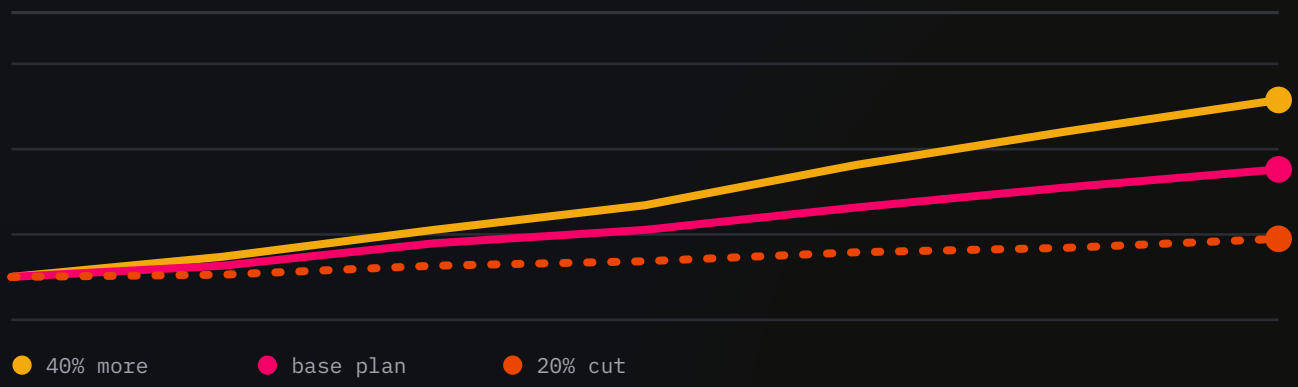
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GUIDE

PLANNING-SEASON PLAYBOOK

# The CFO-ready marketing budget.

How to build next year's number so it survives the first round of cuts.



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**A NOTE ON THE NUMBERS**

Every dollar figure, count and rate in the worked examples is **illustrative**. They are chosen to be easy to follow, not to be benchmarks. The benchmarks that are named (for cost per outcome and ROMI) are reference points only; derive your own from your data. Replace each assumption with the variables your CEO and CFO agree to.

## How to use this playbook

- **Read it once, straight through.** The eight parts follow the order of a real planning season.
- **Work it in the room.** Each part includes something to do this week: a question list, an agenda, a table to fill in.

# Why budget season is a credibility test

*The question is always the same: "How much marketing budget do you need for next year?"*

For many B2B marketing leaders, budget season is one of the most high-stakes moments of the year. On the surface, the question is a numbers question. Underneath, it is a boardroom test of **alignment, credibility and foresight**. The answer you give, and how you support it, either builds confidence in marketing's role as a revenue engine or reinforces the old assumption that marketing is a discretionary cost.

This playbook expands our short guide into a complete planning-season workflow: what to do, in what order, with which numbers, so the plan you carry into the CFO's office can survive the first round of cuts. It runs from the first conversation with Finance to the board page, three pre-modeled scenarios, and the stewardship that earns you next year's budget.

## The marketing budget struggle

Most marketing directors and CMOs face the same three tensions every year:

- **Leadership expectations vs. marketing realities.** Investors and executives often expect linear revenue attribution to campaigns, while you know success is built through cumulative, multi-touch journeys.
- **Strategic vs. tactical investment.** You have to balance long-term brand growth with short-term demand generation, even when the board pressures you to prioritize only leads. Marketing is not a gumball machine: a dollar in does not always mean a customer out.
- **Justification vs. stewardship.** It is not enough to ask for more budget. You need to prove how those dollars will deliver measurable business value, then report back with financial accountability.

The result is a disconnect: marketing leaders feel stuck translating strategy into a financial language the board will trust. Two numbers capture the stakes: fewer than 40% of finance leaders think marketers make sound commercial decisions, and 75% of CMOs feel pressure to do more with less.

> **THE ONE IDEA BEHIND THIS PLAYBOOK**
>
> That translation problem is what **Equivalent Financial Value (EFV)** solves. EFV answers a single question for every goal on your plan: **"What is this outcome worth to the business?"**
>
> Put a dollar value on every outcome, agree on the return you are expected to deliver, and your budget stops being an expense line. It becomes an investment with a quantified return.

# 01
# Reframe the conversation

*Budgets get approved when they sound like growth investments, not expense lines.*

Every year marketing leaders hear the same question, and the temptation is to treat it as a math exercise. It isn't. It is a **business positioning exercise**. Before you build a single number, decide which of three mindsets your company holds about marketing, because that mindset decides how your number will be judged.

## Neither cost center nor revenue center

Marketing is clearly a revenue driver: buyers now control the journey and complete most of their research (70–80% by one common estimate) before they engage a sales rep. It is also clearly an operating cost, because it shapes critical systems like the CRM and runs essential functions like corporate communications. Both buckets are true. Both are also wrong, because neither captures the full financial value marketing creates.

| | COST CENTER | REVENUE CENTER (ONLY) | VALUE CENTER |
|---|---|---|---|
| **How the budget is set** | A reasonable-sounding amount, or an industry benchmark | Chase the same-year revenue return | Derived from priced outcomes and an agreed return |
| **How marketing is measured** | Spend against plan | Attributed revenue, this year only | Total Equivalent Financial Value: revenue, pipeline and strategic outcomes |
| **What gets cut first** | Whatever Finance can defer | Brand, enablement, analyst relations: anything with a long lag | Unaligned spend |
| **What happens over time** | Marketing is called in at the last mile to polish and publish; growth is stifled | Short-sighted, brute-force tactics; lower revenue in each subsequent year | Sustainable growth and repeatable revenue |

*Three mindsets about marketing, and what each does to your budget.*

## Four streams of value marketing creates

- Product messaging and positioning that lead to **demand creation**.
- Campaigns and engagement that lead to **pipeline and sales**.
- Customer experience and communication that lead to **customer retention**.
- Brand messaging and positioning that lead to **talent retention and word-of-mouth sales**.

