

How MAM Solutions Boost Marketing Results



Creativity.

Execution.

Results.

Why Read this Paper?

Companies in growing numbers are implementing marketing asset management (“MAM”) solutions to improve the productivity of the marketing function. These solutions combine technologies, manufacturing capabilities, and services to streamline many of the processes relating to the procurement, production, management, and distribution of marketing materials.

Most discussions of marketing asset management solutions focus on how they reduce costs and improve the *efficiency* of the marketing supply chain, but MAM solutions can also improve the *effectiveness* of marketing activities and programs. And more effective marketing leads to increased sales.

Read this white paper to discover—

- How marketing asset management solutions reduce the use of obsolete marketing materials
- How MAM solutions leverage powerful customization technologies to enable the creation and use of more relevant marketing materials
- How MAM solutions simplify and enhance marketing activities in distributed marketing environments

The “Other” Benefits of MAM

In response to growing pressures from CEO’s and CFO’s, marketers in all kinds of companies are seeking innovative ways to improve the productivity of the marketing function. For example, marketers are capturing and analyzing more data from and about customers and prospects in order to better understand their

needs and create more targeted marketing programs.

Today, a growing number of companies are also implementing marketing asset management solutions to improve marketing productivity. MAM solutions combine technology tools, manufacturing capabilities, and services to automate and streamline many of the processes relating to the procurement, production, management, and distribution of marketing materials such as marketing collateral documents, promotional items, and point-of-sale displays. They can also provide a platform for creating and executing advertising and marketing programs, particularly direct mail and e-mail marketing campaigns. For a more detailed description of how marketing asset management solutions work, take a look at our white paper titled, *Is a Marketing Asset Management Solution Right for My Company?*

Most of the discussion about marketing asset management solutions has focused on how they improve the *efficiency* of the supply chain for marketing materials. MAM solutions can dramatically reduce materials obsolescence and enable companies to lower a variety of costs relating to marketing materials, including indirect procurement costs, storage and inventory management costs, and distribution costs.

Just as important, however, marketing asset management solutions can improve the *effectiveness* of marketing activities and drive improved company performance. According to research by the Aberdeen Group, companies with a marketing platform that provides marketing and sales stakeholders with access to compelling content and marketing assets are 86% more likely to achieve best in class results compared to companies without those capabilities.¹

Marketing asset management solutions drive increased marketing effectiveness in three major ways. As we describe these capabilities, consider whether and to what extent they would benefit your company.

Less Use of Obsolete Materials

The first and most basic way that marketing asset management solutions improve marketing effectiveness is by reducing the use of outdated or obsolete marketing materials. In fact, MAM solutions actually encourage and support the consistent use of fresh marketing materials by eliminating the financial incentive to consume old materials before producing new ones.

Obsolete marketing materials constitute a major problem for many companies. In a recent survey by the Chief Marketing Officer (CMO) Council, 40% of respondents said they waste 20% or more of their marketing materials because of obsolescence.²

The direct financial costs of obsolescence waste are bad enough, but the negative consequences of using obsolete marketing materials can be even more serious. In today's hyper-competitive business environment, every interaction with a potential customer is important, and sales can easily be lost if prospects are provided outdated information.

Fifty-one percent of marketers admit that they have sent marketing materials to customers or prospects that contained outdated content.

Unfortunately, the use of obsolete materials is all too common. In the same CMO Council survey, 51% of the marketers responding admitted they had sent materials to customers or prospects that contained outdated content. And, it's not only marketers who are guilty of using obsolete materials. In another CMO Council survey³, 72% of responding sales personnel acknowledged that they had over-ordered and stockpiled marketing materials. Sixty-five percent of these respondents said they stockpiled materials because the process for obtaining materials took so long.

These stockpiled materials can be found in the offices, homes, garages, and even car trunks of your salespeople and sales channel partners. And because they are available and handy, these materials are used, even when they are outdated or obsolete.

Marketing asset management solutions reduce the use of obsolete marketing materials by combining "virtual warehousing," on-demand manufacturing, and rapid fulfillment to create a flexible, responsive, and dependable system for procuring, producing, and distributing marketing materials. These capabilities eliminate the underlying causes of obsolescence.

