

How to

**CREATE A
CAMPAIGN
BUDGET**



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Campaigns often fail before they even start because they lack a clear, upfront budget. A budget should be realistic, have measurable goals, and be built to get you all the way through Election Day.

Building a Budget From Election Day Backwards

A campaign budget should be built so that the expenditure phase of the campaign comes at the end. Keep your “burn rate” lean and spend the bulk of your budget on voter contact when your voters are paying attention. This isn’t just about tracking dollars. It’s about fueling your path to victory and keeping you accountable. Be realistic about what you can do and ask the people who are helping you to come up with budget numbers for you early in the campaign. Not every campaign is going to do TV or radio and that’s ok, but the bulk of your campaign spending needs to be directed towards voter contact.

Planning and Budgeting

Microsoft Excel is a great tool that is widely available and easy to use for budgeting purposes. It’s your workhorse for campaign budgeting – accessible and powerful.

Start by cataloging every single item you expect to spend money on. Then add them into the correct month on the sheet when you will make the expenditure. Leave no stone unturned. Do this for every expenditure you can think of to make your budget as realistic as possible. As you map it out, you should see the bulk of your finances held back for the critical final months of the campaign.

Your budget hinges on your fundraising. Get real about your fundraising goals, then build your spending plan around them. If you are planning not to fundraise and are going to self-fund your race with your own money, then own your number and build a budget around an amount you are truly comfortable putting on the line. No matter the source, an honest, realistic budget is your roadmap to winning on Election Day.

Think of your budget as a living, breathing thing that adapts, expands, and contracts. If your fundraising is going better than expected, then you can adjust your budget accordingly and put some of that money into a reserve or expand line items, like adding an extra mail piece or digital flight.

If the money isn’t coming in, you have two choices. You can find a way to hit your numbers, either self-funding or a personal loan, or you can make cuts to your budget and eliminate things that aren’t absolutely mission critical.

► **PRO TIP: Don’t be afraid to ask what things cost ... it’s better to know upfront.**

A realistic budget demands crystal-clear costs. You can’t plan accordingly if you’re guessing. Do your research, ask questions, and lock those firm numbers into your budget when you get them.

Request a detailed mail plan from your mail vendor that outlines every piece and cost. The same should be done with your digital vendor and all other consultants and vendors you are going to use on your campaign. The more information you know upfront, the more accurate your budget will be. That means less guesswork and more time for fundraising and voter contact for you.

Burn Rate

Your burn rate is simply how much money you spend each month during your campaign. Keep your burn rate lean in the early days; then, just like the voter’s attention to your race, it should grow the closer you get to Election Day. Early on, your burn rate should be mainly fundraising costs as you are fundraising and banking as much money as you can to spend on voter contact in the fall.



► **PRO TIP: Keep track of your inflow and outflow.**

A campaign budget should be built so that the expenditure phase of the campaign comes at the end. You must track every single dollar in and out. This is typically the campaign treasurer's job, but you should be hands-on. They have the checkbook, but you own the budget.

Meet or talk with your treasurer a few times a week in the slow months as you are fundraising. When the fall bills hit, you want to simply tell your treasurer, "Pay it," without scrambling to find the funds and pulling you away from voters and the campaign trail.

Keeping the campaign budget balanced will save you time and headaches down the road. There is no substitute for peace of mind and knowing where you stand financially so you can focus all your time and energy on the voters. Let your opponent guess your war chest. Thanks to you sticking to a disciplined budget, they're about to find out what all your plans and fundraising were about!

Voter Contact Expenditures

Winning starts with a budget built backward from Election Day. Your heavy expenditures should take place in the last few months when voters finally start paying attention to the race. This means your voter contact line items in your budget, like your direct mail program, digital ads, newspaper ads, and radio/TV ads, should be strategically back-loaded in your overall plan.

Disciplined tracking and keeping a lean burn rate in the early months of your campaign will help ensure you have the war chest ready to spend on those big expenditures that are going to help you secure victory.

► **PRO TIP: Spend no less than 75% of your budget on voter contact (advertising).**

Voter contact isn't just a part of your budget – it IS the budget. Dedicate at least 75% of your money towards it. It is said that money is the lifeblood of campaigns. Without it, a campaign dies. If money is the lifeblood, then voter contact is the beating heart. It pumps money into the vital efforts of grassroots door-to-door, mail, digital advertising, radio, television, and phone calls. Your voter contact efforts give your campaign a pulse. Voter contact is non-negotiable and deserves every dollar.

Precision targeting and data analysis can help you sidestep some rookie mistakes and ensure you get the most bang for your campaign buck. Spending money to advertise to people who will never vote for you, or even show up at the polls at all, is a waste of campaign resources. Instead, concentrate your expenditures on persuading likely persuadable voters and turning out your supporters. Maximize your spend on those two critical groups of voters. Then and only then, if you have money to spend, should you consider broader advertising.

Keeping your spending target-focused and your pencil sharp will help guide you to victory on Election Day.

Common Mistakes to Avoid

- Launching without a realistic budget
- Burning through cash too early
- Guessing your costs
- Underfunding voter contact
- Wasting dollars on the wrong voters



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