

InfoTrak

Information for Better Decisions

Make the Most of Marketing Resources

Marketing organizations face greater pressure than ever to improve accountability and performance and generate significant ROI for marketing spending. However, delivering results in a complex environment against limited corporate resources and government regulations is nothing short of a challenge. Enter Marketing Resource Management, a new approach to helping marketers make optimal use of marketing resources to drive positive business outcomes.

According to Gartner Group, Marketing Resource Management (MRM) is a set of processes and capabilities that aim to enhance a company's ability to orchestrate and optimize the use of internal and external marketing resources. Leveraging MRM, companies can expect to gain greater control over their marketing operations, improve their productivity and efficiency, and get results with more impact from every marketing dollar.

MRM: Focus on Higher Value Marketing Activities

Marketing continues to be the only black hole in this world of business accountability (Count and Be Counted, *CMO Magazine*, March 2005) and is one of the last major business functions to adopt a consistent, goal-oriented, and strictly process-driven approach. In fact, many marketers have only just begun to think about key processes, much less define and document them. And while they may have begun to think about micro-marketing processes, such as database marketing, search engine optimization and web site tracking, few have even scratched the surface at a macro-level to consider processes that extend across the enterprise and to partners and distribution channels beyond. A detailed, strategic approach to examining all marketers' programs from the top down, MRM helps organizations to increase tactical efficiency in order to provide greater focus on more strategic, higher-value marketing activities.

Specifically, MRM helps marketers who need to do more with less improve overall program efficiency and effectiveness. MRM also helps marketers manage increased market complexity due to market fragmentation, channel and touch point proliferation, increased globalization, and product and customer segmentation. Moreover, with ever-shrinking windows of opportunity and growing competitive pressures, MRM can enable marketers to get their message to market faster, and, equally important, leverage existing knowledge to create more repeatable processes, drive more collaboration and incorporate more science — and less art — into all marketing activities.

Five Steps to Success (as defined by Gartner, Inc., a leading provider of research and analysis)

Successful marketing resource management is an iterative process made up of five logical steps: plan and budget; create and develop; collect and manage; fulfill and distribute; measure and report.

Plan and Budget. Just as it implies, this component of MRM enables marketers to gain a better understanding of where program dollars are being spent and how to improve efficiencies. Moreover, it allows marketers to take a global view of their initiatives, and align them with overall strategic goals and objectives, as well as give them the ability to compare forecasts with committed and actual spending. Most often driven by internal budget constraints and industry and financial regulations, the planning and budgeting phase includes development of objectives and strategies, competitive analysis, program and budget development, and project management and calendaring.

Create and Develop. This component of MRM enables marketers to develop process efficiencies in the creation and development of marketing collateral and assets. More specifically, MRM is focused on automating these processes and workflow (deadlines, reviews, approvals) to reduce waste, while providing additional visibility into resource allocation in order to provide greater focus on higher value marketing activities. With production management processes in place marketers can expect to achieve faster time to market, protect brand assets, reduce agency fees and improve accountability, and lower overall costs. The creation and development phase includes program development, budget and project management, collateral templates and guidelines and the development of collaborative workflows.

Marketers tasked with reducing offline marketing costs and orchestrating fulfillment across online and offline channels are leveraging efficient fulfillment and distribution programs to reduce waste, coordinate with and empower the sales channel and ensure brand and message consistency.

Collect and Manage. At the core of the MRM process is the concept of creating a central repository for all marketing content and assets. Driven by the need to manage the corporate brand, reduce costs, and reduce time and resources spent on “reinventing the wheel,” this component of MRM enables marketers to leverage content and assets across the enterprise and improve overall efficiency and quality, thereby maximizing the value of corporate marketing assets. Creating an “asset warehouse” allows marketers to have 24x7 access to materials, ensure appropriate reuse of brand assets, reduce asset distribution costs, and achieve faster time to market. The collect and manage phase includes development of an asset repository and intellectual capital and brand guidelines, as well as the implementation of search tools and version control.

Fulfill and Distribute. Focused on extending content, assets and knowledge to the field and ultimately aligning sales and marketing objectives, the fulfill and distribute component aims to improve overall execution and deliver upside potential with enhanced material delivery. Marketers tasked with reducing offline marketing costs and orchestrating fulfillment across online and offline channels are leveraging efficient fulfillment and distribution programs to reduce waste, coordinate with and empower the sales channel and ensure brand and message consistency. Key components of successful fulfillment and distribution include fulfillment management, inventory control, asset customization for local requirements, campaign coordination, web-based access and on-demand print production.

