A guide to in-housing and creating a digital centre of excellence

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Foreword

Consumers demand more of brands than ever before.

Digital technology is changing the way that people engage with brands, making real-time, digital-first interactions the norm and forcing marketers to create authentic, relevant and personalised communications across multiple channels at the same time. The demands of this always-on culture can make digital an unforgiving place; drop the ball and your customers are unlikely to forget it.

To keep up with customer expectations, marketing teams need to ensure they have the right mix of experience and skills. This means either working with agencies or hiring people with specific areas of expertise and strong technical capabilities, and knowing how to utilise them.

But how do you know what expertise you need in your teams and how to use it for the benefit of your organisation? This is why agencies continue to be the go-to solution; they can provide the knowledge and capabilities missing from your in-house team, extend your capacity, and introduce new ideas and technology to move your business forward.

Agencies can be effective partners, but that doesn't mean that outsourcing is always right for your business. So, what other options are there to drive success?

We know that every business is different, so our aim with this paper is to help you decide which solution is right for you: whether to outsource fully, use agencies alongside your in-house team, or create a comprehensive in-house digital team.

If you think that full or partial in-housing is the right option for you, this paper will take you through the steps you need to take in order to create a well-rounded and successful in-house digital team.

1.
Agency or in-house?

'Should I rely on digital agencies or bring everything in-house?'

It's a tough question, but one that most marketing leaders ask themselves regularly. There's no doubt that each model has its benefits, but for most businesses the choice is unlikely to be clear.

Your decision has to be right for your business, financially and culturally; driving performance now and in the future.

So, what's the right answer for you? In this section, we take a look at the pros and cons of agencies and in-house teams to give you a better idea of what each model offers.

Agency benefits

With multiple disciplines and subject-matter experts often under the same roof, working with an agency can be a great way to make sure your digital marketing output is steeped in expertise. So, what are some of the main benefits of working with agencies?

Scalability

From quieter times, when you want to cover the essentials, to peak times, when you need to ramp-up activity quickly, working with agencies enables you to scale your activity quickly and easily.

There is one key reason why marketing leaders usually employ agencies in the first place: there simply isn't the requirement for a full-time equivalent employee (FTE) within their business. So, when choosing an agency, scalability is key. Of course, there will always be a minimum amount of work that you will need to agree with your agency as part of your contract, but what you get in return is a reliable and scalable solution that helps your business achieve its objectives.

Innovation

By nature, agencies tend to be more innovative and agile, adapting to changes in the market far quicker than in-house teams. Working with a variety of client businesses across a range of specialisms means that agencies have a learning culture in which experts are always developing their skills and passing the benefits back to their clients. In an environment of constant change, agencies can help you keep pace, introducing new thinking developed by working in other verticals or with new technologies.

Agencies have a competitive interest in keeping up with the latest tools and software, helping clients remain at the forefront of marketing technology. Multi-service agencies typically use a range of technical tools to identify and analyse issues and opportunities for their clients, often including proprietary tools.

Flexibility

What happens when people are sick or go on holiday? Agencies have this covered, often utilising other members of the same technical team to proved cover seamlessly. Many agencies will also have a bank of exhaustively vetted freelancers ready to plug any temporary gaps, so if staff leave, as they do from time to time, agencies can adapt quickly.

With multiple technicians usually working in any given specialism, agencies can use internal knowledge to make sure they recruit the right people and ensure that any transition of staff to or from your account is quick and painless with no impact on activity or performance.

Breadth of experience

Digital agencies will almost always have more than one skill base. SEO and PPC, design and development, social and content – you'll often find complementary disciplines within even self-identified specialist agencies. This means that if you're working with an agency in one area of your digital marketing and there's an opportunity or issue in another area, your agency can often help, saving you the hassle of searching for the additional expertise.
In contrast, if you were to replicate this within your business, it's likely you would need to employ multiple employees in different specialist areas.

Having a breadth of specialisms in your team is great, but what if the need for a specialist discipline that you've hired resource to cover drops down in focus? For example, what happens to your PPC specialist on payroll if your PPC performance becomes stagnant? Or your audience switches behaviour, becoming more engaged with social?

Agencies can limit this risk, giving you the option to either switch or add services with your existing agency, or switch your spend to an agency that provides the service you need.

Experience and 'T-shaped' skills

The term 'T-shaped' refers to people with broad experience as well as a deep knowledge of a specialism, such as SEO. T-shaped marketers are generally more valuable all round as they can apply their specialism with an understanding of the surrounding situation. Agency environments offer a breadth of scenarios for people to apply their specialisms while working alongside other disciplines and, in doing so, tend to cultivate more T-shaped marketers.

Businesses can build out their in-house teams to ensure they have the same diversity of skills, and create an environment that creates more T-shaped marketers in the process. However, while an agency can spread the cost of a large team across its whole client base, a business would need to have enough work in each specialism to justify the cost of assembling a large, multi-disciplinary in-house team.

Partner benefits

With agencies comes buying power. Agencies buy for a large number of clients and even small spend amounts for individual businesses add up to a large spend amount for the agency. Take media inventory purchasing as an example: agencies are often offered discounts on media, or even free tranches of media based on their overall media spend. Often these savings are passed on to the client leading to cheaper cost per thousand impressions (CPM) rates.

Partners such as Bing, Facebook, and most notably Google host events to keep agencies engaged, and rate agencies in a tiered system. Different tiers get different levels of support, with access to new product alpha and beta rollouts often granted to agencies and big client advertisers first. Big spending agencies are a new business source for tool providers and partners, so partner benefits often extend to preferential rates on tools and partner fees.

This level of attention and support is something that many businesses won't get on their own, even with spends that to most of them will feel relatively high.

Peer review

Any agency worth its salt will have a well-structured and robust internal quality analysis (QA) system in place to ensure that all its work meets the same high standard. A robust peer review process at your agency will reduce the workload at your end by making it more likely that work will meet your brief, reducing the number of iterations on a project before you reach the right result.

As a client, you can also scrutinise your agency's work at regular client reporting meetings and quarterly business reviews, all of which are all aimed at ensuring the agency stays on-track and remains accountable to you, the client.

Staff progression

As we'll discuss later in this document, hiring and retaining staff is a big challenge when bringing your digital marketing in-house. Progression is also another big consideration.

When using an agency, you don't need to make these decisions. It must also be comforting to know that the breadth of work and range of specialisms within agencies provide for exciting and interesting career opportunities for their people.
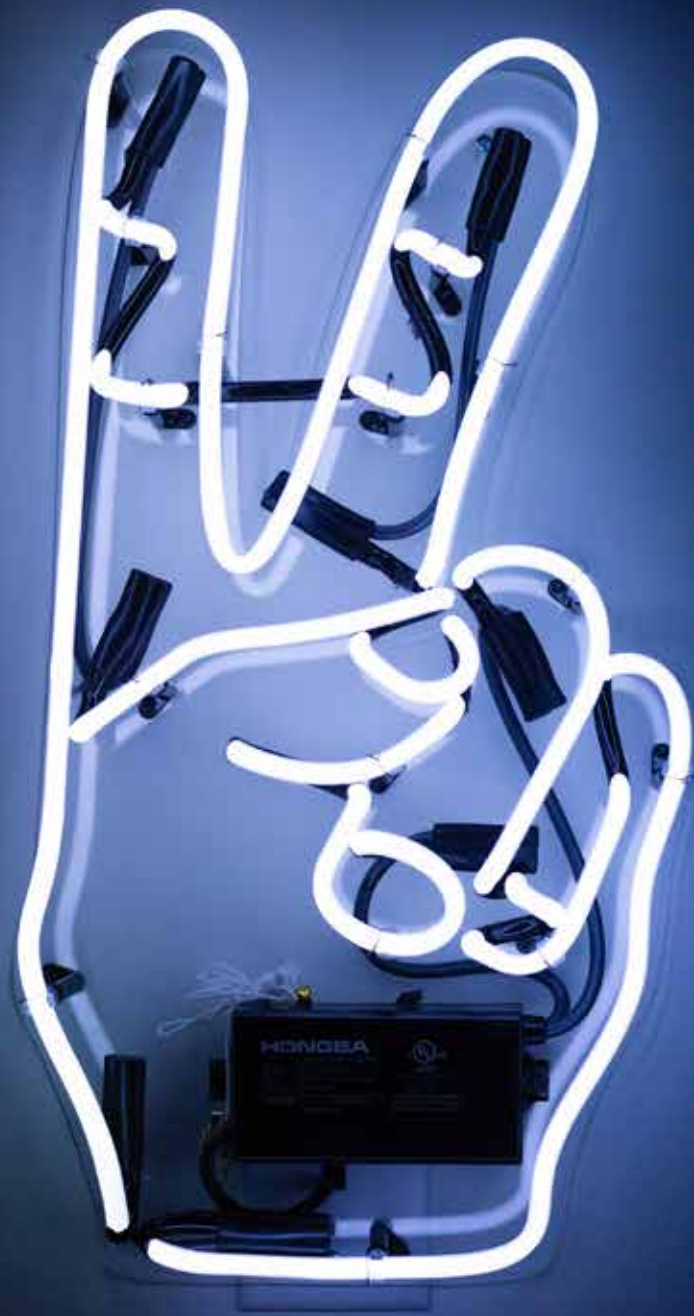
Agency drawbacks

Detachment

No matter how good the agency, there will always be a level of detachment between the agency and the client. While every agency will have the ambition to an extension of your business, it's not always practically possible.

Agencies often struggle to get access to internal data and key stakeholders, and sometimes don't have the authority to request changes and initiate work streams. Even when non-disclosure agreements (NDAs) are in place it is not always possible for clients to share absolutely everything with their agency.

Agencies can lose out to in-house teams when marketing activity requires a deep understanding of the brand and inside knowledge of its business operations. Marketing priorities are often decided by stakeholders from across a business and relayed to the agency second hand, which can lead to miscommunication and is often less efficient than communicating with internal teams.

It's possible for your agency team to really immerse themselves in your business if they're working full-time on your account, but it

becomes tricky when they're spread across a portfolio. Agencies are designed to juggle priorities and manage client demands, but the nature of the business means that your priority may not be number one in the queue all of the time.

Priority

Are you your agency's biggest client? Which end of the client roster do you sit in terms of size and commercial importance? Prioritisation of attention and investment is something that exists in every organisation, and agencies are no exception.

While individual client teams build a sense of attachment and responsibility to your brand, they operate within a wider agency context and have to prioritise accordingly.

A service level agreement (SLA) can remove doubt and make for a smooth day-to-day working relationship. It also comes into its own when emergencies arise. If you don't have one in place, agreeing one will ensure that you get the service you need, when you need it.

An SLA also sets expectations for both the agency and the client. If there's anything

that kills an agency-client relationship, it's a disconnect in expectations from either side.

Multi-agency scenario

Businesses will often work with more than one agency, employing the best-in-class agency in each area of activity.

But it's also highly likely that the chosen agencies will provide services that overlap, which makes it hard for agencies on the roster to be completely transparent with one another. In these situations, the need to maintain a competitive advantage and protect intellectual property (IP) can prevent agencies from delivering a completely integrated service for the client.

Cost

Let's be honest: agency day rates are typically higher than the equivalent day rates of staff on payroll. Many agencies invest in market-leading talent and technology to deliver the best service to their clients. Alongside the talent working on your account, agencies also invest in support teams, who ensure customer service remains front and centre and work is delivered to the highest quality. Agencies also

invest in research and thought leadership to challenge existing norms and drive innovation.

There's little doubt that were you to employ an agency full-time, your marketing would be more expensive.

As Econsultancy's digital agency rate card survey[1] shows, the average day rate for a digital agency in the UK varies considerably based on the size of the agency and the level of staff applied.

Let's take a look at what the findings of the rate card survey mean in practise. Say, you've secured an agency for 10 days per month of digital activity at a cost of £900 per day. That's £9,000 per month excluding value added tax (VAT), or £108,000 per year. How far would £108,000 go on an internal team?

Let's assume that your employees receive 38 days of annual and public holiday and take four days off sick each year. Excluding weekends, it works out at 219 working days per annum. Not forgetting the associated on-costs (pension, national insurance contributions, office contributions, office equipment etc.) - let's calculate these on-costs at 25% of salary cost as a rough guide.

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1. https://econsultancy.com/reports/digital-agen-cy-rate-card-survey-2016/

The £108,000 in agency fees will cover basic wages to the tune of £86,400. If invested in one individual at £86,400, this would deliver 219 productive days in comparison to 120. If you were to hire two employees at £43,200 each, this would deliver 438 days in comparison to 120. That's a decrease in day rate from £900 per day to £395 (one employee) or £197 (two employees) - substantial savings.

But how much resource do you really need?

This question is at the heart of the agency/in-house debate and scalability is a core agency strength. If your activity really only requires five days per month of agency support then the spend will drop considerably – only 60 days per year are required instead of the 219. If you're considering in-housing in any area, cost is likely to be the most important consideration; balancing the cost of resource required for the amount and diversity of activity is critical.

When weighing potential solutions, you need to model spend scenarios as accurately as possible to ensure that the projected costs are reflective of the range of scenarios you might encounter. The figures in the following tables were modelled by Fresh Egg for a client who needed to decide whether it was financially viable to hire a senior or a junior technician.

Alongside each salary level we provided the number of agency days per month that could be purchased for the same expenditure (based on an agency rate of £900 per month).

As part of the final cost planning, we also provided a similar breakdown for year 2, including an estimated 3% salary uplift in year 2 with the model adapting to the decreased amount of support and training each level would require in the second year as the staff member became more experienced and settled into their role.

This level of cost planning is essential in mapping out the cost benefits or drawbacks in any given situation. While in-housing may present longer term cost benefits, they might not happen immediately and careful cost analysis is critical to making the right decision.

