

How to Execute a World-Class Expansion Strategy with ABM



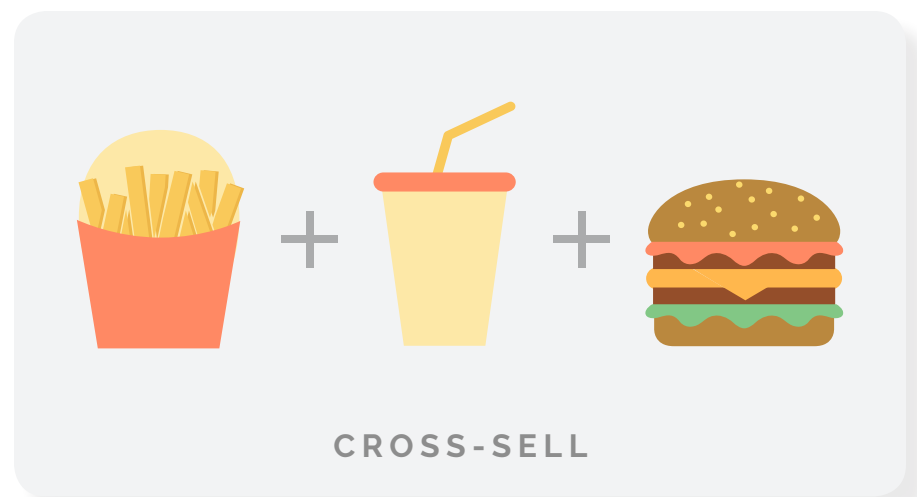
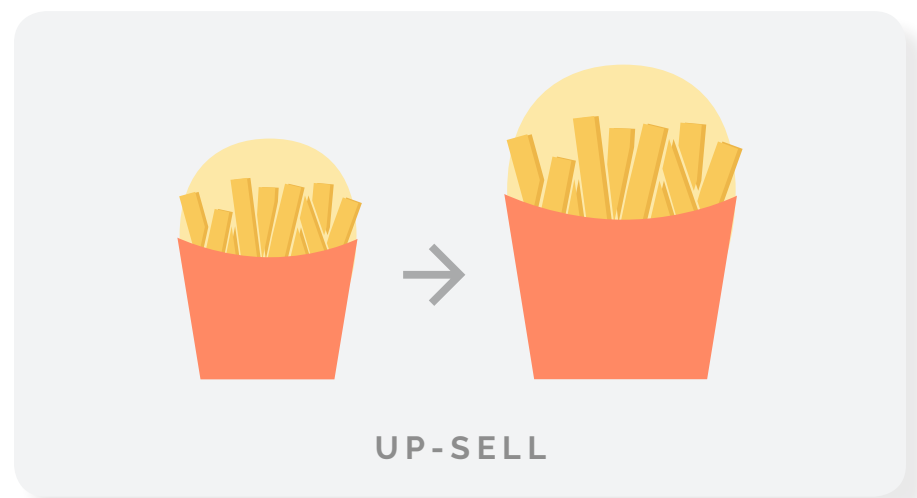
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Intro

Most of us have heard phrases like “Do you want to supersize that?” or “Do you want fries with that?”. If you work in B2B, you may only hear these particular questions at lunch - but post-sale marketing (upsell and cross-sell) is an important strategy to be familiar with!

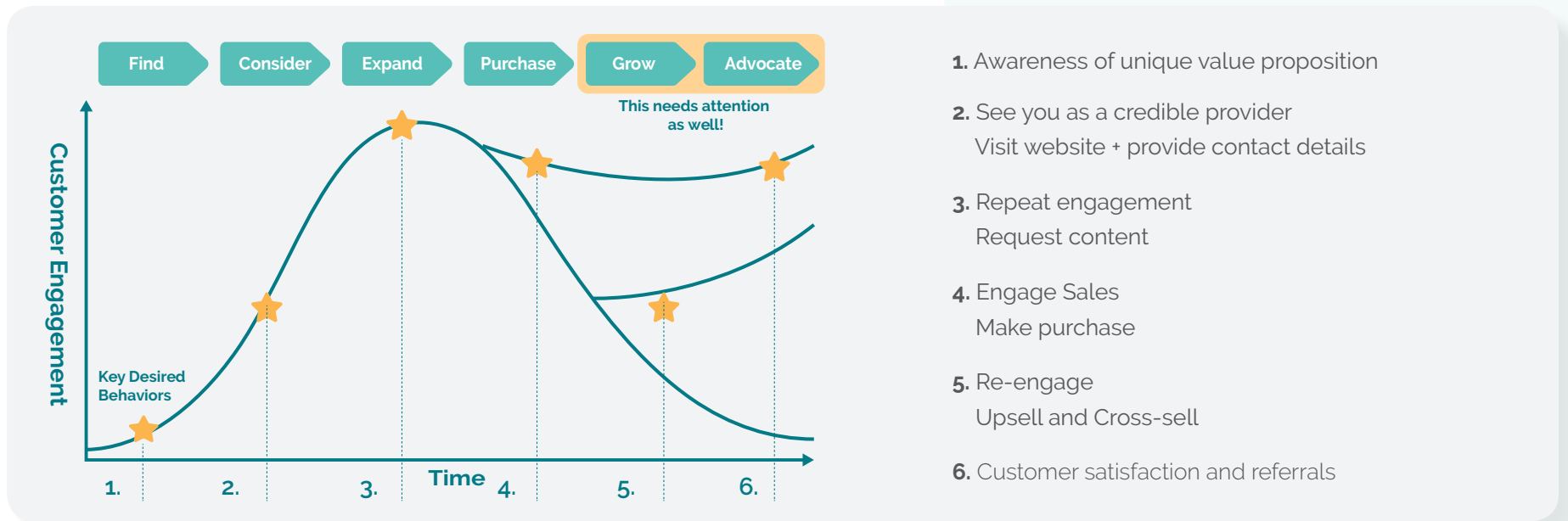
In this ebook, we will explore the principles and best practices of post-sales marketing (upselling and cross-selling, or also referred to as expansion) for B2B and how your organization can benefit. We will also explore specifically how Account Based Marketing, when paired with the right technology, can help you better operationalize post sale-marketing tactics.



