White paper

ABM and Intent Benchmarking Study 2023

Increasingly confident marketers find new ways to apply ABM

FOUNDRY

an IDG, Inc. company

Account-based marketing, which brings marketing and sales organizations together in a team-based approach to nurturing their most important accounts, has taken the business-to-business marketing world by storm, and enthusiasm for this data-driven discipline shows no signs of abating. Foundry's third annual ABM and Intent Benchmarking study found that 96% of B2B marketers now have a documented ABM strategy, 98% rated ABM as extremely or very important to their marketing objectives and 93% believe their ABM efforts have been very or extremely successful, up from 84% last year.

Foundry surveyed 500 marketers from North America, Europe/Middle East/Africa, and Asia/Pacific. About one quarter were C-suite or director level, 43% held vice president titles and 7% reported themselves as managers. Manufacturing and high-tech were the two largest industries represented. Other verticals included e-commerce, independent software vendors, technology service providers, and telecom carriers.

Many uses

ABM is used widely. In this study, 47% of marketers reported using it for more than 1,000 accounts (up from 38% last year), while 53% of marketers said they use it for up to 1,000 accounts (down from 63% in 2022). Not surprisingly, large organizations (defined as those with more than 1,000 employees) use ABM on more than 1,000 accounts than smaller ones by a better than two-to-one margin.

93%

believe their ABM efforts have been very or extremely successful, up from 84% last year.

Top marketing objectives for ABM

1. Sales activation/account analytics
2. Target-account lead generation
3. Account-based advertising
4. Content syndication
   IP address intelligence
   Personalization
   (Three above tied at no. 4)

There were some interesting industry and regional variations on this question. Of the 39 independent software vendors who responded, 36% said they plan to use ABM on more than 5,000 accounts compared to 8% of all respondents. The 17% of EMEA respondents who plan to apply ABM across more than 5,000 accounts was also significantly higher than the 12% of APAC marketers and less than 4% of North American marketers who said the same thing.

ABM tactics are used for a broad range of marketing objectives, including sales activation/account analytics (cited by 53%); target-account lead generation (50%); account-based advertising (48%); and content syndication, IP address intelligence, and personalization (all tied at 47%). Campaign orchestration and intent data are also significant marketing use cases. Large organizations favored account-based advertising and sales activation to a significantly greater degree than small ones.

Alignment dividend

The survey indicates that ABM has the collateral benefit of improving alignment between sales and marketing, which are two organizations that occasionally find themselves in conflict. In this year's study, 87% of respondents said alignment with their sales team is strong, up from 76% last year and 80% in 2021. C-level executives were even more emphatic about the state of the partnership, with nearly 97% describing it as strong.

The response to this question from the smallest companies was starkly different than the response from large firms, though. Just under two-thirds of organizations with fewer than 500 employees described sales/marketing alignment as strong compared to 90% at their larger counterparts. At the very biggest firms – those with more than 5,000 people – 97% of marketers termed the level of alignment as strong.

87%

of marketers say their alignment is strong with their sales team.

This may indicate that large firms are likely to be more experienced and disciplined in executing ABM strategies.

By industry, telecom carriers (95%) and e-commerce firms (94%) were the most likely to report strong sales and marketing alignment. The nearly 94% of North American respondents who said alignment is strong also dwarfed 76% in EMEA and 70% in APAC.

With experience comes confidence

Familiarity isn't breeding disappointment with marketers as their ABM experience grows. Last year's study found that 75% had been using ABM for more than a year, up from 45% in the 2021 study.

ABM growth also spawns new use cases as evidenced by the 91% of marketers who agree that they are adding more tactics to their programs as their ABM efforts mature. The top two were customer
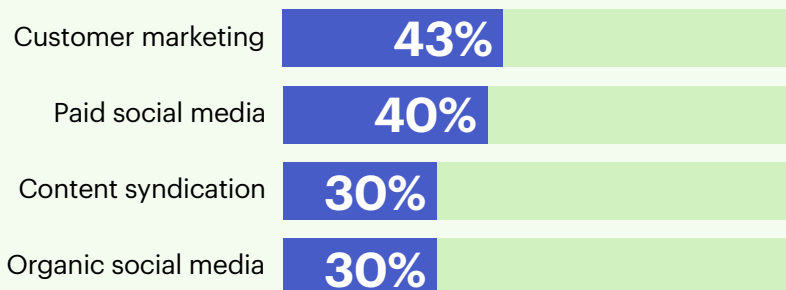
91%

of marketers agree that as their ABM efforts mature, they are adding more tactics to their programs.

marketing (cited by 43%) and paid social media (40%) with content syndication and organic social media each earning about 30% of mentions. There was little variance by company size or industry.