Salary scenario mapping

	JUNIOR LEVEL					
	Salary	Estimated Total Employment Costs	Required Training	Support	Total Cost	Agency Equivalent Days Per Month
	£20,000.00	£30,000.00			£52,225.00	4.8
	£21,000.00	£31,500.00			£53,725.00	5
	£22,000.00	£33,000.00			£55,225.00	5.1
	£23,000.00	£34,500.00			£56,725.00	5.3
	£24,000.00	£36,000.00			£58,225.00	5.4
YEAR 1	£25,000.00	£37,500.00	£7,825.00	£14,400.00	£59,725.00	5.5
	£26,000.00	£39,000.00			£61,225.00	5.7
	£27,000.00	£40,500.00			£62,725.00	5.8
	£28,000.00	£42,000.00			£64,225.00	5.9
	£29,000.00	£43,500.00			£65,725.00	6.1
	£30,000.00	£45,000.00			£67,225.00	6.2

	SENIOR LEVEL					
	Salary	Estimated Total Employment Costs	Required Training	Support	Total Cost	Agency Equivalent Days Per Month
	£31,000.00	£46,500.00			£61,200.00	5.7
	£32,000.00	£48,000.00			£62,700.00	5.8
	£33,000.00	£49,500.00			£64,200.00	5.9
	£34,000.00	£51,000.00			£65,700.00	6.1
	£35,000.00	£52,500.00			£67,200.00	6.2
YEAR 1	£36,000.00	£54,000.00	£3,900.00	£10,800.00	£68,700.00	6.4
	£37,000.00	£55,500.00			£70,200.00	6.5
	£38,000.00	£57,000.00			£71,700.00	6.6
	£39,000.00	£58,500.00			£73,200.00	6.8
	£40,000.00	£60,000.00			£74,700.00	6.9
	£41,000.00	£61,500.00			£76,200.00	7.1

In-house teams: the benefits

An in-house centre of digital excellence sounds like the perfect solution: a team of fully-committed specialists on the ground who know your brand and understand exactly how your business works. There are a number of benefits:

Brand connection

The major benefit to having an in-house team is that they're part of your business and therefore more likely to be culturally invested in your brand and its success.

For the majority of businesses with an established internal culture, individuals and teams have a vested interest in seeing the brand do well – putting the company values at the heart of everything they do and feeling motivated to go the extra mile. It's this level of personal and cultural investment where agency teams can fall short. There are some amazing agency teams out there – we are one – but by virtue of being a third-party, agencies will almost always not have quite the same personal investment in the brand.

Cost

Having your own in-house team can have considerable cost benefits. Some agencies may have flat day rates for activity, some may charge project fees, or they might have different rate cards for different levels of expertise within their business. Whatever the model, agencies are likely to be more expensive.

Like anything, the more you put into marketing in terms of time, effort and experience, the more likely it is that you will succeed. This is where in-house teams have a lead over agency teams: the time that an in-house team can put into activity is generally far higher than an agency team, often for the same cost.

Intellectual property

For some businesses, IP is a core reason for in-housing. Retaining knowledge from marketing activity and third-party relationships is important, as is continuity. If you choose to change agencies, the new one will need time to settle in and the incumbent may take key learnings with them, which could be crucial to the success of future campaigns.

"For us, the decision to in-house elements was not about cost. Our key driver was in owning the IP and the long-term intelligence of our activity. It was frustrating for us that it sat outside of our organisation."

"We have a combination of in- and out-of-house marketing activity. While we have cost efficiency motivation for in-housing we also value the day to day management flexibility, increased agility to react to the market and the opportunity to build business knowledge in some chosen specialisms."

But it isn't quite as straightforward as that: in-house staff also move on, often taking vital knowledge out of the door with them. That's why, regardless of the model you use, it's important to have robust processes to retain IP within the business. Good practice should be cultivated and knowledge shared and stored across internal teams.

Integration

Agencies can sometimes struggle to find the traction within an organisation to get things done. Many marketing teams are still siloed into digital and offline, with development teams and other tech resources sitting as further segmented teams within the business.

Building strong relationships across many stakeholders can be challenging, particularly when some are disassociated from what the agency is trying to achieve. In-house teams are naturally better-positioned to leverage common interests, goals and objectives. They can also call upon internal escalation methods to get things done.

Of course, as with any organisation, operational silos can form in in-house teams, but this can be easily overcome through open communication, careful planning, and proper processes.

In-house teams: the drawbacks

Technology costs

Technology can be very costly and may make all the difference between successful, profitable activity and failure.

Taking out individual contracts for each and every piece of technology can be prohibitively expensive for in-house teams. If the business cannot afford the technology, it may not be able to do the activity, which could prove damaging to marketing success. Agencies spread the cost of technology across a client base, giving each client either access to or the benefits of technology and tools in a more affordable way.

With chief marketing officers (CMOs) spending larger proportions of budget on tools and tech – approaching the levels that chief technical officers (CTOs) earmark for technology – technology costs are an increasingly important consideration in marketing budgets.

In the future, the technology that you use could have a cost comparable to your staffing – but it will open up some serious opportunities.

Staffing

Making sure you have the right staff is the most important step in the in-housing process. The first hurdle is identifying what resource you need and to what level.

Here at Fresh Egg, we have recently prepared an investment study rationalising the need for junior and senior staff based on salary and expected support. We understand that the decision about whether to hire cheaper, less experienced staff (who require more training and support), or senior, more autonomous staff (who are more expensive) is an ongoing concern for businesses.

Part of the consideration is 'how much' of that person is required. For example, if you're hiring a PPC specialist, will they spend all their time managing paid search accounts? Do your campaigns require that much time? If not, what will they spend the rest of their time doing and do they have the skills to cover other areas of digital too?

Other key staffing questions to ask yourself when creating your in-house team include:

- How will your in-house team fit into the business?
- What will their support lines be?
- Is there sufficient internal knowledge to manage new team members and oversee their activities, providing constructive and insightful guidance to help them to achieve their objectives?
- How will career development be supported within the business?
- Can you retain staff for long enough to make the exercise worthwhile?
- How will periods of holiday and sickness be covered?

Being able to answer all these questions and plan ahead as you recruit your team is essential for successful in-housing.

Having the right skills in the team is similarly essential, but finding those skills when you're not based in a geographical digital hub, such as London or Brighton, can be very difficult. While training a team is always an option, the extra cost and support required needs to be factored into operational costs.

Location is critical in both finding talent and retaining it. As we'll see later, your capability to in-house staff may already have been decided purely on where your business is based.

Perspective

Working with a wide range of clients, perspective and objectivity are natural attributes in an agency environment — and two things that in-house teams are at the greatest risk of losing. Working within an organisation, it's easy to get sucked into internal bubbles, especially where there are low levels of digital knowledge at a leadership level. Taking an outside-in approach to marketing can be a valuable asset, providing essential insight that might otherwise be missed.

This is a primary reason why in-housing trends tend to occur in cycles. Marketing leaders bring activity in-house and then outsource again to gain fresh thinking and new perspectives when internal teams start to stagnate. Digital moves very quickly and agencies need to keep up-to-date with developments to ensure client satisfaction and retain a competitive edge. It should be the same story with in-house teams, but there isn't always the drive or the internal support, which can lead to skill degradation over time.

Performance

Although agencies don't always admit it, things don't always go to plan. Agencies win and lose clients, and sometimes losses are down to poor performance. In this scenario the client can look to move activity to another agency. One agency's loss is another's gain.

In contrast, if there are turbulent times with an in-house team, the business can't replace its entire marketing staff, so it has little option but to work through it. The process of rectifying poor performance can be slow and sometimes things get worse before they get better.

What sort of activities should be in-housed?

This is a common but tough question.

The answer depends on four things:

- The ambitions of your business.
- The availability of talent in your business location.
- The available budgets.
- The scope of regular work undertaken.

Some areas within digital lend themselves to in-housing more than others. We'll look at each digital channel individually later in the document, but as a general guide any digital area being considered for in-housing should meet the following criteria:

- There is sufficient business benefit to in-housing activity to outweigh any negative impacts that might arise, such as performance decline, a decrease in macroscopic perspective, increased tech and platform costs, etc.
- Your business has access to resource of a high enough capability and capacity to execute the work.
- There is a clear understanding of what the activity entails and you have a clear vision for its role in your business.

Any activity that doesn't meet these criteria, or still won't meet them after you have built your business case, simply won't succeed in-house. There isn't a strong enough rationale for it.

Reviewing your motivation

"Why do you want to in-house?" – this is the first question you should be asking yourself. Getting to the root of why you want to in-house is probably the most important step in this entire journey. Problem mapping can help here, breaking the decision down into its root causes and predicted outcomes. Motivation might revolve around ownership and control of intellectual property or data, visibility of activity performance, speed of execution, customer centricity. Whatever the motives, it's critically important to thoroughly interrogate them. Doing so will ensure that you make the right decisions. Documenting these motives will also help to educate the rest of the business and smooth team adoption to the changes you decide to make.

Let's look at an example – cost-saving, a very common motive. If in-housing is purely a cost-saving exercise then it's really important to address why the need to save those costs exists in the first place. If it's because digital performance no longer warrants its current level of spend, then the real problem to be addressed is performance, not cost. If there is an underlying performance issue, then reducing costs without addressing that issue will not solve the core issue.

Also, with any financial planning, there will be surprises that pop up along the way. Perhaps a team member hire doesn't work out, interim operational coverage is needed for an unforeseen event, new tech requirements are identified or additional staff training

is needed. Or Google may make algorithm changes that necessitates an additional focus on search. Whatever these unforeseen costs are, they do occur. The cost-saving road is never as smooth or straightforward as it first appears.

That's not to say that cost-saving never a valid motive for in-housing. If your analysis identifies additional benefits to saving on costs (perhaps to reinvest elsewhere and open up new opportunities) then this can be a solid motivation. But the analysis at the outset to answer "why?" will never be wasted time or effort.

Some channels and disciplines lend themselves well to being in-housed and some channels just work better outsourced. The last section of this paper will explore this in a bit more detail. But for now, let's look at your options and the possible models you can use.

2.
Making choices and moving forward

Now that you're familiar with the pros and cons of building your own in-house centre of digital excellence, you're in a position to start thinking about your options. Which could be one of three things:

1. Outsource to an agency (or continue with your existing agency relationship). You have rationalised the options available to your business and have reaffirmed the value that agencies bring. That's a great outcome.

2. Start implementing a hybrid model. Bringing your activity in-house and using an agency (or agencies) to backfill on resources, provide refreshing perspective, guidance and other benefits.

3. Start working towards bringing all of your digital activity in-house. You have weighed and measured the pros and cons and have made an informed decision that in-housing is the right path for your business.

If you've decided on option two then the next section – about using a hybrid agency model – is just for you.

If, on the other hand, you would like to know more about bringing your marketing completely in-house, skip ahead to section four. We understand that it's a big step, but it's one that this paper will help you to take.

3.
Using a hybrid model

As we've seen, both a fully managed agency model and an in-house model have benefits and drawbacks.

At Fresh Egg, we have seen both models in use across multiple brand and sectors and can honestly say that there is no single model that universally fits every business, sector, or situation.

What we have found, though, is that a hybrid model offers a fantastic balance for many businesses. A hybrid model can give the best of both worlds – the experience, innovation, and process of an agency coupled with the efficiency, integration, and control of an in-house centre of excellence.

"Our agency relationships are a huge benefit – we rely on the innovation, dedication and single mindedness of agency specialists to keep us innovating and to ensure that we don't get 'stuck' in the norms."

Filling the gaps

In a typical digital agency team, there is a hierarchy where a head of channel manages and supports a number of technicians. That head of channel is utilised across the relevant client base and might be involved in supporting a number of client teams with their expertise. With an in-house team there is just one client, your organisation, but the individual technicians will still benefit greatly from expert guidance and support. It is highly unlikely that your business will appoint multiple channel heads to do this. If it did, it's highly likely that these channel heads would be underutilised.

Agencies can help to fill this gap. By tapping into higher-level expertise for regular but short periods of time it is possible to secure expert guidance and input without the cost of hiring a full-time head of channel.

"Some of our board members were hopeful that we could in-house everything. However, we identified that a blended model with an agency was a higher performing option. We needed to persuade the business that agency spending was still required."

Two possible models

There are two ways of approaching a hybrid model with an agency: top-down or bottom-up.

In a top-down model the agency takes the role of senior managers, helping to define and drive the digital strategy for the business. In-house staff execute the ongoing activity and are supported in their roles by the agency consultant. The consultant should be on site with your business on a regular basis, helping to analyse and direct activity to hit objectives. In the bottom-up model the roles are reversed. The strategic and senior function sits within your organisation while the execution function is handled within the agency.

Benefit of the top-down model

The top-down model involves greater access to a range of consultants and cost saving at the thick end of the wedge: the execution. Strategy, analysis and insight might take up 20% of your overall activity time, the other 80% being the daily management of the activity itself. Within an agency you will be able to utilise consultancy time across a range of specialists, reducing the need for you to hire experts across all fields required.

Benefit of the bottom-up model

Your organisation retains overall control. The decision-making capability of having the digital expertise within your organisation, closer to your business information, can provide substantial benefit.

Many organisations tend to blend this model with a fully managed solution from an agency, putting in place digital managers who generally manage the work of their incumbent agencies. This model is slightly different, though, as higher levels of in-house expertise are required to steer activity across a range of disciplines.

At Fresh Egg, we believe that the most effective approach is the top-down model. It can be very efficient and an effective method of training in-house staff to execute activity. It also enables you to curb spend – some activities are simply not worth agency rates. One of the key strengths agencies can boast is in delivering strategy, utilising their experience from cross-sector and multi-client situations. This experience is often something that businesses cannot gain themselves because of their inherent single entity perspective.

On the other hand, the bottom-up approach delivers a higher degree of flexibility. It's easier to in-house activity channel by channel over time, reducing the risk associated with performance loss across multiple channels at the same time. It is also easier to build in agency support for staff absence with this approach than with the top-down model.

"The blended model really works when we look at innovation. Experience from outside our sector and deep channel expertise from the agency complements our team capabilities and provides additional opportunities for our people to learn and develop professionally."

"Our agency relationship in the future will be strong and connected, putting value on the human interactions to build trust and a desire to work hard together. We will have a continuing requirement to keep innovating and will need the ability to tap into specialist support as we need them."

4.
Creating your in-house transition plan

In this section we'll look at creating a business case and overall in-housing strategy, and wrapping these together into a transition plan.

A robust and considered transition plan is imperative. Indeed, it would be surprising if a business signed off on any big changes without one. It's also incredibly useful for you as a marketing leader; you'll find that you refer to it as you build out your team, and later as part of your management strategy.

