

White Paper

The Power to Create:

Streamlining creative processes while reducing the complexity and associated costs

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Document creation is not only the first but the most fundamental phase of the document lifecycle. It requires high levels of expertise and process management and yet is often subject to the least control and more often than not conceals some of the highest and least challenged costs.

Introduction

There are different types of documents in the enterprise and they serve many purposes in an organisation. Knowledge documents such as e-mails, MSWord and Excel files are used to share information between workers. Information documents are database driven and are made up of invoices, cheques and statements. Social documents are voice mail, blogs, and wikispaces. The final category, brand documents, plays a critical role for an organization. These documents use rich graphics, creativity and images to convey an organization's identity and image to clients. They touch your customers through packaging, advertising, collateral, presentations and the Web.

Successful branding of any organization needs to be reinforced by the right structure, management skills, and decision making processes for brand delivery at all customer touch points. Top Management plays a fundamental role in ensuring every document that touches the customer conveys the image of the corporation in a consistent and qualitative manner. Working with external service providers as partners is another essential part of a winning brand strategy.

Companies rely on various players to manage or steward their brand. High end strategic agencies, small design firms, external freelancers, in-house design departments and individual employees are all used to create documents that represent the image of the corporation and disseminate these documents for both internal and external use.

Due to this requirement for a broad range of design output, a typical company now has a complex supply chain made up of external design agencies, internal dedicated departments and internal pockets of resource. This has created a fragmented and costly process that is out often out of control for many companies.

Brand documents raise a host of challenges to the organisation that is trying to get its message out to its clients. The external agencies have their expertise in building the brand but they are very costly for deployment. The in-house designers create client-facing materials but rapidly changing technology can often cause inefficiencies and be costly to upgrade. Both raise different, yet costly challenges to organizations today.

Creative processes in the typical company

Today all departments across a typical company are creating materials, working with internal departments and outside agencies and in the end, spending independently of other organisations.

Marketing has a need for brochures, campaigns and direct mail. Sales requires presentations and sales tools. HR creates e-learning tools and onboarding documents. Corporate is managing the brand and relying on company web sites to extend their messages. With an abundance of projects corporate-wide, this ad hoc process is likely to be replicated many times. The result: A large number of different creative services providers operating separately from one another.

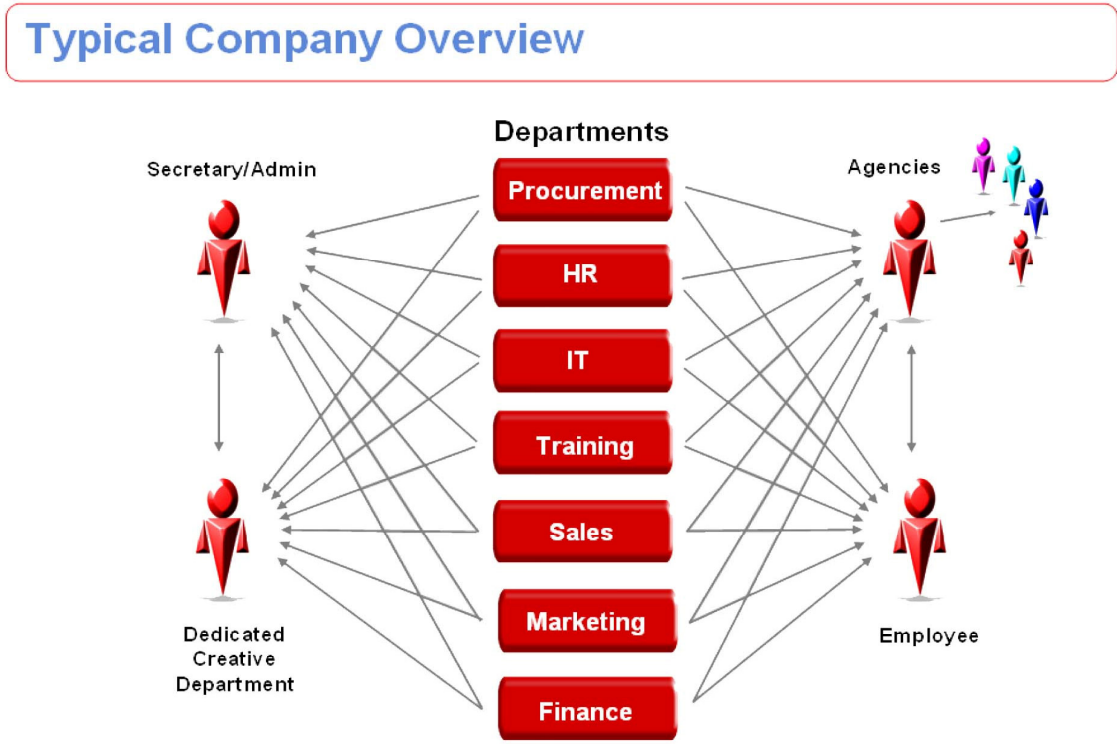


Figure 1: Complex Supply Chain for Design Output

Not only does this result in mixed messages, varied design look and feel and production, but all too often brand assets (images, logos and files) are dispersed or lost.

