WHERE SHOULD STARTUPS SPEND THEIR MARKETING BUDGET?

The Startup Marketing Investment Framework

Developed by Oliver Westrup
Retained Services Director at Reach Digital

reach.

Elevate your brand, **engage** your audience & **ignite growth** with Reach Digital.

INTRODUCTION

Websites are not marketing plans.

A website may support marketing, but it does not create demand on its own. Startups need a clear way for the right people to find them, understand the offer, and take action.

A business can have a strong offer and a well-built website, but still struggle if nobody knows it exists. **Marketing is what creates visibility, communicates value, and turns attention into enquiries or sales.**

What you need

01 Offer

A business needs a clear offer and a reason to be chosen.

02 Visibility

People need a way to find you before they can buy from you.

03 Website

Your website helps explain the offer, build trust, and support action.

04 Conversion

Interest only matters if it turns into enquiries, sales, or pipeline.

05 Revenue

Marketing becomes commercially valuable when it drives measurable return.

OVERVIEW

What marketing actually needs to do.

01. Strategy

Why should anyone care?

Who you're targeting, what you're saying and why it matters.

Step One

02. Visibility

How will people discover us?

This is how the right people discover the business through channels such as SEO, PPC, and paid social.

Step Two

03. Conversion

What will make them act?

This is how interest turns into enquiries or sales through pages, forms, UX, trust signals, and sales assets.

Step Three

04. Measurement

How will we know it's working?

Without tracking, marketing becomes opinion-led instead of evidence led.

OVERVIEW

Why startups budgets often go wrong.

Startup marketing usually underperforms because budget is invested without enough focus, sequencing, or consistency.

The most common reasons are:

01 Trying to do too much at once

02 Starting activity without tracking

03 Letting opinion override data

04 Overspending on low-return activity

05 Ignoring the full customer journey

06 Changing direction too early

07 Trying to market every service, or every product group at once.

Marketing should be precise.

MARKETING MIX

What shapes the right marketing mix?

Founders often ask which channel they should invest in first - SEO, paid search, social, content, email?

The answer is that the right mix depends on the business context. These are the six factors we look at before deciding where budget should go, because good marketing decisions come from commercial reality, not channel trends.

The right mix

SEQUENCE

The investment sequence that works.

Clarity First	Tracking	Conversion	Acquisition	Scale
Define the audience, the problem, the offer, the positioning, and why the business is worth choosing.	Make sure you can see where leads or sales come from, what happens after enquiry, and what good performance actually looks like.	Improve the website, landing pages, forms, calls to action, and follow-up so traffic has a realistic chance of turning into revenue.	Add the right channels once the business can learn from the traffic it is buying or earning.	Increase spend only when the proposition converts, the economics work, and the business can absorb more demand.

Marketing budget should be thought of as total investment, not just ad spend. Paid media is only one part of performance. Strategy, tracking, landing pages, creative, CRM, and optimisation are what make acquisition spend more effective.

MARKETING MIX

Key channels explained simply.

Foundations

Branding / Positioning
Clarifying who you are for, what problem you solve and why that matters.

Best for
Stronger conversion, clearer messaging and better recall.

Analytics / Tracking
Measuring source, behaviour, conversion, lead quality, and revenue impact.

Best for
Decision-making, optimisation, and confident scaling.

Website / Landing Page Optimisation
Improving pages so more visitors enquire, buy, book, or sign up.

Best for
Increasing return from every other channel.

Demand Capture

PPC / Paid Search
Puts the business in front of high-intent search traffic quickly.

Best for
Fast feedback and lead generation.

SEO
Helps the business appear in search when people are already looking.

Best for
Capturing demand over time.

Demand Creation / Nurture

Paid Social
Reaches defined audiences before they are actively searching.

Best for
Audience testing, remarketing, launch support, and shaping demand.

Email / CRM
Capturing, nurturing, and reactivating leads and customers through structured follow-up.

Best for
Converting interest already earned and improving retention.

Content Marketing
Creating useful articles, guides and case studies that answer questions and build trust.

Best for
Education, authority, organic visibility and longer sales cycles.

