



Best Practices
in Selecting a
Digital Asset Management
(DAM) Solution

MARY HENRY
CHIEF OPERATIONS OFFICER
ASAP!JACK
MHENRY@ASAPJACK.COM
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I DIGITAL ASSET MANAGEMENT OVERVIEW

In order to achieve critical business objectives, organizations hire the best and the brightest to employ their experience, knowledge and collaborative thinking in the development of strategic programs, presentations, training and marketing materials--collectively these materials are the intellectual assets of the company. Today, the majority if not all intellectual assets exist digitally.

II THE PROMISE OF THE DIGITAL AGE

Digital files or assets have far greater intrinsic value than their paper, tape and film predecessors. When managed, digital assets can be quickly located through search technology, remotely accessed, easily shared, repurposed and leveraged across the enterprise and instantaneously, duplicated and deployed to audiences, partners and customers.

Unmanaged digital assets, however, result in significant disadvantages over paper, tape and film. Easily replicated and co-located, the email boxes, hard drives and servers of most corporations are overflowing with digital files. It has become more difficult to simply locate and verify the accuracy of digital assets, let alone repurpose, leverage or deploy them.

III THE DIGITAL ASSET DILEMMA

In just the past ten years, the digital medium has become the standard for business output. In this relatively short period of time, there has been an exponential increase in digital files with no process or framework for their ongoing control and management.

Today, organizations use desktop hard drives, external drives, CD/DVDs, archive systems and tape back-ups as well as servers. The method of file organization and file naming frequently differ from device, department and individual.

As a result, workers must first know that an asset exists and then go to multiple locations and enlist the help of co-workers to locate and verify assets. The impact to worker productivity is significant. According to third-party analysts, as much as 2.4 hours each day are lost to file search and verification.

But the issue of digital asset management impacts far more than worker productivity. The cost of lost, misused and rarely used assets is the cause of major concern for corporations that are seeking to optimize resources and increase their speed to market.

Looked at another way, the intellectual assets that organizations invest in are created to deliver business value. These assets must be accessible throughout the organization to support day-to-day business operations and ensure operational consistency.

At its core, the management and leverage of digital assets by an organization is an essential business process of the digital age.

IV WHAT ARE DIGITAL ASSETS AND HOW DO THEY DIFFER FROM DIGITAL FILES?

Currently, over 90% of corporate information is captured in digital formats. Some common file formats are:

Office documents:	Excel, WORD, PowerPoint, Adobe Acrobat, etc.
Graphic formats:	Photoshop, Illustrator, JPG, GIF, etc.
Graphic documents:	QuarkXpress, Adobe InDesign, FrameMaker, etc.
Multimedia:	Flash, Director, etc.
Audio/Video:	MPEG, Windows Media, AVI, Quick Time Movie, etc.

The primary distinction between a digital file and a digital asset is its value or potential value to the enterprise. Digital files become digital or intellectual assets of the corporation in these instances--

- When they can be repurposed by other departments, vendors or partners (*marketing materials, product images*)
- When institutional knowledge and experience can be leveraged by other departments and peers through access to the items (*sales presentations, proposals, white papers, research, CAD drawings, product specifications*)
- When the corporation can capitalize on market opportunities with swift deployment of assets to customers, employees or the media (*product specifications and pricing, training materials, press packets*)

V WHAT IS DIGITAL ASSET MANAGEMENT?

Digital Asset Management (DAM) is a sustainable solution that identifies an organization's digital assets and develops processes by which those assets can be efficiently leveraged, repurposed and deployed. An effective asset management solution would also include the ability to--

- Capture information about the asset and leverage institutional knowledge and experience
- Track asset versions
- Email deployment of assets
- Search technology for reliable asset retrieval
- Secure, remote access to assets for corporations with dispersed workforces
- Secure access extended to vendors and sales channel partners

- Ability to automatically publish assets directly to websites, intranets and extranets
- Ability to view graphic and video assets
- Report capabilities on access and usage

An effective and intelligent Digital Asset Management (DAM) solution is created for the specific needs of an organization and reflects its unique business objectives, structure and processes.

VI EVALUATING DAM SYSTEMS

Small, mid-size and Fortune 500 companies all experience some degree of digital asset management challenges. But how do you determine whether a DAM solution is essential for your organization? And if one is needed, how do you go about evaluating your DAM options?

a. SHOULD YOU CONSIDER A DAM SOLUTION?

1. Access to assets is the number one determinant of a DAM solution need. If the individuals, internal departments, external vendors and partners do not have secure remote access to assets, your organization is far less likely to leverage and repurpose assets. Some questions to ask--

Do the right people have access to intellectual assets and can they find assets quickly and reliably?

Is search technology available to locate assets?

Is there sufficient information available about those assets – beyond file name and date filed – to help workers verify assets?

