TOPO

2019 ACCOUNT BASED BENCHMARK REPORT

A research report focused on the strategies and tactics of successful account based organizations.

Eric Wittlake, *Senior Marketing Analyst*

January 23, 2019

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By Eric Wittlake
With Kristina McMillan
January 23, 2019

Many organizations are leveraging an account based strategy to drive business growth. Therefore, organizations must identify the best tactics, necessary budgets, and resources for adopting an account based strategy, and align internal expectations around the expected outcomes. To address this requirement, TOPO surveyed more than 150 practitioners at leading account based organizations and compiled the strategies and metrics that support them into the 2019 Account Based Benchmark Report. This report provides insights organizations can apply to adopt or evolve their account based strategy in 2019 and beyond.

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RELATED RESEARCH

Account Based Technology Report, April 2018

Account Based Measurement Model, November 2018

The Account Based Funnel, February 2017

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SURVEY OVERVIEW

Objective

To better understand account based strategies and results, TOPO studied the strategies of account based organizations. Specifically, this research focused on identifying the tactics, budgets, resources, and results of these organizations, and captured insights organizations can leverage to develop and/or improve their account based initiatives.

Results

Our research looked at data across three key segments of account based organizations. These segments are:

- **Mature organizations** represents those organizations that have been executing an account based strategy for more than 12 months. This segment provides insights into characteristics that typically take time to develop. For instance, mature organizations are more likely to have dedicated account based resources.

- **Top performers** represent the subset of organizations that are exceeding objectives for their account based initiatives. On average, top performers are investing a larger percentage of their marketing budget into account based initiatives and are using a broader range of tactics.

- **Leaders** represent those organizations that are both mature (adopted account based more than 12 months ago) and top-performing (exceeding their objectives).

SURVEY DEMOGRAPHICS	
# of Respondents	164
# of Data Points Surveyed	96
Data Collected	Q4 2018

ANNUAL REVENUE	% OF RESPONDENTS
$0 - $50M	53%
$50M - $500M	35%
$500M+	12%

ANNUAL REVENUE GROWTH	% OF RESPONDENTS
0% - 25%	30%
26% - 39%	20%
Over 40%	50%

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DEMOGRAPHICS

This report is based on survey data gathered from account based marketers in mostly high-growth B2B companies.

Job title

- Other 3%
- VP 20%
- CMO/EVP/SVP 23%
- Manager 16%
- Director/Sr. Dir. 38%
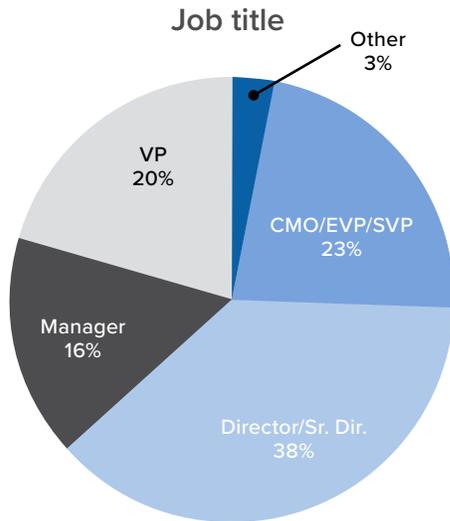
61% of respondents are director level and above

Account based maturity

- Have not yet implemented account based 2%
- More than 24 months ago 23%
- Fewer than 6 months ago 15%
- 6-12 months ago 26%
- 12-24 months ago 34%
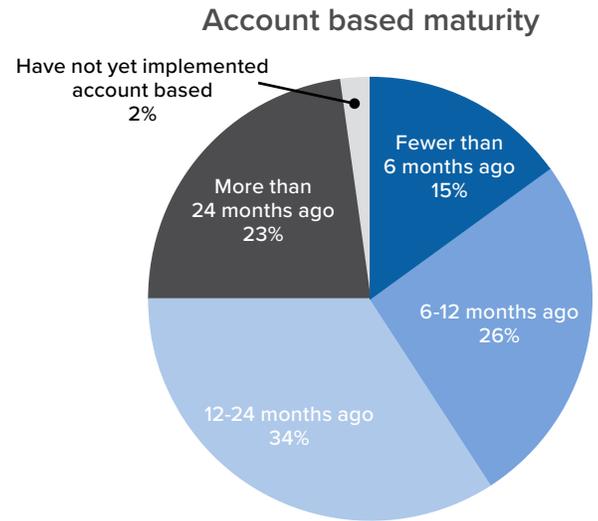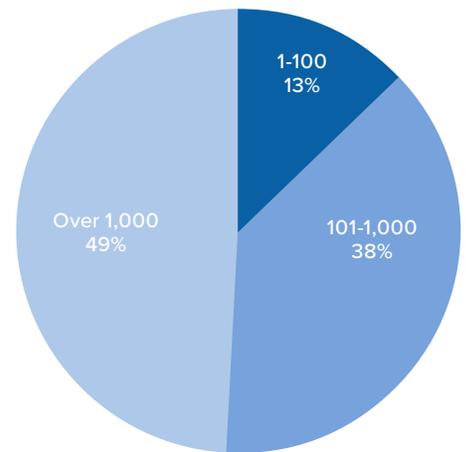
57% of respondents have been executing an account based strategy for more than one year

Annual contract value (ACV)

- $250K+ 17%
- $0-$25K 14%
- $25K-$75K 31%
- $75K-$250K 38%
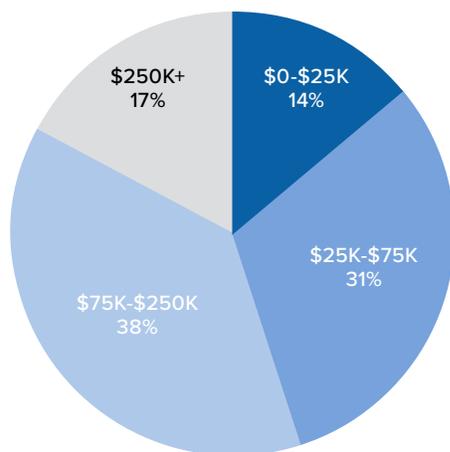
55% of respondents generate ACVs greater than $75K on average

Target account list size

- 1-100 13%
- Over 1,000 49%
- 101-1,000 38%

51% of respondents are targeting fewer than 1,000 target accounts

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INTRODUCTION AND TAKEAWAYS

In recent years, creating an account based go-to-market (GTM) approach—a coordinated, cross-organizational effort for driving engagement and sales progress in a set of target accounts—has emerged as one of the top initiatives for growth-oriented companies. However, the metrics, tactics, and resources employed in a traditional go-to-market approach fail to translate directly into account based.

Therefore, organizations must identify the best tactics, necessary budgets, and resources for adopting an account based strategy, and align internal expectations around the expected outcomes. To address this requirement, TOPO surveyed more than 150 practitioners at leading account based organizations and compiled the strategies and metrics that support them into the Account Based Benchmark Report 2019. This report provides insights organizations need in order to adopt or evolve their account based strategy in 2019 and beyond.

Key takeaways

- **Account based strategies deliver business outcomes, not vanity metrics.** Account based is not a campaign or technology purchase. It is a strategic go-to-market decision delivering key board-level metrics. Respondents indicate that account based improves customer lifetime value (80%), improves win rates (86%), and delivers higher ROI (76%) than a traditional go-to-market approach.

- **For every five accounts targeted, account based organizations create a new sales opportunity.** Compared to a traditional volume-based approach, an account based strategy is extremely efficient at creating sales pipeline. This efficiency lets account based organizations focus on the most valuable portions of their addressable market and deliver critical business metrics at scale.

- **Account based budgets are rapidly expanding, with companies increasing spend by 41% in 2019.** Due to early successes, organizations are doubling down on 2019 account based investments. Budgets are focused on expanding current programs and extending account based into new segments.

- **Technology investments will increase to support scaling account based efforts.** Today's programs often rely on manual or technology-enabled processes with limited scalability. As organizations move from pilots to repeatable, scalable programs, technology investments in account based platforms, data sources, and account insights are required to achieve expanding expectations.

- **An account based strategy requires dedicated leadership from program inception.** More than two-thirds (69%) of top-performing account based organizations now have a dedicated account based leader. The market has caught on—70% of those who started their account based initiatives in the last six months have dedicated leaders. In contrast, only 58% of companies that missed their account based objectives have dedicated leadership.

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- **Organizations with a strong Ideal Customer Profile (ICP) achieve 68% higher account win rates.** The ICP identifies the characteristics of accounts that are more likely to become valuable customers. The ICP is a critical element of an account based strategy that separates top-performing account based organizations from their peers. More than 80% of the most successful account based organizations believe they have a strong ICP versus 42% of other organizations.

- **Organizations only pursue 38% of their target accounts at one time.** The majority (78%) of leading account based organizations have implemented intentional account selection processes in order to consistently select and prioritize accounts in a repeatable way. This is a critical process to master, particularly for organizations with more than 100 target accounts.