Only the second stream shows up cleanly in an attribution report. A budget built on that stream alone will systematically starve the other three.

## Say it differently

The fastest way to feel the shift is to change your sentences. Every line item you bring to Finance should be able to survive a translation from "what we need" to "what it returns."

| INSTEAD OF | TRY |
|---|---|
| "We need $500K for demand gen." | "We're asking for $500K to generate $3M in pipeline coverage, directly aligned to next year's revenue targets." |
| "Brand awareness matters." | "Brand investment lowers our cost of customer acquisition, and here is the dollar value we agreed on." |
| "We need budget for customer marketing." | "Customer marketing protects $X million of ARR through improved retention." |
| "Events generate leads." | "Events deliver sales pipeline coverage of $X at a cost per outcome of $Y." |
| "Our attribution report shows…" | "Marketing's cumulative impact across channels, touches and time is $X of Equivalent Financial Value." |

**DO THIS WEEK**

Take last year's budget request and rewrite each line using the "Try" pattern. If you can't finish the sentence with a dollar value and a business goal, that line is not ready for the CFO.

# 02
# Align before you ask

*Most budgets get cut not in the boardroom but in the backroom, where misalignment brews.*

## Pre-wire Finance and ownership

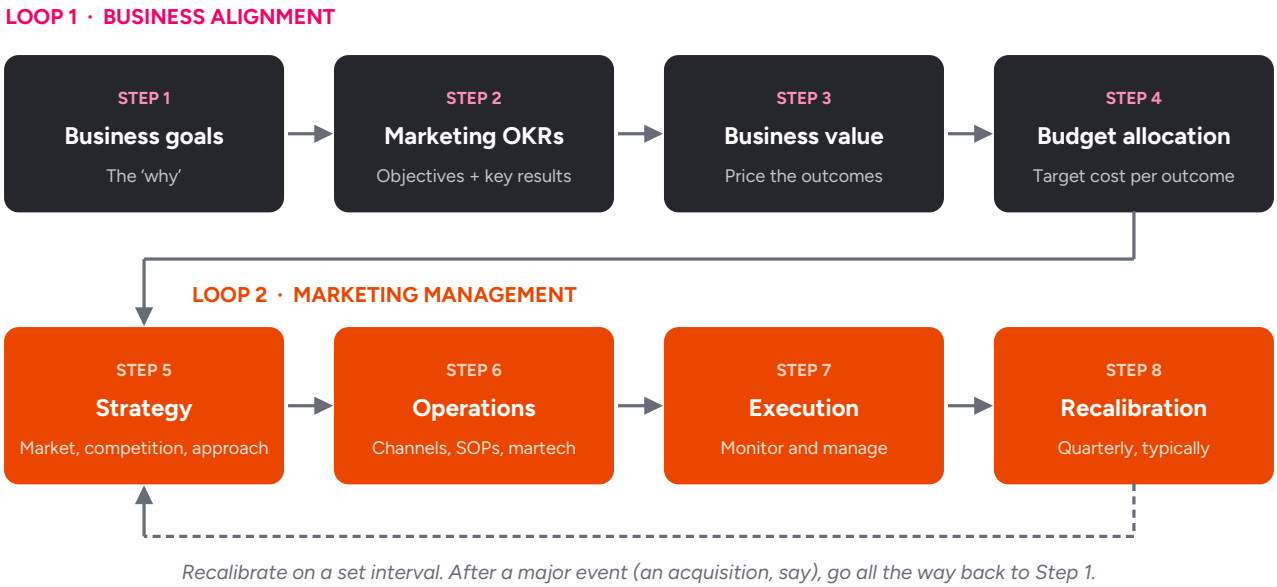
Get in front of Finance and the company's owners before you pitch. If you show up with a request no one saw coming, you are set up for a fight. If you co-create alignment in advance, your ask becomes the logical next step. Use the pre-wire conversation to learn the rules of the game, not to sell the number.

### Questions to bring to the CFO and CEO

- What are the company's financial goals for next year?
- How do you plan to measure ROI across departments?
- What role do you see marketing playing in growth?
- Which variables will Finance stand behind: average deal value, win rate, customer lifetime value?
- What return multiple do you expect on a discretionary investment, and does it differ by type of outcome?
- What is the approval process and timeline, and who beyond the two of us has a say (board, investors)?
- What would make you cut this plan, and what would make you add to it?

## The planning cycle: two loops, eight steps

When the problem is as broad as marketing, "analysis paralysis" is the usual failure. A structured cycle fixes it. Steps 1–4 are the **Business Alignment** loop, which is where your budget case is built. Steps 5–8 are the **Marketing Management** loop, which is how you spend what you are granted. Keep all eight steps front and center in your marketing playbook.




*Recalibrate on a set interval. After a major event (an acquisition, say), go all the way back to Step 1.*

*The marketing plan cycle: align to the business first, then manage the plan.*

| STEP | THE QUESTION IT ANSWERS | WHAT YOU WALK AWAY WITH |
|---|---|---|
| **1 Business goals** | What is the company trying to achieve? The mission, the vision, and the one- and five-year definition of success. | A shared, precise set of "why" statements. |
| **2 Marketing OKRs** | What can and should marketing do to achieve or influence those goals? | Objectives, each with Key Results that are clearly defined, within your control and measurable. |
| **3 Business value** | What is each outcome worth, and what return must the investment produce? | Priced Key Results and a target return multiple per outcome. |
| **4 Budget allocation** | What cost per outcome does that return allow? | A budget you can justify line by line, and a basis to negotiate trade-offs. |
| **5 Strategy** | How will we win, given the target market, competition and approach? | The strategy inside the resources granted. |
| **6 Operations** | Which channels, SOPs, platforms, processes and people? | An operating model. |
| **7 Execution** | How will we monitor and manage campaigns and projects? | Cadence for status meetings and reviews. |
| **8 Recalibration** | What has changed in our company, competition, market or customer? | Adjustments that trickle down from strategy. |