Planning and business casing

A clear business case is core to any good transition plan. It will identify potential barriers before a single penny is spent on bringing things in-house. This is where your team costing is going to come from and how you will build the case for the business to spend. Remember, while you're hiring the team and getting the pieces in place, you still need existing marketing activity to continue. If you have an incumbent agency, they should be working as normal. This means that for a period of time your business is going to be spending double.

Covering the existing base

Your plan should demonstrate how the status quo can be maintained. Whether you are in-housing some or all of your digital, there are likely to be challenges you need to overcome. Capability loss, for example: can you try to offset possible capability loss in your transition plan? To bring this to life, think about the fallout from moving from a Doubleclick technology stack to working directly within Google's native ad interfaces. How could you reduce the immediate impact on your business?

The choice to bring everything in-house might stem from higher ambitions, but your plan should still show how the current level of activity will fit into the new team. There is nothing worse – or, perhaps, more unnerving – than a plan that focuses on the grand idea but forgets the detail. If you have ambitions to expand on current activity, include the expansion as an additional layer in your plan. From experience, most decision-makers will want to see what doing the same thing will look like first as it provides an easy comparison from which to understand whether the proposal is better or worse than what the business has already.

Plan the handover

It's really important that handover from an agency to an internal team is planned correctly.

Try not to throw your in-house team in at the deep end – they won't love you for it and it's likely to affect performance. Try a phased approach instead. You won't overwhelm your team and will allow time for individual lines of activity to become established before taking on any more.

Conduct a risk assessment

We know: who actually likes completing risk assessments? But the truth is that a solid and honest risk assessment will protect your business and save you from a host of future issues. You cannot move forward with an in-housing plan unless you identify the risk in performance associated with doing so. Your risk assessment will give you the foresight needed to offset potentially disastrous outcomes well before they happen. It will also feed into your cost analysis later – a crucial part of your business plan.

At this point, your risk assessment will consist of four parts:

- Identifying the risks.
- Quantifying the risks.
- Suggesting strategies/tactics to help mitigate the risks.
- Identifying how the risk might be measured and monitored – risk monitoring is a really important early-stage action.

Further on in the process, you'll need to add in a fifth element: implementing strategies/ tactics to mitigate the risks.

It's a good idea to create different risk scenarios. As with any sort of forecast or assessment, focusing on only one outcome won't paint an accurate picture of potential risks. Try to present different risk scenarios and quantify worst-case through to best-case.

A risk assessment might not be the most exciting thing in the world but you'll definitely be glad you did it.

SWOT up

You simply can't beat a good SWOT analysis for helping you to organise your thinking and deliver clear analysis.

A good SWOT (Strengths, Weaknesses, Opportunities, Threats) can very quickly uncover problems as well as opportunities and strengths, which can be used as part of your cost-benefit analysis. Make sure you analyse your competitors as part of the SWOT: do they have their own in-house teams and does this give them a competitive edge? And remember to include your risk assessment outcomes in as threats.

Planning – Identify where planning requirements and strategic direction will sit within your organisation. You will need some experienced senior level guidance and ownership of digital in order to spot opportunities and drive performance forward.

Execution – The activity audit should identify the required levels and type of resource you need to execute all digital activities. Ensure that you catalogue any other resource required beyond technology and staffing.

Other elements you should take into account include typical agency services, such as account meetings and performance reports which are important for providing strategic direction, intelligence and monitoring. You'll also need to identify any technology required in the execution of activity. All of these things will also need to be built into your plan.

Reporting, analysis and insight – This is often overlooked but absolutely critical. Having the right tools in place to be able to measure activity correctly means that performance data can be interrogated properly and trusted. Performance data will provide additional levels of insight and provide evidence to support decision-making. A common blocker for many in-house teams is that activity isn't signed off because the value can't be demonstrated.

Refinement – Performance data and insights can be used to refine activity. Having past learnings at hand can really add value to your transition plan. Agencies are really good at preparing refinement plans – leveraging insight and experience – something your new in-house teams will need to be able to do as well.

"Depending on the role, head count and overhead costs needed to be addressed. Specialists can be expensive. We also had to overcome a lack of understanding from the wider business around the need for specific roles. Forecasting the longevity and need for the role can be difficult."

Cost & benefits analysis

Tangible costs and benefits are a quantification of the new situation.

Where possible, break these into short- and long-term scenarios so you can thoroughly map out the financial and operational situation over time. Plan for longevity.

Tangible costs

By tangible costs, we're referring to the physical costs associated with implementing your new in-house team: increased head count, additional hardware, technology costs, training, etc. Remember that your handover period will also incur costs that must be accounted for. Getting these costs together as accurately as possible will help you avoid unpleasant surprises further down the line. Bear in mind that if you are losing competency in an area by in-housing, it will become a tangible cost to the business.

Your tangible cost count should also include what's run-up by other areas of your business if they are helping you implement the change or supporting your team through the transition.

Tangible benefits

So, what are the tangible benefits of bringing everything in-house? What cost savings will you make vs. using an agency? For example, if in-housing opens up an opportunity to run organic social media campaigns with an in-house social media manager, attempt to quantify this and include as a tangible benefit.

Intangible costs and benefits

Intangible costs and benefits are essentially a qualification of the new situation, factoring in costs and benefits that could occur. They provide the 'icing on the cake' after the tangible costs and benefits stack up. When you present the transition business case to senior stakeholders, the scrutiny will be on the tangible elements, but the argument can be won or lost on the strength of the intangible elements.

Intangible costs

Intangible costs are the costs that are not immediately and inherently measurable. A good example of an intangible cost would be the potential loss in performance during

the transition. It's difficult to know what will happen, so the best approach here would be to factor in the maximum acceptable drop in performance. Better to be conservative.

Intangible benefits

Intangible benefits might be things like owning the IP to your marketing activity, having a greater understanding of the market within the business, or potentially increasing your standing within your industry as an employer. Where possible, break these into short- and long-term scenarios to really show (hopefully beneficial) immediate and lasting impact on the business.

The importance of a cost-benefit analysis

The cost-benefit analysis sits at the heart of the whole project. If the numbers don't add up, the project won't fly or the business will look to outsource again at some point because the rationale to bring activity in-house simply wasn't strong enough at the outset.

"We spent a lot of time on the financial model, especially in uncovering hidden costs such as hardware and training."

Understanding the business impact – POPIT model

Whenever you add a new team or function into a business there is always a much wider impact.

Business analysts use the POPIT model (People, Organisation, Process, Information, Technology) to illustrate the changes that occur as you implement change. The four areas that make up POPIT are all related – change to any one of them will affect the other three.

Using this model can be really helpful in assessing the impact your new team and technology will have on the existing business.

o **People** – Your in-house team members and support staff. Human resources (HR) is a clear example of an existing business unit that will need to enact change in order to support the new team and new skills entering the business.

o **Organisation** – Management structure, responsibilities, accountabilities and role descriptions. A review of how the team will physically sit within the building, as well as where it will sit within the organisation structure.

o **Process** – You might need to develop new processes up-front to support the integration of the new team. For example, media budget sign-off or reporting frequency. Often overlooked, but highly important.

o **Information Technology** – In addition to the new technology that the team will use, you'll need to review the technological impact of integrating your team into the wider business. Hardware requirements and additional technical support, for example.

Using the POPIT model throughout your transition plan will help lay the groundwork for success. If your new in-house team is not integrated or supported properly within the business, the result will inevitably be a failure.

The POPIT model will help you build and demonstrate a much stronger business case, ensuring the Board is aware of any resulting business impact.

It's important to understand that your existing team might be nervous about the addition of new skills that your in-house digital team will bring. Digital has a history of 'taking budget away' from more traditional marketing methodologies. In the People and Organisation areas of POPIT, you should clearly outline if there are any new responsibilities/accountabilities similar to others already in the business.

If your business has separate digital and traditional marketing teams, try to integrate them as much as possible. Besides reducing feelings of insecurity, there is much that traditional media and digital media can learn from each other to the benefit of both.

Wrapping up your transition plan

You have covered all bases and should now feel really confident that you have built a solid transition plan.

You've completed your audits, assessments and analysis; know what you need, why you need it and how much it will cost.

The POPIT model will have illustrated any wider business impact and you will have documented all of the short- and long-term benefits in-housing digital will add to your business. Now you're ready to build your team.

"Our transition was led by need. We worked with expert partners to develop the plan around internalisation, job specs, etc. Then we started hiring and transitioning using our agency partners. This is much easier when the internal role is junior to mid-weight and you have senior digital marketing expertise already in the team."

5.
Creating your in-house digital team

Your transition planning is done and you're ready for action.

It's time to define and structure the roles you need and recruit your team. This might be an area you feel less comfortable with, and there's often a temptation to ratify the high-level team and role deliverables and rely on specialist recruitment consultants to fill the roles. But there's more to the story than just that and, surprisingly, more ways that you can stay in control to make sure you get the people you want for your team.

In this section, we'll highlight a series of considerations that will help you along this journey. Covering everything that you need to know about building and recruiting your in-house team: from structure, to roles and responsibilities, salary, training requirements, and what you can learn from the competition.

But we'll do it with a little twist, exploring a new way of thinking about recruitment and how you, as a marketing leader, can attract and secure the best digital talent: presenting a unique opportunity to candidates who are looking for exactly that. This is what will allow you to assemble a cohesive group of digital experts who will deliver results.

Team structure, roles and responsibilities: RASCI matrix

Let's start with your team structure and role evaluation.

The RASCI matrix (Responsible, Accountable, Supportive, Consulted, Informed) is an evaluation tool that can help you map how your new digital roles are structured (along with your current in-house marketing team), as well as defining reporting lines and areas of responsibility.

Its purpose is to stop things falling through the cracks. You can use RASCI to build layers of governance and identify gaps in the workflow where tasks are essentially 'orphaned', i.e. being completed with no follow-up or notification within the team.

Your RASCI matrix is a key consideration at the start of your in-housing journey. We understand that you might read this and think that it's easier said than done. If you've always outsourced your digital, you might not know the specifics of each and every role that you need to bring in-house, let alone the key objectives for technical roles and how they roll-up into the matrix.

Don't worry, there are plenty of marketing leaders in your shoes. It helps to keep your digital strategy and vision for your team in clear focus, as well as a technical expert on-hand to guide you through the process.

Once you've completed your matrix, share it with the wider business. It can be really valuable for stakeholders outside your team to know what your team is going to do, how they are going to do it, and how they can integrate their own work.

Let's look at the five areas of RASCI:

o **Responsible** – Owns the task and is responsible for delivery.

o **Accountable** – Ultimately accountable for the delivery of a task or piece of work. Accountable individuals have final approval and will be where the buck stops.

o **Supportive** – Provide resource or assistance for work that another person is responsible or accountable for. This categorisation often overlaps with 'consulted' – so much so that some implementations of RASCI simply omit the 'supportive' category altogether.

o **Consulted** – A person who is consulted in the delivery of a task, providing information, expertise, or data to facilitate execution.

o **Informed** – Individuals who are reported to or must be kept in the loop. Managers typically sit in this category. Where integrated activity is concerned, one part of the team may have 'informed' status on the activities of another arm and vice versa.

Attracting talent: leading with opportunity

Remember that we said this section comes with a twist?

Perhaps it's better to say that we would like to encourage you to think a little differently about how you consider recruitment and your role in it.

Tradition generally dictates that, at this point, a job description is put together (using your conclusions from your RASCI matrix) and passed over to a recruitment consultant. Good CVs should start flying in and that should be that.

But is it? At Fresh Egg, we believe that there are a few vital steps missing – and a change in thinking is needed. Instead of leading with just a job description, lead with opportunity. As we often say to our clients when we're taking them through the process of digital in-housing: successful hires are made when both sides are aligned about opportunities.

Role descriptions

Your role or job description is a practical document that outlines the responsibilities, skills and experiences needed for the role.

This should include the requirements needed to deliver against your strategy and the salary level on offer.

Role descriptions can be either high-level – especially if there's room for the holder to 'make the job their own' – or detailed, depending on what you want to achieve. The most important thing is that it's clear and aligned to your digital strategy. A good role description will enable you to easily communicate to your business what the person will be doing and what they are expected to achieve.

From a candidate's perspective, it should be enticing and truthful – so they're motivated to apply. Good candidates buy into opportunities to learn, to grow, to develop, and to experience something new.

For technical roles, you must ensure that the description illustrates the technical skills and experiences that applicants must have. Your RASCI matrix will have helped you draw these out.

This is a really important area to get right; if your description glazes over a skill that proves to be pivotal to the role, you may find yourself wasting time at interview stage – or even making a bad hiring decision.

Defining the opportunity

The role description may show exactly what skills and experience are required for the role, but what is the wider opportunity?

The digital space is very competitive. Large agencies are continually recruiting, and the growing in-house trend means that roles are opening up across the marketplace – there's a lot of choice out there for top talent.

To enthuse, motivate, excite, and snap-up the right talent, you need to focus on defining the opportunity. This could include:

- Work/life balance.
- Company culture.
- 'More than money' perks.
- Career progression and development.
- Or a mixture of all the above.

Think about culture: what's important to your team and what's available at your company? For example, you could be a team of hardworking, dedicated and incredibly smart people who appreciate the importance of family and commitments outside of work. For a working parent, this could be an perfect opportunity.

Get this right and you will create a happy, productive and dynamic team. Get it wrong and you may find yourself continually re-hiring. When defining the opportunity, have a think about the following and use the answers to create a far more compelling job advert:

- Positioning career progression for desired candidates.
- Really listening to what the candidates are looking for and 360-degree picture.
- Company culture and cultural fit.
- 'More than money benefits' and opportunity at the company.

Salary expectations and non-financial drivers

Use services like Glassdoor to conduct salary research – your candidates will.

Don't just check salary levels for one job title; research salary ranges for different role titles for your catchment area to get a proper idea of what you should be paying. One of the biggest mistakes marketing leaders can make when planning salary bands is to focus on cost savings. When attracting and retaining talent, you cannot cut corners.