- **Successful account based execution uses existing marketing and sales development tactics.** One of the biggest barriers to launching account based is the concern that a completely new set of tactics are required. In actuality, the majority of tactics are already used in most organizations. Respondents report that their top five account based tactics are SDR outreach, digital advertising, direct mail, marketing email, and events. Coordinated execution—not the specific tactics used—is the key change required to develop and execute an account based strategy.

- **Account based is more than just marketing.** Successful account based strategy requires a coordinated effort across all customer-facing functions including marketing, sales development, and sales. When marketers ranked the most important tactics, they selected SDR outreach—not traditional marketing tactics—by a wide margin.

MARKET OVERVIEW

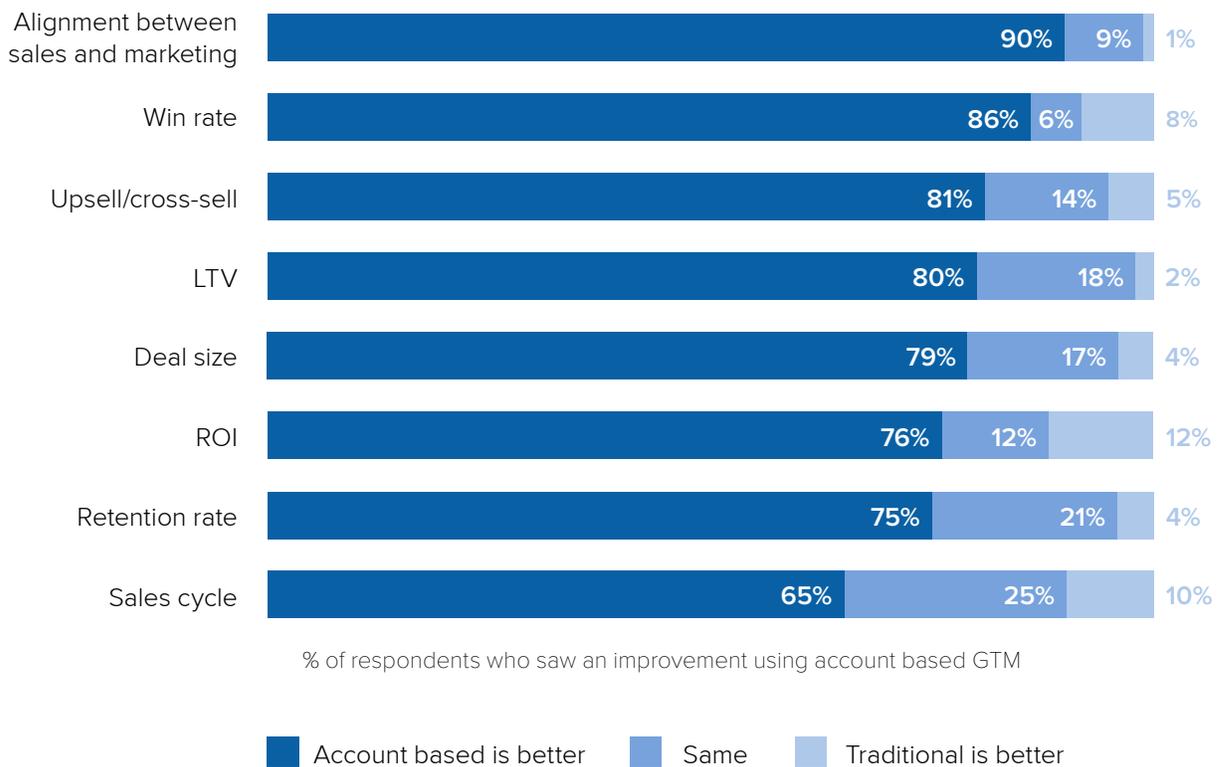## Account based GTM delivers key results that traditional GTM can't

Most organizations initially adopt an account based strategy to improve critical business results, such as pipeline efficiency, retention, expansion, and customer lifetime value. Most organizations we surveyed saw some improvement right away (e.g. increased engagement in target accounts) and realized improvement over time for other results (e.g. increases to ACV and LTV).

Comparing account based to a traditional go-to-market (GTM) approach, we found that respondents overwhelmingly indicated an account based approach is superior (see Figure 1). Even sales cycle, the least likely result to improve, was better for 65% of respondents.

The results also highlight the measurement challenges organizations face, particularly in the first year of account based adoption. In the first year, 49% of companies were not able to say if their account based initiatives delivered a better ROI, a figure that dropped to only 8% for companies with more than 24 months of account based experience.

Percent of respondents that say account based improves key results (Figure 1)

"Does your account based GTM perform better than your traditional GTM across key organization results?"

	Account based is better	Same	Traditional is better
Alignment between sales and marketing	90%	9%	1%
Win rate	86%	6%	8%
Upsell/cross-sell	81%	14%	5%
LTV	80%	18%	2%
Deal size	79%	17%	4%
ROI	76%	12%	12%
Retention rate	75%	21%	4%
Sales cycle	65%	25%	10%

% of respondents who saw an improvement using account based GTM

■ Account based is better   ■ Same   ■ Traditional is better

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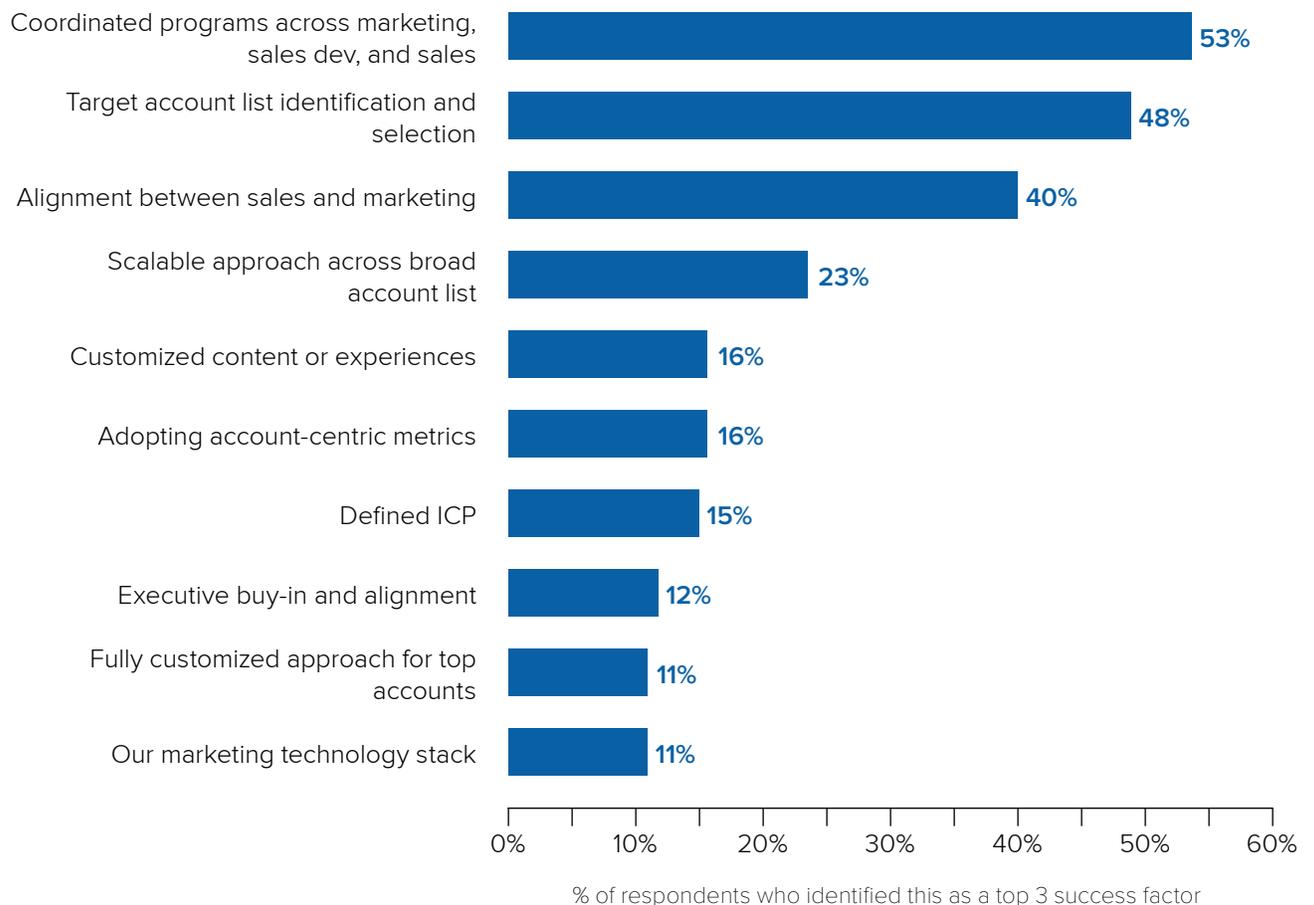## Orchestration, alignment, and target account list identification are leading success factors

When we look at the factors that have made account based organizations successful, it's not surprising that orchestration tops the list (see Figure 2). Orchestration—coordinating efforts across sales and marketing—is a hallmark of effective execution, but account based has driven organizations to direct those efforts against the right accounts (ICP), and is why organizations are seeing greater success with an account based strategy.

