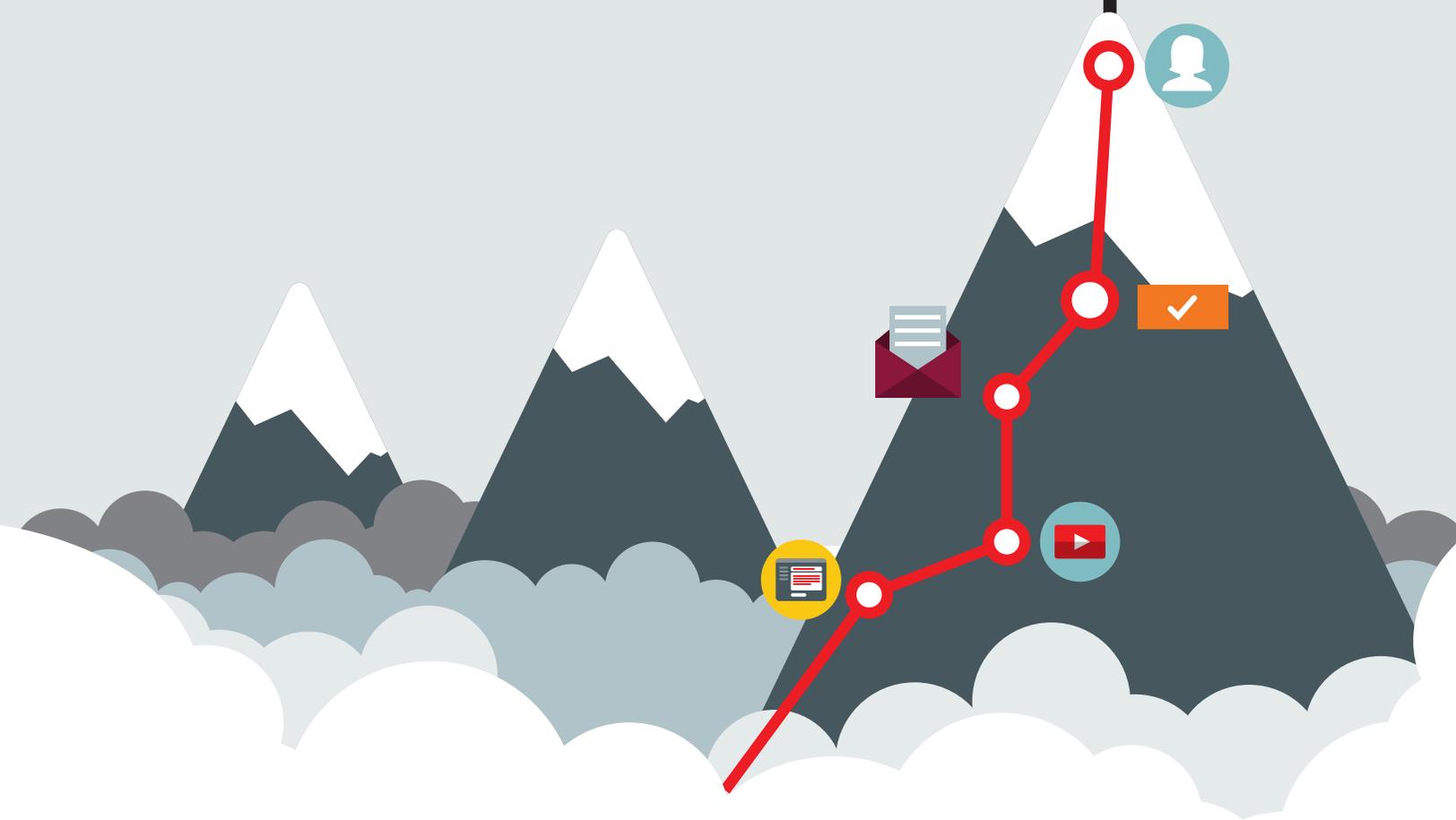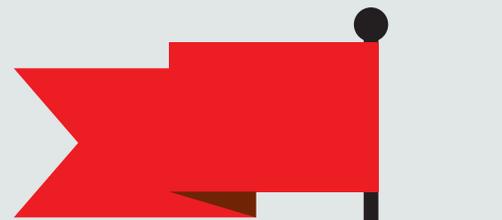# Account-Based Marketing

## GUIDE FOR MODERN MARKETERS

# INTRODUCTION

If you're reading this guide, you're probably a B2B marketer. If so, you probably spend a lot of your time coming up with new ways to reach the right prospect, at the right time, with the right message. Which means you're one of a million B2B marketers trying to do exactly the same thing. Welcome to the club!

