

Email Outsourcing and Shakespeare

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“Friends, Romans, countrymen, lend me your ears.” The topic of this day is email marketing outsourcing. “To outsource or not to outsource, that is the question. Whether ‘tis nobler in the mind to suffer the slings and arrows of relying on vendors, Or, to take up arms and conduct email marketing in-house?” Yes, yes, Mr. Shakespeare must be rolling over in his grave.

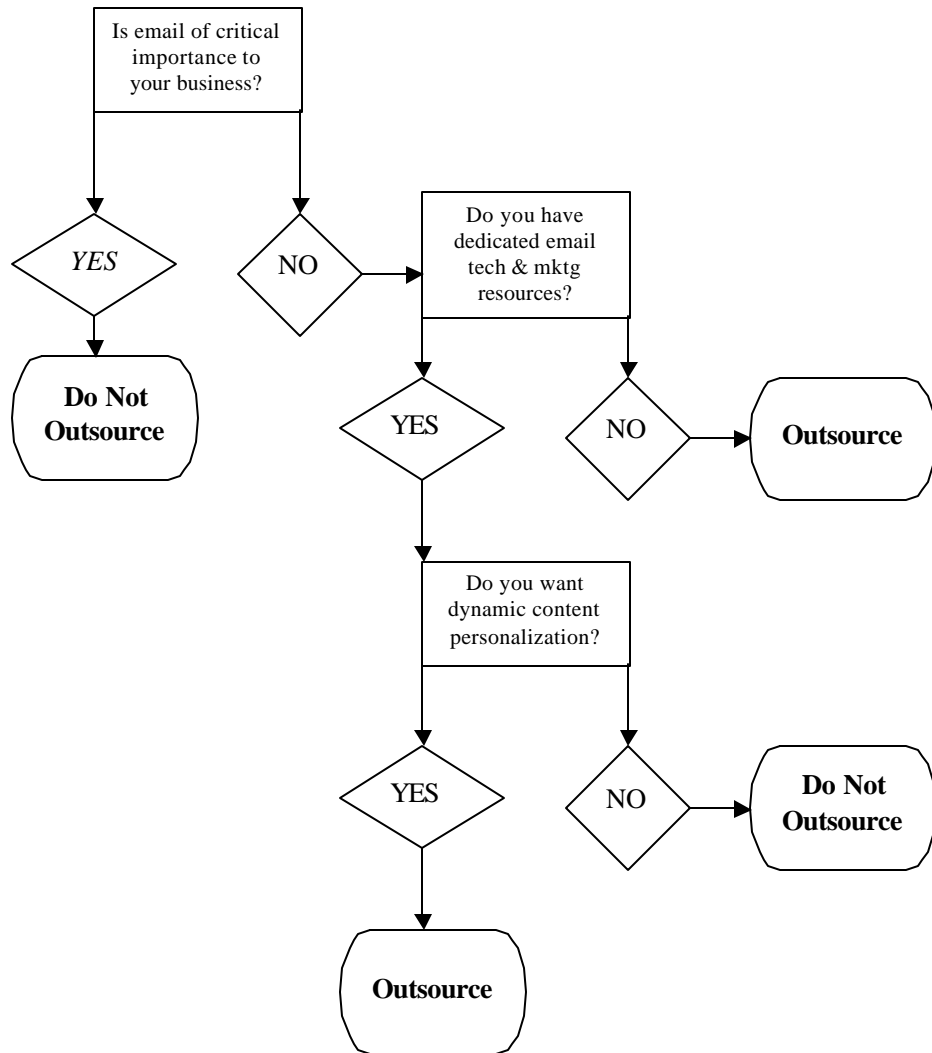
The question of email outsourcing has become a hotly debated industry topic. This year I have seen companies move from in-house production to outsourcing, while others took the reverse course and ditched vendor assistance in favor of investing in developing in-house capabilities. Why this polarization, and what should you do?

Let’s start with, “Why the Polarization?” Until recently, most companies viewed email as an unproven, standalone marketing medium. Hence, email strategy and implementation remained relegated to a secondary role, often completely disconnected from the organization’s main marketing activities. As such, marketers either outsourced email for the sake of convenience, thinking that email tasks distracted from their true marketing mission. Or, the marketer conducted email in-house because they underestimated its’ complexities and simply felt that the “tech guys downstairs” can handle it.

