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# Thriving In Uncertainty: Why Persistent ABM is Crucial for Demand Generation Success





### Introduction

Marketers faced with economic uncertainty, tightened budgets, and changing buyer behaviors may feel the urge to scale back, yet analysts and savvy marketers warn against this approach. More than ever, brands must stay persistent and relevant in their markets to succeed.

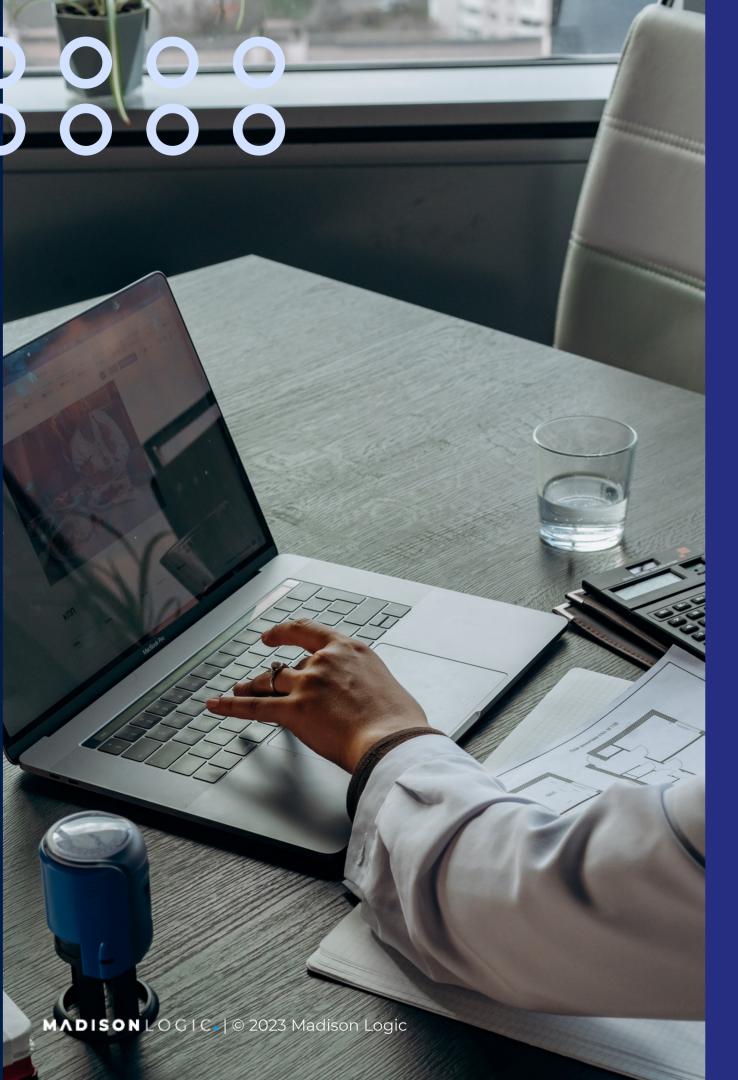
If history has proven anything, it's the power of resiliency. During the Great Recession, brands that remained committed to their marketing and advertising efforts rebounded faster and recovered quicker than those that pumped the brakes. Scaling back on your marketing strategy impacts your mindshare and weakens your ability to engage and connect with target accounts. Losing traction with buyers adds even more complexity to the long-term brand-building efforts needed with most B2B purchase decisions.

Multi-channel, full-funnel account-based marketing (ABM) is a powerful strategy to build and maintain a persistent market presence with personalized and relevant messaging. By leveraging data to focus on the accounts that matter and engaging them with unified messaging, you build trust and awareness while grabbing their attention away from competitors who are reducing their marketing efforts.

This guide offers practical advice and actionable steps to help you leverage ABM and maintain a persistent market presence during turbulent times. By continuing to invest in marketing and using a targeted account-based approach, you will emerge stronger and more resilient from the current economic climate than ever.

During the 2008 recession, advertising spending dropped by 13% yet statistics showed brands that maintained their marketing output had 3.5x more brand visibility.





