

The Competitive Advantages of Rich Media

By Peter R. Tierney, President & CEO, Sawyer Media Systems

The world we live in is visual—but most business communication isn't. Think about the following facts:

- Studies show that people retain only 10% of the information they read, 20% of the information they hear, but 50% of the information they see and hear¹;
- According to a 1971 study by UCLA professor Albert Mehrabian, body language and facial expressions represent about 55% of the information that people interpret²;
- Three generations of business users have been raised watching television, so they intuitively understand the way stories are presented in a visual medium; and
- The rapidly increasing penetration of broadband in both homes (79% of US Internet homes by 2008)³ and businesses (80% of Global 2000 companies by 2006)⁴ means that rich media can take advantage of the Internet's reach and interactivity to deliver video, voice, data and animation on a scale never seen before.

That's quite a lot of detailed information to digest. What it boils down to is this: as a business communication vehicle, rich media can engage, entertain and inform business audiences faster and far more effectively than *any other* type of communication.

But the question remains: Why aren't more companies using it?

Rich Media Barriers are Falling

To date, businesses have used rich media primarily as a vehicle for sales and marketing initiatives such as streaming e-mails, online ads and Flash animation on the corporate Web site. Although these initiatives have generally been successful, the difficulty in storing, presenting and re-purposing this media for other uses has limited its effectiveness and minimized its return on investment.

Several factors are changing that. First is the digital revolution—with the prices for digital still cameras, digital video cameras and digital editing equipment falling rapidly, rich media is increasingly within reach of companies with even the leanest budgets. Second, the growing broadband penetration, noted above, presents the opportunity for companies to re-think the way they're communicating with customers, prospects, partners and employees. As McKinsey & Company found in a recent report:

"[Broadband] is already changing the architecture of many companies...as universities drive their curricula on-line, for instance, remote-learning services will improve greatly and new educational possibilities will arise...in a variety of areas, including financial services, health care, the public sector, and retailing, we are beginning to see broadband deployed in ways that, on a larger scale, could alter the way markets work. The use of interactive video to deliver professional banking-advisor services is one such example..."⁵

The third factor allowing companies to effectively use rich media is a new model called the Enterprise Media Network (EMN), a combination of technology and services that allows companies to not only store and archive their media but distribute it via a Web-based interface. An EMN can also measure how that media was viewed, allowing companies to read and analyze key data from their rich media initiatives.



Peter R. Tierney

Before joining Sawyer Media, Peter Tierney spent four years as president and chief executive officer of MarketFirst Software Corporation, a company that specializes in maximizing the effectiveness of marketing programs. Within three years he led the company

to a leading position in the enterprise marketing automation field.

Prior to MarketFirst, Mr. Tierney was president and CEO of Inference Corporation, a vendor of knowledge management content tools. There he reorganized the company, shifting it from a consulting-based expert systems supplier to a leader in the knowledge management market.

It's useful to think of the EMN as sitting in the center of the enterprise, supporting key departments with rich media communication that engages, entertains and informs key audiences, increasing their retention and converting it to potential revenue. But besides serving as a revenue-generator, an EMN will also immediately start saving companies thousands—and sometimes millions—of dollars, by doing away with the all-too-common "silo" approach to rich media production.

Media-enabled Business Processes

With digital costs falling, the broadband channel enabled and EMNs available to make storage, delivery and reporting hassle-free, companies are finally able to adopt rich media as an essential tool for improving business processes across the enterprise—including marketing, sales, human resources, employee training, customer service and partner relationships. It's a shift in thinking away from media projects to *media-enabled business processes*, and here's how it could look in your company:

- **Product launch**—Perhaps the most important factor in a successful product launch is a prepared, educated sales force. A Web-based media portal that accommodates 24/7 access by remote sales teams can get them there fast. Such a portal can host both media files and more traditional print collateral, enabling companies to train sales teams with diverse learning styles. When training is complete, the company can use the same portal to provide the teams with the mixed media they need, like product demos, sales presentation, print collateral and promotional material, to hit the ground running in support of a successful launch;



- **Partner relationships**—Competing channel partners often have difficulty getting the right information from the company they're supporting. But with an EMN, the company can continually upload media files such as customer testimonials, analyst interviews and corporate overviews that channel partners can leverage to more effectively promote the company. Equally important, the company can set different levels of security for each file to control access among competing partners. Reporting features allow companies to determine which partners are most actively using the media, and which media is the most effective for each partner, helping the company increase revenue through its channels; and
- **Crisis communication**—In a crisis, time is of the essence. Business executives know they've got to get the right information to the right people as quickly as possible to restore consumer confidence. Certainly, it can be done with text. But the importance of seeing and hearing a company's leader during trying times

simply can't be underestimated. Integrating a reliable enterprise media network enables companies to rapidly respond to crises with targeted rich media communication, and also lets them protect their most important asset—their reputation.

