

Spring 2023 U.S. Research Report

# Maximum Impact: How Digital Ads Level the Playing Field for U.S. Small Businesses

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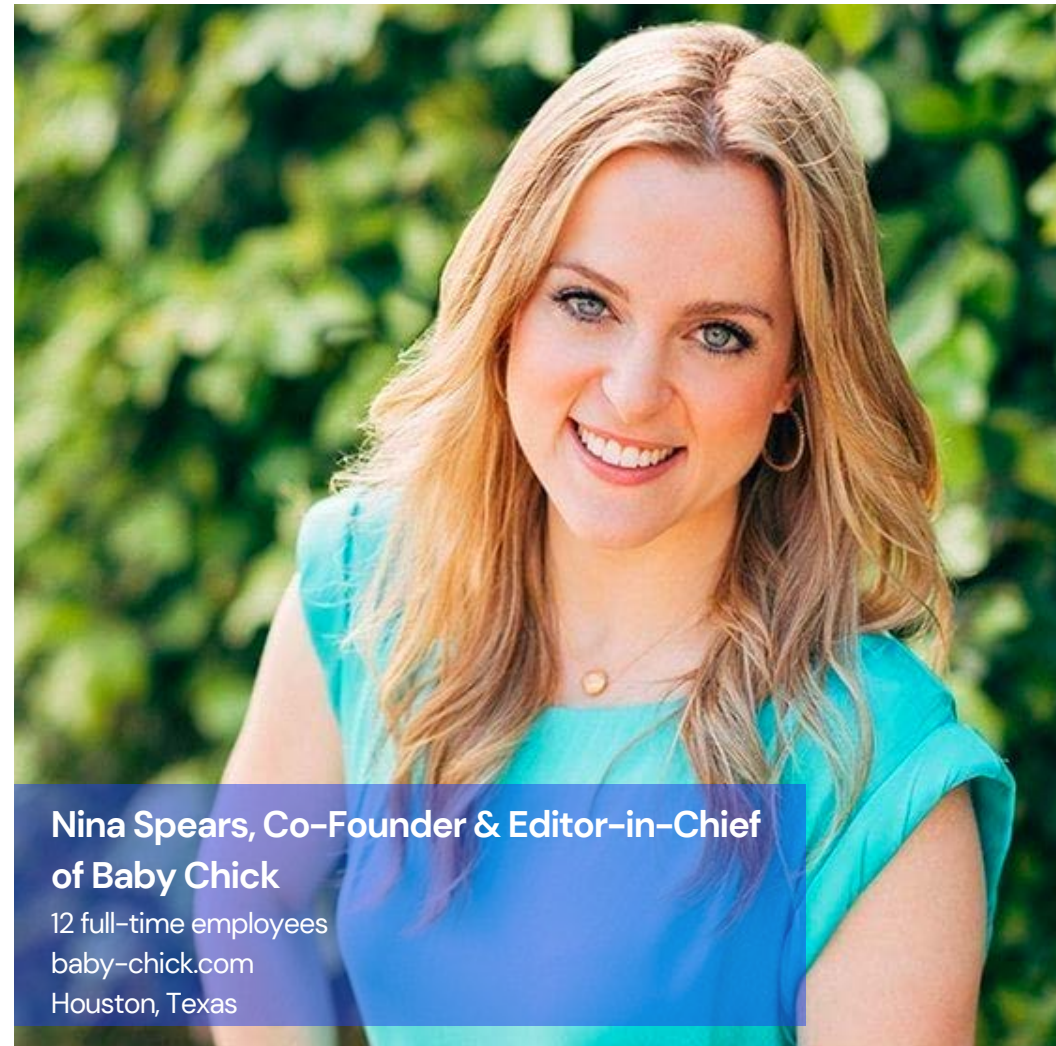


# Maximum Impact

## How Digital Ads Level the Playing Field for U.S. Small Businesses

In order to better understand facts, trends, and attitudes about modern digital advertising marketplaces, this report describes our findings from a survey of small and medium-sized business (SMB) leaders whose companies buy digital advertising or sell ads on their digital properties. **This report shows that today's digital advertising market offers America's SMBs more ways than ever before to reach potential customers, sell products, drive revenue, grow, and successfully compete in the marketplace.**

Small businesses have been advertising for centuries, always looking for less expensive and more efficient ways to market and grow their businesses. Today's SMB leaders know that digital advertising is immensely valuable to competitiveness and growth, invest in it heavily, and don't wish it disrupted. SMB Advertisers (SMBs that buy digital advertising for their business) report that digital ads help them compete with larger companies (79%), reach target audiences better than offline ads (82%), and generate more revenue than offline ads (78%).



**Nina Spears, Co-Founder & Editor-in-Chief  
of Baby Chick**

12 full-time employees  
baby-chick.com  
Houston, Texas

# Maximum Impact

## How Digital Ads Level the Playing Field for U.S. Small Businesses



**Michael Wieder, Co-Founder and CMO of Lalo**

17 full-time employees  
meetlalo.com  
New York City, New York

Though many consider digital advertising the realm of small advertisers with small budgets, 61% of SMB Advertisers spend more than \$10,000 on advertising per year, and 29% spend more than \$100,000. Given the success of digital advertising, it isn't surprising that we discovered 70% of SMB Advertisers plan to buy even more digital ads in the next two years than they did in 2022.

SMB Advertisers report that many different advertising platforms compete for their digital ad budgets. Industry leaders Google (including YouTube) and Meta (Facebook, Instagram) are the most popular to place ads on, but Amazon, Microsoft, TikTok, LinkedIn, and Twitter are among other strong competitors. In fact, SMB Advertisers use an average of four digital advertising platforms at any given time.

SMB Advertisers spend 67% of their advertising budget on digital formats, including social media, search, display, video, and mobile-only formats. And SMB Advertisers with fewer than ten employees dedicate even more – 74% – of their overall ad budget to these digital formats, showing the value of digital advertising for the broad majority of SMBs that are very small.



