

SMB Marketing Project — Vol. 13, North American SMB Study

IS YOUR CONTENT FEEDING SHARKS OR SHEEP?

The graphic features two circular icons. The left icon, with a yellow border, shows a white shark's head with its mouth open, revealing sharp teeth. The right icon, with a green border, shows a white sheep's head in profile. A thin white line connects the two circles, passing behind the word 'OR'.

A Study On What's Influencing Today's North American
Small Business Decision Makers

cargo

A DIFFERENT STATE OF MIND.

At Cargo, we're a bit different here. Sure, we're a full-service agency, but we focus our efforts solely on helping brands learn the mindsets, behaviors, and tendencies of Small Business Owners (SBOs). No two business owners are the same, though they both feel neglected as a target audience by both marketers and agencies. Our ongoing SMB Marketing Project brings a voice to this diverse and unique consumer.

Last year, we set out to find the differences between Small Business Owners, and discovered two unique mindsets: the Artisan and the Crusader. This year, we dove into their content preferences, seeking answers to the following:

❓ HOW DO THEY REACT TO CONTENT?

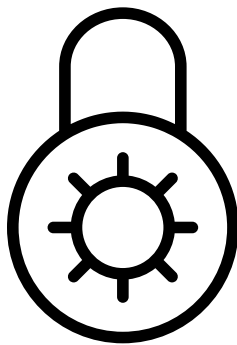
❓ WHERE DO THEY CONSUME IT?

❓ AND WHEN?

But before we dissect their content habits, let's revisit how we came to find our Artisan and Crusader – two overarching mindsets that have tremendous impact and influence on SBO decision-making.

A LOOK BACK.

In our previous study, we applied Stanford University psychologist Carol Dweck's renowned inquiry into two fundamental mindsets – the Fixed Mindset and the Growth Mindset – to the mindsets of Small Business Owners.



THE FIXED MINDSET

- Avoids challenges
- Gives up easily
- Doesn't value effort
- Ignores feedback



THE GROWTH MINDSET

- Embraces challenges
- Perseveres
- Believes more effort equals better results
- Learns from feedback

According to Dweck's research, a Fixed Mindset believes that character, intelligence, and creativity are innate, static qualities – qualities that can't be changed in a meaningful way. On the other hand, the Growth Mindset believes talent and intelligence can be learned, nurtured, and improved upon. Dweck contends that the Growth Mindset is synonymous with "success," while the Fixed Mindset is not. In fact, she goes on to paint a dim picture of the Fixed Mindset as it relates to the growth and success of an individual.

GRAY MATTER.



We were curious to see if SBOs followed Dweck's framework. And, naturally, they defied even Dweck's conventions. Small Business Owners blur the lines separating the Fixed Mindset and the Growth Mindset.



- Fixed mindset with growth ideas – 47%
- Strong fixed mindset – 1%

- Growth mindset with fixed ideas – 46%
- Strong growth mindset – 6%

With a surprisingly near even split between the two mindsets, our SBOs appear to follow the “one or the other” framework. And, yes, overall Fixed Mindset SBOs do seem to favor the concept that ability is static, while our Growth Mindset SBOs tend to believe it is dynamic. But upon further review, we see the seemingly black-or-white mindset option become, well, very gray:

AGREE / STRONGLY AGREE	 FIXED	 GROWTH
You can always change substantially.	87%	97%
You can always change basic things about the kind of person you are.	75%	90%
The harder you work at something, the better you will be at it.	87%	97%

There were several areas where our SBOs seemed to challenge Dweck’s prescribed constructs, but these examples highlight areas where they simply defied them. At the core of the Fixed Mindset is this notion that people won’t, don’t, and can’t change. However, these findings point to a fairly strong belief that human potential can indeed grow and change.

Just more proof that SBOs are in fact a little different.

But we believe it’s more than a matter of the SBO not fitting the pattern. It’s a matter of the pattern not fitting the SBO.

OUTSIDE OF THE BOXES.

Sure, our SBOs adhered to some of the beliefs of the Fixed and Growth Mindsets. But there was enough deviation, particularly in the core principles, that got us thinking. When we looked deeper into the beliefs and behaviors of each mindset, we noticed they didn't quite fit into Dweck's boxes.

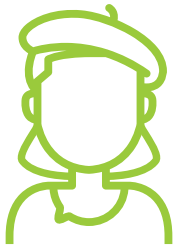
For instance, Dweck associates the Fixed Mindset with a purely negative state of mind: Fear of failure. Worry. Complacency. You wouldn't think they'd make for a successful Small Business Owner. But from an SBO's standpoint, we see these words taking on different meanings. Where some see "fear of failure," we see cautiousness. Where some see "worry," we see drive. Where some see "complacency," we see contentment. True, a Fixed Mindset does have tendencies that could block a small business's growth, but it's far from the concrete wall as we were led to believe.