Upsell and Cross-Sell Overview

Growth and hitting revenue goals are key objectives for B2B marketers. Yet, most B2B teams tend to primarily focus and invest heavily in acquisition strategies to hit pipeline and revenue goals.

The challenge is the same dollars invested in acquisition programs do not produce the same returns over time. There is a point of diminishing returns.



1. Awareness of unique value proposition
2. See you as a credible provider
Visit website + provide contact details
3. Repeat engagement
Request content
4. Engage Sales
Make purchase
5. Re-engage
Upsell and Cross-sell
6. Customer satisfaction and referrals

To drive the required growth needed for a healthy business, teams need to expand their portfolios to include more than just acquisition programs. That is where post-sale marketing comes into play. Existing customers have already been through the initial acquisition process, so moving forward, they require far less sales and marketing investment (lower cost).



“It’s 4x more expensive to acquire a new dollar via upsell vs. through a new customer, and even more importantly, it’s 9x more expensive to acquire new customers than to retain current ones”.

– David Skok, General Partner, Matrix Partners

Existing customer revenue can come from two main sources:

Upsell:

Upsell is a sales strategy to get customers to increase spending by offering more or better versions of your product. For example, in SaaS, it might be expanding the number of seats of software in a company.

Cross-Sell:

Cross-sell is a strategy to get customers to increase spending by offering them new products that are complementary to something they’ve just bought.

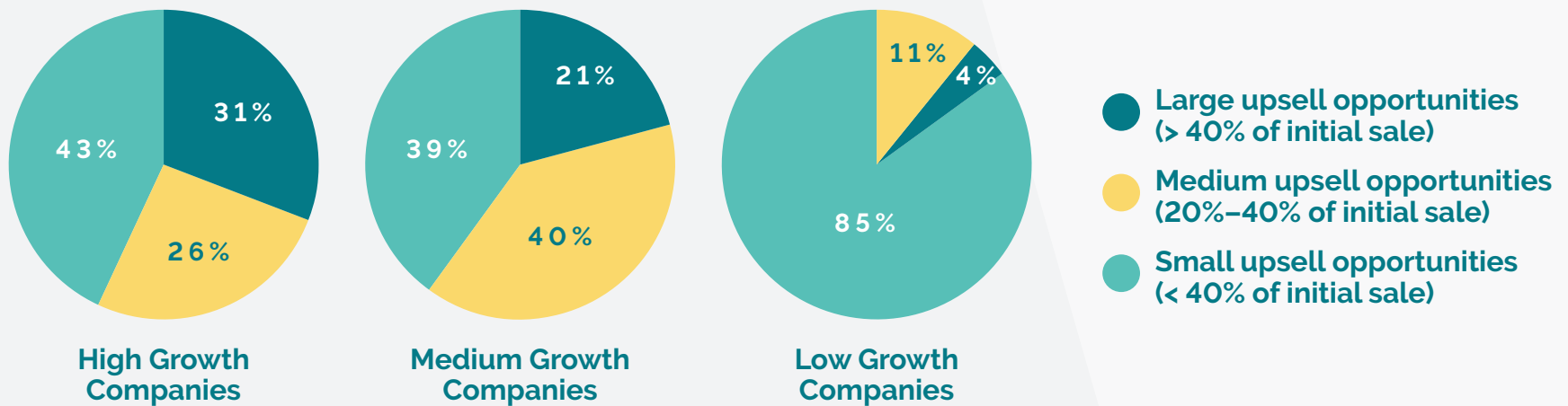
Post-sale marketing is a very effective strategy to extract more value and drive revenue from existing accounts.

CHAPTER 1

When the strategy is executed well, organizations should see more stickiness with the customer (better life time value - LTV) and also the overall annual contract value (ACV) should improve.

This is especially critical in SaaS businesses.

Upselling and Cross-Selling Sales by Growth of Company



Putting Post-Sale Strategies into Practice

While post-sale strategies are powerful for driving additional revenue they are often poorly defined within many companies. Who owns the cross-sell programs and initiatives? How are they tracked?

Clearly defining an internal process and operationalizing post-sale programs can be challenging. Most marketing organizations are chartered only with acquisition, while the responsibility of expansion often falls to another team. However, those teams may not have the skill set or strategy to run upsell or cross-sell programs (not to mention they are really busy!). Some companies will also use broad demand generation tactics, which is generally not the right approach for customers.

Additionally, many systems including CRM and marketing automation have been lead-based so it has been hard to track and score marketing initiatives around the current customer base. Because of these limitations, companies often focus on a very limited number of accounts and run extremely manual programs. Scaling expansion efforts across a global organization has been historically very challenging. Lastly, due to system limitations with current technology, measurement has also been hard. Which cross-sell initiative is best? Many companies struggle to answer this question.

CHAPTER 2

Challenges:

- 1. Ownership** - who owns expansion?
- 2. Strategy** - is there a well thought out strategy? Classic demand gen models do not work well with expansion.
- 3. Technology** - how can you track post-sales efforts and measure them effectively? Technology limitations also hinder the ability to scale.



ABM + Technology Is Driving a New Change

Account Based Marketing combined with new technologies is making post-sale marketing more efficient and scalable. ABM as a strategy involves key revenue teams including Marketing, Sales, and Customer Success. By naturally including all customer-facing teams, it is easier to have a shared understanding of an ideal customer, pain points, and hand off points between teams.

ABM platforms (i.e., the technology) help all teams get visibility at the account level so the revenue org has a common understanding of customer health and engagement. It also helps your org align on who is touching the customer, and measure post-sale marketing initiatives. Furthermore, ABM platforms take what can be manual tasks (building programs, engaging people with sales communications, and measuring ROI) and make them streamlined and scalable.

Let's first dive into more detail on why ABM is ideal for helping you execute your post-sale strategy.



