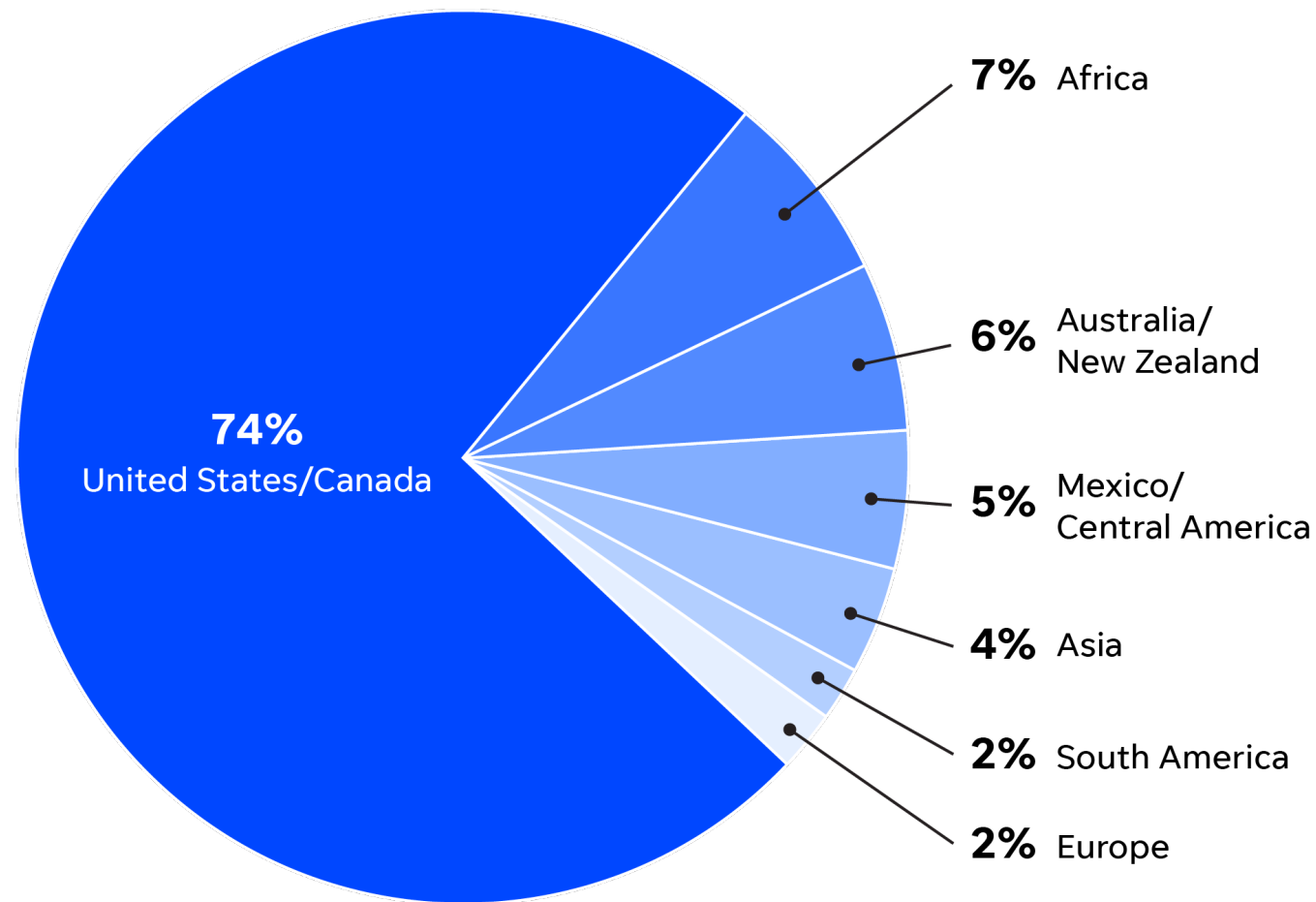


The who, what, and where of this report

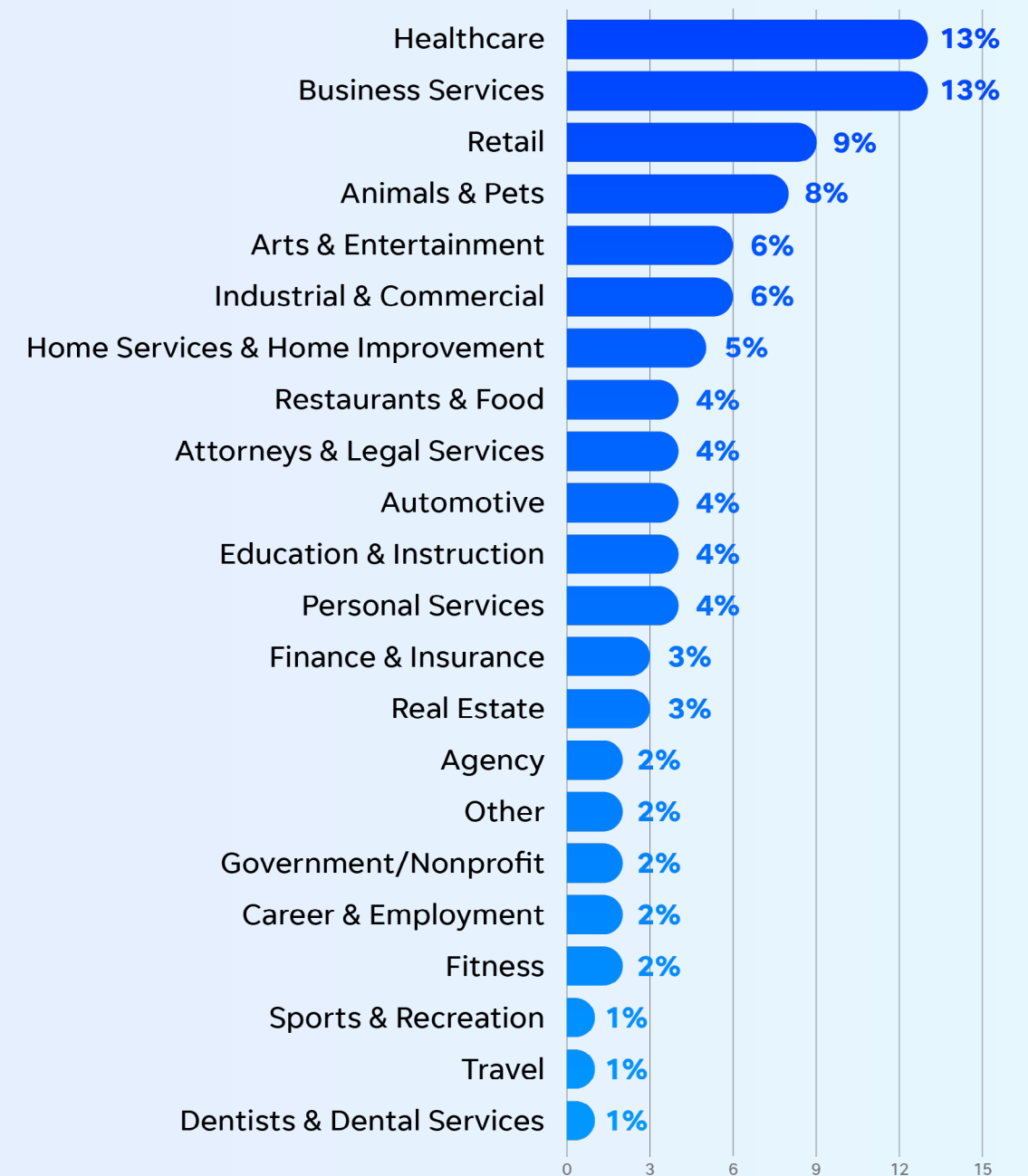
Here's a breakdown of the locations and industries of the businesses we surveyed to build the foundation of this report.

We were thrilled to have such a wide range of survey respondents that truly reflect the small business landscape. Businesses surveyed were spread out across industries, location (although 74% were in the US or Canada), and size (which we'll cover more next).

Where are you located?



What industry is your business in?

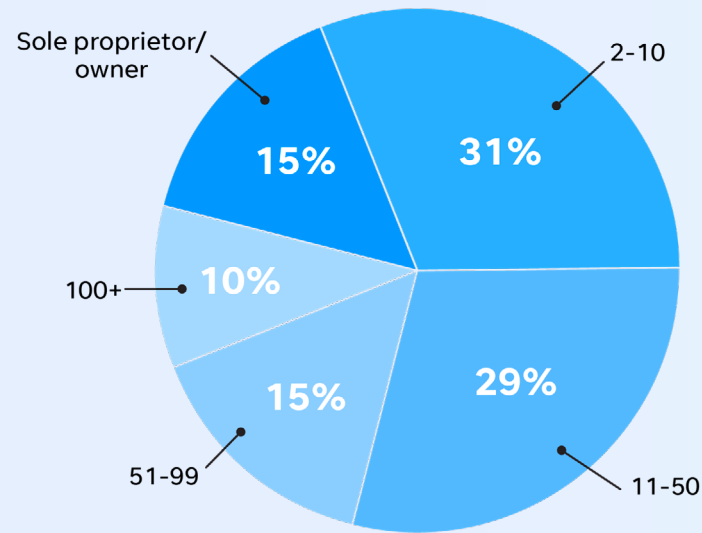


To get a peek into how the small businesses we surveyed operate, we wanted to know their size and current marketing budget. Unsurprisingly, smaller businesses tend to have smaller budgets.

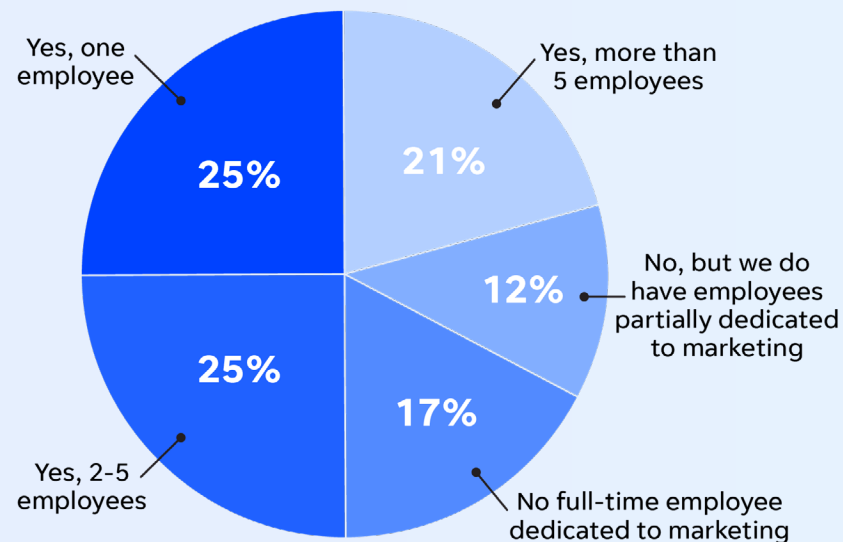
When drilling into the data further, we found that businesses with 10 or fewer employees were 31% more likely to have a marketing budget under \$500 a month and were 31% more likely to have no full-time employees dedicated to marketing.