## A suggested planning-season calendar

Work backward from the date your budget is due. The windows below assume roughly ten weeks; compress or stretch them to match your company's calendar. The principle is constant: **no surprises**. Every person who will vote on the number should have seen its logic before the meeting where it is decided.

| WHEN | FOCUS | OUTPUTS |
|---|---|---|
| **Weeks 10–9** | Get your own house in order: data definitions, last year's committed, spent and available, and outcome actuals. | Clean baseline; agreed funnel definitions. |
| **Weeks 8–7** | Pre-wire Finance, the CEO and ownership with the question list above. | Their goals, their ROI method, their variables. |
| **Weeks 6–5** | Lead the working session: goals to OKRs to Equivalent Financial Value. | Priced Key Results with CFO and CEO sign-off. |
| **Weeks 4–3** | Build the number top-down and bottom-up, then reconcile. | Program-level budget tied to Key Results. |
| **Week 2** | Pre-model the three scenarios; rehearse the CFO Q&A; pre-brief key stakeholders. | Scenario table; board page; answers ready. |
| **Week 1** | Present, negotiate, and document what was agreed. | Approved budget and written performance expectations. |
| **Day 1 onward** | Begin stewardship: expense tracking, ownership, reporting. | Expected-versus-actual reporting from the first month. |

## Lead the working session

Your Key Results can only be priced if the C-suite agrees to the logic, so plan to put on your consultant hat and lead a working session. A workable agenda:

1. **Lead with business goals.** If they are loosely defined, insist on precision and clarity.
2. **Propose marketing objectives** that map to those goals and that the team agrees with.
3. **Define Key Results** for each objective: hard metrics that are clearly measurable and fully within marketing's purview.
4. **Ask, for each Key Result: "What is this worth to the business?"** Be ready to suggest an answer if you get blank stares. Start with the obvious one: a new customer is worth the average deal size. Work back through the funnel from there.
5. **For the fuzzier objectives,** such as becoming a recognized category leader or attracting and retaining top talent, ask the same question and let the CEO and CFO put a number on it. Part 4 shows how.

> IN REVUP
>
> **Living playbook** keeps target market, messaging, competitors and positioning beside every budget line. **Goals & OKRs** maps business goals to objectives and key results, and flags unaligned spend automatically.

# 03
# Agree on terms

*Before you can price anything, everyone must mean the same thing by the same word.*

## Fix the data foundation first

This is a prerequisite, not a nice-to-have. Two problems quietly destroy a marketing leader's ability to answer "what has our investment produced?"

- **Data architecture.** Without shared definitions and integration, you build a Tower of Babel. What one system calls a "Lead," another calls an "Account" and a third a "Prospect." Map the definitions before any system integration happens.
- **Data hygiene.** Campaign managers, sales reps, account managers and support specialists all touch the same data. Without governance, training and routine review, inconsistent entry wrecks even the best architecture.

## Pin down the variables

There are several valid models for answering "what is marketing worth?" Whichever you use, every stakeholder has to understand and interpret it the same way. These are the variables to settle with Finance and Sales before the working session.

| VARIABLE | DEFINITION | WATCH OUT FOR |
|---|---|---|
| **Average deal value (ADV)** | Expected revenue from a new customer: total revenue in a period (typically last fiscal year) divided by deals won. | It goes by many names. Use Finance's number. |
| **Win rate** | The sales team's batting average: the share of deals it is expected to win. | It is closed-won divided by all *closed* opportunities, **not** by all created opportunities. |
| **Funnel stages and conversion rates** | The stages a buyer moves through, and the rate of progression from each stage to the next. | Stages vary by company. Be specific and consistent; define what counts as an "at-bat." |
| **Customer lifetime value (LTV)** | Average total revenue from a customer across their lifecycle. For a subscription model where customers stay three years, LTV is ADV × 3. | Keeps the plan from thinking only short-term. |

### A simple funnel to define

| STAGE | DEFINITION |
|---|---|
| **Prospect** | A named individual who matches your Ideal Customer Profile and whom you can market to directly: the right title, geography and type of company. |
| **Lead** | A prospect who has shown enough buying intent to be considered in-market: an aggregate of meaningful website activity, third-party intent data and inquiries. Sales and marketing must agree on it. |
| **Opportunity** | A lead that has engaged with sales, typically a fruitful one-to-one meeting with planned next steps. This is your "at-bat." |
| **Pipeline** | The aggregated expected revenue of qualified opportunities. |

## Three lenses on marketing performance

No single metric tells the whole story. Use all three lenses, and be clear which one each number belongs to.

| LENS | METRICS | WHAT IT TELLS YOU | WHERE IT FALLS SHORT |
|---|---|---|---|
| **Revenue impact** | Marketing-sourced revenue; marketing-sourced pipeline; marketing-sourced LTV | How much revenue can be clearly attributed to marketing activity. | Short-sighted, and it introduces variables outside marketing's control (sales win rate, pricing). Pipeline removes the win-rate variable; LTV addresses the short-term bias. |
| **Business value** | Value of outcomes (EFV) | The weighted value of everything marketing was tasked with achieving, including non-revenue outcomes. | Needs agreed assumptions; does not replace revenue, pipeline or LTV. |
| **Efficiency** | ROMI, cost per outcome (CPO), customer acquisition cost (CAC) | What each dollar of spend returned. | Meaningless without a consistent formula and a benchmark. |

**INSTINCT AND ANALYTICS**

Marketing is both art and science, both strategy and execution. Data-driven marketing is a must, but data will not make every decision for you. The goal is to measure the right things, the right way, and to get close enough to quantify marketing performance that the C-suite can decide with confidence.

