

SiriusDecisions 

The State of the **Account-Based Revenue Engine 2019**



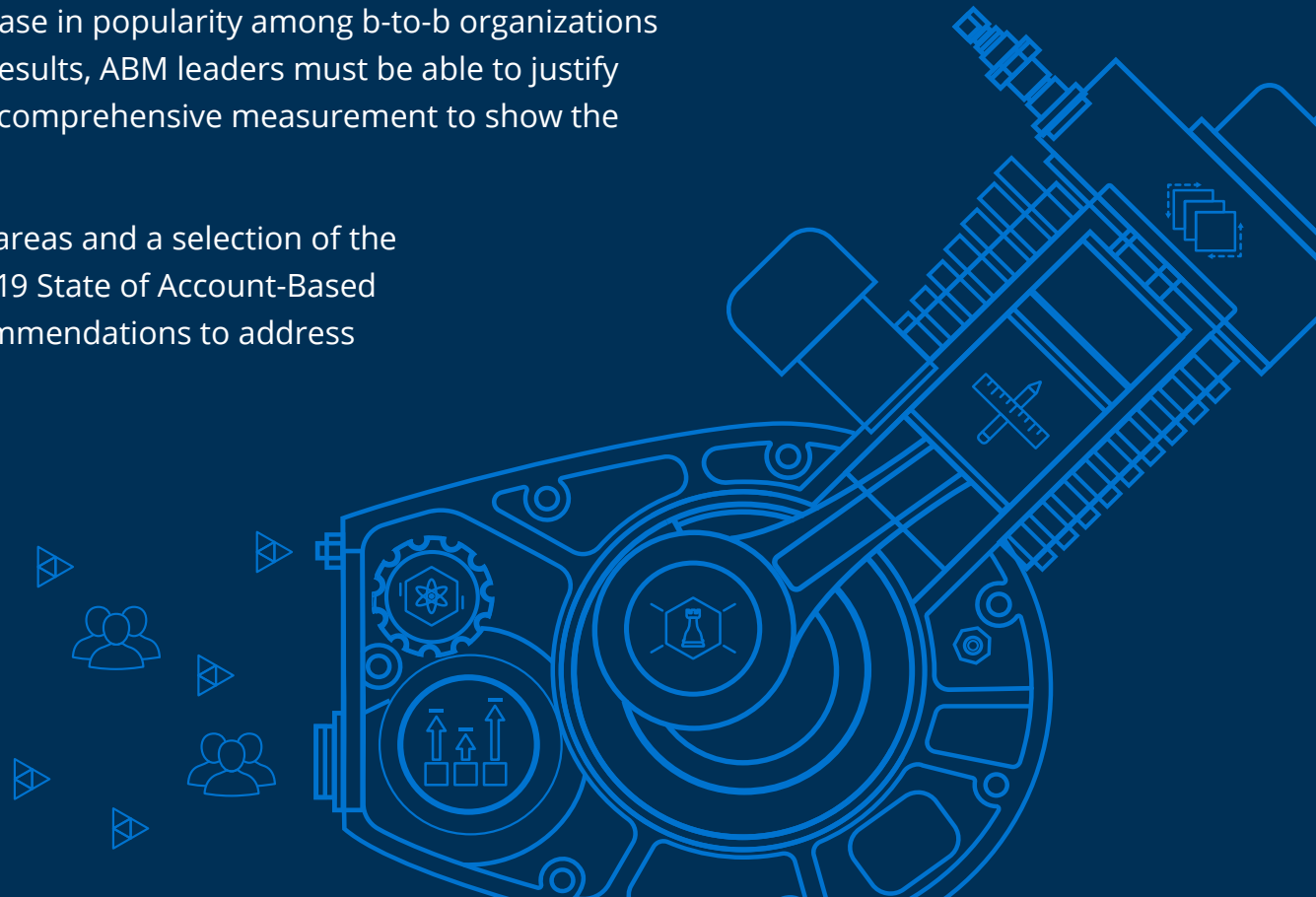
Introduction

B-to-b sales and marketing leaders recognize that a well-functioning revenue engine is a key driver for profitability and growth. They also understand the value of designing parts of that revenue engine around their high-priority accounts.

