



Alterra Group

Thought Leadership Marketing for Professional Services

Account-Based Marketing: An Approach on the Rise in Professional Services

Initial Survey Results



Top-Level Results of our ABM Research

This document contains a summary of the top-level results of our recent survey on account-based marketing (ABM). To obtain our full point of view on ABM as well as additional supporting materials, please visit <http://www.alterra-group.com/alterra-group-insights/AccountBasedMarketing.shtm>.



Executive Summary

Prevalence

- > The vast majority of respondents (86%) use account-based marketing (ABM). Among these respondents, 80% said ABM will become more important during the next year.
- > The most-cited reasons for ABM's increasing use were the rising importance of client retention and growth, and ABM's superior ROI versus other marketing methods.
- > Two-thirds of respondents who do not use ABM attributed this to a lack of internal resources, versus unfamiliarity or poor fit with their business.

Practice

- > Respondents overwhelmingly use ABM to improve relationships with existing clients, not for prospecting. This is despite the fact that 65% of respondents said ABM had considerable benefits in terms of attracting new clients.
- > Respondents say ABM will continue to grow as a percentage of their budgets over time—from an average of 17% three years ago to 44% three years from now.
- > Company-specific educational events, one-on-one meetings at trade shows, and customized “annual reports” were the most commonly-used ABM tactics. Social media has yet to establish a major role in ABM practices.
- > Among available ABM tactics, respondents intend to increase their use of client-specific microsites the most, followed by customized thought leadership and company-specific educational events.

Measurement

- > 64% of respondents measure ABM's ROI to at least a moderate degree. Client satisfaction, revenue growth, and profitability were the top metrics used. Length of relationship was not a factor for most respondents.
- > 97% of respondents say ABM has a higher ROI than other marketing methods—38% say it is much higher. In addition, most respondents say ABM provides significant benefits in terms of both retaining existing clients (84%) and attracting new ones (65%).



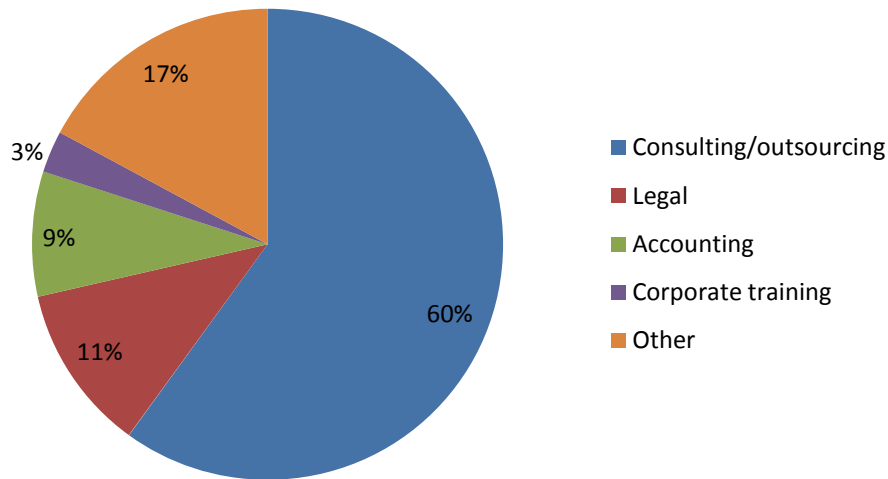
Section 1

RESPONDENT DEMOGRAPHICS

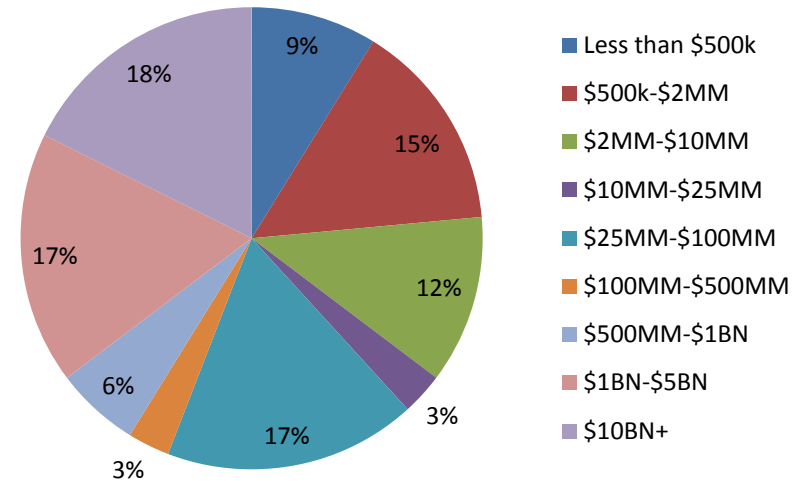


Survey respondent demographics

Segment



Revenue

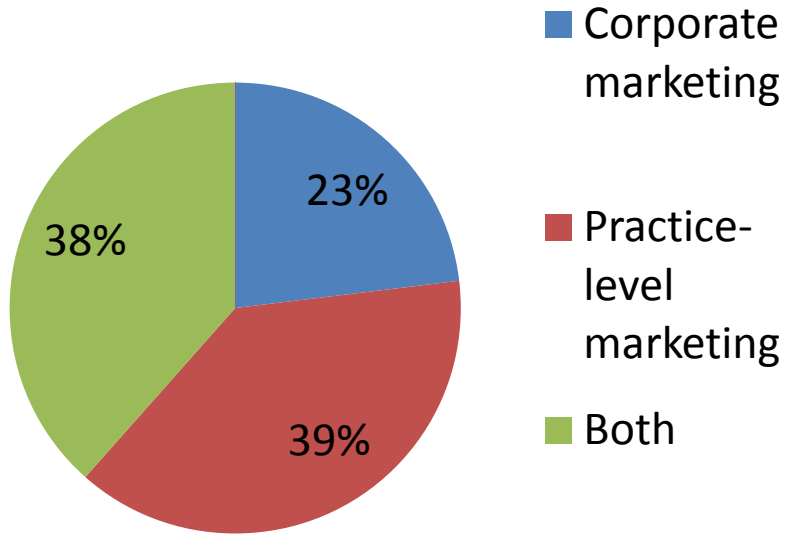


We spoke to fifty U.S.-based practice leaders, marketers and business development executives (through survey and interviews) across the management consulting, accounting, law, corporate training and other professional services sectors. This data represents the survey portion of our research.

