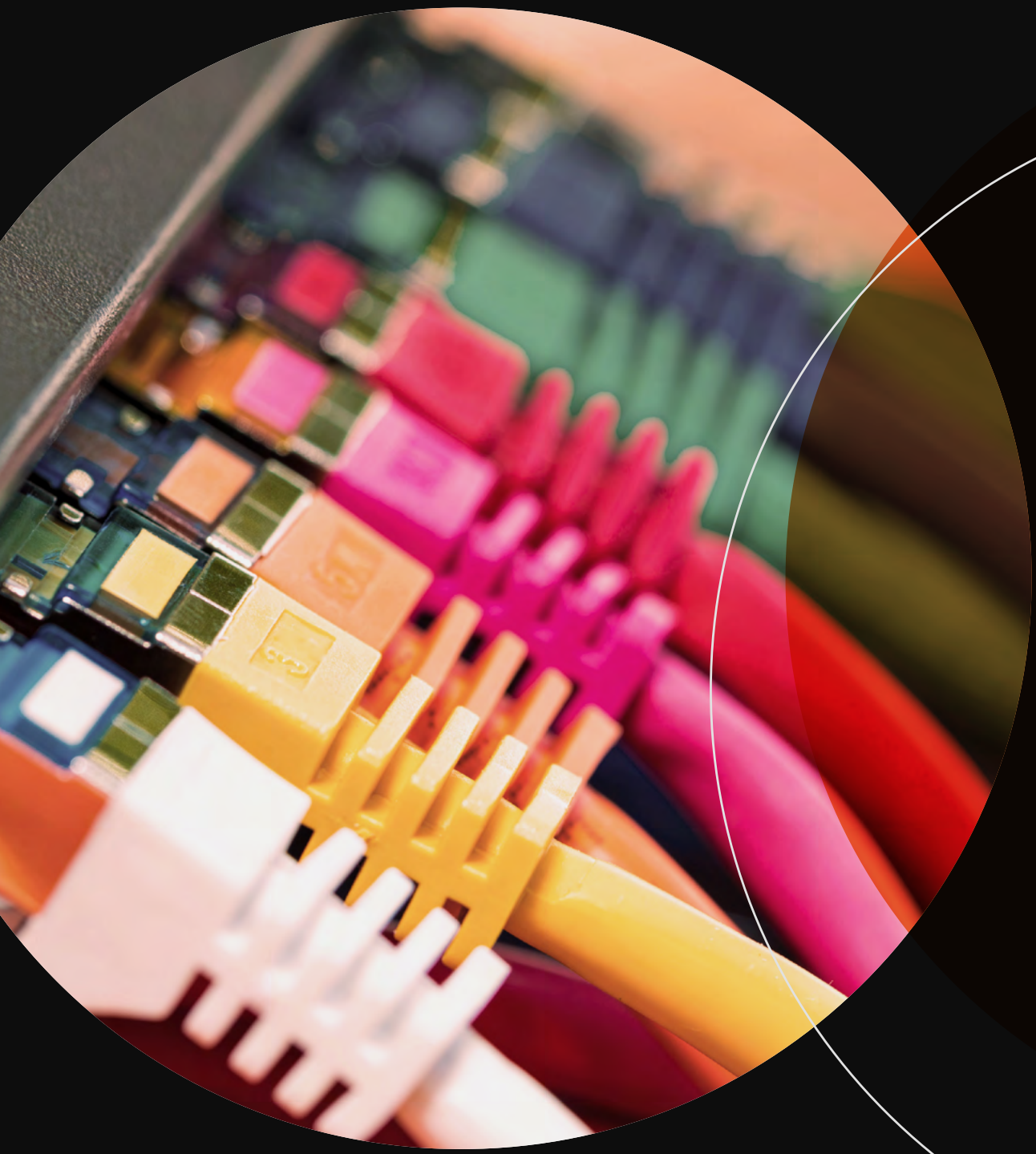
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ABM lessons from the tech sector



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Introduction

If you want to witness how ABM has evolved, and how it's pioneers are still pushing that agenda, there's no better place to look than the tech sector.



It was there, at the turn of the century that forerunners such as CSC, Unisys and IBM began to codify the principles of account-based marketing.