While it might be tempting to put graduates in place, or to try to undercut the market by a margin, remember that your prospective hires are all digitally savvy and more than capable of finding out their market worth, quickly and easily. From experience, this is something that many businesses get wrong, especially given the backdrop of staff-hungry agencies willing to pay for good people.

The key is to balance salary with the attractiveness of the role on offer.
And this can depend on the motivations of the individual. Opportunity for advancement and professional growth, flexibility, work/life balance, business culture – the motivations of the employee can be quite varied.

If you can't afford to be really generous in salary, you may still attract quality talent with a role that cleverly addresses non-financial motivations.

"Employees don't just come out of the woodwork, so the more a business can do to make themselves a digital employer of choice will help. A key element around this is being honest about where the opportunities are, and the commitment the business will make."
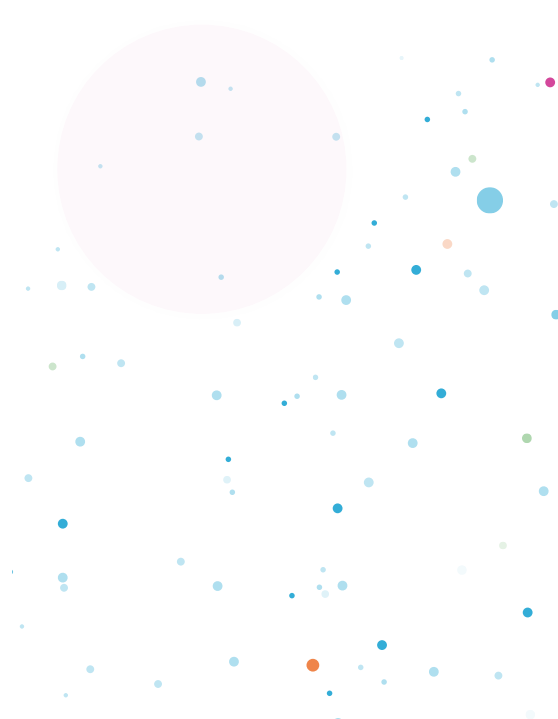
What is your competition offering?

Before hiring, take a look at some of the organisations and agencies in your area. There are many perks that digital businesses use to make them attractive to prospective employees. For example:

- Flexible working.
- Leaving an hour early on Fridays.
- Getting your birthday off as an extra holiday day.
- Leave days to support local charities.
- Discounted gym membership.
- Free fresh fruit.
- Company beer fridge.

All of these are actually relatively cheap and easy to implement, and have a positive effect on how candidates view working for your business.

Find out what others are offering and see if you can match that. Remember that digital businesses have some of the most forward-thinking staff incentive programmes out there and these are what you're competing against for talent.

Anything you implement must also be supported by the wider business. There's no quicker way to ostracise your digital team within the organisation than by giving it perks that no one else gets.

Identifying specific training requirements

In situations where you require a role-owner to 'wear two hats', it might be more effective to employ a candidate who has a specific core set of skills, and provide training in the other duties you need them to complete. Identify any training requirements up front, source them and fold them into your cost analysis.

What you spend on training will most definitely offset the time and money spent in finding someone with the exact range of skills you're after.

Recruiting

Let's not beat about the bush: recruitment can be hard.

Candidates with the right mix of skills, personality, drive and enthusiasm for your brand won't come knocking on your door the moment you need them. Creating the opportunity – the right roles, in the right environment, with room for development and, more importantly, with engaging and varied responsibilities – is a great start to attracting the right people to your team.

Before we go further, we should caveat that we don't wish to supersede any recruitment processes that your business has in place, but hope to provide some food for thought, so you feel confident that you're making the right decisions when recruiting digital specialists.

Creating your recruitment team

To find and recruit the best talent for your roles, you need to have a good recruitment team in place. And that means having the right skills at the table; someone who is able to assess experience and behaviours and another who can deep-dive into the candidates' technical capabilities.

A solid recruitment team will prove to be a great asset, especially at the interview stage, but if you don't have the right people available in-house, you can bring in external help.

At Fresh Egg, we offer a consulting service that spans the full in-housing process, which means we have recruitment experts in our team who can take the reins for you at this stage or provide support and advice if you need it. But whether you're using an in-house team or utilising outside support, it's vital to secure your recruitment team before you start searching for candidates. You need to make your team aware of your mission and what you want to achieve. This can smooth the process, particularly at the interview stage, when you might need to call on your team at short notice.

Interviewing takes real skill and training, so it's important your team is up to the task. Do they have the blend of technical knowledge and personal skills to ask the right questions to uncover the information you need to know about the candidates? While you're searching for your candidates, it's worth making sure that your interview team is trained and ready. We will cover the technical expertise at interview a little later in the paper, but for now, it's worth thinking about offering training that covers:

o Face-to-face interview preparation.

o Interview style, tone, and building rapport.

o How to avoid common mistakes (what not to ask or say).

o How to uncover a good candidate's drivers and values.

"Recruitment was our biggest challenge because of our location. There was simply a lack of digital talent. We had the option of using a satellite office in London but felt that co-location was the better option for the business and for the performance of the team. A pleasant outcome for us has been the natural and unforced integration of the digital team with our IT and finance teams. They have quickly become co-dependent and highly effective."

Recruiting talent: location, location, location

Finding the right people for certain roles can be tricky if you're based outside of a big city. There just might not be the right skilled people in your catchment area.
One of our clients had to evolve their plans to accommodate this, resulting in a partially in-housed model that continues to work well for them.

If you cannot find the right talent in your catchment area, the only way you can fully in-house is if you can offer flexible working – working from home or from different office locations, for example – which can also be very effective for acquiring and retaining digital talent. Fortunately, technology can now facilitate flexible working more effectively than ever before, but it's worth considering that for the team to fully gel, they will need to be in one location at least some of the time.

At Fresh Egg, we have progressive working practices in place, with remote working and part-time roles used across the business. We rely on a number of communication technologies (Skype, Slack, Trello, email, phone, hangouts) to ensure that communication remains effective.
With progressive working we have been able to retain the right people for the role, somewhat regardless of location.

Choosing your recruitment strategy

As with any other industry vertical, candidates come with all sorts of capabilities. Finding and retaining the right talent is likely to be the biggest challenge you'll face from the outset.

Searching for the right candidates should be high on your priority list and it's important to choose the right process to conduct your search. There are a number of strategies you can choose from, one of which is to use specialist recruitment consultants.

You might rely on one trusted recruiter, or bring together a small panel of recruiters who excel in slightly different areas, but whatever you decide, they must have the network and the capabilities to tap into both active and passive candidates. It's said that around 80% of the market are passive job hunters, so there's plenty of opportunity to uncover candidates who aren't actively looking for a new role, but are open to the right opportunity.

It can be really beneficial to put preferred supplier agreements (PSA) in place with your chosen recruiters. When a PSA is in place, you have the scope to thoroughly educate your supplier about your business and the roles available, enabling them to communicate the opportunity to candidates. Even if your selected recruiters don't have past experience working in digital marketing, they will certainly benefit from your robust groundwork and role preparation.

Activating your own candidate acquisition strategy

You may choose instead to go it alone and activate your own candidate acquisition strategy. In many ways direct employers have the edge on recruiters, as first contact can be perceived to be much more genuine. For example, if you were to receive one LinkedIn invitation from a senior marketer and one from a recruiter, which one would you be more likely to accept?

As part of your direct aquisition strategy, it's worth reviewing your LinkedIn (and other social media) settings to see how you can contact target profiles. You could also broaden your search to look at candidates with current job titles one step below the role you're recruiting for. These candidates may be ready for the next step in their career and

the offer of a promotion could be a strong motivating factor in enticing them to your business.

Beyond directly searching for candidates, raising your own digital profile will also stand you in good stead. Your candidates are online and becoming more visible on digital channels will help you to stand out as a reputable employer.

Market mapping

Market mapping is essentially proactive recruitment, or headhunting. It's a specific and targeted approach to finding the right candidates, whether they're at competitor companies or agencies, and whether they're looking for a role or not yet in the market for one.

It involves combing through LinkedIn and other social platforms, competitor company websites, maybe even using research agencies, to find where candidates with the required level of skill and experience are working. Recruitment consultants use this method as standard to mine the passive candidate market, but if you've chosen to manage your own recruitment, you can

achieve the results you need just as easily by undertaking the same process.

In fact, you might even see slightly better results, because your initial contact will be credible, authentic and trustworthy. And because of the 'opportunity' groundwork you've done, you will also be able to quickly identify whether the candidates' drivers match the opportunity you're presenting.

If you don't have time to carry out this exercise but would like first contact to be from a marketing professional working on your behalf, Fresh Egg can help. Our recruitment team can source, contact and filter talent, or work behind the scenes, refining a list of relevant people for you to approach.

The talent pool

If finding full-time staff with the right experience levels is proving difficult, it might be worth looking at alternative recruitment strategies.

Does the role need one person full-time or could it be done via a job share, or part-time? In every area there are pockets of hidden talent who could be a great asset to your business. There are valuable people who for various reasons don't want to or can't commit to working 9-5 Monday-Friday, such as working parents.

You are bound to find a wealth of hidden gems within this pool of talent who could really benefit your business.

Decreasing or increasing your candidate pool

Have you found that there's a specific skills shortage in the market and you need to widen your search? Or perhaps you've found too many people with similar skills and you need to narrow your search? Try using these tactics to increase or decrease your candidate pool.

Decreasing the talent pool

o Raise the level of prior experience required for the role.

o Include specific technical skills that candidates must have.

Increasing the talent pool

o Identify candidates with relevant transferrable skills.

o Increase the salary band.

o Look for talented people with a narrower skill-set that you can train up quickly.

Being in the position where you're decreasing your talent pool can, on the face of it, seem easier than having to increase it. However, increasing your talent pool can open up new opportunities and lead to better results.

By thinking outside the box and sourcing candidates whose drivers still match your opportunity, but whose skills differ a little from your original specification, you can secure and develop a digital professional with a broader skillset.

Referrals

Referrals can be a really effective way of sourcing new talent. Good people know good people, and as individuals normally gravitate towards others who are like them, their drivers and outlooks are likely to be similar.

If you don't have a big digital team and are worried that referrals may not work for you, consider communicating out to the wider business – you never know who your employees might pass your way. That's also why it's very important to reward your referees. An effective internal referral policy will be well-paid and clearly structured, releasing the payments at key points after the candidate has joined the business.

For example, you might consider paying half of the referral fee a week after the candidate has joined the business, and the other half when they have passed probation. The referee will then have a financial incentive to ensure that the new joiner is happy and stays at the business – inviting them out for drinks and checking-in with their manager.

Advertising

There are lots of national, local and industry-specific job boards available. The relevant ones will vary depending on requirements, location and level of the position you're hiring. Advertising is a great way of getting your brand in front of a wider pool of people and will most certainly address the 'actively searching' portion of the market.

Filtering candidates

A poorly filtered candidate pool can be a huge timewaster, not to mention frustrating. Why should you have to put up with a slow recruitment process because of a kink in the chain?

By designing effective screening and robust initial assessment processes, you can ensure that you only interview candidates who have:

- an accurate understanding of the role

- drivers that match your opportunity

- salary expectations within your range (and are aware of the total compensation package and non-financial incentives)

- relevant technical competency required for the role

- motivation to move to a new role and unlikely to accept any counter-offer

- legal permission to work in the UK (or the country where they will be placed).

Interviewing candidates

It's crunch time. Your hard work and clever recruitment strategies should now start to pay off.

Your recruitment team is ready and assembled and it's time to interview your chosen candidates.

Designing your interview structure

A well-planned and well-structured interview can really make all the difference. There is no one-size-fits-all and each interview will bring a certain amount of individuality to the table. What's important is to get it right – the outcomes should always be helpful and positive, even if you decide not to take the candidate forward.

o Ensure your interview panel stays on track – the right people are in the room and working in harmony with one another.

o Adopt robust strategies to understand the experience, skills, technical ability and cultural fit of each candidate.

o Draw out and discuss what you've seen in the candidate's CV – success leaves patterns.

o Make sure each and every interview is consistent and fair.

o Extract the evidence needed to make a balanced decision on whether to take the candidate forward.

o Confidently sell the opportunity and match with identified drivers – don't let great candidates get away.

Technical expertise at interview

Your technical questions will require a sound knowledge of the subject or specialism, otherwise you won't know if a candidate's answer is correct or not and you won't be able to probe them further on a particular point. It does sound pretty obvious, but having a technical expert in the room makes for a more natural technical conversation. Your candidate will appreciate it, especially if they are looking to join a progressive and digitally-passionate organisation.

If you haven't chosen to include a technical expert in your core recruitment team, you can still ensure that you are covered. You have two options: buddy with a technical expert throughout the whole process, or have them draft model technical interview answers and fly solo.

Buddy with an expert for screening and interviews

If you don't have anyone as part of your core team, you should strongly consider partnering with a technical 'buddy'. They can come onboard at the very beginning; looking through CVs, identifying the best candidates to interview and then working with you to evaluate the evidence. They can also set tasks for candidates who reach second-stage interviews, helping to really draw out the levels of technical ability. They can even help you through reference checks, leaving you feeling confident that you are making considered, balanced and thorough decisions.

Have an expert set questions and model answers

While this option is cost effective it can lead to a relatively static interview structure that won't suit all candidates. Some of the best interviews are those in which the panel react to candidate answers and push deeper in certain areas to uncover hidden talents or to expose surface-level knowledge.

Personality testing

Along with your technical competency questions and general questions to gauge cultural fit, you could include some personality testing. This shouldn't be part of a pass/fail scenario as it's more about learning about the personality traits of the person you're thinking about adding to your team. You should consider the blend of personalities on your team and whether there are certain candidates whose personalities lend themselves better to particular situations. There might also be working behaviours that you need to consider, such as what management style would best fit the candidate.

While personality testing cannot replace good evidence-based behavioural questioning, it can provide an overview of possible behaviours quickly and easily. It is imperative, though, that both candidate and interviewer review the output together for accuracy, as part of a comprehensive interview process. This way the output can help to provide some structure to the interview for those unfamiliar with more detailed behavioural questioning.

"All of your interview questions should be evidence-based, not theory. Anyone can tell you what they would do in a situation, but only people who have practised the behaviour or skill can give you an example of when they have applied it practically."

