

An introduction to Account Based Marketing

Contents

▶ Introduction	3
▶ ABM Stage 1: Identify	6
▶ ABM Stage 2: Expand	8
▶ ABM Stage 3: Engage	10
▶ ABM Stage 4: Advocate	11
▶ Building your Ideal Customer Profile (ICP)	13



Introduction

Yes, it is technically possible to grind your Blue Mountain Gold Cup arabica coffee beans by hand in a pestle and mortar...but who has the necessary free time and excess energy when there are state of the art electric coffee grinders...or indeed dedicated professional roasteries that will expertly grind your beans for you?

Bear with us. This talk of coffee beans is not just frivolous diversion. We've been vocal proponents of Account Based Marketing* for a good number of years now and initially we would tell our clients that they could achieve the great increases in return on investment that ABM brings without having to invest in clever tech. This is strictly still true...BUT see above re. coffee beans. Our point is this: although at heart ABM is about having a clear and rigorous strategy for attracting precisely the clients who will be of most value to your organisation, the implementation will be significantly faster and more efficient with the help of the targeted, purpose developed technology out there.

Let's do a little ABM 101 first, shall we? Just in case you aren't yet clear on its advantages...

Much is made of the science and strategy behind Account Based Marketing (ABM), all of it valid, but in the simplest terms ABM turns the traditional marketing funnel on its head and takes a highly targeted approach, narrowing the focus and working to attract a pre-qualified list of key accounts which your research tells you will provide greatly increased return on investment.

There is no doubt that taking an Account Based Marketing approach takes thought and will require buy-in from all relevant senior stakeholders. However, given that our favourite relevant statistic is that according to ITSMA 76% of marketers achieved a higher ROI in 2020 with ABM compared to other marketing strategies, in terms of your business development, it IS worth the time and trouble.