More importantly, the company's assets and files are held by third parties where they can be hard to find and, at worst, are lost as relationships change

Problems that affect a company's bottom line

The various collateral that a company produces are usually the means by which they make initial contact with current clients, business partners and prospective clients – and has often been said, the opportunity to make a first impression comes only once. If targeted at the wrong audience with an ill conceived message, the impression that it makes will miss the mark and a critical opportunity will be lost.

But there are many more aspects of the creative services process that can affect a company's bottom line, and add to the overall hidden cost of producing these messages and documents.

In direct costs, there can be:

- Longer time to market
- Multiple agency charge rates
- Head count/staff costs, associated back office costs
- Agency markup fees that run from 20 percent to 60 percent
- Reuse asset charges can be high

In indirect costs, most companies find:

- Hidden fees for production such as project management, print and administration
- Lack of appropriate procedures for design production

In quality, there can be:

- Dilution of brand
- Lack of expertise, which drives excessive reworks and poor quality output
- Products that aren't fit for purpose
- Missed deadlines
- End-user dissatisfaction

Lastly, there are evident problems in a lack of central control and process improvement where you can find:

- Unclear processes in place
- Lack of data capture and documentation
- Inefficient staff and production utilization

Who Owns the Problem?

The repercussion of the fragmented creative services process in a company can be felt across the entire C-level suite.

It is difficult to focus on document spend because in most companies it is not controlled under a single C-level executive but spread across many departments. With the lack of control and transparency of the cost associated with design spend, the true cost of producing creative documents are difficult to evidence and therefore control.

- Marketing departments typically have a combination of support, their own internal creative expertise for short turnarounds but also outside agencies to fulfill the more difficult and high-end creative campaigns.
- Business units often do their own thing, and waste potential time and effort on creating their own documents, rather than focusing on key billable business activities.



Figure 3: Decision Makers in Creative Services Spend

- Finance finds it difficult to track spend because it is uncontrolled along different budget lines.

The various organisations that need and use creative services for their employee and client communications need different levels of expertise and skill sets. While the Marketing Department may use external agencies for high-impact, glossy brochures, HR and Training may only need black-and-white documents with some spot colour. Sales is looking for presentations that can be created in-house and possibly finished with images, graphics and charts by an external agency.

The different levels within the Creative Services spend create a challenge in trying to control costs, manage the brand, protect intellectual property and demonstrate accountability.

In addition, more attention is now being paid to procurement process optimization as a means to improve corporate performance. In a recent

survey, Aberdeen Group¹ found that collaboration between marketing and procurement to develop strategies to improve control, visibility and even performance of marketing spend can lead to superior performance. As seen in Figure 4, Best-in-Class PACE Framework, online design collaboration and approval along with collaborative workflow capabilities are key enablers.

In addition, the Aberdeen Group study research showed valuable data in terms of identifying where the largest opportunities lie for savings within the marketing categories. According to 61 percent of respondents, printed materials offer the largest opportunity of savings with number two, Creative and Marketing Services, reporting a 45 percent savings potential.

From campaign conception, design and creation to procurement and production, output and distribution, every brand-focused business must address how it's creative distribution processes,

¹ Aberdeen Group, *Marketing Materials and Services Spend: Getting More Bang for the Buck*, August 2007.

Pressures	Actions	Capabilities	Enablers
<ul style="list-style-type: none"> Reduce corporate spend on marketing materials and services 	<ul style="list-style-type: none"> Aggregate and centralise enterprise-wide spending on marketing materials and related services Instituting collaboration between procurement and marketing Applying procurement principles to various categories of marketing spend Rationalise suppliers for marketing materials and related services 	<ul style="list-style-type: none"> Conduct competitive bidding process to select preferred vendors for this category Ability to measure performance of suppliers (e.g. lead-times, pricing) Ability to monitor and enforce internal compliance with negotiated supplier agreements Procurement expert focused on the spend category of marketing 	<ul style="list-style-type: none"> E-procurement capacity for purchasing marketing materials Outsourced third-party managed service provider Online design collaboration and approval Collaborative workflow capability (allows all buyers and suppliers to manage specifications, quotes, costs, etc., online) Change order/audit trail tracking Supplier management and monitoring

Figure 4: Best-in-Class PACE Framework, Aberdeen Group

as well as its increasing volume of marketing and advertisement content, can be managed more efficiently to capitalise on its investment.