Over-interviewing

Silicon Valley seems to have blazed the trail for multi-level interviews. We're not talking about the universally recognised first and second stage, but rather seven rounds or more. Not only is this a huge drain on internal resources, it's tiresome for the candidate.

And you may find that through the process, you lose great talent to another organisation. While it's sensible to be thorough, you should balance the interview process with the level of the role. Senior candidates will expect to jump through more hoops than someone more junior.

The better planned, prepared and composed your interviews, the fewer rounds you are likely to need. Covering your bases will leave you confident in the hiring decision you make, without resorting to over-interviewing.

Contingency planning

Contingency planning is a necessary part of your recruitment and staffing strategy, and it can come into play when you're interviewing and narrowing down your candidates.

In many cases an in-house team will have one specialist per area, e.g. one social media manager, one email marketing manager. If this is the case within your business, you will need to plan skills cover for any planned or unplanned team absences, such as holidays, sick days, unexpected leave, and staff turnover.

You might find that you have overlapping skills within the team you recruit – an email marketing manager with experience of social for example. Otherwise, think about how you incorporate cross-training and skills cover in your training and development plans.

Closing your candidates

Great talent won't stay on the market for long, especially in the candidate-short world of digital marketing. Commission-hungry and skilled recruiters will try every trick in the book to place someone and will often not relent until an offer letter is signed.

Recruiters have many reliable strategies in place to 'close' candidates. We are not suggesting that you necessarily need to adopt them, but you do need to be aware that the market is competitive. If you have a candidate that you would like to make an offer to, try to make this process as quick and easy as possible, or you might find that they've accepted an offer from elsewhere.

If you've listened carefully to a candidate and really got to grips with their drivers and reasons for moving, it should be less likely that they decline your offer. Understanding your candidates' goals and needs should mitigate the risk of them either accepting a counter offer or deciding the role isn't right for them.

And of course, as always, you don't need to go through this stage on your own – Fresh Egg's recruitment team can be on hand to help you every step of the way.

6.
Preparing the infrastructure

This is where your planning really comes into its own.

You've got your RASCI model to hand and have chosen the right candidates to form your team – now it's time to put your operational environment in place. The environment and infrastructure will evolve with your team, so don't worry about getting everything 100% right from the outset. Remember that every team at every organisation in the world is different and you'll need to adapt and learn along the way.

Within this section, we will explore the many elements that come into play when preparing your infrastructure and general operational environment. Focusing on risk and governance, technology and processes, and management lines.

Team management and development

Onboarding and induction

You have carefully worked through the planning and recruitment process and have secured some great talent to form your team – you're excited and they're excited. It would be such a shame to let the ball drop at this point, but lots of organisations do.

Many talented people leave companies because they are promised things that never transpire. Even something as simple as having their computer set-up and ready for them on their first day can make the world of difference.

Your people are your greatest asset, so it's important to keep them happy and give them the platform to perform from day one. To complement formal training and induction processes, you should consider informal activities, such as going out for a team lunch on the joiner's first day or assigning them a team 'buddy' to help them in their first month.

Team managers

Your RASCI matrix will have helped you define management and reporting lines. Now you have your team managers on board, they need to integrate with the rest of the business. Getting this right will give your team the proper guidance and leadership they need to thrive.

A good team manager will have solid interpersonal skills, a coaching mentality, and the ability to understand the challenges their team faces. How well is the team performing and are the individuals achieving the desired output? The team manager should be able to evaluate this and have supporting metrics to hand. Of course, team managers aren't just there to ensure performance, they are also in their position to grow, build and support their team.

If the team needs to attend specific training – send their manager too. Even if the team manager won't utilise the skills learned in their day-to-day role, they will understand what the team is trying to achieve and will have the confidence to explain details when managing up the chain.

Career development

If you've employed hungry and passionate people, it's unlikely that they will want to stay still. Personal and career development is

really important and should be central to your retention strategy.

It also plays nicely into contingency planning – covering skills in case of any absences. If you don't develop your people and rely on one individual to cover a particular specialism, what are you going to do if they suddenly stop turning up for work? Enabling and empowering specialists to upskill in areas outside of their immediate specialism can help lessen the risk and bridge the gaps. You will also find that you're developing better, more rounded digital specialists.

At Fresh Egg, we haven't left the side of the clients we've helped to in-house. We're still there when they need us, providing training, career mapping, invitations to industry events, digital strategy coaching and more. Enabling our clients to create the best results for their business.

Process

One of the greatest strengths of agencies is their ability to create processes that work at scale. Defining processes might sometimes be mundane, but it's essential for the success of your in-housing project.

Your RASCI matrix will show how different workflows fit together and process is the glue that binds them. Without it, people stop being consulted or informed, accountabilities slip, and responsibilities can be forgotten.

But process is only as good as its application and should evolve to suit the needs of its users and the requirements of the business. A process that is difficult or frustrating needs to be reviewed and revised. It should make life easier, not harder.

A good starting point when thinking about process should be how your team will interact with each other and the rest of your business. If you are currently working with an agency, have a look at what they are doing. How do they ensure things run smoothly? What do they have in place to manage expectation? Your agency should know by now that you're looking to in-house all or parts of your activity, so enlist their help to speed things up. They may charge you a consultancy fee to help but this advice can be worth its weight in gold.

Technology

Technology will play a big part in your team's success.

One of the biggest barriers to success for in-house teams is the inability to deploy technology commonly used within agencies, with cost being the most common issue. In this section we'll explore solutions to common problems and show you how existing agency relationships can work in your favour.

Tools

Access to leading tools is really important to digital teams. Trying to do the job with a limited toolkit may be the fastest way to impede performance and lose staff.

Working with in-house teams over the years we've seen SEO teams with no crawler or visibility tools, PPC teams with sub-par management and reporting tools, and display teams with no DSP tech forced to rely on the Google Display Network only. Trying to drive performance against standards set by an agency without the same access to tools is an uphill struggle at best, impossible at worst. It's also highly demotivating.

But it is possible to strike a balance between cost and making sure your team have the tools they need. Follow the steps below and you can bring together a solid repository of tools that your team will be really happy with.

1. Categorise the tools you use (or want to use) into 'essential' and 'nice to have'.

2. Understand the benefits that each tool brings in terms of performance, intelligence, and management.

3. Research the market to see if there are alternatives that will provide similar functionality at a reduced cost.

4. Build a features and benefits list for each and work through how each tool stacks up against its competitors.

5. Conduct a cost-benefit analysis.

How much will it cost? Technology doesn't come cheap, and where tools are concerned, it is almost always about the price tag.

This is the moment where those who have chosen the hybrid model will be jumping for joy. In keeping your agency for a portion of

your digital activity, you maintain access to their technology. It also means that you can leverage their tech suite for a lower cost than if you were looking to bring the equivalent tech in-house.

Whichever way you acquire your tools, or manage your repository, it's always a good idea to keep an eye out for what's in the market. Technology is evolving rapidly and updates and new releases can change the landscape at any time.

Automation

Artificial intelligence (AI), machine learning, and automation. The future has so much in store for digital. Everyone is racing to employ new technology and automate processes so their marketing can be faster and smarter than the competition.

Automation is actually nothing new. Marin, Kenshoo, Acquisio, and Doubleclick have been automating the process of bid management for years as part of ad optimisation, and smart algorithms have been used heavily in programmatic display to understand where best to place ad impressions against user behavioural signals. Even though algorithmic decision-making may have been around for a

while now, it's about to kick up another gear — or five.

While it's true that any technology is only as good as the humans who use it, there's little doubt that, if used correctly, AI, machine learning, and automation can enhance human insight and provide more time for higher level strategising, planning, and tactical analysis. This presents a clear point of divergence at which businesses who embrace this technology are more likely to succeed and those who don't will risk falling behind their competition.

Are there any quick wins when it comes to automation? Certainly. Search for the opportunities within your new structure, workflows, and processes. Automation can work brilliantly when generating reports, for example.

These technologies often mean that tasks that were tedious and time-consuming manually can now be completed quickly and efficiently. Data Studio dashboards, Power BI, or other data visualisation products can work really well for reporting, and with more advanced set-ups some of these data automations can actually be used to make day-to-day decisions.

Let's consider an automation example in context. Say you use PPC to generate leads. The overall volume isn't large but the value of each lead can be substantial. The temptation might be to use Google Smart Bidding, but in this case the volume and frequency of conversions won't really be high enough for Google to fully work its magic.

Instead, consider adding a rule system into your PPC account that makes decisions daily. If a range of conditions are met, the system will increase or decrease bids across all keywords (based on previous performance).

It's a slick and simple method of automating your PPC activity – taking all of the manual work away from your PPC manager. Can you imagine how time consuming it would be to manually sift through over 1.5 million keywords? Pretty impossible.

Risk and governance

Remember the risk assessment you completed when creating your in-house transition plan?

Now it's time to focus on that extra fifth step – implementing the strategies and tactics to reduce risk. Let's work through the essential risk and governance considerations that you will need to action when preparing your infrastructure.

Including process in your risk strategy

We've spoken at length about how important process is when managing people and technology. And, of course, it comes into its own when we consider risk. The steps you've completed in simply undertaking your risk assessment mean that you're ahead of many others.

Process should be one of your risk reduction strategies. Adopt risk mitigation processes right from the start and you'll reap the rewards. Implementing strategies such as acceptable performance limits and alert points will highlight risks before they cause a problem, and tactics including budget trackers, media spend sign-off and performance reviews can protect you against inadvertent mismanagement.

Tracking media budget spend rate

It's likely that your business has a purchase order (PO) system in place to control external spending and ensure accountability.

External media spends, tech subscription costs and other service provisions will obviously all need to go through those same controls. But in many cases, the media budget spend rate tends to be overlooked.

Tracking media spend rates over time can be very beneficial to your business. It can help you gain insight into seasonality patterns (day, week, month), which your teams can use to improve performance, and it helps you understand the spend run rate and forecast end-of-period spend amounts. In-house teams tend to miss valuable opportunities here and a 'set and forget' approach is not uncommon. In our experience, in-house teams managing accounts tend to be aware of the wider budget for a channel but more rarely track it or analyse it in detail.

Good governance here is really important. A formal process and best-in-class tracking documentation are very important.

For agencies, budget management is a key component of the client/agency relationship. That same sense of diligence, budget accountability and performance responsibility should be part of the in-house culture, enabling your team to perform as a digital centre of excellence.

Managing digital and people performance

If an agency doesn't hit target or performs poorly, the client has every right to move their business elsewhere.

The narrative completely changes when you consider managing your in-house teams. Poor performance needs to be managed internally. Whether it's concerning individual team members, business blockers, market challenges or operational issues, it's all on you as the head of the digital centre of excellence, and – of course – everything we've mentioned above presents a risk. You also don't have the benefit of objective advice and observations from your agency.

The risk can be mitigated – or more likely drastically reduced – through good communication and team/individual performance reviews. You should also consider making regular assessments of your market competitiveness and your service/product offerings. A 'fail fast, learn fast' culture can help your team members open up and share learnings, without feeling like their experimental freedom is restricted. Regular touchpoints, careful reporting and open communication lines are really important in reducing risk.

"We have recognised that performance is a shared responsibility. With an agency there is a contractual relationship in place to refer to. This really isn't that different with internal employees. We have found that the increased insight that we have on individual people coupled with rigorous 1-2-1s and performance reviews and regular control mechanisms like team huddles actually make performance easier to manage. We simply have more control points."

Staff cover and contingency planning

Skills and staff cover must be factored in as part of risk and governance.

Overlaying the team holiday calendar with your marketing activity schedule can be really helpful in ensuring that not too many people are off at once, or that leave isn't taken during a really busy period. But it won't – can't – predict sickness or other short-notice leave.

If you have a single, key person who's a particular asset or in charge of a certain specialism within the team, you need to have a plan in case they resign or are unable to work. This is where a 'virtual bench' can be particularly powerful.

Preparing a network or 'virtual bench' of possible replacement candidates (including contractors) who you could contact should anything happen is a valuable exercise. You will ideally do this for all key members of your digital team and this 'virtual bench' should form part of your digital contingency recruitment plan. Should interim resource requirements arise, this is also the perfect time to utilise a hybrid in-house/agency model.

As we discussed earlier, training your team to become T-shaped can also help (specialist in one area with broader digital knowledge and technical skills). That way, if you find yourself in a situation where you need staff cover, you have the skills contingency within the team to cover.

"There is a lack of commercially astute talent that can cut across digital specialisms. Increasingly new talent in the sector can be too specialist. There simply aren't enough T-shaped people."

Leveraging third-party relationships

There are so many things to think about when preparing your infrastructure.

Governance, technology, career development, risk. And one of the things that might be considered to be on the lighter side of your risk strategy can substantially impact morale if you ignore it: maintaining third-party relationships.

Strong relationships with platforms such as Facebook, Google, Bing, Monetate and Adobe, for example, can make your business really attractive to digital talent. It also means that your team have the opportunity to keep developing their (already current) relationships with top technology platforms and tool providers — exposing them to the latest thinking, being invited to events, and more importantly not feeling like they are missing out or falling behind their peers. It's a winning combination.

"Our relationships with Google, supporting agencies and other partners provide our team with the external influences that they miss when working with one business."

"Motivating our team to stay curious, sharing ideas regularly through forums, training and development through interaction with our trusted agency partners keeps our staff up to date with digital innovations."

7.
Post-implementation support

Your business is engaged and ready to invest in your in-house centre of digital excellence. You have an outstanding business plan, have created the general operational environment, recruited and trained a talented team, and enabled change within the wider business to accommodate them.

You've done a lot of hard work – and achieved more. Well done!

So, can you now ease your foot off the gas? Unfortunately, no! Your team will need continual support to succeed. This section addresses some of the biggest challenges your centre of excellence is likely to face and the methods you, as their leader, can employ to support them.

(Lack of) digital knowledge at Board level

Does your Board really understand digital? No? Well, you're not alone.

A 2018 report by Amrop3[1] found that only 5% of Board profiles in non-technology companies have any digital competencies. Add this to the finding that only 3% of Boards have any sort of technology committee and you can understand why there's a disconnect in many large organisations. That's a lot of decision-making happening with little to no digital knowledge in a world where digital is embedded in daily life and digital disruption is a constant threat.