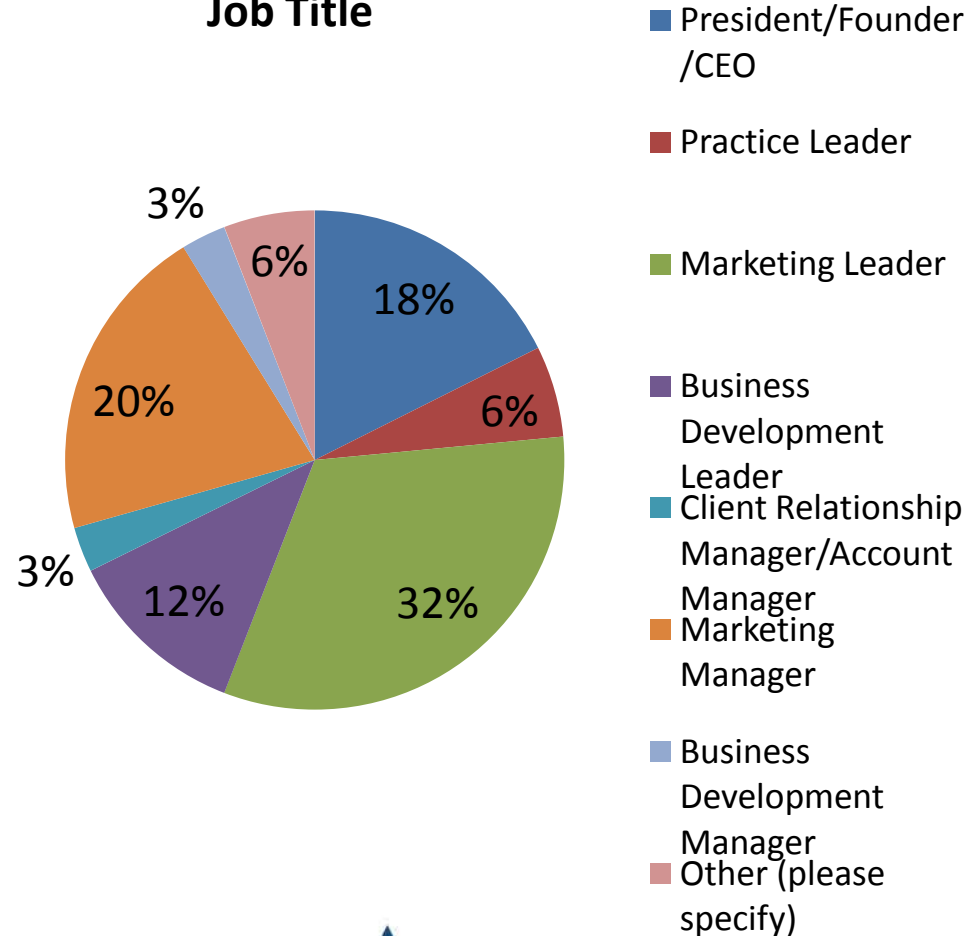


Survey respondent demographics

Organizational Level



Job Title



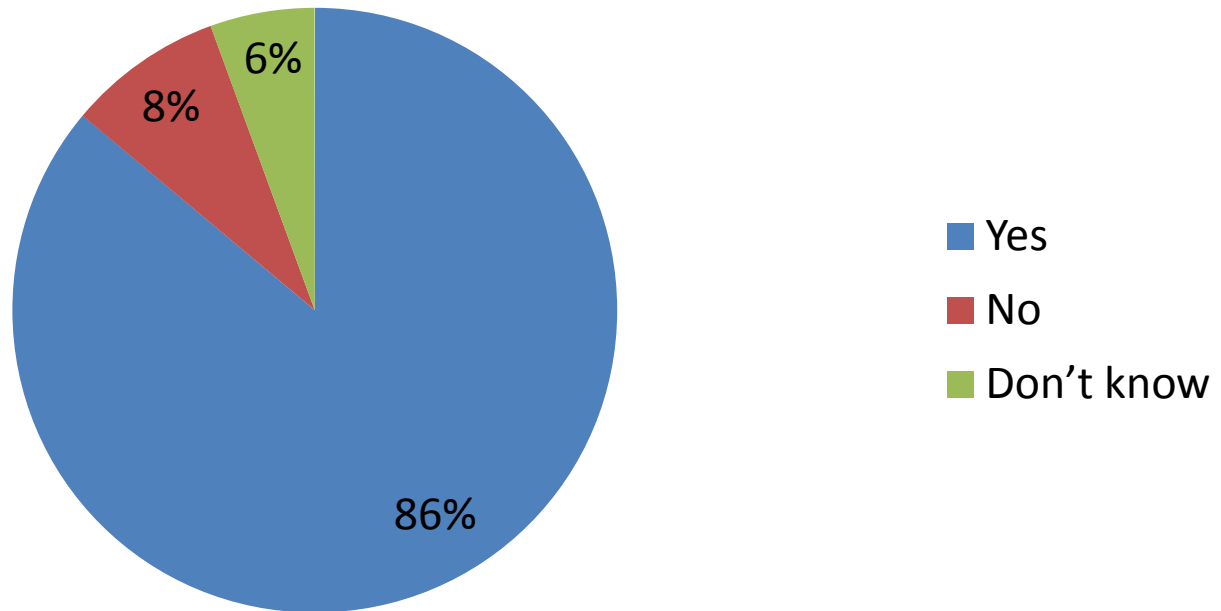


Section 2

PREVALENCE OF ABM



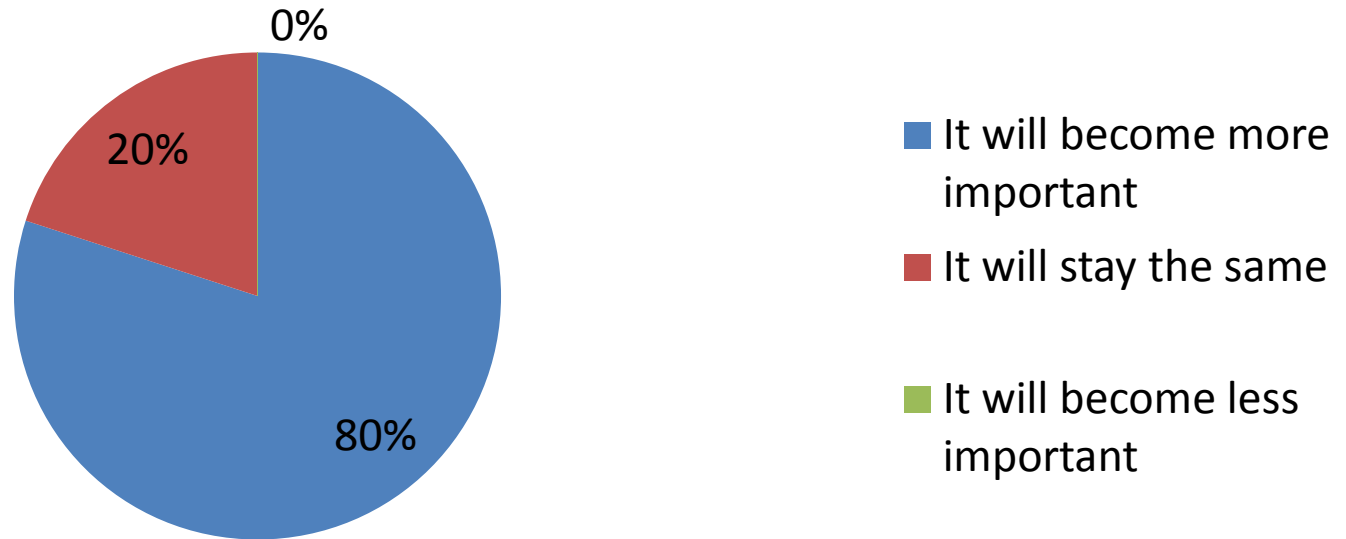
Do you use ABM at your firm?



