

ACED IT

MANUAL

MARKETING BUDGET

WHAT IS A MARKETING BUDGET?

The marketing budget is the total amount of money allocated to marketing activities within 12 months.

A marketing budget ensures that a company does not over- or underspend on its marketing functions. Some of these functions include market research, advertising, salaries, communication campaigns, agencies, promotions, digital marketing, etc.

MARKETING BUDGET

SHOW WHAT IS PLANNED + WHEN IT WILL HAPPEN + HOW MUCH IT COSTS

BUDGET BONUS !

BUDGET VS. ACTUAL AND VARIANCE

- **Budget** – projected/anticipated cost of items on your marketing budget
- **Actual** – actual/real cost of items on your marketing budget
- **Variance** – the difference between the budgeted amount and the actual amount, for example, if the budget is R100 for a poster, and the actual cost is R80 then the variance amounts to R20

WHY DO YOU NEED A MARKETING BUDGET?

A well-thought-out marketing budget is essential for every business that seeks success. It helps stay competitive within the market and increase revenues. With a marketing budget, you'll be aware of the money you must put in to effectively promote your brand and product.

Your shopping centre needs marketing methods to catch attention, communicate the message, and win customers. A well-marketed product will bring you good ROI. Having a budget for marketing-related projects ensures that you will achieve your short and long-term goals. It's crucial to manage the expenses wisely.



$1 + 1 = 3$

Budget synergy: the combination of energies, resources, talents and efforts equal more than the sum of the parts.

It is a fact that a good marketing budget in a retail shopping centre will help generate more customer visits to a retail property and potential sales for the tenants.

SHOW ME THE MONEY!

WHERE DOES THE SHOPPING CENTRE MARKETING BUDGET COME FROM?

TENANT CONTRIBUTIONS

The tenants should contribute towards the marketing fund through specific clauses and requirements detailed in the lease agreement. Typically, the marketing fund contribution would be structured at around five per cent of the monthly rental paid by each tenant on an individual basis. The funds collected in the process should be separated in the accounting process from any income or expenditure monies controlled by the landlord.

In some situations, and with the newer retail property developments, it is common for the landlord to contribute towards the marketing process for some time, whilst the property gets established and builds retail market share.

Marketing monies are not controlled or owned by the landlord; the landlord is just the facilitator to help the process occur. The promotional monies belong to the tenants within the property and are spent as part of the annual marketing budget.

BUDGET BONUS !

ALWAYS work with non-VAT figures on your budget

STRETCHING THE BUDGET

The marketing budget should be stretched across several different strategies; in that way, the shopping centre can be comprehensively promoted to customers.

Whilst you may have limited funds to spend on different strategies, the appropriate collaborations and promotional activities must be carefully considered.



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IDEAS TO STRETCH YOUR BUDGET

1

SPONSORSHIPS

There are generally four types of sponsorship opportunities:



A. Cash sponsorships B. In-kind sponsorships C. Event sponsorships D. Product sponsorships

A. Cash Sponsorships

Cash sponsorships are the most common type of sponsorship. With a cash sponsorship, **a company provides funding in exchange for some type of marketing exposure.** The amount of funding can vary greatly, but it typically covers a specific expense or project related to the promotion. In return, the sponsoring company usually receives logo placement on the website and/or promotional materials, and sometimes branding rights at the event.

B. In-Kind Sponsorships

In-kind sponsorships are the same as cash sponsorships, except that instead of providing money, **the sponsoring company donates goods or services.** Like cash sponsorships, in-kind sponsorships usually come with some type of branding exposure for the sponsoring company.

C. Event Sponsorships

With an event sponsorship, **a company provides funding to help cover the costs of a specific event related to the shopping centre.** In return, the sponsoring company usually receives logo placement at the event, as well as branding rights and often some type of marketing exposure leading up to the event.

