

A world map composed of small hexagonal dots in shades of blue and grey, centered on a light blue background. The map is partially obscured by a dark blue horizontal band.

BRAND CONSISTENCY: THE VALUE MULTIPLIER

INTRODUCTION

In today's hypercompetitive marketplace, the need for and impact of brand consistency, across touch points and geographies, has perhaps never been greater. This is a key contributor to achieving and sustaining differentiation, customer and channel engagement and, ultimately, sales. However, for national and multinational marketers, quality and consistency come at a cost.

Much of this cost is highly visible: the millions of dollars that are invested in long, winding "marketing supply chains" – agencies, design and creative services partners, pre-production vendors, printers, fulfillment firms, promotions vendors, and on down the line.

Considerable cost also comes from internal investment in staff and bandwidth for devising, implementing and managing brand standards along these complex supply chains in order to ensure compliance.

Much cost is less visible. Specifically, the pockets of activity and investment that go unmonitored and unmanaged at the line-of-business, departmental and geographic market levels. All of these costs can be a drag on marketing budgets that have to work harder and with greater accountability than ever before.

Brands that are successful in reconciling the need for brand consistency with the need for budget efficiency are creating advantage – from valuation advantage to competitive advantage to return-on-marketing-investment advantage. To do so, they are implementing transformational programs, often involving digital asset management, print-on-demand systems and global print management solutions, that achieve these essential ends.

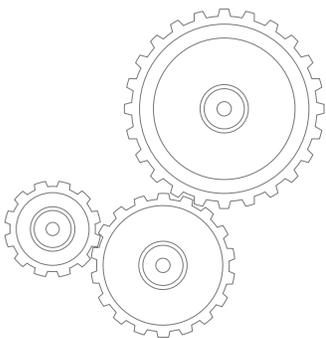
BRAND CONSISTENCY DRIVES VALUE

According to the seventh annual BrandZ Top 100 Most Valuable Global Brands ranking, published by respected brand researcher Millward Brown, Apple leads the list of most valuable brands.

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THE MARKETING SUPPLY CHAIN

Marketers typically think of supply chain in terms of industries like manufacturing or retailing. In reality, marketing has its own supply chain – and it is an extensive and complex chain. A mid-sized or larger company's marketing organization typically is reliant on hundreds of interlinked service providers. These include external marketing services providers, printers, fulfillment houses, shippers, list brokers, photography and other artwork providers, marketing technology providers, analytics platforms, etc. Consolidating and better managing marketing supply chains is one of the emerging care-about for Chief Marketing Officers, Chief Financial Officers and Chief Procurement Officers.



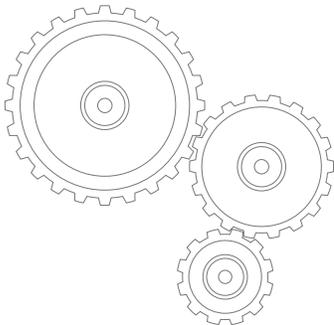
Of note, \$183 billion – or 34% – of Apple’s overall \$623 billion value is ascribed to the intangible contribution of “brand” to its valuation. (Millward Brown defines “brand contribution” as the measurement of how much of a brand’s total value can be attributed to the brand itself, exclusive of financials and other factors.)

Not surprisingly, few companies defend their brands with the ferocity of Apple. Every touch point – from store displays to outdoor advertising, to sales collateral – is implemented with absolute, unmistakable vigilance.

Consider other leaders on the 2012 BrandZ list: IBM, CocaCola, AT&T and McDonald’s. Each of these companies appears among the top 10 of the BrandZ list, and each has a high index for brand contribution – a measure of the role that brand plays in driving a company’s earnings.

In particular, in Millward Brown’s view, many of these brands’ competitors under-index against earnings contribution. So while the brand contribution opportunity is available to them, it is being significantly under-leveraged.

By leveraging technology-enabled procurement tools and extensive supplier networks across continents, Print Management companies are able to identify in real time the open capacity in the large, fragmented and inefficient market for printed materials.



PRINT MANAGEMENT DEFINED

Print Management is an outsourced solution to procure, manage and assure quality of all printed materials, displays and promotional items. Print Management providers also provide access to all the services associated with the creation, management and execution of these materials, including technology-enabled workflow, creative services, digital asset management, pre-production, printing and finishing, versioning, fulfillment and warehousing.

Importantly, the top Print Management partners have the expertise, focus, scale and insight into the marketing supply chain to help monitor and manage a brand’s visual representation while driving down cost, reducing complexity, streamlining process, enhancing quality and enabling accountability.

By leveraging technology-enabled procurement tools and extensive supplier networks across continents, Print Management companies like InnerWorkings are able to identify in real time the open capacity in the large, fragmented and inefficient market for printed materials. As such, they typically can reduce clients’ print costs by 10 percent to 20 percent, with additional reductions in administrative overhead.

COMPETITIVE ADVANTAGE & BRAND CONSISTENCY

Brands that out-perform in the current competitive landscape are reimagining themselves on a continuing basis. As stated in the BrandZ report, they are “looking for ways to be present in a compelling way in every possible physical and virtual reality.”¹

According to the Brand Strategy Insider blog, “Consistency truly is the name of the game ... the more consistent the brand is across all customer touch points and over time, the more the brand will have made a firm impression.”²

At Emerson, the global engineering giant, the company recently rebranded its dozens of subsidiary companies to achieve this level of consistency. According to Emerson Chief Marketing Officer Kathy Button Bell, it is a key to driving competitive advantage and enabling greater marketing efficiencies.

