



# TOP 7 REASONS YOU NEED DIGITAL ASSET MANAGEMENT SOFTWARE TODAY

Learn How DAM Software  
Increases Sales and Reduces Returns

# Top 7 Reasons You Need Digital Asset Management Software Today







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Digital Asset Management (DAM) systems are much more than software for managing and sharing your images, video, PDFs, graphics files, audio files etc.

That is just the tip of the iceberg.

These systems are incredibly powerful and will provide your business with benefits you would not immediately think of when considering a DAM system.

In addition to providing you a centralized system for your entire organization to manage, share, and distribute digital assets, you will realize the following benefits:

-  Reduce digital asset management costs by increasing operational efficiency.
-  Increase the productivity of your digital asset management staff allowing them to 1) spend more time expanding your digital asset management program or 2) doing other important tasks in your business.
-  Shorten the time it takes to get your digital assets to your internal ecommerce and electronic catalog systems and to your external customers and reseller community.
-  Increase sales through a shorter time-to-market, customers having accurate digital assets, and being able to react quickly to digital asset requests from your customers.
-  Reduce product returns with accurate digital assets and the speed that assets get to the marketplace.
-  Increase customer satisfaction by quickly responding to asset requests, having accurate digital assets, and minimizing the percentage of products that are missing assets.

For a quick summary of this eBook, read over the 7 key reasons why your business needs a digital asset management system and the key takeaways for each one.

For an in-depth understanding of the 7 reasons read the entire eBook, I am confident you will find it interesting.

# Key Takeaways - Summary

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## Reason #1: **Reduce operating costs**

There are many DAM features that allow your digital asset department to access assets quickly, search for assets easily, generate detailed reports on your digital assets, and automate the process of formatting and sending assets to customers. These features will reduce the cost of your digital asset management considerably.

## Reason #2: **Free up valuable resources**

DAM systems make digital asset operations more efficient freeing up valuable people to invest their time in other areas of your business or in growing your digital asset management department.

## Reason #3: **Decrease time-to-market**

Decreasing the time it takes to get your digital assets into the marketplace can increase your revenue. DAM systems decrease digital asset time-to-market by providing you functionality for efficient asset management and for automating the process of formatting and delivering assets to your customers.

## Reason #4: **Increase sales**

DAM systems will help increase your sales by allowing you to easily identify products that are missing assets, to ensure that the assets are associated to the right products, and to shorten the time-to-market through automated digital asset formatting and delivery.

## Reason #5: **Lower product returns**

The cost of product returns is high for most businesses. Digital assets, when presented to the consumer during the buying process, help reduce product returns. The additional cost to produce digital assets should be offset by the cost savings from the reduction in product returns. DAM can help reduce returns by ensuring that product data is accurate and by automating repetitive and error-prone tasks.

## Reason #6: **Meet customer requirements**

DAM systems allow you to create profiles for each customer detailing the formatting and delivery requirements for both the digital assets and the digital asset data. Jobs can be created to format and send digital assets and data to customers according to their preferred schedule (i.e. weekly, monthly) and their preferred method (i.e. FTP). This automation saves time, reduces human error, and shortens time-to-market.

## Reason #7: **Increase customer satisfaction**

Satisfying ad-hoc or urgent requests from your customers with a DAM system is fast and easy. This saves money, decreases time-to-market, increases sales, reduces returns, and allows you to provide excellent customer service.

## Reason #1 Reduce operating costs

Most businesses have someone who is responsible for managing digital assets. They may be dedicated to this role or it could be something that was added to their responsibility.

Either way there is a resource cost to managing your digital assets.

The digital asset manager is probably spending 20% of their time coordinating the production of images, PDFs, and / or video. Production can be with in-house teams or outsourced to service providers.

The remaining 80% of their time is occupied with these 4 tasks:



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### Searching for Digital Assets

It is common for businesses to have digital assets scattered throughout their organization in databases, servers, and systems.