Interestingly, we're also led to believe that to be successful in business, one needs to personify the characteristics of the Growth Mindset. But not all of the attributes that come with a Growth Mindset are assets for a Small Business Owner. While learning from mistakes is commendable, it could lead to haphazardness. Chasing new idea after new idea is admirable, but there's something to be said for focus. Effort does, in fact, produce results, but misguided effort wastes energy, time, and resources.

So while Dweck's premise has tremendous merit in the larger business world, the small business world, as usual, has a mind of its own. Or should we say mindsets of its own? More precisely, two new small business mindsets – the **Artisan** and the **Crusader**.



THE ARTISAN MINDSET.



The Artisan is a creative, but a practical one. Someone who yearns for a passionate and meaningful career. “Do what you love, so you love what you do,” resonates deeply. The Artisan is cautious when it comes to opportunity, and sometimes to a fault. But they’re continuously striving to improve their craft, and if they feel they’ve failed at it, well, they’ve failed at life. The Artisan is highly focused on their product / service at all times, so they’re sometimes a little slow to change, but definitely slower to concede. The Artisan believes they are their best advantage.

THEY NEED:	A great idea that will change MY world
PROBLEM SOLVER:	For every problem there is a solution
THE ENEMY:	Failure
VULNERABILITY:	Risk aversion, with a tendency not to see the forest for the trees
CORE VALUES:	Expertise / knowledge, Stability, Service
KEY CHALLENGES:	Staying current / deepening knowledge, Protecting my niche

THE CRUSADER MINDSET.



The Crusader is always on the move. This is the quintessential entrepreneur. Like a shark, constant movement from opportunity to opportunity is essential for survival. Failure is mere fuel for the next innovative idea, for their experience, for their knowledge, for their passion. The Crusader is confident their idea will eventually catch on, and thinks nothing of turning the keys over to move on to the next big thing.

THEY NEED:

A big idea that will change **THE** world

PROBLEM SOLVER:

For every solution, there is an opportunity

THE ENEMY:

Complacency

VULNERABILITY:

Embracing failure too much, with a tendency to not see the tree for the forest

CORE VALUES:

Effort, Vision, Opportunity / innovation

KEY CHALLENGES:

Focus, Choosing a course

THEY'RE THE SAME...

We know SBOs are a diverse bunch. It's what makes them difficult for brands to nail down. But being Small Business Owners, they do have some core similarities. The Artisan and the Crusader have a shared optimism for the future, projected growth, and frustration with marketers.



ARTISAN

CRUSADER

67%

Both are optimistic about their businesses

62%

52%

Both expect slight growth in the next 12 months

48%

65%

Both don't believe brands are marketing to them effectively

63%

BUT DIFFERENT.

Since they're SBOs, naturally the Artisan and the Crusader share some commonalities. And so it goes that they have fundamental differences as well. The following are the differences found in some key business aspects:



ARTISAN

Managing growth
Work / life balance

Operational areas:
Daily operations, office
supplies, telephone, &
internet

Slow to respond
Not understanding
my business



CRUSADER

Chasing tech
Keeping customers happy

Growth areas:
Employee investments,
technology,
& marketing

Quality of product
or service
Customer service

TOP CHALLENGES

FUTURE SPENDING

FRUSTRATIONS WITH MARKETERS

These are some pretty significant differences. And these differences mean the Artisan and the Crusader require different content strategies.

THE SHEEP OR THE SHARK?

Okay, so Artisans and Crusaders have very different pain points, thoughts on future spending, and frustrations when dealing with marketers. This year, we found another marked difference – they find, engage, and consume content in very different ways. The deeper we looked at our Artisan and Crusader, the more we noticed “eating” habits of two particular animals: Sheep and Sharks.

Our practical and somewhat reticent Artisans tend to graze on content, much like Sheep. But don't associate Sheep with passive followers. In this context, they just prefer to meander the content landscape, and, hey, if they bump into something relevant to their needs, great! They'll happily graze on it.

On the other hand, Crusaders home in on what they want, and they will actively hunt it down. With their keenly attuned senses and need for constant forward motion, they consume content much like a Shark.



GRAZER (ARTISAN)

- Survey and casually graze on content
- 23% more likely to spend time each day staying current

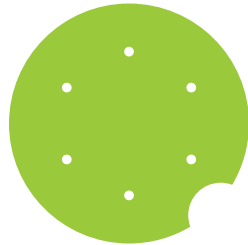


HUNTER (CRUSADER)

- Seek out and target specific content
- 27% say they only search for content when they need it

SMALL BITES VS. BIG CHUNKS.

Our grazing Artisan and hunting Crusader do have similar preferred content formats. A closer look, though, shows Artisans with a preference for nibbling on content without heavy detail. Crusaders, on the other hand, really like to take large bites of content that provides more in-depth detail.