Addressing the creative problem

It's important that you focus on the management of the creative design of your collateral from concept to delivery. However, it's not usually a core competency and can cost millions of dollars in budget as well as personnel resources and technology spend.

In addition to simplifying the supply chain and improving the process for design, it is imperative that you work with each of your departments and agencies to ensure that communications are created using the correct skill base, technology and output medium in the most efficient manner, to the highest standards and at the lower cost.

Figure 5 illustrates the agency rate breakdown of creative costs. Agency fees span core and non-core activities and can be marked up from 18 percent to 44 percent. In addition, the digital assets are often owned by the agency and can incur ongoing charges in the reuse of files and images.

The smartest way to deliver a solution that draws from years of experience is to reengineer your design processes, create central control for document creation, ensure enterprise-wide adherence to brand, shorten production time to market, and improve high quality output and procurement of the most appropriate materials at the right cost. Such an approach empowers your people to communicate in the most efficient and cost-effective way.

Offering a simplified solution

In order to bring efficiencies to the document design and creation process, it's important that a company be able to:

- Simplify the complexities for creative design.

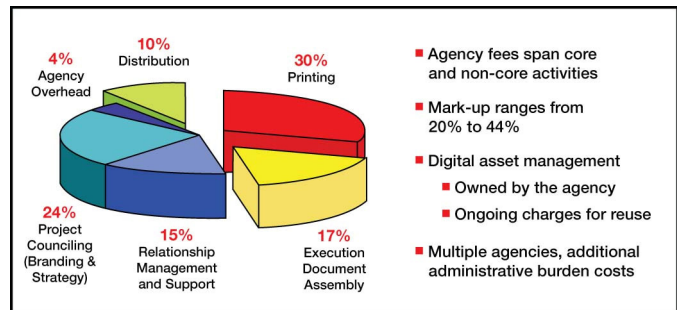


Figure 5: Agency Rate Breakdown

- Bring control through a central point of contact, with access to many service offerings.
- Reduce the costs of commissioning small agencies.
- Through marketplace expertise, add impact to written and visual communications, ensuring the right images and messages address the exact needs of your target audience.
- Preserve and enhance corporate brand values.
- Have quick and easy access to assets for reuse and repurpose.
- Link to other offers, to add further value to the end to end process
- Integrate technologies to streamline the process and deliver cost efficiencies and transparency

A creative services solution could take over existing staff and act as a single point of contact for design services which includes management and reduction of external design agencies and reduction of associated costs.

Seeing a difference

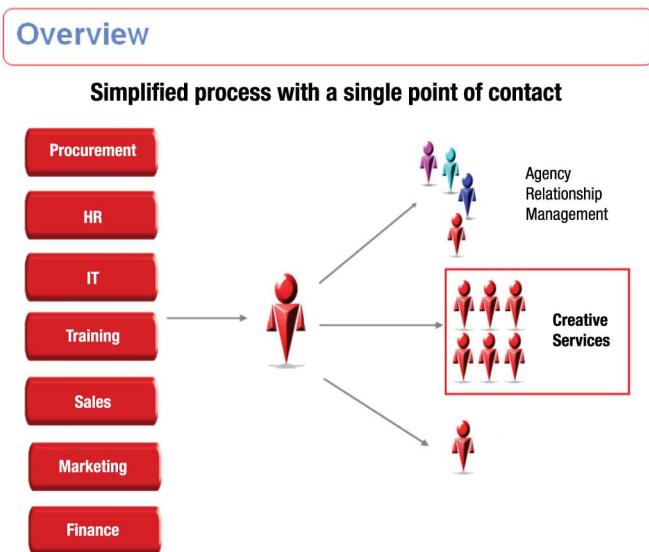


Figure 6: Simplified Design Process

A highly skilled and experienced creative team will bring ideas to life. While your company focuses on the content of the message, a creative services team will concentrate on design and production, taking full responsibility for every step of the process from concept to delivery. Scalability is crucial so that you can respond to change and growth without carrying the burden of excess capacity.

Supporting the team is a comprehensive software solution for workflow automation, metrics tracking, reporting, file management and load balancing between production centers.

More than just a workflow management tool, what's needed is a complete work process and management system for connecting multiple geographies, allowing for the central control and a transparent view of the whole process of design production whether on-site, off-site, offshore or any combination.

Every company has different needs

Because most organisations have a broad spectrum of creative needs, ranging from desktop publishing at the low end to conceptual design at the high end, it makes sense to work with a services provider that has a broad scope of experience.

