



## → How utilities can achieve connectedness with C&I customers through targeted marketing

By Kelly Zonderwyk, ICF

### Executive summary

The old approach to business-to-business (B2B) marketing—rational, logical, impersonal—is dying. Driven by a new generation of business decision-makers, who value strong relationships with their providers, utilities must connect with commercial and industrial (C&I) customers to achieve program goals.

This paper from ICF provides a method for utilities to achieve connectedness with C&I customers known as account-based marketing (ABM). In this paper, we establish the need for a new approach such as ABM to ensure utilities' customer program goals are met and share the eight components of an effective ABM strategy. A successful ABM approach requires collaboration across utility silos, and so we also share a case from the field highlighting a real-world example of how the approach can be implemented from planning to execution.



## Do businesses really care about connection?

Business and pleasure. Work and play. The idea that the personal and professional live in separate containers has existed since the rise of the office building. Many still believe that business is logical, rational, transactional, even cold. However, the truth is that businesses are run by humans, who inherently seek connection and are motivated by emotional and personal means. The current generation of business leaders is embracing this truth more than ever. The Salesforce State of the Connected Customer report<sup>1</sup> found that 91% of business buyers and 86% of consumers say the experience a company provides is as important as its products and services.

In that sense, a utility's C&I customers aren't that different from its residential customers. They come with consumer-based mindsets to every interaction.

To create human relationships with business customers, utilities first need to know who the decision-makers are at target organizations and step into their shoes. Once you get past the largest managed accounts, most utilities don't know enough about their C&I customers to do that.

## The data problem

Utility data on business customers is often lacking in detail and proper organization. Common problems include:

- Data is kept at an account level when it would be more valuable at a business or parent company level.
- Business names in the database are not cleaned up, leaving the utility blind to connections when analyzing the data.
- Data associated with accounts (if any) only includes the account billable contact when it should include contact information for decision-makers who are making energy decisions for their business.
- The data does not include business type information, which can empower a utility to serve as a trusted expert adviser to business types that have different equipment, operational, and energy use needs.

Before utilities can scale and optimize efforts to connect, they must start with data, cleaning it up to allow deeper analytics, insights, and learning.

## How personal do your key business customers want you to get?

In this digital age, we've all experienced tactics that feel "creepy," reminding us that our online footprint can allow the businesses that serve us to know a little too much. While utilities must walk that line of personalized targeting to business decision-makers, research from the B2B Institute confirms that the generation of leaders between ages 22 and 41<sup>2</sup> have new expectations for the experience you provide them.

They DO want personalization. Not necessarily in the traditional sense of being assigned a utility account manager, but through the digital experiences provided to them. That means utilities need strong data collection and organization to serve digital experiences that prove you know your key customers.

<sup>1</sup> <https://www.salesforce.com/resources/research-reports/state-of-the-connected-customer/?d=cta-body-promo-1>

<sup>2</sup> <https://www.youtube.com/watch?v=T6rsLIMcX-8>

Any utility hoping to develop deeper connections with customers should expect to invest upfront resources to cleanse, enrich, and prioritize business utility data. Without that effort, it's impossible to deliver the more personalized experiences decision-makers want.

## Introduction to account-based marketing

Utilities are increasingly immersed in the world of big data. While the call for better, cleaner, and more organized data is likely not new, leveraging that data to drive meaningful connections with customers might be. That's why an ABM framework is an effective solution available to utilities today.

While ABM has been around as a B2B marketing strategy since the early 2000s, ICF has seen the need for and interest from utilities grow rapidly in recent years. Around 2015, a shift beyond awareness to lead generation tactics became a priority for many utilities, driven by:

- Program goals becoming harder
- Budgets getting tighter
- Markets becoming more saturated
- Program participation lacking among untapped, harder to reach medium-sized business segments

As a result, we have seen a shift to the use of more microsites, landing pages, and lead generation forms. Programs began to focus on leading with benefits to business sectors as opposed to the equipment eligibility parameters (as seen through website redesigns that switched from a measure-specific organizational structure to a sector-specific structure).

A tighter alignment between marketing and outreach teams was necessary. Marketing had to go beyond traditional KPIs such as impressions and clicks to become more accountable for proving results and contributions to program goals.

Flash forward to today, when two trends have only built on the need for ABM:

- Expectations among the new generation of business decision-makers for how they want to be engaged with digitally.
- The COVID pandemic, which made traditional outreach efforts a thing of the past

Today, utilities are using ABM not just at the program level to drive savings but also for corporate goals around loyalty, retention, growth, and acquisition. If your utility is not yet using or exploring ABM, it's important to have a clear sense of what it is and is not.



