

Methods of Preparing Ad Budget

(Fixed guideline, Task , Subjective Methods)

1. Percentage of sales method – volume of sales, last year units ,
- 2. Unit of sales method – last 2-3 year sales records ,
- 3. Competitor's Parity (exps.) method- competitors expenses ,
- 4. Market share – if- monopoly , 40-60% ,
- 5 .All can afford method- basis on fund avail ,
- 6. Follow up Method – objective not achieve , corrective action
- 7. Arbitrary method – without considering objective ,rational method ,
mgmt. take decision ,