The goal is to deliver a cost-efficient, streamlined, quality-driven service with measured results. In order to accomplish this, a current state analysis is performed—a detailed consultative study of all key areas that serves as a platform for designing a bespoke solution based on hard evidence.

The analysis tool gives a valuable insight into the current state of a company's creative processes. It reveals the strengths and weaknesses of the existing strategy, helps identify what is working and what isn't, and outlines the plan for taking full responsibility

for delivering a cost-efficient, streamlined, quality-driven service with measured results.

Here are a few examples, in which the client benefited from working with Xerox, providing a bespoke Creative Services department:

- A Global communications company saved over 40% of the cost of producing product brochures through the reduction of external agencies, the integration of a Digital Asset repository and the introduction of an onsite Creative Services Team. Files can be accessed from anywhere within minutes, and amendments undertaken immediately.
- For one London-based global bank Xerox Creative Services reengineer the Pitchbook process and introduced branded templates. Other key deliverables included a link to procurement and design to streamline the process and reduce the cost of projects, introduction of a workflow management system to provide a single invoice, and cost centre assigned invoices for greater transparency and improved cost centre capture and billing.
- At a European management consultancy, a small print management team manages branding guidelines for four dozen different consulting units. The team works very closely with the consultancy's management team, so that the firm remains in control of its own documentation and brand.
- A UK retail bank was provided with a co-located one stop shop approach, that incorporated design, consultation, production and procurement, resulting in continued savings over 20% and an improved design output.
- For a Global Bank, the provision of Creative Services across many geographic locations, with 24x7 coverage.

Conclusion

Design spend is one of the highest and least challenged costs – but Xerox can help reduce the cost and complexity of document creation across your enterprise. We manage the creative design of documents from concept to delivery, bringing efficiency – and transparency – to the process. Along with load balancing and faster production cycles, a digital repository keeps your assets secure and instantly available, eliminating reuse fees and version control problems. Our creative services provide a flexible solution that reinforces your brand and gives you a competitive edge.

Xerox Creative Services is ideally suited to address all these requirements with a highly skilled and experienced team that will take charge of the creation of the content and message. By providing a single point of contact, the team will put an end to the complexity and waste of fragmented service providers. Xerox Creative Services brings to bear advanced technology in the form of analysis tools and methodologies that clearly delineate the strengths and weaknesses of a company's strategy.

Furthermore, technologically advanced workflow automation software is the backbone of the Xerox Creative Services offering, enabling the team to track, record, monitor and manage the lifecycle of a document. In addition, the software connects multiple geographies, bringing central control to the process of design Whatever geographic location.

Centralised storage of digital assets allows easy access to enable distributed collaboration from a central location. This allows a cohesive brand and campaign management process workflow to enable greater efficiencies.

With increased digital capabilities in the creative services process, there is an opportunity to integrate these processes more closely with an organisation's communication infrastructure.

Experienced consultants are on hand to help create both transactional and marketing communications that are more effective and relevant. They use the latest communication design techniques using client-specific data and colour to drive a greater ROI for your communications investment.

As a result, Xerox Creative Services delivers greater speed of document creation, lower costs, higher quality of output and a stronger corporate brand.

A global delivery partner like Xerox Creative Services also has access to other complementary Xerox services that can enhance your enterprise: optimise your office print environment, digitize and improve business processes and outsource document-driven processes for increased business productivity.

About the Author

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Dawne spent the last 14 years working in Investment Banking, primarily focused on presentation production and business continuity planning. She has had hands-on experience at Baring Brothers International setting up the first co-located document production and design department one-stop shop in London and progressed to the overall European operations management responsibility of 300 staff across Europe at Morgan Stanley, where she served as European Creative Services and business continuity planning manager.

She has been responsible for the setup and rollout of center operations across Europe. In addition, she developed the vision and architecture for productivity enhancement software tools for center management and worked as a consultant for a number of leading investment banks carrying out current state

analysis work in relation to outsourcing, cost management and service solutions.

Since joining Xerox in May 2003 she has focused on the operational framework and strategic service development for Creative Services. In January 2006 she undertook an additional role as the global program manager for creative services.

Dawne is a graduate in graphic design and holds a diploma in management studies.

About Xerox Global Services

Xerox Global Services will help you take a new look at the business challenges you face today. No other company has more experience making your business processes more cost-efficient and secure, from managing your assets in the office to records management to services for large-scale print production. And only Xerox Global Services uses Smarter Document Managementsm technologies to deliver the results that you can see and measure.

For more information on Xerox Global Services, visit: www.xerox.com/globalservices