

# ABM

## BENCHMARK SURVEY REPORT

2016

NEW ANALYTICS, ORCHESTRATION, ADVERTISING  
AND REPORTING **SUPPORT TARGETED APPROACH**



# EXECUTIVE SUMMARY

Account-based marketing (ABM) has gained significant traction in 2016. *Demand Gen Report's* first-ever ABM Benchmark Survey Report found close to half (47%) of marketers surveyed have an ABM strategy in place, and 33% indicated they are planning to implement ABM within the next 18 months. Just 20% said they had no strategy or plans to implement ABM.

ABM is still a very new initiative for most organizations.

## Does your company have an account-based marketing strategy in place?



# ACCOUNT-BASED MARKETING STRATEGY GAINS FOOTHOLD

Industry analysts suggest the significant surge in new ABM adoption is being driven in part by the bevy of new technology options available to help scale ABM. “Advances in predictive marketing analytics, behavioral advertising, email and website personalization, and activity orchestration now make it possible to engage prospective buyers at hundreds of specific accounts with the depth and relevance of marketing to a single account,” said Laura Ramos, VP-Principal Analyst at [Forrester Research](#).

While ABM has been around for some time, the survey underscored that ABM is still a very new initiative for most organizations. A total of 59% of respondents said they’ve been doing ABM for less than a year, with 29% at it for less than six months. Sixteen percent said they’ve been practicing ABM for one to two years, while a quarter (25%) have had their ABM strategy in place for more than two years.

The survey also showed a wide variation in the types of ABM approaches being deployed, with strategic ABM or a 1:1 large account model utilized by 33% of companies and an equal amount categorizing their efforts as ABM Lite, which rather than 1:1 is defined as more 1:Few. Programmatic ABM, or more of a 1:Many, is the approach being utilized by 26% of companies, while 8% said they weren’t sure how to categorize their approach.

Jeffrey Sands, VP and Account-Based Marketing Practice Co-Lead at [ITSMA](#), said the rapid adoption of ABM is driving this wide range of “flavors” in the approach and strategy. “There is the traditional strategic ABM that is the true one-to-one model. In the past, this is the ABM most companies implemented. We are now seeing two additional models: ‘ABM-Lite,’ or a one to few model; and ‘Programmatic ABM,’ which is a one-to-many model [that] relies more heavily on marketing automation and the newer technologies to customize content to a larger targeted audience.”

## How long has your account-based marketing strategy been in place?



The number of accounts targeted as part of an ABM strategy also ran a wide gamut, with some companies keeping their list under 50 (18%), and others targeting a broader list of accounts in the 1,000 to 5,000 range (19%). The most common response — and seemingly the sweet spot for a truly focused ABM approach — was between 50 and 500, which represented 42% of the responses.

In terms of how they originally built and formulated their account list, ABM practitioners are using a mix of data inputs: 80% said they are currently using firmographic, 61% said they are using technographic, 26% said they are using psychographic and 45% are using predictive models. Looking ahead to their future plans for expanding or fine-tuning their target account lists, 39% said they planned to use predictive models.

## Data Inputs To Enhance ABM:

**80%**  
Firmographic

**61%**  
Technographic

**45%**  
Predictive Analytics

**26%**  
Psychographic



# ANALYTICS, CAMPAIGN ORCHESTRATION TOOLS DEEMED CRITICAL

Several technologies and tools are being implemented by organizations as part of an ABM strategy, and a few are considered critical, according to the survey. Ninety-two percent of respondents are using analytics and reporting tools to support an ABM strategy, with 59% describing them as a critical tool. The majority (91%) also cited use of campaign execution and orchestration tools, with 61% calling these tools critical.

