Pros and Cons of Internal vs External Marketing Teams

You already have a lot of responsibilities, and there aren’t enough hours in the day for you to handle all the work that goes into a successful marketing campaign. You’ve reached the point of needing a marketing department, and now the big decision you have to make is whether to hire an in-house team or work with an external agency.

Both internal and external teams have plenty of merits, and different companies have different preferences when it comes to hiring new employees or partnering with an off-site or satellite marketing department like ours. To help you decide what’s best for your business, we’ve put together a good old-fashioned pros and cons list.

Pros of an External Marketing Team

Full Toolbox
When building an in-house team, you often have to start small, and you may only be able to hire one or two employees who are skilled in certain aspects of marketing but limited in others. When you work with an agency, you have access to a full marketing team that typically includes SEO analysts, PPC specialists, content writers, social media specialists, web developers, and graphic designers. Most marketing agencies also have access to marketing software that would be very expensive if you were going to pay for your own subscription.

Time Saver
If you’re the person at your company who is currently writing weekly blog posts or updating your website to improve your search engine rankings, you already know just how time-consuming digital marketing can be. If you or your coworkers are dedicating your valuable time to projects that aren’t part of your primary duties, it may be beneficial to enlist the help of an agency and get your own time back.

Broader Perspective
When you’re inside a company, it can be difficult to see things from the perspective of your target customers or clients. An external marketing team is well-positioned to look at your company with a critical eye and come up with campaigns that resonate with the right audience.

Lower Cost
The monthly cost of working with a marketing agency starts around $3K for basic services or $10K for premium services. The monthly cost of an in-house marketing department, meanwhile, starts around $12K for a two-person team and can be $34K or more for an advanced team (with five or more employees).* This means you can have a full external marketing team in your corner for less than the price of one full-time employee. See our infographic for more information.
Cons of External Marketing Team

Familiarization Requires Time
A marketing agency may not be very familiar with your industry, business, or brand, and it takes time (and often multiple meetings with representatives from the company) to learn everything necessary to run effective campaigns.

Multiple Clients
One of the reasons marketing agencies can cost less than in-house teams is because they’re not working for you full time. Marketing agencies that take on too many clients may not be able to dedicate as much time and attention to your campaigns as they should. If you decide to hire an agency, make sure you’re getting a dedicated account team that is willing to communicate with you when you need them and show you the results of their activities.

Pros of Internal Marketing Team

Know Your Company Well
Even if an employee isn’t familiar with your company when you hire them, they’ll get to know it well by working for you directly on a daily basis. You can also look for employees who have previous experience in marketing for your specific industry.

Full-Time Dedication
An in-house marketing team is working for your company alone, which means they can dedicate more time to your marketing efforts and won’t have any other companies competing for their attention. If you have a large company and are planning to run particularly time-consuming and labor-intensive marketing campaigns, an in-house team may be the better option.

Cons of Internal Marketing Team

Stretched Too Thin
If your budget only allows you to hire a bare bones internal marketing team, there is only so much they can get done in a standard work week. Keep in mind that not only will your marketing team have to create campaigns (which may involve writing original content, running PPC ads, creating videos, and more), they also have to manage and track those campaigns. This can be a lot for a two or three person team to handle.

Higher Cost
When factoring in salaries, benefits, vacation days, and other incentives, even a two-person in-house team can easily cost over $145K per year—and that’s not even factoring in the cost of marketing software and other tools your team would need to do their job well.

Conclusion
Think about your specific marketing goals and your long-term growth plan when deciding whether to work with a marketing agency or hire in-house employees. You may even decide to work with a combination of an internal and external team. Larger companies often outsource to agencies when they have an overflow of marketing work or are looking for fresh innovations, and many small- to medium-sized businesses will hire an in-house marketing manager who will oversee an external team.

*Monthly marketing cost estimates are based on data from MarketingSherpa, SimplyHired, Search Engine Watch, and Leverage Marketing*