A marketing asset management solution includes an online catalog that constitutes a virtual warehouse of marketing materials in digital form. When a marketing item is updated, the digital file of the outdated item is removed from the catalog, and a new digital file is put in its place. After this "swap-out" occurs, any user who orders that item will receive the updated version. MAM solution providers manufacture most marketing materials in small quantities on an as-ordered basis. Therefore, there won't be many copies of outdated materials that are available to be used. Finally, because MAM solutions can produce and deliver requested marketing materials quickly, sales personnel and sales channel partners have

A Marketing Asset Management Solution Takes You...

From This



To This



no reason to over-order and hoard marketing materials that may become obsolete.

Marketing asset management solutions actually encourage marketers to keep marketing materials fresh and current by removing any pressures to “use up” old materials before updating them. Put yourself in this situation. A particular attribute of your product has proven to be very appealing to buyers. Your marketing materials mention this attribute, but they don’t emphasize or feature it in a prominent way. You’d like to update your marketing materials to place more emphasis on this popular attribute, but you have several thousand copies of your existing materials sitting in your storage closet. If you update your materials, the existing materials will become useless, and the money you spent for them will have been wasted. So, you decide to delay updating your materials until you can reduce the existing inventory.

With a marketing asset management solution, you wouldn’t face this dilemma because you no longer need physical inventories of most

marketing materials. You buy materials as they are needed, and there are no large inventories to hold you back when you need (or want) to update those materials.

More Relevant Marketing Materials

The second major way that marketing asset management solutions improve marketing effectiveness is to enable the creation and use of more relevant marketing materials. Marketers now have more ways than ever to reach out to prospects and customers. But if you’re like most marketers we know, your job has become harder, not easier. Today, potential buyers are inundated by marketing messages and materials, and as the noise increases, the effectiveness of generic messages and materials decreases.

The best way to deal with this problem is to make your marketing materials more pertinent to your potential buyers’ important issues and needs. Relevance is the new currency of marketing, and it is the price you must pay for your prospects’ time and attention.

Marketers have long recognized that customizing marketing materials for specific audiences will make those materials more relevant and effective. Unfortunately, however, customizing marketing materials has traditionally been cumbersome, time-consuming, and costly, if it was possible to do at all. If you wanted to use customized materials, you typically faced a couple of unattractive alternatives.

Relevance is the new currency of marketing, and it's the price you must pay for your prospects' attention.

One alternative was to provide local marketing entities (branches, field marketing offices, channel partners, etc.) with approved components of marketing materials (logos, images, etc.) and allow them to create and produce their own materials. This enables front-line decision makers to leverage their knowledge of potential customers and local market conditions to develop more targeted and relevant marketing materials. The primary problem with this approach is that you can easily lose control of your brand messaging and brand presentation. You can, of course, establish standards for the use of marketing assets (specified colors, logo sizes, etc.), but this won't completely prevent the misuse of brand assets or the use of marketing materials that don't meet your quality standards.

The second alternative was to perform all of the customization within the corporate marketing department. This approach will solve the brand control problem, but it comes at a high cost. Traditional methods of customization usually require a significant amount of graphic design time and expertise, and production methods are

also costly. For example, one common method for producing customized printed materials is to print a large quantity of the materials that include only the "static" content elements (usually called "shells") and then print the custom elements separately.

Marketing asset management solutions can address both of the issues that have inhibited the use of customized marketing materials. One of the most powerful features of a marketing asset management solution is the ability to enable easy and extensive customization of marketing materials and simultaneously to control how materials can be customized. The key to this "controlled customization" is the use of templates.

A template is simply a digital representation of a marketing document. (We're using the term document here to include marketing collateral documents, most promotional items, and point-of-sale displays.) The template contains both the content elements that can be modified and those that cannot be changed. For those content elements that can be changed, the template will provide a set of pre-approved options for modifying that element. To customize a document, a user simply selects the template and chooses the desired customization options.

