

INHOUSE
v
OUTSOURCE



IN-HOUSE v OUTSOURCED MARKETING: THE DILEMMA FOR SMALL BUSINESSES

Does marketing still matter?

You'd be surprised how many companies think that marketing doesn't matter.

Marketing matters to businesses of every size and scope. Because it gives them the power to effectively identify, connect with and engage their target audience. This generates leads and, ultimately, revenue. The question for small businesses shouldn't be "Does marketing matter, but "What makes a successful marketing strategy?"

BUSINESS MARKETING – BIGGER POTENTIAL REWARDS: VERY DIFFERENT CHALLENGES

Business depends on marketing to create interest and engagement – and ultimately benefits for the bottom line. While this focus has always been the same for successful companies, the actual challenges (and opportunities) involved with marketing are changing.

In today's fast-moving marketing landscape, there are plenty of challenges.

With the arrival of online, digital and social media channels, there has been a complete revolution in the way in which people connect with businesses. The message here is clear – adapt or get left behind.



WHAT THE SOCIAL MEDIA REVOLUTION MEANS FOR YOUR BUSINESS:

Your customers have changed:

Your potential customers are more information-savvy and selective than ever before.

You can attract rather than interrupt:

Inbound marketing which focuses on attracting, rather than interrupting potential customers, is now more effective. Companies are now abandoning the old models in favour of a marketing strategy that effectively engages the consumer by placing him or her at the centre of the message.

You can reduce costs whilst maximising results:

Social media and inbound marketing gives businesses a more cost effective way of marketing their products or services - a major advantage in more economically challenging times.

You have more ways than ever before to reach your customers:

More varied channels and direct routes to potential clients allows businesses to reduce their offline and online marketing costs - and take a more robust and strategic approach to their long-term marketing. Now, more than ever, a ruthless and no-nonsense approach to offline and online marketing strategy is a must. The focus is on key principles and a robust long-term outlook. Purely reactive and tactical marketing no longer does the job.

8 MARKETING STRATEGY RESOURCES YOU CAN'T AFFORD TO IGNORE:

Effectively reaching your target market and reaping the financial rewards depends on harnessing eight key areas:



Sales - These are traditional, but ever-evolving disciplines that still call for the same core skills and business nous to add value to your marketing strategy. They tend to be the custodians of key information.



Copywriting - For your content to command attention and credibility, you need the right kind of writing skill behind your business.



Design - Impact is essential so a versatile design focus that can create a visual impact in multiple media channels is all-important.



PR - Public Relations acumen put to work in the right way will ensure your business and brand is talked about by the right people, for the right reasons, both online and offline.



Web optimisation - Effectively optimising your site and your content requires specialist skill and a strategic approach. Your website visitor numbers and online presence deserve nothing less.



Web development - Your website is a central marketing channel so ensure that you have the right people to give your company a powerful, consistent impact in a crowded marketplace.



Organisational buying activities - Your buying strategy is vital so have a team in place that can formulate and carry out a well planned buying strategy.

6 KEY STEPS TO MARKETING SUCCESS:



HANDLE WITH CARE: THE MARKETING ELEMENTS BUSINESSES TOO OFTEN FORGET

Whether you go in-house or opt for outsourced support, getting your marketing right for your business involves many elements. Aside from the core areas of lead qualification, positioning and planning, here are some other important aspects that often get overlooked: Your potential customers are more information-savvy and selective than ever before.

1) Turn Spending Into Investing

Marketing involves spending money - but it doesn't have to cost you. In other words, it is possible to create a strategy that effectively maximises results while keeping costs down to the minimum. Keep this in mind if you're thinking about outsourcing because some agencies and organisations are better at this than others.



2) If You Don't Spend, You Don't Save

Most companies under spend on their marketing budgets, applying the false economy that if they don't spend, they save. This isn't true. The U.S. Small Business Administration (SBA) defines the variable for a proper marketing budget to be between 2% and 10% of sales, noting that for B2C, retail and pharmaceuticals can exceed 20% during peak brand-building years. You've heard it before and that's because it's an important truth for business. You have to spend money to make money - in other words, you need to invest to progress.

3) It's Not Just About The Here And Now

Marketing strategically and successfully isn't purely about what's going on today. It's about a commitment to long-term benefits and the strategic objectives of your business. Instead of short-term cash injections, businesses benefit from intelligent marketing activity that has a solid two to three year investment plan and clear measurable objectives behind it. All supported by the senior management team.



4) A Quick Fix Isn't A Strategy For Growth

Business is challenging and it's very tempting to react and respond to dips in revenue and leads with reactive marketing activities. This is known as the "sticky plaster" approach and it's a costly and ineffective tactic in marketing. One-off high impact campaigns may lead to a short period of success, but they still overlook the value of long-term strategic development. Get to know your market over time and you're much more likely to see a consistent improvement in your market share.



MARKETING IN-HOUSE OR OUTSOURCING: YOUR DILEMMA

To outsource or not to outsource? It's one of the most important - and potentially valuable - decisions a business can make.