Defining the Ideal Customer Profile (ICP), which captures the characteristics of the best fit and highest value accounts, was only selected as a top three success factor by 15% of respondents. However, our benchmark shows that the top-performing account based organizations are nearly twice as likely to have developed a strong ICP.

Organizations frequently look to technology when first implementing an account based approach, but technology was only indicated as a key contributor to success by 11% of respondents. This reinforces the importance of establishing an account based strategy before focusing on technology.

Key account based success factors (Figure 2)

"What are the most important factors contributing to account based success?"

Factor	%
Coordinated programs across marketing, sales dev, and sales	53%
Target account list identification and selection	48%
Alignment between sales and marketing	40%
Scalable approach across broad account list	23%
Customized content or experiences	16%
Adopting account-centric metrics	16%
Defined ICP	15%
Executive buy-in and alignment	12%
Fully customized approach for top accounts	11%
Our marketing technology stack	11%

% of respondents who identified this as a top 3 success factor

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Scale is the top account based challenge of 2019

Although most organizations understand the benefits to adopting an account based approach, many still struggle to operationalize a repeatable account based approach (see Figure 3). Many organizations initially prove success against a limited set of accounts, and rely on non-scalable approaches to coordinated execution, customization, and measurement.
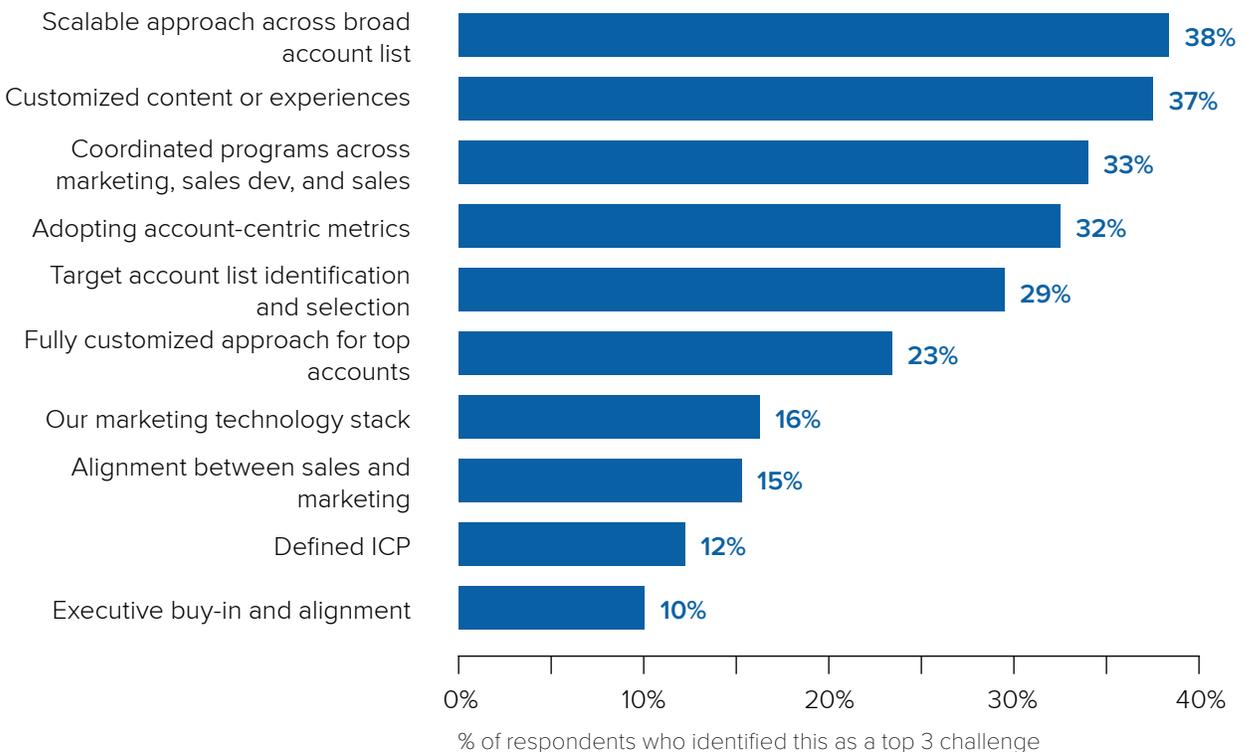
Successfully scaling account based initiatives requires developing repeatable, scalable, and often technology-enabled approaches to planning, customization, and coordinated execution.

While scale is a major challenge today, we expect more organizations will focus on creating a consistent and repeatable approach as account based strategies continue to mature. Key drivers of scale include:

- **Implementing an account selection and rotation process** – This allows an organization to group accounts that can be treated similarly and provides visibility into the content, messaging, and resources that will be required for execution in the coming months and quarters.

- **Tiering the target account list and aligning resources to the tiers** – Account based strategy requires intentionally prioritizing how resources are applied. Organizations that don't align resources against tiers based on expected account value use a one-size-fits-all approach, losing the benefit of intentionally applying resources where they deliver the highest returns.

Biggest account based challenges (Figure 3)

"What are the biggest challenges to starting, continuing, or scaling your account based initiatives?"

Challenge	%
Scalable approach across broad account list	38%
Customized content or experiences	37%
Coordinated programs across marketing, sales dev, and sales	33%
Adopting account-centric metrics	32%
Target account list identification and selection	29%
Fully customized approach for top accounts	23%
Our marketing technology stack	16%
Alignment between sales and marketing	15%
Defined ICP	12%
Executive buy-in and alignment	10%

% of respondents who identified this as a top 3 challenge

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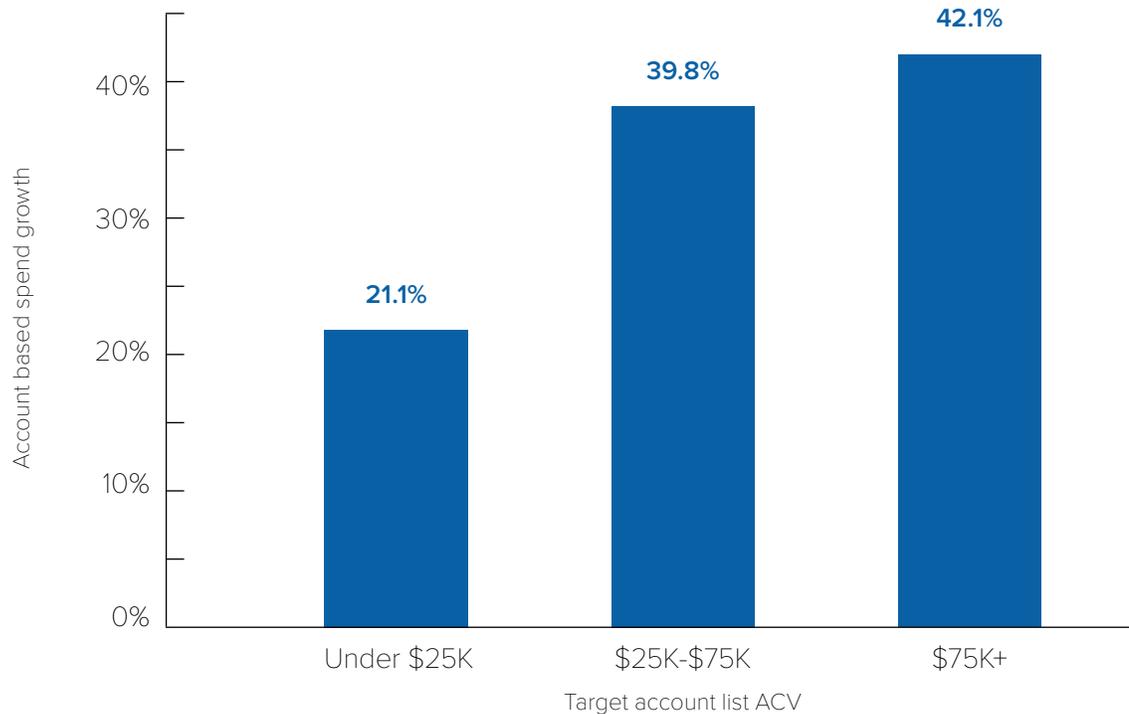## Account based spending is expanding rapidly, increasing by 41% in 2019

Account based spend is expected to increase by 41% (see Figure 4), likely because organizations of all sizes are seeing positive results from account based efforts overall.

In organizations selling enterprise B2B solutions, we expect account based investments to continue to grow significantly. Our benchmark shows that companies with target account ACVs above $75K are expecting to increase account based investments by 42% in the next year. As investment continues to shift to account based, we will see enterprise B2B marketing ultimately become account based by definition. As this shift happens, traditional investments in volume-focused marketing activity will fall in these organizations.

That said, our research shows mixed investment plans for organizations with average target account ACVs under $25K, including significant decreases in account based investments at some organizations. Of note, organizations that have experimented in recent years with account based in transactional, low-value markets will reduce the share of marketing budgets dedicated to account based initiatives.

Account based budgets for 2019 (Figure 4)

"How much do you expect your annual account based spend to increase in 2019?"

