



2025 Small Business Marketing Survey

TACTICS, TRENDS AND DATA-DRIVEN INSIGHTS
FOR SMALL BUSINESS GROWTH



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Since its founding in 2003 by CEO, Jim Fitzgerald, Taradel has supported over 30,000 organizations across the U.S. and Canada in the deployment of billions of direct mail and digital ad impressions.

Headquartered in Richmond, Virginia, Taradel employs a team of 42 full-time professionals and has been recognized 12 times on the Inc. 5000 list of America's fastest-growing private companies.

Our commitment to innovation and measurable results continues to drive success for organizations of all sizes serving a vast range of industries.

Taradel is how small business, goes big.

Jim Fitzgerald, Founder & CEO



30K

Clients Across the United States and Canada

1B+

Pieces of Direct Mail Successfully Delivered

20+

Years Experience in Print and Digital Advertising

Survey Methodology

In September of 2024, Taradel conducted a thirty-question survey of **266 small business professionals and advertisers** with the purpose of generating feedback on marketing practices, preferences, trends, and overall efficacy. This survey was administered through an online SurveyMonkey questionnaire.

Respondents

The respondents represented a broad spectrum of industries, predominantly **service-based businesses**. While most respondents focus primarily on B2C marketing, many reported engaging both consumer and business audiences.

Below is a further breakdown of the respondents:



The “Why” Behind the Survey

Since 2022, Taradel has conducted annual surveys to gather data-driven insights into how small businesses approach marketing, plan and execute strategy, and drive growth. Each year’s findings not only offer a comprehensive view of evolving strategies but also help **identify emerging trends among small businesses**.

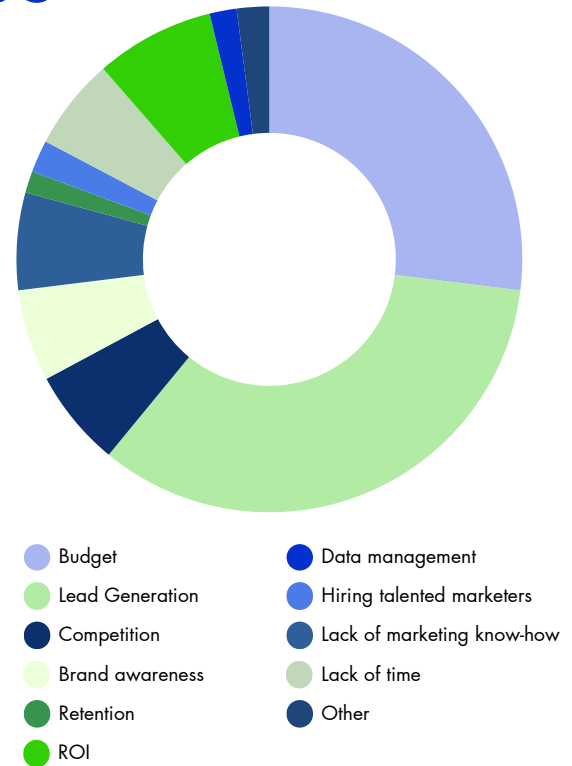
Taradel’s ongoing research underscores its commitment to understanding and supporting the unique challenges faced by small businesses, particularly those with limited budgets and resources. While the survey is primarily designed for small businesses, the insights offer valuable strategies for larger organizations seeking innovative, cost-effective marketing solutions that drive growth and ROI.

