



Special Report

# Benchmarks for Small Business Growth

3,800 small business leaders share insights  
on customer success



Salesforce Research surveyed more than 3,800 sales, service, and marketing leaders from small businesses\* around the world in 2015. This report highlights six benchmarks for customer success revealed through our research.

In this report, data is often examined relative to business performance to identify patterns for overall success. High-performing small business teams are defined as those that most consistently keep up with customers' changing expectations for sales and service.

Combined surveys generated responses from 3,812 full-time global sales, service, and marketing leaders (not limited to Salesforce customers) from the U.S., Canada, Brazil, U.K., France, Germany, Japan, Australia, and New Zealand. Respondents included third-party panelists. Due to rounding, not all percentage totals in this report equal 100%. All comparison calculations are made from total numbers (not rounded numbers).

\* Small businesses consist of companies with an employee base size between one and 100 employees.

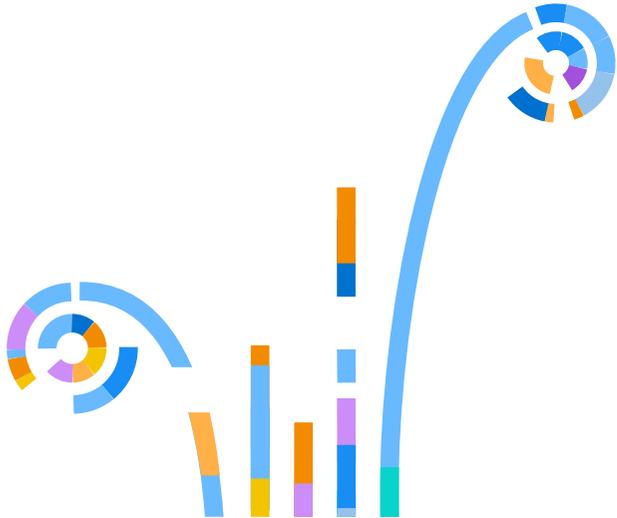
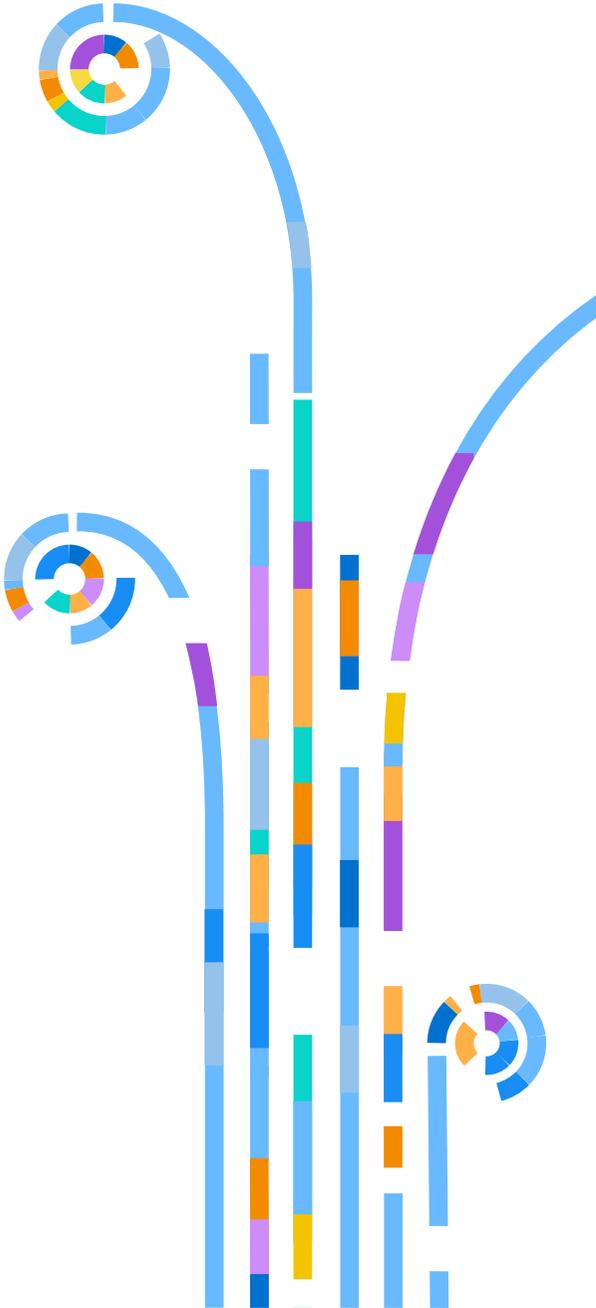


Salesforce Research provides data-driven insights to help businesses transform how they drive customer success. Browse all reports at [salesforce.com/research](https://salesforce.com/research).



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# Executive Summary

Six benchmarks for growth

At the heart of every small business are big ideas and bigger aspirations. This drive is fueled by innovation and an ability to respond to new customer demands faster than ever before. But what are the benchmarks that define continued growth?

We surveyed over 3,800 small business leaders and found the following benchmarks to be indicative of high-performing, standout organizations:

## 01 | **Mobile Apps Boost Productivity** (see page 6)

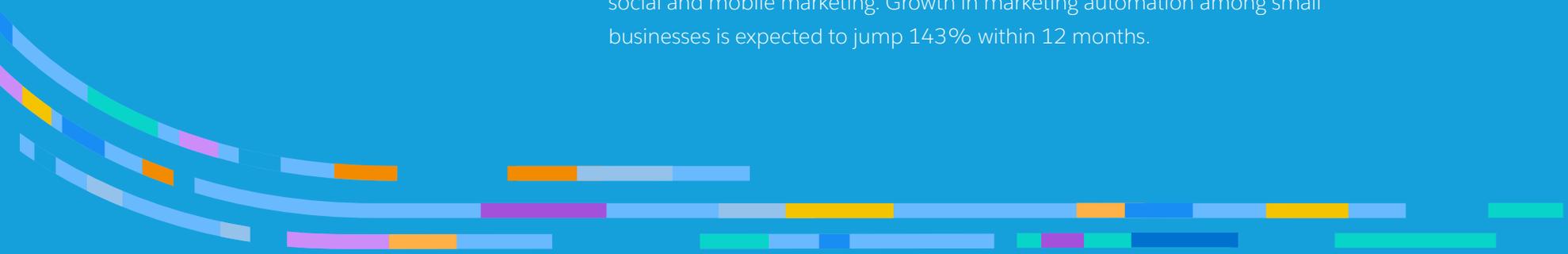
Top small business sales and service teams use mobile extensively to boost agility and efficiency. Within the next two years, small business sales and service teams expect triple-digit growth in mobile apps to help employees in these roles deliver a better customer experience.