Those philosophies have increased in popularity among tech marketers. According to the responses of last year's *B2B Marketing Account-based marketing benchmarking survey*, 80% of marketers in that sector were either discussing, or in the early stages of implementing, an ABM strategy. Half anticipated their focus on ABM to increase in the 12 months ahead of them.

But even in tech, ABM is an evolving discipline. There are still challenges to clear, such as determining the best approach, how to scale up, and how to create alignment with sales.

For this report, we've spoken to tech marketing leaders who are running ABM programmes and found out:

- What makes ABM such a good fit for the tech sector, and what makes it different.
- The most common challenges faced in the tech sector, and how to tackle them.
- Which accounts to target, and how to identify the decision-makers.
- How to determine the right 'flavour' of ABM for you.
- How to measure your success.

Section 1

What makes ABM in the tech sector different to elsewhere?

When it comes to the application of ABM, the short answer is not much. The principles of ABM remain the same, even though the customers and their challenges may be different. Having said that, there are a number of characteristics that make ABM a particularly good fit for the sector.

More people are involved in the purchase decision

As technology became increasingly complex, the number of people involved in the purchase decision also rose. According to Grad Conn, CMO at Sprinklr: "We're seeing companies look at their technology infrastructure as a source of competitive advantage. Tech decisions have gone from involving one or two people, to strategically involving the whole c-suite and large buying committees."

Services are often more 'abstract' than in other sectors

IT services will often vary from customer to customer, depending on their needs. According to Dorothea Gosling, global head of pursuit marketing and demand generation programmes at DXC, ABM is a great fit for this type of sale because it's necessary for the seller to prove its relevance to the customer.

There's a rise in consultative selling

Often in tech the sales process begins with an attempt to discover the client's business issue, as customers are not always aware of the IT solutions available to them. This lends itself to a tailored ABM approach.

There's a lack of differentiation

Many customers would struggle to spot the difference between one tech provider or another. This is where ABM can be helpful. "The differentiation you need to demonstrate is its application to that customer," says Andrea Clatworthy, head of account-based marketing at Fujitsu.



What challenges do tech firms face when implementing ABM?

