

# ADBUDG



---

ADBUDG is an advertising budgeting procedure which is applicable to brands which have considerable history of advertising and market share response to advertising, including the media and creative effectiveness of that advertising. Budgets are determined quarterly for one fiscal year. ADBUDG could be used in a "real" brand situation or can be used with a case. A case for the Clarion Company (fictitious) is included with ADBUDG software. The first image from ADBUDG software below is the "Six Questions" input Window. Six questions must be answered as the basis for building a response function, the approach utilized by the ADBUDG budgeting process.

---

**ADBUDG**

File Help

Welcome to ADBUDG Budgeting Model

**NOTE: Use TAB key to go from one box to the next. Click each "View" to get data input frames.**

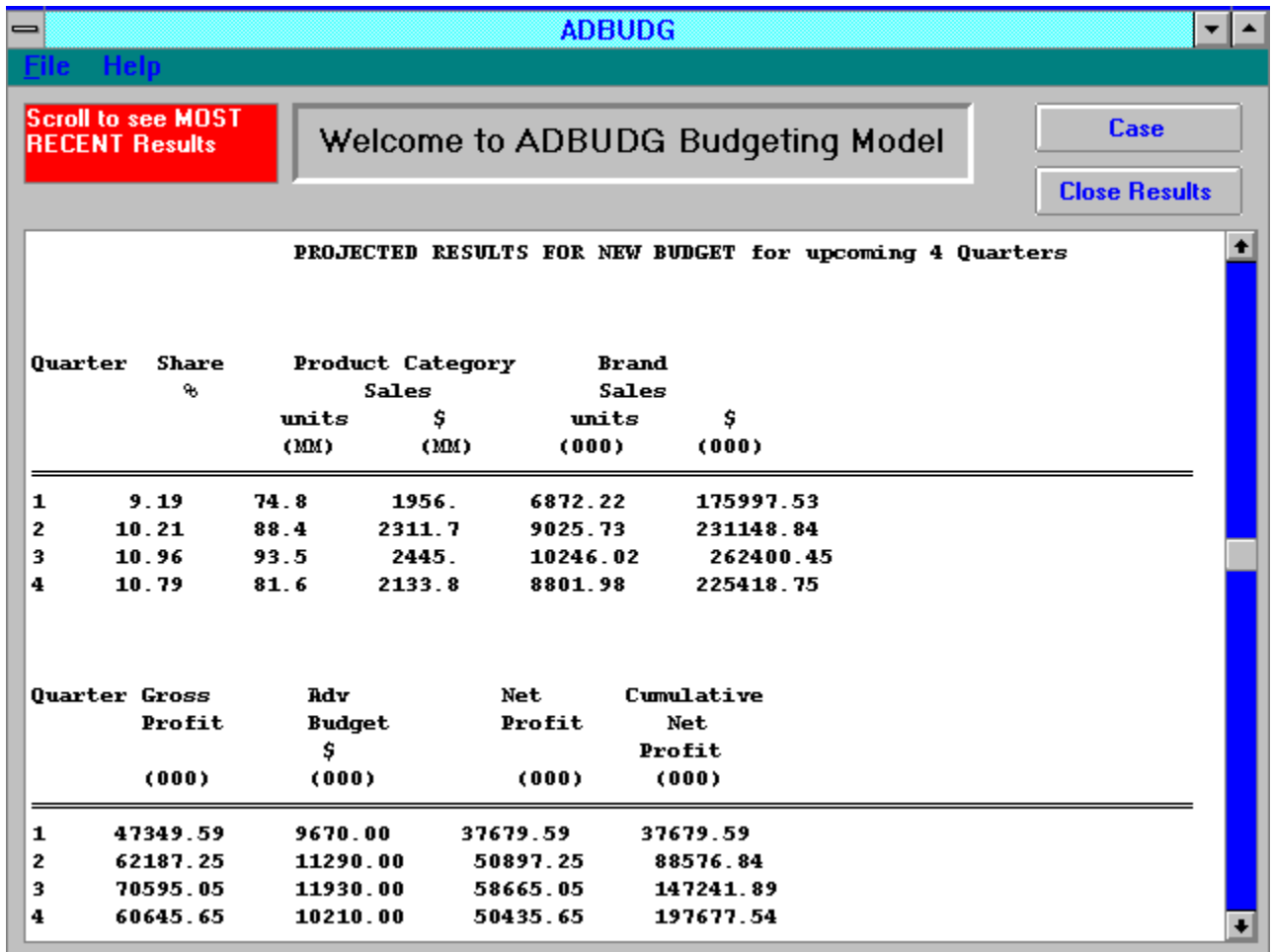
View RF "Six Questions"  
 View Additional Items  
 View New Budget Items