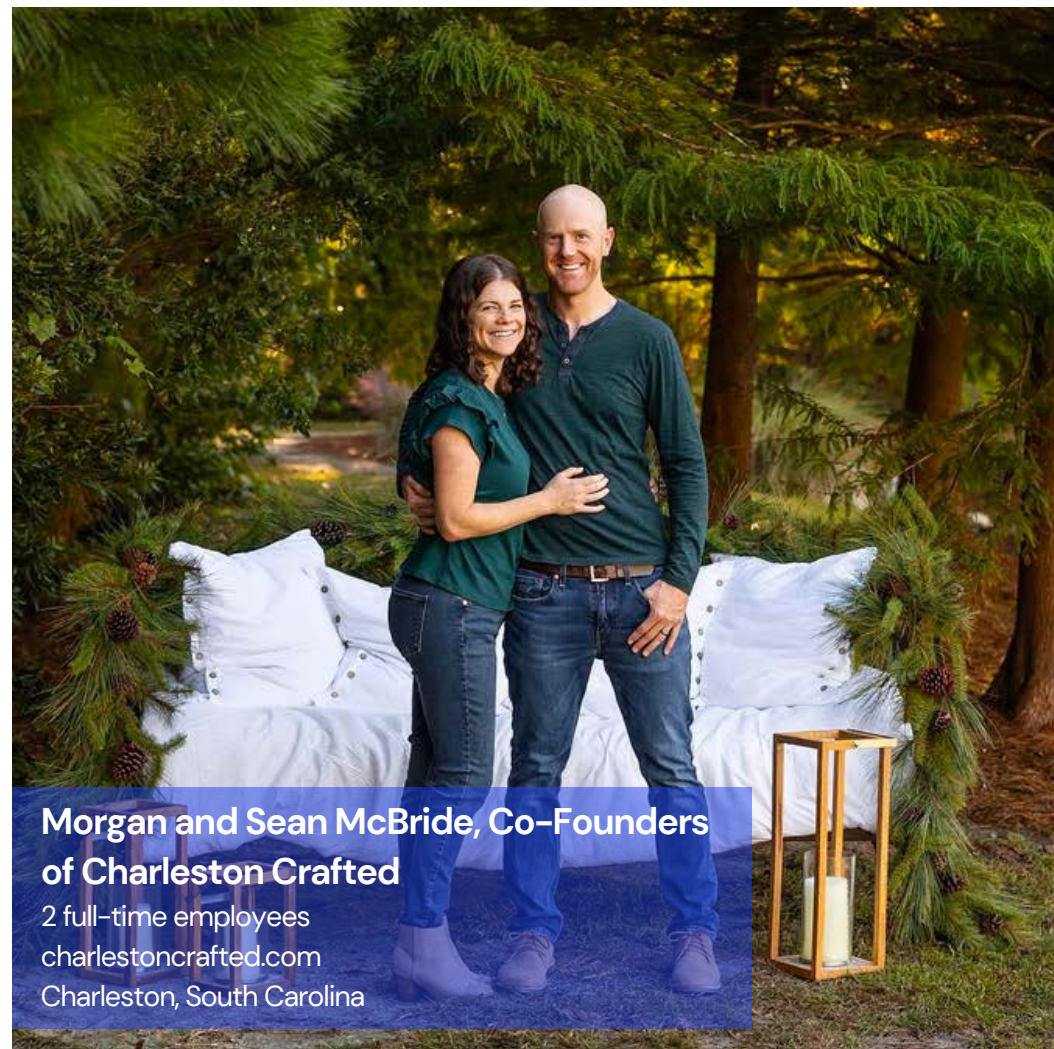
# Maximum Impact

## How Digital Ads Level the Playing Field for U.S. Small Businesses

In addition to buying ads, many SMBs are content publishers that sell ads on their digital properties (“SMB Publishers”), including their websites, newsletters, video channels, and mobile apps. (Note that SMB Advertisers and SMB Publishers are not mutually exclusive groups – many SMBs can be classified as both.)

Free digital tools also enable SMB Publishers to grow and compete. For example, 87% of SMB Publishers report that free digital tools are an important part of their business’ success. (Interestingly, such free digital tools are typically subsidized by ads.)

Revenue from selling digital ads provides SMB Publishers with a form of “seed funding” to build their businesses. In fact, 79% of SMB Publishers find that digital ads act as an “equalizer” to help their company compete with much larger competitors like giant media companies. Selling digital ads supports the creation of free content too; 75% of SMB Publishers say that without digital ad revenue, they would be unable to produce/share as much content as they currently do.



### **Morgan and Sean McBride, Co-Founders of Charleston Crafted**

2 full-time employees  
charlestoncrafted.com  
Charleston, South Carolina

# Maximum Impact

## How Digital Ads Level the Playing Field for U.S. Small Businesses



**Ese Ofurhie, Founder, Editor, & Publisher of  
ENSPIRE Magazine**

1 full-time employee  
enspiremag.com  
New York City, New York

There's a low barrier to entry for SMB Publishers to drive revenue through digital ad sales, and it's getting lower: 91% of SMB Publishers report that it was easier or about the same level of effort to sell digital ad space in 2022 compared to previous years.

Selling ads is a core component of SMB Publisher revenue, alongside other activities such as selling physical goods through e-commerce. And these ads drive real business growth: In the last two years, SMB Publishers estimate their businesses have grown 40% because of the benefits of digital advertising.

The bottom line is that digital ads are central to contemporary SMB Advertisers' and Publishers' overall business strategies at every stage: launching, sustaining, growing, and competing. Ultimately, digital ads create a free, fair marketplace for tens of millions of small businesses to diversify their revenue streams and compete for customers' attention – and dollars.

# Maximum Impact

## Key Findings: SMB Advertisers

- 67% of SMB Advertisers' ad budget is allocated to digital ads.
- SMB Advertisers estimate their businesses have grown 39% in the past two years because of digital advertising.
- Buying digital ads drives a roughly 2X (double) return-on-investment ("ROI"), as measured by revenue attributable to them.
- 82% of SMB Advertisers say digital ads allow them to more efficiently reach their target customers than traditional offline ads.
- 78% of SMB Advertisers agree that digital ads contribute more revenue to their business than traditional offline ads.
- 80% of SMB Advertisers agree that digital ads help their company compete with much larger competitors.
- SMB Advertisers use an average of four digital advertising platforms (e.g., YouTube, Instagram).
- 64% of SMB Advertisers use more than two digital ad platforms.

### **Key Term**

Small businesses that buy digital ads on third-party platforms are called "SMB Advertisers."



# Maximum Impact

## Key Findings: SMB Publishers

- 92% of SMB Publishers say digital advertising revenue contributes to the company's revenue.
- SMB Publishers estimate their businesses have grown 40% in the last two years because of digital advertising.
- About two-thirds of SMB Publishers (63%) predict that revenue from selling digital ads will be higher in 2023 than 2022.
- 79% of SMB Publishers say digital ads help their company compete with much larger competitors.
- 71% of SMB Publishers say they would not have been able to launch and sustain their business without revenue from selling digital ads.
- 91% of SMB Publishers report that it was easier or about the same level of effort to sell digital ad space in 2022 compared to previous years.
- Without the revenue generated by selling digital ads, 75% of SMB Publishers would not be able to produce and/or share as much content as they do now.

### **Key Term**

Small businesses that sell digital ad space on their owned digital properties are called "SMB Publishers."

## Maximum Impact: SMBs Buying Digital Ads



**Adam McDowell, Director of Marketing of  
Grogg's Home Services**

80 full-time employees

[groggs.com](http://groggs.com)

Parkersburg, West Virginia

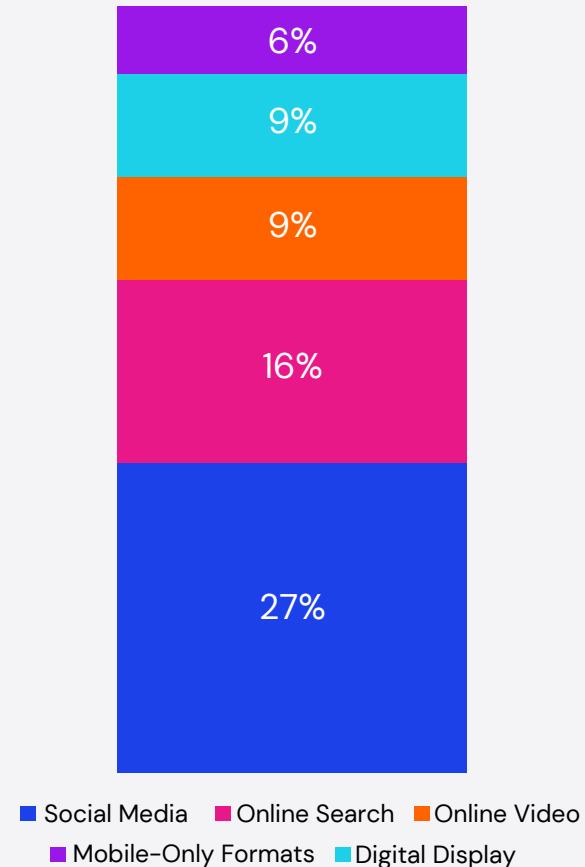


# SMBs Buying Digital Ads

SMBs buy digital ads across many different formats

- **67% of SMB Advertisers' ad budget is allocated to digital ads, and these come in diverse formats.**
- The remainder of the budget, 33%, is allocated to more "traditional" formats like radio and print.
- **Across all SMB Advertisers, about a quarter (27%) of overall ad budget is spent on social media ads.**
- Smaller amounts are also spent on search (16%), display (9%), online video (9%) and mobile format (6%) ads.

**67% of SMB Advertisers' ad budget is allocated to digital ads**



# SMBs Buying Digital Ads

Buying digital ads drives SMB Advertiser growth



**Ese Ofurhie, Founder, Editor, & Publisher of  
ENSPIRE Magazine**

1 full-time employee  
enspiremag.com  
New York City, New York

- In the last two years, SMB Advertisers estimate their businesses have grown 39% because of digital advertising.
- About two-thirds of SMB Advertisers (64%) predict that revenue attributable to digital ads will be higher in 2023 than 2022 – an estimated 34% higher, on average.
- About a quarter of SMB Advertisers (26%) predict that revenue attributable to digital ads will be about the same in 2023 compared to 2022.

“When I first started digital advertising, I experienced a 9% increase in viewership in the first 60 to 90 days.”

