

InfoTrak

Information for Better Decisions

Increasing Collateral ROI — Four Areas to Consider

In most companies, marketing collateral is an essential component for disseminating the marketing message and enhancing brand recognition. Collateral materials — whether they are datasheets, brochures, or promotional items like customized pens and coffee mugs — should be seen as an investment for your company. They help create and sustain a company image, stimulate awareness, and speak for your business when you can't.

While your collateral materials may have a notable effect on your bottom line, there are a number of “behind the scenes” factors that can greatly influence your

marketing Return on Investment (ROI). Managing costs isn't always simply about the financial bottom line. Everything from the procedures involved in the creation of your marketing collateral to the behaviors applied toward the management of your materials can determine a positive or negative ROI.

This issue of *InfoTrak* will explore four areas of fulfillment management — Allocations, Business Intelligence, Receiving, and Print on Demand — that can expose substantial savings opportunities. You'll discover how even minor program tweaks can encourage more appropriate utilization behavior, and how learning from past “mistakes” can fuel positive future results.

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Allocations: Setting Up a Framework that Works

Within a business environment, every department — from sales to human resources — operates within a *financial allocation* or *budget*. A department-specific budget is your company's investment in the goals and objectives of that department. Since collateral material also is part of your company's investment, these assets should be allocated accordingly.

The best way to manage the use of your collateral assets is through your fulfillment provider. Your fulfillment provider can help you set up allocations for a number of different user groups in your company (different departments, different titles or levels) — and allocations can be defined by quantity or dollar amount. For instance, you might determine that to effectively promote your company the regional sales reps should be allocated X number of brochures or Y collateral dollars, while the national sales reps might require a lesser or greater allocation, depending on their needs. Allocations can also be set for a specific time period. With this type of allocation, each sales representative or department is allocated a specific number of collateral pieces or a dollar amount per time period (day/week/month/quarter/year).

The goal with allocations is not to create adversarial relationships by setting limits, but rather to look at how successful sales reps or departments are utilizing materials and then set up allocation models for others to follow (this is known as “success modeling”). By determining either a monetary or physical allocation threshold, you ensure that material is utilized in the way that supports both the marketing and the overall corporate strategies — which will ultimately enhance your ROI.

Business Intelligence: The Information You Need Most

Any provider that works in-depth with your materials should be able to supply you with information to help you make better decisions for your company — and your fulfillment provider is no exception. But

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while data on cubic feet of storage is valuable if you manage collateral on a day-to-day basis, it's not necessarily the type of information needed by the senior vice president of marketing. For data to become “business intelligence” it needs to be relevant and valuable to its specific audience.

A true fulfillment partner will be able to offer information that is relevant to various levels within your organization, specifically: operations, director, and executive levels.

Here are a few examples of the types of business intelligence information that fall under each level:

- **Operations Level Information:** Operations level information is most relevant to the person who manages your day-to-day collateral and fulfillment program. This information includes: inventory accuracy statistics, order turnaround times, average monthly storage costs, out-of-stock inventory, reprint needs, etc. This information helps your company keep its collateral and fulfillment program running smoothly.
- **Director Level Information:** Director level information helps the person who manages the overall marketing department make appropriate budget choices. Your fulfillment provider can compile data that demonstrates historical usage, receiving, and reprint trends that helps determine which materials you'll need in the future, which materials you won't

need, and which materials are good candidates for print on demand. These trends can shed light on areas where money may be wasted on printing, storage, and, eventually, the disposal of excess collateral. This is an excellent forecasting tool.

- **Executive Level Information:** Executive level information helps your CMO, CFO, or CEO determine elements of the overall company strategy. Your fulfillment partner,

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working in conjunction with your company, can provide information that ties back to the effectiveness of specific marketing efforts — such as trade shows, direct mail, and other promotional campaigns. The information can also illustrate marketing effectiveness within specific target markets — vertical, horizontal,

geographic, etc. and with specific product or service launches. Used appropriately, this information will help drive your company’s success.

Receiving: Never Second Guess a Second Check

One of the simplest ways to manage the costs of your collateral material also tends to be the most overlooked: validating your inventory. Accurate inventory begins at the receiving docks. When your fulfillment provider receives a shipment of materials from your print vendor or supplier — whether it is a crate of coffee mugs or a pallet of brochures — inventory should be checked to ensure that every single piece you paid for is there. This also can make the difference between having enough brochures for a crucial sales meeting, or finding out too late that the inventory is out of stock.

Print on Demand: Inventory at Your Fingertips

For the most cost-effective production of collateral materials, more and more companies are beginning to rely on the emerging technologies that allow for customized Print on Demand (POD). POD that couples production with fulfillment provides the greatest flexibility and cost effectiveness. Popular materials with a standard message are produced in large, offset print runs, while small run pieces and those that require personalization are printed “on demand” in an “as needed” quantity. All types, regardless of the production method, can then be combined in a single order.

By working with a partner that offers both POD and fulfillment capabilities, you receive the greatest flexibility, control, and cost effectiveness. Your physical storage costs are kept to a minimum because only standard materials are held in inventory. Overall reporting is more complete and useful because your total collateral utilization (POD and hardcopy) is captured. And materials are more relevant and targeted, which means a greater likelihood that your message will be received and heard!

For more information on POD, please visit www.comac.com/bestpractices.html and select “Personalization: Getting Your Message Heard.”

IN CLOSING

Your collateral materials are an investment in your company's future. When it comes to supervising fulfillment, there are a number of steps you can take to help manage behaviors and aid your marketing Return on Investment.

How you choose to organize and execute the fulfillment of your marketing collateral plays an influential role in the cost management of your business. With intelligent planning in areas like Allocation, Reporting, Receiving, and Print on Demand, you and your fulfillment provider can create strategies that yield exceptional value.



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