

SMB Branding Perception Survey



May 2015

PURPOSE OF SURVEY

We set out to determine the importance small business owners and managers place on quality branding for their companies. Furthermore, whether they believe their brand identity (logo, materials, etc.) and the quality, or even existence, of a website impacts their sales, long-term income viability, sales and new business efforts. If they did believe branding and a professional looking website was important, they may have not yet created or improved these elements – we wanted to know why. Finally, we wanted to see what factors SMBs felt were most important in a brand identity and website, and to measure differences according to respondents age, gender, geographic region, and type of business.

METHODOLOGY

Survey Monkey online poll of 719 SMB owners or managers (ages 18-60+) across the US, surveyed between April 24 – May 5, 2015.

FINDINGS

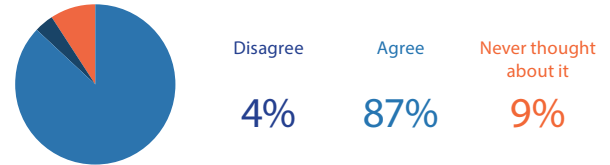
We assumed we would find that while most people believe a brand and identity (including website) is very important to the business, they do not necessarily invest the time or money into creating those or make it the top priority, especially when starting the company. For the most part, our hypotheses proved true with a few exceptions.

For example, for respondents, “finding customers” was cited as the number-one place that they spent the majority of their time (68%) when starting the business, followed by marketing (46%). In a distant third place, “choosing a company name and logo” tied with “setting up an invoicing system” and “other.”

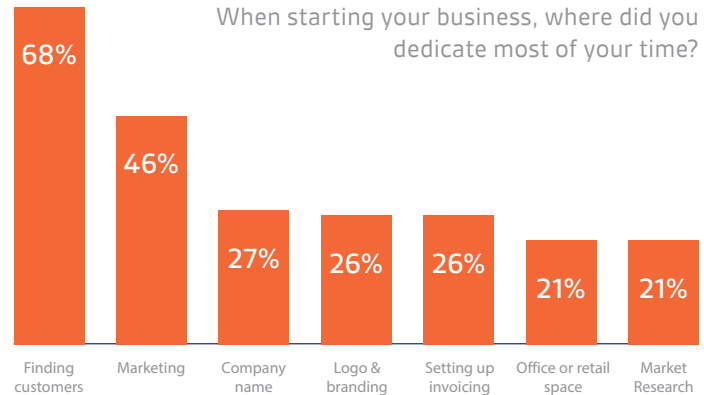
Also, while the top priority respondents cited in factors critical to sustaining a viable business was “providing the best customer service” at 91%, “being memorable” was cited by 54%, followed by “Marketing” at 33%.

BRANDING IS IMPORTANT, BUT TIME SPENT ELSEWHERE WHEN STARTING BUSINESS

“How positively my customers perceive my brand is important to me.”



When starting your business, where did you dedicate most of your time?



More evidence that SMBs know a strong brand is important

47% of respondents said they believe they may have possibly lost business due to the fact they did not have a website – and 11% said they “definitely have” lost business due to the lack of a professional site.

76% of respondents agreed that a professional-looking site “will help me attract a better customer”

63% of respondents strongly agree with the statement, “how positively my customers perceive my brand is important to me.”

60% agreed that a professional brand and website can and has influenced their own purchasing decisions

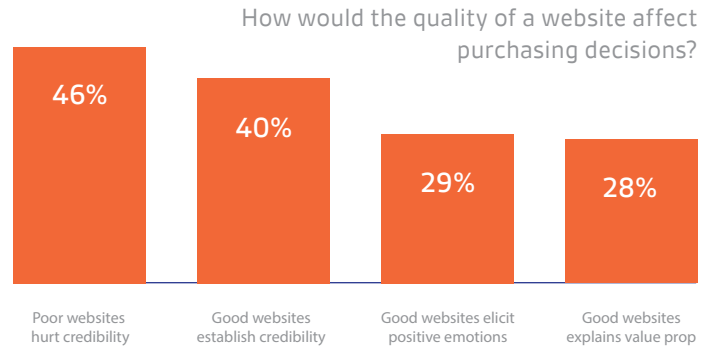
On the other hand ...

Of those who do not have a professional website, 23% cited “I don’t need a site” as the reason why they are not online. Other factors trailing in a distant 2nd place included “too expensive,” “I don’t have time” and “it’s too overwhelming.”

There was a 50-50 split on whether having a professional looking website or brand presence actually increased sales or improved the business in a measurable way

When asked why or how the quality of a website could affect purchasing decisions, respondents pointed to credibility and confidence. “Poor sites” hurt credibility was the number one choice at 46% followed by “Good sites establish credibility” at #2 or 40%, followed by other factors like positive emotions and explanation of value proposition.

