

Original Paper

Automated and Scalable: Account-Based B2B Marketing for Startup Companies

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Abstract

Advances in digital marketing strategy have opened the floodgates for forward-thinking marketers to rewrite how modern business-to-business marketing is done from a strategic and tactical aspect. This paper discusses a fundamental shift that has been pervading the business-to-business marketing space, i.e., the adoption of Account-Based Marketing (ABM). ABM bridges the gap between marketing to an individual and marketing to the broader organization in an automated and scalable fashion. Specifically, we aim to provide a practical guide regarding some best ABM practices for startup companies. Startup companies typically look to drive rapid growth in both revenue and number of customers; however, go-to-market resources are often limited. For these companies, automating and scaling an ABM becomes an essential part of their growth. We discuss three data sources valuable for ABM program for startups, and the development of a robust account intelligence program and customized go-to-market campaign. The practice introduced in this paper can serve as a starting point for startup companies that plan to drive rapid revenue growth through a focused account-based strategy.

Keywords

business-to-business marketing, account-based marketing, startup companies, account intelligence, customized go-to-market campaign

1. Introduction

The modern business-to-business (B2B) demand generation marketers have come to a crossroads. To date, B2B marketers have derived their value from the traditional demand waterfall: they meticulously track new names in the database, and through each individual action, they ultimately hope to capture an individual's journey to net new business for their organization.

Unfortunately, there are many obstacles in their path to being successful in this endeavor. Sales organizations that employ an enterprise sales strategy (i.e., complex sales, which involves long sales cycles with multiple decision makers) need to work with large buying committees within their most strategic prospective customers. Instead of selling to individuals, oftentimes, the buying companies can be vast, and the number of individuals needed to convince before making a purchase are numerous.

Doing this at scale across hundreds and thousands of accounts (Note 1) creates the need for an efficient way to identify potential clients as well as enable mass personalization efforts.

For many startup companies, the challenge can become even more pronounced, as the go-to-market team is often much smaller in size, exemplary client list is rather small, and the resources to conduct extensive account intelligence and the ability to execute a customized account engagement strategy are limited. Yet in the meantime, expanding the customer base rapidly is essential for its survival. Therefore, the challenge nowadays in the B2B enterprise space, especially startups, is how to automate and scale the identification process of strategic prospective customers and the customization of engagement experience.

Account-Based Marketing (ABM) helps address this challenge. ABM is a set of concentrated marketing activities focused on a core group of strategic companies that have been agreed on by the sales organization (e.g., Burgess, 2016; Optimizely, 2019; Purcărea, 2018). The strategic ABM can be fundamentally broken down into two key pillars, namely, (1) the collection and delivery of account intelligence (to identify prospective clients); and (2) the creation of customized go-to-market campaigns that drives broad account awareness and engagement.

What truly sets the ABM apart from the traditional strategic account marketing, is that modern marketers can use tools and data to affect sales performance through account intelligence analysis and customized marketing activities on a *much grander scale* (e.g., Burgess & Munn, 2017). By collecting and analyzing specific companies' firmographics, company size, industry, technological profile, intended use case, etc., ABM program performs account intelligence reports and identifies potential clients efficiently. By focusing on understanding the needs of specific organizations and ultimately the individuals that make up buying groups at those organizations, ABM programs develop quasi-personalization through curation of pre-existing demand generation content, and create customized landing pages, emails, and display advertising. The adoption of ABM is burgeoning in the B2B marketing space. In a demand generation benchmark survey, the adoption of account-based tools is identified as the top priority by B2B marketers in 2018 (Gaffney, 2018). TOPO (2019) reported that ABM has proven to create opportunities, improve customer lifetime value, and deliver higher ROI than traditional go-to-market strategies. As an emerging practice, many companies are still trying to understand and begin their own ABM programs (Pardot, 2018). While the academic literature on ABM is rather scarce, several books and chapters (e.g., Burgess & Munn, 2017; Kelly, Johnston, & Danheiser, 2017; Vajre, 2016) strives to provide a practical guide regarding the implementation of ABM.