D. Product Sponsorships

Product sponsorships are like event sponsorships, except that instead of funding an event, **a company provides specific products related to the promotion.** In return, the sponsoring company usually receives branding rights on the product, as well as marketing exposure leading up to the promotion.

2

TENANTS

Autograph sessions, meet & greet days, or sales promotions, are primarily used to boost sales and brand awareness. **Collabortunity:** Collaborating with your tenants and utilising the opportunity to piggyback off their marketing strategy. This is a cost-effective approach to add to your marketing strategy.



3 BAG FILLERS

This is a useful strategy when it comes to spreading the news or the interaction between tenants and customers. Specific bag fillers can be inserted in the shopping bag as a result of a retail purchase. Shopping centre competitions can also be promoted quite effectively in this way.

4 COMMUNITY GROUPS

Allow part of the common or mall area within the shopping centre to be used by local community groups. At the times of seasonal sales, or on busy days and evenings during the week you can have local community groups using specially designed booths to promote their activities.

5 BE THE VENUE

Shopping Centres can promote themselves as the “community’s venue” for various activations or events. From centre courts and vacant stores to parking areas, shopping centres are the perfect community hub. Community activations [schools & clubs] at your shopping centre add flavour to your marketing calendar with little to no budget.

BUDGET BONUS !

ACCRUALS

In the 12th month of your financial year, you will still have to claim certain invoices that you may not have received and thus you accrue for them. Accruals cannot be a guesstimate – this must be the actual expense incurred in Rand and cents.

How? Accrue on a Marketing Expense Sheet (change heading to Accruals):

- a) GM to sign off the accrual sheet
- b) Submit it to the finance department
- c) Copy your Regional Marketing Manager on all financial correspondence



WHERE TO START

STEP 1 ALLOW YOURSELF ENOUGH TIME

- Strategy & budget planning [financial year runs from September – August]
 - Planning is done at least 3 months before the start of the new financial year
 - 1st Draft to Marketing Executive (July)
 - 2nd Draft to Head of Marketing (July/August)
- Use a year planner template

STEP 2 DO YOUR HOMEWORK

- It's time to stop guesstimating! To budget accurately, you need to understand the costs
- Obtain quotes or cost proposals from suppliers
- Use marketing ledgers
- It outlines how much you will need to budget
- It encourages you to think through the high-level deliverables and predict the quantity and cost of the resources required to make your strategy a success

BUDGET BONUS !

The QUOTES are the BUDGET!

STEP 3 KNOW YOUR BUDGET & WHERE YOU HAVE TO SPEND

- Obtain the correct marketing budget figures from your Centre Manager / Marketing Executive / Head of Marketing
- List your “must haves” & your “wish list” items
 - Major activations per year [3 or 4 per year]
 - On-going smaller monthly activations
 - Bi-monthly or quarterly tenant activations
 - Bi-monthly or quarterly CSI activations

BUDGET BONUS !

When planning your budget think of your SHOPPERS, COMMUNITY & TENANTS



STEP 4 CATEGORISE YOUR BUDGET

- Take that list of items you made in Step 3, and sort them into categories.
- Categories in shopping centre budgets usually include:
 - Salary & Travel
 - Christmas Décor
 - Events & Promotions
 - Advertising & Branding
 - Digital Marketing
 - CSI & PR
 - Fixed Expenses

BUDGET BONUS !

Activation vs Advertising = 1:3

STEP 5 CREATE YOUR BUDGET

- **Drum roll please...** you're finally ready to create your budget
- Use an EXCEL spreadsheet [refer to template] with the correct budget figure
- Add the categories and list of items
- Add the estimated cost [taking your quotes into account]
- Ensure that there is an even distribution of funds allocated throughout the year
- Ensure all calculations/totals are correct

STEP 6 DECIDE WHERE TO CUT BACK

- If your expenses are more than the marketing budget, you need to cut back
- Rather remove a whole promotion or activation than watering it down
- Sponsorships!

