

**So what is this decoupling?**



**‘icp’**

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## The history part...

The decoupling debate first hit the headlines some years ago as a response to an increasing scrutiny of processes and services by procurement professionals within global brands. This scrutiny was heavily if not entirely focused on their incumbent agency partners who until this time had enjoyed the benefits (and the margins!) related to providing services such as media and production buying.

Brands started to look at alternatives and those that didn't bring these services in-house looked outside to potential partners who could provide these services on their behalf. Leaving the strategic and creative ideation to their existing agencies and 'decoupling' implementation elsewhere.

**Decoupling**, in advertising production, occurs when services that were previously subcontracted by advertising agencies are purchased directly from suppliers. It is part of the unbundling of the services previously provided by traditional full service advertising agencies or managed directly by dedicated teams within a brand.

This originally began with the creation of stand-alone media buying agencies in the 1980s and later agency owned production hubs in the late 1990s. For the same reasons as media (focus, economies of scale and dedicated software) press production and digital production are now increasingly handled by stand-alone production partners, who work directly with brands and not through their advertising agencies.

## So if you haven't already, why should you think about decoupling now?

Anyone associated with Marketing within a brand or indeed working in a procurement function will be focussed (if not bonused) at some time or another on spending their marketing budgets more effectively, reducing unnecessary wastage and driving efficiencies in how they go about what they do.

As already stated, historically large agencies and design agencies had a huge role to play here in the advertising ecosystem and as long as the campaign ended up looking good everyone was more or less happy.

As the scrutiny and focus has changed and increased, those large global advertising partners are still to be found landing the strategic and creative idea, however brands now look for alternative solutions for their implementation. In this way the trend for decoupling emerged and continues to offer a tangible solution for brands who want to work in another way.

Taking master asset adaptation, localisation, transcreation, versioning and distribution out of the hands of global agencies and working directly with brands, plus being responsible for implementing all elements of a campaign at every touch point whether it be an ad, packaging, a digital banner or a global TV campaign.

In this way brands bring together the best in planning strategy and creative **and implementation skills that make the idea come to life on time and on budget.**

**Going beyond checking the colour and position of a logo – these are hygiene factors. Requiring a deeper brand knowledge and a greater attention to detail.**

**What brand wouldn't want that?**

## So should you do this in-house or look to outsource?

Well of course that is up to you!

From experience we also know that prizing away your highly regarded campaigns and their assets that you have toiled so long and hard maybe a tough ask. Who would want to give up their (often awarded) possessions sorry I mean campaigns to others?

Simply put, your people (who are already pulled in many directions) are probably better placed doing what they do best, which is driving forward your brand in other ways and letting those who have loads of relevant experience manage the end to end production process on your behalf, constantly looking for new efficiencies as they go.

Additionally if a brand doesn't already do this in-house, they will avoid all associated set-up and running costs if they entrust their master assets to a decoupled partner (who will already have the requisite infrastructure and be ready to roll).

## And what are the benefits of decoupling exactly?

The following are certainly good reasons to look at decoupling:

- **Managing, reducing and controlling operating costs**
- **Improving transparency of process and costs (SLA and rate card driven)**
- **Improving a brand's focus**
- **Driving brand protection and consistency through one production source**
- **Eliminating unnecessary duplication of asset development (create less and adapt more) optimising the re-use of assets**
- **Adhering to a brands CSR and ethical manifesto**
- **Accessing world class skills and experience**
- **Access to technical expertise, supporting technologies and skilled producers**
- **Liberating internal resources to refocus**
- **Increasing efficiencies and driving faster speed to market**
- **Taking away the potential pain of managing a function that can be difficult to control**
- **Providing a clear division of remit and responsibility**

## Are there any barriers to decoupling?

Let us be honest and say that decoupling isn't always easy.

There has to be clear delineation between the 'blue sky' agency and the partner responsible for implementation. Brands' agencies may not be keen at all.

We have found this will work well when we are involved in campaigns from the earliest moment and where we are invited to share our experience around feasibility and timings. We do know that almost anything is possible in terms of advertising campaigns but we also understand what can be reasonably achieved in a certain time frame and within a specific budget.

Brands certainly play a huge role to help the smooth running of a decoupled process, they must get behind it and become advocates and ambassadors. After all, it shouldn't be viewed as a personal slight on an agency if the production elements are decoupled but more about a brand looking at an alternative process to drive efficiencies. Letting strategic and creative teams free to be just that - strategic and creative.

Frankly it will work best when the production partner is seen by all parties and stakeholders as an integral part of the development process (and that this is sponsored, driven and supported by the brand in question) and allowed to act as a sounding board to all parties, giving value to clients.

## And where is the proof?

Well if you want hard facts and figures...

Michael Lee of Madam (an agency search consultancy) said in 2013 that decoupling can contribute to savings of up to 30% year on year.

In fact, ICP have been able to show a saving of 50% following the implementation of a successful decoupling process with one of our key clients in EMEA.



**“People who bring order to chaos by creating, transforming and managing marketing and advertising content.”**

ICP is a uniquely positioned global business, building partnerships with brand owners focused on the lifecycle of their creative assets. ICP helps clients optimize their Creative Operations to improve the ROI of their global advertising production and marketing technology with 30 years of experience in strategy development and operational execution.

Clients include many of the world's most recognizable companies and brands such as Diageo, Unilever, Coca-Cola, Shire Pharma, Estée Lauder, Avon, National Geographic, Calvin Klein and Tiffany & Co.

ICP provides creative production, consultancy and managed services, always working with clients to realize the full potential of their marketing and advertising capability.

**It's people who make the difference.**

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