That means these smaller businesses are truly tasked with doing more for less.

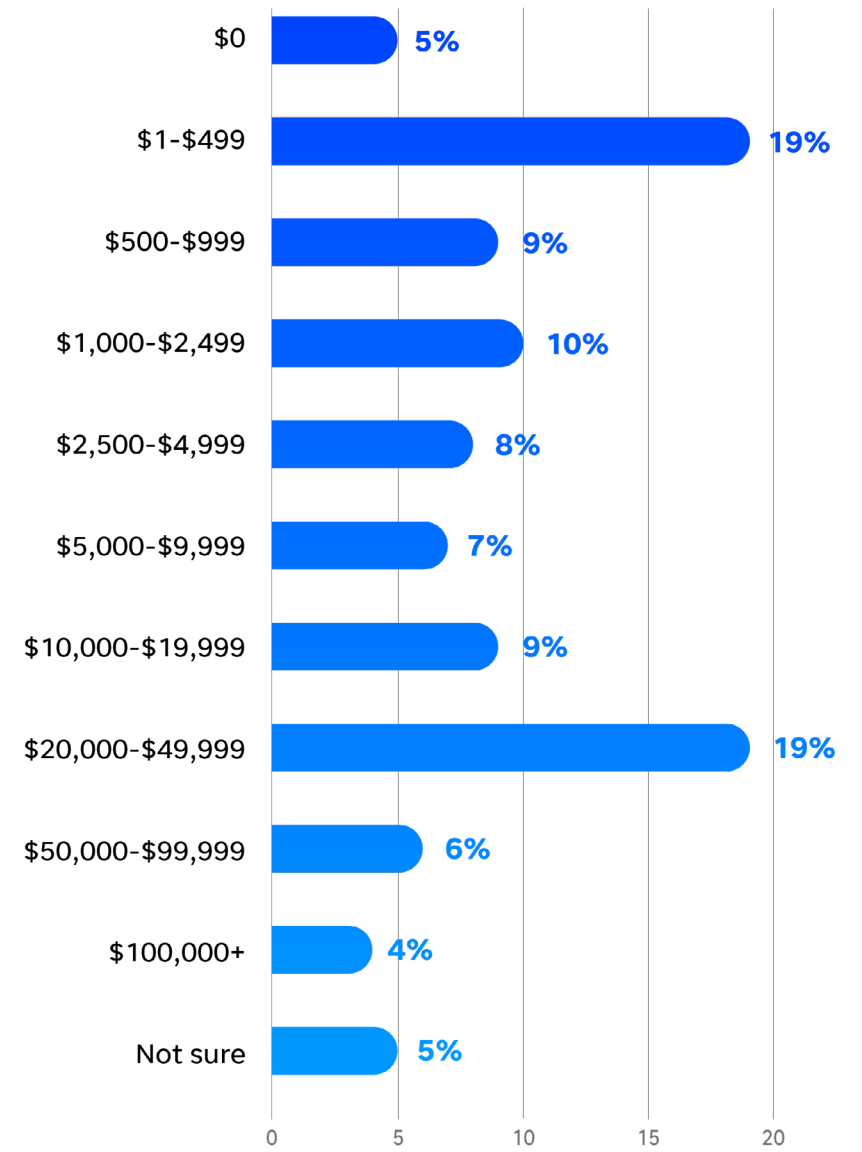
How many full-time employees does your business have?



Does your business have employees dedicated to marketing full-time?



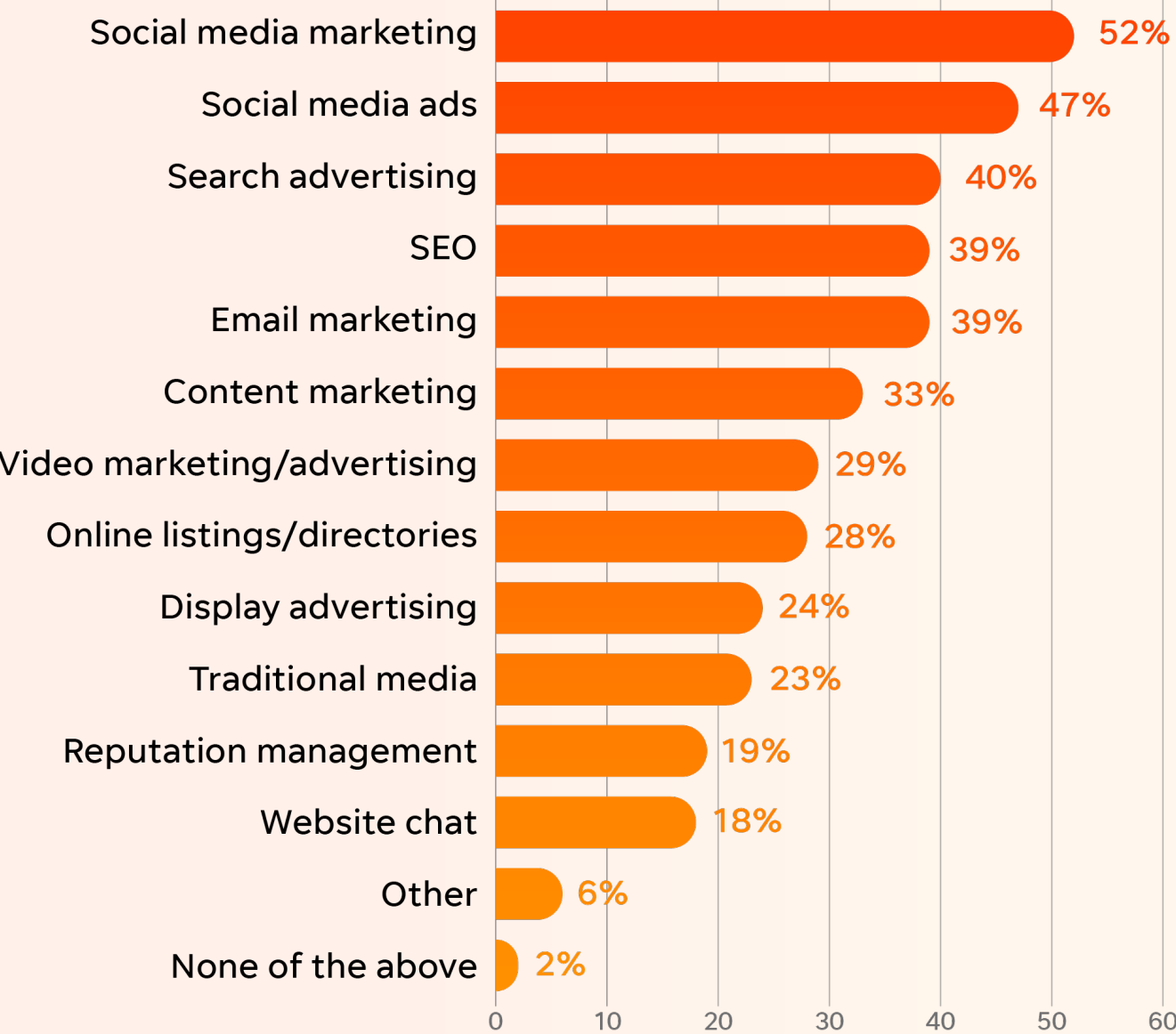
What is your monthly marketing budget?



The most popular and effective small business marketing strategies

To better understand the current state of small business marketing, we asked about what types of strategies SMBs are currently investing in and how they feel about their results.

What marketing/advertising channels and tactics are you currently using?

