



Marketing outsourcing in tertiary sector Case of personal care services in Quebec

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Abstract: The personal care sector is booming with the launch of new services in the field of aesthetics, massage therapy or even hairdressing... However, the launch of these new services and the implementation of sales campaigns are known to be complex operations and require a certain specialization. Hence the importance for these companies to outsource their marketing. However, how will marketing outsourcing impact personal care business customer service?

To answer this question, two studies were undertaken: a qualitative and a quantitative study. According to the results obtained, marketing outsourcing is a very effective tool to boost the marketing of personal care companies. However, there are other factors involved in the performance of the customer service of personal care companies such as staff, hygiene, value for money and the environment of service delivery.

Keywords: Marketing, digital marketing, marketing outsourcing, personal care companies.

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1. Introduction

Marketing outsourcing has become a common practice for many companies and in many fields. It consists in entrusting the marketing function to a company specialized in the field. Marketing outsourcing makes it possible to possess experts with marketing know-how and marketing solutions that are adapted to the needs of the company.

Companies can use a firm specializing in marketing outsourcing for several actions: Diagnose the marketing activity for companies that already have a marketing department in place; Launch new products or services; Implement marketing strategies; and look for a new target clientele or a new market...

Outsourcing marketing has several advantages for the company. It allows the company to give priority to trade and to its day-to-day activities, to optimize costs compared to hiring a permanent marketing manager and offers the company a professional support.

However, marketing outsourcing also has limitations: Risk of dependence vis-à-vis the service provider and of losing control, difficulty in choosing the right service provider and to in negotiating contract with the company, risk of disclosing the professional secrecy of the company and the personal information of its customers, without forgetting the high cost of outsourcing for small businesses.

Compared to other companies, personal care companies opt for outsourcing the marketing function because it is essential to sell their services given the strong competition in their field. However, how will marketing outsourcing impact customer service and thus business performance?

The primary objective of this work **titled Marketing Outsourcing in the Personal Care Industry** is to assess the impact of marketing outsourcing for personal care businesses, and to understand the extent to which marketing outsourcing can affect the customer service performance of these companies, with the aim of answering the following question: **What is the role of marketing outsourcing in the customer service performance of personal care companies?**

To answer this problem, and as a first step, it is important to start first with the literature review to clarify the various theories previously mentioned related to the outsourcing theme. Then, a qualitative study will be conducted in the form of an interview with the owner of Bizzbook, a company specializing in marketing outsourcing in the personal care sector in Canada

A quantitative study is also important to receive information. This study is in the form of a questionnaire administered to managers of personal care companies, which outsource their marketing.

1. Literature review

1-1 Marketing outsourcing

A- The evolution of corporate marketing outsourcing

Marketing is a set of processes or an organizational culture that is adopted by an entity to analyze and prioritize the needs of consumers, to adapt an offer to a demand, with goal to increase the company's turnover.

Marketing outsourcing is the act of delegating the marketing business to an outside organization. Outsourcing to a marketing agency means bringing in a team of business experts. Good experts know how to implement new strategies in the market because they can use the latest tool packages to coordinate the process.

The search for specialization has led companies to outsource their marketing, because when they do so, they benefit from more performance in terms of marketing strategies put in place, advertising, or even more visibility on the market.

Outsourcing can add value to the business in terms of productivity or efficiency, however, it can also have negative effects on the business e.g. disclosure of secrets, customer information in case the external party is unreliable and does not sufficiently protect the interests of its partner.

Also, marketing outsourcing can be a type of investment, and like any investment, it must imperatively achieve certain results and returns relative to what was previously spent. Thus, a thorough research must be established to choose the right partner who must be not only reliable but also able to help carry out the outsourcing wisely.

On the other hand, outsourcing allows the company to focus on its strengths, especially in core activities. In the case of personal care companies, they tend to specialize in hairdressing, massage therapy, aesthetic services... Their basic activity requires more concentration and specialization. At the same time, these companies need a rather special marketing strategy to differentiate themselves, and that is why we find that these same companies run after marketing outsourcing.

