

Marketing is often the focus of knee-jerk cost-cutting, but is that the best approach?

Even the <u>Harvard Business Review</u> suggests that you resist the impulse to deep-six your marketing budget, and rethink it instead. We agree, and in this playbook, we share five pragmatic strategies that will help you maximize return—and even build customer loyalty in the process.

We'll dive into the best practices that ensure you're marketing successfully during economic uncertainty. You'll walk away with tips you can implement to ensure every dollar of marketing budget you have allocated—and what you've allocated in the past—is leveraged to its full potential. You'll learn how to identify key areas within your marketing programs to assess, reallocate, and rethink to generate growth.

Each strategy delves beyond traditional marketing initiatives and explores best practices across the organization for a holistic effort towards maximizing your marketing budget that you can begin implementing today. And when executed together, these 5 strategies will have your marketing budget effectively activating every facet of marketing—from budgeting, to branding, to program management, and even headcount and resource allocation.

### The Harvard Business Review suggests...



resist the urge to deep-six your marketing budget



Rethink it instead



Spend Strategically



STRATEGY 4
Cast a
Narrow Net



Reallocate
Resources



Protect
What's Yours



STRATEGY 3
Refine Brand to
Amplify Demand



**Final Thoughts** 





### Stay the Course and Spend Strategically

### **SUMMARY**

Isolate programs that need to change by performing a ground-up analysis of existing line items tied to ROI—then isolate where you'll get the highest return. Be realistic about current efforts, hidden costs, and potential results. This analysis often uncovers opportunities, highlights under-forecasted line items, and pinpoints what is driving growth.

#### THE IMPACT OF STRATEGIC SPENDING

While it can seem tedious—and a role better left to finance—gaining a deep understanding of total costs related to an initiative will allow for accurate ROI tracking. With ROI accurately tracked, you're able to truly assess which efforts are bringing the highest return and reallocate efforts accordingly. It's also important to validate what growth metrics matter most to your organization and align which initiatives best support driving them. The buck doesn't have to stop with ROI. When layered with additional strategies, marketing initiatives that are driving growth can quickly be improved and shifted towards not only supporting growth metrics but generating a return.

### **BETTER INSIGHTS; UNPARALLELED GROWTH**

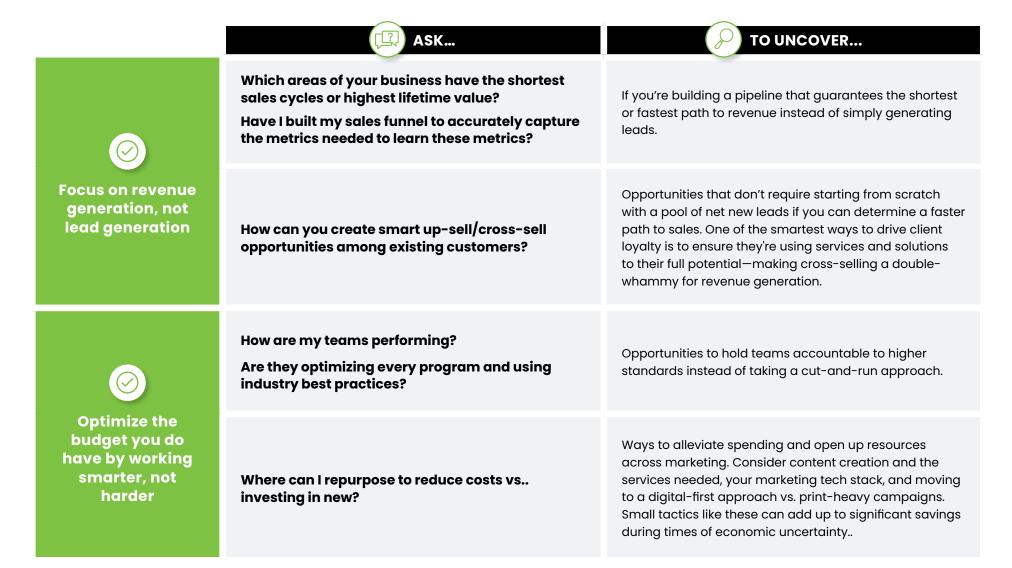
As spending becomes more strategic across marketing initiatives, it is now easier to quickly identify what's working. This sets the stage for executives to confidently support scaling, layering initiatives, A/B testing, or simply increasing budget against a proven initiative to increase returns.

