

SMALL BUSINESSES DOUBLE DOWN FOR 2026

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Majority Plan to Increase
Marketing Budgets to
Combat Inflation

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Marketing in 2026: Aggression Over Retraction

As small business owners enter 2026, the directive is clear: Meet economic uncertainty with aggression rather than retraction. While inflation remains a top concern, the latest data reveals a sector refusing to cut back.

Instead, entrepreneurs are planning to invest significantly more resources into their marketing efforts, striving for "newer and more efficient" operations to secure growth.



INVESTMENT INCREASES DESPITE ECONOMIC WORRY

Small businesses are refusing to let economic pressure dictate their visibility. While inflation remains the top worry, the vast majority of small business owners are choosing to increase their marketing budgets rather than cut them, viewing marketing as an essential lever for survival rather than a discretionary expense.

68% of small business owners expect their marketing budgets to increase in 2026

74% expect the time they spend on marketing to increase this year

41%

Inflation and rising costs are the number one concern (41%) among small business owners in 2026.

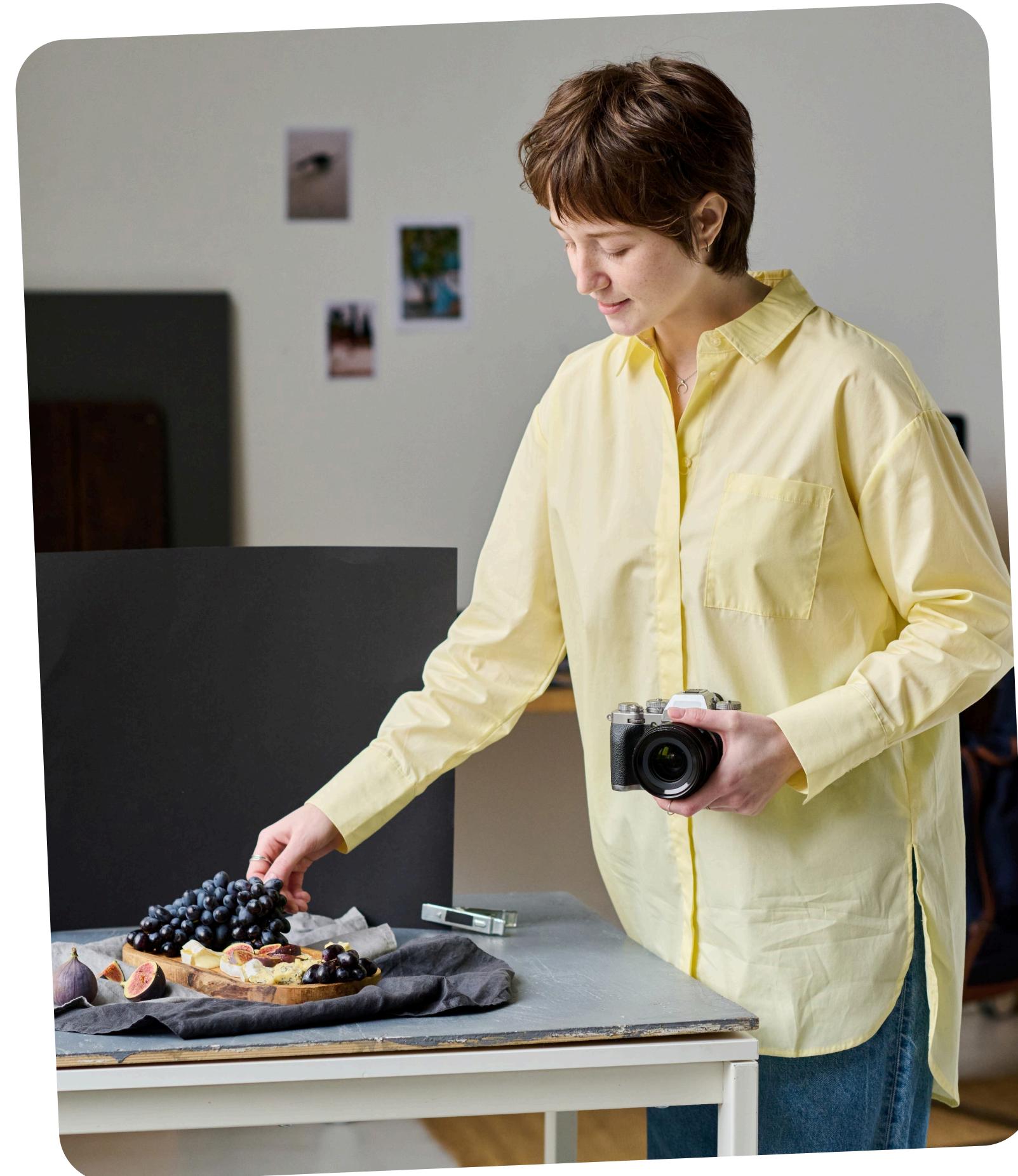
19%

This far outpaces **weak customer spending** (19%).



THE SEARCH FOR ENGAGEMENT AND EFFICIENCY

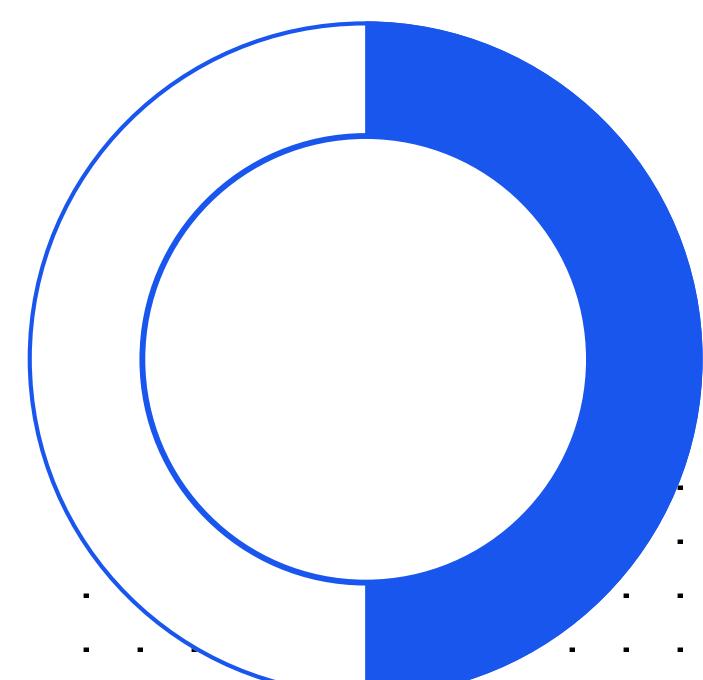
As businesses ramp up spending, they face a significant hurdle: connecting with their audience. To bridge the gap between high effort and limited resources, owners are prioritizing efficiency strategies and testing new tools to ensure their increased investment yields results.



AT A GLANCE

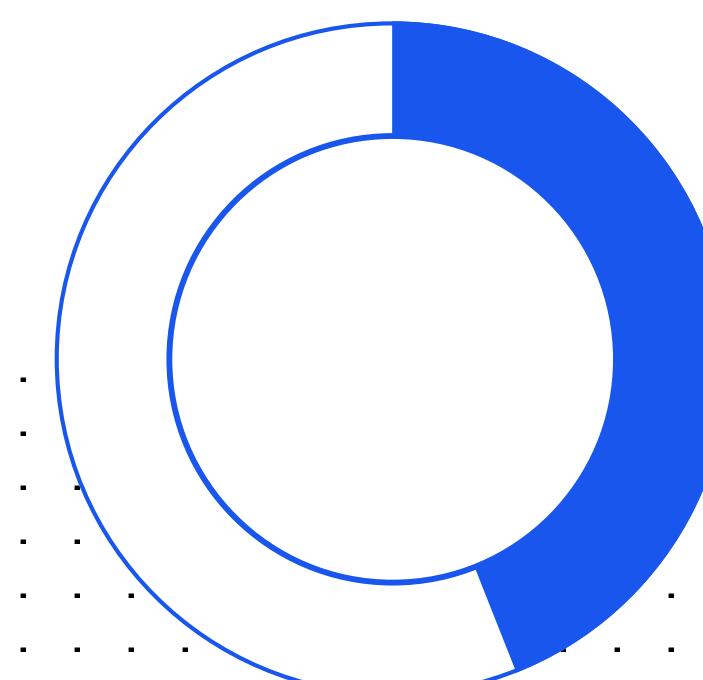
50%

of business owners say they're prioritizing "improving efficiency" to ensure success in 2026