## What is ABM?

- A strategic framework to deliver relevant, personalized experiences for today's digitally-savvy business decision-makers
- A data-driven, 360-degree view of high-value business targets that empowers utilities to humanize their relationships with decision-makers at those businesses and understand the complexities of their decision-making process
- An evolution of the old adage "right time, right place, right message" to include "right businesses, right decision-makers, right relationship nurturing"

ABM is **NOT** a replacement for general awareness marketing or lead-generation marketing, which are important to build trust and credibility and grow your contact database. The ABM approach should be added to those efforts to help teams work together to develop a list of target customers and personalize outreach to them.

ABM recognizes that business customers constantly provide signals about their interests and when they are ready to act. With an ABM framework in place, utilities collect that intelligence across interactions with customers to identify and predict the right moments to act.

## The two-funnel approach

Marrying the traditional sales approach with an ABM approach fuels goal attainment.

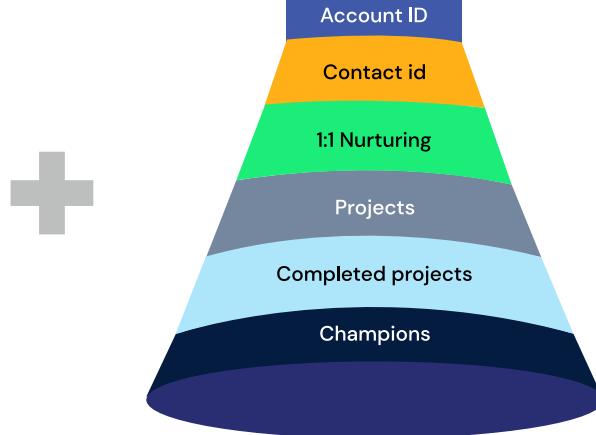
General awareness marketing casts a wide net at the top of the traditional marketing funnel, generates volume and hands off leads for further engagement. The initial attraction is large and allows a utility to generate awareness and brand recognition, but the percentage of customers converting through with projects and contributions to your goal is small. That approach results in outreach teams devoting time and attention to customers who may be interested but not ready to act or who want to act but are not the right type of customer with the right type of project to meet your goals.

An ABM funnel aligns your marketing and outreach team on a discrete set of target customers developed through data-driven insights. The integrated targeting focuses on a small group of highest-value businesses likely to net the largest gains toward goals. With hyper-focused targeting and with the use of predictive analytics and intent measuring, budgets and resources are used more efficiently and with greater ROI.

### Traditional Program Marketing



### Account-Based Marketing



## ABM's observed benefits

According to a survey from Ascend2<sup>3</sup> released in July 2020, 22% of B2B-focused companies had an ABM strategy in place while 14% were rolling out an ABM program and 34% were in the planning phase. While establishing an ABM approach is not easy in the beginning, the benefits are powerful. They include:

- Greater ROI as utility teams become aligned and coordinated in targeting key customers
- A more accurate and manageable pipeline of customer projects by virtue of better understanding customers' complex journeys
- Faster, more efficient completion of participation by target businesses thanks to the ability to be in touch at the most impactful times
- Happy and more satisfied customers who will be more receptive to your cross-selling and up-selling efforts in the future

ABM isn't just a marketing tactic. The approach applies across silos and requires all teams—from the C-suite and program delivery to IT and customer care—to work together to drive collective goals.

## Building an effective utility ABM strategy

To create an ABM approach that can achieve results at scale, utilities should step through eight interlinked components that lead to an effective strategy.

### 1. Leadership and team alignment

The first critical step is to establish a leadership team and cross-functional alignment. Because ABM extends beyond marketing, outreach, and sales to many other teams, the emphasis on cross-functional alignment is key. This team will define and agree to the goals of your ABM strategy as well as how you measure success, and then meet regularly.

### 2. Data enrichment and segmentation

This component is the most critical and complex part of developing a successful ABM strategy. Utilities have massive data lakes of information, but they rarely have healthy data for their business targets. Before a utility can finalize its target list, a heavy focus must be placed on data cleansing and data enrichment. ICF's [Sightline Analytics](#) platform can help automate and guide the data clean-up and enrichment process.

### How do you know if an ABM approach is right for your utility?

An ABM approach is right for any utility that desires a deeper relationship with business customers. Leaders can ask themselves a few questions to determine if ABM may be right for their utility.

- Is the journey you want your target C&I customers to embark on complex and long, and does it include multiple action points?
- Are there certain customers who will deliver greater results for your utility than others?
- Do your target customers have many layers to their decision-making?
- Do you want to keep your pulse on local market trends and business customer needs to help shape future solutions?
- Is your utility willing to look long-term to evaluate return on investment?

