



# ABM

## THE NEW B2B

### MARKETING MUST-HAVE

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Account-based marketing (ABM) is creating a lot of buzz right now. And for very good reason. It is delivering bigger deals within target accounts and proving to be a veritable lead-to-revenue marketing success story.

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**DG: Why is ABM so hot right now?**

**BB:** It has 'crossed the chasm', so to speak. The companies trying ABM are getting great results and wanting more. Plus, it's easy for marketers to target named accounts at scale. It seems that all marketing is becoming ABM – or at least inspired by ABM.

**DG: How is ABM evolving?**

**BB:** As businesses see results from ABM, they demand more. This puts their ABM teams under pressure to scale the approach. In this quest to scale, three types of ABM have now emerged (see the pyramid in Figure 1). The new kid on the block is programmatic ABM. This is where most of today's hype around ABM comes from.

**DG: Is it hype, or is it delivering results?**

**BB:** ITSMA's latest benchmarking study, from March 2016, shows that 84% of marketers see ABM producing higher, or significantly higher, returns than any

other marketing approach. However, this figure varies depending on the type of ABM. At the programmatic level, 67% of marketers say they achieve higher results by using automation to apply ABM principles to hundreds of named accounts. With ABM Lite, where marketers apply ABM principles to clusters of around five accounts, 68% report higher returns. The star of the show is strategic ABM. Ninety-two percent of marketers say this one-to-one approach delivers higher returns than any other.

**DG: How is it different from demand generation?**

**BB:** ABM has specific objectives and a narrow audience. It is by definition an integrated, coordinated programme of activities that brings valuable propositions and relevant ideas to a client. ABM also fosters closer cooperation between marketing, account



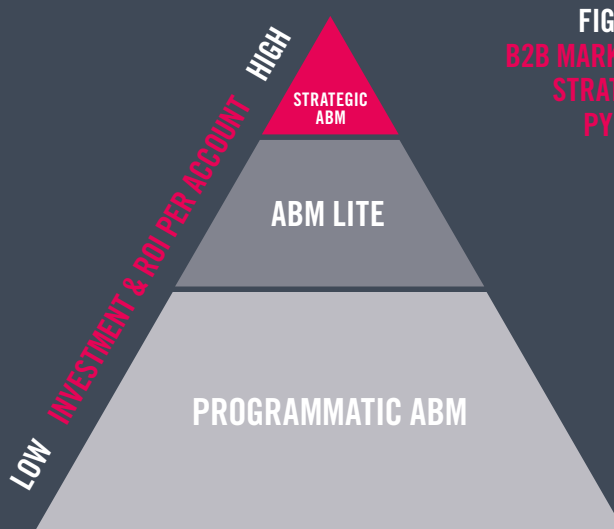
To find out more about it, Trish Harriss spoke to Bev Burgess, Senior Vice President & Global ABM Council Leader at ITSMA, the pioneers of ABM.

## ITSMA RECOGNISES THREE TYPES OF ACCOUNT-BASED MARKETING

**One to One:** Marketer works with account sales team to develop and implement customised marketing plans and campaigns for individual accounts.

**One to Few:** Marketer works with specific sales teams to focus on a small group or cluster of accounts with similar business imperatives (e.g., banks, hospitals); usually 5-10 accounts at any time, to leverage marketing activities across those accounts.

**One to Many:** Marketers use technology to target accounts, market to individuals within the accounts, and track results by account.



**FIGURE 1:**  
B2B MARKETING STRATEGIES PYRAMID

management, and sales as they work collaboratively through the seven steps for an individual account (Figure 2). The same can't be said for other marketing programmes.

### DG: How are IT organisations adopting ABM?

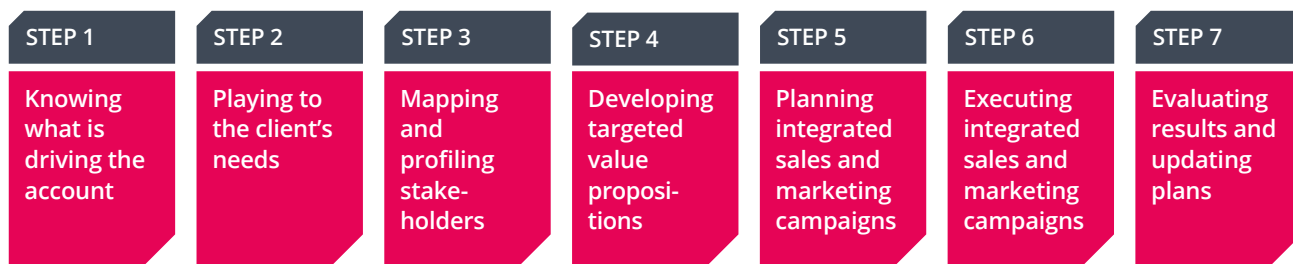
**BB:** The majority of companies have been doing ABM for less than two years. And they're generally using just one approach – usually strategic ABM or ABM Lite.

Companies tend to go through a pilot phase initially to prove the concept. Then, they gain support for it based on the results of the pilot. After that, there's a standardisation phase, where they set up programme governance before ABM is rolled out across the business. Only 19% of companies are at the stage of scaling strategic ABM today. Even fewer are scaling ABM Lite (6%) and programmatic ABM (9%).

### DG: Can ABM work alongside demand generation, or do they need distinct focuses?

**BB:** ABM sits at the top of your marketing pyramid as the strategy for accounts that will make or break your business. The objective of ABM is usually to grow a small share of a large wallet, or to defend a large share of wallet. Either way, it only makes sense in accounts with large enough budgets to justify the extra investment needed.

## FIGURE 2: ITSMA'S SEVEN-STEP ABM PROCESS



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#### DG: What's the best way for IT organisations to get started with ABM?

BB: Few companies are willing or able to make a full commitment to ABM without testing the concept first. I recommend marketers begin by carefully choosing their most important accounts to act as guinea pigs for ABM. It's important that they're a representative sample of top accounts. That way, the results of the pilots will be credible evidence for a fully-fledged program.

#### Here are some tips for the pilot phase:

1. **Define success**, then create metrics that reflect your definition. At ITSMA, we have seen qualitative metrics, quantitative metrics, and a mixture of both.
2. **Select pilot accounts** with high potential. They'll be the accounts you have strong relationships with, managed by marketing-savvy account managers, and where the customer sees the potential to do more.
3. **Work through ITSMA's seven step process on your pilot accounts** – don't be tempted to miss out the insight phase, as this alone can uncover new opportunities.
4. **Measure results** and tweak your plan as you go along if needed.
5. **Publicize results** to help you build momentum for your programme.

#### About Bev Burgess

Bev is an ABM pioneer. She was the first to codify ABM, an approach she developed jointly with several clients. SVP and Global ABM Practice leader at ITSM, Bev advises the world's largest B2B companies on the marketing strategies that will accelerate their growth.

#### About ITSMA

ITSMA specializes in helping companies market and sell services and solutions more effectively. We provide research, consulting, and training to the world's leading technology, communications, and professional services companies to generate increased demand, strengthen customer relationships, and improve brand differentiation. ITSMA is based near Boston, and has offices in London, Mumbai, and Tokyo.