SALES AND MARKETING OUTSOURCING FOR THE CERAMIC SECTOR

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Outsourcing can be defined as the strategic use of external resources to carry out activities and/or functions that were hitherto traditionally the responsibility of in-house personnel and resources.

Enterprises have always hired specific contractors to carry out specific types of work, which is what we commonly call subcontracting. Unlike subcontracting, outsourcing involves substantially restructuring the actual business activities or functions for which it was initially required. For greater clarity, let us take an example: Outsourcing would be an office cleaning service at specific times of day that does not specify the number of people involved and which is invoiced on the basis of a series of samples to test the level of cleaning. On the other hand, it would not be considered outsourcing if it refers to hiring a specific series of people to work a certain number of concrete hours to do cleaning work under the instructions of the contracting client.

Therefore, resource-focused attention turns into result-focused attention, i.e., the model company of today is a flexible enterprise that revolves around the essential functions of its inherent business and with long-standing, third-party relationships in which both sides stand to gain.

Any intentions of achieving miracle cures or 'express outsourcing' will only lead in most cases to disappointing or ill-fated sub-contracting projects.

Outsourcing can also be seen as a way of transferring people from one department within the company to another, thus obtaining greater yield from the investment. In short, it is a way of obtaining the necessary resources through third-party relationships.

There are many specific functions where outsourcing can be implemented; however, this paper focuses on just two: sales outsourcing and marketing outsourcing.

The first obstacle companies face is trust: *How am I going to entrust my sales to a third party*? When considering the possibility of outsourcing a specific function, this question of trust will be overcome through professional management with powerful arguments and a well structured action plan.

The organisational changes that are taking place in human resource profiles, sales procedures, sales and marketing organisation, sales management tools, product and service portfolio, market segmentation, etc. all call for a specific professional profile and on many occasions the company is not ready or prepared to make the investment required to cover such deficits. Therefore, sales outsourcing can improve the company's competitive edge, in some cases in the short-term, but normally in the mid-term. A list of sales functions that are liable for outsourcing includes: external sales force, merchandising and sales promotion, e-commerce, and even call centres.

Moreover, there exist specific sales functions where outsourcing can play the important role of strategic partner linked to objectives, which is only logical when talking about sales. A specific project in a sales strategy may have a determining influence on the sales turnover and will in turn help organisations and consequently its human resources to become more professional and therefore to take advantage of more business opportunities. It is essential for sales personnel or rather sales technicians to have analytical training, as their job does not consist merely of selling but rather each salesperson has to go one step further and should have analytical skills to detect market needs as a fundamental way of defining strategy and sales plans in order to grow - professionally speaking. Once again, professionalism, training and analytical skills form the proper mix of the professional salesperson. One-to-one or team outsourcing may also be a route worth exploring for the company.

Finally, let us list certain sales situations where outsourcing is clearly indicated:

- When the structure of the sales network is iron-clad and very costly.
- When the size of the sales force is insufficient for the new markets where the company wants to disembark and it does not know the size of the new market, who the competition is or for how long that market will remain in its current situation.
- If the investment required to enter into a new market is excessively high.
- When the profile of the sales team does not match the company's needs or the new markets where it aims to become active.
- When the objectives of the sales force are not clearly designated by market segments.
- If there is any confusion in the management systems and remuneration policy.
- When there is an excessive product portfolio with different sales procedures.

With regard to the second type of outsourcing referred to above, i.e. marketing outsourcing, it is often restricted to subcontracting advertising, product catalogues, trade fair representations, etc. Such subcontracting, which is very typical in the market and which is of course categorised as part of outsourcing, does not however fit the dimension defined as Marketing Outsourcing.

For local companies and SMEs, marketing is always relegated or underestimated, either because of a lack of knowledge or because it is thought to be the role of others. However, in any large or multinational enterprise, in any new project, everything originates in the Marketing department, as that is the place where product, price, distribution and promotion strategies are defined.

Product committee co-ordination is another area that is highly eligible for marketing outsourcing, as sometimes the atmosphere within the company becomes 'stuffy' and a new supply of fresh air is needed. On many occasions, monitoring and controlling the committee's actions from an external viewpoint can substantially improve its operating performance within a reasonably short period of time. Another example of marketing outsourcing may be to outsource the company's positioning strategy. Most companies referred to above know or think they know what they want to achieve but at times that is not coherent with the range of products they offer, nor are they properly oriented towards their target market. Determining externally what actions the company needs to take so that its customers coincide with the firm's own ideas of what it represents is still an unlearnt lesson nowadays. It is easy to imagine the confusion the target consumer feels when faced with an offer that has nothing to do with the firm's standard image – undoubtedly that will lead to a loss of resources and business opportunities.

Finally, market segmentation can also be added to the list of marketing functions where outsourcing is a significant option. Your day-to-day business practices allow you to see that you are dedicating all your efforts in one direction, which is not necessarily the right one. Traditional distribution channels are no longer the top of the class, more likely they are supplementary. Accepting the segmentation of your target customers and consequently dedicating economic resources to meet their needs is no longer negotiable - it is a question of survival, it is a 'structural reform' that has to be implemented within the organisation and which will determine its future in terms of either greater strength and continuation or of business closure.