Digital Decoupling
A Capability Multiplier to Address a Content Challenge

High performance. Delivered.
Digital Decoupling: A Capability Multiplier to Address a Content Challenge

Most, if not all, organizations are facing a common challenge. There is the need to reach more markets and more customer segments, more quickly and more precisely—and all without a comparable expansion of marketing budgets or headcount. This is driving a need for innovative and cost effective marketing practices and none more so than in the area of digital content development and distribution. Given this imperative, the practice of digital decoupling—where marketing and brand teams separate and work with different partners to complete creative and production activities—is fast becoming a best practice.

Yet, some organizations are just now assessing whether digital decoupling is the right move for them. Marketers need answers to questions such as, “What’s the business case for digital decoupling?” and, “What are the key success factors for selecting the right service provider now and in the future?”

“Cutting through complexity to get content to market at speed and scale has become the marketer’s thorniest issue.”

Donna Tuths
Global Managing Director, Content Services
Accenture Interactive
The Right Formula

Surprising as it may seem, digital decoupling has been around for nearly 20 years. Like many services made possible by the digital revolution, the initial benefits of digital decoupling were twofold: significant cost savings resulting from moving production of digital work to lower cost locations and improved efficiency gained from having a dedicated team with deep digital production capabilities to serve clients. Both of these benefits were critical as more brands sought to reach markets around the globe. In fact, almost half of companies say that they are decoupling or outsourcing their content production today, with 73% predicting that they will decouple in the next 2 years.1

Are the savings really make much of a difference? Yes they are, as global brand have been able to save as much as 30-60 percent using the digital decoupling approach. For a brand with an annual marketing budget of US$10 million, the magnitude of savings allowed brand teams to stretch their budgets and expand their reach beyond what a traditional agency-based delivery system could deliver. The ability to redeploy a sizable chunk of such a budget became more critical as multichannel marketing opportunities expanded.

Perhaps even more important than cost savings, however, is the industrialized process that leading digital production service providers offer agencies and brands. Many brands need a ‘production factory’ that continuously and consistently executes digital campaigns once creative work is complete. The hand-off from creative agencies to production providers make sense, as most agencies do not have staff that could be dedicated to operational management. The ‘factory model’ of digital decoupling allows brands and agencies to standardize key processes related to core components of digital campaigns, from email to Web design and maintenance.

Many companies that first leveraged digital decoupling to capture cost savings and relieve a temporary staffing crunch, expanded their use of digital production services once it became clear that a industrialized model could simplify the overall complexity of managing multichannel campaigns.

For example, a global pharmaceutical firm was concerned by the rising cost resulting from duplication of marketing operations across multiple agencies as well as prolonged campaign, build and execution cycles. To meet these challenges, the company designed and operationalized new processes and global standards for campaign activities. The global rollout of these processes and standards allowed the company to save US$15 million in the first year of operations and reduced the average project lifecycle for digital marketing campaigns by more than 30 days.

Companies use external digital services providers for different reasons. Some brands see the digital decoupling model as a way to gain short-term access to pinpoint capabilities, while others look to a partner to deliver savings. A growing number of brands view the model as a way to simplify and standardize production processes. As the complexity of marketing increases, digital decoupling provides a way to streamline and maintain lean backend marketing operations, allowing brand teams and agencies to stretch their budgets to reach more customers, more cost effectively.

“The need for content is growing faster than our ability to react. There are real limits embedded in the traditional agency model. Marketers have to re-think how they leverage their partners’ relative strengths to address this. De-coupling is a key way to do that.”

Donna Tuths
Global Managing Director, Content Services
Accenture Interactive

1 2015 Accenture survey

“Content: the H2O of Marketing” accenture.com/stateofcontent
Divide and Conquer

Unlike some terrestrial ecosystems, the digital ecosystem continues to grow and thrive. The ‘always on’ hyper-connected consumer is extremely comfortable using digital channels—from mobile apps to research product features and compare prices while on the go to completing their purchase through a website or fan page. Purchases in some consumer product categories are now predominantly digital books, music and videos may soon be joined by fashion, food and travel. The increasing digitization of consumer life and expansion of nodes in the digital ecosystem mean that many brand teams must have ‘digital first’ strategies, and need top-flight digital capabilities to execute those strategies.

The conundrum is that, in many markets, the need for top-flight digital services and talent actually outstrips the supply, and developing and staffing a digital organization can be prohibitively expensive for most agencies and companies—assuming the talent could be found. One way to close the gap between demand and supply is for brand teams to use a layer of digital operations services that can help them navigate the expanding digital ecosystem and implement processes to better manage digital marketing operations (Figure 1).

At first glance it might appear that digital services providers are narrowing an agency’s or marketing brand teams’ brief, perhaps in a bid to replace them. In reality, digital services providers enable core marketing goals such as increased customer engagement and activation, and are more correctly positioned as collaborators, not competitors. Digital decouplers give marketing and brand teams access to a more extensive range of digital solutions, platforms and other scalable technology that most marketing organizations or agencies don’t have the capital to buy or the expertise to develop at the same pace.