# 04
# Price the goals

*Assign every goal a financial value, even the ones that don't easily tie to revenue.*

When a CFO asks "that goal sounds good, but what's it worth?" and you have no answer, the goal is a wish. When every goal has a dollar value, your budget request becomes a **business case**.

## The three-step EFV method

1. **Define the company's strategic goals.** Anchor marketing goals to what matters most: revenue growth, market expansion, customer retention, talent recruitment.
2. **Translate marketing outcomes into a unit EFV.** For each goal, calculate the present-day financial equivalent of achieving it. If the average deal size is $30,000 and the expected win rate is 20%, one new sales-ready lead is worth $6,000.
3. **Aggregate across all goals.** Roll the unit values into a total EFV portfolio: the cumulative business value marketing is projected to deliver.

## Funnel math: every outcome is a fraction of a deal

For the outcomes in the sales funnel, the math is mechanical. Work backward from a closed deal. Using an ADV of $10,000, a 20% opportunity win rate, a 30% lead-to-opportunity rate, a 5% prospect-to-lead rate and a 10% visitor-to-prospect rate:




*Unit EFV of each outcome; percentages are the conversion rate to the next stage.*

| OUTCOME | CALCULATION | UNIT EFV |
|---|---|---|
| **Customer** | Average deal value | $10,000 |
| **Opportunity** | $10,000 × 20% win rate | $2,000 |
| **Lead** | $2,000 × 30% lead conversion | $600 |
| **Prospect** | $600 × 5% prospect conversion | $30 |
| **Website visitor** | $30 × 10% become prospects | $3 |

**Individual outcome EFV = Key Result quantity × Key Result unit value**

### Avoid double-counting

Every prospect you hope will become a lead, then an opportunity, then a customer. If you count that person at every stage, you inflate the total. Count each person only at the furthest stage they reached. Winning one customer with the rates above implies about 5 opportunities, 16 leads and 333 prospects:

| STAGE (NET OF NEXT STAGE) | COUNT | UNIT EFV | VALUE |
|---|---|---|---|
| Prospects who did not become leads | 317 | $30 | $9,510 |
| Leads who did not become opportunities | 11 | $600 | $6,600 |
| Opportunities that were not won | 4 | $2,000 | $8,000 |
| Customers won | 1 | $10,000 | $10,000 |
| **Total business value** | | | **$34,110** |

Compare that with the narrower views of the same one customer: $10,000 of revenue, $50,000 of pipeline (5 opportunities × ADV) or $30,000 of LTV (ADV × 3 years). Business value does not replace those metrics. It complements them with a wider lens and a weighted value.

## Pricing outcomes with no revenue line

The funnel is easy to quantify. The harder question is the fuzzier objectives: “Establish a reputation as a leader in our category” or “Attract and retain top talent.” The goal is not a perfect number. It is for the C-suite to commit a dollar value to the outcome, even if it takes some back-of-the-napkin math. If the executive team is willing to commit dollars and resources to achieving an objective, it should be willing to say what that objective is worth.

| OUTCOME | A PROXY FOR ITS VALUE | EXAMPLE |
|---|---|---|
| **Brand awareness and mindshare** | Reduced cost of customer acquisition; the cost of replicating organic traffic with paid ads | If 100,000 monthly organic visitors would cost $250,000 a year to buy through paid search, that is $250,000 of annual value. |
| **Social following** | Equivalent advertising reach cost per follower | A new LinkedIn follower at $0.20, a figure derived from comparable ad reach in your industry. |
| **Analyst or market-guide placement** | Share of deals shortlisted and win-rate lift | See the worked example below. |
| **Employer brand and talent retention** | Avoided turnover cost | Recognition as a best place to work that reduces turnover cost. |
| **Customer marketing** | Retention: protected ARR | Improved retention equals $X million of protected ARR. |
| **Events and field** | Sales pipeline coverage | Opportunities generated × unit EFV. |
| **Partner perception** | Partner-sourced or partner-influenced pipeline | Opportunities generated through partners × unit EFV. |

### Worked example: the analyst report

**Goal:** become a recognized leader in our market category. **Objective:** improve brand perception as a leader. **Key Result:** be placed in the "leader" quadrant of the preeminent market guide for our category. That is concrete and measurable. Now ask: what is it worth?

Suppose 400 qualified opportunities a year at a 20% win rate and a $10,000 ADV yield 80 wins ($800,000). Placement is expected to get us shortlisted in 10% more deals (+40 opportunities) and to lift the win rate by 5 percentage points (from 20% to 25%). That is 440 opportunities × 25% = 110 wins, or 30 more wins × $10,000 = **$300,000 of EFV**.

Now ask the executive team the question that turns that value into a budget: **"What are you willing to pay for that?"** In other words, what return rate do you want: 3×, 5×? Whatever the number, you have just walked the team to a rational budget for that one objective. Rinse and repeat for every objective and Key Result.

