

PLANNING A MARKETING BUDGET

MAY 2022



These days, it's almost impossible to be successful in business without a solid marketing plan. The family-owned hardware store on the corner that's been around for 50 years might be the exception, however, chances are that word of mouth and personal referrals are what keep the bell over that shop door jingling and those certainly count as a type of marketing.

For most small to medium-sized businesses, though, a marketing plan needs to be diverse, data-driven, targeted and have a budget. In fact, the marketing budget is arguably the most essential part of your marketing plan. Why? The plan is the roadmap for how you'll get to your marketing goals but the budget spells out how much fuel you'll need to get there!

WHEN TO PLAN A BUDGET

If you're halfway through your rebranding campaign and haven't set a marketing budget yet, the answer to this is yesterday. Ideally, marketing budgets are reviewed annually as part of your business's financial forecast and goal-setting process. While it can be tricky to project marketing-related costs a year in advance rather than on a per-project basis, doing so provides a starting point that can be revised as needed. Talking money can be

uncomfortable, but nothing is worse than getting halfway through a project and realizing that everyone is on a different page. Creating a budget before the project begins can help manage expectations now and also assist with making decisions down the road.



CONSIDER ALL COSTS

According to The U.S. Small Business Administration, "As a general rule, small businesses with revenues less than \$5 million should allocate 7-8% of their revenues to marketing."¹ This is a good rule of thumb, however, many companies (especially startups) spend a vastly higher percentage in order to build revenue in the first place. Annual revenue is not the only way to determine a budget, however. These days, companies are getting creative—whether that means implementing a "top-down" approach (staying within a budget dictated by the management/leadership team) or planning your marketing spend around your business goals (known as goal-driven marketing). With this in mind, come up with a budget that works for your business and allocate more to the marketing components on which it makes the most sense for you to focus your efforts.



FIND THE RIGHT MARKETING PARTNER

Like many things in life, you should avoid putting all your eggs in one basket. This is no different when it comes to marketing. BVM is your "marketing plan in a box," offering both print and digital solutions for your business. It's truly the best of both worlds!

Our hyper-local magazines are delivered to select neighborhoods in the community and enjoy a high open rate, thanks to the families and residents we feature on our covers. Pair that with a professionally designed Google or Facebook ad and you've got a multi-pronged branding strategy without engaging several ad agencies. BVM is your all-in-one marketing partner and our vast array of offerings can fit into most any marketing budget.



TESTIMONIALS

"A roofing contractor in our magazine had 3 months left for their standard ad space. We had hail damage to our home and called them to work with our insurance company to get us a brand new roof. We then referred them to our next door neighbors on both sides of us, and they did their roofs too. Our roofing contractor is now a new 36 month Expert Contributor, who proudly displays their yard signs in our yards!"

– Steve M.

"I just wanted to let you know that the decision to become a sponsor in your magazine was the correct one! I was extremely excited about the immediate response we received with our first published advertisement. Because of this, I've decided to run the same ad in another of your magazines, and I am confident it will receive the same positive reaction."

– Ron K.



¹ <https://www.commonmind.com/blog/strategy/small-business-marketing-budget/>

<https://www.forbes.com/sites/allbusiness/2017/05/02/6-steps-to-developing-a-small-business-marketing-budget/?sh=7eced6ec355c>

<https://www.businessnewsdaily.com/15766-how-to-develop-a-marketing-budget.html>