

Source

Outsourcing - The solution to scaling your agency?

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Introduction

To outsource or not?

Outsourcing has a great appeal. Beyond being budget friendly, it helps you create quality results and allows you to focus on the digital aspects which remain in-house.

But outsourcing does present its own set of challenges. Many companies have faced negative outcomes from outsourcing just because they were convinced to hire an agency after talking to the sales guy but faced issues when put in touch with the actual team, mainly because of language barriers. But the question remains: Is outsourcing to be blamed? Not really.

Outsourcing can be a great solution to scaling your agency but before jumping on this wagon, it is crucial to see how outsourcing should be aligned with your marketing goals.

BENEFITS OF OUTSOURCING



The most obvious benefit is cost savings that outsourcing brings about. You can get your job done at a lower cost and at better quality as well.

Increased Efficiency

Outsourcing brings in years of experience in business practices and expertise in delivering complex outsourcing projects.





Faster and Better Services It makes your service offering better with high quality deliverables and decrease the lead time it takes to reach the marketplace.





Outsourcing versus in-house

This is not a black and white territory. Both outsourcing and in-house come with their own pros and cons.

In-house can be monitored more easily. But in-house is not easily scalable. You need more resources to manage the people who are new additions to the team and also more investment.

Outsourcing, on the other hand, demands less attention. While that saves time and money, it can go wrong due to lack of control, communication (and all those language barriers).

So there's no clear winner.

But you can still rely on outsourcing to take up some of your digital responsibilities and at the same time, you can keep in-house what you do best.

Life without outsourcing

Life without outsourcing looks like this:

Copywriter, \$60k p.a. Marketing Manager, ~\$100k p.a. Social Media Manager, \$30-50k p.a.

Additionally,

As per <u>CareerBuilder</u> 41% of companies reported that the cost of a bad hire was more than \$25,000.

Plus when you build your own team, each resource requires someone to manage them. Without supervision, you cannot expect a smooth execution of work.

Outsourcing reduces expenditure on employees as well as software. Plus it reduces the time expenditure.

When you choose to outsource, you leave all the hassles to the digital firm.

Benefits of outsourcing

Here are the benefits that outsourcing brings:

1. The hassle of training an in-house team is eliminated

When you outsource, the challenge to train your in-house team to stay updated with the digital trends, is eliminated. Partnering with a reputed and seasoned firm helps you in learning new things from them, as a result knowledge and quality improvements happen together. This also allows you more time to create space for innovation.

2. All outsourced digital responsibilities are fulfilled even during the holiday season

With outsourcing, the responsibility shifts to the agency. This means that your outsourced marketing activities continue at the same pace even when you are not available.

3. You can focus on other digital activities

To ensure a seamless digital framework, you need to pay heed to other core components and also manage your in-house teams. Outsourcing allows your account managers to spend with your existing clients. As a result, you can focus more on growing your existing accounts and looking for new ones. Additionally, it offers you more time for research.

4. Outsourcing offers a level field to agencies of all size

Due to a lack of resources and money, small agencies often struggle to compete against bigger ones. Because they are unable to shell out the same amount of money as a big firm can (for an in-house team), outsourcing places them on a level field.

5. You do more with less

Digital marketing is no longer a product business. This means that when you outsource, you get a comprehensive bundle of digital packages. Outsourcing lets you employ a combination of skill sets and offer complete solutions to your clients. For instance, your content can be a mix of videos, infographics etc than just being text based.

Outsourcing: Challenges

Some common problems with outsourcing

Outsourcing can pose certain challenges which can either originate from your end, theirs or due to miscommunication. Here is a glimpse of some common problems:

- Failure in guiding your outsourcing agency

Before you outsource your marketing responsibilities, you need to lay out detailed guidelines to ensure that the agency understands your business requirements. Most outsourcing problems stem from lack of requirement analysis.

- Not laying down the success metrics

For any in-house activity, we decide on some metrics against which we can measure success (as well as failure).