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### Creating Systems to Manage Digital Assets

In the absence of a DAM system the manager will need to create databases, spreadsheets, and file systems to organize and manage the digital assets.

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### Formatting and Sending Digital Assets

This involves formatting digital assets to meet the requirements of internal systems (ecommerce, web sites, catalogs) and customers (retailers, distributors, buying groups).

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### Tracking Digital Assets

Managers need to track when digital assets were sent to customers and what assets were sent.

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These tasks are manual, time-consuming, and costly.

As digital assets become more important to your business, the assets you will be producing, managing, and distributing will increase. This will require more people and will cost more.

A DAM system will reduce the time it takes to manage the 4 tasks listed above. It will also provide your business a platform to manage your growing digital asset program.



## Success Story

One of our customers manages and distributes 10s of thousands of digital assets for a fortune 500 company.

On a regular basis they send assets to many of the world's largest retailers including Amazon, Walmart, Target, Staples, and Office Depot.

They do all this with one full-time person and a DAM system. This person also manages their asset production program.

Without a DAM system they feel that between 2 and 4 full-time staff would be needed in order to efficiently manage the assets and to distribute them to their customers.

The table below lists the DAM features that will reduce your digital asset operating costs.

Digital Asset Manager Activity	DAM Features
Searching for assets	<ul style="list-style-type: none"> <li>• <b>Repositories:</b> Organize your assets into repositories based on brand, product types, customers, or any structure that works for your business.</li> <li>• <b>Asset Search:</b> Advanced search functionality.</li> <li>• <b>Reporting:</b> Generate detailed reports on your all asset criteria – product numbers, categories, meta data etc.</li> </ul>
Creating systems to manage digital assets	<ul style="list-style-type: none"> <li>• <b>Centralized System:</b> All assets are stored in a centralized easily accessible system.</li> <li>• <b>Baskets and Collections:</b> In addition to repositories, baskets and collections allow you to organize and group your assets for future access or for immediate distribution to customers.</li> </ul>
Formatting and sending digital assets	<ul style="list-style-type: none"> <li>• <b>Profiles, Automated Formatting and Distribution:</b> Create detailed profiles for all your customers (assets, product numbers, formatting specifications etc.). Schedule jobs to automatically format images according to the customer's profile and send them based on the customer's preferred method and schedule.</li> </ul>

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Tracking digital assets

- Reporting: Detailed reports on which assets were sent to which customers and when they were sent. Report on assets missing by customer, brand, product, etc.
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 **Key Takeaway:**

There are many DAM features that allow your digital asset department to access assets quickly, search for assets easily, generate detailed reports on your digital assets, and automate the process of formatting and sending assets to customers. These features will reduce the cost of your digital asset management considerably.

## Reason #2 Free up valuable resources

Resource allocation is tricky when you consider these 4 points:

1. Budgets are tight.
2. People have too much on their plates.
3. Good people are valuable and hard to come by.
4. You need your best people on the most important projects.

Digital asset departments are under similar resource pressure:

- The manager has been given the digital asset tasks in addition to their full-time job. They are extremely pressed for time and are unable to adequately give the tasks the attention they need.
- The people that are dedicated full-time to the digital asset tasks are inefficient and unable to satisfy the demands from product managers, marketing, and customers.

Business need to start putting good people in charge of the digital asset program and to arm them with tools that maximize their efficiency.

One of the most important tools they need is DAM.



**“ DAM allows managers to increase their efficiency by 300% or more ”**

DAM system provide 3 benefits that will help free up resources:

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**Accessibility**

DAM systems centralize digital assets providing users 24 / 7 access. No more hunting through folders, databases, or spreadsheets for assets. Digital assets and data can be imported and cataloged in repositories. Access is fast and easy.

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**Automation**

One of the most common tasks digital asset managers do is formatting and sending assets to their customers. DAM systems can automate 95% of this process.