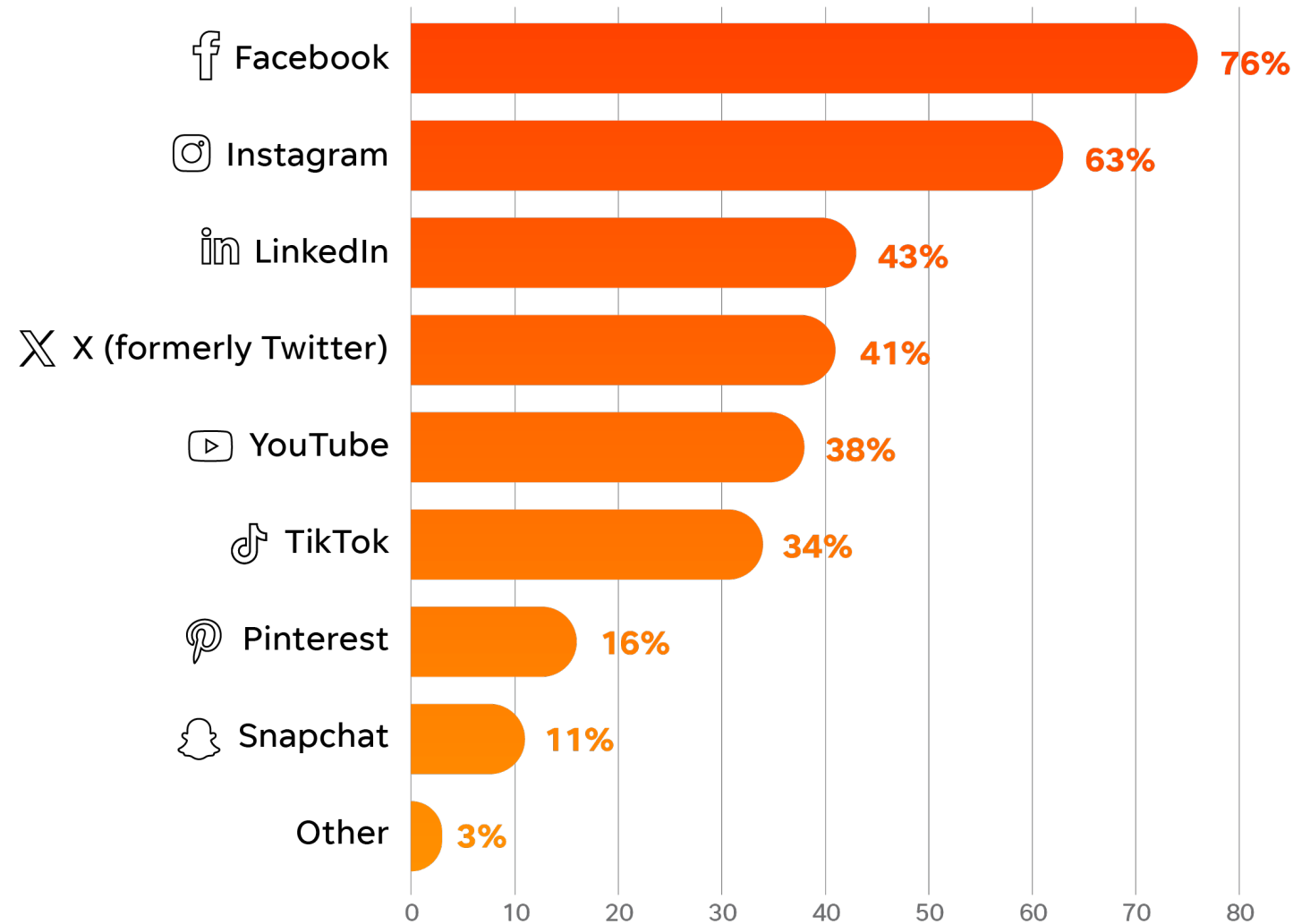


The three most-used marketing channels are unpaid social media marketing (52%), social media ads (47%), and search advertising (40%). It makes sense: These channels are extremely effective for small businesses and can help them easily connect with their audiences and drive conversions. Social media, in particular, is relatively easy for most businesses to manage in-house.

It was surprising, however, to see that only 40% of the small businesses we surveyed were investing in search advertising. That percentage was even lower (27%) for small businesses with a monthly marketing budget under \$1,000. This could be a missed opportunity for that remaining 60%, especially because [65%](#) of people will click on a search ad when they're looking to make a purchase.

It was also surprising to see free tactics like online listings and reputation management so low on the list (28% and 19%, respectively). These strategies are important for small and local businesses to increase their visibility on search engines and drive more website traffic.

What social media channels does your business use for marketing?



It's been around for almost two decades, and Facebook is still the top social channel for most small businesses. Over three-quarters (76%) of small businesses surveyed are using Facebook as part of their social media marketing, followed by Instagram at 63%, and LinkedIn at 43%. This means businesses know where to find their audience: Facebook is the most popular social media platform for users, and Instagram is not far behind.

We know that TikTok has grown in popularity over the last few years, and a healthy 34% of small businesses are currently using the platform as part of their strategies.

Snapchat and Pinterest were the least-used platforms by the small businesses we surveyed at 11% and 16%, respectively.



Want to learn more about social media marketing and how to make it work for your business?

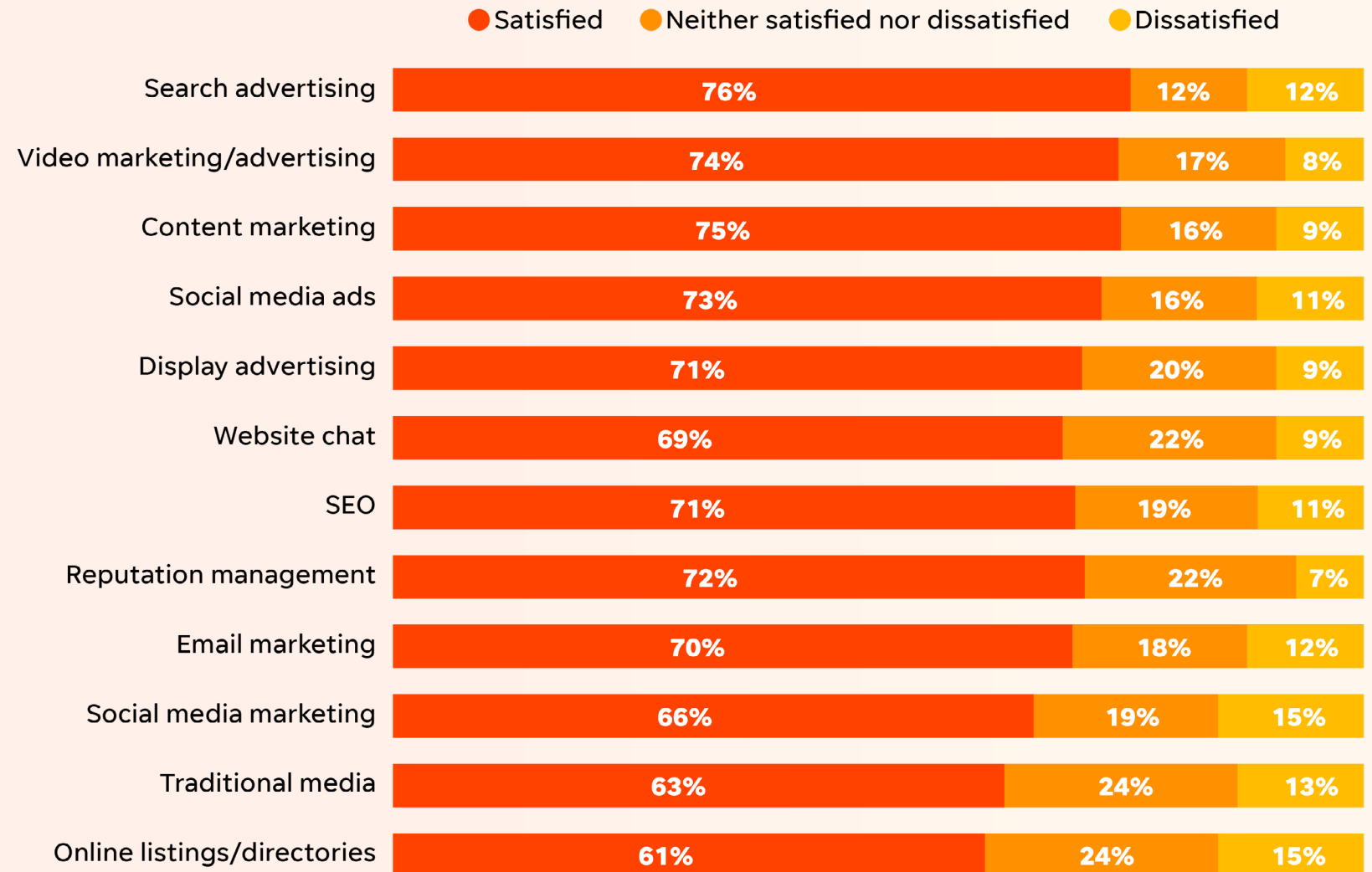
We've got you covered in this complete guide: [Social Media Marketing 101](#)

Search advertising topped the list as the tactic that most small businesses are satisfied with. This could be in part because it's simple to measure results with search advertising. It's also a proven effective way to drive website traffic when intent is highest—when people are actually looking for a product or service to buy—which leads to direct conversions.

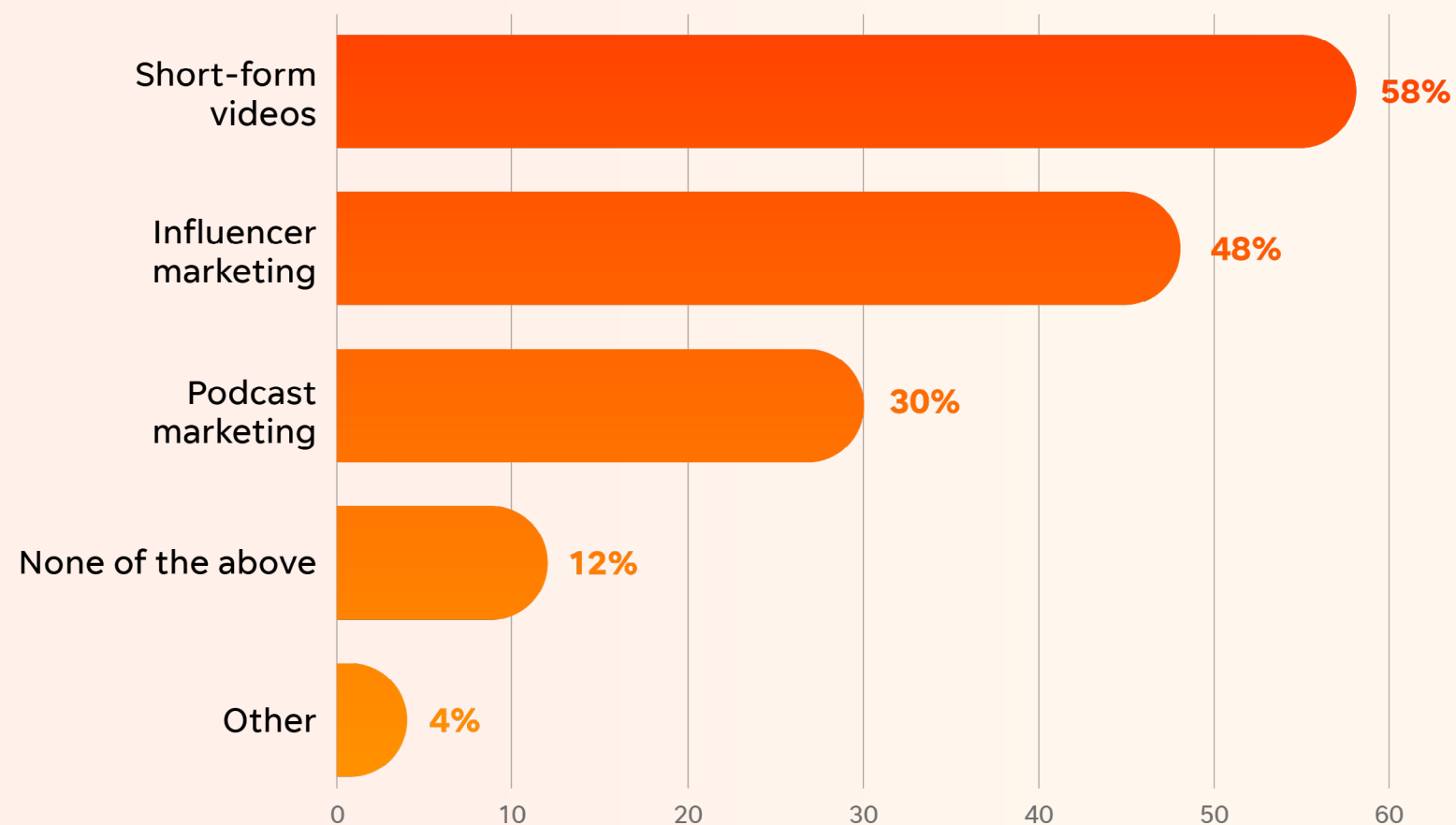
SMBs also reported that they are satisfied with the results they're seeing from tactics like video marketing and advertising, content marketing, and social media ads. Again, many of these tactics are easy to measure and see direct results.

