

Make No Mistake

How Worst-Practices Derail Successful ABM Efforts



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Account-based marketing (ABM) is one of the great conundrums of sales. On the one hand, it's becoming increasingly popular: [81% of marketers in North America say they use the approach](#). On the other hand, marketers still struggle to define the concept: "Defining account-based marketing is not for the faint of heart!" reads the introduction to the [2017 ABM Benchmark Report by ITSMA](#), the organization that helped pioneer the practice in 2003. That's because ABM means something different to most of its many practitioners. And while ITSMA has no trouble defining the concept—"Account-based management is a strategic approach to designing and executing highly- targeted, personalized marketing programs and initiatives to drive business growth and impact with specific, named accounts"—confusion in language indicates confusion in practice. Which is no doubt [why more B2B marketers consider their ABM efforts entirely ineffective than extremely effective](#).

This Quick Study Slide Show from Node identifies the common pitfalls of ABM executions and offers practical advice to help teams avoid them.

MISTAKE NO. 1

Right Attitude, Wrong Foot

“The quickest way to go wrong with ABM is to position it as a marketing-led initiative without the support and collaboration of the business at the highest levels,” write Bev Burgess and Dave Munn in their ABM bible, [A](#)

[Practitioner’s Guide to Account-Based Marketing](#).

They cite a 2014 benchmark study by their organization ITSMA which found that [75 percent of respondents believed ABM to be predominantly marketing-led rather than business-led](#).

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ABM is a soccer game.

JILLIAN RYAN EMARKETER ANALYST

But ABM will fail without internal alignment, says eMarketer analyst Jillian Ryan, whose [report on the topic was released in October](#). She compares traditional lead generation to a relay race, in which marketing passes the baton to sales and then has nothing more to do with the race. “ABM is a soccer game,” Ryan says on [eMarketer’s Behind the Numbers podcast](#). “Marketing has the ball, they kick it to sales, sales does a bit with it—some great footwork—and they kick it back to marketing. It’s about touchpoints throughout the accounts entire journey. The orchestration internally between sales and marketing and even the operation team and finance team is crucial because if you are not account centric in everything you do—even KPIs—it’s hard to find success.”



MISTAKE NO. 2

Strong Aim, Weak Targets

A lack of companywide buy-in too often leads to choosing the wrong sales quarries. Eric Wittlake, [TOPO](#)'s senior analyst in the marketing practice, stresses that marketing can't just ask sales for their list of target accounts. That tactic is neither sustainable nor profitable. Wittlake and TOPO argue for starting with an ideal customer profile (or characteristics) instead, with an emphasis on the intersection between the answer to two crucial questions:

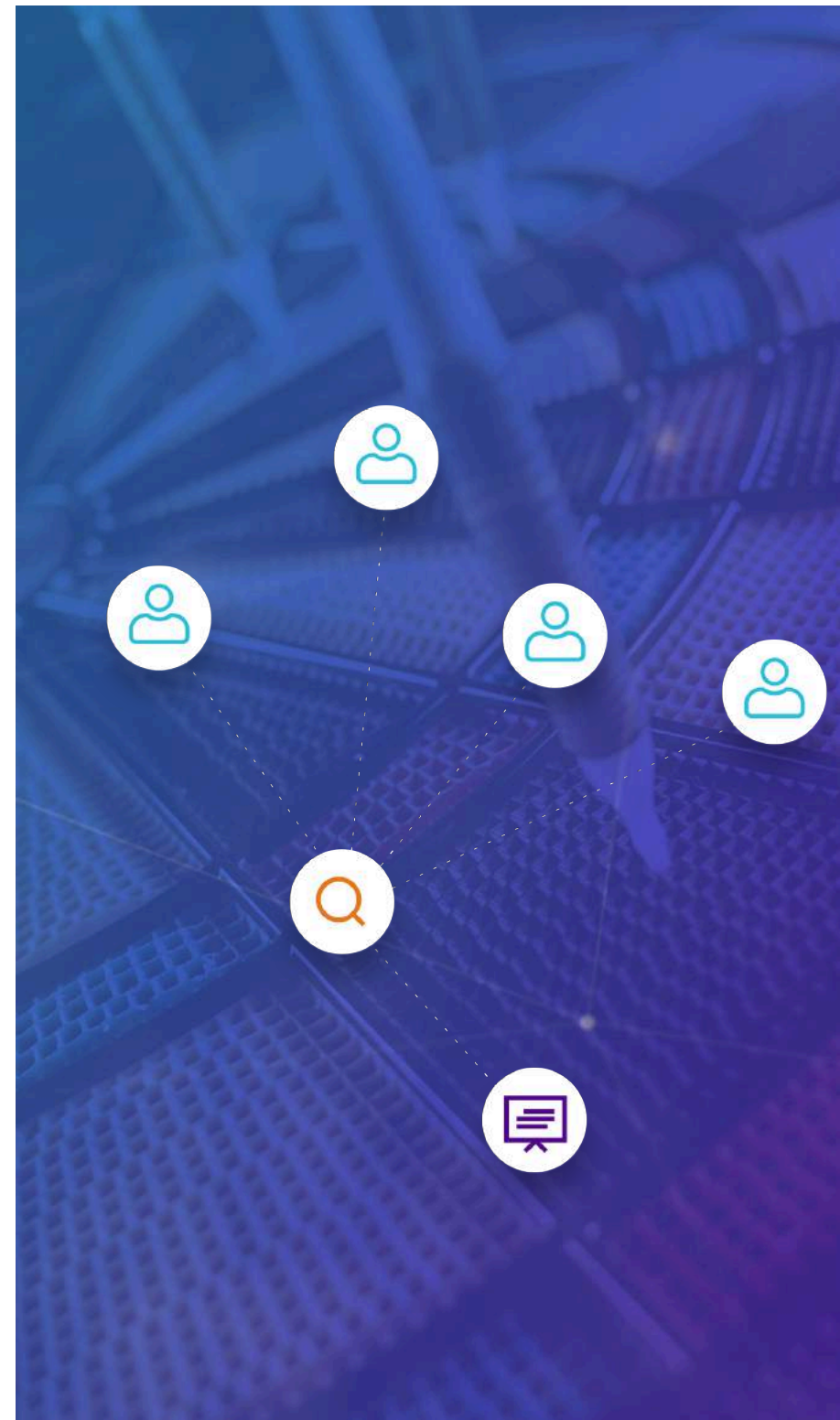
What are the characteristics of accounts we expect to win?

