WHY PRINT MANAGEMENT?
Taking the Hassles Out of Hard Copy

Don't let ineffective print management cripple your strategic marketing efforts

WorkflowOne®

Poor execution can ruin the best strategy

Marketers, what comes to mind when you think about print? With online technology, you may be using less print than before. But print is still an important and effective part of the marketing mix. The problem is, print is just one of many tactics you must understand and leverage. And that takes time.

The question to ask is: Are you managing print, or is it managing you? Is the effort and expense of updating hard copy materials causing you to live with outdated content? Many marketers admit to sending out old materials because creating new either would break their budget or be a huge hassle. Yet neglecting to refresh content could jeopardize the positive customer experience you're working so hard to build.

On average, print comprises 40% of an organization's marketing budget. Yet many marketers have little time or resources to effectively plan and manage the complex operations involved with sourcing, producing, ordering and distributing print, which is why print today is fraught with significant waste, obsolescence and go-to-market delays. What's more, the high cost of poor print management is crippling them by burning up time and resources necessary for developing targeted marketing strategies; creating fresh, relevant and timely content; and leveraging new emerging communication techniques.

The result? Lost opportunities, lost sales and lost revenue.

Fixing print is less about ink and more about "think" – that is, the savvy deployment of targeted, efficiently sourced communication material.

Let's be honest: Reaching your targeted customers has never been more challenging. You not only have to determine who they are but also where they are. Which channel is best for connecting with them? You're expected to launch highly targeted campaigns faster and more frequently. And the content always must be fresh, relevant and timely – or you'll lose customers and your competitive edge.

And yet you're crunched for enough time to handle all this. Your budget is shrinking. And you're spending more than a few sleepless nights worrying about the stressful, often chaotic "execution-oriented" aspects of marketing. Many of these aspects revolve around managing, sourcing, producing, ordering and distributing printed materials – direct mail, brochures, folders, inserts, postcards, sales sheets and exhibit materials, as well as promotional products, point-of-sale materials and kits.

What if you could free up more time to do the things you want and need to do as a marketer – like delving deeper into strategy and exploring new ways to use social media tools – simply by managing your print more efficiently and effectively?

If you're spending more time worrying about how to get print done right, on time and at the least cost, instead of defining strategic initiatives, thinking up winning promotions, and generating sales leads, this series of white papers will help you understand what is possible today. In short, by outsourcing and optimizing print management you can increase marketing effectiveness.

Consequences of poor print management

Some marketers have told us that nearly every campaign feels like another "fire drill." Here are some scenarios we've seen:

- A broadcast campaign hits the airwaves – but hundreds of retail locations aren't prepared with the printed brochures and contracts needed to sign up new customers.
- An agent in Missouri accidentally downloads and prints the insurance policy meant for customers in Mississippi – violating state regulations.
- A direct mail campaign drops in the mail – but the fulfillment kits aren't printed and ready to send to the first responders.
- Dealers and distributors nationwide continue to use a manufacturer's old logo on promotional products and sales collateral they print for themselves.
- Getting updated content into prospects' hands is crucial for generating new revenue – but sales reps must use up thousands of old brochures first because "we printed too many and can't afford to throw them away."

What do all of these situations have in common?

There's no print management strategy!

Managing print well encompasses seven key operations – project management, collaboration, sourcing, print production, end user ordering, inventory management and business intelligence for better decision making – and is crucial for customer engagement and more sales. **But here's the problem: Marketers like you are being squeezed as you attempt to maintain that delicate balance between marketing execution and marketing strategy.** And the consequences are steep: Poor execution spoils a winning strategy every time.

The rise of data-driven campaigns, new social media channels and new technologies make this balancing act even more difficult today. Marketers can free up more time for developing and implementing marketing strategies, fresh content and new tactics – and drive better results – by outsourcing and optimizing the difficult print management function.

When it comes to marketing, the world as we know it has changed

Print used to be one of only a few ways to reach customers.
Remember those days?

Managing/collaborating:
- Mass marketing ruled. There was no targeting, no segmentation and no personalization, so print quantities were very large. The entire market received a single message.
- Print and broadcast were the primary channels for reaching the market.
- There were fewer campaigns.
- Agencies, not internal marketing departments, often handled design work.
- Branding was highly controlled.