Organic social media marketing and online listings and directories had the highest rates of dissatisfaction at 15%. It can be difficult to measure results from organic and brand building strategies like social media marketing and listings, which can oftentimes contribute to a healthy web presence without driving direct traffic and leads. Plus, algorithmic changes in platforms like Facebook, X, and YouTube have made it harder for businesses with smaller budgets to see success through organic efforts alone.

How satisfied are you with the results you get from each marketing/advertising channel and tactic you're using?



What recent marketing trends have you tried or are you interested in trying?



As short-form videos, like those on TikTok and Instagram Reels, continue to grow in popularity, it's great to see that nearly 60% of small businesses surveyed have hopped on the bandwagon to try them.

Influencer marketing is another big marketing trend that's becoming more accessible for small businesses, especially through the use of micro- or nano-influencers. Nearly 50% of the businesses we surveyed have tried influencer marketing.

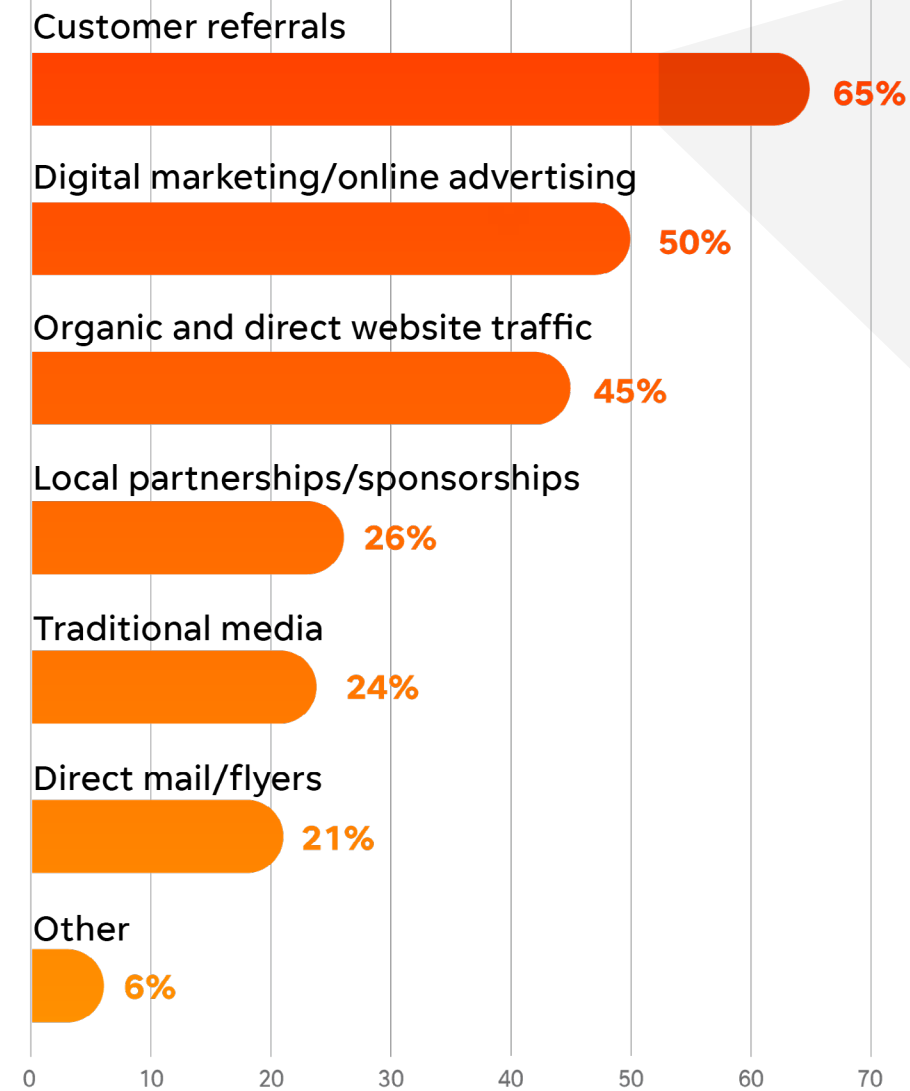
Other marketing trends businesses we surveyed have tried are webinars, flip books, giveaways, and AI, which we'll dive into deeper later.

Almost two-thirds (65%) of small businesses said customer referrals are their best source for customer acquisition, and the rate was even higher (75%) for businesses with 10 or fewer full-time employees. But it was lower for businesses with 50 or more employees. Less than half (46%) of those businesses said customer referrals were a best source for driving new customers—digital marketing and online advertising topped their list at 52%. This points to the importance of word of mouth for businesses that don't have large budgets for advertising.

For half of all the businesses we surveyed, digital marketing and online advertising was a top source for new customers and leads—this remained stable across business and budget size.

It's interesting to see more traditional sources, like TV, print, and local partnerships and sponsorships, lower on the list, as these used to be such a huge source for new customers and leads.

What are your best sources of getting new leads and customers?



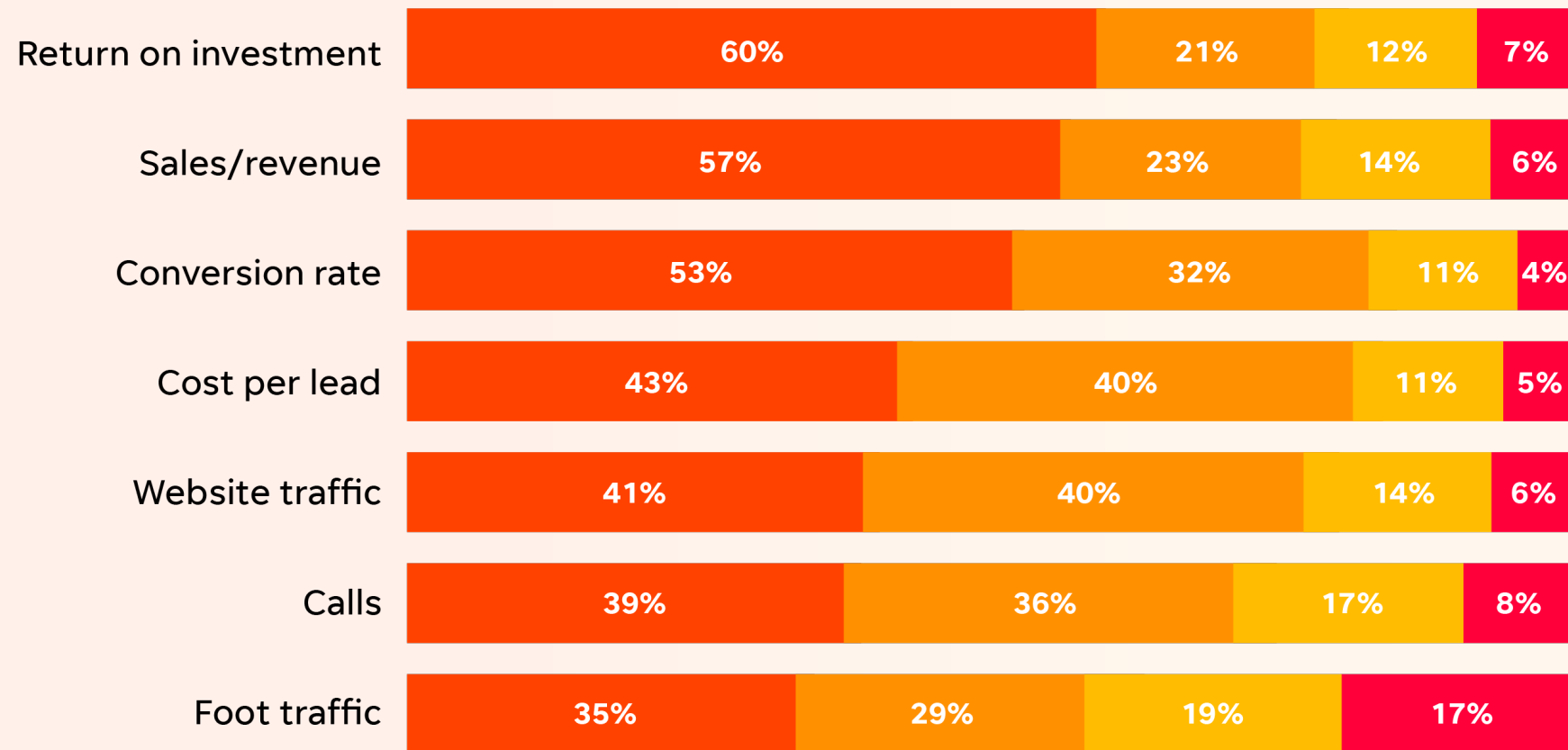
Percentage who say customer referrals is top source, by size of business



Get 20+ lead generation ideas to try, including free and low-cost options!

What performance metrics are most important to your business?

