

Key Performance Metrics for Account-Based Marketing

Sourabh Kothari

Amber Bogie

Davis Potter

Mason Cosby



Lead2Pipeline

BREAK
THE
FUNNEL



Table of Contents

1. Introduction	2
2. Key Benefits of a High-Performing ABM Program	3
• Targeted Account Selection	3
• Personalization and Engagement	4
• Sales and Marketing Alignment	5
3. Measuring ABM Engagement Throughout a Buyer's Journey	6
4. Buying Group Engagement Scoring	9
5. Strategies to Optimize Engagement and ABM Conversion	10
6. Performance Metrics for Leads Within Your Target ABM Accounts	11
7. Key Details to Consider During a Closed-Lost Analysis	12
8. Summary	13

Introduction

Account-Based Marketing, or ABM, has been around much longer than most marketers realize. Yet only recently has it become a sought-after strategy for securing strategic customers. Given the rise of investments and budgets allocated towards ABM programs, it has become increasingly important to measure the performance of these programs.

In this eBook, we've collected insights from numerous Business to Business, or B2B, marketing experts to present an introduction to the key performance metrics you need to understand and evolve your ABM program.

One key benefit of a well-executed ABM program is its ability to foster deeper connections with high-value accounts and drive substantial revenue growth. ABM flips the traditional marketing approach by focusing on personalized outreach and tailored experiences for specific target accounts, rather than casting a wide net across a broad audience.

Your ABM performance metrics serves as your compass guiding you towards data-driven decision-making, efficient resource allocation, sales and marketing alignment, and regular program improvements and developments.

A portrait of Davis Potter, a woman with dark, wavy hair, smiling. She is wearing a light-colored, possibly white, top. The background is a blurred indoor setting with large windows and modern lighting fixtures.

Davis Potter

“

With ABM we're giving them a very personalized experience. We're gonna make them feel special. And that improved customer or prospect experience leads to the increase in conversions and velocity, in terms of how long it will take to close the sales cycle with our targeted ABM accounts.

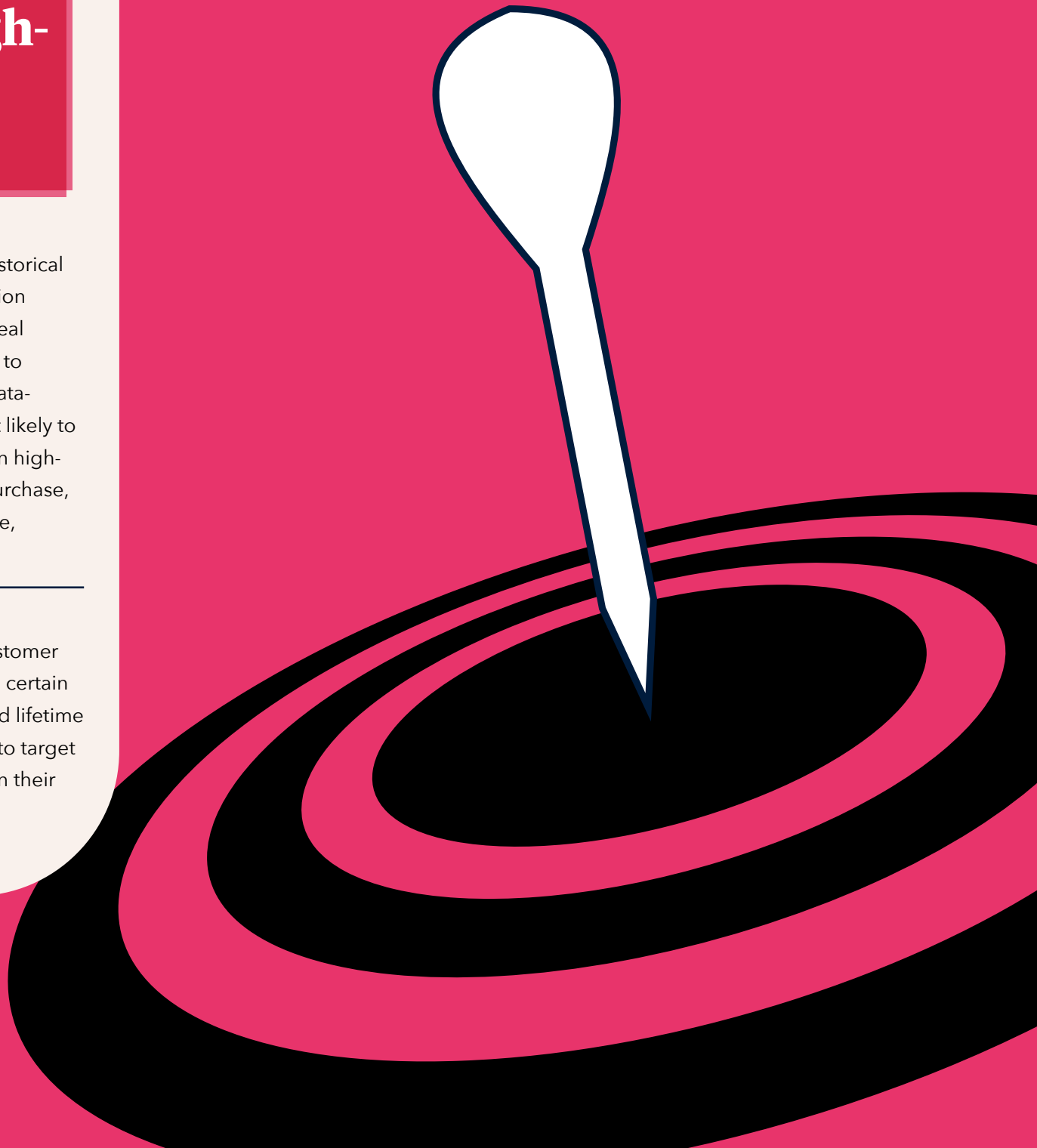
Key Benefits of a High-Performing ABM Program