If you compare those numbers with the 43% of the Board profiles in technology companies that have digital competencies, there's a huge difference. When digital disruption is putting an alarming number of 'traditional' businesses at risk, the overriding sentiment is definitely 'adapt or die'.

The UK retail sector has been hit hard. Take House of Fraser, BHS, Toys 'R' Us and Maplin as examples; they all struggled to adapt to the increasingly digitised world and were slow to respond to changes in customer behaviour. Business rates, over-extension, decreasing relevance and uniqueness in the market were amongst the core causes for their demise – and lack of digital strategy and foresight added substantially to their inability to lure shoppers. To highlight this, House of Fraser spent £25 million on its digital offering in a market where John Lewis invested £500 million on ecommerce improvements. Online sales currently represent 18.2% of all UK retail, having grown 15.3% from 2017 to 2018.

Findings by Deloitte[2] show that only 16% of UK executives have the confidence that their staff can deliver their digital strategies. 28% of senior leaders say they are not confident in their own digital skills, which is odd when you consider that only 5% of Board profiles are found to have any digital competencies at all.

So, what can we learn from all of this? Digital teams cannot succeed without invested leadership at a senior level. If targets, objectives and budgets are set at a senior level, they need to understand the investment required to meet them.

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1   https://www.amrop.com/digital-disruption-digitization-on-boards-2

2   https://www2.deloitte.com/content/dam/Deloitte/uk/Documents/consultancy/deloitte-uk-digital-disruption-index-2018.pdf

The only solution lies in education. Your digital centre of excellence should feel confident in demonstrating what it's doing and why. If detail is required, great.

Otherwise, learnings should be wrapped up into the bigger picture (supported by evidence). Digital representation at all decision-making levels is important. If it's not there, you leave your business open to digital disruption.

There's no point in having the vision and painting the bigger picture if no one can understand it or is prepared to listen. Boards who refuse to embrace digital, are slow to the game, or that believe that their brand popularity and high-street presence alone can see them through an era of digital disruption are all sadly mistaken. Just ask Toys 'R' Us, House of Fraser, BHS, or Maplin.

"We have a very digital leadership team, we are fortunate there. Historically boards have been put together based on seniority and hierarchy rather than the digital skills required to run the business. I think this will start to change."

Managing unrealistic expectations

The rise of digital marketing has been quite remarkable.

As a branch of marketing, digital is barely 20 years old but has been growing substantially year on year. In many organisations the growth has been provided for by a decrease in more traditional marketing activities.

Print media spend has moved to digital to the point that newspapers are struggling. Direct mail budget has moved (in part) to email, and TV ad spend has migrated to YouTube and on-demand video. Digital has managed to usurp marketing budgets with the promise of increased relevancy, better ad targeting and a greater level of reporting. All very positive benefits for organisations looking to work their marketing budgets hard. And as you might expect, promises of immediate results have brought tough expectations.

The more digital has grown, the more complex it's become. As marketers we can all appreciate that. Sophisticated technology and developing customer expectations have pushed the boundaries forward.

Digital journeys are now inextricably interwoven and as a result, it has become harder to quantify the results. Results and benefits are now less black and white – more shades of grey. Because of this complexity, past promises need to be revisited to address what digital can actually deliver.

Managing business expectations has become even more important. As a marketing leader, we're sure that you are used to managing up and pushing back on unrealistic expectations, but it's a challenge that's certainly going to get harder – especially if you want to invest budget in a channel that's a bit of a 'slow burner'.

This is where your team can help you. Forecasting outcomes to control expectations, and monitoring results and producing insightful analysis to clearly explain successes and failures.

As it was at the time of its conception, digital is having to do the work now that traditional marketing channels will have to do in the future. At least you have a good few years' start on them.

Reacting to failure

'Fail fast, learn fast' is a common philosophy in modern marketing.

Push the boundaries and implement your learnings quickly – budget's not wasted if your marketing is more intelligent as a result, right?

Digital, like any quality marketing activity, relies on getting the right message in front of the right audience via the right channel (or channels) at the right time; nurturing or influencing a decision. No marketer will ever get it 100% right on the first pass. Robust experimentation and calculated risk-taking are essential and can mean that desired results can be achieved nearly all of the time. When they are not achieved, any and all learnings are fed back into the system to get nearer next time.

As a marketing leader, you know that, but does your business? If a campaign or channel fails, the immediate reaction is likely to be to scrap it and invest time and budget elsewhere.

Preparing for – and carefully reacting to – failure can help you stem some of the knee-jerk reactions and help your business understand that it's OK. Your modus operandi – hypothesising, measuring, analysing and delivering learnings – will deliver clear insight and strengthen your case for experimentation.

Continuous improvement

Adopting a culture of experimentation, learning, and innovation will set your digital team on a path of continual improvement.

When supported by leadership and aligned to business goals, a culture of continual improvement can yield some fantastic results.

Support expertise

It's impossible to be an expert in a field with stale knowledge. Digital moves quickly and expertise requires ongoing development to remain relevant.

An in-house team needs to have the ability to innovate, to try new techniques, technology, and channels. This is something that agencies have to do to remain competitive and which they can do quickly across a diverse client base. The ability to test new things keeps them at the leading edge of digital and keeps their clients competitive in often crowded markets.

Ongoing experimentation is essential and needs to be supported. It can easily be argued that this culture of experimentation should exist across the organisation as a whole, not just in a digital context. If everyone has a drive to experiment; a 'scientific' approach to marketing, a culture of 'hypothesise, experiment, measure, learn', then there is going to be much less friction between different areas of the business and more cross-channel integration.

Developing improvement roadmaps

From experience, we highly recommend that your centre of excellence develops and maintains improvement roadmaps. These will showcase all projects destined to improve existing activity with new process, practice or technology. These roadmaps can then be reviewed and adjusted as part of your regular management sessions. The business will see that you're striving for continuous improvement and your team will be accountable to the roadmaps and responsible for driving them forward.

Digital capability assessments

A digital capability assessment can help you get a better idea of how digitally

sophisticated your business is and how your team is developing over time. It is advisable to undertake an assessment right at the start of your digital transition to benchmark where you started out.

Yout digital capability tracking assessment will come into its own when your team is fully formed, the technology is in place and you're executing sophisticated campaigns/activities.

These assessments can be carried out at regular intervals to help you monitor progress. You can then feed learnings into your improvement roadmaps. At Fresh Egg, we find these assessments incredibly useful in understanding our clients better and positioning them on the right path to digital excellence.

Training and mentoring

Continual training and mentoring can help keep your team on the cutting edge of digital innovation. But it will also enable your people to keep growing and refining their technical skills and learning new ways to help set your marketing apart from the competition.

8.
Discipline-specific considerations

In this section, we focus on a number of different digital disciplines, identifying those that are easier to in-house and those that are often more difficult.
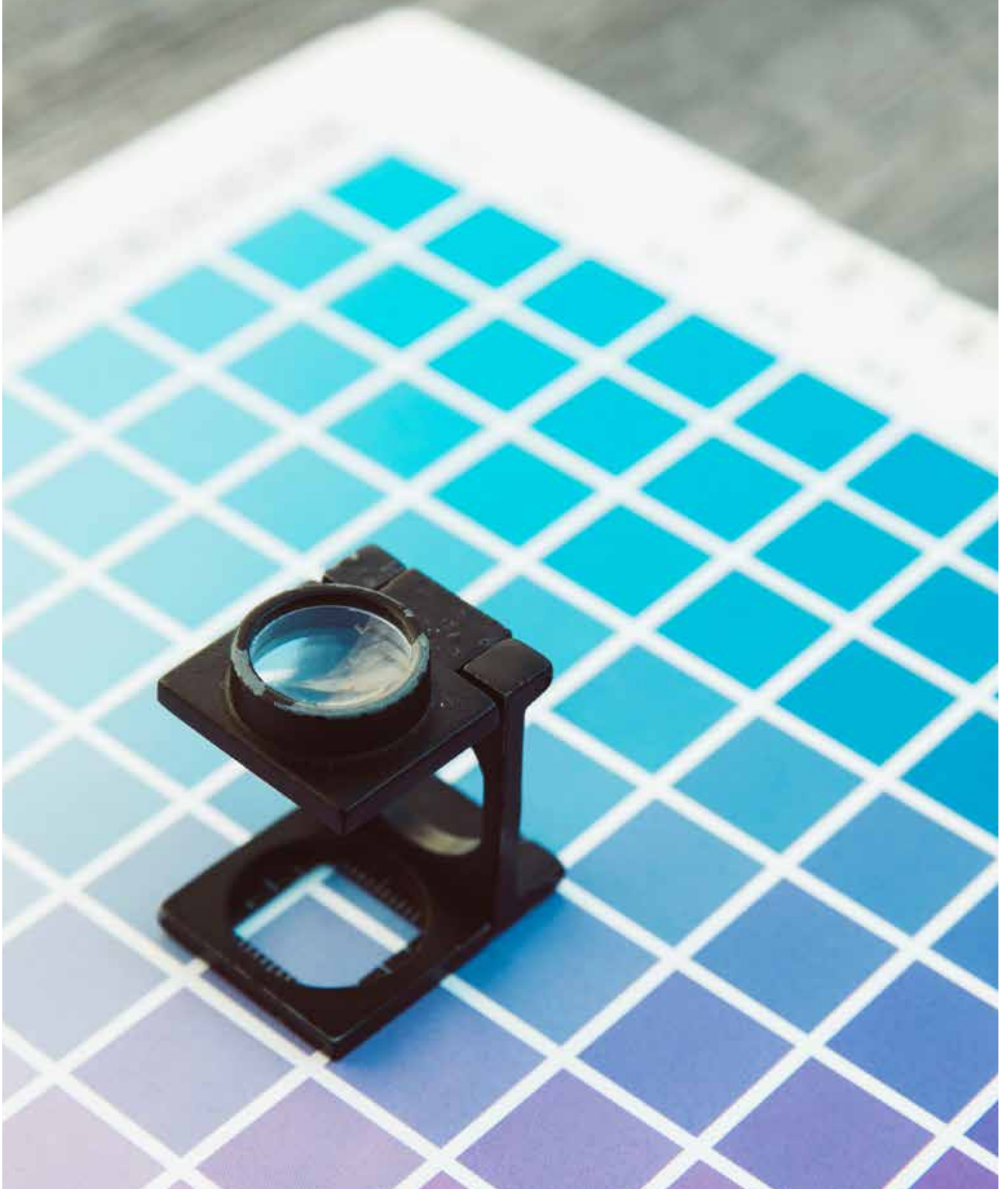
Technical SEO

Technical SEO focuses on the many on-site elements that influence search engine visibility.

The goal of technical SEO is to ensure that, when search results are displayed, your website has every opportunity of being displayed near/at the top of the page. Site speed, page structure, information architecture, URL structure and redirects all form part of technical SEO. A lot of this work is cyclical and involves third-party software to crawl your website and monitor search engine visibility, for example.

The often-frustrating part of technical SEO can be the ability (or lack thereof) to implement the many changes/tweaks dictated by the activity. Most businesses review their technical SEO once a month, gathering the recommendations for site changes. Search engine algorithm experimentation produces natural fluctuations in search visibility that mean that observing visibility at a frequency greater than weekly or fortnightly can lead to false impressions of performance.

Technical SEO is not typically managed in-house, mainly because it's unlikely to require a full-time resource, but also because the skillset is hard to come by – the individual with the perfect blend of technical competencies is a rare find and talent is normally snapped-up really quickly by top agencies.

Typical frequency of activity: monthly/ weekly

Similar skills to: web development
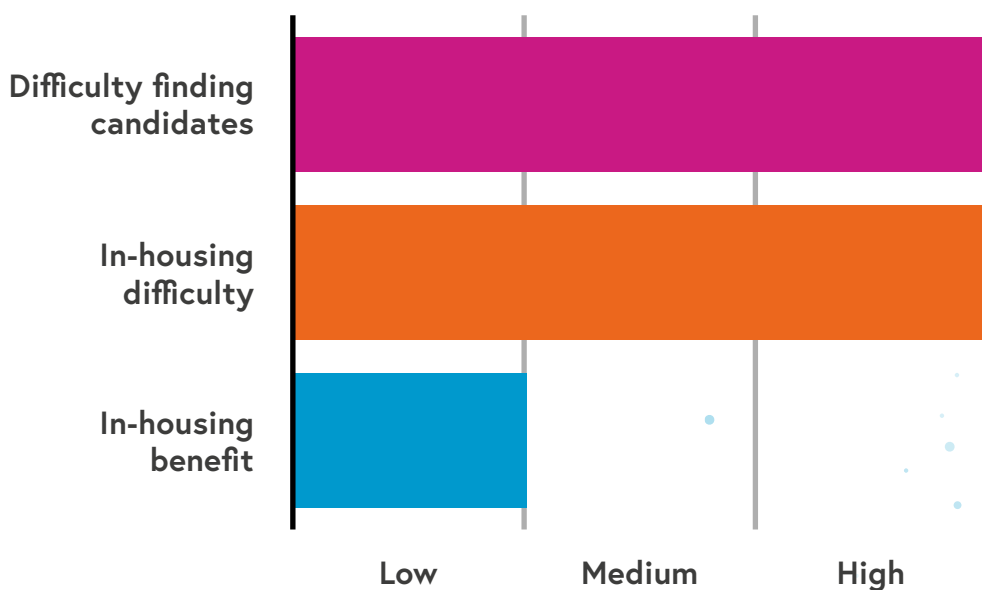
Paid search

PPC management covers all activities required to display ads on search engines using platforms like Google Ads and Bing Ads.

Paid search management is a very process-driven activity and the basic skills are relatively easy to pass on. We don't want to underplay the value that a PPC specialism brings; your expert should come with the experience and knowledge to manage this channel with confidence. Remember, numeracy skills are a prerequisite for anyone in this position; while more detailed digital and technical knowledge are a bonus, they're not always required.

Costs shouldn't sit heavily on your mind either – the basic set of software (including AdWords Editor and Bing Ads Editor) is actually free. Absolutely perfect if you have a hardworking budget. Paid management software – such as Marin, Doubleclick, Aquisio, and Kenshoo – offers additional functionality and isn't prohibitively expensive, typically costing around 1.5% - 5% of managed media spend.