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### How B2B Buying Behaviors Change During Times of Economic Uncertainty

Businesses typically react to the threat of a recession by cutting as many expenses as possible to improve their financial standing in the short term. As a result, long and complex sales cycles become even longer and more difficult. Buying committees have more questions and hurdles to overcome before making a purchase decision.

One of the most fundamental principles in B2B marketing is the <u>95-5 rule</u> which states that only 5% of customers are in-market for your solution at any given time. Since most buyers are future buyers, marketing's primary role is to stay relevant to the 95% that are not ready to buy, so you are top-of-mind for when they eventually start their buying journey.

But all this changes during a downturn.

As companies pull back amid economic concerns and purchases are delayed due to cost cuts, new <u>research</u> reveals the percentage of current buyers shrinks from 5% to 1%, while 99% fall out of the market.

While you must continue targeting 1% of buyers in-market, your brand needs to stay relevant to the 99% out-of-market. Things will eventually change. The economy will bounce back, and you need to maintain a persistent presence with those buyers for when margins recover and they're ready to buy.



### Marketers must be more proactive to shape the customer journey

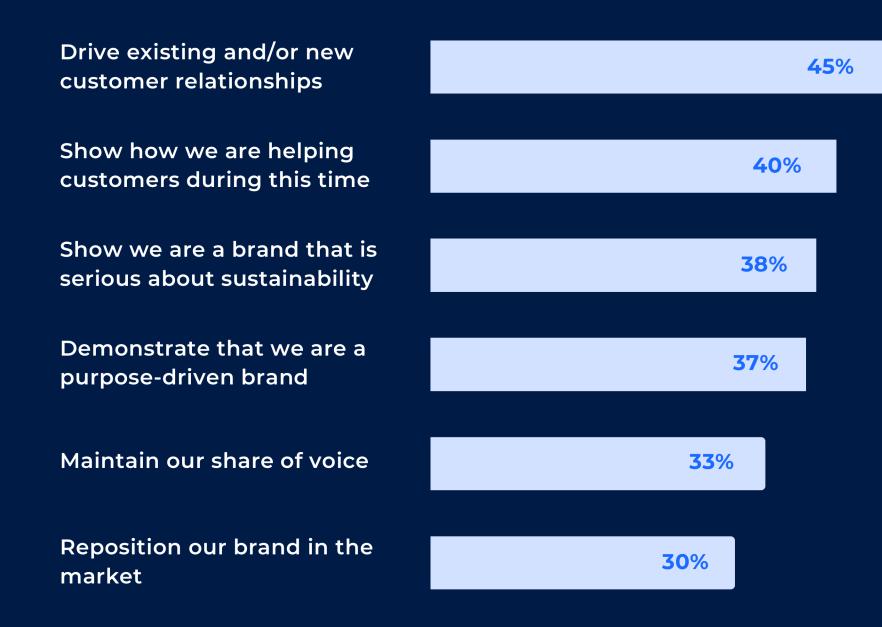
Research shows that nearly half (49%) of the buying committee for a software or hardware purchase decision never speaks to a sales representative. The absent sales touch leaves it up to you to interact with all committee members to bring them to a consensus on purchasing your solution.

Making information about your solution available and surrounding the buying committee with content and messaging that speaks directly to their specific pain points helps accelerate them through the buyer's journey. Marketing strategies during an economic downturn must focus less on reducing activities and more on maximizing efforts to ensure you're still driving the same amount of pipeline and ROI with a smaller or stagnant budget.



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According to <u>LinkedIn Research</u>, these are the B2B brand marketing campaign goals over the next six months:



## The Risks of Reducing Your Market Presence

Marketing's effects are not immediate on most B2B buyers. The buying journey is long and complex; it requires several runs of research, more than one decision-maker, and a strict vetting process before a company can choose a solution. So, more than one ad or piece of content is needed to convince a buyer to put you on the shortlist.

The bottom line is that marketing is critical to your company's success and maintaining a relevant share of voice. However, reducing your marketing activities in the short term while facing economic turbulence can lead to long-term consequences that will impact your business for years. Here are five ways that it happens:

### Loss of brand visibility and awareness

Brand awareness through marketing strategies is essential for customer acquisition, retention, and loyalty. Without it, new and future buyers won't consider a solution from a company they're unfamiliar with or don't know exists. Through personalized messaging and high-value content, marketing is crucial in maintaining visibility, showcasing products and services, engaging customers, and building brand recognition.