## 02 | **Data and Analytics Drive Customer-Centric Decisions** (see page 9)

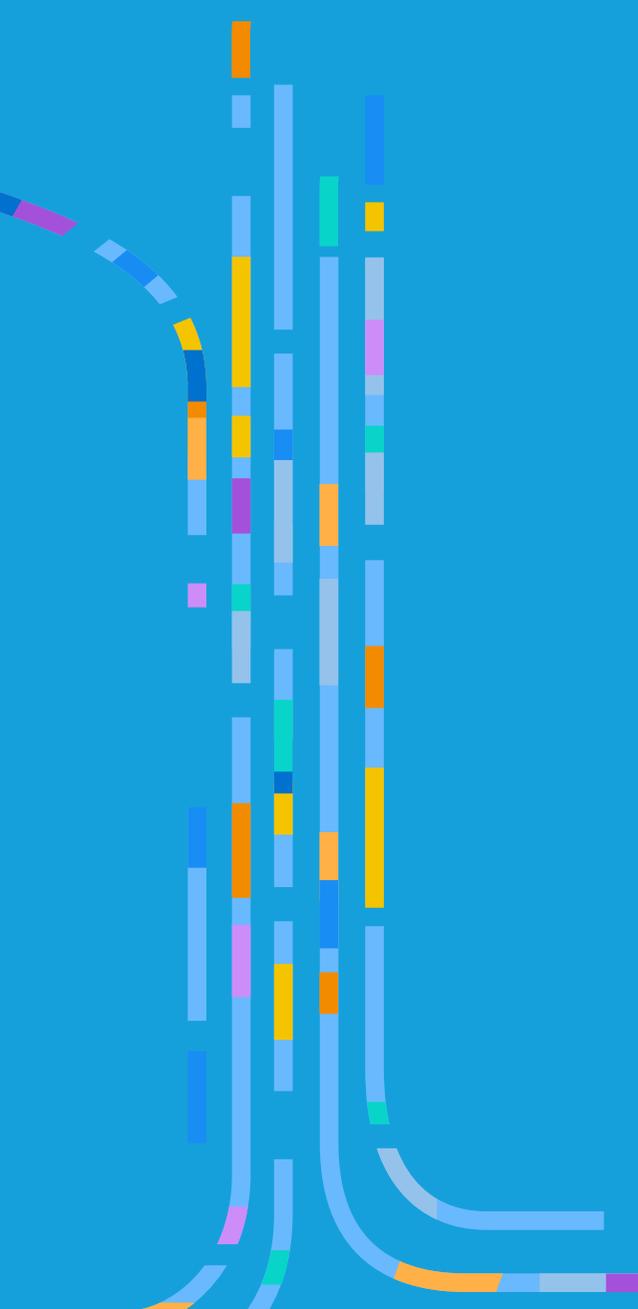
Successful small businesses embrace data and analytics to better understand customers and make real-time business decisions. Fifty-one percent of small business marketers rated marketing analytics technology as absolutely critical or very important to creating a cohesive customer journey. A majority of small business sales teams are already leveraging analytics to gain customer perspective.

## 03 | **Teams Scale with Automation, Social, and Mobile Marketing** (see page 12)

Even without big budgets, small business marketers are learning to scale their efforts with automation, allowing them to take the reigns in new channels like social and mobile marketing. Growth in marketing automation among small businesses is expected to jump 143% within 12 months.



Six benchmarks for growth



## 04 | Growing Businesses Prioritize Talent Retention

(see page 15)

Small businesses are more likely to place value on employee retention and satisfaction than larger companies. In fact, 42% of small business sales teams report employee retention and satisfaction is extremely important, versus 35% of enterprise.

## 05 | Quick Tech Adoption Lends a Competitive Edge

(see page 17)

Leading small businesses gain a competitive edge by nimbly testing and adopting new technology types. Our research shows that high-performing small business sales and service teams are more likely to be heavy tech adopters. Marketers lead the charge, however, with 34% of small business marketers identifying as heavy tech adopters, compared to sales (29%) and service (22%).

## 06 | Customer Experience Is a Companywide Focus

(see page 19)

Creating a great customer experience is an important differentiator small businesses use as a competitive advantage. Top sales and service teams are pivoting their approach to ensure happy customers across a broad range of touchpoints.

Mobile is no longer restricted to big business. Now it's a must-have for successful small business sales and customer service reps. High-performing small businesses are introducing mobile to create experiences that are swift and seamless, as customers have come to expect.

Within the next two years, small business sales and service teams expect triple-digit growth in mobile apps to help employees in these roles deliver a better customer experience. Mobile helps small businesses establish customer relationships by reducing friction between the company and their customers – allowing for real-time service, quick action, and personalized exchanges.

## Top Small Business Sales Teams Ramp Up on Mobile Apps

*Overall, small business use of mobile apps for salespeople will grow by 140% in the next two years.*

### High Performers



### Moderate and Underperformers

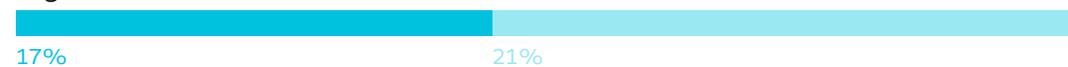


■ Already providing mobile apps for salespeople   ■ Plan to have in two years

## Mobile Apps Arm Service Reps with Anytime Insights

*Small business use of mobile apps to assist customer service roles will increase 219% in the next two years.*

### High Performers



### Moderate and Underperformers



■ Already providing mobile apps to assist customer service   ■ Plan to have in two years

## Mobile Apps Are on the Rise for Small Business Sales and Service

Customers expect real-time, anytime service. Many small businesses are investing in mobile chat, which allows them to respond instantly and in an environment convenient to the customer.