The vast majority of respondents (86%) use account-based marketing. The small percentage that don't use ABM cited lack of resources as the primary reason.



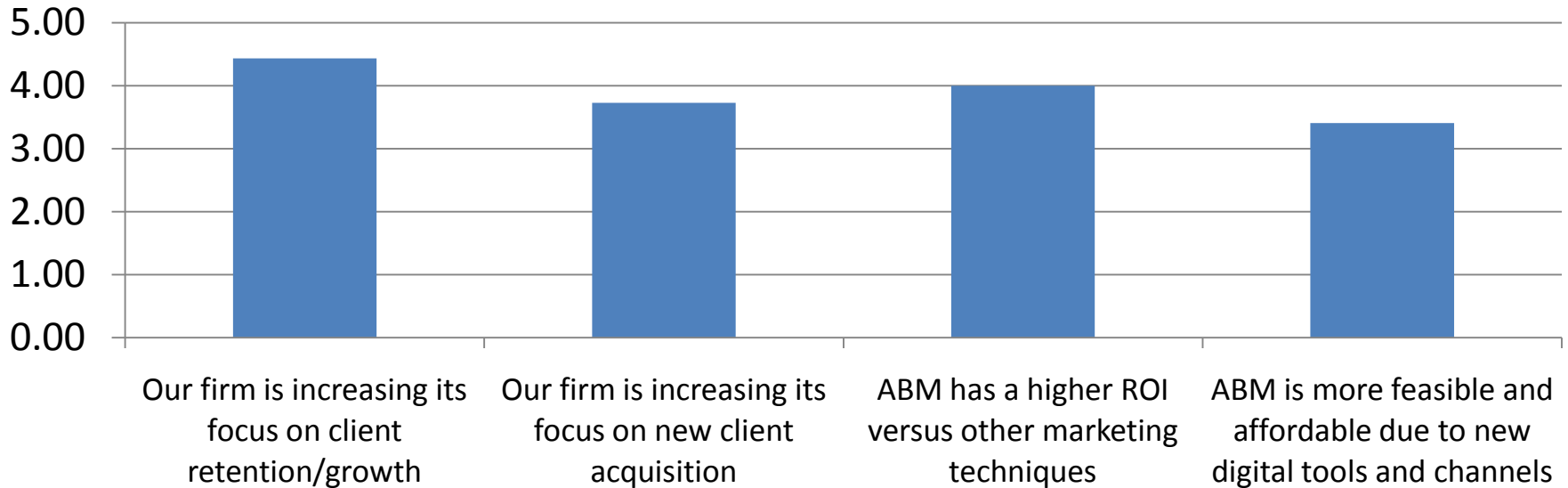
How do you predict the importance of ABM to your organization will change over the next year?



Among respondents using ABM, 80% said it will become more important, and 20% said it will stay the same. None said it would become less important.



Why do you think ABM will become more important? (5=major factor, 1=not a factor)



The most-cited reason for ABM's increasing use is a rise in importance of client retention and growth. Next-highest was its superior ROI.

