



HOW TO

Budget for SEO

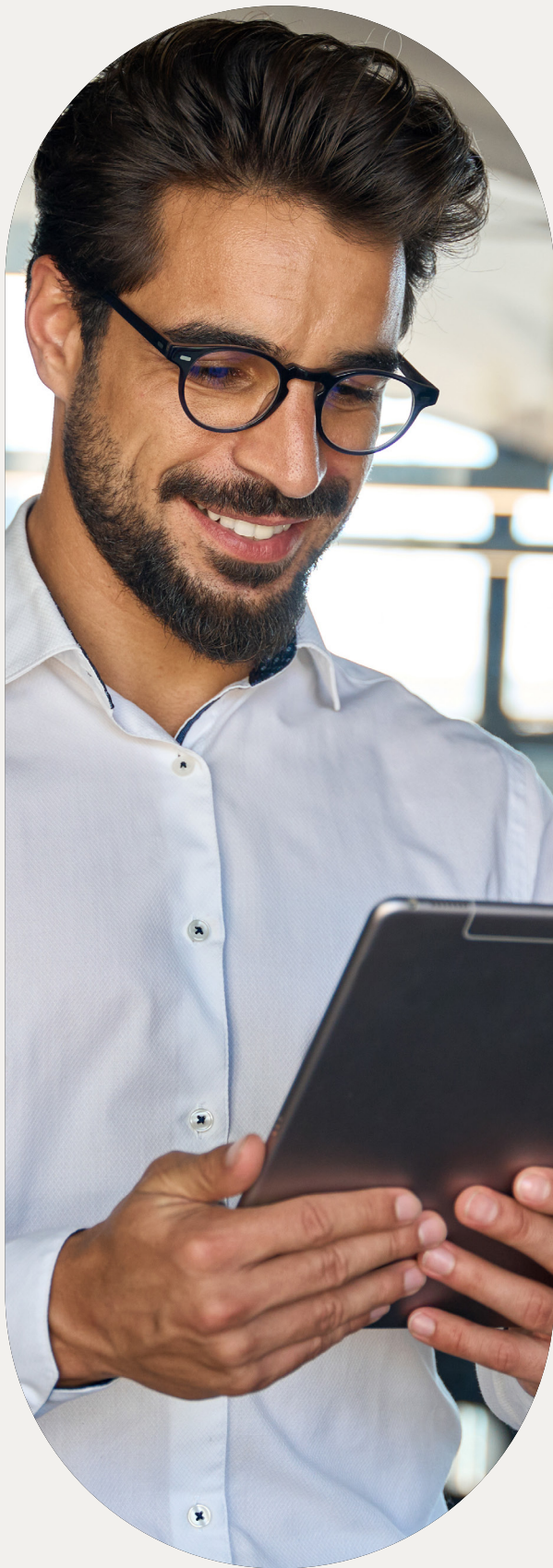


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Where Does SEO Fit?

SEO is often ignored during budget discussions because it's not traditionally considered a marketing "channel" — despite the fact that it converts at a higher rate than other channels.

Investing in SEO ensures your company strategically allocates budget to a high-impact marketing activity that generates compounding returns.

The question is: how do you fit it into your digital marketing strategy?



WHERE DOES SEO FIT?

Incorporate organic search into your strategy as you would other channels.



Often, marketers who use search optimization as part of their marketing strategies will implement it as a supporting tactic to boost other digital marketing channels, such as social media, third-party media, and paid ads. Using SEO this way is a great first step, but stopping there means leaving money on the table.

By viewing SEO as merely a tool to support other marketing efforts, you're more likely to undervalue it when creating your budget — which in turn can undermine your efforts to drive revenue.

The question is: how do you fit it into your digital marketing strategy?





How To Add SEO To Your Budget

Adding SEO to your budget is the first step to building a long-lasting SEO marketing channel for years to come and achieving high ROI from search.

When you build an SEO plan into your marketing budget, you will:

- 1 Treat SEO as its own marketing channel, aligning it with your goals and planning for it in your budget the same way you would with PR efforts or paid advertising.
- 2 Communicate with stakeholders to stakeholders the significance of tracking the ROI from organic search traffic and investing appropriately. Tracking revenue from SEO also gets future buy-in for your continued investment.

But how you integrate SEO into your budget depends on whether it's done in-house or outsourced.



In-House vs. Outsourced: Allocating Funds and Tracking Performance

Building SEO Into Your Budget

If you're adding SEO to your budget for the first time, it's important to establish effective reporting methods that clearly demonstrate the ROI of your SEO efforts to stakeholders. Not only does this support you in advocating for the appropriate level of investment as the year progresses, but it also provides valuable insights for future budget planning.