The list of channels used for ABM campaigns is topped by Google search (used by 64% of respondents and 84% of e-commerce firms) social channels other than LinkedIn (55%), LinkedIn (48%), and video (48%). Search and social channels have been more successful for larger companies than for smaller ones while smaller firms reported greater success with programmatic display advertising. Independent software vendors use Google search and LinkedIn to a much lesser degree than those in other industries. The 56% of APAC respondents who use LinkedIn and 19% who use podcasts was greater than any other region.

It appears that there will be plenty of opportunity for expansion as 99% of marketers said they expect their ABM budget to increase or remain the same

Marketing tactics used to support ABM

Tactic	Percentage
Customer marketing	43%
Paid social media	40%
Content syndication	30%
Organic social media	30%

over the next 12 months. The 95% who expected an increase was up from 90% in 2022 and 84% in 2021. The average anticipated budget increase was just over 18% with the largest companies expecting a slightly larger bump than smaller ones. EMEA respondents reported the largest average planned increase by region at 23% and manufacturers topped the industry list with 22%.

Many ways to measure success

Success is measured in a wide variety of ways. Of the eight metrics marketers were asked about, all garnered at least 30% of mentions. The top three were customer satisfaction scores (cited by 48%), site visits from target accounts (43%), and revenue generated (40%). Also earning numerous mentions were the number of content assets downloaded, deal close rate, pipeline influence, pipeline velocity, and deal size. Smaller companies are somewhat more likely than large ones to measure site visits from target accounts while big firms are more focused on revenue generation.

The goals driving future investments are mostly related to sales objectives, with the exception of the number one-rated "creating wider engagement within the ideal customer profile" (cited by 59%).

95% of marketers expect their ABM budget to increase over the next 12 months.
Up from 90% in 2022 and 84% in 2021.

How do tech marketers measure the success of their ABM efforts?

Customer satisfaction scores	**48%**
Site visits from target accounts	**43%**
Revenue generated	**40%**

The four other top goals are improving win rates (58%), improving new account acquisition (57%), up-selling and cross-selling to existing customers (56%), and accelerating the pipeline (53%). This may indicate that ABM is initially used more for engagement purposes than to close sales and the objectives become more revenue-focused after the practice is established.

EMEA respondents indicated a somewhat higher focus on creating wider engagement with prospects than those from other regions while APAC respondents were more focused on upselling and cross-selling to existing customers.

Asked to identify the single most important goal of ABM programs over the next 12

Business goals driving ABM investments:

- Creating wider engagement within the ideal customer profile **59%**
- Improving win rates **57%**
- Up-selling and cross-selling to existing customers **56%**
- Accelerating pipelines **53%**

> ## Various technologies used for ABM efforts:
>
> 1. Social media monitoring
> 2. Marketing automation
> 3. ABM platforms
> 4. Predictive analytics tools
> 5. Web analytics

months, improved win rates and improved acquisition of new accounts both received about one-quarter of mentions, followed by accelerating the pipeline at 18%. C-level respondents identified pipeline acceleration and new account acquisition as goals more often than those lower in the organization.

Platforms proliferate

The ABM category has grown to include numerous technology platforms and most marketers employ several of them in their campaigns. Over half use social media monitoring, marketing automation, ABM platforms (which automate account selection, planning, engagement, and reporting), predictive analytics tools, and web analytics. E-commerce firms and North American respondents reported higher overall use of social media monitoring and ABM platforms than those in other industries and regions while EMEA respondents were more likely to use content syndication.

A significant 43% use contact enrichment tools while a smaller 25% employ sales intelligence platforms. Large companies use sales intelligence platforms more than small ones by a 30%-to-20% margin while just 9% of EMEA marketers use them compared to 32% of those in North America.

Marketing automation and social media monitoring tied in the voting for the most successful technologies, with each receiving 24% of mentions. They were followed closely by predictive analytics tools at 20% and ABM platforms at 19%. Web analytics, contact enrichment, and sales intelligence platforms trailed far behind in success rates, with each receiving well under 10% of mentions. The 31% of EMEA respondents who use marketing automation platforms was significantly higher than the 22% in North America and 24% in APAC.