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**Accuracy**

Digital asset data must be accurate. If it is not there is a risk that assets and data can show up in the marketplace associated to the wrong products. This can hurt sales and increase product returns.

With DAM systems, formatting and delivering assets to customers will be 100% accurate requiring no human intervention. This will eliminate all possibility for error caused by tired or overworked people.

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 **Key Takeaway:**

DAM systems make digital asset operations more efficient freeing up valuable people to invest their time in other areas of your business or in growing your digital asset management department.

## Reason #3 Decrease time to market

When you have products in the marketplace without digital assets – no images, no brochures, no video, just a blank square box - sales fall off a cliff.

And if your competitors have digital assets they will win the sale.

No business wants to lose sales to their competitors!

It is important to reduce the time it takes for your digital assets to flow from production to the marketplace.

Decreasing time-to-market for your digital assets translates into significant revenue for your business.

How does DAM decrease your time-to-market?

The two biggest ways are:

- Efficiencies managing your digital assets.
- Automating the entire process of formatting and sending digital assets to customers.

Let's look at a few scenarios.

### Scenario #1 - No DAM system

- During the quarter your company introduces 1,000 new products.
- It takes 8 weeks to compile all the required digital assets for those products and to format and send them to your customers.
- During this 8-week period these products do not generate any sales.



## Scenario #2 - DAM system

- During the quarter your company introduces 1,000 new products.
- With the DAM features pointed out in Reason #1 and the efficiencies illustrated in Reason #2, you can compile the required digital assets and distribute them to the marketplace in 2 weeks.
- During this 2-week period these products do not generate any sales.

In this simple illustration, with a DAM system you are able to get your digital assets into the market 75% faster. This will add up to significant additional revenue for your business.



### **Key Takeaway:**

Decreasing the time it takes to get your digital assets into the marketplace can increase your revenue. DAM systems decrease digital asset time-to-market by providing you functionality for efficient asset management and for automating the process of formatting and delivering assets to your customers.

## Reason #4 Increase sales



Does every business want to increase sales?

Easy question. Easy answer. Yes!

But here are 2 questions that are not as easy to answer:

1. Do digital assets help increase sales?
2. Do DAM systems help increase sales?

Let's delve into these.

### Do digital assets help increase sales?

First, the growth of ecommerce is staggering. B2C is huge and B2B is mainstream.

Second, ecommerce and digital assets go hand-in-hand. In fact, you cannot sell effectively online without digital assets.

Think about the last time you purchased a product online when all you saw was a white box with the words 'no images',

How well do you think your products would sell when you have no images and your products are beside your competitor's products that have multiple images showing their product from all angles and links to downloadable product brochures and maybe even a product video? Not so well I'm guessing.

In order to win the 'ecommerce side-by-side product comparison battle' you need to make sure your products stand out. You need to instill confidence in the buyer. You want the buyer to see that your products are the right and best choice.

So the answer to this question is a resounding YES – digital assets help sell products online.

### Do DAM systems help increase sales?

A DAM system gives your business a powerful one-two punch.

The first punch is the ability to ensure that you have complete and accurate digital assets for

all your products in the marketplace. Minimize lost sales as a result of missing assets or assets that are inaccurate i.e. assets associated to the wrong products.

The second punch is the ability to get your assets into the marketplace fast (minimize time-to-market). No missed sales due to delays in formatting and sending images to your customers.

Here's how DAM features can help increase your sales.

DAM Feature	Impact on Sales
Customer Profiles	Creating customer profiles allows you to define everything about your customer – which products they sell, what digital assets they require, and how / when they want their digital assets formatted and sent. This helps ensure that accurate digital assets are sent to each customer every time.
Automated Formatting and Distribution	By automating the asset formatting and distribution process you will reduce time-to-market for your digital assets by 75%.
Reporting	Detailed reporting allows you to identify products that are missing assets as well as customers that do not have all the assets for the products they sell. With this information you can locate or produce the missing assets and get them to your customers.

