How to Stop Clients Taking Their Marketing In-House

There have been endless debates on whether or not businesses should elect to run their digital marketing in-house or hire an agency. Regardless of which option is chosen, the fact is, companies always need to find experts with a wealth of knowledge in digital marketing to enable them to successfully upgrade and execute their strategies.

In 2019, <u>about 78 percent</u> of the Association of National Advertisers members had some in-house functioning in the US, up from 58 percent in 2013. Faced with shrinking marketing budgets and other challenges, particularly during the COVID-19 era, several businesses began the process of moving away from outsourced services in favour of internalising some or all marketing functions. While this might work in some instances, there are very good arguments to be made for using an agency.

If you have clients that are contemplating to jump ship, we'll look at some reasons to convince them to stay onboard and ramp up their marketing. But first, why would they bid you adieu in the first place?

Why clients go in-house

In addition to cost constraints, the rise of advertising and marketing software has given businesses the courage to not renew their agency contracts in favour of local marketing efforts. Here are the key reasons for going in-house.

- **Greater control:** One of the main reasons why brands decide to beef up their in-house expertise is to exercise greater control over how they are presented to customers. When using agencies, the marketing strategy responsibilities fall on both the client and the agency.
 - If a client is trying to have complete control of the marketing strategy, there might be a power clash, straining the working relationships between the parties. By keeping everything in-house, the brands have the opportunity to reduce risk while maintaining total ownership of their work.
- Familiarity: When marketing functions are outsourced, there is a good chance that brand messaging can become mismatched with the brand identity. It can be a difficult task getting someone new up to speed on everything about your brand.
 - An internal marketing team usually has deeper knowledge about the brand, its values, and philosophy. It has the ability to make quick decisions regarding the brand when faced with a crisis, leveraging on previous experience and lessons learnt.

 Ownership and access to data: When businesses have access and ownership of their data, they can make more informed decisions regarding their marketing campaigns. With external parties, there's a possibility of facing challenges in accessing this data if ownership and access protocols aren't well established.

Furthermore, there is a good chance that agencies can use their data to enhance their service offering. After all, they have several clients and may aggregate all their data to gain better insights.

In-house isn't always optimal

If clients ever decide to ditch agencies completely, there are a number of drawbacks that may not always seem apparent from the get go. For starters, the client would need to go on a recruitment drive to find the best talent that can justify leaving their agencies.

Additionally, recruitment processes take time, <u>averaging up to two months</u> from listing, shortlisting, interviewing, and selecting the preferred candidate. Once they have been hired, they will still need to be onboarded and receive a salary with benefits. You will also have to contend with employee turnover, repeating the costly and time-consuming hire process again.

Marketing and advertising software can be quite costly for a small to medium-sized firm, whether it's for SEO or graphic design. When dealing with a marketing agency, this isn't usually a concern as they often have all the best software tools a client could ever need.

An internal marketing team's capabilities can be limited at times, particularly if you consider the fact that industry standards are constantly evolving. And if a team can't keep pace, marketing campaigns may be negatively affected. Those who need to scale up their marketing efforts may struggle if their staff complement is fixed.

Partnering with the experts

Convincing your clients not to go in-house—partially or completely—requires you to provide them with something invaluable, that only an agency (the experts) can do or do better. Here's how:

 They've got experience: When a client decides to hire a marketing agency, they have a wide variety of options and can make a decision based on the agencies' specific and relevant market experience. Having a highly experienced agency almost guarantees success and value for money as you're rest assured that they know what they're doing.

- They have specialists: In addition to experience, agencies have a deep talent pool that can help them service their clients' needs. While in-house marketing team members are often all-rounders, with agencies there are dedicated individuals for each discipline, be it social media, SEO, or paid advertising, for example.
- They have the latest tech: Agencies have the best industry software readily available, meaning they benefit from economies of scale and can subsidise their clients. This also means they have advanced software capable of tracking and measuring multiple metrics to help clients make more informed marketing decisions.
- They can scale easily: Increasing marketing and advertising efforts or staff
 complement during a busy season can be achieved much more fluidly via
 an agency. In-house, on the other hand, would struggle to make these
 changes in a short space of time. The same can be said for scaling down,
 where an in-house team will still need to be kept on even when a
 campaign has been paused.
- They can save costs: Depending on the type of business, it can be cheaper
 to use an agency because their services can be used as and when needed.
 There'll be no need to worry about long-term costs such as salaries of fulltime staff.

To address some of the reasons why clients go in-house, both an agency and its client need to find a balance of control that optimises the output of everyone, with a clear view of who does what. The same goes for data and its access. Lastly, when agencies work with clients, they need to have a dedicated resource that works directly with the client's internal marketing team to increase familiarity with the brand, its identity and goals.

Good agency-client relationships have been proven to be beneficial in ensuring the ultimate success of a marketing campaign. While every situation is different, in most cases, partnering with agencies is highly beneficial, constantly giving clients fresh perspectives on all things marketing. To find out more [REDACTED]