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STRATEGY

## Account based spend represents more than 20% of marketing budget across all segments

Much of today's innovation around account based is being driven by small and mid-market organizations. These companies are quicker to adapt to changes in the market and thus provide insights into where the market is heading.

In years ahead, we expect to see more companies investing 40%+ of marketing budgets on account based initiatives (see Figure 5), in line with investments at smaller companies today. This increase will come from the expanded role of account based initiatives, particularly as the account based investment evolves from strategic or enterprise sales segments into mid-market and commercial sales segments at enterprise B2B companies.

As the go-to-market mix evolves, many of the best practices of account based strategy and execution will be adopted as general best practices for enterprise B2B marketing.

Percent of marketing budget dedicated to account based (Figure 5)

"What percentage of your marketing budget is devoted to account based?"
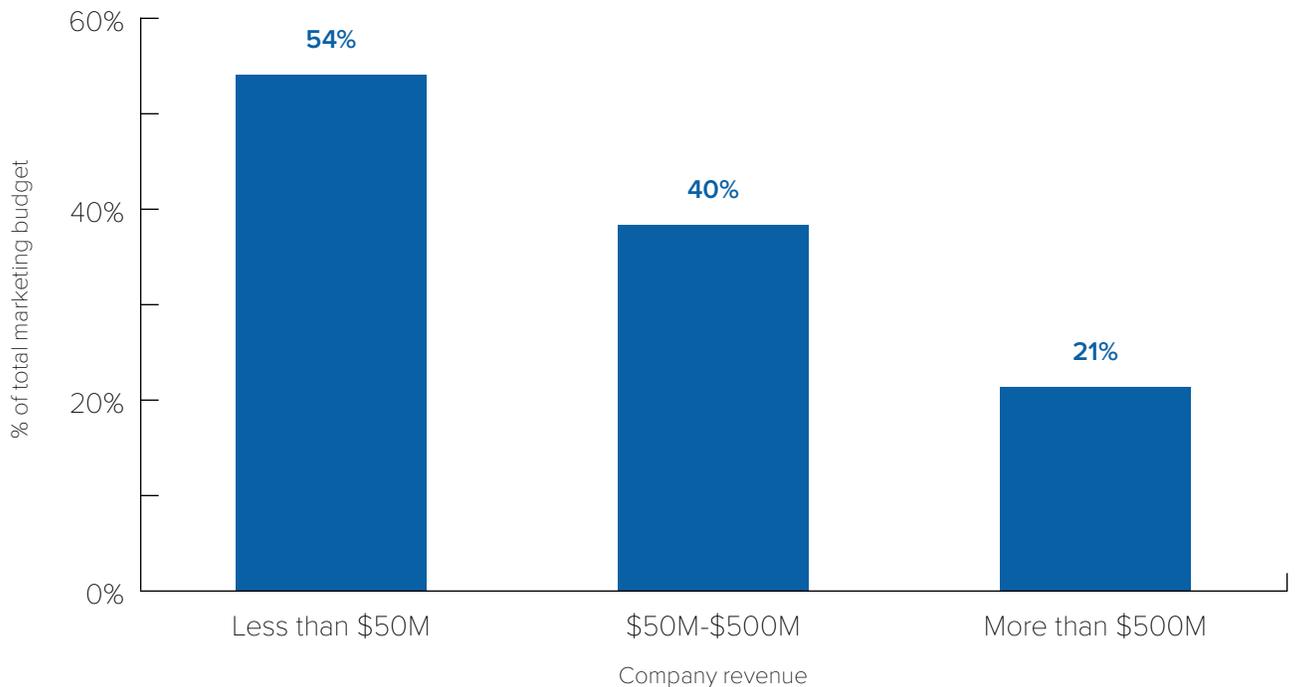
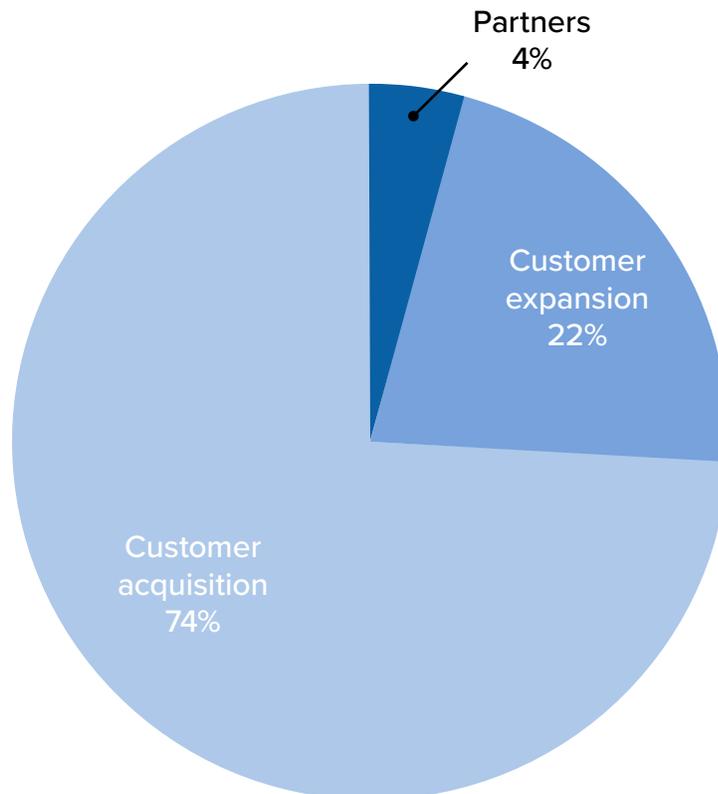### New customer acquisition is the primary focus for account based

Organizations continue to focus the majority of their account based efforts on acquiring new customers, rather than on expanding existing customers (see Figure 6). Moreover, only 4% of respondents leverage account based efforts to support partners.

The largest companies ($1B+ revenue) split their account based focus roughly in half between customers and prospects, while the smallest organizations (<$25M revenue) only invest 18% of account based efforts in current customers.

As organizations grow, investment will shift increasingly to creating the right experience for customers to drive usage, retention, and growth. This shift will cause a significant expansion in the scope of customer marketing leaders in particular, and make them a key stakeholder in the development and execution of account based strategies.

Account based target focus (Figure 6)

"What percentage of your account based effort is focused on current customers vs. net-new acquisition vs. partners?"

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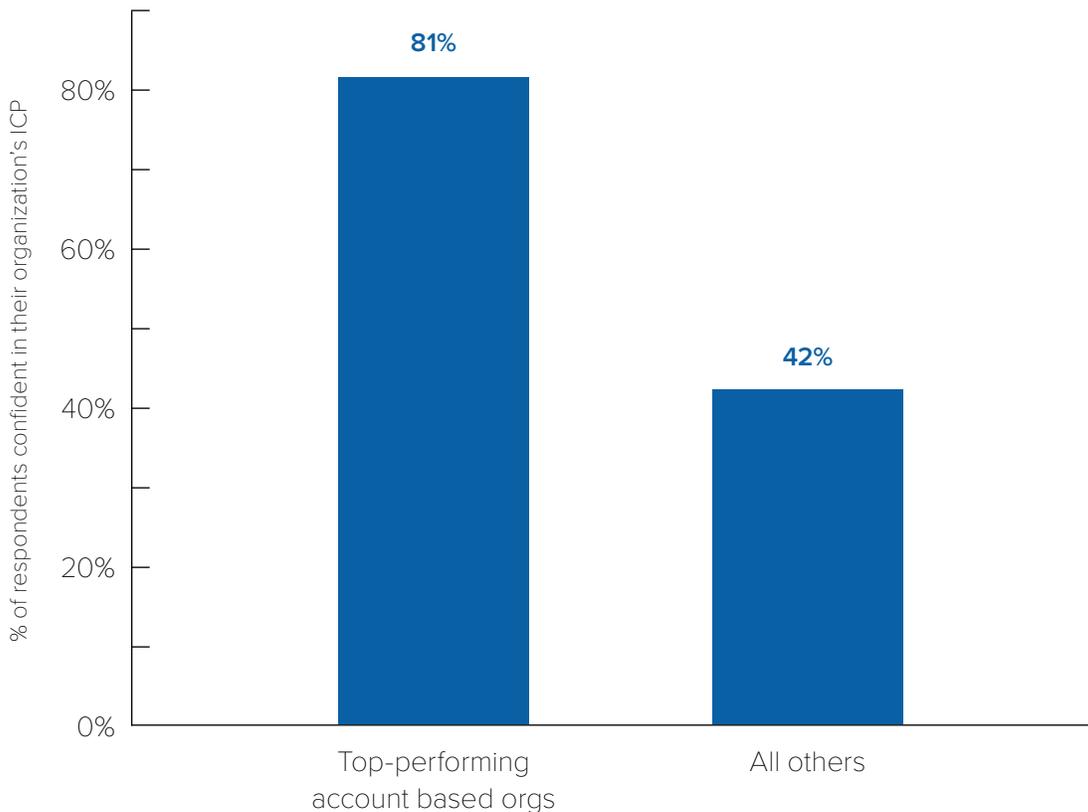### Top-performing account based organizations have a strong ICP

The ICP identifies the characteristics of the accounts that are most important to the organization. As such, the ICP is a critical foundational element of an organization's account based strategy. Without one, organizations struggle to align efforts to a shared list of target accounts.