I think the answer to this question is clear as well - DAM systems will help your business increase sales.

 **Key Takeaway:**

DAM systems will help increase your sales by allowing you to easily identify products that are missing assets, to ensure that the assets are associated to the right products, and to shorten the time-to-market through automated digital asset formatting and delivery.

## Reason #5 Lower product returns

In some industries 1 in 4 products sold are returned.

Product returns require return shipping, product inspection, disposal or refurbish, and restocking.

This is very costly.

Both digital assets and DAM can help lower product returns.



### How Digital Assets Lower Product Returns

To understand the relationship between digital assets and returns let's start by looking at a simplified 4-step consumer buying process.

The consumer...

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**Step 1:** Searches online for products they need.

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**Step 2:** Visits web pages with a variety of products meeting their search criteria.

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**Step 3:** Browses products and views images, reads product information, and watches videos.

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**Step 4:** Makes a purchase decision based on 1) the product that best meets their needs, and 2) the product that offers the best quality.

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Step 3 – engaging with the digital assets - has the biggest impact on lowering product returns.

Consumers engage with products through digital assets by:

- Viewing images showing the product from various angles and close ups.
- Playing 360 images and zooming into the product and rotating it from all angles.
- Reading about the product and its features and specifications in a brochure.
- Watching the product in action in a video.

If you are presenting the digital assets to the consumer in the right way you will satisfy their need to:

1. See the product visually.
2. Get a sense of the product's quality.
3. Compare products against other products.

If these needs are satisfied you will win the sale and sell the RIGHT product to the consumer.

Selling the RIGHT product is the key - people who buy the right product do not return it.

Great, but there is a cost to producing digital assets. Will the savings from lower returns offset this cost?

Below is a simple example of this analysis, asking the question:

**Will the costs of producing digital assets be offset by the cost savings resulting from lower returns?**

<b>Digital Asset ROI from Product Returns</b>	
Number of Products Sold / Month	10,000
Rate of Product Returns	8%
Number of Products Returned / Month	800
Total Cost / Product Returned	\$40
Total Annual Cost for Returns	\$384,000
Decrease in Returns Due to Digital Assets	30%
Total Annual Savings from the Decrease in Returns	\$115,200
Number of Years the Digital Assets are Usable	3
Total Savings from Decrease in Returns Over Life of Digital Assets	\$345,600
Cost / Product to Produce Digital Assets	\$25
Total Cost to Produce the Digital Assets	\$250,000
<b>Digital Asset Return on Investment from Decrease in Returns</b>	<b>38.24%</b>

Do some analysis on your business to calculate your digital asset return on investment with respect to product returns. I think it will be enlightening.



### Success Story

A few years back we acquired 25,000 product images for a customer. These were the first images they had of their products. After only a 6-month period they realized an 18% drop in product returns translating into hundreds of thousands in cost savings.

## How DAM Lowers Product Returns

The main way DAM helps reduce product returns is by reducing human error.

This is done through accurate data and automation.

- **Accurate Data:**

Inaccurate data presented to consumers when they are in the buying process increases the probability that the product will be returned.

Why? Because consumers make their buying decision based on the product information and digital assets presented to them during the buying process. If this information is wrong they may purchase the wrong product. This product will likely be returned.

DAM helps reduce the human error that causes inaccurate data to end up in the marketplace.

DAM systems provide the structure that is necessary when you are dealing with thousands of products and tens of thousands of digital assets being sent to dozens of customers.

This structure reduces human error and therefore reduces the probability that inaccurate data will end up in the marketplace.

- **Automation:**

With DAM systems you are able to automate repetitive tasks. This reduces human error which in turn reduces product returns.

The best example of automation, which has been mentioned in earlier sections, is the ability to enter detailed information about your customer's product image requirements – image size, file type, naming convention etc. – directly into DAM. With this information DAM automates the process of formatting and delivering images to your customers.

