

4 Trends that Will Reshape the Small Business Landscape in 2022 and Beyond

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We all know that in the past two years, the only constant for small business owners has been change. Thousands of businesses changed their business model at the onset of the pandemic, introducing new products or services and embracing new channels to reach their customers. Thousands more launched new businesses altogether, spotting untapped opportunities in our collective “new normal.”

Now, as we head into 2022, we see the impacts of the past two years crystallizing and new trends emerging, like the beginnings of the metaverse to changing how we define small businesses and how small businesses operate – online, offline and in-between.

A few weeks ago, I sat down with my colleague Pooja Piyyaratna who leads Meta’s Business Product Marketing Group for small businesses. Together, we identified four trends that will reshape the small business landscape in 2022 and beyond.

The evolution of entrepreneurship

One fortunate byproduct of the pandemic was an outpouring of creativity. Around the world, people reexamined previously held assumptions – like the need to conduct some business exclusively in-person – and new, exciting ideas and businesses were born. This effectively redefined what it means to be an entrepreneur, adding more diversity to the small business

space. In 2022, this trend will accelerate further as a record number of businesses are forecasted to be started. One of the most interesting evolutions is the increasing frequency we're seeing creators turn their passion into a living. For example, Emily Delaney, the Cheese Board Queen, started with a humble Instagram showcasing her love of cheese and charcuterie boards in 2019. Now, just three years later, she hosts virtual classes and workshops, partners with brands regularly and has a book coming out with Penguin's DK Books in the Spring. Her story of sharing a passion online and turning it into a bonafide business is not unique, and one we'll only see more of in the future.

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The art and science of creativity

Over the last two years, small business owners have had no choice but to become increasingly creative with their digital presence. And for many, this opened new doors for driving sales and building their brand in the process. Live Shopping is a great example of a digital technology that has helped businesses showcase their offerings while also infusing their brand's unique personality into an online experience. And for many, the beauty of fun live video combined with the convenience of online shopping has opened up new revenue streams that will persist beyond the pandemic.

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Consider Illinois boutique owner Kelley Cawley, who credits regular streams on Facebook Live with making her customers more engaged than ever, driving more online and in-person traffic to her store. To make Live Shopping a success, Kelley mixes the art of a fun Live experience with the science of digital tools and insights that help her understand what keeps

her customers engaged. In fact, Crawley knows her sales have jumped 88% since she's implemented the Live Shopping strategy. Combining the art of creativity and the understanding digital tools provide of what drives the most success enables businesses like Crawley's to experiment, innovate and make strategic decisions based on real data. In 2022, we can expect businesses that have found a home online to experiment further – combining the art of creativity with data science tools – ultimately discovering the strategies that work best for them.

Messaging paves the way for the next era of communication

Another interesting development is how businesses are using messaging to infuse personalization into their customer communications. People's preferences for how they want to talk with companies are evolving. In this digital era, 75% of adults globally say they want to communicate with businesses via messaging, in the same way they communicate with friends and family. As we transition from the mobile Internet to the Metaverse, we know we'll see businesses large and small working with more immersive formats to forge personal connections online. While this may sound far off, the groundwork is already underway. For example, small businesses can now conduct video calls via Messenger, allowing them to speak and see their customer, helping them to answer questions faster, provide better customer service, and of course, truly connect person-to-person.

Bridging the physical/digital divide

Many businesses are now operating in a hybrid model – meaning they're maintaining a physical presence while also selling via

ecommerce platforms that became a necessity during the pandemic. In a way, we see the pandemic having accelerated what 'digital' actually means, and as a result, there is no longer a binary divide between online or offline or digital and non-digital. Take Akila McConnell, owner of Unexpected Walking Tours in Atlanta as an example. Prior to the Pandemic, Akila's business provided walking tours focused on Black History in Atlanta. When the pandemic hit, she lost 100% of her revenue overnight. Akila pivoted online to sell gift boxes on Facebook and Instagram Shop that represented the best Atlanta had to offer and introduced virtual tours – bridging her physical offering with a new online experience. Figuring out how to balance and maintain both in-person and digital experiences, and infusing the two experiences together will ensure small businesses are reaching the largest possible customer base, not restricting them based on their geographical footprint, while also providing the convenience that local customers desire.

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Despite all the changes and innovations we've seen over the past few years and that lie ahead in 2022, some things remain the same. The ability to watch, listen and connect with your customers will always be paramount to small business success, and now digital tools make this easier than ever.

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