These characteristics indicate a good fit and thus better win rates, retention, and growth.

What are the characteristics of high-value accounts?

The value of these accounts justifies the increased spend and effort.

Ryan, the eMarketer analyst, offers specific advice to finding a "double yes" to the above queries: Identify the similarities between your top 10-20 highest-value clients for cues about which organizations your product best serves. "Maybe they are in same industry or same location," she explains. "Maybe they have the same revenue or are using the same technology internally to run their systems."





MISTAKE NO. 3

High Tech, Low Strategy



AMC's Mad Men

In its simplest form, [ABM's roots date back to the Mad Men era](#), when advertising agencies expended great efforts to make big clients happy. Ultimately, however, the approach was too hard to scale and execute for most companies. Its popularity waxed and waned until the current technology boom ignited a highly-actionable resurgence. New products enable teams to do everything from [identifying a comprehensive "Total Addressable Market" and prioritizing targets](#) to creating and distributing customized content. But a successful ABM effort can't be based on technology alone. "It's important to note [that] ABM is a strategic approach, and not just a tech-install or tech-led tactic," [SiriusDecisions service director Matt Senatore told CMO.com last year](#). Rather, one should see technology as a way to better execute this highly personalized and coordinated initiative.

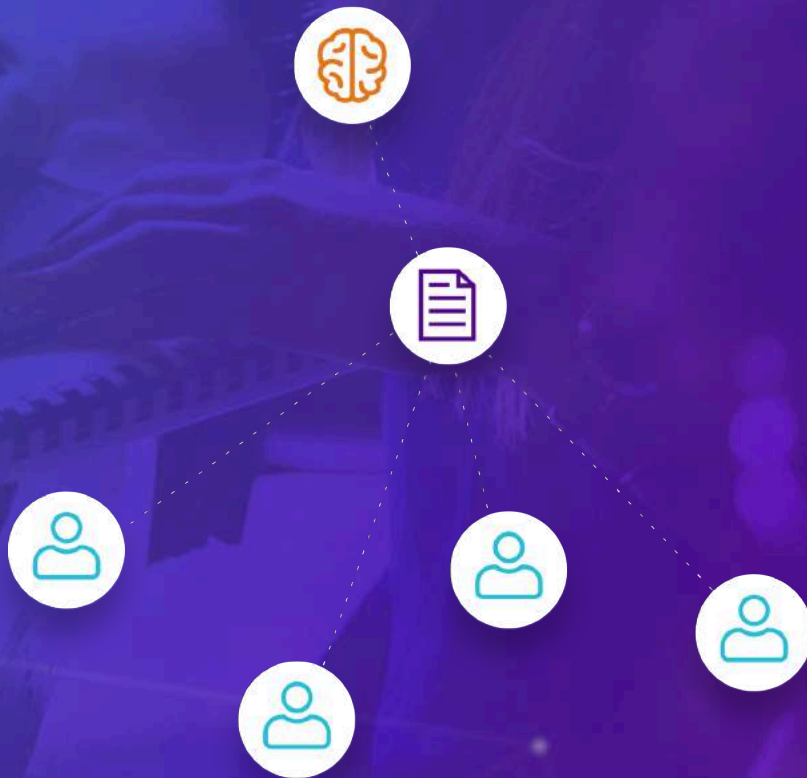
Of course, technology needs clean data. Ryan, of eMarketer, tells of one organization that supplied a predictive vendor with bad first-party information—they hadn't recorded elements such as turnovers and acquisitions. Not surprisingly, their target list was off. [Poor CRM data also cripples the process](#).

