

Case Study: Charles Schwab



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How Charles Schwab Improved Marketing Budget Management with Allocadia

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– Charles Schwab executive in charge of marketing technology

Meeting the Challenges of an Enterprise Marketing Organization

The Charles Schwab Marketing department didn't feel that spreadsheets were an adequate tool to help them tackle their significant budget challenges.

Their budget was:

- Large and dynamic, with frequent reallocations between marketing programs.
- Widely distributed, with 96 cost centers and numerous managers.

Adding to the challenge was the fact that the Marketing group holds itself accountable to very tight tolerances, aiming to spend to target within -2% to +0.5%.

The team managed to make do with spreadsheets, but using them wasn't as simple, efficient and flexible as it needed to be. There wasn't a standard spreadsheet format, and the team spent hours reconciling data and double-checking spreadsheets after information was submitted. When someone needed a specific projection or number, there was a “fire drill” to find and compile the data.

The Charles Schwab marketing team knew they needed to make a change, and the answer was not better spreadsheets. They sought a solution that would put all their marketing spend data into one place, keep data up to date without manual reconciliation, and remove the significant manual labor involved in generating updates for the executive suite.

When it came time to evaluate software options, the Charles Schwab executive in charge of marketing technology knew that whatever the company chose, flexibility, accessibility and scalability would be paramount.

“I'd worked with multiple MRM [Marketing Resource Management] suites before,” he said. “The drawback of the big software companies in the space is that if you don't use the tools exactly as they've been designed, too bad. They're not flexible. That doesn't work for Schwab — we're a very entrepreneurial company.”

“We got to help decide how the tool was built to meet our specific needs,” said another Schwab team member about her experience working with Allocadia. “We definitely feel



like it was a partnership — and I can say that is something we look for in the vendors we work with.”

As an added bonus, Allocadia was able to integrate with Workfront, the project management tool Charles Schwab uses to create workflows for Marketing project management and to facilitate the internal approval procedures required for regulatory compliance.

The Results

The team has seen significant positive changes since implementing Allocadia, including:

Better Visibility into Marketing Investments

With Allocadia, Charles Schwab’s Marketing users know exactly where they stand with their spend at any given point in time. There aren’t as many fire drills — everyone’s in the same system and the numbers make sense. It’s also easy to train Marketers in Allocadia, “even folks who traditionally don’t enjoy numbers or budgets in any capacity. Some Marketers have a mental block against numbers, but Allocadia has been a valuable tool and not an obstacle.”

A Simpler, Faster Process for Budget Management

The budgeting process has been dramatically streamlined. Now, all Marketers submit their numbers in Allocadia. The day after submissions are due, the Marketing budget team has a high level snapshot of the entire marketing budget and will pull a report to see who hasn’t updated their work or who has more than a 10 percent variance in their approved spend. The full days spent on data validation and double-checking are gone.

Analytics on Demand

Now, the Charles Schwab team has analytics available at any time. “That’s a huge value for the leadership and executive teams. For example, when the CMO wants to know how much of the media team’s money is committed, a report can be generated quickly in Allocadia instead of querying different departments and budget managers and emailing numbers back and forth.”

Improved Transparency with Finance

Before Allocadia, the finance department only saw Marketing forecasts at a quarterly breakdown. Now, they can see the numbers broken out monthly. “Allocadia has provided so much clarity because all the important numbers are all in one place. That’s especially helpful when numbers or plans change.”

Showing Progress and Results

Spending more accurately was one of the team’s major priorities. “Our marketers have become more accountable and better stewards of the dollars allocated to them. We can show progress and results in real time.