ITSMA Benchmarking Study on Account Based Marketing: How Does Your Program Measure Up?

2014 Benchmarking Study Prospectus

STUDY OVERVIEW

THE POWER OF FOCUS
Increasing use of Account Based Marketing (ABM) is a top priority for B2B marketers (source: ITSMA, Services Marketing Budget Allocations and Trends, 2013). ABM programs have been so successful that marketers doubled their spending in 2013!

Whether your company calls it 1-to-1, key-client marketing, or something else, this laser focus on a single account is making a big splash in the industry. As a result, companies are having tremendous success in generating demand, increasing awareness, and improving relationships and their position in key accounts. But current industry benchmarks to shape and bolster ABM programs do not yet exist. This study will gather critical marketing and sales benchmarks to help you improve your ABM activities.

Account Based Marketing Programs (aka Key Account Marketing) have been so successful that marketers are doubling their spending in 2013!

Advance client engagement

Approximately what percentage of your marketing budget was/will be dedicated to Account Based Marketing?

Mean % (N~24)

<table>
<thead>
<tr>
<th>FY2012</th>
<th>FY2013 (est.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.4%</td>
<td>12.0%</td>
</tr>
</tbody>
</table>

Source: ITSMA, 2013 Services Marketing Budget Allocations and Trends
BENCHMARKING: AN INVALUABLE APPROACH

Despite the obvious power of ABM, there are many questions about the best ways to implement ABM and the results that can be achieved. For instance:

- How much is being spent on ABM programs and campaigns and how are the funds being allocated?
- How many staff people are involved on a dedicated, part time and contract basis?
- What resources and systems are needed to support a successful ABM program?
- What account metrics and program metrics are being tracked to measure success?
- What kind of return on investment (ROI) can be expected on ABM account campaigns and activities?
- How much does it cost to fund a central ABM program office?
- How many accounts can one marketer comfortably handle and what skills are critical to success?
- What are the best ways to scale the ABM program within a specific geography? And globally?
- What is the role of the sales function in implementing a successful ABM program?
- How does the sales organization measure success?

This ITSMA Benchmarking Study on Account Based Marketing will answer these questions, enabling marketing and sales organizations to quantify ABM spending and ROI, hone their ABM processes, identify best practices, and compare their company’s performance with that of their industry peers as well as “best-in-class” companies. Armed with this data, marketing and sales executives can set realistic targets, seize the leadership role, and take their ABM efforts to the next level.

ABM is a top priority for B2B Marketers

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>4</td>
<td>3</td>
<td>7</td>
<td>5</td>
<td></td>
<td>Developing thought leadership content that drives business</td>
</tr>
<tr>
<td>2</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td></td>
<td></td>
<td>Enabling the sales force</td>
</tr>
<tr>
<td>3</td>
<td>9</td>
<td>9</td>
<td>27</td>
<td>-</td>
<td>-</td>
<td></td>
<td>Building a more effective lead management/nurturing model</td>
</tr>
<tr>
<td>4</td>
<td>5</td>
<td>7</td>
<td>16</td>
<td>11</td>
<td>8</td>
<td></td>
<td>Increasing use of Account Based Marketing</td>
</tr>
</tbody>
</table>

5 | 4 | 3 | 5 | 2 | 1 | Differentiating/re-positioning the company, brand, or offerings |
6 | 15 | 26 | 25 | 24 | 14 | Building/nurturing business partner relationships and alliances |
7 | 8 | - | - | - | - | Changing the marketing structure, models, and practices |
8 | 3 | 1 | 2 | 4 | 3 | Generating demand |
8 | 6 | 5 | 7 | 9 | 11 | Measuring marketing’s impact on the business |
8 | 9 | 6 | 6 | 6 | 10 | Increasing marketing programs for vertical/industry markets |
8 | 25 | 14 | 12 | 8 | 9 | Developing and launching new offerings |

Source: ITSMA, Services Marketing Budget Allocations and Trends, 2006–2013
ITSMA is now in its thirteenth year of providing marketing and sales benchmarking data, best practices, and performance analysis. Hundreds of companies have participated in ITSMA’s benchmarking studies.

**SIX PHASE METHODOLOGY**

ITSMA’s benchmarking research follows a proven six-phase methodology:

- Phase 1: Recruit participants
- Phase 2: Refine study scope and select performance metrics
- Phase 3: Collect data
- Phase 4: Conduct analysis
- Phase 5: Present results
- Phase 6: Follow-up

**STUDY DELIVERABLES INCLUDED IN SPONSOR FEE**

1. Final detailed report
2. Executive summary
3. Key findings presentation (Group Web briefing)

**ADDITIONAL DELIVERABLES (FEE-BASED)**

1. Custom peer group report and analysis
2. Private web briefing with ITSMA
3. In-person briefing with ITSMA
PROJECT TEAM

**Julie Schwartz**, Senior Vice President of Research and Thought Leadership, will be the Research Director for the project, and will manage all research components of the study. Julie oversees all research conducted by ITSMA including brand awareness research, benchmarking research, customer research, multi-client and subscription research, ITSMA’s best practices research, and all member studies. Prior to joining ITSMA, Julie earned her considerable expertise in the information technology services industry from serving as an Analyst with State Street Research and Management Company, as Director of Professional Services Research for Dataquest, and as Research Manager for The Ledgeway Group. Julie holds a Bachelor of Science degree from the University of Pennsylvania where she graduated summa cum laude and was elected a member of Phi Beta Kappa. She also has a Master of Science in Management from the M.I.T. Sloan School of Management and was named a Seley Scholar. Julie can be reached at jschwartz@itsma.com.