To make it worse, nearly everyone who sells solutions to B2B marketers like us will promise they can help you reach the right prospect at the right time with the right message. Not too long ago, you could buy lists from ads in the back of inflight magazines that made the same promise. Now those promises come from marketing technology vendors, as well as bloggers and authors and consultants putting their own spin on marketing strategies, both proven and unproven.

Account-based marketing (ABM) is the latest strategy those folks are trying to sell you. But with ABM, there's one key difference:  ABM isn't a new, unproven idea; it's a new way of combining proven fundamentals to help B2B marketers (you guessed it) reach the right prospect, at the right time, with the right message. Only this time, it really works.

## What Is ABM?

ITSMA has a reasonable claim to having coined the phrase, and they have a solid definition:

"Account Based Marketing (ABM) is a structured approach to developing and implementing highly customized sales and marketing campaigns for single accounts, prospects, or partnerships. By treating each client as a market of one, you can broaden and deepen your relationships with individuals at key accounts as well as increase awareness and demand for your services and solutions. This ultimately leads to more strategic sales and greater revenue generation."

Craig Rosenberg of analyst firm TOPO agrees that ABM is actually old school. "As long as there have been companies and people trying to sell them," Rosenberg said, "there have been account-based marketing campaigns. The reason it has reached peak popularity over the last year or so, however, is that technology and fresh resources have allowed us to scale in entirely new ways."

> " The reason ABM has reached peak popularity is that technology and resources have allowed us to scale in new ways. "
>
> —*Craig Rosenberg, TOPO*

We're simply smarter and faster than we were years ago. And we have better marketing tools at our disposal. The ABM planets are aligning.

**ABM is the hottest topic in B2B marketing.**
A quick search in Google Trends shows the rapid rise in searches for "account based marketing" in the last year. Everybody is talking about it. Vendors and data providers are shoehorning the phrase into their list of capabilities. You could probably spend a week doing nothing but attending ABM webinars. (And what a week that would be.
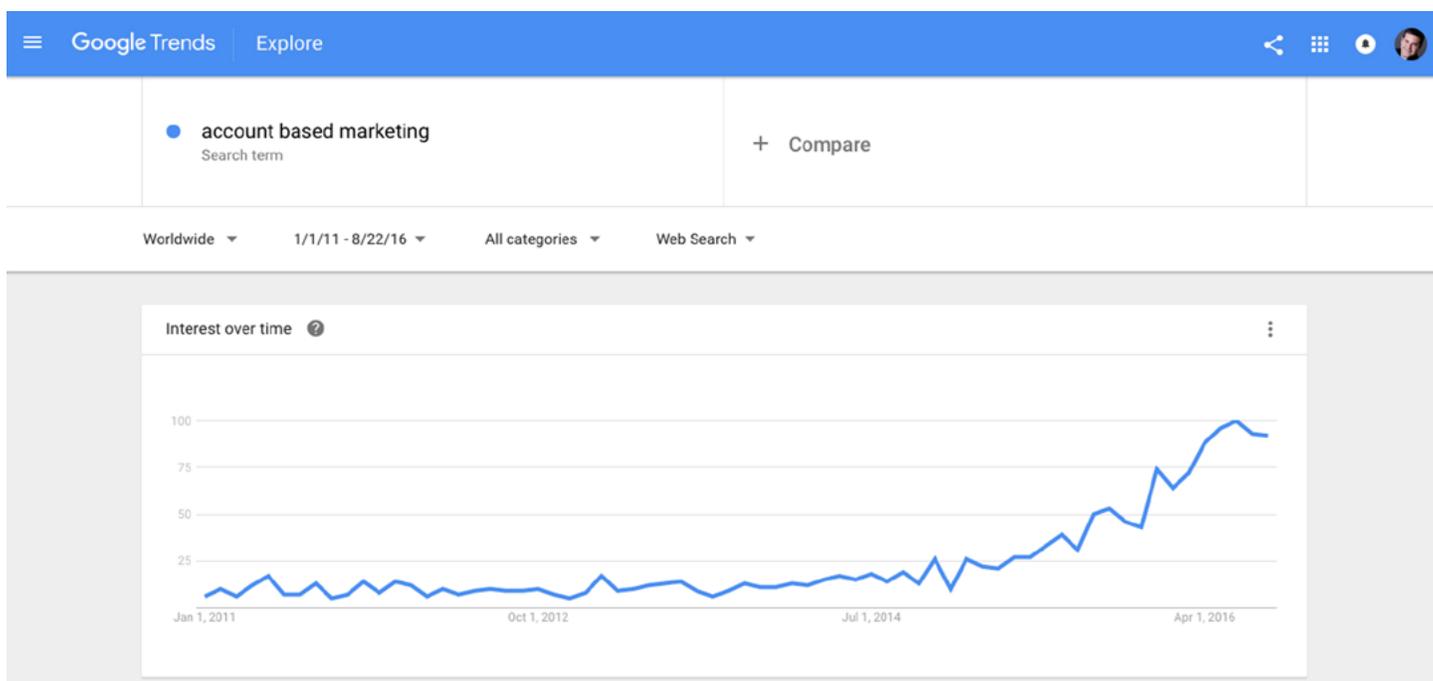


