Delivering the Goods

By Laurel Brunner

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Everybody knows that one of the best ways to persuade customers to buy your products and recognize your name is to advertise. This simple truth is the foundation of pretty much any form of commercial media, but it is especially pertinent for newspapers and magazines, where advertising has long kept publishers fat and happy. After too many lean years for print advertising, several organizations are predicting decent growth, including our favorite, Zenith Optimedia.

According to Zenith, global advertising expenditures will grow by 3.9% this year. Despite the popularity of electronic media, newspapers and magazines will account for more than 40% of ad spending, with 7% going to the Internet. To make sure print media advertising continues to hold steady, publishers are doing their best to make life simple, convenient and cost-effective for advertisers and agencies, and services that provide the highly automated quality control, ad delivery and data management technologies that help publishers keep everyone happy are now big business.

The Ad Portal & Digital Workflow Suite

As a result, one of those service providers, Vio Worldwide of London, is expanding its operations. Founded in 1998, Vio now employs 70 people (20% of whom are in development) and in January acquired AdSEND from The Associated Press.

Over the years, Vio has become well-known for its digital supply chain management services based on its Digital Workflow Suite. This includes Vio Certified Soft Proofing, which is based on a range of technologies, such as ICS Remote Director for remote, color-managed soft-proofing and Enfocus Pitstop for certified preflight checking, with Vio providing the glue in between. Enfocus and Markzware also supply the preflighting tools for Vio's Ad Portals. Publishers such as the Telegraph Group, Associated Newspapers and Time Inc. use Ad Portal to provide digital ad management services for their customers. Time Inc. now has 1,500 ad senders using Vio's Ad Portal and rarely receives physical hard copies of ads.

Time Inc. is a vital customer for Vio's U.S. expansion plans. "In terms of defining what Vio does in the

United States, Time is driving the development because they are so far ahead of everyone else in terms of both using technology to reduce costs, as well as the sheer amount of ads they sell," said Richard Horwood, Vio's executive chairman. "Time Inc. accounts for some 23% of all U.S. magazine advertising spending."

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Vio's Ad Portal supports both uploading and downloading ads and automatic file collection and routing. This is not dissimilar from Quickcut's services. Horwood said Ad Portal is different, however, because it offers customers a "range of sophisticated and customizable automation solutions for the way in which it collects ads and preflight checks them, as well as enabling them to enforce other rules, such as ad size management and color-managed soft proofing on remotely calibrated monitors for true digital contract proofs.

"It ensures that the incoming ad is built correctly and has been signed off as being the file the advertiser wants to reproduce against the precise profile of the press and the substrate on which the ad will be printed. It auto-routes it and the metadata about the ad into whatever the publisher wants, including AdsML booking information, as well as JDF data," Horwood said.

AdSEND Technology

The American news gathering organization The Associated Press developed AdSEND's technology to manage ad delivery alongside its news delivery services

to American newspapers. The way AdSEND works is similar to Vio's technology: Both are send-and-retrieve models (as opposed to point-to-point), collecting insertion and artwork metadata, and managing file transfers.

AdSEND has much in common with Adfast, a similar service that is widely used in U.K. regional newspapers. Both are PDF delivery systems, and indeed many of Adfast's ads go through Vio's portals. However, although AdSEND and Adfast are both parochial technologies and share some functionality, they differ technically. Adfast provides uploading and downloading tools, using Vio's Ad Express to manage preflight checking with preflight profiles based on participating publishers' rules and specifications. Recently (and somewhat curiously), Adfast changed its business model to require that advertisers and publishers share the cost of submitting ads (£.75, or about $1.48, a time per ad) from July onward. We hope this won't seriously discourage print media advertising for clients of Adfast's 1,400 newspaper and magazine customers.

Unlike Adfast, AdSEND is a workflow management tool, which is one reason it was so attractive to Vio. It provides ad project management and Web-based ad services for smaller ad senders, but since it has no preflighting tools, Vio is adding its own, as well as other capabilities to it. AdSEND is also attractive to Vio because of its U.S. market penetration: It is the standard process in the U.S. for ad delivery, with 3,600 publishing and 500-plus advertising customers. Vio's Horwood said he sees AdSEND's strong U.S. presence as especially important for European advertisers, calling it the "ideal combination for delivering correct materials to key destinations in the U.S."

Vio aready has "thousands of ad-sending and publishing customers" sending "hundreds of thousands" of ads per month. With PDF ads averaging around 20MB per ad, overall data volumes are in the neighborhood of terabytes per month. Vio's Digital Workflow Suite technology is also suitable for editorial and collateral management because it is format-agnostic, so it can also be used to manage generic content distribution and for collaborative work. Vio actively supports both AdsML and JDF, which will both be increasingly relevant as the company develops its technology to support a broader range of workflows.

