



REPORT

# ACCOUNT-BASED TECHNOLOGY REPORT

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A detailed analysis of the Account-Based technology market, trends and benchmarks.

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# INTRODUCTION

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## EXECUTIVE SUMMARY

The 2018 Account-Based Technology Report summarizes TOPO's annual survey of over 150 marketing leaders at companies that have adopted an Account-Based strategy. These include a number of large, mainstream companies as well as high-growth B2B software and SaaS companies. The survey was conducted during Q4 2017.

Marketers are planning to broadly adopt data and technology tools that support Account-Based, and for good reason: today's solutions are making Account-Based more scalable than ever before. Yet, many marketing organizations are still in the early stages of their Account-Based journey, with limited investments in new technology and data solutions to support Account-Based initiatives.

This year's findings underscore our belief that technology investments need to support the specific go-to-market strategy, with organizations investing in solutions specific to their Account-Based initiatives reporting fewer technology challenges.

Account-Based is not a distinct technology category. Nearly all marketing technology solutions are not designed exclusively for Account-Based. Rather, Account-Based is an additional use case many of today's solutions now support.

This report presents the market trends driving all types of Account-Based technologies, from the basic level (technologies needed by every team implementing Account-Based) to the advanced (technologies that mature organizations may want to consider).

For each category, this report reveals adoption trends, priorities, and satisfaction rates with Account-Based technologies. It also shows vendors' market share and mindshare for each type of technology.

# SURVEY OVERVIEW

## OBJECTIVES

TOPO studied marketing teams in Account-Based organizations to understand how they build and manage their technology stacks. We sought to answer two main questions:

- How do the best Account-Based teams use technology today?
- What role has technology played in their success?

## RESULTS

The most successful Account-Based organizations share a number of defining characteristics:

- They are investing more in Account-Based, at 32% of their marketing budget in 2017 compared to 25% for the rest of the sample. They are also going to increase their investment by a larger percentage in 2018: 26% compared to 23% for all others.
- They use a broader stack, including technologies for intent data and orchestration, compared to the rest of the sample, which is focused more on contact and account data.
- They are more likely to have a clear strategy and resources in place, and are working to refine processes and improve integration across the technology stack.
- They have more experience in Account-Based, having started on their initiatives on average 20.4 months ago compared to 13.4 for the rest of the sample.

## SURVEY DEMOGRAPHICS

# of Respondents	157
# of Data Points Surveyed	336
Data Collected	Q4 2017

## RESPONDENTS BY ANNUAL CONTRACT VALUE (ACV)

ACV	% OF RESPONDENTS (OVERALL ACV)	% OF RESPONDENTS (ACCOUNT-BASED ACV)
\$0–25K	15%	10%
\$25–75K	38%	31%
\$75K–250K	32%	37%
\$250K+	15%	22%

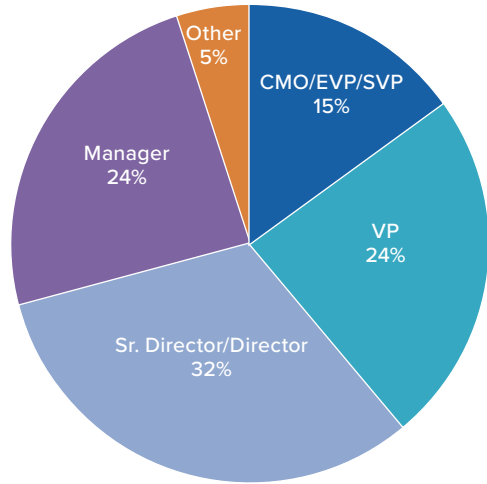
## RESPONDENTS BY CURRENT NUMBER OF TARGET ACCOUNTS

# OF TARGET ACCOUNTS	% OF RESPONDENTS
1–100	27%
101–1,000	38%
Over 1,000	35%

# RESPONDENTS INCLUDE EXECUTIVES FROM ACCOUNT-BASED ADOPTERS

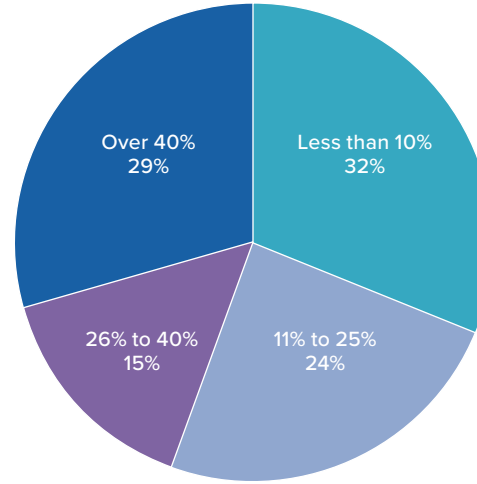
This report is based on survey data gathered from Account-Based marketing leaders in mostly high-growth B2B companies.

**JOB TITLE**



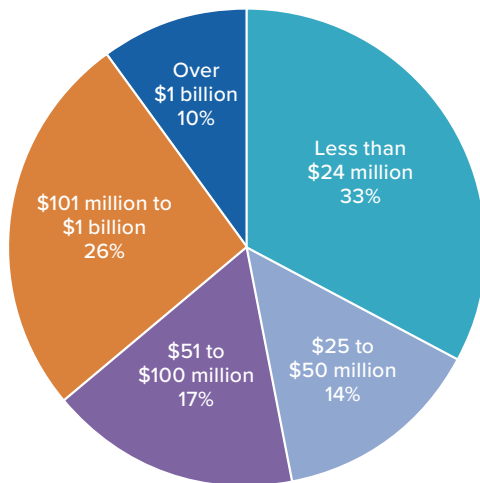
71% of respondents were director level and above

**ANNUAL GROWTH**



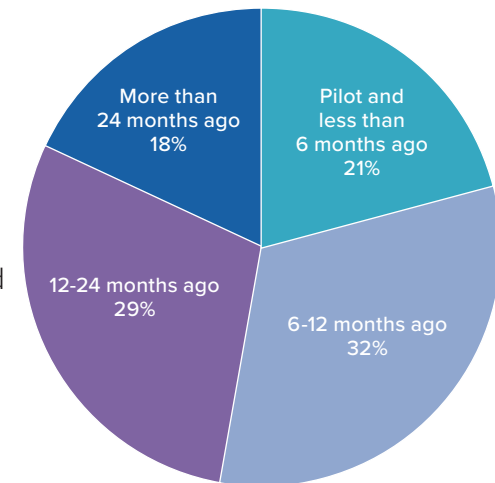
44% of companies that responded were growing at least 26% per year

**REVENUE**



53% of companies have revenue of \$50 million+

**ACCOUNT-BASED MATURITY**



79% of companies have more than 6 months experience with Account-Based

# KEY TAKEAWAYS

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This survey looks at major trends regarding the Account-Based technology stack, the technology categories that make up the stack, and how these technologies impact business results.

- ▶ **Account-Based technology investments are surging – the average investment is expected to increase 28% in 2018.** Organizations are moving rapidly to adopt Account-Based strategies and implement Account-Based technologies. Yet overall, adoption rates remain low, with many categories surveyed well under 60%. However, respondents plan to expand investments significantly, with even the least-used categories projected to reach nearly 70% usage.
- ▶ **The Account-Based investment will continue to grow rapidly over the next 3 years as more organizations adopt Account-Based and prove success.** Organizations exceeding their objectives are planning to purchase significantly more technology than those that are meeting or lagging on their Account-Based objectives. With companies running Account-Based for more than 12 months significantly more likely to report results exceeding objectives, we expect to see investments in Account-Based continue to grow significantly.
- ▶ **Organizations with large target account lists spend significantly more than those with smaller account lists.** Organizations targeting more than 1,000 accounts will spend 43% of their Account-Based budget on technology in 2018, compared to only 27% for those targeting fewer than 100 accounts.
- ▶ **Satisfaction with technology is low today.** Both technology solutions and Account-Based organizations are still immature, with only 18% of organizations having more than two years of Account-Based experience. Maturity in both solutions and strategy will drive significantly improved satisfaction with technology over the next 24 months.
- ▶ **Technology investments are changing quickly, with 80% of organizations planning to purchase new solutions in 4 or more categories this year.** Successfully integrating the evolving technology stack, already a top challenge for 39% of organizations, will continue to keep many organizations from realizing the full benefit they expect from their Account-Based technology investments.
- ▶ **The key to a successful Account-Based stack is to build in phases.** Account-Based can be initially piloted using the technology in place within many marketing organizations. Additional technology selected specifically to meet Account-Based requirements should then be added and integrated over time. Respondents implementing solutions specifically for account-based report fewer technology challenges.

# MARKET TRENDS AND ANALYSIS

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The Account-Based technology space is evolving rapidly. An understanding of the market and its trends is critical when building an Account-Based technology stack. Understanding these factors helps companies not only choose the right technology within each category, but also think about the technology stack in aggregate and how it supports their Account-Based strategy.

- ▶ **Account-Based platforms will be the single-most important category in the stack in 2018 and beyond.** These solutions will bring together planning, orchestration management and measurement into a single solution. Over the next 12 months, we expect multiple Account-Based platforms to emerge, with platforms becoming the central solution for managing and measuring across Account-Based efforts. Early adopters will be the primary purchasers in 2018, with category adoption expected to accelerate in 2019.
- ▶ **Account-Based platforms will become the hub for integration across account-based execution solutions.** However, initial Account-Based platforms will come in part from point solution providers in data or advertising. The full benefit, and adoption, will not be realized until they allow broad integration of competing best-of-breed solutions.
- ▶ **Account-Based platforms also address key measurement challenges.** By centralizing targeting account data and orchestration management, Account-Based platforms will have the data needed to provide key elements of Account-Based measurement.
- ▶ **The Orchestration Management category will be replaced by the Account-Based platform.** When looking at investment priorities, orchestration has the highest growth rate, at 164%. But to meet the expectations of organizations considering orchestration, providers will need to expand and offer a full Account-Based platform. Engagio has led the orchestration category and has many foundational elements of the platform in place. The 6sense acquisition of ZenIQ, Terminus's acquisition of BrightFunnel, and Demandbase's introduction of ABM Analytics are just three of the changes accelerating the category.
- ▶ **The Account-Based market will continue to see vendor consolidation through the rest of 2018 and into 2019.** We anticipate multiple acquisitions this year, with smaller players combining to offer more robust solutions and larger organizations acquiring Account-Based providers in order to enter the Account-Based market.
- ▶ **Intent data will be broadly adopted by the end of 2018.** Driven by high perceived importance, satisfaction, and investment plans, as well as the rapid expansion of its availability, intent data is expected to be widely deployed this year.

# MARKET TRENDS AND ANALYSIS (CONTINUED)

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- ▶ **Advertising continues to be the Account-Based “gateway” application.** Advertising has emerged as one of the first Account-Based executions many organizations deploy. While it is a common starting point, relatively low satisfaction with advertising reflects in part the fact many organizations adopt Account-Based advertising before effectively establishing an overall Account-Based strategy.
- ▶ **Sales engagement applications are a critical part of the Account-Based stack.** One of the most critical touches in orchestration is the SDR and Sales outreach. This is executed at scale via sales engagement applications, making them a critical element of the Account-Based stack. In some organizations, emails currently delivered through marketing automation will be moved into sales engagement applications.
- ▶ **The predictive analytics vendors are pivoting.** The predictive market was filled with promise, driving significant VC investments. While predictive investments are expected to grow by more than 50%, providers are pivoting to specific use cases in order to drive growth. The providers that successfully pivot will focus on the data market or program execution, often by entering the Account-Based platform market.
- ▶ **Lead-to-account matching is table-stakes for Account-Based infrastructure.** One of the original solutions in the tech stack continues to be seen as a very important solution by 80% of respondents. This will continue to be a critical solution as more organizations adopt Account-Based and realize their CRM is not structured to support their new requirements.
- ▶ **Chat and messaging, while still emerging as a category for Account-Based organizations, is fast becoming a critical element of the marketing technology stack.** Early 2018 data shows the chat and messaging category will be one of the fastest growing across the marketing, SDR, and sales stack. Chat vendors are addressing Account-Based by providing the ability to identify target accounts as they land on the website and to personalize the content to the account. As Account-Based use cases continue to emerge and adoption spreads, chat and messaging will be a critical channel going forward.
- ▶ **Machine learning and artificial intelligence will feature prominently in the Account-Based stack.** Machine learning and AI receive a significant amount of buzz. While they will be important, it will be as a feature of an application. Some of the first categories impacted will be sales engagement, chat, orchestration, personalization and reporting.
- ▶ **Customer Data Platforms (CDPs) are an emerging element of the Account-Based technology stack.** Data today is collected in different applications (MAP, CRM, web analytics and various point solutions), but a consolidated and actionable view is not available in any one place in the organization. CDPs will fill this gap, with adoption expected to accelerate in 2019.

# TOP ACCOUNT-BASED PERFORMERS HAVE INVESTED MORE AND LONGER

## KEY DIFFERENCES BY ACCOUNT-BASED PERFORMANCE LEVEL

	ACCOUNT-BASED "LEADERS"*	ACCOUNT-BASED "LAGGARDS"*
% of Sample	27%	59%
Time Spent on Account-Based Initiatives (Months)	20.4	13.4
Average 2017 Account-Based Tech Spend	\$412.1K	\$281.8K
% of Marketing Spend on Account-Based	32%	25%
Projected 2018 Growth in Account-Based Spend	26%	23%
# of Accounts	2,140	1,379
Most Important Account-Based Tech Categories	<ul style="list-style-type: none"> <li>• Intent data</li> <li>• Orchestration</li> <li>• Account insights</li> <li>• Measurement</li> </ul>	<ul style="list-style-type: none"> <li>• Contact data</li> <li>• Account insights</li> <li>• Measurement</li> </ul>
Greatest Challenges with Account-Based	<ul style="list-style-type: none"> <li>• Insufficient internal processes</li> <li>• Integration of the tech stack</li> </ul>	<ul style="list-style-type: none"> <li>• Insufficient staff/resources</li> <li>• Establishing Account-Based strategy</li> </ul>

## ANALYSIS

Companies ahead of their Account-Based objectives, termed Account-Based "leaders," are more experienced with Account-Based, are investing more in Account-Based technology, and are applying it to more accounts.

Leaders are more likely to see intent data and orchestration as important to their Account-Based efforts, reflecting their higher level of sophistication. Because their Account-Based initiative is more established, leaders are more likely to have overcome planning and staffing challenges. Instead they need to focus on improving processes and integration across the technology stack.

In comparison, laggards struggle to get the staffing and resources needed to develop and implement an Account-Based strategy.

\* "Leaders" defined as companies ahead of their Account-Based objectives; "Laggards" defined as those companies on-target or below objectives.



