

The State of Small Business Marketing: Effort is Up While Confidence Has Declined

Constant Contact's 2025 Small Business Now report reveals that fewer than one-in-five SMBs feel 'very confident' about the impact of their marketing efforts.

Forty-four percent of small businesses say email is their most effective marketing channel — up from 23 percent in 2024.

Nearly half of SMBs use AI for marketing, and 78 percent leverage video.

WALTHAM, Mass., Sept. 3, 2025 /PRNewswire/ -- [Constant Contact](#), a leading provider of digital marketing tools for small businesses and nonprofits, today released its latest [Small Business Now report](#), "The State of Small Business Marketing." The study reveals a growing gap between the effort SMBs are putting into marketing and their confidence that those efforts are driving meaningful business results.

Despite increased marketing budgets and more widespread use of tools like email marketing, AI, and video, only 18 percent of SMBs feel "very confident" in the effectiveness of their marketing. That number is down from 27 percent in 2024. While many SMBs are taking the right steps to grow their businesses, many still struggle to translate that effort into success. Economic pressures, limited time, and shifting customer expectations also make it difficult to adapt and feel certain about what's working.

"Small businesses are under real pressure to see positive results from their marketing, but many feel like they are doing more without getting more back," said Smita Wadhawan, chief marketing officer at Constant Contact. "They are working harder than ever, but without the time, expertise, or data to guide them, many are still guessing about what will resonate with their customers. Constant Contact exists to empower these SMBs to excel by providing them with the tools, insights, and support they need to see better results and improve their confidence."

Economic pressure is forcing SMBs to pivot

Small businesses around the world continue to face economic pressures, but only 17 percent feel "very prepared" to adapt to uncertainty. In Canada, many are leaning into the "Buy Canadian" movement, while SMBs in Australia & New Zealand (ANZ) and the UK are more optimistic about what's ahead.

- 44 percent of SMBs globally cite rising costs of goods as their top concern.
- 62 percent of SMBs globally report that tariffs have negatively impacted their business operations.
- In response, 46 percent of SMBs globally have increased prices, 39 percent have switched suppliers, and 22 percent have delayed planned launches.
- In Canada, nearly half have increased prices, and 69 percent face supply issues
- 45 percent of Canadian SMEs have been negatively impacted by changes to U.S. trade policies this year.
- 47 percent of Canadian SMEs expect the enthusiasm for buying Canadian-made products and services to grow through the rest of the year.
- SMBs in Australia & New Zealand (ANZ) have the highest confidence in their economy, with 67 percent feeling optimistic about the rest of the year.

More marketing, less certainty

Despite these headwinds, SMBs continue to scale up their marketing efforts. Many are increasing marketing spend, embracing technology, and returning to proven channels like email to drive results. However, overall confidence has declined over the last year.

- Just 18 percent of SMBs globally feel confident in their results — down from 27 percent in 2024.
- SMBs in the U.S. are most likely to say they are "not confident at all" in the effectiveness of their marketing.
- 22 percent of small businesses in the UK feel "very confident" about their marketing effectiveness — the highest of any country polled.
- 37 percent of SMBs globally have increased their marketing spend this year.
- 44 percent of SMBs globally say email is their most effective marketing channel — up from 23 percent in 2024.
- 42 percent of SMBs globally have less than one hour per day to spend on marketing.

- SMBs' top frustration globally is not knowing what's working.

SMBs turning to AI and video

Technology adoption continues to rise, with AI and video playing a growing role in SMB marketing strategies. While some remain hesitant about AI, those using it across multiple channels have seen strong performance gains.

- 48 percent of SMBs globally are using AI in their marketing, with writing copy for emails and social media posts as the top use case (37 percent). Other uses include creating visual content (29 percent) and analyzing data (25 percent).
- SMBs who use AI report stronger performance in their email marketing campaigns, paid social, and search marketing.
- 37 percent of SMBs in the U.S. currently use AI — the lowest of any country polled.
- The top concerns about AI globally are data privacy (35 percent), trust in the content it produces (31 percent), and inconsistencies in brand voice (26 percent).
- 78 percent of small businesses use video in their marketing.
- The most impactful video formats include customer testimonials (27 percent), company culture videos (26 percent), promotional content (25 percent), and practical advice (25 percent).

[Download the State of Small Business Marketing report](#) to learn more about the findings.

Study Methodology:

[Constant Contact](#)'s Small Business Now report analyzes insights from 2,500 small business decision-makers across Australia, Canada, the United Kingdom, and the United States, and results were aggregated to determine global trends. All stats are representative of their associated demographics. The survey was conducted by [Ascend2 Research](#) in June 2025.

About Constant Contact

Constant Contact makes digital marketing easy and effective for small businesses and nonprofits across the globe. Whether just starting or managing complex multi-channel campaigns, SMBs benefit from our powerful SaaS platform that delivers a simplified marketing experience in less time and with better results. With cutting-edge technology, best-in-class deliverability, and award-winning customer support, we help the small stand tall. Learn more at constantcontact.com.

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