Outsourcing can be short term or long-term depending on the needs and expectations of the business. For example, a company may decide to outsource certain short-term tasks such as fixed-term projects instead of hiring full-time or contract employees to handle them, which may incur higher costs.

It should be noted that the outsourcing of marketing for a company has many advantages, namely the increase in the visibility of the company, time saving, performance, efficiency, competitive intelligence, motivation, and responsiveness, without forgetting cost reduction and improvement of the company's image. Marketing outsourcing takes two main forms: Function outsourcing, and content outsourcing in the case of digital marketing.

B- The steps to successful marketing outsourcing

The steps of marketing outsourcing are as follows:

The definition of the need

The company must define its need for outsourcing by evaluating the performance of the company. It must classify these activities into main and secondary activities so that it can determine which activities to outsource.

The choice of the external service provider

It must be a trusted supplier for a better customer-supplier relationship. The company must also ensure that the required standards related to the quality of work are consistent with the operating model of the service provider. The price must be considered, but it should not be the only deciding factor in the choice. The company should spend time analyzing the satisfaction of previous customers of an external provider by visiting their website. Reading customer testimonials and reviews can provide critical information about the integrity and quality of a provider's services.

The establishment of a specific outsourcing contract

The marketing outsourcing contract must be well detailed. It must reflect the requirements of the company, and the level of performance and quality expected. It must also highlight the schedule and duration of the missions, the cost of the service as well as the quantifiable elements that will be used to recognize whether the service is acceptable or not.

Internal adaptation to the changes brought about by outsourcing

The outsourcing of the marketing department can impact the management of the company. Internal adaptations must be necessary for successful subcontracting, such as changes in tasks, work organization, work tools, etc.

Ruffier, C et Pelletier, J . (2014). « Sous traitance - Pour une meilleure régulation de la qualité du travail ». Anact.

The company's focus on the core of its business

The tasks that are qualified as secondary being subcontracted; it will therefore be the moment to take advantage of the time savings resulting from the outsourcing of marketing to concentrate on more essential activities.

1.2. Marketing of services (personal care companies: Hairdressing, aesthetics, massage therapy)

A. The characteristics of service marketing:

Service marketing represents all the techniques and activities put in place with the aim of selling a given service. Since services represent approximately 70% of all economic activities, have characteristics very different from those of tangible goods and are very complex when it comes to their sale in the market, they require special attention and specific marketing. the main characteristics of the services are as follows:

IHIP features	Implication	Marketing recommendations
Service intangibility	<ol style="list-style-type: none"> 1. Services cannot be patented (INPI) 2. The services cannot be communicated with difficulty beforehand 3. Pricing is difficult to establish 	<ol style="list-style-type: none"> 1. Highlight tangible clues 2. Use personal rather than impersonal sources 3. Stimulate word-of-mouth communications 4. Create a strong institutional image 5. Develop post-purchase communication (confirmation communication)
Inseparability of production and use: the service is provided in the presence, or even by the user	<ol style="list-style-type: none"> 1. The consumer is involved in production 2. Employees and other users affect the benefit received 3. Centralized mass production of services is difficult 	<ol style="list-style-type: none"> 1. Be attentive to the selection and training of personnel in contact with the public 2. Manage customers 3. Use a multi-site policy
Heterogeneity of service delivery	<ol style="list-style-type: none"> 1. Standardization is hard to achieve and quality difficult to control 	<ol style="list-style-type: none"> 1. Automate the service. 2. Standardize processes; develop protocols 3. Personalize the service
Perishability of the service offer	<ol style="list-style-type: none"> 1. Services cannot be stored 2. It is difficult to adapt the number of services to the quantity 3. Services cannot be returned or resold 	<ol style="list-style-type: none"> 1. Use strategies to meet fluctuating demand 2. Make simultaneous adjustments of demand and productive capacities to achieve a better balance between the two

Figure 1: The characteristics of a service

B- Internal marketing, External marketing, Interactive marketing

a- Internal marketing

It is necessary to succeed in internal marketing strategy to succeed in external marketing, it is about developing marketing strategies for human potential to ensure customer satisfaction. Several studies have proven the link between staff satisfaction, service quality and customer satisfaction.

b- external marketing

The external marketing of services is characterized by the 7Ps, namely:

The product: What product or service the company wants to offer its customers and how it should be presented to the market.

