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**RECOMMENDATION FOR SINGLE ONLINE TOOL-KIT  
PROVIDER**

**SUBMITTED  
02/20/2004**

## I. PROGRAM OVERVIEW

The Online Print-Ad Tool-Kit Application (known as AdMaster) currently resides in the domain of a third-party vendor known as, MultiAd of Peoria, Illinois. The Tool-Kit has been active for nearly a year and its general use is for Travel Service Organizations and Agency Representatives to easily create printable media that promotes American Express Travel.

The Tool-Kit works in conjunction with another application known as The HTML Tool-Kit provided by MagnaQuest of Phoenix, Arizona. This application is designed to provide a similar service only distributed via a rich HTML email environment. Both applications are intended to cover a wide range of “frequency and reach” for marketing American Express Travel Service’s travel services. They are also intended to integrate and work seamlessly; however, this is not the case. Currently, the practice of having two vendors provide an integrated package of e-commerce is causing administrative, logistical, and technical issues impeding the full potential of this resource.

ISM and MagnaQuest propose to customize, host and service MQAdBuilder (a web-enabled print local marketing Tool-Kit application), for American Express Travel Services in place of the existing MultiAd AdMaster application. This software solution is expected to deliver the following benefits for Tool-Kit users and American Express Travel Services in general: **increased functionality, ease of use, and better support.**

Furthermore, the **cost saving benefits** to American Express Travel Services will be realized within the first year of adopting this program; resulting in a total net gain of approximately **\$12,000** within the first two years. The proceeding details the key advantages and cost savings to American Express Travel Services should this program be implemented.

## II. INCREASED FUNCTIONALITY

- Role based access will be available to different templates on the Print-Ad Tool-Kit site for AextraWeb users. American Express Travel Services staff, or ISM can control the access to templates for different classes of users. For example: templates created for TSOs can be visible only to TSOs and templates created for Reps are visible only to Reps. You can create a special class of users and create some specific templates available to only those users. The system allows you to create any group of users, and a user can belong to any number of groups, to allow them to access templates that are accessible for all the groups that they belong to. This flexibility allows you to customize and personalize the site, any time in future, without requiring reprogramming.

- The existing system provided by MultiAd does not have this capability. Their system cannot recognize the TSO from a Rep. Therefore; any templates that are specific for either class of users are viewable by all. The MQAdBuilder can distinguish the class of many various users making specific resources available only to members of that class. This compliments the time-bound promotional feature described below.
- As in the HTML Tool-Kit site, you can create time-bound promotions (i.e. they have a defined expiry date & time), so that travel reps can promote them only during the defined time periods. You simply set the schedule that you want to launch the campaign by using the calendaring tools as with the HTML Tool-Kit, and set its status. They are not displayed to the travel reps outside this time window. You can create templates much further in advance, without anyone else seeing them until the promotion start date. The benefit of this feature works very well for seasonal and recurring promotions
- American Express Travel Services authorized staff can update news and information on the site, in real time. Website design will mirror page design as specified by ISM, based on American Express Travel Services standards.
  - The existing system provided by MultiAd does not allow users (and distinct classes of users) to edit the news page of the Tool-Kit remotely via a web-based editor. MQAdBuilder provides a Remote Authoring Tool (web-based editor) that is patterned after Microsoft's® Word document editing program. This provides a wide range of formatting and editing tools to make the news section of this Tool-Kit exciting and informative.
- Real-time access to usage reports for American Express Travel Services staff users. Authorized staff can log in, access, and print reports 24x7. Reports allow you to view the number of times a template is used, view the number of users using the system as well as those using a template during any given time period. These reports are accessible simply by using the browser.
- Online fulfillment options
  - Reps can save their preferred fulfillment vendor information and the finished marketing piece can be submitted to that vendor's site, in one step.
  - Site can feature a list of vendors (such as Kinko's or a local printer) who can print the marketing piece.
  - Offer a link to submit a custom quote from a list of vendors.