ABM challenges

Success is never a given and markers face several challenges to achieving their ABM goals. Just over one-third said measuring the success of ABM programs and attributing the success of different ABM tactics and channels is a challenge. More than one-quarter of respondents also mentioned challenges created by an overly complicated or insufficient tech stack (up dramatically from 4% a year ago), difficulties creating target account

Challenges associated with ABM

- Measuring the success of ABM programs **35%**
- Attribution of the different ABM tactics and channels **34%**
- Tech stack too complicated or not sufficient **29%**
- Creating a target account list **28%**
- Reaching the wrong people within target accounts **26%**

lists, inaccurate targeted of people within target accounts, the complexity of orchestrating multiple channels, and struggles to gain buy-in from the sales organization. Clearly, the success marketers say they are having does not come without a certain amount of trial and error.

Some industry variances on this question are worth noting. Independent software vendors reported difficulty getting sales buy-in and creating target account lists to a much greater degree than did their peers in other industries. Marketers at e-commerce firms were somewhat more likely to experience difficulty converting leads into opportunities while the 46% of telecom providers who said they have reached the wrong people within their target accounts was significantly higher than the 26% of all respondents.

One thing nearly everyone can agree upon is that account-based advertising is effective; 89% of marketers said that tactic has been extremely or very successful in impacting their pipeline. The top two reasons for running account-based ads are to generate leads and raise brand awareness amongst target accounts (45% and 44% of mentions, respectively), with accelerating the pipeline a distant third at 10%.

All features matter

Nearly everyone agrees on what are the most important ABM features. Asked to rate eight common objectives of ABM campaigns, about 90% of all respondents rated all eight as important. They include channels/inventory, reporting, advertising creative, integration, web personalization, content, lead/account scoring, and audience targeting. The results were consistent across company sizes and respondent titles.

A majority of 57% update their target audience lists weekly, 24% update monthly, and 16% do so daily. The level of targeting

89% of marketers say account-based ads are extremely or very successful in impacting their pipeline.

is mostly at the account level (47% of marketers do this) but a significant 37% target individual contacts. Account-level targeting is more common at high-tech firms (55%) while 27% of manufacturers target buying teams compared to 19% overall. Nearly 49% of North American marketers target the account level compared to 41% of marketers in other regions.

79%
of marketers who use 5 or more data sources say that over 50% of their leads become sales-accepted.

The goal of any ABM campaign is to generate qualified leads and the survey results indicate a strong correlation between the number of data sources used and lead-generation success. About 48% of all marketers said between 11% and 50% of their leads become sales-accepted leads and 47% pegged the figure at between 51% and 80%. Among marketers who use five or more data sources, however, 79% said over half their leads become sales-accepted compared to just 50% of all respondents. This clearly indicates that more data enables more precise targeting and better results.

Telecom marketers reported the greatest success in having more than half their leads accepted by sales (58%) while e-commerce firms reported the least (41%). North American marketers bested their peers in other regions with 56%

reporting that over half their leads become sales accepted compared to 39% in EMEA and 45% in APAC.

It's perhaps not surprising, then, that telecom carriers use the largest number of data sources: 62% employ four compared to 23% of ISVs and 26% of manufacturers. Forty percent of APAC marketers use at least four sources compared to just 13% in EMEA.

The threshold for handing off the lead to sales varies significantly from company to company. The two most common triggers are when a lead exhibits meaningful and consistent interactions or has been nurtured through marketing campaigns. However, seven other events also received more than 30% of mentions:

- Taking specific actions on a website such as requesting a demo
- Showing signs of a high level of engagement or interest
- Meeting specific lead scoring criteria
- Reaching a designated stage in the buyer's journey
- Meeting the profile of an ideal customer
- Exhibiting behavior that indicates purchase readiness
- Requesting contact from a sales rep

Respondents from large companies were more likely than those from small firms to report that meaningful and consistent

91% of marketers say they're using intent data/scoring within ABM to prioritize their accounts.

interactions trigger a handoff (50% to 31%), while smaller companies are more likely to hand off lead after a request for a sales contact comes in (37% to 27%). Nearly half of APAC respondents hand off a lead after a visitor exhibits specific actions on a website compared to 20% in EMEA and 36% in North America. Conversely, North American marketers are much more likely to hand off a lead when a prospect meets the definition of an ideal customer profile.

Intent marketing: Promising but challenging

Intent marketing, which targets messaging based on a prospect's likelihood to purchase, data adds a dimension to ABM that allows for more focused marketing campaigns and shorter closing times. The practice has intriguing potential but also somewhat greater challenges than ABM.

ABM demands discipline in the use of metrics, so it's not surprising that 91% of marketers said they use intent data to prioritize accounts, identify content to be served, and build target account lists. A similar overwhelming 90%-plus majority said they use intent data across more than one channel, require that data samples be used for testing before gaining purchase

approval, and believe that knowing the exact source of intent data is important.