## Why ABM?

You can answer this question with one statistic from Forrester Research: Less than 1 percent of leads turn into revenue-generating customers. We'll let that sink in for a minute.

More marketers are going after the same people with the same tactics. Traditional email marketing worked until spam filters and legally-required unsubscribe options. When was the last time you read every single email in your inbox? With more organizations bypassing email by using internal messaging tools, it's even harder.

Content marketing worked well until everybody started to do it. Gone are the days when you could own a particular word or phrase on the web just by publishing good content about that term. Inbound marketing still works, but for a lot of companies, it's not bringing the results it once did.

**Companies who employ ABM tactics see real ROI.**
Marketers who adopt account-based strategies are more successful and more competitive than their peers who market solely to individuals. The data proves it. (Or if you're feeling grammatical, the data prove it.) Eighty-four percent of B2B marketers say that ABM delivers a higher ROI than any other approach, according to ITSMA.

> 84% of B2B marketers say that ABM delivers a higher ROI than any other approach. —*ITSMA*

# 1. ABM FUNDAMENTALS

## ABM treats all accounts as a market of one.

Successful account-based marketers embrace an end-to-end view across the entire buyer's journey and across all channels. Some call that addressing each prospect company, or account, as a "market of one."

Traditional marketing automation campaigns are targeted to a large group of people who all share similar characteristics (title or department) at a wide range of companies. You might send one email to 500 directors of IT at 500 companies, hoping your general IT-focused message is good enough to get some of them to respond.

## ABM is personalized to individual decision makers.

In a market of one, you think about the needs of all the influencers in one company. What does the IT director care about? How about the CFO? Does the VP of marketing have a say in the IT budget? ABM looks at all the decision makers within a company, not one general persona spread across many companies.

This approach makes it vital to truly understand each individual within an account. ABM focuses on customer value. If you're targeting your highest-potential prospect companies, it's worth taking the time to make your pitch relevant to a relatively small, high-value group of key people.

> ABM looks at all the decision makers within a company, not one general persona spread across many companies.

## ABM is personalized to customer needs.

According to ITSMA, 75% of executives will read unsolicited marketing materials that contain ideas that might be relevant to their business. What percentage will read unsolicited materials that aren't? We don't need a survey to place that number at or around zero percent. You know that from your own inbox.

ABM forces marketers to do the hard work of making sure they engage in a hyper-personalized way. If your subject line doesn't immediately address a decision maker's specific needs, it will not work. Smart ABM marketers don't just target to titles. They personalize the message to a specific persona at a specific company. Don't think: "How the XYZ Widget Can Drive More Business." Think: "How We Can Solve Problem A at ABC Corp."