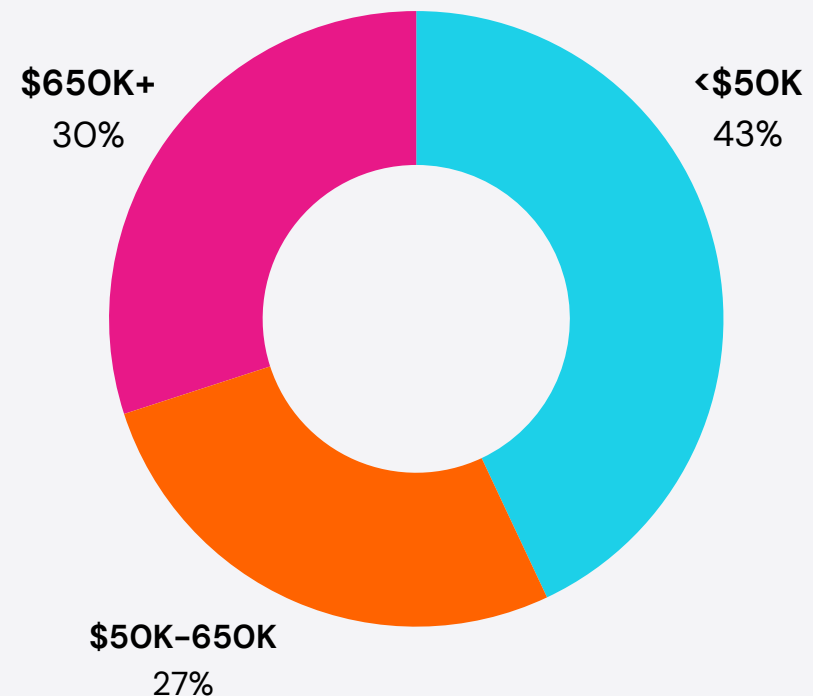


# SMBs Buying Digital Ads

Buying digital ads drives substantial small business revenue

- On average, the revenue attributable to digital ads makes up 42% of SMB Advertisers' overall revenue.
- The majority of SMB Advertisers (57%) earn revenue attributable to digital ads of more than \$50,000 a year.
- Roughly a third of SMB Advertisers (30%) earn revenue attributable to digital ads of more than \$650,000 a year.
- Digital ads drive a roughly 2X (double) return-on-investment (ROI), as measured by revenue attributable to them.

**57% of SMB Advertisers earn revenue attributable to digital ads of more than \$50K per year**



# SMBs Buying Digital Ads

SMB Advertisers say digital ads help them sustain and compete



**Sahra Nguyen, Founder and CEO of Nguyen Coffee Supply**

7 full-time employees  
nguyencoffeesupply.com  
Brooklyn, New York

- **82% of SMB Advertisers say digital ads allow them to more efficiently reach their target customers than traditional offline ads.**
- 69% of SMB Advertisers agree they would not have been able to launch and sustain their business without revenue from digital advertising.
- **78% of SMB Advertisers agree that digital ads contribute more revenue to their business than traditional offline ads.**
- 80% of SMB Advertisers agree that digital ads help their company compete with much larger competitors.

"It's clear that we need advertising to fuel our growth, or at the very least, break even, so we will definitely continue to increase our ad spend."

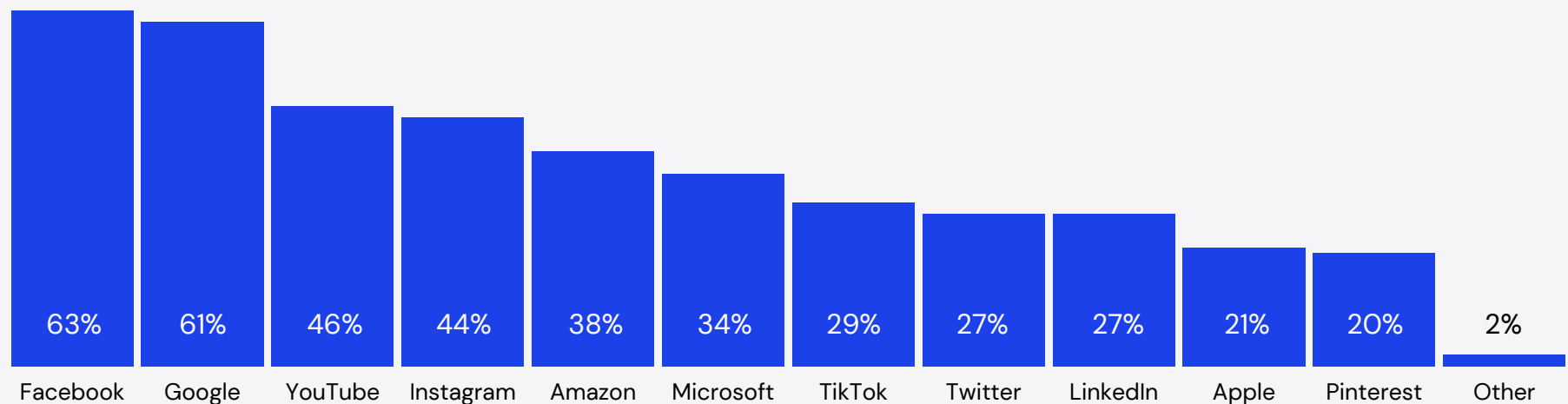


# SMBs Buying Digital Ads

## SMB Advertisers buy and place digital ads on many diverse platforms

- 20% or more SMB Advertisers place ads on every individual platform they were asked about.
- **SMB Advertisers place digital ads on an average of 4.1 of these platforms.**
- 80% of SMB Advertisers use more than one digital ad platform.
- About two-thirds (64%) of SMB Advertisers place digital ads on more than two platforms.
- 27% of SMB Advertisers buy digital ads on 6+ different platforms.

SMB Advertisers buy and place ads on many diverse platforms

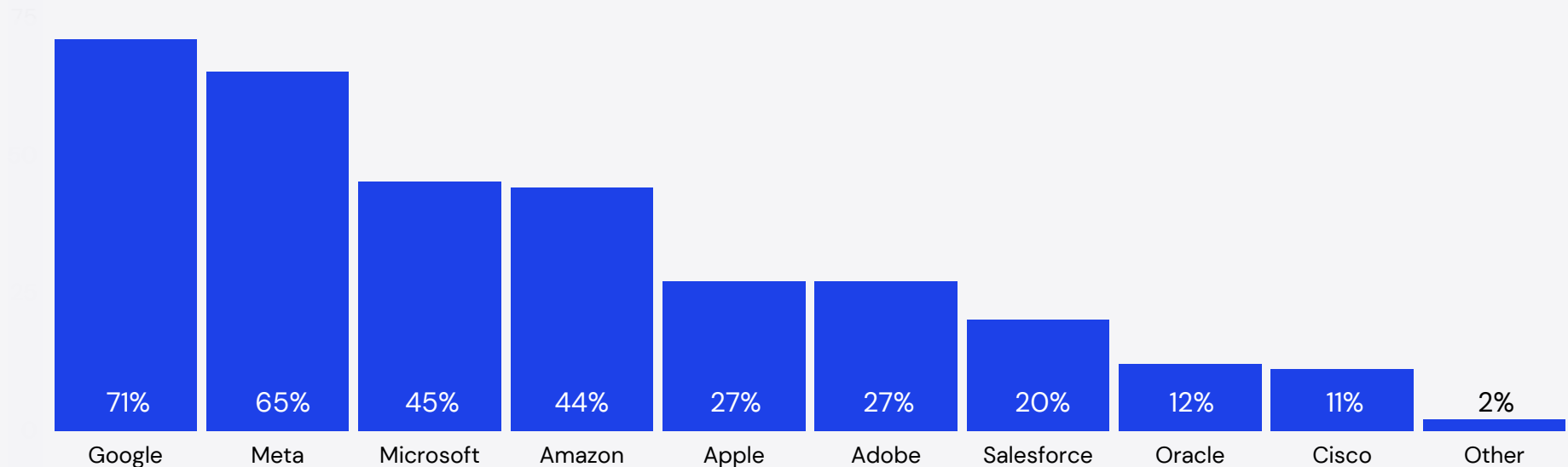


# SMBs Buying Digital Ads

## SMB Advertisers find business value in broad-based digital tools

- 99% of SMB Advertisers consider digital tools important, with 54% saying they are absolutely essential.
- 74% of SMB Advertisers would not have been able to launch and sustain their business without free digital tools.
- 86% of SMB Advertisers report that free digital tools help their business compete with much larger competitors.
- 86% of SMB Advertisers report that free digital tools are an important part of their business' success.
- 73% of SMB Advertisers report that if free digital tools were no longer available, that would have a negative impact on their business.