By using template-driven customization, a marketing asset management solution allows corporate marketers to retain control of the brand, while simultaneously enabling salespeople, local branch/store managers, channel partners, and other authorized front-line decision makers to create and use customized marketing materials. The template approach also significantly lowers the costs of using customized materials, and it enables users with no training in graphic design and no experience with design software to create professional quality marketing materials.

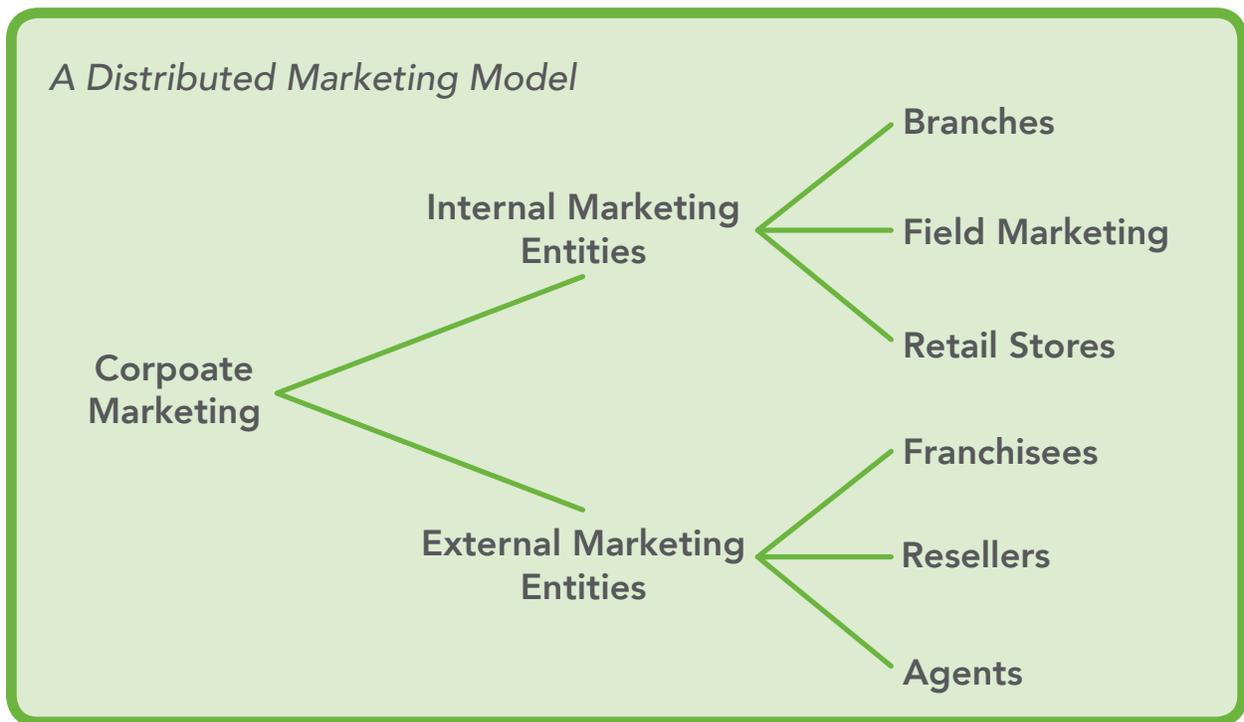
Simplified Distributed Marketing

The third way that marketing asset management solutions boost marketing effectiveness is by simplifying the work required to create and execute marketing campaigns and programs in distributed marketing environments.

Distributed marketing is the term for a marketing model in which both a central marketing department and “local entities” perform marketing activities. As the diagram below illustrates, local marketing entities can be internal business units such as field marketing offices and branch offices or stores, or they can be external business entities such as franchisees, dealers, agents, or value-added resellers. The defining characteristic of a distributed marketing model is that the local marketing entities have some degree of autonomy from the “home office” when performing marketing functions. In fact, when local entities are external, they may have complete marketing independence.

Companies using a distributed marketing model face two specific challenges that organizations with centralized marketing don’t typically encounter. First, they must usually find ways to encourage the local entities to conduct marketing programs frequently enough to produce the maximum results. Otherwise, it is likely that the local entities will underutilize effective marketing tactics. And second, companies with a distributed marketing model must ensure that when their local marketing partners do run marketing programs, they are marketing as effectively as possible.

