

A hand holding a magnifying glass over a grid of person icons. The background is dark with a grid of blurred person icons. The magnifying glass is held over a cluster of icons, highlighting them. The text is overlaid on a red banner.

B2B MARKETING SERIES

REAL WORLD ACCOUNT-BASED MARKETING

How to make an ABM strategy deliver for your organization

A Red House SmartGuide



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ABM OVERVIEW



A Powerful Way to Acquire and Grow B2B Customers.

Sales and marketing have undergone massive changes in the past two decades. One proven example in the B2B arena has been the rise of Account-Based Marketing.

From the outset, the idea of ABM seemed inherently logical: targeted marketing tends to work better than mass marketing, and bringing greater focus to any marketing effort will yield better results.

While ABM has demonstrated tremendous benefits for organizations of all sizes, many still wrestle with planning, adoption and implementation. An estimated 83% of marketers do not currently have a mature ABM strategy, and 43% of marketers say they are working on refining and measuring their ABM campaigns.* Even those early adopters of ABM are continuing to explore ways to more clearly chart ROI and track performance.

If your organization is new or relatively new to ABM, or if you have experience and are now trying to find ways to evolve or enhance your existing ABM programs, the journey can be difficult or confusing. Fortunately, you are not alone. Red House has developed this SmartGuide to help organizations like yours begin or evolve your ABM programs.

208%
INCREASE

ABM can pay big dividends

According to MarketingProfs research, Companies that have aligned ABM strategies have seen a 208% growth in their marketing revenue*.

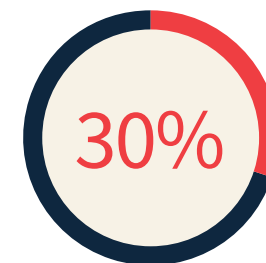
Why Leverage ABM?

When marketing budgets are limited, it pays to focus your time, money and efforts where they can have the biggest impact.

ABM is a strategic approach that leverages customization, personalization and multi-channel communications, and directs them at specific customers and accounts that pose the greatest immediate and long-term profitability.

85% of marketers who measure the ROI from their efforts say that ABM outperforms other marketing investments. 45% achieved more than double the ROI from ABM. The majority also credited ABM with providing additional significant benefits in the form of helping them retain and expand existing client relationships.

Companies using ABM generate up to 200% more marketing-driven revenue



OF MARKETERS

who worked in an ABM environment reported that engagement with C-level targets had more than doubled, according to SiriusDecisions.



Making it Relevant: The True Focus of ABM

Over the past several years, the trend in most areas of marketing has been a shift toward customization. While this may have started out as a means of creating a more intimate and positive customer experience, the business benefit has been borne out through ABM, email marketing, direct mail, and other initiatives: customized communications that demonstrate an awareness and understanding of a customer's needs tend to generate higher response rates than standard mass messaging.

This is particularly significant for B2B marketers. According to McKinsey, there are an average of six distinctive interaction channels on the average B2B customer journey – and nearly 65% of potential buyers will walk away due to inconsistent experiences. ABM allows for a level of personalization that gives marketers the opportunity to drive results, impact and consistency at every touchpoint.

In addition to greater interaction along the customer journey, personalization has other side benefits: better insights into titles and responsibilities, the ability to better uncover and identify influencers, and the ability to expand your footprint in a customer's or prospect's organization. It also promotes a sharper alignment between sales and marketing.

ABM Is Growing. Fast.



Brands that currently leverage account-based marketing.



Companies who have implemented ABM for more than one year.



Organizations with a dedicated account-based marketing leader

Source: HubSpot 38 Account-Based Marketing Stats to Know in 2021



CORE PRINCIPLES

Team alignment gets results.

70% of organizations using ABM report that their sales and marketing organizations are mostly or completely aligned.

According to Forrester Research, companies with aligned sales and marketing teams achieved an average of 32% revenue growth.