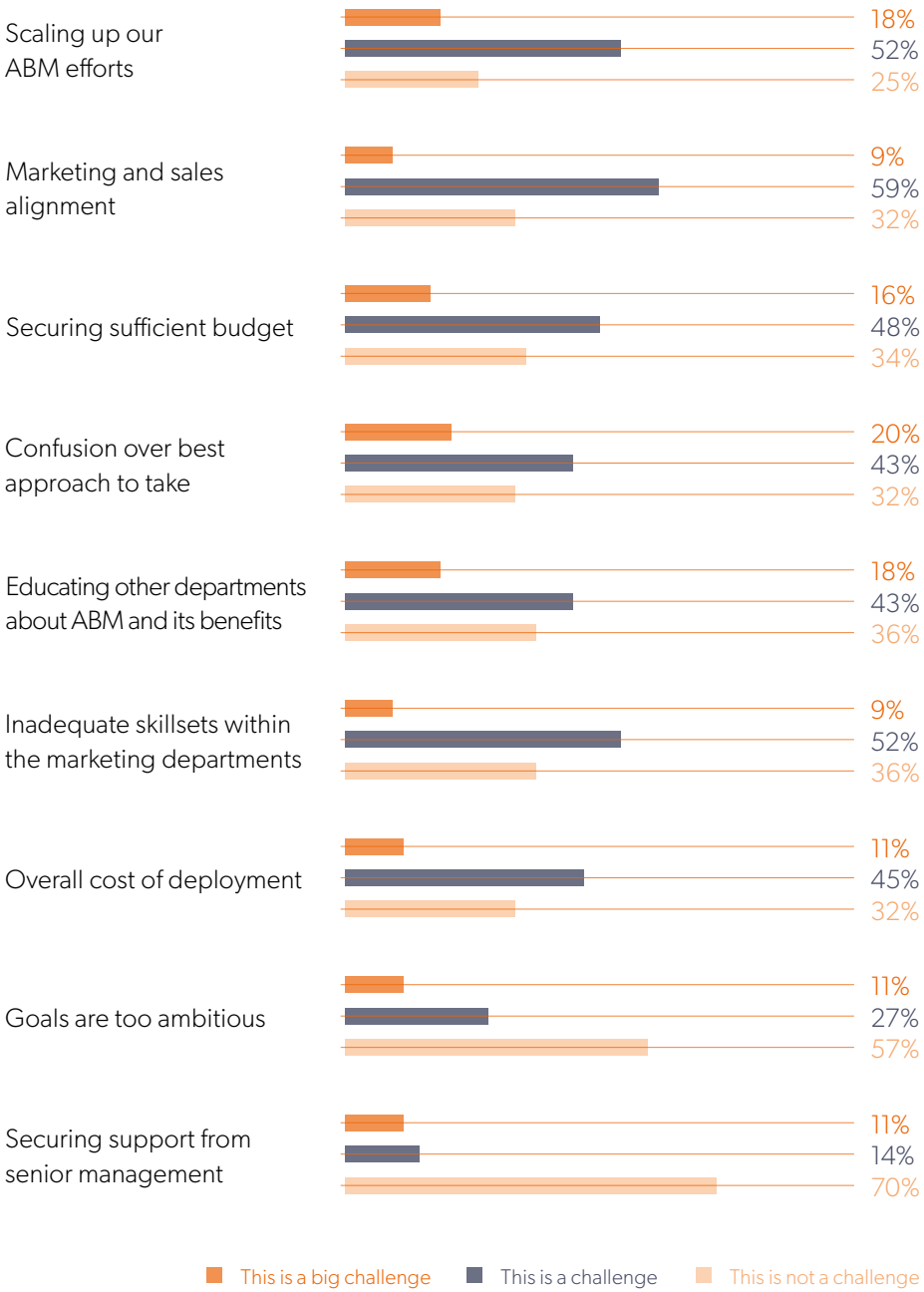
Looking at some results from B2B Marketing's *Account-based marketing benchmarking report*, many of the challenges specifically faced by marketers in the technology sector are the same as their counterparts in other industries. The top two challenges – scaling up ABM efforts and alignment between sales and marketing – are the same. However, those in the tech sector consider securing budget a slightly larger challenge.

Oracle's four principles of ABM

Michael Avis, senior director EMEA marketing, explains there are four principles underpinning the company's approach to ABM:

1. Understand the customer and align to their agenda.
2. Create a transformational conversation and reset perceptions.
3. Increase awareness, build trust and win over multiple stakeholders.
4. Increase engagements and develop future advocates.

What are your biggest challenges in deploying ABM within your organisation?



Source: Adapted from the B2B Marketing Account-based marketing benchmarking report 2017

Changing the mindset

According to our experts, one of the biggest issues under any ABM programme is the change in mentality. "It's always about understanding what the customer needs, and convincing them to buy our [solution] – rather than selling them our [solution]," says Andrea. "It's a different mindset. Part of the skill is enabling the customer to see the benefit, rather than the complexity."

It's not just the customers who needs to be reeducated. This shift was a challenge when Sakina Najmi, CMO at Criteo, first introduced ABM at her organisation. "It's such a huge investment. It's a big chunk of the budget going through to a small chunk of customers. That didn't go down really well," she says.

It led to a repositioning of what was on offer. "We called it 'strategic account marketing' because ABM had become a word had become synonymous with a mindset that if you spend money you don't get any direct return. It's only now we've started calling it ABM."

"I had to do an ABM campaign internally to get approval for the ABM campaign for our customers!"



Sakina Najmi's top ABM tip

"You must have the right mindset – especially at the c-level. That takes time. We started thinking about ABM in 2016, but didn't launch until later that year because we took a long time to come up with the right strategy, educate the team and ensure we're all talking about the same thing.

"I have a challenging internal audience, the CEO, CFO, CRO, and the MDs of each region. All of them want the same thing – dollars – but they have different needs and priorities in delivering them. And they use different terminology. You need to understand each and every person, and personalise their education. I had to do an ABM campaign internally to get approval for the ABM campaign for our customers!"

Section 2

Account definition and identification

What accounts should you target?

It won't always be marketing's responsibility to come up with the target account list. In fact, for the majority of the tech businesses we spoke with, this list was either determined at a strategic level within the business, or by a dedicated account team.