Budgeting SEO as a Subcategory

Best for Outsourcing

- Outsourcing your SEO strategy to a specialized agency simplifies the budgeting process. Because the agency will focus on the right resource distribution across various SEO pillars, you'll be freed up to concentrate on the strategy's overall ROI.

Budgeting SEO as a Category

Best for In-House SEO

- If outsourcing SEO isn't feasible, make SEO a distinct category in your budget and ensure there are adequate funds for consistent investment in every essential component of a successful SEO strategy such as on-page optimization, content creation, link building, and web development.



HOW TO ADD SEO TO YOUR BUDGET

How *Not* To Add SEO Into Your Budget

If you treat SEO only as a supporting tactic, it'll be difficult to allocate sufficient budget for it and plan its implementation effectively. While digital marketers across various disciplines might recognize the need for SEO, the absence of a cohesive SEO strategy limits the value search engine optimization can add to your overall marketing efforts.

SIDELINING SEO MEANS:

- Treat SEO as its own marketing channel, aligning it with your goals and planning for it in your budget the same way you would with PR efforts or paid advertising.
- Relying on web developers (who may not be well-versed in SEO) to understand and build technical requirements for your site.
- Lacking a strategy to invest in crucial off-page SEO tactics such as link building.



How Much To Spend on SEO

With marketers already juggling a multitude of responsibilities, incorporating SEO into the mix isn't as simple as just whisking it in.

Instead, the strategic approach to allocating resources to SEO and maximizing its impact on your business goals starts with asking the right questions.



HOW MUCH TO SPEND ON SEO

Strategic Integration Begins With Insight

From small businesses and startups to enterprise operations, budgets matter. And many marketers get tripped up trying to budget for SEO because, historically, there's been a lack of transparency in the SEO industry about how much search engine optimization really costs and what it entails.

Effective SEO is an ongoing process that involves: consistently monitoring analytics, adapting to changes in the competitive landscape, and keeping an eye on the impact of Google's algorithm updates on rankings. These needs differ by site, industry, and even time period.

HELPFUL QUESTIONS TO ASK:

- **How does your target audience find your business?**
The more your business relies on online visibility and internet searches to drive traffic, the more you should invest in SEO.
- **How aggressive is your competition?**
If your competitors rank in the top spots for industry keywords, you may need to boost your SEO investment to stay competitive.
- **How well is your website optimized?**
How does your business currently rank in search engine results? Does your site have Google penalties you need to address? Are you happy with your site's online visibility?
- **What's the current stage of growth for your business?**
Newer companies, for example, should often spend more on marketing as a percentage of revenue.



HOW MUCH TO SPEND ON SEO

Benchmarking Your Spend

With the benchmarking data from the [2023 CMO Survey](#) (shown to the right), you can tailor your SEO budget to your specific needs.

This budget breakdown can be outsourced entirely to an agency so you won't have to concern yourself with budgeting for each SEO activity. If you have an in-house SEO team, it helps ensure they have the resources needed for success.

Keep In Mind

Think about your [SEO goals](#) in the context of your broader marketing objectives before allocating a specific dollar amount to that line in your budget.

Are you relying on organic traffic growth to meet KPIs like leads or sales? Or are you looking to build thought leadership in your industry?

Setting the right internal expectations for your marketing investment enables you to invest enough in SEO to achieve your goals.

! Pro-Tip

Enhance your budgeting process by diving into metrics. In addition to your internal ROI data, check out your competitors. SEO tools can help you gauge their organic traffic so you can figure out how much budget you need to capture a greater share of that traffic.

COMPANY TYPE	ANNUAL REVENUE	% REVENUE ON MARKETING	TOTAL MARKETING BUDGET	\$ FOR SEO*
B2B Products	\$50M	9%	\$4.5M	\$1.3M
	\$500M	9%	\$45M	\$13.5M
B2B Services	\$100M	10%	\$10M	\$3M
B2C Products	\$5M	18%	\$900K	\$270K
	\$25M	18%	\$4.5M	\$1.35M
B2C Services	\$10M	15%	\$1.5M	\$450K

*30% of Marketing Budget



HOW MUCH TO SPEND ON SEO

Urgency Can Influence SEO Cost

Another essential factor in how much SEO can cost is the level of urgency for results and the investment you're willing to make for a quick lift.

Depending on the current challenges your business faces, the amount of search optimization you've already done, and the competitive search landscape in your industry, you might opt to invest more heavily in SEO efforts that can drive results on a shorter timeline.