The benchmark data shows just how critical an effective ICP is. Organizations that developed a strong ICP average a 68% higher account win rate, and 81% of top-performing organizations are confident in their ICP (see Figure 7).

A strong ICP is built on both qualitative and quantitative inputs. The organizations that combined qualitative input from stakeholders with prospect and customer data were 61% more likely to be confident that their ICP represents the attributes of the best accounts for the organization.

Confidence in ICP (Figure 7)

"How confident are you that the ICP accurately represents the attributes of best fit and higher value accounts?"

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METRICS

For every five accounts targeted, account based organizations create one new sales opportunity

An account based measurement model focuses on tracking engagement across an entire account, not just on engaging individual leads. It begins with the complete list of target accounts, which represents the addressable market for account based efforts. This list is the basis for calculating conversion at each point in the funnel. These conversion points are as follows (see Figure 8):

- **Engaged accounts** – The number of target accounts that have reached a meaningful level of engagement, as defined by the engagement score. (Engaged Account Rate)

- **Opportunity accounts** – The number of accounts with one or more new opportunities. (Opportunity Rate)

- **Closed-win accounts** – The number of target accounts with a new closed-won opportunity. (Account Win rate)

Even within the target account list, metrics vary between prospective customers (net-new) and existing customers (expansion). Organizations will typically see higher account engagement rates, opportunity rates, and account win rates with customer accounts than with prospect accounts.

When compared to a traditional funnel, which often includes a high volume of unqualified prospects, an account based funnel is extremely efficient. This efficiency allows organizations to focus resources on just a portion of their addressable market, and ultimately deliver significant pipeline and revenue impact.

Key account based metrics (Figure 8)

METRIC	BENCHMARK	CALCULATION
Engaged Account Rate	42%	Engaged Accounts / Target Accounts
Opportunity Rate	21%	Accounts with one or more new opportunities / Target Accounts
Account Win Rate	11%	Closed-Won Accounts / Target Accounts

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Account based benchmarks differ based on target account list size

Account based go-to-market strategy varies based on the number of accounts an organization is targeting. For smaller target lists (e.g. fewer than 100 accounts), organizations can afford to spend more time and resources per account. However, organizations with larger target lists (e.g. 5,000+ accounts) must tailor their efforts according to the relative value of certain accounts over others. Figure 9 shows the benchmarks for critical GTM metrics and standards based on target account list size.

Account based benchmarks (Figure 9)

CATEGORY	BENCHMARK	LIST SIZE 1-100	LIST SIZE 100-1,000	LIST SIZE 1,000+	OVERALL
Funnel Metrics	Account Engagement Rate	67%	40%	39%	42%
	Opportunity Rate	37%	19%	18%	21%
	Account Win Rate (target accounts with a new win / total target accounts)	18%	11%	10%	11%
Process	Tiers	2	3	3	N/A
	% Targeted Through Orchestrated Outbound Each Quarter	100%	61%	20%	38%
	SDR Qualification Criteria	Authority and Need	Authority and Need	Authority and Need	Authority and Need
Organization	Account Based Budget (as a % of marketing budget)	20%+	30%+	30%+	30%+
	Spend per Account	$15,375	$3,112	$630	N/A
	% of Budget for Programs	35%+	40%+	40%+	40%
	Dedicated Account Based Leader	Yes	Yes	Yes	Yes
	Accounts per SDR	15-25	40-60	80-100	N/A
	Active Accounts per Account Based Marketer	4-7	50-250	500+	N/A
	Account Based Marketing Spend per Account Based Marketer	$300K+	$300K+	$300K+	$300K+

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ORGANIZATIONAL DESIGN

Top-performing organizations are 33% more likely to have a dedicated account based leader

Adopting account based is a strategic organizational decision and requires dedicated leadership.

Account based leaders not only oversee planning and execution, they drive the organizational change needed to adopt account based, shift organizational resources, and change the way companies measure their results.
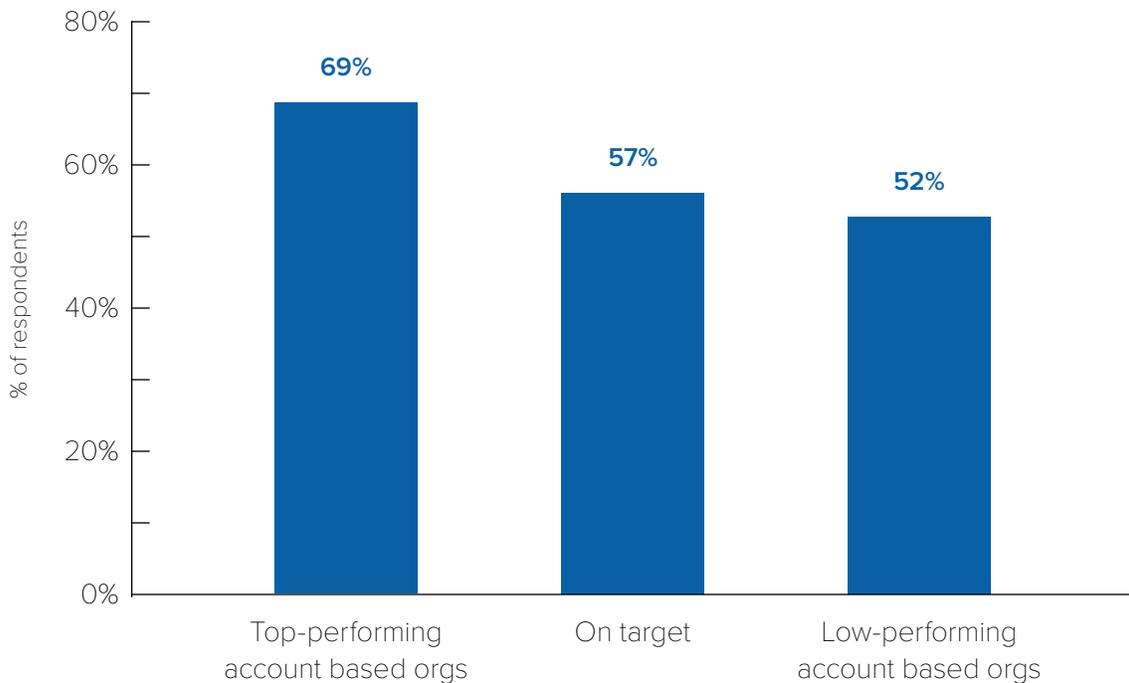
Not surprisingly, larger companies are more likely to assign an account based leader (see Figure 10). Specifically, companies with more than $500M in revenue are 38% more likely to assign a dedicated account based leader than companies with less than $50M in revenue.

Companies starting their account based efforts today are learning from the mistakes of those that went before them. This is evidenced by 67% of companies in their first year of account based efforts having already established an account based leader.

While the account based leader is critical, many organizations implement a successful account based strategy without additional dedicated resources. Instead, they support the leader with existing staff and shared resources. When organizations do add dedicated resources, they are most likely to add account based SDRs and marketing program managers.

Companies with a dedicated account based leader (Figure 10)

"Do you have a dedicated account based leader?"