Sourcing/procuring:
- Marketing often had a knowledgeable print buyer or specialist on staff.
- Print specifications were loose; marketing departments and printers maintained close relationships ("I know my printers, and they know me").
- Not all print jobs were bid; they were awarded based on habit, regardless of cost.

Printing/producing:
- Finding just the right printer who could achieve marketing's high quality standards was key.
- Multiple hard-copy proofs were reviewed, and press checks happened on every job.
- Additional quantities were printed routinely "just in case."

Ordering/distributing:
- Marketing often ordered printed items via phone (later via email).
- The printer often served as the distributor, but didn't track or monitor inventory.
- No one had to worry about logistics planning or freight volume discounting.

All this took time – but time was built into the schedule.

Today marketers have many new priorities, but they're still responsible for print as well.

What marketing departments like yours are facing today:
- Print is still effective, but now it's one of many tactics to leverage in the marketing mix.
- You now have more channels for reaching your target markets: print, broadcast, social media, email marketing, PURLs/landing pages, QR codes, SEO/websites and public relations, for example. So it's more difficult to allocate budgets and coordinate all aspects of a campaign.
- Maintaining brand standards is difficult because access to digital information can result in distortions, deviations and alterations. Diverse users make brand compliance challenging across channels and on different printing products.
- You're under pressure to plan targeted campaigns to achieve higher return on investment. For print projects, this means more targeted and bilingual versions but in smaller quantities.
- The regulatory environment makes it taxing to produce and manage the right collateral for the right audiences.
- Multiple agencies with different areas of expertise may be doing your creative work, so no central anchor point or repository may exist.

What's more, printing itself has changed:
- Production methods – electronic/desktop, digital and offset – have multiplied.
- Digital technology has made personalization and customization possible, but printed items themselves are more complex. (Because print is now more costly to mail, a piece must provide return on investment; thus, the design must be compelling. As a result, printing specifications may be more complex to engage targeted audiences and elicit a response.)
- Because of automated processes in prepress, proofing and printing, you now do few if any press checks, and the quality is simply better for most printers.

Marketers like you have many new priorities – but you're still responsible for print as well. And you're being squeezed as you attempt to maintain that delicate balance between tactical marketing execution and marketing strategy.
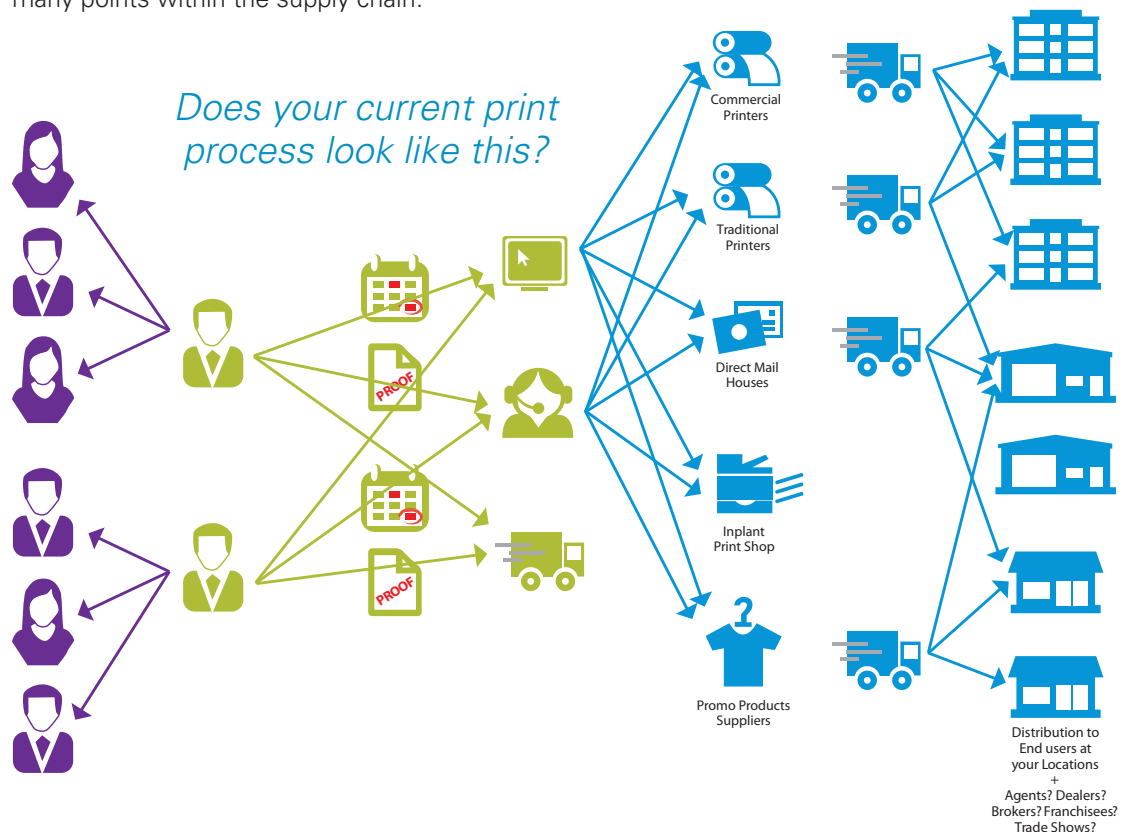
Print sourcing, producing, ordering and distributing has never been more challenging ... or more costly!