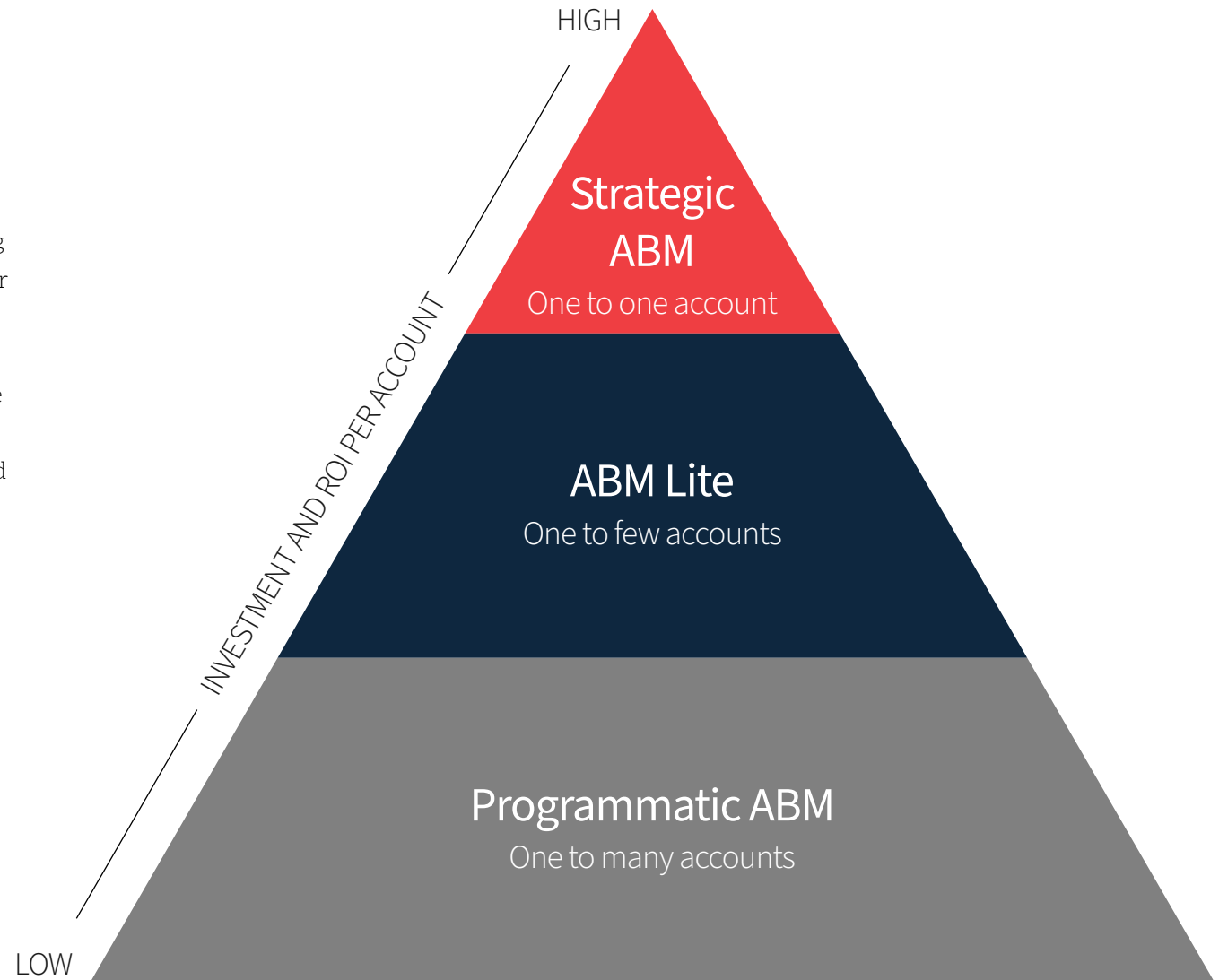
By aligning sales and marketing teams through ABM, companies experience 36% higher customer retention rates and 38% higher sales win rates.

According to the IT Services Marketing Association (ITSMA), the central idea behind ABM is to treat individual accounts as markets in their own right. Viewed in this light, there are four key principles that should guide your interactions with these accounts:

- 1 Client centricity and insight:**
Sales and marketing focus on understanding and solving the buyer's problem, rather than promoting the solution they want to sell.
- 2 Partnership between sales and marketing:**
Sales and marketing work hand in hand, including prioritizing accounts, organizing communications, and collaborating as a team.
- 3 Focus on reputation and relationships, not just revenue:**
Client lifetime value, increased mindshare, and building stronger, long-term relationships are emphasized.
- 4 Tailored programs and campaigns:**
Use insights about the market, account, and individual buyer to craft personalized content that drives interest and engagement.