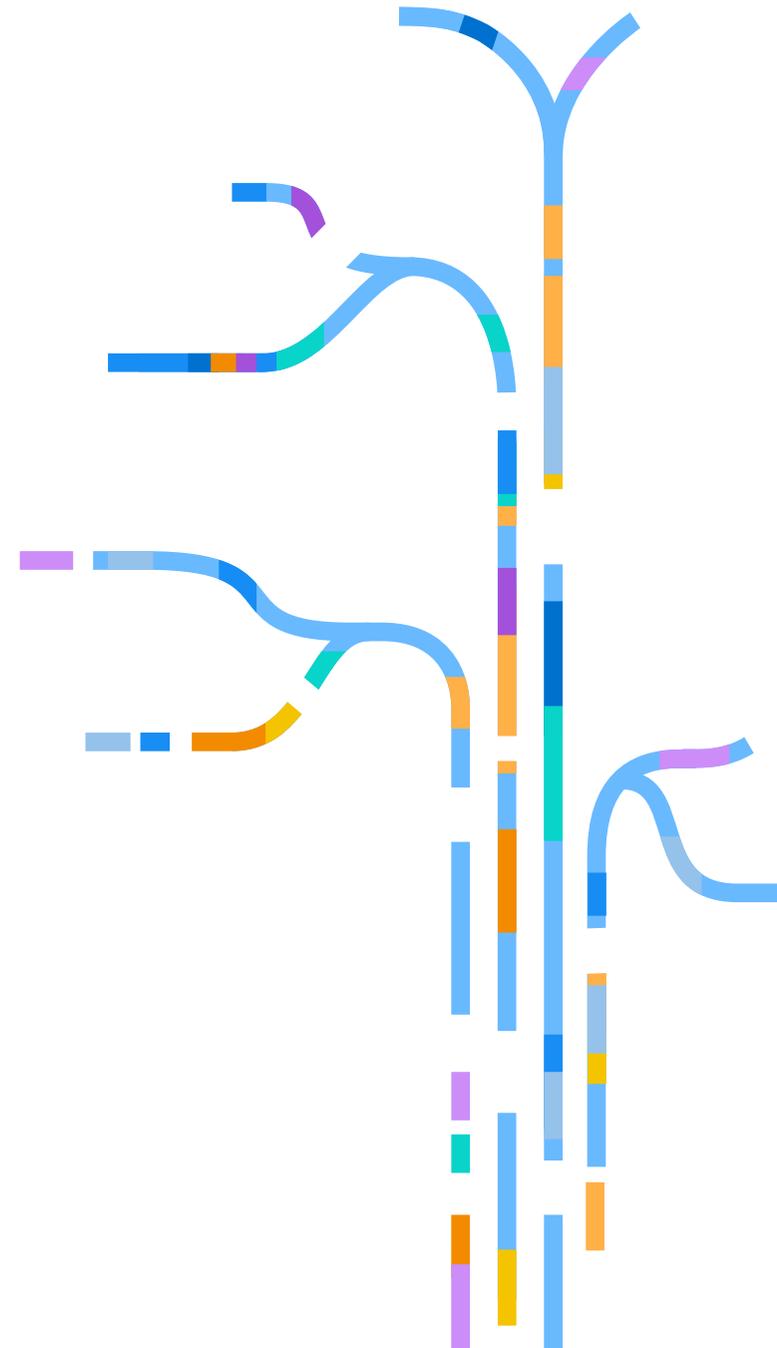
**52%** Small business service teams plan to grow mobile chat by more than 52% over the next 12–18 months.

Still, small businesses haven't quite caught up to the maturation of some larger companies when it comes to a mobile-first mindset.

**18%** Only 18% of small business sales teams and 13% of small business service teams report having mobile apps for employee use, compared to 30% (sales) and 32% (service) among larger companies.

High-performing small business sales and service teams are taking advantage of tech innovations and beginning to master mobile.

**2.9x SALES** | **3.5x SERVICE** Top sales teams are 2.9x more likely than moderate and underperforming sales teams to rate their mobile sales capabilities as outstanding, while top service teams are 3.5x more likely than their counterparts.



## Small Businesses Adopt Mobile, Though Slower Than Larger Companies

The percentage of small businesses using or planning to use mobile apps for sales and customer service employee functions lags slightly behind midsize and enterprise companies.

### Sales

Small (1-100 employees)



Midsize (101-3,500 employees)



Enterprise (3,500+ employees)



■ Already providing an app for salespeople    ■ Plan to provide

### Service

Small



Midsize



Enterprise



■ Already providing an app for customer service reps    ■ Plan to provide

#### Small Business, Big Vision Spotlight: Belly



“Mobile has completely changed how our outside sales team interacts with new Belly businesses. Our reps can easily close deals in a matter of clicks, cutting out 15 hours of manual data entry a week. As an organization, we’re working smarter and more efficiently so that we can pursue our vision of making businesses personal while also remaining the world’s largest loyalty rewards program.” – Logan LaHive, CEO

## 02 | Data and Analytics Drive Customer-Centric Decisions

The smartest businesses already know that relying on gut instinct to make business decisions isn't a sustainable approach. With the emergence of new analytics tools, data-driven decision-making is now accessible at all skill levels and to companies of all sizes. With data at their fingertips, small businesses can work intelligently, accessing reports and dashboards that provide real-time insights that are useful to their business.

High-performing small business sales teams are integrating data and analytics into their operations to help them better measure progress, understand prospects, and improve process efficiency. Fifty-three percent of top small business sales teams are currently using analytics.

### Small Business Sales Teams Already Leverage Analytics

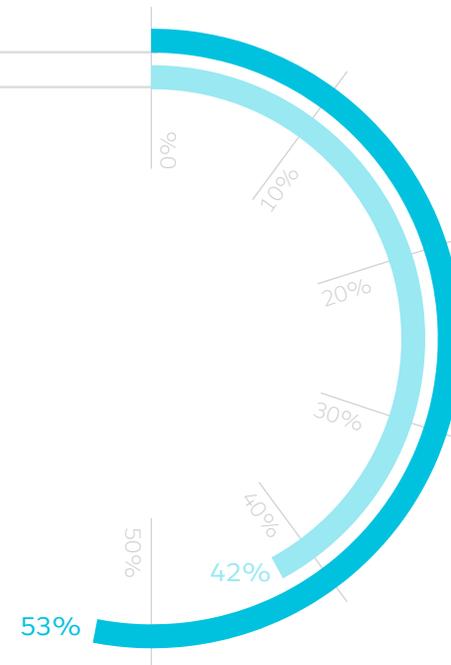
*High-performing sales teams using analytics outnumber the use by moderate and underperforming teams.*

High Performers  
Moderate and Underperformers

High Performers  
vs. Moderate and  
Underperformers

1.3x

More likely to be  
using sales analytics



#### Small Business, Big Vision Spotlight: DonorsChoose.org

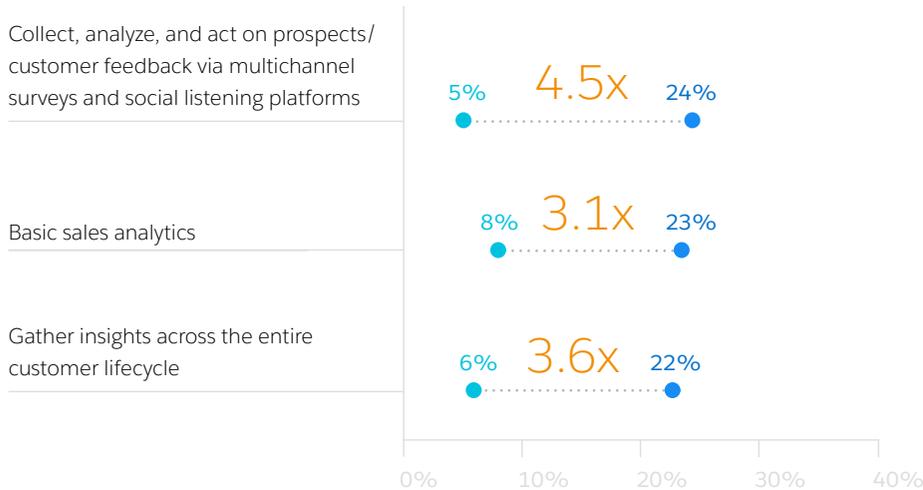


*"We've transformed into a data-driven organization to better connect with donors and offer them unique opportunities for philanthropy. Using data and analytics, we are able to send our donors relevant and personalized communications based on their specific locations, interests, passions, and more. As a result, we've increased our donor conversion rate by 300%." – Katie Bisbee, CMO*

Both sales and service teams at small business companies are using analytics to gather insights across the customer lifecycle – from understanding what works when onboarding new customers to honing re-engagement tactics. Among small business sales teams, 53% are currently using analytics in some capacity.

