



How to Make the Decision: In-House vs. Outsourced Marketing

So, you're part of the 38% of business-to-business (B2B) companies that handle marketing in-house.¹ Congrats! That means you've found ways to sidestep the time, budget and skillset limitations that sink so many in-house teams' marketing efforts. Or . . . maybe not. And that's okay.

Hitting the "Marketing Ceiling"

The truth is, whether you're running marketing effectively in-house or you're treading water trying to carry the marketing workload by yourself, you will eventually hit the "marketing ceiling." That's the point where you simply lack the time to keep up with your workload or you lack the specialized skills to address your marketing needs effectively.

More than two-thirds of B2B companies outsource marketing, according to the 2019 RightSource report.³

Hitting the marketing ceiling forces you to make an inevitable decision: Do you hire someone and continue running the operation in-house, or do you outsource marketing to a partner? Both options present unique considerations that will impact your staff, budget and marketing capabilities.

SHRM reports that "recruiting and hiring while the nation struggles to recover from the coronavirus pandemic" will remain a top concern going into 2021.⁴

24%

of B2B companies don't have a formal marketing plan.²



Approaching the Decision

IN-HOUSE CONSIDERATIONS

Upon hitting the marketing ceiling, many businesses consider hiring an in-house marketing resource. This presents you with a variety of benefits and forces you to answer a few key questions. Let's explore the benefits first.

Control

Having a dedicated marketing resource on staff gives you a greater level of visibility and control over your marketing activities. You'll be able to personally oversee individual tasks, track time and budgets and inspect quality of output. This gives you a great advantage if you want to continue to drive elements of your marketing strategy and operations, but it can be burdensome if you're looking to get marketing off your plate altogether.

Integration

Having an in-house resource also makes it much easier to integrate marketing efforts with your other business activities. For instance, when a product-positioning change happens on the sales side, it's much faster to adjust your marketing efforts on the fly when your resource is just down the hall. Financially, it's also much easier to get a unified picture of things like marketing dollars spent vs. invoices delivered.

Those are the benefits, and they're quite attractive for many decision makers. But hiring in-house marketing talent also presents you with a few key questions to answer.

Questions to Answer Before Hiring In-House Marketing Talent

1 What roles are you trying to fill?

Hiring a “marketing person” can mean anything. Before you bring a team on board, be clear about what you *actually* need. If you need additional support with paid advertising, great! You’re shooting at a well-defined target.

Beware of trying to kill two birds with one stone, like hiring someone to manage both marketing *and* sales activities. Not only will this person be more expensive, but you may also run into a “jack of all trades, master of none” situation. In these cases, you may want to consider hiring multiple people or bringing someone in-house to perform one role and outsourcing everything else.

2 Are you willing to pay more for a person with a broader skillset?

If you do try hire someone for multiple roles, like managing marketing and sales, make sure you have the budget for it. This role will require a ton of time, effort and skill, and your person is going to expect to be compensated for it.

Another note of caution: finding someone who’s adept at a variety of skills – marketing and sales strategy, business development, people management, etc. – can be challenging. Just because they *can* fill many roles doesn’t mean they enjoy each one equally which often drives them to favor what he or she is most comfortable doing, leaving their other responsibilities neglected.

3 How will you measure their value?

Your in-house marketing resource is an investment, and like all smart investments, their value contribution needs to be measured. What’s more, it needs to be clearly defined and communicated up front.

The metrics you use to measure the value of their contribution will depend on the role. For example, an employee filling a sales role is measured on their ability to generate leads and close deals, while someone managing social media might be measured on engagement and adding followers.

The last thing you want is misalignment between the role being performed and the measurement and expectations of the performance.



KEY QUESTIONS

1. Do you have a clear idea of the position you need to fill?
2. Can you afford to be competitive in the hiring market?
3. Are you prepared to measure performance effectively?