This is why account-based marketing (ABM) programs continue to grow, fueled by the **delivery of strong results, including higher account engagement, improved win rates, larger average deal size and strong ROI.**

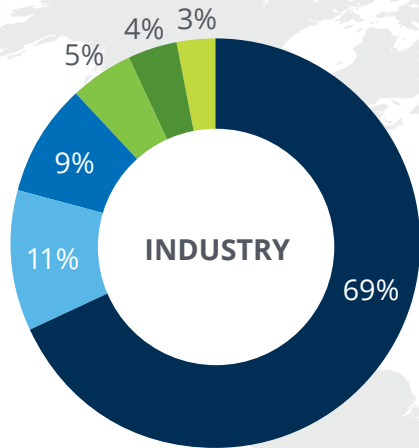
But even as ABM programs increase in popularity among b-to-b organizations and deliver significant business results, ABM leaders must be able to justify greater investment by providing comprehensive measurement to show the programs' impact.

In this e-book, we explore these areas and a selection of the findings from SiriusDecisions' 2019 State of Account-Based Marketing Study, as well as recommendations to address critical gaps.

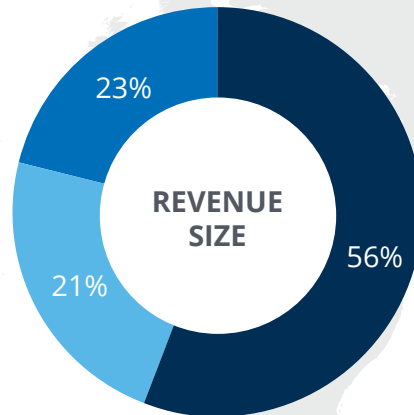


Demographics

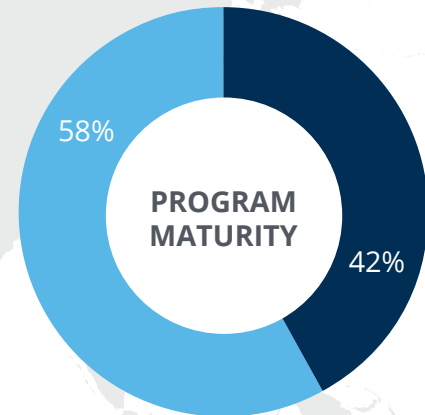
120 TOTAL RESPONDENTS



- Advanced Manufacturing
- Business and Professional Services
- Financial Services
- IT and Telco
- Healthcare
- Other



- Under \$250M
- \$250M - \$2B
- \$2B+



- Full program > 1 year
- Pilot

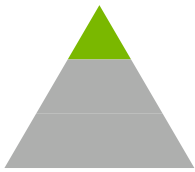
1

ABM Study Finding One

Named ABM is the most popular ABM deployment strategy, but many organizations adopt more than one approach.

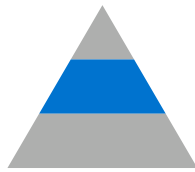
SiriusDecisions defines three main ABM strategy options for creating an ABM deployment model: large ABM, named ABM and industry/segment ABM. A model is typically selected in the early stages of an ABM journey to align to a company's strategic business goals as well as their sales go-to-market strategy. The deployment model also sets parameters for the number of accounts in the program, level of insights required, proposed level of customization, and resourcing requirements.