## ABM forces marketing alignment.

One group in your marketing department might be creating blog posts and ebooks. Another, separate group is deciding what content should be used for paid lead-gen campaigns. Product marketers are creating product sheets and solutions documents. Field marketers are planning events and road shows. The PR team is pitching stories to industry publications. Are all of these efforts aligned around one clear, recognizable message? They should be.

## ABM forces sales and marketing alignment.

Account-based marketers ensure sales teams already know what questions to ask by transforming disconnected audience behaviors into true account-level insights. One key to transitioning to ABM is aligning marketing with sales during account planning, mapping your accounts to identify quality targets (not just lots of targets), and then focusing on the leads that align with those prioritized accounts.

Making ABM work requires marketing and sales to align on success metrics, agree on account engagement strategy, and meet daily to check on progress.

Traditional lead-based metrics, like lead volume, impressions, and traffic present challenges in ABM, as these figures don't correlate to revenue, and many leads generated aren't targeted. ABM is all about focusing on the right leads, not just more leads.

The best ways for a marketer to measure success in ABM include number of accounts identified, number of key contact relationships, acceleration of pipeline, reduction in sales cycle, and, ultimately, revenue.

And all of that requires sales and marketing to work together and ultimately align.

> ABM is all about focusing on the right leads, not just more leads.

# 2. NAMED ACCOUNTS

With ABM, an organization defines a target set of accounts and then employs campaigns that will resonate with each prospect or account individually. You're probably familiar with the term "named account." Like all terms specific to marketing, it means a lot of things to a lot of people. ABM requires companies not only to have a shared understanding of the definition of named account, but a unified method of engaging with them.

## What is a named account?

Traditionally, sales and marketing reps focus their efforts on chasing leads. On the surface, this is entirely logical: you need to generate leads in order to make a sale. But pursuing individual leads is probably not the most effective strategy. Smart marketers focus on named accounts.

Named accounts refers to a single company (account) assigned to either a marketing or sales rep. That one account may itself contain several potential leads within the organization. Named accounts are essentially the building blocks of a focused marketing effort.

Apart from streamlining your operations, named accounts will also tend to be more engaged and more ready to buy. (Hotter, if you prefer.) If you can identify a company's needs, you can be confident the leads that result will be interested in what you have to offer.

## Named accounts for ABM.

ABM requires an even more careful approach to named accounts. According to Bev Burgess, ITSMA's senior vice president and ABM practice co-lead, putting together a list of a hundred accounts and throwing them against the wall isn't really ABM.

A named account list for ABM needs to include more than just contact information. You need to have insight into those accounts to build a targeted value proposition. You need to understand the business issues each account is facing on a specific level in order to show the decision makers how you will help solve them.

Plus, a target list that lives only in a marketer's database ignores the key element of sales-marketing alignment. "The marketer becomes part of the account team," Burgess says.

The second difference is when you are doing ABM, you're creating an account-specific marketing plan and integrating it with the sales plan. They're aligned and integrated: the marketer becomes a part of the account team.

Focusing on named accounts improves efficiency in two ways:

First, it avoids the possibility of reps stepping on each other's toes and duplicating efforts. There's no point having two people assigned to selling to the same company. In fact, it's bad.

Secondly, in a modern B2B environment, the vast majority of companies will have multiple decision makers, so it's essential to first identify all relevant decision makers and build your sales and marketing strategy accordingly, instead of shunting from one lead to another.

## Moving to a named account approach.

So how do you move from leads to named accounts? Like everything else with ABM, it doesn't require anything particularly radical. You need is to arrange your leads/contacts strategically.

This can be a very manual process. For example, when a sales or marketing rep identifies a lead within a company for whom your product or service is relevant, that lead would be flagged in your CRM, and that rep would be instructed to focus on bringing in more strategic leads specifically from within that account and build a pitch around them.

Moving to a named account approach for ABM may sound daunting at first, since some CRM and marketing automation systems are geared toward leads, and the leads (people) may not be connected to the companies (accounts) they work for. In our section on predictive analytics, we'll cover how this process can be automated for far greater effectiveness.

