

Outsourcing marketing is not an option



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Recently, a small IT company approached me to create a marketing program for global outreach with a clear agenda to take on the goliaths in their space. Their CEO mentioned that they have a far superior value proposition to what the big boys have and they want to go-to-market aggressively giving the biggies a run for their money.

Notwithstanding pedigree and size, SMEs now believe that they have the solutions and services to compete in the global marketplace. They however realize that they need more ammunition to position themselves uniquely, be taken seriously and reach out more

effectively to their target audience. The traditional sales approach is not working and more SMEs are beginning to evaluate marketing more intently. But isn't marketing meant for the big boys with big budgets? Not really if you can get smart and opt for marketing outsourcing.

Will marketing work for SMEs? The answer is an emphatic yes, if it is run effectively. Marketing can play a vital role in energizing the entire go-to-market process. Five areas marketing can potentially help SMEs:

Marketing strategy - this encompasses positioning, segmentation, targeting, channels and pricing. Answering simple questions like who we are, what we do, why buy us and who are we relevant to you will define the marketing roadmap for an organization. Marketing interventions not just help in crafting the strategy but in communicating it effectively as well. The key driver for SMEs to adopt marketing will hinge on the ability to align marketing efforts to business outcomes.

Demand generation - using innovative channels and programs to connect with prospective customers apart from engaging with existing customers to



increase share of wallet. Combining traditional sales efforts with emerging channels like social media, effective campaign management and leveraging alternative channels and strategic partnerships will lead to inorganic results. Marketing can help improve the quality of outreach while reducing the cost of client acquisition.

Brand building - firstly, you don't need to be big to build on it. There are cost effective yet high impact initiatives like thought leadership positioning, PR and influencer relations, executive branding, awards and rankings, CSR programs among others. What can a brand do? Brands



can deliver a positioning that puts you on competitive footing with the big boys, attract better talent, lower the cost of sale and more importantly, help command a price premium in your market place.

Customer engagement-

marketing can feed you the voice of customer and get more out of them through cutting edge analytics and intelligence. Smart ways to do this include running regular CSAT programs, loyalty/ referral drives, setting up customer portals and user groups among others. The role of social media and communities is pivotal in today's context to

strengthen and nurture customer relationships.

Ecosystem creation and management

- SMEs are usually dependent on the ecosystem that they operate in - industry associations, media, investors, deal advisors among others. Marketing can greatly help in creating this ecosystem and engaging them effectively.

Outsource or build in house - great dilemma

With the decision to embrace marketing becoming evident, the question is whether to build the competency in-house or outsource.

Here are some factors that can influence your decision:

- There are 25 million SMEs in the country that need marketing support and the marketing professionals available is lower than one percent of that number.
- Marketing managers usually come with expertise in specific areas like brand, communication or events. If an SME needs to focus on the areas mentioned in the earlier section they would need at least a five-member team and that is a deterrent since none of these would be full-time requirements for an SME.
- The budgets required to engage agencies and run programs will increase the total cost of marketing further. Managing the agency ecosystem with multiple partners also places demands on management bandwidth.
- Demonstrating RoI is a challenge given the current agency ecosystem.

The key for SMEs to adopt marketing is, leveraging the integrated marketing outsourcing model that is predictable, scalable yet flexible. Marketing outsourcing offers a strong outcome-based marketing approach that will address issues pertaining to RoI thereby making adoption easier. Marketing process outsourcing is emerging as a key alternative and is being seen as a viable one for building a marketing organization. By leveraging the power of shared services, marketing outsourcing delivers unprecedented advantages giving SMEs the right mix of marketing expertise and strongly aligning them with business outcomes.

Do it the way it works, do it with available budgets but nevertheless, outsourcing will help do it faster, smarter and better. Marketing will be the single most important ammunition in the armory of SMEs to take on the goliaths in the global stage as the economy tightens, markets mature and the competition intensifies.