

ABM Benchmarking Study for Tech Marketers

B2B Tech Marketers Give Account Based
Marketing a Huge Thumbs-Up in Global Survey





The growth of account based marketing since its grassroots origins in the late 1990s has been nothing short of remarkable.

Starting out as an effort to align sales and marketing departments, its rapid rise is being fueled by rich results. A survey by the Information Technology Services Marketing Association found that 87% of B2B marketers reported that ROI of ABM initiatives outperforms other marketing investments. Furthermore, the [ABM Alliance](#) says companies that have implemented ABM experienced a lift in average annual contract value of 171%.

Enthusiasm for ABM is just as evident in the information technology field, where 91% of businesses have been running programs for at least six months, according to IDG research. This new global survey of more than 500 B2B marketers revealed high levels of satisfaction with ABM results, particularly at the senior executive levels. This commitment was especially strong among the largest organizations—specifically companies employing more than 25,000 people—ultimately, rating ABM as successful and important to a somewhat greater degree than smaller companies. However, support was strong across the board, indicating that ABM’s star continues to ascend.

Purpose of ABM

ACCOUNT BASED MARKETING is a framework for focusing marketing efforts on the customers who are most likely to buy, using data to understand key influencers in the decision, their motivations, and behaviors. It is a quality-focused tactic that brings sales and marketing people together to tackle prospective customers on an account basis rather than focusing on individual leads.

ABM isn’t new, but the proliferation of technology tools such as customer relationship management, marketing automation, social media, and specialized databases has enabled it to flourish in recent years.

Numerous studies have documented ABM’s growth across the B2B landscape. IDG wanted to find out specifically how adoption is progressing among technology marketers. This is important given that the average number of influencers involved in technology purchasing decisions has grown steadily in recent years, reaching 21 in the most recent [IDG Role and Influence of the Technology Decision-Maker](#) survey.

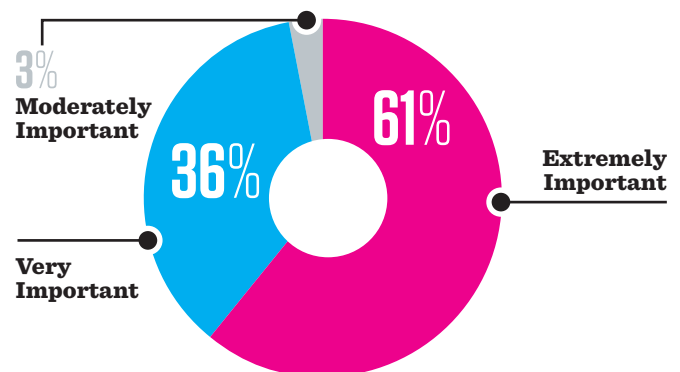
ABM also addresses a common frustration in technology marketing, which is lead generation programs. These can sometimes produce poor-quality leads that fail to convert, thereby creating friction between the sales and marketing functions. “ABM requires a focus on the right accounts and saying no to campaigns that generate leads

that sales teams will never work,” says Andrew Mahr, Chief Customer Officer with IDG’s ABM platform Triblio.

Importance of ABM

IDG’S RESEARCH FOUND that a substantial majority (61%) of respondents said ABM is extremely important to their overall marketing objectives. Among respondents who have been running ABM programs for over 12 months, an even larger 68% rated it as extremely important. This dramatizes a pervasive trend in the survey results: The more experience organizations have with ABM—the more they like it.

IMPORTANCE OF ABM TO OBJECTIVES



Another trend throughout the results is the high confidence and satisfaction level of senior marketing leaders in their ABM initiatives compared to those lower in the organization. For example, 73% of respondents in C-level roles said ABM is extremely important compared to 61% of all respondents. That's important because "ABM is not a minor tactical adjustment you can delegate to middle management to implement on their own," Mahr says.

Similarly, people at the largest companies (25,000 or more employees) also rated ABM higher than those at smaller firms with 79% calling the programs extremely important.

By industry, more respondents from the software and services sector rated ABM as extremely important to their overall marketing objectives than those in other sectors. Client-side marketing teams also stood out with 93% assigning a rating of "extremely important."

