

## 5.7: Developing a Marketing Campaign and Budget

**What you'll learn to do: create a marketing campaign and budget using multiple IMC tools to execute a marketing strategy**

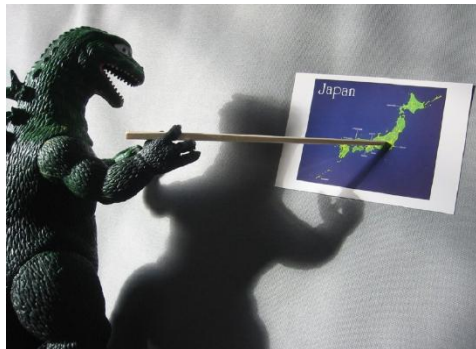
Marketing campaigns can be challenging to execute because they have so many complex, moving parts. That's why it's essential to plan. Planning a marketing campaign helps crystallize what you are going to accomplish and how it will happen. It helps you identify gaps in your thinking and fill them before it's too late. Planning helps you stay on budget, and it helps ensure that you and your manager are on the same page about what is happening and who is involved.

In the world of marketing, planning is your friend.

The specific things you'll learn in this section include:

- Identify key elements of an integrated marketing communications plan, including promotional mix, tactics, timing, ownership, measurement, resources and budget requirements
- Discuss how to create a budget for an integrated marketing communications plan
- Explain why it is important to consider potential risks to the business associated with an IMC plan

### Planning for Action



As you can appreciate at this point—especially after learning about all the available IMC methods and tools—IMC is complicated and often elaborate. Even simple marketing plans require multiple steps to execute effectively. For this reason, marketers routinely create campaign plans (also called IMC plans), which carefully list each step required to complete an IMC project. These “action plans” fit into a broader marketing plan and are used to document the actual steps that need to happen, when, and who is responsible for them.

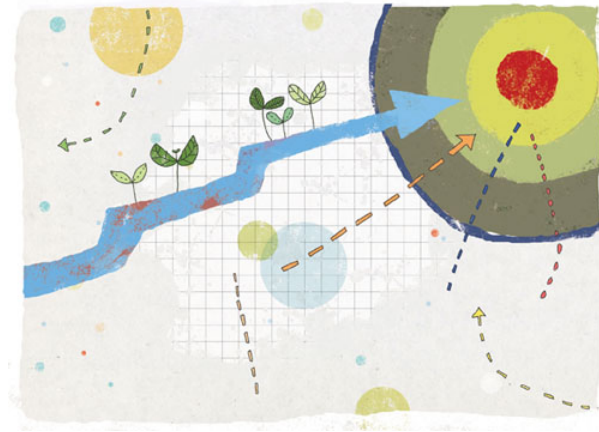
Campaign plans help marketers to think ahead about how they will execute the promotional mix. The campaign plan ensures that the entire marketing team has a common vision for what they are working toward and what role each person will play in achieving it. By thinking through exactly which marketing communications tools will be needed and how they will be used, managers can ensure that the plan fits within budget and that they have sufficient resources to pull it off. Campaign plans provide the critical element of timing by specifying each step in the process and when it must take place, so that the whole effort is well coordinated.

In IMC projects, different touch points are designed to support and build on one another; the campaign plan helps ensure that each piece is in place when it's needed. For example, suppose social media posts about a new product announcement include a link to a product information page on a company's Web site. The campaign plan helps remind marketers that they must build the new product information page before the social media posts can go out.

Campaign plans are intended to coordinate a set of related activities focused on a common goal—the campaign objectives. If a marketing team is executing more than one campaign at the same time, generally it works best to create a separate plan for each one. If it's helpful during the execution phase, team members can merge individual campaign plans into a single master plan.

Once a marketing team is focused on executing an IMC campaign, the campaign plan is the tool everyone works from. If an adjustment is needed, it's simple for managers to make changes in the centralized plan and move forward. Everyone stays on the same page.

## Campaign Plan Components



Effective marketing campaign plans require several elements that, together, paint a complete picture of what the marketing team will execute with their IMC tools. These include the following:

- **promotional mix:** identify the marketing communication methods to be used
- **resource and budget requirements:** outline the funding and other resources needed to execute the plan and explain how the plan will use the available budget
- **tactics:** identify the specific marketing communication tools and tactics to be used, as well as the target audience for each
- **timing:** clarify when each tactical step needs to take place, in order to meet the campaign objectives
- **ownership:** identify which team or team member is responsible for executing each step
- **measurement:** select the metrics to be tracked in order to gauge the campaign's impact, and explain how the data will be captured

Different organizations use different formats for compiling all of this information into a campaign plan. The sample frameworks below provide useful examples of the types of planning frameworks used by marketing departments.

### Campaign Budget Plan Framework

The first step in developing a campaign budget plan is to start with the total budget available to spend on a campaign. This budget figure works as a guardrail or constraint to keep your plans in line with the available resources. Next, think about the promotion mix you have in mind. Will there be advertising? Digital or direct marketing? Any public relations activities? And so forth. List the different methods and key tools you plan to use, and then determine how much of your budget you plan to spend on each.

#### Example: Promotional-Mix Budget Template

The promotional mix and budget allocation for a local chain of ice-cream shops might be as follows:

Budget money allocated to promotional mix categories

Promotional Mix Elements	Budget Allocated
10%: Direct marketing: email campaigns	\$500
10%: Digital marketing: Web-site messaging update; contest pages, social media	\$500
25%: Advertising: sidewalk sandwich boards, localized digital ads in Facebook	\$1,250
45% Sales promotion: coupons, create-a-flavor contest, sidewalk samples, in-store posters	\$2,250
10%: Public relations: press releases	\$500
<b>Total</b>	<b>\$5,000</b>

Once you've outlined the promotional mix and how you plan to allocate your budget across different marketing communication methods, it's a good idea to put together a detailed budget listing the specific elements that require out-of-pocket spending and how much they cost. In preparing the detailed budget, marketers should conduct research by contacting suppliers or comparison shopping online to confirm that they are accurately estimating the ballpark costs for each item. In the detailed budget, it is also useful to list employee labor and the time needed to execute the plan. This gives the managers of the organization better visibility into the total cost of executing the campaign. The following is a useful framework for developing a detailed budget.