The current literature is missing a closer examination of account-based programs specifically for startup companies. Many startups are looking for rapid growth in sales and revenue. However, the go-to-market resources and the existing client base are limited. For these companies, automating and scaling an account-based program becomes essential.

The focus of this paper, therefore, is to provide a practical guide regarding some best ABM practices for startup companies. We offer an in-depth discussion about three valuable data sources that are valuable for ABM programs, and the development of account intelligence and customized go-to-market campaigns for account engagement. The practice introduced in this paper can serve as a starting point for startup companies that plan to drive rapid revenue growth through a focused account-based strategy.

2. Literature Review

ABM is built on the concept of relationship marketing (Sheth & Parvatiyar, 2000), which is defined as “an integrated effort to identify, maintain, and build up a network with individual consumers and to continuously strengthen the network for the mutual benefit of both sides, through interactive, individualized and value-added contacts over a long period of time” (Shani & Chalasani, 1992, p. 44). In the B2B context, it refers to the specific set of marketing activities that target specific groups of individuals of the account (company) that sales organization plan to engage with. The essence of relationship marketing is to develop one-to-one marketing activities that meet individual customer’s needs (Peppers & Rogers, 1993). It forms a close bond between sellers and buyers, which benefits the relationship in the long run (Ganesan, 1994). Relationship marketing is especially attractive for B2B context, given that the B2B sale often involves larger purchase volumes and amount, and heavy investment in customized, one-on-one effort is worthwhile (Zinkhan, 2002).

However, for a B2B sales organization that employs an enterprise sales strategy, implementing relationship marketing can be costly, especially if the number of individuals involved in the decision-making process and the number of accounts available in the market (total available market) expand.

This is especially the case for startup companies where go-to-market resources are limited. To effectively implement one-on-one relationship marketing, an integrated knowledge database of target customers as well as a long-term customer retention and growth strategy are essential (Peppers & Rogers, 1993). ABM makes use of marketing technology (MarTech) databases in finding and engaging potential customers. Next, we will provide a detailed discussion regarding the key data sources used in ABM programs for startups, and the recent developments in account intelligence analysis and customized go-to-market campaign for account engagement.

3. Key Data Sources for ABM

The effectiveness of ABM hinges on quality data. ABM practitioners collect data from varying sources and utilize them in account analyses and customized content creation to engage key accounts. The data collected enables this relationship marketing practice to be automated, efficient, and scalable. Next, we elaborate on three key data sources, namely, firmographic data, engagement data, and intent data.

3.1 Firmographic Data

Assessing the market size is essential for startup companies. In today’s data driven B2B sales and marketing environment, a deeper understanding of key account’s firmographic information helps to identify potential clients. Typical firmographic data includes industry vertical, number of employees, yearly revenue, and Alexa rank (Note 2) (an estimate of a website’s popularity). These data are available through many B2B data vendors including companies such as D&B, EverString, Intricately, and ZoomInfo (Note 3).

There are several new categories of firmographic information that help improve the prediction of market size. For instance, the *technology and software install base* provides insights as to whether the company uses complementary software or technology. To illustrate, if the company provides a cloud data warehouse service, a good fit will be found within companies that adopt a cloud-first strategy (e.g., using Amazon Warehouse Service); or if the company specialized in artificial intelligence solutions, potential clients may be found among those who use LiDAR digital imaging processing as well as machine learning or artificial intelligence. *Hiring information* of a company can also be collected to develop account intelligence. This type of information will provide insights regarding the company’s future plans.

For instance, a company that has openings for machine learning engineers may show that in the near term, the company may have machine learning competency in their future. Several MarTech companies provide such data, including LinkedIn and Discover.Org (Note 4).

3.2 Account Engagement Data

Account Engagement can be defined as the summation of all measurable marketing engagement activities, collected at the person level (leads and contacts) and then aggregated at the company level.