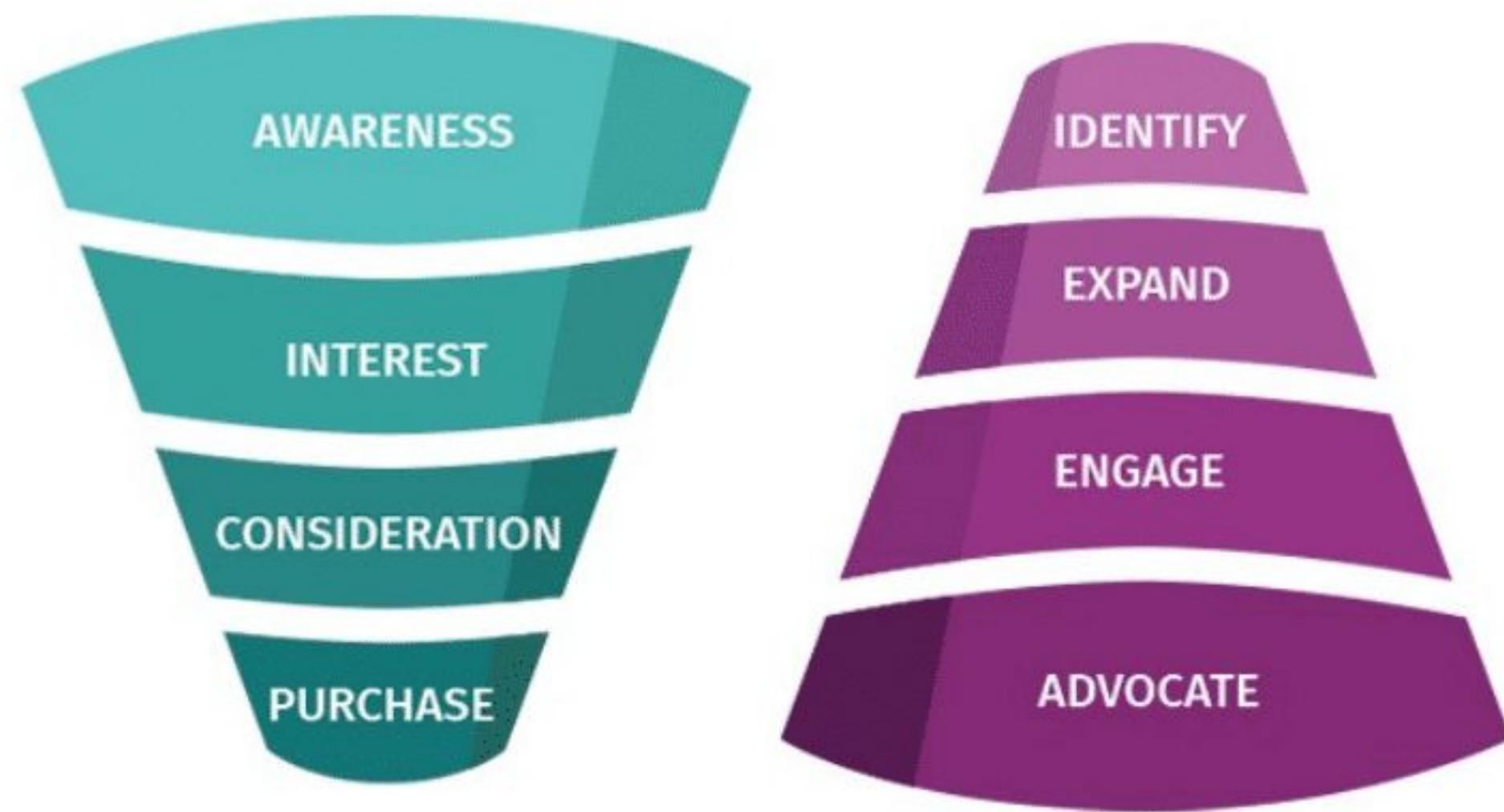
Advantages of ABM

- Your pipeline will soon be of much greater value - containing only very warm leads that you know for sure badly need your product or service.
- You will no longer be wasting precious time chasing those 'slow no' prospects who keep you dangling for months.
- You will have an armoury of business intelligence that lets you tweak as you go, so that you can stay agile in your strategy and push more resource towards the methods you see are proving most effective.
- You will see far greater return on investment, and this will only increase the longer you practice your strategic ABM approach.

Turning the funnel on its head...?

Whereas traditionally marketers would try and attract vast numbers of prospects at the top of a funnel, engage with them as a form of qualification... and hope a small percentage drops out of the bottom of the funnel becoming clients, ABM begins by defining a target list. This list could easily be mistaken for a smaller version of a traditional sales list but it has one extra crucial ingredient, and that is business intelligence. The prospects on a good ABM list are pre-qualified so that you know they genuinely need your product or service and, more importantly, you know you can deliver on their requirements to address and solve their pains.

Moreover, with ABM Sales and Marketing teams within your organisation will need to work together, sharing a common goal and supporting each other by exchanging information and business intelligence and having hundreds of 'leads' counts for very little. The value is in having a small number of high quality leads which will, if you are doing ABM properly, be far easier to convert.



Clever Tech

Where does this super smart technology come in?

Well, pretty much all the way through your ABM journey. There are countless tools and applications out there that were developed specifically to help you with Account Based Marketing (Demandbase, Albacross and Clearbit) - from defining and honing your list of target accounts through to automating and personalising your communication with them in various ways and at distinct points along the ABM process.

Choosing a smart, marketing focussed Content Management System and Client Relationship System (Hubspot, for example) will simplify, amplify and speed up your ABM campaigns, but there are also innumerable bits of software out there that can help you with particular parts of your ABM performance (identification tools such as Albacross or Leadfeeder and so on).

What should I do now?

The first step with ABM is to ensure all relevant team members within your organisation are committed to the approach and willing to support each other. This would be Director level representatives from both the Sales and Marketing teams and ideally also your CEO. Once you are in that position, you can begin to co-create and carefully define your target list.

If this feels like a Herculean challenge in itself, you might want to look at coming to one of our Account Based Marketing Seminars - a half day introduction that aims to give you the tools to really get started and overcome initial obstacles.