This reduces the probability that the images could be associated to the wrong products.

Images play a huge role in the consumer buying process, the more accurate they are the more likely the consumer will buy the RIGHT product.



**Key Takeaway:**

The cost of product returns is high for most businesses. Digital assets, when presented to the consumer during the buying process, help reduce product returns. The additional cost to produce digital assets should be offset by the cost savings from the reduction in product returns. DAM can help reduce returns by ensuring that product data is accurate and by automating repetitive and error-prone tasks.

## Reason #6 Meet customer requirements

Most customers have specific requirements for how they want digital assets and data formatted and delivered to them.

When you send digital assets and data to customers you need to consider three things:

1. Formatting specifications.
2. Data requirements.
3. Delivery requirements.



### Formatting Specifications

Each asset type you send to your customer will need to be formatted according to their standards.

To illustrate, here are the formatting specifications for product images.

File Type	The most common options are JPG, PNG, or TIF.
Image Dimensions	The height and width in pixels i.e. 1,500 pixels high and 1,500 pixels wide.
Dimension Format	Defines how the dimensions are formatted. The options are 1) square (the same height and width), 2) fixed height and width (i.e. 1,500 x 1,200), or 3) longest side height or width (i.e. 1,500 pixel longest height or width).
DPI	Most common is 72 or 300 DPI.
Color Mode	Usually RGB (for electronic) but could be CMYK (for print).
White Space	The amount of white space around the product in the image. Common is 10 to 15 pixels although it could be more or less.
Naming Convention	This is the trickiest to manage as the naming conventions for images can get complex. The simplest is to name images by the product number and view i.e. 12345_top.jpg. It becomes more complex when prefixes are added like manufacturer and brand codes.

## Digital Asset Data Requirements

Most often customers will request data to be sent with the digital assets. There are endless variations in data items and how they need to be structured.

File formats are typically XML, Excel, or CSV.

Here are some examples of digital asset data:

Primary Image View	When you are sending multiple images for a product specify which image is the primary image. This image will be used on the customer's site as the feature image.
Orientation View	The image view will have a specific naming convention i.e. a bottom view must be listed as BOT.
File Description	Each digital asset must have a description.
Date Modified	The date that the file was last changed. This is important if you are sending digital assets that are updates and are replacing existing assets.
Brand Code	A code that identifies the brand.
Supplier ID	A number that the customer identifies your business with.
Keywords	List keywords that can be used when consumers are searching for products.

## Delivery Requirements

In addition to formatting, customers will have preferred delivery methods and frequencies.

### Delivery Methods

FTP	This is the most common method for delivering assets. For FTP you will need to know the URL of the host, the password, and the username.
Distribution Network / Service	Some customers use distribution networks and instruct all their suppliers to send assets to them directly. This simplifies the process of receiving digital assets from hundreds or thousands of suppliers. You will need the network URL and access credentials.

Hard or Flash Drives	Some customers may require that you send assets on a hard drive or flash drive. This is more common if you are sending a large number of files to your customer.
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### Delivery Frequency

When Published	Deliver assets immediately after they are published.
Weekly	Deliver assets weekly.
Monthly	Deliver assets monthly.
Quarterly	Deliver assets quarterly. This would be the longest you would want to wait before sending your customers new and updated digital assets due to time-to-market concerns (Reason #3).

### How DAM Can Help Format and Send Digital Assets to Your Customers

The table below details DAM functionality that will help you format and send digital assets and data to your customer. These features provide you structure, flexibility, and automation allowing you to handle all your customer’s unique requirements quickly and easily.

