

Practical ways to disrupt the value equation

TrinityP3 Pty Ltd
Marketing in a Recession
Breakfast Briefing
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Disrupting the value equation:

- PROCESS
 - How we work with our marketing service providers – finding more effective and efficient ways of engaging
- PAYMENT
 - How we remunerate our marketing service providers – implementing more transparent and accountable remuneration models
- PRODUCTION
 - How we manage the brand assets they produce on our behalf – developing processes and using technology solutions to increase efficiency

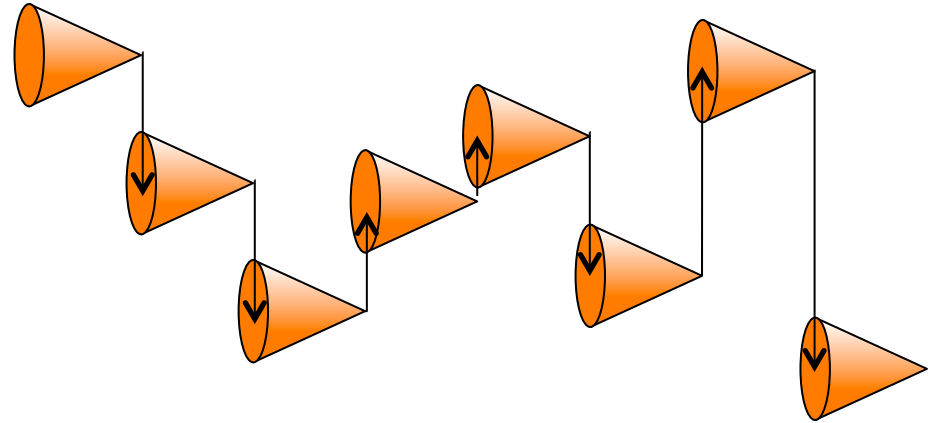
Disruption to increase:

- VALUE
 - Leverage greater value from the resources at your disposal – human, infrastructure, financial
- TRANSPARENCY
 - Knowing what you are getting and what you are paying, up front
- ACCOUNTABILITY
 - Payment based on value and performance, not just on consumption of time and materials

Process

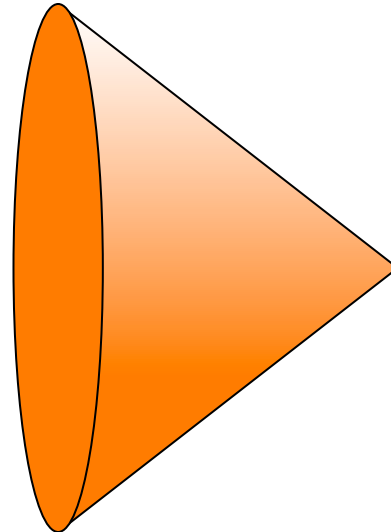
Current

- A focused starting territory often limits exploration
- Leads to multiple iterations in strategy, concept and production
- Exacerbated by multiple channels managed individually



Future

- Start with broad territory for exploration but a highly focused objective
- Involve all stakeholders to maximise input and create alignment



Process

- Integration, alignment and collaboration are the greatest challenge for marketers
- Yet most current practices are counter-intuitive to delivering this because:
 - Suppliers are increasingly fragmented rather than integrated
 - Contracts and remuneration make supplier competitors
 - Poor planning leads to poor project management
 - Production process is segmented by supplier
- It requires having very focused objectives and defining specific, measurable results for all activities