- Focus on revenue generation, not lead generation
- Optimize the budget you do have by working smarter, not harder
- Rebuild existing programs from the bottom up
- Don't underestimate the cost of traditional marketing expenses like trade shows and PR



### **Getting Started:**

### **Identifying Strategic Spending Opportunities**





### ASK...



### TO UNCOVER...

How can I take a fresh approach to executing current marketing initiatives?

Fresh perspectives. Wiping the slate clean, planning from the ground up, and bringing in others to contribute can bring fresh perspectives to run-of-the-mill marketing programs.



Rebuild existing programs from the bottom up

Are there clear goals set for each initiative and are they tied to revenue or growth metrics?

Do we know what we expect to get out of this and are we tracking results?

Purpose. Many times there are line items budgeted because teams feel they must be done, but executing with purpose is crucial to ensure you're spending strategically.

What has shifted in the competitive landscape?

Is there whitespace we're not addressing that could better position our brand against the competition?

How economic uncertainty has prompted change, and how you should also adapt. Taking the time to assess if your direct competitors are increasing marketing efforts, changing messaging, or launching new solutions can help shape your brand marketing (see Strategy #3) and sales plans to better win business over the competition.



Don't underestimate the cost of traditional marketing expenses Are all line items around activities like tradeshows and events being captured?

How can we accomplish more with less?

If any current activities' efforts and costs are underreported. Large scale tradeshows and events especially can quickly increase in costs, skewing estimated ROI if not forecasted properly and risk a continued investment in underperforming tactics.

### Putting it into Practice: Spending More Strategically

You don't have to look far for a practical example of how to shift your marketing budget from a throwing spaghetti against the wall (let's see if this sticks) approach to proven paths to revenue and growth.

At **Magnetude Consulting**, most of our engagements begin with just this type of bottom-up scrub and strategic deep dive. It is, of course, simpler and oftentimes faster for an unbiased 3rd party to offer fresh perspectives. By taking a peek under the covers of existing processes and technology, analyzing current branding and marketing programs, and reviewing against competitive activity, we're able to advise on what proven and research-backed methods will be best suited for each client.

It is not a cookie cutter solution but an individual process. And while making strategic shifts to your go-to-market strategies, adaptations to sales processes, and looking differently at your network may feel uncomfortable at first—if you're not uncomfortable, you're not changing. The resulting effect is always a light bulb moments for our clients of 'why haven't we thought about it that way before', 'tell us more!' and confidently spending to drive growth.

Need more proof?

Small to Midsize B2B
Companies should strive
for a 5:1 return ratio



On average, B2B firms





### Reallocate (or Rethink) Resources

#### **SUMMARY**

View staffing in a different light. Where managers often start backward and ask team members to build plans around their respective areas, starting with Strategy #1 creates a strategic marketing plan with a path to revenue. Now it's time to identify opportunities where slashing headcount could negatively impact this path to revenue and explore options outside the box. Balance your marketing staff against the strategic marketing plan and assess where the work can be aligned across the available resources and what gaps must be filled.

#### RESOURCES—YOUR UNTAPPED BUDGET OPTIMIZER

It's important to **look at the current headcount as your first line of defense toward protecting the budget**. Similar to calculating LTV (lifetime value) for customers, the same principle applies to headcount. Aside from salary, **it can cost as much as 3-4X that employee's salary to onboard them**—inclusive of the job posting and time to interview, onboard, train, and acclimate a new employee to the company.