## Customizing and repurposing content for ABM.

Despite what we said earlier about the challenges of content marketing, it is still a highly-effective element of a unified marketing strategy, and of an ABM strategy. Useful, practical content that helps prospects solve their business problems is still one of the most effective ways to fill the top of your funnel and move prospects through to close.

Creating and implementing a content marketing strategy for ABM does not, at its essence, require any radical shifts in the way you approach content marketing in general. ABM will simply inform the way you target and promote your content, much in the same way as ABM would inform—but in no way displace—your company's wider marketing strategy.

The difference is with ABM content marketing begins with the "who." Again, you'll be treating accounts as markets of one, and contacts as influencers within those accounts. That means you need to be versatile in who you direct and promote your content to, and be much more specific.

On the one hand, content will need to be aimed at specific companies. But at the same time, you will need to identify key influencers within those accounts, and target them specifically as well. These audiences will also typically be far more engaged and in most cases further down the funnel, and therefore require making your content more specialized and niche.

**Do I need to flip my funnel?**
In fact, there are many who argue that you should forget the traditional marketing funnel altogether. Or at the very least flip it.

"Flipping the funnel" is a term coined by marketing author Joseph Jaffe, who argues that a traditional, linear approach to guiding leads from the top down the sales funnel is inadequate. This is a particularly easy case to make with ABM where, as already mentioned, you'll be encountering leads for the first time in the middle or even near the end of the funnel.

**How would I flip it, anyway?**
Whether or not you feel that flipping the funnel is a helpful metaphor, this highly customized approach can be carried out in two ways for content marketing: 1) manually create custom content for individual accounts and leads, or 2) use your marketing automation system to more carefully segment existing collateral.

Even the former approach is simpler than you might think, by adapting and editing existing material, particularly gated content. A quality webinar, ebook, or customer interview can be sliced and diced into multiple blog posts, customer brochures, social media posts, or even infographics, customized and targeted to particular audiences based on their needs and interests.

> With ABM you'll be encountering leads for the first time in the middle or even near the end of the funnel.

It's worth emphasizing again that none of this needs to impact your broader, top-of-the-funnel content. Both are important, and are in no way mutually exclusive. In fact, many B2B companies that adopt ABM continue implementing other traditional marketing methods at the same time, sometimes tasking separate marketing teams for each.

But when it comes to the "how," all of the same basic rules of B2B content marketing still apply.

**Speak to your target audience and address their problems.**
If this particular rule of thumb is true with B2B marketing in general, it becomes all the more important with ABM, given that your content needs to be carefully tailored towards a very specific, relatively small pool of individuals (or in some cases even customized for a single crucial prospect).

You need to carefully study and get to know who you are talking to with each piece of marketing collateral, and create content around those profiles. The most important question you need to be asking is: "What keeps our prospects (or this one prospect) awake at night?"

That's not necessarily the same as their most-pressing business goal. Even though you're marketing to accounts you're still ultimately talking to human beings. "Increasing company ROI" or "improving lead to conversion rates" could, on a human level, boil down to "Please make my life easier and help me keep my job."

**Choose quality over quantity.**
With B2B content marketing generally, quantity is important too (whether for SEO, brand awareness, or general online presence and thought leadership). However, the niche approach of ABM places even greater emphasis on focused material. Remember, you'll be targeting a relatively small number of highly engaged, well-informed leads, who in most if not all cases will be much further down the funnel (if you haven't flipped or done away with the funnel altogether). Generic "How Integrated Cloud Applications Will Change Your Life Forever" clickbait just won't cut it.

**Have clear measures of success.**
To create effective content, you always need to define your goals carefully. But while soft metrics such as shares, Retweets, other engagement, more followers, or increased traffic are all legitimate measures for most marketing content, the targeted nature of ABM requires more concrete metrics, like increased pipeline velocity, lead generation, or revenue.

**Be engaging and creative.**
At the end of a long day, do you enjoy monitoring a telecommunication medium used for transmitting sound with moving images in monochrome (black & white), or in color, and in two or three dimensions?

