

marketing outsources

 *strategy to delivery*

It is time for a new way to run marketing...

# An introduction to Marketing Outsourcing

# It is time for a new way to run marketing

The recession is biting and with it comes the pressures. The pressure to cut costs, yes of course, but also the pressure to sustain sales to get as much from the market as you can.

## **The message of Black Monday, Tuesday, Wednesday, September, October etc.**

With the new economic reality and shrinking budgets, management must now drive down costs yet demand improved performance with a smaller headcount.

Which means that the timing was never better for outsourcing marketing and resources; no simply the specialist functions as has long has been the norm, but complete outsourcing of all aspects of marketing including direction, staffing and administration.

This means each client can be provided with a one-stop, one budget bespoke solution for the complete marketing function.

So put simply, outsourcing marketing \* takes the increasingly accepted concept\* of interim management and \* of retained agencies to the next logical step. In an outsourcing arrangement, top flight marketing consultants and managers work\* closely with specialist agencies to an agreed strategy and budget, in a well constructed and established operating process to deliver set objectives and planned targets; and all to the highest possible standards with no waste and no effect on overheads. Outsourcing marketing solves the eternal conundrum: how do you slash costs and build sales simultaneously?

## **In other words marketingoutsources: not a moment too soon.**

[www.marketingoutsources.com](http://www.marketingoutsources.com) is launched this month. It is designed entirely for the complete outsourcing of all aspects of marketing from strategy to delivery.

Marketing Outsources has assembled a team of consultants and managers in conjunction with a loyal coterie of agencies and suppliers to fulfil every possible marketing requirement.

And this means that they can provide each client with a one stop, one budget bespoke solution.

## **A new approach**

The Marketing Outsources approach is based on 4 principles:

- 1 Diligent planning**
- 2 Stronger communication**
- 3 Technology utilisation**
- 4 Established process and reportage**

Let's look at each of these in a little more detail:

## Diligent Planning

At the heart of marketing is developing the optimum strategy and planning it properly.

In practice marketing departments are in effect project management departments, handling and delivering a series of projects from a myriad of agencies and resources. Although this work is carried out often without the formality or in-depth appreciation of the specific skills and disciplines of project management.

