



**SMART**

**SPEAKER**

**ADVERTISING**

**HOW TO MARKET YOUR BUSINESS  
IN THE FACE OF A DIGITAL WORLD**

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# THE PROBLEM

## **INTRODUCTION**

Small businesses struggle to market their brand and products in the face of the digital world. Large corporations such as Amazon, Walmart, and Target overrun potential customers with commercials, banners, and social media ads. Consequently, the mind keeps those companies at its forefront whenever a purchase is needed. Small businesses must be more creative and specific with their marketing strategies. Investing strategically in advertising campaigns specific to their company can create high revenue returns and introduce new business.

## **SMART SPEAKERS**

Voice-enabled searches continue to increase in digital media with the rising acceptance of smartphones and smart speakers. These stand-alone devices provide audible guidance through AI-powered digital assistants that recognize voice commands.

Demand for reliable digital assistance continues to grow within our “smart” lives. While smartphones dominate the business world, smart speakers claim a stake in residential areas. A person primarily uses a smart speaker to [maintain social relationships](#), even when alone in their house. They provide an escape from reality similar to scrolling through social media. Consequently, speakers are further evolving into the control hubs of homes to not only provide general information and play music, but to control thermostats, dim lights, lock doors, and much more. [With a meteoric rise in usage](#), smart speakers offer a new way to advertise products directly to consumers who are already online.

## **INDUSTRY INNOVATION**

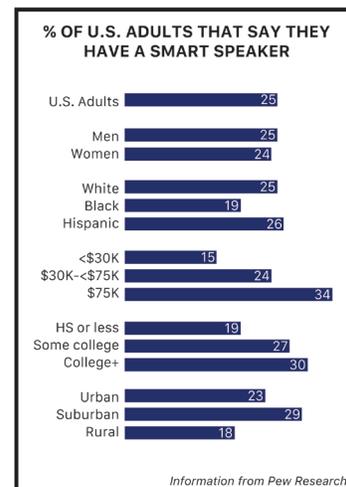
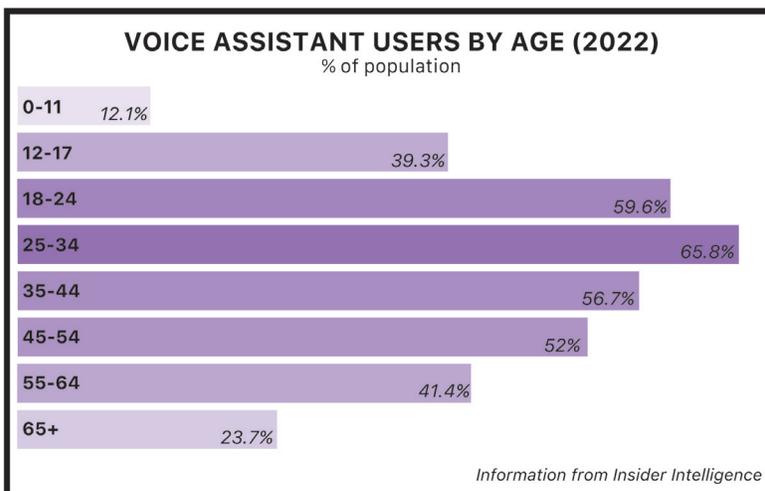
Large corporations such as Google, Amazon, and Apple drive voice assistant innovation in constant competition with one another. Additionally, [Meta recently announced plans](#) to launch their own artificial intelligence assistant intended to surpass the existing products in the industry. In a market supported by a plethora of tech giants, smart speakers aren’t at risk of falling away and are a safe investment for small companies hoping to gain an advertising advantage.



# THE PROCESS

## IDENTIFYING TARGET AUDIENCES

Voice assistant and smart speaker usage skews older than the majority of technological innovation because [millennials adopted it first](#) when the concept was still new in the early 2000s. Now, the group most familiar with the product has established more permanent lifestyles. Increased usage and acceptance will follow this generation as they move into homes and can maximize the broad scope of capabilities provided by smart speakers.



While young adults use voice assistants at an increasingly high clip, companies neglecting the senior audience due to the innovative nature of smart speakers risk losing out on high levels of engagement and an untapped market. [A survey found](#) that individuals aged 45-54 and 65+ listened to audio through a smart speaker the most often compared to cell phones, televisions, and other media outlets. A small company should recognize and target these groups who are at home the most often.

Typically, parents fall within the 45-54 range. Small companies targeting middle-aged segments with products such as real estate, family vacations, children's toys, etc. can benefit as a result. Since the home space is usually occupied by at least one parent and any children, smart speaker usage will increase with the audience hearing more ads.