### Example: Budget-Detail Template

The detailed budget template for the same local ice-cream shop campaign might be as follows:

Detailed budget estimates for specific marketing and promotion items

Item	Purpose	Cost Estimate
Email-campaign template	Direct marketing: professional design for standard email template for use in multiple campaigns	\$500
Web-site contest pages, internal ads	Digital marketing: professional design for Web pages and forms for create-a-flavor contest, sidewalk tasting events, internal site "ads" for contest	\$500
Ad design work	Advertising: designer work for sandwich boards, online ads	\$250
Facebook ads	Facebook ads targeting local areas	\$650
Sandwich boards	Advertising: three sandwich boards for display outside shops	\$350
Coupons, contest fliers, in-store posters	Sales promotion: design and production to match other campaign-related materials	\$400
Coupon value	Sales promotion: estimated cost of redeemed coupons	\$350
Sidewalk sample cost-of-goods	Sales promotion: cost of ingredients, materials, extra labor for executing sidewalk tasting events	\$1,500
Press releases	PR firm assistance with press release writing, local distribution	\$500
Internal labor	Employee labor to execute campaign: email campaign, social media, web updates, ad purchases, contest management, local placement of coupons, fliers, overall project management	25% time of one employee over duration of campaign
<b>Total</b>	All costs excluding employee labor	<b>\$5,000</b>

As you go through this detailed budgeting process, you may find you need to scale certain elements of the budget up or down in order to fit within the total project budget. This exercise helps marketers think realistically about the trade-offs and how to ensure the project makes the greatest impact possible with the available resources.

### Estimating Campaign Impact

Before you have conducted marketing campaign among a target audience, it can be difficult to estimate what its expected impact will be, because you are working in the realm of the unknown. However, once you have begun conducting campaigns, you have a



Timing	Activity Type	Brief Description	Audience	Owner
6 April	Employee briefing	Conduct campaign-information sessions with employees; share campaign materials, go through frequently asked questions	Employees	Martina Hagen with store managers
7 April	Campaign launch: in-store	Prepare in-store display for campaign: posters, fliers, coupons, contest information	Store customer	Store managers
7 April	Campaign launch: digital	Activate and test website updates and campaign pages/forms; send targeted campaign email messages about contest and sidewalk tasting events	Store “friends” email list; purchased residential email list	Martina Hagen
8 April	Campaign launch: Social media	Initiate social media activity: Facebook ads, daily social media posts from store, employees, friends	Local public, families, foodies	Martina Hagen
16 April	Sidewalk tasting event #1	Hold sidewalk tasting event at downtown store, 12:30–4:30 pm	Walk-up traffic, local customers, and friends	Designated store employees with Martina
Etc.	Etc.	Etc.	Etc	Etc.

Internal communication is a common shortcoming in integrated marketing campaigns, when marketers do not take the time to bring their fellow employees up to speed on what’s happening and how a campaign may affect them. Be sure to include steps in the plan for communicating internally about the campaign with fellow employees and teams who need to know about it and who may help execute the campaign, directly or indirectly. For example, all employees involved in sales should be aware of any sales promotions, so they know what to expect, understand the rules for applying them, and know how to answer customer questions.

As you prepare the campaign plan, look out for ways to integrate your marketing activities, so they build on one another to amplify your message and impact. For example, use advertising to announce a sales promotion, and reinforce both with social media posts that link to your website. Think of this plan as your blueprint for using all the tools available to you to get your message out.

### Anticipating Risks and Complications



Once a campaign is defined and the action plan is in place, it's helpful to identify any noteworthy risks or dependencies that might put your campaign in jeopardy. For example, if the campaign relies on one person to make everything happen and that person gets sick or decides to take a new job, that's a risk that managers should know about. If the company's Web site has been slow or has had recent service interruptions, that's another risk. Below are a few more:

- **people:** being able to count on key individuals having the capacity, availability, and skills to execute the campaign effectively
- **technology:** knowing that the technology works effectively to execute the plan and achieve the goals of the campaign
- **funding:** having enough money and resources available to support the campaign; managing the campaign to fit the budget; ability to control cost overruns
- **innovation:** anything new and untested represents risk, such as tools, ideas, people, technologies, products, delivery methods
- **competition:** competitors' activities that may gain advantages over, attack, undermine your business
- **economy:** economic downturns create uncertainty and instability, make consumers less inclined to spend money
- **communication:** communicating sufficiently to make sure all stakeholders are informed, messaging is well received, and various aspects of the campaign are well coordinated
- **"acts of God":** weather, natural disasters, and other catastrophic events represent unforeseen risks and complications. Although there is always some low-level, persistent risk associated with these factors for everybody everywhere, some marketing activities might be more susceptible. For example, the success of an outdoor event may be highly dependent on favorable weather conditions.

Weaknesses from an organization's SWOT analysis are also worthwhile considering as part of this step.

Once marketers have identified potential risk factors and complications, they can determine which ones are a significant threat and how to create contingency plans for anything that is of particular concern. By anticipating and planning for anything of major concern, marketers increase their likelihood of success for a campaign to meet its objectives, on time and on budget.

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