Three Types Of ABM

For some organizations, the smartest path may involve maximizing their relationship with large customers, such as an IBM or General Motors. For others, focusing on a few accounts will provide enough opportunity for the coming years. And, for organizations whose products or services are more mainstream and widespread, the goal of securing dozens or hundreds of accounts in the coming years is the best avenue to growth. For each of these scenarios, there is an ABM approach that can make their sales and marketing efforts more effective.



Which Approach is Right for You?

Not all markets and business strategies are the same. While ABM is flexible enough to fit a variety of companies and sizes, ITSMA postulates that most fall under one of three basic structures. The path you choose will depend on whether your best opportunity comes from approaching one, a few, or many accounts:

Strategic ABM: deploying highly customized one-to-one marketing plans for individual accounts

Account teams build stronger relationships with a company's most valued customers and prospects via highly targeted marketing interactions that demonstrate in-depth understanding of their business issues. With this approach, a dedicated, senior-level marketer works directly with one or a few strategic or key sales teams.

ABM Lite: executing lightly customized programs for clusters of accounts with similar needs

This model focuses on small groups of accounts rather than individual accounts, usually 5-10 at a time, that share similar business attributes, challenges, and initiatives.

Collaboration with sales is focused on decision points such as which accounts to target, which business issues to highlight, which propositions to promote, and how to tailor existing content, programs and campaigns.

Programmatic ABM: tailoring marketing campaigns for specific named accounts at scale

This "one to many" approach shifts the marketing focus from generating and tracking leads from an individual-based to an account-based approach. Leading-edge technologies enable razor-fine targeting, analytics, and personalization across hundreds or even thousands of identified accounts. Having one marketer work across hundreds of accounts creates a less resource-intensive approach and can provide coverage far beyond Strategic ABM or ABM Lite.

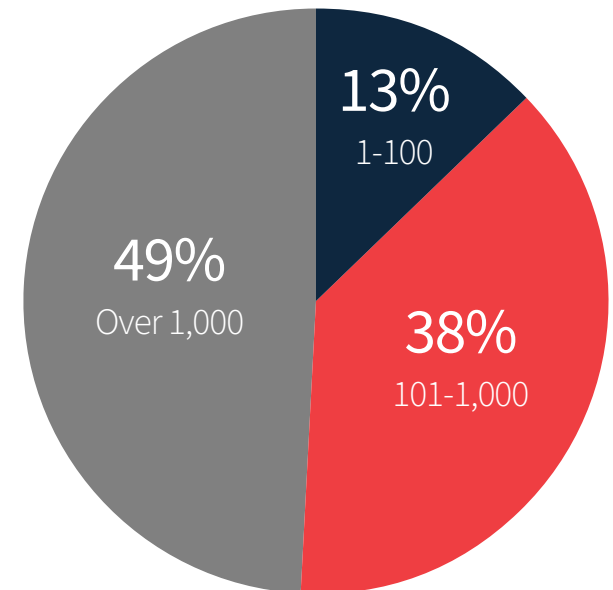
Prerequisites for Implementing ABM

Most organizations have an innate sense of who their best immediate prospects are. They may also know which accounts may pose the greatest opportunity for near- and long-term growth. But in order to launch a successful ABM program, five other pieces of the puzzle need to be in place.

- 1 Formalize your account selection:**
Bring your marketing and sales teams together to identify the specific accounts that represent your top priorities.
- 2 Know your customers' journey:**
Go beyond understanding their concerns. Know their sales cycles, approval loops, preferred research channels, and who is involved in the decision-making process.
- 3 Go deep on data:**
Dive deep, and gather robust account- and contact-level data, collecting any and all decision makers and influencers that are critical to success.
- 4 Implement technology and processes:**
Make sure that sales and marketing alike have the solutions and processes in place to report and track leads, and the analytics in place to continually benchmark their performance so they can improve over time.
- 5 Develop strategy and tactics:**
Truly successful ABM requires much more than a personalized letter or email. Develop a map of tactical deliverables that will help you nurture leads over time and convert them into new customers.

