

92%

**COMPANIES
BELIEVE THAT
ABM IS A B2B
MUST HAVE.**

(SIRIUSDECISIONS)

ACCOUNT- BASED MARKETING

beginner's guide

**DEFINITION, HYPE, BENEFITS, STEP-BY-STEP
IMPLEMENTATION, TECH STACK AND SUCCESS INSIGHTS
EXPLAINED**



How did Account-Based Marketing come to be?

Account-based marketing might have gained popularity only recently, but the concept can be traced back over 20 years. B2B organizations ran campaigns against target lists before marketing automation and inbound marketing came to be, but without much data or technological support, these campaigns lacked sophistication, continuity and scale.

The term Account-Based Marketing was coined in 2004 by ITSMA, the original leader in defining the ABM process.

The major difference between then and now is the technology to support it – now companies can do Account Based Marketing at scale.

ABM has picked up more momentum in the broader business community thanks to the development of new sales and marketing technologies. Companies have access to more information and insights than ever about potential and current customers. ABM is a timely call to leverage all the rich data and information to better market and sell to, as well as retain customers.

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Key Account-Based Marketing Stats

High Willingness of Companies to Try ABM

52% of companies currently have ABM pilot programs

52%

High Sales Involvement

74% of respondents work with sales to define account goals and plans;
67% get help from sales on account insights.

74%

Major Skills Gap

47% of companies surveyed say that they don't feel their ABM teams have the skills needed for ABM

47%



What is Account-Based Marketing?

Account-based marketing (ABM) is the strategic approach marketers use to support a defined universe of accounts, including strategic and named accounts. It also includes support for the post-sale customer lifecycle using tools to contribute to the overall customer experience.

ABM re-invents the traditional Top-Of-The-Funnel (TOFU) marketing approach:

Traditional TOFU approach:

cast a wide net → qualify

Account-based marketing:

qualify → fish with a spear*

According to SiriusDecisions, there are four account-based approaches that can be tailored to companies according to their sales goals:

Large strategic accounts:

- small number of high value accounts

Customer life cycle:

- current customers that have high potential for upsell or at a risk of churning

Named accounts:

- moderate to large number of accounts to be targeted at scale

Industry/Segment:

- Any number of new or existing accounts in the same vertical



Jon Miller

CEO and Co-Founder at Engagio, Co-Founder at Marketo

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TRADITIONAL DEMAND GENERATION IS LIKE "FISHING WITH A NET": YOU PUT YOUR CAMPAIGN OUT THERE, AND YOU START CATCHING FISH. IT DOESN'T MATTER WHICH SPECIFIC FISH YOU CATCH, AS LONG AS YOU CATCH ENOUGH FISH IN TOTAL. ACCOUNT BASED MARKETING IS GOING AFTER "BIG FISH" WITH SPEARS AND HARPOONS; YOU NEED A FUNDAMENTALLY DIFFERENT STRATEGY AND TACTICS TO GO AFTER SPECIFIC NAMED ACCOUNTS AND TARGETS.

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Why should we care about ABM?