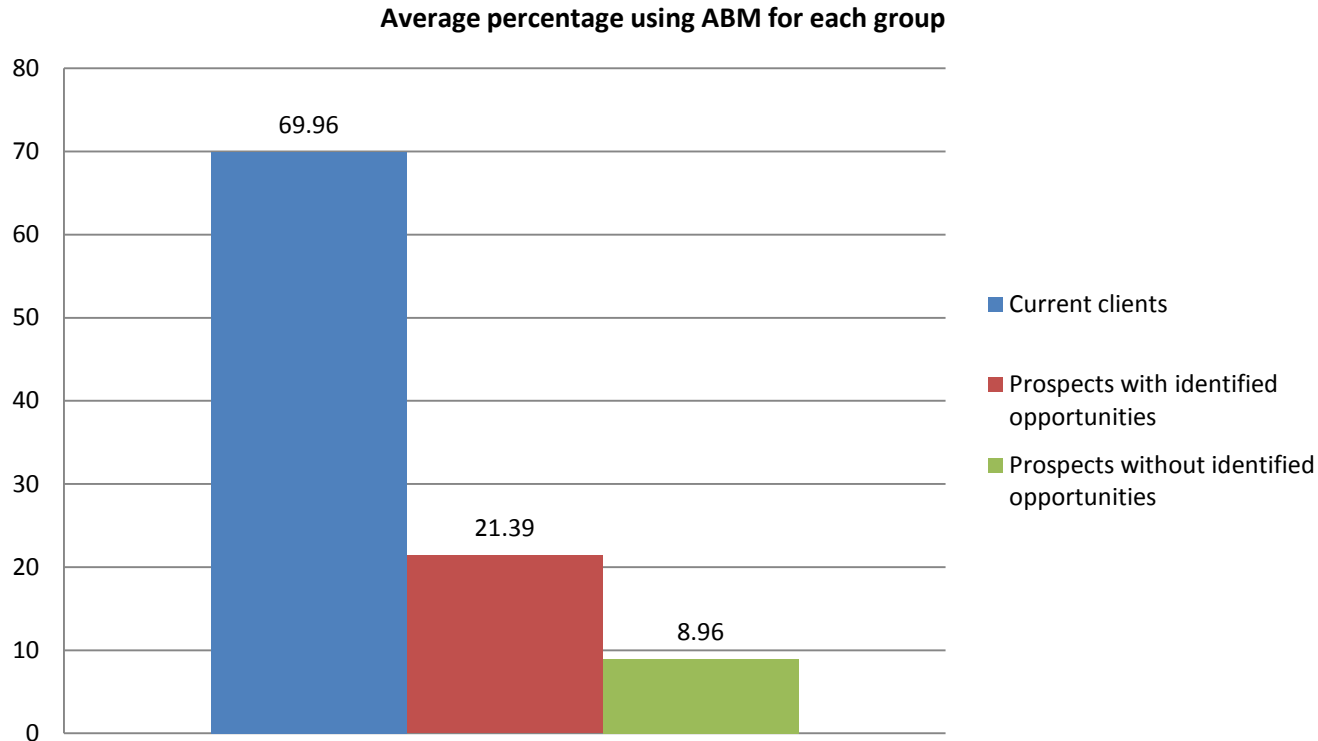


Section 3

THE PRACTICE OF ABM



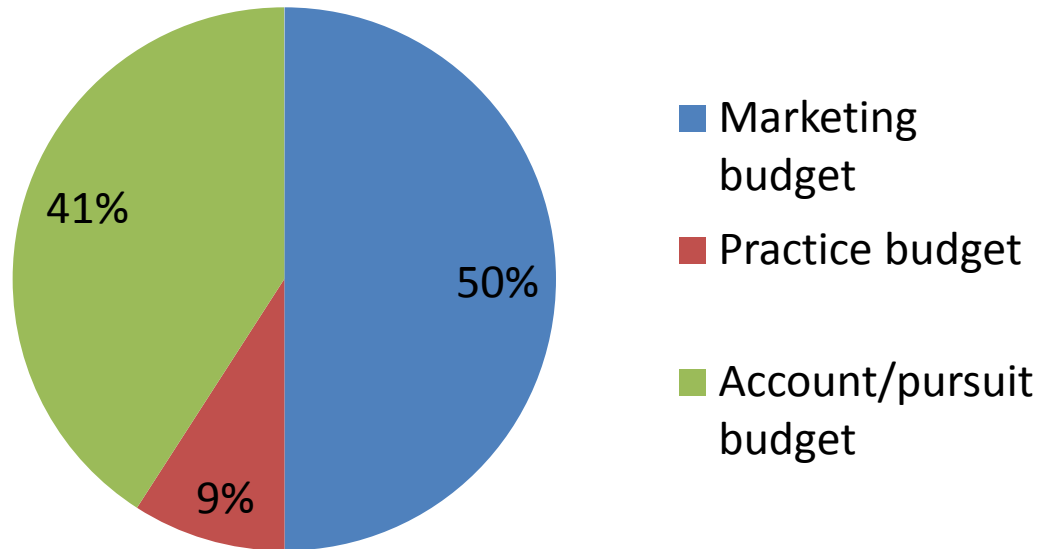
What percentage of your ABM programs are dedicated to each of the following? (average of all responses)



Respondents overwhelmingly use ABM to improve relationships with existing clients, not for prospecting. This is despite the fact that 65% of respondents said ABM had considerable benefits in terms of attracting new clients.



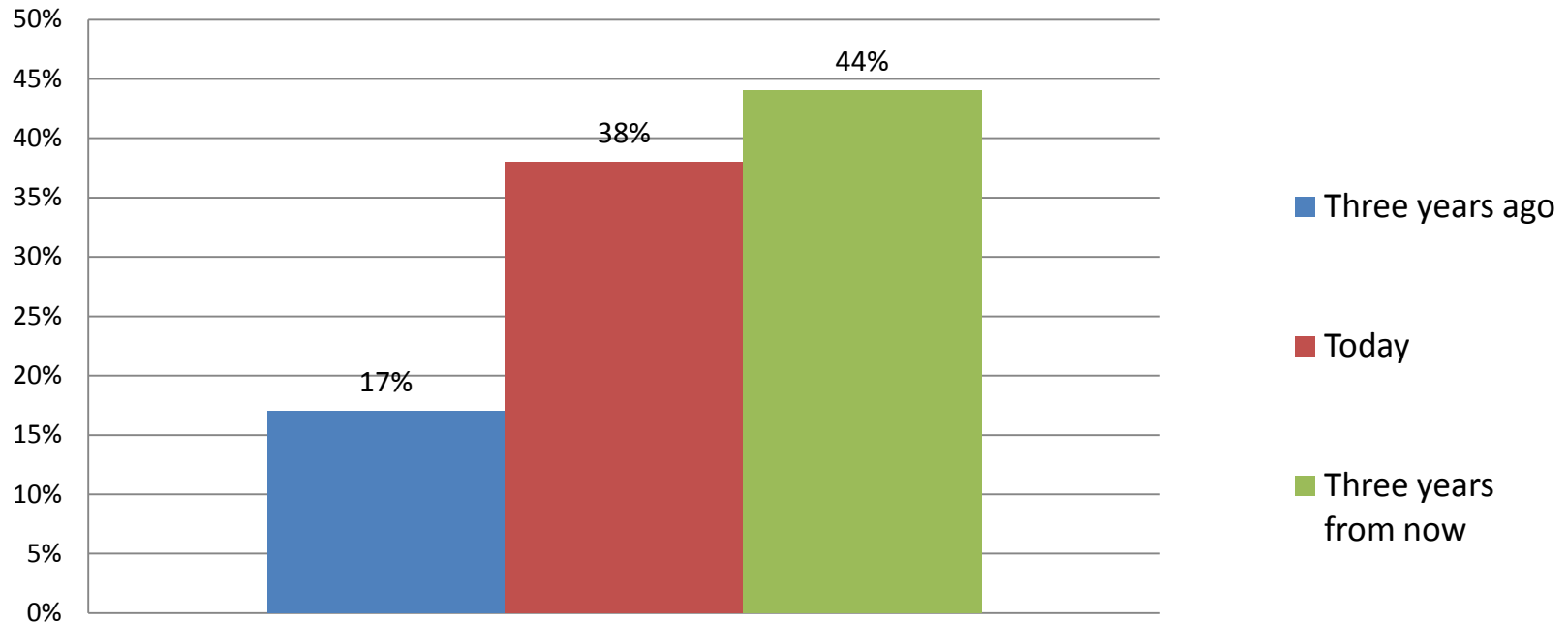
How are ABM activities primarily funded?



ABM is largely funded by marketing and account/pursuit budgets, not practice budgets.



