Artwork Management Technology

[7 Opportunities for Savings]

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When it comes to saving your company a lot of money and time

while making your entire marketing supply chain more efficient, there's nothing more helpful than packaging and artwork management software. But convincing the organization and management to embrace artwork management software will require more than a casual conversation at the water cooler. You're going to have to demonstrate why it makes good business sense and why it should be considered a top investment priority. According to our customers, within both workflow approval and asset management there are seven opportunities for significant savings. We will investigate each of these in detail in the pages that follow.

Approval Workflow

1. Linear Proofing
2. Project Management
3. Audit Tracking

Asset Management

4. Searching
5. Distribution
6. Re-Approval
7. Re-Creation

Approval Workflow
Opportunity for Savings

What's the problem?

Teams that email files to each approver or reviewer in a set order to garner approvals are using a linear process. There is a better way, and it's a concurrent process. When your team can view the file for approval at the same time, in the same web-based platform, your approval process breaks from a linear process into a concurrent process and the opportunities abound.

Please note: The financial improvement here is one of opportunity cost or potential revenue, which may set it on the upside of the equation rather than the 'savings' side.

What you need to measure

How many approvers are in your process?

How many days are allotted per approval task?

How many cycles are typically involved in your process?

How much incremental revenue (per day) does your company gain when launching new products?

Formula

[number of approvers-1]

x [number of days allotted for each approval task]

x [number of cycles]

x [revenue per day]

Example

Imagine you have six approvers, each of whom is allotted two days to complete their approval, and it takes three cycles to complete a change order. Your company makes $50,000 more each day your new product is in market.

In this case [6-1=5] x 2 x 3 x $50,000 = $1,500,000 in opportunity cost or additional time in-market or on-shelf.

$ Super-Savings

Keep in mind that number is per SKU. Multiply it by the number of SKUs you introduce each year and knock the crazy socks off your CMO.

Approval Workflow
Opportunity for Savings

What's the problem?

Companies using a manual approval process instead of a digital workflow have a lot of room for savings.

Let's define manual. It is a manual task for a project manager (PM) to manage via email and spreadsheets. When a PM has to assemble a distribution list in an email, upload a large file to Dropbox or a Sharepoint site, email the link to all parties, remind them to complete their approval tasks in the right order, stalk and hunt them down to obtain approvals, interrupt them in meetings to obtain approvals, that's a lot of manual work. When a PM finally secures all the feedback, deciphering each piece in the form of scrawls on post-it notes, or even consolidating individual comments into coherent direction from disparate PDF files, that is a "manual" process.

Fortunately, these are all pains that Esko can ease. In fact, our customers report a 40% savings in time after implementing Esko because of its usability, auto-project tracking, auto-remind, auto-consolidation of comments and dashboard view.

What you need to measure

How many hours are devoted to PM tasks each week?

What is the average hourly rate for this work?

Alternatively, how many project managers do you have and how much are they paid per year?

Formula

[avg hours of PM work]

x 52 weeks

x [avg hourly rate]

x 40%

OR

[number of PMs]

x [avg salary]

x 40%

Example

If you have a bunch of employees who spend 75 hours per week on PM tasks at a blended rate of $75/hour, your savings = 75 x 52 x $75 x 40% = $117,000 per year.

Or, if you have 5 project managers who earn an average salary of $65,000/year your formula would look like this: 5 x 65,000 x 40% = $130,000 per year.

$ Super-Savings

If your company is growing, perhaps just consider that you could get SO much more work done without adding headcount because you'll add 40% capacity to your project management workforce!

Approval Workflow
Opportunity for Savings

What's the problem?

At one point or another, your organization will need to trace how your artwork got released. If approvals or design changes were done over email, phone or by handwritten notes, you're going to have a monster of a task on your hands. At present, there is a marked increase in the performance of audits as regulatory requirements expand. Esko automatically tracks every decision made by every person in your approval or change process; there is no need for project managers to manually keep a record of this information. The audit trail is readily available at any time simply by logging into your Esko instance.