Some marketing teams may have goals that require a high SEO spend, while others can hit their metric milestones with a lower financial commitment. Generally, investing \$4 – 7k/month is the entry-level cost for outsourcing SEO services that deliver long-term results (although companies often spend 2 – 5x that depending on their size, budget, and evolving growth goals).

When you build an SEO plan into your marketing budget, you will:

No one can promise overnight results from an SEO campaign, but you can take certain actions to generate faster outcomes.

For instance, you can speed up the process of building topical authority in your industry by investing more in creating relevant content and getting backlinks from reputable websites. This strategy helps you quickly build trust and rank higher in Google search results, achieving your goals faster than competitors who don't invest as much in these areas.

These initial investments not only offer a quick lift but lasting payoff, with compounded results over time.



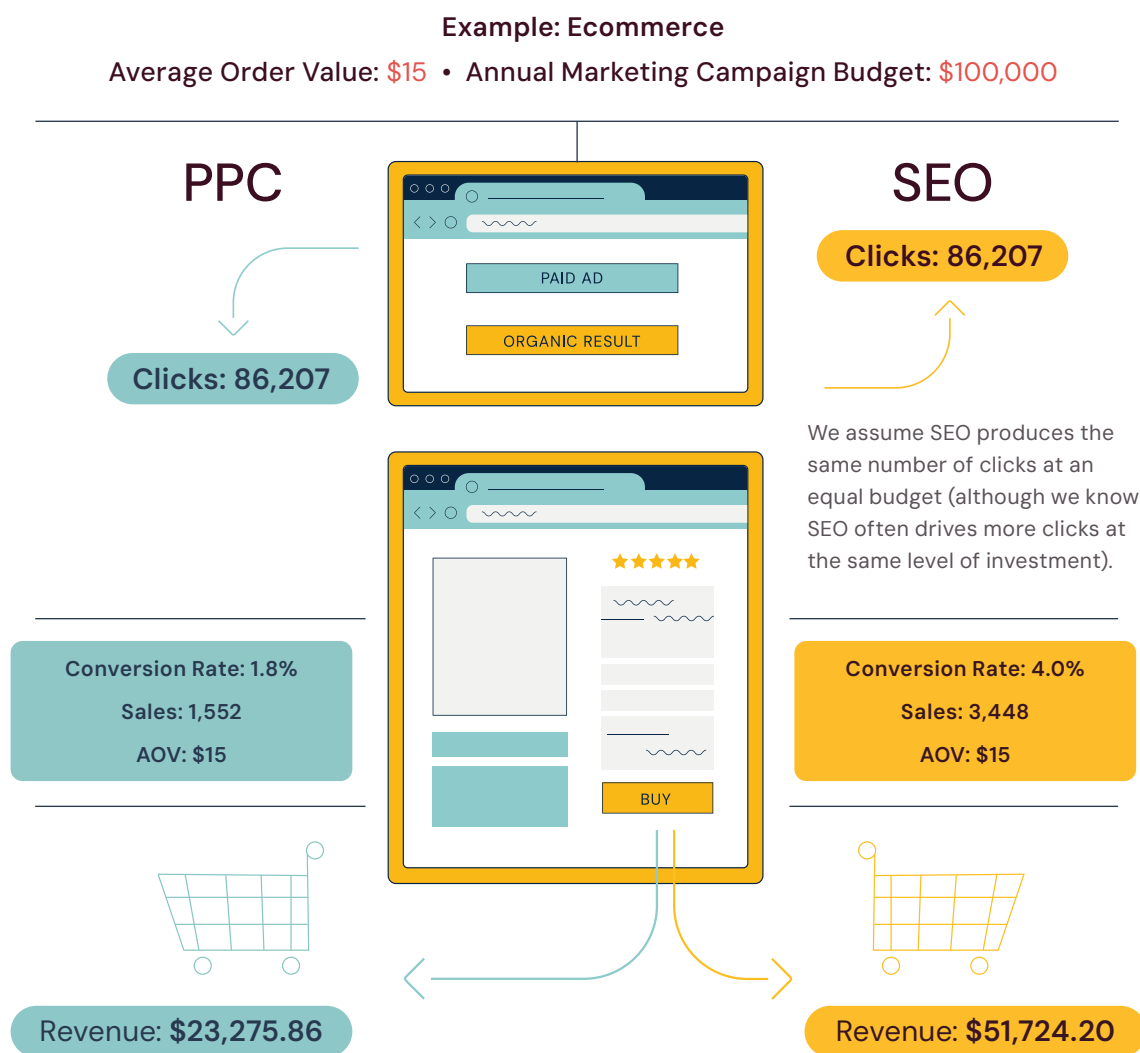
HOW MUCH TO SPEND ON SEO

SEO and ROI

It's common to devote large budgets to PPC without assessing if it's generating meaningful ROI.