### Overall, 93% of SMB Advertisers use free digital tools from a variety of software vendors





## Maximum Impact: SMBs Selling Digital Ads



**Cassidy Tuttle, Founder & Owner of Succulents  
and Sunshine**

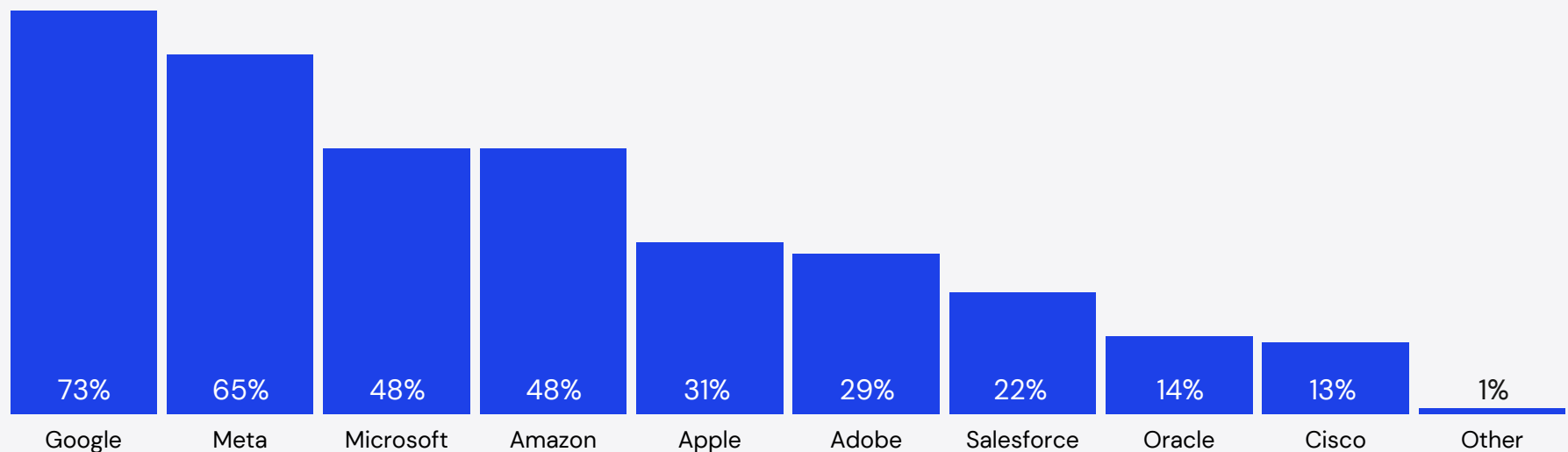
2 full-time employees  
succulentsandsunshine.com  
Gilbert, Arizona

# SMBs Selling Digital Ads

Free digital tools enable publishers to grow and compete

- 100% of SMB Publishers consider digital tools important, with 56% saying they are absolutely essential.
- 78% of SMB Publishers would not have been able to launch and sustain their business without free digital tools.
- 87% of SMB Publishers report that free digital tools help their business compete with much larger competitors.
- 87% of SMB Publishers report that free digital tools are an important part of their business' success.
- 71% of SMB Publishers report that if free digital tools were no longer available, that would have a negative business impact.

Overall, 94% of SMB Publishers use free digital tools from a variety of software vendors



# SMBs Selling Digital Ads

Digital ads are a core component of SMB Publisher revenue and growth



**Morgan Overholt, Founder of TheSmokies.com**

3 full-time employees  
TheSmokies.com  
Pigeon Forge, Tennessee

- **92% of SMB Publishers say digital advertising revenue contributes to the company's overall revenue.**
- For 40% of SMB Publishers, selling digital ads drives over half of their overall revenue.
- 57% of SMB Publishers earn more than \$50,000 a year in revenue from selling digital ads.
- **SMB Publishers estimate their businesses have grown 40% in the last two years because of digital advertising.**
- **About two-thirds of SMB Publishers (63%) predict that revenue from selling digital ads will be higher in 2023 than 2022 – an estimated 35% higher, on average.**

"At a bare minimum, I hope we'll bring in similar numbers that we did [during 2022] in 2023. But, honestly, especially with adding additional blogs to these revenue streams, we expect it to go up. And we think that really the limit is to the moon. There is no limit."



# SMBs Selling Digital Ads

Digital ad revenue gives SMB Publishers funding to build thriving businesses

- 79% of SMB Publishers say digital ads help their company compete with much larger competitors.
- 71% of SMB Publishers say they would not have been able to launch and sustain their business without revenue from digital advertising.
- 91% of SMB Publishers report that it was easier or about the same level of effort to sell digital ad space in 2022 compared to previous years.

“AdThrive is our ad partner, with our revenue we reinvest back into growing our business – theme for next year is big – we’re expanding into products and courses, doing improvements on our website, growing our team. Without that ad revenue we wouldn’t be able to do any of this.... It’s a tough game because you’re competing against publishers that have millions of dollars in capital and hundreds of employees. And so to be able to compete on a level with them is really awesome.”



**Brian Spears, Co-Founder & CEO of Baby Chick**

12 full-time employees  
baby-chick.com  
Houston, Texas

# SMBs Selling Digital Ads

Digital ads enable SMB publishers to stay true to their mission and support free content



**Morgan and Sean McBride, Co-Founders of Charleston Crafted**

2 full-time employees  
charlestoncrafted.com  
Charleston, South Carolina

- **Without the revenue generated by selling digital ads, 75% of SMB Publishers would not be able to produce and/or share as much content as they do now.**
- Without the revenue generated by selling digital ads, 74% of SMB Publishers say their business models would be negatively impacted.
- 82% of SMB Publishers say digital ads allow them to more efficiently reach their target customers than traditional offline ads.

"Ads run on our page and provide us the ability to run our own business and have two full-time incomes doing this. We have a lot of revenue streams in this business...but our largest percentage is from our ads."

## Maximum Impact: Analysis of Key Sub-Groups



**Michael Wieder, Co-Founder and CMO of Lalo**

17 full-time employees

[meetlalo.com](https://meetlalo.com)

New York City, New York



## Focus On: Rural SMBs

"I think it's very important, for us to make it in our service areas, not to be 100% digitally-driven. That's why we use digital and traditional advertising like local billboards."

**Adam McDowell, Director of Marketing**  
*Grogg's Home Services*

### Grogg's Home Services

80 full-time employees

[groggs.com](http://groggs.com)

Parkersburg, West Virginia

*Grogg's Home Services has served their local area and parts of rural West Virginia, for AC and heater repairs as well as plumbing services for over 50 years.*



# Key Findings: Rural SMBs

## Rural Advertisers

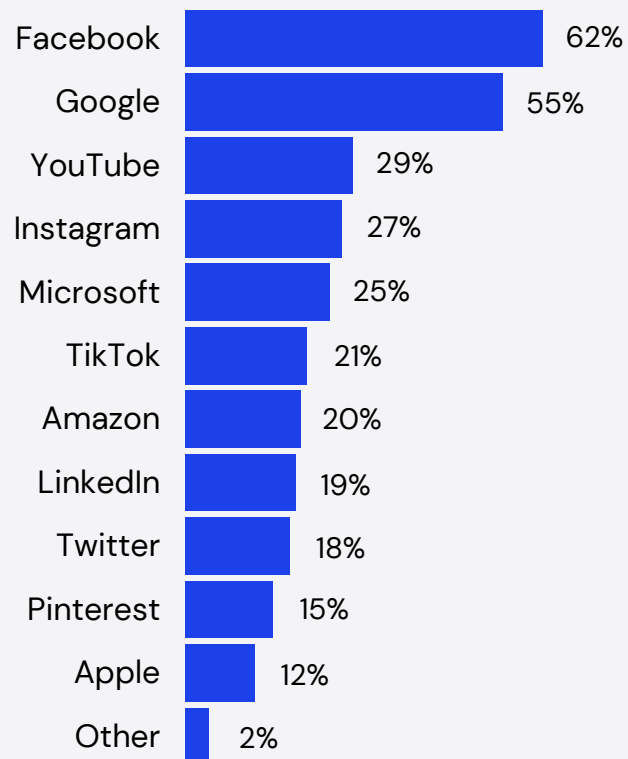
- 65% of Rural SMB Advertisers' ad budget is allocated to digital ads. | Avg. 67%
- Rural SMB Advertisers estimate their businesses have grown 36% in the past two years because of digital advertising. | Avg. 39%
- 74% of Rural SMB Advertisers say that digital ads allow them to more efficiently reach their target customers than traditional offline ads | Avg. 82%
- 67% of Rural SMB Advertisers agree that digital ads contribute more revenue to their business than traditional offline ads | Avg. 78%
- 71% of Rural SMB Advertisers agree that digital ads help their company compete with much larger competitors | Avg. 80%
- Rural SMB Advertisers use an average of 3 digital advertising platforms (e.g., YouTube, Instagram). | Avg. 4
- 50% of Rural SMB Advertisers use more than two digital ad platforms. | Avg. 64%