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Account based strategy is not just a marketing initiative – it's cross-functional
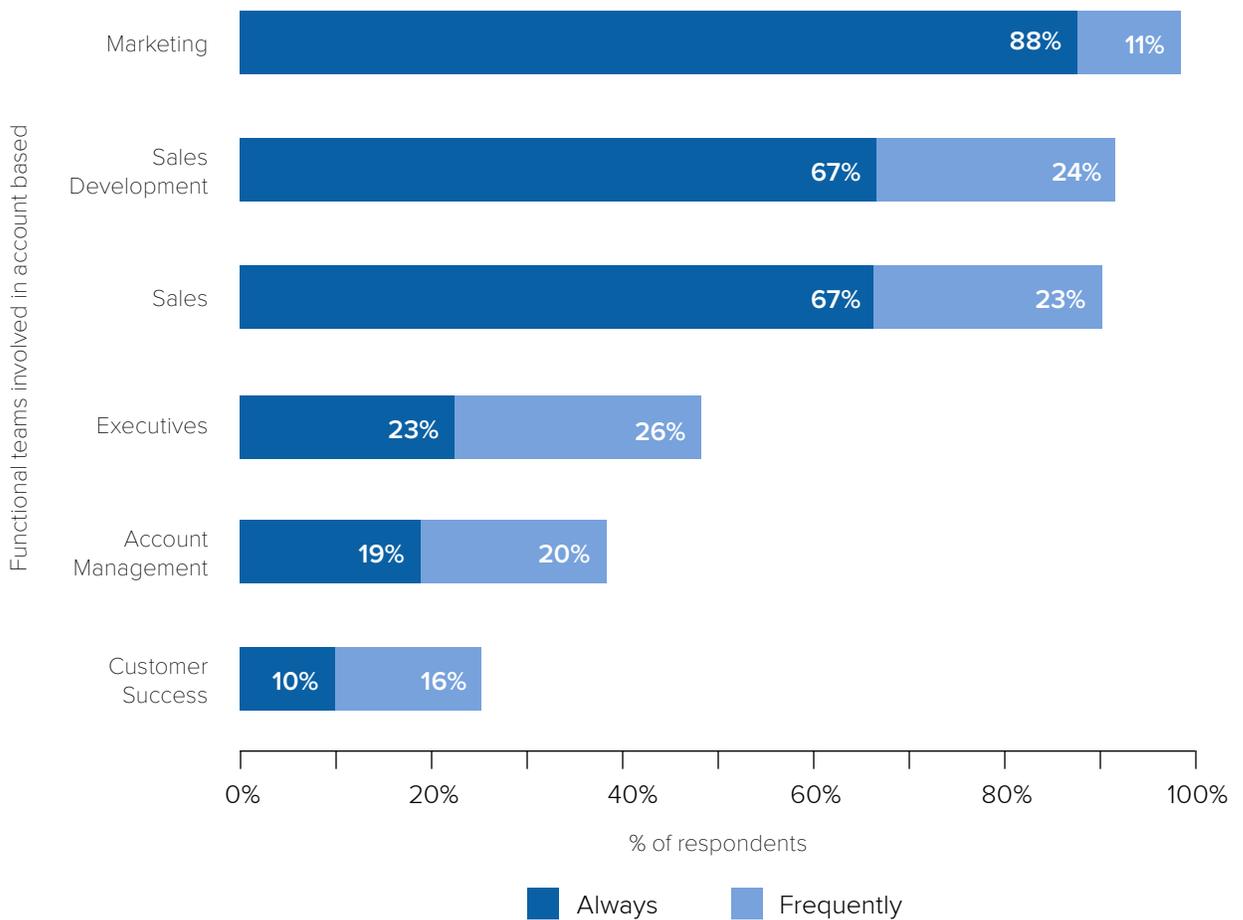
Account based is not just a marketing initiative. Nearly every respondent indicated that sales and sales development are included in account based execution (see Figure 11).

In fact, organizational alignment is essential to cross-functional implementation, adoption, execution, and scaling of the account based strategy.

While marketing, sales development, and sales participation is universally high, the best performers are 3X more likely to involve customer success and 96% more likely to involve account management than underperformers. This disparity shows the broader adoption of account based across the entire customer lifecycle within the best-performing organizations.

Functional groups involved in account based (Figure 11)

"Which functional groups are included in account based program execution?"

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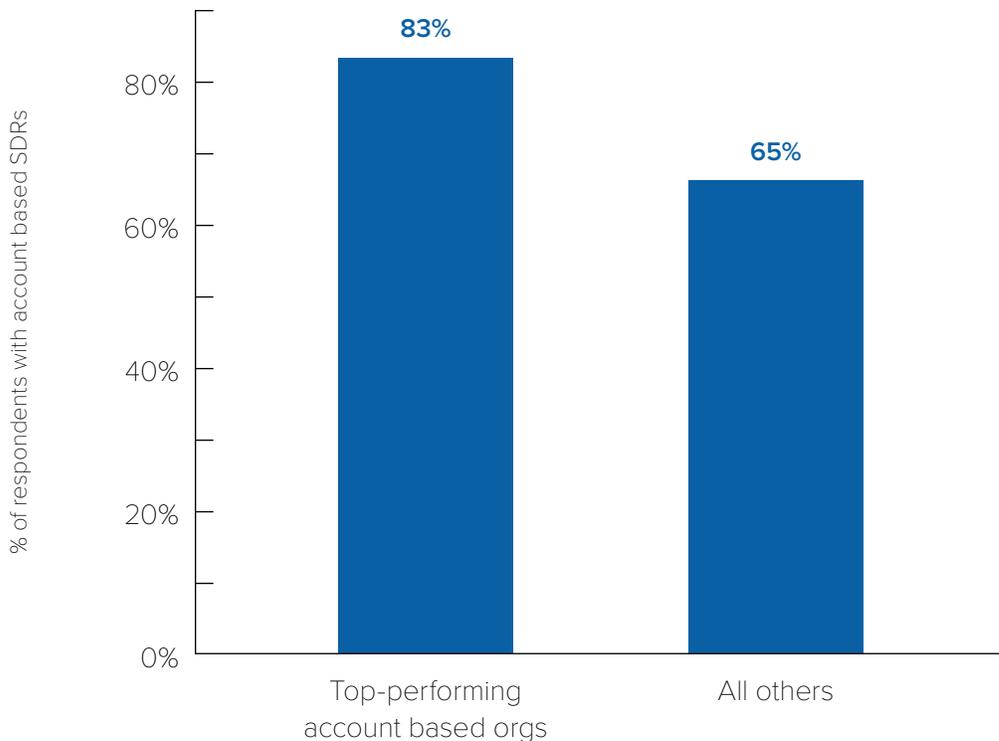
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Top-performing account based programs have account based SDRs

Despite standard sales development best practices that call for SDRs to be segmented into separate inbound and outbound roles, account based SDRs are focused on an assigned set of target accounts and own all outbound touches and inbound follow-up (see Figure 12). This allows them to more effectively manage and customize their conversations across multiple contacts in an account. While the majority (71%) of organizations have adopted this hybrid structure for SDRs that support target accounts, top-performing organizations adopt this structure at even higher rates (83%).

The next step is to have account based SDRs who focus exclusively on target accounts, something that 45% of top-performing account based organizations have put in place. These SDRs do not call any account not on the target list. Account based SDR programs force an increased level of focus on the target accounts. These SDRs must find meetings from within the target accounts, leading to the creation of opportunities that are more likely to close and are of higher value to the organization.

Companies with account based SDRs (Figure 12)

"Does your organization have SDRs to support your account based efforts?"

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PROCESS

Organizations only pursue 38% of their target account list at one time

Leading account based organizations have embraced account selection, with 78% establishing an intentional account selection process. Companies with an account selection process realize 13% higher account win rates than those that do not.

Account selection is the process for selecting a subset of the overall target list that will be actively pursued (the rest of the target list is put on hold in the meantime). Organizations with more than 5,000 target accounts only actively pursue 16% of the list on average at any given time (see Figure 13).
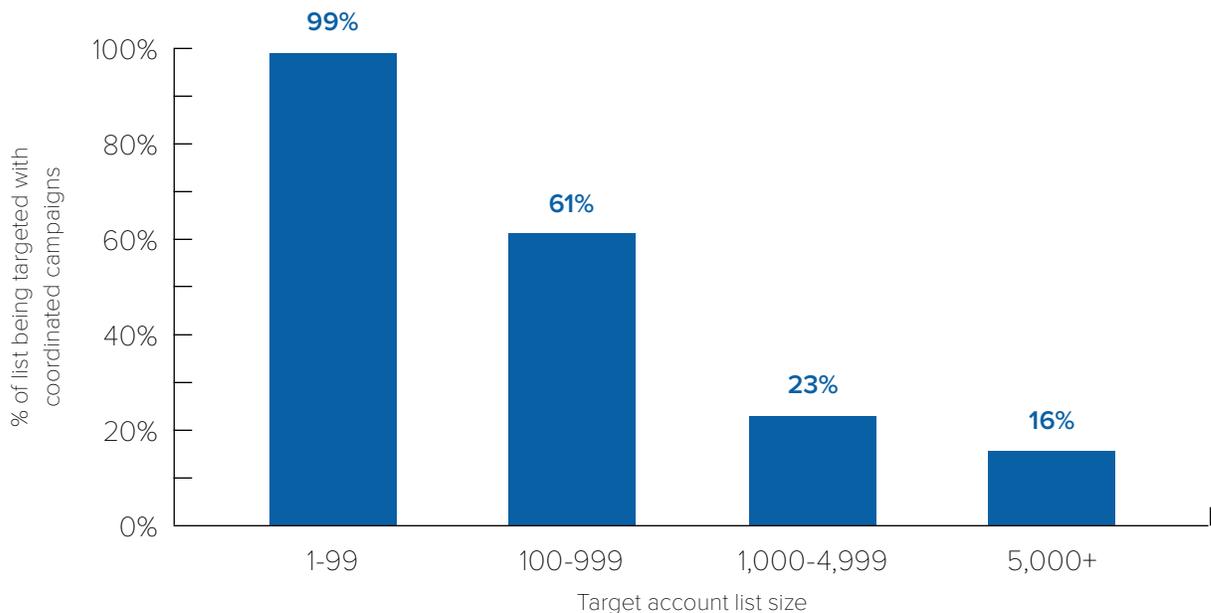
Given resource constraints, it is important that organizations establish a process for identifying which accounts to actively target, and rotating accounts from inactive to active and vice versa. Account selection allows organizations to focus resources where they are most likely to drive the biggest results, grouping accounts for more efficient execution or identifying accounts that are most likely to convert in a specific period of time.

An account selection process often includes a combination of sales input, company data, and intent data. For lists with more than 5,000 accounts, the most important inputs are intent data and company information like industry and technology.

Organizations with more than 1,000 target accounts should generally expect to target more than half of those accounts as part of always-on marketing efforts, and pursue between 10% and 25% a quarter as part of orchestrated outbound programs.