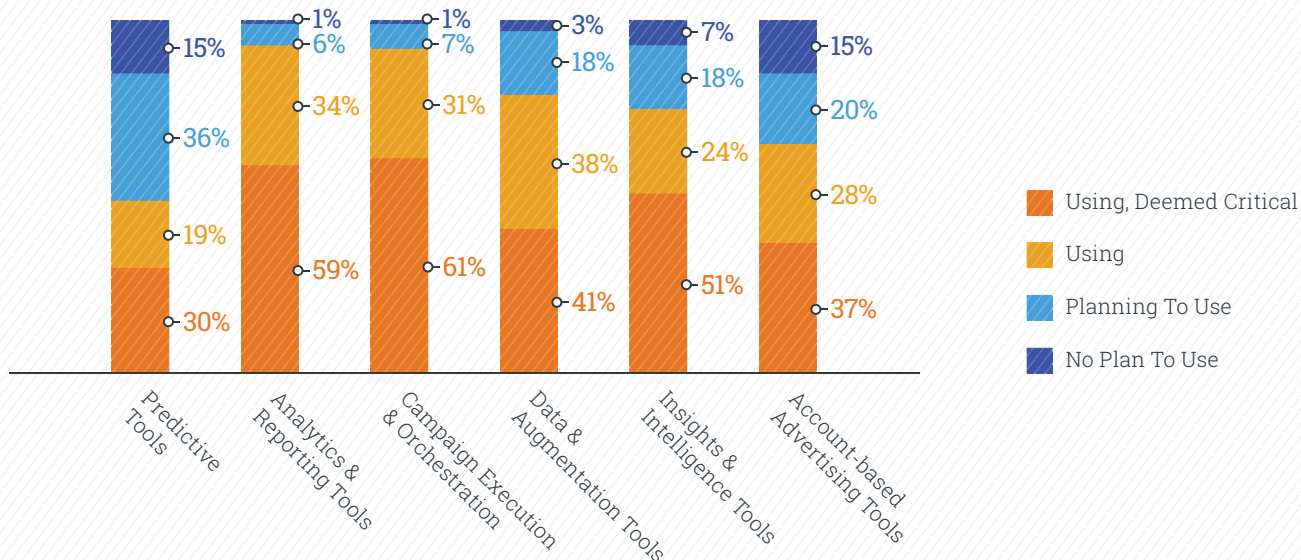
Data and augmentation tools also scored high with 79% using the tools, and 75% of respondents said they are using insights and intelligence tools.

About two-thirds of marketers (64%) said they use account-based advertising tools to support ABM, with 37% describing them as critical.

Just under half of marketers (49%) said they are using predictive tools as part of their ABM strategy; 30% called it a critical tool.

**92%**  
Marketers using analytics and reporting tools to support an ABM strategy, with 59% describing them as a critical tool.

Which technologies are you currently using or planning to use in supporting your ABM strategy?



# TARGETING, HIGH-TOUCH PERSONALIZATION KEY TO ABM OUTREACH

In terms of messaging to accounts, the majority of marketers are customizing their outreach, and there are several approaches in play. Seventy-five percent of marketers are delivering targeted content tailored to a specific industry.

Targeted content tailored to a specific role or title was cited by 51% of respondents. Nearly half (49%) said they deliver personalized/custom messages for each account, and 30% said they are employing templated versions of generic content with some customization. Just 8% of respondents cited using generic content for all outreach.

## 75%

Marketers that are delivering targeted content tailored to a specific industry.

What type of messaging or content are you delivering to your ABM accounts?

(Select all that apply)





When asked what type of content offers and lead gen formats they are adding as part of their ABM initiatives, marketers cited a mix of:

- Targeted executive events (66%);
- Interactive content tailored by industry or role (62%); and
- Direct mail (60%).

Additionally, those who cited “other” with write-in comments specified they are using:



Email



Target account  
content syndication  
programs



Social media



Retargeting and  
account-based ads



Digital content  
campaigns



SDR outreach



Webinars



Surveys

**49%**

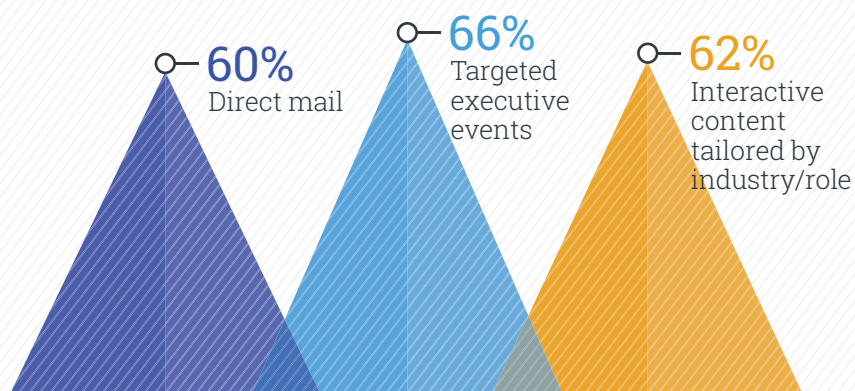
Marketers who  
deliver personalized  
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account.

**30%**

Marketers using  
generic content with  
some customization.

What type of content offers/lead gen formats are you  
adding as part of your ABM initiatives?

(Select all that apply)



# EMAIL, ACCOUNT-BASED NURTURE AND TELEPROSPECTING CHANNELS RANK HIGH

In terms of the channels and tactics marketers are using to deliver targeted offers to ABM accounts, email is employed the most by far. A total of 96% of respondents said they are currently using email, and the remaining 4% said they plan to use email to deliver their targeted ABM offers.

Account-based advertising, automated sales enablement and resource centers were near the top of the list as well:

- 85% of respondents are using account-based advertising or plan to;
- 78% are using an automated sales enablement platform or plan to; and
- 71% are currently using or plan to use custom resource centers.

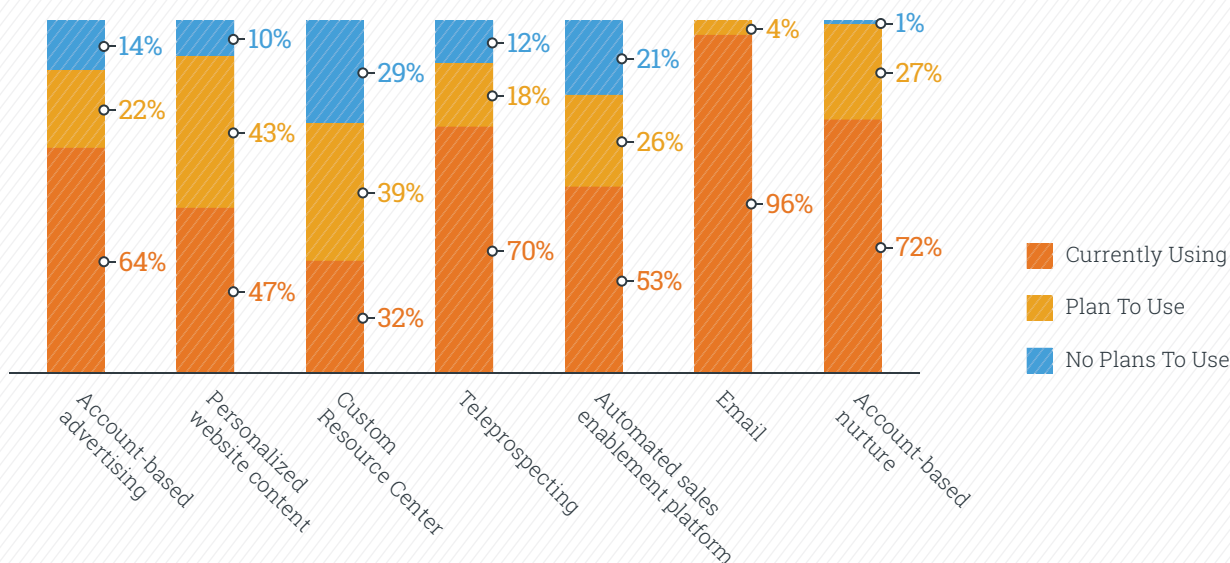
Account-based nurturing programs and telephone prospecting also rank high. Seventy-two percent are using account-based nurture, while 27% said they are planning to; 71% cited they currently use teleprospecting and 18% plan to.