● Very important ● Somewhat important ● Not very important ● Not at all important



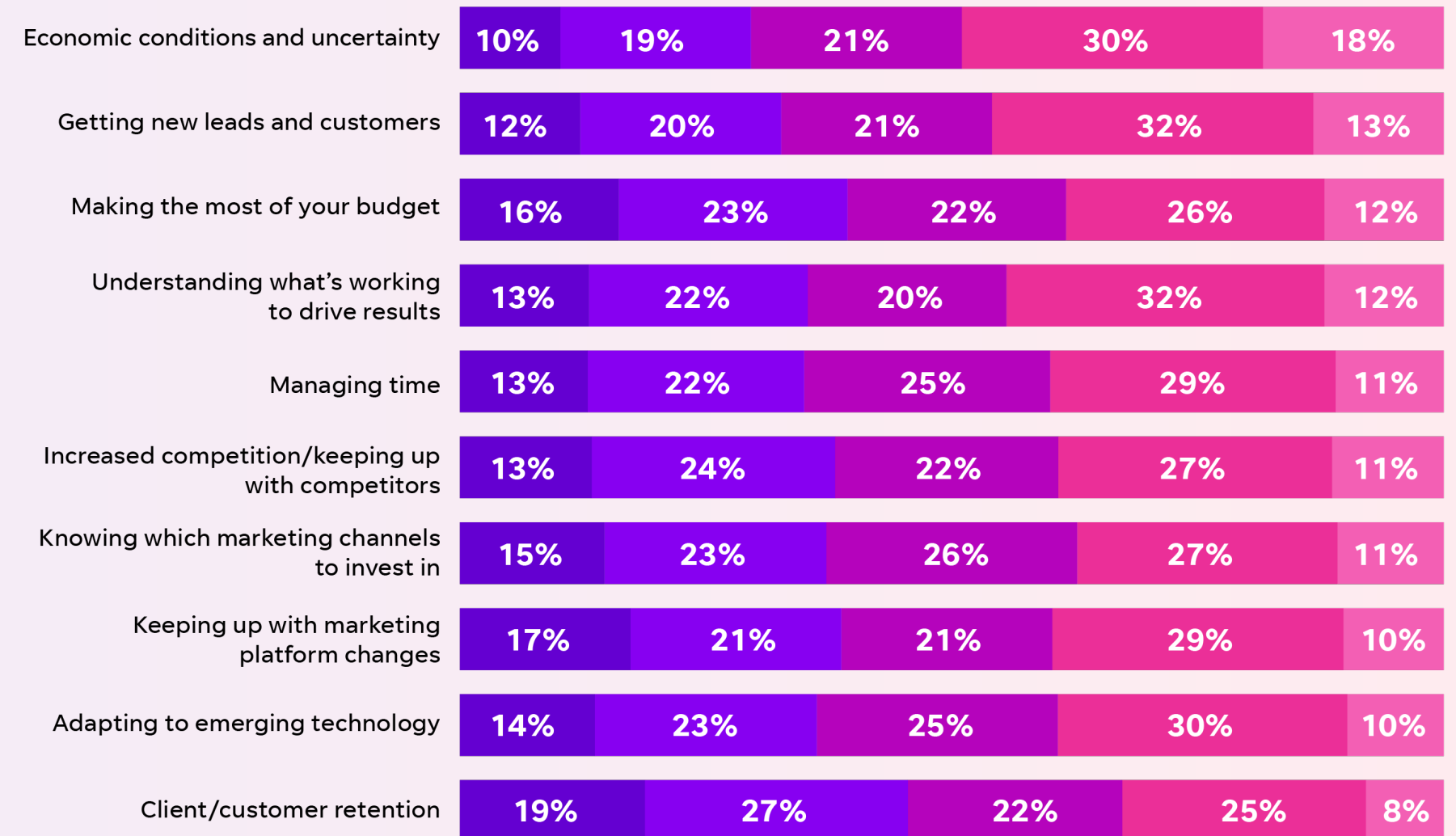
When asked about which metrics are most important to them, the majority of SMBs surveyed answered that they all are. Return on investment was the top metric, with 60% indicating it is “very important,” followed closely by sales and revenue (57%). Other important metrics, including conversion rate and cost per lead, are directly tied to online advertising.

Future planning: How small businesses will evolve in 2025

Now that we have a lay of the land, let's look at what small businesses are planning for the next year to help inform your strategy.

What are the biggest challenges your business will face in 2025?

● Not a challenge at all ● Not very challenging ● Neutral ● Somewhat challenging ● Very challenging



Almost half of small businesses (48%) think economic uncertainty will be somewhat or very challenging in the coming year. It's unfortunate that inflation, supply chain instability, and other factors continue to make operations difficult for so many business owners.

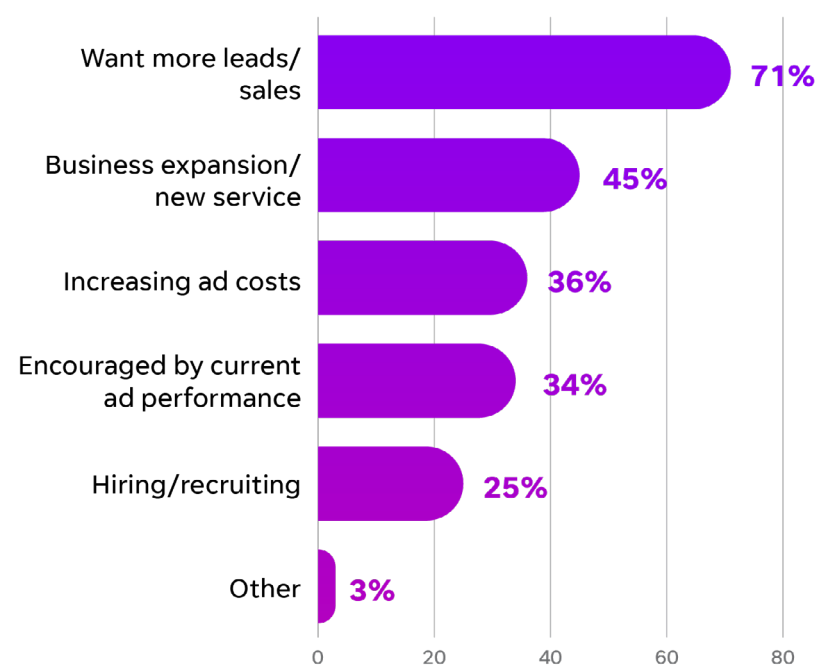
Getting new leads and customers continues to be a concern for SMBs, with 45% saying it will be challenging in 2025 (13% of those noting it will be very challenging). Small businesses are also concerned about maximizing their budget. This is the biggest concern for businesses with a smaller monthly marketing budget.

On the other hand, SMBs have a great handle on customer retention! Fewer than 1 in 10 said this area is "very challenging."

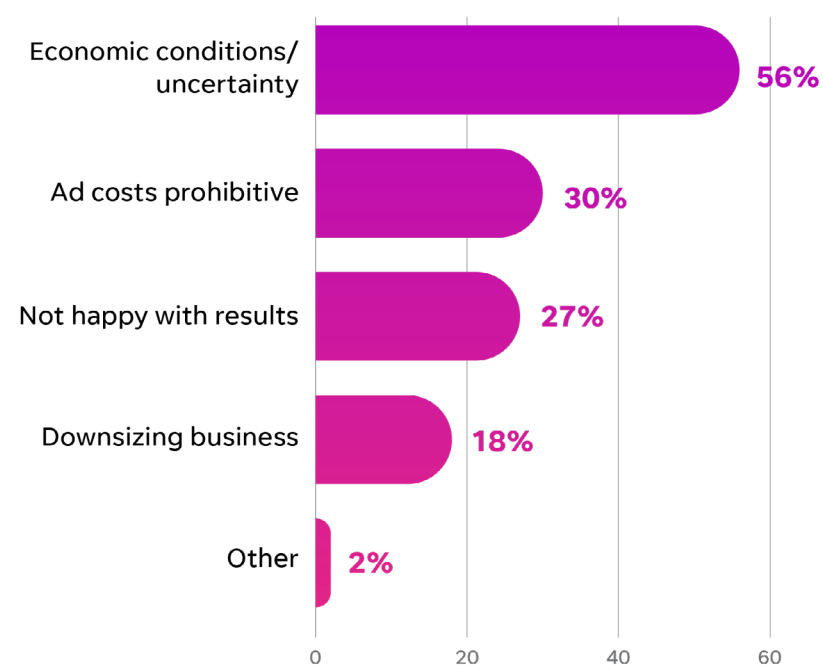
Do you expect your marketing budget to increase or decrease in 2025?



Why are you increasing your budget?



Why are you decreasing your budget?



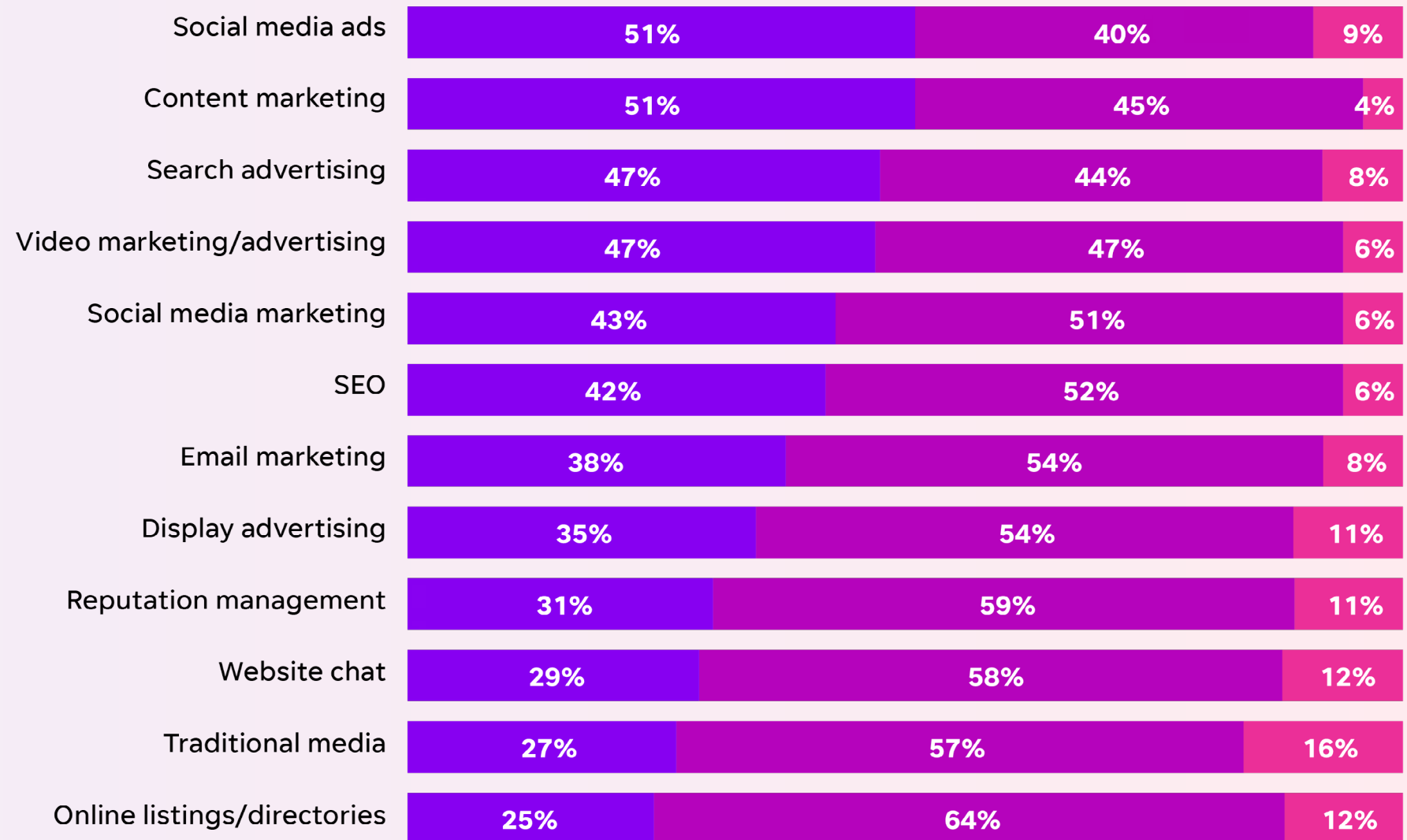
Despite economic challenges, nearly half (49%) of small businesses are planning to increase their [marketing budgets](#) in 2025, while 35% plan to keep the same budgets, and only 16% are planning to decrease their budgets.