The criteria for the accounts you target will be dependent on your company's objectives. There is no catch-all for the tech sector, but there are considerations that prove paramount to most.

- Company size
- Deal volume
- Deal size
- Importance of the relationship.

There will also be internal considerations:

- Business priorities
- ABM budget
- Team capacity
- Nature of your products or services.

You should also consider whether your strategy will target prospects, customers, or a mixture of both. At Fujitsu, ABM focuses on growing existing accounts rather than prospects. "It's all about growth," says Andrea. "The 54 accounts in our programme are existing accounts. Some of them may be buying a very small part of the portfolio, which we want to increase. Or it might be about retention or contract renewal."

Criteo has a different approach. The majority of its accounts are new prospects as ABM can have the most impact on that part of its sales cycle.

Another consideration is whether marketing is seen as a true partner by those involved. DXC takes the accounts identified as being of strategic importance, then looks at the propensity of the account team to work with marketing. "From a marketing perspective we look at how well prepared our accounts and sales teams are," says Dorothea. "My team only works with sales and accounts where we get an equal seat at the table. We look at what sales bring to the party, and how we as marketing can enhance and surround that. Those are the best engagements."

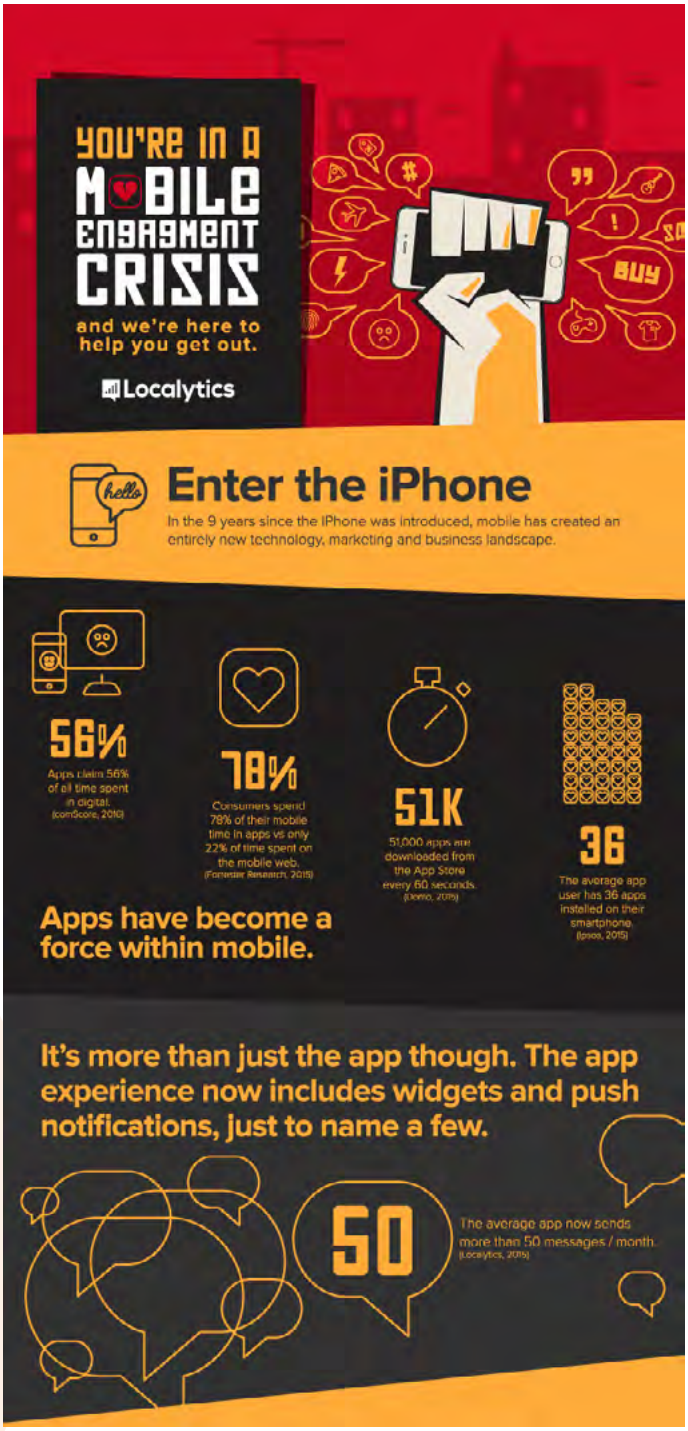
Dorothea Gosling's top ABM tip

"[US author] Steve Covey said it more elegantly than me: 'Start with the end in mind'. What do you want to achieve with your ABM programme? Because the shape that your ABM then takes will be vastly different. Define your goal, then you can start defining the programme."