### Hindered pipeline and revenue growth

Fewer marketing activities mean fewer leads and opportunities, significantly impacting a company's revenue and long-term success. It can also cause a decline in relevance or competitiveness by missing market trends or shifts in buyer needs. Moreover, reduced lead generation affects customer retention with marketing activities that keep customers engaged and loyal. Without consistent communication, customers may start looking for alternatives or switch to a competitor actively promoting their products and services.



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### Missed opportunities to engage high-value accounts

ABM focuses on building relationships with specific accounts and can lead to long-term customer relationships, resulting in repeat business and increased lifetime value for your company.

However, with reduced budgets and marketing strategies, you miss out on these opportunities and hand your competitors an advantage in gaining their attention. Connecting to the right customer, at the right time, with the right message, and through the right channel is the ideal roadmap to attain high-value accounts.

### Weakened Relationships with Existing Clients and Partners

One of the biggest mistakes marketers make today is abandoning their personalization efforts after closing the purchase. Losing a client is universally disliked, and the impact is even more significant when a better relationship with them could have prevented it.

It's important to stay top-of-mind with existing top accounts through an ABM strategy that engages them with highly targeted personalized campaigns. Building a stronger relationship with your existing clients will provide a dependable revenue source contributing to your company's stability and growth. In addition, customers who feel understood and heard will trust you enough to refer you to others. This trust also leads to opportunities for cross-sell and up-sell. It enables you to simultaneously achieve two goals: improving customer sentiment and increasing customer lifetime value (CLV) through retention and expansion.







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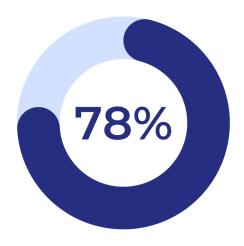
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### **Impacted Market Share and Competitive Positioning**

Reduced marketing activities can lead to a decline in brand recognition, making it difficult for buyers to differentiate you from your competitors. Customers may forget about a business or product without the brand voice reminding them, leading to missed opportunities for new sales, cross-selling, or upselling to existing customers.

Moreover, when reducing marketing activities, a business may lose its momentum and consistency in the market. Lost moments lead to a lack of customer interest and trust in the brand. Customers may perceive the business as unstable or uncommitted, leading them to switch to competitors still actively promoting their products and services.



of B2B marketing leaders agree companies that recover faster following periods of economic uncertainty are those that <a href="maintained or increased their marketing">maintained or increased their marketing</a> <a href="maintained spending">spending</a> throughout the uncertainty.

## How to Maintain a Successful ABM Strategy Amid an Economic Downturn



Marketers must understand the evolving purchase decision-maker patterns during economic uncertainty and reevaluate their strategies. As companies tighten their budgets, B2B sales funnels have become longer, more complex, and involve more decision-makers. These slow-moving funnels are frustrating at any time but are especially challenging now as companies seek to be more fiscally responsible in the face of an uncertain economic outlook. Therefore, you must quickly move prospects through the sales pipeline or risk watching opportunities evaporate overnight.

As a result, you need to work smarter—not harder—to stand out in a crowded market. With data-driven insights in your corner, you can more effectively adjust your strategies and tactics in response to buyers' shifting priorities, setting your organization up for success.

Let's look at three things you must do to maintain an ABM strategy that keeps your brand top-of-mind and thriving amid an economic downturn.

### 1. Align ABM campaign messaging with known account priorities to amplify campaign effectiveness and maximize engagement

A core tenet of ABM is leveraging insights and data to identify and prioritize the accounts that matter most and engage them with personalized content and messaging to accelerate the buyer's journey.

According to <u>Gartner</u>, the typical buying group for a complex B2B solution involves six to 10 decision-makers, each armed with four or five pieces of information they've gathered independently and must deconflict with the group.

Data is key to understanding the accounts actively in-market and the people within these trending accounts who are researching and engaging with relevant content and messaging. The bottom line? The more you understand who you're speaking to, the more likely they will engage with your words.