*Or as one tech entrepreneur waggishly said, 'Account based marketing...Or, as it will be known in the future, marketing.'

ABM Stage 1: Identify

The first stage of the identification process is to create a list of possible targets who have a problem you can solve and are located in a geographical region that you cover.

As ABM requires multiple stakeholders from the purchaser's side for each account, even with 30 accounts in your list and with only 5 stakeholders in each, you are looking at 150 individuals who need to be contacted and nurtured. ABM is nothing if not a commitment.

Your eventual decision on the number of target accounts will come down to the size of your team and the percentage of business you require ABM to generate.

For a 'toe in the water' approach, an ABM20 campaign (i.e. 20 target accounts) can be a good start, and can gradually build as you prove success to an eventual, comfortable ABM100. For larger enterprises, the ultimate aim might be an ABM2,500 campaign.

Your starting point can be an existing sales list, but this will need to work in conjunction with detailed firmographic data to ensure that

your target accounts can be serviced well (geographic location etc), have a defined need that your products or services can assist with and, ideally, that they are a sector in which you have good experience.

We may also need to consider technographic data (i.e. profiling target accounts based on their technology stack). much like demographics, technographic profiling allows you to answer questions such as:

- › What software does the target company currently use?
- › What hardware do they use?
- › What direct competitor products do they use?
- › What similar, non-competing products do they use?

These questions will help identify if your product is a good fit for the target account, and in the case of the last question if budget is allocated for these types of products, a very good signal if your product or service attracts a premium price. For example if one of our target companies use Eloqua or Pardot we know that they have a significant marketing budget for marketing technology tools, so our personalisation-based Content Management Solution could be affordable.

After the initial list building, it can be tempting to continue to add more accounts that fit the given criteria. This is rarely a good idea. We suggest only adding new accounts as you 'retire' those you feel are looking unlikely to convert, or when you jump to the next tier of ABM and scale up. ABM is time-consuming and if your list is too large you run the risk of falling back into a traditional sales (or the 'spray and pray' approach) and not adhering to the tried and true ABM methodology. This would seriously impact your return on investment.

ABM Stage 2: Expand

So you have your list of ABM accounts and you are ready for the next step... This is where you have the opportunity to become a super sleuth. Or, more prosaically, you start to do your research.

Within each organisation on your list you will have an idea of the job titles you most want to build a relationship with. You will almost certainly want to focus on decision makers – so C-Suite and Director level – but don't discount anyone who might be a person of influence, an expert who a more senior individual might call on for advice. For us, it might be something like this:

- CMO
- Marketing Director
- Director of Procurement
- IT Director.

Obviously this takes some thought and discussion within your team and it will be different for everyone depending on your sector, product and/or service.

From here you will need to find names to go with the job titles. LinkedIn is a good place to start, although there is nothing wrong with calling the company and asking directly, if that's what it takes. Unless you are targeting MI5, they are unlikely to be cagey about such information.

Once you have a list of names the real research begins. Again LinkedIn is your friend. It's a good idea to take a look at their career history - what was their path to this current role? Where have they worked before? Which other sectors? What did they study and are there any obvious areas of special interest?

Always keep in mind any points of connection with anyone in your own organisation...or among your existing clients? Did they work somewhere that one of your own employees previously worked? Do they have an MSc in a field that your brother works in?

Have they just transferred from the sector your biggest client currently dominates...? Where did they go to school? Never forget that you are dealing with multifaceted individuals and although your primary objective is to sell to them, you also want to be able to give them something useful and make the process enjoyable for them. In order to do this, you need to know them well.

With this in mind, it is worth checking if they have open Twitter, Instagram and Facebook accounts as this is where you will discover more about them as people – their interests and values. What if they are into food and wine in a big way and it just so happens your CEO is an amateur food writer? What sports are they into? Which teams do they support?

Back to LinkedIn – do you have any connections in common? Anyone you could ask for an introduction or ask for a bit of insight?