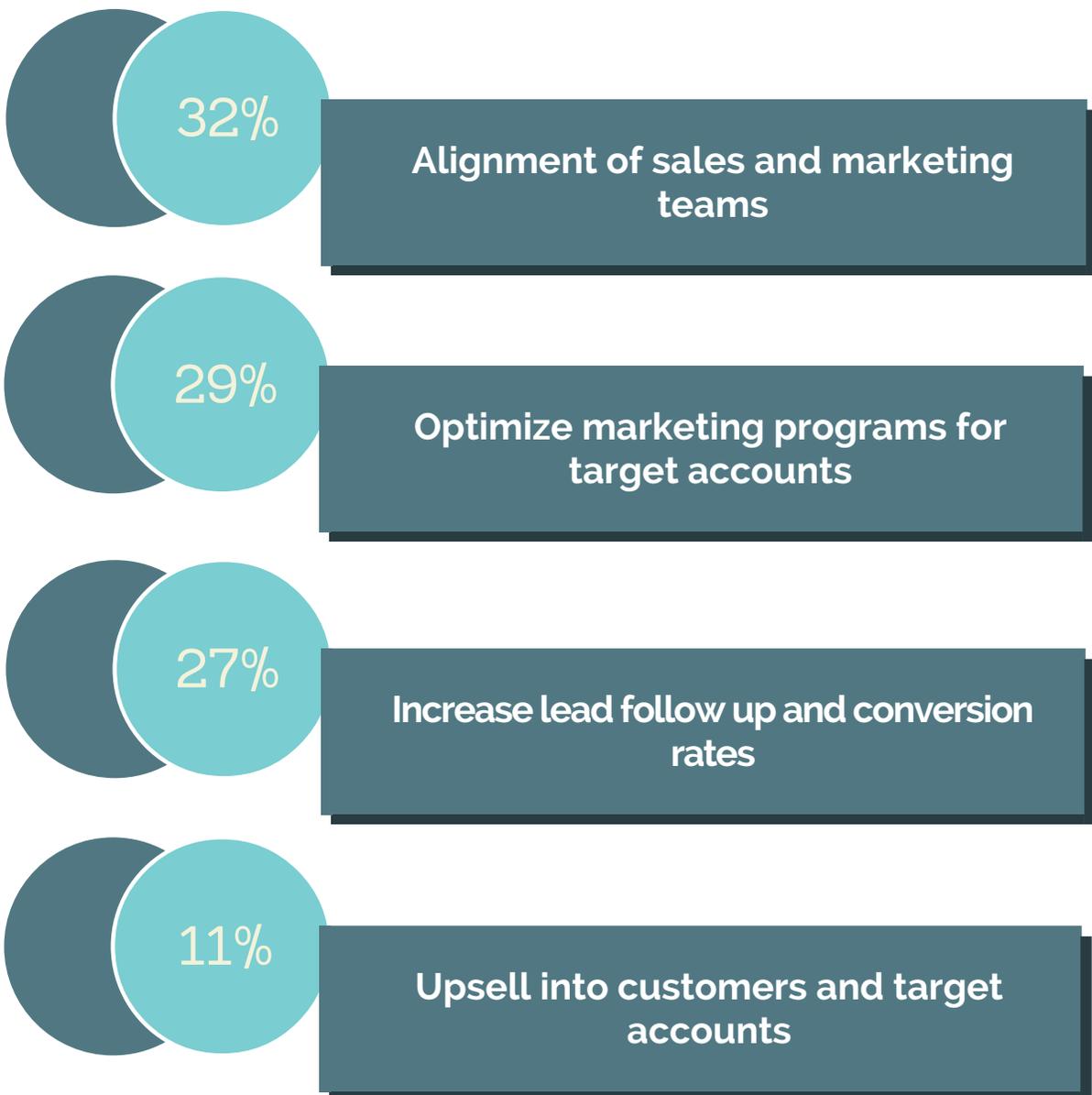
B2B marketers are realizing that mass marketing doesn't result in quality sales opportunities. According to a study by MarketingSherpa, up to 79% of marketing leads never convert into sales. ABM is fast becoming an answer to the leak in the top-of-the-funnel marketing approach, which - while powerful - doesn't always ensure the best use of marketing efforts and production of quality leads. Focusing on accounts results in higher-quality leads delivered to sales while also reaching more prospects on the buying team. Sales win rates, marketing efficiency and company revenue improve dramatically.

Not just more customers, but more happy customers

An account-based marketing strategy looks beyond the initial sale and places a strong focus on increasing penetration into a company, which means more upsell, cross-sell and customer retention. It is about offering a greater understanding of the needs of your (potential) customer, and fostering a strong, long-term relationship. This means avoiding confusion between new leads and existing accounts, and differentiating accounts with targeted advocacy and nurturing. When an ABM strategy is applied to the customer life-cycle (or customer success management) successfully, the result is having loyal customers as your company's best salespeople.



No. 1 Benefit of an ABM strategy viewed by companies implementing ABM



**GREAT ABM IS
CUSTOMER-
FOCUSED,
INSIGHT-LED,
TECH-
ENABLED.**



How should we implement an ABM strategy?

Before you start, define your ABM goals

The most important step in Account Based Marketing is developing a list of accounts that fits your Ideal Customer Profile (ICP). Choosing accounts to target should be based on your company's strategic goals.

- Is your priority reducing customer churning rates (customer life cycle retention)?
- Is your company trying to maximize the value of relationships with existing customers?
- Are you trying to exploit a segment where you know your organization can succeed?
- Is your company trying to penetrate a new industry?