Printing is fragmented and complex in most organizations.
Many departments throughout your organization – marketing and sales, finance, corporate communications, sourcing, human resources and others – may be buying print on their own. That's because there are still many different types of print products to buy: branded materials such as commercial print (direct mail, brochures, folders, inserts, postcards, sales sheets and exhibit materials), promotional products, point-of-sale materials, kits, and business forms and labels. What's more, different departments may use different print providers, and a large number of print providers results in yet another layer of complexity and inefficiency.

The overall process for producing and distributing print is convoluted.
Steps in the process – from procurement to payables – are disjointed and often completed manually. And there are multiple conversations with the customer service staff of multiple vendors at many points within the supply chain.

Does your current print process look like this?

Commercial Printers

Traditional Printers

Direct Mail Houses

Inplant Print Shop

Promo Products Suppliers

Distribution to
End users at
your Locations
+
Agents? Dealers?
Brokers? Franchisees?
Trade Shows?

Multiple cycles of review and collaboration with internal departments, outside agencies, legal, etc.

Multiple conversations via email and phone with Customer Service staff of multiple suppliers about deadlines, exchange of proofs, etc.

Suppliers in turn have multiple exchanges with their production facilities, warehouses, shippers, etc.

Manual processes and no transparency create a highly complex system to manage. Without the appropriate people, processes and technology, breakdowns occur along the way. This leads to errors and extended timelines. Clearly there is opportunity for optimizing print management.

Limited or no internal expertise may exist to streamline or even handle the process.

It's likely that a knowledgeable print buyer or specialist either no longer exists on your staff or has limited exposure to all the new capabilities and technologies available. Thus, you may not be in a position to know what is possible and what is not, or to manage the print process effectively from beginning to end. A well-managed process would allow you to execute more campaigns faster and all campaigns more cost-effectively. This lack of a streamlined process is an obvious opportunity cost to your organization.

Relying on print vendors is risky.

In an attempt to manage it all, you may end up relinquishing control to your printers, or to the agency managing your printers. This puts your printers in the driver's seat. Based on your workload, printers learn quickly that they will have to "jump through hoops" and "make magic" to get your materials printed and out the door on time. But what are the ramifications of this?

Because of other priorities, you may not always have time to get objective, competitive bids from various printers. So you give up any pricing leverage you may have had. Printers who know they don't have to compete may layer on additional margin, so real costs are not transparent. If you do bid a job, your printers may bid it low realizing they will make money on change orders or alterations.