These measurable activities include:

- marketing email opens and clicks,
- display advertisement clicks,
- webinar registration and attendance,
- weekly demo registration and attendance,
- trade show and field event registration and attendance,
- self-service trial account creation,
- ...

The broad spectrum of engagement activities can be aggregated into a single measurement as engagement minutes, and further used in the account intelligence analysis (more details below). A popular practice is to display engagement information at account level over the past three months rolling as a key component of account scoring.

3.3 Intent Data

For early stage startups, the client list is short and first-party engagement data (collected within the sales organization) are often not available or is insufficient within their own databases. To address this challenge, ABM marketers can employ third-party “*intent data*”. Intent data are a collection of data that can offer insights regarding the type of marketing content consumed elsewhere (outside of the sales organization) by a buying company. These intent data shed light on the general topics that the buying company may be interested in, and therefore, can help to determine the match between the buying company and the sales organization. There are several MarTech companies such as Bombora and TechTarget (Note 5), that specialize in providing third-party B2B content consumption data. These MarTech companies collect and aggregate the intent data either through their owned content syndication network, or their agreement with B2B companies to back-track a company’s content consumption behavior across multiple web properties and platforms.

4. Account Intelligence Analysis

Marketing departments have a strong role to play in helping assess the true total addressable market for a company. In an account-based organization, the most important landscape to understand is the best-fit accounts in each country or sales territory. In order to facilitate choosing the best fit accounts for each member of the sales organization, marketing can add value by bringing account intelligence to bear on an ever-increasing addressable market of companies.

Traditional B2B lead-based marketing metrics often settle on using *Marketing Qualified Leads* to identify potential clients. The definition of *Marketing Qualified Leads* has focused solely on the level of engagement for a given person without taking the broader buying groups under consideration. However, for startups, this approach may not be feasible because it confines the account list to those who already engaged with the sales organizations but forgo those who have not generated first-party engagement data. The ABM framework proposes a more holistic approach of defining the *Marketing Qualified Accounts*, which strives to not only find the most engaged accounts to focus on, but also the most relevant and

timely accounts that are deemed by marketing to be in most urgent need of sales' attention. This holistic approach helps marketers to identify accounts that may not have engaged with sales and marketing content yet, but may be potentially interested in working with the sales organization. Using firmographic, engagement, and intent data, account-based marketers can create a picture of what an ideal customer looks like; this process is known as *account scoring*.

As a starting point, sales organizations can provide a seed list (a set of companies that they have done business with previously; for startups, this list can be short, but needs to average around 100 companies). Based on the firmographic information and intent data of the companies in the seed list, marketers can then start assigning scores to companies in the broader addressable market. The score measures the *similarity* between the companies in the database and the seed list. The companies with similar firmographics should have a higher likelihood of becoming the sales organization's client. Several MarTech companies, such as EverString and Intricately, specialize in producing such scores using machine learning methods. They adopt machine learning models with over 1000 indicators using firmographic information, including number of employees, revenue, location, industry, technology install profile, hiring information, product information, funding, web ranking and social media presence, etc. This score is termed as "model fit score" by EverString. Essentially,

$$\text{Model Fit Score} \sim \text{Similarity (Companies in Seed List, Companies in Database)} \quad (1)$$

The model fit score ranges from zero to 100, with higher number indicating greater similarity between the company and the existing clients (seed list). The score provides a clear view on how accounts in the database look like companies that the sales organization has done business within the past.

To improve the prediction power, we can also augment the model fit score with additional marketing analytics inputs, mainly including engagement data described above. This can be termed as the *Marketing Account Fit Score*. Specifically,

$$\text{Marketing Account Fit Score} \sim \text{Account Engagement} + \text{Model Fit Score} \quad (2)$$

Similarly, we can score accounts in the database from zero to 100, with the higher score representing greater potential to be the client, and those who exceed a defined threshold to be a *Marketing Qualified Accounts*.