Marketing Challenges

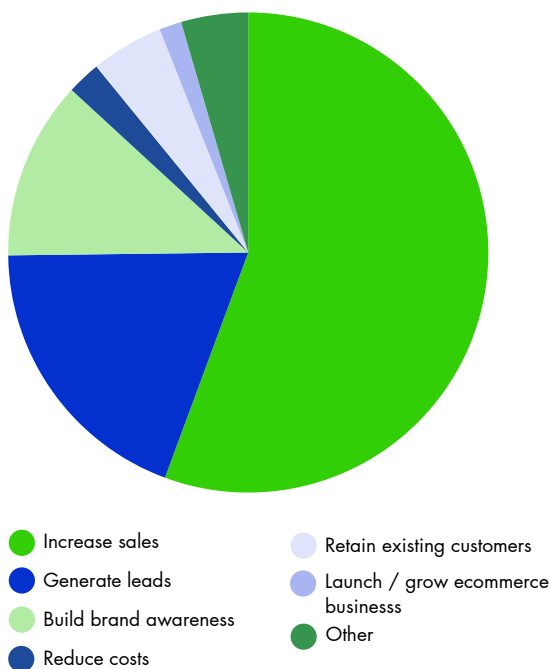
Small businesses face multiple marketing challenges, with **lead generation and budget constraints ranking as the top concerns** among 29.7% and 27.4% of respondents, respectively.

Generating qualified leads remains a priority, as competition intensifies and consumer behavior shifts across multiple channels. Additionally, limited financial resources lead organizations to prioritize cost-effective marketing solutions, often necessitating careful allocation of funds to maximize return on investment (ROI).

These challenges underscore the need for streamlined, integrated marketing approaches that deliver measurable results on budget.



Marketing Goals



The marketing goals of small businesses are closely aligned with their challenges, with **55.6% of respondents prioritizing increasing sales as their top objective**, followed by 19.2% focusing on lead generation and 12% aiming to build brand awareness. These goals reflect the core needs of small businesses to drive revenue and maintain growth in increasingly competitive markets.

Many businesses also strive to reduce costs and retain existing customers, emphasizing the importance of efficiency and customer loyalty in their marketing efforts.

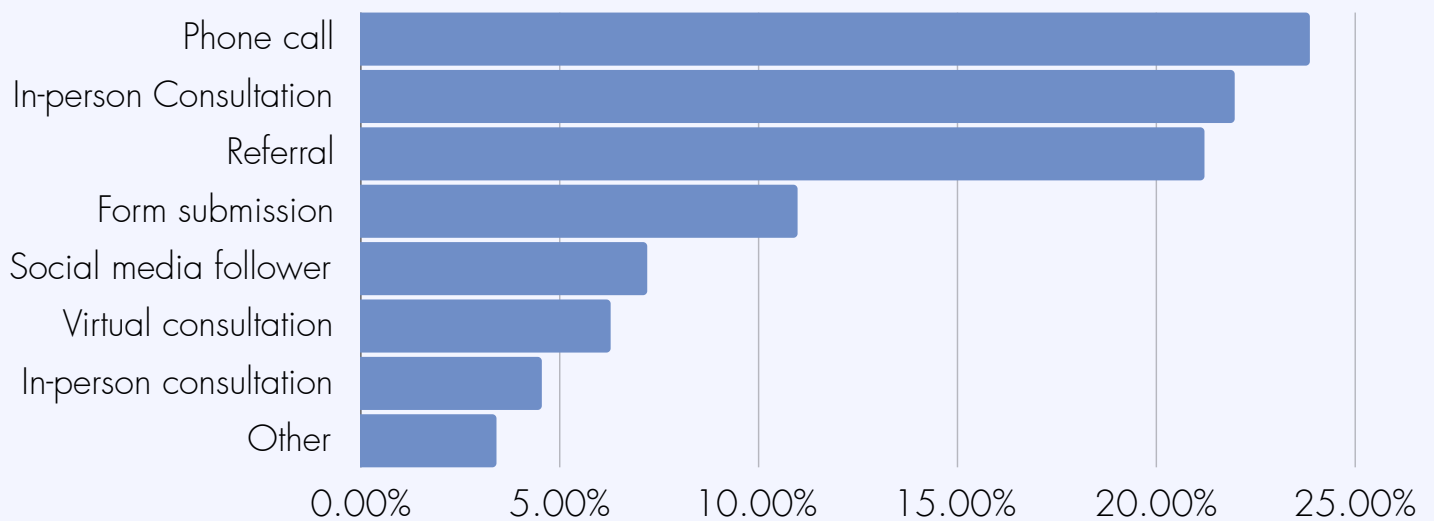
The data suggests that while achieving growth remains the primary focus, small businesses seek balanced strategies that enhance visibility, customer engagement, and overall profitability.

