

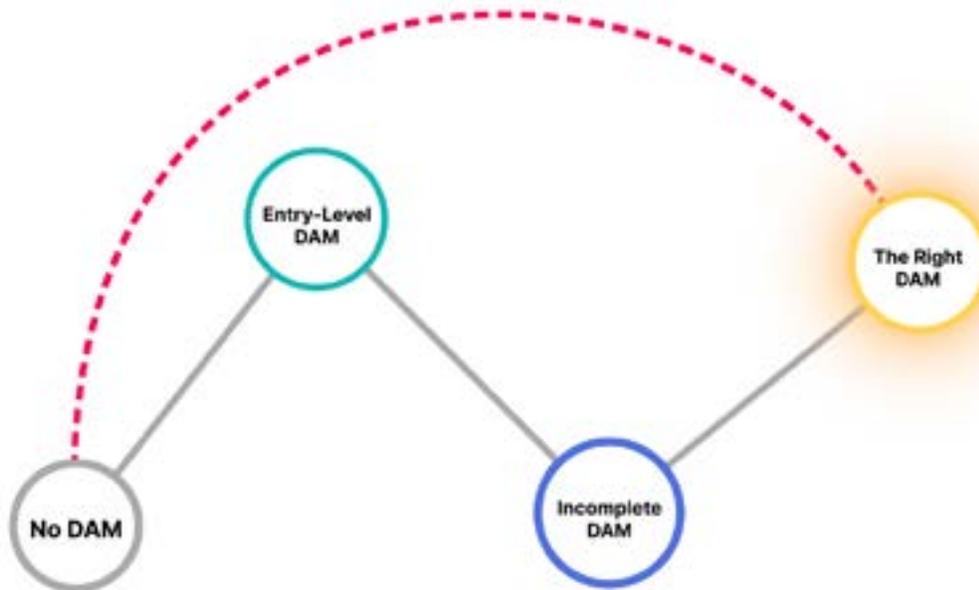
A Step-by-Step Guide

How to maximize DAM selection success

2023

orange**logic**

Your guide to maximize DAM project success



Over the last 22 years, Orange Logic helped dozens of organizations recover from failed DAM projects — becoming the DAM vendor of choice for second-generation DAM buyers. These buyers are the ones who have previously purchased a DAM, unsuccessfully, and subsequently learned from their mistakes.

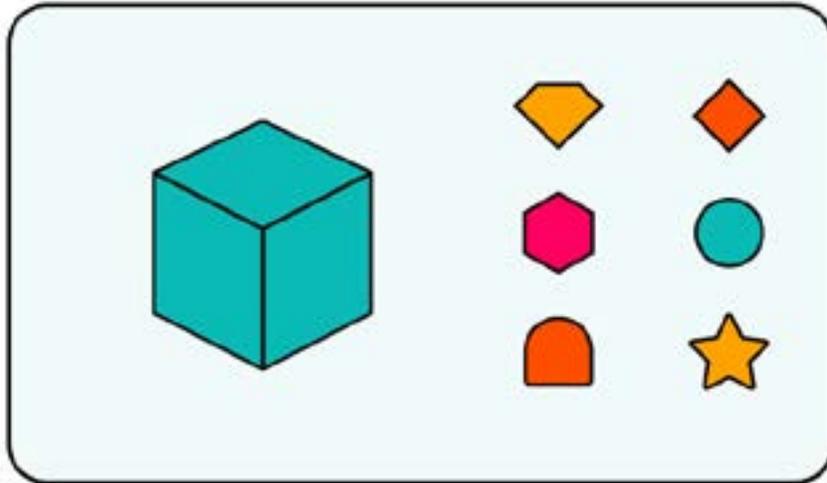
Second-generation DAM buyers include organizations who seem to have done everything right to choose the correct DAM fit for their organization the first time around: RFP, consultants, analyst reports, product demos, trade shows, etc. and yet their DAM project failed to achieve the goals they set. Why?

Selecting the right DAM platform is difficult, no software solution is likely to be a perfect match, and it is truly challenging to identify red flags if you don't have industry experience.