Experience Matters

AN OVERWHELMING 91% of respondent organizations have been running ABM programs for six months or more, with half of those reporting more than 12 months of experience. At the same time, large organizations are much more likely to have extensive ABM experience than smaller ones, with 62% of the largest firms reporting that they have been up and running for more than a year.

Across the survey, respondents from the Asia/Pacific/Japan region in general, and China in particular, reported both the highest adoption and satisfaction levels. A notable 61% of companies in that region have more than 12 months' experience.

The same 91% of respondents rated their ABM efforts as very or extremely successful. Once again, large organizations appear to be the biggest winners, with 64% rating their experience as extremely successful. C-level marketing managers also expressed somewhat greater satisfaction than those lower in the organization, although overall ratings were high across the board.

Results Creating Revenue

FORTUNATELY, THAT GROWING success is translating into more revenue. An overwhelming 96% of respondents said the average contract value of their ABM campaigns is greater than \$51,000 with nearly one-third estimating an average of more than \$100,000. Not surprisingly, the largest organizations are seeing the highest contracts, with 45% estimating the average as greater than \$100,000.

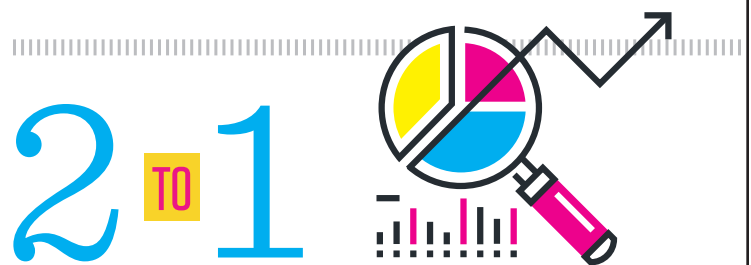
More experienced organizations reported similar results: 39% of marketers with more than a year under their belts said contract values average more than \$100,000. That's compared to 23% of those with six to 12 months of experience.

Growing contract sizes indicate ABM initiatives are working, Mahr said. "ABM is strongly linked to two very specific outcomes: faster deals and bigger deals," he said. "It's not hard to see why those results would help foster an even tighter relationship between marketing and sales."

Capabilities and Collaboration

AN OVERWHELMING MAJORITY of respondents perceive ABM as better performing than traditional go-to-market tactics. And that's across nearly all performance metrics. Whether measured by ROI, win rate, upsell/cross-sell, new business acquisition, deal size, or sales velocity, ABM was seen as superior by a margin of roughly two-to-one. What is more, it was rated as worse by not more than 16% of respondents in any one category. On average, five times as many marketers rated ABM as superior to traditional marketing that rated it as worse.

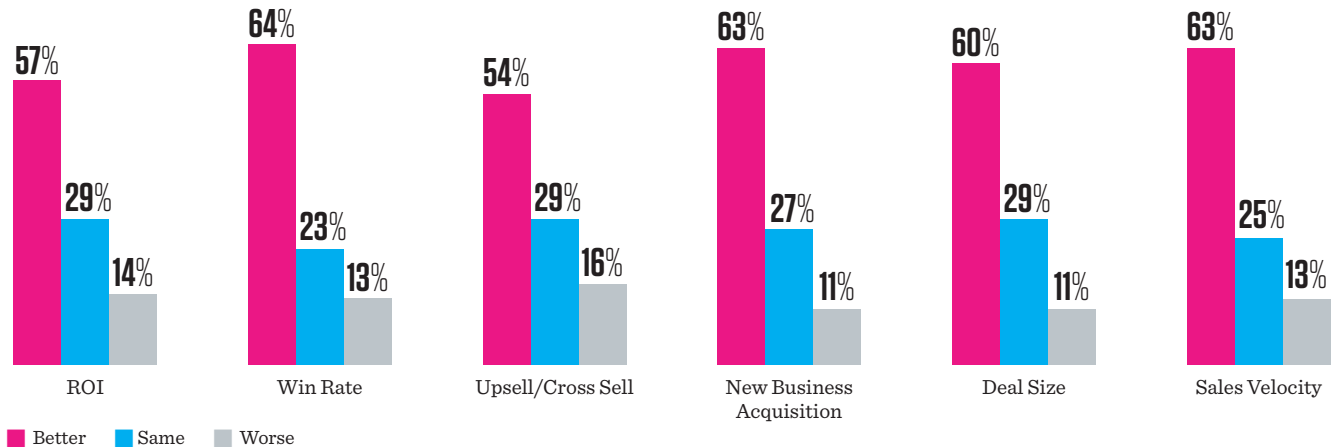
Nearly half of all responding companies have a dedicated team of three or more people leading the ABM charge, with software and computer manufacturing companies leading the way at 54% and 58%, respectively. Only 28% of companies share ABM responsibilities throughout an entire team; however, that figure is 58% in the largest companies, suggesting that the size of the marketing organization in a big company demands a more collaborative approach.