According to benchmarking data from Ruler Analytics, most of the time, SEO ROI is higher than PPC ROI.

Plus, conversion rates are often 2x higher for SEO than PPC in many industries. For ecommerce, the average conversion rate for SEO is 4.0% and 1.8% for PPC.





What SEO Activities Should You Budget For?

You know you need to budget for SEO, but what's the budget breakdown?
Where specifically does your investment go?

Mapping your SEO budget to specific SEO activities throughout the year allows you to allocate the right amount to achieve your business objectives.



COMMUNICATING SEO'S VALUE TO STAKEHOLDERS

Urgency Can Influence SEO Cost

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WHAT SEO ACTIVITIES SHOULD I BUDGET FOR?

A Full Year of SEO: Q1

At the beginning of the year, you're budgeting for strategy — goal-setting, technical site auditing, keyword research — and mapping out a plan to achieve your SEO goals.

Technical audits of your site will uncover ranking barriers and reveal your biggest opportunities to improve your site's performance and provide a better user experience. Your SEO agency or web development team can immediately start to tackle those.

EXAMPLE FIRST QUARTER SEO ACTIVITIES

- Strategic goal setting
- Technical site audits
- Page optimizations: Title tags, meta descriptions, header tags
- Mapping keywords to commercially viable site pages
- Anchor text research and analysis
- Robots.txt optimization
- Link building



WHAT SEO ACTIVITIES SHOULD I BUDGET FOR?

A Full Year of SEO: Q2

As you head into the second quarter, you'll start to uncover more nuanced obstacles impacting your site's SEO performance.

Once you've had time to observe your organic traffic and engagement to establish benchmarks, investigating your internal link structure and potential keyword cannibalization will allow you to dig deeper into improving your site's optimization.

EXAMPLE SECOND QUARTER SEO ACTIVITIES

- Keyword research
- Link building
- Keyword cannibalization analysis and fixes
- New SEO content writing and existing content optimizations
- Internal link optimization
- Ongoing technical site audits



WHAT SEO ACTIVITIES SHOULD I BUDGET FOR?

A Full Year of SEO: Q3

In the third quarter, you'll be able to assess what's working as you observe performance trends over the past six months. You should now have a steady stream of content optimizations and link building activities in the works, as well as regular technical audits to check that no new issues have popped up that might impact performance.

Ongoing keyword research will help you identify strategic phrases to target for new SEO content that will build your topical authority and expand your organic footprint.

EXAMPLE THIRD QUARTER SEO ACTIVITIES

- Strategic goal setting
- Technical site audits
- Competitive analysis
- Page optimizations: Title tags, meta descriptions, header tags
- Mapping keywords to commercially viable site pages
- Anchor text research and analysis
- Robots.txt optimization
- Link building



WHAT SEO ACTIVITIES SHOULD I BUDGET FOR?

A Full Year of SEO: Q4

As you head into the fourth quarter, you'll likely start planning for the following year. It's a natural time to assess your traffic and determine if there are strategic pages to focus on in the future.

What marketing goals did you achieve, and what new business goals will inform next year's marketing plans? How can you leverage SEO in the following year to help achieve those goals, and will you increase your SEO budget to help you do so?

EXAMPLE FOURTH QUARTER SEO ACTIVITIES

- Link building
- E-E-A-T analysis and fixes
- New SEO content writing and page optimizations
- Ongoing technical site audits
- ROI analysis and annual goal assessment
- Mapping new sets of keywords to commercially viable site pages for next year's goals



How To Know You're Investing Enough in SEO

Once you've committed to an SEO budget, how do you ensure you've set aside enough to move the needle on your goals?

Cheap SEO will cost you more in the long run, while a long-term, high-performing SEO strategy will pay big dividends strategy?



SEO Costs vs. Results

Quality SEO takes time and resources. You can leverage a free SEO consultation from an SEO agency to learn more about specific areas of opportunity for your site and how much you should invest to achieve your goals.

But beware of agencies that attach a specific timeline to results, such as, "We'll double your traffic in two months." Anyone promising overnight results is likely planning to engage in less-than-savory SEO tactics.

While it may be tempting to go with an inexpensive provider that promises fast results, this often backfires. Spammy SEO providers generally engage in unethical link-building practices to create quick wins that almost always turn out to be long-term losses.

A higher investment in SEO typically leads to greater satisfaction.

Backlinko's recent findings suggest that the more companies invest in SEO, the happier they are with the results. To achieve desired outcomes, marketers typically need to spend several thousand dollars a month on SEO services.