You need data and insights to reveal the most relevant buyer for each client's solution based on their research and engagement history. Consider insights from multiple sources, including first- and third-party data and your internal teams, to uncover opportunities to captivate customers and drive conversions.

### Lean on data to segment accounts and tailor your programs

A data-driven understanding of your target accounts is critical to personalizing your content messaging to address their pain points. When done well, this will not only make your content more engaging, but it will also demonstrate greater knowledge and empathy of their specific needs. Becoming a knowledge partner allows you to become a trusted advisor to them.

To understand your target audience and start personalizing your approach, you must gather account data and segment your accounts based on similar characteristics. The more data you collect on an account, the clearer your picture will be for segmentation.

Data sources you can use to segment your accounts include:



- Technographic data: Information about a company's current technology stack, like its computer systems and software
- Buyer intent data: A potential customer's interest in buying something that can come from online searches, social media, and engagement metrics.
- Historical engagement data: A record of a person or company's past interactions with a business or brand.

Segmenting your accounts based on this data allows you to tailor your programs based on your account's characteristics and needs.





### Leverage sales intelligence

Data shows that when sales and marketing teams are tightly aligned, marketing-generated revenue increases by <u>208%</u>. When faced with economic turbulence, support between sales and marketing becomes even more crucial to your bottom line.

Your sales teams have direct interactions with customers and prospects. Leverage their knowledge and insights to help you identify the right target accounts and create the right content strategy that speaks directly to target customer needs.

Through a shared understanding of how audiences move through the customer journey, marketing can adapt their ABM campaign to nurture and target accounts with the content and advertising that pushes buyers toward ideal sales interactions. Additionally, using the same data across channels enables a tighter cross-channel activation strategy to focus on the same customer journey.

Sales can also help you identify areas of improvement and gaps in your content strategy. They gather valuable insights into customer needs, pain points, and preferences. Accessing this information through tighter collaboration helps you create more targeted and relevant campaigns that resonate and stay top-of-mind with your intended audience based on these priorities.

Finally, lean on sales insights to help you understand where and why pending deals get stuck or stall and how adjusting campaigns around specific funnel stages can push these prospective accounts past the line.

### 2. Segment and personalize your ABM campaigns based on the buying journey

Successful ABM is not about a one-size-fits-all approach; different accounts take different paths to reach your sales pipeline. That's why segmenting your approach and personalizing your ABM campaigns should be based on where accounts are in the buying journey.

### Capture the attention of buyers in-market, create awareness among future buyers

Contrary to popular belief, successful marketers focus on more than just the 1% of accounts ready to buy now. You should also amplify efforts to educate and influence the 99% of future buyers who will generate future cash flow.

To accomplish both goals, segment these types of accounts by demand capture and demand creation campaigns:

