

# CONSTANT CONTACT RELEASES SURVEY RESULTS ON SMALL BUSINESS ECONOMIC OUTLOOK AND ATTITUDES

*Fourth Annual Survey Highlights Valentine's Day Predictions and Small Business Concerns*

**Waltham, MA - February 09, 2009** [Constant Contact®](#), Inc.

(NasdaqGM: CTCT), a leading provider of [email marketing](#) and [online surveys](#), today announced the results of its 2009 U.S. Small Business Valentine's Day Outlook\* survey. This is the fourth consecutive year that Constant Contact has conducted the survey, which complements its annual end-of-year [holiday retail attitude survey](#). According to the responses from more than 2,500 U.S. small businesses, the majority of respondents (76 percent) do not anticipate strong Valentine's Day sales. In an attempt to boost Valentine's Day sales, forty-seven percent of respondents plan to offer special promotions, with the majority (56 percent) favoring online marketing methods over traditional print and advertising methods.

Survey responses also revealed that 44 percent of small businesses are feeling increasingly more negative about the state of the economy than they did six months ago, and 85 percent of respondents believe full economic recovery will take a year or longer. In listening to the concerns of its customers in this weak economy, Constant Contact has increased its efforts to support these small businesses to help drive their success, not only for the Valentine's Day holiday, but for the long term. In order to survive this economic hardship, Constant Contact believes businesses must continue to market themselves and nurture their existing customer relationships.

"Although small business owners are typically optimistic, our survey clearly shows that the economy is weighing on their minds. Our customers are particularly interested in advice on how to make the most of this holiday as well as how to thrive throughout the year -- and we are listening," said Gail Goodman, CEO, Constant Contact. "We continue to provide our customers with expanded support programs and cost-effective tools to help them market more effectively in this difficult time. We are teaching them how to deepen existing customer relationships, to drive repeat business and referrals, and to achieve success in any economic environment."

In response to its customers, Constant Contact has added the following small business educational and customer support tools and programs:

- **The Constant Contact MarketSmart newsletter** - Presents back-to-basics marketing strategies, insights from companies and organizations that are performing well in this economy and helpful tips for small business marketing success.
- **Constant Contact's free downloadable guide, "Finding Opportunity in a Down Economy: A Back-to-Basics Approach to Successful Marketing in Difficult Times"** - Offers small businesses and organizations tips for getting to know their

customers better, building customer loyalty, understanding marketing effectiveness, and knowing when and where to get help.

- **New customer service channels** - Users can find Constant Contact customer support on the social networking site Twitter (@CTCTHelp) or they can contact experts with specific economic concerns at [economytips@constantcontact.com](mailto:economytips@constantcontact.com).
- **Expanded hands-on educational seminars** - Constant Contact has recently added small business marketing experts in the Greater Los Angeles and the New York Metro areas who offer free in-person seminars to provide small businesses with the fundamentals for the creation of successful and effective communications programs. Constant Contact now has 11 small business marketing experts located across the United States.

### ●Valentine's Day Purchasing Trends

In addition to the survey findings previously noted, the majority of survey respondents (72 percent) believe that their customers will scale back their spending for Valentine's Day this year. In fact, 46 percent of small businesses said their customers would spend less than \$25 on a gift this year as compared to 39 percent in 2008. As a result, many businesses will be offering promotions such as free shipping, discounts, special packages and free products and services added to large purchases in a bid to entice shoppers to spend more.

According to U.S. small business owners, consumers can expect to receive traditional gifts from their loved ones this year. For the third year in a row, the most anticipated gift is flowers, at 58 percent, a significant increase from last year's 41 percent. Candy ranked next in popularity at 15 percent, while jewelry ranked an all-time low of only six percent of respondents, likely indicating that consumers are reluctant to spend in an uncertain economy. Interestingly, many respondents mentioned gift cards and certificates as ideal gifts, indicating that consumers may not be taking any chances on buying a gift that is not used or appreciated, or buyers may be acknowledging that recipients appreciate the ability to choose how to spend a gift card.

Sample questions and results from Constant Contact's 4th Annual Small Business Valentine's Day Outlook\* survey are available online and include the following:

#### **Do you anticipate a strong Valentine's Day season in sales for your business?**

Yes 24%

No 76%

#### **Are you planning any promotional offers for Valentine's Day?**

Yes 47%

No 53%

**Which of the below methods has the greatest impact on driving sales for your business?**

Email Marketing 40%  
Online Marketing 16%  
Flyers 3%  
Direct mail 11%  
Advertising (TV, radio, or newspaper) 8%  
Other 22%

**Do you expect your customers to scale back their spending this Valentine's Day?**

Yes 72%  
No 28%

**What do you think will be the most popular item purchased for Valentine's Day in 2009?**

Flowers 58%  
Candy 15%  
Jewelry 6%  
Electronics 2%  
Books/Music 3%  
Other 16%

**When do you think the economy will return to full health?**

Already returned to normal 1%  
3 months 3%  
6 months 10%  
1 year 25%  
More than 1 year 60%

\*The 2009 U.S. Small Business Valentine's Day Outlook\* survey was conducted through targeted online distribution to U.S. small business owners, recording results from more than 2,500 respondents. The survey was conducted from January 2, 2009 to January 23, 2009.

**About Constant Contact, Inc.**

Launched in 1998, Constant Contact, Inc. is a leading provider of email marketing and online survey tools for small organizations, including small businesses, associations, and nonprofits. To learn more, please visit [www.constantcontact.com](http://www.constantcontact.com) or call (781) 472-8100.

This press release contains "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are made as of the date they were first issued and were based on current expectations, estimates, forecasts and projections as well as the beliefs and assumptions of our management. Words such as "expect," "anticipate," "should," "believe," "hope," "target," "project," "goals," "estimate," "potential," "predict," "may," "will," "might," "could," "intend," variations of these terms or the negative of these terms and similar expressions are intended to identify these forward-looking statements. Forward-looking statements are subject to a number of risks and uncertainties, many of which involve factors or circumstances that are beyond Constant Contact's control. Constant Contact's actual results could differ materially from those stated or implied in forward-looking statements due to a number of factors, including but not limited to, the Company's ability to attract new customers and retain existing customers, the Company's dependence on the market for email marketing services for small businesses, nonprofits, and associations, general economic conditions and economic conditions specifically affecting the markets in which the Company operates, adverse regulatory or legal developments, the Company's ability to continue to promote and maintain its brand in a cost-effective manner, the Company's ability to compete effectively, the continued growth and acceptance of email as a communications tool, the Company's ability to develop and introduce new products or enhancements to existing products, the Company's ability to manage growth, the Company's ability to attract and retain key personnel, the Company's ability to protect its intellectual property and other proprietary rights, and other risks detailed in Constant Contact's Quarterly Report on Form 10-Q for the quarter ended September 30, 2008 filed with the Securities Exchange Commission ("SEC") on November 7, 2008, as well as other documents that may be filed by the Company from time to time with the SEC. Past performance is not necessarily indicative of future results. The forward-looking statements included in this press release represent Constant Contact's views as of the date of this press release. The Company anticipates that subsequent events and developments will cause its views to change. Constant Contact undertakes no intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. These forward-looking statements should not be relied upon as representing Constant Contact's views as of any date subsequent to the date of this press release.

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**Please direct all press inquiries to:**

Rosalind Morville  
Constant Contact  
339-222-5772  
[rmorville@constantcontact.com](mailto:rmorville@constantcontact.com)