It is also worth seeing which other companies they are directors of (beta.companieshouse.gov.uk/search/officers) or whether they are the trustee of a charity (www.gov.uk/find-charity-information)

All these things will help build up a picture. Of course you will need to do this for each of the chosen individuals within each of companies on your list...but it is work worth doing. People buy from

people – a cliché but a cliché for a reason. It's true. The more you know about the individuals behind the job titles, the more you will be able to relate to them when the time comes and to genuinely be of help and service, thus ensuring a mutually beneficial relationship.

ABM Stage 3: Engage

ABM campaigns use the same channels as a traditional funnel approach, but with an enhanced level of either automated or manual personalisation and a lot more strategic thinking.

Retargeting, PPC /display adverts and programmatic approaches are key...but you need to work via a platform that allows you to direct these adverts at your target ABM list.

It's similar with events and conferences – you should only attend a conference or trade show if a large enough proportion of your target accounts are likely to attend. This could mean choosing to forgo an expensive stand in favour of organising a VIP lunch or dinner in proximity to the event and only inviting individuals who form part of your ABM campaign. Your Sales team can still network at these shows, of course. A ticket is considerably cheaper than a stand.

Direct mail is undergoing something of a resurgence at the moment and a well thought out, informative and memorable direct mail campaign to accompany your online efforts can only enhance your ABM campaign.

ABM Stage 4: Advocate

So you've identified, expanded, and engaged - now you're ready for the payoff of your Account Based Marketing strategy. The final phase of ABM is to turn accounts into advocates. These are customers who will go on to speak positively about your business to their network, essentially doing most of your marketing work for you.

So how do you convert these new clients into brand champions?

The process for creating enthusiastic advocates for your business will be an ongoing activity, but it can be broken down into four steps:

- Adoption
- Land and expand
- Cross-selling and upselling
- Advocating

Adoption

In the adoption stage, your accounts will have (hopefully) started to use your product or service, turning from target accounts into clients. Congratulations on getting to this stage - but your job doesn't end here! You want your new client to have a great experience with your business, so it's essential at this stage to offer any support they may need to build confidence, such as training, follow-ups and tutorial content.

Land and Expand

The next step is to 'land and expand' - now that you have this brand spanking new client, you want to think about which other departments within the organisation you could work with, and ask for introductions accordingly. Thanks to the information you'll have found in the 'Expand' stage of ABM, as well as your personal experience with the account, you'll already know something about the organisation's processes, practices and personality. This will support your ongoing working relationship in a great many ways, not least in being able to identify precisely where you are best placed to help them..and sell them more of your products and services.

Cross-selling and Upselling

Cross-selling and upselling provide opportunities for you to further strengthen your partnership by going beyond your strategy's original scope. In this stage, you should identify additional challenges your new client might have and which your products and services are perfectly placed to solve. For example, while you originally targeted executives in the account, you've learned that your product or service also fulfils a need of the account's HR department - this would be a fantastic opportunity to cross-sell! You can also upsell by offering the account an upgraded version of your product or a more comprehensive version of your service for a premium as their business expands.

Once you have proved your worth with the initial piece of work, it will be far easier to make the case for an increasingly in-depth working relationship. Not only will this stage generate more revenue for you, but it will also strengthen the account's relationship with your product or service, getting them one step closer to advocacy. Remember the Pareto principle - 80% of your revenue will come from 20% of your clients!

Advocating

In the final stage of the ABM customer journey, your customers will have built a strong enough relationship with your business that they'll be promoting your product and singing your praises to their networks. Customer advocacy is possibly the best kind of marketing because of how compelling it is. Consumers trust word-of-mouth over any other type of marketing because it's authentic, personalised and it feels unsolicited. Especially in the hyper-connected world of social media, fostering positive WOM can be a significant boost to your business, and customer advocates will make this a million times easier.

ABM is an ongoing cycle: building and maintaining relationships requires you to repeatedly delight and surprise your clients so they continue finding value in your business. Overachieve on your targets, meet deadlines early, offer discounted or free upgrades - anything that provides added value in your clients' eyes will guarantee they'll advocate for your business, bringing you new business from their networks. This is the ultimate indicator of a successful ABM strategy, allowing you to increase your scope and start the cycle again!