Please note: This formula is for regulated industries and nutrition facts compliance

What you need to measure

How many audits do you expect to have per year?

How many hours does each audit take?

How many people from your team have to perform the tracking to support each audit?

What is the average hourly rate of the team performing the audit?

Formula

[number of audits/year]

x [number of hours spent audit tracking]

x [blended hourly rate]

x [people involved]

Example

So let's say you're expecting 4 audits per year, which will take you 80 hours per person for 3 people that earn in a blended rate of $100 per hour.

In this example your Audit Tracking savings = 4 x 80 x 3 x $100 = $96,000 per year.

Asset Management
Opportunity for Savings

What's the Problem?

Every minute spent searching for an asset is money out of your payroll used to locate something that could be a lot easier to find. And when your company has a lot of people and a lot of assets, the time and money lost quickly starts to add up.

What you need to measure

How many assets does your company have?

What is the average number of hours spent searching for brand assets?

What is the hourly rate for the employees who are searching for missing assets?

Percentagewise, how much time is saved by having a central database to store your assets?

Formula

[# brand Assets]

x [hours searching]

x [employee rate per hour]

x [percentage of time saved]

Example

Let's again say that your company has 5,000 brand assets. A typical knowledge worker spends about 2.5 hours per day searching for content that hasn't been indexed. The average hourly cost of a knowledge worker is $30 per hour. Content indexed in a rich media management system takes 90% less time to locate.

In this example, the savings from Asset Searching = 5000 x 2.5 x $30 x 90% = $337,500 per year.

$ Super-Savings

Get a personalized savings calculation by using our ROI Savings Calculator. **Find it here.**

Asset Management
Opportunity for Savings

What's the Problem?

Getting assets to the people who need them tends to get complicated. Most organizations have limits set to control the size of the files that can be sent via email. This requires services like Dropbox, or in some instances, a courier. Adding more time and complexity is the fact that file conversion may be required, which can be a time consuming and repetitive task. Using packaging and artwork management software with automatic file conversion eliminates these problems quickly.

What you need to measure

How many files do you need to send annually?

How much time is required to find, convert, copy, send or log each file?

What is the hourly rate your company is paying your content manager?

What percentage of your files are distributed electronically?

What percentage of your files are distributed by other means (i.e. courier)?

Formula

[files sent electronically]

x [file distribution time]

x [employee rate per hour]

AND

[files sent by courier]

x [courier cost]

Example

Let's say you send 500 files electronically on an annual basis with 450 being sent electronically, 50 via courier.

On average, it takes 30 minutes to find, convert, copy, send or log a file.

The hourly rate of the employees tasked with sending these files is $50.

450 files sent electronically x 30 minutes/file @ $50 hr. = $11,250.

50 files couriered x $50 courier fee = $2,500.

In this example, savings from Asset Distribution = $13,750.

Asset Management
Opportunity for Savings

What's the Problem?

An asset whose approvals are documented and attached as metadata to the asset is worth so much more than a file about whose approval you're uncertain. An asset's approval status, who approved it and when it was approved should be critical information attached to the file as metadata. While in many companies, the default way of knowing for certain if a file is the most current is to "ask Sally" who tends the Digital Asset Library, companies that need to behave in more agile manners want this information to be readily accessible for everyone, as appropriate.

When an asset has been through the rigor of your process and approvals, it is more valuable than a dusty file that you've been housing in a DAM system that does not have such proof of its prestigious upbringing. You can confidently use an approved asset in an array of circumstances, but the dusty file poses a risk if you are not certain it is the latest approved version. All this to say that your approval process carries a monetary value that you can add to your business case. What is the value of your approval process?

What you need to measure

What is the salary (per hour including benefits) of each person involved in an approval cycle?