# THE ACCOUNT-BASED TECHNOLOGY STACK

# TOPO ACCOUNT-BASED TECHNOLOGY STACK

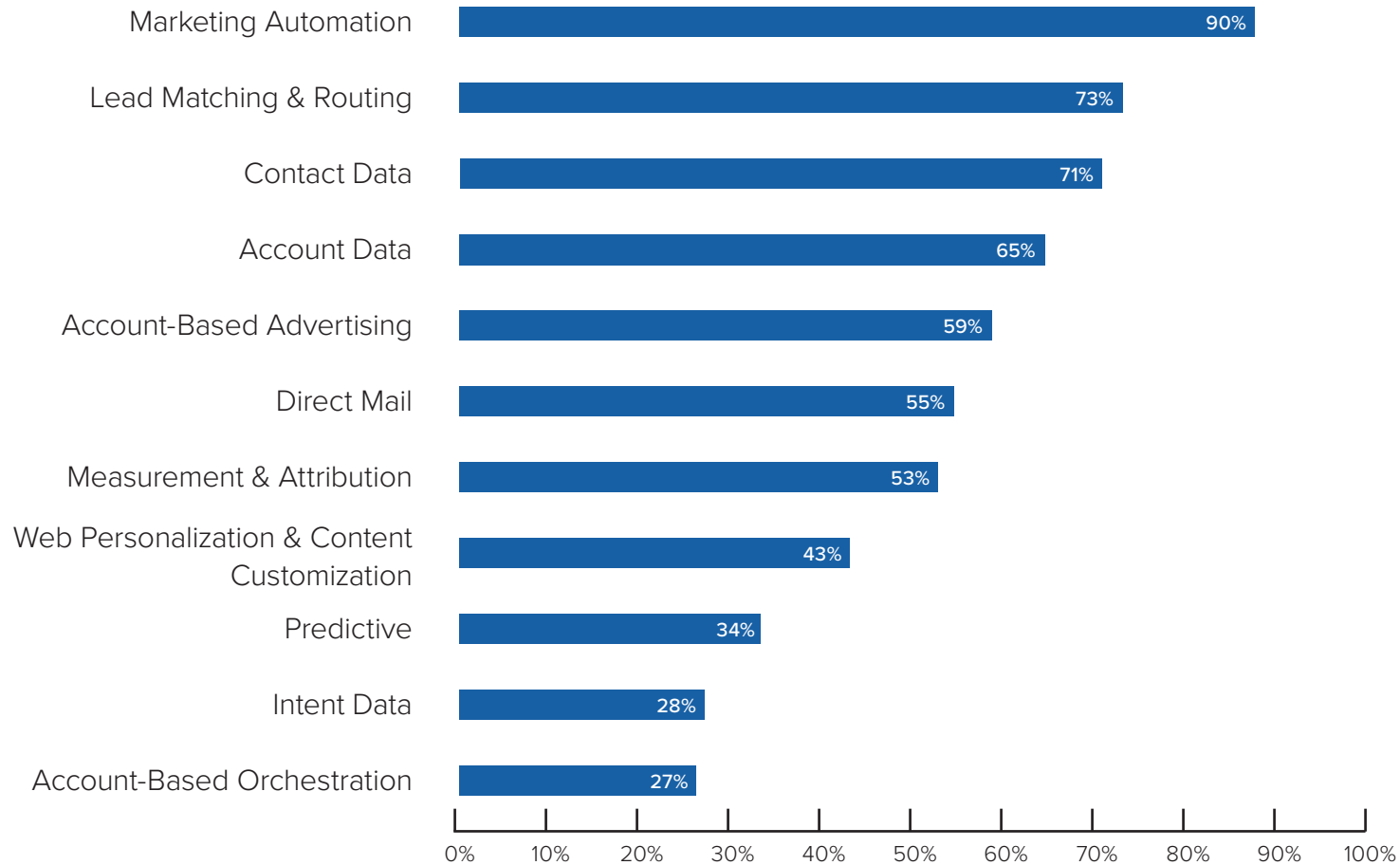


Legend

- ESTABLISHED
- EMERGING

# ADOPTION IS STILL BELOW 70% FOR THE MAJORITY OF TECHNOLOGY CATEGORIES

## PERCENT OF RESPONDENTS USING SOLUTIONS IN EACH CATEGORY



## ANALYSIS

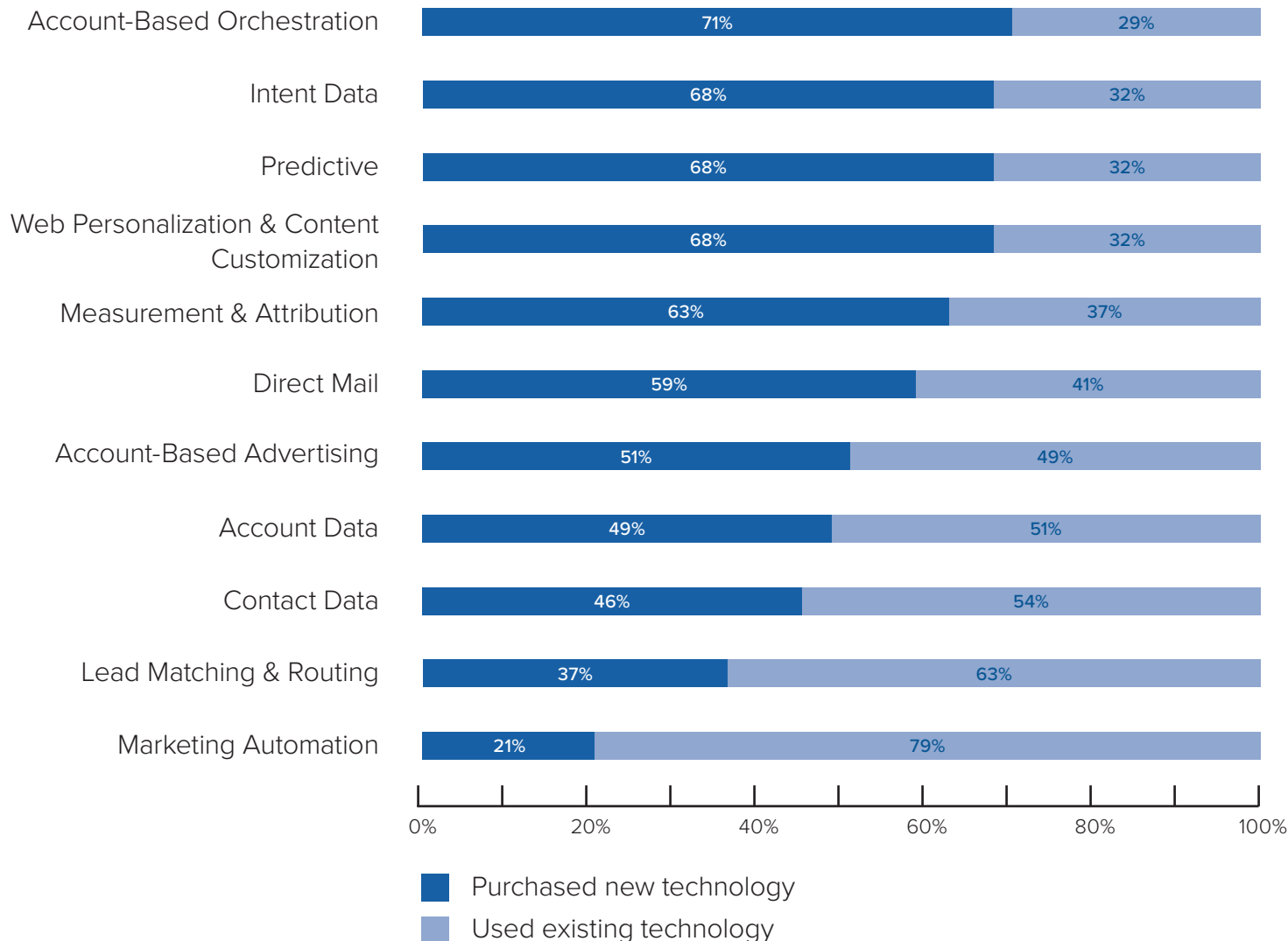
The most widely adopted technologies are marketing automation, lead matching and routing, and contact data.

Only 59% of respondents are using Account-Based advertising and just 55% are using direct mail, highlighting the opportunity for growth in technology used to drive execution in individual channels.

Solutions like predictive and intent, while generating significant interest in the market, are still in the early stages of adoption.

# MANY COMPANIES ARE ADAPTING EXISTING TECHNOLOGIES FOR ACCOUNT-BASED

## PURCHASED NEW VERSUS USED EXISTING TECHNOLOGY



## ANALYSIS

Organizations are using the technology they already have in place.

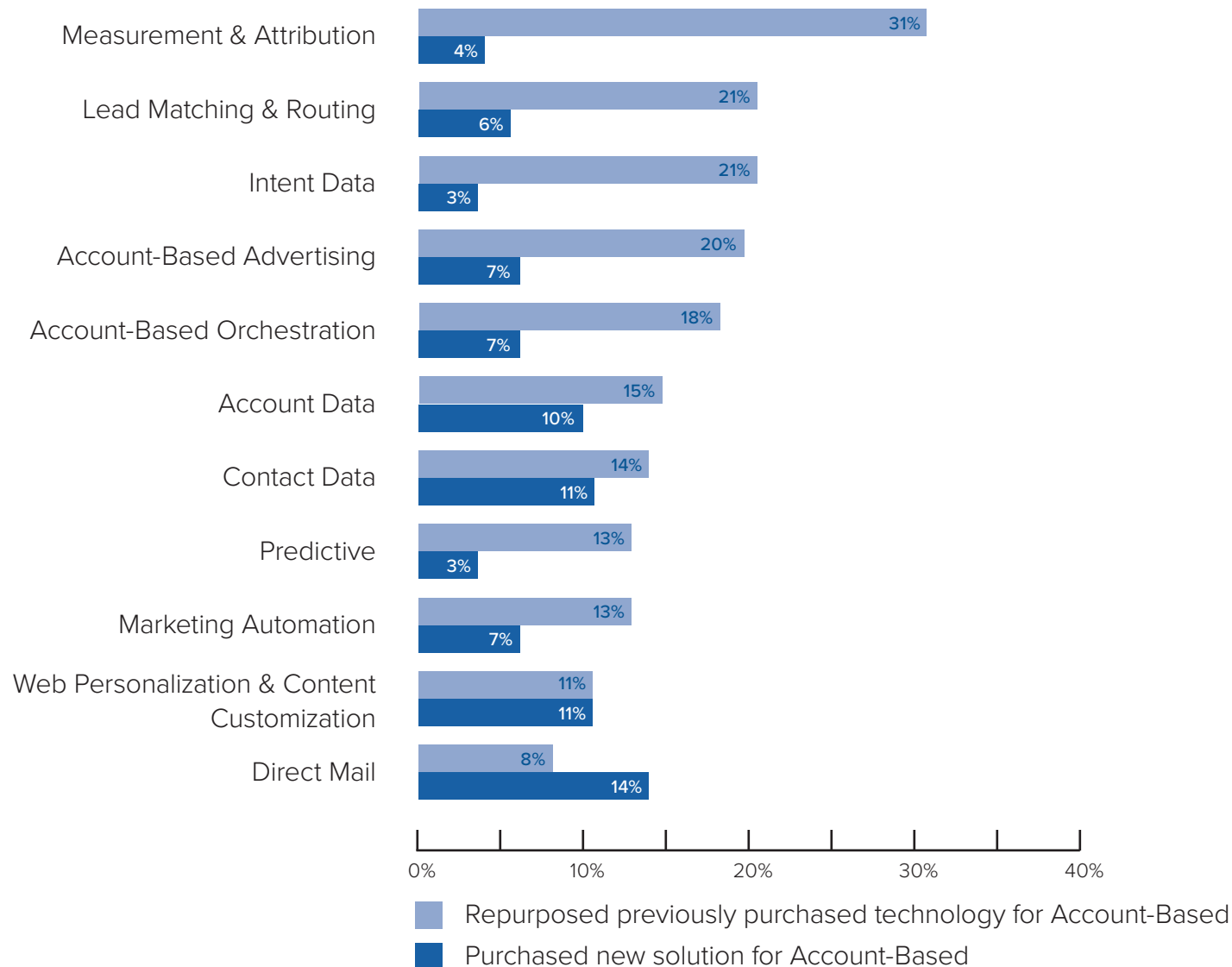
By reusing existing technologies, organizations limit their incremental technology spend. However this approach introduces compromises in the technology solutions used for Account-Based (e.g. implementations optimized for traditional demand generation processes or measurement), leading to more challenges with the technology stack.

New purchases in marketing automation are largely attributable to traditional industries that have been slower to adopt marketing automation. These include professional services, manufacturing, and healthcare.

Newer categories, such as predictive and intent data, are likely to be purchased for Account-Based although they have strong use cases in traditional demand generation as well. This highlights the growing importance of Account-Based in the consideration of new technology investments.

# ADAPTING EXISTING TECHNOLOGIES FOR ACCOUNT-BASED PRESENTS CHALLENGES

## FACING STRONG CHALLENGES WITH ACCOUNT-BASED TECHNOLOGY



## ANALYSIS

Those attempting to repurpose existing technologies are facing the greatest challenges. This reflects the fact that few existing technologies are designed with Account-Based in mind, and many either lack sufficient support or have not been implemented to meet the specific requirements of Account-Based.

The greatest challenge is found in Account-Based measurement and attribution. Of those who repurposed a measurement solution for Account-Based, 31% are experiencing strong or extreme challenges with the technology. Account-Based requires measuring account-level engagement and funnel progression, something traditional measurement solutions have not been designed to address.

Companies adopting Account-Based need to be cautious when assuming existing solutions will meet long-term needs. Instead, they need to plan to evolve their technology implementations and overall marketing technology stack to meet the specific demands of an Account-Based go-to-market approach.

# USE CASE: EARLY (GETTING STARTED WITH ACCOUNT-BASED)

Account-based, at first, often requires only manual processes and whatever technology an organization has in place. Without certain technology however, most organizations stay with shorter target account lists.

	1. ICP & ACCOUNT IDENTIFICATION	2. DATA	3. ORCHESTRATION	4. EXECUTION	5. MEASUREMENT
PROCESS	<p>Develop the Ideal Customer Profile (ICP) using quantitative (data) and qualitative (discussion) information, and then create a target list of accounts that match the ICP.</p> <p>Use an account selection process to select accounts for specific programs.</p>	<p>Identify contact information on the individuals in each target account.</p> <p>Account insights to use to develop effective programs and messaging.</p>	<p>Keep orchestration plans simple. Focus on: orchestration between marketing (air cover and pre-SDR marketing programs); SDR (proven SDR touch patterns). Incorporate selective executive touches.</p>	<p>Leverage a manageable set of channels, orchestrating timing and pacing for each. Focus on direct mail, email, and SDR outreach.</p>	<p>Focus on account-centric metrics, not on lead-centric outcomes (MQL).</p> <ol style="list-style-type: none"> <li>1. Opportunity Rate</li> <li>2. Target Account Pipeline</li> </ol>
EXAMPLE	<p>XYZ develops the initial ICP via analysis of internal win-loss, sales-cycle, and retention data, and with qualitative data from sales. Sales and marketing meet to agree on the ICP.</p> <p>They select accounts by industry for their initial program; they will move to intent data once they optimize their program strategy.</p>	<p>The initial pilot includes 100 accounts. They buy contact data and, to ensure completeness, augment the data with research, via LinkedIn, by SDRs. If the pilot succeeds, they will buy more data and possibly add a second data vendor.</p> <p>To generate account insights, they use internet research.</p>	<ul style="list-style-type: none"> <li>• Pre-SDR – (begins 2 days before SDR touch pattern) – direct mail and email</li> <li>• Air-cover – Advertising and LinkedIn ads</li> <li>• SDR touch pattern – 15 touches across email, phone, social, and video</li> <li>• Exec-to-exec outreach (CIO reaches out to account CIO via LinkedIn and email)</li> </ul>	<p>An early marketing-SDR pilot leveraged only a few channels:</p> <ul style="list-style-type: none"> <li>• Direct-mail</li> <li>• Digital advertising (display and LinkedIn)</li> <li>• Email (using marketing automation)</li> <li>• SDR touch pattern</li> </ul>	<p>During the pilot, the team meets regularly to monitor engagement rates and look for quick optimizations.</p> <p>The pilot dashboard focuses on:</p> <ul style="list-style-type: none"> <li>• Opportunities created/ opportunity rate</li> <li>• Target account pipeline created</li> </ul>
TECHNOLOGY	<ul style="list-style-type: none"> <li>• Account data – to build the target account list, use existing data when possible. Otherwise, invest in account data tech or deploy people for research.</li> <li>• Intent solutions – to drive account selection.</li> </ul>	<ul style="list-style-type: none"> <li>• Contact data – use existing sources to append data. Source additional data as needed for coverage.</li> <li>• Account data – to secure the insight needed for personalization.</li> </ul>	<ul style="list-style-type: none"> <li>• AB platform – use a manual process to manage orchestration. After the initial test, invest in an AB platform.</li> <li>• Sales engagement application – use this to develop touch patterns.</li> </ul>	<p>For a pilot, repurpose existing tactics to target specific accounts (advertising, content syndication).</p> <ul style="list-style-type: none"> <li>• Direct mail – send it manually;</li> <li>• Digital advertising – migrate ASAP to account-targeted advertising solutions (display and LinkedIn).</li> </ul>	<p>Reporting – use what is available. As soon as account-based is adopted, move reporting onto the platform or into a custom build in SFDC.</p>

# USE CASE: LOW VOLUME OF HIGH-VALUE ACCOUNTS

This use case typifies organizations with highly targeted Account-Based programs and extremely high-value, strategic accounts. (Highly targeted: no more than three accounts per rep.) These programs are fully account-customized, with touches delivered one-to-one.