Price: has a significant impact on buyer satisfaction with the product or service. It is important to note that because the service is inherently intangible, price becomes an important factor in triggering purchase behavior.

Distribution: concerns decisions and measures relating to the distribution of the product or service. it is not only about logistical issues such as transport and storage but also about certain aspects of the acquisition such as the delivery service.

Communication: relates to the dissemination of information and customer loyalty to a product or service. The company must think about how to attract customers' attention and encourage them to buy. This requires thinking about advertising, packaging, sales promotion...

The staff: the human resources policy is part of the instruments of marketing because the services are often provided by people and the satisfaction of the customers depends mainly on these people.

The process: is important in providing quality service. Since services are intangible, the process becomes even more important to ensure compliance with selected standards.

The material policy: the objective of the material policy is to positively influence the subjective perception of the customer through the visible environment of a service such as design, architecture, appearance, and material. offers the opportunity to stand out from the competition.

c- Interactive marketing

The customer does not pay attention to the technical quality of the service but also he is interested in the conditions of the progress of the provision of the service and especially in the relationship with the staff who are in contact with him. In this sense, the consumer becomes a partner with whom it is very possible to interact.

1-3 The development of the personal care sector:

The field of cosmetics and beauty has been booming for several years, especially on the web. However, the Covid-19 crisis disrupted this development, with a drop of 25% in turnover during the first half of 2020 compared to 2019 according to a study by Asterès. The sector includes hairdressing, aesthetics, and massage therapy.

A- The hairdressing sector

This sector offers a multitude of services adapted to different target customers. we distinguish:

- The children's hairdressing salon: with playgrounds, furniture adapted to their sizes, a gift on leaving, haircut lessons dedicated to children in one hour... Something that allows the child to be satisfied, that he has fun and then he wants to come back.
- The lounge for mothers and their children: with play areas under surveillance and with bay windows, which allow mothers to keep an eye on their children while combing their hair.

- The lounge for people with reduced mobility (PRM): which offers them a moment of relaxation and relaxation with easy access to the premises.
- The traveling salon: these are mobile hair salons intended for people living in villages where there are no permanent hair salons.

B- The aesthetic sector

The sector is growing rapidly and offers a variety of services and new concepts that attract customers. We distinguish:

- The clean: it is the use of products that respect the health of customers without parabens, sulphates, silicones...
- Anti-pollution products: Products that protect the skin from all kinds of pollution from the outside.
- Onco-aesthetics: these are well-being and aesthetic treatments for people with cancer, in remission or undergoing treatment.
- "J-Beauty": a make-up from Korea, betting on the "glass skin" effect in French, glass skin, this consists of making up your face to have translucent and luminous skin in appearance.

C- The massage therapy sector:

The massage therapy sector is also growing quite rapidly like all other personal care sectors. Nowadays, we distinguish a panoply of massage appointments that we can group into three main categories: traditional massages, energy massages, and therapeutic massages.

We also distinguish between massages that are done with oil (Californian, Swedish or Esalen) and without oils (Shiatsu, energies, or physiotherapy).

1-4 Personal care business marketing :

A- The forms of marketing of personal care companies

Personal care business marketing takes the following forms:

Magazines and catalogs: Magazines and catalogs used to play a very important role in advertising personal care, but this medium is starting to end, as today everything is going digital.