Case study: Localytics' pilot ABM programme

A focus on selecting the right accounts made Localytics' pilot ABM programme a success, says its VP marketing, Lisa Skinner. The mobile app marketing and analytics company was sponsoring the Salesforce Marketing Cloud user conference, part of the brand's mobile engagement crisis campaign. Wanting to ensure it had meetings scheduled in advance of the show, it used technographic and firmographic data to guarantee prospects were enterprise-level accounts that were committed to mobile.

The attendees were targeted through a combination of email and direct mail and offered an iPad for taking a meeting. They were then followed up by the business development team. The activity only featured limited personalisation, just the prospect's name and the SFMC logo to highlight being a Salesforce customer.



Lisa Skinner's top ABM tip

"You can have the best message and offer but if you aren't telling it to the right accounts (and the right contacts at those accounts), your strategy will fall flat.

"Focus on the account selection process. It's the most important part of your strategy. The key is to be sure you're moving through your account selection with your sales team. It should be a collaborative process with foundations in your overall go-to-market strategy.

"You want to give your strategy the best chance of success, especially if it's a pilot. Be sure to choose those accounts with which you've had success before – a key vertical or region perhaps."

Identifying the decision-makers

Once you have your target accounts, you must determine how to reach the decision-makers. This is where many marketers struggle but the sales team should be the primary source of this intelligence. At Atos the allocated sales person puts together an account plan that includes a summary of all key decision-makers.

"We have a very close relationship with our sales teams. These are large strategic deals, so the sales team needs to have a very good understanding of the buying centre," Dorothea adds.

One of the key messages from those in the sector was not to focus only on the business motivation of your key decision-makers, but to take account of their personal interests too. Today's technology and social media makes this easier than ever. People are sharing their extra-curricular activities and passions on social media.

You can use all of this information to make assumptions about individual characteristics. "If someone has moved every two years and been given greater responsibility each time, you can make an assumption that they're ambitious. If they've been with a company for a long time, they're driven by loyalty. If they're into running marathons in their spare time, that also takes a certain mindset," Andrea explains.

Grad Conn's top ABM tip

"When thinking about ABM try not to get confused into thinking you're marketing to the account. The name ABM makes people think they're marketing to Shell or IBM, or whoever. You need to remember you're selling to a group of individuals who work at an account.

"The second tip is obvious, but I rarely see people act on it. If you know the people you're selling to, or know the general profile of those people, you can find them! Doing anonymous advertising to people is very lazy – do the hard work of finding who you're selling to. If you're not willing to do the hard work, you're just ticking the box on ABM."

Case study: Hail to the king

Sprinklr had been looking to engage with Burger King as a customer. The US launch of the fast food giant's Pretzel Chicken Fries proved just the opportunity, says CMO Grad Conn.

"We saw their CMO had announced these fries were coming out, so a couple of my experience managers went to the local Burger King in New York City and were the first people to buy them," he said.

"They recorded themselves eating the fries and sent a Boomerang to the CMO, who responded and it turned into a really fun exchange."

The relationship built, to the extent that when one the experience managers was at home recovering from an operation, Burger King sent her some goodies to help her re-couperate. Consequently Sprinklr is now talking to Burger King about becoming a customer and responding to an RFO.

The key, says Grad, is the human approach. "If you treat other people like human beings, and have a normal conversation with them people are more likely to respond. We have an industry that seems fixated on the message 'download my whitepaper' not 'it's nice to meet you'."