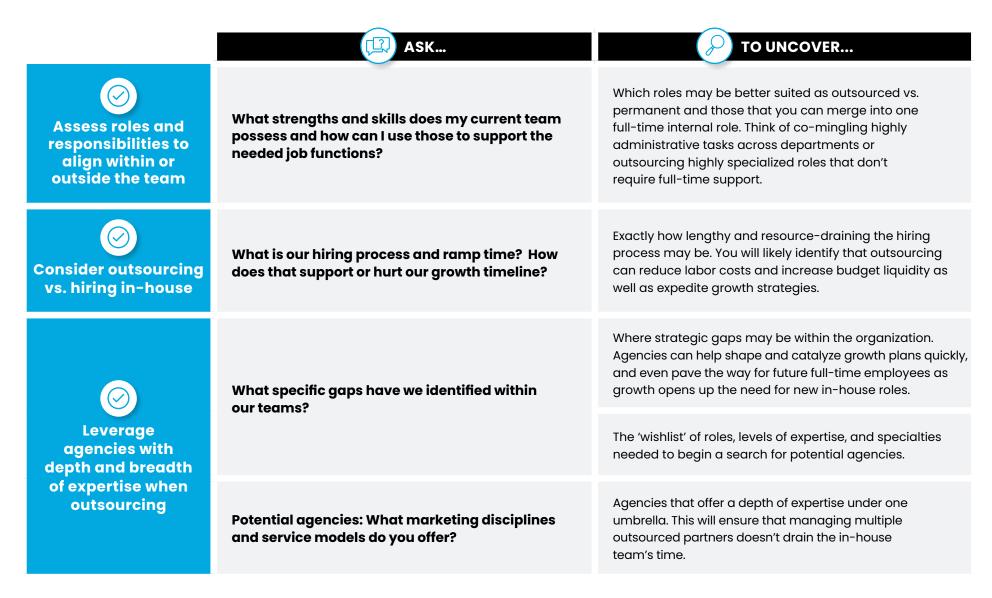
### **ACHIEVE MARKETING AGILITY, EFFICIENCY, AND IMPACT**

As marketing disciplines become more specialized, smaller companies, in particular, can reap great benefits by outsourcing specialized marketing disciplines like web management & development or digital marketing, and even graphic or content creation to agencies. Agencies offer flexibility, depth of experience, and the ability to scale the scope of work up and down as needs change that a full-time resource in-house often cannot. And hiring one in-house resource to fill multiple marketing functions can create the risk of compromising work—in today's marketing landscape many disciplines are highly specialized and require a unique skill set.

- Assess roles, responsibilities, and skills gaps within the team
- Consider outsourcing vs. hiring in-house
- Leverage alternatives like fractional teams or agencies with depth and breadth of expertise



### Getting Started: Reallocating Resources



## Putting it into Practice: Reallocating (and Rethinking) Resources

Adding a layer of flexibility and expertise within your marketing team at a fraction of the cost of multiple headcounts can be achieved.

Take one of Magnetude's clients—a consulting firm with a lean marketing and even leaner sales team wanting to amp up lead generation efforts. Once engaging with Magnetude, they could onboard marketing automation, implement digital marketing, manage website development & content updates, and gain

strategic guidance to launch ABM and the branding of a new digital platform—all for less than the cost of one senior marketing in-house role. And that ongoing layer of expertise and flexibility allowed them to realize a fast ramp and deployment of mature digital marketing programs.

**Need more** proof?

SHRM reported the average cost to hire:



an estimated \$4,700 OR as much as 3-4X the salary when considering onboarding

and ramp time

## Brand vs.. Demand Generation: A Dichotomy or a Force Multiplier?

### **SUMMARY**

Generating demand is instinctually the first lever most executives look to pull when economic uncertainty is on the horizon. More leads! However, when executed without a strategy or ongoing optimization, demand generation can quickly sap the budget instead of filling the pipeline. It's important to execute demand generation strategically (look back to Strategy #1: spending strategically—working smarter, not harder) to ensure the demand you generate supports goals for growth. That means it's done in lockstep with brand awareness to pull prospects naturally through the customer journey.

#### LEVERAGING BRANDING TO MAXIMIZE DEMAND GENERATION

When sales leaders seek to drive demand and it seems an uphill battle, the lack of a solid foundation of brand awareness is often a root cause. Without a stream of consistent, branded messaging in the market to your target audience, demand efforts become cold lead generation with longer sales cycles, lower close rates, and very often leads lost to competitors. "A brand for a company is like a reputation for a person," according to Jeff Bezos—you earn it. And experts agree "the best way to earn brand awareness is through a specific and unique brand personality" along with consistent exposure to prospects at the top of the funnel.

#### CLOSING THE LOOP: BRAND STRATEGIES THAT DRIVE DEMAND

Brand awareness does not have to be a peanut-butter approach to spreading one message across all channels. When budgets are tight and getting in front of your target audience is crucial, look **for organic and owned channels that offer targeting, like industry-based outlets and social media.** This strategy ensures a primed target audience more warmed to lead generation efforts, ensuring the budget spent generates results.