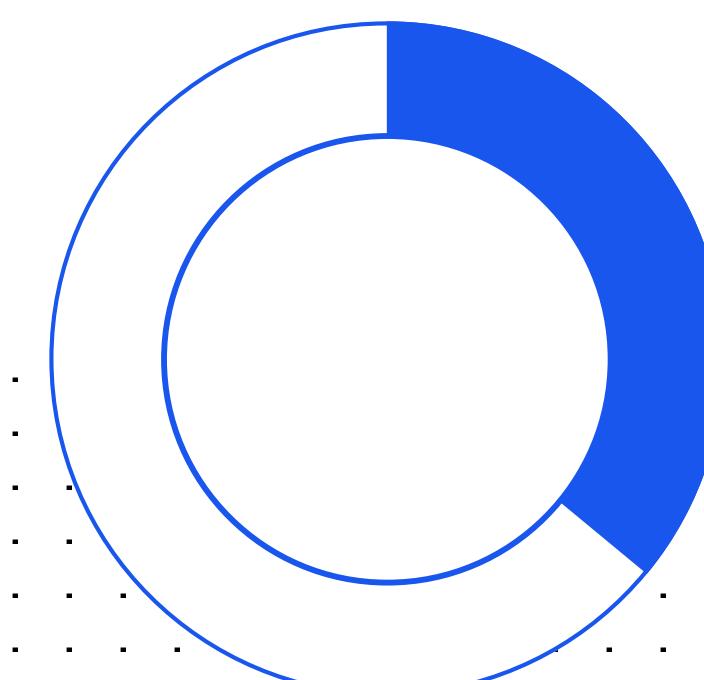
44%

say the top anticipated barrier to marketing in 2026 is customer engagement



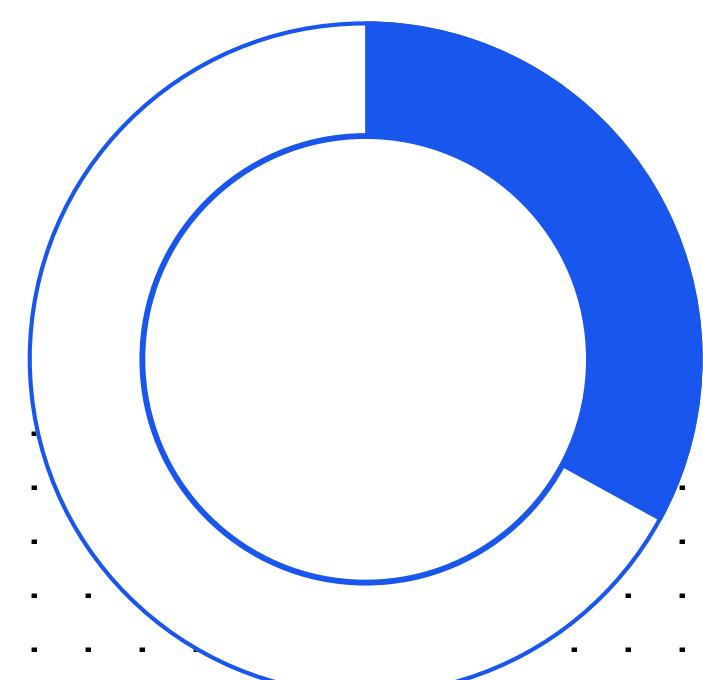
36%

are creating or refining their marketing strategy



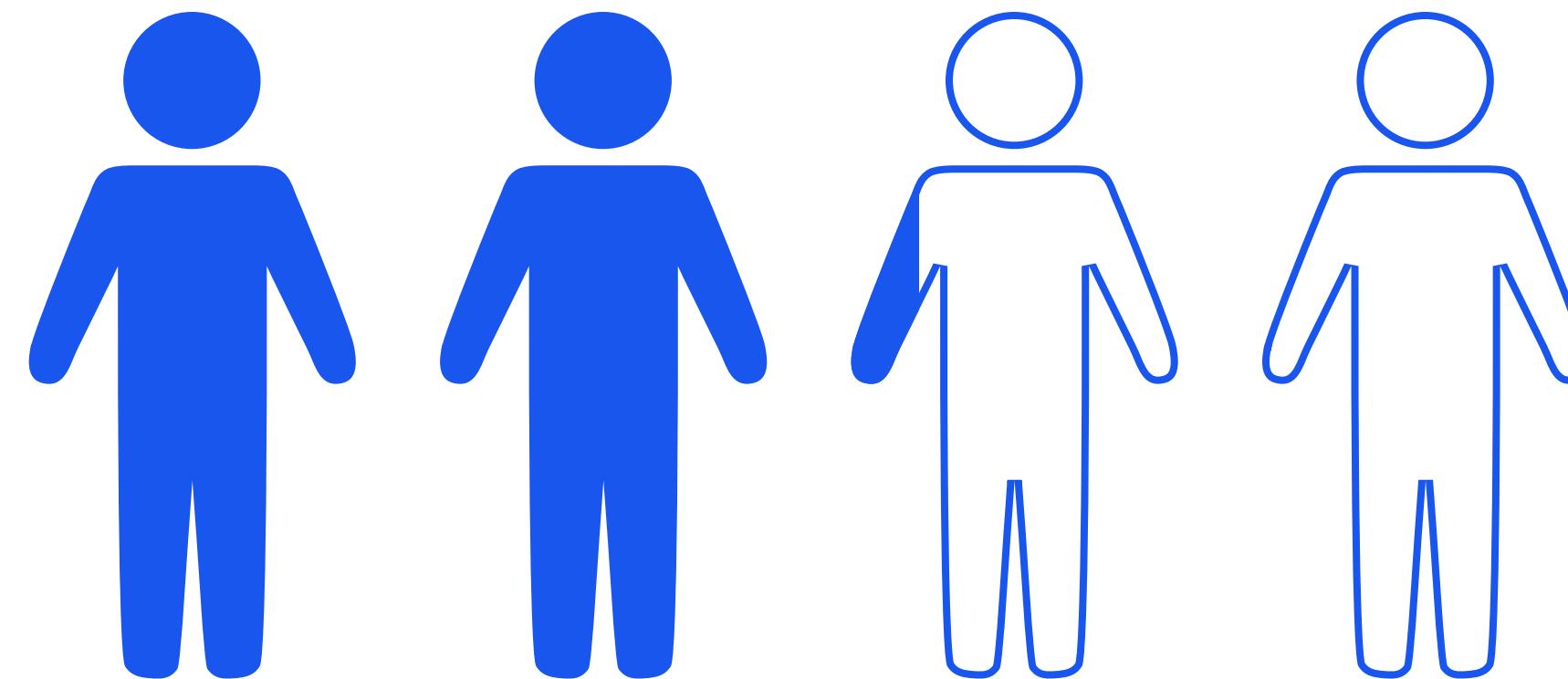
33%

are testing new tools and technology

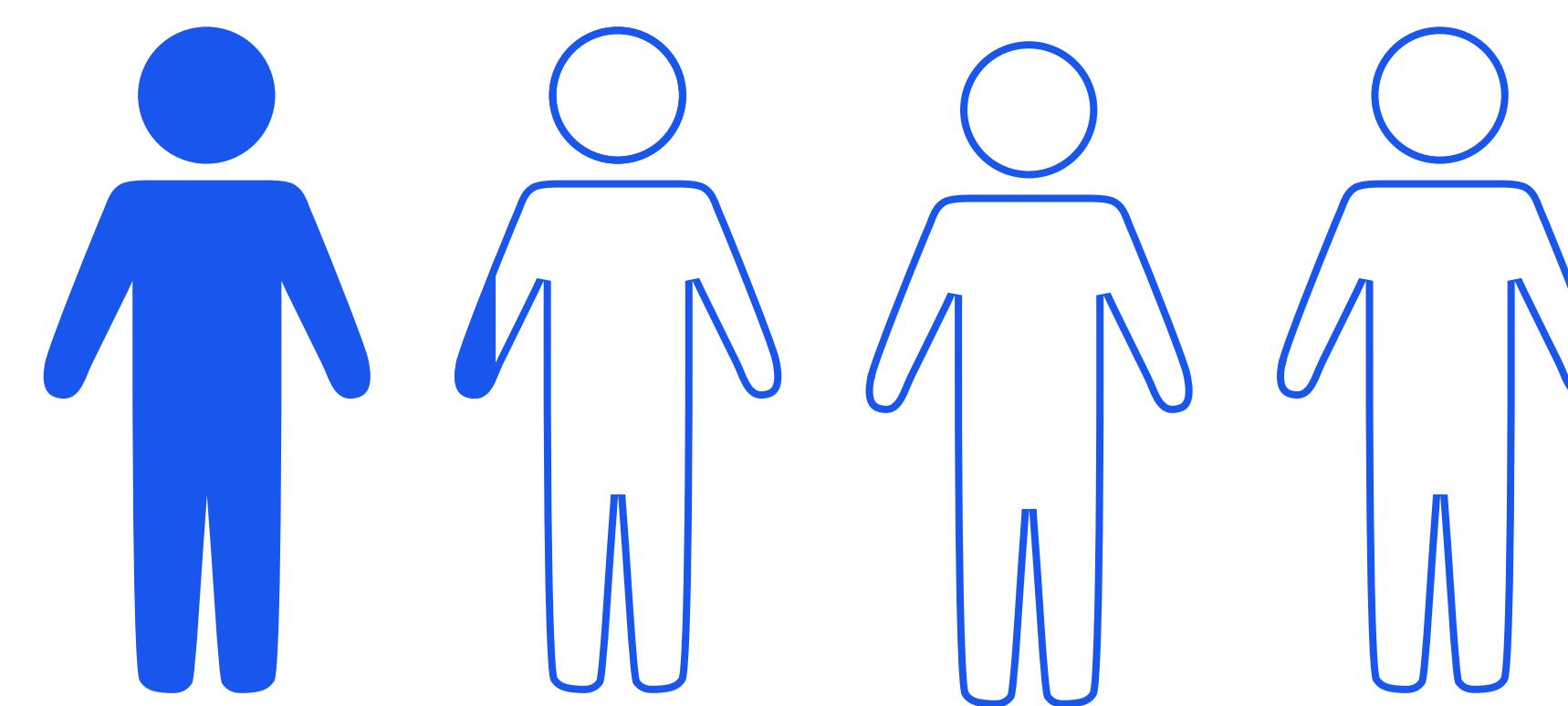


AI BECOMES THE ANALYST AND THE AUTHOR

Artificial intelligence is becoming the tool of choice for bridging the gap between high effort and high efficiency. Usage has become more sophisticated, moving beyond simple tasks to include data analysis and content composition, helping business owners keep pace without burning out.



54% of small business owners are already using AI marketing tools



27% plan to start in 2026

HOW ARE SMALL BUSINESSES USING AI?



45%

use AI to analyze trend data



44%

use AI to write copy for emails and other content



40%

use AI to create images and visual content

SOCIAL AND EMAIL LEAD THE CHANNEL MIX

When asked which channels will drive the most business in 2026, owners are betting on digital over traditional. There is a clear preference for channels that allow for direct engagement and targeted reach over broad, traditional advertising.