Case  
Close Results  
View Results

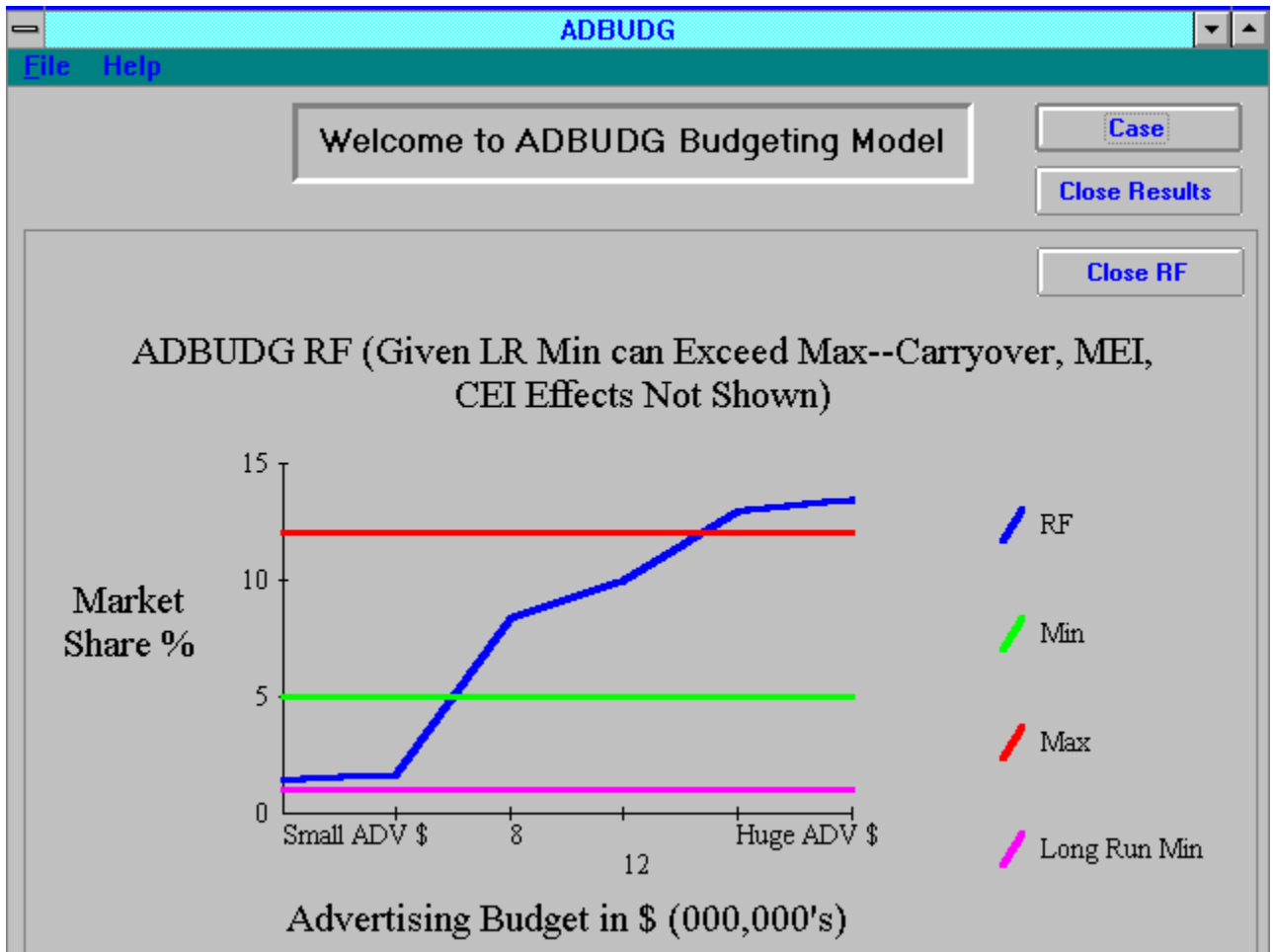
**Reference Case Conditions "The SIX QUESTIONS" (MAKING the Response Function)**

1. Initial Share?	8.4
2. Maintenance ADV \$?	8000000
3. Minimum Share?	5.0
4. Maximum Share?	12.0
5. Share for 50% More ADV than Maintenance ADV \$?	10.0
6. Long Run Minimum Share?	1.0