	1. ICP & ACCOUNT IDENTIFICATION	2. DATA	3. ORCHESTRATION	4. EXECUTION	5. MEASUREMENT
PROCESS	Define a tight target account list (max 3 accounts per assigned rep). Using predictive data ensures account quality.	Identify at least of 70% of key targets. Use contact data vendors and human research to append contact data. Surface account insights to use to develop more-effective programs and messaging.	Create an orchestration brief to support the orchestration plan shared by marketing and sales development. (Multi-touch orchestration is critical to success).	Both highly personalized and fully supported by technology. Each account has its own orchestration plan, with timing and pacing required for an orchestrated effort.	Status tracking of each account. The Account Engagement Score (AES) provides insight into account penetration and into opportunities created across all programs.
EXAMPLE	A field-centric team focuses account-based efforts on a 50-account, strategic target account list. The initial list comes via internal data (closed-won, sales cycle, and renewal rate) and external data (technographic data and numerous other factors). Intent data is used to further narrow the list to active accounts. Sales has the final call.	Sales operations owns database creation. It buys data from contact data vendors and augments with LinkedIn research by assigned SDRs and AEs. Account teams (SDR, AE, exec sponsor) review account insights, intent and engagement data, and account research (current news).	New program waves launch every two weeks. The account team meets to develop the program – a fully personalized marketing plan (ads showing the target account’s name) and SDR (one-to-one, well-researched, personalized messaging). The plan includes 12 channels and 100s of touches (including advertising).	The highly targeted program focuses mainly on getting prospects to dinner events using the following channels: <ul style="list-style-type: none"> <li>Personalized ads with company name in copy</li> <li>Website personalization – web visits show personalized copy and interest-based content</li> <li>Direct mail – exec direct mail with personal note</li> <li>Sales engagement apps – all touches are personalized and sent through sales engagement apps</li> </ul>	Account-teams (AE, SDR, exec-sponsor, AB marketer) meet twice a week to review results. Each week, marketing presents a dashboard with: <ul style="list-style-type: none"> <li>Account Engagement Score per account</li> <li>Opportunity Rate (opportunities created/activated accounts)</li> <li>Target Account Pipeline</li> <li>Account by account status</li> </ul>
TECHNOLOGY	<ul style="list-style-type: none"> <li>Predictive analytics – high-volume scenarios require more data to eliminate waste in the target account list. (At this scale, the cost of manually checking everything would be prohibitive.)</li> <li>Intent data – it’s essential to identifying which accounts to work.</li> </ul>	<ul style="list-style-type: none"> <li>Contact data – at this scale, expect significant investment here.</li> <li>Intent data – essential for account-selection and for account personalization.</li> <li>Account data – tech-enabled aggregated account insights (such as new, recent announcements) allow for sales personalization.</li> </ul>	<ul style="list-style-type: none"> <li>Account-Based Platform – use to manage and measure orchestrated programs.</li> <li>Sales Engagement Application – preferred by sales/SDR teams; required to manage SDR and sales touch patterns in high-volume organizations.</li> </ul>	All of this technology must be in the tech stack: <ul style="list-style-type: none"> <li>Digital advertising</li> <li>Direct mail</li> <li>Content syndication</li> <li>Website personalization</li> <li>Webinar and video</li> <li>Chat/messaging</li> </ul>	A high-volume program must have the technology to effectively measure: <ul style="list-style-type: none"> <li>Account-Based platform – reporting against account progression and account-based execution</li> <li>Attribution – insight into the effectiveness of specific tactics</li> </ul>

# USE CASE: HIGH VOLUME OF ACCOUNTS

Account-Based does not imply a small subset of accounts. Many organizations do Account-Based at scale where the ratio of accounts per assigned rep is >100. These use volume-and-velocity tactics (such as heavy marketing automation sends). Much of the technology is the same, and applied differently.

	1. ICP and ACCOUNT IDENTIFICATION	2. DATA	3. ORCHESTRATION	4. EXECUTION	5. MEASUREMENT
PROCESS	The ICP enables the identification of target accounts. Data and technology, including predictive solutions, enable creating and maintaining this big target account list. Intent data provides the insights to determine which accounts in this big list to focus on.	Data is sourced and appended as needed for program execution or for trigger-based programs. Intent and engagement data provides insights into interests – allowing for some messaging personalization.	Relative to limited account-based programs, orchestration is more complex and is typically “always-on,” which requires technology solutions. Messaging is personalized for segments of accounts (versus one-to-one).	These programs are in perpetual motion, running touches across multiple channels. Technology is required to execute programs at scale across a large number of accounts.	Account-centric. Resist the temptation to look at only form-fills or lead-centric outcomes (MQL); despite the volume, measurement must focus on: <ol style="list-style-type: none"> <li>1. Opportunities/Opportunity Rate</li> <li>2. Target Account Pipeline</li> </ol>
EXAMPLE	A mature technology organization with a large set of products builds its target list of 10,000 accounts by identifying the common characteristics of the accounts most likely to purchase. Accounts are selected using account intent, and engagement data, and looking at the use case for each program.	Contacts at each account are appended (sourcing data from two data vendors to ensure adequate contact coverage).	Account-based programs were run throughout the year. 800 accounts were selected each month for orchestrated marketing and SDR programs. Programs incorporated standard demand-gen content offers (webinars); SDRs run aggressive 2-week, 13-touch outbound cadences.	High-volume account-based efforts use traditional demand-gen tactics paired with higher-impact efforts: <ul style="list-style-type: none"> <li>• Ads and websites were personalized by use case or interest.</li> <li>• Exec-to-exec direct mail, with a personal note follow-up.</li> <li>• Using sales engagement apps, all touches were personalized (based on use case) to each account.</li> </ul>	Marketing operations presents the account-based dashboard every week focused on: <ul style="list-style-type: none"> <li>• KPIs (engaged accounts, meetings set)</li> <li>• Overall program success (opportunity rate, target account pipeline, revenue)</li> </ul> After struggling early to move off the lead metrics, the organization soon had good opportunity-rate and target-account-pipeline metrics to present regularly to the board.
TECHNOLOGY	<ul style="list-style-type: none"> <li>• Predictive analytics – High-volume scenarios require more data to eliminate waste in the target account list. (At this scale, the cost of manually checking everything would be prohibitive.)</li> <li>• Intent data – It’s essential to identifying which accounts to work.</li> </ul>	<ul style="list-style-type: none"> <li>• Contact data – At this scale, expect significant investment here.</li> <li>• Intent data – Essential for account-selection and for account personalization.</li> <li>• Account data – Tech-enabled aggregated account insights (such as new, recent announcements) allow for sales personalization (up to 20 minutes before a call).</li> </ul>	<ul style="list-style-type: none"> <li>• AB Platform – to manage and measure orchestrated programs.</li> <li>• Sales Engagement Application – Preferred by sales/SDR teams; required to manage SDR and sales touch patterns in high-volume organizations.</li> </ul>	All of this technology must be in the tech stack: <ul style="list-style-type: none"> <li>• Digital advertising</li> <li>• Direct mail</li> <li>• Content syndication</li> <li>• Website personalization</li> <li>• Webinar and video</li> <li>• Chat/messaging</li> </ul>	A high-volume program must have the technology to effectively measure: <ul style="list-style-type: none"> <li>• Account-Based platform – reporting against account progression and account-based execution</li> <li>• Attribution – insight into the effectiveness of specific tactics</li> </ul>



# ACCOUNT-BASED TECHNOLOGY SPEND AND ROI

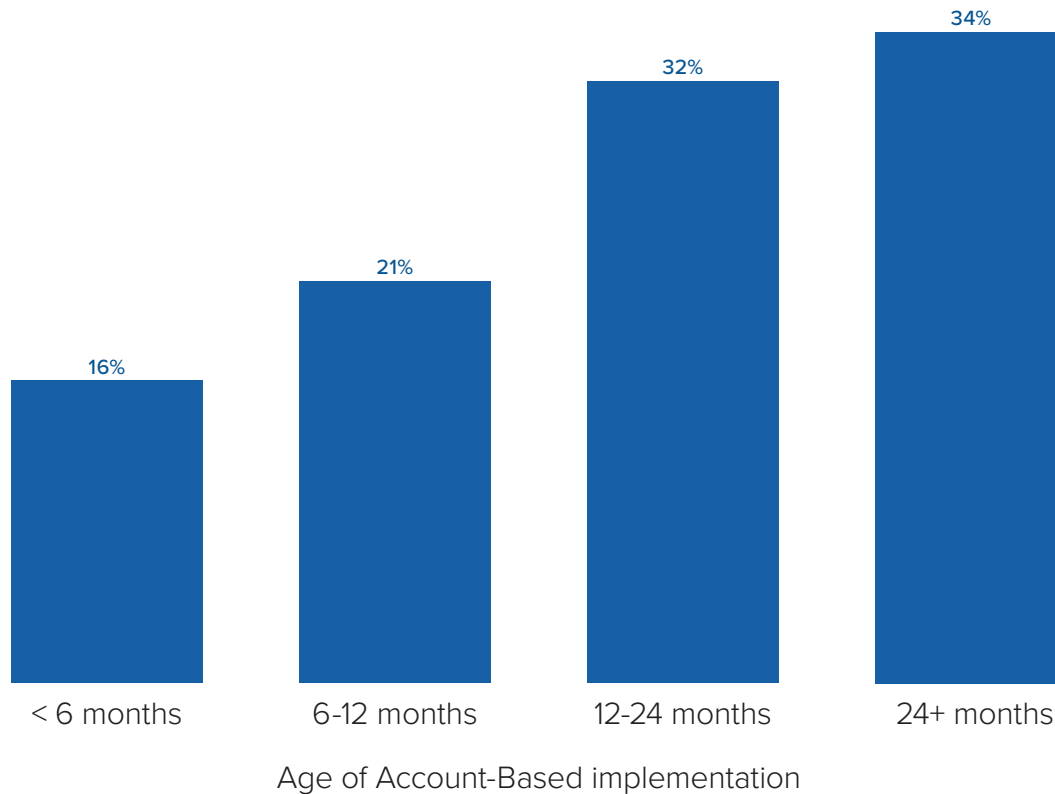
# MEASUREMENT, INTENT, AND ORCHESTRATION SET TO SEE SIGNIFICANT GROWTH IN 2018

## ACCOUNT-BASED TECHNOLOGY 2017 BUDGET SHARE AND PLANNED 2018 SPEND

CATEGORY	SHARE OF BUDGET (2017)	PLANNED \$ GROWTH (2018)	ANALYSIS
Account-Based Orchestration	4%	164%	Extreme demand is driving integration of orchestration into broader Account-Based platform offerings.
Intent Data	4%	89%	Intent data is expected to be one of the fastest growing categories in 2018.
Measurement & Attribution	8%	79%	Demand for improved measurement will make it one of the top four tech budget line items for many Account-Based marketing teams.
Predictive	5%	57%	While growth continues, predictive will see the smallest share of budget of all surveyed categories in 2018.
Direct Mail	9%	38%	Direct mail has seen a resurgence, driving growth in solutions that integrate management into the tech stack.
Web Personalization & Content Customization	8%	28%	Growing usage is driving small, incremental investments in this category.
Account Data	11%	21%	While account data solutions are already broadly adopted, incremental adoption gains are driving growth.
Lead Matching & Routing	10%	14%	This core infrastructure element is already widely used, but growth is driven by increased use of specialized solutions outside CRM.
Contact Data	15%	-1%	Contact data will continue to be the second largest investment category for many Account-Based marketers.
Marketing Automation	27%	-2%	Marketing automation will continue to be the largest tech investment for marketers, though the size of that investment is not growing dramatically in most organizations.

# RESPONDENTS ARE SPENDING 25% OF THEIR OVERALL MARKETING BUDGET ON ACCOUNT-BASED

## PERCENT OF MARKETING BUDGET SPENT ON ACCOUNT-BASED BY AGE OF ACCOUNT-BASED IMPLEMENTATION



## ANALYSIS

Overall, respondents are spending 25% of their marketing budget on Account-Based, while companies using Account-Based the longest are investing a significantly larger percentage of their budget.

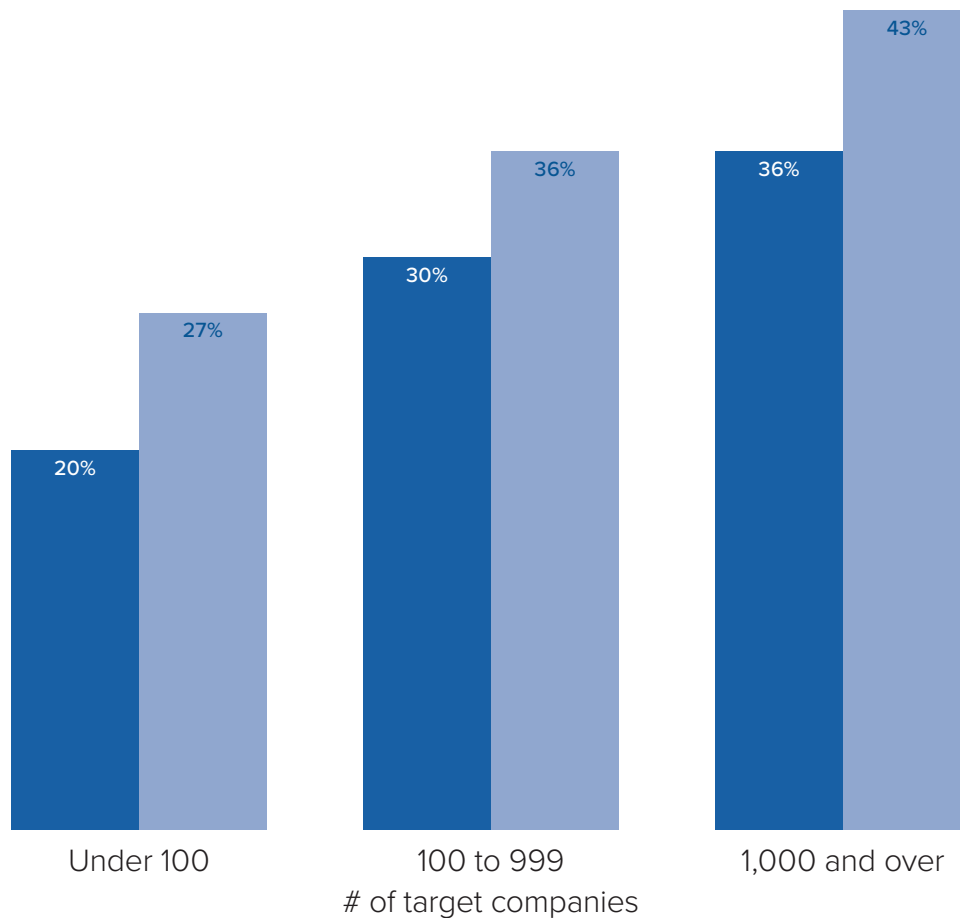
Organizations with higher ACVs from Account-Based and those exceeding their Account-Based objectives tend to spend more of their budget on Account-Based.

The investment pattern fits with the pilot, prove-and-expand approach many organizations take to Account-Based.

Only 12% of respondents spend more than 50% of budget on Account-Based, highlighting the fact Account-Based is an additional go-to-market approach, not an outright replacement of more traditional demand generation or inbound approaches.

