EBOOK

HOW TO FIND BUDGET TO FUND YOUR ABM STRATEGY
INTRODUCTION

If you’re like most marketers today, you’re probably pretty excited about Account-Based Marketing (ABM). But as you’re starting to bridge the gap from theory to reality, you’re running into some new challenges.

At most companies, the budgeting cycle for a new strategy takes place well in advance of the final goal setting and program planning. This leaves the marketers, who are ready to execute on ABM, confused about how to finance the change, especially when they’ve previously committed budgets to a set of programs and technologies. While they don’t want to miss out on the benefits of ABM, they’re worried they won’t be able to fit it into their plans effectively.

The truth is, you don’t need an unlimited budget or a trust fund to get started with ABM. In fact, there are several ways to successfully finance your ABM initiative, from programs to technology—and none of them involve starting from scratch.

In this eBook, we’ll share how your marketing programs will change as a result of ABM, the types of technologies you’ll want to invest in, and finally we’ll explore a few ways you can budget for these changes.
MARKETING PROGRAMS IN AN ABM WORLD

When it comes to ABM, one of the first questions marketers always ask is: “How will this impact the programs I’m already running?” While we’d like to say everything is going to stay the same and you’ll magically be doing ABM, the truth is, there will be some change to your existing programs.

Let’s take a look at some of programs you’re already running and see how they (and their designated budgets) will change with ABM:

- **SPONSORED EVENTS**
  - Before ABM: Lots of events, small budget for each
  - After ABM: Fewer events, more budget for each

- **FIELD MARKETING**
  - Before ABM: Low-touch events across country
  - After ABM: Increased high-touch events in key territories

- **WEBINARS**
  - Before ABM: Educational webinars focused on product and thought leadership
  - After ABM: No change

- **ADVERTISING**
  - Before ABM: Untargeted advertising campaigns
  - After ABM: Focused advertising campaigns geared toward a set of accounts

- **DIRECT MAIL**
  - Before ABM: Wide-reaching direct mail programs
  - After ABM: More high-value direct mail campaigns

- **CONTENT CREATION**
  - Before ABM: Broad-scale content program
  - After ABM: Focused content creation for key segments

- **CONTENT SYNDICATION**
  - Before ABM: Focus on lead volume, with low conversion rates
  - After ABM: High conversion rates from target accounts

- **WEBSITE**
  - Before ABM: One experience for all website visitors
  - After ABM: Unique, personalized experience for target accounts
While it’s important to understand the changes to your programs at a strategic level, once you’ve done that, you’ll probably realize that you need additional resources to execute them. Technology is one of the resources that helps support those programs, automate processes and scale your ABM strategy.

Technology isn’t a silver bullet, nor is it one-size-fits-all. You could have all the technology in the world, but if you don’t have a plan for each piece (or an understanding of how your entire stack fits together), you won’t be successful. A better way is to evaluate your current processes to identify problems and opportunities. That will give you a clear picture of your strategy and the technology that will help you execute on your plan.

WE’VE CREATED AN ABM TECHNOLOGY STACK, with some technologies we know are useful to an ABM strategy. It will give you some options to consider as you start to build out your technology strategy for ABM.

There are several ways you can get the budget you need for your programs and technologies. Over the next few pages, we’ll talk through some of the most common ones.
GETTING THE BUDGET YOU NEED

We’ve talked about how some areas of your budget will be reallocated for certain programs and technologies, but what does that look like in practice?

The first step to moving budget around starts with taking an honest look at your current marketing performance.

Answering these questions isn’t just a good starting point for ABM, it’s an important exercise your team should be doing on an ongoing basis. Once you’ve figured out what’s working and what isn’t, you can start to make bigger decisions around budget and use one of the following budgeting strategies to optimize your current marketing programs:

1. **RUNNING AN EXPERIMENT**
2. **ROLLING IT UP**
3. **SPLITTING THE COST WITH SALES**

You’ll need to make a list of all your marketing programs and tactics to answer the following questions:

- What marketing programs are you currently running?
- How much are you spending on each program?
- What’s working? What’s not working?
- What’s falling behind?
- Where can you free up budget?
RUNNING AN EXPERIMENT

At many companies, there’s usually one person who’s super excited about ABM and a bunch of other people who’re trying to figure out why that one person is so excited. One way to bring these groups of people together (and build advocacy for ABM) is through an experiment.