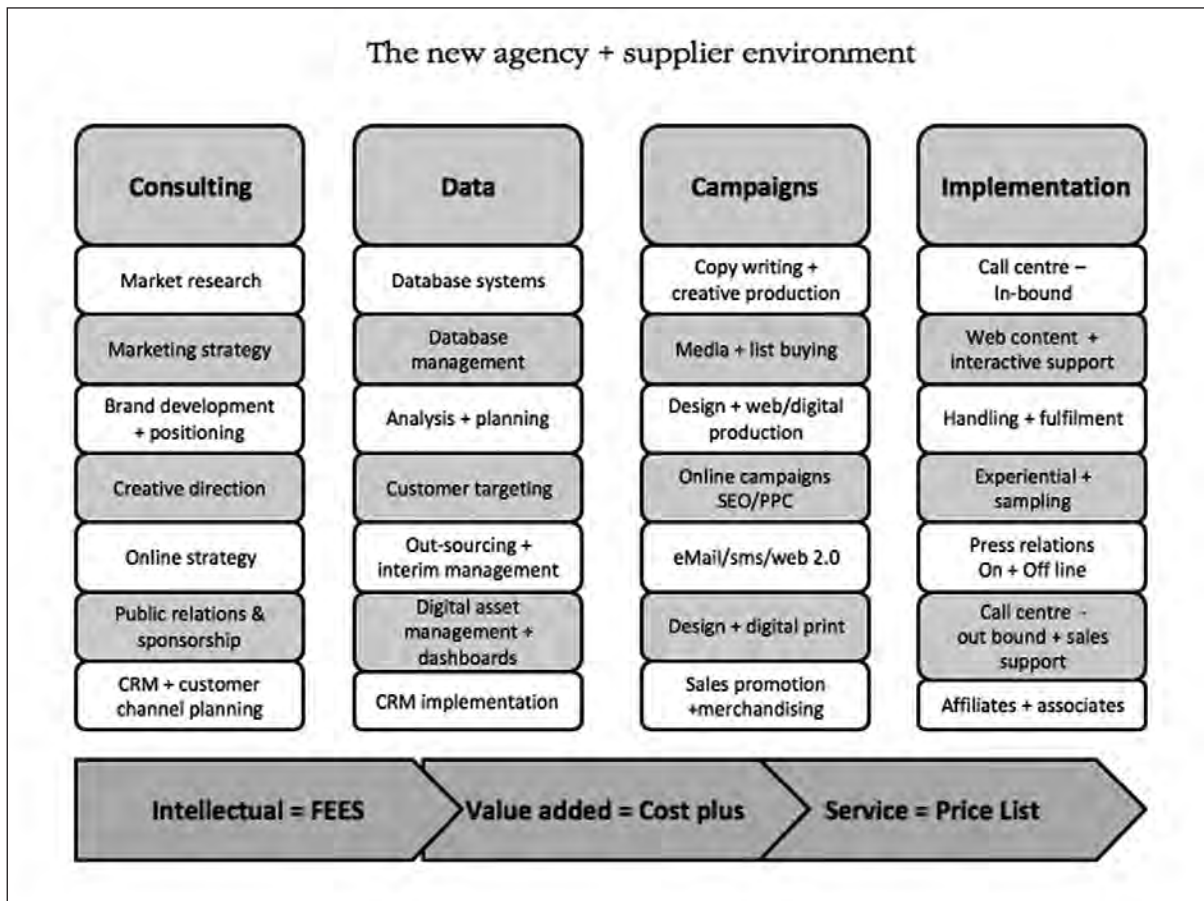
However, the increasing diffusions of the marketing process from data to?? transfer, from brand to channels, from online to offline, have meant an increase in the complexity of the planning process. In setting out to embrace all the functions of marketing as practised today, Marketing Outsourcers embraces not only the common elements but also customer targeting and the pursuit of data ( including CRM ) and the disciplines and functions around the web and digital agencies and technologies.



As part of the internal structure and process, Marketing Outsourcers embraces all these functions and adds to it the capability of board representation. Specialists are brought in as required at the appropriate juncture, cutting out unnecessary waste yet building overall expertise in a complex plan.

Yet this is only half of the overall outsourcing framework. To this we bring a breadth of understanding and a series of relationships to \* fully embrace every element more comprehensively than is possible by any one individual.

The agency landscape has changed dramatically over recent years from one central advertising 'agency of record' to a myriad of agencies, some technology driven rather than by customer understanding. It is common for such agencies to only see results at the expense of the brand. Yet their involvement and utilisation is vital as is the impact, growing capabilities and universal utilisation of the web-driven digital landscape pervading all commerce and communications. Many of the new agencies have revenue models and income streams which are unfamiliar to 'traditional' marketers.



As a consequence of this new landscape and its diversity, much emphasis is placed on providing an integrated solution. In this new model of operating the marketing function, Marketing Outsourcers is uniquely placed to provide such an integrated solution.

Firstly, by using accurate targeting to balance online activity and offline ('traditional media'), Marketing Outsourcers establishes common operating practices and reportage, all the while working to constant ROI and KPI measurements; secondly, by seeing the brand as the fulcrum to lift the power of the web above that normally achieved by technically biased agencies. And doing so in a disciplined project management style highlighting roadblocks, milestones and facilitating cooperation.

### **Stronger creativity**

At the heart of all marketing is the brand.

How it is positioned, how it looks and how it is communicated; working as a platform for relevant sales and product messages for customer and media channel alike.

Yet the brand name comes under real pressure in its appearance online. The dictates of Google 'flattens' all aspects of branding and the current practices see apparently empirical data as more important than attitudes and awareness.

So branding is at the heart of Marketing Outsourcers output.

Strengthening the brand, showing how it works everywhere it is needed and then developing strong, creative campaigns to take its message relevantly to the right audiences at the most appropriate moment.

By taking an overall view 'The creativity of the brand umbrella' lifts the overall performance and drives integration in an improved way over traditional marketing management.