Ninety percent or more of marketers agree that intent-based strategies are useful in audience building, gaining contact-level information, creating custom triggers, integrating campaigns, and driving data source selection. The most common goal of intent data is to optimize lead scoring models (cited by 47%) but five other goals were also mentioned by more than 40% of respondents, including building audience segments, identifying new accounts, generating high-quality leads, monitoring for potential customer churn, and prioritizing accounts for prospecting.

Independent software vendors and EMEA companies were much less likely than others to say they use intent data to generate higher-quality leads, build audience segments for campaigns, or tailor messaging based on intent topics.

There are challenges, however. Nearly half of respondents said it's difficult to get sales

Top 3 goals for intent data

- Optimize lead scoring models **47%**
- Build audience segments for ad campaigns **43%**
- Identify new accounts to target **43%**

Where marketers need help with intent data

- Getting sales teams to trust the intent data quality **49%**
- Measuring impact of intent data on pipeline **48%**
- Combining intent from multiple data sources **47%**

teams to trust the quality of intent data, and many also pointed to difficulties measuring impact and combining intent from multiple data sources. Over 40% said it's often hard to identify contacts within high-intent accounts, act upon intent signals, and verify the validity of those signals.

An overwhelming 84% of respondents agreed or strongly agreed that intent-based marketing signals have become more difficult to interpret with more people working from home, probably because IP addresses can't be tracked back to named accounts with the same degree of precision. Ninety percent of North

92%

of marketers say it's important that they know the exact sources of intent data.

American marketers strongly or somewhat agreed with this statement compared to 73% of their counterparts in EMEA and 79% in APAC.

These findings aren't surprising given that buying intent isn't always obvious but often has to be inferred through a combination of online behavior such as search terms and web pages viewed. An overwhelming 91% of survey respondents said they use intent data to identify what content to serve within ABM campaigns.

Third-party data is essential

Trusted third-party data is a prime factor in intent marketing and there is good news in

the survey results for data providers. Over 92% are confident in the validity of their data sources and the same percentage are increasing the number of data providers they currently use (97% at companies of more than 5,000 employees).

But there is a point of caution for data providers in the growing number of data privacy regulations they must observe. Just over 60% of respondents (and 72% at the C-level) agreed or strongly agreed that they worry about compliance with laws like Europe's General Data Protection Regulation and the California Consumer Privacy Act. And 92% said it's important that they know the exact sources of intent data.

Respondents cited more than a half-dozen criteria they use to choose providers with each of the following mentioned by between 52% and 56% of respondents:

- Vendor reviews/analyst evaluations (97% rate as very or somewhat important)
- Sample data that can be independently validated (97%)

- Evidence/ demonstration of the providers' capabilities (97%)
- Peer recommendations (95%)
- Experience on past projects with similar requirements (96%)
- Preference or comfort level of workload owners/users (97%)
- Access to a free trial of the platform prior to purchase (95%)

Conclusion

The overwhelming acceptance of ABM as a more efficient way to generate and convert leads compared to prior methods is a rare point of consensus for sales and marketing leaders across companies of all sizes and in all industries. The survey leaves little doubt that investments will continue to grow as marketing becomes more data-focused and targeted.

Challenges remain, particularly in correlating tactics and channels to success.

The dramatic increase in the number of marketers who cited overly complicated technology stacks as a problem between last year's study and this one is a trend that bears watching. The marketing landscape is characterized by numerous point solutions, not all of which integrate seamlessly with each other. Technology vendors still have some work to do in that area but the market's broad consensus on ABM's value should serve as a guiding light for them.

A few years ago, some pundits predicted that by 2023 marketing departments would spend more on IT than their technology organizations. That didn't exactly come to pass but with spending on marketing technology surpassing $20 billion in 2022 and growing at double-digit annual percentage rates, the trend is clear. Marketing is now a data-driven discipline and ABM and intent tactics are the natural byproduct of that evolution.

About the survey

The 2023 Foundry Account-Based Marketing (ABM) and Intent Benchmarking Study was conducted via online questionnaire in August of 2023. 500 total respondents with marketing titles were collected from NA (60%), EMEA (20%) and APAC (20%) regions. 40% of respondents are from the manufacturing (computer-related) industry, 27% are from high tech, and 12% from software/computer services. Others include e-commerce, independent software vendors, telecom carriers, and cloud & DC service providers. Foundry conducted the study to understand the workings of ABM and its evolution and adoption compared to traditional marketing approaches.
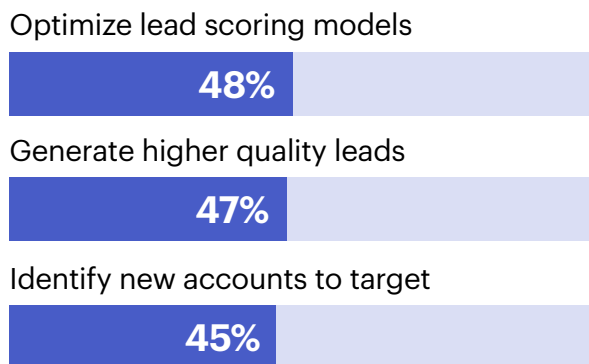
Regional key takeaways

Is your marketing scope region-specific? Explore the key research findings from North America, Europe, and Asia-Pacific. Contact us to dive deeper into the regional results.