DAM Feature	Impact on Sales
Formatting Digital Assets	<ul style="list-style-type: none"> <li>• <b>Customer Profiles:</b> Create profiles for each customer. Include all the details of their digital asset formatting (i.e. for images – the dimensions, file type, dpi, and naming convention), the products they sell, how they want their assets delivered, the data to be included with the assets, and their preferred delivery methods and frequencies. The formatting engine takes the master digital asset files and formats them according to the profile specifications.</li> </ul>

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## Sending Digital Assets

- **Jobs:** Schedule jobs to run according to the customer's preference for asset deliveries i.e. immediately, monthly. With profiles defined and jobs scheduled the process of sending digital assets is fully automated.
- **Reporting:** Customized reporting allows you to run reports on digital assets that have not been sent to customers. This helps ensure that your customers have full digital asset coverage.

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## Formatting and Sending Digital Asset Data

- **Metadata Templates:** Create detailed templates for the digital asset data. Enter the data manually or import it. These templates can be customized for the customer. When the digital assets are being sent, the system will select the data template and format the data according to the customer's profile (i.e. xml). The data will be sent with the assets.

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### **Key Takeaway:**

DAM systems allow you to create profiles for each customer detailing the formatting and delivery requirements for both the digital assets and the digital asset data. Jobs can be created to format and send digital assets and data to customers according to their preferred schedule (i.e. weekly, monthly) and their preferred method (i.e. FTP). This automation saves time, reduces human error, and shortens time-to-market.

## Reason #7 Increase customer satisfaction



How do you keep your customers happy?

Make sure:

- They have complete, up-to-date, and quality digital assets of all your products.
- You provide them a quick turnaround when they request 1) changes to the digital assets you have sent them previously, or 2) assets they are missing.

How happy are your customers?

Digital asset managers will tell you that they get several urgent requests from their customers weekly for digital assets that are missing or need to be changed in some way.

Customers want these requests satisfied yesterday.

Below are the steps to satisfy urgent customer requests for digital assets and associated data.

Product images are used as the example and the scenarios are without a DAM system and with a DAM system.

### Without a DAM System

1. Search through databases, folders, and file systems to locate images.
2. Search through databases and spreadsheets for image data.
3. Compile the data into a spreadsheet file, review it for completeness, and add missing data.
4. Centralize the assets on your network ready for formatting.
5. Create actions in Photoshop to format images.
6. Format images.
7. Use a renaming application to rename images to the customer's naming convention.
8. Format data.
9. Send images and data to the customer.

10. Determine which images are missing.
11. Plan photography production to create missing images.

Step 1 and 2 can take a long time. Digging through servers to find images and data can be difficult or impossible.

Step 11 can be stressful and expensive. You will need to organize a rush photography project in-house or with a service provider in order to meet your customer's deadline.

## With a DAM System

1. Generate a report detailing images that you have and ones that you are missing.
2. Generate a report to determine the completeness of image data.
3. Create and run a formatting and delivery job on your DAM system.
4. Plan production to create missing images.

Steps 1 and 2 are quick and easy.

Step 3 is automated – once the Job is scheduled it will run without any intervention. The images will be formatted and renamed according to the customer's requirements.

Step 4 may not even be necessary because with a DAM system you are always querying the system for assets that are missing and customers that are missing them. Your asset production should be in sync with what your customers require.

We have customers that tell us how amazed their customers are when they are able to satisfy urgent requests within hours not days or weeks.

It is clear that DAM allows you to quickly and easily satisfy customer requests for assets and data.



### Key Takeaway:

Satisfying ad-hoc or urgent requests from your customers with a DAM system is fast and easy. This saves money, decreases time-to-market, increases sales, reduces returns, and allows you to provide excellent customer service.

# Conclusion

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This eBook outlined 7 reasons why your company needs a digital asset management system.

The hope is that by reading this eBook you will see the benefits of a DAM system and how it can help your company lower costs, increase sales, and satisfy growing customer demands.

Feel free to contact Visual SKUs to discuss your Digital Asset Management needs.

We have years of experience helping small, medium, and large businesses improve how they manage their digital assets and data and how they distribute these assets to their customers.

Check out our blog for articles that will help your business manage your digital assets better.



<http://visualskus.com/blog>