



*DaySmart Software 2021
Consumer Survey Report:*

Getting Back into the Swing of Things

Introduction:

Over the past year and a half, small businesses have not only weathered the ups and downs of varying degrees of shutdown, but they have found ways to thrive. In fact, they have demonstrated remarkable resilience and agility in adapting to their customers' changing needs while also maintaining compliance with local rules and regulations regarding the pandemic.

The key to this has been staying up-to-date and alert to the ever-shifting situation. From local guidelines to national trends, to conversations on social media, business owners have had to listen to their various stakeholders and peers and react accordingly.

With vaccination rates climbing along with the hope for more normalcy, business owners are again faced with new challenges and new opportunities. What is the public comfortable with? Which pandemic-era trends do they want to stick around, and which are they excited to see go? How are consumers spending their time and money? What do other small businesses have planned?

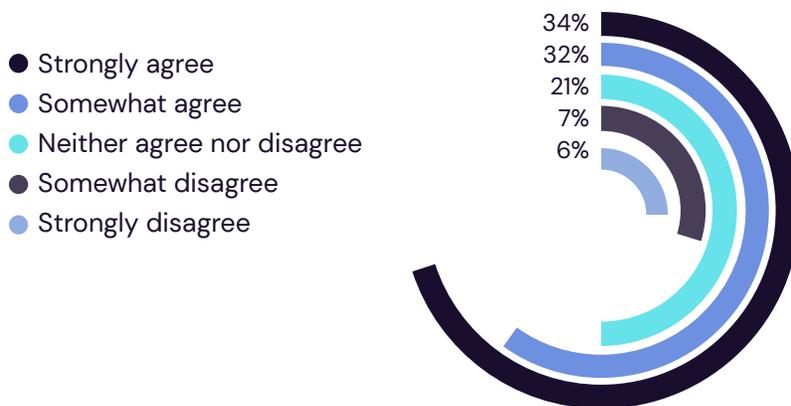
In July 2021, DaySmart Software conducted a survey of 1,000 U.S. consumers and 1,000 small business owners and managers to discover the sentiment surrounding reopening efforts. Read on to learn some of the trends and preferences for both owners and customers.



Business Opportunities

Through each phase of reopening, it became clear that many people are eager to return to activities they enjoyed before the pandemic. As people get a taste of what it's like to be back to some normalcy, they are excited to fully re-enter society and in turn, are prepared to spend more money.

Graphic: I plan to spend more money on experiences

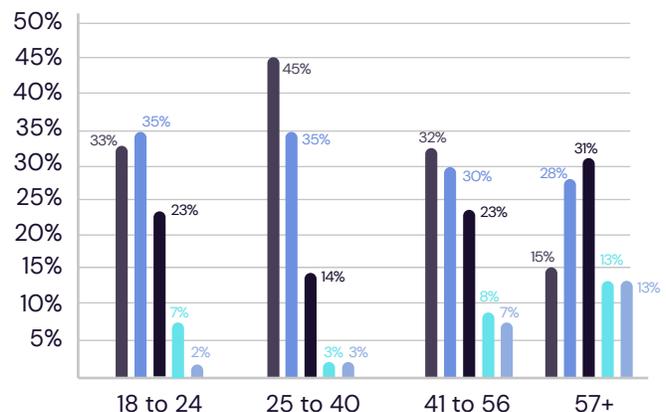


Small businesses need to focus on their key demographics for clarity around their post-pandemic plans.

Younger adults (ages 25–40) report being more willing and excited to spend money on living their best lives – 45% strongly agree they will spend more on these experiences. Meanwhile older adults (ages 57 and up) may be more cautious, only 15% strongly agree they will be spending more money on experiences. This illustrates the varied impacts of the pandemic -- for small businesses, it will be crucial to reflect on their target markets and how those buyers have been affected by COVID-19. While awareness around an average sentiment is helpful, concentrating on a business' key demographics will give clearer guidance with regard to handling reopening.

Graphic: I plan to spend more money on experiences: by age group

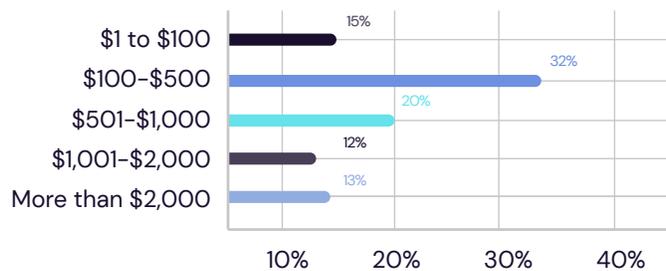
- Strongly agree
- Somewhat agree
- Neither agree nor disagree
- Somewhat disagree
- Strongly disagree





The amount of money consumers are willing to spend varies, but almost all are planning on spending at least some additional amount. This is an opportunity for businesses to market themselves to consumers who may have saved money throughout the pandemic by staying in, and are ready and willing to spend it now.

Graphic: How much more money do you plan to spend this summer?