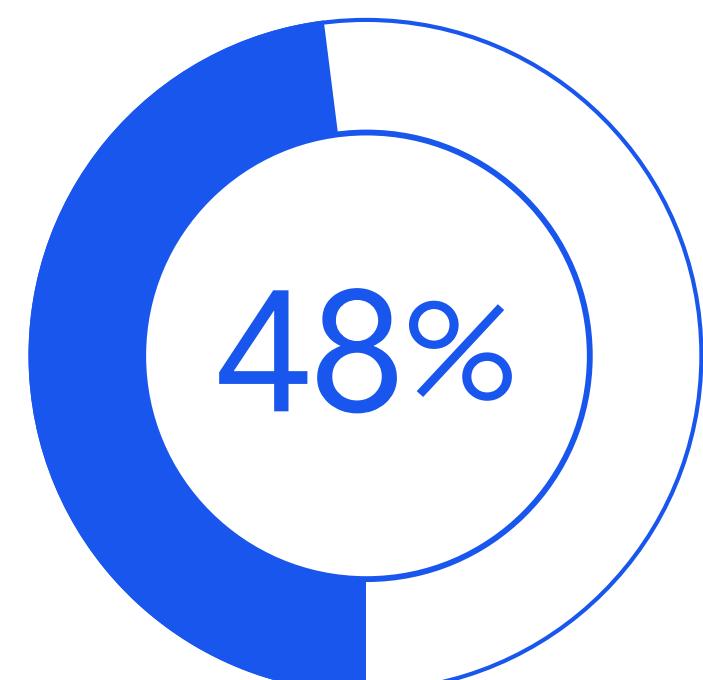
CHANNELS EXPECTED TO DRIVE THE MOST VALUE

68% Social media posting and paid ads

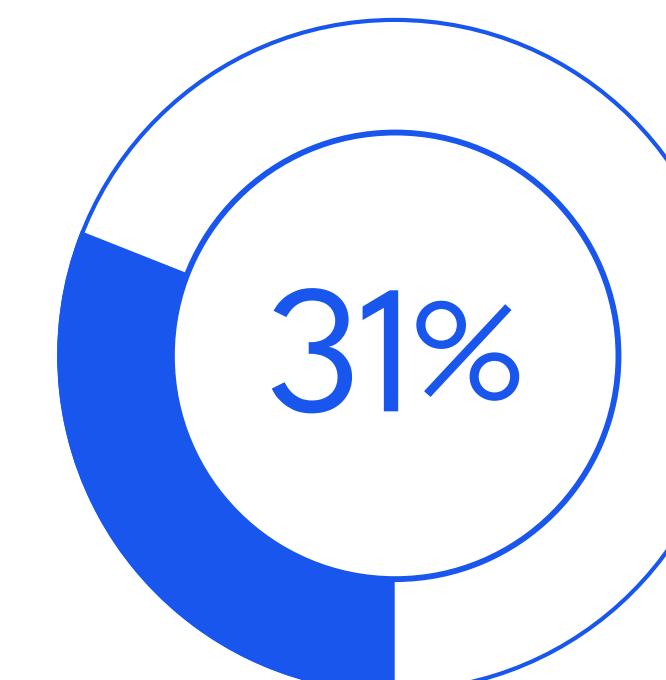
41% Email marketing

29% In-person events

26% Traditional advertising



of small businesses will tweak existing campaigns



plan to create new campaigns for 2026

Do More, But Do It Smarter

Small business owners are entering 2026 with a clear directive: Do more, but do it smarter. The tension between rising inflation concerns and increased marketing budgets signals that entrepreneurs view marketing as essential for survival.

By leaning into efficiency and AI tools, they're finding ways to maintain this increased pace, ensuring they can navigate the "attention war" without burning out.





STUDY METHODOLOGY

Constant Contact's Q1 2026 insights are based on a survey of more than 1,500 small business owners across the United States, Canada, United Kingdom, Australia, and New Zealand. The survey was conducted to understand marketing expectations, concerns, and strategies for the upcoming year.

CONSTANT CONTACT

Constant Contact makes digital marketing easy and effective for small businesses and nonprofits around the world. Whether just starting out or managing complex multi-channel campaigns, businesses benefit from our powerful SaaS platform that delivers a simplified, time-saving marketing experience and better results. With cutting-edge technology, best-in-class deliverability, and award-winning customer support, we help small businesses get seen.

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