

## FEATURE ARTICLE

**E**ach issue will start with a feature article. These articles will be about 500 to 650 words and are condensed versions of longer articles.

**U**nfortunately, many businesses don't have any sort of established marketing budget, and that's asking for trouble. The budget is needed for two reasons:

- (1) Without a budget you could end up letting your dollars get away from you without realizing it. A budget allows you to keep control over your money and your marketing, and in the long run -- your success.
- (2) The budget will allow you and your agency representative to construct a rough 12-month plan. Without a budget you may end up spending all you can afford in the first quarter, leaving the rest of the year void of advertising. A spending plan helps to assure that your ads go out in the most appropriate fashion, and at the most profitable time period.

**A budget should never be set in stone . . . it is simply an educated guess as to what you will spend.**

A lot of factors can change even the best of marketing budgets: fire, strike, natural disaster, changes in industry technology, sales, what your competitor does, and more. Always approach budget preparation with the understanding that conditions will probably change, and you may have to change your budget, and maybe even your overall marketing strategy.

How much do you budget? There are two basic schools of thought:

(1) Budget 3% to 5% of sales for advertising.

In traditional marketing, when you have an established product or service, the allocation of a small percentage of sales, (3%), is applicable. For some firms in certain markets, 3% of sales may be too high; perhaps a lower percentage would be more appropriate for the situation. Likewise, your market may require you budget more than 3% to

relatively young, (less than 5 years old);

or you are entering new market area;

or are offering a new product or service;

or do not have the desired level of sales, this is probably the strategy to use.

obtain an effective campaign. If sales are where you want them to be, then use 2% to 3% of sales for a marketing budget.

(2) Establish an advertising budget equal to 10% to 15% of what you want your sales to be.

If your firm is:

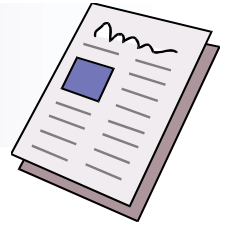
If you want sales of \$1,000,000 put \$100,000 to \$150,000 into advertising; if you want sales of \$50,000 put \$5,000 to \$7,500 into advertising. Maintain this high level of marketing until sales approach the desired level, then start gradually backing off to the traditional 3% to 5% of existing sales.



Service isn't just a word, it's the right way of doing business.

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## WHAT TO EXPECT EACH MONTH

**W**hat should you expect each month in the newsletter?

- A feature article on some aspect of business or marketing similar to the 450 word "Feature Article" about Budgets on page 1.

These "Feature Articles" will be about 450 words in length, and are condensed versions of longer articles, (1,000 + words), that are available for download from my web site.

- Interesting quotes from notable individuals.

Sometimes these quotes will stand alone, other times I will use them to illustrate a specific business situation or opportunity.

- Books of interest. There is a lot to be gained from reading the thoughts

and insights of others. Whether we agree with the author or not, being exposed to new ideas helps us formulate our own perceptions.

So I try to find books that might be of potential interest and then give you my thoughts on the book. Not a review as such, but more my reasoning as to why I think many of you might find the book of value.

- Articles of note. Both from traditional print publications as well as their on-line cousins.

I'll present a brief overview along with a link if it's an on-line article. Either way, you'll know where the article came from and how to find it for yourself if you are interested in reading more.

- Useful links. Every day all of us come across useful sites on the Internet.

This will just be one or two that I think would be of interest to people in general. If you have a useful link please send it to me so I can share it with everyone.

- Comments and such. Just brief thoughts about business and marketing to get you thinking.

- Feedback from you is important, so if you have any ideas to make this a more useful publication please send them to me.

- The length of the newsletter will vary from 3 to 4 pages depending on a variety of factors.

So sit back, read, and enjoy. I'll do my best to make each issue useful and enjoyable.

## WHAT WILL & WON'T HAPPEN

**A**ny information you might provide me is strictly confidential.

**I won't sell your e-mail address or any other information to a third party.**

That does not mean you won't get a special offer or announcement of some sort from me once in a blue moon. Those will be the rare exception, normally anything I have to offer you will be contained in the newsletter.

**CONFIDENTIAL**

Also, if I happen to come across a specific article or bit of information that I feel would be important to a specific field of industry, I will send it to just those that I know are in that industry.

For example, if I come across information that I think would only be of interest to just the legal profession, then ~~only those who have indicated~~ they are in the legal profession will receive that information.

Don't expect to see paid advertising from outside vendors in the newsletter; I simply don't want to dilute the newsletter with third and fourth party advertising.

You will see ads about my services, and possibly the products and services of my clients. But that's it.

If I advertise a product it is because I believe in the product. It's that simple.

## ARTICLES ON PRODUCTS AND SERVICES

**O**n occasion I will write an article about a business and its products and/or services.

**These are not paid endorsements.**

I write about the companies that I like, and those that I think might benefit you my reader.

If that company has any sort of relationship with me, such as an being an exist-

ing or former client, I will tell you.

If you think a company or a product deserves some special attention, please let me know. Heck, if you want to write about it and submit it, please feel free.

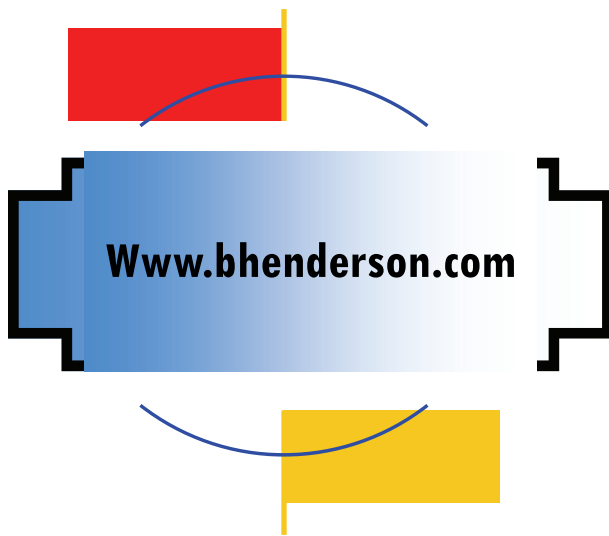
If it's someone you've done business with that you find outstanding then tell us about it, I know the other readers would appreciate hearing about them.

But don't trash the company; if you can't say something nice about them then don't say anything at all.

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**B**rock Henderson has over 25 years of marketing experience. Not only is he a frequent writer on marketing and business topics, but he also gives seminars on such topics as “Guerilla Marketing”, “Selling for the Non-Salesperson”, and “5 Marketing Techniques that Work and One that Doesn’t”. In addition to his current role as Marketing Consultant and writer, he has been the Director of Marketing for a large regional ISP, taught Marketing and Business at a University, and had his own advertising agency.

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## WANT MORE?

### **G**et more!

The newsletter will come out nine months a year, February through October.

I’m planning on e-mailing it out during the first week of each scheduled month.

It will arrive just like this one did, as a PDF file.

Sign up and give us a test drive, it is absolutely FREE. .

**I** hope to have the sign up form up, ready and working by the end of April, please check back for sign-up instructions.

**T**he first real issue of the newsletter should be out as early as May or as late as the first week of June.

Please bear with me, it simply takes a little time to get everything pulled together and working.