- Offer a dedicated third-party printer (currently in discussion with Printex, Inc.) to provide a “catch-all” service to TSOs and Reps without a local printer option.
- When uploading new templates, the intermediary step of having them recreated for the existing Tool-Kit’s proprietary system (a cumbersome process that can take up to a week) will be eliminated. Standard DTP files such as Quark and PDF’s can be directly created from ISM and uploaded to the new Tool-Kit. This saves the agency, American Express Travel Services and MagnaQuest considerable time when new pieces are built and accelerates the speed to market.

### III. EASE OF USE

- Quick response times. MQAdBuilder offers the latest technology to create very efficient PDF templates that result in reduced file sizes, without sacrificing quality. These reduced file sizes make it easier and quicker to load the templates on your web browser screen and to download the finished pieces to your computer ready for print services. This PDF output is a **high-resolution** image suitable for professional printing.
- Centralized file locations. Agency specific information is kept in a central location to be used by both the HTML Tool-Kit and the MQAdBuilder application. Reps can update the site using a Rich HTML Editor and they have a private repository where they can store their own images, without others seeing them.
- Reduced and more efficient workflow. MultiAd’s AdMaster requires seven steps to create a finished piece. MQAdBuilder creates a marketing piece in only three easy steps:
  1. It displays a list of templates (thumbnail or list view), for the users to choose from.
  2. Users enter any local marketing information (photo, logo, text etc.)
    - Choose the mode of fulfillment (i.e. submit to their preferred print vendor, or create and download a PDF, or send them a PDF file when it is finished, or submit for a custom quote)
  3. Click on Preview/Create to create the final marketing piece.
- Marketing Users, or American Express Travel Services staff can upload templates using their own login and specify the time period during which this promotion should be visible to Reps/TSOs.
- All users can see and update the past marketing pieces that they created.

- Terms and Conditions will appear in a Pop-Up window any time a user chooses for ease of viewing. No longer will a user need to build and print out an entire promotion before they are able to view the “T & C’s.”

#### **IV. BETTER SUPPORT**

- HTML Tool-Kit and MQAdBuilder functionality will be integrated into one site and will reduce the need to maintain two different systems. Information is maintained in one location and reduces the need to input agency specific information in two sites (such as Terms & Conditions, Postal Info, Logos, etc.). You can define these terms, and postal info once, and you can use it repeatedly while creating your marketing pieces.
- 24x7 Email support, 8:00 AM EST – 5:00 PM PST Phone support, Always On Web (Searchable Knowledgebase for self-support) support services are available and are included in the overall costs there, are no monthly hidden costs here.

## V. COST SAVINGS

- No additional and hidden annual costs are incurred after build fees are paid. The site scales itself up as new users are added and with increased usage.
- Automatic Login for AextraWeb users. User additions/updates within AextraWeb are automatically handled through this single-sign-on integration. No need to worry about costs (time and money) associated with adding new users or updating existing users.
- With the increased functionality of not having the existing vendor recreate the individual pieces for compatibility with their proprietary system, a cost savings is incurred. Additional costs are involved when more than three templates are needed per month and when the agency has to manage and proof the “recreated” templates/pieces received back from the existing vendor. MagnaQuest’s MQAdBuilder provides 5 templates per month (with additional templates costing only a \$100 as opposed to the \$375 charged by the existing vendor), and no “redundant” processing of pieces.
- Supports unlimited templates and intuitive user experience while building ads.
- No additional costs for: technical support, statistical reporting, and annual licensing fees.