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ABM PERFORMING BETTER THAN TRADITIONAL GTM TACTICS



Growing Investments

ABM'S RAPID ASCENDANCE is evidenced by the fact that a significantly higher percentage of the marketing budget is now being allocated to ABM than to traditional marketing (57% vs. 43%). Organizations of all sizes have been ramping up their spending and this trend is expected to continue. Four out of five respondents said they increased investment in ABM over the past 12 months with China leading the way at 95%. Just 11% of respondents said investment levels fell.

The size of the investment growth is impressive. Nearly one-quarter of respondents said they spent between 21% and 30% more on ABM in the past 12 months than in the previous year. That's followed by 18% who said investments grew by between 11% and 20%. A remarkable 12% said their investments increased by 31% to 40%, and 15% said spending jumped by half or more.

Software and computer manufacturing firms reported the highest increase in spending levels overall. It's also worth noting that 17% of telecommunications carriers said their investments increased by 81% to 90%, a figure that was three times higher than that of any other vertical. This may be reflective of efforts to market significant technology developments in telecom, including edge computing, networks-as-a-service, and 5G wireless.

As the numbers suggest, success is inspiring more investment. This is evidenced by the 84% of marketers who said they expect to increase ABM spending over the next 12 months. Only 14% will decrease or flat-line it. One in five expect their budgets to grow 21% to 30% and a significant one-in-eight expects growth of 41% to 50%.

Once again, senior executives were the most positive group about ABM's value, with one-third of marketing vice presidents planning to grow investments 21% to 30%, well ahead of the 21% average. That is good news for ABM proponents. "It's crucial that any organization adopting ABM has senior-level sponsorship to help bridge the gaps and move the program past blockers," said Mahr. "ABM is not a minor tactical adjustment you can delegate to middle management."

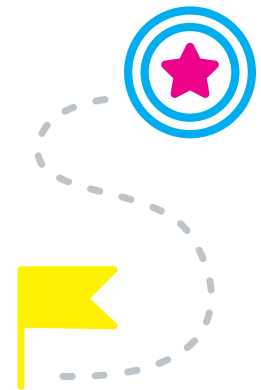
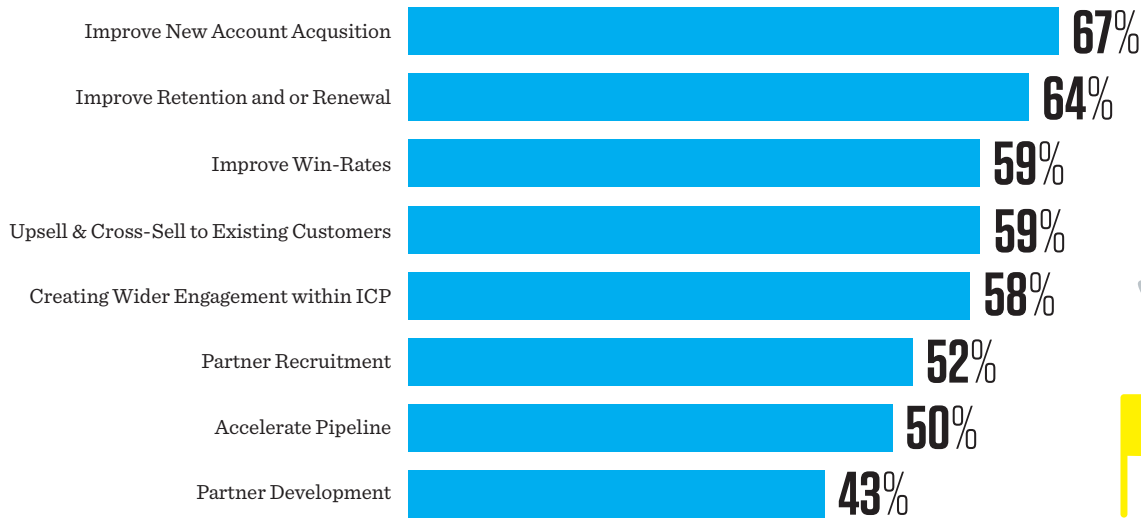
Regionally, respondents in China and France indicated the greatest planned investment growth, while twice as many respondents from software companies expect growth in the aggressive 31%-to-40% range as others who were sampled. Once again, large companies lead the way, with 12% planning investment hikes of by 51 to 60% and a similar number expecting increases of 71% to 80%.

