

Common Pitfalls of Outsourced Installation Services and How to Avoid Them



Think Twice Before Outsourcing Your Installed Sales Program

If your company is thinking about outsourcing installation or assembly services to a third party, there are a few important things to consider.

Back in the 1980s, things were pretty straightforward:

1. Manufacturers made the products
2. Distributors got them to retailers
3. Retailers sold them to consumers

If a product needed installation, the retailer usually handled it.

But those lines have blurred. Manufacturers now sell directly to consumers. Distributors are jumping into retail and manufacturing. E-commerce has flipped everything on its head.

Through all this change, one thing hasn't evolved smoothly: installed sales—the services needed to get products up and running in the customer's space. And yet, offering installation is now critical for companies tapping into the fast-growing "Do-It-For-Me" (DIFM) market.

A lot of brands try to meet this demand by outsourcing installation to third-party service providers. On paper, it sounds smart: less risk, quick scale, outside expertise. A ready-made solution, right?

Not exactly.

In reality, outsourcing installed sales often comes with three big problems:

1. It Doesn't Drive Meaningful Revenue

Installed sales should be more than a checkbox. If you're not seeing real lift—meaning new revenue that wouldn't exist without installation—then what's the point?

Outsourced providers might show decent customer satisfaction scores or quick turnaround times, but those are surface wins. What really matters is whether installed sales move the needle financially.

The issue is, most third-party setups are just bolt-ons. They aren't truly integrated into the brand or sales strategy. To create real value, installation needs to be built into the customer journey—from product design to checkout—and feel like a natural part of your offering, not an afterthought.

If you're aiming for real growth, outsourcing probably won't cut it. Building your own installation capability—or acquiring one—is often the better path.

2. You Lose a Powerful Brand Moment

Let's be real: having someone from your company step into a customer's home or business is a big deal. It's personal. It's intimate. And it's a rare chance to build real brand trust.

But when you outsource, that moment belongs to someone else. Instead of an installer proudly saying, "I'm with [Your Company]," the customer hears, "I'm contracted by [Some Third-Party Company]." That shift may seem small, but it dilutes your brand.

Customers notice. They ask questions. They pick up on tone, attitude, and knowledge. If the installer isn't immersed in your values and culture, that experience can fall flat—or worse, erode trust.

Bottom line: if you care about how your brand shows up in the real world, keep this experience in-house.

3. You Give Up Control

Outsourcing can be convenient at first. But as your business grows, you'll likely want more say over how installation gets done. And that's where things get tricky.

Here's what companies often struggle with when outsourcing:

- **Pricing:** You may have little say in what customers are charged or how providers are paid.
- **Service Standards:** Third parties set their own rules, which might not match your expectations.
- **Brand Consistency:** Uniforms, language, professionalism—hard to enforce across outside teams.
- **Coverage Gaps:** Want to expand into new regions? Your provider might not be able (or willing) to follow.
- **Training:** You might want a specialized training program. They might not want to bother.
- **Strategic Flexibility:** You'll want to evolve your offer over time. They'll prioritize what's easy and profitable for them.

In short, you're handing over a critical part of your customer experience to someone who doesn't answer to your long-term vision. That's a risky move if you're serious about making installation a core part of your growth strategy.

The Takeaway

Outsourcing installed sales might look like a quick fix—but it often creates more problems than it solves. The risks?

- Weak or flat revenue results
- Missed opportunities to deepen customer loyalty
- Less control over a key part of your business

To stay competitive in today's market, installation can't be an afterthought. It needs to be treated like the strategic, brand-defining, revenue-generating function it really is.

Companies that take ownership of their installed sales programs—through internal teams or smart acquisitions—set themselves up for stronger customer relationships, better margins, and long-term success.