# ACCOUNT-BASED TECHNOLOGY SPEND IS PROJECTED TO INCREASE BY 28% IN 2018

ACCOUNT-BASED TECHNOLOGY SPEND IN 2017 AND 2018 (AS % OF OVERALL ACCOUNT-BASED SPEND), BY # OF TARGET COMPANIES



■ 2018 (projected) spend on Account-Based technology  
■ 2017 spend on Account-Based technology

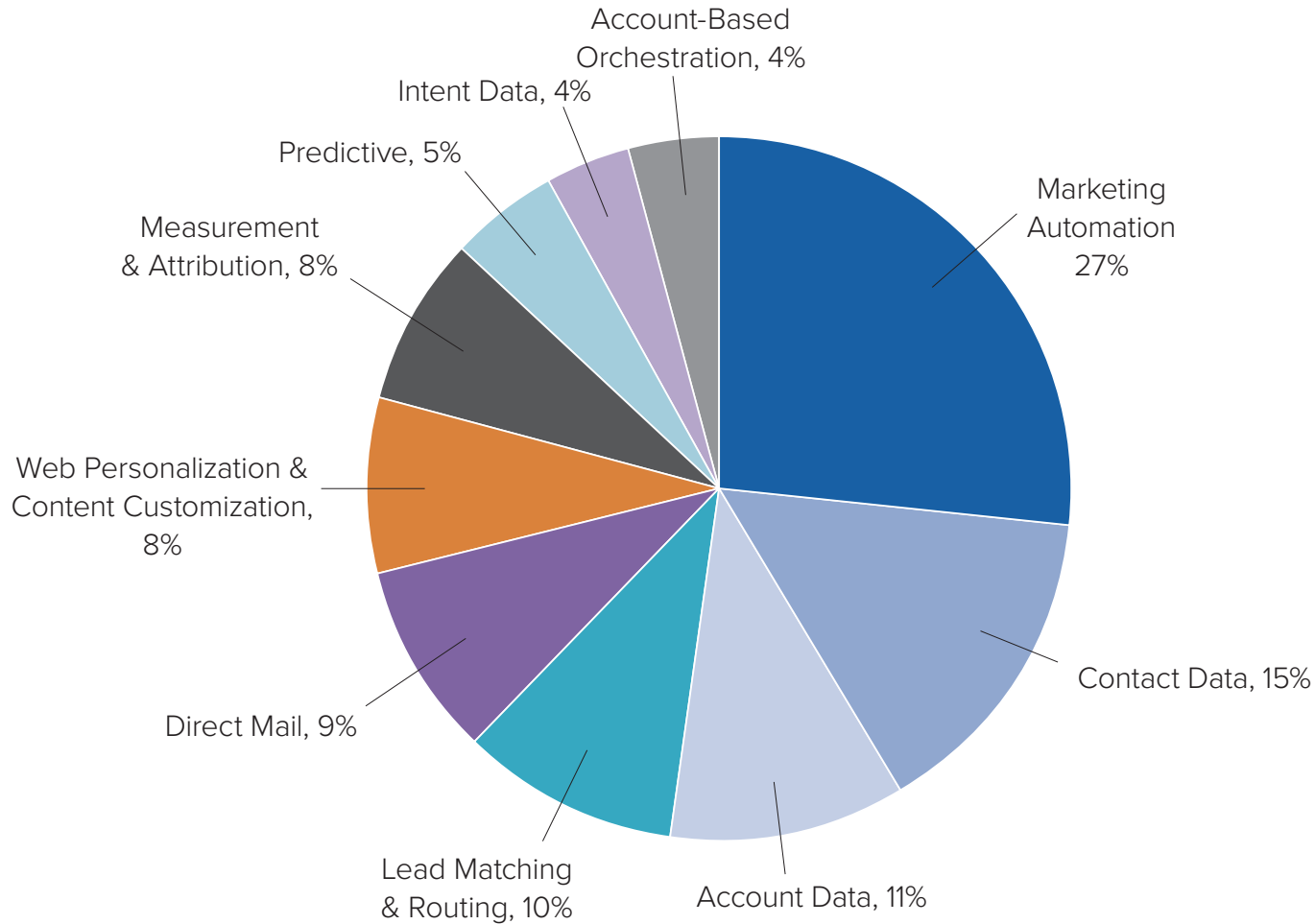
## ANALYSIS

Overall, surveyed organizations expect their spending on Account-Based technology to increase by an average of 28% from 2017 to 2018.

The biggest technology spend increase, from 20% to 27% of the Account-Based budget, is for companies with fewer than 100 target accounts. These organizations are less likely to be using technology from across every category today, and investments are expected to increase in orchestration and advertising in particular.

# MARKETING AUTOMATION AND DATA ARE THE LARGEST CATEGORIES OF ACCOUNT-BASED TECH INVESTMENT

## 2017 ACCOUNT-BASED TECH SPENDING BY CATEGORY



## ANALYSIS

The largest areas of technology spend are in marketing automation, contact data, and account data. These three categories combined make up more than half the technology spend in 2017.

Perhaps not surprisingly, these are also some of the more widely used Account-Based technology categories, representing three of the top four categories by usage.

This data excludes spend on advertising technology, as the technology and media spend are bundled together by multiple providers. If advertising spend were included, it would be the top category.

# ORGANIZATIONS PLAN TO IMPLEMENT ACCOUNT-BASED TECHNOLOGIES ACROSS THE BOARD

## ACCOUNT-BASED TECHNOLOGY 2017 USAGE AND 2018 PLANNED USAGE

CATEGORY	% USING (2017)	% PLANNED USE (2018)	2017 TO 2018 GROWTH, POINTS
Marketing Automation	90%	97%	6 %
Lead Routing & Matching	73%	92%	19%
Contact Data	71%	92%	20%
Account Data	65%	92%	27%
Account-Based Advertising	59%	88%	29%
Direct Mail	55%	78%	24%
Measurement & Attribution	53%	89%	36%
Web Personalization & Content Customization	43%	76%	33%
Predictive	34%	67%	33%
Intent Data	28%	70%	42%
Account-Based Orchestration	27%	73%	46%

## ANALYSIS

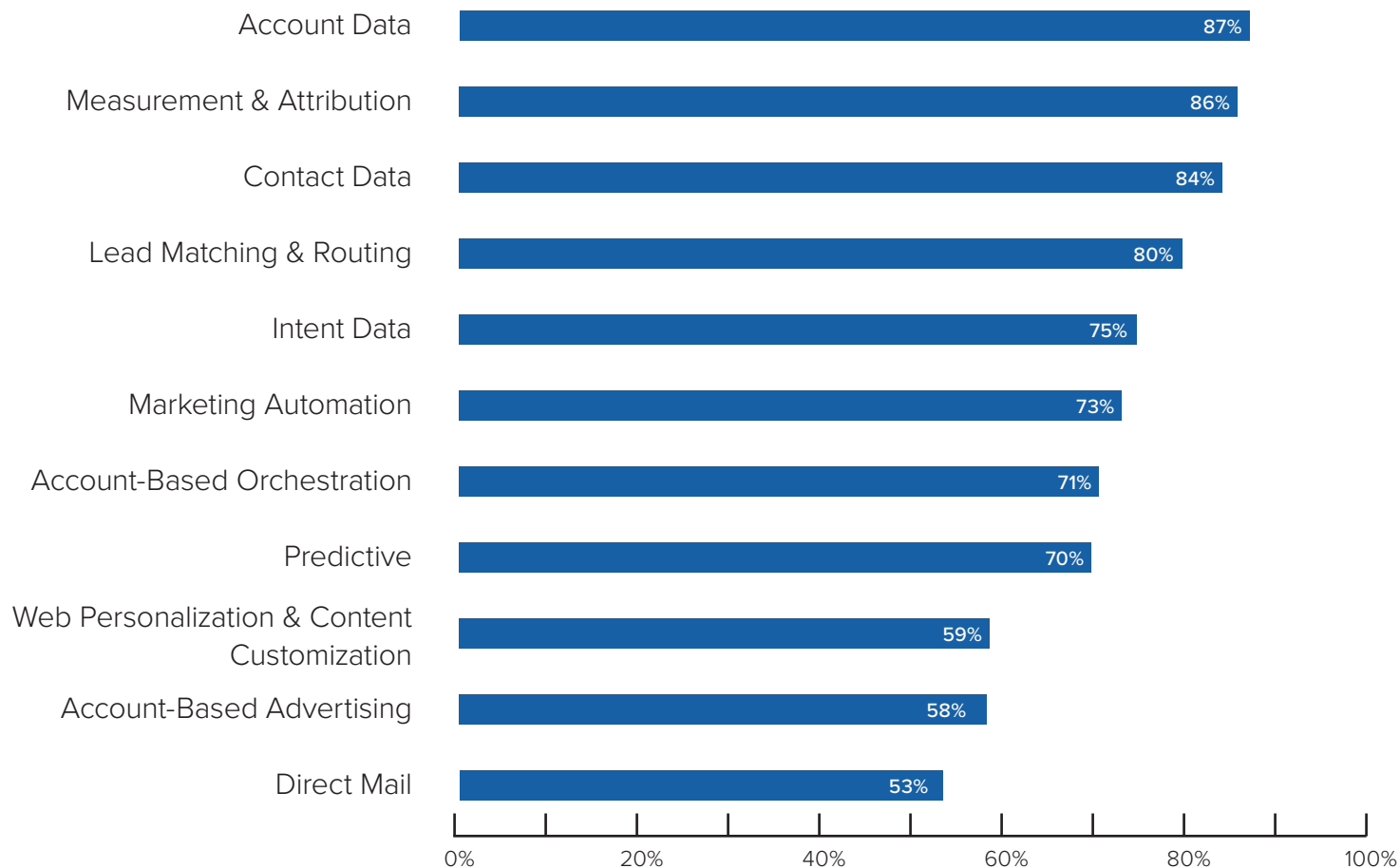
Organizations have aggressive plans to rapidly implement new elements of the Account-Based technology stack, with planned penetration of even the least used technologies approaching 70% by end of 2018.

However, 80% of companies indicate they will purchase new solutions in four or more categories, and 33% will purchase new solutions in eight or more categories!

This is more change than most companies will be able to effectively execute, particularly as integration is already a key concern for many. We expect organizations to add new technologies to fewer categories in 2018, depressing the indicated 2018 usage across nearly all categories.

# COMPANIES BELIEVE THAT DATA AND MEASUREMENT ARE THE MOST IMPORTANT ELEMENTS OF THE TECH STACK

## % RATING ACCOUNT-BASED TECHNOLOGY AS IMPORTANT/VERY IMPORTANT



## ANALYSIS

Comparing the Account-Based technologies respondents find most important with the ones they use underscores the nascence of the Account-Based technology solutions organizations have adopted.

The importance of measurement and account data will be key drivers of growth in these technology categories in 2018.

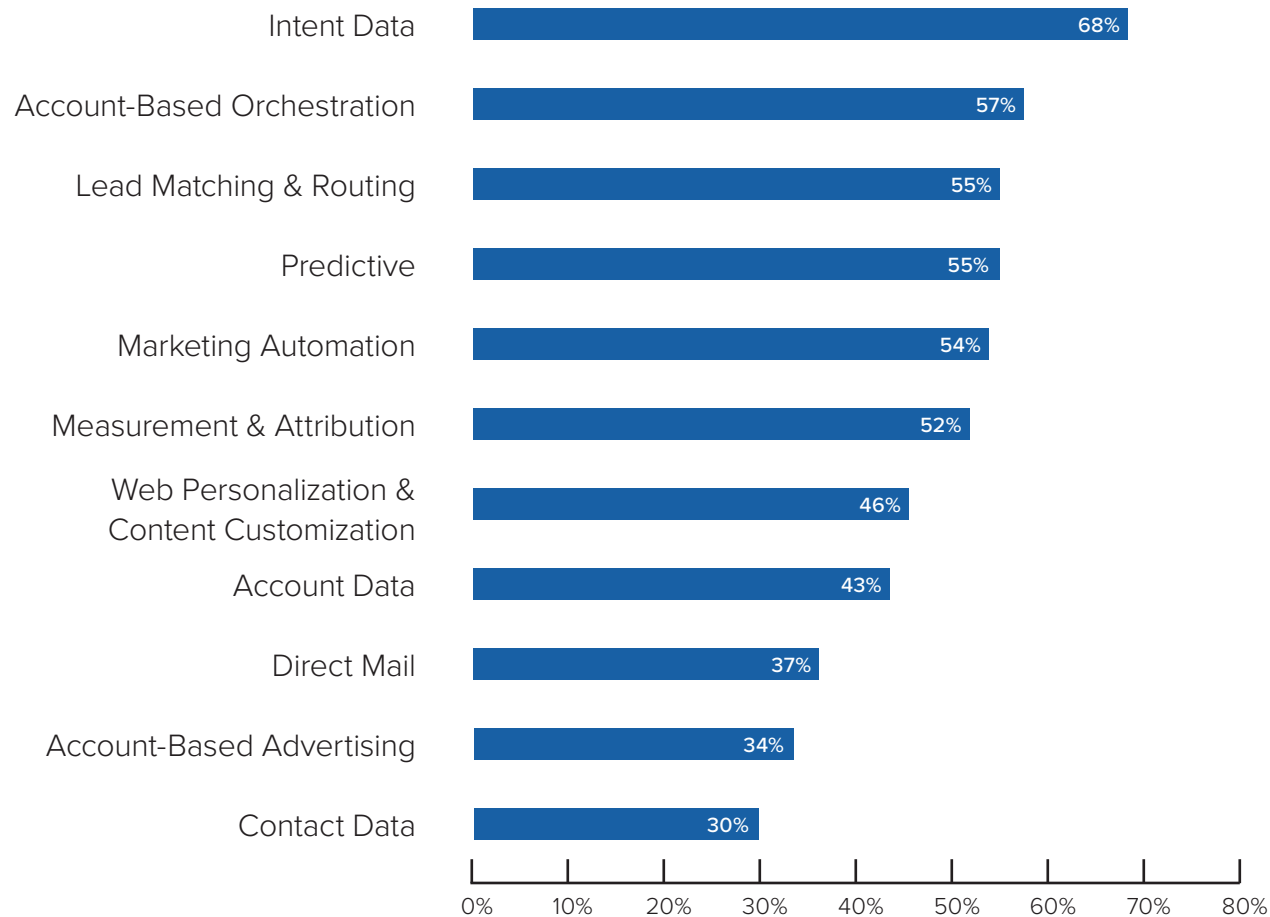
Even with low penetration today, the importance of intent data and orchestration bodes well for growth in these categories in 2018 and beyond.

# ACCOUNT-BASED TECHNOLOGY CATEGORIES



# OVERALL SATISFACTION RATES FOR ACCOUNT-BASED TECH ARE LOW

## RESPONDENTS SATISFIED WITH ACCOUNT-BASED TECHNOLOGY SOLUTIONS



## ANALYSIS

Overall, marketing teams are not particularly satisfied with their Account-Based solutions, with fewer than six in 10 respondents indicating they are satisfied or very satisfied across 10 of the 11 surveyed categories.