Benefits That Go Beyond Dollars

As important as quantifiable cost-savings are, the benefits of shifting from project-based rich media to strategic media-enabled business processes go beyond dollars. According to research done by the Yankee Group, companies using rich media have reported significant enhancements in areas that are sometimes difficult or impossible to quantify precisely, such as:

- Faster time-to-market;
- Increased sales force and partner productivity;
- Increased customer satisfaction and loyalty;
- Decreased customer service time;
- Competitive positioning;
- Greater market share;
- Shorter sales cycles;
- Higher-quality sales leads; and

- More efficient employee training and education programs⁶

The evidence is clear—the competitive advantage goes to companies that embrace rich media. Not the rich media of yesterday, but strategic rich media that enables business processes, creating a more streamlined, more productive and more cost-effective business. The next generation of business communication is here. □

- 1: D.G Treichler Research, 1967
- 2: Bowman, John (2001, January 24). Analyst view: The emergence of rich media, Red Herring (Web).
- 3: King, Peter (2002, December). Residential Broadband Modems and Gateways: Global Market Forecast—Strategy Analytics (Web).
- 4: Gartner Group, 2001
- 5: Beardsley, Scott; Doman, Andrew; & Edin, Pär (2003, Number 2). Making sense of broadband, The McKinsey Quarterly (Web).
- 6: Ritter, Paul (July 2002). Evaluating streaming media technology investments: The importance of examining strategic benefits as well as financial returns. The Yankee Group Internet Business Strategies, p. 8.

“You Can't Ignore Visual Media”

Silicon Valley-based Hyperion, the global leader of Business Performance Management (BPM) software, has been growing steadily since its founding in 1991. Hyperion's products and services have benefited more than 6,000 customers in dozens of countries, supported by Hyperion's 2,100 worldwide employees. But recently that same widespread corporate population was becoming increasingly difficult to reach.

Kathi Fox, Vice President of Corporate Marketing for Hyperion, knew that she needed to change the way the company communicated to keep employees both informed and interested. She also knew that rich media was the way to accomplish that. “Visual communication is memorable,” explains Fox. “If you send somebody something to download, print and read, it's not as engaging. You can ignore attachments, but you can't ignore visual media.”

The first priority for Fox was to engage the field sales and field marketing groups. As the most geographically distant groups in any organization, sales and marketing employees in the field are also the most in need of a constant stream of information. “I've worked with sales folks, and they always remember Web stuff, videos, visual presentations,” Fox says.

But Fox also knew from experience that rich media vendors would not provide what Hyperion was looking for—not only high quality media, but an understanding of how that media could be used across the enterprise to meet business goals. As Fox recalls, “With the vendors we'd used in the past, they could only do a small piece, like the production, and then I would end up putting the other pieces together, like distribution or testing or reporting. We needed more.”

That's when Fox met Sawyer Media Systems, an Enterprise Media Solutions company that brought a unique combination of rich media production, consulting and technology. Sawyer Media was able to produce the high quality programming that Hyperion needed, while also providing expert consulting on how to get the best results out of that media. Sawyer Media also brought to the table its flagship platform, MediaPresenter, which allowed Hyperion to create a customized Web-based interface that would serve as a central location for all the new media being produced.

“The interface—which we're calling the Hyperion Zone—is a wonderful blend of information and entertainment. We've created an animated character called Harry Hyperion to host and guide people through both the rich media and the text-based PDFs on the site,” Fox explains.

Asked what types of information Hyperion will be communicating, Fox replied, “Everything! Corporate information, customer stories, product information. We're also working on a project now where we've done some research to get an outside perspective on the BPM category and how we're viewed. It's really valuable for our employees to see how our company is viewed from outsiders.” Fox also notes that the rich media used in conjunction with this project is a great way to reinforce the company's new brand look and feel.

Hyperion will also be leveraging the Sawyer Media solution for several large upcoming rollouts, including Siebel, Documentum and a transition from Lotus Notes to Outlook. “When we do a big launch it's hard to rally the troops and the Hyperion Zone will be part of that rally,” Fox says.

With the filming completed—filming that included success stories, vision pieces, analyst interviews, thought leadership pieces and a corporate montage—the Hyperion Zone is expected to roll out in the spring of 2003. But Fox is already planning for future quarters. “Going forward, I can see using media for employee training,” Fox says. “And I also want to hear from our executives. Our CFO has great insights so let's hear from him about the obstacles we need to overcome and our quarterly results. Let's hear from our CIO, who is terrific, about what he's thinking about this month. I've got a lot of ideas.”

Though the Sawyer Media solution is still in pre-launch mode, Fox is happy with the results so far. “Ease of use was our primary criterion, followed by an interesting and entertaining look—and we got that. The Sawyer Media solution was easy and comprehensive—it wasn't just one piece. I've got only one person to call if something doesn't work and that's very nice.”