

MARKETING BUDGET ANALYSIS 2023

Summit Digital Solutions, Inc.

CONFIDENTIAL & PROPRIETARY

Date: December 15, 2023

1. EXECUTIVE SUMMARY

This Marketing Budget Analysis document ("Analysis") has been prepared by the Finance Department of Summit Digital Solutions, Inc. ("Company") in collaboration with the Marketing Department and outside consultants. This Analysis presents the comprehensive review of marketing expenditures for fiscal year 2023 and proposed allocations for 2024.

2. SCOPE AND METHODOLOGY

1. This Analysis covers all marketing-related expenditures from January 1, 2023, through December 31, 2023, including:

- (a) Digital marketing initiatives
- (b) Trade show participation
- (c) Content marketing
- (d) Lead generation campaigns
- (e) Partner marketing programs
- (f) Brand development

2. Financial data has been extracted from the Company's Oracle Financial Management System and validated against departmental records.

3. 2023 BUDGET ALLOCATION AND PERFORMANCE

1. Total Marketing Budget: \$8,750,000 (10% of annual revenue)

2. Primary Channel Allocation:

- Digital Marketing: \$3,062,500 (35%)
- Event Marketing: \$1,750,000 (20%)
- Content Development: \$1,312,500 (15%)
- Partner Programs: \$875,000 (10%)

- Lead Generation: \$962,500 (11%)
- Brand Development: \$787,500 (9%)

3. Key Performance Metrics:

- (a) Customer Acquisition Cost (CAC): \$12,500
- (b) Marketing Qualified Leads (MQLs): 2,450
- (c) Sales Qualified Leads (SQLs): 980
- (d) Conversion Rate: 40%
- (e) Return on Marketing Investment (ROMI): 325%

4. CHANNEL PERFORMANCE ANALYSIS

1. Digital Marketing

- Paid Search ROMI: 450%
- Social Media Engagement: 28% increase YoY
- Email Marketing Open Rate: 24.5%
- Website Traffic: 1.2M unique visitors

2. Event Marketing

- Trade Show Revenue Attribution: \$12.5M
- Virtual Event Attendance: 15,000
- Lead Conversion Rate from Events: 18%

3. Content Marketing

- White Paper Downloads: 45,000
- Blog Traffic: 450,000 visits
- Case Study Engagement: 35,000 views

5. REGIONAL ALLOCATION

- 1. North America: \$5,250,000 (60%)
- 2. Europe: \$1,750,000 (20%)
- 3. Asia-Pacific: \$1,312,500 (15%)
- 4. Other Markets: \$437,500 (5%)

6. 2024 BUDGET RECOMMENDATIONS

1. Proposed Total Budget: \$10,500,000 (20% increase)

2. Recommended Adjustments:

- (a) Increase digital marketing allocation to 40%
- (b) Expand partner marketing programs to 15%
- (c) Maintain event marketing at 20%
- (d) Reduce brand development to 5%

7. RISK FACTORS AND CONSIDERATIONS

1. Market Conditions

- Increasing digital advertising costs
- Competitive landscape evolution
- Economic uncertainty impacts

2. Operational Considerations

- Marketing technology stack upgrades required
- Team expansion needs
- Agency relationship management

8. LEGAL DISCLAIMERS

1. This Analysis contains forward-looking statements and projections that involve risks and uncertainties. Actual results may differ materially from those projected.

2. All financial data presented is unaudited and subject to adjustment.

3. This document is confidential and proprietary to Summit Digital Solutions, Inc. Unauthorized distribution is prohibited.

9. APPROVAL AND AUTHORIZATION

REVIEWED AND APPROVED BY:

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Chief Operating Officer

Date:

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10. DOCUMENT CONTROL

Version: 1.0

Last Updated: December 15, 2023

Document Owner: Marketing Finance Department

Distribution: Executive Committee, Board of Directors

Classification: Confidential

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