



# How Not to Get Your Budget “Axed”

*By Susan Saldibar*

There are good reasons why we don't like the budgeting process. I think one of them is that it forces us to look at what we accomplished (or didn't) with last year's budget.

October is a month when many businesses submit their budgets for the upcoming year. If you've already done so, kudos! It's not an easy assignment and it's hard to stay on schedule.

So how about your marketing budget? That presents a special challenge for senior living communities because you have to really stretch your dollars. And marketing programs tend to get the axe before anything else. Melinda Schmitz, Executive VP of [Sage Age Strategies](#) (a Senior Housing Forum partner) urges senior care operators to resist that temptation. Maybe that's because senior living communities need marketing more than ever before.

So, put down the axe and take a few minutes to consider Melinda's list of tips to help you arrive at a workable marketing budget for 2018:

1. **Deploy power of Kaizen.** Borrow from the Japanese concept referred to as “Kaizen” -- which means using experiences and knowledge gained from the past to improve going forward. What is your ROI for each of your marketing programs? Know this before you allocate for next year.
2. **Think like an investor.** In other words, separate your winners from your losers. Ask yourself and others which marketing programs are underperforming and which are delivering true value? It's probably prudent to cut those that are not.
3. **Don't leave anything out.** Chances are your marketing program involves a number of campaigns executed through a variety of media. Don't ignore any of them. All must be included in your evaluation and must be budgeted for properly. Only then can you get a true performance picture.
4. **Include advances in marketing technology.** Don't forget to budget for the tools of your trade! Resist the temptation to go another year with outdated tools. Be sure to factor in the latest in digital marketing applications and how they might benefit your organization. Plan to invest in them.

5. **Don't be a spendthrift, but don't skimp.** The rule of thumb for marketing expenditures, according to trusted sources such as McKinsey & Company, is that it should amount to 5% of your gross revenues, a bit more for smaller organizations.

Finally, don't rush the process or try to do it all yourself. There are trained professionals, such as Sage Age, who can help you create a budget that will get you where you need to be. As Melinda says, "Understandably, not all senior living communities have the bandwidth in terms of resources and skill sets to conduct this critical assessment effectively. We frequently provide a helping hand to communities to ensure they are spending their money wisely, based on the evidence at hand and guided by the latest marketing best practices."

Melinda wrote a great blog on the subject of marketing budgets, which you can read [here](#).



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