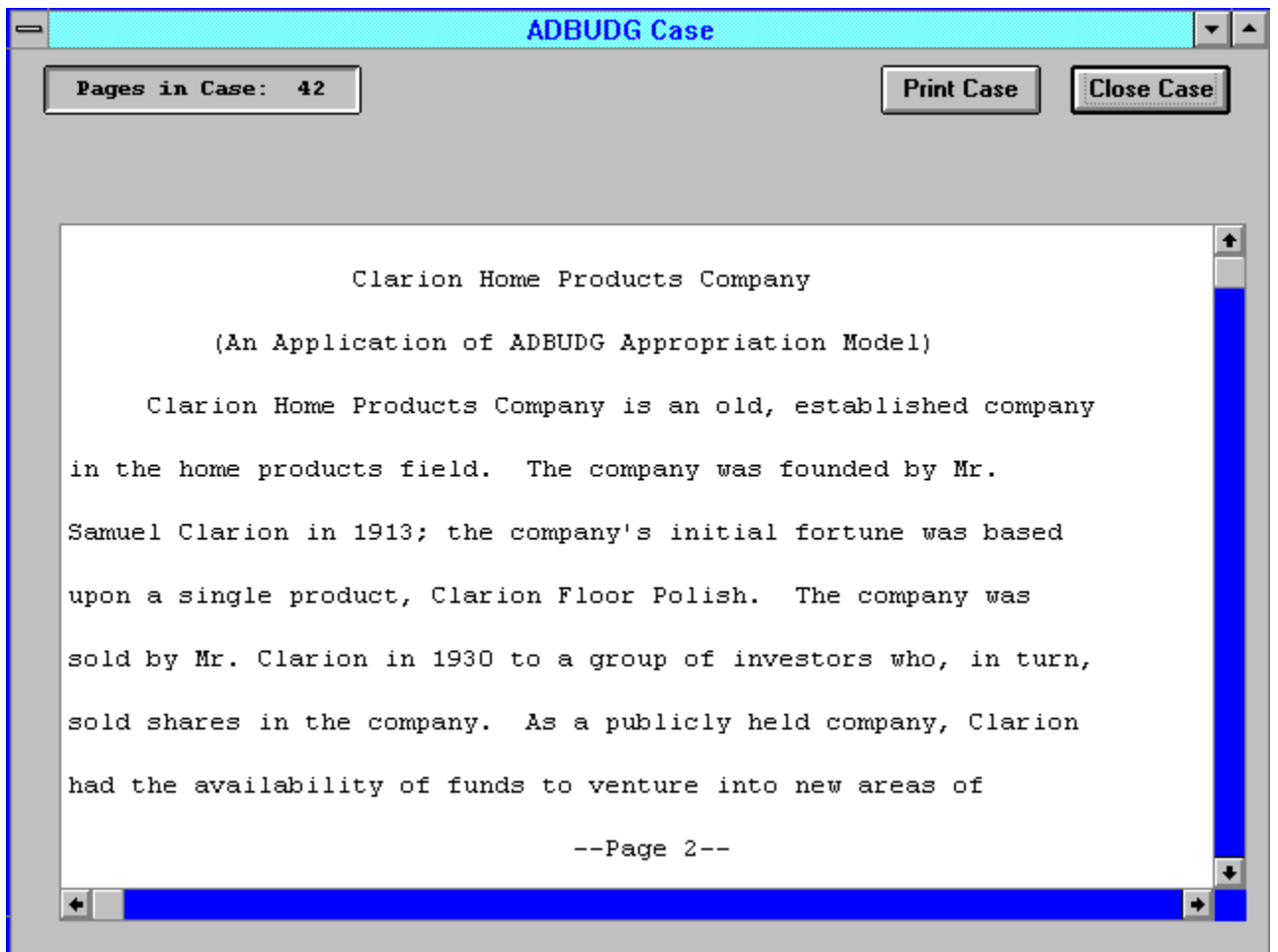
The Projected Results Window below shows the abbreviated financial statements for the advertising budget constructed previously. If the projected results are acceptable, say in terms of market share or net profit projections, the budget is an acceptable one. If not, a different budget can be evaluated. Thus ADBUDG allows a pseudo-experimental procedure for arriving at a budget as a function of chosen expenditures and inputs for creative and media efficiency.



The window below shows a graphical illustration of the response function constructed by ADBUDG in response to the user inputs to the Six Questions in the first window shown above. This might be concave-downward or s-shaped.



The final window below from ADBUDG shows the sample application case included with the software (approximately 25 word-processed, double-spaced pages) for the Clarion Company.



 [Return to ciAd software](#)