Four dimensions for managing digital assets to deliver higher-value, lower-cost global marketing and advertising

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Keywords: *DAM, marketing automation, digital marketing, publishing, process change*

Abstract This paper gives a perspective on the growing demand for marketing automation and offers examples of the results generated from this need. The article examines the cost savings, elevated quality and speed-to-market that automation brings to a marketing service organization. Insight in achieving a competitive advantage in today's global and complex marketplace is shared through strategies behind successful marketing automation.

INTRODUCTION

As early as the 1990s, I had a discussion with an executive at Dayco, a multinational automotive supplier. He described a phenomenon where, at the time, if a company entered into an systems application approach (SAP) implementation with Accenture (then, Anderson Consulting), the valuation of that business instantly rose. The cost savings, quality improvement, and increased speed-to-market represented a considerable competitive advantage that, in the eyes of investors, made the company more valuable. The markets

understood the impact of automation in terms of lower operating costs, increased sales, and fewer defects.

MARKETING ... THE LAST BASTION

A mere 15 years or so later, innovation in hardware and software has meant automation across most areas of business — financial, manufacturing, distribution and sales. Automation consistently serves as a competitive advantage for businesses.

Marketing operations, though it finds itself in a broader, more global

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marketplace, remains one of the last bastions of corporate inefficiency, ripe for automation. Eventually, as adoption of marketing automation systems grows, marketers will find it a necessity to be competitive.

Those sentiments are shared by leading brands. John Riha, executive editor of *Better Homes and Gardens*, has said,

“It was common knowledge that we were creating but not caring for our assets. We had an art library that held roughly 500,000 assets, but when you consider that Meredith’s publishing activities generate more than 200,000 in assets per year, it was obvious that we were neglecting some very valuable... resources.”¹

While the lack of marketing automation and the resulting inefficiency is largely uncalculated, it is more and more at the forefront of decision making in advertising. On 31 August, 2005 the *Wall Street Journal* headline read “Agencies vie for Bank of America and chance to prove their value,” and remarked “marketers are questioning the efficiency of big ad companies.”

Multiple factors are driving the scrutiny, interest and investment into automation but most poignantly, advertisers’ need to get the right content in the right context at the right time with unprecedented consistency.

A FRAGMENTED INDUSTRY FACES A NEW CONSUMER

Steve Lanzano, executive vice president and general manager at Havas SA’s Media Planning Group has said,

“A huge complaint among consumers is that they are bombarded with the same ads day in and day out, no matter what

program they watch or what time they watch it. If the ad is not that relevant and I have seen it 50 times, then I’m glancing over and I’m going someplace else.”²

Consumers are now described as mobile, hostile and agile. Their behavior, often dictated by a communications cycle that is moving at a breakneck pace can alter perceptions multiple times in a small period of time.

Furthermore, the proliferation of message content and media is endless — blogs, e-mails, banner advertisements, traditional media, game players, iPods, satellite radio, cellular phones, text messaging and ring tones. Messages are digital and consumers want the ability to interact with the medium.

In the same way Wal-Mart redefined retailing by securing winning products on shelves faster than the competition, marketers must get their messages in front of the consumer at the time and place when they are most receptive and ready to absorb it.

A second *Wall Street Journal* piece from 12 May, 2004 remarked,

“How does a big company craft a global marketing strategy that is relevant to people in different countries around the world? Too many concessions to local nuances can prove expensive and unmanageable. A one size-fits-all strategy can end up so watered down that it becomes meaningless.”

At the core of the drive for automating print advertising and collateral is the advertiser’s desire to control the medium or context, put targeted messages in play, and be agile enough to change with the rapid pace of information across a broad landscape. It is quite a

challenge to accomplish this without losing the essence of a brand, which makes people loyal, or spending a brand out of business.

A 2003 report from Gistics Incorporated puts it succinctly,

“CMO’s of large enterprises must breakthrough with a new winning strategy that harnesses the unified voice of their brands, customer advocacy and digital services . . . In today’s hyper competitive markets, message velocity, or how quickly one can communicate with customers and buyers, stands out as one of the few strategic variables in market share growth.”

BIG BRANDS TACKLE THE CHALLENGE

Tom Kotlarek of DreamWorks, a celebrated and innovative brand, has said,

“We have a focus on leveraging the value of creative marketing assets across as many channels as possible. As we face new competitive pressures and uncharted opportunities, we know that we will need to have our ‘digital house’ in order. Through the implementation [of a digital asset management system] DreamWorks expects to realize significant cost savings today and build with confidence towards the future.”³

The August 2005 issue of *Business Week*, Interbrand’s ranking of the 100 most valuable global brands stated:

“The names that gained the most in value focus ruthlessly on every detail of their brands, honing simple, cohesive identities that are consistent in every product, in every market around the world, and in every contact with consumers. . . The

brands that rose to the top of our ranking all had widely varied marketing arsenals and were able to unleash different campaigns for different consumers in varied media almost simultaneously.”