Account-Based Models



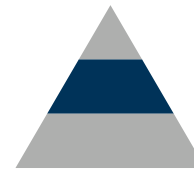
Large Account

A very small number of large existing or targeted accounts



Named Account

A moderate or larger number of defined existing or targeted accounts

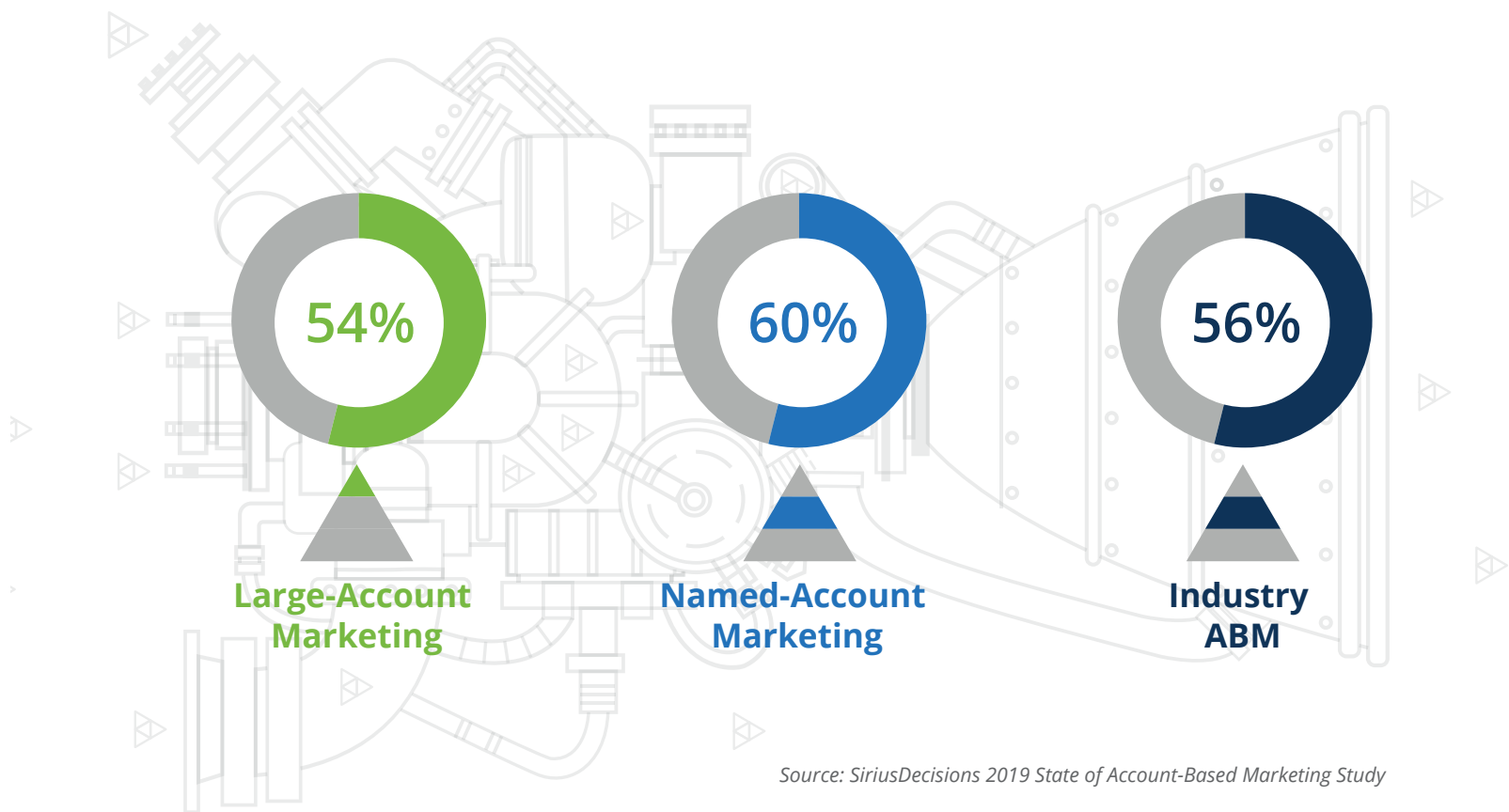


Industry/Segment

A moderate or larger number of new or existing accounts in the same vertical or other specific segment

ABM Study Finding One *continued*

The study shows that **named ABM** remains the most popular ABM deployment type – with 60 percent of respondents indicating they are pursuing that deployment type. However, many organizations use more than one ABM model, often piloting one type and then broadening the ABM scope.