ABM as a Proven Strategy for Upselling and Cross-Selling

Upselling and cross-selling are often seen as sales strategies, but to be effective, Sales and Marketing and Customer Success should work in a coordinated manner. Account Based Marketing is the perfect strategy to support those cross-departmental interactions. Why? Because ABM is all about focus and coordination. For instance, with ABM there is:

1. Focus on key sets of accounts and people -

from the inception, teams agree on what the right accounts are (for example, based on historical data, fit, intent, predictive - accounts have a higher probability for better ACV, retention, expansion).

2. Orchestration with teams - there is not a single hand-off. Teams from the beginning are used to communicating and working on joint programs.

3. Shared understanding of account pain points. With ABM, more research is completed upfront around personas, pain points, and company objectives - and then ideally this is shared with all revenue teams. With this shared knowledge, it is much easier to sell and continue to sell into a company. This is very different than a persona coming to your website and filling out a form. In that example, much less is known about the company and pains.

Benefits of Using ABM for Expansion Opportunities

- **Quality growth that scales** - By focusing on an ideal customer profile (ICP) and target accounts, teams are investing time and resources on the best customers for the business.
- **Lower cost** - The price you pay to generate new leads and gain awareness into new accounts is more expensive than what it costs to market and sell to existing customers.
- **Less time** - The time it takes to start new conversations is drastically longer than keeping existing conversations going. You already know your customers.
- **Higher lifetime value** - Upselling and cross-selling helps grow the monetary worth of the customer to a business over time. This is critical for SaaS.
- **Better customer experience** - When you're able to add more value to your customers with the right products and services, they will ultimately have a better experience. The value for them goes up!

CHAPTER 4

Enablement

- Internal communication plan
- Skills training
- Template/tools creation
- Best practice sharing
- Feedback collection (Sales & Marketing views)

Insights

- Actionable account profiles
- Contact discovery
- Account analytics
- New market personas/message

Planning

- Link Marketing support/resources to existing Sales accounts plans and goal
- Cross-functional working session to define options faster

Execution

- Content assets
- Interactions/events
- Pipeline acceleration: focus on mid to late stage deals
- Small-net fishing for new opportunity in defined area
- Pilot with small (2-3) of large accounts



A whopping 84% of ABM marketers report improved customer relationships that led to retaining or expanding accounts.
– Forbes, 2016

How to Get Started with Upselling and Cross-Selling Using ABM

The Basics

Now that you understand why you should leverage ABM for post-sales, the next thing you're probably wondering is how to do it. Here are some basics before we dive into the tactics:

- 1. Set and communicate clear goals around upsell and cross-sell for your accounts.** We like to start with a high-level overview like this that is shared across the team.





2. Be clear which accounts the teams should focus on. Just as you would in pre-sale ABM, in post-sale ABM you also must be very clear on which accounts you're going after. By definition, these accounts

should be easier to sell in to and expand. Ideally, these have already been defined and placed into tiers (ex: Tier 1- fewest number, best accounts).



3. Communicate and agree on what the accounts will receive (Entitlements). You must be clear which tier of accounts receive a particular level of investment. (More on this in the next chapter.)

Type of Program	Program	Entitlements		
		Tier 1 (1-to-1)	Tier 2 (1-to-few)	Tier 3 (1-to-many)
Account Plans				
Nurture				
Executive Support				
Partner Support				
Additional Tools/Software				
Additional Budget				
Direct Mail				
Field Events				
Tradeshows				
Playmaker Sends				
Database Sends				
Targeted Ads				
Content Syndication				
Sales Outreach				
Appt Setting				
Contact Discovery				
Customer Content Custom Steams				

- 4. Define which teams act and when.** Create hand-off points and sales stages, because we already know our customers, we want to ensure they experience a cohesive set of interactions. It is critical to define which teams act and when, so customers do not receive too many emails or conflicting information.
- 5. Be clear about who is running the programs and who is the 'quarterback'.**

We recommend assigning an owner for expansion programs. Clearly multiple teams will be involved and provide input, but clear ownership is key. Having this owner sit in Marketing can be quite effective because they possess the skills to drive marketing programs. Customer Success can help provide valuable inputs (for example, account health score, usage data, satisfaction levels, etc.) and Sales should be a strong partner to provide intelligence on the right people to connect with in an account. The number of initiatives and size of the organization will determine if you have a full-time headcount.



Who Runs Upsell/Cross-Sell Programs?

This is a simple example of who participates in marketing if you do not have a dedicated head for expansion.



Ideal Customer Profile Identified – applies to customers too!

1.

Have an account foundation/ reporting

2.

Understand account behavior (engagement and health)

3.

Now decide on program tactics

4.

Run personal 'plays'

5.

Measure results

Product Marketing

Help ensure ICP is defined. Helps work on messaging.

Marketing Operations

Does scoring of accounts, tags in CRM, helps with ABM technology.

Marketing + Sales + Customer Success

A person in marketing - could be demand gen or field marketing - owns program and works with Sales. They need to include Sales at each step.