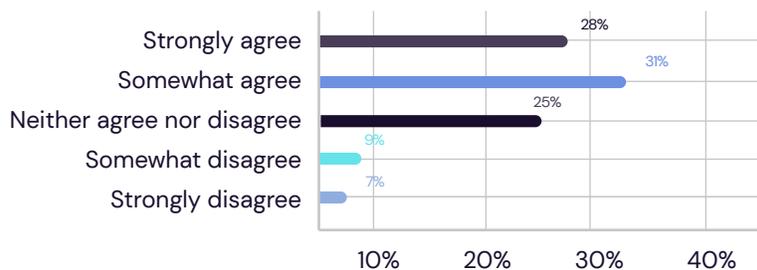


Pro Tip:
Market to audiences using language that communicates the idea of getting back to your 'old self' or reconnecting with who you are.

Knowing that consumers are ready to spend, now is the time for small businesses to reach out to make sure their products and services are top-of-mind when consumers are out shopping. Marketing campaigns that reach potential customers with the right messaging could be more effective right now, since across demographics, people are inclined to spend more money.

One thing is clear, people are feeling more like themselves this summer. Over half of respondents (59%) agreed that this is the most they've felt like their true selves for the first time in a while. This number jumped even higher (75%) for younger adults (ages 25-40). Marketing campaigns that incorporate this messaging may resonate with audiences to motivate their purchasing.

Graphic: This summer, I feel like myself for the first time in ages

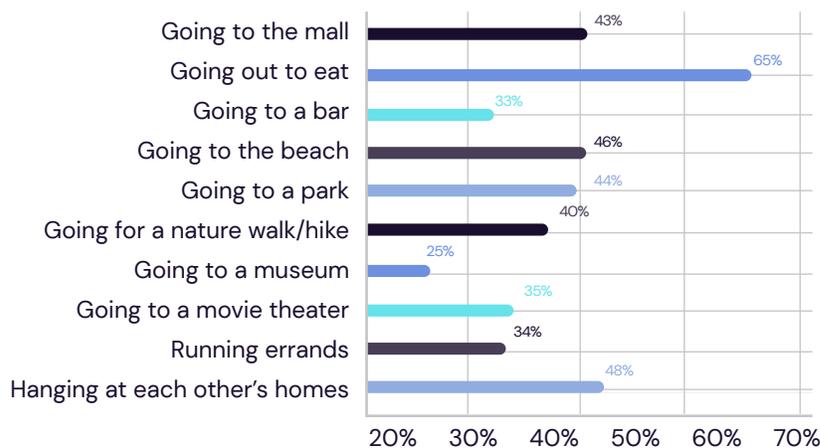


How are Consumers Spending Their Time?

It is important for business owners to understand what activities consumers will be spending their time on and when, because that's also where they'll be spending their money. For example, going out to eat doesn't just mean spending money on food -- it may mean purchasing an outfit, getting nails done, spending on transportation, -- the list of purchases that may ripple from a single consumer choice goes on.

This summer, consumers plan on getting out more by spending time at the mall (43%), going out to eat (65%) and going to the beach (46%). Each of these outings is an opportunity for small businesses to attract customers. For businesses such as nail and hair salons, consider attention grabbing promotions geared towards how those services represent a re-entry out into the world. That being said, 48% still plan on spending time at their friends' and family's homes, which may suggest a hesitancy towards larger events and gatherings.

Bar chart: How are you most likely to spend time with close friends and family this summer?



Eating out is something that many consumers missed during the pandemic

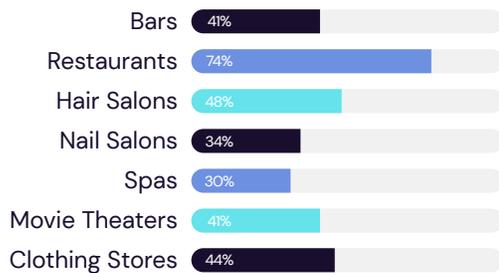
During the pandemic, many consumers also missed eating out in restaurants, 65% say they are likely to spend time going out to eat. The higher excitement for dinners as compared to museums, movie theaters and malls indicates a trend towards more intimate gatherings with fewer people. Small businesses should keep this in mind and consider maintaining or implementing shopping by appointment for customers who feel less comfortable in crowds.

Salons and Spas

It has been a long year and a half of limited access to the salon. Now, customers are excited to get back out in the world and want to look their best – nearly 48% plan on visiting the hair salon more frequently now that restrictions are being lifted. This means an influx of appointments for business owners.

Similarly, 34% plan on visiting the nail salon more frequently and 30% plan on visiting the spa more frequently, something that was not as feasible during the pandemic. These business owners can expect to be booked up in the coming months, if not already.

Graphic: What small businesses that were temporarily closed due to the pandemic do you plan on frequenting more?

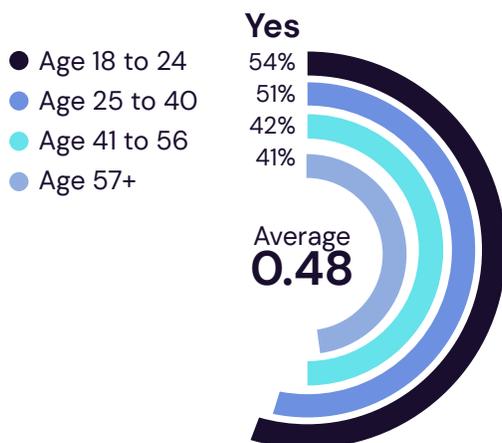


Pro Tip: Automated text messages are any effective digital tool to engage customers, especially in younger demographics, without exhaustive time and resources.

