

<u>Account-based marketing (also called ABM)</u> and lead-based marketing are two popular strategies for businesses. Choosing the right model is important to ensure that organizations' revenue processes are efficient. Let's take a look at the two methods and which one is more appropriate for your business.

# **Definition of Lead-Based Marketing**

<u>Lead-based marketing</u> tends to focus on volume and lead scoring. This is the process of ranking leads based on their engagement behavior. Values are assigned to leads based on certain criteria, including various elements such as industry, job title, age group, interests, and so on. Their engagement behavior is also determined by their level of interaction with your website and other online activities.

## **Definition of Account-Based Marketing**

Account-based marketing, on the other hand, is focused marketing that requires a targeted accounts list. The end product is usually a highly targeted, bespoke campaign resulting in a much higher return on investment.

## What is Account Scoring?

One very important part of effective account-based marketing is account scoring. Account scoring is the process of sorting potential customers in order from most to least valuable to help organizations understand which accounts they should prioritize. The "value" of each account depends on a variety of attributes, including:

- How interested or engaged they are with your offering
- Where in the <u>buyer's journey</u> they are
- How close the potential customer is to your ideal customer

Using strategies to zone in on areas of higher value means that organizations can work on campaigns targeted to capture the attention of these accounts and convert them into customers.

Account scoring can be done simply by tracking accounts in Excel and manually weighing the different criteria. Alternatively, more advanced artificial intelligence methods can group data to profile potential customers.

### **ABM: The Better Choice?**

All this leaves us with the question: is account-based marketing a better choice than lead-based marketing? Lead-based marketing focuses on loosely targeted messages to a broad category of a target audience. These methods often result in a <a href="high-volume of leads">high-volume of leads</a>. However, they might not be the right leads. Meanwhile, ABM allows you to focus and convert high-quality prospects through a more purposeful outreach to build sustainable and <a href="long-lasting-relationships">long-lasting-relationships</a>. The right choice, therefore, depends on what your organization is trying to achieve. However, high-quality leads should be considered more useful than a high volume of low-quality leads.

#### Conclusion

To summarize, each strategy has pros and cons and is appropriate depending on an organization's needs. However, ABM is often preferable as quality wins over quantity. We usually find that ABM-driven accounts are bigger, better, and faster.

If you are unsure of which method is right for you, the team at 4Thought Marketing is here to help. <u>Get in touch with us today</u> to learn more about account-based vs. lead-based marketing.