There are three key drivers of today's dissatisfaction:

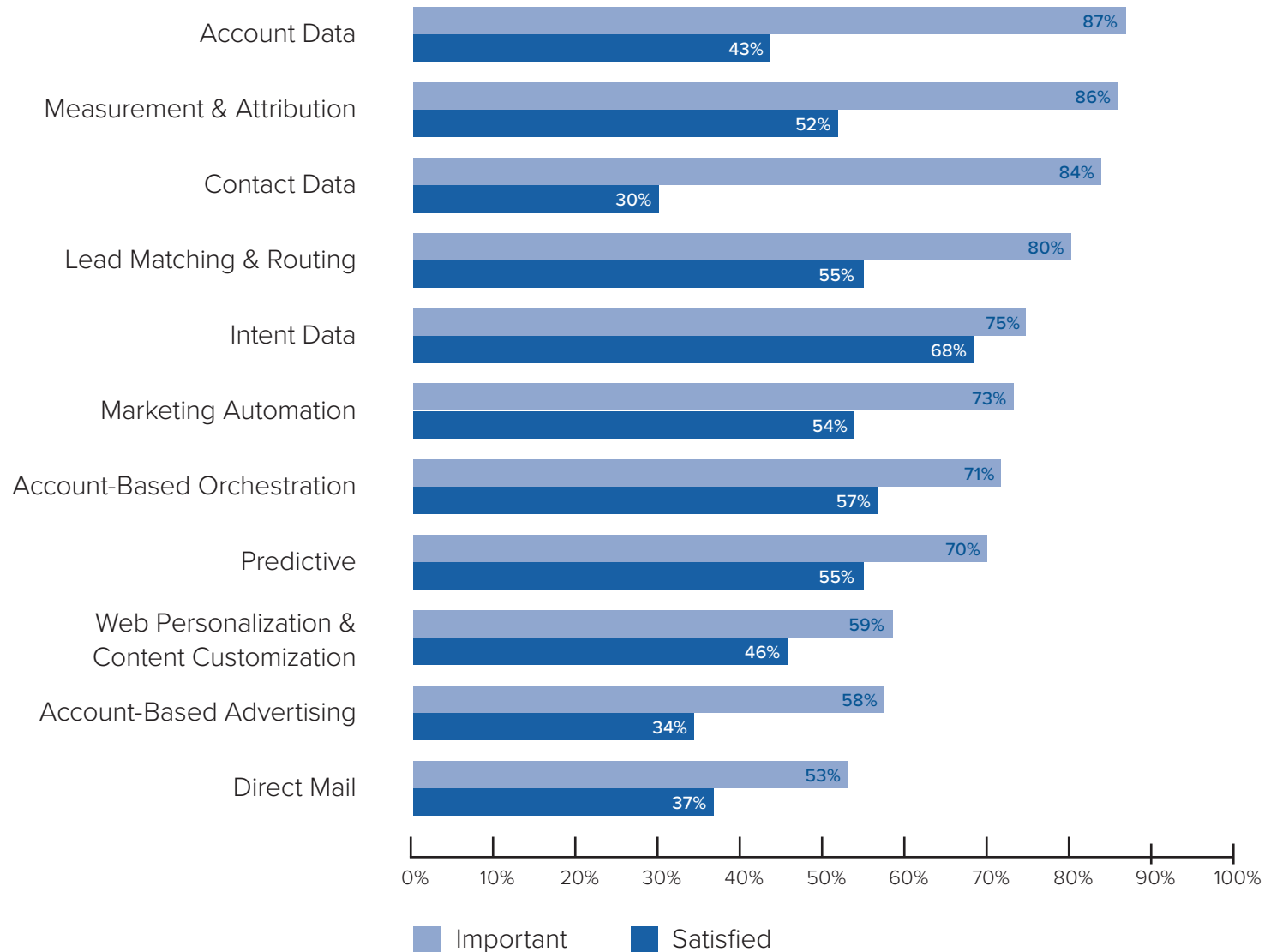
First, Account-Based solutions are relatively new, so the solutions are changing quickly as are the use cases organizations are developing.

Second, many of the solutions used, such as marketing automation or contact data, were not designed for Account-Based, and adapting them to Account-Based use cases presents specific challenges for many organizations.

Finally, many organizations still face internal challenges, including their Account-Based strategy, resources, and skillsets. While technology isn't the cause, these challenges limit the effectiveness and therefore satisfaction with elements of the technology stack.

# DESPITE LOW SATISFACTION, MANY RESPONDENTS INDICATE SOLUTIONS ARE VERY IMPORTANT

## IMPORTANCE VS. SATISFACTION OF DIFFERENT ELEMENTS OF ACCOUNT-BASED TECH STACK



## ANALYSIS

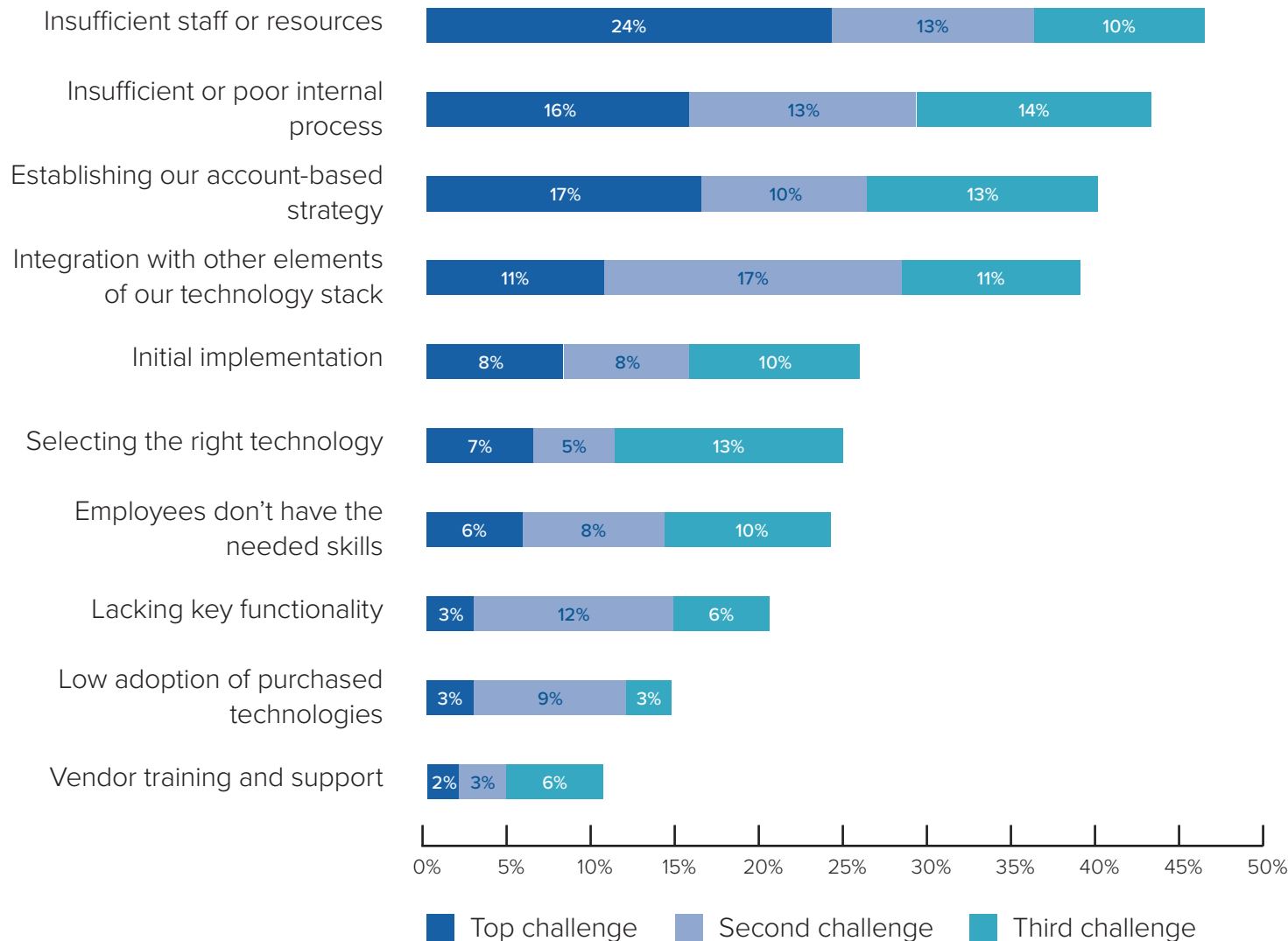
The difference between the importance respondents assign to Account-Based technologies and their satisfaction with current solutions is striking.

Generally speaking, respondents understand the benefit of applying solutions to their Account-Based efforts, reflected in the high importance of many solutions. On the other hand, satisfaction with most Account-Based technologies is relatively low.

In response to these significant needs and low satisfaction levels, we expect to see the wave of new vendors continue, particularly in the account insights, measurement, and advertising categories.

# STAFFING/RESOURCES, STRATEGY, AND INTEGRATION ARE TOP CHALLENGES

## RESPONDENTS' TOP TECH CHALLENGES



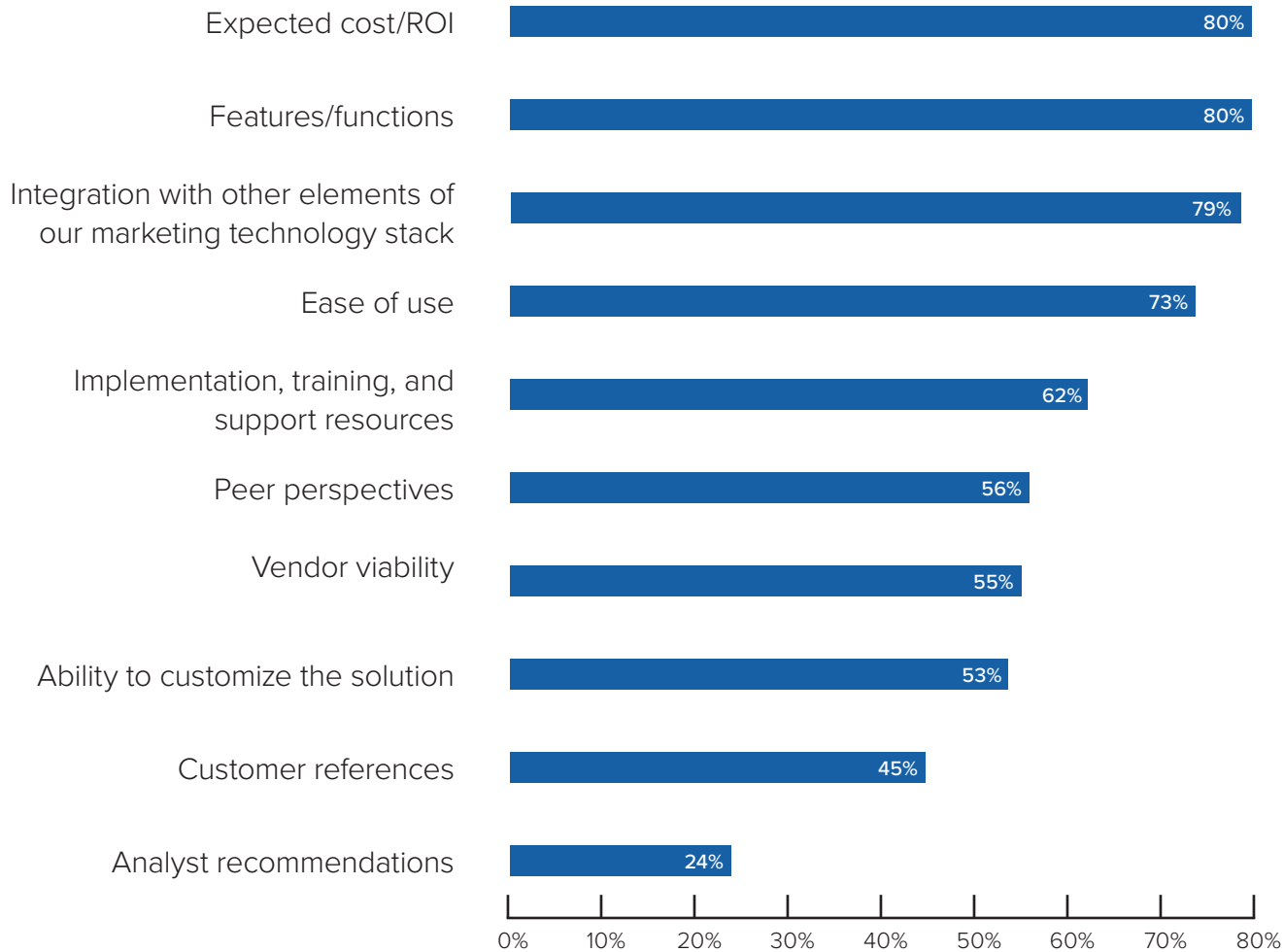
## ANALYSIS

The bulk of the challenges companies are experiencing when implementing Account-Based technologies are not with the technologies themselves. Instead they are struggling with insufficient staffing, resources and processes, and establishing their Account-Based strategy in the first place.

Not surprisingly, the top technology-related challenge comes with integrating these newly deployed technologies with other elements of the marketing stack. This challenge is exacerbated by the rapid pace at which Account-Based technology is being implemented. With the majority of respondents expecting to add solutions in four or more categories in 2018, integration challenges will continue to be a significant issue.

# ROI, CAPABILITIES AND INTEGRATION ARE MOST IMPORTANT CRITERIA FOR NEW TECHNOLOGY

## IMPORTANT FACTORS WHEN EVALUATING NEW ACCOUNT-BASED TECHNOLOGY



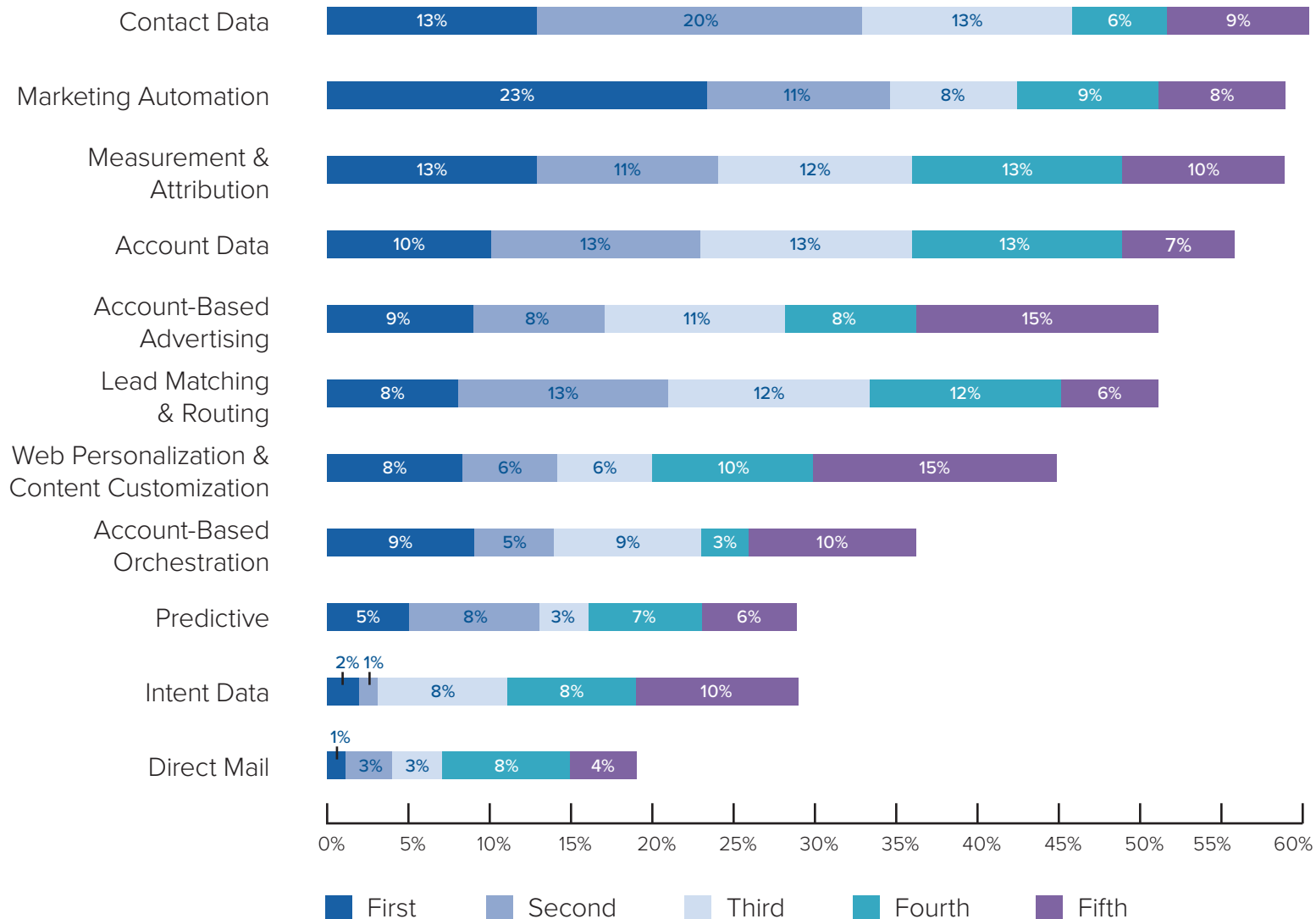
## ANALYSIS

Of the three factors topping the list of importance when evaluating new Account-Based technology vendors, cost/ROI and features/functions are not surprising. This is particularly true in a rapidly evolving market where core functionality in many categories varies significantly across providers.

Integration shows the complexity that has developed in marketing technology stacks. Making the range of solutions work well together is critical, and it isn't a trivial effort. Integration will continue to be a major evaluation criteria and challenge for at least the next two years.

