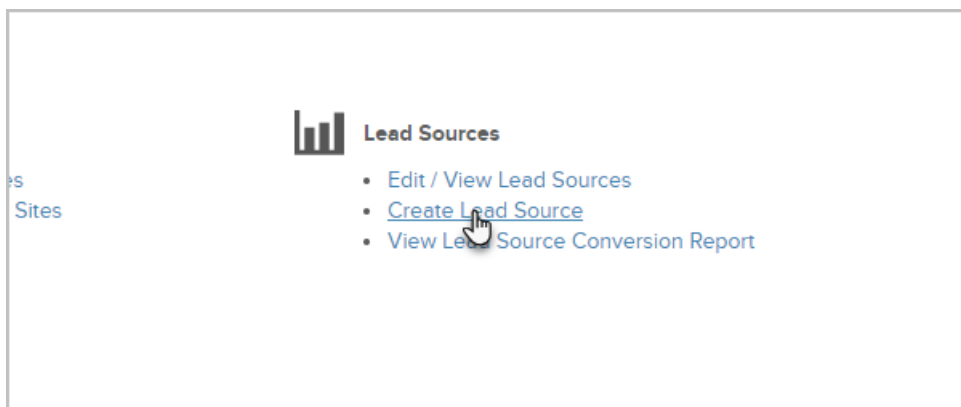# Track Lead Source Expenses %

This article applies to:

Cost versus benefit should be a huge factor when evaluating paid lead sources. This kind of evaluation allows you to assess the return on your investment (ROI) so that you can invest more money into the lead sources that produce the desired results and discontinue using the ineffective ones. A lead source should achieve one or more of the following goals:

- Attract visitors to your website or place of business. This allows you to expand awareness of your business and earn the attention of potential buyers.
- Grow your list. This gives you permission to send marketing materials to more people and remain top of mind until they are ready to buy.
- Produce paying customers. The best lead sources produce the highest amount of customers for the least amount of cost.

Adding lead source expenses is critical in analyzing acquisition costs for leads and customers. A lead source may involve a one time expense (e.g. a trade show fee) or a monthly recurring expense (e.g. a banner ad on a website). One-time expenses must be entered manually when they occur. Recurring expenses are automatically applied at the beginning of each monthly billing cycle.

Max Classic totals lead source expenses and then compares them to the number of leads, the number of customers, and the amount of revenue generated. This data is used to produce lead source ROI reports and calculate cost per lead and cost per customer.

1. Go to **Marketing > Lead Generation**

2. Click on the **Create Lead Source** or **Edit / View Lead Sources** to modify an existing one.

3. If you are creating a new lead source, go ahead and name and save it so that you can access the **Expenses** tab.

4. Click on the **Add Expense** button.
    - One time expenses should be entered on the date they occur. A one time expense may be incurred for a limited run print or media advertisement, an event sponsorship, or for the purchase of banner space on a website. The lead source expense is "billed" on the date that it is entered.

- Monthly recurring expenses are entered once and billed automatically at the beginning of each cycle. This type of expense may be incurred for pay per click advertising with a consistent monthly budget, a paid advertising service (e.g. outsourced social media management), or a recurring print or media advertisement. If a recurring expense is variable, enter the budgeted amount, and then edit the expense to adjust it up or down after the actual billing occurs.
    - The start date represents the first bill date. This bill date can be back dated. The system will bill the recurring fee on this date each month.
    - The end date represents the end of the ad duration.

5. Click on the **Save** button to enter the expense.

   The total lead source expense is the sum of the individual one time and/or recurring expenses. The ROI percentage is calculated based on total revenue this lead source has generated from customers divided by the total lead source expense. A lead source ROI over 100% means the lead source is producing more revenue than expense.