Account Based Marketing and ROI: Building the Case for Investment

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Research and Thought Leadership, ITSMA

Abbreviated Summary | January 2014

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Abbreviated Summary

ABM yields higher returns per marketing dollar than other marketing investments. But many ABM initiatives are abandoned because ABM is so unlike conventional marketing initiatives. How do you make the case for sustained investment?

The three biggest ABM challenges:
- Getting enough budget
- Hiring the right talent
- Justifying the cost

Note: This abbreviated summary highlights a few significant findings from the ITSMA study *Account Based Marketing and ROI: Building the Case for Investment*. A more in-depth analysis can be found in the full report.
ABM is big and getting bigger

On average, among B2B IT services companies, 15% of the marketing budget is spent on ABM. And of the companies who have ABM initiatives, over seven in ten say that they plan to spend more (and nobody is planning to spend less).

What are your spending plans in FY2014 for Account Based Marketing? Will spending:

% of Respondents (N=58)

- Stay the same: 28%
- Increase: 72%

Source: ITSMA Account Based Marketing Survey, October 2013
ABM delivers a high ROI over time

Over 80% of marketers that measure ROI say that ABM initiatives outperform other marketing investments.

And half of those say that the difference is significant. So investing in ABM should be a no-brainer. Right?

Do you measure ABM return on investment (ROI)?

% of Respondents (N=63)

- Yes: 60%
- No: 30%
- Don’t know: 10%

How does ABM return on investment (ROI) compare to other marketing initiatives?

% of Respondents (N=38)

- Significantly higher: 42%
- Somewhat higher: 42%
- About the same: 16%

Source: ITSMA Account Based Marketing Survey, October 2013
ABM requires time to take off

Wrong. ABM isn’t like other marketing initiatives. You may ultimately get a sizable deal, but you also spend a long time on the runway before taking flight.

ABM is a marketing example of high operating leverage. You invest. You spend time underwater. And when it pays off, it pays off big.

ROI of an ABM Program
Do the right things upfront and the returns will follow

There are **two keys** to sustaining the momentum of your ABM program.

**First**, position it correctly at the start. Not as a marketing initiative. Not as demand gen. As a company-wide strategic relationship-building initiative.

**Second**, create broad metrics that can help you show interim success, even without immediate revenue. Number of executive contacts. Invitations to bid. Meetings obtained.

Correct positioning of ABM correlates directly with high ROI on ROI

Gather evidence from early wins to get the resources to build, standardize, and scale your ABM program
Study Methodology

In October 2013 ITSMA surveyed 88 executives, almost all in marketing, mostly from B2B IT services companies.

Annual Revenue of Companies Represented
% of Respondents (N=88)

<table>
<thead>
<tr>
<th>Annual Revenue</th>
<th>% of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $100M</td>
<td>13</td>
</tr>
<tr>
<td>$100M up to $499M</td>
<td>9</td>
</tr>
<tr>
<td>$500M up to $999M</td>
<td>7</td>
</tr>
<tr>
<td>$1B up to $4.9B</td>
<td>14</td>
</tr>
<tr>
<td>$5B up to $9.9B</td>
<td>13</td>
</tr>
<tr>
<td>$10B or more</td>
<td>44</td>
</tr>
</tbody>
</table>

Industry % of Respondents (N=88)

- Other: 8
- Other business services: 8
- Outsourcing (technology/business process): 15
- Telecommunications and network systems/solutions: 15
- Software solutions: 19
- Computer systems and solutions: 28
- IT professional services/consulting

*Storage, semiconductor capital equipment, office equipment, test and measurement, industrial automation

Where are you physically located?
% of Respondents (N=88)

- North America: 62%
- Europe: 28%
- Asia/Pacific: 8%
- Latin America: 1%
- Africa: 1%

Source: ITSMA Account Based Marketing Survey, October 2013
Respondent Characteristics
% of Respondents (N=88)

Which of the following best describes your job title or level?
- Individual contributor: 11%
- Manager: 38%
- Director: 27%
- Member of the functional or LOB leadership team: 24%

Which of the following best describes your function?
- Marketing: 91%
- Other: 9%

Type of Company
- Primarily Services: 47%
- Products and Services: 53%

Type of Customers
- Primarily B2B: 88%
- Both B2B and B2C: 12%

Source: ITSMA Account Based Marketing Survey, October 2013
## Respondent Characteristics

### Which of the following job roles have you held, either currently or in the past?  
% of Respondents (N=46)

<table>
<thead>
<tr>
<th>Job Role</th>
<th>% of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Account Based Marketing</td>
<td>100</td>
</tr>
<tr>
<td>Marketing communications</td>
<td>72</td>
</tr>
<tr>
<td>Event marketing</td>
<td>61</td>
</tr>
<tr>
<td>Industry marketing (vertical markets)</td>
<td>61</td>
</tr>
<tr>
<td>Sales enablement</td>
<td>59</td>
</tr>
<tr>
<td>Content/thought leadership development</td>
<td>54</td>
</tr>
<tr>
<td>Product/offer management</td>
<td>48</td>
</tr>
<tr>
<td>Business development</td>
<td>46</td>
</tr>
<tr>
<td>Field marketing</td>
<td>44</td>
</tr>
<tr>
<td>Partner/alliance marketing</td>
<td>41</td>
</tr>
<tr>
<td>Direct client experience/Client-facing role (delivery)</td>
<td>33</td>
</tr>
<tr>
<td>Digital content management</td>
<td>28</td>
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<tr>
<td>Brand management</td>
<td>26</td>
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<tr>
<td>Sales</td>
<td>26</td>
</tr>
<tr>
<td>Community management</td>
<td>15</td>
</tr>
<tr>
<td>Other</td>
<td>7</td>
</tr>
</tbody>
</table>

Note: Multiple responses allowed. Includes only respondents that have held ABM positions.

Source: ITSMA Account Based Marketing Survey, October 2013
**Executive Summary**

**Methodology and Respondent Demographics**

**Detailed Findings**

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**For More Information**

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**Buy the Study**

Member: $295  
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