# RESPONDENTS WOULD IMPLEMENT MARKETING AUTOMATION AND CONTACT DATA FIRST

## ORDER IN WHICH RESPONDENTS WOULD IMPLEMENT ACCOUNT-BASED TECHNOLOGY



## ANALYSIS

When asked in what order they would implement elements of the Account-Based tech stack if they were starting from scratch, the majority of respondents said they would implement marketing automation and contact data first. Measurement and attribution, account data, and advertising fill out the rest of the top five spots.

Contrasted against current usage by category, this highlights the increasing importance of measurement and orchestration within the tech stack in particular.

# CATEGORY SNAPSHOT

# MARKETING AUTOMATION

**Description:** Marketing automation is a foundational element of the marketing technology stack for most Account-Based organizations. It is where marketers can create, manage, and measure all forms of one-to-one marketing communications. The majority of respondents are only using one marketing automation solution across their organization.

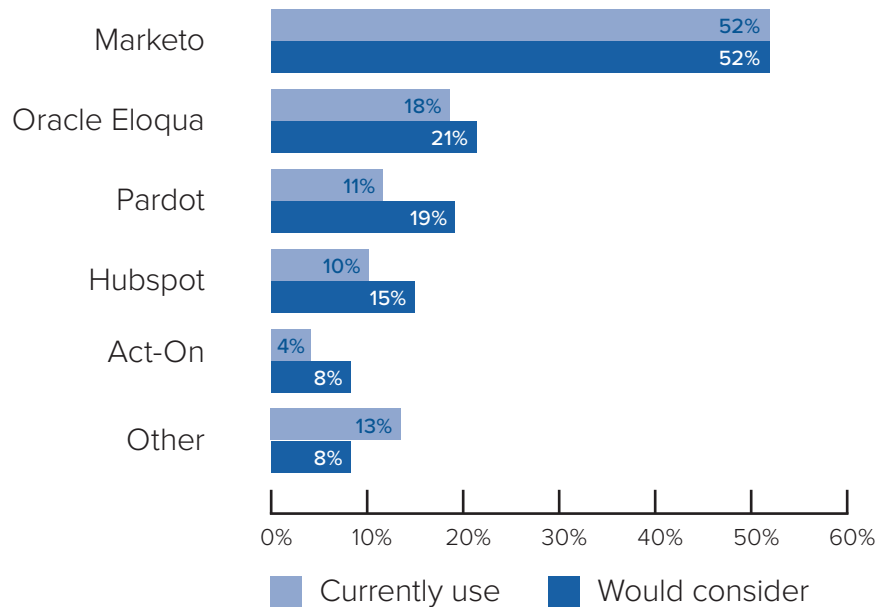
**Analysis:** Once integrated into the operations of the company, marketing automation solutions are difficult to replace, making marketing automation the category that is least likely to see vendor changes in most organizations. That said, marketing automation vendors have been late to the Account-Based movement. The lack of Account-Based functionality may hurt upsell revenue as buyers choose specialized Account-Based vendors, but will not affect marketing automation overall, as marketers continue to view their marketing automation system as foundational to all marketing efforts.

Marketing teams...

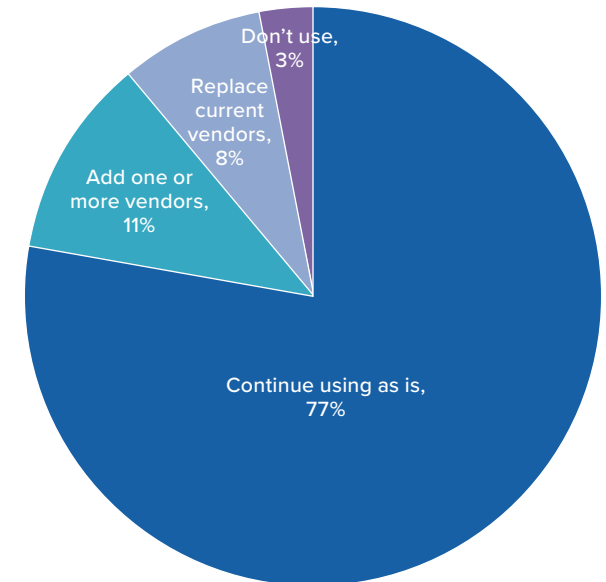
have solution .....90%  
 rate solution as “important” ..... 73%  
 are “satisfied” or “very satisfied” ..... 54%

\*% of those who have solution

## TOP VENDORS



## INVESTMENT PRIORITIES

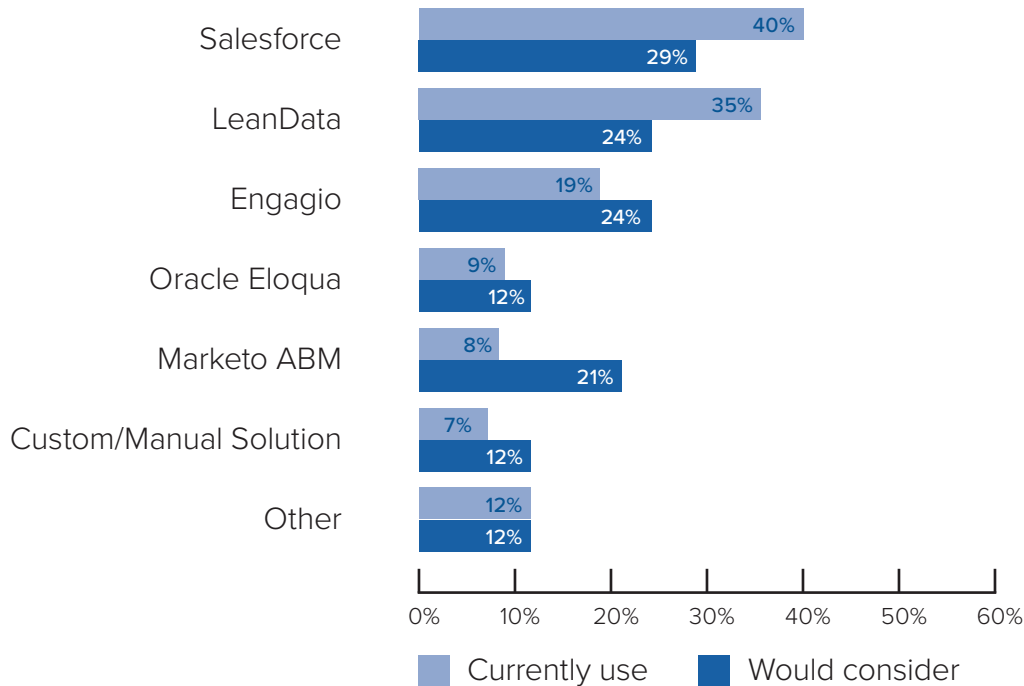


# LEAD MATCHING & ROUTING

**Description:** Lead-to-account matching is a foundational element for Account-Based organizations, used for lead routing (as it is in many organizations). But it is also key for creating an account-level data set used for measurement and attribution, predictive, and orchestration.

**Analysis:** LeanData currently leads the market for lead-to-account matching solutions outside Salesforce. As the data suggests, most organizations use Salesforce today but as they move seriously into Account-Based or want to maintain complex routing rules, they will have to turn to one of the third-party vendors. The threat to LeanData, Engagio, and other vendors in the market will be if the lead-to-account matching problem is natively solved by Salesforce.

## TOP VENDORS



Marketing teams...

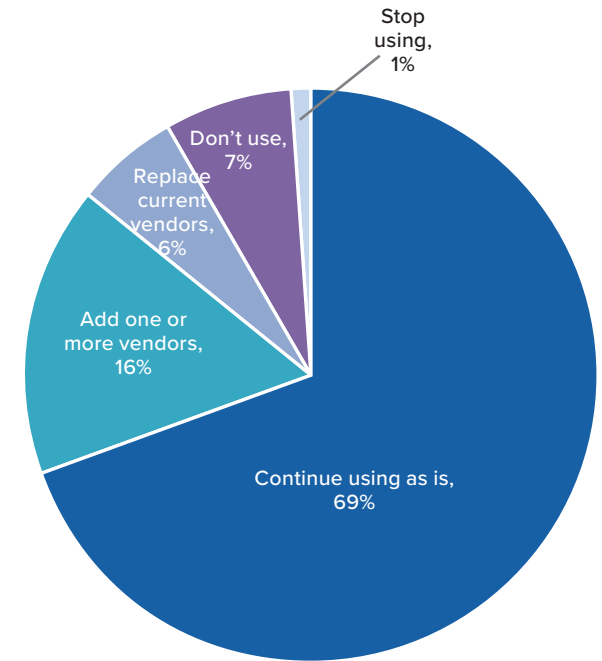
have solution ..... 73%

rate solution as “important” ..... 80%

are “satisfied” or “very satisfied” ..... 55%

\*% of those who have solution

## INVESTMENT PRIORITIES





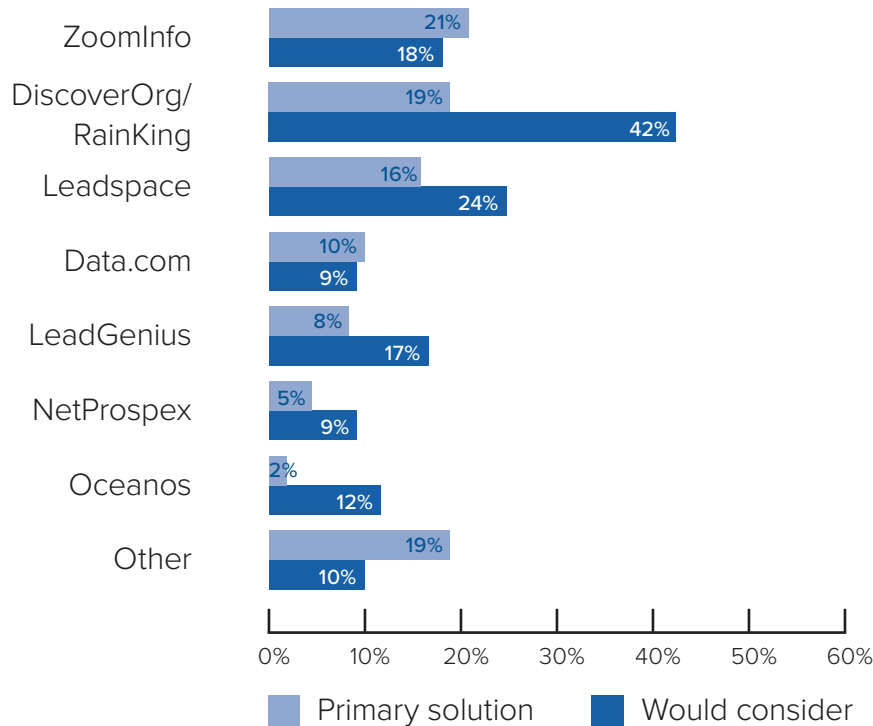
# CONTACT DATA

**Description:** Contact data solutions are essential for marketing and sales development organizations to access g with contact and demographic data on individuals, and related insights.

**Analysis:** The essence of Account-Based is to focus exclusively on a subset of accounts, making quality contact data critical to the success of programs. Historically, contact data was often a sales prospecting expense and is now a shared marketing and sales expense; that is, marketing cares more than ever about contact data quality.

The combined DiscoverOrg and RainKing have a clear perception advantage, with nearly half of respondents indicating they would consider them.

## TOP VENDORS

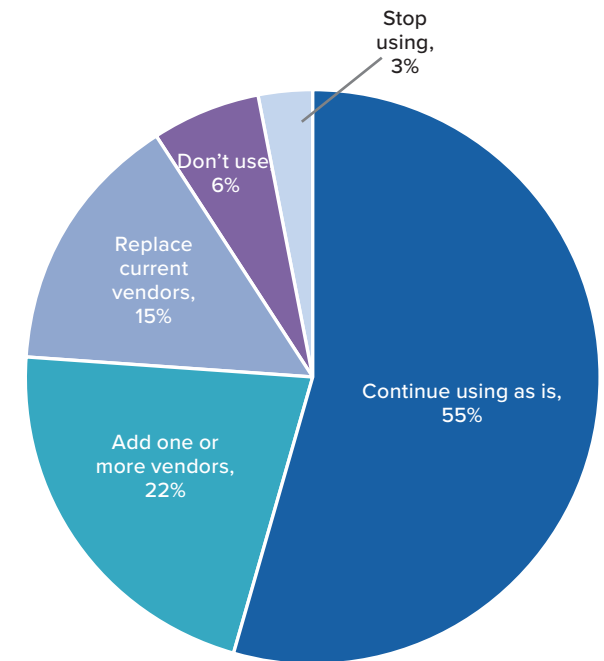


Marketing teams...

have solution ..... 71%  
 rate solution as “important” ..... 84%  
 are “satisfied” or “very satisfied” ..... 30%

\*% of those who have solution

## INVESTMENT PRIORITIES

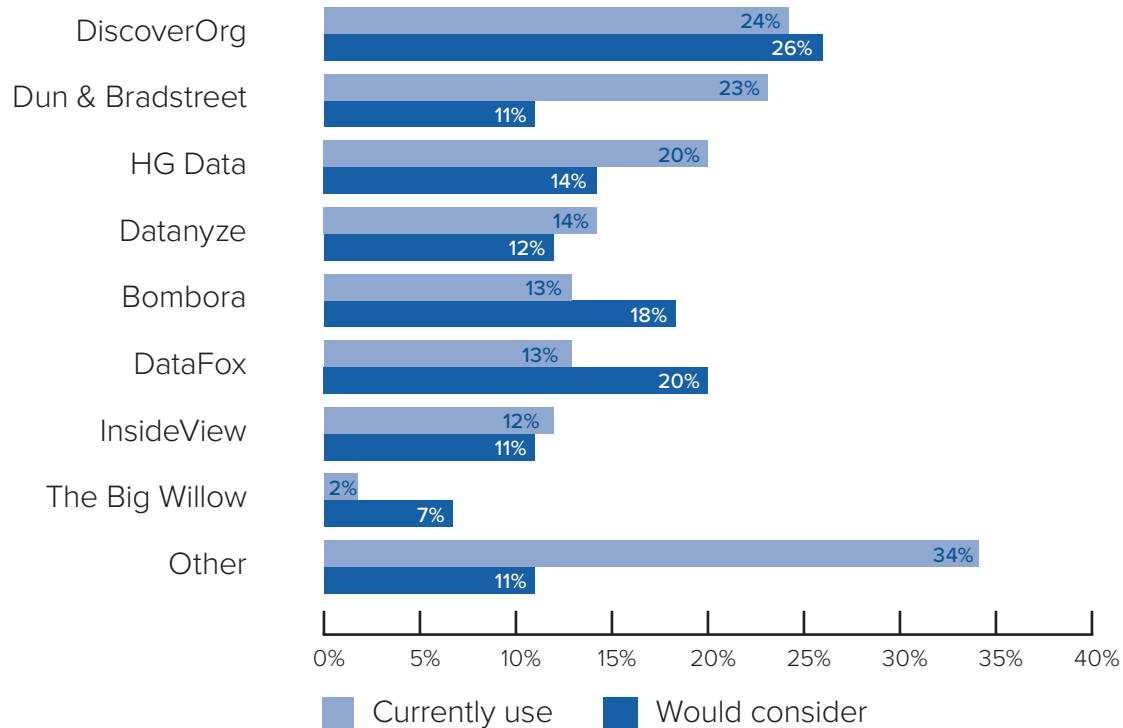


# ACCOUNT DATA

**Description:** Account Insights refers to insights into individual accounts that enable creation of relevant, high-value programs. Firmographic and technographic data provides both account-level insights and can be used to develop meaningful segmentation.

**Analysis:** Intent data will be one of the big technology stories of 2018, as seen in the relatively high consideration versus usage for Bombora and The Big Willow, and the trend to provide intent data as one element of broader account insight solutions. Account-Based organizations are using intent data for account prioritization (focusing on accounts currently in research mode) and segmentation (using intent topics or keywords to group accounts into relevant campaigns).