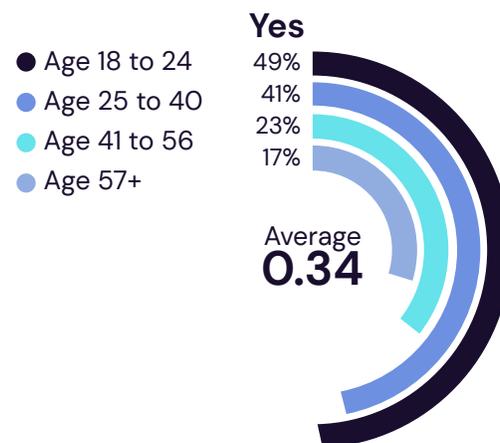
54% of Gen Z respondents plan on frequenting the hair salon more now that restrictions are being lifted.

The youngest respondents (18–24) are the most likely to frequent hair and nail salons (54%), with that likelihood slightly decreasing with older respondents. Small businesses like these should focus efforts on attracting young consumers and take into account their specific preferences. Members of Gen Z, people aged 18–24 right now, are digital natives and tech savvy. Consider communicating with them primarily through social media and digital tools.

Graphic: Plan on frequenting more hair salons by age:



Graphic: Plan on frequenting more nail salons by age:

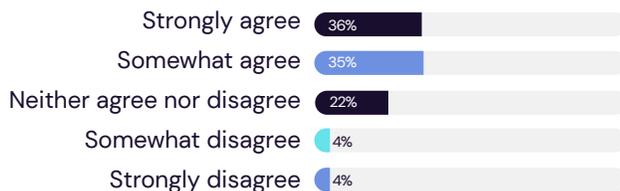


Supporting Small Businesses

Small businesses have always found creative strategies to compete with their multi-million-dollar competitors. While they're up against enterprises' seemingly endless resources, small businesses continue to win over customers with their personalized service and attentiveness to customers' needs. That's why the majority (69%) of respondents made it a priority to support small businesses during the pandemic, and plan on continuing to do so.

The outpouring of support many small businesses have received from customers during the pandemic illustrates their place as pillars in the communities.

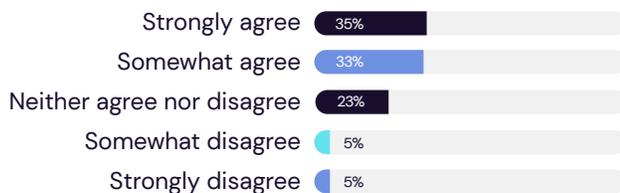
Graphic: "In the next few months, I plan to support more small businesses that were temporarily closed due to the pandemic"



Small businesses should use their size to their advantage with marketing messages that encourage customers to shop locally.

Small businesses should use their size to their advantage with marketing messages that encourage customers to shop locally. They can also leverage their size by demonstrating how their business invests back into the community. For instance, if a small business donates to local charities or sponsors a youth athletic team, these could be opportunities to show the community the value of a strong local economy.

Graphic: "I can't wait to go to all my favorite small businesses that had to temporarily close due to the pandemic"



Customers agree (68%) that they are excited to get back to their favorite small businesses, whether it's a nail salon or a local coffee shop. This illustrates consumers' positive associations with small businesses -- reminding customers of a business's local roots will reinforce their desire to shop small.

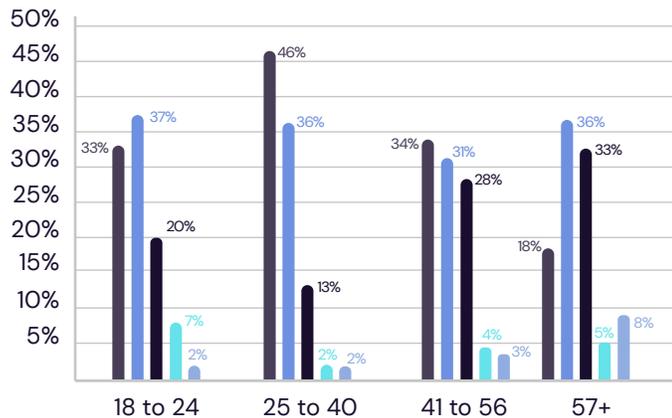


The majority of respondents plan to continue supporting small businesses and are looking forward to returning to those who had to temporarily close. Seventy one percent (71%) of respondents agree that they will be supporting more small businesses over the next few months. This number jumps even higher (81%) among younger adults (25-40), which may demonstrate that the trend towards shopping small is more popular in younger demographics.