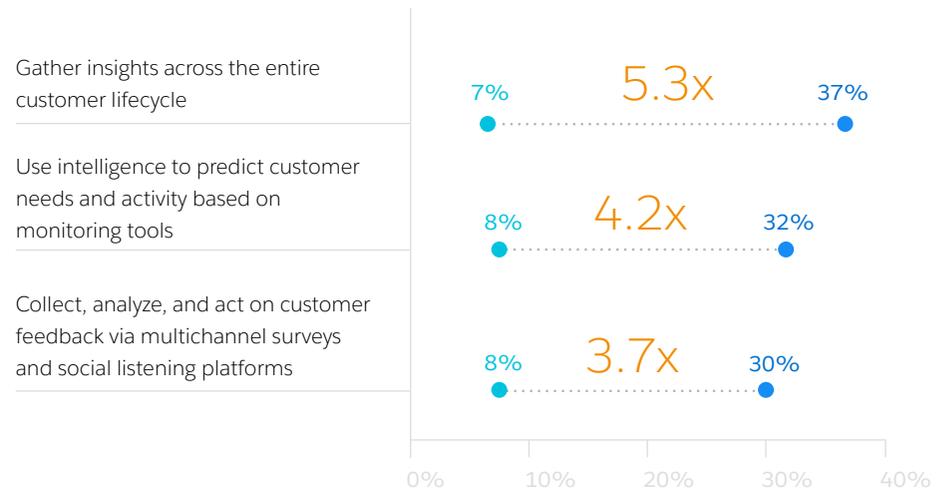
### Top Sales Teams Use Analytics to Understand Customers

High-performing small business sales teams are more likely to rate their capabilities as outstanding across a range of analytics functions.



### Leading Service Teams Begin Mastering Analytics

Top small business service teams are more likely to rate their capabilities as outstanding across a range of analytics functions.



■ Moderate and Underperformers   ■ High Performers

The next wave beyond sales and service teams using analytics is the trend toward predictive analytics – using existing data to predict future behaviors or outcomes. Small businesses are beginning to test how predictive technologies can enhance the way they do business.

Top small business sales teams are 2.2x more likely to be using sales predictive analytics to drive their business success, anticipating double-digit growth over the next 18 months. Top small business service teams are likewise 2.2x more likely to be using predictive analytics to drive their business success.

## Top Sales Teams Start Harnessing the Power of Predictive Tech

*High-performing small business sales teams are more likely to use predictive analytics. Small businesses expect 181% growth in sales teams using predictive analytics over the next 12-18 months.*

### High Performers



### Moderate and Underperformers



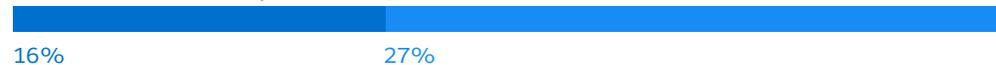
## Top Service Teams Practice Predictive Analytics

*Overall, we expect 139% growth in predictive analytics use among small business service teams across all performance levels.*

### High Performers



### Moderate and Underperformers



■ Currently use

■ Plan to use in 12-18 months

## 03 | Teams Scale with Automation, Social, and Mobile Marketing

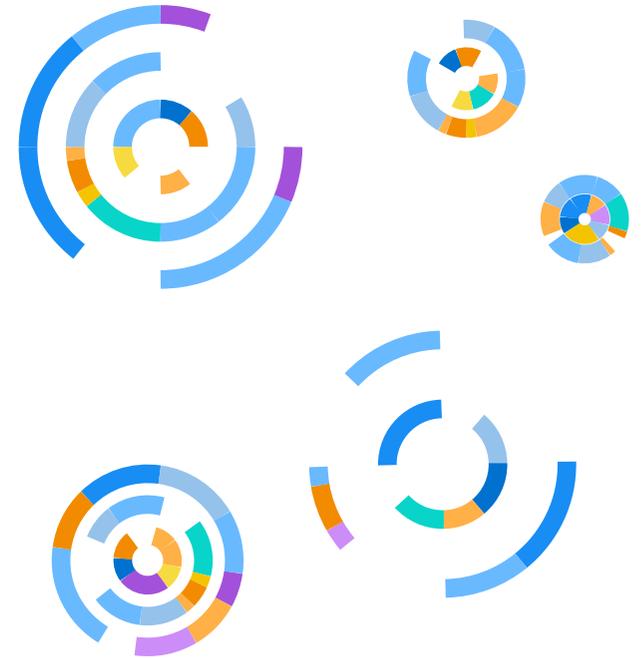
Small business marketers don't have the luxury of massive marketing budgets, so it's crucial to be strategic about which tools and trends are worthy of investment. Marketing automation, while not widely used by small businesses today, is found to be highly effective by the marketers who employ it. Sixty-seven percent of small business marketers who use marketing automation rate it as very effective or effective.

**143%** Although only 20% of small business marketers currently use marketing automation, another 29% planned to use it in the next 12 months, demonstrating 143% growth.

**62%** Sixty-two percent of small business marketers plan to increase spending on marketing automation substantially or somewhat.

Automation can help small marketing teams operate with scale, improving their reach across marketing channels such as social and mobile.

Innovative small businesses understand the impact social and mobile marketing can have and are focusing their efforts and dollars on these channels.



### Small Business, Big Vision Spotlight: New York Racing Association



*"We have a pretty small, but nimble staff that serves as our community managers on Web and social media. Customers expect a 1-to-1 relationship and they expect to have resolution. We love things that save us time and allow us to operate more efficiently and effectively."*