North America

NA marketers are using many aspects of ABM. Sales activation/account analytics **(53%)**, account-based advertising **(50%)**, and target-account lead gen **(49%)** are the ones used the most.

Out of all the ABM technology used for their ABM efforts, NA marketers cite social media monitoring as their most successful.

Marketers are using intent data to fuel their marketing efforts. North American marketers cited their primary goals in using intent data are to:

Optimize lead scoring models
48%

Generate higher quality leads
47%

Identify new accounts to target
45%

94%
of NA marketers believe their alignment with their sales teams is strong at their organization. This has increased from 74% in 2022.

When it comes to account-based ads, NA marketers cited the primary reason for running them is for brand awareness among target accounts. **94%** say account-based ads are extremely/very successful in impacting their pipeline.

97% of NA marketers are confident in the validity of their data sources.

90% of NA marketers agree that intent-based marketing signals have become more difficult to interpret with more people working from home.

EMEA

EMEA marketers are using many aspects of ABM. IP address intelligence **(54%)**, sales activation/account analytics **(52%)**, and personalization **(50%)** are the ones used the most.

Out of all the ABM technology used for their ABM efforts, EMEA marketers cite marketing automation as their most successful.

76% of EMEA marketers believe alignment with their sales teams is strong at their organization.

Marketers are using intent data to fuel their marketing efforts. EMEA marketers cited their primary goals in using intent data are to:

Optimize lead scoring models

48%

Monitor potential customer churn

44%

Identify new accounts to target

39%

84%

of EMEA marketers are confident in the validity of their data sources. This is a 13 percentage point decrease from North America.

When it comes to account-based ads, EMEA marketers cited the primary reason for running them is to generate leads from target accounts. **84%** say account-based ads are extremely/very successful in impacting their pipeline.

73% of EMEA marketers agree that intent-based marketing signals have become more difficult to interpret with more people working from home.

APAC

APAC marketers are using many aspects of ABM. A little over half of APAC marketers selected personalization **(56%)**, target-account lead generation **(54%)**, and sales activation/account analytics **(52%)** in the survey.

Out of all the ABM technology used for their ABM efforts, APAC marketers cite marketing automation as their most successful.

70% of APAC marketers believe alignment with their sales teams is strong at their organization.

Marketers are using intent data to fuel their marketing efforts. APAC marketers cited their primary goals in using intent data are to:

Build audience segments for ad campaigns

50%

Generate higher quality leads

45%

Monitor potential customer churn

44%

90%
of APAC marketers are confident in the validity of their data sources.

When it comes to account-based ads, APAC marketers cited the primary reason for running them is to generate leads from target accounts. **81%** say account-based ads are extremely/very successful in impacting their pipeline.

79% of APAC marketers agree that intent-based marketing signals have become more difficult to interpret with more people working from home.

Examining the marketplace

Research is an invaluable way for marketers to better understand customers and prospects, with the goal of building quality connections. At Foundry this is one way we are focused on building bridges between tech buyers and sellers. Our first-party relationships with the most important tech buyers and influencers around the world, allows us to apply value across our customers marketing stack. Our research portfolio explores our audiences' perspectives and challenges around specific technologies—from analytics and cloud, to IoT and security—and examines the changing roles within the IT purchase process, arming tech marketers with the information they need to identify opportunities.

To see what research is available, visit FoundryCo.com/tools-for-marketers. For a presentation of full results from any of these studies, contact your Foundry sales executive or go to FoundryCo.com/contact-us**.**

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Each year we take a deep dive into the enterprise IT purchase process to learn more about who is involved and who influences decision-making, what sources purchasers rely on to keep up to date with technology—and throughout the purchase process—and how they want to engage with the vendors they are working with. Visit FoundryCo.com/ customerjourney for more information.

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Role and priority studies
- CIO Tech Poll: Tech Priorities
- State of the CIO

Technology-specific studies
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- Cloud Computing
- Digital Business
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