Source: SiriusDecisions 2019 State of Account-Based Marketing Study

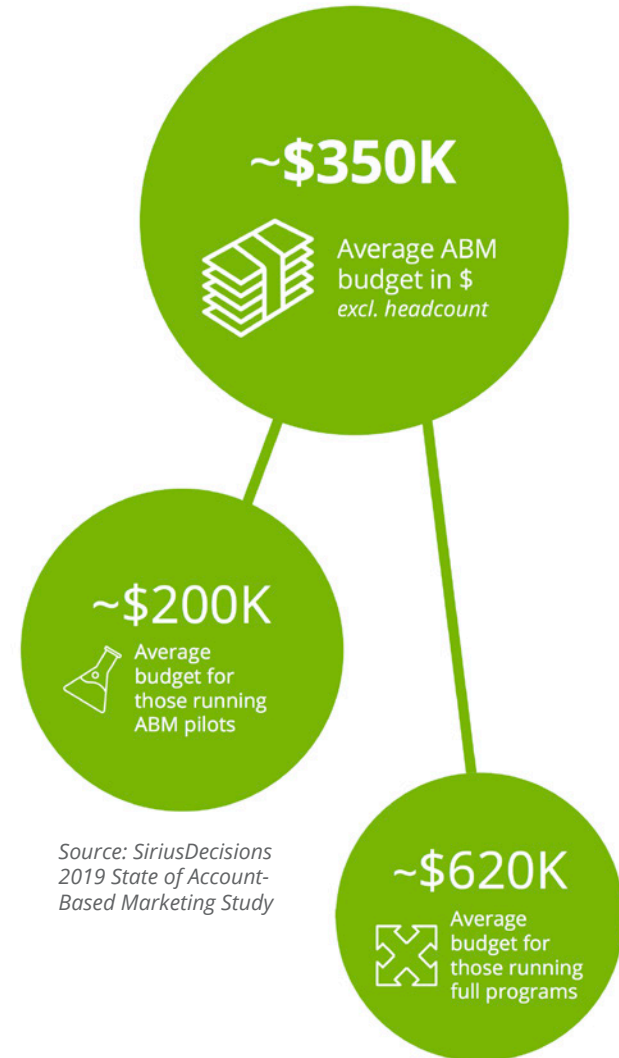
2 ABM Study Finding Two

The average ABM budget is \$350k.

For ABM to succeed, it needs to be appropriately resourced.

Proper resourcing requires not only the right people and the required skills, but an appropriate budget. The budget assigned to an ABM initiative may initially be quite small, especially if the organization starts with a pilot; additional budget should be made available to be released when key ABM milestones are met. The overall budget should be proportional to the organization's size, the ABM program goals and the number of accounts in scope.

The study revealed that today's average ABM budget is around \$350,000 (excluding headcount costs), and 70 percent of organizations expect this number to rise in the next 12 months. For pilot programs, the budget is understandably lower – averaging about \$200,000 – while mature programs with proven value have an average budget of \$620,000. ABM budgets vary widely depending on organization size, from small organizations running ABM pilots on less than \$100,000 (with a goal of scaling up once value has been proven) to multibillion-dollar enterprises with ABM budgets up to several million dollars.



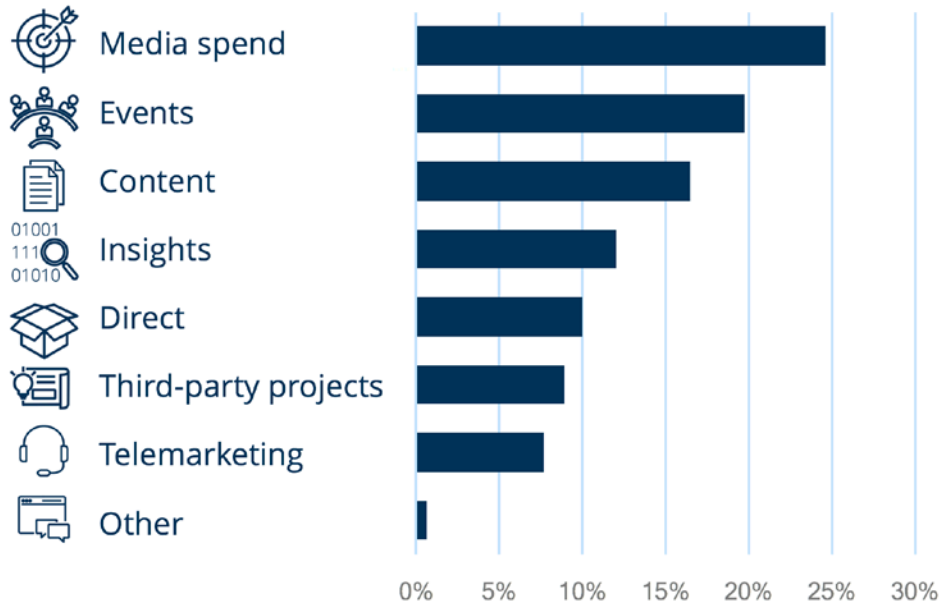
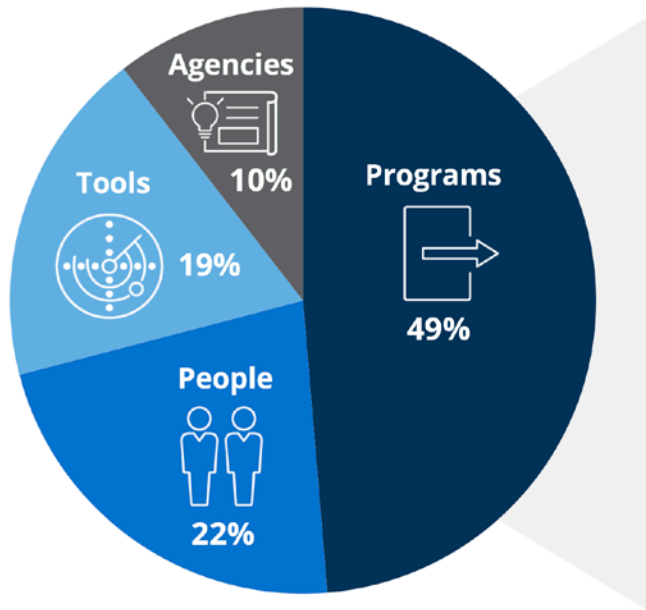
Source: SiriusDecisions
2019 State of Account-
Based Marketing Study