No. You watch TV. The first is the Wikipedia definition. The second is what people actually say. So why are we all still writing about seamless best-in-class, multichannel, cloud-based marketectures that are flexible, extensible, and feature-rich?

> To create effective content, you always need to define your goals carefully.

Jargon is never an effective way to engage with readers. People like to engage with other human beings, and to be talked to (not at). This is even truer when you're fine-tuning your targeted ABM content. Have fun, tell a story, offer handy tips, and use visual content where possible to make your material more engaging and easy on the eye.

When addressing a specific problem, case studies illustrating your solution can be particularly useful. How has your product or service solved similar or identical problems in the past? As mentioned already, the great thing about case studies is that they can usually be refashioned and reused over and over, so one customer story could form the basis of multiple pieces of content (ABM or otherwise).

Remember: creating customized content for ABM doesn't require coming up with brand new material every time—so you can be an ABM ninja without reinventing the wheel.



## Outbound engagement.

Typical B2B lead generation efforts for sales development reps (SDRs) or business development reps (BDRs) involve searching LinkedIn and Google, navigating impossible phone directories, and playing email roulette to connect with the right prospects.

With ABM becoming popular, more SDRs are focusing their outbound efforts on specific accounts, rather than canvassing industries or company types to find key influencers and decision makers.

While focusing on key accounts may seemingly help reduce the legwork involved, SDRs are still spending way too much valuable time trying to identify the right people. Even if you know the companies you want to contact, you still need to know the names of the decision makers.

## Inbound lead routing.

Here's a nightmare scenario for many B2B marketers. (If your children are reading along with you, this might be the time to put them to bed.) You carefully craft a campaign, deliver it effectively through your marketing automation, your prospects open your message, like it, and click through to your desired call-to-action.

Then nothing happens.

It's scary because it's true. In our ABM case study section, you'll see how one big, smart company with a big, smart inbound marketing program found out they had 200,000 valid leads sitting in their CRM that no one had ever contacted.

An ABM approach to inbound lead routing matches the contact info of the people who responded to your CTA with the key account data of the companies they work for. If someone contacts you for information, or requests a call or a demo, and that person already works for a customer of yours, you want that person to get a response from that company's account team.

If the person who contacts you works for one of your top prospects, you want to make sure you contact that person first. Lead-to-account matching, a feature of ABM solutions built on predictive analytics, can make sure that happens. (More on predictive analytics later.)

# 3. GET YOUR DATA HOUSE IN ORDER

Ready for another visualization? You're planning a birthday party for your child. You book the clown, the magician, and the pony. You stay up all night making personalized cupcakes for every child. And on the day of the event, three people show up: your plumber, an insurance agent, and that one kid from camp two summers ago who tried to make your kid eat a wasp.

B2B marketers face the same problem with every campaign. There might not be as much crying involved (or there might be). Multiple studies have placed the amount of bad data in the average company CRM database anywhere from 50 to 70 percent. A survey by Experian Data Quality found inaccurate data had a direct impact on the bottom line for 88% of responding companies, with the average company losing 12% of its revenue because of it.

> Inaccurate data had a direct impact on the bottom line of 88% of companies.
> —*Experian Data Quality*

Marketers have tried to avoid the data problem with volume, sending more and more emails with lower and lower conversions. Perhaps you've heard that the definition of insanity is trying the same thing over and over and expecting different results.

ABM requires a personalized approach that addresses the individual needs of the individual decision makers. How can you accomplish that if you can't be sure who they are, or even their accurate email address?

Some companies address this challenge in a manual way, building target account lists manually and researching the right people to reach through their online presence, then calling and hoping to get through. This approach may work for companies with a specialized product and a relatively small list of target accounts. But it's obviously heavy on people power.

For the average B2B company, this approach doesn't scale, which is what we say these days to mean: "There is absolutely no way we can do that unless we hire a whole bunch more people."

## The data roadblocks to ABM.

As mentioned before, the average company's CRM system is, to put it kindly, a mess. When was the last time you heard a marketer say: "I love my database!" When was the last time you heard a salesperson say: "These leads are perfect!"