ARTISAN

56%

45%

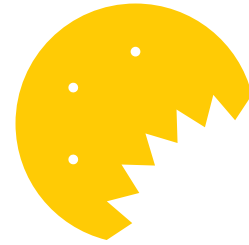
70%

TOP CONTENT FORMATS

VIDEO

ARTICLES

EMAIL



CRUSADER

73%

68%

91%

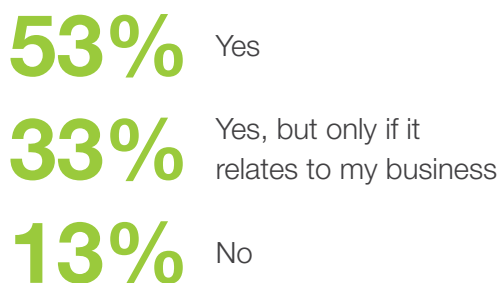
A MATTER OF (DIS)TRUST.

When it comes to branded content and paid posts, it seems our Artisans are a doubtful bunch. In fact, let's be honest, they are downright disdainful of it. For them, sponsorship undermines the usefulness of content. Crusaders, on the other hand are 2x more likely to trust your branded content. Surprisingly, while distrustful of branded content, Artisans are much more likely to value brands that comment on current events.

If a company has PAID for a post on a social channel, does it affect the value of the information about that product or service?



Do you value companies or brands that comment on current events and topics that are being actively discussed?



MORE CUSTOMERS VS. MORE TOMORROWS.

Our Artisans and Crusaders do share some content subject interests, but mostly their content interests align with each mindset's needs and objectives. With a strong desire to scale and grow their business at a fast pace, Crusaders are predominantly interested in content that addresses customer experience, retention, and acquisition. Conversely, Artisans seek content relevant to improving their business' internal operations, so that they can secure their business and lifestyle well into the future.



ARTISAN

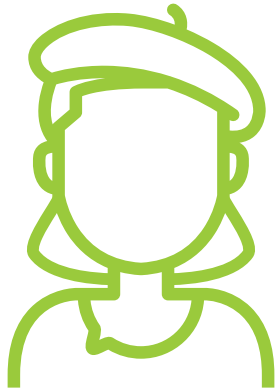
- 27% keeping customers happy
- 27% reaching more customers
- 27% Work / life balance
- 23% managing cash flow



CRUSADER

- 41% reaching more customers
- 45% keeping customers happy
- 23% capitalizing on opportunities
- 23% managing cash flow

THE ARTISAN'S CONTENT STRATEGY.



Just because the Artisan is a little tougher to engage doesn't mean content is ineffective. Content just needs to focus on helping them fulfill their dreams, while ensuring they stay abreast of business fundamentals. So indeed keep content in your marketing mix, while adopting the following strategies:

- Artisans are grazers, so they wander – focus on being in more places
- No need for aggression here, let them bump into your content
- Help them secure their business and lifestyle for the future
- Avoid branded and paid content, share others' content instead
- 53% of Artisans say they want to hear from brands on current events

THE CRUSADER'S CONTENT STRATEGY.



If you're targeting the Crusader mindset, know that they're actively looking for content. You want to be sure they get it from you, instead of someone else. You'll want to gain a deeper understanding of the conversations around thought leadership focused on customer experience, acquisition, and retention.

- Crusaders are on the hunt for specific topics, so focus on providing them with more pieces
- Go to them with your content, this could spark an action
- Customers, customers, and more customers. Did we say customers? Help them scale and grow
- Take advantage of branded and paid content opportunities
- Relevance is king, give them the right piece at the right time

YOUR TAKEAWAYS.

We're in an age of heavily-customer-centric marketing – it's an approach that is particularly important when targeting Small Business Owners. Different customers require different approaches, as our grazing Artisans and hunting Crusaders have shown. And while content marketing alone isn't a silver bullet, it definitely needs to be a part of your equation. Releasing content blindly will rarely find its mark; know the mindsets and target their behavior. Your content marketing strategy should be for them, but also like them (i.e., passive vs. aggressive).

Most importantly...



According to SBOs, ensuring the material is relevant is the #1 improvement brands can make.

WHAT'S NEXT?

This year's study is a more incisive look at our Artisan and Crusader mindsets, revealing content consumption similar to Sheep and Sharks. But we're not yet finished getting to know them. We've merely skimmed the surface of their main challenges, and we haven't touched demographics. SBOs make up a diverse, complex, and unique ecosystem – which makes them pretty fun to study. Keep an eye on our microscope as we continue to examine them.

Want to learn more about how Cargo can help your brand better connect with and sell to SMBs? Reach out at:

www.thecargoagency.com

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