What's more, if the details of a print job are not managed well:
- Quality could be an issue. The colors and brand standards may be wrong, or the design may not be optimized for the production method selected.
- The print job could become a rush job – which is even more expensive.
- The job could require a reprint if design, prepress or printing mistakes make the piece ineffective.
- The job could be delivered late if proofing, change orders and approvals take too much time. If this happens, the most expensive piece of your campaign could be ineffective.

Organizations aren't using technology to drive, capture and report results.

Your marketing department may not have the IT capacity to collect project data and analyze reports to determine the efficiencies and effectiveness of print projects and drive better decisions in the future. Thus, no good data may exist to reveal results, costs and return on investment per print program. That means it's impossible to get the data needed to aggregate print spend companywide – across all divisions – for commercial print, promotional products, point-of-sale materials, kits, and business forms and labels.

Real costs are neither visible nor transparent.

Unnecessary and costly layers exist between buyers and sellers, each with additional costs and additional layers of margin.

Because companies tend to view print as a cost of doing business, they have not taken steps to optimize print management.

According to the Aberdeen Group report, "Print Procurement: A Services Purchase Exception":
- 1 to 3 percent of a company's total revenue is print spend – which means print spend is significant.
- 86 percent of companies are still sourcing and purchasing print manually, which means it's difficult for companies to aggregate their spend and make a case to earn volume discounts.
- 33 percent of all print purchases represent wasteful spending, which includes change orders, rush fees, overruns, "safety" stock inventory and waste/obsolescence.

Clearly, significant opportunity exists to get smarter and more efficient in managing print.

By optimizing print management, marketers can spend more time on strategy and less time on execution

Marketers can free up more time for developing and implementing marketing strategies, fresh content and new tactics ... and drive better results ... by outsourcing and optimizing print management.

For most marketing departments today, print management is a non-core function. A third-party print management provider is best equipped to optimize and manage print so your "stretched-thin" marketing department can focus on strategic efforts that drive customer engagement, new sales and revenue, and more return on investment.

The payoffs are substantial, according to the same Aberdeen Group report, which found that companies with an enterprise print management program enjoy these benefits:

- 73 percent decrease in print requisition process expense;
- 25 to 50 percent decrease in inventory expense; and
- 51 percent decrease in maverick or rogue spending by local divisions or silos.

Organizations can no longer ignore the significant benefits of an optimized print management solution. But what does modern print management look like? According to the January 2012 Aberdeen Group report, "Printed Materials and Services Management":

> "A half-decade ago, the print category often revolved around spend management … modern print management involves a series of strategies and approaches not only to improve cost savings and the bottom line, but also to maintain a high level of print quality while ensuring the consistency of branding and advertising."

This same report found that best-in-class organizations in print management are:

- 71 percent more likely to monitor and track consistency with company branding and marketing efforts;
- 68 percent more likely to hold real-time visibility into print spending against corporate budgets; and
- 48 percent more likely to build analytics and reporting into their print management program.

Best-in-class companies outsource print sourcing and management to a third-party provider and automate key portions of print management, according to the report, which also said that outsourcing and automation equip best-in-class organizations with four key capabilities:

- Centralized management and a repository of art and design files;
- Formal strategic sourcing processes/program for print supplier management;
- Real-time visibility into print spending against budget; and
- The ability to analyze print spend data to identify savings opportunities.

All four capabilities require a print management solution involving people, processes and technology. Let's take a closer look at each of these.

People, processes and technology are leveraged to optimize print management

Your optimized print management solution should involve a diverse team of PEOPLE who:
- Are experts with wide and deep knowledge and experience in every aspect of printing – from design and printing principles, specifications, and sourcing and printing methods, to bindery, finishing, packing, fulfillment, distribution and logistics, and mailing;
- Are highly skilled in communication and contract negotiation;
- Can easily determine whether it is feasible – or too costly – to produce a particular piece with particular design specifications;
- Understand how to minimize total costs, not just unit price; and
- Are service- and customer-oriented, which leads to less rogue print spend.

Your optimized print management solution should involve PROCESSES that:
- Are tailored to your organization and how you actually work;
- Are streamlined to take advantage of print management technology;
- Increase efficiencies and effectiveness; and
- Are improved continuously over time.

Your optimized print management solution should involve TECHNOLOGY designed specifically for print management.