Well, today companies are realizing that email is in fact a mainstream marketing medium and must be integrated strategically. Some companies that now see email as mission critical for their business have pulled back from outsourcing and are investing in creating in-house email marketing capabilities. Other companies, which previously managed email in-house, now realize that email demands a unique expertise and are seeking outsource partners. Either way, the fundamental point is that marketers now realize the value of email and are now treating it as a primary medium with integrated mainstream marketing planning.

Which brings us to, “What should you do? Outsource all, some, or none?” Let me provide you a framework of yes/no questions to help you arrive at the best answer.

**To Outsource or Not Outsource,
Here are the questions.**



As the decision chart depicts, whether to outsource boils down to three basic questions. While many other factors affect the decision, like cost, of course, the following three items should be used to frame your thoughts about outsourcing.

1. Is email critical to your business?

If you are an e-commerce company, most likely you cannot survive without email. Hence, it makes great sense to develop email expertise and capabilities in-house and not risk relying on an outside vendor for a mission critical function. However, if you are mostly an offline company and email provides supplemental customer communication and revenue then it probably does not make sense to devote substantial dollars and resources to create internal capabilities.

2. Do you possess dedicated staff and resources to email?

If not, taking on in-house campaign management and deployment can become a nightmare. The question becomes, what is your pain threshold? In-house email marketing, regardless of resource allocation, will inevitably result in “learning curve” errors. Some of these errors your customers will see, some they won't. If you attempt to conduct email marketing in-house, without dedicated staff, these errors typically grow in frequency and impact.

3. Do you want to personalize email content?

Customizing email content based on the reader's interests and requests remains the sure fire way to dramatically increase email responsiveness and ROI. However, content personalization requires sophisticated systems and a library of content. Typically, marketers look for outside help to create this type of program.

Now, there is a compromise position between Outsource or In-house; ie. ASP, application service provider. Many email service bureaus offer an ASP version of their email technology. ASPs enables the client to operate the system, like in-house, but via a Web interface to the service bureau facility. The service bureau manages the computers, provides Internet bandwidth, and tracks results. The client operates the software, creates the messages, schedules the campaigns, and hits the Send button.

Recently, many companies have shifted from complete in-house email marketing to an ASP for one major reason – spam filtering. Internet Service Providers (ISP) and consumers are increasingly filtering their email and blocking suspected spammers. Often, legitimate marketers become wrongly blocked. To become

“unblocked” requires considerable, time, effort, and open door contacts with the major Internet Service Providers. Most email outsource bureaus support their clients in resolving blocking issues. Hence, ASP enables the client to control the campaign management process while utilizing a specialized email technical team to deliver the mail, resolve technical issues, and basically provide a safety net.

So, lets start our planning now for next year’s email marketing strategy and make sure that this does not become, “the winter of our discontent.” I really am sorry Mr. Shakespeare.

About the author

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Ian Oxman leads the email consulting practice for RappDigital, a wholly owned subsidiary of Rapp Collins Worldwide, an OMNICOM company. Ian possesses 15 years’ experience across the marketing industry and has developed direct marketing services in: database marketing, segmentation analytics, direct mail, and since 1996, permission email.

Previous to joining RappDigital, he founded ChooseYourMail.com, a pioneer in the email list industry. ChooseYourMail.com grew from a 1997 startup into a recognized industry leader. At ChooseYourMail, he spearheaded advocacy efforts to protect consumer privacy and educate marketers about “permission” marketing techniques. He regularly speaks at Internet and marketing conferences and authors columns on tech marketing for the Chicago Tribune, DM News, and others. He is a faculty member of the Direct Marketing Association and participates on the Association for Interactive Marketing’s Council for Responsible Email.

Ian graduated in 1985 from UCLA with a BS in Kinesiology and earned his MBA from cross-town rival University of Southern California in 1994. When Oxman isn’t speaking, writing, or thinking, about marketing he is at home in Arlington Heights, IL relaxing with his wife Lisa and son Benjamin.

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