STEP 7 REFLECT

- Do not make the mistake of thinking that, once the budget is set up, you are done
- To avoid overspending and practice sound budget principles, it is recommended you review your budget at the end of each week [Finance Fridays]
- Request the marketing statements from your Centre Manager to ensure your budget corresponds with the centre's marketing expenses
- Use your budget as a To Do list
- The more consciously and actively you manage your budget, the better you'll get at managing it, and the wiser you become in the long term

BUDGET BONUS !

Once a budget is approved YOU CAN NEVER CHANGE IT! The only changes allowed are on ACTUALS



WHAT'S IN A SHOPPING CENTRE'S MARKETING BUDGET?

The top 10 crucial marketing expenses for Shopping Centres to include in your budget:

1. ADVERTISING

- ATL** [to large audiences via traditional offline media: radio, TV, print media such as newspapers and magazines, and billboards]
- BTL** [to specific, targeted audiences via in-centre posters, direct mail, flyers, sponsorships, and email campaigns]
- TTL** [a combination of both ATL and BTL advertising techniques that aims to create an integrated marketing campaign that covers all aspects of the customer journey]

	MEDIA	COST	AUDIENCE	FEEDBACK
ATL	Radio, TV, Newspaper, Magazines	High	Brand Awareness	Not immediately
BTL	Press, Email, Coupon, PR, Direct Marketing	Quantifiable Leads	Response Driven	Instant
TTL	Social Media, Web Marketing, Fairs & Event	Average	Brand Awareness Response Driven	Instant

2. DESIGN & PRINTING
3. RESEARCH
4. EVENTS/PROMOTIONS
5. PR
 - a. CSI
 - b. Tenants
6. MERCHANDISE
7. CHRISTMAS DÉCOR
8. FIXED EXPENSES
9. AGENCY FEES
10. SALARIES

BUDGET BONUS 

Use your budget as a weekly/monthly to-do list.