Targeted Account Selection

The right metrics allow ABM marketers to analyze historical data, customer behavior, and firmographic information to identify high-value accounts that align with the ideal customer profile (ICP). When marketers have access to accurate metrics and data analysis, they can make data-driven decisions regarding which accounts are most likely to convert and drive significant revenue. By focusing on high-priority accounts that have a higher propensity to purchase, ABM campaigns become more efficient and effective, leading to improved ROI and growth.

Example:

A software company analyzes historical data and customer behavior to identify enterprise-level companies with certain characteristics that have a higher conversion rate and lifetime value. With this insight, they focus their ABM efforts to target these high-value accounts, resulting in higher ROI on their marketing spend and stronger revenue growth.





Key Benefits of a High-Performing ABM Program

Personalization and Engagement

Metrics play a crucial role in tracking account engagement and understanding how target accounts interact with content and campaigns. With the right metrics in place, marketers identify patterns and preferences in the behavior from different accounts. This data-driven insight enables marketers to deliver personalized and relevant content tailored to the specific needs and interests of each account. As a result, the engagement levels increase, and prospects are far more likely to respond positively to personalized messaging, leading to higher conversion rates and a better connection with the brand.

Example:

An e-commerce retailer tracks the engagement metrics of its ABM campaign and notices that a certain segment of their target accounts is showing a high interest in eco-friendly products. Armed with this information, the marketing team tailors personalized offers and content that highlight their sustainable product range. As a result, they see increased engagement and a higher conversion rate from the targeted segment of ABM accounts.

Key Benefits of a High-Performing ABM Program

Sales and Marketing Alignment

Accurate metrics provide a common language for both sales and marketing teams to measure the success of ABM campaigns and track the progress of target accounts through the sales funnel. When sales and marketing teams have access to the same set of metrics and data, they can work together more effectively. Data-driven insights help both teams gain a shared understanding of which accounts are showing potential, where there might be bottlenecks in the funnel, and what strategies are yielding the best results. This alignment fosters collaboration, improves communication, and allows for joint decision-making, ultimately leading to a more streamlined and effective sales process and increased revenue.

Example:

A B2B SaaS company adopts the right metrics to track ABM Campaign Performance. By analyzing data collaboratively with the sales team, they discover that certain accounts in the pipeline are stuck at a specific stage due to a lack of proper content addressing key concerns. The marketing team works closely with the sales team to create targeted content that addresses these pain points, accelerating the sales cycle and enhancing overall alignment between both departments.

Amber Bogie

“

With the growth of subscription-based business models, budgets are no longer the primary need. Authority is spread and not always centered on one individual, and timing can be flexible. So the key driver is 'Need'. We're facilitating need-based buying.