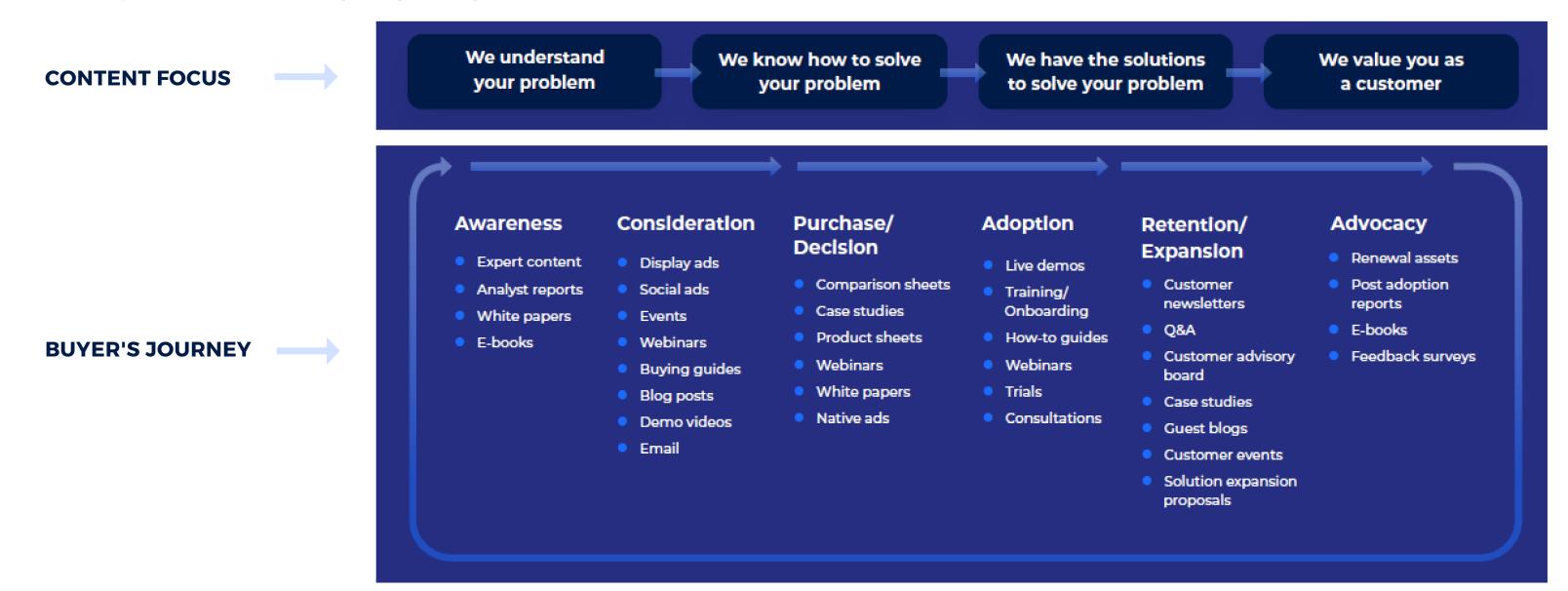
- Demand capture means taking that 1% of solution-aware buyers and educating them on properly evaluating their solution choices with content and messaging. You want to be that source of trust and truth because your expertise differentiates you and gives you credibility. When you win that account, and they move into the sales pipeline, your sales team should have an easier time closing the deal.
- Demand creation focuses on actively moving the 99% who fit your ideal customer profile but are not seeking a solution into your funnel. Do this by creating awareness about a problem, the urgency to solve it versus doing nothing about it, and communicating the value of solving it. When they enter the awareness stage, you want to move the needle with more content and advertising that paints you as the leader and trusted voice on their problem and solution.



Tailoring messages at both the account and persona level is crucial to establish brand credibility and trust. By targeting each buying committee member with personalized content that addresses their specific needs and roles, you can convey that your solution is the right choice for their problem. In addition, this approach encourages the committee to evaluate your solution and recognize its superiority, leading to increased account engagement and quicker conversions in the sales pipeline.

For example, an IT Director would care about the scalability and deployment requirements of a human resources software solution, and a CEO would care more about the business and internal impact on employee productivity and culture.

### How to map content to the buyer's journey



### **Spotlight upsell and cross-sell opportunities**

Now is not the time to lose sight of your existing customers. Keeping customers is more affordable and impactful than finding new ones. They're a valuable source of revenue to maintain or expand through upsell and cross-sell activities, and ABM is a powerful strategy to help you stay top-of-mind with them. Customer retention is critical, especially when brands fight for more limited resources.

When creating customer retention-focused marketing campaigns, speak directly to your existing buyer personas, address pain points, elevate value propositions, and respond to real-time feedback and customer data, ensuring that all collateral is relevant, actionable, and impactful.

Once you're ready to prioritize upsell and cross-sell opportunities to them, consider these helpful tips:

- Understand what's occurring in their current product adoption lifecycle. For example, you wouldn't sell them a blog management platform when they outsourced their blog management. Consider their current problems and the value your additional solution provides once they notice your services' value, customers will ask for more. Encourage your sales team to share six-month interval insights into the relationship. You can turn one sale into multiple purchases or a larger investment by being acquainted with your customers and their needs.
- Map out your customer journey. Think about how your solution helps your customer solve the existing challenge they've initially purchased for and how expanding on this current solution can help them better achieve current objectives faster or address a new goal. Then, evaluate and communicate when they should expect to start seeing the fruits of their investment. Map out these cross-sell/upsell opportunities based on the outcomes your product helps them achieve, and align your campaign strategy to communicate these outcomes best.
- Encourage your sales or customer success team to check in with them. Determine a time frame for your sales team to check in with existing customers. It could be six months, for example. They can use this time to gauge their satisfaction with your solution and if they can expand. Have your sales team group their current accounts by timeframe or readiness to expand into more solutions.