2. Volume of intellectual assets is the second determinant. If you have thousands of product images, sales presentations, benefits summary information packets, etc., a DAM solution is essential in organizing those assets for optimal re-use.

b. EVALUATING DIGITAL ASSET MANAGEMENT OPTIONS

Most vendors focus on their Digital Asset Management technology or tool. While the tool is important, you may find that the functional features are fairly comparable from one vendor to the next, though a few exceptions exist.

The number one factor is to identify a vendor partner that will develop a **sustainable solution specific to your organization**.

Sustainability is the operable word. The reality is that digital asset management is not a one-time event but rather an ongoing process--a process that your people must embrace, adopt and pursue.

As a result, it is essential that your DAM solution include individually developed processes that are well-documented, identify roles and responsibilities for its

ongoing management by your team and provide ongoing training and support. In addition, the tool itself must be easy to use, intuitive, and fully customized to reflect your business objectives, processes and systems.

Your vendor partner should be experienced at helping you identify the enterprise-wide challenges to be solved through your DAM solution. Specifically you might consider the following criteria in evaluating potential vendor partners –

Does our vendor partner have experience with developing solutions for all business units, departments and functions within its client companies?

Will our vendor partner identify and address the critical concerns of each business unit, department, and function to create a comprehensive solution?

Technological criteria to consider:

- Compatibility with multiple platforms and operating systems
- File size of digital assets
- File size restrictions associated with your email server
- Network browser specifications

Feature criteria to consider:

- Central, **Web-based** Asset Location: Do you need to provide fast reliable access to company assets for staff, field sales and other geographic locations in order for them to execute their task more quickly?
- **24/7, Global Access:** Would self-serve access over the Internet reduce the cost of staff time in fulfilling requests and shipping items via CD or DVD?
- **Collaboration:** Are you looking for a system that will help **track and facilitate the production** of digital assets among a tightly knit group of co-workers?
- **Workflow:** Do you want to **systemize efficient workflow?**
- **Marketplace Consistency:** Is it critical to leverage your investment in your brand assets by controlling their use and ensuring consistent messaging?
- **Speed to Market:** Do you need to increase your **response time** to customers, sales channel partners, or media outlets for press coverage?
- **Reduced Production Costs:** Do you have regular website, intranet or extranet updates that could be **automated** in a DAM solution to eliminate update delays and costs.

c. RETURN ON (INTELLECTUAL)ASSETS

In evaluating a Digital Asset Management solution, consideration can be given to the impact to the corporation on *return on assets*. Formulas similar in principle to measuring return on capital assets can help organizations put into economic context, the impact of intellectual asset management for their organization.

VII WHAT ARE THE DIFFERENT TYPES OF DAM SYSTEMS?

Generally, all DAM solutions show low resolution thumbnails, a visual browser for viewing these thumbnails and a search system using metadata and/or keywords to locate the asset. The primary difference lies in the management and security of high resolution digital files and the associated costs with that management. There are four features that a DAM solution may use.

1. Cataloging - The primary characteristic of media catalogs is the utilization of proxies, such as thumbnails, in an indexed database that can be quickly searched by keyword. The actual source files are left untouched and under control of the operating system so the cataloging system does not manage the asset itself. The benefits of a cataloging system include low cost, ease of installation and administration, and scalability across multiple divisions of an enterprise.

The disadvantages include low security (anyone with system access can typically view, change, move, or delete any asset), no advanced true asset management features such as rights management, versioning, file conversion or email capabilities. As catalog systems expand or are distributed across multiple servers or geographic locations they can become sluggish.

2. Asset Repositories - Asset repositories physically store assets inside a secure database. This results in a host of benefits, including security levels, replication, referential integrity, and centralized data management. Also included is the comfort of full hierarchical storage management and disaster recovery. Solutions based on the asset repository model are ideal when systematizing studios with industrial workflow, managing rights and permissions, and structuring global access by employees, contractors, suppliers, partners, and customers.

The disadvantages of an asset repository include higher cost and more IT labor and resources to implement and maintain. They may also require a higher level of technical expertise to install and maintain. On-Demand solutions can give you the same advantages of an asset repository at lower cost and IT labor. An asset repository is not entirely foolproof - assets still have to be retrieved and downloaded before they can be modified, leading to multiple unmanaged copies of an asset.

3. Hybrid - A hybrid solution that combines a cataloging system and an asset repository can present some advantages. This system gathers all of the files in one central virtual repository, and the information can be retrieved from multiple servers without a change of network. However, the hybrid cost can vary greatly. The larger, more costly systems do allow for creative add-ins such as Quark and Adobe Illustrator to directly integrate with the creative services team, but the files will always be stored in their native file formats. While it is virtually invisible to the user, it may prove to have less control in several areas not just the format of the file.

