

100% responders

5\$ each

84% conversion rate

costs : $\frac{\$42,000}{= 9,843 / \text{buyer}}$

89%

Upcoming Campaign



Audience Size 10000

Response Rate \rightarrow 10%
(expect, how?)

Conversion Rate \rightarrow 5.3%
average buyer purchase \rightarrow

HOW BIG
SHOULD YOUR
CONTENT MARKETING
BUDGET
BE? USE OUR
PLANNING FORMULA
TO FIND OUT

How Big Should Your Content Marketing Budget Be

Marketing Thought Leader Seth Godin has said that “Content marketing is all the marketing that’s left.” If you believe him, then your budget for content had better reflect the strategic role it has in your marketing plan.

Nearly all businesses have at least some sort of funds allocated to content marketing. According to eMarketer, [84% of all businesses used digital content marketing in 2018](#).



But how much should you expect to invest in the creation and promotion of content?

There’s obviously no one-size-fits-all answer, but there are some benchmarks that can be referenced to use as guidelines.

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What Should Be Included In Your Content Marketing Budget?



Your specific budget will be determined by your content marketing strategy and the specific content production and promotion required to execute that strategy.

Will you focus entirely on blog posts, or require video production?

Will you promote your content with paid ads, or focus on getting organic traffic to your content?

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These questions will be answered as you define your specific strategy, and will ultimately determine the specifics of your budget.

But we've found that many business owners and marketers are unfamiliar with the amount of work that goes into content marketing.

Let's take a look at typical activities that go into executing a content marketing strategy that's focused on written content:

- **Strategy, Management, Evaluation** — Someone will have to create your content plan, manage it, and measure performance. Whether it's done by you or an agency, the investment should be accounted for.
- **Writing** — The costs of paying a writer to write the content for you.
- **Editing** — The costs of proofreading the piece and ensuring it fits your editorial guidelines.
- **Graphics and Formatting** — Good design has become increasingly important in consumer decisions.
- **Agency/Freelancer Overhead** — If you're paying someone else to write content for you, they will charge on top of the direct content production costs to cover things like admin, taxes, etc.
- **Content Publishing Administration** — Content doesn't email or upload itself! Tasks related to putting your content online and ensuring it appears as expected take time and therefore money.
- **Content Management and Measurement Tools** — Content marketing-related tools like SEO rank trackers aren't necessary, but they do help you get more out of your budget. They also ensure your money is being well spent.

Does your content marketing strategy include video? A podcast?

You can see how the list of activities can add up very quickly!

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Content Marketing Budget Benchmarks

As we've already made clear, your budget will depend on the specific nature of your content marketing strategy. That being said, industry data give us a few clues that can help establish benchmarks to help you with your budgeting.

First, the U.S. Small Business Administration [recommends](#) companies doing under \$5 million a year in sales spend 7-8% of gross revenue on marketing and advertising. They also suggest that this number could go as high as 20% in a more competitive industry.

Looking at individual companies, [27% of business to customer \(B2C\)](#) and [23% of B2B companies](#) spent between 1% – 9% of their total marketing budget on content.

However, **the B2B companies considered the most successful at reaching their content goals spent an average of 40% on content marketing**, and **the most successful B2C companies spent an average of 38%**. A quarter of both company types also said that a bigger budget helped them find more success.

A Formula For Success

Based on the numbers above, we created a simple formula for doing a back-of-the-envelope budget for content marketing success at a typical smaller business:

$[\text{Revenue} \times .10] \times .40 = \text{Total Content Marketing Budget}$

Using our formula, a \$5 million dollar per year business would have the following budget:

$[\$5\text{m} \times .10] \times .40 = \200K

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You Get What You Pay For

Ultimately, the decision for how much to spend on content is a blank canvas and will depend on the scale and scope that your strategy dictates.

However, using the benchmark data and our rough formula above should give you a reasonable starting point to create your budget.

Hopefully, you now have a clearer idea of what your content budget consists, and if not, we're here to help! Reach out to us via email, comments, or our contact form to get the conversation started.