The majority of SMBs increasing their budgets are doing so to drive more leads and sales. This makes sense as many marketing strategies built around lead acquisition require budget, and if you're getting a good return on your investment, it's easy to scale. In other words, you can typically drive more leads by spending more.

For those decreasing their budgets, the majority (56%) are doing so because of the economy. This is understandable after a couple of years of record inflation and economic uncertainty following the COVID-19 pandemic.

Are you planning to invest more or less in these channels in 2025?

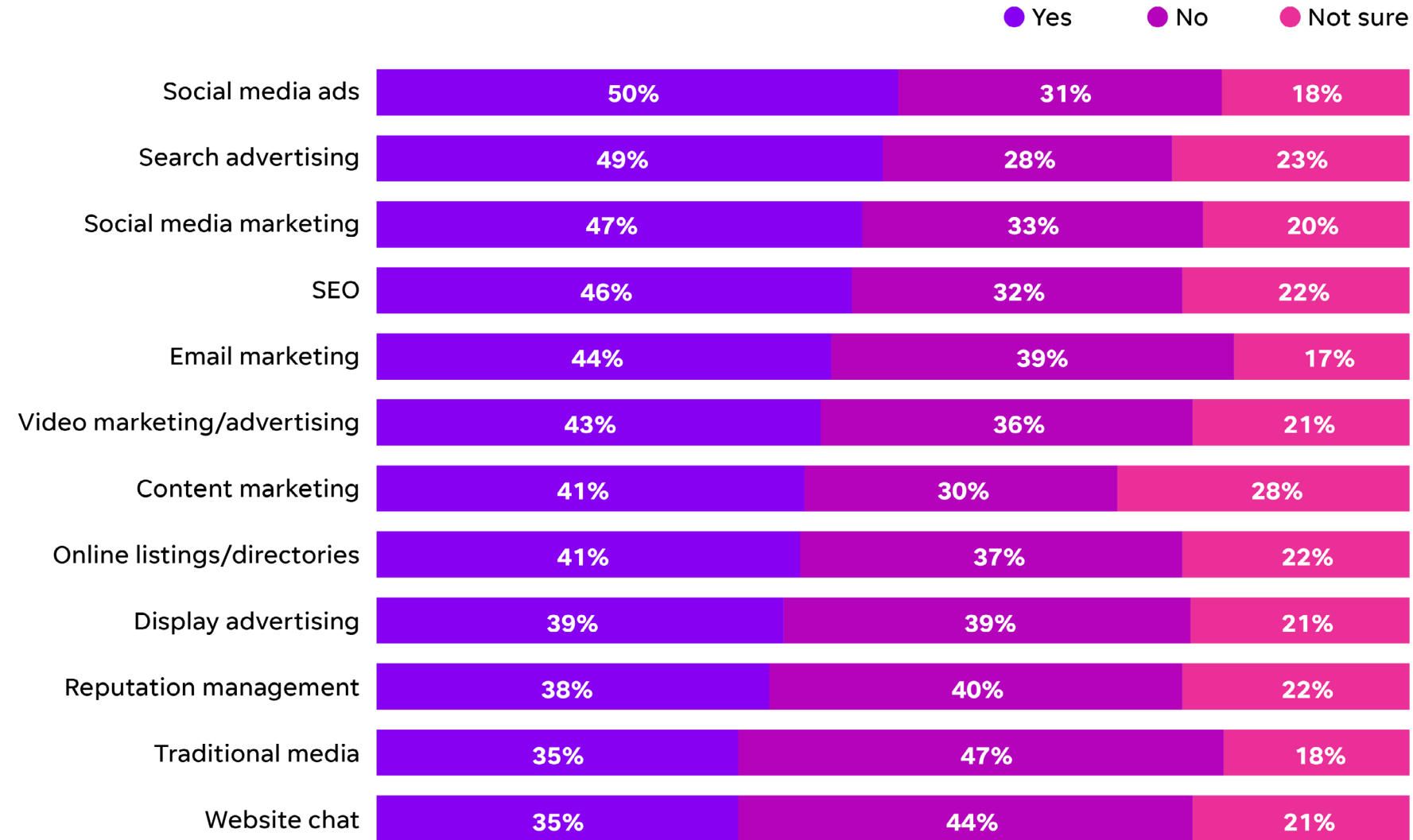
● Planning to invest more
 ● Planning to invest roughly the same
 ● Planning to invest less



To better understand where small businesses are planning to allocate their marketing budgets in 2025, we asked how they'll be investing in these top strategies. Over half plan to invest more in both social media ads and content marketing (51%), while 47% plan to invest more in search advertising and video marketing and advertising.

Most SMBs are planning to keep their investments roughly the same for many tactics, including reputation management, website chat, online listings, and more, while 16% plan to invest less in traditional media (one of the channels that SMBs find to be least effective) in 2025.

For these channels and tactics you are not currently using, are you planning to invest in them in the next 12 months?



Half of small businesses we surveyed who are not currently using [social media ads](#) are planning to invest in them in the next 12 months. Nearly half (49%) are planning to do the same for search advertising. This is a smart decision, as these are two channels where people are spending a lot of time looking for or engaging with businesses. For instance, the average person spends [2 hours and 25 minutes](#) on social media every day, and [nearly 90%](#) of people use search engines for purchase decisions.

Not many small businesses are planning to invest in website chat in 2025. Only 35% said they will be adding this to their marketing arsenal. This is a little surprising given this marketing tactic is easy to implement and can help capture and convert more website visitors, especially from channels like search ads, social ads, and SEO, which nearly half of SMBs surveyed will be newly investing in.

Time and tech: How small businesses are managing their marketing

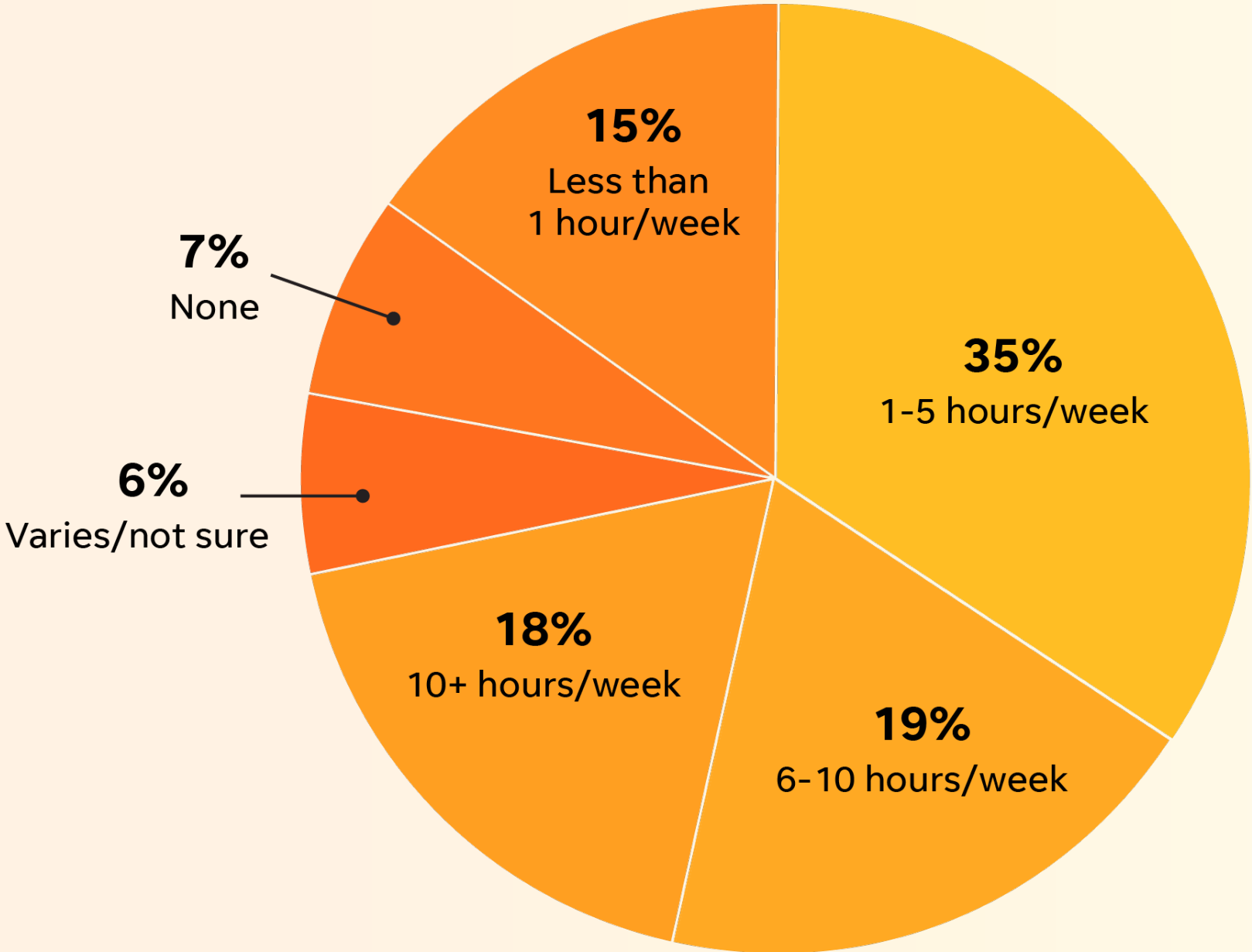
We know that small businesses are busy, so we wanted to understand how much time they were spending on their marketing each week and what tools and technology (like AI) were helping them keep it all running smoothly.