## Rural Publishers

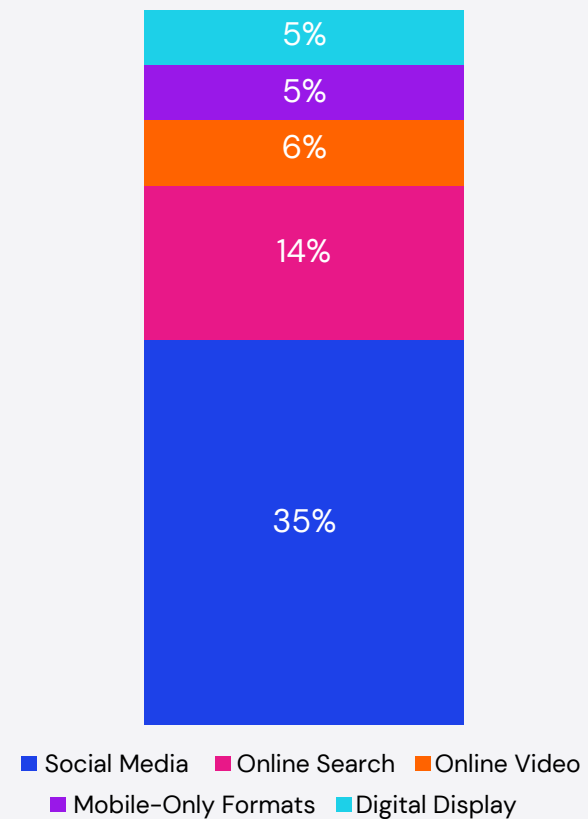
- 85% of Rural SMB Publishers say digital advertising revenue contributes to the company's revenue. | Avg. 92%
- Rural SMB Publishers estimate their businesses have grown 36% in the last two years because of digital advertising. | Avg. 40%
- 58% of Rural SMB Publishers predict that revenue from selling digital ads will be higher in 2023 than 2022. | Avg. 63%
- 71% of Rural SMB Publishers agree that digital ads help their company compete with much larger competitors | Avg. 79%
- 69% of Rural SMB Publishers agree they would not have been able to launch and sustain their business without revenue from digital advertising. | Avg. 71%
- 91% of Rural SMB Publishers report that it was easier or about the same level of effort to sell digital ad space in 2022 compared to previous years. | Avg. 91%
- Without the revenue generated by selling digital ads, 68% of Rural SMB Publishers would not be able to produce and/or share as much content as they do now. | Avg. 75%

# Key Findings: Rural SMBs

## Rural SMB Advertisers buy and place digital ads on many diverse platforms



## 65% of Rural SMB Advertisers' ad budget is allocated to digital ads





## Focus On: Food & Beverage SMBs

"I wouldn't rely on any one platform. It just depends on how the market is evolving like how other challenger tech brands pop up and what kind of value they could offer."

**Sahra Nguyen, Founder**  
*Nguyen Coffee Supply*

### Nguyen Coffee Supply

7 full-time employees  
nguyencoffeesupply.com  
Brooklyn, New York

*Founded by 1st generation entrepreneur-activist Sahra Nguyen in 2018, Nguyen Coffee Supply is America's first specialty Vietnamese coffee company and proud champion of the resilient robusta bean.*



# Key Findings: Food & Beverage SMBs

## Food & Beverage Advertisers

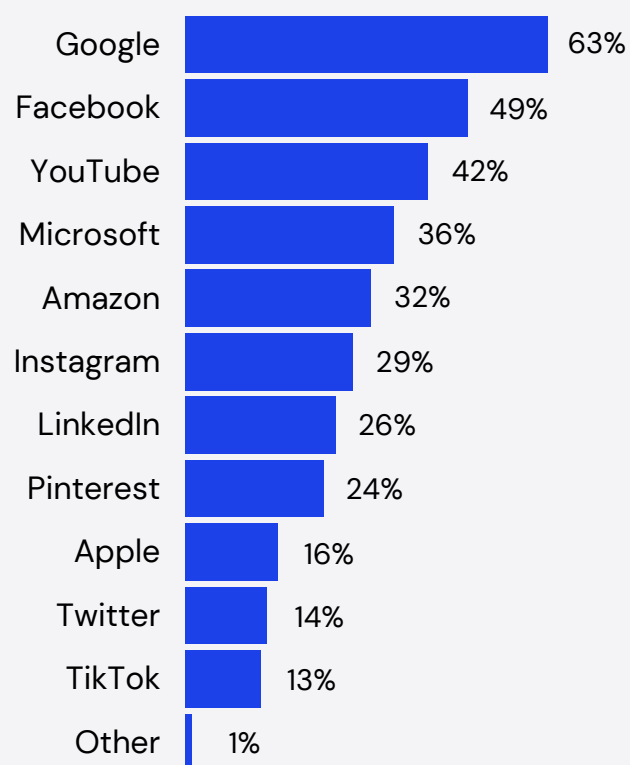
- 66% of F&B SMB Advertisers' ad budget is allocated to digital ads. | Avg. 67%
- F&B SMB Advertisers estimate their businesses have grown 41% in the past two years because of digital advertising. | Avg. 39%
- 87% of F&B SMB Advertisers agree that digital ads allow them to more efficiently reach their target customers than traditional offline ads | Avg. 82%
- 79% of F&B SMB Advertisers agree that digital ads contribute more revenue to their business than traditional offline ads | Avg. 78%
- 75% of F&B SMB Advertisers agree that digital ads help their company compete with much larger competitors | Avg. 80%
- F&B SMB Advertisers use an average of 3.5 digital advertising platforms (e.g., YouTube, Instagram). | Avg. 4
- 57% of F&B SMB Advertisers use more than two digital ad platforms. | Avg. 64%

## Food & Beverage Publishers

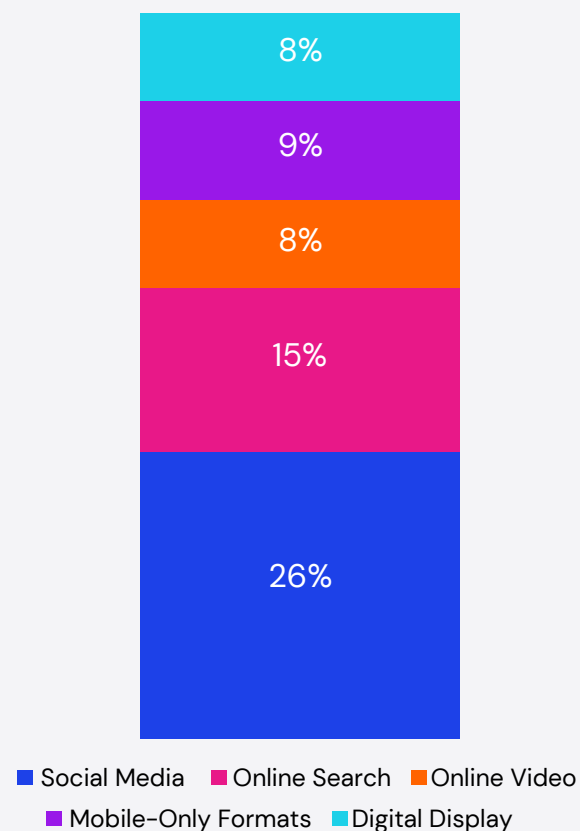
- 93% of F&B SMB Publishers say digital advertising revenue contributes to the company's revenue. | Avg. 92%
- F&B SMB Publishers estimate their businesses have grown 41% in the last two years because of digital advertising. | Avg. 40%
- 53% of F&B SMB Publishers predict that revenue from selling digital ads will be higher in 2023 than 2022. | Avg. 63%
- 74% of F&B SMB Publishers agree that digital ads help their company compete with much larger competitors | Avg. 79%
- 73% of F&B SMB Publishers agree they would not have been able to launch and sustain their business without revenue from digital advertising. | Avg. 71%
- 86% of F&B SMB Publishers report that it was easier or about the same level of effort to sell digital ad space in 2022 compared to previous years. | Avg. 91%
- Without the revenue generated by selling digital ads, 88% of F&B SMB Publishers would not be able to produce and/or share as much content as they do now. | Avg. 75%

## Key Findings: Food & Beverage SMBs

### F&B SMB Advertisers buy and place digital ads on many diverse platforms



### 66% of F&B SMB Advertisers' ad budget is allocated to digital ads





# Focus On: Retail SMBs

"We employ multiple targeting approaches. Some are broad targeting to reach as many people as possible, and others are a bit more targeted based on personas to deliver as personalized a message as possible."

