

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

## PRODUCT & SERVICE GUIDE

# Marketing Budget Rationale Ties to ROI

Column: MarketingWorks

Scott Cytron • Nov. 01, 2009

*From the Nov. 2009 Issue*

“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 the numbers work? Sure, every firm can spend less when it needs to. Do you really need doughnuts every morning during tax season? Do the firm partners need to take an offsite retreat rather than spend a full day in the conference room? Can you get along with a smaller-scale client gift for the holidays?

I think you get my point. However, sacred cows are just that. No one wants to give up their budget, either for ego/pride sake or because they may think they'll never get the money back again.

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 how much time they spent clicking through the information.

Did you complement the campaign with social media tactics to push it out? There are no hard costs in social media, except for staff/resource utilization, so you can talk about the ROI associated with social media, especially if you can tie a retweet or some other indication on the effectiveness of using social media.

ROI is a funny thing. We love ROI when it's in black and white, but 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.

[Product & Service Guide](#) • [Resources](#) • [Resources, Supplies & Services](#) • [Article](#) • [Firm Branding](#) • [Firm Marketing](#)

CPAPA is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2022 Firmworks, LLC. All rights reserved