ABC Redefine Mail
Proposed Marketing Budget
September 2023 to August 2024

Status date: 05 July 2023

TOTAL	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24
BUDGET	150,000.00	135,000.00	135,000.00	135,000.00	135,000.00	135,000.00	135,000.00	135,000.00	135,000.00	135,000.00	135,000.00	135,000.00
MINUS: FEES	324,600.00	25,800.00	40,800.00	25,800.00	25,800.00	25,800.00	25,800.00	25,800.00	25,800.00	25,800.00	25,800.00	25,800.00
MINUS: DECOR	150,000.00	25,000.00	50,000.00	75,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00
AVAILABLE MARKETING SPEND	1,025,400.00	74,800.00	74,800.00	24,200.00	99,200.00	99,200.00	99,200.00	99,200.00	99,200.00	99,200.00	99,200.00	99,200.00
SALARY & RETAINER EXPENSES	324,600.00	25,800.00	40,800.00	25,800.00	25,800.00	25,800.00	25,800.00	25,800.00	25,800.00	25,800.00	25,800.00	25,800.00
Salary - Marketing Manager	195,000.00	15,000.00	30,000.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00
Travel	3,600.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00
Agency retainer: Design	60,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
Agency retainer: Digital	66,000.00	5,500.00	5,500.00	5,500.00	5,500.00	5,500.00	5,500.00	5,500.00	5,500.00	5,500.00	5,500.00	5,500.00
CHRISTMAS DECOR	150,000.00	25,000.00	50,000.00	75,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00
EVENTS & PROMOTIONS	320,000.00	52,000.00	14,000.00	77,000.00	10,000.00	14,000.00	52,000.00	14,000.00	14,000.00	10,000.00	77,000.00	14,000.00
Main Activation x1	50,000.00	50,000.00	-	-	-	-	-	-	-	-	-	-
Main Activation x2	75,000.00	-	-	75,000.00	-	-	-	-	-	-	-	-
Main Activation x3	50,000.00	-	-	-	-	-	50,000.00	-	-	-	-	-
Main Activation x4	75,000.00	-	-	-	-	-	-	-	-	-	75,000.00	-
Activation	14,000.00	-	-	-	-	-	-	-	-	-	-	-
Activation	10,000.00	-	-	10,000.00	-	-	-	-	-	-	-	-
Activation	14,000.00	-	-	-	14,000.00	-	-	-	-	-	-	-
Activation	14,000.00	-	-	-	-	-	-	-	14,000.00	-	-	-
Activation	10,000.00	-	-	-	-	-	-	-	-	10,000.00	-	-
Prizes	8,000.00	-	-	2,000.00	-	-	2,000.00	-	-	-	-	2,000.00
ADVERTISING & BRANDING	308,000.00	5,000.00	23,000.00	63,500.00	58,000.00	5,000.00	48,000.00	24,500.00	23,000.00	63,000.00	58,000.00	4,500.00
In-centre communication	18,000.00	1,500.00	1,500.00	15,000.00	15,000.00	1,500.00	3,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00
Newspaper Advertising	18,000.00	-	-	18,000.00	18,000.00	-	18,000.00	-	-	18,000.00	-	18,000.00
Billboards	18,000.00	-	-	18,000.00	18,000.00	-	18,000.00	-	-	18,000.00	-	18,000.00
Road	18,000.00	-	-	18,000.00	18,000.00	-	18,000.00	-	-	18,000.00	-	18,000.00
Vinyl-Cut Outs & Courier	5,000.00	600.00	3,000.00	600.00	600.00	600.00	25,000.00	20,000.00	600.00	600.00	600.00	600.00
Ad hoc design & print	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00
DIGITAL ADVERTISING	154,040.00	53,115.00	9,175.00	9,175.00	9,175.00	9,175.00	9,175.00	9,175.00	9,175.00	9,175.00	9,175.00	9,175.00
Website monthly hosting & reports	5,700.00	475.00	475.00	475.00	475.00	475.00	475.00	475.00	475.00	475.00	475.00	475.00
Website updates & changes (once off annual fee)	3,000.00	3,000.00	-	-	-	-	-	-	-	-	-	-
Website SEO	8,500.00	8,500.00	-	-	-	-	-	-	-	-	-	-
SMS campaign	6,000.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00
Chatbot	42,000.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00
Social Media - Facebook Adv & Boosts	46,840.00	33,640.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00
Design	42,000.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00
CSI & PR	117,800.00	2,600.00	15,000.00	6,000.00	17,000.00	600.00	2,600.00	15,000.00	6,000.00	15,000.00	6,000.00	15,000.00
Press releases	8,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
Remain Coffee Corner	19,800.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00
CSI	90,000.00	-	15,000.00	-	15,000.00	-	-	15,000.00	-	15,000.00	-	15,000.00
FIXED EXPENSES	35,160.00	2,930.00	2,930.00	2,930.00	2,930.00	2,930.00	2,930.00	2,930.00	2,930.00	2,930.00	2,930.00	2,930.00
Monthly office expenses	18,000.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00
Telephone	10,200.00	850.00	850.00	850.00	850.00	850.00	850.00	850.00	850.00	850.00	850.00	850.00
Newspaper printing	6,960.00	580.00	580.00	580.00	580.00	580.00	580.00	580.00	580.00	580.00	580.00	580.00
Less: Monthly Marketing Expenses	1,025,400.00	315,745.00	64,205.00	89,605.00	164,205.00	27,805.00	27,805.00	64,205.00	114,805.00	55,205.00	155,205.00	31,605.00
Variance	-	-	-	-	-	-	-	-	-	-	-	-

Marketing Manager Salary	195,000.00	13%
Travel	3,600.00	0%
Agency retainers	126,000.00	8%
Christmas Decor	150,000.00	10%
Events & Promotions	320,000.00	21%
Advertising & Branding	398,400.00	27%
Digital Advertising	154,040.00	10%
CSI & PR	117,800.00	8%
Fixed Monthly Expenses	35,160.00	2%