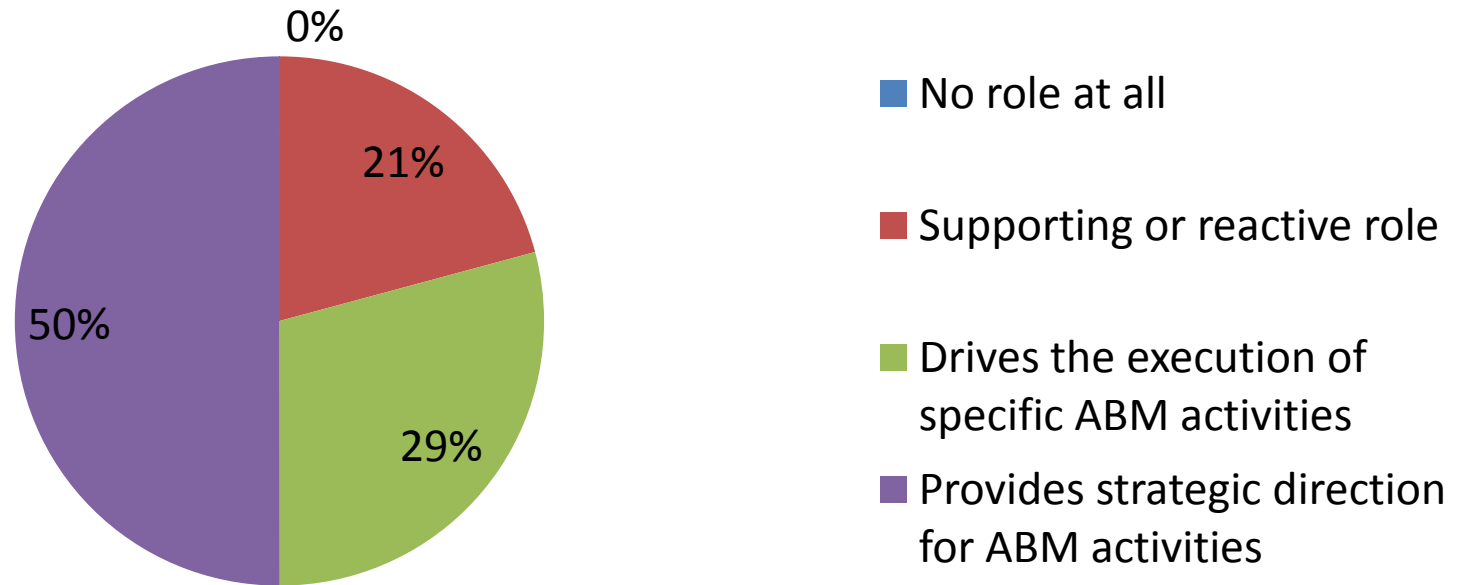
Describe the percentage of your marketing budget dedicated to ABM during the following time periods: (average of all respondents)



Respondents say ABM will continue to grow as a percentage of their budgets over time—from 17% three years ago to 44% three years from now.



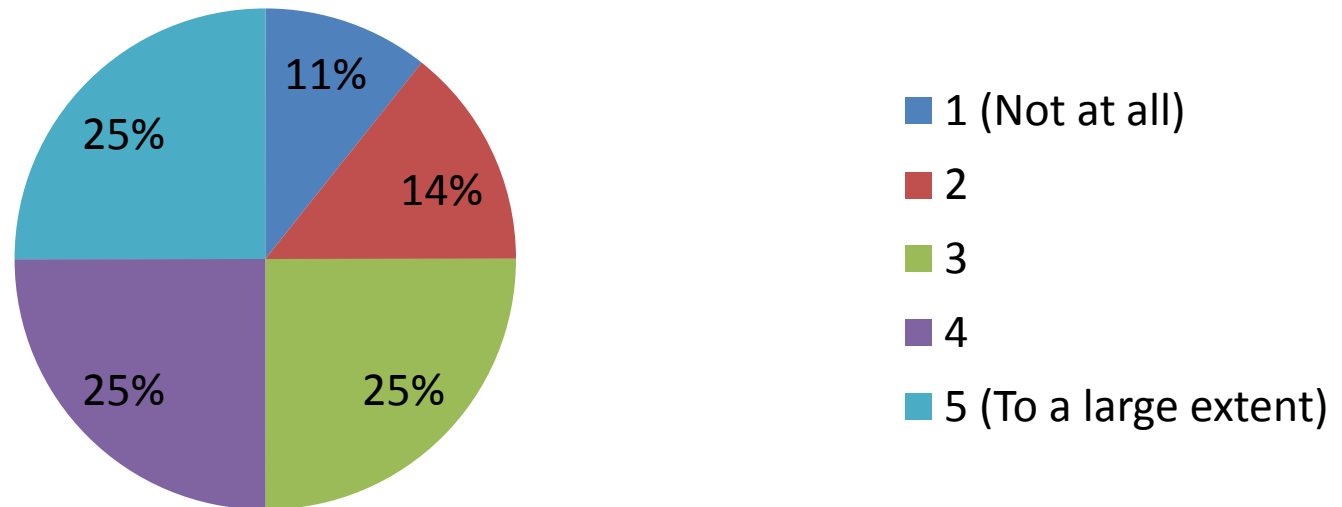
What kind of role does the marketing function at your firm play on a typical ABM team?



The marketing function is central to ABM, either leading overall ABM efforts or specific elements for 79% of respondents. The remaining 21% said it played a supporting role.



To what extent do you provide tools and templates that individual account teams can use and tailor for their own accounts?



Nearly 90% of respondents provide customizable tools and templates for ABM. 50% use them to a considerable degree.



To what extent do you use the following as part of your ABM strategy?

Tactics	Use to a large extent
Company-specific educational events: Providing access to internal/external topical experts to your clients and prospects	46%
Hold meetings with individual clients during trade shows or industry conferences	46%
"Annual reports" on the overall client relationship	35%
Email newsletters customized for and targeted to specific clients and prospects	31%
Client- or prospect-specific webinars	23%
Develop customized presentations, white papers and other thought leadership documents for specific clients based on new points of view	23%
Microsites: Private website dedicated to the relationship with a client	15%
Social/sporting events for specific clients or prospects	15%
Conduct promotion for the client – speaking slots, case studies, PR, etc.	8%
Highly-targeted advertising (such as in the elevators of client buildings)	8%
Benchmark a specific client or prospect against recent research findings	4%
Client- or prospect-specific groups or blogs on social networking sites	0%

Company-specific educational events, trade show meetings, and customized “annual reports” were the most commonly-used ABM tactics. Social media has yet to establish a major role in ABM practices.



How well do each of the following contribute to the fulfillment of your ABM goals?

Answer Options	Use to a large extent	Consider tactic to be very effective
Company-specific educational events: Providing access to internal/external topical experts to your clients and prospects	46%	50%
Hold meetings with individual clients during trade shows or industry conferences	46%	38%
"Annual reports" on the overall client relationship	35%	42%
Email newsletters customized for and targeted to specific clients and prospects	31%	19%
Client- or prospect-specific webinars	23%	19%
Develop customized presentations, white papers and other thought leadership documents for specific clients based on new points of view	23%	23%
Microsites: Private website dedicated to the relationship with a client	15%	31%
Social/sporting events for specific clients or prospects	15%	23%
Conduct promotion for the client – speaking slots, case studies, PR, etc.	8%	23%
Highly-targeted advertising (such as in the elevators of client buildings)	8%	12%
Benchmark a specific client or prospect against recent research findings	4%	15%

These most popular tactics were also perceived as the most effective. However, email newsletters are more widely-used than they are effective, while microsites are more effective than they are widely-used.