## Roll it up into a portfolio

Categorize every outcome by how far it sits from a closed sale. **Sales** is short-term growth: easy to measure with reliable lead-source attribution. **Pipeline** is mid-term growth: very doable, as long as you define precisely what counts as pipeline. **Strategic** is long-term growth: position, perception, talent and retention, the part many companies abandon measuring. Here is an illustrative portfolio for a plan we will carry through the rest of this playbook:

| TIER | OUTCOME (NET OF LATER STAGES) | QUANTITY | UNIT EFV | EFV |
|---|---|---|---|---|
| Sales | New customers | 40 | $10,000 | $400,000 |
| Pipeline | Opportunities not yet won | 160 | $2,000 | $320,000 |
| Pipeline | Leads not yet opportunities | 600 | $600 | $360,000 |
| Strategic | Prospects not yet leads | 8,000 | $30 | $240,000 |
| Strategic | Analyst-guide leader placement (derived above) | 1 | $300,000 | $300,000 |
| Strategic | Best-place-to-work recognition: 6 fewer departures × $26,000 | 6 | $26,000 | $156,000 |
| Strategic | Customer retention: +2 points of renewal on $10M renewing ARR | 1 | $200,000 | $200,000 |
| **Total** | **Marketing EFV portfolio** | | | **$1,976,000** |




*Short-term growth* *Mid-term growth* *Long-term growth*

*Where the $1.98M of illustrative value comes from. Only 20% of it is closed revenue.*

**IF YOU'RE A STARTUP: MARKETING AS AN ASSET**

The same portfolio logic can support valuation. Two methods are common. **Marketing Lift** estimates the value of organic presence, CAC savings, pricing power and retention, then applies an ARR multiple. It produces big numbers but risks double-counting revenue already in the base valuation. **Marketing Asset Value** sums the EFV of sales, pipeline and strategic outcomes independently of attained ARR, so it is cleaner, more conservative and holds up under scrutiny.

In one worked startup example, about $5M of marketing asset value supported a 3× return target and a $1.67M annual budget, and lifted a base valuation of $40M (8× ARR) to roughly $45M (9× ARR).

**IN REVUP**

**Business value** puts a defensible **Equivalent Financial Value** (EFV) on outcomes attribution can't price, with the assumptions on the surface so Finance can audit the number instead of arguing with it. **Funnels** models how spend turns into pipeline, and where it leaks.

# 05
# Build the number

*From priced outcomes to a budget you can defend, line by line.*

## Two ways to calculate, one way to reconcile

Calculate the budget twice, from opposite directions, and reconcile the gap. This is the single best protection against a number that looks arbitrary.

- **Top-down:** start with the value the plan should deliver and the return the business expects. EFV portfolio ÷ target return = the budget the plan can justify. Here, $1,976,000 ÷ 3 = **about $659,000**, so a bottom-up plan of $600,000 clears the 3× hurdle with room to spare.
- **Bottom-up:** start with the programs and what they cost to hit each Key Result. Sum the program plans, including people, technology and overhead.
- **Reconcile:** if bottom-up exceeds top-down, you have a real conversation about trade-offs. If your proposed budget is too high, perhaps the business goals are not realistic. Either the goals shrink, the return multiple drops, or the programs get cheaper. You can justify each trade-off, which is exactly the point.

**Maximum cost per outcome = Unit EFV ÷ Target return multiple**

This simple division turns a target return into a ceiling on what each outcome may cost. A cost per outcome of 3–5× its value is generally considered good; treat these as reference points and derive your own.

| OUTCOME | UNIT EFV | MAX COST AT 3× RETURN | MAX COST AT 5× RETURN |
|---|---|---|---|
| **Customer** | $10,000 | $3,333 | $2,000 |
| **Opportunity** | $2,000 | $667 | $400 |
| **Lead** | $600 | $200 | $120 |
| **Prospect** | $30 | $10 | $6 |
| **Website visitor** | $3 | $1.00 | $0.60 |

*If the plan calls for 600 leads at a 3× target, the lead program's budget cannot exceed 600 × $200 = $120,000.*

## Allocate across brand, demand, experience and operations

You make data-driven decisions from lead volume, conversion rates and win rates. You make **dollar-driven** decisions by balancing spend across brand, demand and experience programs, plus operations, and by comparing overall return and return on investment. These are two very different things. Here is the plan's $600,000, allocated by program and tied to the EFV each program is expected to deliver:

| PROGRAM | BUDGET | EFV DELIVERED | RETURN |
|---|---|---|---|
| Paid demand generation | $170K | $460K | 2.7× |
| Content & SEO | $90K | $320K | 3.6× |
| Events & field | $110K | $390K | 3.5× |
| Customer marketing | $50K | $250K | 5.0× |
| Brand, PR & analyst relations | $90K | $456K | 5.1× |
| Product marketing & enablement | $40K | $100K | 2.5× |
| Marketing operations & technology (shared) | $50K | enabling | n/a |
| **Total** | **$600K** | **$1,976K** | **3.3×** |

| CATEGORY | PROGRAMS | BUDGET | SHARE |
|---|---|---|---|
| **Demand** | Paid demand generation; content & SEO | $260K | 43% |
| **Experience** | Events & field; customer marketing | $160K | 27% |
| **Brand and positioning** | Brand, PR & analyst relations; product marketing & enablement | $130K | 22% |
| **Operations** | Marketing operations & technology | $50K | 8% |

*Illustrative allocation. Each program's EFV is the sum of the Key Results it owns.*

## Make the ask

Frame the request as an investment against a return, and show the stewardship plan that goes with it. With the portfolio above, the ask sounds like this:

> *"We're asking for $600K to deliver $2.0M of equivalent financial value, a 3.3× return: $400K in new-customer revenue, $680K in pipeline, and $896K in strategic outcomes. Every dollar maps to a business goal, and we will report expected versus actual on every Key Result each quarter."*

That one sentence reframes the discussion. Instead of defending spend, you are demonstrating value.

