

Jean Marie Caragher on Marketing ROI

The Big Trend

CPA firms invest on average between 1% and 3% of net revenue in marketing. In many cases, partners don't know if their marketing investment is a smart one. This situation impacts not only a firm's profitability but the partner-marketer relationship. The greatest challenge managing partners have working with marketing professionals is the marketer's ability to demonstrate ROI. And demonstrating ROI is a great way for marketers to gain the respect of their partners.

The Unconventional Wisdom

ROI cannot be calculated without a marketing plan and budget. It's not enough to have a plan in your head. Your marketing plan must be written and include goals, strategies, deadlines, people responsible for implementation, and a budget.

The Misplaced Assumption

More CPA firms are developing marketing plans. Firms with marketing plans are more likely to employ a full-time marketing professional. That isn't enough, however. Managing partners and marketers alike identify the need for consistent marketing plan *implementation*.

The Watch List

- Marketing professionals that demonstrate ROI.
- Partners and marketers working together to implement marketing plans.
- Marketing professionals that achieve principal status in their firms, demonstrating the strategic role they play in their firms' growth.
- Firms that hire business developers, which is happening more often every year.

The Bold Prediction

Partners will demand ROI from their marketing professionals. This requires the discipline of partners and marketers to develop and implement a marketing plan and to track marketing statistics like leads, new and lost business, and proposal won/loss ratio. Marketers should be prepared to collect, analyze and report this information to their partners – an effective way to demonstrate ROI and gain their partners' respect.

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