How do you predict your usage of each will change during the next 12 months?

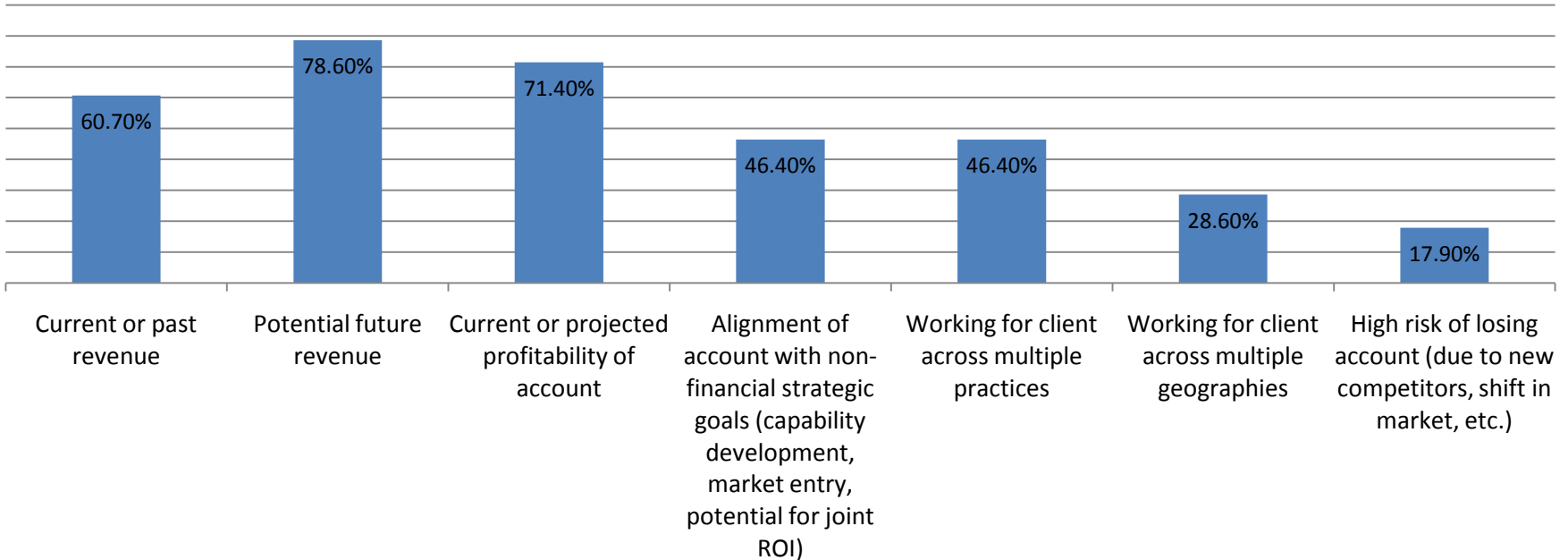
Answer Options	Consider tactic to be very effective	Intend to increase usage over next 12 months
Company-specific educational events: Providing access to internal/external topical experts to your clients and prospects	50%	50%
Hold meetings with individual clients during trade shows or industry conferences	38%	27%
"Annual reports" on the overall client relationship	42%	42%
Email newsletters customized for and targeted to specific clients and prospects	19%	38%
Client- or prospect-specific webinars	19%	35%
Develop customized presentations, white papers and other thought leadership documents for specific clients based on new points of view	23%	54%
Microsites: Private website dedicated to the relationship with a client	31%	58%
Social/sporting events for specific clients or prospects	23%	23%
Conduct promotion for the client – speaking slots, case studies, PR, etc.	23%	31%
Highly-targeted advertising (such as in the elevators of client buildings)	12%	23%
Benchmark a specific client or prospect against recent research findings	15%	19%
Client- or prospect-specific groups or blogs on social networking sites	8%	42%

Respondents intend to increase their use of client-specific microsites the most, followed by customized thought leadership and company-specific educational events.



Which of the following factor into your decision to apply ABM to a client?

Percentage of respondents using each factor



Potential revenue is a more common reason for using ABM than current revenue. Current or potential profitability is also more important than current revenue. Risk of losing an account is not a common reason to use ABM.

