Group Project

Assignment 5: Detailed budget allocation for your campaigns  
  
**(***Max. 36 points - max. 18 points for each campaign)*

(*You started working on this in Assignment 3b. Now that you have made Media Mix decisions, you should update your budget and provide more details. This assignment is graded*).

*Please complete Modules 3-5 readings and Modules 3-5 Quizes before working on this assignment.*

Now that you have learned more about various media, and how you can use them with your target audience, you are able to create a more detailed budget (based on the one in Assignment 3b). Look back at your Media Mix decisions (Assignment 4) and decide what you can afford based on your total budget of ***$700,000****.* You need to decide how you will split this money between the two campaigns. (There might be some parts of the campaign that will target both audiences - Make sure to discuss that in Assignment 4).

First, look at the example of a detailed promotional-mix and budget allocation for a local ice-cream shop.

Example: Detailed promotional-mix and budget allocation for a local ice-cream shop (final budget)[[1]](#footnote-0)

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

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

| **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 |
| **Total** | All costs excluding employee labor | **$5,000** |

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.

Your task is to:

1. Download this document and save as **Assignment 5 GroupNumber** (enter the number of your group) E.g. if you are Group 1 then you will save this file as **Assignment 5 Group 1**
   1. Do not delete this page.
   2. You will answer the questions listed below by filling out the template starting on page 4 of this document.
2. Prepare the final detailed promotional mix and budget allocation for both campaigns (Add rows for each group if necessary).
   1. You need to research how much different promotional mix elements cost and provide references in the ‘comments’ column.

**Make sure to provide references for each Media Mix element and its budget allocation.** Submissions without references will receive 0 points.

*Only assignments returned on this this template and submitted to the Assignment folder on CourseDen will be graded. Please do not modify the formatting and do not delete any parts of the template.*

Detailed Promotional Mix and Budget Allocation for Your Campaign

Please remember that your total budget ***cannot exceed $700,000***.

Do not forget about the costs of developing or e.g. recording a TV ad, costs of printing brochures, etc.

| **CAMPAIGN 1 (***Max. 18 points for each campaign)* | | | |
| --- | --- | --- | --- |
| **Item**  **(***Max. 1 point for each item)* | **Purpose**  **(***Max. 2 points for each item)* | **Cost Estimate** | **Comments:**  **How did you arrive at this number? Provide references**  *(Max 3 points for each cost estimate in the previous column - 0 points if references are not provided.)* |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| **CAMPAIGN 2 (***Max. 18 points for each campaign)* | | |  |
| **Item**  **(***Max. 1 point for each item)* | **Purpose**  **(***Max. 2 points for each item)* | **Cost Estimate** | **Comments:**  **How did you arrive at this number? Provide references**  *(Max 3 points for each cost estimate in the previous column - 0 points if references are not provided.)* |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| **Total** |  | **$700,000** |  |

1. Source: Principles of Marketing by Lumen Learning<https://courses.lumenlearning.com/waymakerintromarketingxmasterfall2016/> [↑](#footnote-ref-0)