# THE PROCESS

A [2017 survey reported](#) that an individual's desire for a smart speaker increased 150% when considering helping an elderly person. Those aged 65+ are traditionally at retirement age and spend more time at home than they would've in the early stages of a career. Companies selling mobility assistance or assisted living could see increased engagement through this kind of advertising.

None of this is to say that smart speaker advertising won't be successful outside of these specific groups as a plethora of opportunities are further available.

## WHAT TO ADVERTISE

[Studies conclude](#) that listeners would prefer to hear location-relevant information with the options to skip or hear more information. When a listener is able to choose the information being fed to them, they feel a sense of control over the experience and are more likely to listen. Advertisements about travel, books, movies, music, electronics, sports and outdoor products, and groceries often resonate the best with audiences. To maximize interest, small businesses should include information about their store's location, availability of certain products, and any ongoing or future sales.

## WHERE TO ADVERTISE

Further notable within usage, the average share of time spent listening to a smart speaker [increased 400% since 2017](#) with podcast share of time increasing 200% within that same span. The emergence of podcasts as a form of communication greatly shifts marketing strategy regarding smart speakers with more time being devoted to its consumption. [Audiobooks](#) and other ad-supported streaming apps, such as the free version of Spotify, show similar trends.





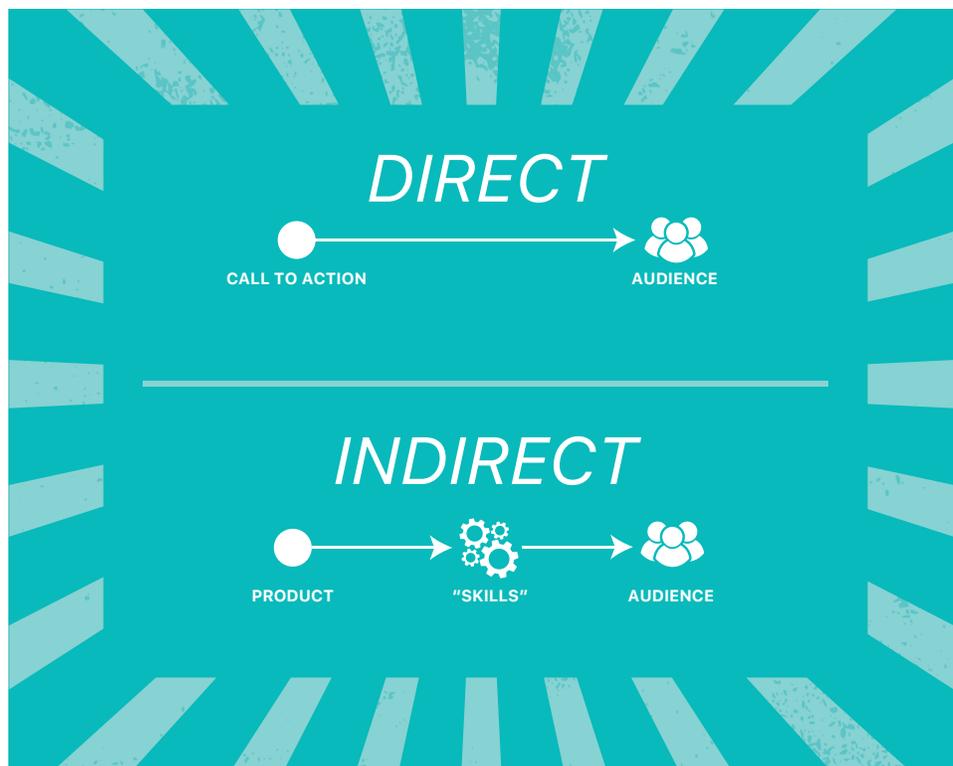
# THE PROCESS

## HOW TO ADVERTISE

Two types of advertising allow you to promote your business through smart speakers, and a small company will need to decide which is more important to their specific needs at a given moment.

[Direct advertising](#) focuses on a specific product or service that a company is trying to sell. This normally sounds like an ad you would hear on the radio and includes a call to action. Direct ads typically create a quick profit if a company fully understands where and how to reach its target audience. If it doesn't, this marketing strategy turns into a waste of time and money.

Conversely, companies promote their brand through [indirect advertising](#) when they want to familiarize their target audience with the company. This marketing strategy focuses on building long-lasting relationships with consumers who will return to your store repeatedly.





# THE SOLUTION

## AIDS TO SMALL BUSINESSES

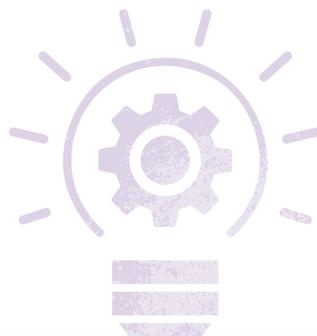
When using smart speakers to advertise your business, it is important to optimize your company website for voice search. People use their smart speakers to search for things all the time, and ensuring your company is on the top of the search engine will increase traffic to your website. That means you'll make a lot more money in the long run.

