

# The real cost of quality time

**T**he relationship between cost, quality and time would seem to be an obvious one. But many advertisers make simple mistakes that cost them dearly in each category. A simple review of the processes involved can help reduce cost blow-outs and the panic of time pressures.

A brand manager phones and asks if you can change the lead talent in a TV ad in post-production. A marketing manager asks for the most cost-effective way to correct a mistake in a 50,000 run brochure. An agency insists on using the same production company to shoot the four-week sales promotion as they used for the brand campaign as it will save time.

All of the social and market research tells us consumers are "time poor". This insight applies especially to the advertising and marketing industry. But what all of these examples show is that "time poor" in advertising can mean you have to be cash rich.

While there is increasing pressure on budgets, there is an equal amount of pressure on time. The problem is that addressing one without considering the other is an exercise in futility.

## The relationship between time (T), cost (\$) and quality (Q)

The diagram (right) is not unique, but it shows the relationship between time, cost and quality. The relationship is that you need any two to achieve the outcome you want. If you want quality you need either time or money to achieve it. If you want to save money and want a high-quality result you need time.

But in today's fast-paced, cost-conscious marketing world, advertisers are looking to reduce costs, when often all it takes is an investment of time. This doesn't mean taking longer to do things, it often means investing the time to put the processes and systems in place to minimise the time it takes without expensive compromise.

## Time vs quality

Some people think of retail as low "quality" advertising. But clever retailers focus on producing low-cost, short-term, fast-production advertising by developing production and approval processes to reduce the time and resources required and to reduce the incidence of expensive mistakes.

Retailers with competitive offers regularly look to create production templates for television, radio and print executions that can be easily updated with the latest offer. By developing these templates ahead of time they are able to invest in the "quality" of these

executions, with the cost amortised over the duration and frequency of the template's use.

For an advertiser who doesn't create advertising as regularly as one of these retailers, there are still advantages in taking the time to ensure the process is in place up front, rather than having to waste time and money reinventing the process with their agency each time they want to produce an execution.

## Quality vs cost

The most challenging aspect for advertisers is developing a measure of quality and matching the quality required to the

task at hand. While you hope you get what you pay for this is not strictly true. An execution can cost from next to nothing to many millions of dollars. The truth is that as the budget increases, at a certain point the additional improvement in quality becomes increasingly negligible. A better question is how much is the production worth?

Take a long-term execution for an FMCG brand to be used over the next two to three years. They invest in the "brand" execution to establish a unique look and style. A few months after the launch a sales promotion is required and the agency recommends using the same high-quality, high-cost production team and production process. The difference is that the sales promotion's media activity is a fraction of the brand activity, so how can the cost be justified?

## Time vs cost

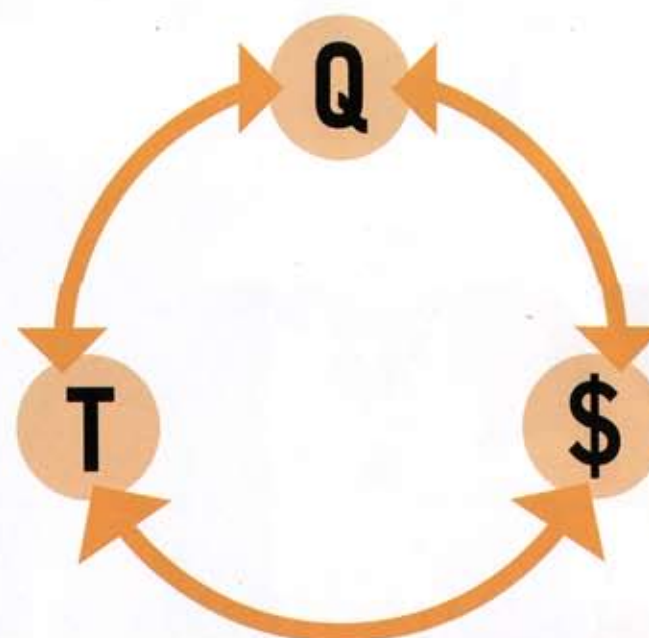
Rome wasn't built in a day, but increasingly many advertising campaigns are being turned around in a shorter period. In the process many cost-effective techniques and solutions are overlooked as people go into "get it done" mode. Mistakes are made, incurring additional cost, and approval steps are overlooked leading to more radical and expensive changes later in the process.

To shorten timelines, production people are forced to take short cuts, increase costs through hiring additional resources, pay loadings to suppliers for overtime and preferential service and build in contingencies for unforeseen problems. Even then, without an established and comprehensive process in place, this can come expensively undone.

Shorter timelines also mean the



The top graph shows the relationship between quality and cost, while the bottom graph charts the principle that two of the three elements are required to achieve the third.



advertiser has less time to review and approve the production throughout the process. And if more time for approvals is required this puts greater pressure on the production process.

## Buying time, reducing cost and delivering quality

I know a print production manager who has a sign on his desk that reads, "Your lack of planning does not qualify as my emergency". Does this mean the only way to reduce costs is to spend more time? No.

If you are looking to save money, then look at your quality expectations. Ask your agency to provide you with a range of different quality executions, including alternative suppliers or different execution styles, and review the possible impact a lower or higher quality of execution will have on your advertising strategy. Not every strategy requires a premium execu-

tion or cost to be successful.

If you have a regular production requirement, review the process to ensure each step is detailed and comprehensive and that all stakeholders adhere to the process. This will ensure when you need it done faster the process does not collapse under time pressure, costing you more in the long run.

If time is the issue and you want to decrease the time to market without increasing costs, review the processes with your agency. In what ways are the agencies' processes or the advertisers' practices increasing the time required?

By understanding the relationship between time, cost and quality you can ensure the costs and savings you make will not end up costing you more than you expect.

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