Percent of target account list actively pursued (Figure 13)

"How many target accounts are actively pursued at one time via account based efforts?"

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TACTICS

Leading account based organizations use orchestrated account based plays across every stage of the funnel

There are four primary types of orchestrated account based plays—plays that drive engagement, plays that result in new meetings, plays that increase the velocity of a deal through the funnel, and plays that expand an existing footprint in an account. While orchestrated plays are fundamental to most account based organizations, top-performing organizations are more likely to use orchestrated plays throughout the funnel (see Figure 14).

Top-performing account based organizations are slightly more likely to use engagement and meeting plays (16% and 8% higher likelihood, respectively). The greatest disparity lies in the use of velocity plays and expansion plays, with leading organizations using them 51% and 31% more, respectively.

These results highlight two key opportunities to expand the focus of an account based strategy: develop velocity plays to support active pipeline opportunities and create expansion plays to drive customer growth.

Types of orchestrated plays (Figure 14)

"What type of orchestrated plays do you run?"
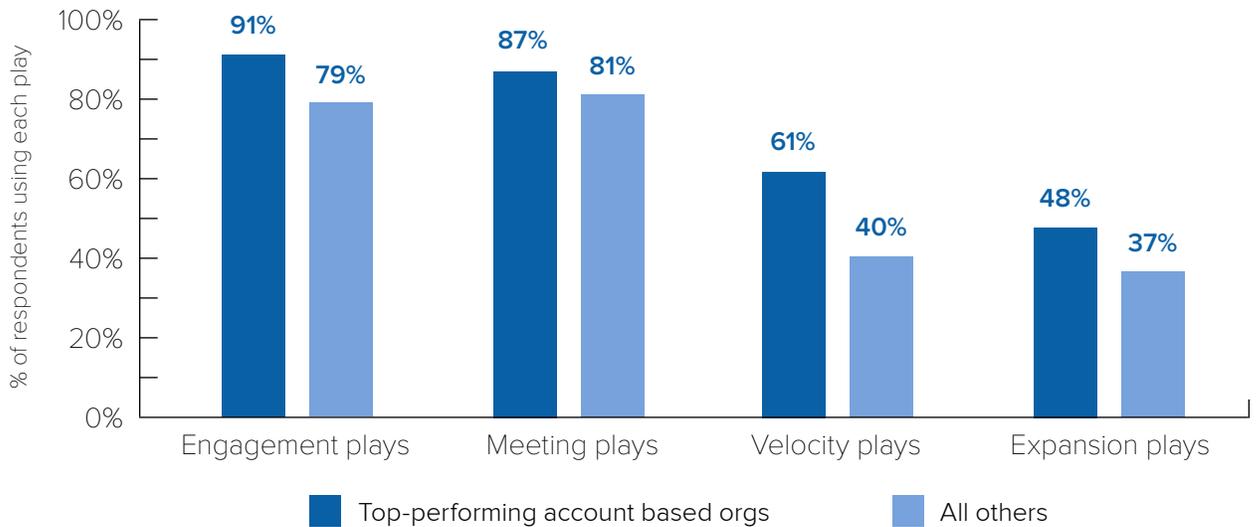
PLAY TYPE	DESCRIPTION
Engagement	Plays that drive engagement with a target account.
Meeting	Plays designed to drive meetings, often using a high-value sales offer in conjunction with coordinated marketing and sales development activity.
Velocity	Plays designed to progress an account through the funnel.
Expansion	Plays to add licenses or product to an existing account or to expand into additional areas of the account.

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SDR outbound is the most critical account based tactic

Organizations executing account based strategies use many of the same tactics and channels as with a traditional GTM, but prioritize those tactics and channels much differently from a resource and budgeting perspective. Most notably, SDR outbound is the most important tactic used by account based organizations, with 88% rating it as important (see Figure 15). Events, exec-to-exec outreach, and direct mail are also rated as extremely or very important by more than two-thirds of respondents.

Customized content development is seen as important by 63%, but is only used by 47% of organizations. This may speak to the fact that account based organizations noted creating custom content or experiences as one of their top challenges.

There is a notable negative perception of site personalization and site chat/messaging among respondents not using these tactics, while satisfaction is relatively high among those that have adopted them. While this perception can be a barrier to growth of these tactics, we expect strong satisfaction among adopters to drive expansion of site chat/messaging in particular for account based use cases.

Most important account based channels (Figure 15)

"What channels and tactics do you use for your account based efforts?"

CHANNEL	% RATE AS IMPORTANT	% USING	% SATISFIED*
SDR Outbound (email, phone)	88%	87%	82%
Events	72%	67%	78%
Executive-to-Executive Outreach	70%	64%	59%
Direct Mail	67%	73%	69%
Digital Advertising	64%	79%	85%
Content Development	63%	47%	61%
SDR Social (e.g. LinkedIn)	57%	72%	61%
Marketing Email	56%	70%	83%
Site Personalization	39%	37%	63%
Content Syndication	31%	48%	73%
SDR Personalized Video	23%	28%	50%
Site Chat/Messaging	22%	17%	74%

% of respondents

*Among those using the channel or tactic

2019 Account Based Benchmark Report
A research report focused on the strategies and tactics of successful account based organizations.

January 23, 2019

Top-performing account based organizations target 33% more contacts in each account

Not surprisingly, companies that close larger deals target more contacts per account on average. Interestingly, top performers across every deal-size tier target more contacts per account—33% more on average (see Figure 16). That percentage is even higher when they are pursuing the largest ACV opportunities ($250K+).

These organizations recognize the value of customizing content for individual stakeholders, creating distinct offers and messages for contacts in different roles. Organizations piloting their first account based effort should develop distinct messaging for at least two contact roles.

A recommended initial approach is to separate messaging and offers for an entry-point contact and a decision maker or stakeholder contact. As the account based effort matures, organizations will develop a broader range of offers and messaging for various contact personas and scenarios.

Number of actively targeted contacts per account (Figure 16)

"How many contacts per account are actively targeted in your account based programs?"
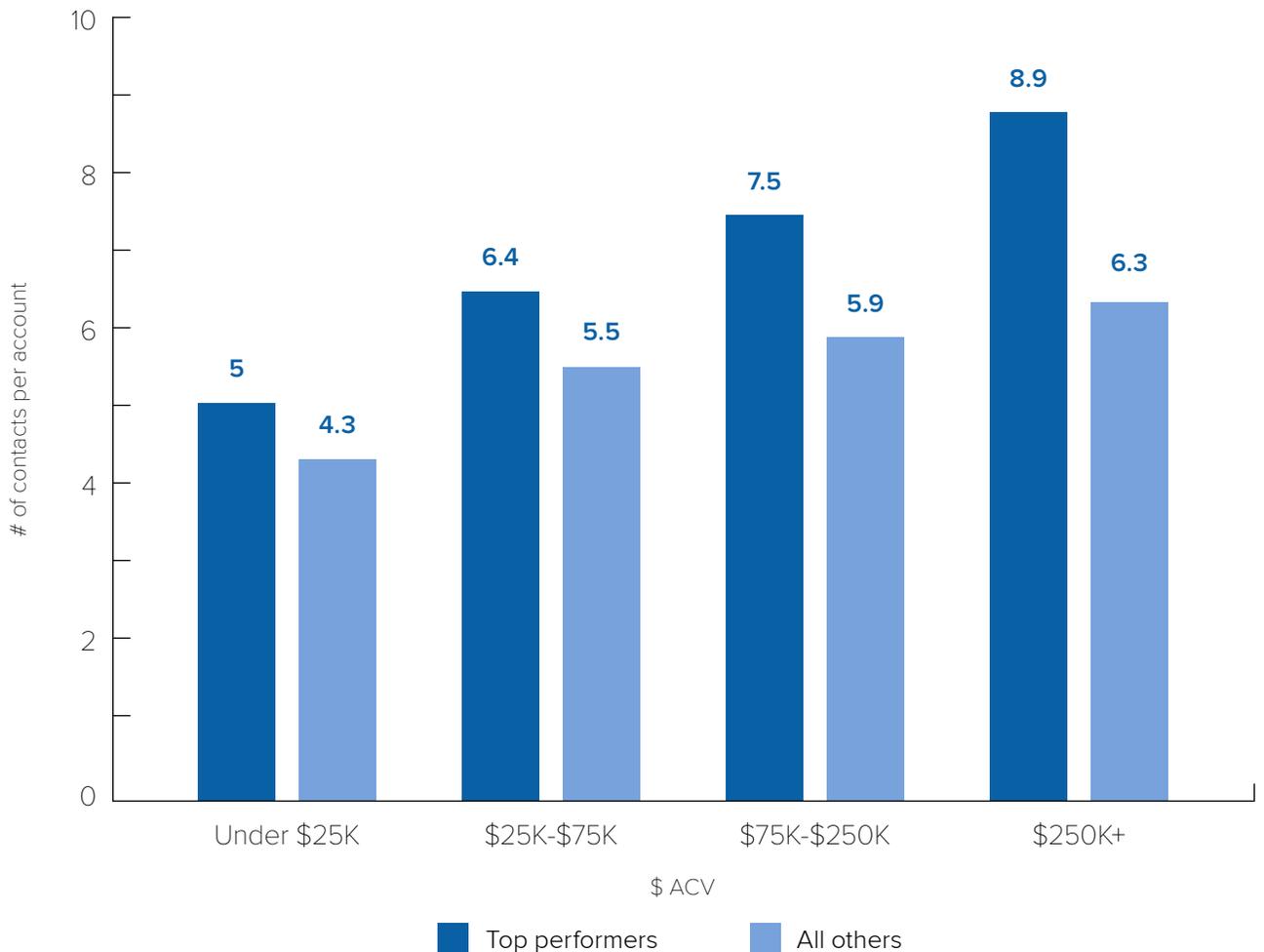
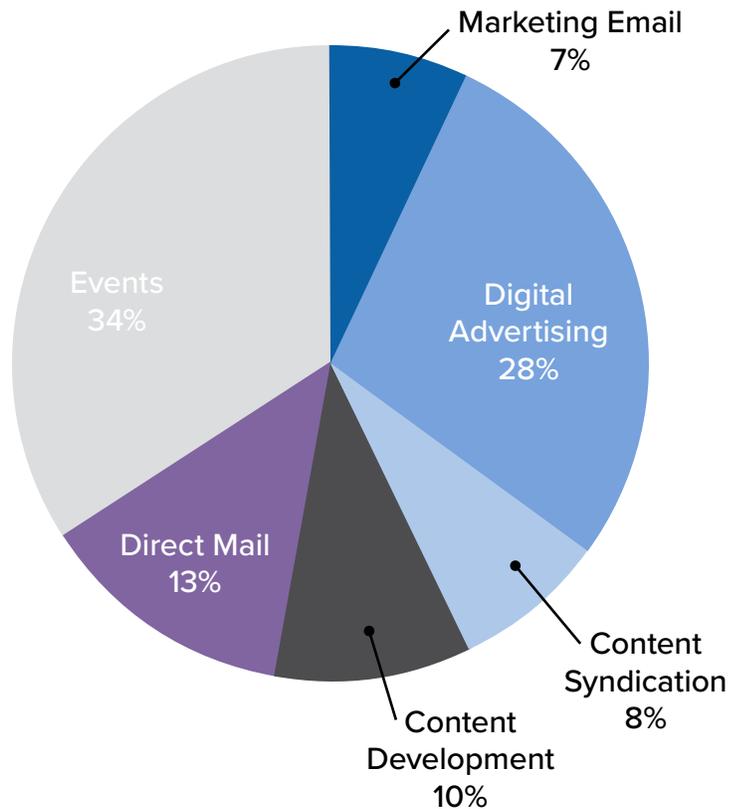## Events and digital advertising comprise 62% of account based spend