AdsML vs. JDF

Since people usually don't do something unless they have to, no matter how good an idea it is, convincing publishers to use JDF and AdsML is no easy task. Although there hasn't been much reason to implement JDF or AdsML in publishing workflows so far, recent U.S. legislation could provide an excellent reason to do so. After the Enron fiasco, the U.S. introduced the Sarbanes-Oxley Act in 2002. Among other things, Sarbanes-Oxley states that managers must keep an "adequate internal control structure and procedures for

financial reporting." Companies, therefore, now have to document all aspects of their commercial activities, including advertising bookings and insertion details, which will be especially important for media buyers.

AdsML fits the bill for this wonderfully. It is designed to capture and manage commercial data and production details, reduce errors, ensure regulatory compliance and improve efficiency. It is intended to help publishers avoid additional overhead costs or make processes unnecessarily complicated to comply with Sarbanes-Oxley. But isn't there another way?

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We have long questioned the merits of developing AdsML when so much investment and effort has gone into the JDF specification. As we see it, JDF has the scope to provide the kind of job-management services outlined in the original AdsML mission statement. According to Vio, which sits on committees for both, this has not gone unnoticed, and each camp has begun developing mutually exclusive strengths.

AdsML is designed to provide a bridge between systems, and although there are comparable functions in JDF, these tend to focus on production data and how it is fulfilled. AdsML development focuses on commercial data, and this emphasis marks the dividing line between the two specifications. AdsML also supports lower-level, application-specific languages, such as Ifra's Ad Connexion, which is used throughout Europe for newspaper ad delivery, and SPACE XML (specification for publisher-agency communication exchange), widely used in the U.S.

Both of these formats have been absorbed into the AdsML framework, and the AdsML Consortium is working on collaborations with other established formats. This work includes the TVB specification used for television, radio, cable and similar advertising workflows in the U.S. The AAAA (American Association of Advertising Agencies), which created the TVB specification, has now launched a major initiative called ebiz for media, based on AdsML.

Sarbanes-Oxley and AdsML are only a small part of why advertising agencies and their customers have to change the way they do business. Costs have to come out of media supply chains to maximize content delivery and access opportunities for customers and consumers. "It's no longer optional with ad revenues for print coming down in the Web world; you have no choice but to take costs out, and that is what Vio does," said Horwood.

This isn't just about print media. Media fragmentation creates an amazing multichannel environment for

delivering information to consumers. Advertisers are demanding hard return data and accountability to help provide ads to target consumers using the channel most likely to generate the best returns. Europe is substantially ahead of the U.S. on this, although initiatives such as ebiz could help the U.S. catch up.

This nondescript-sounding project involves seven companies, including Donavan Data Systems, a major media buying system provider, and five other suppliers to media buyers providing ad delivery gateways. Vio provides the publishing gateway as part of the AAAA "founding gateways" project. The idea is that bookings and insertion orders for ads are managed automatically online without anyone having to know anything about AdsML as long as their systems can accept and process the XML metadata.

"This starts with 'digital insertion orders,' getting the booking and insertion information automatically exchanged between the buying and selling systems," Horwood said. "Today this happens through faxes and phone calls, but the ultimate objective is for AdsML to accurately reconcile ad booking and production metadata for all print and online ads in associated digital job tickets, and do so before the artwork for the ad is received by the publisher."

What More?

The digital send-and-retrieve model's scope gives advertisers a vast range of media options. Automating response tracking and reconciling booking and production data all help with accountability, so this technology could put Vio and competitors such as Quickcut/Adstream in a strong position in the future. "Vio is uniquely on both sides of that equation, so we can make streamlined ad delivery work," said Horwood. "Publishers can reduce reconciliation costs and copychasing costs through automated job tracking and automated chasing."

Vio is also piloting standards for national advertising delivery portals for publishers in their home markets. This activity is especially vibrant in Asia, where

Vio works with "the largest and fastest-growing economies," Horwood said.

"Vio is quite a well-known brand among the publishers in certain Asian countries," said Horwood. "We've now become the default for how you send advertising in the U.K. and the United States. Publishers are absolutely delighted with this initiative, and media buyers and advertising agencies have a reason to support it, as it enables them to streamline their ad fulfilment processes. This leading position in U.S. ad distribution is one of the reasons we bought AdSEND. The

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next step for us is to take the AdSEND model and see how it might be deployed in other markets," he said.

In addition, Vio is starting to sell its technology on an OEM basis to third parties. Not much can be disclosed, but these services are in "other languages, not in English and in other European countries."

Over the Horizon

Successful media companies provide news and information across multiple channels and exploit the digital communications environment in various ways rather than become its victim. As newspapers and magazines rejuvenate their business models for these digital times, the ad business is also changing. Digital channels offer more opportunities, and it is generally acknowledged that when a brand or product appears in many places, the likelihood of a positive response increases. It's why advertising agencies build ad campaigns for their clients: Billboards, posters, TV, radio, newspapers and direct mail brochures all serve to reinforce a message. The same principle works for digital media, so getting into the digital delivery and logistics business makes more than good sense. It could also make Vio and its ilk a great deal of money. **TSR**