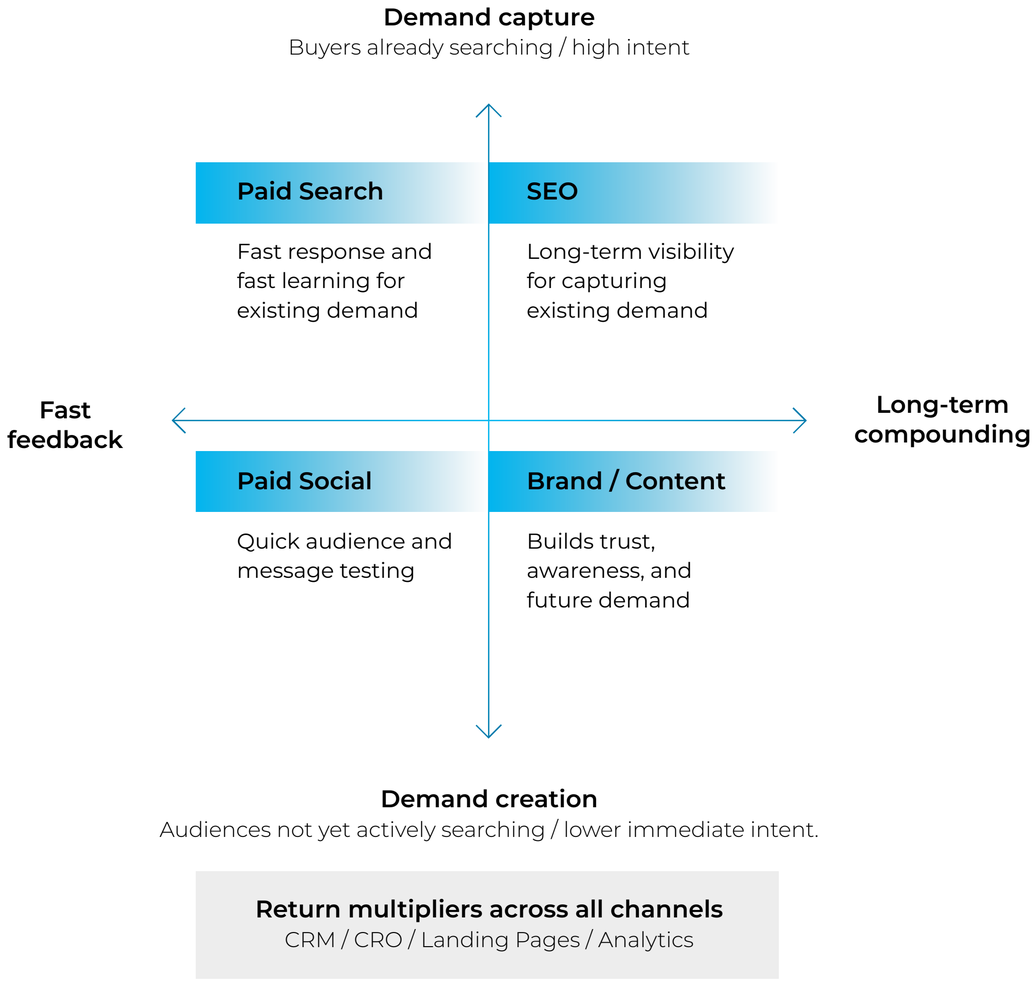
MARKETING MATRIX

Marketing channel matrix.

A strong startup marketing plan usually does two things at once:

01 Uses one priority activity to generate learning or demand now
Invests in one area that strengthens performance over time

02 That balance helps founders avoid two common mistakes: moving too slowly, or relying only on short-term channels with no long-term plan.



Return multipliers across all channels
CRM / CRO / Landing Pages / Analytics

MARKETING PRIORITIES

How marketing investment evolves by growth stage.

01. Pre-launch / Very Early

Business reality
Offer still evolving, little data, low awareness, tight budget

Priority
Clarity, validation, and first credible signs of demand

Best-fit channels
Positioning, landing page, tracking, CRM, focused testing

Common mistake
Trying to look fully scaled before the basics are proven

Success looks like
First qualified leads or sales, clearer audience fit, better message confidence

02. Early Traction

Business reality
Some demand exists, but results are not yet predictable

Priority
Repeatability and stronger conversion

Best-fit channels
One core acquisition channel, CRO, CRM, remarketing, selective SEO / content

Common mistake
Adding too many channels before one route is working consistently

Success looks like
More reliable lead flow, better conversion, clearer channel economics

03. Early Momentum

Business reality
Offer is proven, budgets are larger, efficiency matters more

Priority
Scale what works and build resilience

Best-fit channels
Multi-channel mix, paid media, SEO / content, CRM, analytics, CRO, brand support

Common mistake
Scaling spend faster than the economics or systems support

Success looks like
Predictable growth, stronger return, and a more balanced marketing engine

MARKETING PRIORITIES

How early-stage marketing investment evolves.

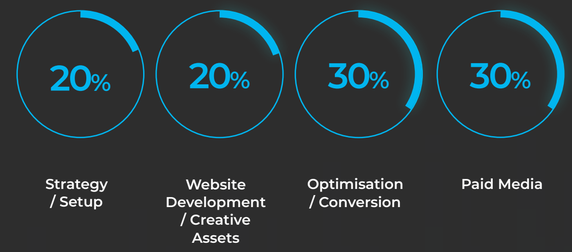
Phase 01. Pre-launch / Very Early

Strategy, setup, website, and conversion readiness.