The primary goal of search engine optimization (SEO) is to provide the user with the best, most accurate information that matches the search terms the user used. To do this, your business must be placed as a [snippet](#) on Google in "[position zero](#)". When a customer searches for a product or service, Google will only deliver one top result known as "position zero". This ensures your advertisement reaches the largest audience possible. Google tends to favor business websites that further provide [interactive web tools](#).

David Higham, a small business owner and marketing professor at Elon University, offered his expertise in the area. Before selling his trio of hair salons in the Burlington, NC area, he used smart speaker marketing to gain an edge over his competition.

"I could ask, 'Hey Alexa, find hair salons near me' and it'd read out a couple of options of where I could get my hair cut. Almost always, if your business' name is up at the top of that list, you're far more likely to get people coming to you than if you're not even mentioned."

Further, companies can create and install apps by choice on individuals' smart speakers. Through verbal commands, the smart speaker can complete these "[skills](#)" or "[actions](#)", including tasks such as calling Ubers and checking their PayPal balance. For David, he built in a skill that allowed customers to directly book an appointment at one of his salons simply by speaking to the smart speaker. While this is not meant to gain new consumers, it creates a more dynamic interaction with brand consumers already familiar with your company





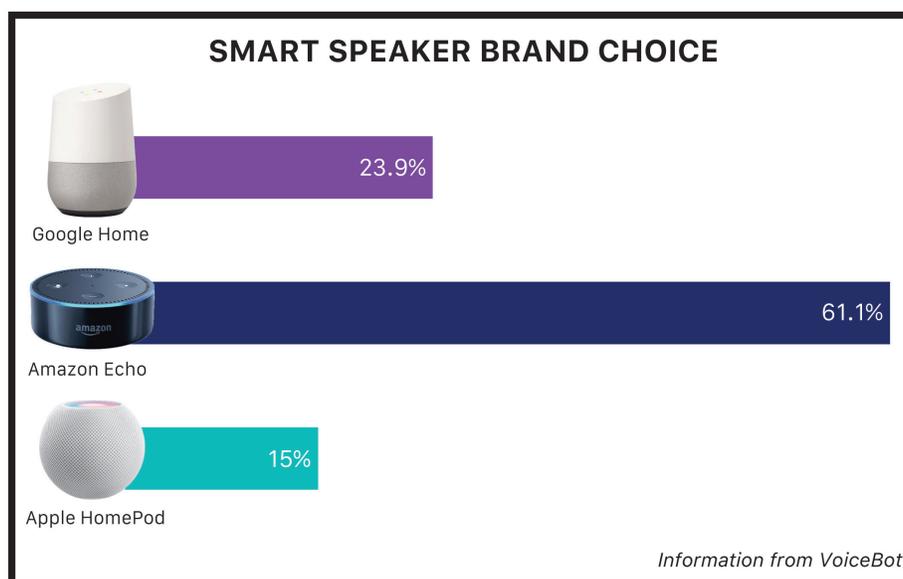
# THE SOLUTION

## VIABILITY OF SMART SPEAKER ADVERTISING

The COVID-19 pandemic altered the trajectory of the smart speaker market. Although a luxury item, the [product became essential](#) during a time where consumers had to stay at home. Not only were those individuals listening to podcasts and music to pass the time, but they also relied heavily on delivery services and ordering. Smart speakers and voice activation streamlined all of these activities under a single heading.

[A survey found](#) that roughly 115 million individuals over the age of 18 in the United States already own a smart speaker demonstrating how both voice technology availability and usage have increased greatly at the consumer level. This figure has grown year by year by an average of 3% since 2017 further legitimizing its claim as a staying force, rather than a fun gadget, with growth projected well into the future.

[A further study found](#) that only 9% of respondents said they didn't want any form of advertising on their smart speakers. That leaves the remaining 91% of listeners as potential new customers for small businesses. Using the strategies discussed above, your company should have a significant leg up in reaching them.





# THE SOLUTION

## **CONCLUSION**

Campaigns run through voice-enabled devices don't seem to be a priority for large companies at the moment, but it's only a matter of time before innovative groups begin leaning into this largely untapped marketing channel. The increasing popularity and predicted continuation of sales well into the future is far too profitable for them to remain on the side-lines for much longer.

Ultimately, consider how your audience interacts with advertisements and where you can meet them. Can you improve your SEO strategy to reach position zero? Do you know who your audience is? Can you analyze how your audience consumes content and get an effective message to them? Smart speakers offer the opportunity to revolutionize how your company interacts with its consumers, and your opportunity to reach them is now.