So by being creatively led through the brand and being both media savvy yet totally media neutral, Marketing Outsourcers delivers stronger creativity across the board in a way which improves upon the internal management function alone.

## **Technology Utilisation**

Today technology pervades all we do yet it seems its take up is inevitably patchy? Although more often it is the smaller organisations that by being inherently more flexible can take up the technological advantage.

Marketing Outsourcers fully exploits the many new technological advances to fulfil its role; collaborative tools, constant contact and information access.

At the same time the many advances in online communication, faster data analysis and digital delivery provide improved implementation.

## **Established Process and Reportage**

From a client perspective the appeal of Marketing Outsourcers means a single point of contact freeing management time for other areas of the organisation.

Established consultants leading each project, work to well trodden working practices giving a quick yet consistent view of all activity carried out within well disciplined principles.

In each project and for every client our planning process involves agreeing overall ROI and KPI with a marketing dashboard constantly in view to see current performance.

## **So what is the argument for Marketing Outsourcing**

As the last recession grew in depth, IT and other aspects of customer management (particularly call centres on expensive platforms) were begun to be outsourced.

Whilst successful at driving down costs, lessons have been subsequently learnt particularly in the need to sustain quality and management ethos through the process of outsourcing. With this in mind the recession provides the backdrop for marketing outsourcing.

As we already have seen, in effect the marketing function has already been functioning well through outsourcing.

Two changes have driven this process.

Firstly, the proliferation of marketing activity itself coupled with the widening supplier resource. Secondly the increasing short term view of the role of the Marketing Director. (The average length of term is only 22 months). Arriving, then being asked to re-position to a new strategy - then often simply leave!

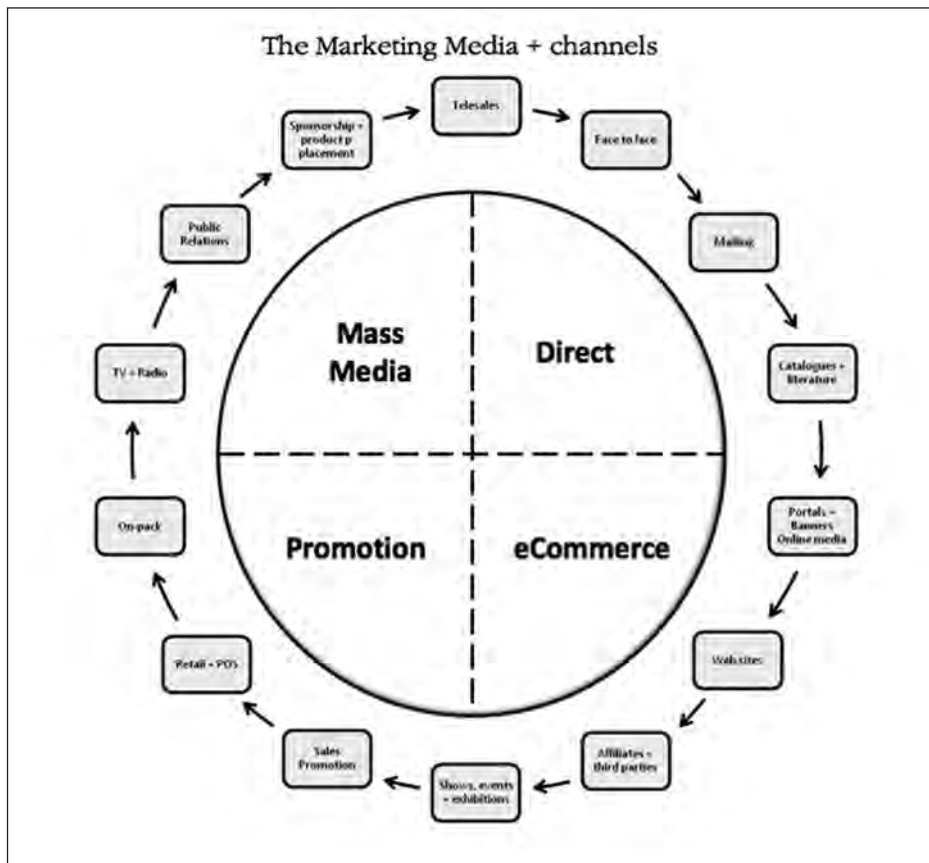
These two factors have created the right environment for outsourcing marketing.