On that list, is General Motors. Tom Frieman, director of media archives for General Motors, echoes these sentiments,

“We recognize the benefits of increased digitization of our global operations including improved time-to-market for the launch of marketing campaigns and new product introductions. We are addressing the need to communicate more effectively and efficiently with customers and partners through the use of richer media across multiple channels.”⁴

How do you begin? The second half of this paper addresses four core dimensions for success in creating a competitive advantage with technology as an enabling tool in a marketing-value chain.

DIMENSION ONE: ISOLATE INEFFICIENCIES

Adobe and Quark, the two primary providers of desktop publishing engines, are creating server-based publishing technologies for graphically intense communications. This is a strong indication that the marketplace has generated demand on a scale worthy of an enterprise-level solution. Adobe’s theory, for example, is once a company implements a digital asset management (DAM) system, the next question will be, “What do we do with it?” Adobe would answer automated print collateral and marketing communications production.

Andrew Salop, senior product

manager of Digital Asset Management Technologies at Adobe, shares insight into how his company is leading the charge,

“Adobe XMP is an enabling technology that provides an efficient and flexible mechanism to create and preserve metadata across diverse, rich-media file formats and workflows. By facilitating metadata capture earlier in the production process, XMP fosters more productive DAM and workflow automation.”⁵

For organizations to take advantage of these solutions, they must isolate the inefficiencies in the production and reuse of marketing assets. This is challenging because asset production in any organization is likely to be spread across a wide area, including internal creative services departments, advertising agencies, marketing service and promotional partners.

Equally, assets are being generated for various media like interactive, print, wireless and broadcast independently and without the benefit or efficiency of automated collaboration. Once a company isolates inefficiency, and understands the process for asset creation and storage, it can pursue real marketing automation in a clearly defined context with real and attainable goals.

DIMENSION TWO: INTEGRATE WITH KEY STRATEGIC PARTNERS

Find the highest-quality supplier for each competency in your marketing value chain and then build on that capability. Once you have identified a partner, or set of partners, with whom you can align your success criteria, you

create a better environment for automation. Variables are reduced. A honed process with key strategic partners is in place. The net result is a highly efficient set of marketing processes that together create your organization’s marketing system. Adding technology to a streamlined system increases speed, which equally increases the velocity at which your organization delivers marketing communications to the customer.

The challenge for chief marketing officers is a historically opaque view into the marketing production process. These underlying efforts are usually two to three layers removed from the strategic marketing and advertising decision-makers.

Therefore, the required intense scrutiny of marketing process inefficiency is difficult for two reasons. First, it exposes a degree of ignorance at the top of the organization as to how marketing dollars are spent. Equally challenging, the marketing partner exposes a level of its organization that is potentially a costly, inefficient service that it owns on behalf of the client.

At the end of the day, all parties involved must be willing to align themselves in order to succeed.

DIMENSION THREE: BALANCE ONLINE AND OFFLINE FUNCTIONS WITH RISK AND REWARD

A critical realization in managing digital assets is understanding that certain aspects of the workflow cannot be automated and efforts to automate these components are wasted. Manual intervention, at some point in the workflow, is a requirement.

Unique or custom adaptation of assets is common, driven by business need, and this reality must be part of the process design. Don't plan for a totally automated workflow. Systems are like a garden in that much of what is planted will bear fruit unless it is unattended. If it is not cultivated, or left unattended, it will not serve the evolution of the business, and therefore no longer serving the needs of the organization.

DIMENSION FOUR: ESTABLISH SUCCESS CRITERIA

Taken from Gistics Incorporated's 2003 "The Business Case for a Marketing Services Platform," automation can reduce the procurement cycle of getting a brochure or collateral piece to market by two days, saving nearly \$63,000 in hard costs. Automating the print advertising localization can reduce the cost associated with a major launch by over \$1m.

Impressive numbers and proof that the goal of automating the print advertising and collateral process to make it "better, cheaper, faster" has measurable benefits.

Without doing the upfront work to quantify success, the organization opens itself up to internal saboteurs; those persons, unaccustomed to the system, immediately opposed to its success, and able to provide subjective criticism that without objective metrics for comparison, derail the project and its intended benefits.

Measure success, at least initially, through a narrowly defined project. With initial success, expand and determine new measures with the experience and knowledge unique to

your workflows and collaboration strengths.

Kirk Booth, director of electronic publishing, measures Avon's success accordingly,

"In many cases we've reduced a six-to-eight-week production cycle to two or three weeks as a result of the system. In addition, we've saved millions of dollars in scanning, photography, and re-creation of digital media assets."⁶

A clear performance metric includes such items as how traditional orders are now processed online, specific production-cost reductions, the speed at which a campaign or campaigns cycle, mistakes or errors in executions, and logistics and warehousing costs versus a "just-in-time" model.

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