



Staying on Target by Valuing Technology

By Carl Langrock and Randy Shumpert

On Christmas Day, 1066, a new king of England was crowned. Less than three months earlier, this new king had been known as William the Bastard. In addition to winning a kingdom at the Battle of Hastings, on October 14, 1066, William earned a new name: William the Conqueror. William's victory at Hastings forever changed the course of English history.

William had two technical advantages over his rival, Harold, at the Battle of Hastings. Harold's troops were infantry; their primary weapons were battle-axe and sword. While Harold's army used horses exclusively for transportation, William's soldiers fought from horseback. They took advantage of a stabilizing technology, the stirrup, transforming the horse into a fearsome battle platform. The other winning technology employed by William was the bow and arrow, allowing William to inflict damage on Harold from a distance. The Battle of Hastings was hard-fought and close. In the end, superior technology prevailed. Harold eventually got the point--unfortunately, it came in the form of an arrow through the eye.

Taking advantage of empowering technology is the central theme of "Tools of the Trade." In October, we outlined a process for selecting a media system. This month, we continue the thread to talk about the value of the media system--the value of the technology.

YOUR MEDIA SYSTEM, YOUR BOTTOM LINE

It's a bit difficult for a media software company to pose this very important question without sounding self-serving. However, our work in the industry puts us in a unique position to share practical experiences that may help you assess the efficacy of your media software. We frequently discuss a variety of issues with different stakeholders in an agency. For example, managers who focus on an agency's profit and loss are concerned about controls for extending credit to clients. The managers responsible for media, traffic and accounting are concerned about the effectiveness of tracking and reporting integration across departments. And everyone in the agency is concerned about meeting client reporting needs. This column is meant to underscore some of the challenges that may resonate with you and affect your bottom line.

First, let us describe a recurring problem. Your media department enters buys, gets tapes out the door and your clients like your results. Your system is affordable and the work is getting done. But then this happens: You pitch a piece of business and lose because your prospect is selecting an ad agency that is using a competing system that has a special feature or report that the prospect needs. It wasn't your creative or account team that lost

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the pitch; it was your technology. Maybe the prospect seemed marginal, or the technology claim sounded like smoke and mirrors, so you don't worry about the miss. After all, you are continuing to win business and grow. Then it happens again; perhaps now there is reason for concern.

More and more, agencies are leveraging technology as a point of differentiation--and it works. We see it happen time and again: an agency will include their technology and systems capability in their pitch. It shouldn't take an arrow through the eye for you to realize the critical importance of keeping your agency armed with competitive technologies that amplify efficiency and increase capability. Perhaps you need a better bow.

A good systems solution improves your bottom line by:

- Making your team more efficient. With good software, your team scales better and you can focus energy on producing higher levels of work.
- Maintaining interdepartmental procedures, controls and best practices.
- Empowering your team with analytical tools, which allow you to dig deeper into the data. This allows you to present it in client-specific ways that you otherwise couldn't. This facet of good software can be a key element in getting and keeping clients.

According to Sheila Hamowy, president of Media City, "Media tracking software for DRTV is always an integral and essential component of media management. The buyer can use various methods to maximize ROI. This requires attention to detail, but a good tracking system makes it easy and results in savings of 30 to 40 percent of the clients' budget, which can be reinvested to generate a continued greater response."

Mark Zamuner, vice president, account management of Ocean Media, offers a slightly different angle: "For eHarmony, we're buying 60 to 70 networks and they have millions of registrations," he explains. "The data was becoming unmanageable. We added [software] to warehouse eHarmony's data. Now we can slice the data in a bunch of ways, and it has been fantastic in giving us new insights. Recently, we landed Legal Zoom. The win was based on our ability to analyze the impact of each new network as it was added to the mix. Our new software system has been instrumental in helping us with that."

TAKE A HARD LOOK AT YOUR TECHNOLOGY PLATFORM

In addition to analytical and presentation capabilities, there are other factors that can support or depress agency growth. These include the technology platform, database performance and integration among business units, like media to accounting, media to traffic, or traffic to response.

If your agency software is not written in a current technology, be it for UNIX, Apple, Windows or the web, your technology platform is likely to be obsolete. In fact, many older programs will fail as processor technology moves from 32-bit to 64-bit. For example, in 2001, Microsoft discontinued support for 16-bit-based applications (which includes, for example, anything running in DOS). Although you can still run DOS applications in some older versions of Windows, the next generation of operating systems may affect your ability to operate in the near future.

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DOES YOUR SOFTWARE PLAY WELL WITH OTHERS?

Look closely at the integration of your systems with others that you use. Does your system effortlessly integrate with accounting? For many agencies, the software used to bill clients and pay stations includes systems like Quick Books, Peachtree, Solomon or a syndicated agency operations and accounting system. The challenge in this case is to reliably move entries from the media system to the accounting system for billing and paying. Does your process automate this integration or are you forced to enter data twice? Duplicate data entry is an important target for improvement, not only for accuracy but also for compliance with Sarbanes-Oxley and other looming regulatory requirements. If "bill pay" is an integral part of your media system, efficiency is augmented when there are no restrictions on agency workflow. For instance, when accounting needs to print station checks, invoice clients or some other function, does this interrupt the work in other areas of the agency?

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SUPPORT YOUR SOFTWARE

Take a hard look at your support resources and make sure you have both the talent and depth to keep your technology operating effectively and that your technology will continuously adapt to future needs.

Zamuner shares his experience: "If you're relying on a proprietary solution, what do you do when the developer isn't around? We've found that using a well-supported syndicated solution allows us to scale across the company and across our accounts," he says. "We're no longer relying on a single, super-knowledgeable individual, which can create a bottleneck where the work piles up. We've built so much confidence in the system that we've even been able to allow our client to access the data directly from a remote site, and that has been key for them."

STAYING AHEAD

But for a stirrup and a few hundred archers, the name William the Conqueror might be lost to history. To ensure long-term stability and growth, it is incumbent on agency leaders to contemplate the challenges of process, productivity and systems in a holistic manner. Failing to stay current risks a trampling at the hooves of the competition.

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