4. Customized Solution - Companies with the resources (labor and money) can hire a consultant to customize a solution or customize an existing tool to fit their needs. Vendors are sometimes reluctant to be truthful about the degree of customization and integration

that is required of their products. Unfortunately, clients often find out after the sale that a common function that they saw demonstrated in a presales meeting turns out to be a costly customization. Make sure you understand what support, maintenance and upgrade commitments come with your customized product. With some customizations, the customer is expected to maintain and support the product.

VIII WHAT IS THE DIFFERENCE BETWEEN ENTERPRISE SOFTWARE AND ON-DEMAND DAM SOLUTIONS?

The primary distinction between installed enterprise software and solutions delivered On-Demand is one of cost and company preference.

Enterprise software requires the purchase of the software, investments in hardware, annual maintenance fees typically of 20% of the purchase price, and IT resources to implement, install, integrate and support the solution. On-Demand solutions require no IT support, no investment in hardware; an annual fee is paid to the vendor for the use of the solution. Generally enhancements and updates to On-Demand solutions are included in the annual fee.

For most organizations the long term cost of ownership of an On-Demand DAM solution is far less than the purchase of enterprise software. Additionally the On-Demand model puts the accountability squarely on the shoulders of the solution provider. Corporations have the option to discontinue their service or change vendors or solutions at any time. And, with the low cost and reliability of high speed Internet connections, greater confidence in the security of On-Demand solutions and increased pressures on IT budgets, this option is more widely accepted.

On the other hand, enterprise software gives the company total control and ownership of the software.

ENTERPRISE SOFTWARE	ON-DEMAND SOLUTIONS
Higher Price Tag	Lower Annual Fee
Companies have digital assets within their organization's walls.	Digital assets are owned and controlled by the Company but are physically located at another site.
Company responsible for hardware & IT staff upgrade.	Solution provider responsible for hardware & IT staff.
Company's IT staff maintains new releases and ongoing training.	Solution provider maintains new releases and ongoing training.
Company's IT staff maintains integration of product with other systems and technological changes.	Solution provider maintains integration of product with other systems and technological changes.
Annual support runs 20% of original purchase price per year	Support is included in the annual fee.
The 3-year cost of typical enterprise licensed software will be \$401,200 to \$1,505,850.	The 3-year cost of a typical On-Demand solution will run \$206,500 or less. (According to

(According to Gistics)	Gistics)
Access to system by field sales, other geographic locations, vendor partners, and others is limited.	Access is available 24/7, anywhere in the world with an Internet connection.

IX FLEXIBILITY AND DAM SOLUTIONS

The ability to customize your DAM solution is an important consideration. If you are considering enterprise software, make sure your vendor will make adjustments at a reasonable cost. If you are looking at an On-Demand solution, evaluate the ease with which your administrator can make changes to your DAM solution and the time and training that may be required to adapt your solution to changing needs.

X WHAT ARE THE KEY BENEFITS OF A DAM SYSTEM?

- 1.) Increase worker productivity by spending less time locating, verifying or fulfilling request for assets
- 2.) Managed Assets can be repurposed 100 to 200X versus 10X for the averaged unmanaged asset
- 3.) Increased speed to market with more efficient asset deployment to customers, partners, media
- 4.) Decrease production time and expense
- 5.) Eliminate website update costs
- 6.) Work flow efficiency
- 7.) Greater brand and message consistency
- 8.) Fosters communication and collaboration
- 9.) Leverage workforce experience and knowledge

XI HOW DO I MEASURE SUCCESS OF MY DAM SYSTEM?

The success of your DAM solution relies in equal measure on 1) the solution you select and its appropriateness to your needs and 2) acceptance of the DAM solution and processes by the people within your organization.

Factors that play a critical role in successful implementation of DAM systems include:

- 1) Support and commitment from management to the DAM solution
- 2) Accountability to management to support DAM processes
- 3) Solution reflects the needs of all departments and functions
- 4) Benefits should be well-defined for each individual, department and function
- 5) Web-based training available for users and solution administrators

XII THE CONSEQUENCES OF NOT IMPLEMENTING A DAM SOLUTION

Conventional thinking would suggest that maintaining the status quo, which is to say, filing materials on hard drives, servers and CDs with no management processes in place, would come at zero cost to an organization.

The reality is that whether digital files are 'actively managed' or passively 'managed' there are costs involved. Decreased worker productivity, inability to re-use assets, cost to re-create lost assets and increased web and marketing production expenses are hard costs that all companies should quantify. Soft costs to analyze include decreased response time to customer and sales partner requests, inability to leverage worker knowledge and experience and an inability to effectively manage brand and asset usage.

While the cost to maintain the status quo may not justify the implementation of a DAM solution, it may suggest measures to reduce costs, better manage intellectual assets for improved competitive positioning.

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