

4 Reasons
Why ABM
Programs Fail

And How to Avoid Them



Overview

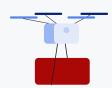
Picture this: The end of the quarter is quickly approaching, and you haven't hit your number. Although you have plenty of MQLs, you're missing your target and they're not closing—and you're feeling the pressure from your boss to figure out a plan—fast.

You're in luck. ABM (account-based marketing), when done well, is an extremely effective solution that leverages your internal resources to create a targeted outreach strategy that lands those game-changing accounts.

By 2025, <u>Forrester Research predicts</u> "the term 'ABM' will disappear as account-centric becomes the way most B2B organizations

identify, plan, manage, and measure buying and post-sale motions." And with benefits like faster sales cycles, revenue growth, and a personalized customer experience, it's no surprise this is the direction most businesses are headed. But to get there, it's important to understand what—and what not—to do to implement a successful ABM program.

While ABM can—and should—look different for every company (i.e., named accounts, verticals, channels), we'll walk you through how to steer clear of the most common roadblocks that stall ABM programs and ROI.



THE BENEFITS OF ABM ARE CLEAR:

19%

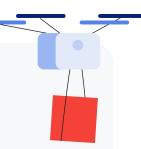
INCREASED OPPORTUNITIES AND PIPELINE

According to the <u>Forrester Infographic</u>: ABM Maturity
Corresponds To Better Revenue Results, published September
9, 2019, 19 percent of accounts targeted through ABM become
a better-qualified sales opportunity.



6% LIKELIHOOD TO EXCEED REVENUE GOALS

Forrester also found marketing and sales teams that take an ABM approach together can be up to six percent more likely to exceed their revenue goals, compared to teams that are less ABM-advanced.



Common roadblocks include:

- 1. Poor account selection processes
- 2. Inadequate contact inventory
- 3. Wasteful technology and services spending
- 4. Personalization without prioritization

POOR ACCOUNT SELECTION PROCESSES

The success of an ABM program depends on the quality of the account universe, but far too often, organizations overlook or rush through the selection process. Account selection is often the toughest aspect of ABM—and it's arguably the most important. How do you know which accounts to focus your efforts on?

Account Selection Starts with Goals and Ends with Data-Driven Decisions.

Both sales and marketing leadership must be in agreement over the firmographic benchmarks that constitute entry into your account universe. How you go about establishing this rubric depends on your overall goals.

Common ABM objectives include:

- Product fit: Identify accounts that have a business need or dependency that match your solution's value proposition. Because ABM will allow sales and marketing to test messaging, it's the perfect avenue for developing a go-tomarket strategy.
- ✓ Vertical entrance: It's never easy entering a new vertical. You have to understand the space's unique problems and communicate your value using the industry's language.

ABM is ideal for this objective. Keep in mind, it is wise to identify companies in the industry you're targeting that will not only be likely to purchase, but will also serve as a reputable customer that will help establish your solution in the space.

Market share: You're already a key player in the space. However, even though your product or service has distinct advantages over competitors, you'll still need to develop expansion strategies to keep a healthy bottom line. Where can you differentiate yourself from competitors? Listen to buyer triggers to craft personalized messaging and solutions—and at the right time (hello renewal)—that win over customers.

POOR ACCOUNT
SELECTION PROCESSES



Remember to focus on accounts that will yield the highest ROI, while not limiting your total addressable market.

Consider this:

"If you sell into a specific industry, will it convert well for you? Is a longer-term contract value a possibility? Are there signals that they could be buying from you at a fast pace? How can you incorporate intent into your strategy to bring accounts in and out of your targeting spectrum?" says Hussam AlMukhtar, senior director of strategic marketing at ZoomInfo.

If you have a list of 100 accounts that you think are eligible for an ABM approach, narrow it down to 50, 25, or 10 priority accounts (depending on your bandwidth), and focus your efforts there. It's better to start with a small number of accounts and personalize to those important accounts granularly.

This short list of top-tier accounts should consist of prospects that would make a big impact if they landed. However, they could be SMB, mid-market, or enterprise-level accounts—whatever "top tier" means to you.

Depending on how mature your organization is, you should have a healthy balance of new account acquisition, pipeline acceleration, and current customer expansion (cross-sells and upsells).

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Mistake #2

INADEQUATE CONTACT INVENTORY WITHIN ACCOUNTS

An ABM program's success depends on the quality of the account universe. Yet, far too often, inadequate contact inventory hinders the process.

Companies Buy, but People Decide.

As B2B buying cycles evolve, organizations are committing more resources to vet investments. According to Gartner, "the typical buying group for a complex B2B solution involves six to 10 decision—makers, each armed with four or five pieces of information they've gathered independently and must deconflict with the group." While account selection is pivotal to ABM success, organizations must also be able to identify and connect with key buyers within the program's universe.

Data quality is hugely impactful here. If you're reaching out to the wrong buyers or don't have accurate contact information, you're wasting your team's time and resources, which as we know, equates to lost revenue.

"Data quality is huge," says Danielle Drapeau, senior manager of marketing operations at ZoomInfo. "The more data points you have on somebody, the better you will be able to understand that person and send them content that is relevant to them."

Once you've established the account universe, sales and marketing can work together to leverage market intelligence to further segment targeted companies and common buyer personas within the organizations.