How much time do you spend on your marketing per week?

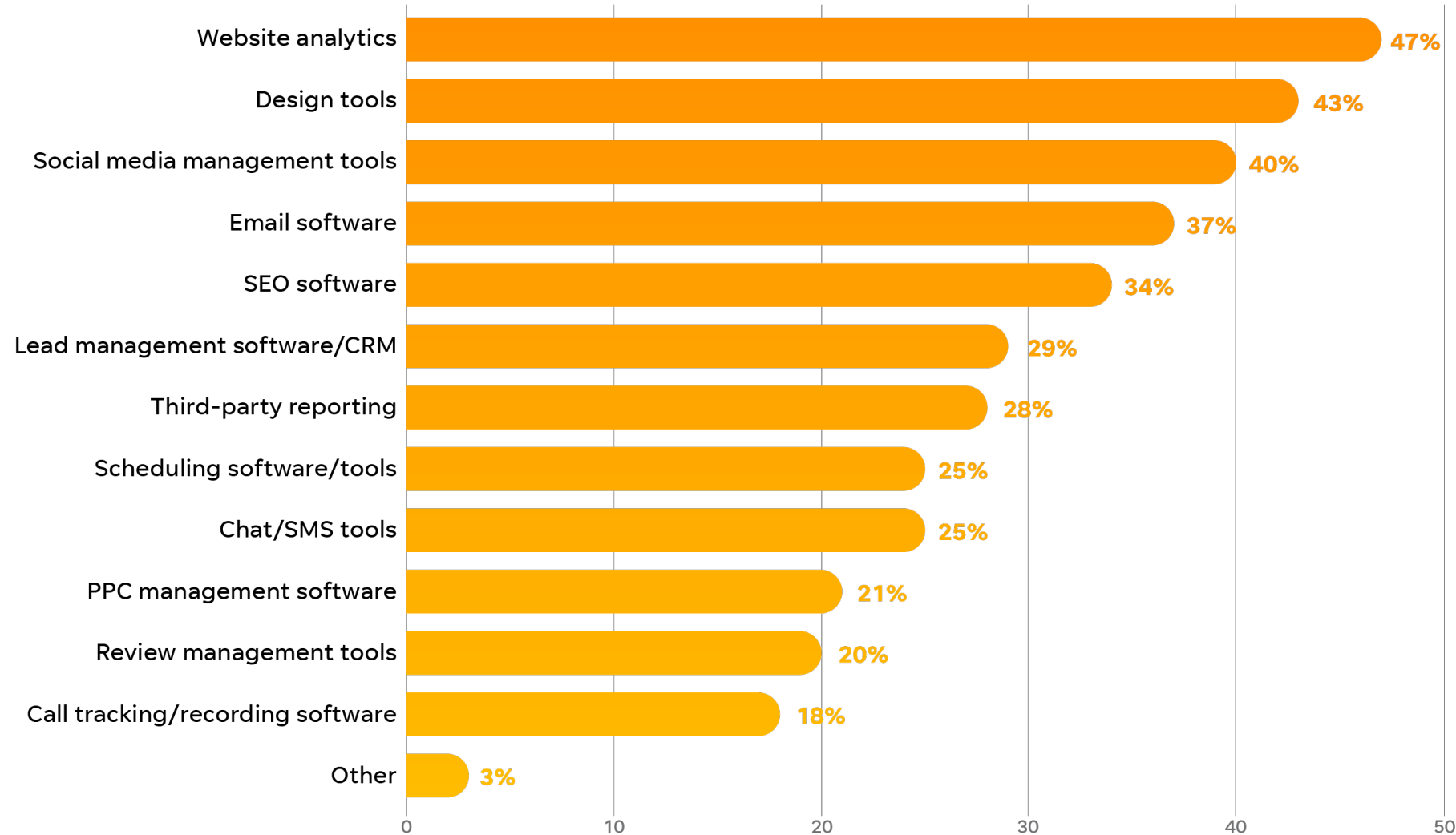
The majority (54%) of SMBs surveyed spend between 1-10 hours per week on marketing. This rate was higher for small businesses with 10 or fewer employees (57%) and lower for those with 50 or more employees (43%).

Because SMBs with fewer employees and smaller marketing budgets tend to have fewer (or no) employees dedicated solely to marketing, their day-to-day schedules are spread across a range of activities that may include marketing.

We're also able to see that those with a higher marketing budget are spending less time overall on marketing each week, which could be because they're paying for time-saving software or tools, or because they're able to outsource some of that work to a marketing partner.



What tools and software do you use to help with marketing your business?



SMBs are using a variety of available tools to help market their businesses. Nearly half (47%) are using website analytics like Google Analytics, and 43% are using design tools like Canva or InDesign.

It was surprising to see that so few SMBs (29%) are using lead management software to help them keep up with leads driven from their marketing strategies.

Many of these tools are available in free versions, which are great for small businesses with low budgets.



Speaking of free tools...try some of ours:

➔ [Free Keyword Tool](#)

➔ [Free Google Ads Grader](#)

➔ [Free Website Grader](#)

Are you using AI for any part of your marketing?

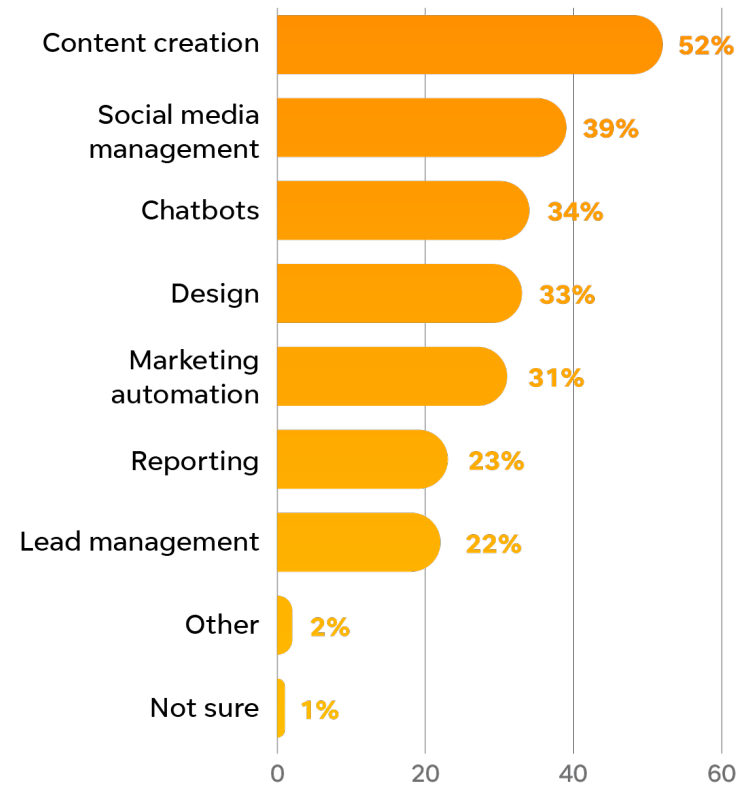


AI has exploded in popularity and become an essential tool for small business marketers, and those we surveyed are no exception. Nearly 60% are already using AI for some part of their marketing. The majority (52%) are using it for content creation, with other popular applications including [social media management](#) (39%) and chatbots (34%).

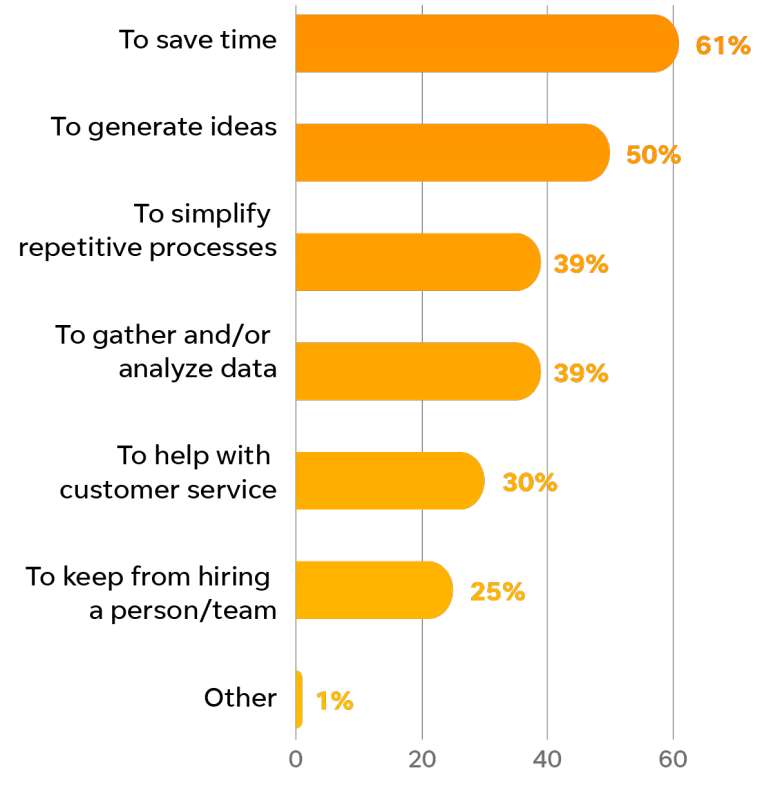
61% of small businesses said they're using AI to save time, and 50% said they use it to help them generate ideas.

With so much to do and so little time, we love to see that SMBs are embracing AI tools to simplify processes and assist with content ideation and other essential tasks like automation and reporting.