Marketing + Sales

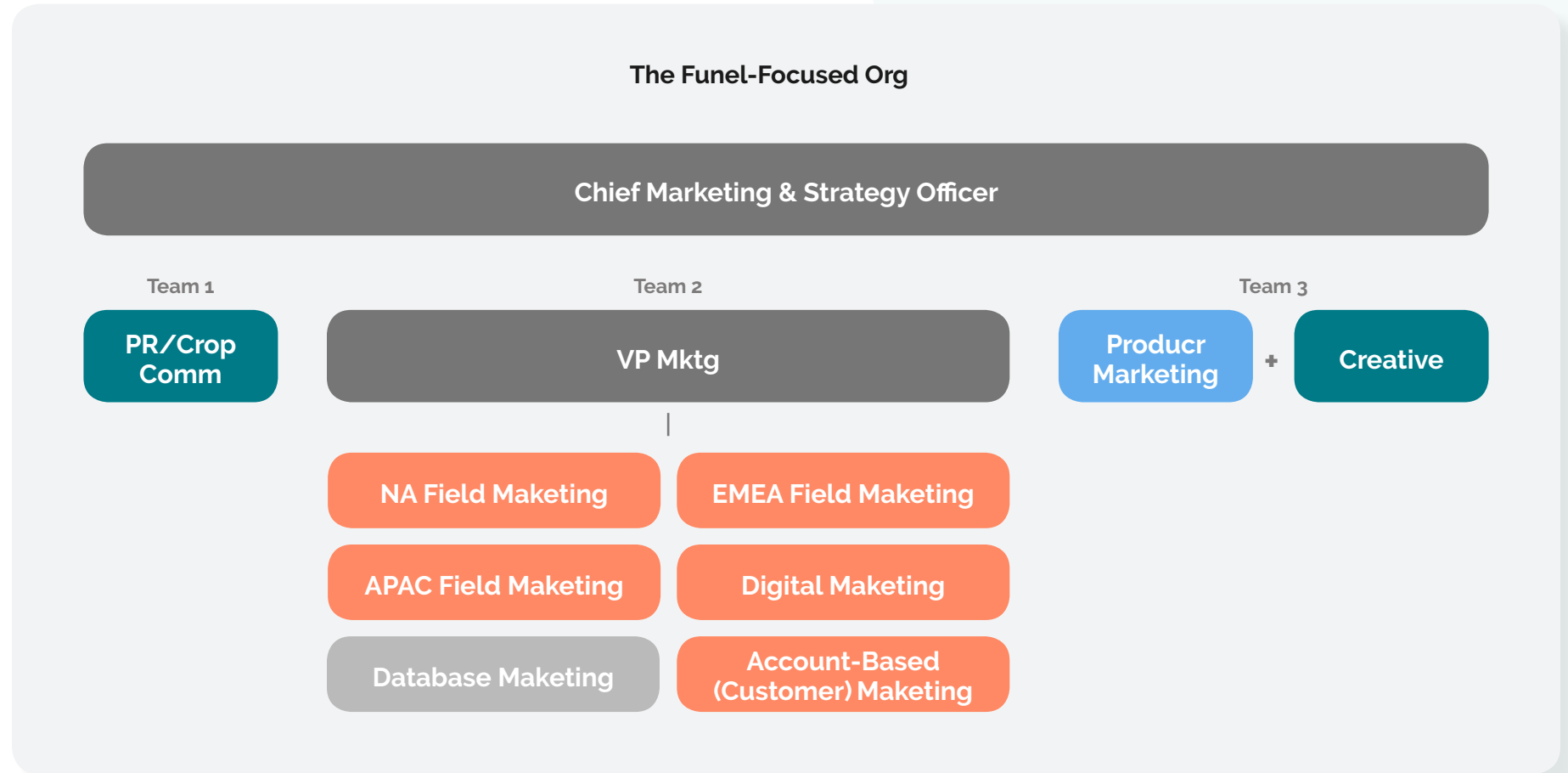
Marketing + Sales + Customer Success

Marketing point person

Marketing Operations

CHAPTER 5

Below is an example from Forrester.



How to Execute Your Expansion Strategy with ABM

Now that you have a basic framework to get started, let's walk through some fundamentals of executing a post-sale program using ABM.

Here are the steps:

Step 1: Ensure you have the right technology foundation.

ABM platforms like Engagio are critical to ensure you can map leads to accounts, get a 360° view of your target accounts, proactively communicate to Sales in an automated way, run account-centric programs, and measure effectiveness at the account level. Without this type of technology, expansion programs are harder to scale and measure.

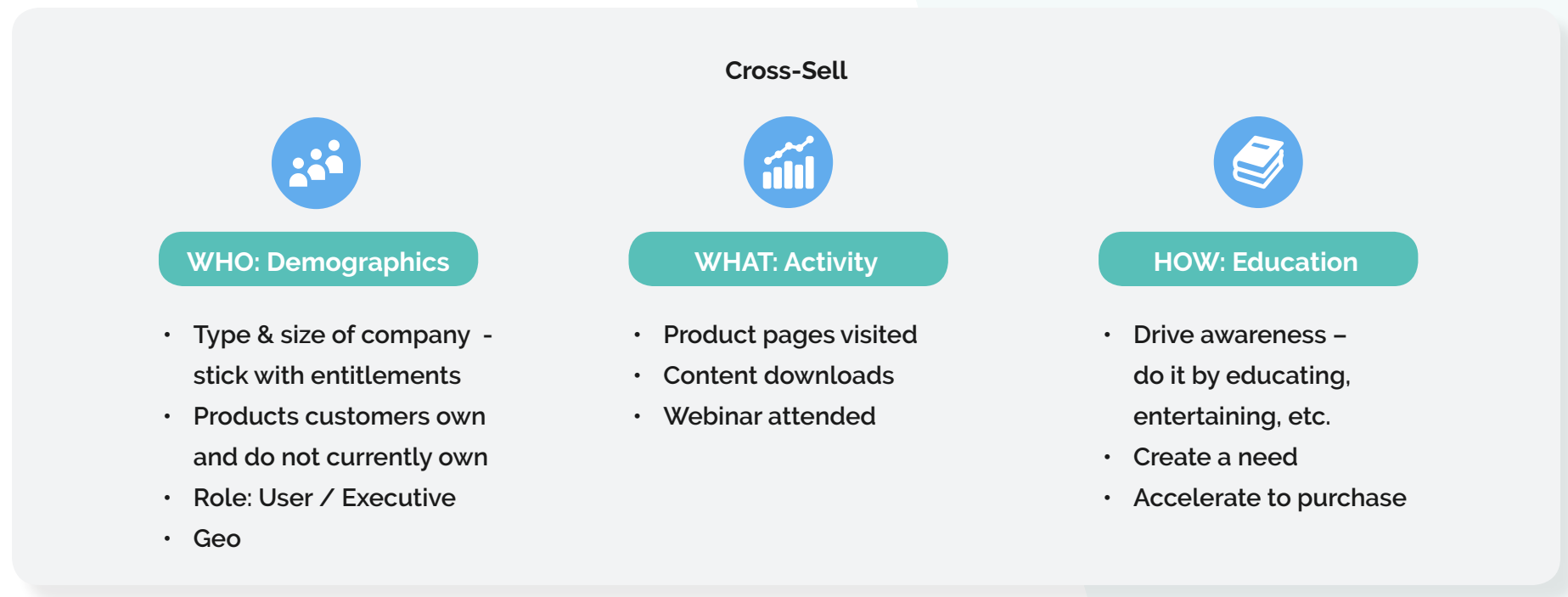
Specifically, account-based strategies for upsell and cross-sell require a comprehensive view of all of the people or "players" within an account. This is inherently tricky with CRM systems, which have separate views for contacts and leads that may not even be associated with the account.