Social networks: We distinguish: The User generated content, Instagram, the call to action buttons, Tik Tok, and Facebook, the Word of mouth as a marketing strategy

B- The choice of a marketing strategy:

Choosing the right marketing strategy in the personal care industry is not easy. This sector is very sensitive and requires special marketing because on one hand, it is a service and not a tangible and touchable good, and on the other hand, it is a fast-growing sector and therefore needs a marketing strategy that will both bring the customer closer to the service and keep abreast of developments in the field and new methods and new working tools.

Before choosing the marketing strategy to adopt, personal care companies must first analyze the state of the market, target the clientele, position the offer well on the market, define an action plan and finally monitor and adapt the offer.

C- Outsourcing the marketing of personal care companies

Marketing outsourcing of personal care business involves bringing in experienced external partners and delegating to them some or all the marketing and communications functions

The marketing function requires a lot of time, money, training, and techniques, for these reasons, the marketing of companies operating in the field of personal care, is delegated to other entities specialized in

marketing. These entities take care of marketing, advertising, appointments, shooting and many other functions.

By outsourcing their marketing, personal care companies also benefit from the training, advice offered by contractors to retain their customers.

Personal care marketing contractors play a very important role for hairdressing, esthetics, and massage therapy centers. They allow these centers to focus on their main activity and benefit from the expertise of subcontractors.

The benefits of outsourcing marketing are:

- Benefit from the service provider's expertise to have more competitive marketing
- Excellent return on investment
- Control of operational costs
- Time saving and therefore more time devoted to the basic activity

However, outsourcing marketing also has some disadvantages, namely:

- Dependence of the company on its service provider
- Partial loss of control
- Correction of small mistakes made by the service provider becomes difficult
- Risk of obtaining results that do not reflect the company's vision.

3. Conclusion

Nowadays, companies in every field and industry face customers that are difficult to satisfy. To satisfy their clientele, enterprises want to focus on their main field of activity in order to improve the quality of their product or service and prefer to outsource some activities and specially marketing, to marketing agencies, in order to benefit from their knowledge and experience. In these perspective, we chose to focus our study on exploring the role of outsourcing marketing in the customer service performance of personal care companies because the field of cosmetics and beauty is a rapidly growing industry over time.

The primary objective of this work titled Marketing Outsourcing in the Personal Care Industry is to assess the impact of marketing outsourcing for personal care businesses, and to understand the extent to which marketing outsourcing can affect the customer service performance of these companies, with the aim of answering the following question: What is the role of marketing outsourcing in the customer service performance of personal care companies?

According to the result obtained, marketing outsourcing participates in the implementation and control of the marketing strategy. It helps to increase sales of services through the provision of marketing solutions adapted to the needs of the company. Also, marketing outsourcing participates in the performance of customer service, but it is not the only element that allows it, there are many other factors that impact the performance of customer service, such as the staff, the quality of the service, the environment of the service delivery...

In other words, outsourcing marketing is a very effective tool to boost the marketing of personal care companies. This allows companies to attract more and more customers. However, it must be recognized

that some problems related to marketing outsourcing must be considered such as the high cost for small businesses, loss of control, risk of disclosing customers' personal information...

This study should allow the owners of personal care companies to take more into consideration the results obtained and to understand the importance of outsourcing marketing to improve customer performance and satisfaction that is very important for each business.

However, there are some limitations to this study. Indeed, the sample size of the companies surveyed represents only 15 companies, which does not make it possible to confirm with certainty the results obtained.

In addition, the results show that there are other factors that contribute to customer service performance such as staff, hygiene, value for money and the environment of service delivery, but the study does not measure the degree of participation of each factor in improving customer performance. Thus, outsourcing marketing is an important investment for personal care companies and generates costs, and it is important in this study to calculate the return on investment.

Finally, and to better catch up with the factors involved in the customer service performance of personal care companies, a possible study can be conducted on the control of the relationship of the staff in contact with the customer to assess the extent to which the staff participates in the improvement and performance of customer service, for personal care companies.

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