



How Much Time and Money Should You Spend on Marketing?

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An independent advisor, who is one of my consulting clients, asked something that I am sure many advisors ask themselves: How much time and money should I spend on marketing?

For my client the answer was simple – just enough to get a new piece of business. As a sole proprietor, my client has a lot of responsibilities to their business and their family. They can always make one more phone call or send one more email, and feel guilty when they don't, because that just might be the email or call that results in some new business.

This client sees the value in marketing, and that marketing is necessary to run any business successfully.

Below is a step-by-step plan to evaluate the cost effectiveness of your marketing.

Step one. Evaluate your priorities

A typical independent advisor wants to spend as much time as possible with their family and doing the things they love. That is the main reason many people start their own business. Thus, an independent advisor should ask themselves: Do I want my business to grow? Am I willing to sacrifice my time doing the things you love to make that growth happen?

Step two. Breakdown your current hours

Once you have determined your priorities, evaluate how much time you spend each week writing emails, working on social media, brainstorming and watching marketing webinars. My client recorded 20 to 30 hours per week. Approximately how many hours per week do you focus on clients, prospects, and connections (calls, meetings, networking)? This is a mix of client and marketing work. Again, my client recorded 20 to 30 hours per week.

Approximately, how many hours per week do you work total? My client said she probably works 50 to 60 hours per week. That's down from the 70 hours per week she worked the first few years she had the business.

Step three. Calculate your hourly rate

We are “numbers people,” so let's do the math. Let's say this advisor makes \$150,000 annually.

$\$150,000/52$ weeks in a year = $\$2,884/60$ hours a week $\$48.07/\text{hour}$

Now, that number isn't that bad for a young financial advisor just starting out, but this client's years of experience should lend to a much higher rate.

Step four. Time

How do you increase the rate? Not by asking your clients to pay more, especially in such a competitive industry. You need to better allocate your time.

How is your time best spent while in the office? What are you best at? What are you trained/educated in?

- Clients: meetings, investments, planning, etc.
- Prospects: meetings, plans, etc.
- Connections: calls, networking, etc.
- Writing: building unique content

What could you outsource? The obvious answer is the marketing.

People seek you out as a financial professional – not a marketing expert. Spend your time wisely.

Step five. Develop an action plan

Determine what marketing items you need to maintain the branding you want and to expand your reach to grow your business.

In this example, my client does a great job at writing content. It's unique to her and has generated a ton of traffic to her site. She needs to write her own content, not only because she is a compelling writer, but also because she has developed a following with that writing, which is supporting her brand.

Currently her tasks include:

- Write content: Weekly
- Email marketing: Weekly newsletter
- Social media marketing: Weekly

She needs to add:

- Lead Generation/Call to Actions
- Lead Nurturing
- Revamp Website

Step six. Set a budget

There are several things to consider – your time and your dollars.

- How much of your time should be focused solely on marketing when it can be more efficiently/effectively spent elsewhere?
- How much money do you feel comfortable investing in your business?
- If you did set a budget, what type of marketing would be best to invest in?
 - If you work 40-45 hours/week I would allot about 8-10 hours a week to marketing.
 - And about 10-15% of your revenue.

Recommendation. Develop your own marketing plan

If you really enjoy the marketing side of the business then keep going at it. But connect with a few experts for guidance on things such as your website and email promotions. They will be able to help you on the development side of things.

Get knowledge for free when you can – check out my blog to see what articles and checklists you might find useful. But once the time spent/value ratio becomes a burden on you consider the next option.

Recommendation. Outsource your marketing needs

Let's go back to the \$150,000/year example. You hire a marketing consultant for \$1,000 a month to handle a large part of the marketing portion of your business. So your marketing hours go down from 20-30 to 10 hours a week.

That means your revenue will go down to \$138,000/annually, and maybe a little more because of some new tools you will need to purchase. But you are now making more per hour *and* you have 20 more hours a week to spend doing something you love (family, travel, activities) and/or have room to invest more of your time into growing your client base. All while having an experienced marketing professional work efficiently and effectively for your business.

$\$138,000/52 \text{ weeks in a year} = \$2,653/40 \text{ hours a week } \$66.35/\text{hour}$

That's an increase of \$18.28 per hour!

While the question presented by my client seemed fairly simple on the surface, it gets complicated. I tried to cover all of the possible answers without just saying, "It depends!" However, at the end of the day, it does depend. It depends on what value you place on your time and where you think your time is best spent. It depends on your budget, and what you want to invest in the marketing portion of your

business.

There are options that fit everyone's unique situation. There are choices between doing it all yourself, getting some help, and outsourcing your marketing needs completely. You have to figure out what will work best for you.

Crystal Butler is an entrepreneur, creative marketer and results-driven business consultant with over a decade of experience helping financial advisors. At Crystal Marketing Solutions, LLC she provides marketing services for financial professionals by communicating a cohesive brand and building business relationships to help them grow and thrive. Connect with Crystal on LinkedIn at [crystallbutler](#).