What is worth appreciating is that PPC is time consuming, which is typically why it's in-housed. In larger organisations you are likely to find a PPC manager/executive whose role is dedicated to managing this channel. PPC requires a similar skill set to digital advertising and paid social, so merging responsibilities across these channels is perfectly possible, and ideal when you don't have full-time requirements for each.

Typical frequency of activity: daily

Similar skills to: digital advertising, paid social, data and reporting

	Low	Medium	High
Difficulty finding candidates			
In-housing difficulty			
In-housing benefit			
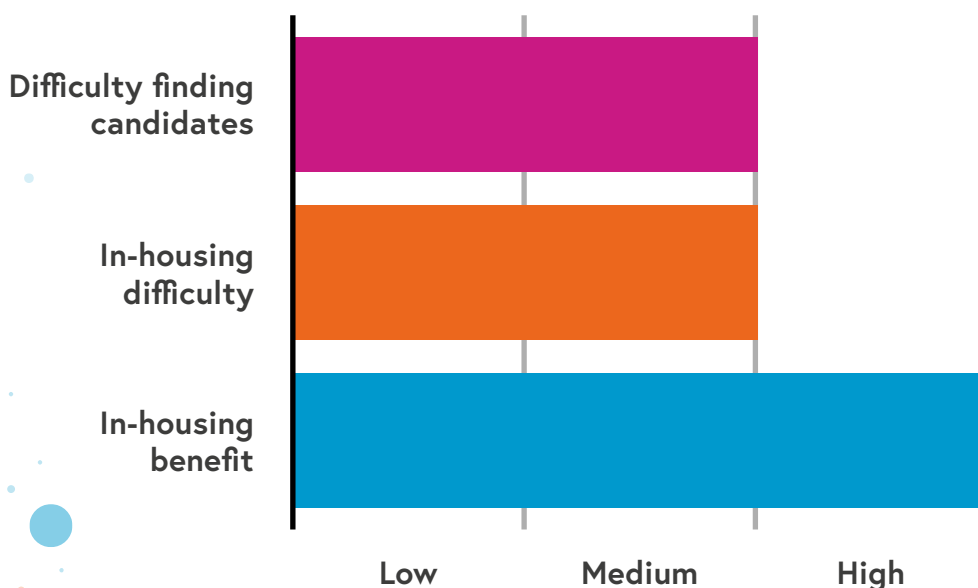
Content

Quality content is really important and essential in the modern digital marketing mix.

The content umbrella also covers activity critical to SEO – where content on your own site and on third-party websites generates links and a flow of relevant visitors back to your website.

Although some will be reactive to a particular situation, most content is produced as a result of a defined content strategy, encompassing use of owned and earned media. Content is often brought in-house because it's an ongoing activity. When it's not being produced, it's being promoted. Work is continually happening and those who create content must live and breathe your brand values.

As with PPC, content lends itself well to the hybrid model. Indeed, many businesses combine their in-house function with support from an agency – whether it's to advise on strategy, create written content or develop visual graphics. This method also erodes the risk of tunnel vision and lack of diversity in content output.

There is sometimes an overlap between content and technical SEO, but much less often than with organic social, which often sits together with content in one role. With good technical SEO training or outsourced technical SEO support from an agency it is possible to deliver a holistic in-house site role that looks at the website function as a whole.

Typical frequency of activity: daily

Similar skills to: organic social

	Low	Medium	High
Difficulty finding candidates			
In-housing difficulty			
In-housing benefit			
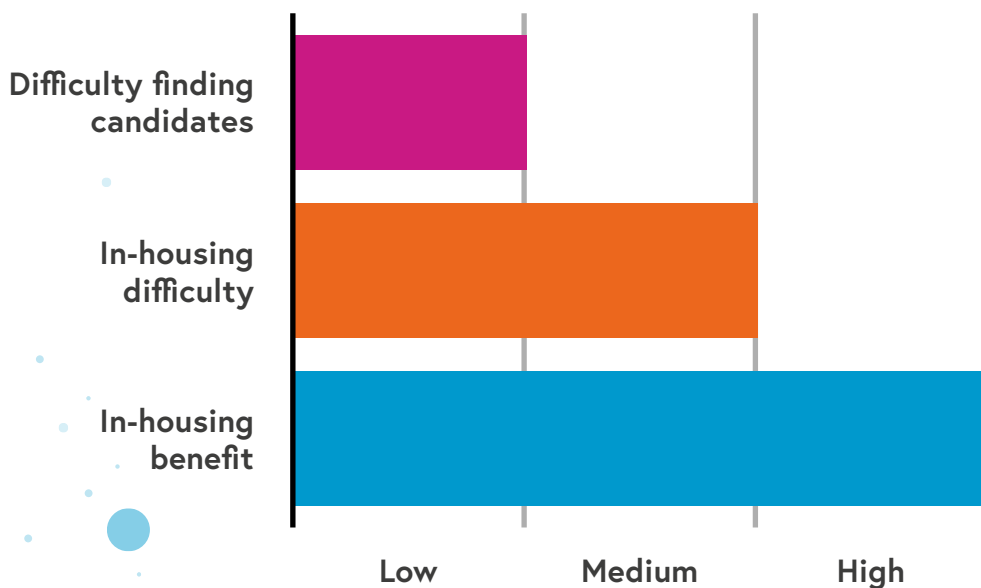
Social

Social media is a channel that is ideally managed in-house. It's live, always-on, proactive and reactive, the voice of your brand.
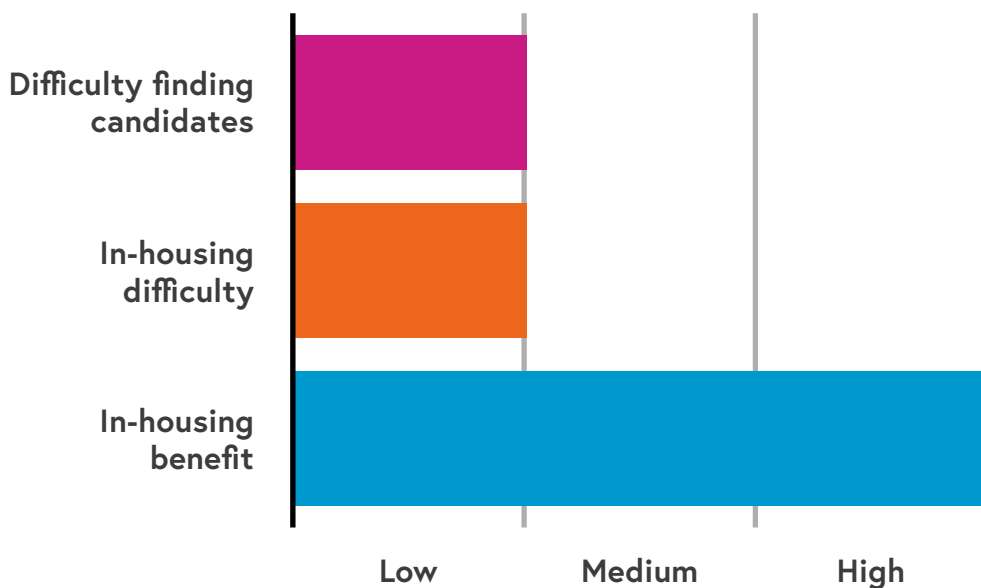
The communications delivered through social media must be genuine – you won't get away with anything less. It's generally harder to maintain brand authenticity if you rely on an agency that isn't integrated within your business. The content will always be second-hand and might come just a little bit too late.

Social analytics can help you regularly engage with – and manage – your social community, identifying content performance trends and helping you strategise more effectively.

Organic social activity overlaps considerably with an overall content function and responsibilities can be merged between paid social, organic social and content.

Typical frequency of activity: daily/weekly

Similar skills to: content, paid social

Difficulty finding candidates — Low

In-housing difficulty — Low

In-housing benefit — High

Low   Medium   High

Paid social media

Paid social isn't a quick win. It requires careful planning and should be an extension of your overall social strategy.
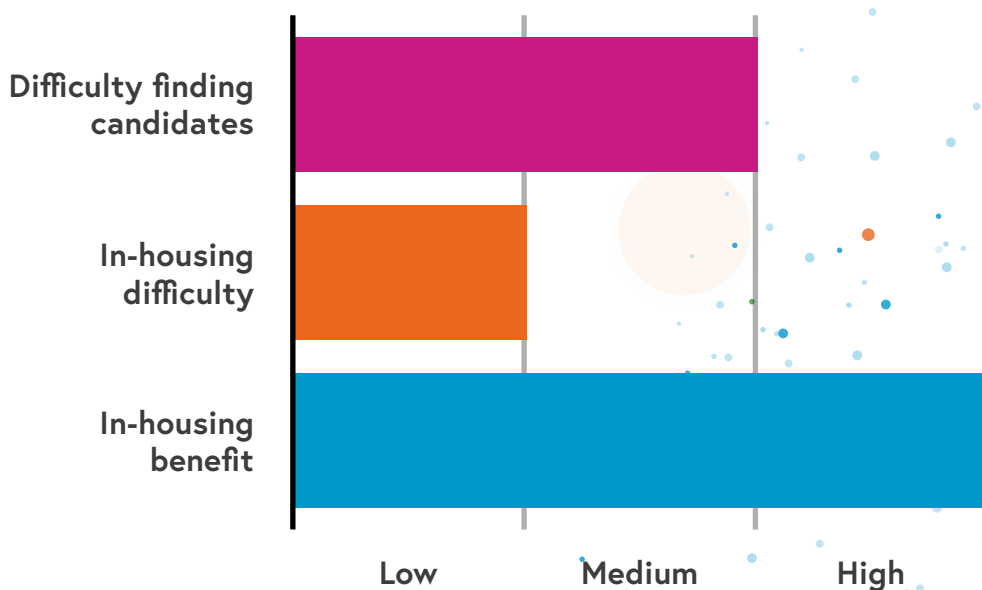
Paid presence on social media platforms requires careful planning, a clever application of content, and quality audience segmentation (based on your objectives).

Thankfully, self-service paid social advertising is relatively easy. The skills required to manage social advertising are the same as for other digital advertising channels: strong numeracy and the ability to identify when to apply defined processes to optimise performance.

The amount of resource required for paid social varies, obviously, but generally this isn't a full-time role within an in-house team for all but the largest of organisations. Paid social lends itself nicely to being coupled within PPC or overall social management roles. Frequency of activity is not usually as intensive as paid search, but as budget is spent on a daily basis regular performance checks are required.

Typical frequency of activity: weekly

Similar skills to: organic social, PPC, digital advertising

	Low	Medium	High
Difficulty finding candidates			
In-housing difficulty			
In-housing benefit			

Digital advertising

Programmatic buying has impacted the digital advertising space significantly and it's now bought using algorithms in real-time.

While display and YouTube ads can be run on the Google Display Network, more sophisticated display advertising requires specific software and the ability to use advertising and publisher networks. Access to these networks is not straightforward and you typically need a Demand Side Platform (DSP) to access them.

If you are able to access the right networks and can experiment with creative, you will feel the benefits of bringing digital advertising in-house. Generating creative can be tricky though and, as such, it's often outsourced at considerable expense. Typically, third parties who run digital ads have a minimum monthly

media spend close to £10,000, usually charging a percentage of media spend as a fee or rolling their costs up into the CPM rate. If in-housing digital advertising is still a must for your business, look for high-quality but cost-effective solutions to generate the required creative. In doing this you can also save on agency fees and minimum spend requirements, but you risk shelling out on technology if you want to go beyond the Google Display Network. Digital advertising can work incredibly well whether you in-house or outsource, but you must remember to:

o Learn from campaign performance.

o Test multiple creative variants.

o Continually optimise.

Typical frequency of activity: weekly/ monthly

Similar skills to: PPC, paid social

	Low	Medium	High
Difficulty finding candidates			
In-housing difficulty			
In-housing benefit			
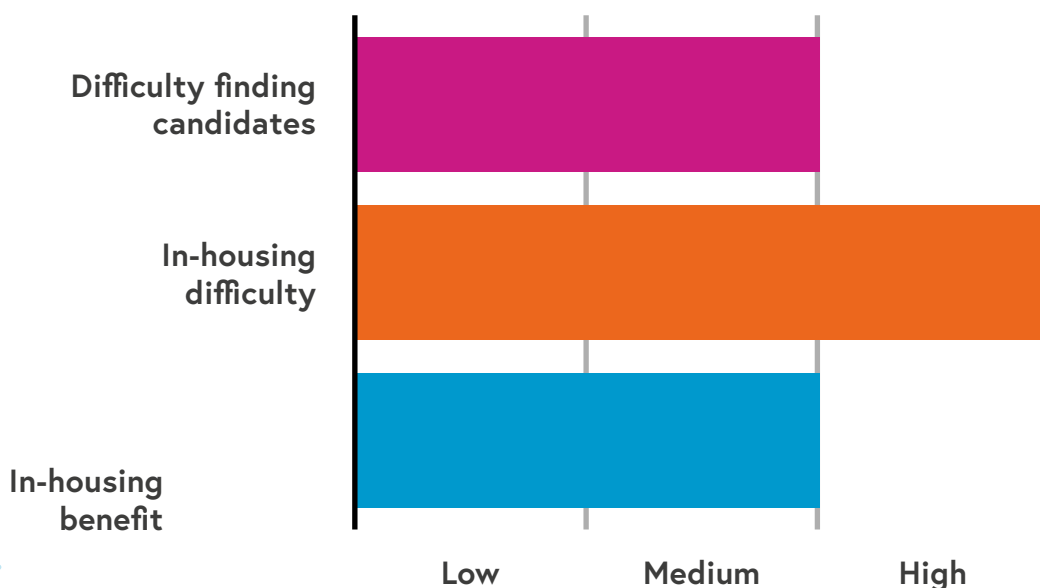
Email

Many businesses have already brought their email marketing capability in-house.