Lead Generation

Lead generation is critical to sustainable growth and the ability to maintain a competitive edge. According to our results, **phone calls (24%) and in-person consultations (22%) are the most valuable lead type**, as they often result in higher conversion rates and stronger customer relationships. Referrals (21%) also rank highly, reinforcing the importance of word-of-mouth marketing for small businesses.

High-quality lead generation directly impacts revenue and helps businesses maximize their marketing investments, a top priority for most SMB marketing strategies. This data emphasizes the significance of personalized, direct engagement with potential customers for long-term business success.

What type of lead is most valuable to your business?



Why is Lead Gen Important?

Lead generation is critical for small businesses, especially service-based companies, as it directly impacts revenue growth by bringing in new opportunities and customers. With limited resources, small businesses need a steady stream of qualified leads to sustain operations and drive revenue growth. Effective lead generation not only boosts sales but also helps build long-term customer relationships, ensuring the business remains competitive.

Multichannel Marketing

Small businesses increasingly embrace multichannel marketing strategies that align with modern shifts in consumer behavior. Gone are the days of reliance on a single marketing channel or media type. In fact, **81% of SMBs now use at least two marketing channels**, as relying on just one is no longer sufficient in today's fragmented media landscape.

The percentage of businesses who rely on a single marketing channel has decreased from 24% in 2022 to 13% in 2023, and further down to 11% in 2025.

HOW MANY MARKETING CHANNELS DOES YOUR BUSINESS ACTIVELY USE?	RESPONSE
0	8.3%
1	10.9%
2	18.9%
3	27.6
4	10.9%
5 or more	23.4%

The SMB Marketing Mix

WHICH MARKETING TACTICS DO YOU PLAN TO USE OVER THE NEXT YEAR	RESPONSE
Facebook Ads	69.2%
Direct Mail	61.7%
Email	60.9%
Instagram ads	47%
Paid search / Google ads	38%
Organic Search / SEO	38%
Content Marketing	27.01%
Newspaper / Local Publications	22.9%

***Facebook, Direct Mail, & Email have remained the top 3 channels for SMBs since 2022**

*Taradel 2022 & 2023 Small Business Marketing Survey

To achieve their sales and marketing goals, small businesses leverage a diverse mix of marketing channels. **Facebook Ads (69.2%) continues to dominate as the most popular online marketing channel**, while **Direct Mail (61.7%) remains the top offline media type**. Email marketing (60.9%) also plays a critical role in many SMB strategies, providing a direct line to customers.

It is important to note that success is often found when businesses integrate multiple channels, combining the strengths of digital and offline efforts. For example, using direct mail alongside Facebook Ads can improve brand recall and increase conversions, proving that a multichannel approach is key to maximizing ROI and achieving sustained growth.

Digital Marketing

In today's competitive landscape, it is crucial for small businesses to maintain a strong online presence. According to our survey, **63% of respondents reported that social media performs excellent, good, or break-even for their business.**

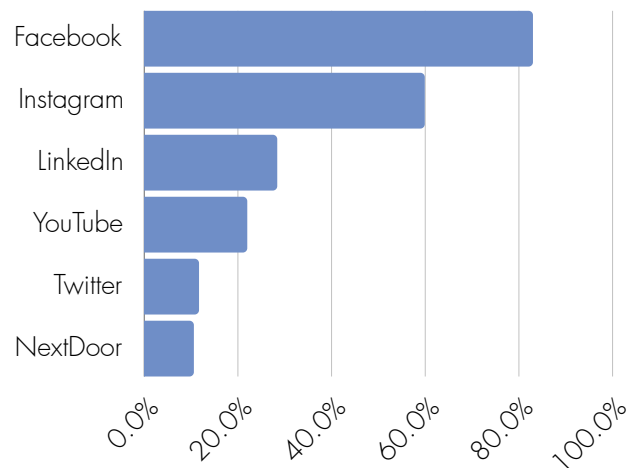
This represents a significant improvement in social media performance, up from 55% in 2023 and 52% in 2022, when respondents reported social media delivering excellent, good, or break-even results. This upward trend highlights the increasing value of digital marketing in driving customer engagement and sales for SMBs, underscoring the need for a strategic digital approach.