3

ABM Study Finding Three

Approximately half of the overall ABM budget is dedicated to programs.

On average, almost half of an organization's overall ABM budget is spent on program development and execution costs, with display media spend, events and content representing the top three spend areas.



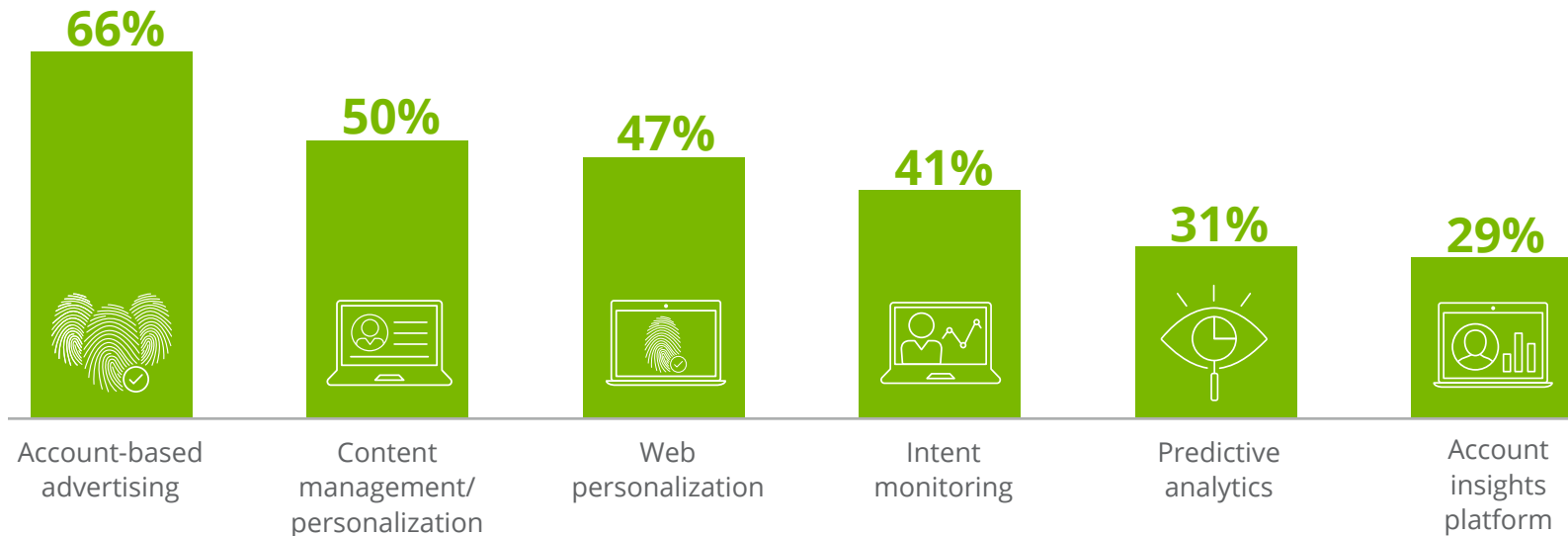
Source: SiriusDecisions 2019 State of Account-Based Marketing Study

4

ABM Study Finding Four

Companies are planning to spend more in select ABM technology categories.