- Sharing resources—brand vs.. demand
- Targeted brand awareness activities
- Using thought leadership to pave the way



### Getting Started: Amplify Brand AND Demand

	ASK	TO UNCOVER
Sharing resources— brand vs demand	What brand awareness strategies are in place today?	How broad or targeted your existing brand awareness strategies are, and if they are clearly aligned to support existing demand generation strategies.
	How well-known is my company vs competitors in the target market right now?	If current strategies are moving the needle towards warming up the target audience and putting your company into the consideration set with the competition. If not—it's time to change up your strategy.
Targeted brand awareness activities	What targeting opportunities are available within current brand awareness programs?	How accurately current brand awareness efforts are in reaching your target audience. It will be tough to validate if top-of-funnel activities are yielding the appropriate brand awareness to that ideal customer to support targeted demand generation without properly targeting.
	Does brand messaging include a clear value proposition?	How accurately brand messaging is tailored to your target audience, differentiated from competitors, and offering a compelling solution or promise to the audience.
Using thought leadership to warm up leads	How is my content aligned with my customer journey?	If you're able to use content to establish an inbound lead program. Look for higher-level, early-consideration topics and asset types that can help answer questions for prospects, clearly differentiate what you offer, and convert prospects to learn more.
	What topics are covered across my content, and do they clearly tease out solutions to my ideal target's pain points?	If your current content will successfully convert top-of- funnel leads into prospects. Assess the intent or interest behind the topics of current content and the types of conversations sales will likely have with these prospects.

### Putting it into Practice: Amplify Brand AND Demand

Brand campaigns start a steady drumbeat to get you in the choice set, build trust, and bolster lead gen—from email to ads to ABM and even referrals. It can include PR, ads, social media, thought leadership, and more.

#### **ONE CLIENT'S STORY:**

Targeting top-level C-Suite at mid to large enterprise companies, one of our clients leveraged an ongoing bi-weekly program centering on key pillars of differentiation. This program supported the growth of their thought leadership podcast with a mix of existing clients, industry thought leaders, and partners to expand reach. The company supplemented this with an ongoing and targeted social effort focusing on key audiences, having their CEO author LinkedIn articles, and using social engagement and tagging tactics. From these efforts, they were able to further

amplify their brand awareness efforts to target audiences by layering on bylined articles, boosting key content on LinkedIn to their target audience, and ensuring site traffic was optimized for conversion with a specialized landing page. The client's podcast was also re-purposed throughout the year by promoting snippets and using compelling creative in a targeted campaign. The result? The thought leadership efforts led to a boost for lead-gen programming that was tightly integrated into the buying journey.

Need more proof?

Over 80% of the buyer's journey today is completed before a sales engagement.



### Cast a Narrow Net

#### **REFINING TARGETING & SEGMENTATION**

As we discussed in brand vs.. demand—a best practice is honing your brand messaging to be clear, unique, and specific to your target audience. To ensure that messaging resonates and pushes marketing dollars further in times of economic uncertainty, clearly identifying the best target customers via segmentation and narrowing marketing efforts to that segment may stretch your dollars further AND create better growth opportunities.

#### PRECISE TARGETING FOR INCREASED LEAD QUALITY

So how is identifying an ideal customer done, exactly? **Now is not the time to be everything to everyone**, even if your company has a solution for every industry out there. Culling your data and honing in on the most ideal customer is a strategy to drive surefire growth. **There are always industries that generate higher revenue, offer a shorter sales cycle, or lend themselves to a natural <b>cross-sell opportunity**. Look for opportunities like these within your current customer base—these are the industries to target for highly qualified leads. And when considering your particular ideal customer, don't overlook outside the box criteria like systems used, company growth rate, title changes, number of direct reports, and any data point that can be mined to more precisely determine the best fit for your unique solution.

