

Fulfillment and Distribution Test

Please answer the questions below.

1. What % of companies track marketing material obsolescence?
73% do not track which means 27% do track (from MAM whitepaper) and 25.9% do track (from Marketer's Toolkit).
2. What is the best way to limit marketing material obsolescence?
Put in place a MAM solution. (Or print on demand if you want to be more specific)
3. Why is it hard for a company to determine what their real costs are in collateral management?
Because the supply chain system they use is fragmented, complex and highly manual processes. (Also labor for this is usually not broken out but rather just part of the overall labor on a P&L)
4. What four questions would you ask regarding fulfillment to determine if we can make a difference for a company?
Where is your inventory being stored?
How do you keep track of inventory?
How many channel partners do you have?
How are orders being placed?
I was looking for 1. The number of request for collateral documents you process in a year. 2. The time required to process an average request. 3. The average hourly labor cost of the employees doing the fulfillment. 4. Square footage devoted to inventory.
5. If a company is spending \$500K on print annually, what would their estimated costs be on inventory management and fulfillment?
\$500K
6. A company has 300 channel partners and each one makes on average 2 requests for marketing materials each week. The average request requires 15 minutes to process and fulfill. The average wage base for the employees fulfilling the requests is \$40K per year **plus** taxes and benefits. Assume the employees work 2000 hours per year. What is the labor \$ associated with fulfillment each year?
\$187,200
7. A company has 15,000 square feet devoted to storing marketing inventory. Warehouse space in their city rents for \$15 per square foot. What is the annual cost associated with the space.
\$225,000

8. From question 7, what must you know to determine if this will make a difference to the prospect?
How many employees and how much time their employees spend on managing their inventory. **Can they either use the space for something else or can they quit leasing the space? If they can do neither then saving the space will not have a real value.**
9. Besides labor and space, what other costs should be included in determining a prospect's true costs associated with print and distribution?
How much product obsolescence they have.
10. What can marketers do with the money they save by improving efficiencies?
Use that money for other marketing initiatives.
11. MAM stands for what?
Marketing Asset Management
12. Define what MAM is?
It's a way to improve and streamline the marketing material supply chain.
13. Give me 4 examples of channel partners?
Dealers, Retailers, Distributors, and Franchisees
14. What is the single most important factor in determining if MAM will be of benefit to a prospect?
Depends on how many requests they process on a regular basis for marketing materials.
15. A product or service can create value for a company in three basic ways. What are those three things?
Enables you to reduce existing costs, avoid future costs, or increase revenue.
16. In doing a marketing supply chain audit you must include all marketing materials. List 5 examples of marketing materials.
Brochures, sale sheets, spec sheets, envelopes, and pocket folders.
17. What are the 5 elements of the marketing materials life cycle?
Creation, procurement, inventory management, distribution, and disposal.
18. The time required to fulfill marketing materials can have what impact on sales?
Positive or negative.
19. Concerning inventor management, if you could ask one question what would it be?
How much space do you devote to inventory management? Or
Does your company handle inventory management and distribution in house?

That is OK but I always want to find out if they are looking at a monthly spreadsheet. If the answer here is yes they do not have the kind of system we can provide. To me this separates the real players from the pretenders.

20. Concerning the purchasing of marketing materials, if you could ask one question what would it be?

This is a little vague so I'd approach either way - How are orders placed for marketing materials (want to find out if they are already doing web to print)? Or - What marketing materials do you purchase and keep in inventory? This is OK but I like to find out if they are paying freight costs to have the material shipped to them. Since we ship to our warehouse there are no freight costs. This can be a big number for some companies that we can make go away.