“ABM is a strategic approach, and not just a tech-install or tech-led tactic

MATT SENATORE
SIRIUSDECISIONS SERVICE DIRECTOR

MISTAKE NO. 4

Hard Sell, Soft Value



“ABM success requires that companies understand that they must sell by understanding and solving customers’ problems rather than pushing offerings,” explain Burgess and Munn in *A Practitioner’s Guide to Account-Based Marketing*. The idea is to have a conversation, not deliver a sales pitch. Then, [buyers will see your sales team as trusted advisors who have knowledge about their needs and the industry](#), explains Mark Yeager, president of Yeager Marketing. Of course, this underscores the need to first identify those companies that are good fit for your product (see Mistake No. 2).

Custom content, a popular way to engage audiences, should be viewed through a similar lens: Is it worth this person’s investment of time? Such content should be personal, relevant and timely, according to [Marketo’s Definitive Guide to Account-Based Marketing](#). Tie insights to their specific organization, industry or role. In a [2016 report exploring how buyers consume information](#), ITSMA found that people in business are hungry for content, so long as it’s quality. That means whitepapers and e-books that either bring order to confusing and contradictory information or deliver new ideas. And in all cases, they should reflect a buyer’s business context, challenges and imperatives.

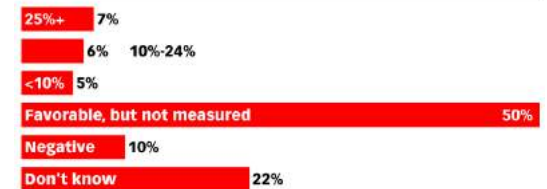
TOPO’s Wittlake shared two recommendations for driving higher engagement rates through your content. Physically produce your next research report and flag key pages or information for each recipient with Post-its. Then put it in the mail with a note from the SDR or sales rep that will be following up. For higher value accounts, proactively create a custom audit or benchmark assessment of the target company. Relevant, account-specific offers like this drive engagement with the target accounts.

MISTAKE NO. 5

Good Instincts,
Bad Numbers

In one eMarketer survey, [50% of marketers said they didn't measure how ABM impacted revenue](#), although they thought it was a helpful. Another 22% said they had no idea of its effect. Clearly, this is not a long-term path to success. But simply measuring leads, which is the traditional sales assessment number, won't tell teams much either. Instead, marketers should look at five metrics throughout the sales cycle and service pipeline, argues Dun & Bradstreet chief marketing officer Rishi Dave: [sales, pipeline, engagement, retaining/upselling and customer satisfaction](#). (And within sales—the most obvious indicator—you might also track or score increases in deal velocity and average contract value.) A focus on cycle and pipeline will hold sales and marketing mutually accountable. Engagement metrics should include everything from time spent on your website to conversations with buyers. We'll explore more about retention and upselling on the following page, but they are key indicators that you've got the right target profile. The same is true for customer satisfaction. The end goal, after all, is to build a mutually beneficial relationship—not simply sell a product.

Change in Revenues as a Result of Account-Based Marketing (ABM) According to B2B Professionals in North America*, Dec 2015
% of respondents



Note: among those who use ABM; *85% of respondents were from North America
Source: Account-Based Marketing Consortium and Demand Metric, "High Performance ABM Capabilities," Dec 7, 2015

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MISTAKE NO. 6

Long Shots, Short Memories

To paraphrase an old saying, don't forget to dance with the one who brung ya!

As [Jon Miller, founder and CEO of Engagio, explained to *Direct Marketing News*](#): “Often, your most valuable accounts are your current customers, but the traditional marketing model is focused on generating net new leads and some marketing departments don't get credit if they generate a campaign response from a current customer.”

“Tell the success story of your collaboration thus far with the client.”

ERIC WITTLAKE TOPO SENIOR ANALYST

to target, based on the existing relationship and alignment with the ICP. Then tell the success story of your collaboration thus far with the client. Because it's within the same company, you can share details, challenges and experiences that are very specific to their organization. The story is much richer, and more likely to create interest in additional products or services, than a more generic marketing approach.

TOPO's Wittlake agrees: “Expansion has been second fiddle for so long in many marketing organizations,” he says. A successful marketing approach should follow many of the same steps as account-based for acquisition. The team—including customer service and account management—should determine which accounts





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