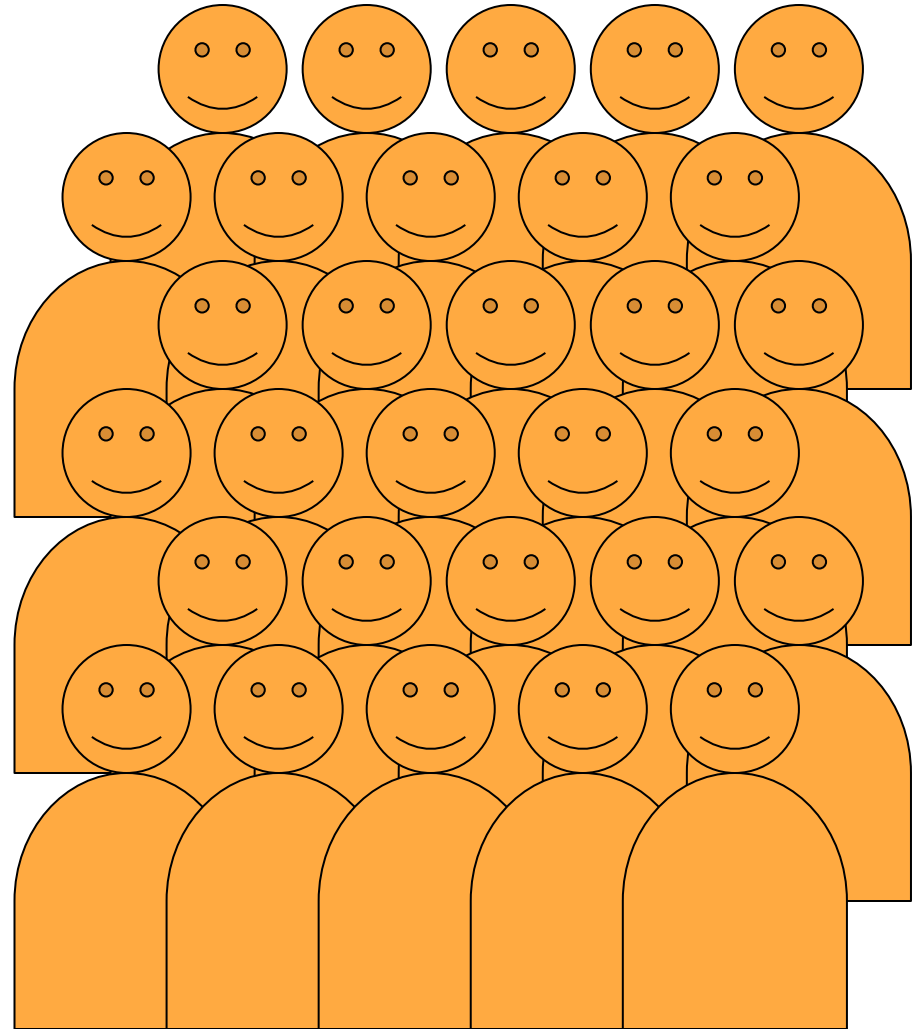
Payment

Current

- Commission based on spend
- Retainers based on resources
- Yet marketing communications is and should be deliverable and result based

Future

- Remuneration based on deliverables
- Deliverables can be either execution or results or both
- Requires measurement and management of all activities



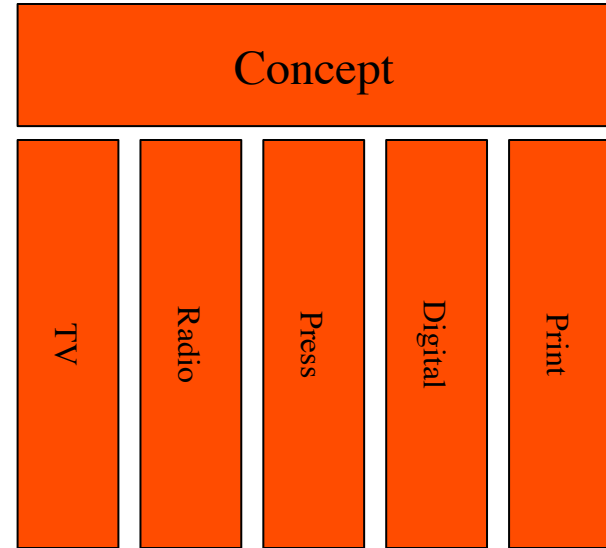
Payment

- There are 3 parts to “value” in marketing communications:
 - Cost – usually financial, but should also include time, resources and lead to ROI
 - Volume / Complexity – scope of work delivered
 - Quality – strategy, creative, execution (Subjective but measurable)
- Many remuneration models are based on one only – costs based on resources with no fixed reference to the other two
- Payment By Results (PBR) should replace Performance Based Remuneration (PBR)