Section 3

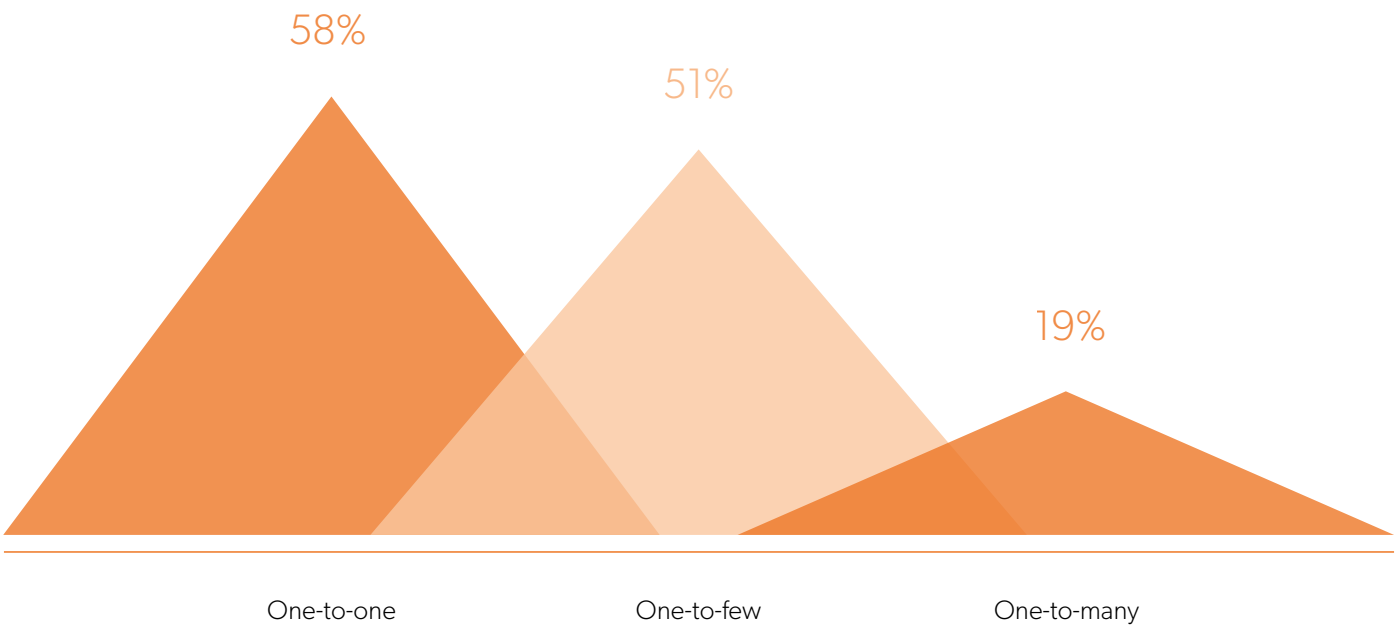
Putting ABM into practice

What's the most popular 'flavour' of ABM in tech?

More than half in the tech sector are deploying the most personal forms of ABM, which are one-to-one (the most popular with 58%), or one-to-few (51%), our B2B Marketing ABM benchmarking report found.

One-to-many (or programmatic) ABM is much less common, reflecting what we established at the start – a key objective of tech marketers is to be as relevant to the customer as possible.

Which of the following best describes your ABM approach?



One-to-one ABM in action

How do you begin pursuing a one-to-one approach?

"It depends on the objective you have with those accounts," says Andrea. "It depends on the people you need to address, plus the business benefit and differentiators you think you'll have. You smash them all together to create a value proposition. Then work out what underpins that."

5 steps to starting your one-to-one approach

- Determine your objectives.
- Understand the customer needs.
- Map the business benefit and differentiators you can offer.
- Set your 'single truth', which encompasses what you want to achieve for the client.
- Apply this message to your creative and roll across each piece of collateral you give the client.

Ruth Oakey's top ABM tip

"Early involvement around the messaging is essential. Often marketing is an afterthought, and if you come in late you're not picking up the nuances of the individuals involved. Once you understand their personal motivations you have the critical insight to form the campaign.

"For example, if you target a CEO who's been in the role for six months and has a history of short turnarounds , you know to pitch that campaign differently to a CEO who's been in the role for 18 years. You don't get all that information further down the line, you just get a sanitised version from the sales person."

Case study: DXC's targeted approach to support an insurance provider

DXC ran a programme targeting a major insurance provider, its aim was to shift the propensity to buy away from its four or five rivals.