Further evidence of ABM's popularity is in the number of accounts to which it is being applied. More than half (54%) of respondents said they work with, or expect to work with, between 1,000 and 5,000 accounts over the next 12 months with a substantial 10% working more than 5,000. Just 4% expect to apply the strategy to fewer than 500 accounts.

ABM Program Goals

AN OVERWHELMING 89% of respondent organizations have at least three goals for their ABM programs. Ranking atop the list includes: Improving new account acquisition (cited by 67%), improving retention or renewal (64%), and improving win rates (59%). The top seven goals all earned mentions from half or more of markets, though, including upselling/cross-selling to existing customers, creating

ABM PROGRAM GOALS



wider engagement, partner recruitment, and pipeline acceleration. Senior marketing executives cited upsell/cross-sell and pipeline acceleration to a much greater degree than those lower in the organization.

It is worth noting that agency respondents differed sharply from their in-house counterparts in their perception of program goals. For example, a significantly larger percentage of agency representatives cited partner recruitment as a top objective. Meanwhile fewer were interested in upselling/cross-selling and pipeline acceleration than their client-side counterparts. This most likely reflects their external perspective and lower investment in ongoing customer relationships.

Asked what their single most important ABM goal is, marketers as a group selected “improve new account acquisition” by a narrow 19%-to-17% margin over “improve win rates” followed closely by “improve retention and renewal” at 15%. The fact that six of the eight listed options were selected by between 10% and 20% of respondents attests to the perception that ABM has broad value across the sales and marketing lifecycle.

Following a familiar trend, company size makes a

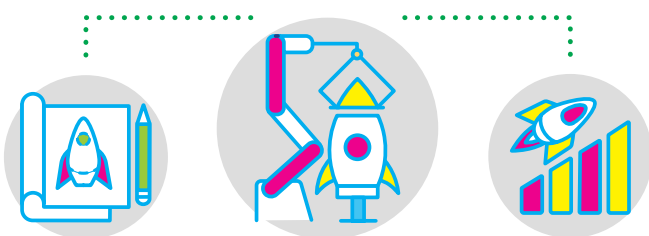
difference. Smaller companies favored “new account acquisition” and “upsell/cross-sell” by nearly a three-to-one margin over large ones. The biggest firms chose “improved retention/renewal” and “pipeline acceleration” to a much greater degree. This reflects the somewhat more predictable business models of large firms and the growth ambitions of smaller ones.

Best Information Sources

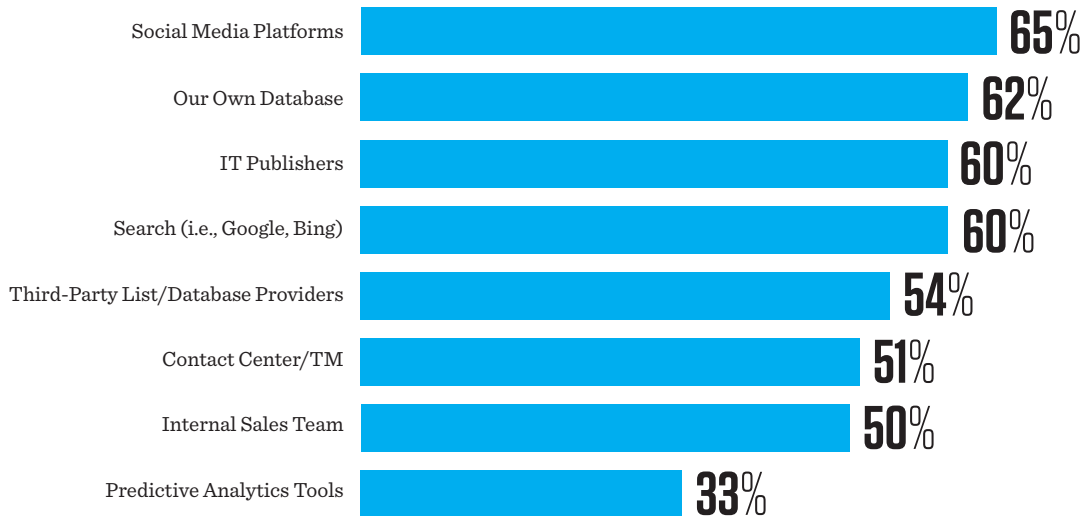
DATA IS THE lifeblood of ABM. When a marketing organization knows more about the people influencing buying decisions in a target account, the more precisely they can target and personalize their messages.