Production

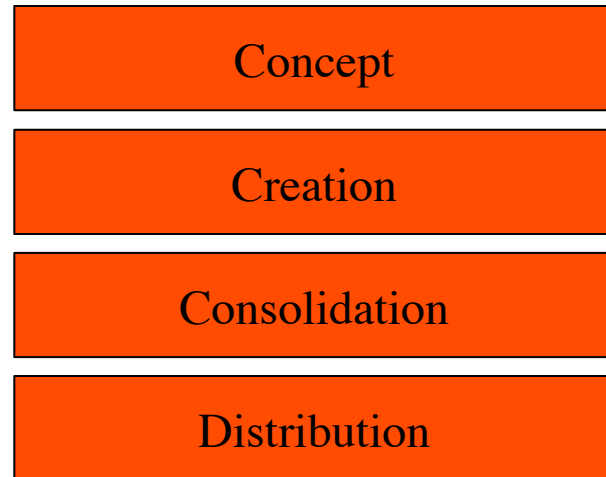
Current

- Silo driven vertical process based on execution type
- Difficult to manage across production types
- Ownership and possession of the brand asset often resides with suppliers



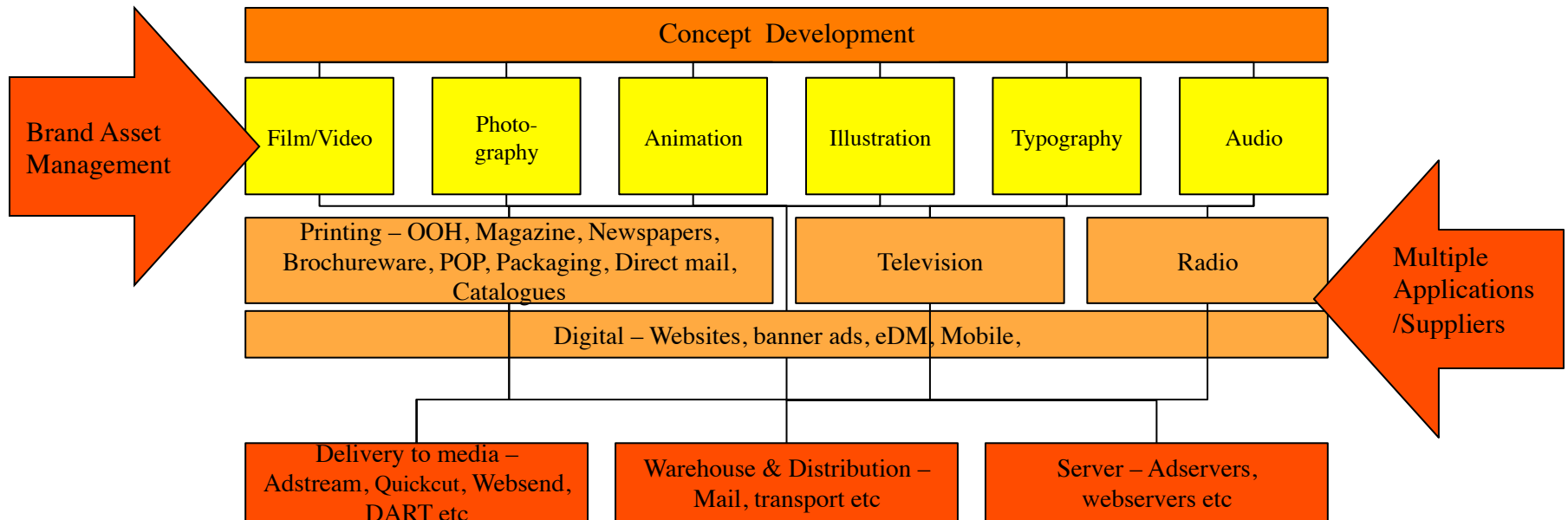
Future

- Horizontal approach to production driven by digital technology
- Facilitates management and protection of brand assets
- Allows multiple suppliers to use and add to asset bank



Production

- Content creation of brand assets can be managed to maximise brand identity and brand value
- Consolidation of assets into specific executions can be then shared across multiple and best suited suppliers



Three disruption opportunities

PROCESS

- Move to align all your available marketing communications resources to your objectives

PAYMENT

- Pay for delivery and results NOT people and consumption

PRODUCTION

- Take ownership and control of the brand assets created on your behalf and leverage the value of these

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