To this end, Bell and her team developed an overarching brand architecture within which Emerson subsidiaries are now branded more like products and solutions rather than separate companies. The architecture creates competitive advantage in that it better and more consistently communicates that Emerson delivers an extensive array of solutions for a broad range of markets in an integrated fashion.

Portraying and promoting brands in the most consistently compelling way possible is among the first of the necessary steps to achieving competitive advantage.

“This makes it easier for customers to do business with Emerson,” Bell says. “It makes it easier for sales and business development teams to introduce the established customers of one Emerson business line to another.”

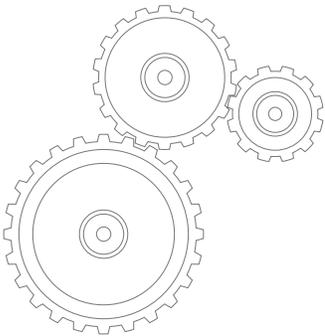
At the same time, the architecture enables efficiency opportunities. “Instead of having multiple sets of discreet collateral materials, multiple discreet direct marketing campaigns, multiple sets of discreet promotional items and materials, and so on,” Bell states, “we can now consolidate and drive efficiency through a more streamlined marketing supply chain.” The end result is greater visibility into and control over marketing spend, as well as significant savings. For Bell and Emerson, “It’s a huge brand ‘win-win’.”

BRAND QUALITY + BRAND EFFICIENCY = BUSINESS RESULTS

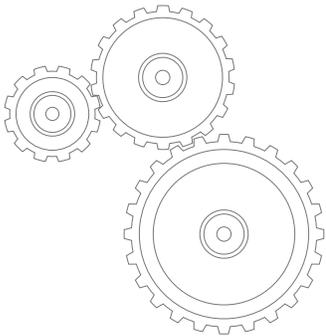
As brands like Apple build value through a relentless focus on brand quality and consistency, and brands like Emerson unlock value through more consistent and efficient brand architecture, a common thread is emerging.

Brand quality and consistency are mandatory. Brand efficiency is mandatory. Yet, best-in category quality and efficiency no longer have to be at odds. CMOs are putting greater and greater pressure on themselves and their organizations to find innovative models that enable the quality and consistency that are non-negotiable, and yet still can deliver hard and soft cost savings that come from smarter supply chain management and better utilization of precious but finite people and bandwidth resources.

Some marketing organizations have taken an initial step of embracing digital asset management and print-on-demand systems to help achieve both quality and efficiency. Others are going farther by adopting global print management models to streamline the high cost of meeting their diverse printing needs. Independent research sources estimate that the outlay for a company’s printed materials typically ranges from 1% to 4% of annual revenue. For a \$5 billion company, that translates to \$50 million to \$200 million.



By using experts to outsource marketing supply chain requirements via digital asset management, print-on-demand systems and global print management solutions, the human capital management savings can be unlocked as well.



By partnering with print management providers, these leading marketing organizations are effectively outsourcing the management of that spend. In doing so, they are gaining unprecedented visibility and control of their spend, higher quality and consistency on a global and local basis, as well as aggregate cost savings of up to 20 percent.

For many marketers, print management is a disruptive innovation whose time has come. A major U.S. retailer underscores the point.

With 800 regular stores and 400 pop-up shops during holidays, the company has maintained a complex, unwieldy marketing supply chain including more than 25 different types of printers to produce a range of point-of-purchase graphics, window posters, large-format displays, store flyers, bag stuffers, insert advertising programs, promotional graphics and other printed marketing materials.

By innovating and consolidating through a print management solution, the retailer has been able to gain granular control over spend, enhance brand quality and efficiency, re-allocate marketing team bandwidth to other imperatives – and save millions of dollars that have been re-allocated to deliver greater marketing reach via reinvestment in additional marketing programs.

CONCLUSION: BRAND CONSISTENCY, EFFICIENCY – AND OPPORTUNITY

Flawless execution, up and down the marketing supply chain, is key to reconciling the priorities of brand consistency and brand efficiency that have become mandatory in modern markets, and that often are at odds with each other. That reconciliation, in turn, is key to achieving the brand consistency multiplier effect that leads to improved return-on-marketing-investment and competitive advantage.

The opportunities presented by the multiplier effect of brand consistency are large, driven by reduced costs, greater brand efficiency, and the ability to redeploy funds to current and future growth strategies. By using experts to outsource marketing supply chain requirements via digital asset management, print-on-demand systems and global print management solutions, the human capital management savings can be unlocked as well.

¹ 2012 BrandZ Top 100 (Take Away No. 5), http://www.millwardbrown.com/brandz/Top_100_Global_Brands.aspx, accessed on October 15, 2012

² How Important Is Brand Consistency?: Branding Strategy Insider, June 2, 2010; <http://www.brandingstrategyinsider.com/2010/06/how-important-is-brand-consistency.html>, accessed on October 15, 2012

ABOUT INNERWORKINGS

InnerWorkings is the global source for Print Management, enabling quality, consistency and efficiency for hundreds of high-performing brands the world over. From printed materials to promotional materials to displays, and from production, delivery, warehousing and reporting to streamlined workflow and flawless execution, InnerWorkings provides end-to-end solutions to meet any and every printed material need. By combining innovative technology, extensive expertise and a specialist understanding of the market, we help brands optimize processes, efficiency and manageability, time-to-market, visibility and performance.

For more information, please visit <http://bit.ly/aboutinwk>.