**Michael Wieder, Co-Founder and CMO**  
*Lalo*

## Lalo

17 full-time employees  
meetlalo.com  
New York City, New York

*Founded in 2018, Lalo is a digitally-native, modern baby and toddler brand built for today's families.*



# Key Findings: Retail SMBs

## Retail Advertisers

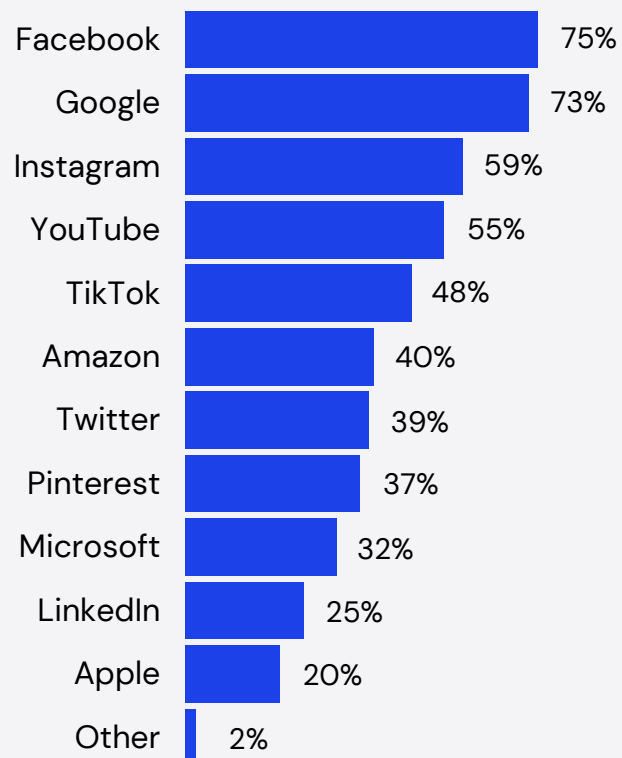
- 79% of Retail SMB Advertisers' ad budget is allocated to digital ads. | Avg. 67%
- SMB Advertisers estimate their businesses have grown 40% in the past two years because of digital advertising. | Avg. 39%
- 88% of Retail SMB Advertisers agree that digital ads allow them to more efficiently reach their target customers than traditional offline ads | Avg. 82%
- 86% of Retail SMB Advertisers agree that digital ads contribute more revenue to their business than traditional offline ads | Avg. 78%
- 82% of Retail SMB Advertisers agree that digital ads help their company compete with much larger competitors | Avg. 80%
- Retail SMB Advertisers use an average of 5 digital advertising platforms (e.g., YouTube, Instagram). | Avg. 4
- 74% of Retail SMB Advertisers use more than two digital ad platforms. | Avg. 64%

## Retail Publishers

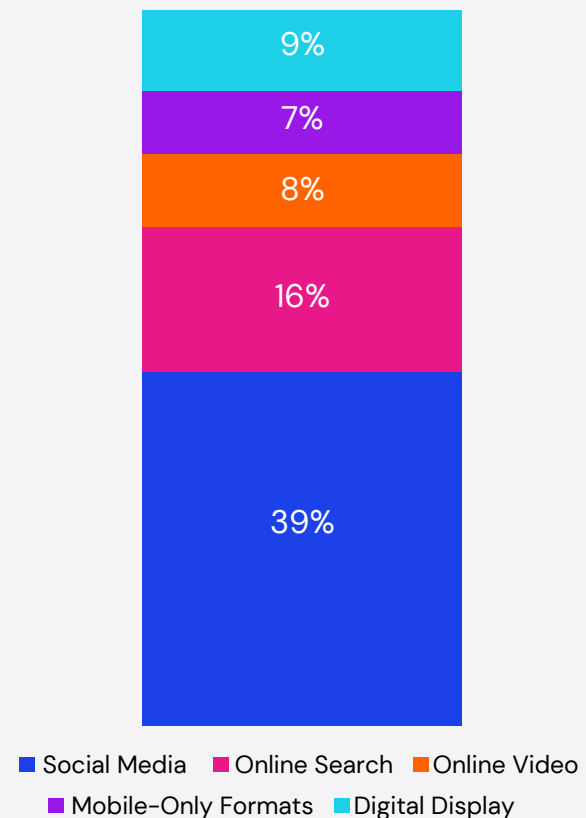
- 96% of Retail SMB Publishers say digital advertising revenue contributes to the company's revenue. | Avg. 92%
- Retail SMB Publishers estimate their businesses have grown 45% in the last two years because of digital advertising. | Avg. 40%
- 73% of Retail SMB Publishers (63%) predict that revenue from selling digital ads will be higher in 2023 than 2022. | Avg. 63%
- 86% of Retail SMB Publishers agree that digital ads help their company compete with much larger competitors | Avg. 79%
- 83% of Retail SMB Publishers agree they would not have been able to launch and sustain their business without revenue from digital advertising. | Avg. 71%
- 94% of Retail SMB Publishers report that it was easier or about the same level of effort to sell digital ad space in 2022 compared to previous years. | Avg. 91%
- Without the revenue generated by selling digital ads, 75% of Retail SMB Publishers would not be able to produce and/or share as much content as they do now. | Avg. 75%

# Key Findings: Retail SMBs

## Retail SMB Advertisers buy and place digital ads on many diverse platforms



## 79% of Retail SMB Advertisers' ad budget is allocated to digital ads





# Focus On: Women-Led SMBs

"It's a tough game since we're competing with larger publishers who have millions in capital and hundreds of employees, and to be able to compete with them because of digital ads is awesome...There's so much access for small businesses to utilize the ad platforms."

**Nina Spears, Co-Founder and Editor-in-Chief**  
*Baby Chick*

## **Baby Chick**

12 full-time employees  
baby-chick.com  
Houston, Texas

*Baby Chick is a digital media and lifestyle brand and pregnancy to parenthood resource for expectant and new mothers curated by Nina, The Baby Chick®.*



# Key Findings: Women-Led SMBs

## Women-Led Advertisers

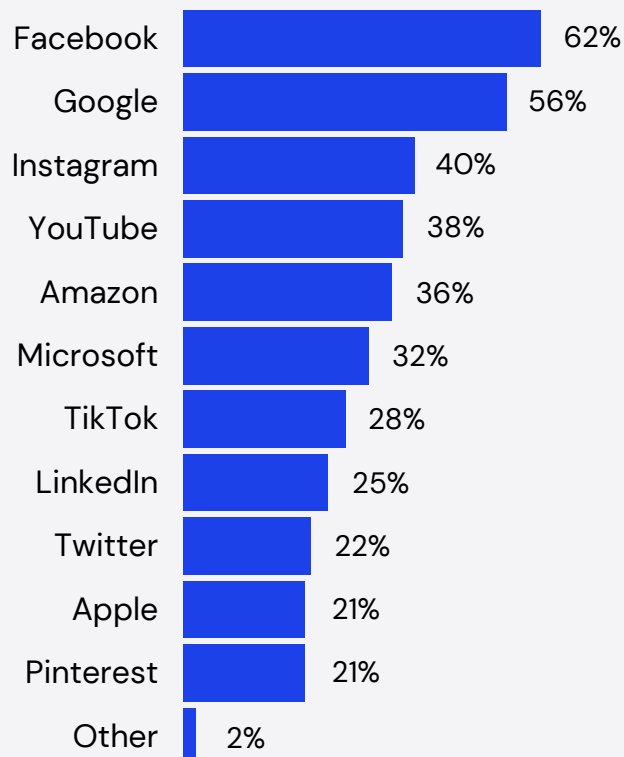
- 54% of Women-led SMB Advertisers' ad budget is allocated to digital ads. | Avg. 67%
- SMB Advertisers estimate their businesses have grown 42% in the past two years because of digital advertising. | Avg. 39%
- 81% of Women-led SMB Advertisers agree that digital ads allow them to more efficiently reach their target customers than traditional offline ads | Avg. 82%
- 78% of Women-led SMB Advertisers agree that digital ads contribute more revenue to their business than traditional offline ads | Avg. 78%
- 76% of Women-led SMB Advertisers agree that digital ads help their company compete with much larger competitors | Avg. 80%
- Women-led SMB Advertisers use an average of 4 digital advertising platforms (e.g., YouTube, Instagram). | Avg. 4
- 60% of Women-led SMB Advertisers use more than two digital ad platforms. | Avg. 64%

