



## **To Outsource or Keep Email Marketing In-House?**

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**A Whitepaper from Topica  
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# To Outsource or Keep Email Marketing In-House?

## Table of Contents

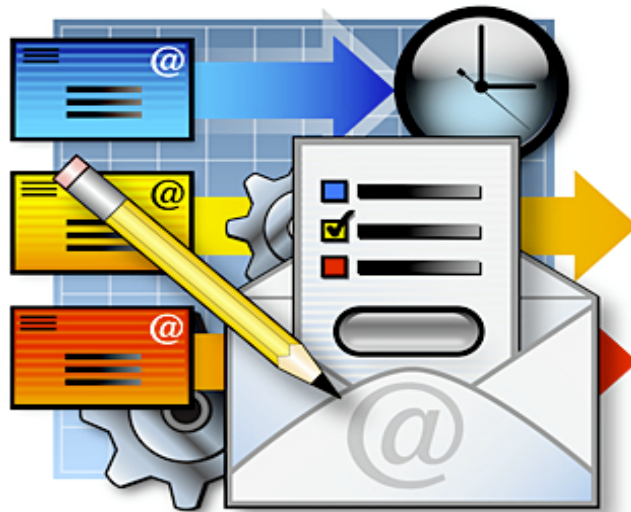
A. Introduction.....	3
B. Definitions.....	3
C. Cost.....	4
D. Time.....	5
E. Reliability.....	6
F. Conclusion.....	6

**For many companies a critical decision in regards to their marketing efforts is whether to outsource or keep their email marketing in-house. There are plausible arguments to why you would do either, however when all is weighed out the amount of cost and time you save and the reliability you can gain make the decision a real no-brainer.**

*This white paper will look into the areas of cost, time and reliability to prove in a simple manner that the benefits of outsourcing a company's email marketing outweigh those of starting an in-house solution.*

### **Definitions:**

- *Outsourced* – refers to having your company email marketing efforts handled by a third party sender, an ESP (Email Service Provider).
- *In-House* – refers to having your companies email marketing efforts dealt with from inside your organization.

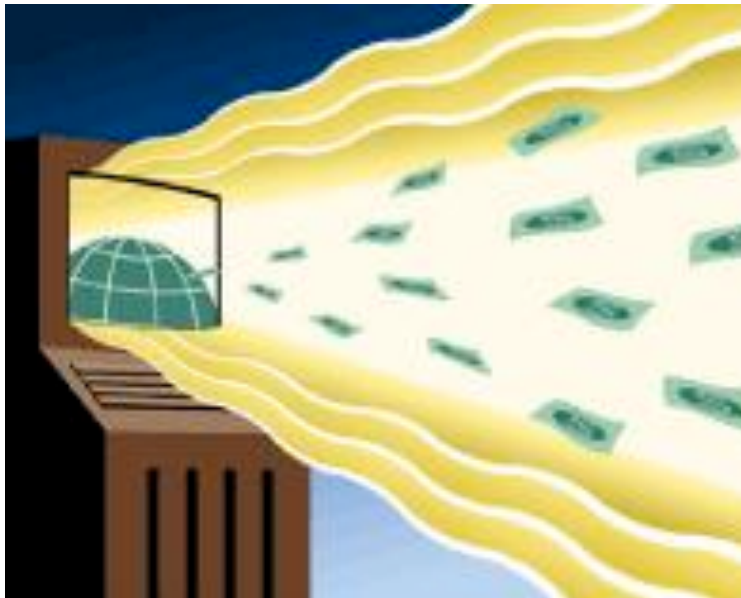


As stated earlier there are plausible arguments for both an outsourced and in-house solution. However, the only practical scenario for an in-house solution to successfully work would be for massive companies or websites like Amazon or Ebay who have preexisting resources, an army of developers and an IT infrastructure to deal with all the complexities involved with mass emailing. For companies small or big an outsourced system is the easiest and most effective way to save cost and time and to gain the reliability necessary to run a successful campaign.

## Cost

Cost is a major contributing factor in the decision on whether to go in-house or to outsource. A common mistake companies make is that they believe the initial investment of the mailing software is there one major cost. However, to deal with the complexities of the system there are on-going variable costs with the staff and constantly evolving industry. To run a successful system a full staff must be brought on to maintain the hardware systems, develop software, and monitor the systems performance to stay competitive within industry standards.

By outsourcing, a company is losing these variable costs and gaining the predictability of a fixed cost each month. This monthly cost should provide everything involved in delivering email campaigns and a knowledgeable support staff to offer helpful advice and answer any questions or concerns. Most importantly equipment, repair and technological update costs will be irrelevant.



## Time

Companies need to realize how much time and energy is involved with developing and dealing with every aspect of an email marketing solution. Relative to many other in-house systems, which are normally more static and reliable, the process of delivering a large quantity of email takes a lot of attention in regards to delivery, performance and changes to industry standards. Unless you have a dedicated IT team to deal with these issues your marketing department's time and energy will be comprised of technical issues opposed to what they should be focusing on. Below is a list of many of issues that need to be dealt with:

- ISP negotiations
- CAN-SPAM Act Regulations
- Deliverability
- Software Monitoring
- Database Licensing
- System Administrators
- List Hygiene

By outsourcing, technologically every aspect of your campaign is handled. Enabling a company to focus on their core and prevent time wasted on technical issues on the backend. In fact by using an ESP's tools and features it is said to improve campaigns effectiveness and according to Forrester Research Inc. sales generated from email marketing at companies that outsource are four times higher than those that handle their emarketing in-house.

### **Stay CAN-SPAM Compliant:**

The CAN-SPAM Act of 2003 took email marketing a big step forward. The legislation cracked down on unsolicited email and provided rules to ensure businesses are sending only legitimate, compliant email messages:

- Don't send false or misleading information
- Don't email after a recipient opts out or objects to the emails
- Don't harvest email addresses from the Internet or generate them randomly
- Don't send commercial email from a computer you are not allowed to access
- Include a valid postal address and an opt-out process with every email
- Include a warning label for explicit content in the Subject line

## Reliability

For many companies email is their conduit for attracting leads and sales. So any delay in campaign sends or delivery can be a detriment to the relationship between the company and customer. Therefore a robust and reliable email platform is a crucial component in email marketing. To ensure reliability, integrating with an ESP can help for many reasons most notably:

- An established relationship with major ISP's making deliverability more successful and secure
- Campaign monitoring regardless of a company's physical ability to do so.
- Lose any risk of jeopardizing a company's domain
- Automatic backup of all subscribers and campaigns
- Campaign and company details are all secure in the third parties systems



## Conclusion

Creating an in-house solution appears on the surface as easy way to jump over the middle man and save money. But when you delve into the actualities of the cost, time and reliability outsourcing proves to be a better more practical answer. As noted above there are companies that have successfully implemented an in-house solution, but without the resources these enormous companies implement an email marketing solution should be outsourced.