This is the choice you have to make between outsourcing marketing activity to a specialised agency and handling your marketing within your own business.

Many companies still choose to coordinate their marketing activity in-house. But marketing is changing fast - and continues to change. The key challenge is for companies with in-house teams to stay ahead of the marketing curve and access the specialist knowledge and cutting edge techniques required to stay up to date with customer behaviour.

Whether you choose outsourced or in-house marketing, your marketing activity is not merely a series of campaigns, but a process of developing a market with a repeatable, scaleable and measurable process.

Take a look at the key pros and cons of both choices:

In-house marketing: the key advantages and disadvantages

The advantages:



Save Costs?

This approach can allow companies to limit their financial outlay by avoiding the fees commanded by external marketing agencies. However, it takes very careful planning and people management to ensure that the costs are actually lower in reality, rather than just on paper. Even for effective in-house teams, costs can get out of hand as work may often need to be outsourced.



Get a consistent message?

Some businesses feel that conveying a clear brand message can be done best by having a marketing team within their organisation. The core task for any good marketing agency is to get to know the business and learn to operate as though from within it, but bad experiences with an agency can reinforce the idea that marketing is best kept in-house.



Save time?

Liaising with external agencies can take up a significant amount of time. This is especially true when one or both parties is working inefficiently, with a lack of a clear process.

The disadvantages:



Lack of expertise?

It can be challenging to stay ahead when you're focused on your core business. This is why many in-house marketing teams are behind the curve when it comes to the latest techniques in digital marketing, search engine optimisation and business to business lead generation. This is in contrast with the many agencies emerging that specialise in these and other important new disciplines.



Lack of objectivity?

A successful marketing strategy demands the ability to maintain a fresh outlook and the drive to constantly challenge old ideas in search of the best way forward. In-house marketing may be constrained by the limits of its corporate culture. This is why a fresh outside perspective can prove so powerful in taking a business forward.



Lack of access to technology?

This isn't about computers or telephones, but specialist software and applications designed to make the processes of market research, lead tracking and inbound marketing as streamlined and efficient as possible. While these tools may not be available to small businesses, marketing agencies depend on them to produce the outstanding results demanded of them.

KEEPING YOUR MARKETING IN-HOUSE: 4 QUESTIONS YOU NEED TO ASK YOURSELF:

01

“Have I set my goals?”

In other words: “Do you have a plan?”. *The value of deciding and defining your aims at the outset cannot be overstated. Too many organisations, large and small, have suffered the consequences of failing to do so in the form of lost revenue, opportunities, market share and reputation.* In recent times, many companies have hastily stepped on board with social media and internet marketing, forgetting the fundamental importance of mapping out a clear and intelligent strategy.



02

“Have I identified necessary skills and resources?”

When putting together an in-house team, you can only afford to choose the best people. If you don't have the guarantees of experience and expertise that specialised marketing agencies bring, it's even more important to spend time finding people who are fully equipped to do the best possible job in-house. The first step towards this is identifying exactly which skills you need your marketing team to have.

03

“Have I effectively set a budget?”

Set out a clear and detailed financial plan for your marketing strategy and not only will you be able to plan ahead and foresee costs, but you'll also be able to review the process more effectively and see you can reduce your costs and refocus your budget, if required. This strategic approach allows you to identify the most profitable activities and allocate your resources to just the right place and purpose.

04

“Can I measure my results?”

No-one has bottled success yet. But it is possible to measure it. To do so, ensure that your marketing team is fully set up to monitor the metrics of success, to account for all the costs, to gather relevant data about your visitors, leads and opportunities at every stage of the process and to demonstrate them to you clearly and concisely.

OUTSOURCED MARKETING: THE POTENTIAL ADVANTAGES AND DISADVANTAGES

Markets are changing fast – and specialist agencies and marketing companies are adept at developing finely tuned strategies to supply the new demand for online lead management, pay-per-click (PPC) advertising, search engine optimisation and more. It's this expertise that helps SMEs to stay competitive on a global scale, whilst relying on good value and transparent accountability. So what are the key pros and cons to outsourcing your marketing?

The advantages:

It helps to have the experts on your side

One of the major benefits of outsourcing to a high quality integrated marketing agency is that your choice puts



a team of experienced and expert people at your disposal. A good agency will be able to apply their specialist knowledge to your business – and will know how best to build in the newer methods right for your market, whether that is mobile advertising, Adwords or targeted email marketing.

Why go for everyday technology when you can have the latest?

A good marketing agency will have access to specialist information technology packages to coordinate and maintain your marketing strategy. These will help save costs and also ensure you connect with potential customers in the most effective way. Plus, you'll benefit from transparency and accountability. This resource will also mean you stay up to date, as and when new marketing channels emerge – all helping you to stay in the lead.

Think bottom line, not cutting corners

Initially, a business can find that starting work with a marketing agency involves some time and costs for briefings, discussions and meetings. But this is an investment which, done right, helps to create a well-planned and successful marketing strategy. Outsourcing marketing also frees up time and labour in your company to keep the focus on your core business.