Personalized website content is also important to an overwhelming majority of marketers we surveyed, though less than half (47%) are currently using personalized website content. Forty-three percent said they plan to use it.

## 96%

Respondents that said they are currently using email for targeted ABM offers.

Which of the following channels/tactics are you using to deliver targeted offers to your ABM account list?





# MEASURING THE IMPACT OF ABM

One of the top challenges/priorities for ABM practitioners is proving ROI and showing attribution (cited by 47% of respondents).

The survey found that organizations adopting ABM are already shifting their conventional metrics from MQLs to more revenue-focused goals.

When asked how they measure their ABM efforts, the responses showed:

- 64% measure contribution to pipeline;
- 59% track pipeline velocity; and
- 53% keep tabs on net-new accounts engaged.

Less than half of respondents (48%) told us they measure ABM by win rate. Measuring engagement to gauge early success with accounts may be the only metric marketers have to rely on in lengthy B2B deals that haven't closed yet.

Organizations adopting ABM are shifting conventional metrics from MQLs to more revenue-focused goals.

## How do you measure your ABM efforts? (Select all that apply)



A total of 45% said they track the number of qualified accounts, and 41% of respondents said they measure by account engagement score.



Track number of  
qualified accounts



Measure by account  
engagement score

Industry experts agreed that engagement and acceleration are probably the most important measures.

"A lot of ABM is based on marketing to existing customers, so pipeline contribution and net-new accounts are actually bad measures – but many marketers have been using them all along, so they are probably just legacy metrics," said David Raab, President of **Raab Associates**. "Win rate isn't used widely because it's affected by so many factors that are not related to marketing. In general, the right measures for ABM relate to account performance (e.g. revenue growth), regardless of whether the account was 'sourced' by marketing."

Adam Needles, Chief Strategy Officer at **Annuitas**, endorsed the account performance metric. "Demand marketers need a stack of KPIs that are outcome-oriented and that close the loop across all elements of people, process, content, technology and data," he said.

"The right measures for ABM relate to account performance (e.g. revenue growth), regardless of whether the account was 'sourced' by marketing."

- David Raab, Raab Associates



# CONFUSION REIGNS FOR MARKETERS NOT IMPLEMENTING ABM

Of those with no plans for ABM, the reasons behind a lack of strategy vary, but — more than any other reason — 45% of marketers said they are simply not clear how to execute an ABM strategy.

A little more than a third (35%) cited the lack of staffing expertise/resources.

A total of 19% of respondents said they were not sure which accounts to target/how to structure their target accounts, and an equal percentage of respondents attributed lack of data and budget to their reasoning. A small percentage (13%) said they don't see the ROI in account-based marketing.

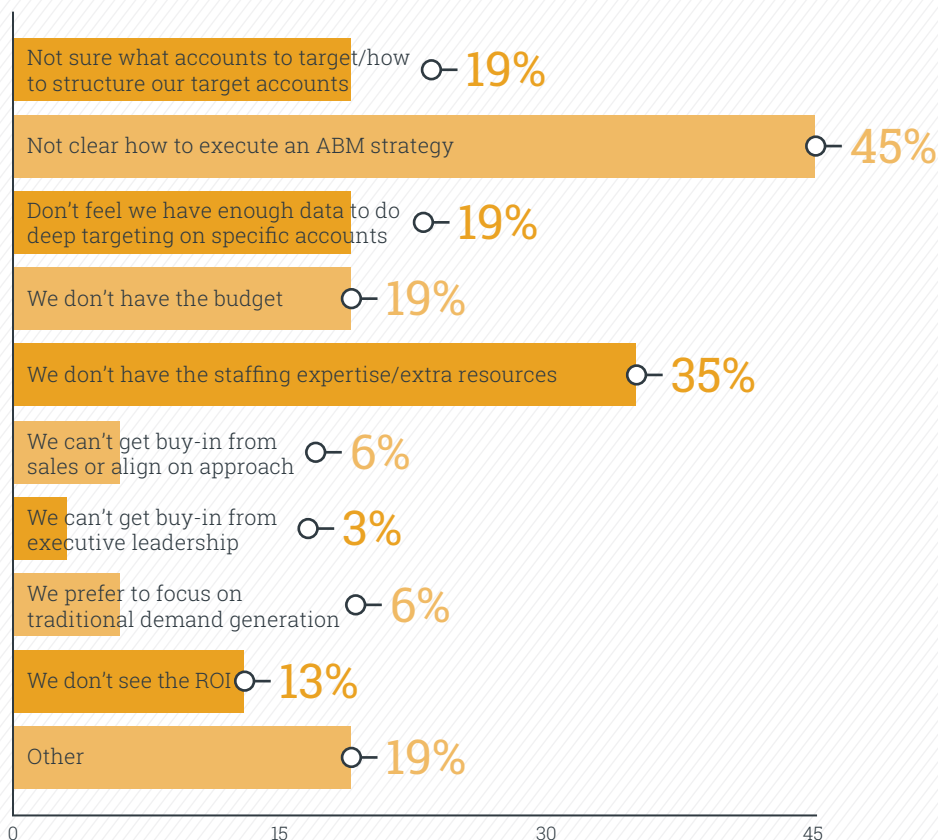
Of respondents who checked "other" in the survey, many specified they are "trying to figure it out" and "too small."