Readily available senior marketers with a retinue of specialist delivery agencies can now provide the optimum solution.

## **What areas of media does Marketing Outsourcers cover**

To best plan marketing, the widest possible consideration of all elements of marketing media should be considered.

In having a team of top directors who inevitably have a bias towards one particular discipline or specific market Marketing Outsourcers can consider a wider landscape.



### Cost savings – how are they actually achieved?

As in an outsourcing solution you only pay for the actual amount of time specifically spent on your account. The next figure shows current average salaries of the key functions in marketing.

Position	Salary
<b>Marketing Director</b>	<b>£84k</b>
<b>Marketing Manager</b>	<b>£44k</b>
<b>Marketing Executive</b>	<b>£23K</b>
<small>Marketing Week Survey 2008</small>	

To these figures must be added the increased costs of recruitment, training, holidays, pensions and sickness and other benefits. Marketing Outsources offers complete flexibility related to specific needs.

### The alternatives compared

Having a Marketing Director on the payroll may prove very costly, yet in real terms the need to establish strategy and develop brand and creative positioning is paramount in the role.

However, it is practicable to be done in a single burst of activity, whilst the on-going role remains that of 'monitoring and control' and reviewing with the board.

It is then the Marketing Manager who will get things done but may need help in keeping to the brand values and operational standards. The outsourced solution offers the complete answer to all these issues providing the right weight of activity when needed, in the most cost effective way.

The changing nature of marketing, the ever-burgeoning encroachment of all things 'e' from web to digital, from website to SEO & blog, the emergence of new channels and new media, all mean it is very difficult to appoint just one agency to manage all the marketing activity. Some have great technical skills whilst others emphasise creativity – usually at the expense of technical knowhow. Whilst the rise of the consultant means that there seems to be a wider choice yet, he/she often comes with limited experience and limited acceptance of the need for implementation.

So Marketing Outsources not only has the potential to cut costs it also offers a better considered outcome as figure five demonstrates.

	Strategy & Board Input	Strategy & Board Input	Creative	Planning	Implementation	Manage review & report
Manager alone		✓		✓	✓	
Director & Manager	✓	✓		✓	✓	✓
Consultancy	✓	✓				
Agency			✓		✓	
Outsource Arrangement	✓	✓	✓	✓	✓	✓

### So is Marketing Outsourcing right for your organisation?

Whilst it is easy to consider outsourcing marketing on cost grounds alone, in fact we emphasise the improvement in planning and creativity which actually improves marketing effectiveness and sales performance.

So marketing outsourcing is geared to help growing companies who have yet to create a marketing department, as much as those who now wish to downsize.

The recession will inevitably yield takeover, merger and acquisitions activity or perhaps companies and brands stripped of resource through administration. It is to these circumstances that Marketing Outsources is ideally suited.

In summary the benefits of outsourcing are already well known: from improving company focus whilst freeing resources to controlling costs yet widening facilities. Now Marketing Outsources makes these benefits available to the functions of marketing.

And recession or no, the benefits mean sharper working, better outcomes as well as lower costs.

# 10 reasons to consider Marketing Outsourcing

1	Tap into additional expertise in strategy, implementation and creativity
2	Get an outside balance of perspective which is both media and discipline neutral
3	Minimise the impact of any staff reduction
4	Reduce risk by working with experts with a profound knowledge of what works and what doesn't
5	Moving to outsourcing means managing the momentum through change
6	Matching resources to the current need
7	Improved reportage and process management through experienced utilisation of project management
8	Ongoing control of costs and measurement of performance
9	Access to a broader spectrum of resources and facilities without costly selection and review procedures
10	Single point of contact frees up top management time

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He is a fellow of the Institute of Sales Promotion, long standing member of The Marketing Society and co-author of The Marketing Director's Handbook.

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