These account intelligence analyses help identify new markets, define sales territories, and ultimately prioritize accounts for the sales organization.

5. Developing Customized Content for Account Engagement

Another pillar of strategic ABM is one-to-one go-to-market campaign, which focuses solely on driving awareness, engagement and ultimately pipeline development. We will examine the customized content marketing for startup companies under an ABM framework, given that the B2B digital content marketing is believed to be the key influencer of consumers purchase decisions (Järvinen & Taiminen, 2015; Lingqvist, Plotkin, & Stanley, 2015; Wiersema, 2013).

In a traditional B2B environment, demand generation content is created for industry verticals, specific use cases and oftentimes key buying personas. When the number of accounts is limited, a one-to-one marketing strategy is attainable. However, if the same content creation strategy was applied to individual companies at scale, it would be a massive undertaking to be able to accomplish completely custom content for each customer. This is especially the case for startup companies where go-to-market resources are constrained.

A true ABM program strives to create customized content at scale. Instead of thinking in terms of tens of accounts, the modern account-based marketer can set their sights on hundreds or thousands of accounts, which can be truly transformational. Whether it is a customized white paper, display advertisement copy, or email content, ABM allows marketers to scale and automate the customized content creation process, which ease the burden for marketers in startup companies.

To curate the customized content, the sales organization needs to collaborate to understand the unique challenges faced by the buying companies, and the most appropriate use cases (from the sales organization) for solving the business problems. For startups companies, such knowledge can be insufficient given the short list of exemplar clients. To address this issue, ABM marketers can resort to the intent data, i.e., the type of content consumed elsewhere (outside the sales organization) by a buying company. With the emergence of scalable, cost effective data warehousing, marketers now have the ability to collect intent data from multiple sources to use in the curation and creation of customized content.

These content consumption (intent) data can be carefully tagged, for example, with specific persona, industry verticals, stages of buyer journey, etc., and then sampled to curate the customized content. For instance, Uberflip (Note 6) keeps a repertoire of various content and tag the content with various keywords that represent the buyer characteristics. These content pieces are then pulled to automatically generate customized email, landing page, and white paper. Unlike the traditional content marketing process where the content is generated manually, this process helps to speed up the content curation for a large number of accounts in a semi-automated fashion, even if first-party content consumption data are limited for a startup company.

6. Conclusion

There is a call for the B2B marketer to redefine how their value to the enterprise organization is measured and interpreted, by fundamentally tying themselves to the revenue growth of the business. Increased scrutiny on program spend and return on investment for marketing programs accelerates the need for B2B marketers to think about the companies they sell to in a more holistic manner. With a deeper understanding of the complexity of the B2B buyer's journey and customer lifecycle, modern marketers are eager to apply the learnings of an account-based approach across the broader core demand generation function.

This paper discusses a strategic account-based marketing approach for fast-growing startup companies, especially regarding its role in automating and scaling the account-intelligence analysis and developing customized marketing content, using firmographic, engagement, and intent data. These innovative go-to-market insights can help marketers to understand the needs of a broader buying group at the target account and supply the necessary data to help in the creation of personalized marketing activities, especially in an environment where go-to-market resources are limited, and automation is essential. With the continued development of marketing technology databases and software applications, we expect that many core principles of the account-based approach, namely, the collection of data points pertaining to account engagement and propensity to purchase, will become more deeply integrated with the traditional practice of B2B demand generation.

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Notes

Note 1. For the purposes of this paper, the account is defined as a specific company that is being targeted by the sales organization for the purposes of selling goods or services.

Note 2. From www.alexa.com.

Note 3. Details can be found at: www.dnb.com, www.everstring.com, www.intricately.com, and www.zoominfo.com.

Note 4. Details can be found at: www.linkedin.com, discoverorg.com.

Note 5. Details can be found at: www.bombora.com, www.techtarget.com.

Note 6. Details can be found at www.uberflip.com.