BUSINESS OWNERS BELIEVE A PROFESSIONAL WEBSITE DRIVES CREDIBILITY AND CONFIDENCE IN PURCHASE DECISIONS



However, when it comes to logos in particular, SMBs are a pragmatic bunch. The top answer to what is the most important quality for a logo was “efficient – does the job” at 46%, beating out “reflects the brand personality or mission” and “beautifully designed, updated or modern.”

DRILLING DOWN

Interesting differences emerge once we accounted for age, gender and region of respondents:

- Women are more likely than men to spend time getting a logo when first starting out.
- Women are also more likely than men to believe that a company's logo/brand ID and website design is important to them when making a decision about what to buy or who to hire (63% of women vs. 53% of male respondents).
- Men were slightly less likely than women to believe they do not need a website at all (27% of men vs. 22% of women).
- The older the respondents, the less importance they placed on the look & feel of their business. Older respondents were also more unlikely to spend time getting a logo when first starting their business, and the oldest respondents (60 years and up) were the most likely to answer "I don't need a website" when responding to why their business does not have one.

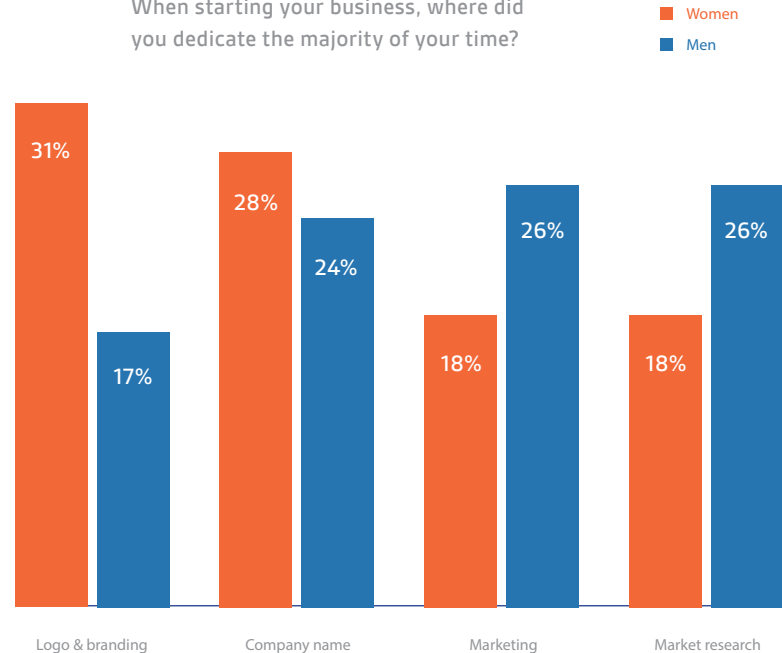
GENDER

When starting a business where do you dedicate the majority of your time?

- Both groups devote most of their time to marketing & finding customers.
- Males are more likely than females to devote the first days of starting a business to market research, marketing & finding customers.
- Females are also more likely to get a company name (28% vs. 24%) and set up the invoicing/payments system (28% vs. 21%).
- Females are more likely than males to get a logo when starting out (31% vs. 17%).
- Females are more likely to believe that a professional-looking website will help them attract more and/or better customers (78% vs. 72%).
- Males are more likely to believe they don't need a website than females (27% vs. 22%).
- Females are more likely to believe that a company's logo/brand ID and website design is important to them when making a decision about what to buy or who to hire (63% vs. 53%).

FEMALE BUSINESS OWNERS PRIORITIZE BRANDING ACTIVITIES OVER MALE COUNTERPARTS

When starting your business, where did you dedicate the majority of your time?



AGE

- The more mature they get, the less important they believe the look and feel of their business is.
- The more mature they get, the less likely they are to dedicate time to creating a logo when starting their business.
- The more mature they get, the more likely they are to spend more time marketing and finding customers.

REGION

- New Englanders are the least likely to say they believe the look and feel of their business is very or critically important, while respondents from the West and Northeast Central regions were most likely to believe it's important.
- Mid-Atlantic respondents are most likely to dedicate time to creating a logo when starting out, while West South Central respondents are less likely to devote time to a logo or marketing than other regions, prioritizing customer loyalty.
- Northeast Central respondents are most likely to believe they have lost

business due to the lack of a website or professional looking online presence (14% each), while those from West South Central are most likely to rely on word-of-mouth and foot traffic to drive business (50%).