For ABM marketers, the fastest-growing technology categories are **account-based advertising, content management, web personalization and intent monitoring**. But simply investing in these tools won't automatically spell ABM success; organizations must consider how the tools will be integrated, rolled out and maintained. They must optimize their use of these platforms to identify buying signals and interest, engage more relevantly, and ultimately convert their targeted accounts into pipeline and closed revenue.



Source: SiriusDecisions 2019 State of Account-Based Marketing Study

5 ABM Study Finding Five

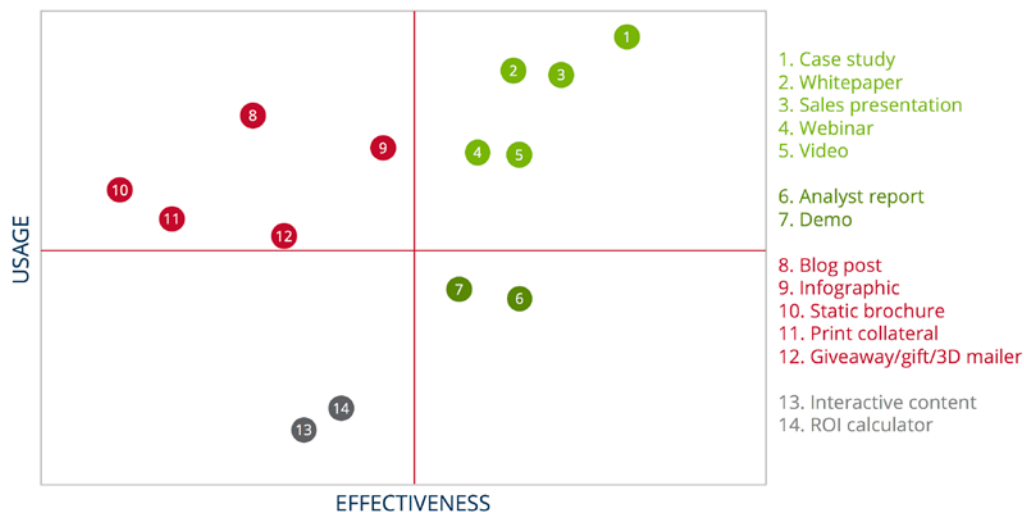
ABM content usage does not always signify content effectiveness.

A library of relevant, audience-centric, easily customizable content is the lifeblood of any ABM program, and account-based marketers must get this right if they are to effectively drive scale. ABM is often described as a team sport, and there are few areas where tight collaborative interlock can be more impactful than content creation. Ideally, ABM takes centrally produced content and applies customer insights and last-mile customization to increase the content’s relevance for target accounts.

As part of the study, respondents were asked which types of content offers they used during the past 12 months with their ABM accounts, how they were delivered, and how effective they were at driving account engagement. The most used and most effective content types during the past 12 months are case studies, sales presentations and whitepapers. Interestingly, some content forms, such as static brochures and print collateral, are popular despite not being seen as effective, whereas analyst reports and demos are used less often despite being regarded as highly effective.

The study reported a similar **overreliance on several delivery mechanisms, such as email and paid search**, that are known to be less effective than other delivery mechanisms in an account-based strategy. But some of the observations of low effectiveness may be down to the way they are deployed, or when they are delivered.