Social Media Platforms

Social media remains a key component of digital marketing for SMBs, with **94% of businesses planning to either increase (60%) or maintain (34%) their digital marketing efforts.**

Facebook leads the way as the most popular platform, used regularly by 83% of small businesses, followed by Instagram at 60%. The widespread use of these platforms allows businesses to engage with diverse audiences, enhancing their reach and effectiveness in building brand awareness and generating leads.

What social media platforms does your business use regularly?



Between Facebook and Instagram, **Meta provides SMBs with two of the top-performing social media channels.**

Facebook boasts over 3 billion active monthly users, making it the most widely used social platform globally. By 2027, it is projected to reach 75.79% of people worldwide, offering unparalleled access to consumers and potential customers. **Instagram, with over 2 billion users**, has seen a 127% increase in monthly active users since 2019 and ranks as the 4th most-visited website in the world.

Direct Mail

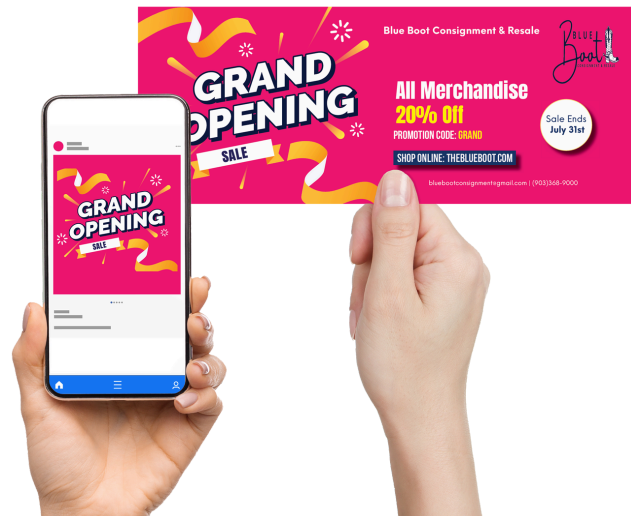
WHICH MARKETING CHANNEL DELIVERS THE HIGHEST ROI FOR YOUR BUSINESS?	RESPONSE
Facebook Ads	26.8%
Direct Mail	23%
Email	19.3%
Organic Search / SEO	17.4%
Paid Search / Google Ads	17%
Local / Event	13.6%
Instagram Ads	12.5%
Content Marketing	5.3%

Direct mail remains the #1 offline marketing channel — a top ROI driver — for small businesses. Its tangible, personable nature creates a direct connection with consumers, making it highly effective for businesses looking to generate leads and drive action.

87% of respondents plan to increase or maintain their direct mail efforts over the next year, recognizing its value in cutting through digital noise and fostering meaningful customer interactions. Combined with its ability to integrate seamlessly with digital campaigns, direct mail serves as a reliable, results-driven marketing solution for SMBs.

Direct Mail + Digital Ads

Integrating Direct Mail with Digital Ads has become a highly effective strategy for small businesses. In fact, **77% of SMBs that use direct mail report integrating, or an interest in integrating their campaigns with digital channels.** This combination allows businesses to capitalize on the strengths of both mediums — direct mail’s tangibility and personal touch, along with digital ads’ expansive reach and targeting capabilities.