In an era of increasing regulation, data must not only be of high quality—but must come with the permission to use it. A privilege granted only by the owners. “The key is delivering a customized message consistently across multiple channels,” said Mark Burton, senior vice president of IDG’s software and data group. “You need high-quality intent data to understand who to contact and when, as well as opted-in contact data to initiate that first personalized conversation.”

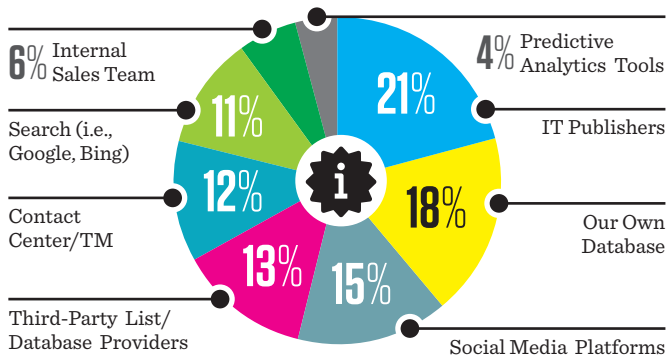
The survey found that a vast majority of organizations get information about their accounts/contacts from several sources, with 86% identifying at least three sources that are critical. Social media platforms were the most popular sources of information about accounts and contacts followed by internal databases, mentioned by 65% and 62% of respondents, respectively. Social media notched more mentions among less experienced ABM practitioners (78%), as well as among practitioners from the largest companies (81%).



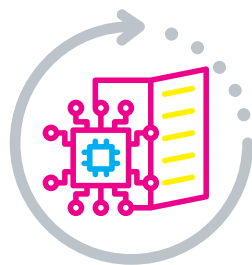
SOURCES OF ACCOUNT INFORMATION



BEST INFORMATION PROVIDERS



When asked to choose the single best source of contact data, IT publishers topped the list across the board.



Following close behind were search engines and IT publishers, each of which was mentioned by 60% of marketers. U.S. respondents listed IT publishers and search engines as their second and third most popular sources of information about accounts/contacts. Manufacturing electronics firms favored internal databases.

When asked to choose the single best source of contact data, IT publishers topped the list across the board,

particularly among the largest companies, where 26% of marketers chose publishers as the number-one source, followed by internal databases and social media platforms. The value of IT publishers grows over time as evidenced by the fact that 23% of marketers with more than 12 months of ABM experience identified them as valuable compared to just 14% of those who are fairly new to the practice.

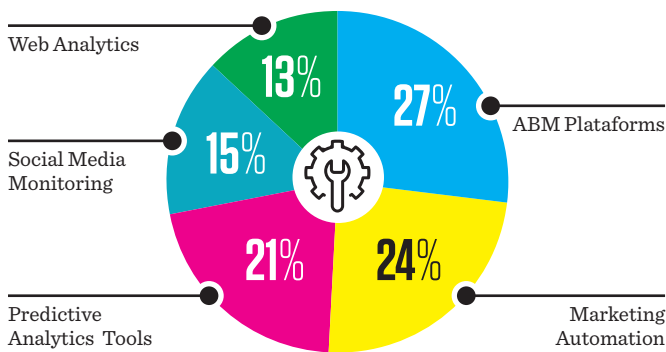
North American companies rely more heavily on publishers, with 27% citing them as a top information source. That was far ahead of the number two choice — internal databases — at just 10%. Latin American and Asia/Pacific/Japan (APAC) respondents indicated somewhat different preferences, choosing internal databases and social media platforms at the top, although IT publishers were a strong third. Large companies also favor publishers to a greater degree than small ones.