OUTSOURCING CONSIDERATIONS

Marketing is complicated — much more complicated than it was 20, even 10, years ago. Today, there are so many marketing tools and channels for you to engage with. The 2020 Marketing Technology Landscape shows 8,000 tools on the market, with one in five of them being completely new.⁵ Google alone changes its search algorithm 500 to 600 times every year.⁶ At that pace of change and innovation, it is impossible for even the savviest marketer to know if they're leveraging all the right channels and platforms. Plus, who has the time to conduct round-the-clock research?

Think about everything this person will need to do:

- » Marketing strategy
- » Content development, marketing and strategy
- » UX/UI
- » Social media strategy and management
- » SEO/SEM
- » Webinars and virtual events
- » Paid advertising
- » Email marketing and automation
- » Branding
- » Sales enablement
- » Field marketing
- » Channel marketing
- » Graphic design
- » Video production
- » Funnel management and nurturing



It's rare to find someone with a skillset of this depth who also understands your business well enough to design, develop and deploy campaigns at the speed and frequency needed for constant lead generation and brand awareness. And even if you do, there's no way they'll have time to do everything. That's why many businesses find success by partnering with a team that offers expertise across all areas of marketing.

What this looks like:

1 *A Combination of Expertise and Efficiency*

By outsourcing marketing to a partner, you're able to leverage expertise and operational efficiency that you wouldn't be able to replicate in-house. Depending on the team you select, this expertise might include integrating a robust MarTech stack, strategic changes to social efforts, and anything in between. Simply put, you'll get effective, tried-and-tested marketing that makes smart, transparent use of your investments.

2 *Cost-Effectiveness*

Outsourcing to a marketing partner costs less than hiring a full-time employee. Think about the total investment that goes into recruiting and training talent on top of their salary and benefit package. The average company loses anywhere between 1% and 2.5% of their total revenue in the time it takes to bring a new hire up to speed which can take anywhere from 8 to 26 weeks.⁷ Hiring a marketing agency saves you this time, money and headache.

3 *Scalability*

Your services from a marketing agency grow with your business. You can ramp your investment up or down whenever you like based on your demands, saving you from having to put in 10-hour days or scour the talent pool at the 11th hour when a new marketing need crops up.

4 *Objectivity*

A marketing company's external perspective allows them to challenge your business with difficult questions an in-house person probably wouldn't think (or dare) to ask. This gives you a huge advantage in solving complex business problems because your outsourced partner will have done the research, collected the data and fine tuned their breadth of experience and expertise to steer your investment in the right direction.

5 *Staying Focused*

If you're undertaking all the marketing efforts on your own, then you're not getting the time you need to stay focused on your business. Allowing an external team of professionals to handle the day-to-day marketing tasks frees you up to continue providing a top-notch product or service and keep growing your business.

Outsource or In-House: An Example Case

ABC Software Company wants to increase engagement with prospects and customers online in an attempt to close more sales.

OUTSOURCED OPTION: HIRE A MARKETING COMPANY

What That Looks Like:

Even if they hire a public relations and content expert, ABC Software can outsource other key marketing roles to achieve their sales goals:

Building campaigns in marketing automation tools

- » Messaging
- » Logic/branching/flow
- » List segmentation
- » Web integration
- » CRM integration
- » Data cleansing
- » Analytics interpretation & reporting
- » Data analysis
- » ICANN (spam) compliance
- » Social channel setup/integration
- » A/B testing

Online advertising management

- » Bidding
- » Targeting
- » Remarketing
- » Research
- » Multiple platforms/tools
- » CPC/CMC

Web development and maintenance

- » CMS
- » HTML/PHP/JavaScript coding
- » Web security & hosting
- » Domains/DNS management

Webinars

- » Content production
- » Public speaking
- » Promotion
- » Invitations
- » Reminder and post-event campaigns
- » Confirmations
- » Administration
- » Registrations
- » Tech support
- » Moderation
- » Recording
- » Video post-production