### A NARROW (BUT PRECISE) NET FOR HIGHER CLOSE RATES

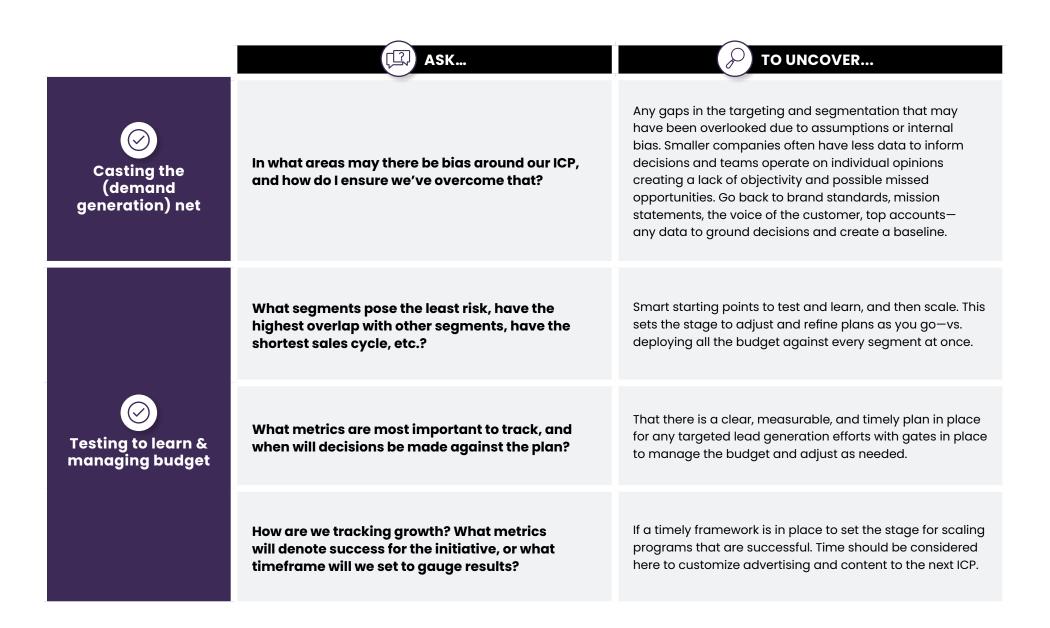
While it's tempting, the message here is that, especially during economic uncertainty, being everything to everyone will drain the budget, slow down the pipeline fill, and bog down sales and marketing with chasing unqualified leads. With a highly targeted Ideal Customer Profile (ICP) you're ready to craft content and advertising that clearly speaks to your ICP's needs and quickly convert leads.

- Identifying your ideal customer profile (ICP)
- Honing your message & content
- Casting the (demand generation) net
- Testing to learn & managing budget



### Getting Started: Casting a Narrow Net

	ASK	TO UNCOVER
Identifying your ideal customer profile (ICP)	What unique attributes make someone an ideal customer for our solution, and how can we better target them?	The niche attributes for targeting to ensure a perfect fit and a faster close and validate that prospects and leads with these attributes are more likely to convert. Use conversion data to inform if updates to ad messaging and content may be needed.
	What data do I have at my disposal to analyze customer attributes that drove the highest performance?	Trends among customers that drove the highest opportunities, shortest sales cycles, and other important metrics that you can look to attract similar customers through targeting and segmented marketing programs.
Honing your brand message	How many unique ICPs do I have (or need to have)?	If your solutions or versions of your solutions are tailored to different segments of your ICP and they are split out appropriately. Yes, you can have more than one!
	Can brand and content messaging be bucketed by ICP?	If you have bucketed messaging and content specifically for each ICP. Think C-Suite/decision-maker vs. everyday user of your service/solution.



### Putting it into Practice: Casting a Narrow Net

### One of our clients truly had a ubiquitous solution—it solved challenges for many verticals.

After analyzing the installed base, the market climate for urgency to solve this challenge by vertical, competitive activity and focus, and where prospects were going for information, we designed a very specific, vertically oriented approach. Content (web, thought

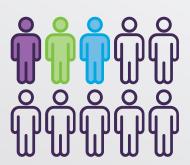
leadership, webinar panels, resources, sales materials, case studies) and programming (partners, PR, digital, social) were all squarely focused on this industry. It worked. Significant sales growth was seen. The model was also set for how we would roll out to new industries.

Need more proof?

According to a HubSpot Study:

Most Marketers are

Creating Content for 3+ Unique Audiences



### **Protect What's Yours**

### WORKING WITH WHAT YOU'VE GOT (AND ALREADY PAID FOR)

You've worked hard to cultivate customers and clients, your network, and partnerships for your organization. They're low-hanging fruit—when budgets are scarce—to not only drum up opportunities but ensure you're doing all you can for your loyal connections. At one point, when budgets were less stringent, there was a decided effort to put funds against these efforts, and if left cold, your leads, contacts, and partners will eventually select other companies to work with. So take advantage of that preexisting relationship and restart the conversation to generate growth.