"It was really important to look at how we could differentiate in a positive way. Some approaches focus on the negatives of ones competitors, so we looked at our positives," Dorothea says.

The team worked with sales and the insurance marketing lead to understand the client and how the solution could help solve their problems. To target those people, they filtered down their content to what was relevant to those individuals.

The next stage was to look at the events and meetings that would happen in the course of the 12-month cycle. They wanted to control what the client would see before, during and after those points.

"We worked hard to create visual messaging for this customer, focusing on their key points of stress. Everything they were shown was consistent and resonated with what we wanted to sell and tell. This was built on the client's own values, business plan and goals," Dorothea adds.

Examples of the targeted content included custom-made magazines for meetings. These publications had very small runs of around 20, their 16-20 pages highlighting the concepts DXC was trying to get across. Activity also included an editorial plan for LinkedIn and a sponsored update campaign that targeted buying committees. There was also out-of-home advertising and geo-fencing around the insurer's location.

Engagement was the key metric. This was measured both before and after the campaign to form an effective benchmark. The campaign showed a lift in all online activity, and the sponsored updates on LinkedIn outperformed the benchmark by a factor of three.

A one-to-few approach

Criteo had its greatest success with a one-to-few approach targeting 120 prospects at different stages of the buying journey – from early engagement to just before deal completion.

Sakina explains: "We took customers and prospects in the US (the majority being retail customers), and divided them into 10 different buckets, based on their sub-verticals. We then tried to identify the individual people we wanted to speak to in each company."

Criteo's agency improved the data on those accounts, and both parties established quantitative goals around how they would measure the programme's success.

"According to our MD in the US, two of the campaigns were the best pieces of marketing they'd seen in years – and that was coming from one of the people who was unsure about ABM," says Sakina.

"Our sales cycle is three to six months and we've seen seven conversions from that and it is ongoing. It's amazing."

Case study: GumGum's takeaway for McDonald's

AI tech firm GumGum wanted connect with decision-makers at McDonald's. Some 100 faux-burger boxes were sent to execs at both the fast food giant and its media agencies, with the name of the individual identified on a receipt in the box. Inside the box was a 'Big Mac', with ingredients highlighting GumGum's tech.

The Big Mac recipe was used to highlight each element of the firm's technology. The burgers represented data, onions were targeting, the sauces computer vision software, etc. The campaign was also promoted on social media, with the execs tagged so they could engage with the campaign. As a result the DM was successful at securing a meeting with McDonald's leaders.



Measuring your success

With ABM's long-sales cycles, it can be difficult for tech practitioners to show results that align with a monthly or quarterly reporting schedule.

Your measurement will depend on what you want to achieve with the account – whether you're trying to raise awareness, break into a pitch or convert deals. These should be established in advance of the programme, ensuring all involved understand the objective.

For Fujitsu's Andrea, the measure of success in ABM comes down to the three 'R's – relationships, reputation and revenue.

"Getting the first two right – relationships and reputation – leads you to the third R, revenue," she says. "Once you've got really great relationships with the right people, and your reputation is where you need it to be, you're in a really great position to capitalise on any revenue opportunities that come along".

Dorothea agrees with this approach, adding that if you fail to understand your customer early on you risk investing time and money in efforts that don't deliver results. That simply wouldn't fly with her stakeholders.

"We have to be very smart in being able to relate to the client's problems, because you can only find the right internal resources if you understand them," she explains.

"Our budgets are super-tight, it's being measured quarterly by our stakeholders. They are looking at us to maximise our resources in a very resource-scarce environment," she says.

Get ready to change the goal posts

Both Lisa at Localytics and Sakina at Criteo have changed their performance metrics, moving closer to attributing marketing's involvement in the ROI.

For Lisa those measurements moved from account-to-meeting conversion rates to pipeline and revenue. Criteo is still at the early stages of its ABM journey but already its metrics have moved from engagement to conversions.

"I wasn't expecting conversions," says Sakina. "We wanted people to engage with what we sent, and then get them on a phone call. We don't have a self-service option – it requires a sales pitch. So if we get someone on the phone with a sales person that's a win. And usually if they get people on the call, 50% of them convert."