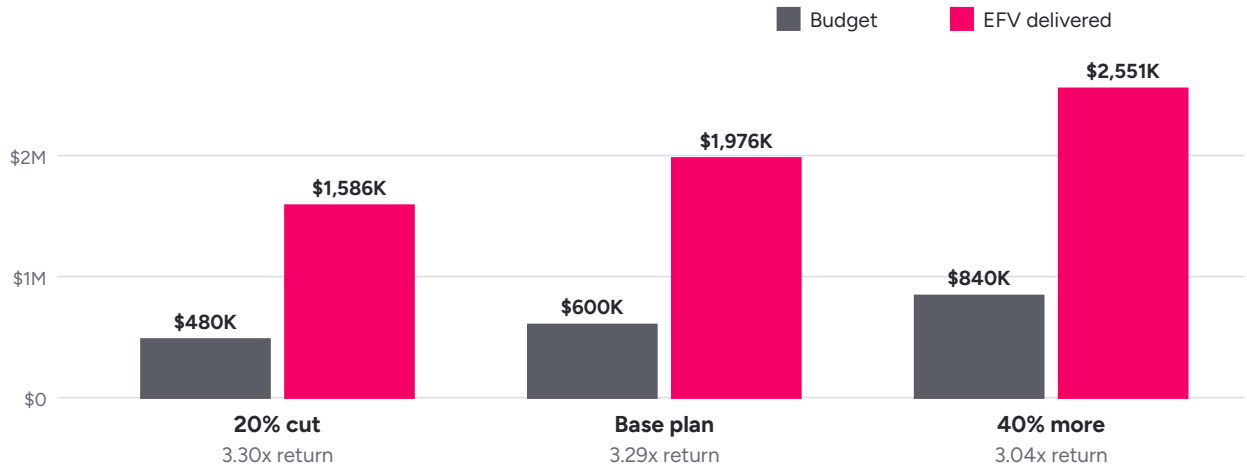
**DO THIS WEEK**

Calculate the top-down and bottom-up budgets for your three biggest programs. If the two numbers disagree by more than 15–20%, resolve it before you pre-brief anyone.

# 06
# Pre-model the three scenarios

*Answer "what would you do with 20% less, or 40% more?" in the meeting, not in a week.*

Budgets rarely survive first contact unchanged. The CFO will ask for a cut. A good quarter will tempt the CEO to ask what you could do with more. If you can only answer after a week of rebuilding spreadsheets, you have lost the room. Pre-model three versions of next year, each with its performance expectations and ROI impact attached.




*Budget and EFV delivered under each scenario (illustrative; assumptions below).*

| | 20% CUT | BASE PLAN | 40% MORE |
|---|---|---|---|
| **Budget** | $480K | $600K | $840K |
| **EFV delivered** | $1,586K | $1,976K | $2,551K |
| **Return multiple** | 3.30× | 3.29× | 3.04× |
| **Change vs. base** | −$120K budget; −$390K EFV | n/a | +$240K budget; +$575K EFV |
| **Value per marginal dollar** | $3.25 of value lost per $1 saved | $3.29 average | $2.50 of value gained per $1 added |

## Which lines move, and why

| PROGRAM | BASE | 20% CUT | 40% MORE |
|---|---|---|---|
| Paid demand generation | $170K | $110K (-60) | $250K (+80) |
| Content & SEO | $90K | $80K (-10) | $140K (+50) |
| Events & field | $110K | $95K (-15) | $160K (+50) |
| Customer marketing | $50K | $50K | $70K (+20) |
| Brand, PR & analyst relations | $90K | $65K (-25) | $110K (+20) |
| Product marketing & enablement | $40K | $35K (-5) | $50K (+10) |
| Marketing operations & technology | $50K | $45K (-5) | $60K (+10) |
| **Total** | **$600K** | **$480K** | **$840K** |

### How to cut

When a cut is unavoidable, make it by rule rather than by reflex. A defensible sequence:

1. **Unaligned spend first.** Anything that cannot be traced to a business goal or Key Result is the first thing a CFO finds, and should be the first thing you cut.
2. **Lowest return per dollar next,** using cost per outcome against the unit EFV you agreed.
3. **Weigh lag.** Brand, enablement and analyst budgets get cut first in most companies because their returns arrive later. Price them explicitly so they are cut on evidence, not by default. Then tell the board how long a program takes to rebuild.
4. **Reset the expectations along with the budget.** A smaller budget should come with smaller commitments, in writing.

### How to add

Incremental dollars rarely return as much as the average dollar. The 40% scenario assumes new money returns 2.5× rather than the 3.3× plan average. Put new dollars where there is proven demand and capacity, not where it is easiest to spend, and attach a Key Result to each increment.

### State your assumptions on the page

This model assumes returns scale linearly with spend, which is a simplification. In practice, cuts to long-lag programs cost more than the model shows, and increments hit diminishing returns. Say so. A CFO trusts a model whose limits are on the table far more than one that claims precision. Show your work and let Finance audit it.

> IN REVUP
>
> **Scenario planning** compares the 20% cut and the Series-D raise side by side (budget, expectations and ROMI) before you commit.

# 07
# Present the case

*One page: revenue, pipeline and priced outcomes, with the assumptions on the same sheet.*

Boards love ROI, but marketers too often get trapped trying to attribute every dollar back to a single campaign. That is a losing battle. Marketing is not about one campaign equals one deal. It is about building growth momentum across channels, touches and time. Redefine ROI in boardroom language, show the compounding effect, and you shift the conversation from cost cuts to growth bets.

## Anatomy of the board page

| SECTION | WHAT IT SHOWS | WHY FINANCE CARES |
|---|---|---|
| **1 The ask** | Budget, total EFV and return multiple, in one sentence. | They can underwrite a single number. |
| **2 Goals to Key Results** | Each business goal, the marketing objectives under it, and the Key Results that prove it. | Nothing unaligned; every dollar traces to a goal. |
| **3 Value by tier** | Sales, pipeline and strategic EFV, with the unit values used. | Revenue is not the only return, and the pricing is visible. |
| **4 Last year: expected vs. actual** | What you said you would deliver, and what you delivered. | Proof of stewardship; your credibility for this year's ask. |
| **5 Scenarios** | Base, 20% cut and 40% more with return multiples. | They see the trade-offs without asking. |
| **6 Assumptions** | ADV, win rate, conversion rates and proxies, on the same sheet. | They can audit the model instead of trusting it. |

## Run of show for the meeting

1. **Open with the ask and the return,** not the history. Two sentences.
2. **Show alignment.** Walk one business goal down to a Key Result and its priced value so the logic is clear.
3. **Show last year's expected versus actual.** Own the misses.
4. **Present the scenarios** and say which one you recommend and why.
5. **Close on stewardship:** how you will manage expenses, track progress and report ROI throughout the year.