## VI. SUMMARY OF VENDOR COSTS

CATEGORY	DESCRIPTION	MULTIAD	MAGNAQUEST	SAVINGS
Build Costs	Site development—one time fee	No Charge	\$18,000	(\$18,000)
	AdMaster templates and functionality—one time fee	\$5,900	No Charge	\$5,900
	Year one licensing fee	\$20,000	No Charge	\$20,000
	ISM one time project development fees (see Table 2 for details)	No Charge	\$32,400	(\$32,400)
Operating Costs	Yearly hosting fee	\$6,000	\$26,400	(\$20,400)
	Annual licensing fee	\$5,000	No Charge	\$5,000
	Yearly technical support	\$7,008	No Charge	\$7,008
	Yearly statistical reporting	\$3,000	No Charge	\$3,000
	Additional new user accounts (\$10 per new user: 60 new users annually)	\$600	No Charge	\$600
	Per template fees (MultiAd charges \$375 to \$575 per template, on average, 3 templates per month)	\$13,500	No Charge	\$13,500
	Per template costs of managing and proofing existing vendor's reproduced templates	\$9,720	No Charge	\$9,720
	ISM project management Fees	\$12,500	\$12,500	\$0
	<b>FIRST YEAR TOTALS:</b>	<b>\$83,228</b>	<b>\$89,300</b>	<b>(\$6,072)</b>

*Table 1: Overall Cost Comparison*

CATEGORY	Cost	Detail
ISM Interactive project development costs for setting up Tool-Kit	\$27,000	200 hours (estimated)
ISM Account Services project development costs for setting up Tool-Kit	\$5,400	40 hours (estimated)
Yearly ISM Interactive project management costs	\$12,500	100 hours (estimated)
<b>TOTAL:</b>	<b>\$44,900</b>	

*Table 2: ISM Project Development & Management Costs*

CATEGORY	MULTIAD	MAGNAQUEST	SAVINGS
First Year (build fees included)	<b>\$83,228</b>	<b>\$89,300</b>	<b>(\$6,072)</b>
Subsequent Years (see Table 4)	<b>\$57,328</b>	<b>\$38,900</b>	<b>\$18,428</b>

*Table 3: Cost Savings Over a Two-year Period*

*Summary of Vendor Costs Continued*

CATEGORY	MULTIAD	MAGNAQUEST	SAVINGS
Yearly hosting fee	\$6,000	\$26,400	(\$20,400)
Annual licensing fee	\$5,000	No Charge	\$5,000
Yearly technical support	\$7,008	No Charge	\$7,008
Yearly statistical reporting	\$3,000	No Charge	\$3,000
Additional new user accounts (\$10 per new user: 60 new users annually)	\$600	No Charge	\$600
Per template fees (MultiAd charges \$375 to \$575 per template, on average, 3 templates per month)	\$13,500	No Charge	\$13,500
Per template costs of managing and proofing existing vendor's reproduced templates	\$9,720	No Charge	\$9,720
ISM project management Fees	\$12,500	\$12,500	\$0
<b>SUBSEQUENT YEARLY TOTALS:</b>	<b>\$57,328</b>	<b>\$38,900</b>	<b>\$18,428</b>

*Table 4: Subsequent Yearly Costs, No Build Fees*

- As illustrated in the tables above the only net loss to American Express Travel Services would be in the first year “Build Phase” of the project in the form of **\$6,072**. This sum will be offset by the subsequent yearly savings of approximately **\$18,000** for a net gain of approximately **\$12,000** within the first two years of adopting this program. Every year after that American Express Travel Services will be saving approximately **\$18,000** by switching to MagnaQuest’s MQAdBuilder.

## VII. SITE MAP

SiteMap for Unified AMEX Travel Toolkit Home.