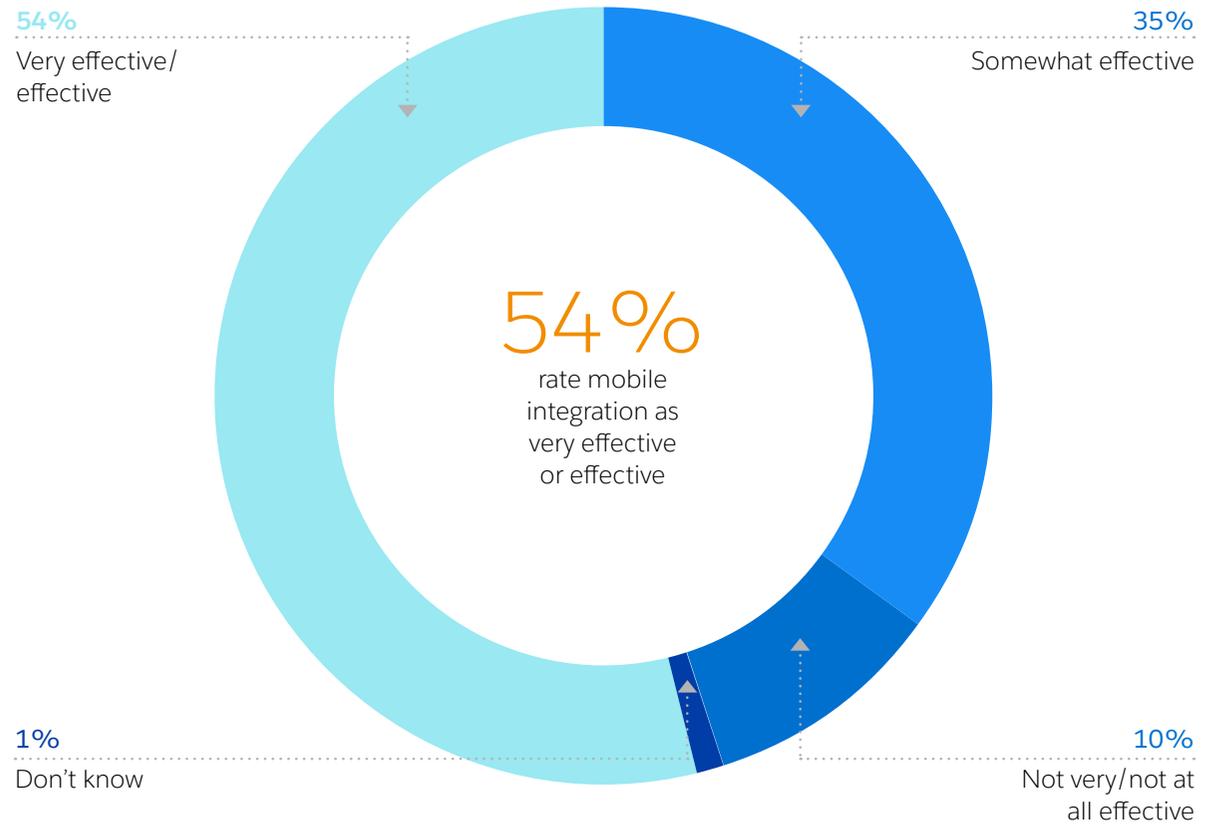
– Jason Brown, Digital Strategist

Real-time customer contact is a priority for small business marketers. The rise of mobile tactics, as well as the high percentage of marketers vouching for the benefits of mobile integration, illustrate the need for real-time communication between small business marketers and their target customers.

When it comes to creating a one-to-one customer journey, small business marketers say mobile applications play the biggest role. More than half (54%) of small business marketers say mobile apps are an absolutely critical or very important technology for creating a cohesive customer journey.

### Small Businesses See Results from Mobile

*Fifty-four percent of small business marketers say integrating mobile marketing into their overall marketing strategy is very effective or effective. Mobile marketing, in our study, is defined as SMS, push notifications, mobile apps, and location-based marketing.*

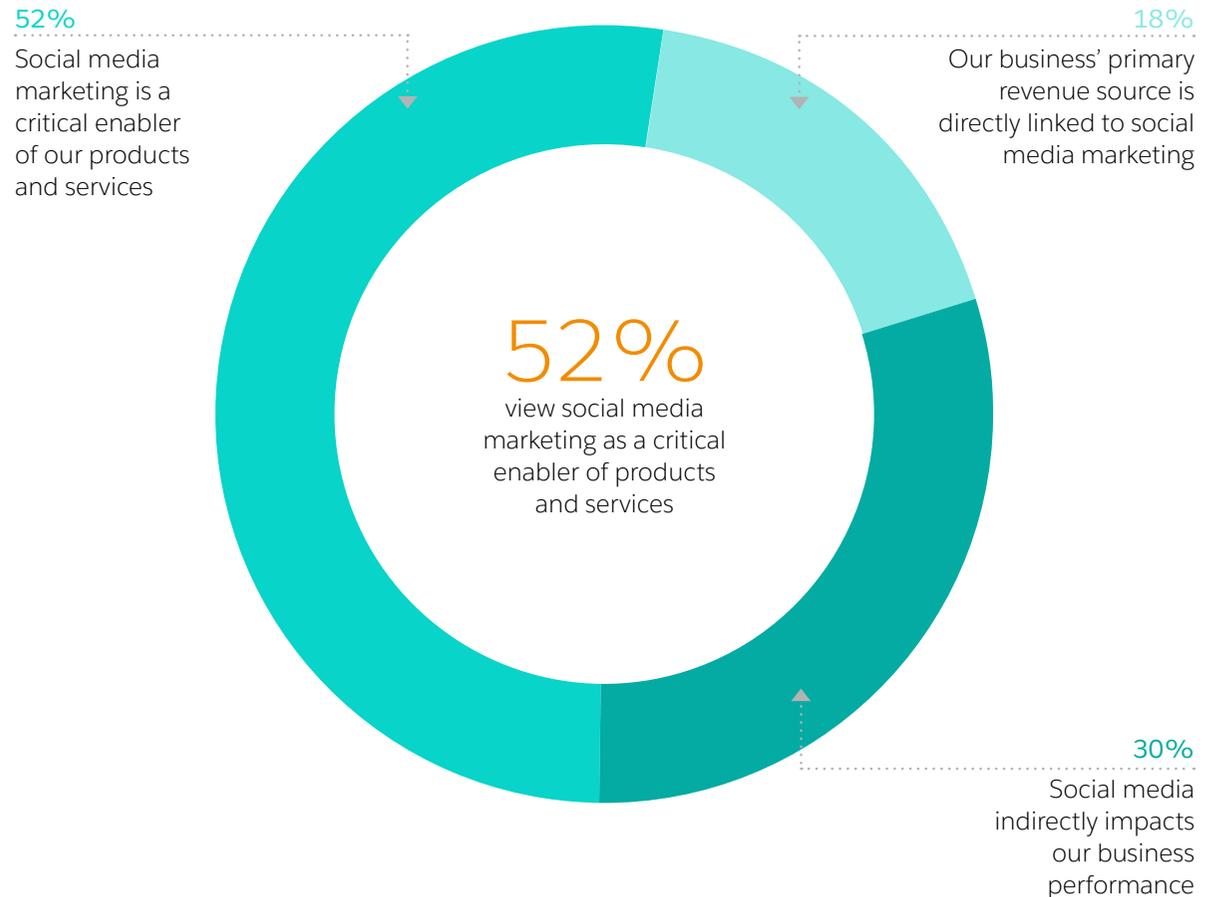


Small business marketers aren't just using social for brand awareness – it's becoming critical to their business. Among small businesses tapping into social, 18% already say their company's primary revenue source is directly linked to social media marketing.

Sixty percent of small business marketers rate social media advertising as very effective or effective and 65% are substantially or somewhat increasing their spend.