## Women-Led Publishers

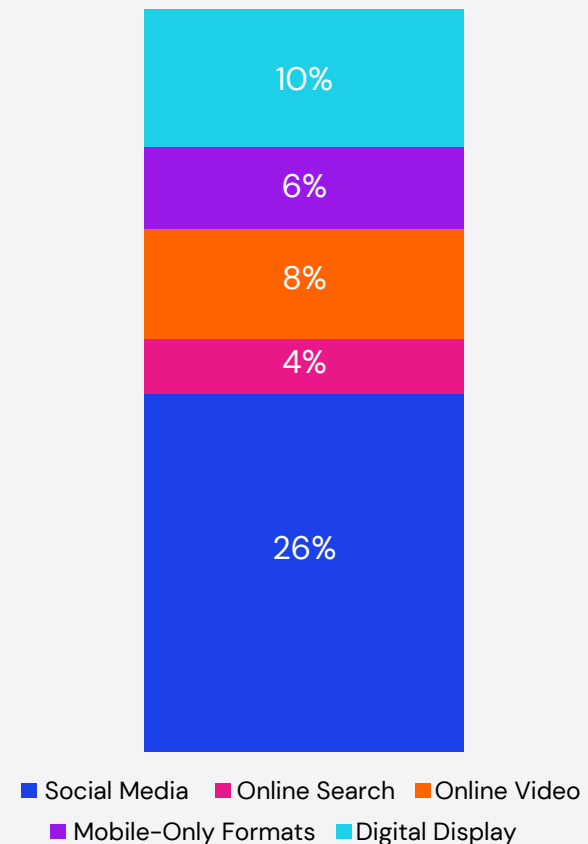
- 93% of Women-led SMB Publishers say digital advertising revenue contributes to the company's revenue. | Avg. 92%
- Women-led SMB Publishers estimate their businesses have grown 43% in the last two years because of digital advertising. | Avg. 40%
- 60% of Women-led SMB Publishers predict that revenue from selling digital ads will be higher in 2023 than 2022. | Avg. 63%
- 76% of Women-led SMB Publishers agree that digital ads help their company compete with much larger competitors | Avg. 79%
- 71% of Women-led SMB Publishers agree they would not have been able to launch and sustain their business without revenue from digital advertising. | Avg. 71%
- 91% of Women-led SMB Publishers report that it was easier or about the same level of effort to sell digital ad space in 2022 compared to previous years. | Avg. 91%
- Without the revenue generated by selling digital ads, 76% of Women-led SMB Publishers would not be able to produce and/or share as much content as they do now. | Avg. 75%

# Key Findings: Women-Led SMBs

## Women-Led SMB Advertisers buy and place digital ads on many diverse platforms



## 54% of Women-Led SMB Advertisers' ad budget is allocated to digital ads



# Focus On: Black- & Hispanic-Led SMBs

"I know people that make six figures from digital advertising, and if I know I can do it too, I want to."

**Ese Ofurhie, Owner, Founder, & Editor**  
*ENSPIRE Magazine*

## **ENSPIRE Magazine**

1 full-time employee  
enspiremag.com  
New York City, New York

*Founded in 2003, ENSPIRE Magazine is a Black-owned, woman-led magazine that brings attention to influential, positive, and hardworking people that uplift their respective communities.*





# Key Findings: Black-Led SMBs

## Black-Led Advertisers

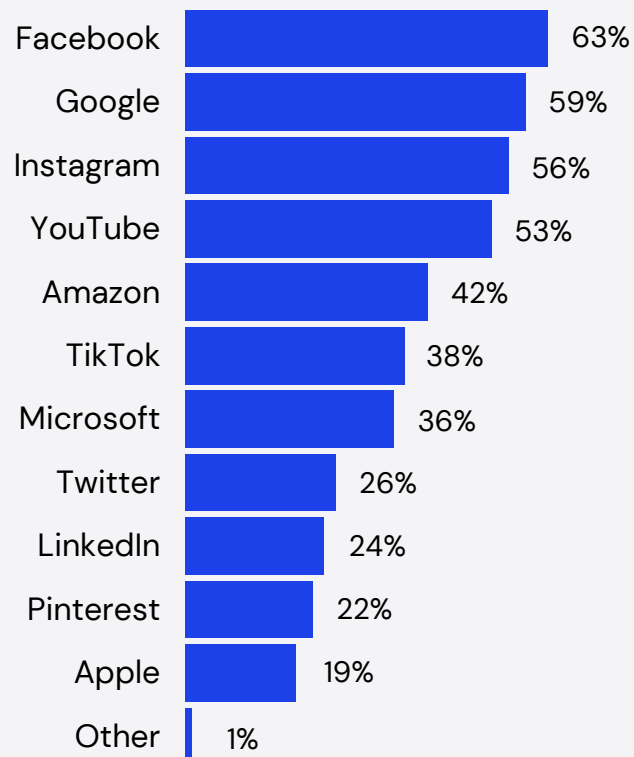
- 69% of Black-led SMB Advertisers' ad budget is allocated to digital ads. | Avg. 67%
- Black-led SMB Advertisers estimate their businesses have grown 48% in the past two years because of digital advertising. | Avg. 39%
- 80% of Black-led SMB Advertisers agree that digital ads allow them to more efficiently reach their target customers than traditional offline ads | Avg. 82%
- 80% of Black-led SMB Advertisers agree that digital ads contribute more revenue to their business than traditional offline ads | Avg. 78%
- 77% of Black-led SMB Advertisers agree that digital ads help their company compete with much larger competitors | Avg. 80%
- Black-led SMB Advertisers use an average of 4 digital advertising platforms (e.g., YouTube, Instagram). | Avg. 4
- 69% of Black-led SMB Advertisers use more than two digital ad platforms. | Avg. 64%

## Black-Led Publishers

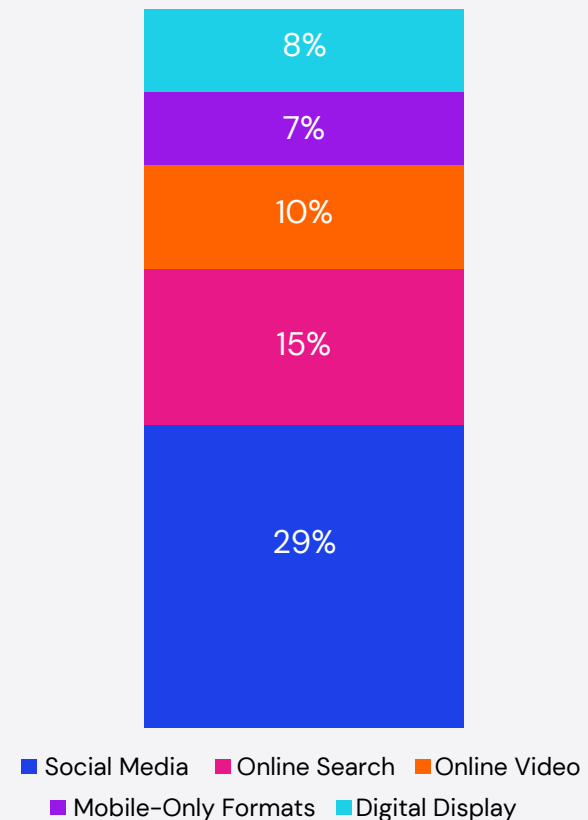
- 98% of Black-led SMB Publishers say digital advertising revenue contributes to the company's revenue. | Avg. 92%
- Black-led SMB Publishers estimate their businesses have grown 50% in the last two years because of digital advertising. | Avg. 40%
- 62% of Black-led SMB Publishers predict that revenue from selling digital ads will be higher in 2023 than 2022. | Avg. 63%
- 76% of Black-led SMB Publishers agree that digital ads help their company compete with much larger competitors | Avg. 79%
- 72% of Black-led SMB Publishers agree they would not have been able to launch and sustain their business without revenue from digital advertising. | Avg. 71%
- 94% of Black-led SMB Publishers report that it was easier or about the same level of effort to sell digital ad space in 2022 compared to previous years. | Avg. 91%
- Without the revenue generated by selling digital ads, 77% of Black-led SMB Publishers would not be able to produce and/or share as much content as they do now. | Avg. 75%