ABM Tools

THE RISE OF ABM has been closely correlated to the growth of sophisticated data capture and analytics tools such as customer relationship management, web analytics, predictive analysis, marketing automation, and database marketing. Not surprisingly, a significant majority of respondent organizations use several tools in their ABM efforts, with 80% reporting the use of three or more. All five of the tools listed in the survey are used by between 65% and 69% of respondents. Results varied little by company size, industry, or region.

More interesting results came when marketers were asked to select the single tool that they deemed most

MOST SUCCESSFUL TOOLS



Dedicated ABM platforms ranked highest when marketers were asked to select the single tool that they deemed most successful.



successful. Dedicated ABM platforms ranked highest with 27% of all mentions. However, preferences were relatively evenly split among the top three choices, with marketing automation garnering 24% of mentions and predictive analytics tools 21%.

The largest companies showed a somewhat greater preference for marketing automation tools, choosing them number one over ABM platforms. A significantly larger number of marketers with more than a year of ABM experience also preferred dedicated ABM platforms compared to those people still coming up the learning curve, who favored marketing automation.

Regionally, APJ respondents picked dedicated ABM platforms by a two-to-one margin over marketing automation tools. Meanwhile North American and EMEA respondents listed marketing automation as number one. This may reflect the higher maturity level of APAC companies, 28% of which have more than 12 months of ABM experience compared to just 6% with less than six months, by far the largest disparity in the survey.

Among software and services companies, the preference for ABM platforms was strong at 38%. Conversely, communications, electronic companies, and agencies favored marketing automation as the top choice.

More Marketing Support

PART OF THE power of ABM comes from using a full pallet of tools to deliver a coordinated message that is targeted to individual accounts or buyers. “Advanced teams are moving beyond merely advertising and running full-funnel, cross-channel orchestrations,” said IDG’s Burton. “That means a team could first identify through intent that a new account is in the market, and then automatically trigger a sequence of ads, LinkedIn nurtures, website personalization, direct mail, and sales follow-ups — all as part of one campaign,”

ABM practitioners are taking those recommendations to heart, using a combination of paid digital advertising, organic social media, content marketing, search engine optimization, direct mail, and events, all of which were mentioned by at least one-third of respondents. Paid digital advertising ranked first with 63% of marketers mentioning it, followed by organic social media and content marketing, which were tied at 59%. Experienced ABM practitioners exhibited a greater preference for paid digital advertising by a three-to-two margin over inexperienced practitioners.

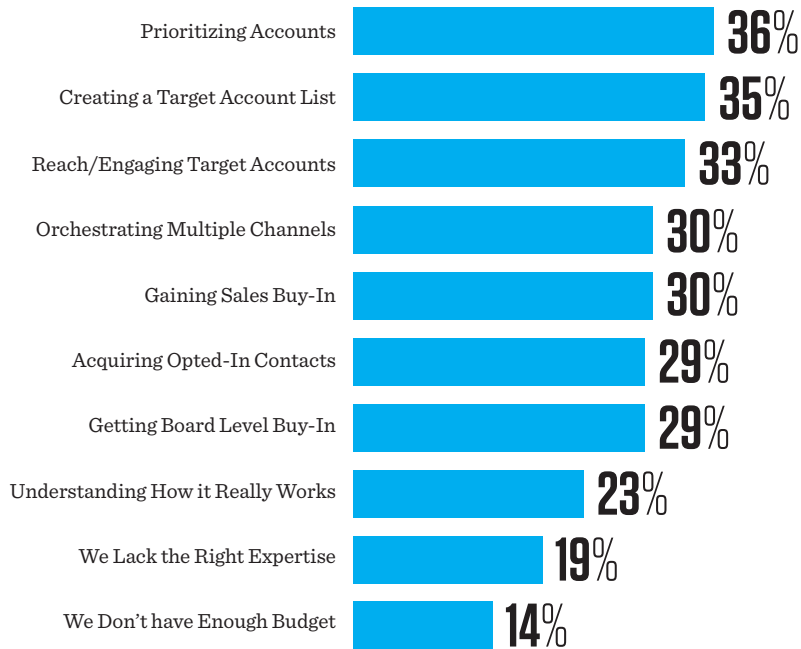
A higher percentage of Latin American respondents said they use content marketing than those in other regions. Content marketing was also the top choice among UK-based marketers, manufacturers, and e-commerce companies.