Marketing organizations are turning to digital services providers to solve the digital capability gap. However, many still struggle with how to operationalize those capabilities and ensure that their global brands, markets and teams can use them. What is emerging as a best practice is the establishment of a centralized service layer that connects marketers with the capabilities needed by them. Gaining access to, but not having to invest in, advanced technology platforms is a key benefit to working with digital services providers, especially in quickly evolving spaces like customer analytics and mobile solutions. Yet, the services layer should extend beyond technology and digital expertise to include training protocols, disciplined governance and standards processes, outsourcing expertise, and superb project and account management.

Of course, marketing organizations in need of a global operating model will also need a provider that has an operating footprint that mirrors or, better yet, is larger than that of the brand and has a presence in key regions where there are proven pools of prospective employees with digital expertise. For example, major content production service hubs are in Costa Rica (voted the number one outsourcing market in Latin America), the Philippines (Manila), and Eastern Europe. All of these regions and markets have made heavy investments in education and development of ‘digital capital’ to support outsourcing operations such as those provided by digital services providers. Finding the right digital services partner and standing up a working operation takes focus and time from agency and brand teams. Like all relationships, knowing what to look for from a partner, and being able to identify ‘deal breakers’ are critical factors to consider.

---

2 “Tholons 100 Top Destination Ranking for Out Outsourcing Services,” 2013 index.
Magnificent 7: Key Success Factors to a Productive Digital Decoupling Relationship

As digital decoupling has taken hold, seven components standout as critical to making the relationship a successful one.

1. **Success Criteria**
   - Key objectives, time to market, cost, quality, timetables to achieve

2. **Governance Model**
   - Internal ownership and structure, mandate to utilize

3. **Change Management Plan**
   - Key stakeholders buy-in, including vendors, communication plan with necessary training and meeting schedules

4. **Onboarding Plan**
   - Channel, training, market/region and brand considerations, pilot and transition plan, key milestones

5. **Process Playbook**
   - Documented workflow process, interaction model, meeting schedules, status reporting, and handover points between stakeholder parties to include marketing, external agencies, IT groups, project management systems

6. **Finance and Contracting Model**
   - Centralized operating fund, brand charge back model, bundled SOW

7. **Service Level Agreements**
   - Turnaround time, quality, customer satisfaction criteria, reporting format, frequency and governance

---

**The Art of Collaboration**

Can agencies and digital decoupling providers really collaborate? Won’t they continually be jockeying for most-favored provider status with clients? Our experience is that agencies and digital production service providers need each other, and only by collaborating to offer complementary skills can they present their shared client with the most effective and cost efficient menu of services. For example, a Minneapolis-based agency serving a major car manufacturer looked for a decoupling solution to provide Web production and maintenance services to augment its teams capacity and technology skills. The agency continues to lead creative development and strategy for the client, and frequently travels to Costa Rica to meet with their dedicated digital production team for technical strategy planning sessions. What makes this relationship work is the clear demarcation of roles and ongoing and open communication between the agency, the on-shore account management team, and the near-shore point of contact.
The Sum of the Parts

The complexity of content will deepen and the digital options will continue to expand. Industrialization and automation look set to accelerate in the future and will be cornerstones of the new marketing delivery model. The era of the ‘personalized marketing campaign’ has already begun, with more segments of consumers expecting highly personalized and customized messages. And with it comes vast increases in the volume of marketing touchpoints to track, assess and refine.

According to “Content: the H2O of Marketing”, Accenture’s 2015 survey of over 1,000 senior marketing leaders, 81% say their organization is producing moderate to enormous amounts of digital content and assets, with over half of admitting their peers can beat them at digital content execution. This exponential volume will stress even the most sophisticated in-house marketing operations. Today, marketers are spending large amounts of their time on operational details of content rather than marketing and branding activities. Brands and agencies will need to spend the vast majority of their energies defining a brand’s unique value proposition, and developing ‘customized creative’ that resonates with discriminating and attention-challenged consumers. Top quality creative marketing and brand management skills will be more valuable than ever, which means that brand and marketing teams will need to count on digital service providers for top quality marketing operations management. To deliver results, providers will need to invest in and deliver on four key dimensions:

• Speed. The lifecycle of technology solutions will undoubtedly grow shorter, and innovations will come from a wider variety of sources. Neither company marketing teams nor agencies can keep up with retraining or re-staffing their teams to make optimum use of new platforms. Consider how quickly mobile marketing solutions evolved both in terms of consumption patterns, (there are now more smartphones in the U.S. than people) and in content, moving from simple text-based messages to mobile apps with superior production values and integrated with social platforms. Digital services providers are in the business of offering clients the latest platforms and services, and they will continue to evolve and invest in them.

• Agility. Digital production houses and services providers offer greater flexibility to marketers because they can more easily integrate content from a buffet of best in class creative partners. Brand teams and agencies, which are generally agnostic about delivery and production services, can leverage the technology infrastructure of services providers to store and make it accessible for delivering the most compelling content from several creative teams.