Graphic: In the next few months, I plan to support more small businesses that were temporarily closed due to the pandemic

Choice

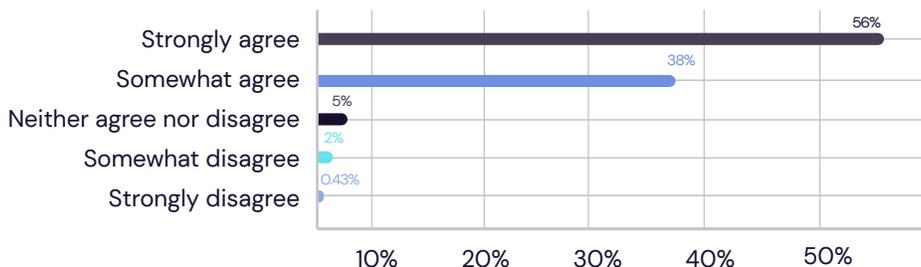
- Strongly agree
- Somewhat agree
- Neither agree nor disagree
- Somewhat disagree
- Strongly disagree



This is an opportunity for small businesses to communicate that they are open for business and what customers can expect when they return. For instance, if a business is transitioning from appointment only to accepting walk-ins (or the other way around), this is important information to share with customers via text, email, social media or any other forms of communication your customers prefer. That way, when they revisit the business, they know what processes are in place.

Customers also responded that they will continue to stay loyal to the businesses they supported during the pandemic, demonstrating how top-tier customer service and care can make the difference in customer retention. Customers appreciate the effort small businesses put into building relationships with clients and the community, and they plan on supporting them going forward.

Graphic: I plan to stay loyal to the small businesses I supported during the pandemic now that things are reopening



81% of respondents ages 25-40 plan on supporting more small businesses in the next few months.

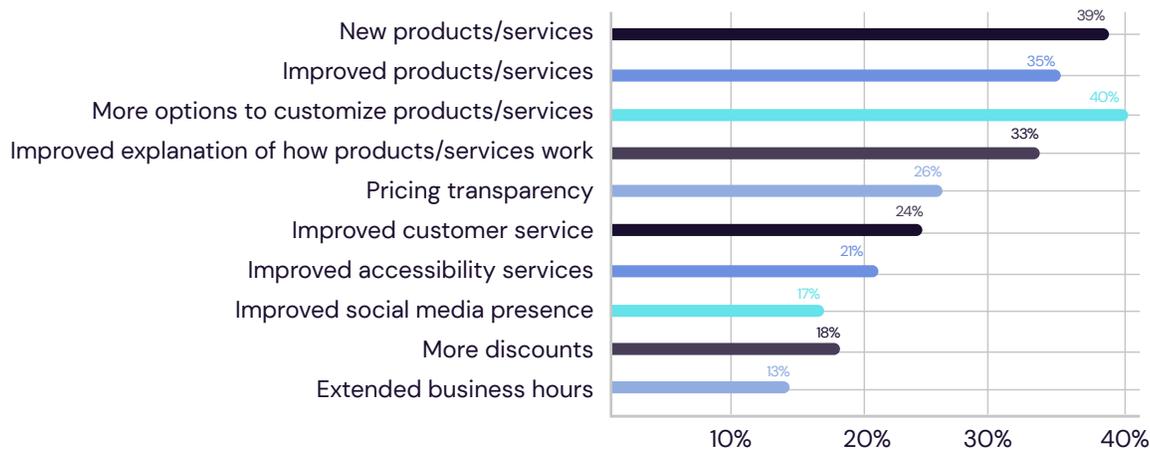
Customer loyalty is one of small businesses' biggest assets. The personalized connections customers form with employees can keep them coming back for years to come, which business owners know lowers costs since it's cheaper to grow an established customer than find a new one. This loyalty can also increase word-of-mouth marketing, which is essential in today's era of online reviews. These survey results illustrate that the loyalty customers established before and during the pandemic will likely continue as the country reopens.



What Do Customers Hope to See from Businesses Going Forward?

Meeting customer needs can be difficult when it seems like they are constantly changing. But small business owners know how to listen to their customers and responded that the most common customer request is more options to customize products or services. This is good news for small businesses, who have an advantage when it comes to offering personalized services. For instance, the local dog groomer knows pups from daily walks around town, but the groomer from the national pet store chain may not be as familiar or have the ability to customize what that national chain can offer. Here's some insight into customers are requesting:

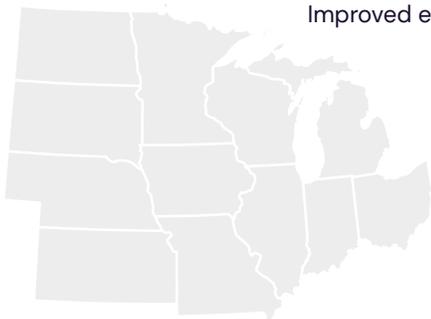
Graphic: What are customers currently requesting?



While it's important to be aware of the overall conversation surrounding reopening, business owners should also focus on local trends and sentiments, since that is where their advantage lies. While international enterprises can't possibly know the specific needs of every community, small businesses can tailor their offerings to local preferences.