This technology should be a Web-based platform for enabling the following seven key operations of print management throughout the lifecycle of a printed piece:

1. **Project management** – the ability to track a project through its entire life cycle;
2. **Collaboration** – a collaborative portal with proofing technology and digital asset management;
3. **Sourcing** – an automated bid management system that tracks and manages bids and performance (requests going out, bids coming back in and the performance of each printer on a job);
4. **Print production** – complete Web-to-print technology, including selection and management of the most appropriate production method, and a prepress workflow for in-house printing by the provider or third-party printing by certified trade partners;
5. **End user ordering** – e-commerce technology for online ordering of printed pieces either from the warehouse or through print-on-demand;
6. **Inventory management** – a robust system for managing and optimizing the movement and storage of printed materials within a warehouse and for processing transactions (shipping, receiving, put-away and picking); and
7. **Business intelligence** – a system that provides historical, current and predictive views of all printing operations so you can drive, capture and report program results and make better decisions in the future.

This technology also should:
- Be stable, scalable and proven, created by developers with intimate knowledge of and experience in print management;
- Provide business agility to meet your needs and workflow through high configurability without time-consuming and costly development cycles, specialty coding or programming customization; and
- Be integrated or linked in some way to avoid manual uploading and downloading materials from tool to tool, which drives up cost and increases risk.

You should expect to see multiple levels of savings from an optimized print management solution

Because consolidated print buying, centralization and transparency produce a greater understanding of spend, several levels of savings are possible with an optimized solution.

Level 1: Price reduction

Compared to what you are paying today to buy and manage print, an optimized print management solution from a reputable provider should produce an immediate price reduction for each print job for several reasons:

- **More vendors and more bids.** Because competition drives down price, you will enjoy a lower unit cost (cost ÷ total items produced).

- **Volume pricing.** Large print management providers – because of their size, volume buys and influence – can secure wholesale pricing from printers. They have sufficient scale to buy press time, paper and logistics at wholesale levels.

Level 2: Cost elimination

The next level of savings comes from closely evaluating analytical data on past print jobs captured and reported by your provider's business intelligence technology. Savings from cost elimination produces a lower usage cost (total cost ÷ total items used). Business intelligence can help you understand:

- **How to streamline specifications.** Often you can produce a piece that's just as effective – but much less costly – by adjusting specifications such as the type of paper, finished size, quantities, type of die cut, production method, printing equipment or logistics. It's wise to consider your provider's recommendations to further reduce your originally budgeted costs.

- **How a piece is used.** Analytics from past jobs can help you predict usage in the future. For example, if you printed 10,000 brochures, did you actually use only 5,000? Historical usage data can help you determine optimal order quantities next time, reduce waste and obsolescence, and enjoy a lower usage cost (cost ÷ total items used). Item-by-item analytics can help you decide whether a production method should be changed or inventories need adjustments.

- **Organizational behavior (a broader view of demand management).** Other analytics can help you understand how your entire organization is using print: which departments are using which pieces, where and how much. Key reports that consider the entire organization can reveal insights you didn't have previously and lead to better planning and decision making.

Level 3: Process transformation

The highest level of savings – which produces the greatest return on investment – comes from streamlining existing processes to eliminate or change steps, improve logistics, take full advantage of print management technology and buy back more time for creative, strategic marketing work.

An effective print management provider should again use business intelligence technology to determine how to optimize existing processes and suggest ideas for continuous improvement over time.

What's next?

Now that you have a handle on the chaotic, convoluted complexities of print today, you're ready to learn how to optimize print management. For example:

- What does an optimized print management solution look like in action?
- Can an optimized print management solution satisfy both marketing and procurement?
- How might an optimized print management solution work in my organization?

Read the second paper in this series, "Leveraging Print," to learn more.

To find out where print management problems may exist right now in your organization, use the checklist on the next page.

Are these practices creating madness in your marketing department?

The more you answer "yes," the more you may benefit from an optimized print management solution.