## Social Takes Center Stage for Small Businesses

*Of those small business marketers who use social media marketing, more than half (52%) view it as a critical enabler of their products and services.*



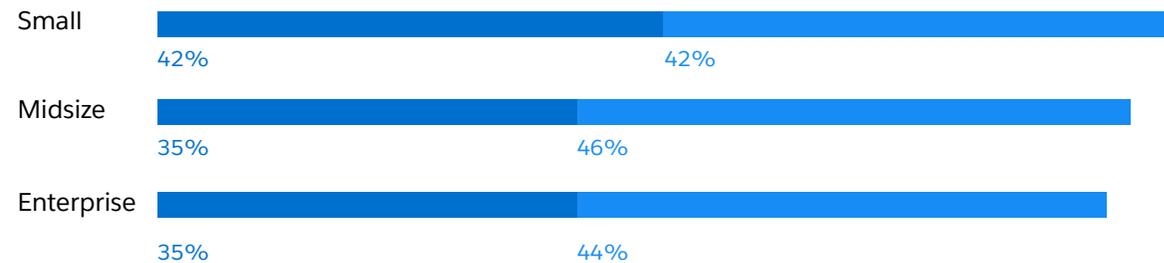
For growing companies, it's a priority to hire top talent and provide the best employee experience to retain top talent. Leading small businesses are taking extra steps to ensure they are supporting and engaging their talent, especially those on the front lines who communicate with customers.

Small business teams are more likely to place value on employee retention and satisfaction than larger companies. In fact, 42% of small business sales teams report employee retention and satisfaction is extremely important, versus 35% of enterprise. And 49% of small business service teams report the same, versus 38% of enterprise.

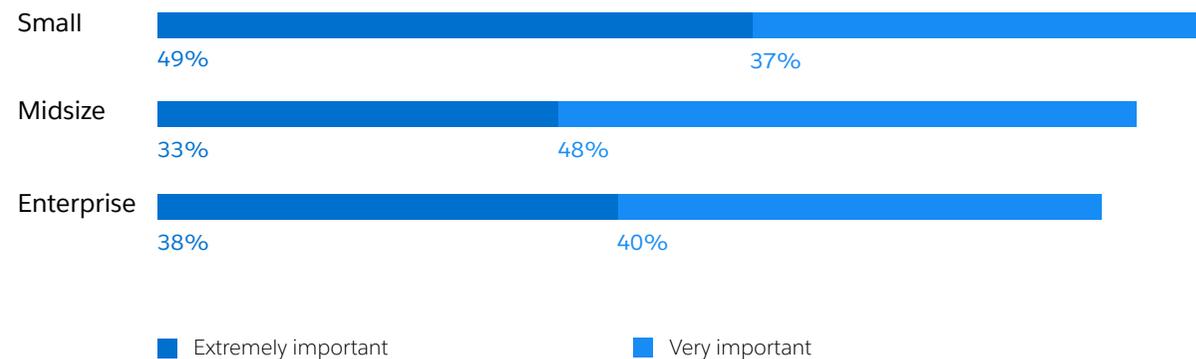
## Small Businesses Place Higher Value on a Happy Workforce

*Small business sales and service teams value employee satisfaction more than larger organizations. For small, growing teams, there's great value in attracting and retaining the best talent, especially for customer-facing roles where employees are the face of the brand.*

### Sales



### Service



■ Extremely important                      ■ Very important

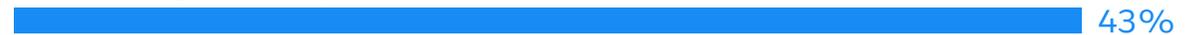
Small businesses believe that arming their employees with the right tools is a wise investment, and nowhere is that more apparent than when it comes to app development. Forty-three percent of the apps that small businesses are developing are designed to help employees be more productive.\*

Additionally, 52% of small businesses will increase their budgets for productivity apps over the next two years, with another 43% planning to maintain their current budget.

### Small Teams Invest in Internal Apps for Productivity

*Small businesses place great value on internal-facing apps that make it easier for employees to do their job, ultimately delivering a better customer experience.*

#### Internal-Facing Productivity Apps



#### Customer-Facing Commerical Apps



#### Partner-Facing Productivity Apps



\* Data points on this page represent preliminary results from a forthcoming 2016 Salesforce Research report on IT.

#### Small Business, Big Vision Spotlight: MaidPro



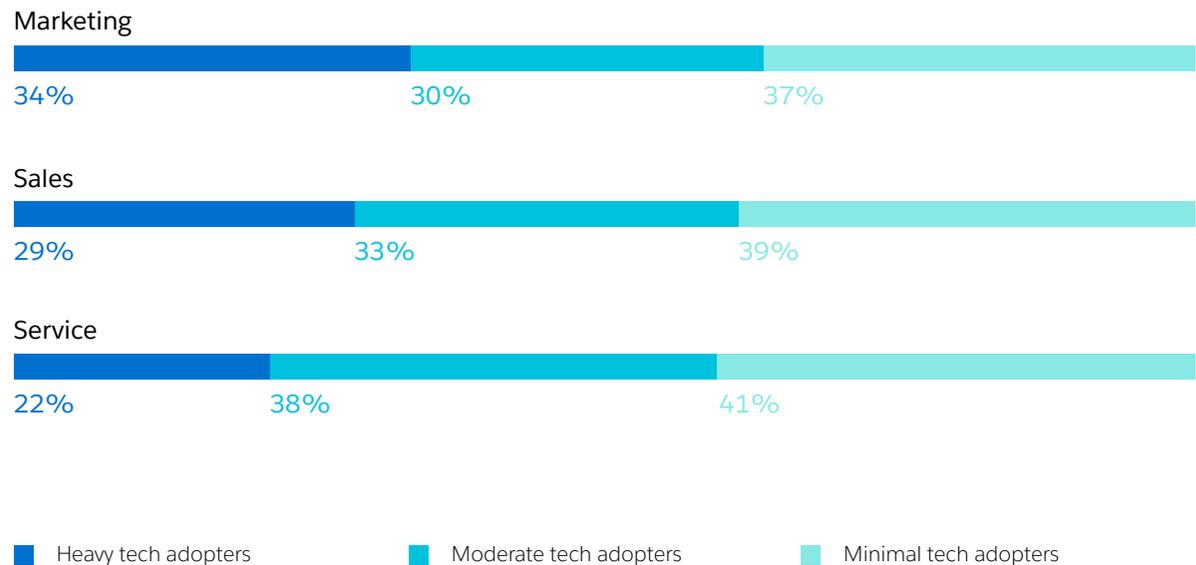
*“At MaidPro, eliminating unnecessary key strokes and designing aesthetically pleasing interfaces goes a long way to improve employees’ productivity and job satisfaction. We find that happy employees deliver great customer service.” – Mark Kushinsky, CEO*

Small businesses can use their lean size as an advantage to nimbly test new technologies faster without having to worry about massive integrations. Our research shows that high-performing small business sales and service teams are more likely to be heavy tech adopters. Adopting tech can help small businesses drive efficiency and make better-informed decisions.