In summary, the right metrics in an ABM campaign empower marketers with data-driven insights that improve targeting of high-value accounts, enable personalized and engaging experiences, and align between sales and marketing teams. By leveraging accurate metrics, ABM marketers can optimize their strategies, make informed decisions, and achieve better outcomes, driving growth and success for their organizations, businesses, and their clients.

Measuring ABM Engagement Throughout a Buyer's Journey

Target Account Engagement

Measuring the level of engagement and interactions with target accounts is crucial in ABM. This includes tracking website visits, content downloads, webinar attendance, and any other interactions with marketing assets.

Calculating Account Scores

Before we review performance metrics for your ABM program, we need a framework for measuring performance within target accounts. To compare engagement and program performance across companies of various sizes, geographies, and industries, it's important to establish an account scoring framework.

To calculate an account score combine the data for engagement activities with various contacts within the account with the company's account-level attributes. The exact formula and weighting will vary depending on your specific ABM strategy and goals. Here's a general outline of how to calculate and use account scores:

- 1 Identify Engagement Activities
- 2 Account-Level Attribute
- 3 Assign Point Values
- 4 Weighting
- 5 Scoring Formula
- 6 Calculate & Segment
- 7 Normalize the Scores (Optional)
- 8 Prioritize and Segment Accounts

Measuring ABM Engagement Throughout a Buyer's Journey

1

Show Engagement Activities

Determine key engagement activities that contribute to the Account Score. These include website visits, content downloads, webinar attendance, and more.

2

Account-Level Attribute

Consider additional account-level attributes that influence the Account Score. These can include firmographic data like company size, industry, revenue, and any other relevant key details and critical information.

3

Assign Point Values

Assign point values to each engagement activity based on its significance and level of interest. You may use a scale of 1 to 100, where higher values represent more engaged actions.

For Example:

Website Visit: **5 points**

Content download: **15 points**

Webinar attendance: **30 points**

4

Weighting

Determine the relative importance of each engagement activity and account-level attribute in contributing to the overall Account Score. Apply weightings to different activities and attributes from significance in indicating interest and conversion.

For Example:

Engagement activities might have a higher weight than account-level attributes since they directly indicate interest. Account-level attributes like industry may have lower weight but are key for segment targeting.

5

Scoring Formula

Create the scoring formula that combine the points from the engagement activities and account-level attributes:

Formula:

Account Score = (Engagement Activity 1 Points X Weight) + (Engagement Activity 2 Points X Weight) + (Attribute Points X Weight)

Measuring ABM Engagement Throughout a Buyer's Journey

6

Calculate & Segment

For each account, add up the points from engagement activities and account-level attributes based on your defined scoring formula. Based on the Account Scores, segment the accounts into different categories (e.g., high-value, medium-value, low-value) to prioritize your ABM efforts.

7

Normalize the Scores (Optional)

If you have a wide range of scores, consider normalizing them to a standardized scale (e.g. 0 to 100) for easier comparison and analysis.

8

Prioritize & Segment Accounts

Based on the Account Scores, segment the accounts into different categories (e.g., high-value, medium-value, low-value) to prioritize your ABM efforts and tailor your marketing and sales strategies accordingly.



Davis Potter

“

When it comes to measuring your ABM impact on revenue growth, you should be looking at how many opportunities are being created within your target ABM accounts, and how your marketing is influencing pipeline. If there are opportunities that were created before your program started, evaluate how your marketing is influencing those opportunities and deal velocity.

Buying Group Engagement Scoring

Focus on the engagement of key decision-makers and influencers within the buying group. Aim for a close benchmark of 60% for healthy engagement within the specified buying group.

Calculating Buying Group Engagement Score based on a simple scenario with three types of stakeholders: decision-makers and influencers.

Assign Point Values for Engagement Activities

Decision-maker attending a meeting: **30 points**

Influencer attending a meeting: **20 points**

Decision-maker downloading content: **20 points**

Influencer downloading content: **15 points**

Decision-maker responding to an email: **10 points**

Determine the Weightings for Each Stakeholder Group

Decision-makers: **1.5 (higher performance)**

Influencers: **1.0 (average importance)**



Calculate the Engagement Score for Each stakeholder

For each stakeholder, add up the points from their engagement activities and multiply by the average weighting:

Decision-maker Engagement Score =
(Number of meetings attended X 30) +
(Number of content downloads X 20) +
(Number of email responses X 10)