ABM requires a list of elements working together, but if you're building your campaigns on inaccurate or incomplete data… Do we even need to finish that sentence?

## The value of personas and personalization.

Most B2B marketers have a database full of contacts, gathered from their marketing automation tools, and other sources such as leads from events and tradeshows. The problem is that the data is often severely limited, which severely limits your chance of success.

If you're looking to an external vendor or software solution to help you define and segment personas for your demand-gen efforts, look for a vendor that goes beyond the title. To give you what you need, any solution will need deep understanding of people on an individual level: the person's roles, responsibilities, technologies used, and day-to-day pain points. Very little of that can be easily and reliably determined by title alone.

For example, a Director of Marketing might be a marketing operations person or a demand gen person. Or she could be focused on product marketing, solutions marketing, or field marketing. And by the same token, the primary decision maker for marketing in a given company could have any of a dozen titles.

By going beyond the title to understand the roles and responsibilities of a person—on an individual level, specific to that person—you can successfully personalize your outreach to make sure it is topical, timely, practical, and personalized. Even on the simplest level, a marketing operations person is more likely to open an email or engage with an SDR on a phone call if the phrase "marketing operations" is mentioned, compared to a generic pitch targeting the marketing domain.

It's easy to create quick personas based on title or a few other factors, and never look back. But if you do the work now of creating accurate personas based on role, company size, industry, job function, technology used level and department, keeping them up to date will be much easier. It's a valuable investment of time and effort that will pay off in better engagement.

# 4. PREDICTIVE ANALYTICS FOR ABM

## What is predictive analytics?

All marketing and sales teams deal with the pain of bad person and company data. Between incomplete form-fills, attendee lists from events, and anonymous web visitors, trying to make sense of this information can be a complete mess, not to mention a huge waste of time.

Considering how far marketing technology has evolved, it's surprising that the database problem still plagues most marketers. It's getting worse as marketing continues to expand into new channels and technologies.

Traditionally, marketing and sales teams have looked to data and lead vendors to help cleanse and enrich their data. The problem with this method—as most will agree—is that the data from many vendors can be out of date by six months if not more, rendering it useless. How many people do you know in B2B who have switched companies, gotten new jobs in the same company, been promoted, or even changed their phone number or address in the last six months? How about in the last six weeks? Or six days? Now multiply that by everybody and you'll see the magnitude of the data problem for B2B.

> How many people do you know who have switched companies, gotten new jobs at the same company, or been promoted in the last six months?

In a typical day for anyone in sales or marketing, you will likely visit at least one social or web channel (LinkedIn, Twitter, Google) to get more context on a particular person or company (or even just to find an accurate phone number). You do this because you know that whatever is available on the open and social web is most likely the most accurate and up-to-date information.

The open and social web is comprised of mostly unstructured data—such as data that either does not have a pre-defined data model or is not organized in a pre-defined manner so there's a manual element to finding the information you need and then synthesizing it with your existing records. This process makes it difficult to support at scale.

Predictive analytics platforms for B2B lead generation have entered the market to address this challenge. They provide an intelligence layer to aggregate and reconcile multiple data sources while also bringing in contextually relevant and valuable external information. (Who just got promoted? What company has just hired five new developers? What technologies does the company use?) This type of platform not only eliminates the need for the majority of data cleansing tools, but also provides an on-demand, virtual database of the most accurate person and company information.

Imagine the time saved and the improved efficacy of your campaigns if your database was on-demand and always up-to-date. It's no longer a fantasy with predictive analytics.

## What is lead scoring?

According to David Raab, lead scoring means estimating which current leads are most likely to become customers. This is used to prioritize marketing and sales activities to achieve the best results. In practical terms, this lets salespeople concentrate on the most promising leads while other leads are managed through lower-cost marketing contacts such as email nurture campaigns.

## Determine which leads are worth your time.

The process in this case is to start with a database of past leads and build a model that identifies those who eventually reached a goal such as sales acceptance or making a purchase. Scores can be assigned to individuals or companies, can be based on both behaviors and attributes, and can use external as well as company-owned data.