Platforms like Engagio enable teams to have views of an account, set of accounts, or key people. Lead-to-account matching provides a consolidated view of the people within accounts, regardless of how they're classified in your CRM system. Customer Success may know the power users and internal champions, but having the full roster of players including executive influencers and business owners is critical. All revenue teams should be able to view and have a shared understanding of key accounts.

CHAPTER 6

Once you have an ABM foundation in place, there are 4 steps to follow for program execution.

But first, here's a simple framework we'll follow.



Step 2: Segment Customers and Profile them

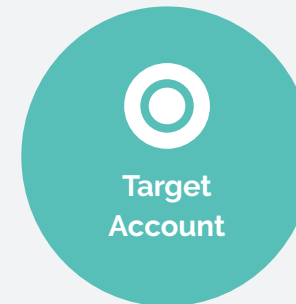
Here, our goal is to answer questions “Who is buying more?” and “What is the health of the company?”

Ideally, if you have a set of target accounts that are structured by tiers - you can continue to leverage that framework. For exam-

ple, your Tier one accounts are the 'best of the best' and once you are selling into a Tier one account, that standing should persist. From there, you can further segment based on health, product usage, and products that the customer already owns.

Options:







Segment your customer base



CHAPTER 6

Understand what customers have and what other offerings make sense for that segment.

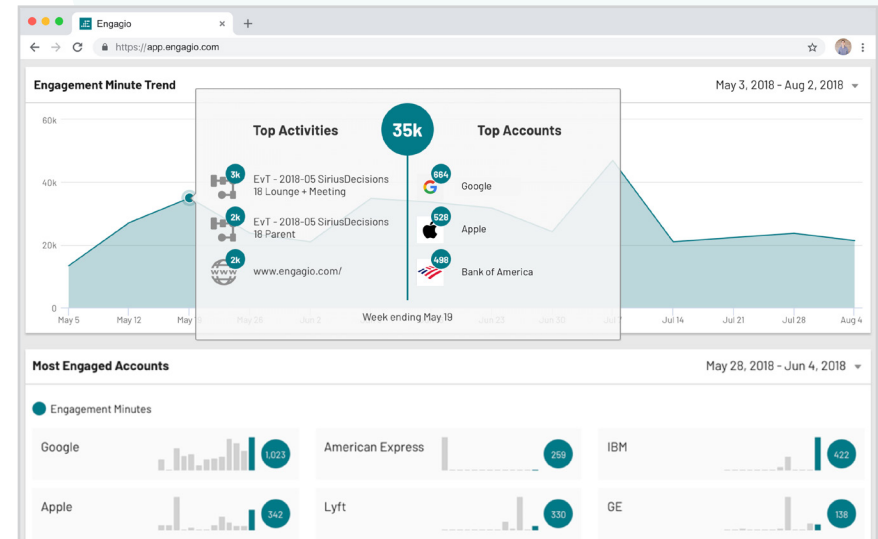
Map your products to key customer segments

Buy Segments	Product A	Product B	Product C
Segment 1 Persona			
Segment 2 Persona			
Segment 3 Persona			

Step 3: Understand Behavior

This step is all about trying to understand the reasons behind the behavior.

If you want to effectively and efficiently expand an existing customer account you must have a unified view of everything going on at that account to understand behavior. This means visibility into interactions across people and channels over time. Historically, having this information pulled together in a visual, scalable format has not been possible. ABM platforms provide revenue teams with shared visibility of account activity. You can see who is interacting with programs and what initiatives are working. You can also see the outreach that Marketing, Sales, and Customer Success are doing in one view.



Step 4: Craft your story

This step is all about content, messaging, and the story.

Once it is clear which accounts are eligible for expansion, and who within that account we want to reach out to traditional marketing best practices apply. The right message at the right time is everything. The good news is with ABM, a lot of this work was done upfront. Additional building of content may be necessary for a new product or service, but the team should know what the account cares about. This makes it a bit easier.

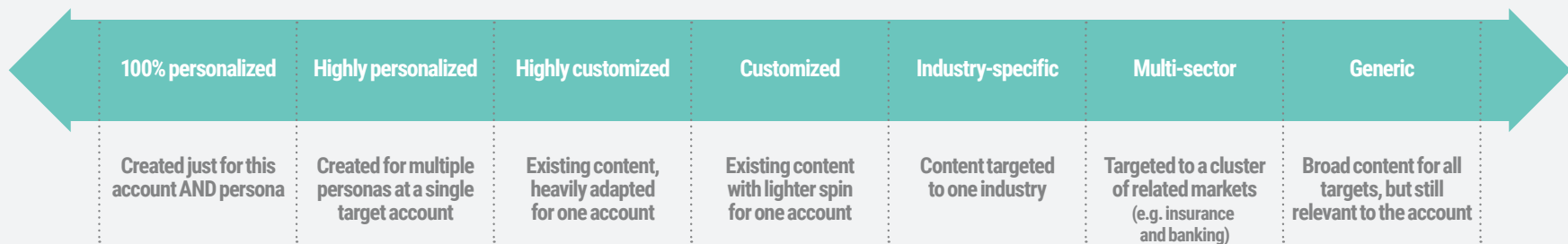
Two power tips:

1. Your message needs to stand out. Try to answer 'what is in it for them' and 'why should they care'. Is there an insight you could surface and an area that could be largely improved?
2. Think about scale. We know that the more personalized the message the better, but that is hard to do for 1000 accounts. Here is a chart that provides a useful framework for what content should be personalized and what should be customized.