Influencer Engagement Score =
(Number of meetings attended X 20) +
(Number of content downloads X 15) +
(Number of email responses X 5)

Calculate the Buying Group Engagement Score

Add up the Engagement Scores of all stakeholders:

Buying Group Engagement Score =
(Decision-maker Engagement Score X 1.5) +
(Influencer Engagement Score * 1.0) +
(User Engagement Score * 0.5)

Strategies to Optimize Engagement and ABM Conversion

Refine Target Account Selection

Utilize the account scoring model and analyze the first-party and third-party intent data to identify high-potential accounts. Focus your efforts on accounts that show the highest levels of interest and engagement. By targeting the right accounts, you can allocate your resources more efficiently and increase the likelihood of success.

Personalize Content and Campaigns

Analyze the engagement data with personalized content and campaigns for each account tier. Use this analysis to understand what types of content resonate best with different target accounts and decision-makers. Tailor your messaging and content to address specific pain points and challenges, making it more compelling and relevant to your particular audience.

Optimize the Sales Funnel

Monitor the movement of accounts through various deal stages and identify any bottlenecks or areas of improvement. Use this information to optimize your sales funnel and streamline the buying process. Ensure that your ABM tactics are aligned with the buyer's journey, providing the necessary support and information at each stage.

Iterate Based on Closed-Lost Analysis

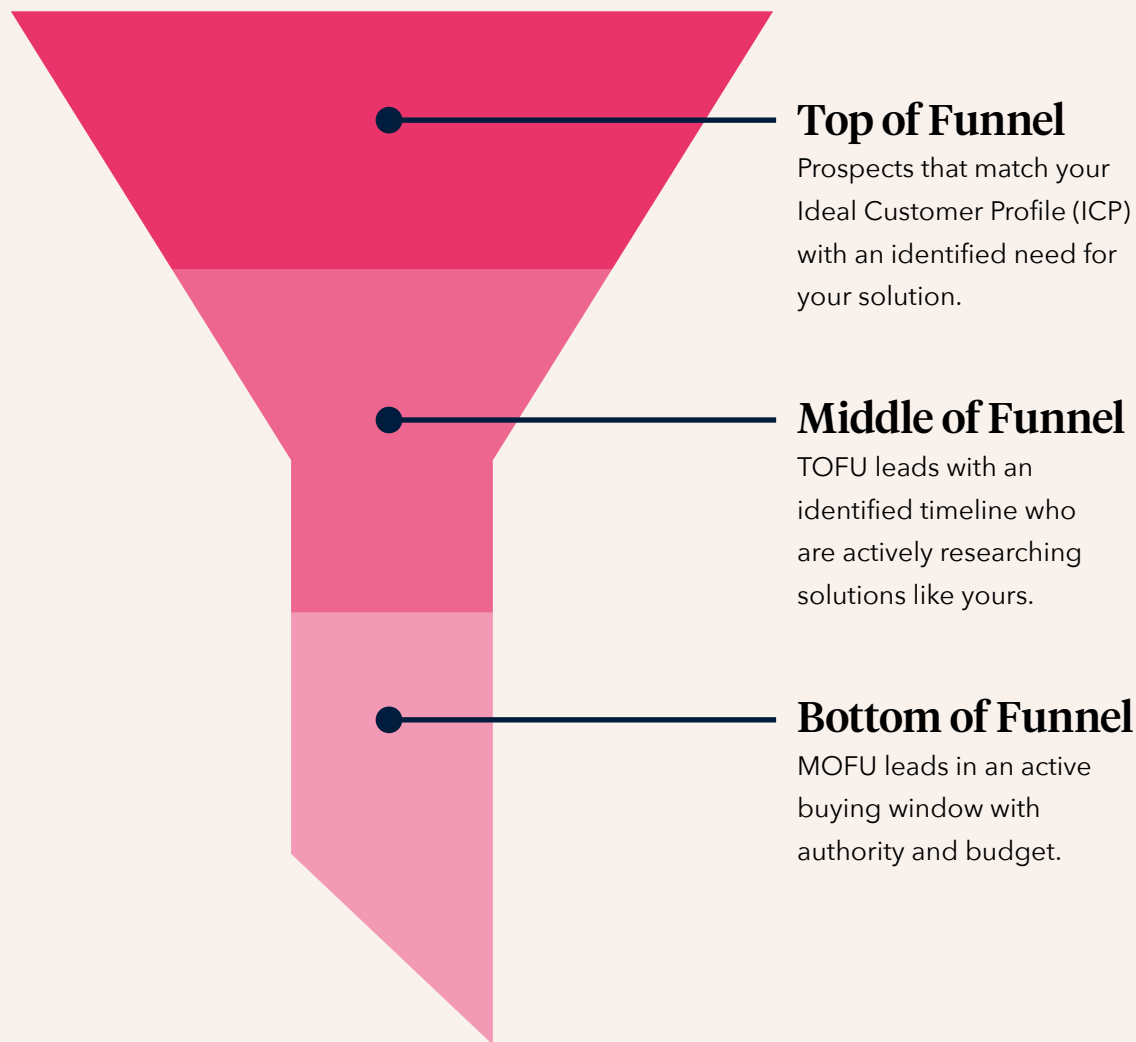
Conduct a thorough, detailed analysis of the reasons behind lost deals with best-fit customers. Identify recurring patterns or common pain points that lead to lost opportunities. Use these insights to create content and campaigns that directly address these concerns, enhancing future conversion rates and mitigating potential challenges.