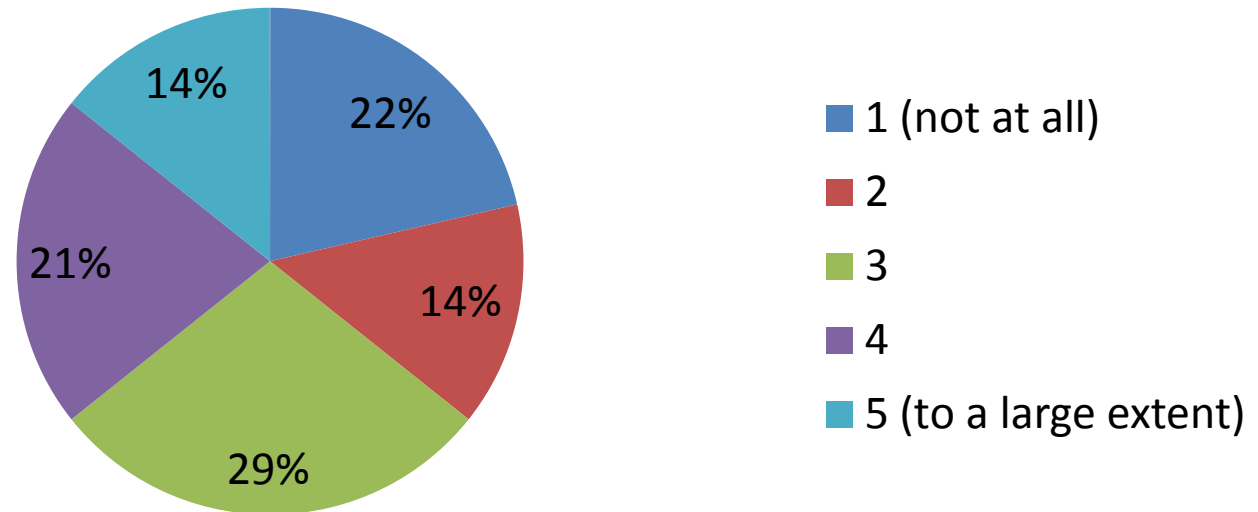


Section 4

MEASURING THE IMPACT OF ABM



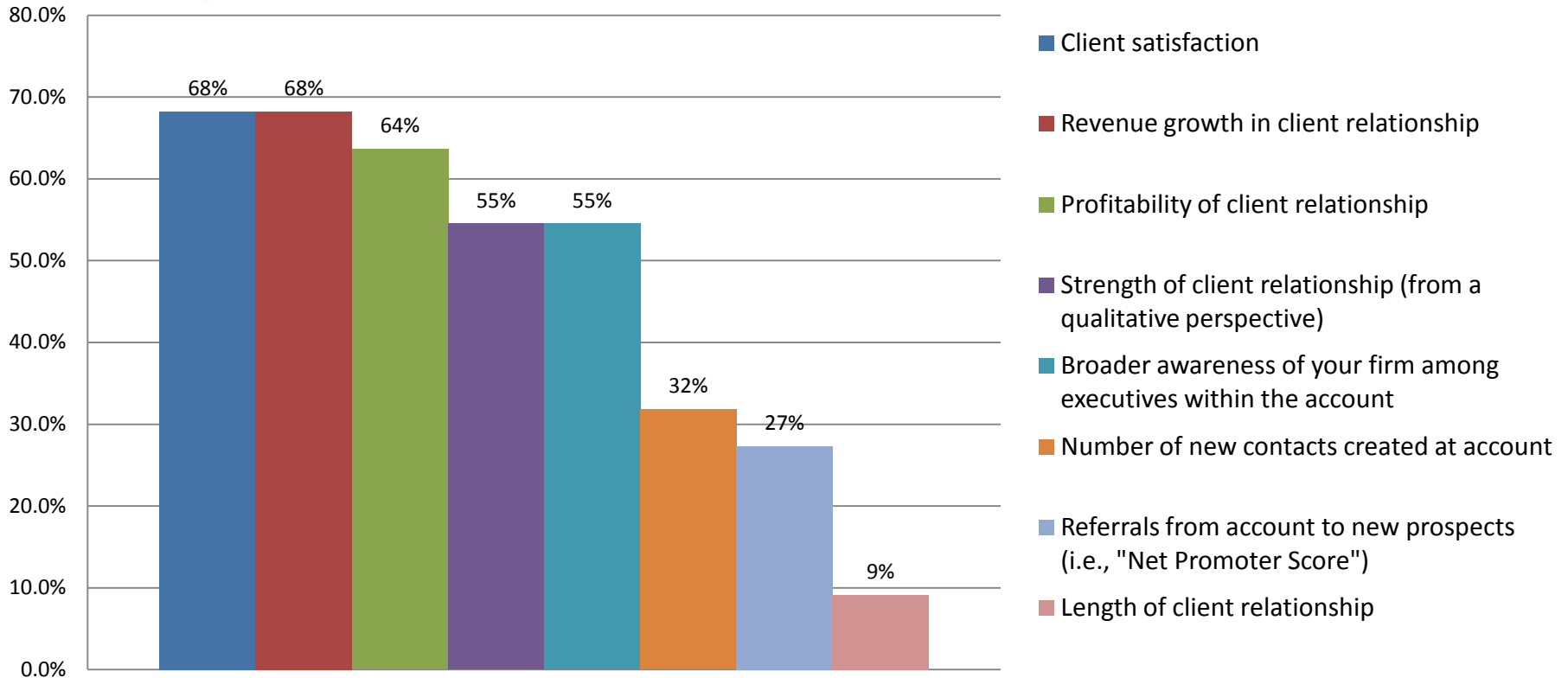
To what extent do you measure the ROI of ABM? (5=large extent, 1=not at all)



64% measure ABM's ROI to at least a moderate degree (3, 4, or 5 on a 1-5 scale).



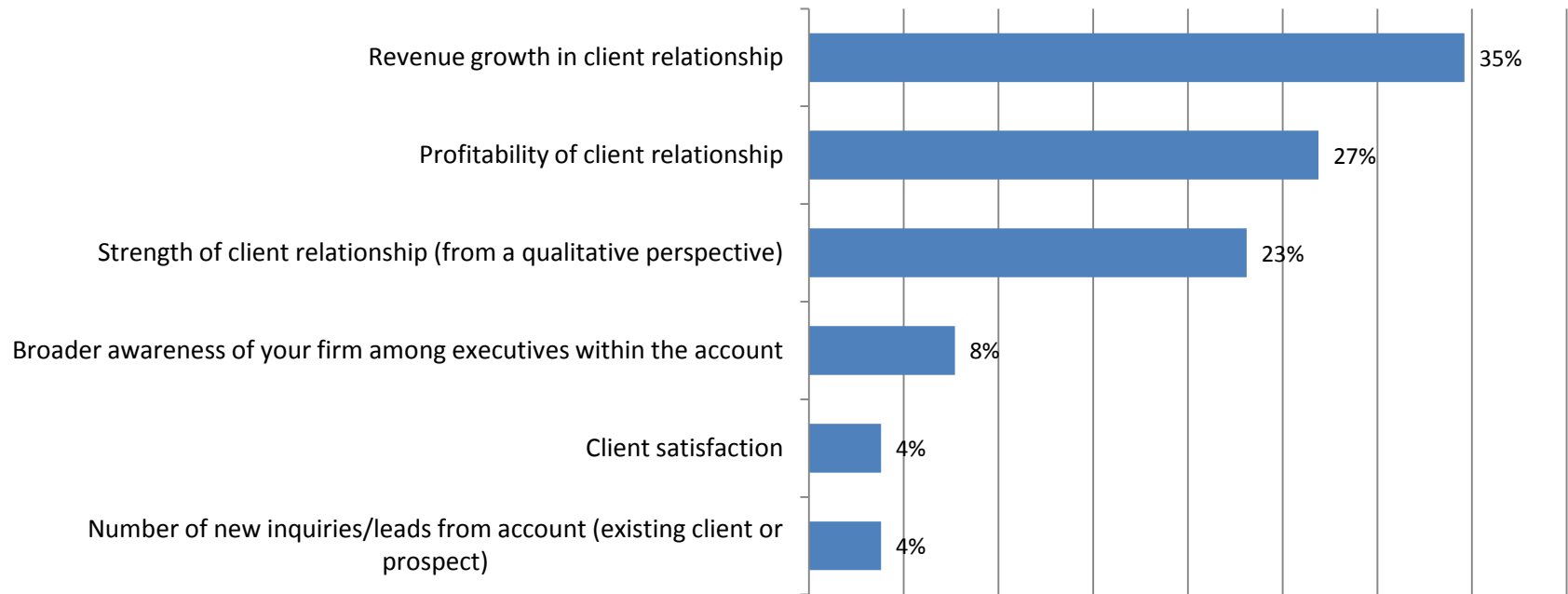
Which of the following metrics do you use to measure the ROI of ABM? (select all that apply)



Client satisfaction, revenue growth, and profitability were the top metrics used to measure the ROI of ABM. Length of relationship was not a factor for most respondents.