#### **RE-ENGAGING EXISTING RELATIONSHIPS TO ACTIVATE GROWTH**

That CRM database can be a goldmine in economic turbulence. Consider how many lapsed leads may have experienced change—opening up new needs. There has likely been a significant rate of change among customers as well. This is the time to reach out to existing accounts and ensure any new key contacts stay loyal, even looking at current customer contacts that may have changed roles or companies. Partners may also be exploring new avenues to drive growth, like networking opportunities for idea—sharing and instances to join forces as the market becomes more turbulent. Taking the time to start here, at minimum, and ensuring this pool of opportunity is not missed means you've added a low-cost and quick-turning growth effort to your strategic plan.

### LOW COST, LOW EFFORT—UNTAPPED OPPORTUNITY

The bottom line is that the fastest path to growth is leveraging what you already have to work with. In addition to net new business efforts, finding new ways to drive growth by **looking within can be a faster and more fiscally responsible path to generating revenue.** This doesn't have to be a sales or marketing-only effort. Bring all hands on deck (including client/customer service and the C-Suite) to maximize efforts in reactivating relationships already in place.

- Go back to your existing leads
- Maximize partnerships
- Build up brand ambassadors
- Treat current customers like gold

## Getting Started: Protecting What's Yours



### **Putting it into Practice:**

### **Protect What's Yours**

### Here at Magnetude, we lead by example and are experts in this discipline.

Related to strategy #4, data hygiene can be tantamount to culling your existing database and protecting those customers you've already won. We use a list-building and data-cleansing tool to periodically update and append our contact information in our database. This helps in many ways:

- Improves email health by identifying invalid emails
- 2 Highlights career changes for potential new business needs
- 3 Appends leads with new criteria as our ICP changes/updates for consistent targeting
- Deepens our insights over time, adding missed data to closed opportunities

We often find folks who have changed roles or companies and re-engage with us at their new company, and as brand ambassadors everywhere we go, we're actively engaged with our networks on social media and at each event. Our clients are valuable members of our network and our best referral source, and many also become valuable business partners. By staying active in our peer groups, we can seek opportunities to expand, foster connections across clients, and explore options to partner in new and different ways.



# Marketing Budgets Can and Should be Leveraged (Wisely!) During Economic Uncertainty

In times of economic uncertainty, marketing budgets should be rationalized, and layering multiple marketing strategies can help to ensure your company maximizes its return on investment. Reaching target audiences effectively, increasing brand awareness, and generating leads and sales can be achieved even with reduced resources and limited budgets. By diversifying marketing efforts across different channels, you can reduce your dependence on any one strategy and improve your chances of success.

For instance, you may determine that a combination of social media, content, and partner marketing is an optimized approach to reach your newly defined ICP through various touchpoints. This approach will ensure your limited marketing dollars are put to work directly improving brand recognition and ensuring that your company stays top-of-mind with your customers. Moreover, a diverse marketing strategy can help your company adapt quickly to changing market conditions and remain competitive in the long run.

Keep these 5 strategies in mind not only when economic uncertainty is on the horizon, but any time you feel your company needs a competitive edge or fresh perspective. You'll be sure to revitalize stagnant campaigns and generate growth.



## The missing link to pulling it all together?

Whether you need a creative and fresh perspective or simply the additional time and brainpower—<u>Magnetude</u>

<u>Consulting</u> can help.

Schedule a consultation to get started building your strategy today!



Magnetude is a B2B marketing firm that pioneered the fractional marketing approach for small to medium tech-related businesses. The firm offers a wide range of strategic and execution-focused marketing services to seamlessly dovetail into client growth goals.

The company specializes in growth strategy consulting and fractional marketing department services including marketing strategy, messaging, branding, websites, content development, digital marketing, demand generation, sales and channel enablement, and brand visibility.

Magnetude services clients across the globe and brings specialized expertise in areas including cybersecurity, big data/AI, SaaS products, B2B professional services, and emerging and established technology related products and services.

#### **SOURCES**

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