• Focus. Digital services providers play a critical role in maintaining order in the digital ecosystem. With production houses taking responsibility for process standardization, governance and operations, creative teams can stay focused on what they do best.

• Scale. Because the future marketing ecosystem will have more players than ever, marketing operations providers are needed to help manage this complexity across all stages of the marketing cycle. Digital services providers invest in the assets that they can cost-effectively deliver, track and optimize targeted marketing campaigns. The level of automation and industrialization anticipated in marketing operations of the future to achieve global scale will rely in part on the capabilities of software designers and engineers, which runs counter to the creative focus of agencies.

Over the next decade, brand teams, agencies and digital services providers will need to collaborate more closely than ever, and divide and conquer marketing challenges if they are to satisfy the demands of individual consumers. Each party will need to contribute specific skills and assets because few (if any) single organization could develop them on its own, much less maintain them at a high level. With each skill set equally indispensable, the future of both marketing, and marketing operations services providers, looks bright.

The Multiplier Effect

There is no secret that a massive shift is underway into digital. Seventy three percent of marketing leaders spend more than $50M on content alone, and only 45% are very confident that their content investments will achieve their business objectives. And leaders say that it is going to require collaboration, processes, people, and technology in order to create an efficient content ecosystem.4

What does that mean for digital marketing operations?

By adopting the new marketing model companies may expect to save at least 40 percent in execution and faster speed to market, while having access to best-in-class technology assets and operations management. These third-party providers can serve as valuable extensions of marketing organizations in helping companies extend their marketing reach and achieve their business goals. Leading companies will seize on the opportunity to establish partnerships with digital services providers to streamline and standardize their marketing operations to ensure that they have a proven scalable model to support brand growth over the next decade.

3 “Content: the H2O of Marketing”
4 Ibid.
A Case for Change
How Digital Decoupling can produce transformative results

Case #1
A US national cable and telecom provider operating in a fast-paced and competitive environment needed to be able to create, produce, and rapidly iterate content across all channels including digital and print. Accenture rapidly stood up a centralized, 24/5 service with creative and execution talent in on- and offshore studios to support 25+ lines of business in creating new content and quickly versioning/resizing content for iterative re-use.

Outcomes: First 4 months of service produced 2,585 units across digital & print assets with rapid pace continuing through 2016.

Case #2
A leading global pharmaceutical company faced a globally disparate marketing organization with overlapping channel, vendors, platforms, and processes. This generated excessive spend and redundancies in the marketing operations and agency/IT services and unacceptable time-to-market campaign execution. Accenture transformed their content production and delivers to

- 150 countries
- 70 brands
- 4 regions
- 4 WCMS
- 3 CRM platforms
- 7 delivery channels
- 1200 web properties
- 5,000 projects per annum
- 215 global agencies

Outcomes: Cut website development costs by an average of $40,000+ (70%) per site execution. Reduced time to market by 30 days (40%+). $20mm productivity gain within first two years.

“There is a transformative moment when you are finally able to seamlessly and rapidly produce consistent, high-quality brand content. There is so much value in getting this right.”

Donna Tuths
Global Managing Director, Content Services
Accenture Interactive
To learn more about the full potential of digital decoupling contact:

**Donna Tuths**  
Donna.m.tuths@accenture.com

Donna Tuths is a Managing Director and the Global Lead for Content at Accenture. The Content practice is comprised of over 4000 professionals working in over 20 locations globally, covering Content Strategy through full content operations for Fortune 100 companies. Ms. Tuths is the author of Accenture Interactive’s annual State of Content Survey and a frequent speaker on Content Marketing and the challenges facing our industry today.

**Pooja Ojala**  
pooja.l.ojala@accenture.com

Pooja Ojala is a Managing Director in our Content practice based in our Philadelphia office.

---

**About Accenture Interactive**

Accenture Interactive helps the world’s leading brands delight their customers and drive superior marketing performance across the full multichannel customer experience. As part of Accenture Digital, Accenture Interactive works with over 23,000 Accenture professionals dedicated to serving marketing and digital clients to offer integrated, industrialized and industry-driven digital transformation and marketing services. Follow @AccentureSocial or visit accenture.com/interactive.

**About Accenture**

Accenture is a leading global professional services company, providing a broad range of services and solutions in strategy, consulting, digital, technology and operations. Combining unmatched experience and specialized skills across more than 40 industries and all business functions—underpinned by the world’s largest delivery network—Accenture works at the intersection of business and technology to help clients improve their performance and create sustainable value for their stakeholders. With more than 373,000 people serving clients in more than 120 countries, Accenture drives innovation to improve the way the world works and lives. Visit us at www.accenture.com.

---

This document makes descriptive reference to trademarks that may be owned by others. The use of such trademarks herein is not an assertion of ownership of such trademarks by Accenture and is not intended to represent or imply the existence of an association between Accenture and the lawful owners of such trademarks. Information regarding third-party products, services and organizations was obtained from publicly available sources, and Accenture cannot confirm the accuracy or reliability of such sources or information. Its inclusion does not imply an endorsement by or of any third party.

The views and opinions in this article should not be viewed as professional advice with respect to your business.