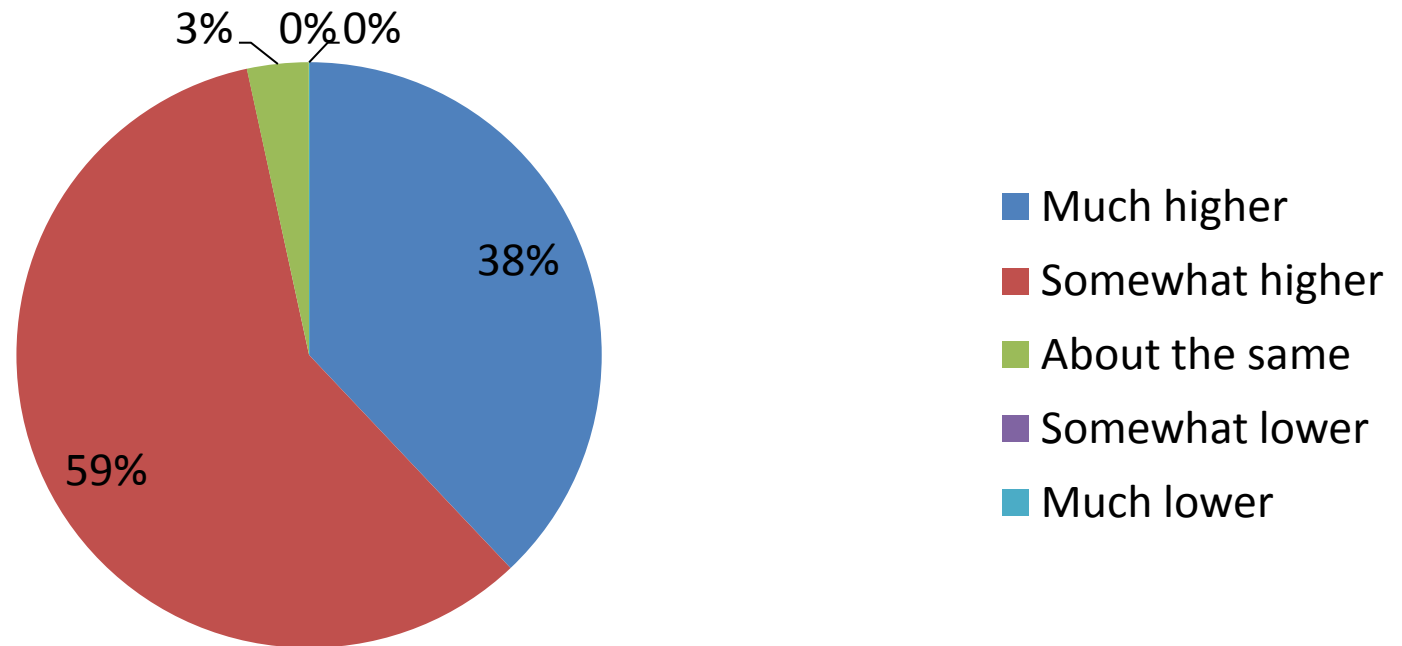
Which ONE of these metrics do you consider the most important?



Revenue growth was most often chosen as the most important of these metrics. And while client satisfaction was cited as one of the most important metrics, very few respondents thought it was the single most important.



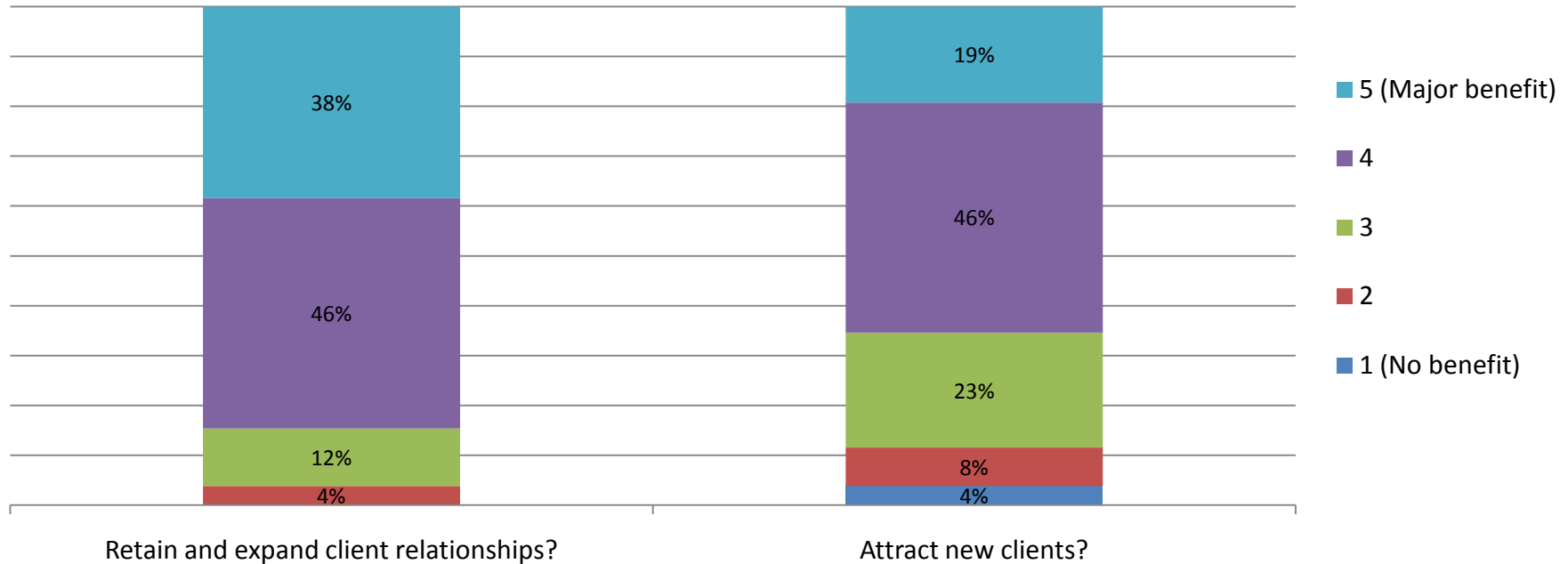
How would you describe the ROI of ABM as compared to other marketing initiatives?



97% of respondents say ABM has a higher ROI than other marketing methods. 38% say it is much higher.



Overall, how would you describe the benefit of ABM to your organization's ability to:



Most respondents say ABM provides significant benefits in terms of both retaining and expanding existing client relationships (84%) and attracting new clients (65%).



Contact

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- > To learn more about Alterra Group's insights and services, please visit www.alterra-group.com