Case study: Selling ABM tech with ABM

As a company that sells ABM software, you'd expect Terminus to practice what it preaches. And what better way to demonstrate its effectiveness by employing an ABM campaign to its prospects?

As a new product in an unfamiliar marketplace, buyers don't necessarily have a budget, or desire to learn more. The sales team must work additionally hard to grab the attention of time-poor execs.

Terminus started to use video in its outreach emails to prospects. The salesperson uses a short, personalised clips to introduce themselves and the company.

The strategy was so successful that one of the prospects – Rachel Truair, then-director of Americas marketing at Magento Commerce – wrote a LinkedIn post dissecting the approach and why it was so effective with her. She said the videos authenticity, personalisation, emotion and relevance were the key factors.

Terminus' use of the videos resulted in a 40% higher open rate, 37% higher click rate and 216% higher response rate than the traditional email approach. One key was that the videos didn't look 'professional', in the sense of fancy camerawork or lighting. It was just one salesperson sitting at their desk talking to camera in a personable, open manner.



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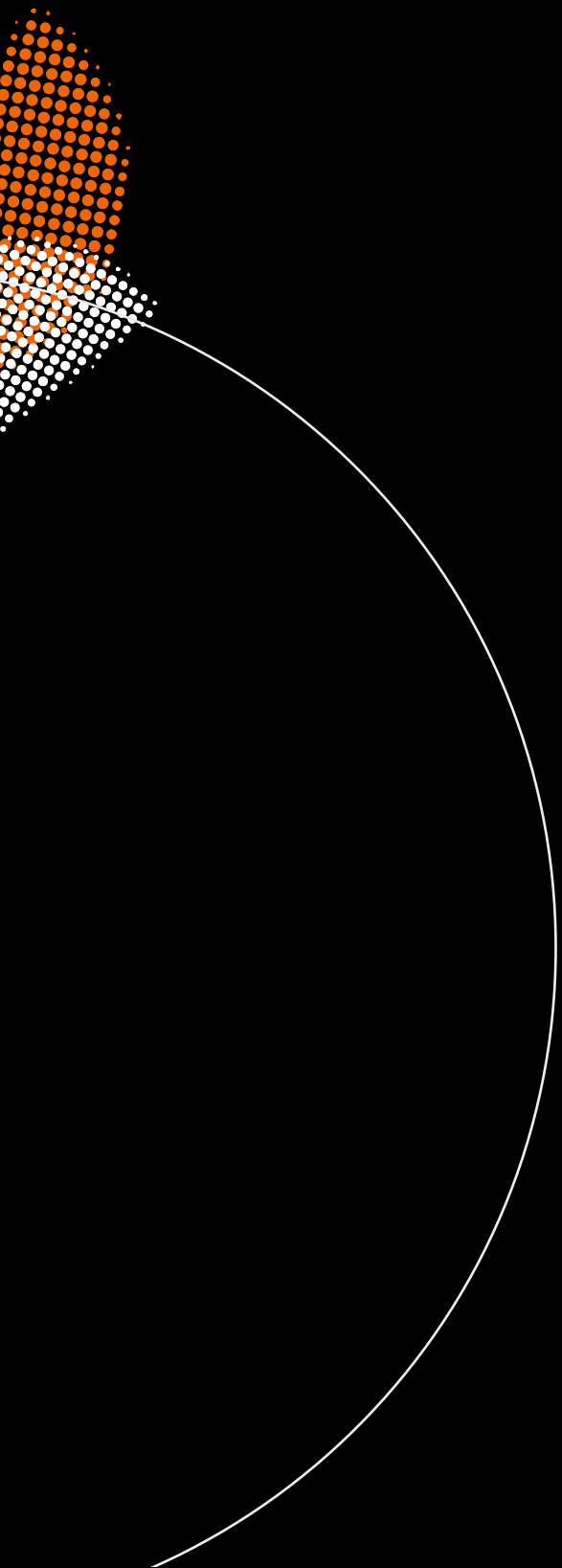
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Contact us

B2B Marketing
Clover House
147–149 Farringdon Road
London
EC1R 3HN

Tel: +44 (0)20 7014 4920
info@b2bmarketing.net
b2bmarketing.net