Usage and Effectiveness of Content Types in ABM

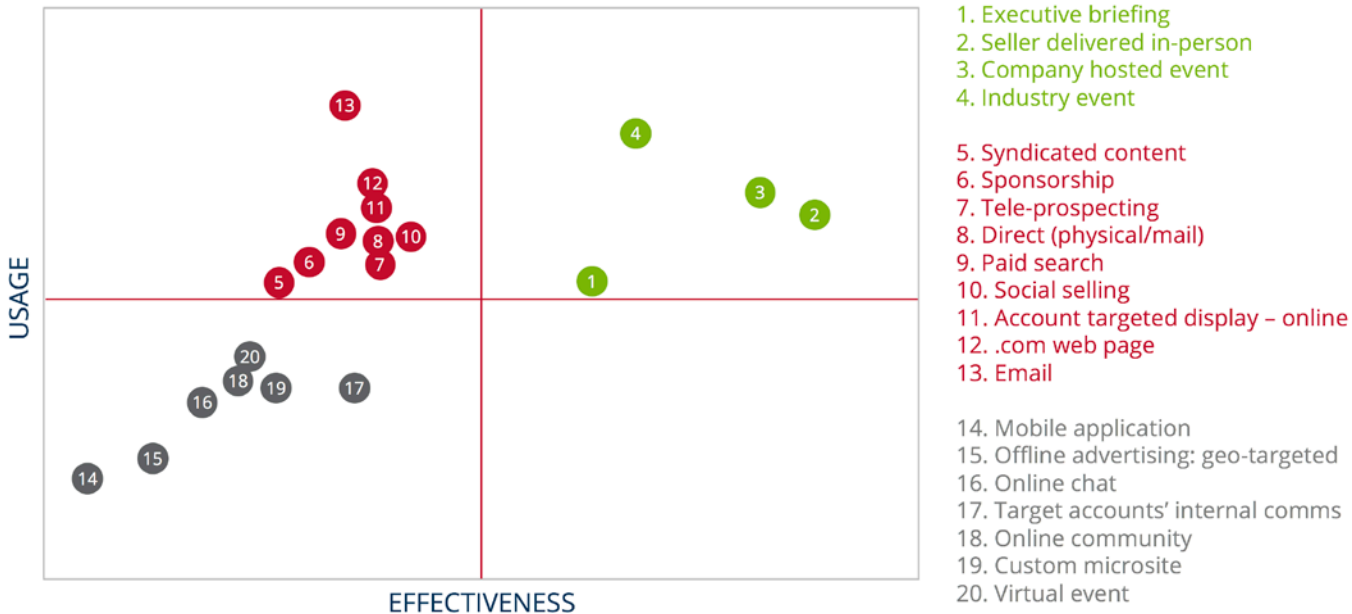


ABM Study Finding Five *continued*

The study reported a similar **overreliance on several delivery mechanisms, such as email and paid search**, that are known to be less effective than other delivery mechanisms in an account-based strategy. But some of the observations of low effectiveness may be down to the way they are deployed, or when they are delivered.

To better understand your own tactic effectiveness, SiriusDecisions recommends conducting some touchpoint analysis on closed won deals to understand which content and delivery mechanisms work best for your different target accounts, given different ABM strategies and deployment types.

Usage and Effectiveness of Delivery Mechanisms in ABM



6 ABM Study Finding Six

Many organizations cannot report on the impact of ABM.

Despite the continued growth in investment in ABM, measurement is still lacking for too many companies. Between 40 percent and 60 percent of respondents (depending on the metric) indicated that they cannot report on important indicators of ABM’s impact, such as ROI, improvement in win rate, larger average deal size and account engagement uplift. ABM leaders cannot build a robust business case for the resources needed to scale ABM purely on the strength of vanity metrics and seller testimonials. As a result, without demonstrating ABM’s large-scale impact, they may not be able to sustain the programs over the long term.



40 to 60% of companies are not tracking critical ABM metrics!

Lower
 Higher
 No impact
 Don't know/don't measure

Source: SiriusDecisions 2019 State of Account-Based Marketing Study

7

ABM Study Finding Seven

For those that do measure, ABM is proving to deliver results.

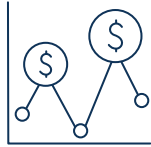
For organizations that are measuring ABM's impact, the results are encouraging:



Better Engagement

99%

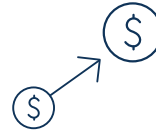
said account engagement was higher for ABM accounts