## TOP VENDORS

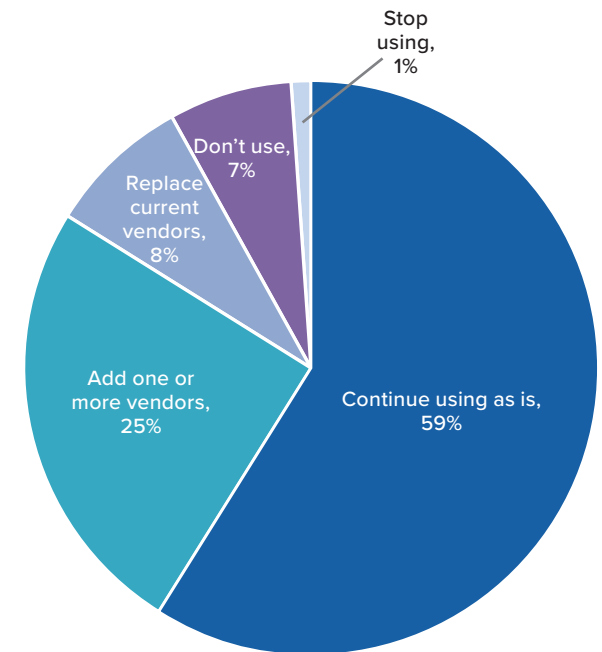


Marketing teams...

have solution ..... 65%  
 rate solution as “important” ..... 87%  
 are “satisfied” or “very satisfied” ..... 43%

\*% of those who have solution

## INVESTMENT PRIORITIES



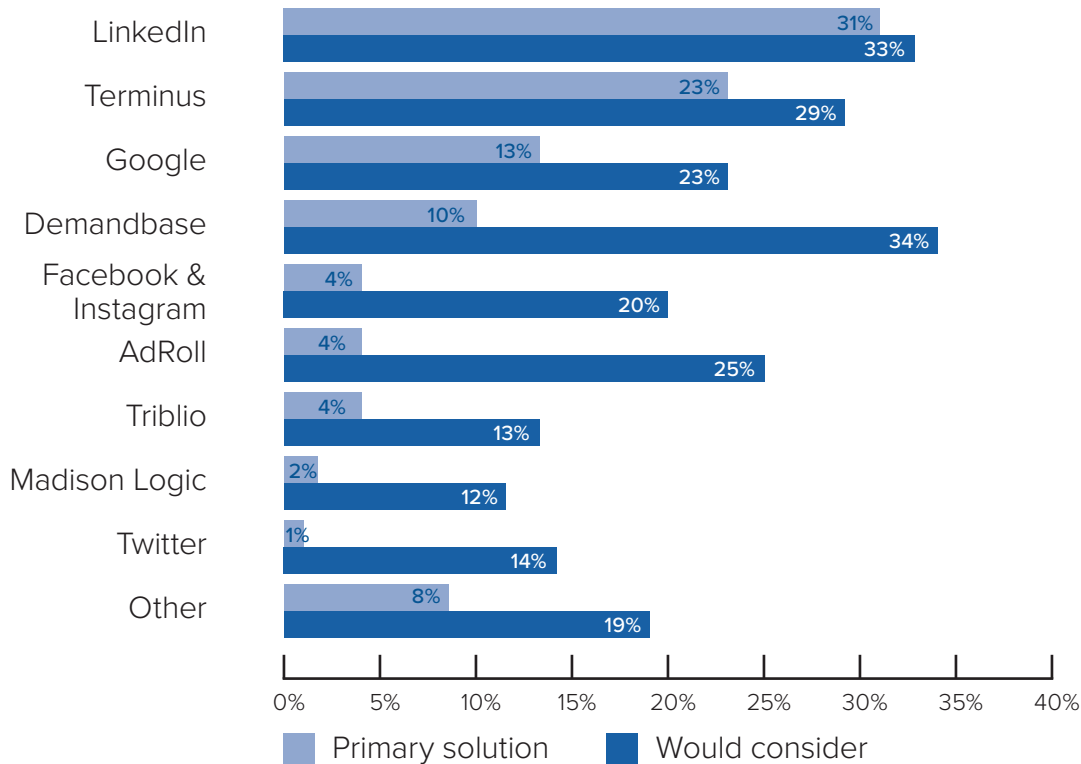
# ACCOUNT-BASED ADVERTISING

**Description:** Delivers customized ad creative, offers, and calls to action to stakeholders at specific target accounts. Unlike other advertising products that promote ads to a wide audience regardless of account or contact, Account-Based advertising allows marketers to target ads only to specific accounts, and in some solutions, to specific stakeholders in target accounts.

**Analysis:** Account-Based advertising has become one of the first account-based tactics many marketing organizations adopt, either through bringing on a new vendor or taking an account-based approach with existing advertising vendors. LinkedIn continues to be the primary solution for the majority of marketers, and nearly all of the organizations exceeding their Account-Based objectives use LinkedIn as at least part of their advertising solution.

Demandbase, one of the original providers in the space, continues to have very strong mindshare. However, fast growing companies in particular are more likely to adopt LinkedIn or Terminus as their primary advertising solution.

## TOP VENDORS

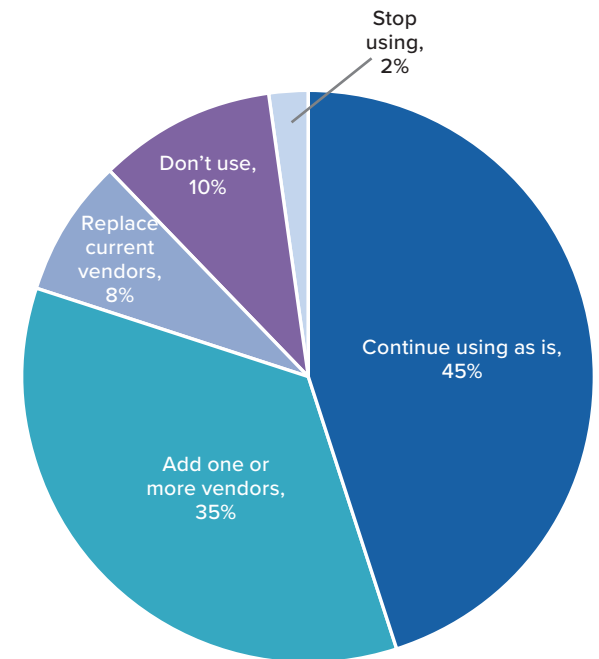


## Marketing teams...

- have solution .....59%
- rate solution as “important” .....58%
- are “satisfied” or “very satisfied” .....34%

\*% of those who have solution

## INVESTMENT PRIORITIES



# DIRECT MAIL

**Description:** A letter, package, or other physical delivery. Often includes high-value content or a premium offer. Direct mail solutions integrate with marketing automation, CRM, or other core platforms to improve workflow and insight into performance of direct mail

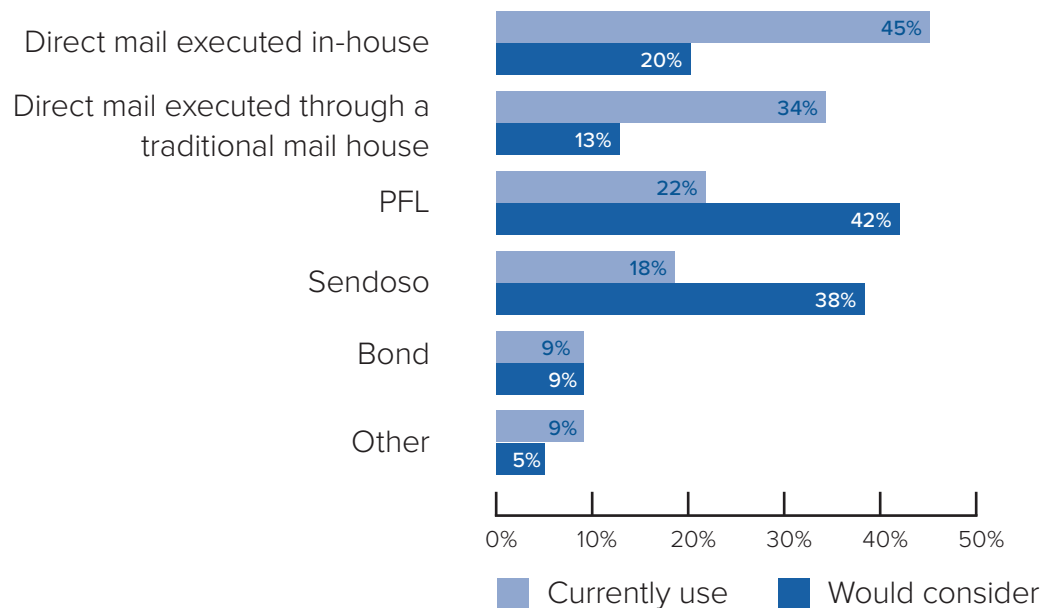
**Analysis:** Direct mail has seen a resurgence as marketers, sales development, and sales look for unique differentiated activities to attract their target account's attention. Marketers are still largely executing in house or via mail houses. The data shows significant interest in technology solutions that can be used to manage direct mail.

Marketing teams...

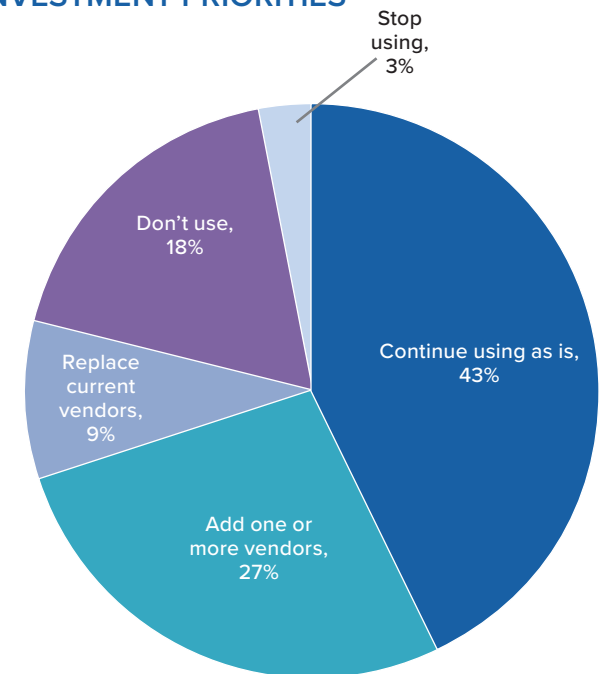
have solution ..... 55%  
 rate solution as "important" ..... 53%  
 are "satisfied" or "very satisfied" ..... 37%

\*% of those who have solution

## TOP VENDORS



## INVESTMENT PRIORITIES



# MEASUREMENT & ATTRIBUTION

**Description:** Measuring and reporting on account-based tactics and account progression.

**Analysis:** Account-Based measurement is a major roadblock for marketers. While many vendors can track some elements of account-level engagement and metrics, there are few complete solutions. Complicating the issue further, many organizations are struggling to align on the appropriate KPIs for account-based initiatives.

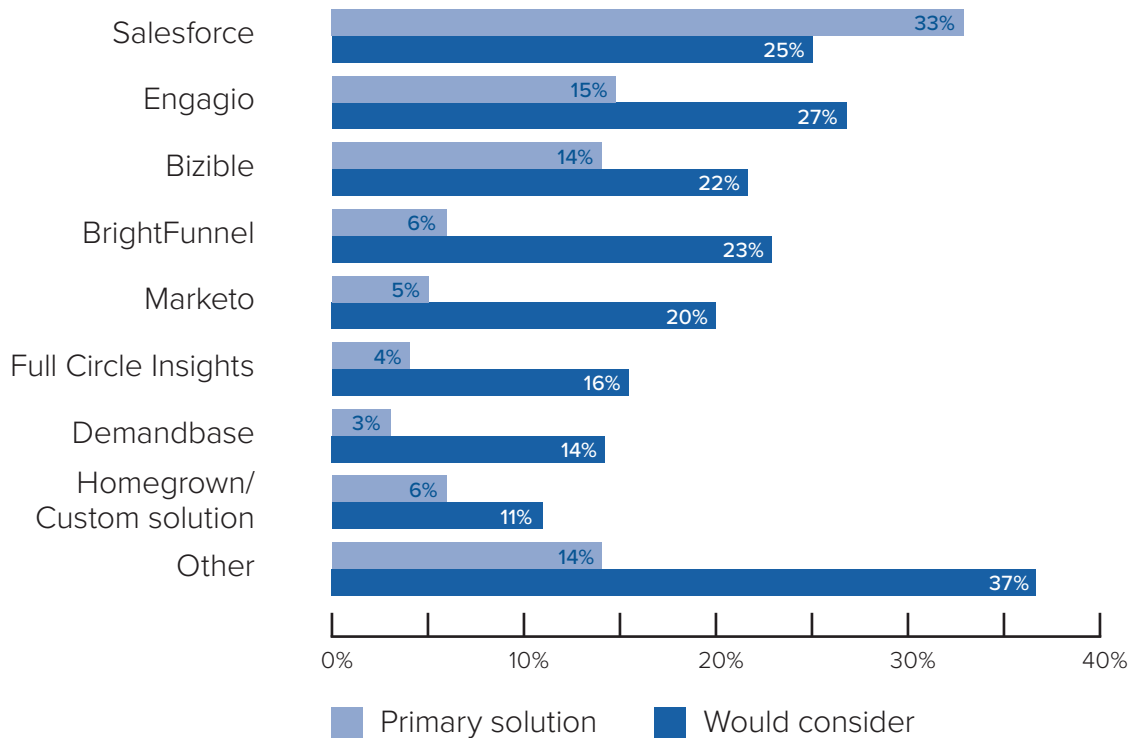
Measurement will be a key competitive advantage for Account-Based platforms that can measure activity across channels and connect it to account-level outcomes through standardized reports and dashboards. New product releases with improved measurement from Demandbase and Engagio, along with Terminus’s acquisition of BrightFunnel, highlight the focus vendors have on improving measurement offerings today.

Marketing teams...