Not surprisingly, events capture the single greatest portion of tactic spend, at 34%, closely followed by digital advertising, at 28% (see Figure 17). Respondents registered high levels of satisfaction with both of these tactics (see Figure 15). Digital advertising and content syndication, when looked at together, make paid digital tactics the single largest category spend—again, categories that respondents are highly satisfied with.

Organizations targeting small account lists invest a larger share of budget in events and direct mail, whereas the percentage going to digital advertising and content syndication increases for the largest lists. This makes sense given the relatively high expense of events and direct mail, and relatively low expense of digital ads and syndication. Moreover, organizations are more likely to engage a higher percentage of their large contact lists via digital means.

Account based organizations need to shape their marketing budget to account for a blend of tactics. On the one hand, they need to ensure broad coverage over an extended time (using tactics such as email, digital advertising, and content syndication). However, when an account is prioritized for inclusion in outbound programs, organizations need to employ higher impact efforts such as direct mail in coordination with SDR outreach.

Percent spend by channel for account based programs (Figure 17)

"How much do you spend on each channel or tactic for your account based programs?"

Marketing Email 7%
Digital Advertising 28%
Content Syndication 8%
Content Development 10%
Direct Mail 13%
Events 34%

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Organizations invest between 0.5%-2% of expected ACV for each target account
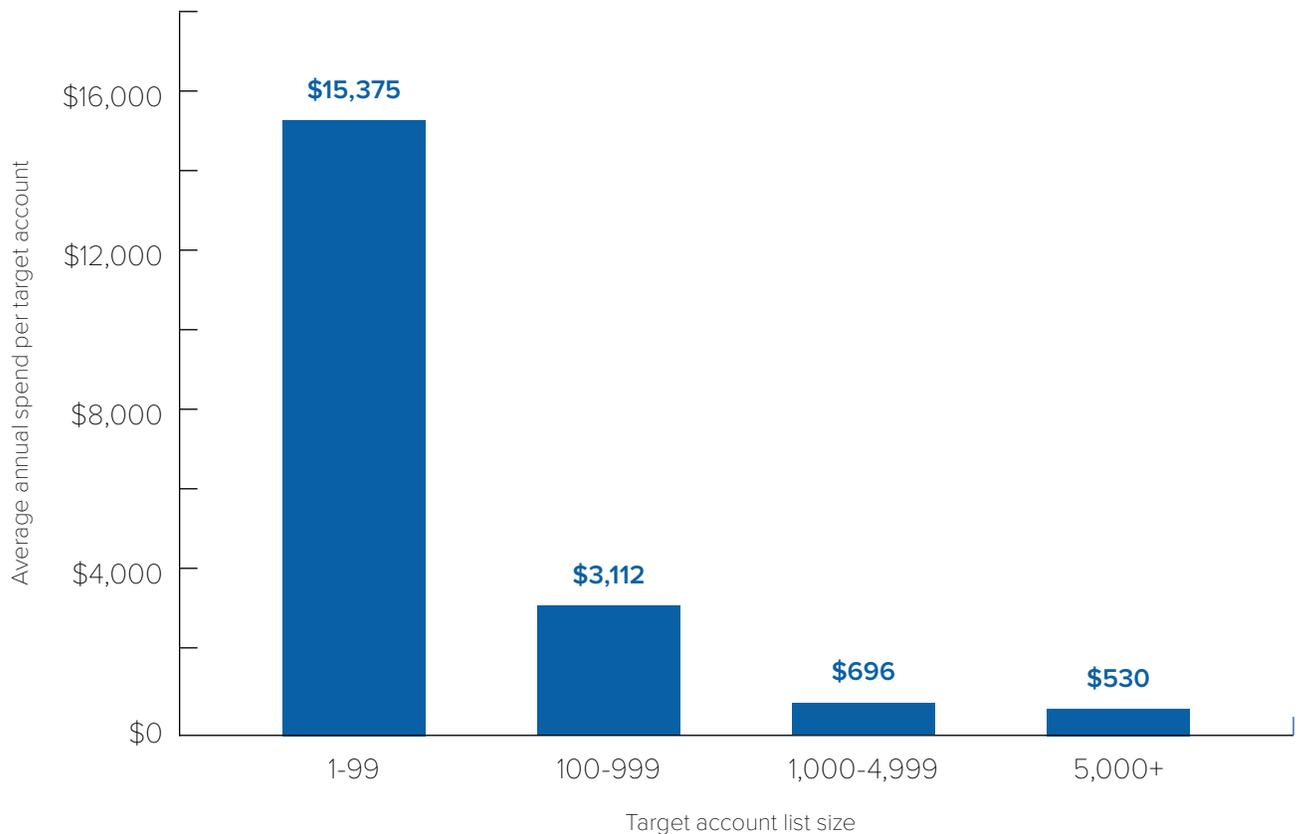
To ensure a profitable and economically feasible account based approach, organizations need to adjust the amount they spend per account based on the number of accounts they are targeting. While organizations with smaller target account lists spend significantly more per account, companies spend more than $15,000 per account for lists with fewer than 100 accounts (see Figure 18). For lists with fewer than 100 accounts, companies spend more than $15,000 per account. For lists with more than 5,000 accounts, companies spend just over $500 per account, a nearly 30x difference in spend.

Spend per account also varies significantly with ACV. Companies with a $250K+ ACV spend nearly $4,500 per account, compared to just $650 for companies with an ACV under $25K.

For organizations with typical win rates, a per account investment of 0.5% to 2% of expected ACV is a useful planning guideline. To sustain investment of more than 2% of expected ACV against each target account, organizations need to be achieving opportunity and account win rates well above benchmark. Otherwise, they must expect very high account growth and customer lifetime value relative to the initial ACV.

Average spend per target account (Figure 18)

"What is your spend per target account?"

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GUIDANCE

This year's Account Based Benchmark Report clearly illustrates the importance of following account based best practices, including:

- Invest the time and resources necessary to create a robust ICP. It is the foundation for the development of the target account list and the entire account based strategy.

- Develop coordinated plays that combine multiple tactics and groups, including SDRs, in order to create the highly impactful experience that makes account based efforts most successful.

- Identify a leader responsible for establishing the account based strategy and seeing it through to success.

- Adopt an account-centric approach to measurement and commit to delivering opportunity, pipeline, and revenue outcomes.

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ABOUT TOPO

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

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Eric Wittlake studies the account based market 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

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