"There are ... too many marketers thinking it's a technology solution, where instead it's more of a mindset or process change."

- Laura Ramos, Forrester Research

## If your company does not plan to implement an ABM strategy, what are the reasons?

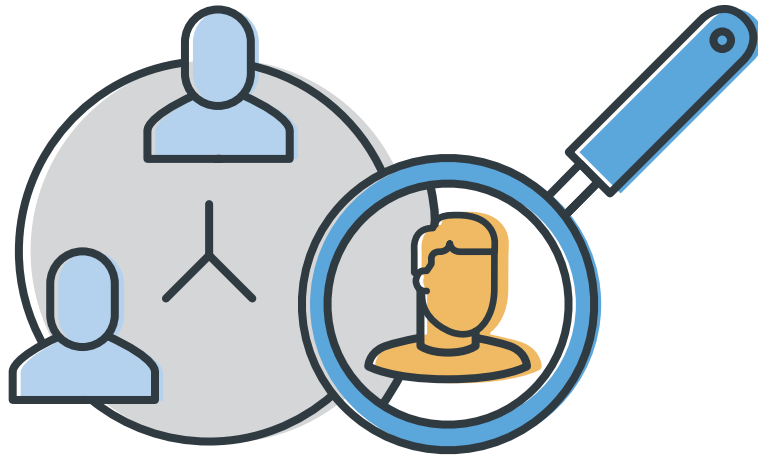
(Select all that apply)



Ramos said some confusion could be traced to how marketers view and approach ABM. “There are ... too many marketers thinking it’s a technology solution, where instead it’s more of a mindset or process change.”

She added that confusion is also prevalent because there are so many different use cases for ABM, “not one of which is dominant.”

Sands agreed. “There may be confusion as to how to implement ABM, because there is actually more than one ‘flavor’ of ABM being implemented, and companies may be confused as to which is best for them.”



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- Jeffrey Sands, ITSMA

# TOP CHALLENGES OF ABM PRACTITIONERS

The most challenging aspects cited by those surveyed who already have an ABM program in place are “sales and marketing alignment” and “proving ROI.”

Sales and marketing misalignment is not a new issue, but industry experts agree that alignment is important to effective ABM execution.

“Sales and marketing alignment is the cornerstone of successful, strategic ABM,” Sands said. “In order to best achieve this, you have to get the senior-most sales and marketing executives to both agree that ABM is important and that it is an important strategy moving forward.”

Raab said it is crucial. “I don’t see how you can do ABM without addressing the issue of marketing/sales alignment challenge, so I guess what these people are saying is that they’re working on alignment, but it’s still difficult.”

“Sales and marketing alignment is the cornerstone of successful, strategic ABM.”