**Dianne Kim** is a Market Research Associate at ITSMA. Her responsibilities include contributing to ongoing research projects, assisting with the researching and writing of membership deliverables, and working on ITSMA’s Executive Council research projects. Dianne is experienced in conducting both primary and secondary research, and analyzing both quantitative and qualitative data. Prior to joining ITSMA’s research team, Dianne was a Litigation Legal Assistant at Sullivan & Cromwell LLP. Dianne has a BA in International Relations with a concentration in Economic Development from Tufts University.

**Jeff Sands**, with more than 40 years of experience in technology marketing, sales, and business development, Jeff brings a keen understanding of the priorities and pain points for services and solutions marketing. At ITSMA, Jeff works directly with member companies to help them take best advantage of ITSMA resources and to provide focused advisory support around go-to-market strategies for technology services and solutions, message platforms and targeted Value Propositions, sales enablement, customer advisory councils and more. Prior to joining ITSMA, Jeff worked at Digital Equipment Corporation, EMC, and Wallwork Curry McKenna. Jeff holds a BBA in Marketing from Hofstra University and an MBA from Long Island University. He is also a graduate of the Tuck Executive Program at Dartmouth College. Jeff can be reached at jsands@itsma.com.

**ABOUT ITSMA**

ITSMA specializes in helping companies market and sell services and solutions more effectively. As a membership organization, we provide research, consulting, and training to the world’s leading technology, communications, and professional services providers to generate increased demand, strengthen customer relationships, and improve brand differentiation. ITSMA is based near Boston, and has offices in London, Mumbai, and Tokyo. Learn more at www.itsma.com.

ITSMA is a pioneer in advancing ABM practices through its research, consulting, training, and implementation work. ITSMA publishes numerous white papers, articles, commentaries, and tools on the subject; facilitates an ABM Council of leading companies; provides consulting and implementation services to companies piloting and scaling ABM programs; and holds regular training workshops.

**CONTACT INFORMATION**

For more information, please contact Julie Schwartz at jschwartz@itsma.com.
2014 ABM BENCHMARKING STUDY AGREEMENT

<table>
<thead>
<tr>
<th>ABM Study Participation</th>
<th>ITSMA ABM Council Member</th>
<th>ITSMA Member Fee*</th>
<th>Nonmember Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Custom peer group report with analysis and discussion with ITSMA</td>
<td>$0</td>
<td>$5,000</td>
<td>$5,000</td>
</tr>
<tr>
<td>In-person briefing with ITSMA</td>
<td>$5,000** plus travel</td>
<td>$5,000</td>
<td>$5,000</td>
</tr>
</tbody>
</table>

* ITSMA members may be eligible to participate on the ABM Council. A separate agreement is required. Contact your ITSMA Client Engagement Director for details.

** Fee may be higher for briefings outside of US.

TERMS AND CONDITIONS

1. Participant agrees to assign a Project Coordinator who will act as primary contact on all benchmarking study issues.
2. Participant agrees to provide requested data to their best ability in a timely manner and make appropriate personnel available for phone interviews.
3. ITSMA agrees to treat all data and information supplied by Participant as confidential and not to be disclosed to any other party. Individual Participant data and information will be grouped with other “like” data and information for analysis purposes. For comparative benchmarking purposes, data from Participants will be coded and otherwise “disguised” to protect identity.
4. Participants will receive soft copies of the Executive Summary and the Final Detailed Study.
5. Fees are due and payable at commencement of the Study.

AGREEMENT

☐ Yes, we agree to participate in ITSMA’s 2014 Benchmarking Study on Account Based Marketing.

<table>
<thead>
<tr>
<th>ABM Study Participation</th>
<th>ITSMA ABM Council Member</th>
<th>ITSMA Member Fee*</th>
<th>Nonmember Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Custom peer group report with analysis and discussion with ITSMA</td>
<td>$0</td>
<td>$5,000</td>
<td>$5,000</td>
</tr>
<tr>
<td>In-person briefing with ITSMA</td>
<td>$5,000** plus travel</td>
<td>$5,000</td>
<td>$5,000</td>
</tr>
</tbody>
</table>

AUTHORIZED

NAME ........................................................................................................ TITLE..........................................................

COMPANY ................................................................................................ DEPT/DIVISION ..................................................

PHONE .................................................................................................... FAX .................................................................... EMAIL .......................................................................

SIGNATURE ............................................................................................... DATE ..................................................

PROJECT COORDINATOR

NAME ........................................................................................................ TITLE..........................................................

ADDRESS ............................................................................................. CITY/STATE/ZIP ...........................................

PHONE .................................................................................................... FAX .................................................................... EMAIL .......................................................................

SIGNATURE ............................................................................................... DATE ..................................................

BILL TO

NAME/DEPT .............................................................................................

ADDRESS ............................................................................................. CITY/STATE/ZIP ...........................................

PAYMENT (DUE UPON RECEIPT)

☐ Authorized Purchase Order (Purchase Order #___________) ☐ Check Enclosed – Payable to ITSMA in $US (ITSMA Tax ID 04-2706960)

☐ Visa ☐ MasterCard ☐ American Express

CARD # .............................................................................................. EXP. DATE ................................ SECURITY CODE .....................................

CARDHOLDER NAME ............................................................................ SIGNATURE ..........................................................

CARDHOLDER EMAIL ............................................................................ CARDHOLDER PHONE ..................................................

CARDHOLDER ADDRESS ........................................................................ CITY/STATE/ZIP ..........................................................

ITPSMA | 91 Hartwell Avenue | Lexington, Massachusetts 02421 USA
Phone: +1-781-862-8500 | Fax: +1-781-674-1366 | Email: info@itsma.com | Internet: www.itsma.com

Page 5 of 5
MK4769