Multiple charts for reach region:

Midwest:

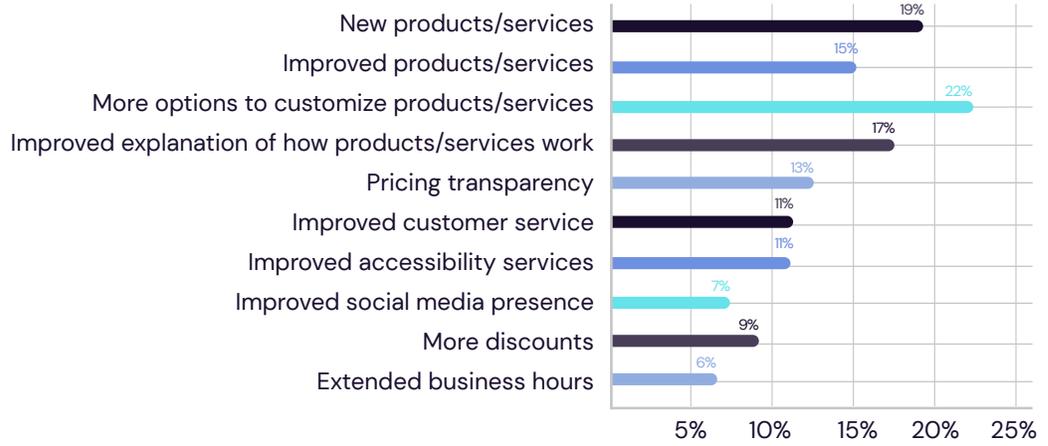




Northeast:



Southeast:



Southwest:



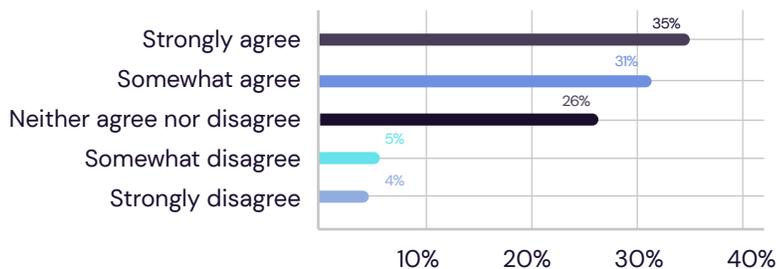
West:



Scheduling

Customers also had specific preferences when it came to scheduling options. Most people wish more small businesses used online scheduling features. Online scheduling allows businesses to be “open” 24/7, meaning customers don’t have to wait for business hours to make an appointment, they can visit a business’s site and schedule at any time. This is essential for appointment-based businesses, since they may lose customers who forget to call back or are busy during regular business hours.

Graphic: “I wish more small services businesses used online scheduling features”



During the pandemic, customers grew accustomed to booking appointments online, arriving at their designated time slot and receiving immediate service. This is important for businesses to keep in mind going forward, as respondents expressed a clear preference for this method of interacting with service businesses. This is helpful insight for businesses that are considering implementing or maintaining use of online scheduling tools. Customers appreciate the convenience these tools offer, and businesses can have more visibility into their daily workflows for scheduling employees and more.

For appointment-based businesses such as hair salons, spas, tattoo artists and pet groomers, employees can easily view what their day looks like and plan accordingly. Managers can plan ahead to schedule more employees on busy days, allowing these businesses to provide even better customer service.

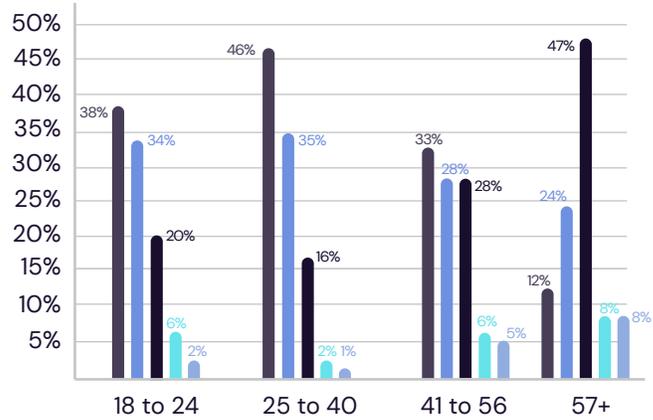
While customers across demographics agree that they wish more small businesses used online scheduling, the degree to which they feel strongly about this preference varies widely by age. While many respondents 25–40 strongly agreed with this preference, only 12% of older adults felt the same.



Graphic by age group: "I wish more small services businesses used online scheduling features"

Choice

- Strongly agree
- Somewhat agree
- Neither agree nor disagree
- Somewhat disagree
- Strongly disagree



For business owners who use appointment scheduling software already, the most commonly used software among respondents is AppointmentPlus, with 15% of business owners naming it as their scheduling software.

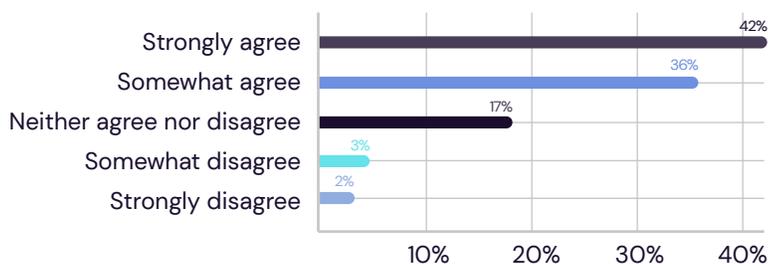
AppointmentPlus is the most commonly used scheduling software among respondents.

All Booked Up

Scheduling tools can provide enormous benefits especially during the business booms that owners are currently reporting. Forty one percent (41%) of respondents strongly agreed that they are seeing an increase in business. This is positive news for businesses that had to shut down during the pandemic, but it can certainly bring its own challenges – especially since it’s been so long since some have been tasked with managing full stores and busy schedules.