These days, a lot of companies have a portion of their budget set aside to try new things. If you’re one of them, you can use your experimental budget to test ABM initiatives and technologies. Using the list of questions you answered above, you can make decisions about where to allocate this budget.

The length of your experiment will vary, depending on how much budget you have, but given how long the sales cycle is at most B2B companies, it can take some time to generate those deep-funnel metrics, like pipeline, close rates and Annual Contract Value (ACV), which paint a clear picture of the success of ABM. Usually it takes about a year to get those metrics, but if you don’t have the budget for a year-long trial, we recommend looking at top-of-the-funnel metrics that are related to engagement—things like target account activity, downloads and lift.

Whether you’re embarking on a year-long experiment or starting a short trial, we recommend keeping these metrics in mind:

### SHORT-TERM SUCCESS METRICS
- MQLs
- Web Traffic
- Unique Visitors
- Conversion Rates
- Time on Sites
- Target Account Activity

### LONG-TERM SUCCESS METRICS
- Pipeline
- Close Rates
- Funnel Velocity
- Average Deal Size
- Cost per Opportunity
- Annual Contract Value (ACV)

This type of experimentation is a good way to approach ABM, particularly if there are people on your team who haven’t bought into the promise of the strategy yet. And since nothing brings people together like data (except maybe cupcakes), you can use the results to build a case for ABM and make decisions about the scope of your initiative.
Another viable option is integrating ABM into existing categories of your marketing budget. For example, if your Director of Web Marketing is already working on a website relaunch, it might be a good time to walk up to his or her desk and recommend rolling a personalization solution into the existing proposal. Or, if your demand gen team is already investing in direct mail or content syndication, you can work with them to make sure those campaigns go exclusively to the accounts on your target account list.

With this method, you can test the effectiveness of ABM at your organization, with the added benefit of not having to dig up new budget. And as you start to get success metrics from your efforts, you can make the case for more ABM initiatives. For example, if you get great results from your website personalization efforts, you’ll not only get bragging rights, but you’ll also be able to get buy-in for other areas, like digital advertising.
SPLITTING THE COST WITH SALES

You can approach budgeting for ABM in a more creative way by splitting the cost of certain technologies with your sales team. Since sales and marketing alignment is a big piece of an ABM strategy, you’ll want to invest in technology to make the processes that go into making that relationship successful more efficient.

At Demandbase, we’ve seen sales and marketing teams effectively partner together to invest in sales enablement tools like account insights and sales intelligence, which can help both Marketing and Sales build and iterate on their target account lists and deliver meaningful information about their key contacts. These insights are incredibly helpful as both teams develop relevant messaging and campaigns.
BECOME AN ABM EXPERT AT YOUR COMPANY

Demandbase offers two ABM Certification courses online that you and your team can take in the convenience of your home or office. An Expert-level course is also offered in select cities throughout the year.

FOUNDATIONS ABM CERTIFICATION
Learn the importance of Account-Based Marketing and gain how-to tips that’ll get you started on the path to success.

ADVANCED ABM CERTIFICATION
Get best practices on topics including sales & marketing alignment, target account list development, metrics and budgeting.

Register now: www.demandbase.com/cert
CONCLUSION

However you choose to approach the problem, the key takeaway is that you don't need an unlimited budget to get started with ABM.

If you'd like to learn more about each of the strategies we've discussed and hear from someone who's gone through the process themselves, we recommend this webinar, which shares how one of our customers, WhiteHat Security, approached budgeting for ABM at their organization.

Demandbase is a leader in Account-Based Marketing (ABM). The company offers the only Artificial Intelligence-enabled, comprehensive ABM platform that spans Advertising, Marketing, Sales and Analytics. Enterprise leaders and high-growth companies such as Accenture, Adobe, DocuSign, GE, Salesforce and others use Demandbase to drive their ABM strategy and maximize their marketing performance. The company was named a Gartner Cool Vendor for Tech Go-To Market in 2016. For more information, please visit www.demandbase.com or follow the company on Twitter @Demandbase.