After fixing your strategic goals, what needs to be done is:

- i. Identify accounts**
- ii. Prioritize accounts**
- iii. Single out key contacts within named accounts**

Step 1: Identify your accounts

Some companies build their target account lists by talking to their sales team and listing attributes that are most commonly shared by all of their highest-value customers, and use that list of attributes (including industry, company size, annual revenue, territory, etc.) to source their future, hopefully-equally-high-valued customers. While this approach might sound logical, it can be rather rudimentary and labor-intensive. It also carries a big assumption that the patterns and attributes marketers look for are accurate and meaningful. The truth is, guesswork can never beat cold, hard data.



How should we implement an ABM strategy?

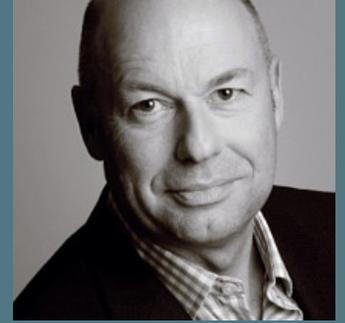
Maximize ABM's success with predictive analytics

It is possible to analyze past sales success by consolidating account information and identifying key and common attributes across accounts manually. However, companies that wish to do ABM most effectively save a lot of time doing labor-intensive and inefficient guesswork with the help of predictive analytics solutions.

Predictive lead generation solutions that target the top of the funnel will identify and score leads by buying intent probability. The technology relies on past sales successes, business environment and extensive external data to qualify the buying propensity of new leads on a given market. This allows the prioritization of marketing and sales actions relating to higher-conversion and higher velocity leads. Most predictive scoring solutions are also integrated with marketing automation solutions and CRMs, allowing a seamless workflow process.



Read our free ebook "The DNA of your Next Customer" to learn more about how predictive analytics solutions can help identify your ideal customers



Tim Hughes, UK Business Development Director, Oracle

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NOWADAYS WE USE IKO SYSTEM MAINLY FOR ABM. IN MID-MARKET TEAM, WHERE THEY'VE GOT 20,000 ACCOUNTS TO GO FOR, THEY WILL TAKE ONE STEP UP THE PIPE TO LOOK AT THE ACCOUNTS THEY SHOULD BE TARGETING FIRST WITH THE LEAD SCORING ON IKO SYSTEM.

FOR MY TEAM, WE ALREADY HAVE NAMED ACCOUNTS, WE USE IKO TO IDENTIFY THE BEST CONTACTS WITHIN THE NAMED ACCOUNTS FOR GROWING THE NETWORK WITHIN THE ORGANIZATION.

ON IKO WE ALSO GET IMPORTANT INSIGHTS FROM WHICH WE WILL THEN BE ABLE TO CURATE RELEVANT CONTENT THAT WOULD INTEREST THOSE CONTACTS.

”



How should we implement an ABM strategy?

Step 2: Engage your targeted accounts

After determining a list of targeted accounts, the next step is to find out what matters to them, and then nurture them with relevant content to start a conversation. This can be done in a number of ways (non-exhaustive):

1. Real-time personalization of website:

Personalize the account's experience on your website with IP tracking. Your site content should speak directly to the companies you've identified as target accounts, e.g. suggesting success stories of companies with similar attributes (same industry, company size, tech stack, etc.) Marketing automation platforms and other dedicated solutions offer website personalization options.

2. Use sales intelligence tools to find out what matters to the prospects:

Tailor communications to an account based on their current initiatives and challenges, e.g. product launches, acquisitions, etc.

By finding out what the targeted prospects or customers care about, marketing efforts will be a two-way dialogue rather than a one-way blast. Some predictive lead scoring vendors also provide the option of monitoring corporate news for more insights into specific accounts.



How should we implement an ABM strategy?

Step 2: Engage your targeted accounts (cont'd)

3. Create account specific content offers:

Personalize marketing content by creating offers that are specifically built for the target account. If you're a marketing automation solution and you want to target P&G, then you could create a tailor-made report on "how P&G would increase customer retention by 5x with marketing automation". Name some of your customer references and success stories that share the same firmographics or challenges. Because they are personal and relevant, prospects are very likely to consult such pieces of content.

TIP: TO TAKE IT UP A NOTCH, ENGAGEMENT OR SALES AUTOMATION CAN BE USED TO CUSTOMIZE EMAIL SERIES FOR SPECIFIC CLUSTERS OF COMPANIES.

