CPA
Practice Advisor

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"CMOs slash marketing budgets in 2009."

Would this headline surprise you? Would you be more surprised to learn that on a global basis, 2009 marketing budgets were lower than 2008 budgets, with more than half of the budgets cut 20 percent or more?

Sad, but true — and still, it's very sad when I hear about budget cuts at a time when marketing budgets should be more, not less.

Yet, there are a few bright spots as noted in a recent article in Direct Marketing News: Close to 50 percent of chief marketing officers increased social media spending, while 44 percent increased their company's investment in website development. Another 38 percent increased the budget for e-mail marketing.

If spending on traditional marketing is down, and budgets for social media are up, how does an accounting firm come to terms with how to handle its marketing budget?

Any marketing budget ought to include a mix of online and offline tools to recruit prospects, retain clients and increase a firm's profile, but for gosh sakes, don't decrease your marketing budget! Now is the time to be bold, put your best foot forward and create a long-lasting presence in the marketplace … while your competition is pulling back. When the dust settles, you'll be the firm that's remembered and admired for your tenacity in a very volatile environment.

The inclination is to cut spending, yet what are you going to cut to make

While very different in many ways, marketing professionals within firms share one common trait: They want to develop quality programs that will bring in business
and keep clients. So if you ask the marketing staff what they can give up in the way of budget, you'll probably get scowls and grunts. It won't be easy and shouldn't be easy to get blood out of a turnip, right?

I think the answer gets back to ROI, or how these marketing programs provide a return on their investment. If a program cost $1,000, did the firm realize at least $1,000 in new business?

I know you're reading this and thinking that this kind of ROI is doomed from the start. Not every program is necessarily going to reap something tangible in return, but you have to face facts. Your managing partner is going to ask you sooner than later to provide some kind of quantitative results, no matter how much you think you may have him or her in your back pocket.

Here's an example. You conducted a three-part direct mail postcard campaign to a certain industry niche to heighten the profile of a certain part of your firm's practice. Did it work? Was there an increase in clients asking for the service?

Note how I didn't ask whether you closed the business; that's a separate conversation.

There's another way to measure the ROI. If the postcards directed recipients to a website for more information, did you keep track of visitors? Web services such as LeadLander track this for you. Or if you are using Search Engine Optimization

(SEO) tactics, ask your Web provider for reports on who visited the site and

can't stand it when it's qualitative rather than quantitative. Whatever the situation, I guarantee you will impress your partners by measuring ROI on all your efforts. With ROI measurement, you can hold on to your marketing budget much easier and with a lot fewer tantrums.

Try it. If you don't know how to begin measuring ROI, ask for help.
You can't function without it.

Marketing

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