But one common problem with outsourcing is that we tend to forget to put these metrics in place and the result is that we often have no idea about where we are heading.

- Using outsourcing for customer interaction

The digital marketing space is filled with jobs that involve direct communication with the customer. But outsourcing these is not a good idea. Because customer critical tasks require personal attention.

- Communication barriers

Communication barriers which emerge from linguistic differences, are very common in outsourcing. Additionally, when the communication window isn't pre-decided (especially in case of different time zones), outsourcing may create problems.

Fixing the outsourcing problem

- Create an exhaustive requirement documentation

The way you create a job description for available profiles, you need to follow the same approach when creating an outsourcing document. Because you cannot invest in an agency blindly. There are still the same criterions to meet. So whether you need copywriters or social media managers, make a detailed list of every skill set you require.

- Prevent communication delay

Communication barriers are more prevalent in outsourcing scenarios which can create a feeling of lack of control. For a smooth execution of deliverables, it is important to keep a common touchpoint for seamless communication. Some agencies do it through CRMs where you can track things in real time on a common work portal.

- Draft an exit strategy

Every outsourcing agreement should implement a safe exit strategy. It is crucial to clearly define the terms for disengagement so you can terminate the contract if at any point you feel dissatisfied with the work.

What stays in-house?

When outsourcing your responsibilities, the first thought is to outsource "everything".

But there are some aspects to your digital responsibilities which must always be handled in-house. Some such activities include handling customer's data, keeping track of and analyzing the ROI.

Additionally, any marketing demographic which involves direct communication with the customer, should remain confined within your office boundaries. Because outsourcing these services projects you in a bad light and gives the impression that you don't care about your customers.

Hiring a digital agency? Ask these questions.

1. Do you have a full time working team or do you hire freelancers?

The quality of service delivery ultimately depends on the people your agency has picked. And to save costs, it is possible that they hire a bunch of freelancers to perform the tasks; these freelancers, however, do not get involved in strategic planning or creative execution.

But if your agency has a dedicated team of its own, then all of these aspects will come as a part of the outsourcing package.

2. Do you offer a fixed package of deliverables or do you offer customisation depending on the requirements?

If the agency refuses to offer any customisations, it indicates a lack of flexibility. And you must not settle with it.

When you are looking to hire a digital agency, it is important to keep in mind that you need someone who is flexible enough to accommodate your requests and take time to understand your business.

3. How often will we meet during the engagement?

In case of remote assignment handling, personal interactions are not possible. But if the agency is willing to come to your office and also hosts you when needed, then it is a healthy sign. Not only does it show dedicated involvement, it also reflects the willingness to build better relationships.

Also, you must check whether the agency has the infrastructure to stage regular virtual meetings as it helps ensure accountability on their part.

4. Do you have certified people with valid certifications for the services being offered?

When you outsource a portion of your digital responsibility, it makes sense to invest in an agency which employs people with valid certifications. Like when you outsource your SEO responsibilities, you can inquire about certifications like Adwords Fundamental Course or Google my business course by Google.

5. How do you ensure a smooth communication process?

Ask what systems they have in place to ensure proper communication so you don't feel a lack of control. Many agencies employ CRMs to allow you to monitor work progress in one place. These systems also offer the option to escalate issues when they do arise.

Also, find out what is the TAT window for any queries.

Conclusion

For an outsourcing partnership to yield positive results, the first step is to understand your own requirements because only then you can communicate your goals effectively.

Additionally, it is important to address the common challenges before you jump on this wagon. Because your share of the responsibility doesn't just end with picking an agency.

Once you have outsourced your marketing, you must also track and record the results. Is the investment giving positive returns? Are the deliverables meeting the quality benchmark?

Because if things aren't working out, then you will only become aware of the situation if you are constantly monitoring the outsourced projects.

Outsourcing isn't about shifting the entire burden to someone else; it just creates the doorway to shared responsibilities.

Still thinking about whether to outsource or not? Here's a tip: "Do what you do best, keep it in-house and outsource the rest."