

Five questions to ask before the next budget cycle.

A short guide for senior marketing, finance and product leaders who need a clear answer to where the next dollar should go.

Why these five questions.

Enterprises have invested heavily in customer data, analytics, AI and automation. Budget conversations still turn on judgment, because the line of sight from investment to revenue is missing.

These five questions give a leadership team a shared way to close that gap before the next cycle. Use them in a 60-minute planning session. Each page names what good looks like and what to bring to the meeting.

01 **Where is the value, in dollars?**

02 **Which action fits, and who owns it?**

03 **How will we know it worked?**

04 **What did the last investment produce?**

05 **What does the next dollar buy?**

01

Where is the value, in dollars?

Budget follows the largest credible opportunity. Sizing it for each customer segment, in margin dollars, lets leaders compare options on one scale.

What good looks like

- Customers or accounts grouped into a small number of segments
- Each segment carries a dollar value and a conversion or retention rate
- The top three opportunities are listed in priority order

Bring to the meeting

- Customer counts by segment
- Margin per successful action
- Current conversion or retention rates

Questions to ask in the room

- Which three customer segments hold the most margin?
- What would a one-point change in conversion be worth in each?
- Which number in this view would the CFO challenge first?

Worked example

6,000 accounts convert at a 9.0% base rate, and each success earns \$15,500 of margin. A gain of 2.5 points adds 150 deals and \$2.33M of margin. You can test your own numbers in the value calculator at stradem.com/calculator.

02

Which action fits, and who owns it?

A large opportunity needs a specific action matched to the barrier that holds it back. A named owner keeps the action out of the backlog.

What good looks like

- Each top opportunity names its barrier and a proposed action
- An accountable owner is named for each action
- The channels and data required are confirmed

Bring to the meeting

- A list of current programs by customer segment
- The owner of each program
- Known data and channel gaps

Questions to ask in the room

- What barrier sits behind each top opportunity?
- Who owns the action, by name?
- Which data or channel gap would delay launch?

A useful pairing

Match each barrier to one action: a lapsing segment calls for a win-back offer, a first-90-days segment calls for onboarding, and a single-product segment calls for a cross-sell. One owner carries each pairing to launch.

03

How will we know it worked?

Agreeing the measure before launch gives leadership clear criteria for reading the result. A conversion rate on its own can include customers who would have converted anyway.

What good looks like

- A hypothesis stated as a gain in percentage points
- A comparison group chosen to fit the data
- A target for action agreed in advance with finance

Bring to the meeting

- The gain you expect
- The smallest result that would change your decision
- The finance leader who signs off on the method

Questions to ask in the room

- What gain do we expect, and what is the smallest gain that changes the decision?
- Who designs the comparison?
- When do we read the result, and who signs it off?

Worked example

The comparison group converts at 9.0% and the action group at 11.5%. The 2.5-point gap is the estimated gain, reported with its range and assumptions. If the agreed target is 2.0 points, the team acts.

04

What did the last investment produce?

Leadership asks this in every cycle. An answer assembled over weeks, from memory, restarts the work each quarter.

What good looks like

- A record of what was decided, what was expected, what ran and what happened
- One place the team owns, kept current
- The expectation and the result side by side

Bring to the meeting

- The last three major investments
- The expectation at approval for each
- The result reported for each

Questions to ask in the room

- Where is the record of the last decision?
- Did the result match the expectation at approval?
- What did we change in the next decision because of it?

A simple record

For each decision, keep six lines: the customer segment, the opportunity, the action, the test, the expected result and the observed result. One page per decision is enough.

05

What does the next dollar buy?

A priority list turns the budget into a sequence. The next investment is chosen against what the last one produced.

What good looks like

- Opportunities listed by expected value and by whether the team can start
 - The first decision selected
 - A review date set
-

Bring to the meeting

- The priority list from questions 1 to 4
 - The budget range
 - The decision date
-

Questions to ask in the room

- Which opportunity comes first on value, and can we start it now?
- What is the budget for the first decision?
- When do we review the result?

A simple sequence

Start the first opportunity on the list, set the review date at the end of the test, and move the next dollar to whichever opportunity comes first at that review.



From five questions to a decision.

Stradem helps leadership teams answer all five questions in a Value Assessment of three to four weeks. You finish with a short list of opportunities in priority order, what each one needs to start and the first decision selected.

Your team keeps the workspace and the decision log. The next quarter starts from them.

Bring one question to a 30-minute working session.

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