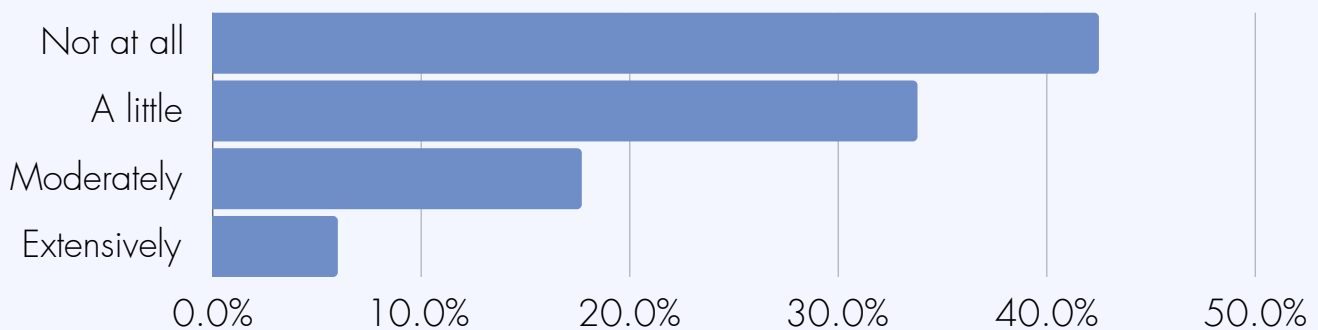
Why Integrate?

60% of marketers have seen an increase in ROI by integrating direct mail and digital ads. Coordinating these efforts has been shown to increase conversion rates by up to 28% and boost brand recall by up to 75%. Additionally, studies show that **consumers spend 30% longer engaging with social media ads when they’ve been exposed to a direct mail piece first**, highlighting the synergy between these two powerful marketing tools.

Artificial Intelligence

AI remains under-leveraged by small businesses across the U.S., yet those who adopt AI-driven strategies stand to gain a competitive edge, especially at the local level. Implementing data-based AI tools can help SMBs streamline operations, enhance personalization, and improve marketing outcomes.

To what extent do you use AI in your marketing efforts?

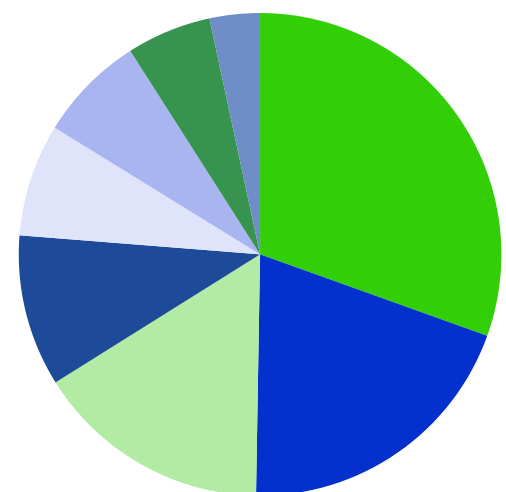


How Are SMBs Using AI?

For those integrating AI into their marketing, it's primarily used for:

1. **Content Creation** – Automating tasks such as copywriting and image generation.
2. **Email Marketing** – Optimizing send times and personalizing content for better engagement.
3. **Social Media Management** – Scheduling posts and analyzing engagement for more effective social media campaigns.

As AI tools continue to evolve, businesses that adopt these technologies will find themselves better positioned to optimize their marketing efforts and outperform competitors.



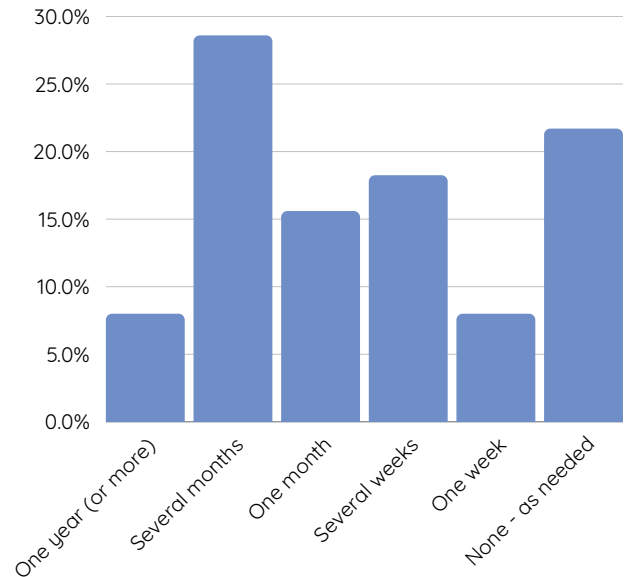
- Content creation
- Email Marketing
- Social media management
- Chatbots & AI customer service
- Customer segmentation & targeting
- Advertising
- Predictive analytics & insights
- Other