MANAGING/COLLABORATING

- ☐ Do you spend time hunting through shared drives to find an approved piece of artwork?
- ☐ Do you collaborate on design concepts by emailing PDFs back and forth?
- ☐ Does your proofing process involve routing hard copy in paper folders?
- ☐ Do you still produce one version of a printed piece for all target markets?
- ☐ Do you use a spreadsheet to manage and track production schedules?

SOURCING/PROCURING

- ☐ Do you ask your own marketing staff to source and manage print? Do they lack the needed skills?
- ☐ Do you use phone calls and emails to source print (or is there a reliable paper trail of order instructions and specifications)?
- ☐ Do you use a spreadsheet to manage specs and bids?
- ☐ Do you avoid bidding print jobs and just give particular kinds of projects to certain printers?
- ☐ Do you ever put time into designing a printed piece – only to find out later you can't afford to produce it?
- ☐ Do you keep ordering the same quantities as always, rather than basing your order on actual usage?
- ☐ When planning a special event, do you order diverse printed items – invitations, banners, signage, etc. – from multiple suppliers instead of from a single source?
- ☐ Are you worried that you're not getting the best possible pricing?
- ☐ Do employees create new printed items because they don't know what's already in the warehouse?
- ☐ Do you ever show up at a companywide meeting and everyone's business cards look different?
- ☐ Are non-core activities such as sourcing print keeping you from more strategic matters like planning and executing marketing campaigns?

PRINTING/PRODUCING

- ☐ Do you match job specifications and requirements to the most appropriate technology (electronic/desktop, digital or offset)?
- ☐ Do you go on press checks for every single job?
- ☐ Are you maintaining an in-house print shop? Is the shop's cost per impression higher compared to outside suppliers and industry standards?
- ☐ Are printers' invoices consistently higher than their estimates because of change orders?
- ☐ Are you paying a premium for good performance instead of expecting it as a norm of business?

ORDERING/DISTRIBUTING

- ☐ Do employees still request printed materials via phone or email instead of through an online ordering system available 24/7?
- ☐ Do you ever print items without an item number somewhere on the piece?
- ☐ Have you ever discovered that certain employees, agents, dealers, brokers, distributors or members were using old, outdated versions of a printed item?
- ☐ Do you ever stumble upon printed inventory in your warehouse that's more than a year old? More than 5 years old? Older?
- ☐ Are you surprised by the amount of print you throw away because of version changes and obsolescence?
- ☐ Do you ever find out at the last minute that stock of an item is running very low – or is completely gone?
- ☐ Do your staff members have to interrupt their work to prepare routine monthly mailings?
- ☐ Do your staff members have to come in on weekends to kit materials before big presentations or campaigns?
- ☐ Are different printers storing different items and shipping them to your facilities?
- ☐ Do you store and ship items from a single warehouse (instead of storing and shipping items in a warehouse near their point of use to optimize freight)?

About WorkflowOne

WorkflowOne is the name behind some of the most innovative and successful solutions in print and promotional marketing today, with roots that go back 140 years. We are one of the largest providers of print management, distribution, kitting and fulfillment services in North America. We are committed to delivering exceptional solutions and service to our customers.

The company equips its customers with a wide range of printed products, from marketing collateral, direct mail and signage to business forms, checks, labels and stationery. We also provide billing and statement solutions, kitting and fulfillment services, branded merchandise and other marketing services. We're emerging as the industry leader to watch in the 21st century. You'll benefit from our:

- Network of more than 1,200 qualified suppliers and credentialed trade partners;
- Production expertise in all types of printing (digital, offset, sheet-fed, web);
- 12 business service centers nationwide with 1.5 million square feet of warehousing space;
- Cost-effective one-day coverage to more than 20 markets nationwide; and
- Industry-leading customer satisfaction, with scores of awards from clients for outstanding service.

WorkflowOne currently employs more than 2,000 people across the United States. Our base of 12,000 clients includes leaders in the retail, financial services, healthcare, manufacturing and services sectors. These clients include some of North America's largest retailers, many of the top 25 U.S. bank holding companies, leading healthcare group purchasing organizations, leading manufacturers across a wide variety of industries, and dozens of national nonprofit organizations. WorkflowOne is headquartered in Dayton, Ohio.

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