- East N. Central, East S. Central and S. Atlantic respondents all believe that a professional looking website will help attract more customers, while those from West N. Central and West S. Central were the least likely to believe this.
- New England, West N. Central and W. South Central were the most likely regions to say they didn't need a website at all.
- Mid-Atlantic respondents said it was most important for their company logo to clearly reflect the company mission and vision, while those in East N. Central and S. Central were the most likely to say "it works" as the most important quality; those in South Atlantic and West N. Central were most likely to cite "it's modern or beautifully designed" as the priority for a logo.

INDUSTRY

Industries that most likely think look & feel is of critical importance:

- Advertising & marketing
- Automotive
- Food & beverages
- Government

Industries that most likely think look & feel is not important:

- Real estate
- Transportation & delivery

Industries most likely to devote time to designing a logo when starting a business:

- Advertising & marketing
- Entertainment & leisure
- Finance & financial services
- Nonprofit
- Retail & consumer deliverables

Industries least likely to devote time to designing a logo when starting a business:

- Manufacturing
- Insurance
- Government
- Transportation & delivery

Industries more likely to believe a professional-looking website will help them attract more and/or better customers:

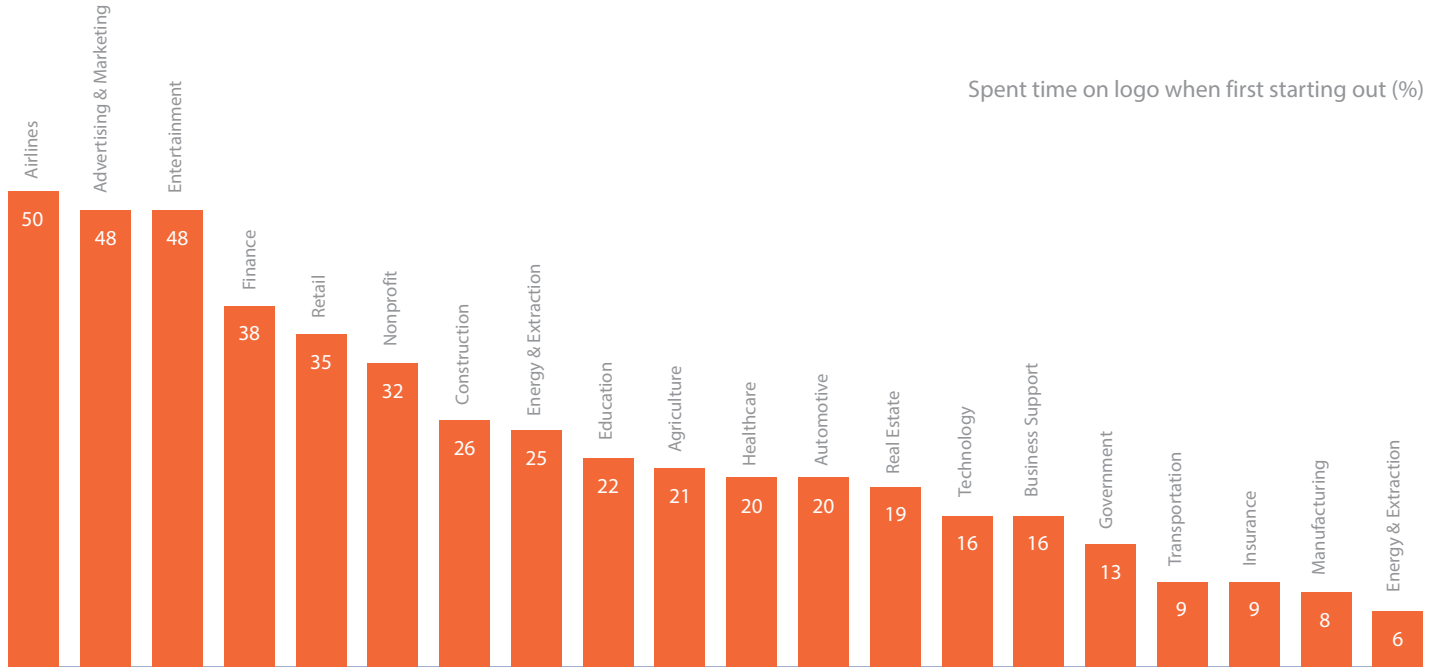
- Advertising & marketing
- Entertainment & leisure
- Nonprofit
- Retail & consumer durables

Industries least likely to believe a professional looking website will help them attract more and/or better customers:

- Transportation & delivery
- Finance & financial services
- Real estate

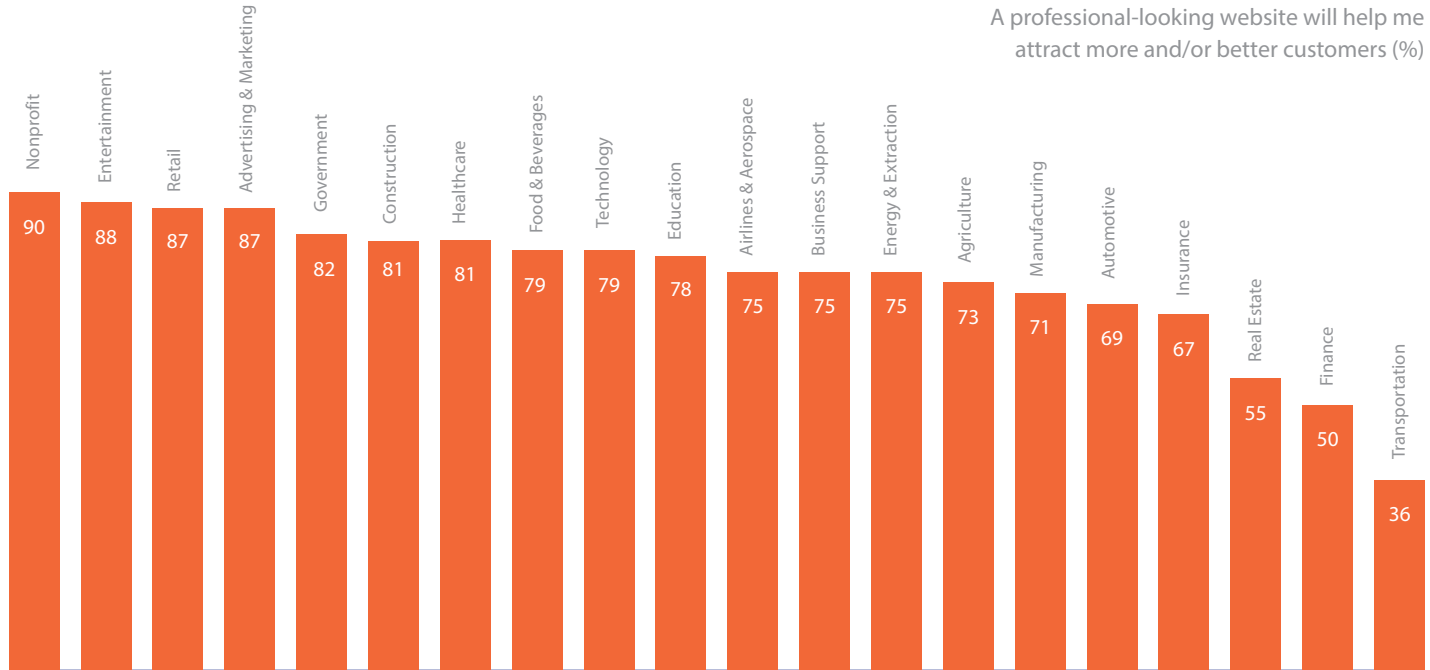
INDUSTRY SECTOR DIRECTLY AFFECTS THOUGHTS ON LOGO CREATION

Spent time on logo when first starting out (%)



INDUSTRY SECTOR DIRECTLY AFFECTS THOUGHTS ON WEBSITE

A professional-looking website will help me
attract more and/or better customers (%)



Industries more likely to believe they have lost business by not having a website/professional-online presence:

- Automotive
- Business support & logistics
- Manufacturing

Industries who are more likely to rely on word-of-mouth or foot traffic:

- Finance & financial services
- Transportation & delivery
- Insurance
- Real Estate

When asked why they don't have a website, industries most likely to say they don't need one:

- Business support & logistics
- Finance & financial services
- Real estate
- Transportation & delivery

Industries most likely to have a website:

- Entertainment & leisure
- Manufacturing
- Nonprofit
- Retail & consumer durables

Industries most likely to agree with this statement: "How positively my existing and potential customers perceive my brand is important to me":

- Entertainment & leisure
- Government
- Nonprofit

Industries not likely to agree with "How positively my existing and potential customers perceive my brand is important to me." :

- Telecommunications & technology
- Transportation & delivery

WHEN ASKED WHAT THE MOST IMPORTANT THING TO ACHIEVE WITH LOGO/BRAND IDENTITY DESIGN, INDUSTRIES ANSWERED IN THE FOLLOWING WAY:

It clearly reflects company vision/mission:

- Automotive
- Entertainment & leisure
- Nonprofit

It works – efficient for my purposes and does the job

- Utilities, energy & extraction
- Construction, machinery & homes
- Real estate
- Government

It's beautifully designed and/or modern (not the first choice for any industry, but these industries still placed high value on this choice)

- Automotive
- Business support & logistics
- Telecommunications