Planning

The majority of small businesses plan their marketing campaigns weeks, months, or even a year in advance. However, **22% of SMBs still prefer a reactive approach, advertising only as needed without prior planning.**

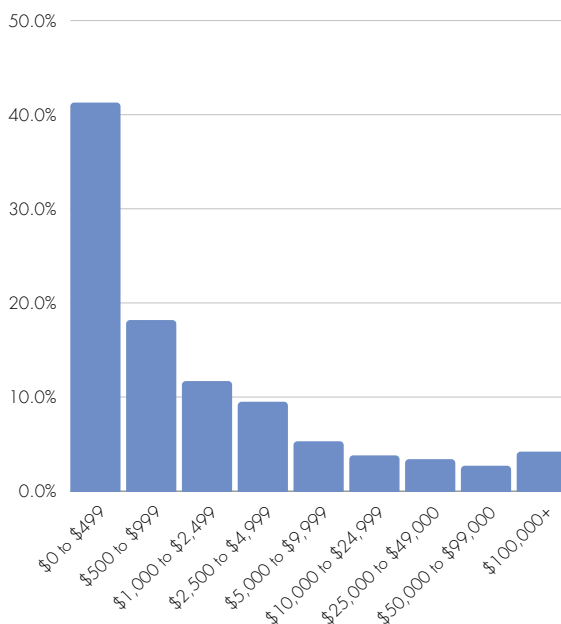
This number, though, is steadily decreasing. In 2023, 29% of SMBs followed a reactive marketing strategy, but the recent decline suggests that more businesses are shifting toward a strategic, proactive approach. This trend highlights that SMBs are increasingly recognizing the value of well-coordinated campaigns to maximize their impact and improve ROI.

How far in advance do you plan marketing campaigns?'



Budgeting

On average, what is your organization's total monthly ad spend?



Small businesses, unlike larger companies, often operate on limited budgets, making every dollar count. In our survey, **41% of SMBs reported spending less than \$500 per month on advertising.**

Is Upping Budget Worth It?

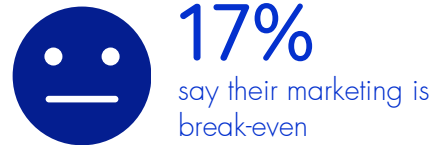
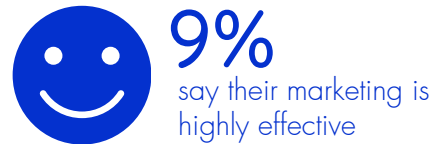
Despite tight budgets, many SMBs recognize the importance of investing in marketing. In 2024, **83% of businesses either increased or maintained their marketing budget.** Among those that increased spending, **88% saw stable or improved sales and revenue, while nearly 60% reported a slight or significant increase in growth.**

This data suggests that increased investment into marketing fuels revenue growth and that a well-planned budget can lead to substantial returns.

Room for Improvement...

Only **9%** of respondents say their marketing is highly effective, while 54% report their campaigns are somewhat effective, and 21% find their marketing not effective at all.

Audience targeting ranked as the number one pain point in marketing strategy execution. If small businesses can improve their audience targeting efforts, they stand to greatly enhance the performance of their campaigns, leading to better ROI, increased engagement, and broadly, more successful marketing outcomes.



Campaign Management

Tracking the success of marketing campaigns and ensuring that budgets are allocated effectively is critical for small business success. With the rise of digital tools and self-service platforms, SMBs are increasingly taking control of their campaign management and ad design. Here's how small businesses are optimizing their marketing efforts to maximize results and stay competitive.