- Jeffrey Sands, ITSMA

## What are your biggest ABM-related challenges?

(Select all that apply)



Other top challenges of ABM include:

- Data enrichment (41%);
- Lead to account mapping (30%);
- Buy-in from the sales team (16%); and
- Executive buy-in (14%).

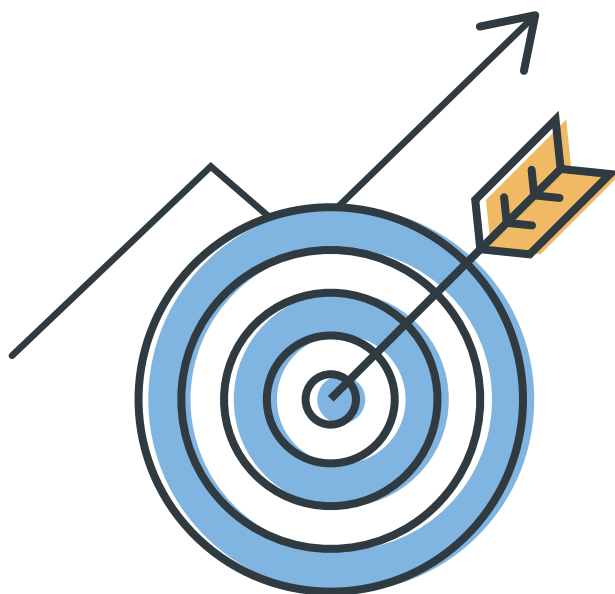
Additionally, for those respondents who chose “other” in the survey and specified their challenges in the comments section, lack of time, budget and headcount resources were cited. A number of people also indicated account selection/account intelligence and lead-to-opportunity mapping as challenging, as well as “time for ROI to be realized.”

With data enrichment being a top challenge and priority for ABM practitioners, the study also showed significant investment in solutions and strategies to augment internal contact lists to reach more stakeholders at key accounts. Respondents said they are either currently working or plan to work with a data provider on the following initiatives:

- 94% to identify target roles and titles;
- 89% to add richer fields/info on existing contacts;
- 87% to add intelligence and insights on key contacts;
- 80% using predictive analytics to build out a list of likely buyers.

# 94%

Respondents who are either currently working or plan to work with a data provider to identify target roles and titles.





# ABM STAKEHOLDERS SPAN B2B ORGANIZATIONS

Experts agree that ABM requires input across the organization. Of those departments described as actively involved in ABM, marketing operations, demand gen marketers and salespeople naturally topped the list: 86% of respondents cited marketing operations; 70% cited demand generation; 68% said sales management; and 67% named sales development reps. The customer success team was cited by one-third of respondents as actively involved in ABM.

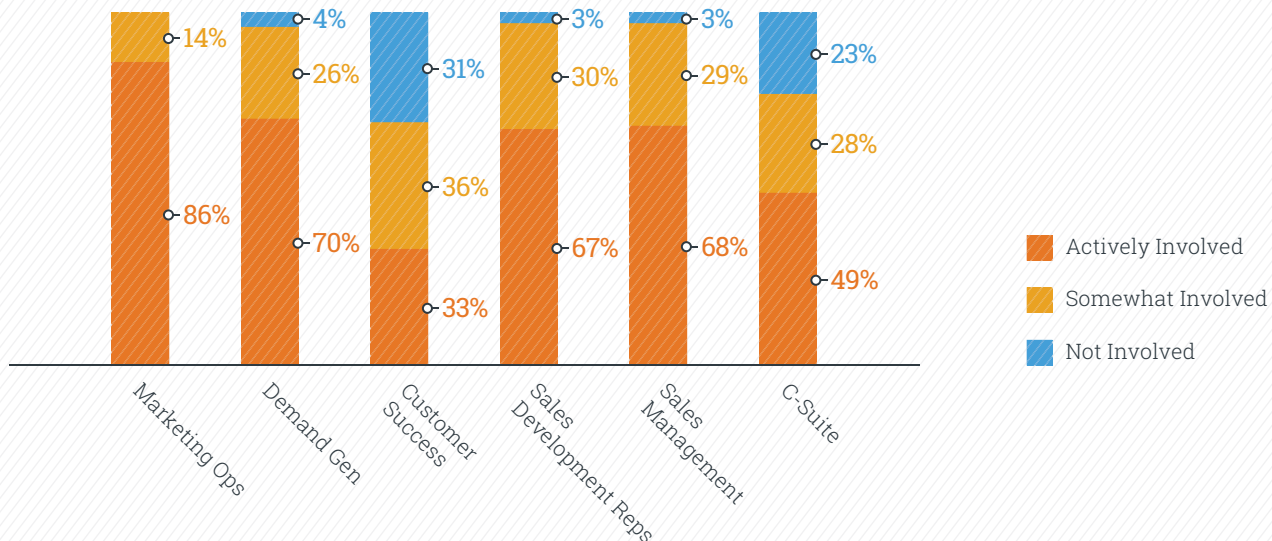
Close to half of respondents (48%) told us the C-suite is actively involved in ABM.