Orange Logic keeps a tally of reasons for failed DAM projects. If you have been burned before, this guide will help you significantly decrease the probability of falling short again. If this is your first time choosing a DAM, consider this your cheat sheet to get succeed the first time around.

How to navigate the demo

How to navigate the demo



Recognize the difference between demo-ready and battle-ready

01

You will see demos where some things move flawlessly and seem easy. Sometimes this is an authentic representation of the product, but often it isn't. However, there are ways to determine authenticity.

During the demo, try to steer the presenter off-script in order to test out the true capabilities of the DAM. For example, think of odd scenarios you experienced with your current DAM, and ask the vendor to demo how their product can handle it.

Your company will have idiosyncrasies in its workflows. If the DAM is too rigid, it's going to force you to modify your tried and tested practices to adapt to the DAM. Instead, a sufficiently-developed DAM will be able to adapt to your workflows. Do not communicate your workflows in advance, otherwise you defeat the purpose. The response you get in this situation may be more valuable than the rest of the session.

Test drive your DAM

Additionally, you **MUST** ask to play with the tool in a real life situation. When you ask this question, vendors will fall into one of three categories:

- 1. Some vendors will let you have the tool to test on your own.** This usually happens in one-size-fits-all DAMs, because they can't be adapted to your scenarios anyway.
- 2. Some vendors will not let you test their product or will force you to test a limited set of features.** This might be a red flag that you may be dealing with an immature DAM platform, or one that the vendor is not confident in.
- 3. Some enterprise vendors will have someone available to you as you use the tool** so that you can ask questions in real-time, and may even be able to configure the DAM for you on the fly to adapt to your needs. We believe that this is the best approach, especially with an enterprise DAM where there are many different ways to tackle the same task.

Thoroughly testing the product yourself before purchase is not optional. It is essential.

Product maturity

The importance of maturity

Where a DAM vendor sits on the business lifecycle has a significant impact on the product they produce. The following are the three stages that can lead to a DAM being unable to properly innovate or meet the needs of enterprise organizations.



Early stage DAM systems

DAMs fewer than 5 years old are effectively still in the alpha phase. What confuses customers is that DAM platforms can typically present a good proof-of-concept while still in this alpha stage.

Between 5 and 10 years of development, most DAMs can provide the basic features an enterprise requires, but implementations tend to be rocky as the vendors lack experience handling a broad set of real-world scenarios.

02

It's only after at least 10 to 15 years of experience — which translates to at least 60 to 70 implementations with real customer organizations — that a DAM has been sufficiently tested to produce a truly capable enterprise-grade system.

Because all DAM projects inevitably run into hurdles, enterprise-grade DAM systems must have experienced these hurdles before, and improved upon, thus are prepared to handle them again.

For those who have never experienced this, using an incomplete DAM platform feels like you are constantly in an uphill battle and any accomplishment takes a multiple of the effort that it should. Customers of immature DAM systems must be prepared to spend their time and money beta testing the vendor's product!

Legacy DAM systems

On the flip side, how do you determine if a DAM is past its peak? As a customer, being on a platform that is past its peak can completely cripple your business. You can't invest in it because all your efforts will be lost when you finally switch to a better platform. You know that you are on a sinking ship.

Let's clarify a potential misconception. The age of a product is not an indicator of where it is in its life-cycle. Windows (42 years old), Photoshop (35), and Final Cut Pro (25), are still young, healthy, and growing systems. Why? Because Microsoft, Adobe, and Apple invest effort in keeping them modern and up to date.

On the other hand, [Adobe has discontinued many products](#) that were originally released more recently than Photoshop. So, a 5 year old product could be nearing end of life, while a 40 year old product can still be in its prime.

With that caveat in place, use these tips to help avoid the inherent risks associated with purchasing a DAM that is past its prime.

- 1. Does the interface look old?** If a vendor cannot refresh the interface, they probably are not refreshing the underlying technology.
- 2. Does the user experience (UX) feel clunky?** If the core components of the DAM are not easy to use, this indicates that the backend functionality is not streamlined.
- 3. Are upgrades to the latest version becoming difficult?** This could indicate that the underlying code is struggling to keep up with modern computing and protocol standards (and contain a large amount of legacy code and/or technical debt that will have higher costs to maintain and will be passed onto you).