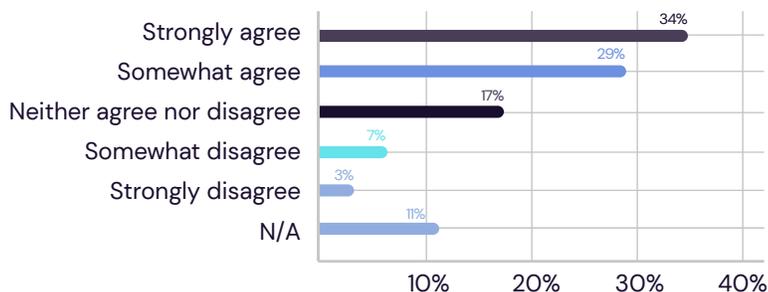
To make sure nothing falls through the cracks during this influx, small businesses should streamline their operational processes, such as employee scheduling, inventory and reporting. Tools to help managers stay on top of these processes can ensure customers don’t head elsewhere to get the product or service they need.

Graphic: I am seeing a boom in business as people start going out more



Over half of businesses say they are fully booked up, so businesses need the right tools to fully take advantage of this business boom. If a business is understaffed on a day full of appointments, it risks delivering disappointing service. Even spending too much time on the phone arranging schedules takes employees away from tending to customers. The most accommodating businesses will be the most successful – meaning the ones who have the flexibility customers require and cater to their needs with the best possible service.

Graphic: My business is currently fully booked for reservations/appointments



Graphic: How does being fully booked impact your customer relationships?



Over half of businesses say they are fully booked up. Businesses need the right tools to fully take advantage of this business boom.

Over half of respondents are struggling to meet the demand for their business and make time for every customer. Small businesses could miss out on potential sales opportunities when they are too booked up to provide the highest levels of service to each customer. Small business owners may feel like they simply need more hours in the day, but it would certainly help to take a few things off their plate. By automating the scheduling process, owners won't have to struggle to find enough space in the calendar, their software can find the best way to fit in appointments when it's convenient for the customer and employees.

Software can also reduce the intensive time required for managerial tasks such as daily sales reports and inventory tracking. For small business owners, this may feel like the closest thing to more hours in the day!

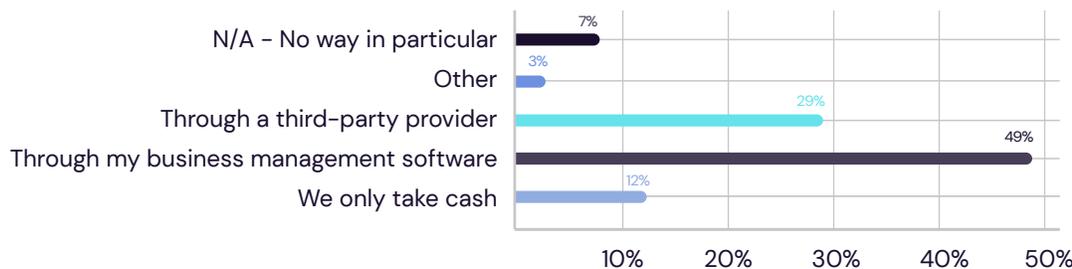
Trends Among Small Business Owners

Unlike the big business competition, small businesses don't have expensive consultants and marketing teams. Fortunately, they don't need them to level up their business strategy (without the high price tag.) There are tools built specifically for small businesses to accommodate their unique needs, such as payment processing and scheduling platforms. It's important for small business owners to be aware of trends and preferred tools among their peers to stay on top of best practices that will allow them to run their business smoothly. Here are some of the key findings among small business owners.

Payment Preferences Are Changing

When it comes to payment processing, most small business owners use their business management software to process payments, and only 12.4% are still only accepting cash.

Graphic: How do you currently process payments?



This is good news since customers overwhelmingly prefer businesses who accept credit cards. If a small business is only accepting cash, they are missing out on potential customers. Businesses that do accept credit cards have an advantage: 70% of respondents said they would go out of their way to shop at those businesses.

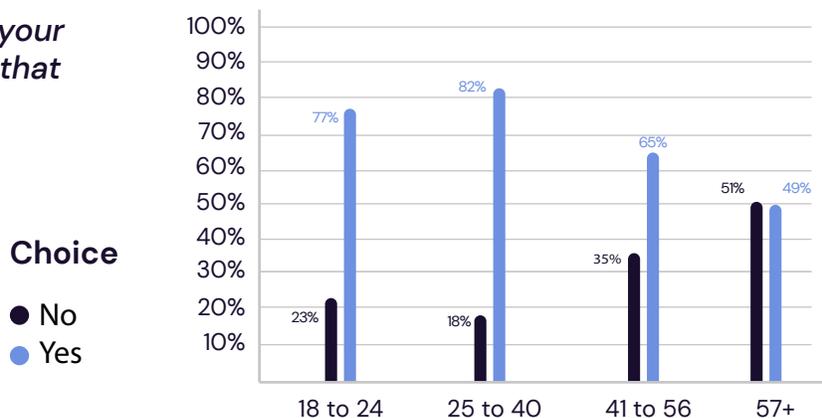
Only 12.4% of respondents are still only accepting cash.