Ready to move on when positioning, core pages, tracking, and lead capture are live, and the business is ready to convert demand effectively.

Phase 02. Early Traction

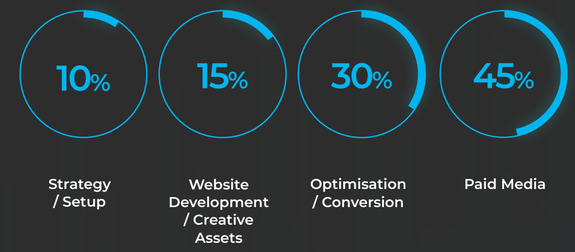
Paid testing, creative refinement, and conversion improvement.



Ready to move on when early activity shows clear signs of traction across audience, message, offer, or channel.

Phase 03. Early Momentum

Paid media, optimisation, reporting, and selective channel expansion.



Ready to expand when one route to demand is working consistently enough to justify more investment or additional supporting channels.

MARKETING PRIORITIES

A practical framework for deciding where to spend first.

STEP

01.

Define the next commercial goal

What has to happen in the next 90 days: leads, demos, sales, retention, validation, or better pipeline quality?

STEP TWO →

STEP

02.

Find the real bottleneck

Is the problem lack of demand, poor conversion, weak follow-up, unclear message, or low repeat purchase?

STEP THREE →

STEP

03.

Choose one primary channel for the next phase

Pick the channel most likely to solve the current bottleneck or produce the clearest learning.

STEP FOUR →

STEP

04.

Fund the enablers around that channel

Do not forget tracking, landing pages, creative, CRM, and reporting.

STEP FIVE →

STEP

05.

Measure quality, not just volume

Look at lead quality, conversion rate, close rate, payback, revenue contribution, and margin.

STEP SIX →

STEP

06.

Start focused, then expand with proof

Founders should expect to grow their marketing over time, but only once one route is working well enough to justify more spend, more channels, or a broader campaign mix.

SCALING

When to scale, and what good looks like.

01 The proposition converts consistently

You are no longer relying on one-off wins. The offer, message, and route to action are working often enough to trust.

02 Tracking is reliable enough to judge performance properly

You can see where leads or sales are coming from, what quality they are, and which activity is creating real return.

03 The economics work beyond the top-line result

Customer acquisition still makes sense once sales effort, fulfilment, margin, and payback are taken into account.

04 Lead quality is stable, not just lead volume

You are not simply generating more enquiries, you are generating the right kind of enquiries consistently.

05 The business can absorb more demand without breaking delivery

Sales, service, fulfilment, and customer experience can handle additional volume without harming close rate or quality.

06 There is a repeatable process behind performance

Results are coming from testing, learning, and optimisation, not one lucky campaign, one client, or one-off timing.

07 There is a plan to strengthen the next stage of growth

Scale is not just more spend. It also means building longer-term strength through SEO, content, CRM, brand, and conversion improvement.

SCALING

How multi-service businesses should scale marketing.

For businesses with multiple services or product categories, growth should usually happen one priority at a time. Expanding too early, or rolling the same small budget from one offer to the next, can reset momentum instead of building it.

What to do

Start with one core priority

Choose the service or product category with the strongest combination of:

- Demand
- Margin
- Commercial Importance
- Likelihood of traction

Move to the next only when the first is stable

Expand when the first priority is generating consistent results, tracking is reliable, and the business understands the economics well enough to protect what is already working.

Add the next service in a controlled way

The second priority should usually be introduced as:

- An additional test
- A supporting campaign
- A new allocation layered onto what is already proven

Keep supporting what already works

If one service or category is already generating reliable demand, it should usually keep enough investment behind it to protect momentum while the next priority is introduced and tested.

SUMMARY

Digital Marketing for Startups and Microbusinesses

The most useful agency partner is not the one pushing the most channels, but the one applying a clear methodology to where budget should go first, what should happen next, and when to scale.

- Startups do not need to do everything at once.
- Better decisions come from understanding stage, goals, and constraints.
- The right budget is not about spending more. It is about spending with focus.
- A structured approach to digital marketing creates more confidence, better learning, and stronger return.

Thank you.

info@reachdigital.media
01206 580202

Unit 1, Woodhouse Farm
Barns, Dedham Road
Stratford St Mary
Colchester
CO7 6FH

reach.

Elevate your brand, **engage** your audience & **ignite growth** with Reach Digital.