Orphan DAM systems

Over the past few years, many DAM companies have been purchased by large tech conglomerates or holding companies that wanted to add DAM to their product catalog.

There is a familiar pattern of DAM product quality dropping following these acquisitions. The newly acquired DAM vendor competes for resources within an organization that, naturally, prioritizes its core product offerings. Investment in development slows down (or stops entirely) and the once-agile system inevitably declines.

When researching DAM systems that were acquired, investigate customer reviews over time. A DAM that was committed to development and well-liked by its customers several years ago may not have maintained this status post-acquisition.

Determining vendor priorities

Know the priorities of your DAM vendor

What a DAM vendor prioritizes internally can tell you a lot about the experience you will have as an end user. These priorities can be described as the distinction between sales-centric vendors and product-centric vendors.



Sales-Centric Vendor

Refined Sales Process

Mandatory Long Term Contract



Product-Centric Vendor

Refined Development Process

Flexible Term Contract

Sales-centric vendors

Sales-centric vendors tend to invest most of their resources into marketing and sales — and comparatively less into their product. While the sales process will likely be seamless, the post-sale process is more likely to leave you disappointed.

Sales-centric companies prepare for the fact that you will likely be disappointed so they will try their best to lock you in contractually for at least 12 months. If a vendor does not let you have month-to-month contracts, tread carefully.

03

Product-centric vendors

Product-centric vendors focus a larger percentage of their resources on developing their product, and innovation. As a result, you will have a better experience with their platform and they will likely be comfortable not locking you into a contract since they have confidence in their product.

On the flip side, product-centric vendors might feel less polished during the sales process, but this should not deter you from landing the ideal DAM.

Buy products, not promises

*“Thunder only happens when it’s rainin’.
Players only love you when they’re playin’.”*

-Fleetwood Mac

Every few years, a company with little to no experience with DAM displays a meteoric rise to success. These companies start with the intent to “revolutionize” the industry with exciting new technology and use this cachet to charm critics and analysts. But an effective DAM is more than just technology and features. It is a human-driven system that has been molded by experience and testing.

Like the well-known scandal with Theranos, the realities of delivering groundbreaking promises become harder and harder to fulfill. And while their dissatisfied customers break free, these companies fail upwards by making even bigger promises — Until inevitably, the whole thing comes crashing down.

Far too many companies have lost millions of dollars to a DAM that was little more than smoke, mirrors, and lavish dinners. It can be tempting to hope that these vendors will eventually deliver on their promises, but that would require a complete inversion of company culture. Once an organization has concluded that good stories sell better than good products, the product will never be a priority.

Financial stability

Choose vendors with financial stability



DAM vendor financials

There are DAM vendors who were able to survive on investor money until they became profitable.

Often though, the story does not end so well. Vendors who are not profitable will often require more and more external capital that they will need to eventually reimburse.

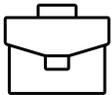
In some red hot industries, this can work. But in the DAM space where competition is fierce, a vendor who is heavily debt-laden might run out of cash, or be coerced by their investors to compromise so that they won't be able to achieve their goals.

04

DAM vendors who have investors who expect 20% per year of return on their investment are under pressure to cut corners and loosen their standards in order to keep up with the financial demands imposed on them.

Take the time to carefully evaluate the financials of your prospective DAM vendor so you can know who they're focused on: their customers or their investors.

How to evaluate a prospective vendor's finances



Acquire

Ask the vendor for three prior year's of financial data.



Evaluate

Have Procurement evaluate these documents.



Ensure

Make sure the company can maintain profitability even without additional financing.

How vendors use financing

Additionally, vendors who are using external capital to improve their business do so in different ways. Some, including many of the sales-centric vendors mentioned above, will use funding to invest in advertising, sales tech, and hiring new marketing executives.

Others, typically the product-centric vendors mentioned above, will instead invest this money into development through additions of new software engineers and other product-related job functions.