Tracking & Analytics

According to the survey, **71% of respondents say access to performance tracking is extremely important** when choosing a marketing service. The majority of SMBs (63%) use **Google Analytics** to track their campaigns, emphasizing the need for detailed insights and real-time reporting.

Self-Service Platforms

Most **small businesses prefer to manage their marketing campaigns using self-service platforms**, with 71% of respondents favoring these tools over hiring a marketing agency. Self-service platforms allow SMBs to streamline the planning, creation, launch, and tracking of campaigns, while delivering greater control and flexibility. The use of these platforms has grown steadily, up from 66% in 2023 and 51% in 2022, indicating a clear trend.

Ad Design

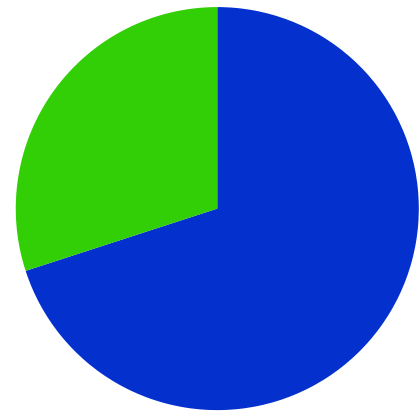
When it comes to ad design, **70% of SMBs prefer to use online design tools to create their own advertisements**, rather than hiring a professional.

This **preference for the DIY method has grown significantly over the years**, with 53% of businesses designing their own ads in 2022, increasing to 63% in 2023, and reaching 70% in 2025.

This shift shows a growing confidence among SMBs in utilizing **user-friendly design tools** to maintain control over their creative processes and reduce costs.

Do you prefer to design your own ads using online tools or hire professionals?

● Design my own ads ● Hire a professional



Conclusions

Multichannel Marketing is More Effective

With 81% of small businesses using at least two marketing channels, there's a clear shift away from single-channel reliance. As media consumption becomes more fragmented, businesses are finding that integrated strategies not only extend reach but also enhance brand recall and conversion rates. The data shows that combining marketing efforts—like using direct mail alongside digital ads—creates a synergy that drives higher ROI, making multichannel marketing a necessity for growth.

Direct Mail Continues to Drive Results

Direct mail continues to be the top offline ROI driver, with 87% of small businesses planning to maintain or increase their use of this channel in 2025. Its tangible and personable nature helps businesses cut through digital noise, leading to stronger engagement and higher conversion rates. Moreover, when integrated with digital marketing, direct mail can amplify campaign effectiveness, boosting brand awareness, customer engagement, and ultimately driving leads.

AI Adoption is Slow but Offers Big Gains

While AI adoption among small businesses is still limited, those implementing AI for marketing strategies such as content creation, email marketing, and social media management stand to report improved personalization and more streamlined operations. AI tools help small businesses enhance customer targeting, automate repetitive tasks, and deliver more tailored marketing, leading to a competitive edge. As AI tools continue to evolve, early adopters stand to optimize marketing efforts and outpace competitors.

Strategic Planning and Budgeting Fuel Growth

In 2024, 83% of small businesses either maintained or increased their marketing budgets, with 88% of those increasing budgets seeing stable or improved sales. Strategic allocation of funds is essential, as small businesses often operate on limited budgets and must maximize their returns. Additionally, small businesses are moving away from reactive marketing and adopting a more strategic, proactive approach, demonstrating a growing recognition of the value that well-coordinated campaigns bring in maximizing impact and improving ROI.

DIY Marketing is on the Rise

71% of small businesses now prefer self-service marketing platforms for campaign management, a significant increase from 66% in 2023 and 51% in 2022. Additionally, 70% of respondents prefer using online tools to design their own ads, rather than hiring professionals. This shift toward DIY methods reflects growing confidence in user-friendly tools and platforms, allowing small businesses to maintain control over their creative processes, reduce costs, and adapt campaigns more quickly and effectively.



How small business goes big.



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