Leverage Influencing Pipeline Insights

Track how your ABM tactics impact existing opportunities and deals in progress. Use this information to identify which tactics have the most significant influence on the sales cycle. Focus your efforts on strategies that consistently accelerate deal progression, driving revenue growth and overall success.



Performance Metrics for Leads Within Your Target ABM Accounts



SQL — **Sales Qualified**
Sales Accepted Leads within target ABM accounts that have been contacted by sales and qualified to be in-market for your solutions.

SAL — **Sales Accepted**
Leads that have been accepted (as valid) by Sales Development Reps (SDRs) or Account Executives (AEs).



— **Meetings Booked**
Meetings scheduled with Sales Qualified Leads.



— **Opportunities**
Viable sales opportunities reported by your sales team.



— **Revenue**
Deals won.



Mason Cosby

“

Look at your closed-lost deals and develop content around why you're losing business. Use this for sales enablement and buyer enablement, because realistically, I've yet to actually speak to any legal experts about our target accounts. However, our buyers are speaking to their legal team. How do we give our buyers content that speaks to their legal team? By analyzing those closed lost deals.

Key Details to Consider During a Closed-Lost Analysis

Deal Information

Gather comprehensive data about lost deals, such as deal size, stage at which it was lost, timeline, decision-makers involved, and any relevant notes or comments from your sales team.

Reasons for Loss

Identify the primary reasons cited by the customer or your sales team for why deals were lost. This could include price, product fit, competition, missing features, timing, or other concerns.

Competitive Differentiation

Determine if your value proposition is being effectively communicated in your marketing and sales content, compared to key competitors.

Sales Team Feedback

Speak with your sales team members who were involved in these deals. They can provide crucial insights into the interactions with the customers and any challenges.

Summary

Account-Based Marketing (ABM) is a strategic approach that focuses on targeting high-value accounts and engaging key decision-makers with personalized content. To measure the effectiveness of ABM initiatives, it is crucial to track and analyze key growth marketing metrics at various stages of the buyer's journey. At the top of the funnel, the focus is on prospecting and lead generation.

The metrics to consider include the development of an account scoring model based on intent data to prioritize promising accounts, as well as measuring target account engagement through website visits, content downloads, and other interactions. Moving to the middle of the funnel, the focus shifts to converting Marketing Qualified Leads (MQLs) to Sales Qualified Leads (SQLs). Key metrics at this stage include monitoring buying group engagement, analyzing the impact of personalized content on engagement, and tracking the progression of accounts through deal stages to identify areas for regular, continuous improvement.

As we reach the bottom of the funnel, the metrics shift towards tracking opportunities and revenue generation. These include measuring the number of opportunities created, the influence of ABM tactics on existing options, the speed of opportunity closure, conversion rates of target accounts, and analyzing closed-lost deals to improve future conversion rates. Beyond revenue generation, ABM success is also measured by customer retention, expansion, and buyer enablement.

Monitoring customer retention rates and measuring the success of upselling and cross-selling efforts are critical to ensuring long-term revenue growth and customer satisfaction. By understanding and leveraging these key growth marketing metrics, ABM practitioners can make data-driven decisions, optimize their strategies, and ultimately achieve viable success.

Thank You



Lead2Pipeline

BREAK
THE
FUNNEL