## Retire these words as headlines

MQL charts, impressions and click-through rates are working metrics for your team. They are not what the board came to hear. Report them as supporting detail. Lead with revenue, pipeline and priced strategic outcomes, with the assumptions beside them.

## Prepare for the CFO's ten questions

| THE QUESTION | THE SHAPE OF YOUR ANSWER |
|---|---|
| **"How much do you need?"** | The ask framed as an investment: the budget, the EFV it delivers, and the multiple. |
| **"What do we get for it?"** | The portfolio by tier, with unit values and the assumptions behind them. |
| **"How do I know your numbers are right?"** | ADV, win rate and conversion rates came from Finance and Sales; the assumptions are on the page. |
| **"Is any of this spend unaligned?"** | No. Every program owns Key Results tied to a business goal. |
| **"What if we cut 20%?"** | The cut scenario: which lines move, what value is lost, and what the expectations become. |
| **"Why fund brand or analyst relations?"** | They are priced outcomes (leader placement, talent retention) at a return the executive team named. |
| **"What should we stop?"** | The lowest return per dollar, subject to lag, using cost per outcome. |
| **"How fast does it pay back?"** | Pipeline and customers near-term; strategic outcomes over a longer window, stated plainly. |
| **"How will we know mid-year?"** | Expected versus actual on every Key Result each quarter, with a recalibration checkpoint. |
| **"Why not just match last year, or a percentage of revenue?"** | Benchmarks tell you what others spend, not what your goals are worth. The plan prices the outcomes you want. |

**IN REVUP**

A **board book** is exported to PDF or XLSX in one click, with ROMI calculated from your own spend and outcomes and the assumptions traveling with the number.

# 08
# Steward the dollars

*Asking for the budget is half the job. Reporting back is how you earn the next one.*

As CMO you will not get far if you don't speak CFO and CEO fluently. Espousing OKRs, KPIs, MQLs, SQLs and CPCs is necessary, but if you stop there you are done for. If you want to leave no doubt about marketing's business impact, expand your involvement in strategic direction, and **determine the budget instead of just accepting one**, you must manage the expenses.

## Own the expense data

Be maniacal about accounting for every dollar. Even if Finance assures you they have it covered, keep your own view. You cannot manage a plan without immediate access to your budget:

| STATUS | MEANING | WHY IT MATTERS |
|---|---|---|
| **Committed** | Money contractually promised | Where most budget surprises live |
| **Spent** | Money actually paid | What the books show |
| **Planned** | Allocated in the plan, not yet contracted | What you can still shape |
| **Unallocated** | Not assigned to any program | What you can redeploy quickly |

When you control expense management, you stop depending on someone else's timing, priorities and data, which is defined for accounting rather than marketing. You can pivot on a dime, translate marketing metrics into financial ones, and provide the insight the C-suite and board care about. Rock-solid expense management is the first stage of marketing business management maturity.

## Share ownership across the team

Marketers who are kept out of the financial loop struggle to see the business impact of their work. Give program owners control of both the budget and the performance of their programs, and they start treating marketing as an investment. A Content Marketing Manager who owns their budget analyzes what is actually driving results instead of spreading funds evenly across SEO, paid content and partnerships. A Digital Marketing Manager given a budget and a dollar-valued KPI (new LinkedIn followers at $0.20 each, say) can optimize, double down on what works and cut what doesn't.

1. **Assign budget ownership.** Give each team member control of their program's budget and financial responsibility.
2. **Set clear performance targets.** Define measurable goals and a dollar value for the expected results.
3. **Encourage dollar-driven decisions,** not only data-driven ones.
4. **Hold regular budget reviews** to discuss financial performance and refine strategy.

5. **Promote transparency.** Share marketing spend insights so everyone sees how their work ties to company goals.

## Report efficiency in the CFO's terms

| METRIC | HOW TO CALCULATE IT | MAKE SURE YOU… |
|---|---|---|
| **ROMI (return on marketing investment)** | Return ÷ marketing investment. Return can be profit, revenue or pipeline; investment can be variable spend only or all-in including staff and overhead. | Pick one formula and use it consistently, including in benchmarks. |
| **Cost per outcome (CPO)** | Cost put directly into achieving an outcome ÷ outcomes produced, compared with the outcome's unit EFV. | Compare against unit EFV to get a multiple. |
| **Customer acquisition cost (CAC)** | All sales and marketing investment in a period ÷ customers won. | Use the same period as the ADV. |

**Example.** A campaign generates 100 leads for $10,000. CPO is $100. A lead is worth $600, so the campaign returns 6× its cost. As reference points, a CPO return of 3–5× is generally considered good, and a ROMI where return is pipeline generated and investment is variable spend of 6–8× is generally considered good. Treat these as starting points, then set your own benchmarks from industry research and your own history, measured the same way.

## Set a reporting rhythm and recalibrate

| CADENCE | WHAT YOU REVIEW | DECISION IT ENABLES |
|---|---|---|
| **Weekly** | Committed, spent and available by program; new commitments | Stop or redirect spend before it lands |
| **Monthly** | Expected vs. actual on each Key Result; cost per outcome | Which programs to turn up, down or off |
| **Quarterly** | ROMI, scenario refresh, recalibration of strategy and plan | Whether to reallocate, and whether goals still hold |
| **Annually** | Total EFV delivered vs. promised; the board page | The foundation of next year's ask |

Real-time visibility changes the decision. If events is $90K over budget with 41 days left and product marketing is $120K under, you can rebalance the same day, instead of discovering the overrun at month-end close, three weeks after you could have moved the money into the channel that was working.