B2B data providers can help here, too.
Along with baseline segmentation,
market intelligence provides prospecting
information on an individual basis, including
professional certifications, academic and
employment history, mentions in the news,
and more. With these inputs, you can have
a robust understanding of your prospects
and tailor your approach to speak exactly
to their values and pain points.

¹ Gartner "The New B2B Buying Journey," 2020.

WASTEFUL TECHNOLOGY AND SERVICES SPENDING

Sales and marketing teams rely on trusted account and contact data to develop ABM outreach—and that all depends on accurate data intelligence and insights. Before browsing the plethora of channels and technologies available, evaluate your current tech stack to see where there are gaps.

Time to Upgrade Your Tech

As industries grow in favor of ABM-focused programs, it's important to ensure your tech providers are still aligned with both your strategic goals and tactical efforts across sales, marketing, and sales enablement. So what do you need to look out for to ensure you have an efficient ABM stack?

Ask yourself:

- Can this product integrate with other technologies?
- 2. Does it provide actionable metrics tied to business impact?
- 3. Does it help identify which accounts to target?
- 4. Can it measure the success of an ABM program?
- 5. Does it allow sales and marketing to work together collaboratively?

Less is more

While you could develop a portfolio of investments to drive more ABM success (e.g., digital retargeting, advertising), it's best to start slow. Your sales and marketing technology stack should include a CRM for tracking and reporting, marketing automation software, and sales automation tools (i.e., email and dialing tools) to drive personalized engagement and outreach. And let's not forget the aforementioned market intelligence solution—from a trusted data provider—to help identify and connect with buyer personas and target accounts. After all, that's the foundation for any ABM program or go-to-market motion.

With a comprehensive B2B database, not only can you discover which accounts to pursue and prioritize based on potential impact and likelihood of conversion, but you also have a direct line of communication to key decision-makers.

WASTEFUL TECHNOLOGY
AND SERVICES SPENDING



This ensures sales teams get ahead of the competition by reaching out to the right people with the right message—faster than anyone else.

"Efficiency is crucial when sourcing good contacts and breaking down target accounts—whether it be through mobile apps, desktop or list building," says Will Frattini, senior manager of sales at ZoomInfo.

While automation, analytics, and an impressive tech stack are crucial to a successful ABM strategy—don't forget to use sales reps to your advantage. These are the people in the trenches every day, and they are a wealth of knowledge. They know your accounts well, and through trial, error, and experience, they know who they should go after and ways they should go after them.

Additionally, don't discount the power of traditional methods of outreach—especially in today's remote world. Although we're living in a primarily digital era, physical mail and gifts have not died.

According to Sendoso, a platform used to engage customers throughout the buyer's journey, campaigns that include direct mail are 27 percent more likely to deliver top-ranking sales performance and 40 percent more likely to deliver top-ranking acquisition levels.

By sending direct mail to a prospect's home, you not only avoid gatekeepers, but your personalized outreach can be the differentiator between a closed-won and closed-lost opportunity.



Campaigns that include direct mail are 27% more likely to deliver top-ranking sales performance

Source

PERSONALIZATION WITHOUT PRIORITIZATION

Account-based marketing is all about specificity and personalization—but how granular is too granular? When is it too much, and when is it not enough?

Cut Through the Noise—at Scale.

Let's face it: Consumers are inundated with digital marketing and advertising, which increases the likelihood that your messages get lost in the clutter. In order for your message to land, you have to be relevant. Personalization is more than just calling someone by their name—it's about being truly relatable.

"The authenticity of the personalization is what's important—it's the value in what you're bringing them," says AlMukhtar.

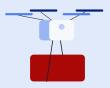
While you can't always hyper-personalize messages at scale (simply because it's not feasible with bandwidth), the next best thing is to get as close to prospects' pain points as possible.

Once you have your list of target accounts, your next step is to take an industry or solution-based customization approach. And get this: It doesn't have to be at the account level. It just needs to be relevant enough to the organization that it increases the likelihood of engagement and conversions.

AlMukhtar describes a simple approach when segmenting messages to your accounts:

- Provide your tier three group, or lowest priority group, with a description of your solution in general.
- Provide your tier two group with a description of your solution and how it could help them with their specific challenges. In this case, you're tailoring your message to people in the same industry or who struggle with the same pain points.
- Provide your tier one group, or highest priority group, with a description of your solution and how it could help with their specific challenges at the account or individual level. This messaging should be the most granular and tailored to each account on a case-by-case basis.

Striking a balance between scale and personalization is tricky, so remember to base your level of personalization on account prioritization.





Conclusion

ABM programs can be easy to kickstart, but only if you have all the right data at your disposal. Looking to empower both your sales and marketing teams with direct access to your ideal prospects? With coverage of more than 14 million companies and more than 200 million professional profiles, no other solution in the B2B marketplace is better positioned to serve your ABM needs than ZoomInfo Powered by DiscoverOrg.

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"We just know so much more about our accounts than we ever did before. Now we're able to focus on getting to business leaders, and not just technology, so we can better up-sell and cross-sell."

RUSS HELLMANN

Head of North America Field Marketing, Fujitsu

"Because it's so interwoven into our sales and marketing campaigns, ZoomInfo is able to feed our team's workflows the data we need to best refine our market segments, personalize messages, create targeted ABM campaigns, and develop actionable analytics—all of which helps us gain greater customer insights. It is an essential tool that we rely on."

MARC THOMAS

Head of Global SMB Sales, BlueSnap