Measure and Report. While few organizations have been able to leverage marketing metrics beyond campaign management or database marketing due to lack of technical capabilities, the advent of sophisticated measurement tools and software will give marketers the ability to use analytics in a way that helps to improve resource allocation and overall campaign planning. Largely driven by the need to determine marketing ROI more concretely, justify budgets and improve resource allocation, new measurement and reporting tools will allow marketers to track, measure and manage marketing programs, enhance reaction times and improve ability to anticipate and optimize program requirements, implement closed loop financial analysis and improve demand forecasting, all of which feeds right back into the planning and budgeting phase! In order to realize these benefits, marketers must leverage marketing operations status reports, marketing dashboards and key performance indicators (KPI), interactive result analysis, resource optimization models and scenario simulation.

Communication Optimization: Extending MRM Best Practices to Fulfillment

With an understanding of how fulfillment fits into the overall MRM cycle, and an appreciation for what already works within his/her marketing department, the marketer's next logical question is, "How do I leverage the tenets of MRM to take my fulfillment program to the next level?" The answer, Communication Optimization, a process that aligns marketing objectives with fulfillment program communication best practices through a process of production automation, analysis of optimum collateral production and distribution methods, and implementation of best practices and analysis results.

Communication Optimization focuses on using appropriate collateral production and distribution methods to achieve increased efficiency and effectiveness.

Communication Optimization dives deeper than MRM into the true objective of the communication piece — the component that focuses on the actual material that is seen and read (or not read) by clients and prospects. Communication Optimization focuses on creating and distributing appropriate collateral to achieve increased efficiency and effectiveness. Leveraging Communication Optimization, marketers can expect their fulfillment programs to benefit in three ways:

1. Increased effectiveness of their overall communication process:
 - Increased response rates
 - Improved relevance and personalization
 - Improved accuracy
 - Speed time to market
2. Increased efficiency of communication process:
 - Overall cost reduction
 - Optimum material management and production methods
 - Reduced storage and waste reduction
 - Control of users and material
3. Adherence to privacy and security compliance requirements

Communication Optimization: Steps to Production and Distribution Success

Communication Optimization is not a linear process — with a beginning, a middle and an end. Instead, it's an approach to communicating that allows entry at any point in the process.

Optimization is achieved when:

- Existing communication material is thoroughly **analyzed** — considering factors such as the overall objective of the piece, the audience, design constraints, and compliance requirements;
- New or improved print production and fulfillment techniques — such as personalization-on-demand and print-on-demand — are **implemented**, based on the analysis; and,
- The print and fulfillment efforts are **automated** — through a robust online interface that drives appropriate ordering, management, and production.

To increase ROI and get fulfillment programs streamlined quickly, many companies choose to first automate the ordering and production of their existing communications materials (which will generate cost savings immediately), then analyze their program; and lastly optimize individual pieces and communication streams based on this analysis.

With a thorough analysis complete, marketers can gain a better understanding of where efficiencies can be achieved, and can then create a plan to update their collateral and fulfillment program based on the value of current collateral and existing production and distribution methods.

Communication Optimization can enable marketers to achieve optimal results for their investment, saving 30 percent or more on communication materials, and generating effective communications that deliver dramatic increases in response rates.

During the analysis phase of Communication Optimization, companies evaluate marketing collateral based on a number of factors, including:

- Communication Function
- Best Practices
- Compliance Requirements
- Design Constraints
- Production Options
- Cost Optimization
- Prototyping
- Competitor Analysis
- Cost/Benefit Analysis

More specifically, individual pieces of collateral are analyzed against requirements for:

- Target Audience
- Purpose
- Value
- Quantities
- Life Expectancy
- Delivery Method

Finally, various print and production options are evaluated including:

- Offset Print
- Black POD on plain paper
- Black POD on offset shell
- Color POD on white paper
- Combination of POD and offset
- Dynamic POD
- Delivery including Electronic
- Collation Options
- Booklet Types

Aligning Objectives and Practices

By understanding the strategic marketing objectives, and thoroughly auditing and analyzing marketers' current communication methods, Communication Optimization enables marketers to do one or more of the following:

- Reduce total marketing costs through appropriate-for-the-objective, less expensive printing options;
- Increase communication return on investment through the appropriate use of customization and/or personalization;
- Reduce time to marketing with just-in-time printing;
- Reduce storage and obsolescence costs;
- Improve cash flow

Make Optimal Use of Your Resources

Communication Optimization enables marketers to reduce communication materials costs by 30 percent or more.

Regardless of the status of your fulfillment program, a good fulfillment partner can make all the difference in helping you make optimal use of your resources to drive positive business outcomes. A good partner takes a consultative approach to your overall program requirements and delivers state-of-the-art capabilities that will quantifiably improve your odds of continued success.

To learn more about Communication Optimization, contact Comac. More than a fulfillment company, Comac delivers marketing solutions to help you reduce time to market, streamline business processes, increase response rates and improve ROI. Call Comac at 1-866-COMAC4U, or email at: www.comac.com.



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