Use your gut instinct to know if a vendor is Sales first or Product first.

Avoid simply checking off boxes



Identifying your needs

As a customer, you identified what you need from your DAM and then started looking for the right product that matches your needs as of today. This approach is one of the reasons why many organizations start searching for another DAM a few years later. It is the equivalent of buying clothes for a growing toddler and expecting them to last till they are a teenager.

Even the most meticulous and well-informed acquisition teams can rarely predict what your organization will need from your DAM years in advance.

In the best case scenario, the customer identified about half of what they truly need. In some rare cases, projects grew to be more than 30 times larger than the original projections. This can actually be a good sign that the solution is working, because demand will inevitably increase with successful solutions with high adoption rates.



Why do some DAMs struggle to implement new features?

As demand increases, your DAM has to be able to absorb the growth. Experienced DAM vendors have been through this before and will be able to configure the additional features and provide the additional horsepower that you will need.

On the other hand, if your DAM is limited and the new functionality that you need doesn't exist, adding that functionality will be difficult, if not downright impossible.

This is because most DAM systems, especially Beta-DAMs, have to build features from the ground up with new code. In reality, they won't go through the effort just because a single customer requested a change.

However, mature and production-ready DAMs will easily be able to turn features on or off with little more effort than flipping a switch.

DAM integrators

Integrators can be valuable companions

If, due to some unfortunate circumstance, you need to roll out a DAM platform that is incomplete, past its peak, or neglected, consider using an integrator to help you through the process.



For early stage DAMs

Over the years, experienced DAM integrators have developed processes to partially mitigate the difficulty of rolling out immature DAM systems. Most integrators will also be able to develop some custom tools that the beta DAM vendor doesn't have.

06

For Legacy DAMs

Because legacy DAMs see less investment from their vendor, an integrator can help you manage the additional administrative burden of rolling out and keeping legacy solutions alive on a day-to-day basis. Integrators can also help you to develop some necessary features that the vendor does not want to develop.

General recommendations for integrators

- Ask to be assigned some consultants that will remain with you throughout the project.
 - As in all industries, different integrators keep the ethical bar at different levels. Speak with previous customers of the integrators. Ideally if you can find the customers yourself (rather than ask for a reference), you will be more likely to get the real story.
 - Avoid putting your integrator in a position where the longer or more complex the project becomes, the more money they earn. We have seen some projects become an order of magnitude more complex than they ought to be, and they should not be financially rewarded as a result.
 - Avoid involving the integrators in the decision of which DAM platform you choose. Bring them in only after the decision is made. There are 3 reasons for this:
 1. Often, the integrator's prior experience will be with outdated DAMs, overly-complicated DAMs and, in some cases, beta DAMs. There will be the temptation to steer you in the direction of platforms they know well, instead of the right platform for your organization.
 2. Easily configurable DAM platforms will decrease the scope of their involvement and reduce their revenue. This is a conflict of interest.
 3. Some integrators have undisclosed alliances with specific vendors.
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General recommendations for integrators (continued)

- In the majority of cases, integrators will run over budget. Sometimes many times over. Ask for fixed and firm pricing on the project modules in advance from both the DAM vendor and the integrator. Once you have that knowledge, you can then decide how to allocate responsibilities between the vendor and the integrator.
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Key takeaways

When you are evaluating the right DAM solution for your company, keep these 5 thoughts in mind:

- **Battle-readiness:** Is the DAM really ready for prime time? Test the DAM yourself and take the demo presenter off-script to truly test the product's capabilities and limitations.
- **Maturity:** Does the vendor's position on the business life cycle give you any red flags about the product's ability to innovate and listen to your requests?
- **Cultural Fit:** Is the vendor a smooth sales operator who is trying to lock you into a 12-month contract? Tread carefully.
- **Future-proofing:** While a DAM must be able to meet your needs today, look for a system with the ability to grow with your organization as your needs expand and shift over time.
- **Financial stability:** Does the vendor rely upon external capital to remain profitable? Are they in business to cash out or create great products?

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