Messaging and Content



The Content Personalization Spectrum



Step 5: Execute Programs

Now, it's time to allocate your resources, which we call "account entitlement."

The practice of tiering your accounts and defining your entitlements can (and should) still be applied to your upselling and cross-selling efforts within your customer accounts.

As a refresher, tiering your accounts is a way to scale your ABM efforts. You will spend more time on customer accounts that have larger upsell potential and less energy on the customer accounts that have smaller upsell potential.



CHAPTER 6

A simple entitlements chart can look like this:

In order to execute a tiered approach for your existing accounts, it helps to start with account entitlements. Account entitlements answer the question, “what is the right amount of time, money and resources dedicated to each account in each tier?” This helps align Sales, Marketing, and Customer Success by setting expectations upfront. You could also layer into this who is the

owner for human outreach and also if you plan to do any in-app messaging. For SaaS companies in particular, this is a great channel to consider for significant messages and updates.

Now that you have a framework for identifying the investment per type of account, we can get into the details of what upsell and cross-sell plays look like.

Type of Program	Account Tier		
	Tier 1	Tier 2	Tier 3
Direct mail	Up to \$1,000 per key persona	Up to \$500 per key persona	Up to \$100 per key persona
Targeted ads	Micro & targeted ABM	ABM	Ad segments
eBooks	Up to 50% custom content for each account	Custom intro and conclusion only	Customized for industry
Micro-events	Exec led	Director of rep led	No
Data refresh	Monthly	Quarterly	Yearly
Reps time for research & prospecting	65%	25%	10%

Upsell And Cross-Sell Plays in Action

We will focus on two plays that you can run to expand customer accounts and grow your revenue. We use the term “play” to indicate that multiple teams (i.e., your team and the customer buying team) and multiple actions/channels are involved on both sides. Keep in mind that these are just examples, so when it comes to executing them for your team, adjust accordingly.

Upsell Play Example

Before you initiate a program, we suggest using a matrix like this to figure out eligibility and prioritization for expansion initiatives. Some accounts will not qualify (for example, customers that are at risk or that have a poor health score). Maintaining your tiered account structure, you should next layer in health and opportunity. This will help with prioritization.

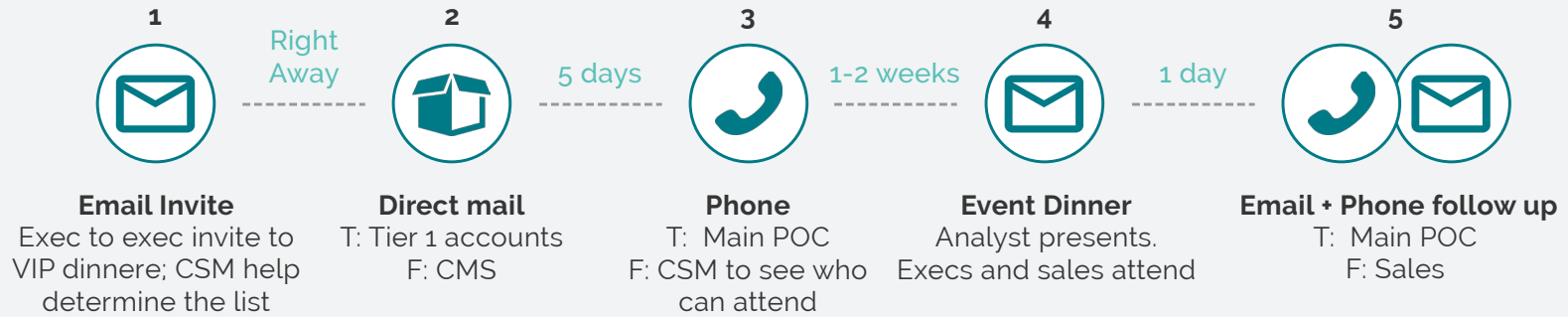
A. Prioritization Matrix

B. Below is also an example of a high-level program play to show where different teams participate. It is useful to make sure key folks on the respective teams know **WHEN** they act. Get buy-in on this ahead of time.

Cross-Sell Play Example

Here is an example you can modify. This is a good example of a program at scale.

Upsell Play Example



Cross-Sell Example



Special Program Tips - Take Action

Customers today expect relevant and personalized outreach, otherwise, they are quick to gripe about a poor customer experience.

If you want to be successful at upselling and cross-selling, you must be able to make a relevant offer to the most appropriate person at the right time and via the right channel. Sound familiar? This is the same thing you were doing when the account was still a prospect. Just because they're a customer doesn't mean you can treat them with any less care or consideration.

When it comes to taking action, here are some of the things that we can do to ensure we get the most out of our efforts.

- **Filters** – Starting with your customer segment list, you can begin to add filters to select and view a more refined list of customers. Look at activities and actions they've taken that will indicate a good fit for upsell or cross-sell opportunities. For example, of your customer accounts,

which ones have a good account health (as defined by your Customer Success team), are in a specific post-sale stage, have responded to a specific campaign, and have crossed a specific threshold of engagement minutes?

- **Alerts** – Set up alerts to trigger off of key customer actions. This is a great way to keep your finger on the pulse and begin to automate some of the manual work in ABM. For example, if a customer in a certain segment downloads a specific piece of content, send an alert to the rep to follow up (rather than sending to Marketing for nurture).
- **Monitor** – Not all of your customers are going to raise their hands to clearly indicate they're interested in other products. That's why you must manually look at engagement at your customer accounts. Take a look at the content and programs your customer contacts are engaging with to find upsell or cross-sell opportunities.

- **Account engagement snapshots** – We recommend sending reps a weekly (or more frequently) report that outlines key account information. For example, send your reps an email that contains customer account information that tracks newly added and/or engaged people, most engaged accounts, engagement from executives, engagement with specific content or campaigns, etc.

5) Measure and Optimize Your Expansion Programs

This wouldn't be a proper Engagio ebook if we didn't take the time to talk about measurement. For upsell and cross-sell, it historically has been more difficult to set up a program and measure the impact at an account level. When using ABM, paired with the right technology, it is easier to track program impact at the account level, even past acquisition.