The largest companies showed a markedly stronger preference for social media than smaller companies, perhaps because they are more likely to have many followers. The same was true for C-level executives, although the biggest fans of social channels are marketing specialists and marketing associates, who are more likely to be young digital natives.

Sales/Marketing Alignment and Challenges

ABM CAN’T SUCCEED without complete alignment between the sales and marketing organizations. That however, is easier said than done, especially in companies where disputes over lead quality may have simmered for years. “The last thing you want to do is just drop a lead into the CRM and hope that sales will know how to continue that personalized buyer journey you’ve built,” said Mahr. “Work with sales leadership to define the way ABM hand-offs work so that sales reps have the data, assets, and workflow tools necessary to convert those engaged accounts into customers.”

ABM CHALLENGES



The good news is that 80% of respondents described the alignment between sales and marketing in their organization as strong. There was little variance by region, company size, or experience with ABM on that question. Paradoxically, organizations with the least ABM experience showed the highest confidence in sales/marketing alignment. But this difference was slight. In theory, alignment should improve over time.

Numerous challenges to ABM's success exist. The most common ones respondents cited were "prioritizing accounts" followed closely by "creating a target account list" and "reaching/engaging target accounts." Other issues noted by more than 30% of respondents included "orchestrating multiple channels" and "gaining sales buy-in." More inexperienced practitioners cited more challenges than experienced ones, with "creating a target account list" number one among that group. A significantly higher percentage of Latin American marketers cited challenges compared to their counterparts in other regions.

There was little variation by company size but some significant differences by job title: Marketing specialists and associates cited difficulty prioritizing accounts and engaging target accounts. This was between 20% and

30% more often than senior managers. This would indicate that junior marketers need more guidance during the ABM transition than more experienced staffers.

Conclusions

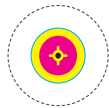
ABM IS THE future of B2B marketing. Numerous studies have documented its effectiveness compared to traditional lead-gen and "spray and pray" approaches. The new survey shows that technology companies are, if anything, more committed to ABM than their peers in other industries.

Aligning sales and marketing teams around ABM requires considerable cultural change as well as a level of teamwork that has not historically existed in many companies. Results matter, however, and there can be no doubt that ABM is paying the kind of dividends that justify the work companies need to do to adopt it. One thing does not change after that transition is made, however: the value of IT publishers as a source of qualified leads and indicators of buying intent. People still look to independent sources of expertise as a guide to decision-making and that dynamic has changed little as the technology and strategy of account management has evolved.

HOW IDG & TRIBLIO CAN HELP YOU



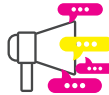
You have taken the first step, marketing and sales have agreed to integrate an ABM strategy into your marketing plans. But access to the right intent data and resources to target and scale your message to the right buyers requires a partner. Our suite of ABM services, powered by our authenticated 1st party data, can help you reach target accounts by creating customized programs and content that is produced specifically with tech buyers in mind. Leverage IDG's premium content and data alongside Triblio's leading ABM platform to run impactful, data-driven campaigns that will generate pipeline. Explore some of our most popular products to support your ABM strategy here:



TARGET ACCOUNT LEAD GEN. Sharpen your lead generation efforts by driving individual leads from your target account list your content, deepening awareness and engagement.



ECHO. Drive awareness and engagement with Echo, a cookie-based programmatic advertising solution that uses IDG's 1st party data to help tech marketers deliver their brand messages to target accounts.



SMART ADS. Use your target account list and IDG's targeting capabilities to drive awareness, engagement and quality traffic to your site through social platforms.



ABM PLATFORM. Triblio's ABM platform leverages intent-data to orchestrate highly-targeted display ads, web personalization and sales activation.



TRIBLIO SMART PAGES. Once an ABM lead engages with you, use Triblio's Smart Pages to create customized 1:1 sales outreach based on the needs, interests and purchase signals of a specific account.



POPULAR DEMAND WITH TRIBLIO. Simplify your ABM efforts with IDG's Popular Demand with Triblio, an end-to-end global ABM solution built on IDG's trusted 1st party data & targeting and Triblio's sales activation platform.

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