

New Survey Shows Small Businesses Only Focusing on Half the Digital Equation

Deluxe highlights need for SMBs to be better prepared to capture online and social media excitement

ST. PAUL, Minn.--(BUSINESS WIRE)-- For small businesses (SMBs), "word of mouth" promotion has been a time-tested way to reach new customers and generate awareness. But with the growing array of digital and social media options, SMBs can now look beyond one-on-one in-person engagement to capture this critical advocacy from online audiences. However, a new, independent survey has found that SMB owners are spending only a minimum amount of time building and managing their online presence, potentially leaving them unable to cash-in on the online buzz generated by their products and services.

Commissioned by Deluxe Corp. (NYSE:DLX), a leading provider of marketing services and business products for small businesses and financial institutions, the study surveyed more than 500 small business owners (SBOs) around the U.S., in tandem with Small Business Week (May 12 – 16). The results showed that 66 percent of the respondents had a dedicated business website and 45 percent had a Facebook page. Still, while 73 percent of those surveyed thought "word of mouth" was an important way to engage customers, 70 percent spent less than one hour per week maintaining their online presence and 51 percent posted to social media only once a month or less.

"Our close relationship with the small business community has shown that most owners already do a great job being 'buzz worthy' by offering remarkable products and delivering excellent customer service," said Tim Carroll, vice president of small business engagement at Deluxe. "What they are not always doing is preparing for when buzz about them actually happens. Most customers, after hearing about a business through word of mouth, will search for it online, visit its website, look at its social media pages and read reviews about it. Those small businesses with a strong and well maintained online presence can capture this behavior and convert it into lasting relationships."

Additional highlights from the study include:

- Age drives online presence: Fifty-seven percent of SBOs under 55 had a business
 Facebook page, compared to 41 percent for SBOs over 55. Social media was more
 important to SBOs under 55 (41 vs. 23 percent for SBOs over 55), and SBOs under 55
 posted more weekly social media posts then their over 55 counterparts (17 vs. 9
 percent).
- *Utilizing social media:* For direct customer interaction and promoting new products, only 29 percent of those surveyed found social media extremely important.
- Using Facebook to sell: Fifty-three percent of small business owners reported that
 they used Facebook to sell a product. Of these, women were more likely than men (60
 vs. 49 percent) to use Facebook as a selling platform.

• **Website improvement:** The most common sources for website improvement included "a colleague or other business contact" (45%), "a consultant" (39%), or "a friend/family member" (31%). However, 53 percent of small businesses with more than three employees and 49 percent of companies with revenue below \$100,000 had no interest in improving their web presence.

According to Carroll, there are different ways small business owners can give their online presence a boost in order to increase visibility, generate interest and capture any buzz.

- Encourage customers to talk about you. Whether by providing reviews and
 feedback or by sharing and following your business on social media, this type of direct
 customer engagement can be extremely helpful. Small businesses not asking for
 customer feedback are missing an opportunity to use the channel as an extension of
 "word of mouth."
- Capture email addresses and engage fans. Target customers want to know about your business. They want to know what is new, what is on sale, and what promotions are on the horizon. There are multiple tools that allow small businesses to easily capture these customers' email addresses and create timely and engaging communications to keep them coming back.
- To sustain buzz, a website needs to be findable. When potential customers search for you, they expect to find you on the first page of search results. Search Engine Optimization (SEO) is essential to make sure your website and content will land you on page one.
- Think of your online presence as a group of dedicated employees. They may not
 be physically there, but your online capabilities are working hard for you 24/7 and 365
 days a year. And like a workforce, they need to be looked after and maintained. A
 website or social media channel that is not updated regularly can give the wrong
 impression to a prospective customer and send their business to a competitor.

"It can take just one day – one influential person to notice – to make a small business a hit, so make sure your online presence is ready to go," said Carroll. "Still, we understand that small business owners didn't go into business to focus on digital marketing. That's why Deluxe works so closely with small business owners to help them perfect their digital footprint – so they can focus on the parts of their business that they really love to do."

The SMB "online engagement" survey is part of Deluxe's commitment to supporting America's small businesses. The company's goal is to place its product and service expertise at SMB owners' command, allowing them to pursue their passions.

Methodology

The online study was fielded in April 2014, and completed by 506 small business owners recruited from Research Now's US Small Business Owners panel. The panel contains about 3 million subjects, utilizes normalized sampling, and is weighted to reflect the population. Research Now's "By-invitation-only" recruitment uses various partners in an effort to build a national representation of age, income, gender and region.

About Deluxe Corporation

Deluxe is a growth engine for small businesses and financial institutions. More than 4.5 million small business customers access Deluxe's wide range of products and services, including customized checks and forms, as well as website development and hosting, email marketing, search engine optimization and logo design. For our 5,500 financial institution

customers, Deluxe offers industry-leading programs in checks, customer acquisition, fraud prevention and profitability. Deluxe is also a leading provider of checks and accessories sold directly to consumers. For more information, visit us at www.deluxe.com, <a

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Source: Deluxe Corporation