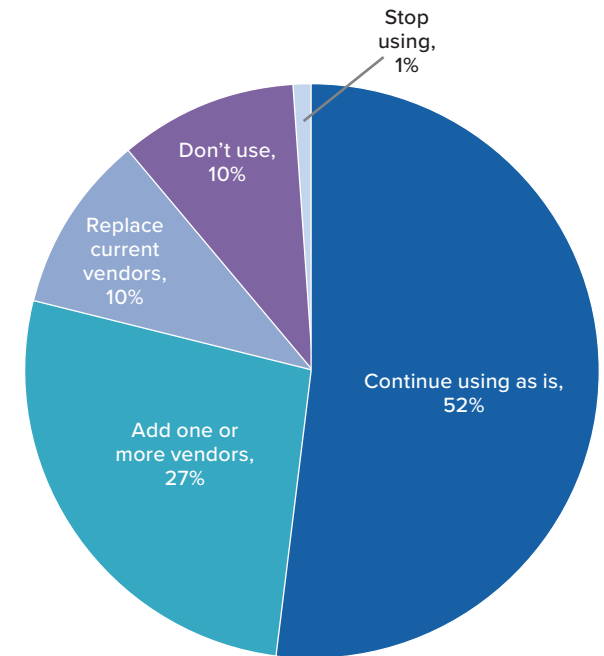
have solution .....53%  
 rate solution as “important” .....86%  
 are “satisfied” or “very satisfied” .....52%

\*% of those who have solution

## TOP VENDORS



## INVESTMENT PRIORITIES



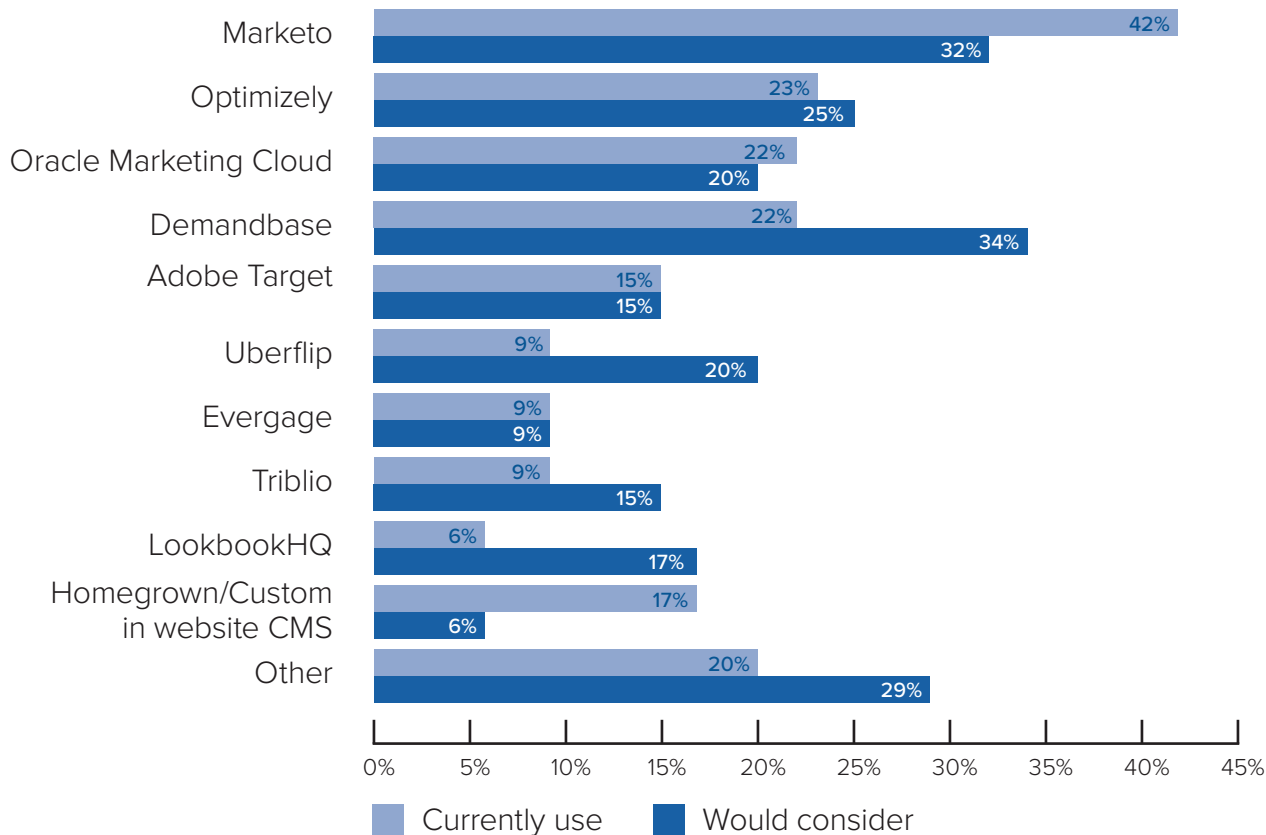
# WEB PERSONALIZATION & CONTENT CUSTOMIZATION

**Description:** Create and manage account-specific content and experiences, and dynamically present or customize web content to target accounts in real time.

**Analysis:** Most marketers agree that personalized, customized experiences will ultimately lead to better conversion. However, implementation has been limited in scope, even among organizations with solutions already in place. As ease-of-use improves and Account-Based initiatives mature, organizations will more broadly implement personalization and custom content solutions.

Adoption will increase significantly in 2019 as more account-based organizations mature and have the resources needed to implement account-level personalization and customization. Adoption will also be helped by the expansion of AI solutions that allow personalization and customization at greater scale.

## TOP VENDORS

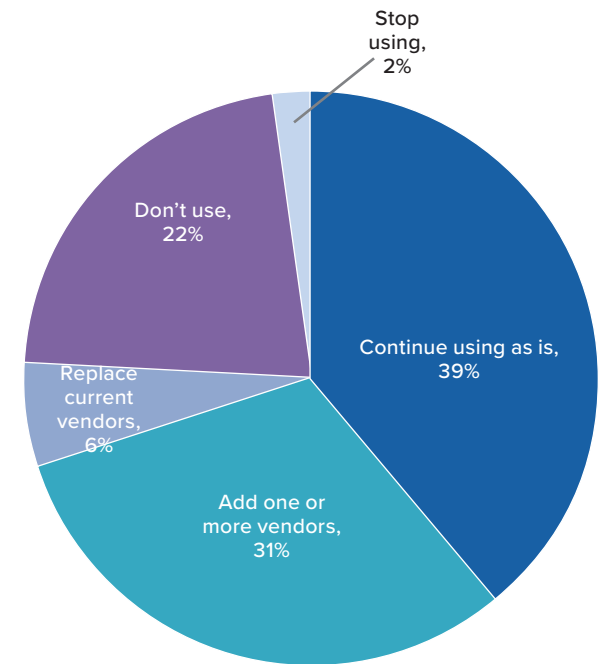


Marketing teams...

have solution ..... 43%  
 rate solution as “important” ..... 59%  
 are “satisfied” or “very satisfied” ..... 46%

\*% of those who have solution

## INVESTMENT PRIORITIES

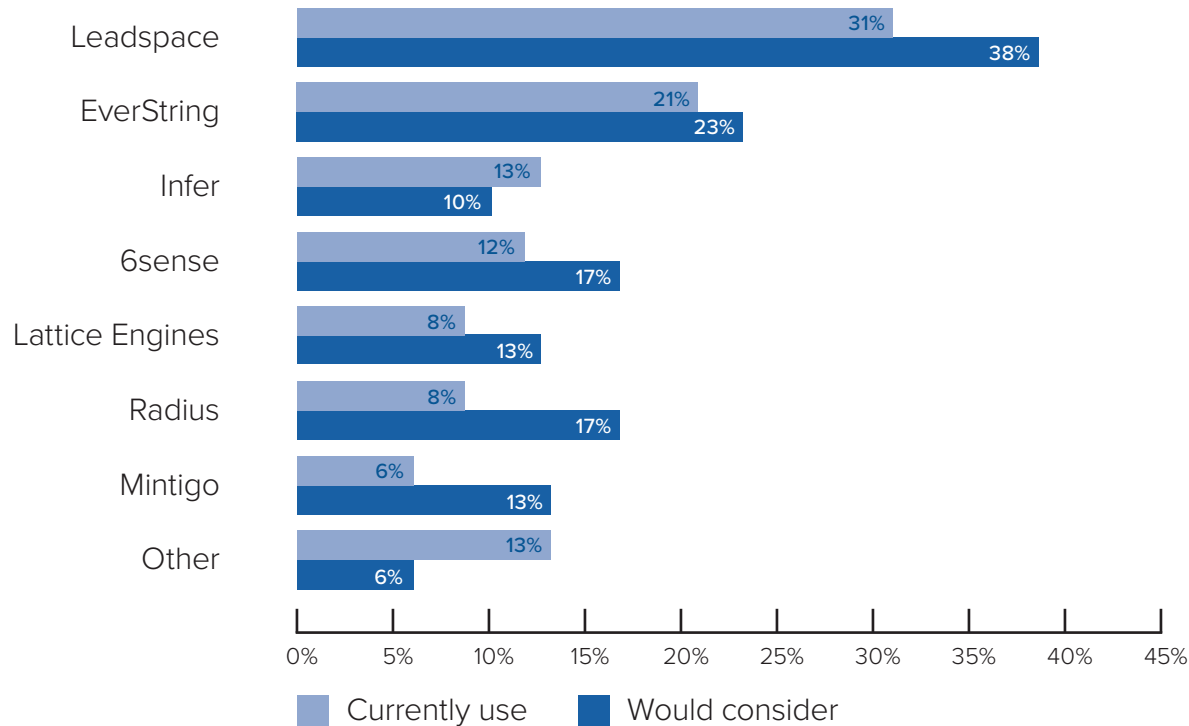


# PREDICTIVE

**Description:** Predict outcomes and use the predictions to inform or directly execute specific actions.

**Analysis:** The predictive market has not met the high expectations that were set and reflected in the venture funding and valuations of the last four years. Vendors in the market are pivoting. Leadspace and Mintigo have always had a practical use case because of their ability to provide data (along with predictive features). Now EverString is focusing on data as well. 6Sense and Lattice are moving beyond predictive by enabling execution based on the outputs of the predictive models. Although the survey data reflects continued interest in predictive solutions, predictive will increasingly become an part of a broader data or program execution offering. We see this in the integration of some predictive elements in solutions from vendors including DiscoverOrg and Demandbase.

## TOP VENDORS

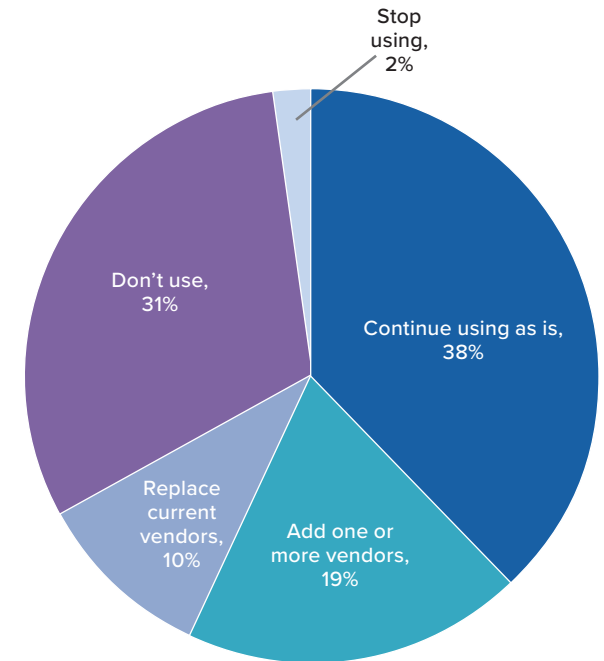


Marketing teams...

have solution ..... 34%  
 rate solution as "important" ..... 70%  
 are "satisfied" or "very satisfied" ..... 55%

\*% of those who have solution

## INVESTMENT PRIORITIES



# ACCOUNT-BASED ORCHESTRATION

**Description:** Build and manage execution, including process and workflow required, of all activities and touches in coordinated, cross-functional programs.

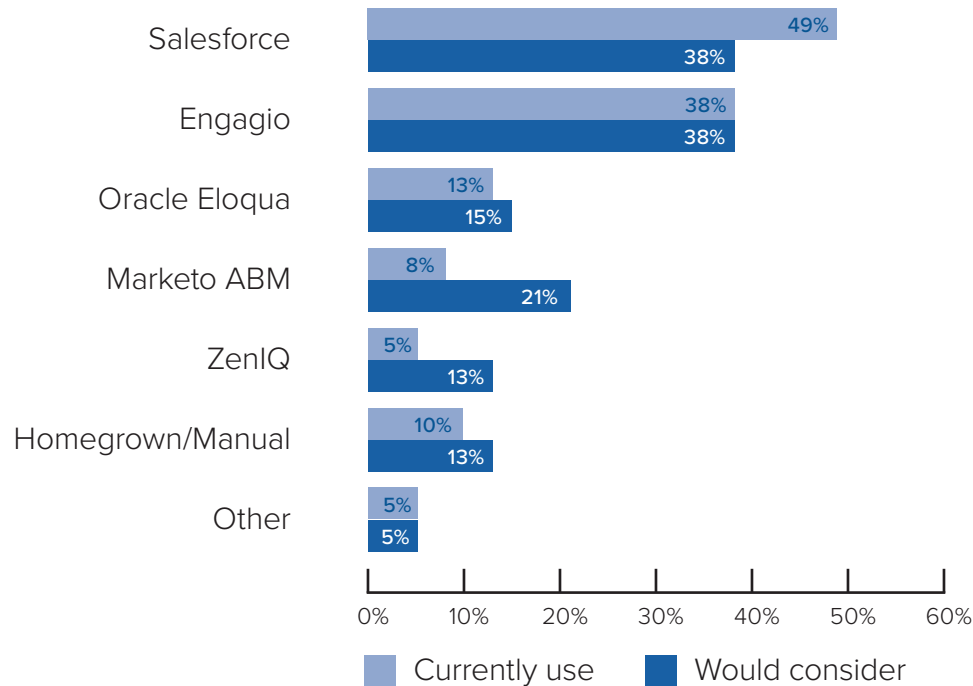
**Analysis:** Multi-channel, multi-touch orchestration is a critical component to Account-Based success and requires technology for scalable execution and tracking. Orchestration management will become a cornerstone component of Account-Based platforms, bringing together orchestration with key elements of data management and measurement. Today's orchestration solutions are well positioned to become leading Account-Based platforms.

Marketing teams...

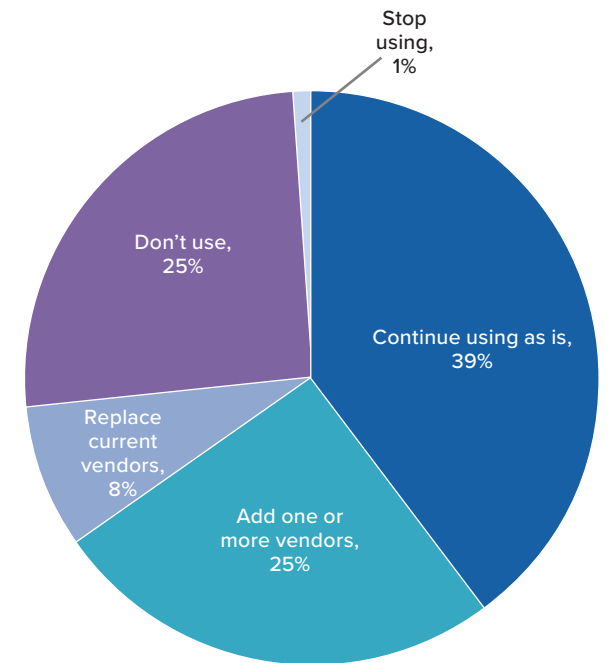
have solution ..... 27%  
 rate solution as "important" ..... 71%  
 are "satisfied" or "very satisfied" ..... 57%

\*% of those who have solution

## TOP VENDORS



## INVESTMENT PRIORITIES





# GUIDANCE

# TOPO GUIDANCE

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In Q4 2017, TOPO conducted a survey of over 150 marketing leaders at large mainstream companies, high-growth B2B software firms, and SaaS companies that have adopted an Account-Based strategy.

Our findings show that while marketers are planning to broadly adopt data and technology that supports Account-Based, many organizations are still in the early stages of their Account-Based journey. As a result, they are currently making limited investments in these technology and data solutions.

The findings also underscore our belief that technology investments need to support a company's specific go-to-market strategy: organizations investing in solutions specific to their Account-Based initiatives report fewer technology challenges.

## KEY TAKEAWAYS

1. Establish strategy first, then build the tech stack in support of the strategy.
2. Invest in phases, starting with smaller programs that require less technology, and add solutions over time.
3. Consider emerging Account-Based platforms as a single service covering multiple functional technology areas.
4. Invest in solving measurement challenges since effective measurement is key to managing and growing Account-Based initiatives.

# ABOUT TOPO

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TOPO works with high-growth companies to transform their sales, sales development, and marketing organizations into world-class functions. B2B organizations rely on TOPO research and consulting to make informed strategic decisions that drive pipeline and revenue growth.

## WE DO THIS BY OFFERING:

1. **Data and benchmarks** collected from the world's fastest-growing companies across hundreds of key metrics.
2. **Research, best practices, and tools** that make faster revenue growth a reality by focusing on specific, actionable strategies, tactics and plays.
3. **Personalized advice and support** from sales and marketing's best and brightest – TOPO analysts and your peers from the world's fastest-growing companies.
4. **Consulting** helps clients address big sales and marketing issues in a manner that's deeply specific to you. Our consulting work focuses on areas such as go-to-market strategy, organizational design, and marketing/sales process.
5. **Events and peer networking** with industry-leading practitioners to learn and share best practices associated with top-performing sales and marketing teams.

## ABOUT THE ANALYST

**Eric Wittlake** studies the Account-Based market as a Senior Analyst in TOPO's marketing practice. Prior to joining TOPO, he spent more than 15 years creating and executing demand generation, marketing, and advertising programs for B2B (and a few B2C) companies.

## FOR MORE INFORMATION

To find out how TOPO can help you grow revenue faster, contact us at:

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Blog: [blog.topohq.com](http://blog.topohq.com)  
Analysts: [analyst@topohq.com](mailto:analyst@topohq.com)