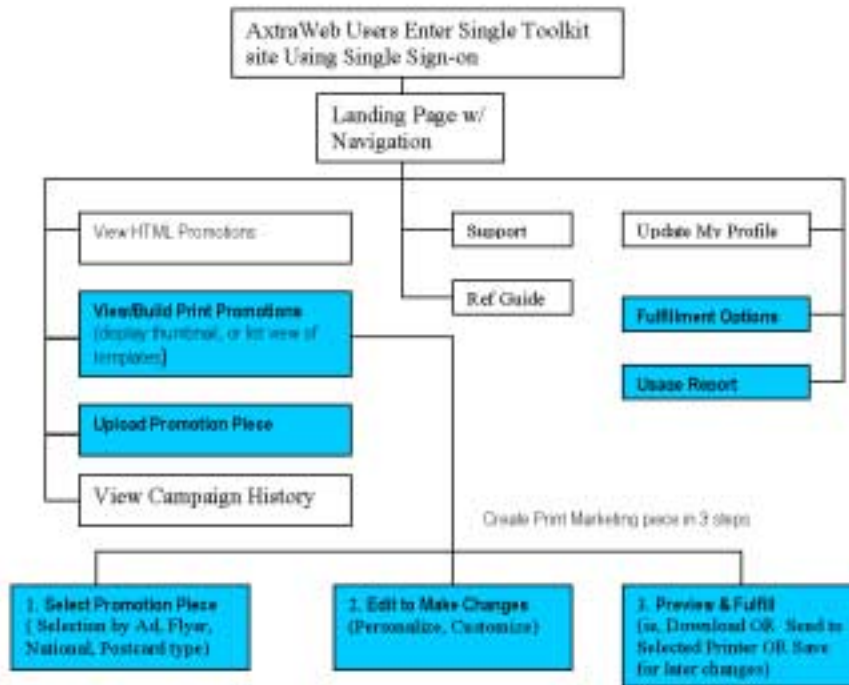


Figure 1: Shaded areas are the MQAdBuilder's inclusion into the existing HTML Tool-Kit infrastructure for a unified software solution.

## VIII. NEXT STEPS

- Review proposal and draft agreement to move to services over to the new vendor.
- Letter of Termination of Services to MultiAd must be delivered no later than **March 2<sup>nd</sup>, 2004**. Note MultiAd’s termination clause:

### Termination

A website, AdCreator and/or AdMaster may be terminated by the American Express Travel/ISM upon not less than 30 days written notice after a 12 month period has transpired from the launch date of said site. Notwithstanding, MultiAd may terminate this agreement for non-payment of any amount due past 120 days and turn off said sites until payment is received.

- Formal Letter of Acceptance must be approved and signed by American Express Travel Services, MagnaQuest and ISM no later than **February 25<sup>th</sup>, 2004**. This is necessary so that MagnaQuest can have the entire MQAdBuilder launched by **April 1<sup>st</sup>, 2004**. Given enough lead-time a seamless transition from the existing MultiAd AdMaster application to the MagnaQuest MQAdBuilder application should be possible.
- MagnaQuest can roll out the entire MQAdBuilder application and integrate it with the existing HTML Tool-Kit along with AextraWeb’s user management system within 5 weeks of the project’s approval—see Project Time-Frame table below.
- MagnaQuest will invoice ISM for all development and implementation costs and ISM will invoice American Express Travel Services directly.

### Project Time-Frame

PROJECT MILESTONES	TIME FRAME	DETAILS
Milestone 1	T—approval date	Start date will be within one week from the date of receiving Letter Of Acceptance
Milestone 2	T+1 week	Prototype Site will be setup for review, 1 week from Start Date. Feedback due within 3 days after review.
Milestone 3	T + 2 weeks	ISM will provide all Ad Templates to MQ for setting up on the site
Milestone 4	T + 4 weeks	MQ will setup all the templates and complete the application setup. Application is ready for American Express Travel Services & ISM review and acceptance. Feedback due within 3 days
Final	T + 5 weeks	Application is ready for production/launch.

## IX. CONCLUSION

- ISM has worked with MagnaQuest on numerous projects including the creation of the American Express Travel Services HTML Tool-Kit. Based on our long-standing relationship with MagnaQuest, their successful track record of bringing projects to quick completion with satisfying results, and their high-level of customer service and support, we feel that they are best suited to take on the overall responsibility for this project.
- When also factoring in the cost savings, high level of customer support, technical simplicity, elimination of redundant efforts, and quality of service provided by MagnaQuest, it becomes clear that the best solution to the Online Print-Ad service issue is MagnaQuest's MQAdBuilder.
- The overall benefits and savings become apparent in the first two years alone (as illustrated in the previous tables), with nearly **\$12,000** in cost savings.
- American Express Travel Service's yearly obligation to MultiAd is about to expire in April of 2004, making this is an ideal time to migrate this service over to MagnaQuest who can have a fully functional Print-Ad Tool-Kit up and running within 5 weeks. It is ISM's recommendation that American Express Travel Services migrate this program over to MagnaQuest's MQAdBuilder.