According to Jeff Sands from ITSMA, ABM is NOT a replacement for lead & demand generation, both of which are always important activities to fill the funnel. ABM and lead & demand generation do not have an 'either/or' relationship, but rather a "how do you manage both" relationship. So a challenge for a lot of companies starting out on an ABM strategy is how much focus should be put on ABM, and how much on mass lead & demand generation.

TIP: EVALUATE SALES PRIORITIES WITH THE SALES TEAM. HOW BIG OF A SHARE OF REVENUE COMES FROM NAMED ACCOUNTS? HOW BIG OF A SHARE OF REVENUE COMES FROM NON-NAMED ACCOUNTS? AND THEN ALLOCATE ABM AND LEAD GEN EFFORT ACCORDINGLY.

**61% OF
COMPANIES
DOING ABM
PLAN TO
INVEST IN
TECHNOLOGY
IN THE NEXT
12 MONTHS.**



How do we ensure ABM success?

1. Build an ABM ecosystem

Although ABM is called account-based marketing, it is hardly just a marketing technique. Rather, ABM is a comprehensive approach to align sales, marketing and customer success to source, sell, upsell and retain customers. Typical items on a go-to-ABM plan would include the following:

- working with sales to define account goals and plans
- selecting accounts for ABM
- gathering account/contact information
- creating content for ABM needs
- creating online engagement strategies for accounts and more...

It is a team sport that requires different departments to play their own part to create this synergy that ensures ABM success. Therefore, any companies that wish to start going for ABM need to make sure that the whole company is informed, equipped and aligned with the ABM strategy to avoid under-resourcing.

According to SiriusDecisions 2015 state of ABM survey, 70% of companies practicing ABM have staff fully or partially dedicated to ABM, but only 46% are asking for help from other teams. Marketing, Sales, CSM...ABM takes a village to work.

TIP: LEVERAGE WHAT YOU ALREADY HAVE (E.G. EXISTING CONTENT, CUSTOMER INSIGHTS) AND ADAPT TO ABM NEEDS.



How Do we ensure ABM success?

2. Use ABM Metrics

As ABM is a fundamentally different approach to traditional marketing tactics, naturally we would need different metrics to measure its success. Here are the big 5 metrics for Account-Based Marketing* suggested by Jon Miller, CEO and Co-Founder of Engagio:

1) Coverage - measuring the quantity of quality data and contacts

Do you have sufficient data, opt-in contacts and account plans for each target account?

2) Awareness - measuring brand awareness within target accounts

Which target account have awareness of our brand? e.g. Are they visiting the website and/or reading our content?

3) Engagement - measuring the engagement with the right person

Are the right people of the account spending time engaging with your inside sales/marketing team? Is the engagement increasing over time?

4) Program impact - measuring the impact of your ABM campaigns

Are marketing programs reaching the target accounts? How much effort is wasted?

5) Influence - measuring long-term influence of ABM

How are the ABM activities improving sales outcomes such as deal velocity, win rates, deal sizes, retention rates?



How Do we ensure ABM success?

3. Measuring Quick and Mid-term Wins

Megan Heuer, the VP & Group Director of SiriusDecisions, suggests that while measuring long-term wins is important, measuring quick and mid-term wins are more helpful in proving the value and making the case for ABM.

Metrics used to measure quick-wins include:

- i. response rate to marketing from ABM accounts - [adopted by 47% of companies]
- ii. number of new contacts in ABM accounts - [adopted by 36% of companies]
- iii. online activity from ABM accounts - [adopted by 39% of companies]

Metrics used to measure mid-term wins include:

- i. number of leads identified by marketing in ABM accounts - [adopted by 58% of companies]
- ii. number of leads touched by marketing in ABM accounts - [adopted by 46% of companies]
- iii. \$ Value of pipeline identified/sourced by marketing from ABM accounts - [adopted by 46% of companies]



What to know more about Account -Based Marketing?

Contact us!

We're dedicated to relieving B2B marketers and sales people of ineffective and laborious tasks by offering smart, data-driven solutions to simplify the B2B sales process.

We build lead generation machines for large enterprises and fast growing companies. Marketers, VP of Sales and business developers use the solution to:

- Identify high-conversion scored leads and accounts for a territory
- Build automated lead engagement sequences to scale and detect more opportunities

IKO offers integrations with Salesforce, Marketo and Hubspot and Oracle CRM, among others.

Talk to you soon!

Best, Joei



IKO SYSTEM

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