> IN REVUP
>
> **Budget management** allocates by program, channel, team or geography with real ownership. **Expenses & receipts** keeps committed, spent and available current, with on-device receipt scanning. **Teams & roles** add limits, approvals and an audit trail.

# The planning-season checklist

## Prepare

- [ ] Funnel stages, ADV, win rate and LTV defined and consistent across systems
- [ ] Last year's committed, spent and available reconciled by program
- [ ] Last year's Key Results: expected versus actual documented

## Align

- [ ] Pre-wire meetings held with the CFO, the CEO and ownership
- [ ] Company financial goals and ROI method confirmed in writing
- [ ] Working session held: goals, OKRs, Key Results and unit EFV agreed
- [ ] Target return multiple agreed for each tier of outcome

## Build

- [ ] Top-down and bottom-up budgets calculated and reconciled
- [ ] Every program tied to Key Results; unaligned spend removed or justified
- [ ] Maximum cost per outcome set for each program

## Pre-model and present

- [ ] 20% cut and 40% more scenarios modeled with assumptions on the page
- [ ] Board page drafted: ask, goals, value by tier, expected vs. actual, scenarios, assumptions
- [ ] CFO Q&A rehearsed; key stakeholders pre-briefed, with no surprises

## Steward

- [ ] Budget ownership assigned to every program lead
- [ ] Weekly, monthly and quarterly reporting cadence on the calendar
- [ ] Recalibration checkpoint scheduled for each quarter

# A
# Formula reference

*The calculations in this playbook, in one place.*

| MEASURE | FORMULA | EXAMPLE |
|---|---|---|
| **Average deal value (ADV)** | Total revenue in period ÷ deals won | $10,000 |
| **Win rate** | Closed-won ÷ all closed opportunities | 20% |
| **Unit EFV, opportunity** | ADV × win rate | $10,000 × 20% = $2,000 |
| **Unit EFV, lead** | Opportunity EFV × lead-to-opportunity rate | $2,000 × 30% = $600 |
| **Unit EFV, prospect** | Lead EFV × prospect-to-lead rate | $600 × 5% = $30 |
| **Unit EFV, website visitor** | Prospect EFV × visitor-to-prospect rate | $30 × 10% = $3 |
| **Individual outcome EFV** | Key Result quantity × unit value | 200 leads × $500 = $100,000 |
| **Marketing EFV portfolio** | Sum of every outcome EFV, net of later stages | $1,976,000 |
| **Top-down budget** | EFV portfolio ÷ target return multiple | $1,976,000 ÷ 3 = about $659,000 |
| **Maximum cost per outcome** | Unit EFV ÷ target return multiple | $600 ÷ 3 = $200 per lead |
| **Cost per outcome (CPO)** | Direct cost ÷ outcomes produced | $10,000 ÷ 100 leads = $100 |
| **CPO return multiple** | Unit EFV ÷ CPO | $600 ÷ $100 = 6× |
| **ROMI** | Return ÷ marketing investment (define both) | Pipeline ÷ variable spend |
| **CAC** | All sales and marketing spend ÷ customers won | Use the same period as ADV |
| **Customer lifetime value (LTV)** | ADV × average years retained (subscription) | $10,000 × 3 = $30,000 |

# B
# Marketing finance glossary

*The vocabulary the board is already using. Borrow it.*

| TERM | DEFINITION |
|---|---|
| **Average deal value (ADV)** | Expected revenue from a new customer, calculated as total revenue divided by deals won. |
| **CAC payback** | Months of gross profit needed to recover the cost of acquiring a customer. The number the board tracks, not MQLs. |
| **Committed vs. spent** | Money contractually promised versus money actually paid. The gap is where most budget surprises live. |
| **Cost per outcome (CPO)** | The cost directly put into achieving an outcome, divided by outcomes produced. |
| **Equivalent Financial Value (EFV)** | A priced value placed on an achieved key result, particularly one with no direct revenue line, using an agreed and auditable proxy. |
| **Key Result** | A hard, measurable metric within marketing's purview that proves an objective was achieved. |
| **Marketing Asset Value** | The sum of EFV across sales (short-term), pipeline (mid-term) and strategic (long-term) outcomes. |
| **OKR** | Objectives and Key Results: how marketing's contribution to business goals is stated, owned and measured. |
| **ROMI** | Return on marketing investment: total business value delivered divided by total marketing spend, not just attributed revenue. |
| **Scenario planning** | Modeling alternative budgets side by side with their performance expectations and ROI impact attached. |
| **Unaligned spend** | Budget that cannot be traced to a business goal or key result. The first thing a CFO finds, and the first thing cut. |
| **Win rate** | The share of closed opportunities that are won. |

# C
# Put it to work

*Where Revup fits into each step of the playbook.*

## Plan, run, prove

Revup is a marketing financial performance management platform that puts the plan, the budget and the outcomes in one system, so you can move fast, keep the team accountable, and prove the whole return in the language your CFO already speaks.

| PHASE | PLAYBOOK PART | REVUP CAPABILITY |
|---|---|---|
| **Plan** | Parts 2, 3 | Living playbook; marketing plans (versioned, with a read-only share link); Goals & OKRs that flag unaligned spend |
| **Run** | Parts 5, 8 | Budget management; expenses and receipts; funnels; teams and roles with approvals and an audit trail |
| **Prove** | Parts 4, 6, 7 | Business value (EFV); scenario planning; financial impact and board book (PDF or XLSX); performance, spending and expectations reports |

FROM OUR FOUNDER

*"I created Revup because as a marketing leader, I needed a better way to build and present a compelling business case for my investment ask to a C-suite and board that simply did not understand marketing."*

**Aaron Branson**, CEO, Revup Marketing, Inc.

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