Beware of SEO consultants offering services for \$500; they can't feasibly provide quality results at that price point.



HOW TO KNOW YOU'RE INVESTING ENOUGH IN SEO

The Cost of Cheap SEO

As you research SEO providers, there will inevitably be someone who promises to deliver the moon at a rock-bottom price.

Being pulled in by the promise of big results on a small budget could result in shady tactics that sabotage your site's credibility and threaten your business. It can take years to recover from shady SEO practices, making cheap SEO the most expensive of all.

GUT CHECK

You should have a large enough budget to perform all of these critical SEO activities.

SEO AUDITS	Audit your site's technical performance, content, and backlinks to uncover ranking barriers and highlight areas of opportunity.
KEYWORD RESEARCH	Use your keyword research to inform your SEO strategy and guide both on-page and off-page SEO efforts.
ON-PAGE SEO	Integrate your keyword research into your metadata and page content to highlight relevance and expertise.
TECHNICAL SEO	Improve your site's architecture, crawlability, and indexability so Google can easily find and rank business-critical pages.
OFF-PAGE SEO	Build links, secure citations, and optimize your Google Business Profile to illustrate your site's authority and boost your ranking potential.
SEO CONTENT	Optimize existing content and create new content around keyword opportunities to build topical authority and help your site rank higher.
SEO REPORTING & ANALYTICS	Tie your SEO activities to your business goals and monitor the effectiveness of KPIs to showcase the value of your efforts.



3 Ways To Determine Your SEO Budget

1. Match Your Competition

Naturally, industries with more search competitors have to commit more to SEO to maintain a share of organic traffic.

Compare your existing search engine rankings to your competition, and consider the cost of losing customers to them.

Next, determine the SEO budget you'll need to outrank those competitors.

2. Calculate Budget Using Customer Lifetime Value (CLTV)

The benefits of organic traffic extend beyond a one-time purchase. You can determine the value of a web page based on the amount you expect to earn from a customer long-term.

Let's say your business has a transactional page that gets 10,000 visitors a month. If you convert 1% of visitors, you're selling to 100 customers a month. If your CLTV is \$3,000, your web page is worth \$300,000 over time.

You can work backward to estimate an appropriate SEO budget, planning your spend based on the increased value you're looking to see from your SEO investment.

3. Determine the Effectiveness of SEO vs. Paid Search Spend

Most companies feel comfortable budgeting for PPC and spend more on PPC than SEO, according to Marketing Sherpa. However, SEO typically generates twice as much traffic. And what about conversions? Look at your own data to compare the ROI across paid traffic and organic traffic, and make sure your comparative budgets are in line with your returns.

If SEO brings more high-quality visitors to your site, consider re-apportioning your digital marketing budget to reflect SEO's bigger returns on your investment.

[Check out this post for more insights.](#)





Communicating SEO's Value to Stakeholders

As you start crunching the numbers to establish your SEO spend, you may arrive at higher figures than expected.

If you're facing a hard sell or struggling to get budget stakeholders to see the value of SEO, share these helpful points.



SEO Thrives in the Ever-Changing Digital Landscape

What do your potential customers do when they have a question? If they're like most people, they head to Google. SEO is how you get your solutions in front of them. Digital ads have decreased in effectiveness after most browsers deprecated third-party cookies. However, first-party cookies remain an effective way to learn more about your site visitors and tailor your search engine optimization strategies to meet their needs.

Diversifying your budget to account for this shift will help you reach more interested consumers, even as search engines continue to update how they share information.

Tl;dr: SEO remains a strong digital strategy despite the constantly evolving online landscape.

SEO Is a Prime Traffic and Conversion Driver

Share these stats with budget stakeholders and let the numbers do the talking so you can plan a budget with your final ROI in mind.

The top three organic search results have a CTR of

54.5%

(Backlinko)

Depending on industry, PPC ads have a click-through rate of around

3%-10%

(Wordstream)

Average B2B Conversion Rates by Channel:

2.6% Organic Search

2.4% Email Marketing

1.5% Paid Search

1.7% Social Media

53% of all site visitors come from organic traffic, whereas only **15%** come from paid search

(Brightedge)



Is Your Budget Ready for SEO?

A free SEO consultation will help you hone in on the most impactful SEO opportunities for your website and identify the level of investment needed to see the best results.

It's an effective and free way to ensure you invest at the appropriate level to see positive growth.

READY TO PLAN YOUR BUDGET?

Learn how to maximize your search potential.

[SCHEDULE A FREE SEO CONSULTATION →](#)