Behavior-based scoring measures "engagement" and changes over time. Attribute-based scoring measures fit against an ideal customer profile and is usually stable. Some systems assign separate fit and engagement scores.

## Determine which leads have the most potential.

Lead intelligence derived from predictive analytics provides guidance to sales and marketing teams about how to treat individual leads. The key element here is predicting which leads are close to initiating a buying project, making a purchase decision, or otherwise responding to a contact.

Models are built by correlating behaviors such as web searches or page views and social media comments with important outcomes such as requesting a proposal or making a purchase. The goal is to help internal teams apply their time to the most pressing needs. Lead intelligence can also be informed by the product, offer, and channel recommendations provided by content models.

## Consider company context.

A key element of creating accurate personas is an understanding of company context. There's no such thing as "one size fits all." Your targeted persona will vary based on company industry and company size. Make sure your persona segmentation takes those relevant company characteristics into account.

For example, the job level of decision makers usually depends on the size of the company. A director might have ultimate say in the buying process and unlimited signing and budget authority. Or he might have three levels of vice president between him and the person who signs the checks. This can vary by industry as well.

If you're basing your persona segmentation on title alone, you may be aiming too high or too low, or even both.

# 5. PUTTING IT ALL IN PRACTICE - ABM CASE STUDY

Imagine logging into your online bank account one day, only to discover $200,000 sitting in your checking account that you'd simply overlooked.

It's hard to imagine how that could occur. (Wouldn't it be great though?) Before RingCentral launched their ABM strategy, they were unaware of 200,000 qualified leads floating under their radar, on their own systems.

RingCentral, a leading provider of SaaS solutions for business communications, was already running one of the most sophisticated demand-generation programs in B2B. But they recognized that, even with their extensive expertise and sophisticated lead generation strategies, an account-based focus would help their sales and marketing teams achieve their full potential.

In implementing an ABM strategy, RingCentral cleaned up their database and streamlined their approach to sales and marketing. Part of the problem, they discovered, was that 30% of their inbound marketing leads were either inaccurate or incomplete. They were either missing key contact info like email and phone number, or the data they had was wrong. Worse still, two thirds of the contacts in their CRM could not be matched to the accounts where they worked.

Inbound leads from highly-qualified prospects—including prospects who worked for companies where RingCentral already had a foothold—were sent to the general inbound queue rather than to the right named account team. Or they were ignored altogether because the leads lacked the data needed to score them.

After transforming their strategy with ABM, powered by predictive analytics and lead-to-account matching, not only were those 200,000 unmapped leads rescued, but new inbound leads were automatically routed properly. The ROI was clear. With well over half a million leads now routed using their ABM approach, RingCentral has seen:

- **2.3x increase** in percentage of actionable inbound leads.

- **6x increase** in lead-to-account match rate.

- **65 hour decrease per quarter**, per rep dealing with lead routing and administration.

- **Major reduction in operational cost** by eliminating inferior data sources.

- **Significant net-new pipeline.**

And that's what ABM is all about: taking a targeted, strategic approach to sales and marketing that separates the wheat from the chaff and focuses your company's efforts on the leads most likely to convert.

> 30% of their inbound marketing leads were either inaccurate or incomplete.

## About Oracle Marketing Cloud

Modern Marketers choose Oracle Marketing Cloud's digital marketing solutions to create engagement, orchestrate experiences, connect data, and optimize interactions that attract and retain ideal customers. These solutions connect cross-channel, content, and social marketing with data management and activation on a proven system that marketers love and IT trusts.

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## About Leadspace

Leadspace predictive analytics, built on a Virtual Data Management Platform, offers customers best-in-class data and intelligence to power B2B demand generation. Chosen by seven of the world's ten largest enterprise software companies, Leadspace helps marketers increase lead conversion and boost pipeline with net-new lead discovery, account based marketing, on-demand database enrichment and predictive lead scoring, on both the company and individual employee level. Leadspace is trusted by more than 120 leading B2B brands including Oracle, Microsoft, Marketo, RingCentral and BloomReach. Based in San Francisco and Tel Aviv, Leadspace is backed by Battery Ventures, JVP and Vertex.

**Visit www.leadspace.com**

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