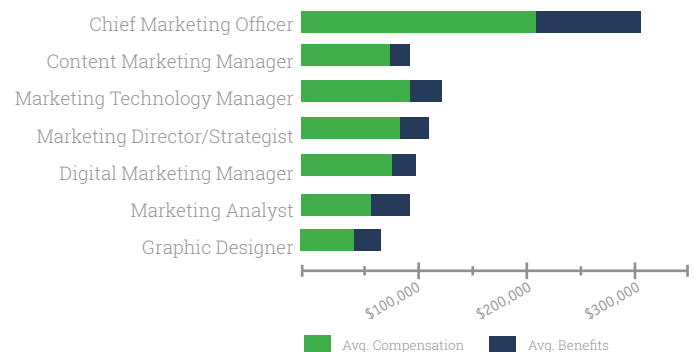
IN-HOUSE OPTION: HIRE A FULL-TIME TEAM THAT CAN "DO IT ALL"

What That Looks Like:

Total compensation for a marketing team is ...

\$891,610.54.⁸

Is your company prepared to spend this much capital?



Start with Your Marketing Needs

Making an in-house vs. outsourced investment for marketing isn't always a straightforward decision, which is why it begs that you take an honest look at your business. You should always start by examining the marketing activities you'll need along with the position's payroll implications and choose the model that works best for your company. Most importantly, do a full analysis of the costs associated with your needs.

At the end of the day, the decision of whether to hire an in-house employee or outsource to a marketing partner is yours, so you'll want to consider every possible variable and opportunity – like taking advantage of a free consult with Access Marketing Company!

If you're mired in the in-house vs. outsource debate, give us a call at **720-536-8650** to see if we have the deep experience, broad skillset and winning personalities you're looking for in a marketing partner.

ABOUT ACCESS MARKETING COMPANY

Access Marketing Company is a marketing partner for B2B companies. Our team is great at the "hard stuff" other agencies can't or won't do like market technical products and services to nontechnical audiences, develop in-depth yet engaging content pieces and take on top-to-bottom funnel marketing. Essentially, we "engineer your marketing program" with measurable tactics to increase business profit.

Our methodology focuses on clearly identifying and segmenting audiences, developing audience-specific messaging and building marketing systems and campaigns around those elements – using marketing tools *and* expert marketing practices – to increase the flow of prospects through your funnel.

¹"2021 B2B Marketing Mix Report" (Sagefrog Marketing Group, 2020), https://f.hubspotusercontent10.net/hubfs/455263/Sagefrog_Marketing_Mix_2021_Report.pdf, 3.

²Ibid

³Insource, Outsource or Hybrid: How to Build the Most Effective Marketing Team" (Right Source Marketing, 2019), <https://www.rightsourcemarketing.com/resources/ebooks/insource-outsource-or-hybrid-how-to-build-the-most-effective-marketing-team/>.

⁴Maurer, Roy. "Recruiting Is Top HR Concern in 2021." SHRM. SHRM, January 5, 2021. <https://www.shrm.org/ResourcesAndTools/hr-topics/talent-acquisition/Pages/Recruiting-Is-Top-HR-Concern-2021.aspx>.

⁵Brinker, Scott. "Marketing Technology Landscape Supergraphic (2020): Martech 5000 - Really 8,000, but Who's Counting?" Chief Marketing Technologist, April 23, 2020. <https://chiefmartec.com/2020/04/marketing-technology-landscape-2020-martech-5000/>.

⁶How Often Does Google Update Its Algorithm?" Moz. Accessed October 25, 2021. <https://moz.com/blog/how-often-does-google-update-its-algorithm>.

⁷Written by Mile Zivkovic, "The True Cost of Hiring an Employee in 2021." Toggl Blog, March 1, 2021, <https://toggl.com/blog/cost-of-hiring-an-employee>.

⁸Insource, Outsource or Hybrid: How to Build the Most Effective Marketing Team" (Right Source Marketing, 2019), <https://www.rightsourcemarketing.com/resources/ebooks/insource-outsource-or-hybrid-how-to-build-the-most-effective-marketing-team/>, 6.