Satisfied customers who have your brand top-of-mind are also more likely to refer your business to other groups, departments, locations, or partners. That's an opportunity to indirectly influence some accounts belonging to the 1% and the 99% through the amazing customer value you provide to their peers.

### 3. Leverage the right data to demonstrate your value and improve operational efficiency

During economic trouble, marketing is one of the first budgets companies cut back on, despite the fact that maintaining and expanding marketing budgets is most beneficial in the long run. As a result, it's up to you to demonstrate marketing's value and ROI with better data to prove your value.

The metrics you measure for success can vary according to your objectives and KPIs. Here's a simple strategy to ensure you look at the right metrics for the most significant impact.

### **Demonstrating the Value of Your Content Strategy**

The best way to gauge the effectiveness of your content strategy is to go by the funnel stage. Each stage of the funnel will have different KPIs and metrics that you can use to figure out what's working and what's not working. Not every content campaign will be a slam dunk, so adjusting and adapting to what the buyers tell you through their engagement is important.

For example, top-of-funnel metrics expand on how your content is drawing eyes to your brand. Are your impressions, clicks, and open rates going up? If they are declining or not performing well, think about your core messaging and the audience you're trying to reach. Are you speaking to buyers and piquing their interest?

Middle-of-funnel metrics will focus more on signals that tell you buyers want to know more or are looking for information from you. Ad clicks, landing page visits, on-page conversions, or nurture email responses will be good metrics to track.

When your accounts are ready to decide and reach the end of the funnel, you want to look for conversion signals, like form fills, downloads, webinar registrations, and booked meetings.

Metrics by funnel stage help drill down areas of improvement for your content strategy.



### **Demonstrating the Value of ABM to the Sales Pipeline**

The value of your ABM campaign depends on your ability to move prospects through the buying journey with relevant content and messaging. Although there are leading indicators, such as account exposure time with a video ad or website and downloads, the true value of an ABM campaign can be discovered by examining its impact on the sales pipeline.

If you need to report on marketing's impact on the sales pipeline and the value of your ABM strategy, you want to prioritize data points such as pipeline volume, value, and velocity.

- Volume: This is the number of sales opportunities and deals created from each ABM campaign. Why both? While leads provide a pool of prospective customers, opportunities give more context by associating a deal amount if that opportunity were to close. You can gauge how effective your marketing campaigns are by comparing opportunities against leads.
- Value: This is the average revenue value of opportunities in the sales pipeline and closed deals. Confirming a deal's value is a great way to understand how your ABM campaign can help increase deal value size with additional assets, nurturing paths, and syndication schedules. Value can be based on customer experiences: greater awareness of a problem they are trying to solve, and trust in your brand to educate them in a better way.
- Velocity: The average time it takes to convert your target accounts into customers. This metric is all about speed, recognizing the average time an account converts from a lead to an opportunity to a customer. B2B sales cycles are complex and some can stretch weeks, months, even years. So, it's important that your ABM campaign targets the individual at every sales cycle stage.

When you focus on the right metrics based on your KPIs and objectives, you'll understand the true value of your marketing efforts and be able to demonstrate this value for budget preservation and expansion. It will help you maximize your efforts in staying top-of-mind in your market.

## The Competitive Edge: Why Staying Top-of-Mind is Crucial in Today's Market

During an economic downturn, some businesses may reduce or cut back on their marketing efforts due to financial constraints or a belief that it is not a priority.

By continuing to invest in marketing and staying top-of-mind, businesses can gain a competitive advantage over their competitors who have scaled back. Increased visibility and ongoing engagement with customers help position the business as a reliable and committed option compared to competitors who may have become less visible.

By staying agile and adaptable with your marketing strategies, you can identify and capitalize on these opportunities and position your brand for long-term success.

### **Learn how Madison Logic can help**

As a leading ABM solutions provider, we can help you build the right ABM strategy that maximizes your success in the face of an economic downturn.

Visit <u>www.madisonlogic.com</u> to learn more.