# Key Findings: **Black-Led SMBs**

## Black-Led SMB Advertisers buy and place digital ads on many diverse platforms



## 69% of Black-Led SMB Advertisers' ad budget is allocated to digital ads



# Key Findings: Hispanic-Led SMBs

## Hispanic-Led Advertisers

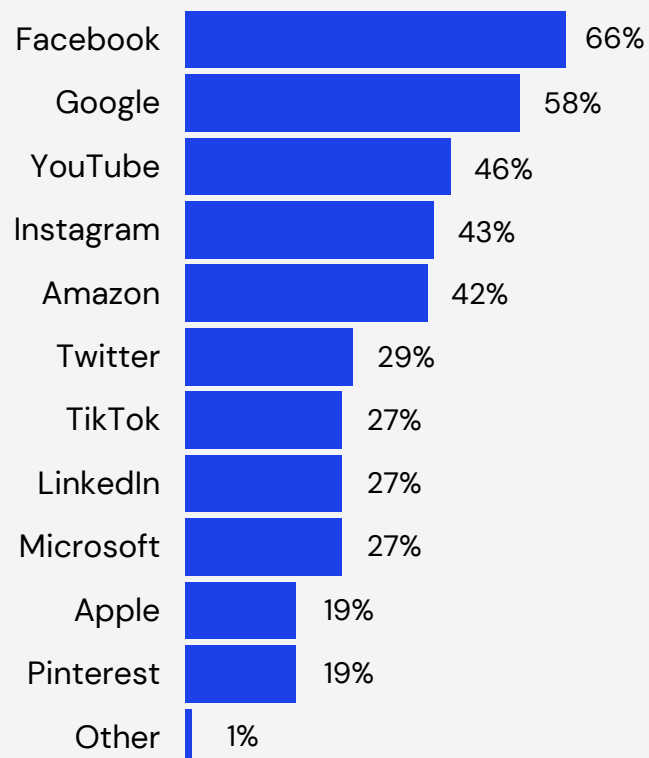
- 72% of Hispanic-led SMB Advertisers' ad budget is allocated to digital ads. | Avg. 67%
- Hispanic-led SMB Advertisers estimate their businesses have grown 40% in the past two years because of digital advertising. | Avg. 39%
- 84% of Hispanic-led SMB Advertisers agree that digital ads allow them to more efficiently reach their target customers than traditional offline ads | Avg. 82%
- 77% of Hispanic-led SMB Advertisers agree that digital ads contribute more revenue to their business than traditional offline ads | Avg. 78%
- 74% of Hispanic-led SMB Advertisers agree that digital ads help their company compete with much larger competitors | Avg. 80%
- SMB Advertisers use an average of 4 digital advertising platforms (e.g., YouTube, Instagram). | Avg. 4
- 69% of Hispanic-led SMB Advertisers use more than two digital ad platforms. | Avg. 64%

## Hispanic-Led Publishers

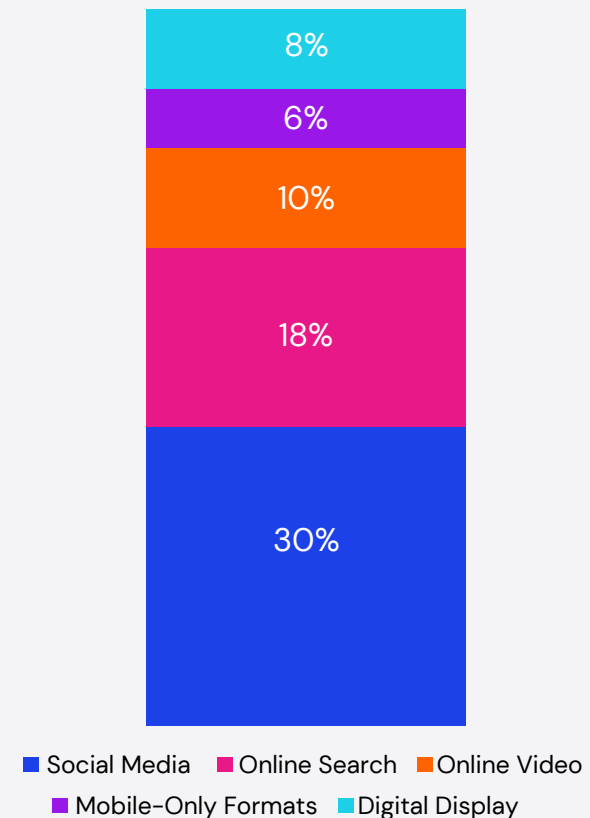
- 92% of Hispanic-led SMB Publishers say digital advertising revenue contributes to the company's revenue. | Avg. 92%
- Hispanic-led SMB Publishers estimate their businesses have grown 42% in the last two years because of digital advertising. | Avg. 40%
- 63% of Hispanic-led SMB Publishers predict that revenue from selling digital ads will be higher in 2023 than 2022. | Avg. 63%
- 72% of Hispanic-led SMB Publishers agree that digital ads help their company compete with much larger competitors | Avg. 79%
- 65% of Hispanic-led SMB Publishers agree they would not have been able to launch and sustain their business without revenue from digital advertising. | Avg. 71%
- 95% of Hispanic-led SMB Publishers report that it was easier or about the same level of effort to sell digital ad space in 2022 compared to previous years. | Avg. 91%
- Without the revenue generated by selling digital ads, 71% of Hispanic-led SMB Publishers would not be able to produce and/or share as much content as they do now. | Avg. 75%

# Key Findings: Hispanic-Led SMBs

## Hispanic-Led SMB Advertisers buy and place digital ads on many diverse platforms



## 72% of Hispanic-Led SMB Advertisers' ads budget is allocated to digital ads





## Maximum Impact: Methodology & Acknowledgements



**Sahra Nguyen, Founder and CEO of Nguyen Coffee Supply**

7 full-time employees  
[nguyencoffeesupply.com](http://nguyencoffeesupply.com)  
Brooklyn, New York

# Methodology

## About the research study

- This study was conducted from Sept 6, 2022 to Oct 2, 2022, with a total sample size of 2,428 SMBs of which 1,616 were SMB Advertisers (margin of error +/-2.4%) and 1,524 were SMB Publishers (margin of error +/-2.5%). The underlying data can be found [here](#).

## Defining the categories in the research study

- SMBs have less than 500 full-time employees (FTE) and the respondent is an owner of the business or a senior leader/manager.
- “SMB Advertisers” are SMBs that also answered “Yes” to: “Does your business pay for online or digital advertising?”
- “SMB Publishers” are SMBs that also answered “Yes” to both:
  - “Does your business publish content on or own any kind of website, newsletter, mobile app, etc. (something online that promotes or represents your company)?”
  - “Do you currently sell advertising space on your website, newsletter, mobile app, etc. (in other words, do advertisers or ad companies pay you to display ads on your digital property)?”

We note that SMB Advertisers and SMB Publishers are not mutually-exclusive categories; many SMBs both buy and sell digital ads.



### Morgan and Sean McBride, Co-Founders of Charleston Crafted

2 full-time employees  
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# Acknowledgements



The RXN Group helps clients manage policy risk and capture public opportunities. From boardroom strategy to fighting in the trenches, clients trust us. RXN provides comprehensive advocacy solutions built on a foundation of data, expertise, and community. RXN's publishing arm, the [Data Catalyst Institute](#), partners with academics, influencers, and industry stakeholders to explore common interests, consider complex problems, and produce new ideas and potential solutions.

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School of Public Communications, Syracuse University

## Our Partners



The Connected Commerce Council is a non-profit organization with a single goal: to promote small businesses' access to digital technologies and tools. 3C provides small businesses with access to the market's most effective digital tools available, provides coaching to optimize growth and efficiency, and cultivates a policy environment that considers and respects the interests of today's small businesses.



### Grogg's Home Services

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