Ramos said she thinks that has to do with both efficiency and alignment. "It does make marketing more efficient by focusing resources and budget on the accounts likely to close," she said. "And [the C-level executive can] get marketing and sales working from the same playbook."

## 48%

Marketers that said the C-suite is actively involved in ABM.

How involved are the following departments in executing and measuring the success of your ABM strategy?



# ABM AND DEMAND GEN CO-EXIST

Despite the hoopla surrounding ABM and its great promise, marketers have not left behind traditional demand gen practices, and most experts agree they won't forego one for the other.

"It's hard to imagine demand gen going away," Raab said. "Demand gen is a way of attracting people who are in market, including people on your target account list."

Of those surveyed, 36% said the majority of their efforts are still focused on demand generation tactics. Thirty-seven percent said their efforts are split roughly 50/50 with ABM and broader demand gen efforts, and 23% said they still employ demand gen, but the majority of their effort is now focused on ABM. Just 4% said they only practice ABM.

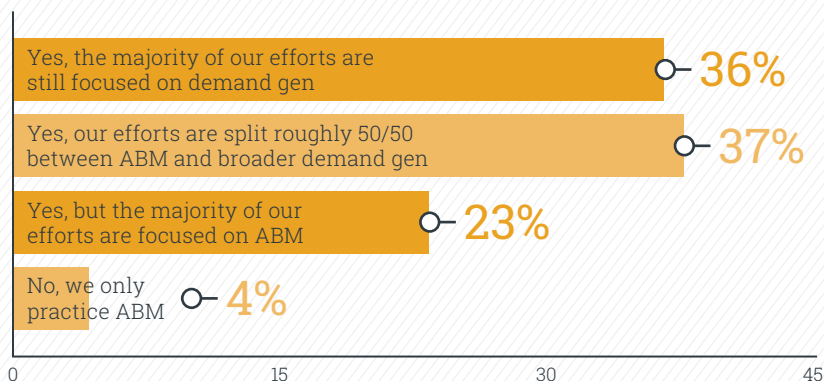
Needles said some ABM proponents are positioning ABM as an alternative rather than an additive to demand gen, and in his opinion, ABM is more "tactical sales enablement."

"We need to improve demand generation, not abandon it. ABM has a place in the mix – a supporting role to play," Needles said.

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- Adam Needles, Annuitas

## Do you also plan to execute a traditional demand gen strategy this year?



# INTERESTED IN LEARNING MORE?



*Demand Gen Report* is a targeted online publication that uncovers the strategies and solutions that help companies better align their sales and marketing organizations, and ultimately, drive growth. A key component of the publication's editorial coverage focuses on the sales and marketing automation tools that enable companies to better measure and manage their multi-channel demand generation efforts.

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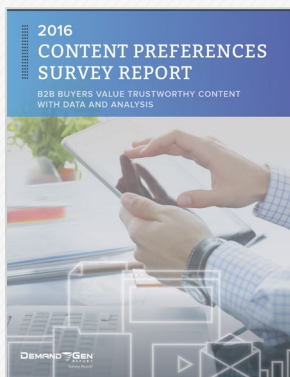
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