

SECRETS OF ADVERTISING AGENCIES





THE BEST KEPT SECRET OF (MOST) AD AGENCIES—REVEALED

When researching integrated marketing and advertising agencies, the goal is selecting the agency that will help take your company to the next level with marketing innovation, optimal efficiency and right-sized recommendations.

Billing practices and costs are different from one advertising agency to another.

At FabCom, we partner with clients long term and establish relationships built on trust, transparency, and results. So, what does this have to do with costs and billing practices? Everything! At FabCom, our cost structure involves upfront strategic planning that delivers an overall savings on the implementation of the strategy.

We pride ourselves in being straightforward and all-inclusive, not only in our cost structure, but also in the way we conduct business. It is more than our business practice; it is our culture, entwined in everything we do. If all-inclusive costs are not addressed up front, more money will be spent in the long run and extra costs will enter the picture a month, six months, or a year down the road.

We've carved a niche in the industry over the last 22 years that sets us apart in our integrated strategic approach, methodology and efficiency, giving you every advantage:

Comprehensive Integrated Strategy

In order to deliver the best possible solutions tailored uniquely to the precise needs of each client and deliver them in a timely manner, FabCom begins by developing a comprehensive strategy that drives strategic consensus and details all facets of your marketing, branding, and positioning plan. With an initial strategy serving as your guide, every project in each phase of the strategy can be implemented with maximum efficiency and ROI, from day one.

Hit-the-Ground Running

Time is money. Rather than a condensed strategic outline or creative rationale that has become the norm in today's market, there is an alternative. Plan what you are going to do, test it, optimize it and then execute it. FabCom's strategies provide a comprehensive and in-depth analysis, resulting in an enlightening plan that changes the expectations of the organization. These strategies contain more than mere words. Included are actual prototypes for web pages, advertisements, communications, technology integrations, quantitative and qualitative research, and other tactics as determined necessary and appropriate, to help you begin and get results faster. Bottom line, we ultimately accomplish more in months than it takes others years to achieve. We move the needle!

The ROI Of Integrated Communications

It takes much longer to budget, complete the target research, consider the alternatives, gain consensus and develop creative directions for individual projects than it does to actually produce and implement each one. In fact, these phases of a project, when completed properly, will amount to 75 percent of a project's overall costs. When planning them together to leverage resources (the comprehensive strategy process), FabCom can reduce by 75 percent the work and time required to implement each tactic. Therefore, leveraging strategic thinking can reduce the variable costs of creative implementation to only 25 percent of the total costs and time required to gain the desired outcome. When the individual tactics are conceived as an integrated plan, we can simultaneously drive and achieve unprecedented results and quality. You simply get more for less when you plan efficiently and comprehensively.

Lower Per-Project Cost

By comparison, FabCom provides a lower per-project cost, faster turnaround and assurance of hitting the nail on the head. The pitfalls that derail integrated marketing initiatives have already been overcome and completed in the initial strategy. This eliminates the need for individual piece-meal starts and stops for each component, which drains the resources and results from integrated marketing efforts.

Projected Results Presented In Powerful Presentation

The upfront integration of resources and creative expertise results in a powerful, needs-based presentation that gains consensus across company lines. The presentation covers all the bases, including precise details of implementation and how granular results tracking will be achieved throughout the length of the project. Visualizing how it all comes together, defining each stakeholder's role in delivering results and identifying the resources required up front, harnesses the strategy's ROI.

Cost Comparison

The following example provides an itemized comparison of two agencies, one with an initial comprehensive strategy and one without. Notice the one without the upfront strategy creates a higher service (administrative) retainer and higher total creative costs.

Agency A (FabCa Per Project	om)			Agency B (the oth	er gi	uys)
Strategy:	\$	0.00	(Included in initial strategy)	Strategy:	\$	1,000.00
Service:	\$	100.00	(2/3 of the costs are covered in the strategy)	Service:	\$	300.00
Creative:	\$	2,382.00	(Concept costs are covered in the strategy)	Creative:	\$	3,000.00
Project total:	\$	2,482.00		Project total:	\$	4,300.00
# of projects	×	100		# of projects ×		100
	= \$	248,200.00		-	\$	430,000.00
	+ \$	70,000.00	(Upfront strategy fee)	+	\$	0.00
Total annual cost	: \$	318,200.00		Total annual cost:	\$	430,000.00

In this example, the upfront fee is \$70,000 for an initial comprehensive strategy, completed in 60 days. This includes each tactic with respective implementation details and budgets. Because the strategy includes all the details and concepts for the individual projects, the hours spent later on during the creative implementation are reduced significantly.

We believe, after 22 years of offering solutions to the market, that customers need an outside-in partner dedicated to complete transparency.

Our history of longevity with our clients attests to our commitment to the ideals of honest communications. On average, customers have been with FabCom over 10 years. The industry average with an agency is less than two years. What do you think happens to most customers after the second year they are working with most other agencies? True costs are realized. FabCom provides the complete picture up front, resulting in both a long-term and short-term win/win.

About the Author

Brian Fabiano is the CEO and founder of FabCom, a full-service strategic integrated marketing and advertising agency with offices in Scottsdale/ Phoenix, Los Angeles, Seattle and O'ahu. He is a nationally recognized innovator, advertising and marketing industry leader, author and speaker, whose insights in dynamic cross-channel cross-media messaging, business intelligence, strategic planning, positioning, brand mapping, and segmentation/database marketing are sought by corporations and trade associations alike.

FabCom is a full-service strategic marketing, PR, and advertising firm

Principal: Brian Fabiano
Employees: 38
Local Area Billings: \$42.1 Million*

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^{*}Amortized for media billings as calculated in the Phoenix Business Journal Book of Lists.