



# As good as it gets

WHEN WELLCOM FIRST STARTED DELIVERING PRODUCTION SERVICES TO THE MARKETING INDUSTRY TEN YEARS AGO, MOST OF THE BUSINESS CAME FROM ADVERTISING AGENCIES. THAT IS NO LONGER THE CASE AS THE PRODUCTION LANDSCAPE SHIFTS AND CORPORATIONS TAKE MORE CONTROL OF THEIR OWN PRODUCTION REQUIREMENTS. MICHAEL BETTRIDGE TELLS **PATRICK HOWARD** HOW THE DEMAND BY MARKETING MANAGERS FOR **BEST IN CLASS PROVIDERS** HAS REMADE THE MARKETING SERVICES INDUSTRY.

It depends on what you are good at. Creative agencies are good at coming up with clever campaigns to take products to new market positions. Media agencies and strategists are good at choosing the best mix of channels to deliver some great deals. Digital agencies are good with social media, websites and winning internet space for the product. And of course, clients are good at knowing what they want: the best return on marketing investment.

No one is good at doing everything. Specialisation is the key to best practice. Getting people to focus on what they are good at is probably the most important role for the marketing manager who wants results. Which is why more corporate clients are taking control of their marketing budgets and seeking out specialist agencies to deliver best of breed services.

It also explains much of the reason behind the success of Wellcom, the production specialists. According to Michael Bettridge, Wellcom strategy and global new business development officer, the motivation of corporate marketing managers to get the best results has seen them return to playing a more hands on role, seeking out different types of service providers. What today's marketing managers do not want are creative agencies trying to fulfil their own campaign delivery and logistics at the expense of imaginative future strategies.

"Marketers want their agencies to focus on tomorrow. They don't want the creatives entrusted with planning the future of their products distracted by working out how to deliver graphic files or prepare material for delivery across different channels. They want creative focus while depending on people like us to take care of the production," he said.

## Doing the media shuffle

The arrival of digital technology changed everything. It dismantled the old hegemony of the agencies that tried to do everything. In a multi-channel world, leveraging the same creative across different media requires specialised production knowledge. Maintaining essential brand colours and style across the internet, magazines, posters, television and mobiles is a job for experts.

This production services role becomes even more critical when you consider the rate of increase in the introduction of new products. According to Bettridge, there has been a 10-fold increase in the number of new retail products brought to market every year. This requires industrial strength production capacity in order to meet speed to market requirements. It is not something most advertising agencies are geared to handle.

It is a truism that ad agencies gather 10 per cent of their billing from production services. It is not central to their concern, nor their core skill set, but it is enough to make them want to hang onto it. Whether or not this is necessarily a good thing for the client is another question.

"Media has been unbundled. Creative agencies should focus on tomorrow, that's their role. The challenge of delivering material is about getting the most work done in the least amount of time. The best agencies know their own worth and in a multi-channel market dealing across eight media, not three, speed and consistency in getting products to market is essential," he said.

The fragmenting media mix and the tightening of marketing budgets has increased the pressure on marketing managers to justify their results. Often now the role of procurement looms larger in the allocation of advertising spend.

- It is no longer acceptable for a corporate marketer to offload the responsibility for all aspects of a campaign onto a single agency.
- The rise of small specialist digital agencies has increased the rate at which media is being differentiated.
- It is a move welcomed by Bettridge.

"Digital has broken down the old boundaries. While perhaps the larger agencies are still able to handle some aspects such as television production in-

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house, most digital and media buying is now done by specialist agencies.

## Where we come in

With advertising budgets under stress and marketing managers more accountable the stage is set for the rise of the special service provider. Founded by Wayne Sidwell, in Melbourne over ten years ago, Wellcom is an international production specialist that considers itself the manufacturing arm for the advertising industry. It has a long history and in-depth appreciation of pre-media skills. Its mandate is to take on the responsibility, while removing much of the cost, of getting advertising campaigns to market.

"Our clients didn't become marketing managers to be concerned about production," said Bettridge. "We're the experts across the different media, from managing the process, to taking it from concept to fulfilment. We help marketers »



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get their messages to the market quickly and accurately.”

Inevitably this leads to some advertising agencies regarding Wellcom as a competitor but that is not how Bettridge sees it. “We work directly with the corporate client. We are a constant production resource that remains even when agencies change. We’re not a threat.” He mentions the close working relationship Wellcom enjoys with M&C Saatchi on the Woolworths account, as an example of how the model works when both parties appreciate the other’s strengths.

For many of its larger clients Wellcom provides onsite personnel and equipment; for instance a typical onsite deployment will involve an average of four people; project manager, designer, desktop publisher and a pre-media specialist. They are the production arm of the client, while providing ready access to Wellcom’s full range of capabilities.

In addition Wellcom has design hubs in every capital city with extensive digital and photographic studios. It can produce everything from packaging mock-ups—even before the product is made—to full photographic shoots with subsequent digital enhancement. It even has its own digital printing to provide marketing collateral where appropriate.

Wellcom began its life servicing large retailers such as Woolworths, where high turnover and speed to market is essential. Woolworths is still a customer and Wellcom concentrates on servicing all marketers.

Currently there are over 30 inplant Wellcom teams in the marketing depart-

ments of some of the largest advertisers in the country, including Westpac, Australia Post, Woolworths, ANZ Bank, BP Australia and L’Oreal.

“Our people are highly skilled and well trained. They contribute a lot more than simple production services. We can automate the repetitive work. In large corporations we go in and review and reengineer their processes, get the right mix of people. We put in technology, reduce overall costs and make the workflow faster and easier and more accurate. Overall we reduce their costs because we have the expertise and we have the scale.”

For SME customers, Wellcom has developed a web-based solution, Knowledgewell. This allows clients to leverage the marketing expertise of the company without going to the expense of hiring an agency.

### Once it clicks, it rolls

The tenure of relationship between clients and advertising agencies continues to shorten as marketers seek to get better value for their spend. Putting contracts out for tender is becoming a two-to-three year ritual for many corporate marketers. One of the downsides of such promiscuity is the danger to intellectual property. When an agency goes it often takes vital IP with it and the incumbent has to reinvent the wheel. This may be good for the agencies’ bottom line, but it is not so for the client’s.

“A lot comes down to relationships. We have great client retention with many very long-term relationships that survive changes of agencies. The marketer knows

we are not a threat, that they don’t lose all that knowledge with a change of creative,” said Bettridge.

The success of the Wellcom model is seen in its hundreds of clients across Australia, New Zealand and the UK. The company is now spreading its wings into Singapore, with the opening of an inplant in the major retailer Courts, in January.

“The potential in Asia is enormous. We always wanted to be there. Courts is an Asian retailer with 40 stores in Malaysia, ten in Singapore. We open in Singapore in January with over a dozen people, Kuala Lumpur later in the year with more.”

There is no doubt that the Wellcom strategy is to be the multi-national production company, able to deliver marketing collateral for global brands everywhere in the world. Currently the company is talking to the US, where they enjoy reciprocal arrangements with providers in New York.

Bettridge has worked with Wayne Sidwell for nearly 20 years, across two enterprises. He maintains he is not alone, but one of a number of long-term employees who have been attracted and stayed the course over the years.

“Our product is new, what we do is relevant and exciting. With the media continuing to fragment there is a growing need for someone like us with production expertise in the middle,” said Bettridge.

“The critical issue for corporations is to reduce production costs and maintain control over their intellectual property. Wellcom provides the in-house solution.”