Improved Win Rate

80%

said win rate was higher for ABM accounts



Higher Deal Size

73%

said average deal size was higher in ABM accounts



Improved ROI

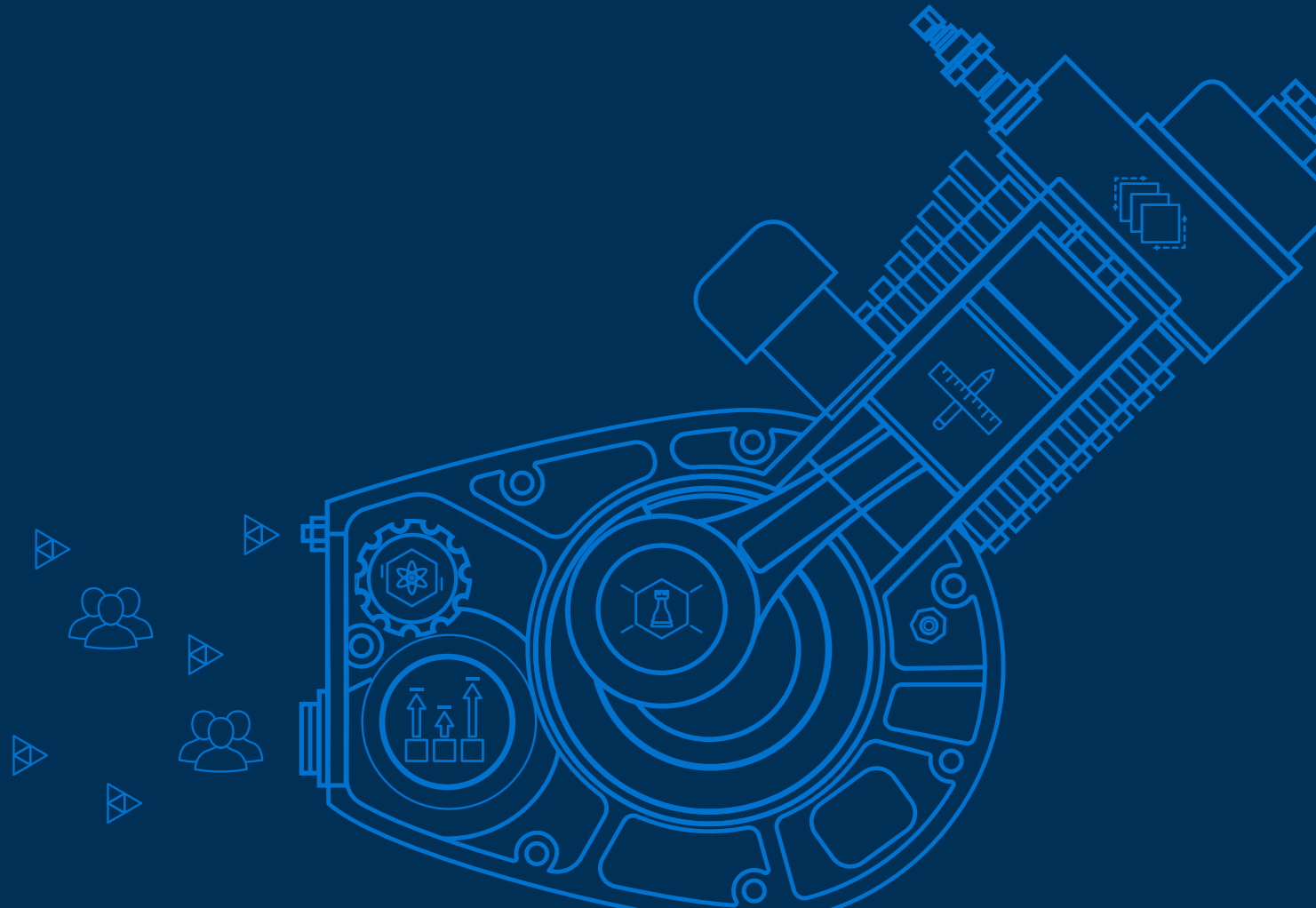
91%

said ABM accounts had higher ROI than the control group

Source: SiriusDecisions 2019 State of Account-Based Marketing Study

Conclusion

Although ABM has been an increasingly popular discipline in b-to-b marketing for several years, it will continue to attract investment and attention only if practitioners persistently ensure their programs are grounded in account insights and needs, are aligned with sales priorities and yield demonstrable results.



How We Help

SiriusDecisions helps marketers design and implement account-based marketing strategies that leverage best practices, expedite value creation, win internal support and enlarge the overall pool of ABM experts. We provide clients with a tactical plan, instill confidence to execute against it, and provide access to experts and other customers that is unrivaled in our industry.

With our unique business model, our analysts develop the research and data that we deliver to our clients via a subscription-based membership. In addition, we adapt and deliver our proprietary research through our consulting, learning and events, depending on how our clients prefer to consume our insights.

Through our analysts' extensive experience and ongoing work with b-to-b organizations, we know the challenges marketing leaders face as well as when and how to seize opportunities. To learn more about the insights and resources we have available for marketing leaders, visit siriusdecisions.com or contact us at (203) 665-4000.



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Additional Resources

[Account-Based Marketing Research and Advisory Service](#)

[Account-Based Learning SiriusPathway®](#)

[Account-Based Marketing Workshops and Custom Consulting Projects](#)



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