How many hours of effort does each approval cycle consume?(this may be the number of people involved in the process multiplied by the hours it takes each person to complete their tasks)

How many cycles does it take to complete an approval?

How many assets need to be re-approved in one year?

Formula

[average hourly salary]

x [number of people involved]

x [hours of effort per cycle]

x [number of cycles]

x [number of assets to be re-approved in a year]

Example

If you have 3 executives and 4 non-executives in your approval workflow, you could create a blended hourly rate of $150 per hour.
It may take each person 15 minutes to complete their approval (0.25 hours).
Most companies give themselves 3 cycles to complete an approval.
Let's estimate you have 5000 assets and 5% of those need to be re-approved in a year (250 assets).
In this example the savings from re-approval = $150 x 7 x .25 x 3 x 250 = $196,875.

Asset Management
Opportunity for Savings

What's the problem?

Companies that don't have packaging and artwork management software may lack a centralized database for all their assets and tend to have them strewn across various locations. One asset is stored on an employee hard drive, others are stored on various servers, usually arranged by department, creating virtual silos of information that are not accessible to everyone company-wide. This creates redundancy, imprisons assets from reuse, and over time assets can get lost, forgotten about or even erased in error. These are files the company has invested hundreds, if not thousands, of dollars creating and working through an approval process. You should be treating them with care, boxing them up in their own fresh metadata, and organizing them with diligence.

Packaging and artwork management software can provide a way to centralize your assets, getting everything together in one place, which saves money by eliminating needless hours spent searching for assets. It can even save you from creating new, replacement assets when you can't find or access the originals. Assets are expensive, some costing $500 to produce and others coming with a $20,000 price tag, if a photo shoot or retouching are required.

What you need to measure

How many brand assets does your company own? (include related assets, like dielines, photography, logos, drawings, etc.)

What is the average cost of each asset?

Also, how many assets are re-created in a year?

Industry analysts estimate up to 30% of all content is re-created because it is lost or mismanaged.

Example
Let's say you have 5,000 brand assets and the average asset costs you $500 and you have to re-create about 30% of your assets because they cannot be found, as industry analysts have suggested.

5000 x 30% x $500 = $750,000
And for approval of re-created assets: $150 x 7 x .25 x 3 x 1500 = $1,181,250
In this scenario, artwork management software would save you $1,931,250 per year in Asset Re-creation and re-approval costs.

Formula

[# of brand assets]
x [30% recreation rate]
x [asset average cost]

Don't forget! Add to this the re-approval costs for these assets, since every new asset will then need to be approved. So add to that this equation:

Savings from approval =

[average hourly salary]
x [number of people involved]
x [hours of effort per cycle]
x [number of cycles]
x [number of assets to be approved due to re-creation in a year]

Conclusion

With a little investigation and some basic assumptions, you can estimate a cost savings that can be used to **calculate your ROI**. The key is to make sure you personalize it to your business. Industry Standards can be useful, but they're generic by nature so don't automatically assume you fit the mold.

Keep in mind that there are several assumptions being made about the packaging and artwork management software you choose. The following is a baseline of what you should expect from investment:

- The system is easy and intuitive to use and doesn't require a lot of training.
- Assets are tagged with the correct metadata (including custom fields).
- The system is self-serve and/or files can easily be published to people who need them.
- 'On-the-fly' file conversion is available.
- Project schedules are automatically managed in the system and easily accessible.
- Email notifications prompt users when action is required.
- Reviewers can complete their tasks concurrently with other users.
- Reviewers have the ability to comment online on proofs to request changes.
- Reviewers have the ability to systematically compare a proof to a previous version.
- A full audit trail is kept for asset history.

The savings calculation is just one part of the picture, but it's a strong start. And when you present it to your leadership, they'll be impressed at how much time, effort and money you can save the company with your proposal to use packaging and artwork management software like Esko.

Super-Savings

You don't have to do the math all alone! Get a personalized savings estimate using **our ROI calculator**.