Graphic: 70.52% of customers would go out of their way to go to a business that accepts credit cards



Younger customers who are accustomed to using credit cards anywhere they go have a stronger preference for it (82% agree), while many older customers wouldn't necessarily go out of their way to avoid using cash (only 51% would).

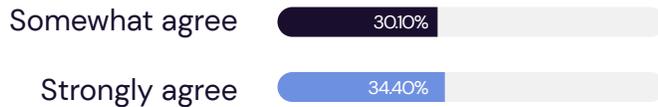
Graphic: Would you go out of your way to go to a small business that accepts credit cards?



Owners Are Feeling More Inspired

Business owners are just as excited as customers about getting back out in the world. Many business owners felt disconnected from their passion without the customer interactions that make running a small business so fulfilling. Over 65% of respondents agree that they had forgotten what they loved about their business before letting people back in.

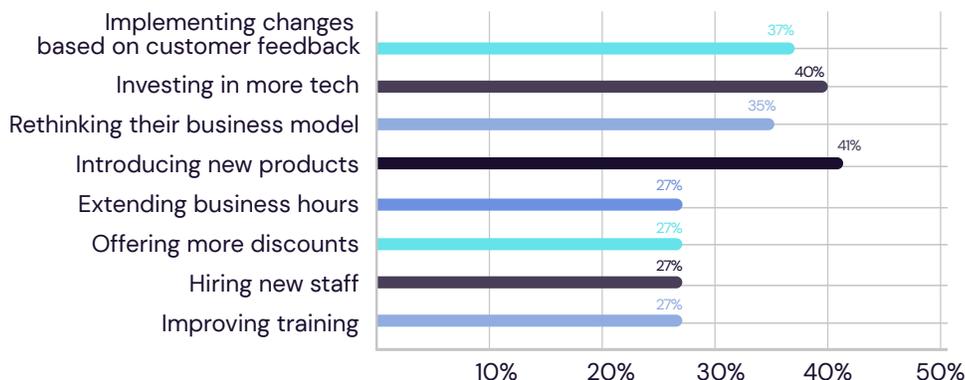
Graphic: 30.10% somewhat agree, 34.40% strongly agree that they “forgot what they loved about their business” during shutdown



They are using this reignited passion to make changes to their operations that will drive their businesses forward. Some of the changes business owners are planning to implement include introducing new products (41%), investing in more tech (40%) and incorporating changes based on customer feedback (37%).

With the wave of new business, it makes sense that owners are interested in investing in more technology to support their daily operations. This trend among small business owners may be in part due to the changes brought on by the pandemic last year. After all this time spent only shopping online, customers have new expectations and preferences, and owners have seen the benefits digital tools can offer. In the coming months, small businesses will likely aim to integrate digital experiences with their brick-and-mortar business models to combine the best of both. This way, small businesses can continue to offer personalized, relationship-based services with added convenience.

Graphic: What are your post-pandemic plans for your business?

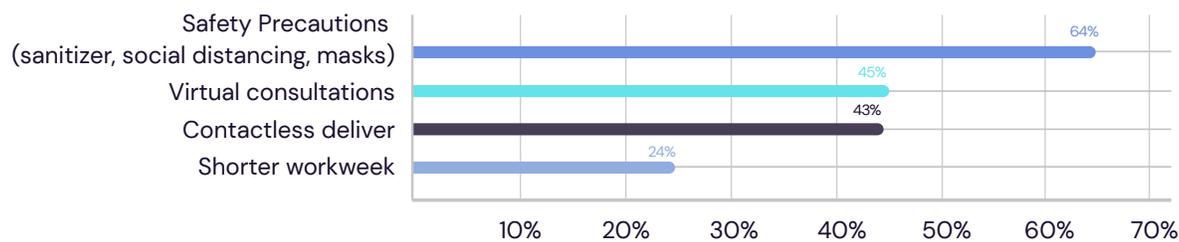


Only 10.4% have no post-pandemic plan for changes to their business



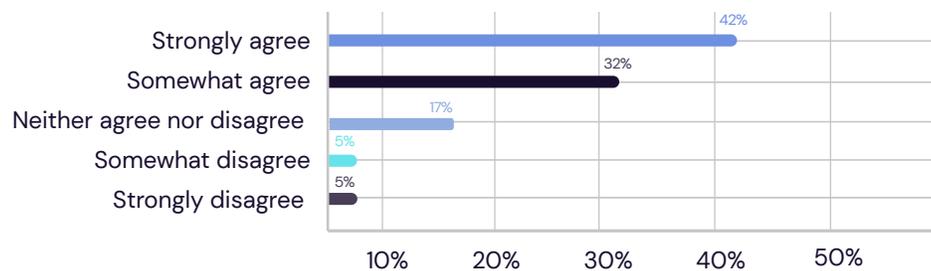
Business owners have found that some pandemic-era practices are worth maintaining into the future. With uncertainty still looming, 64% of respondents say they will still follow safety precautions such as sanitizing, social distancing and masks for employees. Forty five percent (45%) will also continue to offer virtual consultations, which follows with their decision to invest in more technology. Many small businesses like hair salons and spas offered virtual consultations during shutdown that kept their business running. Owners have likely found that customers appreciate the convenience – especially for those who don't have the time or ability to visit in person.