Thirty-four percent of small business marketers identify as heavy tech adopters, versus 29% of sales and 22% of service. Meanwhile, 34% of small business marketers agree that employing predictive analytics is absolutely critical or very important in creating a cohesive customer journey.

## Marketers Pave the Way for Tech Adoption at Small Businesses

Here we compare tech adoption rates for small business marketing, sales, and service teams. Small business marketers are more likely to be heavy tech adopters than their sales or service counterparts.



### Small Business, Big Vision Spotlight: Xtreme Lashes



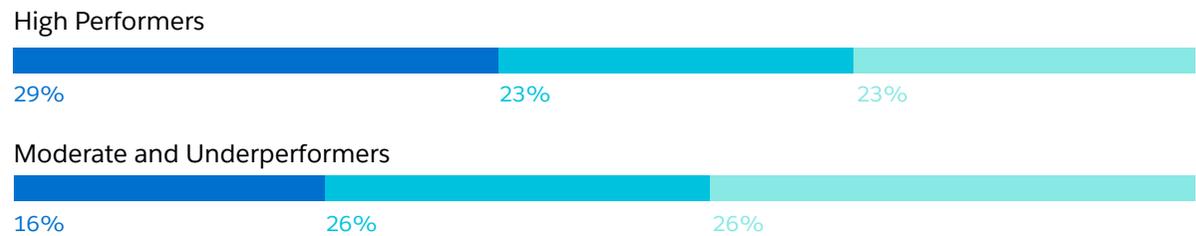
*“Started as a family business, Xtreme Lashes was running on multiple apps and self-built systems. We quickly realized that we needed to adopt an advanced consolidated, and fully cloud-based platform to grow our business and provide resources to our stylists worldwide. Being driven by innovative technology has allowed us to grow, scale, and give our customers the luxury service they deserve.” – Jo Mousselli, RN, BSN, Co-Founder, President & CEO*

High-performing small business sales and service teams are moving away from antiquated systems and toward more modern technology to more accurately meet customer and prospect needs. Forty-one percent of high-performing small business sales teams report being heavy tech adopters, compared to only 26% of moderate or underperformers. High-performing small business service teams are 1.7x more likely than moderate or underperformers to be heavy tech adopters.

Additionally, two-thirds (65%) of IT leaders at small businesses say they currently empower business users to solve problems using technology tools.

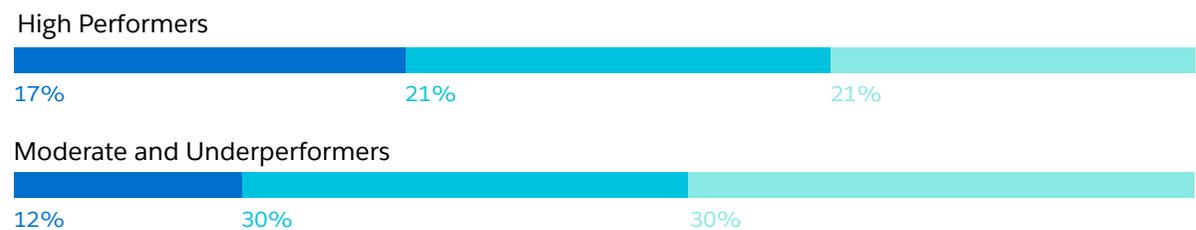
### High-Performing Sales Teams Make the Most of Tech

*Top small business sales teams are more likely than moderate and underperformers to be heavy tech adopters.*



### Top Small Business Service Teams Are Also More Tech Savvy

*High-performing small business customer service teams embrace technology more than their underperforming peers.*



■ Heavy tech adopters      ■ Moderate tech adopters      ■ Minimal tech adopters

Refining and evolving the customer experience isn't a goal unique to small businesses. Successful companies at all sizes strive to keep customers happy with a unified experience across a multitude of touchpoints. Creating a great customer experience is a competitive advantage for small businesses that battle brand awareness and budget restraints. As these companies grow, it's essential to maintain that level of service and personalization.

Through our research we see how the best small businesses are pivoting their approach so that sales and service teams work together to create a better customer experience.

## Top Teams Empower Service Reps to Ensure Customer Success

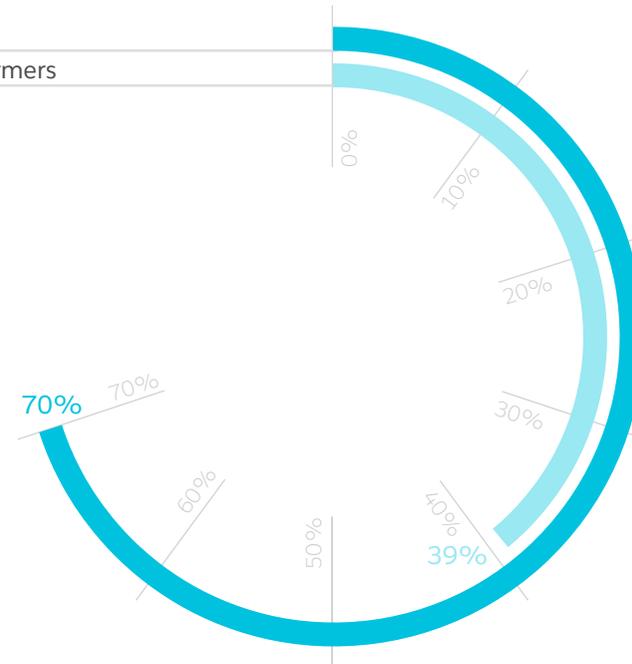
*Seventy percent of high-performing small business service teams say they feel completely empowered to make customers happy. Giving service reps an easy way to triage cases, view customer history, and find answers can build empowerment while meeting customer needs.*