Research has shown that working with an effective agency is more cost effective than an in-house approach, although internal resources are initially vital to the process. In fact, agencies with a slick inbound approach are 60% more cost effective than an inhouse team.

The Disadvantages:

Risk of cost

Adopting outsourced marketing can be costly if the approach is sporadic and uncoordinated. Fail to invest time in proper planning and you can end up with stop-start bursts of activity - leading to a far greater cumulative cost than an effectively maintained strategy.

Risk of inconsistency

Another risk associated with failing to plan initially is ending up with marketing output that doesn't properly reflect the needs or identity of your company. Working closely with a good marketing agency should support your marketing strategy with a process that is appropriate, repeatable and transparent.

Choosing the wrong agency

Don't get into bed with the wrong agency. Wrong means an agency that lacks the all-important capacity and capability to meet your needs. Or one that isn't focused on your goals. So make sure that the agency you choose has the right mix of values, vision - and that it can verify that it genuinely has the experience and expertise to grow your business.

OUTSOURCING MARKETING: THE QUESTIONS YOU SHOULD ALWAYS ASK A PROSPECTIVE MARKETING AGENCY

Asking the right questions at the start could save you a great deal of time, trouble and expense. Just think of it as a job interview for ensuring your business growth.

“Can you meet the needs of my business?”

Never let yourself get seduced by extravagant claims and shiny premises; the bottom line when it comes to selecting a marketing agency should be whether or not they can deliver what your business needs. To do this, you need to be clear from the outset what your business needs are - both short term targets and long term aspirations.

Working with the right marketing agency to develop the detail and identify the perfect approach is the key to creating an effective strategy.

“Do you have the experience and expertise I'm looking for?”

One of the major pros of working with an external marketing company, whether integrated or digital, is that your business can benefit from the experience that the agency has gained whilst working with other companies, possibly in your sector. Be sure to capitalise on this by choosing an agency that can demonstrate its past achievements and ensure your future success.

“Do you have the right technology platforms?”

When it comes to measuring the success of your campaigns, new IT packages and technological tools are central. They help to both support transparency and to deliver an effective and modern marketing solution.








“Do you have a continuous improvement process?”

This is about the agency having a process that is simple to understand, easy to follow, repeatable and, most of all, measurable. Don't be afraid to ask for full transparency and gather as much detail as possible about the process they follow, and the successes they've had.

IN-HOUSE VS. OUTBOUND: HOW TO MAKE IT WORK FOR YOUR BUSINESS

Asking the right questions at the start could save you a great deal of time, trouble and expense. Just think of it as a job interview for ensuring your business growth.

Whether you choose to keep your marketing in-house or to outsource it, it's a decision that could have a serious impact on growing your business and your revenue. Keep in mind some key tips to make the choice work best for you:

-  **There's always a bigger picture - keep it in sight**
Look at your market, your business and where you want to be in one, two, five years or more down the line and thoroughly assess the resources you need to get there.
-  **Keeping the knee jerk out of marketing reaps better rewards**
Resist the temptation to have a knee jerk reaction to changes in your market or in technology. Instead, think long and hard and get expert advice to ensure that you take a more profitable long-term approach.
-  **Don't be afraid to see what's really working - and what's not**
If your marketing is currently done in-house, think hard about whether the team is meeting all your needs and maximising on new technologies - or whether it could benefit from additional outside support.
-  **Look at choosing a marketing agency as one of the most important job interviews you'll ever undertake.**
Don't be afraid to ask clear questions about how a marketing agency could help you achieve your goals. If you're speaking to different agencies, ensure you ask them the same set of questions to gain a clear picture of whether they are right for your business.
-  **See past the hard sell and the sharp suit**
When you speak to marketing agencies, don't be swayed by any hard sell you might encounter. Make your decision based on evidence of their ability to achieve your marketing goals - and their capability to get you there.
-  **Keep costs down, but don't cut corners**
Keeping costs down is very important, but don't let cutting corners get in the way of long-term strategic business development. Spending both too little or too much on your marketing can cause problems. The key is to identify the optimum spend for your marketing budget and achieve a maximum return on investment.
-  **Make assessment a repeat performance**
In-house or outsourced, make sure you have a clear plan for continually assessing what your marketing is achieving and how it can be improved.



8

Transparency and accountability are your new best friends

You can only get to your marketing goals with the right level of transparency. A good agency should be able to guarantee this. Everyone involved should be aware of the strategy, the tactics and the results. So insist at all stages for your agency to measure the goals and stay accountable for the results.

9

Don't ignore your marketing agency

Finally, if you do choose to work with a marketing agency, don't waste their expertise and skills. Involve them in management team decisions, keep them up to date and keep them in the loop. That way you'll create a strong, cohesive marketing strategy that helps you achieve your business goals.

Want to know more about how to increase your leads and revenue with more effective marketing approaches? [Download our eGuide 20 Ways to Generate Leads from Inbound Marketing now.](#)



■ IMAGE CREDITS

Tomorrow People would like to thank emdot and Flickr CC for photo usage.

Front cover image: emdot Flickr 2011