A key factor to keep in mind is we want to use account-based metrics. Remember it will not be volume-based (large number of MQLs or leads), rather we want to understand if we are

engaging the right set of people in an account and that our program initiatives are effective for the post-sale objective.

To get started, it is helpful to start with the question we want to answer.

CHAPTER 7

Fundamentally, three questions arise in ABM for new business and expansion:

1. Am I creating and deepening relationships with target accounts?
2. How do key accounts move through buying journeys to desired outcomes (for example, pipeline and revenue)?
3. What is the return on investment of my marketing programs?

Let's dive into each area in more detail.

Type	Metric	Description
Accounts	Engagement	<i>Am I creating and deepening relationships with my target accounts?</i>
Journeys	Outcomes	<i>How do accounts move through their buying journeys towards the outcomes (pipeline, revenue) we care about?</i>
Programs	ROI	<i>What is the marketing return on investment on my programs (multi-touch attribution)?</i>

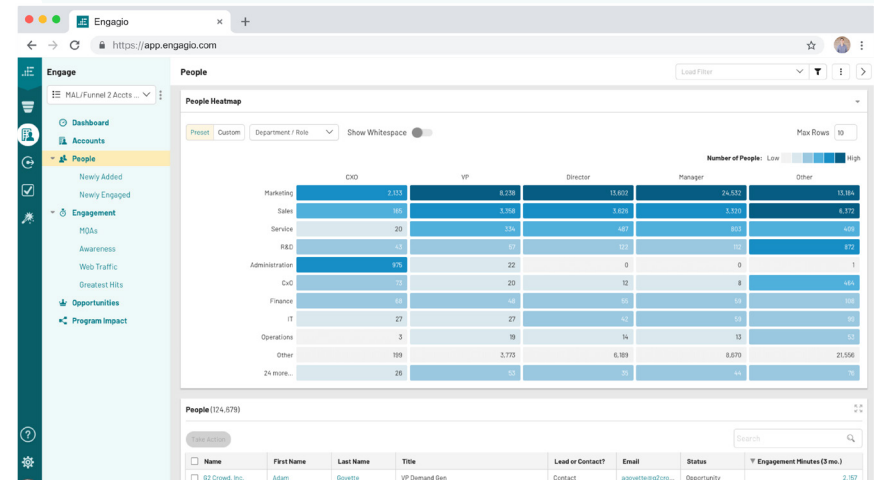
Accounts

Clearly, pipeline from our expansion efforts is what we want to see, but that will take time, especially in larger organizations. Here are some early metrics to track and share:

- **Coverage** – Do you have sufficient data, contacts, and account plans for each target account? With cross-sell, you might be selling into a different buying group or buying center - so it's important to make sure the right people are in your database for Sales to reach out to.

Are the right people in your database for upsell or cross-sell? If not, start there!

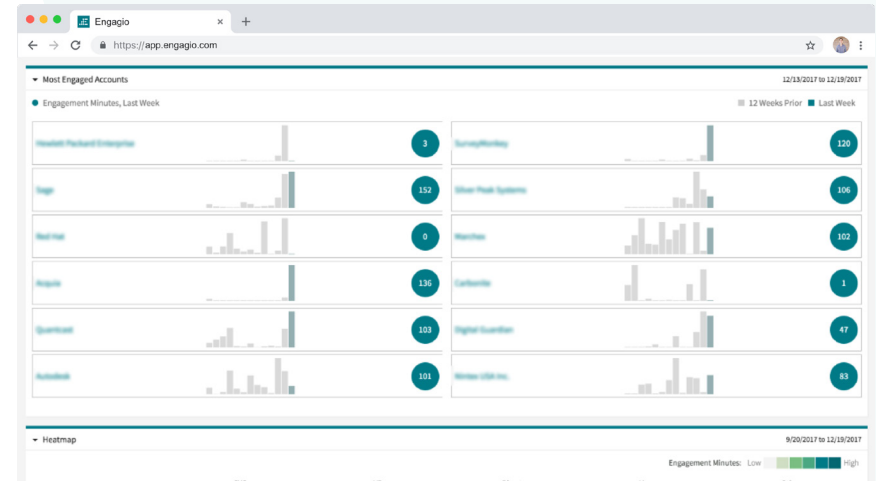
- **Awareness** – Once we identify and have the right contacts, we need to understand if the new buying group or existing team is aware of the new offering. There may be awareness of your current product or service - but it's essential to track if they know about the new offering.



CHAPTER 7

- Engagement – For the accounts we are showing the new product to, we now want to see what teams are really engaging. This is very helpful for Sales so they know where to spend their time. Engagement is the most fundamental ABM metric there is as it measures core relationship quality. Deeper engagement indicates that prospects and customers are more committed to your relationship. It also shows increasing likelihood to purchase, renew, and advocate for your company.

Now, we can shift gears a bit and examine another area, journeys.



Journeys

Journey analytics measure how accounts move toward important outcomes like pipeline and revenue. They define how accounts move through defined stages toward intended outcomes, and give marketers metrics to manage their process with rigor. They service as leading indicators of impact on the way to closed-won revenue.

For example, you could have a set of accounts that have product 'x' but we want to market and sell them product 'y'. How are these accounts moving through the cross-sell journey stages? What is Marketing, Sales, and Customer Success doing that is most effective to influence the right outcomes? The goal of doing this is so you can see where there are points to optimize.



CHAPTER 7

Here are some key questions and metrics to track.

Journey KPI's	Example metric	Questions it will answer
Journey KPI's	Number of accounts that move into a stage Dollar value of accounts that move into a stage	How many MQAs did we create this month? How many opportunities did we create over time? What is the value of sales pipeline generated? How much do we invest for each opportunity?
Balance	Number of accounts in each stage Dollar value of accounts in each stage	How many target accounts are engaged? How many open opportunities are there? Are these trending up or down?
Conversion rate	Percentage of accounts that move from one stage to another	What percentage of target accounts become opportunities? What percentage of MQAs become customers? What type of accounts convert the best?
Velocity	Average number of days between any two stages	How long does it take to move an account from MQA to opportunity? Do certain types of account move through the funnel faster than others? What is the average time spent in each stage? What is the total funnel time?