Who are your best prospects?

ABM target accounts by employee size.



FOUR PHASES

Four Phases of ABM

A coordinated ABM program requires implementing four key phases:



Phase One: Research

ABM will enable you to target priority accounts. But once you have them, your ability to win them over lies in your ability to demonstrate value. That means being able to craft a value proposition that is on target and clearly resonates with them. Research – not just of the company and contacts, but of the industry, competitors, trends and concerns – is the first step in ABM success.

events market
 Companies services
Research
 products competitors contacts
 roles trends

It Pays To Speak Their Language

In a survey of nearly 200 CMOs, 90% identified “better tailoring of content” as a top priority for their teams.

A survey by CEB found that individual stakeholders and prospects were 40% more likely to buy from a supplier whose content was tailored to their specific needs.

Phase Two: Planning



Once you have a clear understanding of who your targets are and what they really care about, it's time to plan. Fine-tune your value proposition and develop customized messaging and user experiences for all your targets. Next, plot out the deliverables that will convey your message, and construct a campaign that gets through to your audience using a multi-channel approach that will raise awareness. Finally, bring your sales and marketing teams together, and make sure there is 100% consensus around the plan.

Persistence + Personalization = Results

Developing tactics that target your audiences with personalized messages enables you to quickly build awareness and convert prospects to customers.

Phase Three: Execution

As with any marketing initiative, execution is where great plans come to fruition – or fall apart.

The unique nature of ABM calls for the involvement of people who understand the roll-out, cadence and metrics involved with ABM campaigns. At Red House, we're not only adept at developing effective ABM campaigns, but also with working with both sales and marketing teams to galvanize consensus and unity around the creation, scheduling, deployment and tracking of your communications.



Source: SalesLoft ABM Playbook

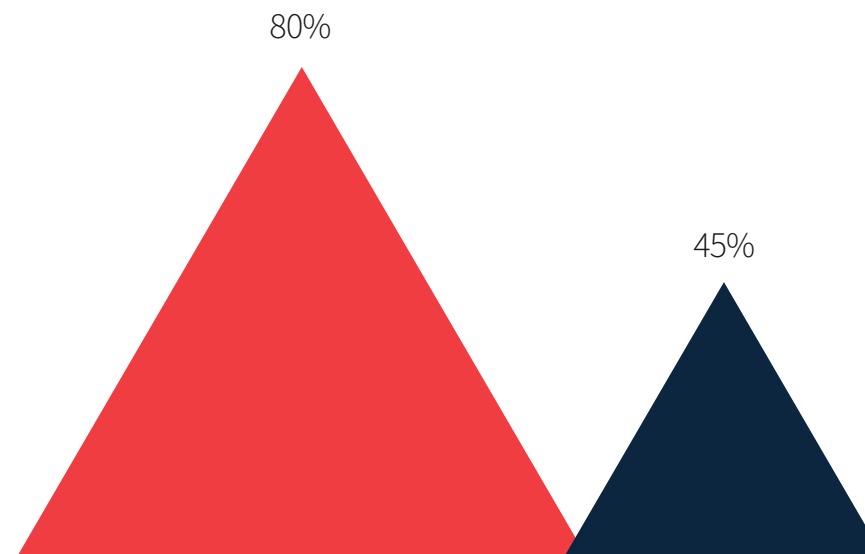
In ABM, Content Matters Even More.

Content is the vehicle that fuels the continued conversation that is needed to make ABM efforts successful. Developing assets that can easily be customized and scaled is one of the top challenges facing marketers; 49% of Managers say content creation and tailoring is a top priority.

Phase Four: Analysis

Measure, measure, measure.

Measurement is the secret to boosting the long-term effectiveness of most B2B campaigns, and ABM is no exception. Fortunately, the intensely focused nature of ABM makes it easier to spot exactly how well you are performing. This gives you a foundation for establishing highly specific KPIs, constructing tighter timeframes, reporting specific results, and creating benchmarks that will help you fine-tune along the way.