The abundance of cost-effective mailing technology and the natural in-house ownership of customer data means that running email activity in-house is actually very straightforward.
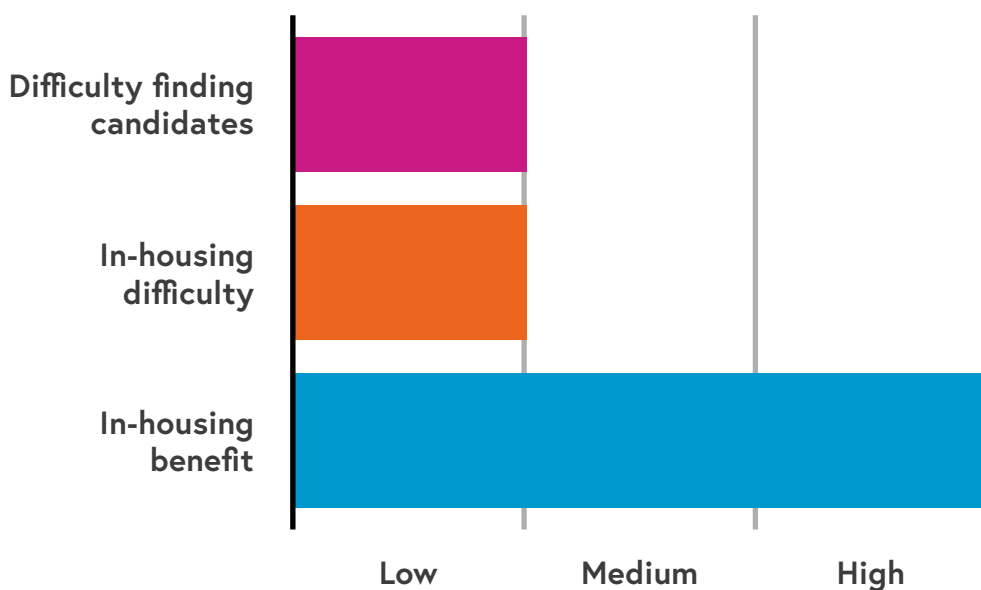
Personalisation is now high on the agenda, with brands moving away from one-to-many messages, to bespoke one-to-one emails instead. This is where a developed and customer-centric content strategy can come into its own. Email recipients – your customers – don't want to receive the same blast messages or news about your company. They now demand relevant and personalised communications.

When done well, email can generate good quality feedback data that can be used to inform activity across other channels. It can also give you measurable return on investment (ROI).

Typical frequency of activity: weekly

Similar skills to: content

	Low	Medium	High
Difficulty finding candidates	■		
In-housing difficulty	■		
In-housing benefit	■■■■		

Data analytics and reporting

Businesses are now - more than ever - able to generate, process, and interrogate their own data.

Digital sophistication is enabling marketers to use 'big data' to generate customer insights, and performance data to refine digital strategies, enabling in-house teams to deploy tactics in almost real time.

The ability to pull data and apply actionable insights quickly is incredibly powerful. It can be more so, when combined with data verification, correct analytics set-up and regular health checks. These latter three often require external support. What you should look to avoid (something we see often) is a sub-par data set-up.

Obviously no one wants to set something up incorrectly, but it's easily done. And a sub-par data set-up can lead to incorrect assumptions about performance and user behaviour, ultimately leading to incorrect strategic decisions.

Big data requires some heavy technical capability and the frequency with which this data is used can mean it often doesn't warrant in-house resource. Of course, this depends on the size of your business and what you're trying to achieve.

Typical frequency of activity: weekly

Similar skills to: conversion optimisation, PPC

	Low	Medium	High
Difficulty finding candidates			
In-housing difficulty			
In-housing benefit			
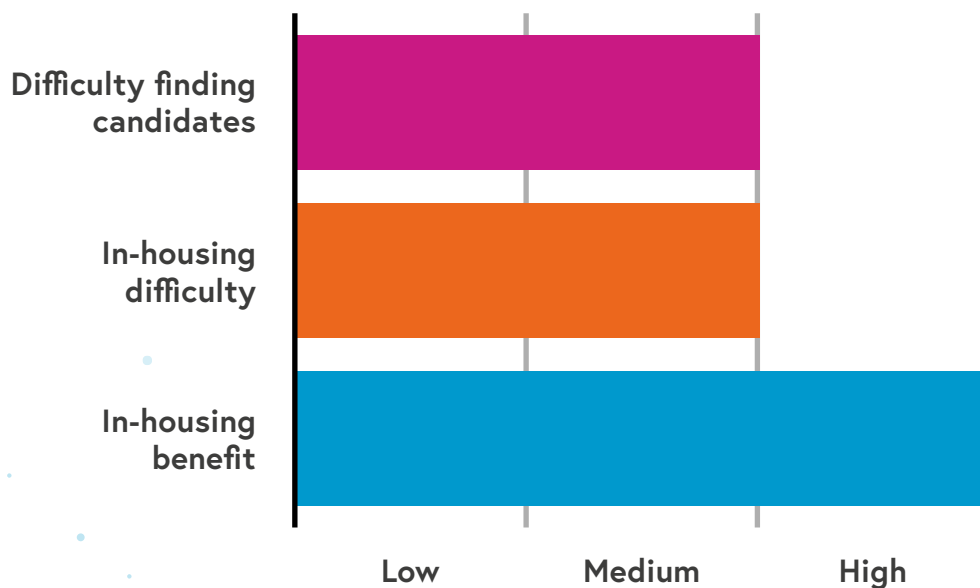
Web development

Experience tells us that around 60% - 70% of businesses in-house their website development.

The function has typically grown as an extension of the IT team and for the majority of large organisations, an in-house website development team is the norm. It's usually smaller companies who use development agencies for ongoing website and app technical support.

The need for an in-house development team is complex. While some organisations will see the benefits (the volume and frequency of technical changes to the website make it worth it), others will make changes so infrequently that in-house resource becomes unnecessary.

How your business is going to use the website is also incredibly important. Is the content management system (CMS) easy enough to manage, update and develop in house? Does your business own the correct and agreed ownership rights? Does your platform need to integrate with any third-party systems, now or in the future? How about other in-house business systems?

Before looking to in-house your website development, seeking expert support and advice is highly recommended, particularly when scoping out levels of activity.

Typical frequency of activity: daily/weekly (varies considerably)

Similar skills to: little overlap with other specialisms
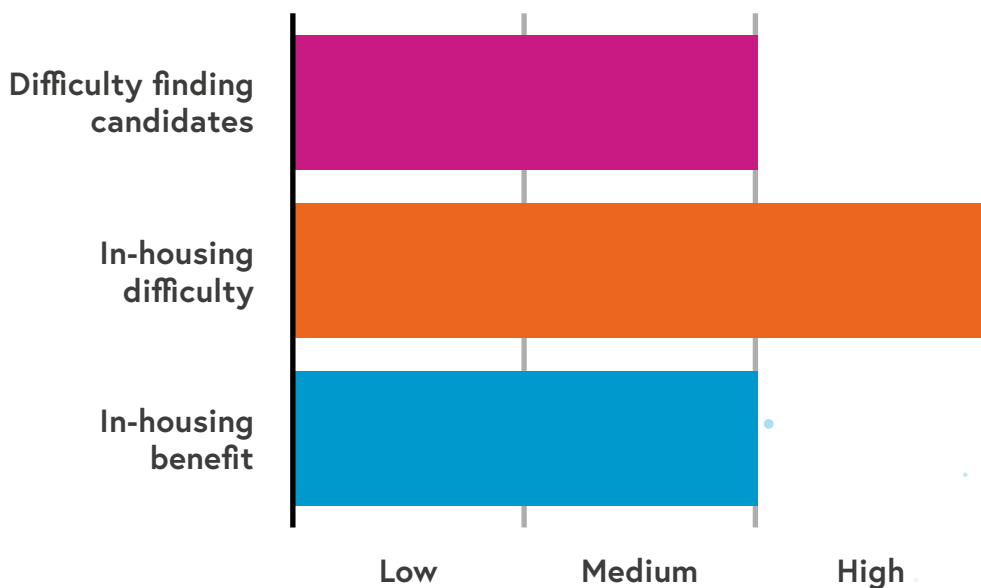
Creative and design

Creative and design is often used at a very high level to describe a range of different disciplines: user experience (UX), user interface design (UI), ad and content creative, video production, web design and app design.

The creative and design function is another one of those areas that has (at least partially) been in-housed, depending heavily on the frequency of use of each sub-discipline.

You will often find that businesses with a well-established digital marketing hub, including email and web development will have an

in-house creative/design team. Your creative function can also be expected to get involved with website design requirements, email templates, and any visual collateral required by the content function.

Creative and design is also a huge part digital advertising. Sometimes you will see it produced in-house for use in campaigns delivered by an agency.

Typical frequency of activity: daily/weekly

Similar skills to: little overlap with other specialisms

	Low	Medium	High
Difficulty finding candidates			
In-housing difficulty			
In-housing benefit			
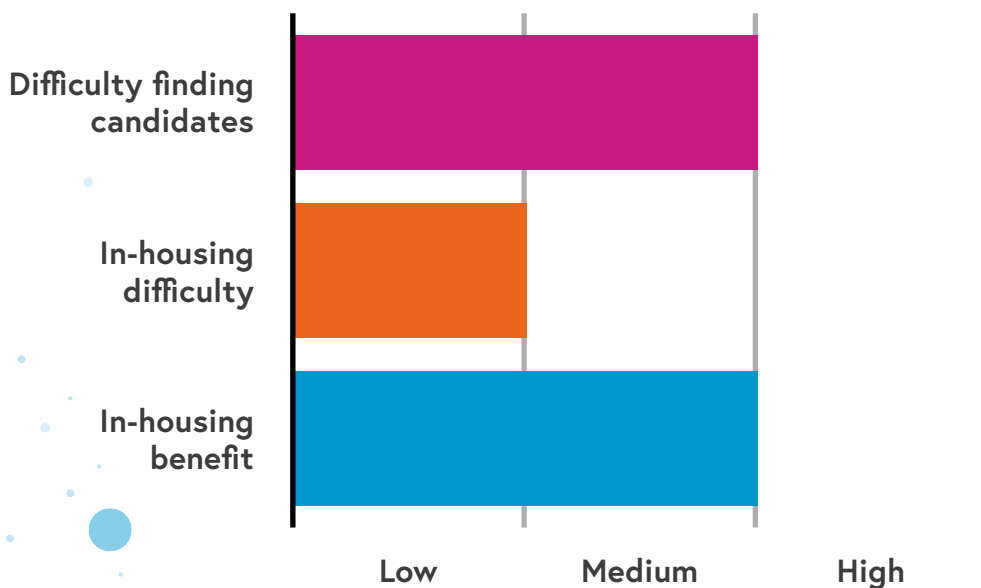
Conversion rate optimisation (CRO)

Conversion rate optimisation is crucial to any digital marketing activity, particularly your website.

The role of the CRO function is to optimise how users engage with your website, maximising its performance. If you have digital performance targets to hit then it's essential to include CRO and it should also be baked into your wider digital strategy. Get it right, and CRO will improve your on-site performance, opening up other channels and guiding your customers seamlessly through their online journey.

It's not a digital activity that can be set and forgotten about: hypotheses should be gathered, and experiments designed and executed regularly. The output is likely to include recommendations to improve website design and functionality. CRO works best in-house when there is sufficient website development and design resource to implement changes.

The hybrid model can also work really well with CRO. You can harness external expertise to derive hypotheses and design experiments, leaving your in-house team to conduct and monitor those experiments – a winning combination.

Typical frequency of activity: daily/weekly

Similar skills to: data and reporting, customer experience

	Low	Medium	High
Difficulty finding candidates			
In-housing difficulty			
In-housing benefit			
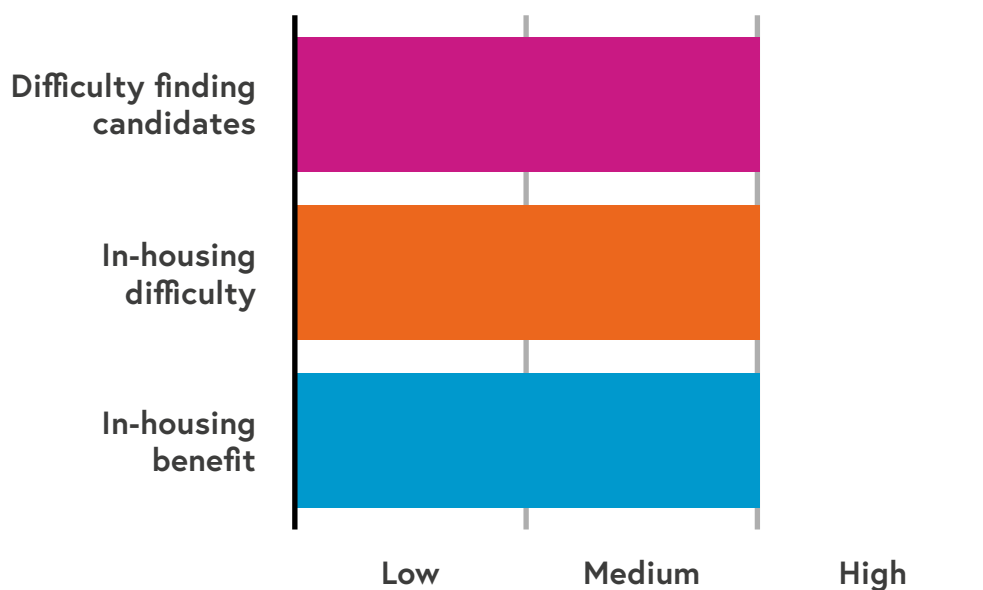
Thanks.

We hope you've enjoyed reading this paper and that it's proven useful to you, whether you've decided to keep engaging an existing agency in its current capacity, are progressing with the transition to the hybrid model, or have started creating your in-house digital centre of excellence.

Our ambition with this paper is to help you make a balanced and informed decision – whatever it may be. If in-housing is right for you, you should now have a clearer idea of how to make it a success. From building your transition strategy to creating your team, preparing the infrastructure, and managing post-implementation support.

There's one important point to remember – one that we definitely didn't want to finish this paper without making. There is never a 'point of no return'. Whatever option you choose for your business must be the right one, but if situations change in the future, you always have the option to pivot and start utilising a different model.

And if you ever need a fresh perspective or a helping hand, please drop us a line - we're here to help!

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