Distributed marketing challenges are magnified for companies that sell through independent channel partners. In these situations, corporate brand owners typically have little, if any, direct control over the marketing activities of their channel partners. Brand owners can run advertising and marketing campaigns to raise awareness of the brand and create favorable brand impressions, but success in the marketplace



often depends largely on the marketing efforts of channel partners. And when your channel partners don't market effectively, your revenues suffer.

Many companies that sell through indirect channels provide significant incentives and support to encourage their partners to market more aggressively and effectively. Some provide financial incentives in the form of cooperative advertising and market development programs. Some also assist channel partners by providing logos and images or even complete marketing communications materials like direct mail documents, e-mail marketing messages, and print advertisements. However, even this support doesn't always cause channel partners to market as aggressively or effectively as they could.

Channel partners often underutilize marketing for a variety of reasons. They may believe, for example, that the marketing programs provided by the corporate brand owner don't fit their particular needs or respond effectively to local market conditions. Therefore, they aren't highly motivated to execute those programs.

The more significant reason, though, is often a lack of resources. For example, running a direct mail campaign can be a complex and time-consuming undertaking, even when the brand owner supplies some of the components of the campaign. A channel partner will need to hire a graphic designer or a marketing agency to complete the campaign materials and a printing company to produce and mail those materials. Many channel partners are small businesses, and they simply don't have the internal resources to do the work required to create and execute marketing programs on a regular, frequent basis.

The core technology that enables these benefits is the same template-driven customization that makes it possible to customize marketing

collateral documents, promotional items, and point-of-sale materials. When a marketing asset management solution is used as a platform for distributed marketing programs, an online catalog will contain templates for marketing campaign materials such as direct mail documents, e-mail messages, and print advertisements. These templates will be designed to reflect the brand owner's overall brand messaging and presentation. The brand owner will specify what components of the template can be modified and provide a set of customization options for each of those components. So, a local marketing partner will be allowed, within limits, to determine what the marketing document will look like and what offer and call to action the document will contain.

A marketing asset management solution provides a powerful platform for conducting distributed marketing activities and programs. MAM solutions boost distributed marketing effectiveness in two ways.

- They enable local marketing partners to customize marketing programs to fit their specific marketing needs.
- They make it simple for local marketing partners to create and execute customized marketing programs.

For direct marketing programs, a marketing asset management solution will be configured to enable the local marketing partner to select the target audience for the campaign by uploading a mail/e-mail list, choosing recipients from a database maintained by the brand owner, or purchasing a mail/e-mail list from a third party provider. For print advertisements, a marketing asset management solution can be configured

to submit the customized ads to selected publications in their approved format.

Finally, if a company provides cooperative advertising or market development funds to its local marketing partners, a marketing asset management solution can be used to process and track the use of such funds.

Brand owners can use these capabilities to eliminate the obstacles that often prevent or inhibit frequent and effective marketing by distributed marketing partners. Marketing asset management solutions enable local marketing partners to tailor marketing programs to fit their individual needs, and they make it easy for partners to create and execute customized marketing programs. Everything required to run a campaign can be handled at one place, at one time, using one solution provider.

For More Information

If we can help you evaluate whether a marketing asset management solution makes sense for your business, or if you'd just like to know more about how marketing asset management solutions work and what benefits they provide, contact Scott Burford at 707-745-8151 or by e-mail at scott.burford@sbfischer.com. To download a PDF of this white paper, please visit our website at www.smartstorepro.com.

Notes

1. *Sales and Marketing Alignment: Collaboration + Cooperation = Peak Performance* (Aberdeen Group, 2010).
2. *Understanding the Critical Factors to Achieving Marketing Supply Chain Operational Effectiveness & Optimization* (CMO Council, 2010).
3. *A Straight Line To The Front Line: Unraveling and Understanding the Conflicts Between Sales and the Marketing Supply Chain* (CMO Council, 2011).



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