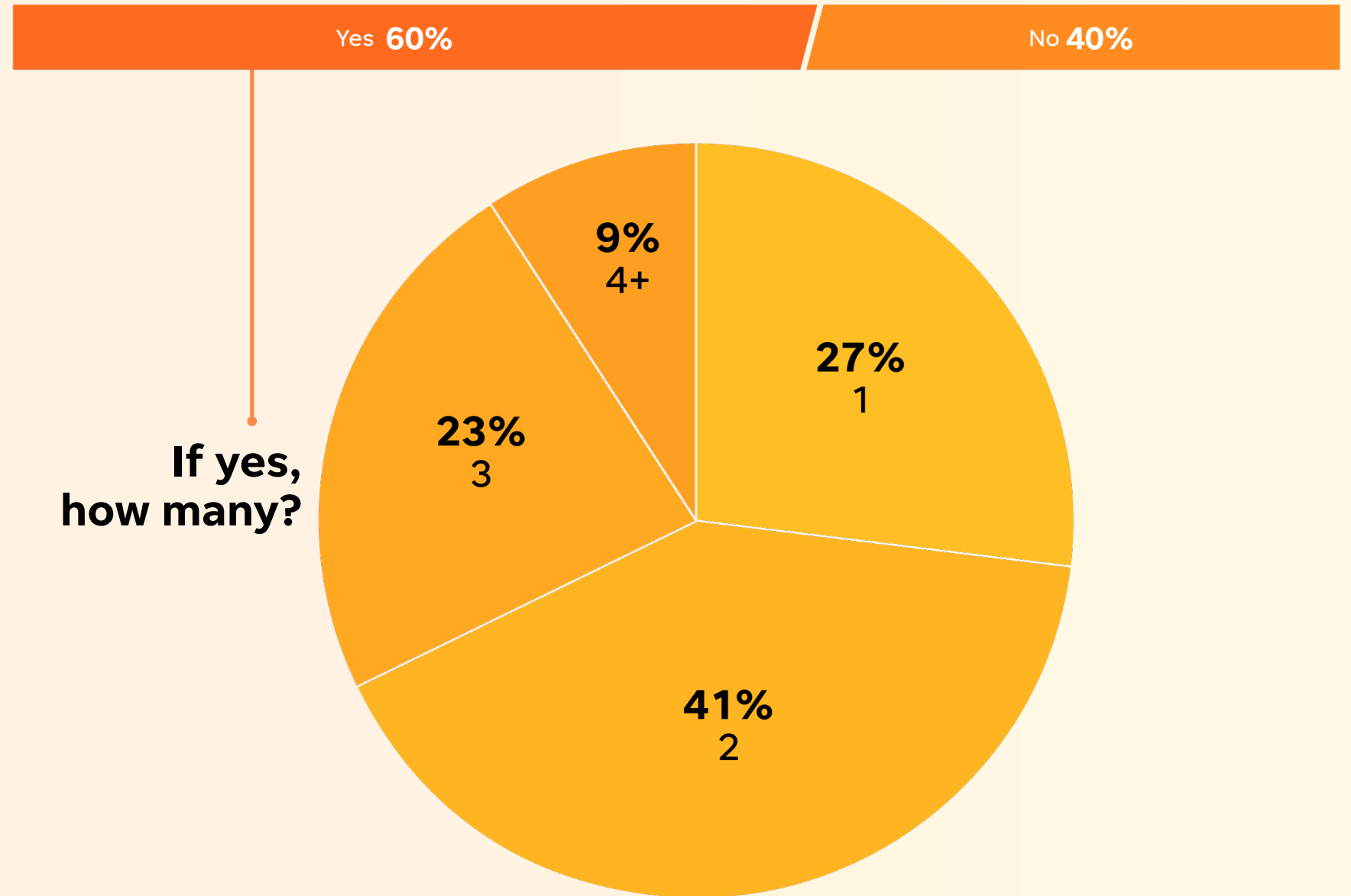
How are you using AI?



Why are you using AI?



Are you working with a marketing partner or agency for any part of your marketing?

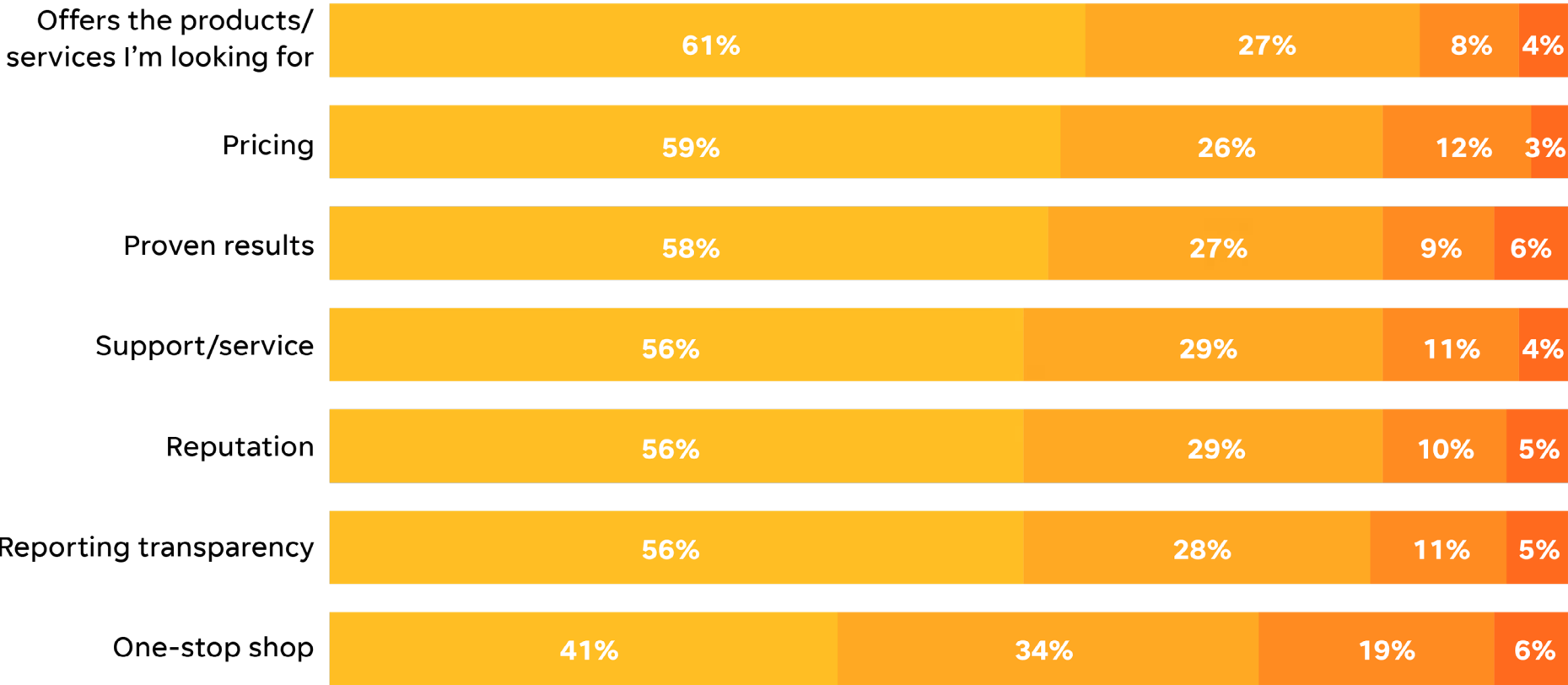


When it comes to marketing partners, 60% of the SMBs we surveyed are currently working with at least one—and 73% of those are working with more than one. This is likely because businesses with few employees have too many tasks and responsibilities on their plates to manage all their marketing and advertising in house.

Nearly 10% of businesses we surveyed are working with four or more partners, which is a lot of relationships to manage!

What's most important to you in a marketing partner?

● Very important
 ● Somewhat important
 ● Not very important
 ● Not at all important



When it comes to finding the right marketing partner, small businesses are looking for one that provides the right products or services at the right price. Proven results was also an important factor for those we surveyed, with 58% saying it was very important to them.

Surprisingly, a one-stop shop was less important to small businesses (although still important at 75%), but less than half categorized it as “very important.”

Key takeaways

We've covered a lot of data, but what does it all mean? Here are some key takeaways to help you inform your own 2025 planning.



Small businesses are missing key opportunities to reach new customers

60% of small businesses aren't investing in search advertising, and 61% aren't investing in SEO. This means these businesses are missing out on connecting with (and converting!) potential customers who are actively looking for help on key sites like Google.

Additionally, the majority of small businesses are missing out on brand awareness tactics like display advertising, online listings, and reputation management. These channels can help SMBs get found across the web and influence purchase behavior, especially in the case of reputation management and listings, which often go hand-in-hand.

Small businesses are also missing out on the ability to track and convert website visitors in the case of call tracking and website chat. There are even free call tracking and web chat tools available that could help SMBs with a lower budget.

The good news is that there are more opportunities for the businesses that are investing in these tactics to stand out. You may be competing against larger businesses in some scenarios, but you're less likely to have competition from local businesses who offer similar services.



Small businesses have embraced AI—but there are still risks

AI is pretty much commonplace now, and small businesses are taking advantage! They're using AI to assist with an array of marketing tactics like content ideation, automation, design, and more.

And while AI is great for many of these marketing activities, it can be easy to become too complacent and let AI take control of your marketing. That can lead to costly errors, loss of trust and many other problems. So it's important to keep a close eye on AI outputs and monitor results to ensure AI is working for you—not against you.



Most small businesses are planning to increase or retain their marketing budgets in 2025

After a few years of a challenging economy, it's heartening to see that small businesses are planning to increase or retain their marketing budgets. Small businesses have been through the ringer, and we love to see how they're thriving and planning to continue standing out from the local competition.





Many small businesses have little to no marketing budget

Very few (just 5%) of SMBs have no marketing budget at all—but 33% have a budget under \$1,000 a month. That means every dollar counts! It's paramount for smaller businesses to focus their budgets on the most effective tactics for lead gen and customer acquisition.



Social media is a popular channel for small business marketing

Social media is very popular, in part because it's free and easy—but it's not always the most effective. SMBs should consider investing some ad budget on social channels for better, more measurable results. We've found that [Facebook ads have a significantly lower average cost per click and lower cost per lead](#) than Google Ads!

Get a leg up on the small business competition

It's great to get a peek behind the curtain into how small businesses are marketing their businesses and planning for the future, especially when it comes time to build your own strategy. If you want help finding the right marketing mix for your business, we're here to help. Reach out for a demo of our digital marketing solutions and let us help you blow away the competition!

[Let's talk](#)




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