



**Thieme MediaCenter**

Rotterdam

## CASE STUDY: THIEME MEDIACENTER

[www.thiememediacenter.nl](http://www.thiememediacenter.nl)

FACT FILE				
Company name	Thieme MediaCenter			
Business Activity	Provide total solutions to marketing communication issues			
Region	Rotterdam, The Netherlands			
Number of employees	750			
Business Range	Local	Regional	National	International
	Yes	Yes	Yes	
Approximate turnover 2000	€ 100 million			
Description of market / client /target group	Any company which needs B2B communication			
Description activities / products / services	Direct mail, database marketing, printing, printing on demand, design, publishing, warehousing and ICT services.			

## CASE DESCRIPTION:

### The business

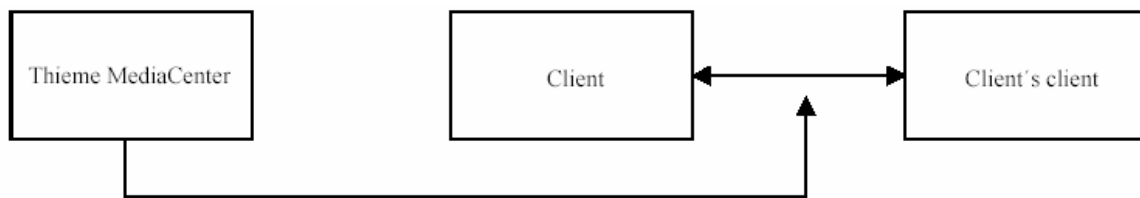
Thieme MediaCenter Rotterdam is a modern, multidiscipline centre for design and media companies. Thieme MediaCenter Rotterdam is part of the Thieme Grafimedia Groep ([www.thiemegroep.nl](http://www.thiemegroep.nl)). The centre consists of separate operating companies in the field of creation, realisation, production, warehousing, distribution and exploitation of communication tools and media services. It operates in the Dutch B2B market.

Thieme Grafimedia Groep originates from the royal printing office G.J. Thieme, which was established in Nijmegen in 1989. In the past 10 years, various companies were added to the existing range of services. As a result, the company as a whole, with 750 employees, realised a turnover of approx. € 100 million in the year 2000. Each of those companies has its own expertise, such as direct mail, database marketing, printing, printing on demand, design, publishing, warehousing and ICT services. The marriage between design and communications expertise resulted in the establishment of Thieme Grafimedia Groep. At that time, new premises were built for all the sub-companies: the Thieme Media Center.

The Thieme MediaCenter was established with the following objective: The integration of the various companies and their activities so as to become a leading entity, offering a complete range of design and media services and solutions. Prior to the Thieme MediaCenter, printing was delivered to clients, who subsequently delivered this printed material to their own clients. This can be visualised as follows:



In order to realise its objective, Thieme MediaCenter wants to take a new position within the value chain. It concentrates now on the communication between clients and their clients. Given its solid knowledge and experience, Thieme MediaCenter strives to enhance the efficiency as well as effectiveness of this kind of communication:



### **Introduction of e-business**

Thieme MediaCenter had the ambition to achieve the shift in the value chain as described above, by means of ICT. The benefits are:

1. Increased efficiency of internal processes through the integration of various business activities;
2. Increased efficiency of the clients' communication processes, so they can concentrate on their core activities;
3. The opportunity to generate additional turnover through new services;
4. Occupy a new and differentiated position in the market.

Two courses were set in mid 2001 to realise these ambitions:

### **The shift in the value chain**

The first issue Thieme MediaCenter needed to resolve was the kind of role they would play in the market. Clients were profiled on their present potential as well as their needs. In addition, the consequences of the company's new role and the need for change were discussed with different business departments. This created the internal support necessary to make the strategic change.

A large number of clients were found to have insufficient experience and knowledge of communication processes. To offer and organise these facilities more efficiently and effectively for the clients, it was essential to create added value that would contribute to better results. What was proposed was that clients would outsource their complete

communication processes, thus allowing Thieme MediaCenter to deliver straight to the clients' clients.

The usage of ICT is a condition for delivering good quality outsourcing services. With the help of the knowledge within Thieme GrafiMedia Groep and the business department Thieme ICT Services, an order system was developed - the Electronic Account System (EASY). This order system was developed in a way that allows a client to place a customised print order via a secure Internet connection, simplifying the whole process from order to print.

Thieme MediaCenter also developed a fulfillment service for web sites. It is very common for the response to an online information request to arrive back to the sender's mailbox weeks after the request was placed. Fulfillment has always played a minor role in the development of web sites. As a result, a request goes through many different business departments before the desired information is eventually sent out. Thieme MediaCenter's fulfillment service provides a solution to this problem. Whenever a client's client sends an enquiry, the enquiry arrives directly at the warehouse of Thieme MediaCenter. Thieme MediaCenter takes care of the whole process and provides a full report on what is sent, to whom and when. This presents the first step towards a complete fulfillment of a client's communication processes.

### **Optimisation of internal processes**

To optimise processes within Thieme MediaCenter, two areas required attention:

- To achieve efficient integration a single system was needed for all the different strands of the business. After the different competencies were brought together, they continued to use their own systems. This resulted in incompatibility between the different systems to such an extent that it was difficult to produce a single invoice for the various services;
- Prior to integration each of the disciplines had a high degree of autonomy, leading to discrepancies in culture and methods of work. For instance, Thieme MediaCenter charges a monthly fixed fee for the new fulfilment service, while various disciplines have been in the practice of invoicing clients separately for every service delivered. This requires a new way of thinking as well as a new way of working.

### **Lessons Learnt**

So far the investments in developing the new strategy have been limited. The majority of the costs incurred have been in relation to labour.

The development of the fulfilment service started in mid 2001. Since 1st January 2002, a pilot has been underway with a large business service company . The turnover of the fulfilment service is difficult to quantify, however, a few positive developments could be identified:

- Thieme MediaCenter is gradually shifting from a production company to a fulfilment innovator;

- The emphasis has moved towards developing a strong bond with the clients;
- The new service strongly differentiates Thieme MediaCenter in the market, which leads to less price comparisons than in the traditional print market.

Three short term developments are of influence to the ambition of Thieme MediaCenter:

- The move to new premises in Rotterdam has taken considerable time, which has left relatively little time and attention for the development of new initiatives;
- The integration of different business departments has been less smooth than was expected. Particularly the automation of activities required a considerable amount of time and resources;
- As a result of the economic downturn, the traditional print branch of the company has been under severe pressure for the last few months. Therefore Thieme MediaCenter has chosen to focus on traditional mail and printing rather than its ambitions in e-business.

In the short term Thieme MediaCenter plans to further develop the fulfillment service and offer this to its clients. This means presenting the core business in a new way. Thieme MediaCenter would also like to make the first steps towards the integration of its internal processes. In the long term Thieme MediaCenter will grow towards being a fulfillment innovator, which means clients can outsource their entire communications activities to Thieme MediaCenter. Some thoughts are given to additional services in relation to communication, such as mailshots, telephone calls and Internet information exchange services.

The following lessons can be learnt from the Thieme MediaCenter case:

- It is important to establish what business you are in and what business you would like to be in over a period of three years; set out a plan to achieve that;
- Create commitment among your colleagues through involvement and document the needs, competencies and capacity of your clients;
- Have the courage to invest in something you believe in;
- Expect the unexpected;
- Processes of change usually require more time than expected;
- ICT is concerned with organisational issues; this is where the benefits of ICT matter, and not the technology per se.