Graphic: What pandemic era measures will you continue to implement?



Continued learning is key to running a business, which is why owners are taking this opportunity to grow their networks and skills. The majority responded that they plan to attend workshops or get additional training to run their business. Entrepreneurs are driven, creative people who are constantly finding new ways to evolve and commit to lifelong learning in their industries.

Graphic: "I plan to attend workshops and/or get additional training to improve as a business owner"

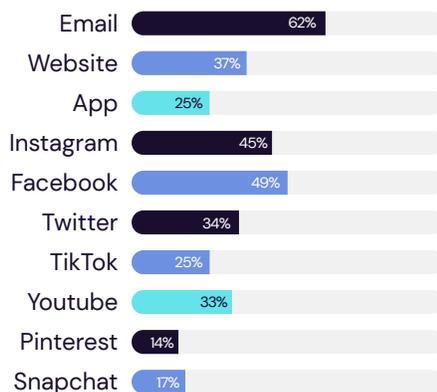


Evolving Customer Communication

Maintaining regular communications with customers is an effective way to build brand awareness and name recognition. These messages can be about new products or services, sales and promotions or even just checking in with relevant expertise from a business to let customers know you care. That way, when it comes time for a customer to go looking for that product or service, they know exactly where to go. In today's landscape, there are dozens of approaches to communicate with audiences, from the time-tested strategies like physical mail, to social media channels like TikTok.

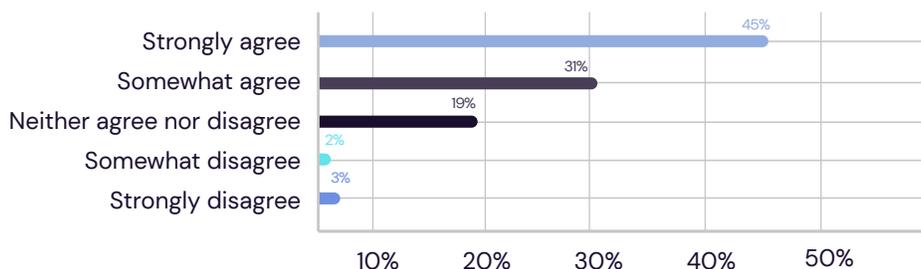
The three most common forms of communications business owners are using are email (62%), Facebook (49%) and Instagram (45%).

Graphic: How do you currently communicate with customers?



During the uncertainty of the pandemic, communication was key to keeping customers up-to-date with new offerings, hours and restrictions. Business owners have plans to update their customer communication in the coming months -- the majority of respondents agree that they will be improving how their staff communicates with customers overall.

Graphic: "I plan to improve how my staff and I communicate with customers"

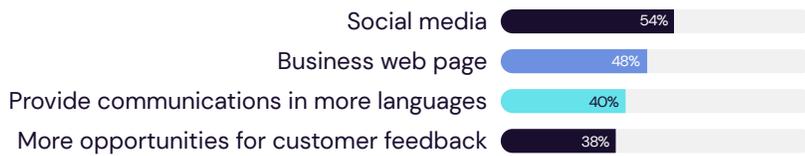




Business owners plan on doing this by increasing use of social media, improving their websites, providing more languages and offering opportunities for customer feedback.

75.7% of owners plan to improve how their staff communicates with customers

Graphic: How do owners plan to improve customer communication?



Digital tools will be crucial in improving customer communication, whether business owners are updating their website or collecting customer feedback. Software that streamlines these processes will ensure that they can reach their goals without a significant time or financial commitment.



Conclusion

Small business owners and their customers are anxious to re-enter the world. Customers are excited to get back to their favorite small businesses and are willing to spend the money to make the most of this time. Meanwhile, owners are using this transitional period to make changes to their operations that will fuel growth. Notably, this will include more digital tools for streamlining scheduling communication and operational processes—areas where customers have expressed a desire for increased convenience.

No one expects a complete reversal to pre-pandemic routines. Some aspects of life are permanently changed as people have found them to be more efficient. While online scheduling was more widely adopted to comply with social distancing, it has since become the preference on both the customer and employee side. To keep up with these evolving best practices, small businesses will need to continue to prioritize customer feedback and stay attuned to the conversation around their needs. By doing so, they will attract more business from these newly enthusiastic consumers and keep them coming back even in these uncertain times.

Methodology

DaySmart Software partnered with research company OnePoll and SWNS Media Group to survey 1,000 U.S. consumers and 1,000 small business owners or managers in July 2021.

About DaySmart Software

DaySmart Software provides industry-specific business management tools designed to make it easier for entrepreneurs to operate and grow their businesses. Since 1999, DaySmart has been a small business champion, offering software, payment processing solutions and cloud-based applications purpose-built for the salon, spa, pet and tattoo industries. DaySmart's reach extends to various industries through acquired companies [AppointmentPlus](#), [Vetter Software](#) and [Dash Platform](#). Collectively, DaySmart now processes more than \$1.5B in payments annually.

Privately held, DaySmart is headquartered in Ann Arbor, Michigan, with offices throughout the U.S., and has been named to the Inc. 5000 list for eleven consecutive years. For more information about the company and its suite of solutions, visit www.DaySmart.com.