CHAPTER 7

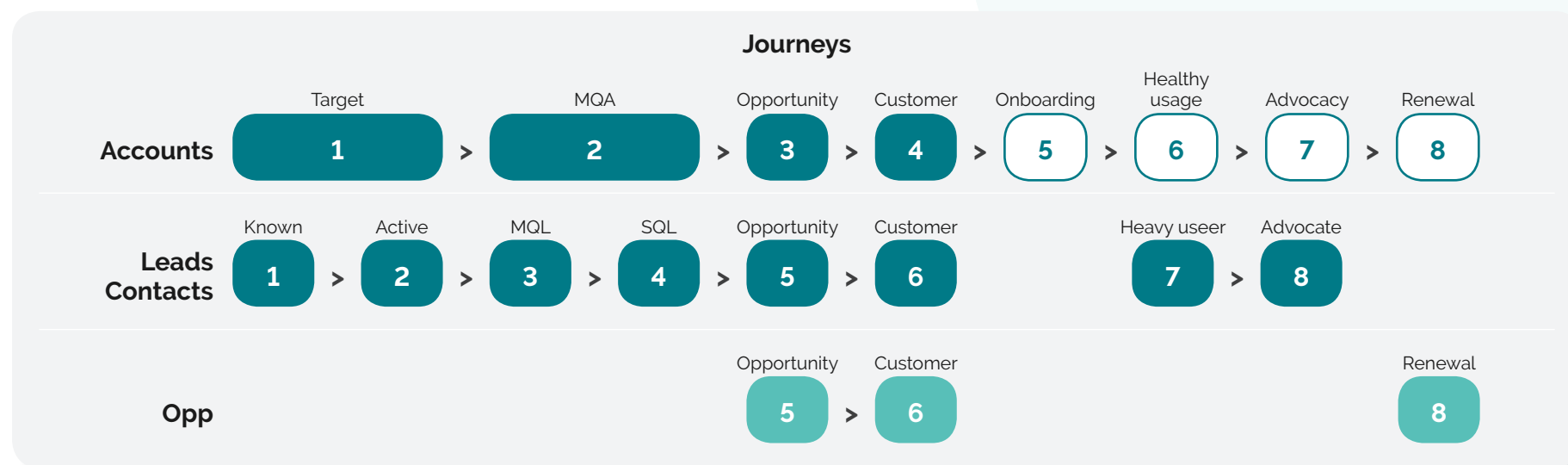
With post-sale, many goals emerge, each with unique journeys:

- A demand unit purchases additional products
- A different demand unit buys the same products
- Expansion
- Renewal
- Usage
- Success
- Advocacy

Multi-product companies will have a separate journey for each product or solution as well.

Now, the trick is HOW can you look at this kind of data and that is where Engagio's Dash comes in. It is an attribution solution (native to Salesforce) that can support post-sale, sophisticated journey analysis.

Example of journey analysis in Engagio's Dash.



Programs

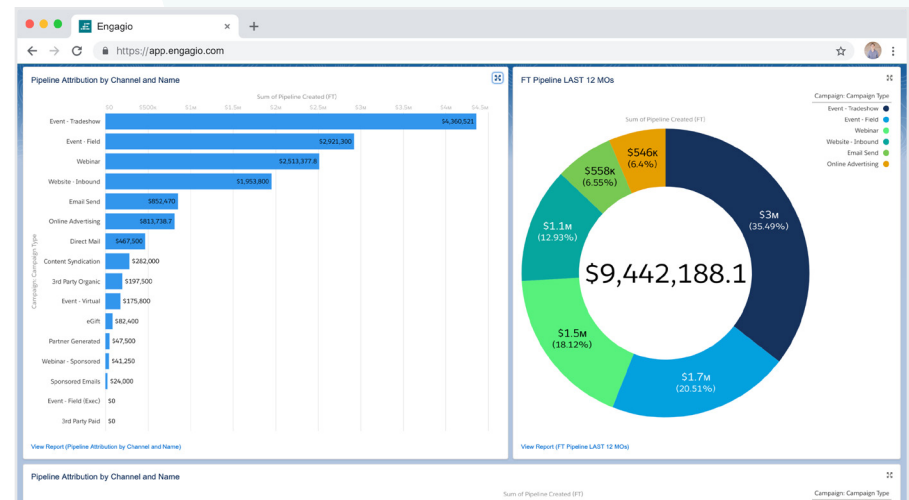
Now that we have gone through metrics and journey progression, we can also look at which programs are the most effective. Attribution analytics measure the ROI of marketing programs. ROI is most valuable when evaluating marketing performance and investments.. Given the reality of budget limitations, CMOs need to make trade-offs about where to focus resources — and ROI provides a framework to improve these decisions. Engagio has written a Clear and Complete Guide to ABM Analytics, so please refer to that book if you are craving more detail!

For an expansion program, we want to understand if the program delivered results. It is important to start with questions first before data diving.

- Is channel A or B more effective for expansion pipeline?
- What expansion programs work best for target accounts?
- What types of activities are good for executive engagement?

- What types of activities help deal acceleration?

It's helpful to first start by examining the best set of channels.



CHAPTER 7

Then we can look within a channel to understand the best programs.

Program	Investment	Expansion Pipeline Created	Return
Field event A	\$10,000	\$50K	5X
Field event B	\$20,000	\$200K	10X

Conclusion

Upselling and cross-selling presents a huge opportunity to expand revenue and grow business. Leveraging ABM principles and practices can give your team the tools to execute this strategy and expand accounts more effectively. It's a very thoughtful approach that starts with mapping of your process, getting a unified view of your accounts, knowing the players involved and allocating your resources properly. Once you have those foundational pieces in place, then use account engagement insights to start taking action and supersize your deals!

As you can see, ABM is a powerful way to execute your account expansion strategy. Use this ebook as your blueprint, and you're guaranteed to get more out of your existing customer base!





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