ABM: Building your Ideal Customer Profile (ICP)

An Ideal Customer Profile (ICP) is, unsurprisingly, a detailed delineation of the type of client you wish to attract. So far, so self-explanatory. There is however, some science involved in the process.

There are three initial questions you will need to ask yourself in order to begin sketching out your ICP:

- Which client(s) are of the most value to your organisation?
- Which client(s) have been with you the longest and are the most loyal?
- To which of your clients do you provide the most tangible value?

Arguably the last of these is the most important because without pinpointing precisely where your product / service has the most impact, you will struggle to successfully implement your Account Based Marketing campaigns.

The answers to the questions above will give you a list - probably a reasonably short list once you have looked for the common denominators - of clients. You then need to look at the distinguishing features of these clients and break them down into characteristics that you can then rebuild to be the basis of your ICP.

For us, the final answer to the questions, once we had found the centre of the Venn diagram was: two global law firms and a global tech company.

We then listed out the ways in which our specific products and services were of unique value to them:

Clever tech that solved issues around their clients finding valuable content on their website

Clever tech that enabled them to measure the ROI of all their marketing endeavours

Clever tech that enabled content personalisation at varying levels, depending on their objectives at the time

So we then had a clear idea of the client pains that we were uniquely placed to solve.

Digging Deeper – Distinguishing Features

Once you have distilled your ICP information down to knowing who your existing ideal clients are and the particular pains you are able to solve for them, you need to look at the more tangible characteristics of those clients in order to build the ICP that will help you form your Account Based Marketing campaign lists.

Firmographic data

In this part of the process you will need to sit and list out the company features from your distilled list in terms of things like:

- › Type of industry
- › Headcount
- › Annual revenue
- › Market vertical

› Geographical location

› Maturity of organisation

Almost certainly, you will begin to see some patterns emerging straight away.

Demographic data

This is more about defining the particular characteristics of your key contacts within the organisations you've already identified as your existing ideal clients. So this will include things like:

- › Job title
- › Length of time in role
- › Professional qualifications
- › Career path to date
- › Particular areas of professional interest

It is possible at this juncture to also include personal characteristics such as DISC or Myers Briggs personality type (and there are sneaky software packages for identifying types from written communication) but you might feel this is a step too far! It is by no means necessary, certainly at this point in the process.

Each individual organisation will have additional criteria. For example, we have realised that our ideal clients must have a dedicated in-house technical team. What are the criteria unique to your ICPs?

Once you have completed the process up to this point you can start to build your ICP from the component parts you've identified.

Using us as an example again, and just giving a few of the characteristics that make up our ICP, we have:

- Professional services companies
- UK or US based
- With real pains around their website in terms of its ability to be 'business intelligent' and the consequences for return on investment
- Headcount of over 100
- Established for 5+ years
- CMO / senior marketer with some technical awareness and ability
- At least one decision maker possibly a "DISC high D"

As with all things ABM you will almost certainly tweak and fine tune your ICP as you go. As your campaigns progress you will have ever greater information to work from and, as you continue to help your client succeed and grow, you will develop a clearer picture of the specific type of client you want to attract.

What do I do now?

The first step with ABM is to ensure all relevant team members within your organisation are committed to the approach and willing to support each other. These would be Director level representatives from both the Sales and Marketing teams and ideally also your CEO. Once you are in that position, you can begin to co-create and carefully define your target list.

If this feels like a Herculean challenge in itself, you might want to explore getting some help from an Account Based Marketing expert. In our opinion, ABM is not something you can outsource, but it can be a good idea to work with consultants to develop a strategy and framework so that you have a clear set of actions and goals with which to start your ABM journey. We also run in-house workshops for clients who are either at the start of their relationship with ABM, or have stalled in the early phases. As a process it is straightforward, but not necessarily simple. It can help to have support and guidance in the early phase.