High Performers  
Moderate and Underperformers

High Performers  
vs. Moderate and  
Underperformers

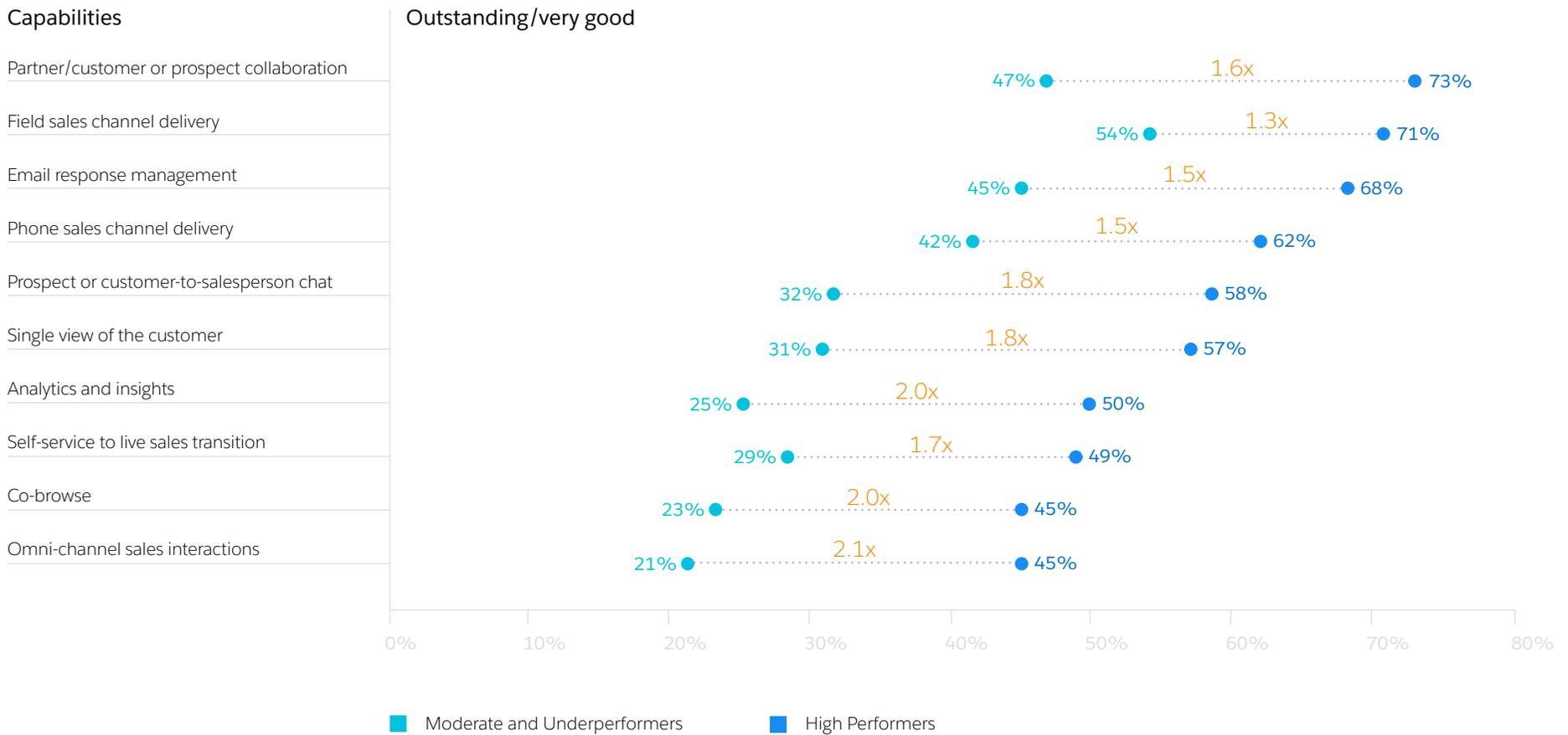
1.8x

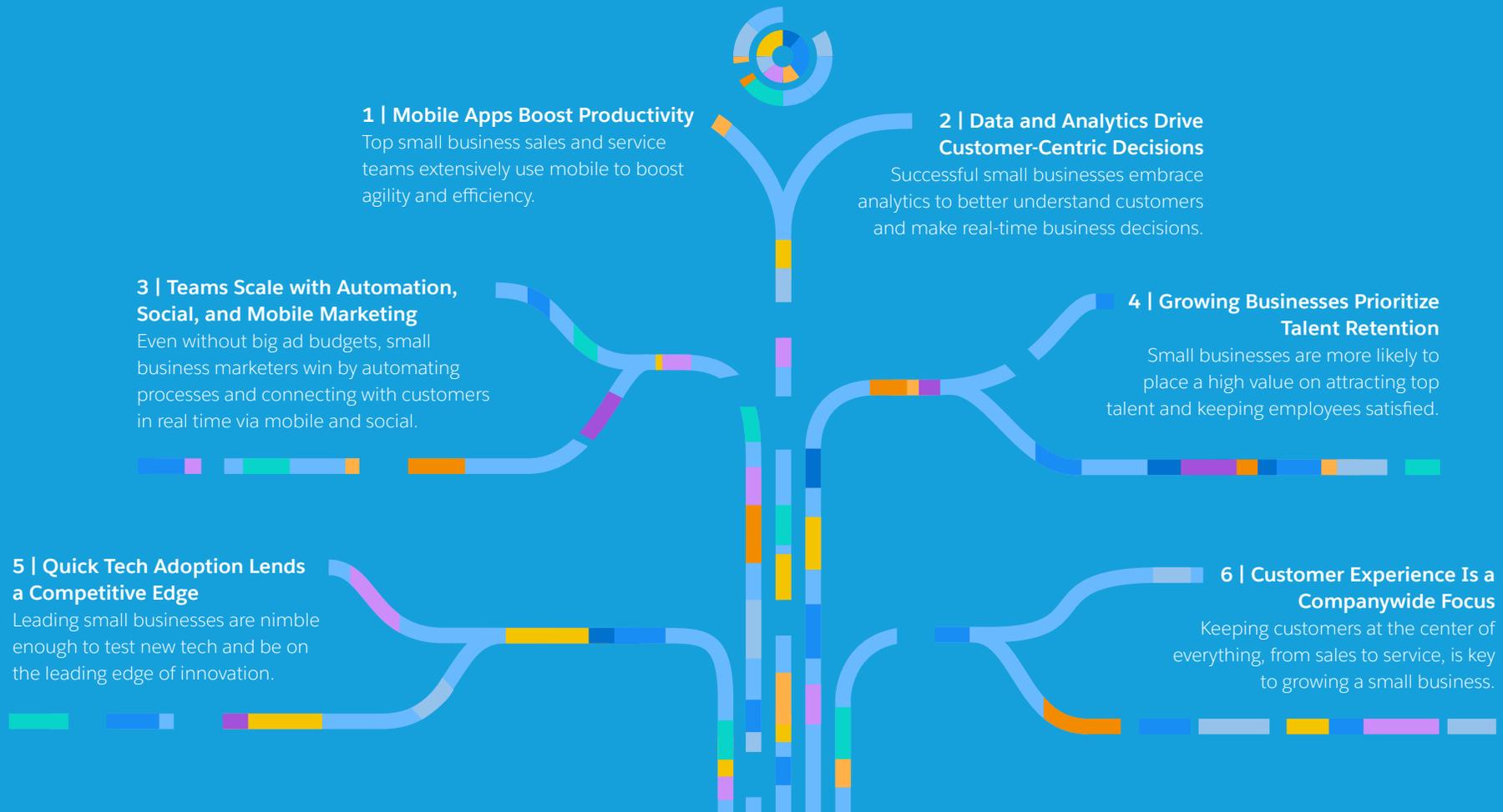
More likely to say their  
reps are completely  
empowered



## Top Sales Teams Are Always Finding New Ways to Connect with Customers

High-performing small business sales teams are more likely to actively create customer experiences across a wide range of touchpoints.





You've gained a behind-the-scenes look at how high-performing small businesses are doing more with less, making the most of their small and valuable teams, and choosing the right resources for investment. Keep this page as a quick reference to the six benchmarks that are making a big impact on small businesses.

