A dark, semi-transparent background image showing a hand pointing at a laptop screen. The screen displays various data visualizations, including a bar chart and a pie chart. The text is overlaid on this image.

How the Supply Chain Industry Can Benefit from Account-Based Marketing Tactics During and After COVID-19



Overview

COVID-19 has had an unprecedented impact on the health of the United States' and global economies. Retail establishments have had to close their doors permanently, business-to-business (B2B) e-commerce companies have seen dramatic decreases in revenue, and the stock market suffered a historic crash—and no industry in the world may face a more complex set of COVID-19-related circumstances than the supply chain industry.

As industries around the world begin their rebuilding efforts, unexpected problems are arising, forcing industry leaders to seek out unique solutions to tackle the new challenges of a post-COVID-19 world. [A recent poll](#) by the Institute of Supply Chain Management found 97% of companies report that at some point they will face some type of supply chain disruption due to coronavirus-related restrictions. Increased lead times, decreased manufacturing capacity, uncertainty in inventory capacity, and increased fulfillment costs are all new issues affecting supply chain management companies; and as the pandemic continues to plague the United States, many distribution leaders face the difficult challenge of protecting their employees while ensuring the productivity of their companies.

When experts assessed possible risks to the supply chain management industry, a global pandemic was not the immediate threat that economists anticipated. “We were thinking about things like trade tensions and trade disputes, or hurricanes or cyberattacks,” said Ph.D. economist Susan Lund in a recent interview on the [McKinsey Podcast](#), “pandemic was not on our list of supply-chain risks.” So the question becomes: What steps can the supply chain management industry take to protect against the impact of COVID-19, maximize revenue, and mitigate risks to protect the industry from future pandemics?

Account-Based Marketing (ABM) can help. ABM is an upstream marketing strategy that focuses on building quality engagement with the most relevant stakeholders within an organization. While other marketing techniques focus on high volume, ABM focuses on quality over quantity, engaging decision-makers with more personalized messaging earlier in the process to achieve the highest value results out of their marketing strategy. Utilizing an account-based marketing approach provides supply chain managers with the tools and insights necessary to prevent supply chain disruptions, increase supply chain efficiency, and maximize company revenue.

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The Benefits of Account-Based Marketing for the Supply Chain Industry

Diversification of Suppliers

With the prolonged impact of COVID-19 on the United States and the global economy, supply chain management companies have had to find unique ways to tackle the industry disruptions caused by the pandemic. One of the greatest impacts that COVID-19 had on the global supply chain industry is that it exposed the lack of diversity in supply chain sourcing, creating critical bottlenecks in the supply chain for many companies.

Traditionally, companies understand who their tier-one suppliers are and where those suppliers are located, but seldom do companies understand their end-to-end supply chain. This became increasingly evident during the pandemic when the productivity of tier-one suppliers decreased drastically due to a decrease in the productivity of tier-two or tier-three suppliers due to government restrictions. “[There] might be a second-tier supplier who’s supplying five of your tier-one suppliers. So if something happens to that one node in the second tier, that could bring down a whole set of inputs.” (Lund)

Account-based marketing can help prevent potentially critical bottlenecks in a supply chain, ensuring the resiliency of distribution and supply chains by increasing end-to-end visibility of suppliers, digitizing access to supply chains, and ultimately, improving

supply chain processes. ABM makes it easier for suppliers and sourcers to find one another and to digitize their supply chain processes. Leveraging ABM, supply chain businesses can find higher quality leads which grow into long-term relationships. ABM gives companies in the supply chain industry the ability to quickly and easily find organizations experiencing supply chain disruptions to market their services directly to the decision-makers at those organizations for higher quality engagement. Through the use of ABM tactics, supply chain companies can focus on creating engagement with companies actively seeking supply chain solutions, focusing on the quality of leads rather than quantity of leads.

Diversity of suppliers in a company’s supply chain is incredibly important. Suppliers can rely on account-based marketing tactics and digital supply networks to capture market share and meet the increasing supply chain needs. A survey by [McKinsey & Company](#) studied manufacturers in Asia and found that 45% of manufacturers struggled with a lack of access to materials and 30% struggled with worker unavailability. The global supply chain industry is changing rapidly to adjust to these new demands, and part of that transition is utilizing account-based marketing to help supply chain managers focus their marketing efforts appropriately to engage the most relevant stakeholders.


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Improved Reporting

A company can't sell what it doesn't have. It is the responsibility of the supply chain to provide accurate reporting to ensure that a company's supply inventory stays current with up-to-date information on inventory levels and availability. The ability to provide accurate reporting and insights can set a supplier apart from their competition and can help them win valuable new customers.

Account-based marketing provides supply chain managers with enhanced reporting and insights that increase conversion rates and grow revenue. By utilizing enhanced reporting features through ABM, supply chain managers can better understand existing inventory levels and are able to market existing and excess inventory to in-market audiences. Likewise, reporting prevents suppliers from selling items they don't readily have access to sell. Improved reporting ensures that supply chain management companies can focus their marketing efforts on expanding the reach of their in-stock products to in-market audiences while also assisting supply chain managers in sourcing high-demand out-of-stock products from other manufacturers.

Furthermore, account-based marketing reporting is customizable in order to provide prospective customers with the unique real-time data that they need to make informed business decisions. A supply chain manager having the ability to provide the specific insights and reports desired by a future customer can be the deciding factor for customers. Utilizing ABM improves inventory reporting, provides businesses with the ability to make informed product offerings that they can readily fill, reduces returned items or stockouts, and reduces and prevents poor customer interactions.



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Personalized Messaging

Prior to the pandemic, businesses in the supply chain management industry have functioned in a relatively concealed manner in the background of traditional business operations. For many supply chain management businesses, capturing additional market share has been a complex and challenging task where traditional marketing tactics have fallen short. Account-based marketing makes it easier for supply chain managers to capture new market share and grow their company's revenue through the use of personalized marketing campaigns and messaging.

Since one of the central tactics of account-based marketing is focusing on higher quality engagement, personalized messaging is crucial to successfully running an account-based marketing campaign. [Experian Marketing Services](#) recently completed a study on the effectiveness of personalizing marketing campaigns and found that "personalized emails generate six times higher transaction rates and revenue per email than non-personalized

email." Personalization of marketing campaigns has an incredible impact that cannot be understated, with another study by the [Information Technology Services Marketing Association](#) finding that 69% of B2B marketers "report that their ABM programs have already delivered improvements, with 35% stating that they have seen significant improvements."

Companies today expect personalized content in order to know that prospective partners care enough to perform the necessary research to understand their unique needs. Using ABM to create customized marketing campaigns greatly improves a supply chain manager's chances of converting leads into customers and improves the overall quality and success of a company's marketing initiatives and campaigns.

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