Benchmarking: The Key To Ongoing, Long-Term Improvement.

80% of marketers who have done ABM for three years or more reported significantly higher ROI from their ABM efforts, compared to 45% of marketers with less than three years' experience.

Source: ITSMA, Nov 2018



TOOLS AND PLATFORMS



ABM Isn't A Platform. It's A Process.

When CRM was in its early stages, it was centered around a specific goal – understanding who your best customers were and maximizing your ROI from your relationships with them. It was driven by CRM solutions, and as a result, many companies thought that they were “doing CRM right” simply because they had purchased a solution.

Today, there's a danger of falling into the same trap with ABM. It's easy for a company to feel that because they have purchased or subscribed to a leading solution, that they are now “doing ABM right.”

In reality, ABM solutions should be viewed as tools that support your processes, and evaluated by how well they support your efforts in areas such as:

Accurate customer profiling, enabled by integrating your existing customer data with third-party data.

Prioritizing high-value accounts to maximize ROI.

Personalizing campaigns so that they speak to the unique needs of both individuals and accounts.

Uniting sales and marketing activities across the entire account acquisition journey.

Automating processes where possible, so that sales and marketing teams can focus on areas that cannot be automated.

Integrating with other marketing efforts so that the opportunities created from both ABM and inbound marketing efforts do not fall through the cracks.

Decisions, Decisions, Decisions

With so many popular and “leading edge” ABM tools and solutions available, how will you find the one that’s right for you?

Demandbase: Orchestrate and automate seamless B2B buyer journeys no matter how complex your back end is.

6Sense: Get the visibility you need to proactively target the right accounts based on intent data and rich insights.

RollWorks: Software to help drive demand, run digital ad campaigns and automate sales functions.

At Red House, we have built ABM solutions that work and deliver against organizational sales goals. Which one is right for you? Much of that depends on who you are, who your audience is, what capabilities you really need, and what your budget can support. But whether your organization is large or small, Red House can help you find the right strategy to achieve your goals and deliver the results you need.

Get A Second Opinion First

Before you choose an ABM solution, get an objective opinion first. As a software-agnostic firm, Red House can help you review and select an ABM platform based on your specific needs.



HOW TO START

Where Do You Go From Here?

Considering the effectiveness of ABM, why don't more organizations have programs in place? The answer is simple: It's a journey that requires planning, budgeting, coordination and hard work.

A methodical approach will enable you to launch your ABM initiative. So will collaborating with a proven partner who is well-versed in the finer details of ABM. At Red House, we take the lead and help ensure that your strategy and execution are on target, and that your ABM efforts are not sidelined by other priorities.

How To Get Started

1. Formalize a plan that details the goals, objectives and potential upside of your efforts.
2. Solicit buy-in from executive, sales and marketing teams.
3. Set goals that define success.
4. Identify target accounts.
5. Develop a list of contacts (either by name or title), decision-makers and influencers that you want to pursue.
6. Create content that will resonate with the accounts and contacts you've chosen.
7. Create a communications plan of the proper channels and tactics.
8. Choose a platform or solution that will support your efforts.
9. Develop and deploy your communications and ad campaigns.
10. Continually fine-tune and optimize your efforts by measuring and analyzing your results.

Another Key Step: Call In An Expert

If you're contemplating or in the process of planning an ABM initiative, Red House can help solve many of the challenges you face. From generating customizable content, to reviewing ABM solutions, to strategic planning and tactical execution, we have the experience you need to keep your ABM efforts on track. To arrange a consultation, contact us today at consulting@redhouseb2b.com.

ABOUT RED HOUSE B2B MARKETING

At Red House, we help B2B clients optimize the results of all forms of marketing. We are adept at all phases of ABM, and we excel at crafting flexible and effective ABM content that clients can easily customize and scale to fit their specific needs.

If you currently have an ABM program in place or are considering launching one, let's talk. To arrange a consultation, contact us today at consulting@redhouseb2b.com.

Sources:

1. <https://www.unboundb2b.com/blog/account-based-marketing/account-based-marketing-statistics-2022/>
2. <https://blog.hubspot.com/marketing/account-based-marketing-stats>
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4. <https://www.itsma.com/>

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