<sup>3</sup> <https://ascend2.com/wp-content/uploads/2020/07/Account-Based-Marketing-Approach-Survey-Summary-Report-200721.pdf>

### 3. Customer insights & research

Once a target list is identified, ask what you really know about them. Each business on your target list will have different values, drivers, and committees of decision-makers. Step into the shoes of each of those key stakeholders and get to know them through research methodologies aligned to the specific goals of the ABM strategy.

### 4. Target business profiles and personas

With improved data and research providing valuable insights about your list of target businesses, you will have the information necessary to build what marketers call “personas.” These personas allow you to get to know target business decision-makers by understanding their common responsibilities, goals, challenges, and motivations.

### 5. Content library

Translate data, research, insights, and personas into content and offers. Content should make target customers feel like they are known and heard. That is how trust is built, which then translates into a next action. Content drives your sales enablement.

### 6. Technology stack

Utilities have existing tools and systems to execute campaigns and measure results. ABM teams must make sure these systems are maintaining account-level data insights around energy-use patterns, participation in programs, billing, etc. Whether or not systems need to be automated and integrated will depend on what and how large your ABM goals are.

### 7. Campaign execution

As content is delivered and targets enter the ABM funnel, it’s critical to monitor intent and score interactions to help prioritize messaging and target segments. This provides greater visibility into what your customers care about and keeps your finger on the pulse, so you get the signal when a target customer about to take action.

### 8. Optimization and scaling

Constantly evaluate performance with your target customer list. ABM is a “walk before you run” approach. You want to pilot it in a strategic area first and scale to additional customer segments from there.

## Keys to ABM success

The eight components of effective utility ABM strategy often look intimidating before the process begins, but launching ABM at a utility is relatively simple when boiled down:

- Start small, then scale. Pick one or a few types of business customer segments to pilot the approach first.
- Get buy-in from all teams.
- Prioritize ongoing data enrichment and maintain a healthy database.
- Use awareness tactics to gain credibility and trust.
- Integrate systems as much as possible.
- Use dashboards to help all team members visualize and optimize the customer journey.
- Don’t forget you’re talking to a person.

## ABM in action at Washington Gas

Washington Gas serves more than one million residential and C&I customers throughout the Washington,

D.C. metro area. In 2021, the natural gas utility partnered with ICF on planning and implementation of a pilot ABM strategy to reach three key sectors:

- Education (daycare, K-12 schools, universities)
- Food services (restaurants, small food service, grocery stores)
- Multifamily residential units (apartment buildings, condos, assisted living facilities)



**As a first step,** Washington Gas identified key people from all relevant areas of the business to join a core ABM team. The team established a timeline for key milestones and set a regular cadence of meetings.



**The ABM project** team members then launched a significant project to begin enriching the utility's customer data to enable accurate customer segmentation and to develop a list of priority business customers within each pilot sector.



**The team concurrently** began to develop customer insights and research by partnering with ICF to conduct stakeholder interviews, workshops, and a qualitative and quantitative study.



**The research** enabled the team to create ideal customer profiles of key decision-maker personas within each sector, such as "assisted living facility CEO" or "higher ed facilities manager." Profiles included descriptions of each persona's typical workday, motivators, and challenges. They also included energy-savings related value propositions that would be meaningful and relevant to the personas, such as the cost of a number of laptops for students, cartons of milk for grocery stores, or cost of glassware for restaurants.



**To build a content library,** the team first defined the stages of their unique ABM funnel, identifying tactics and actions for each stage of the funnel. This allowed the team to audit existing content, identify content gaps, and set content development priorities. Content development included a new microsite with business sector pages and forms, email campaigns, and a new creative media campaign launching in Q3 2022.



**To align technology,** the team selected a customer relationship management (CRM) tool, trained staff on the CRM, secured third-party databases to fill in data gaps and contact details for target customers, and developed campaign flows in an email automation system that more effectively targets and nurtures customers along their journey.



**Today,** Washington Gas has begun campaign execution. Thanks to the dedicated upfront time and investment on the right technology stack and data-driven approach, the utility is equipped and ready to monitor and optimize results in real time.

## Conclusion

With today's leaders increasingly bringing their "whole self" to work, including greater expectations for connectedness with those they do business with, it's more important than ever for utilities to be able to step into the shoes of their target C&I customers. Relating to key decision-makers on a more personal level is critical to help C&I-focused programs reach their full potential.

Utilities with a long-term view on ROI will reap meaningful benefits from an ABM strategy in terms of impactful, cost-effective C&I programs.

Many utilities would benefit from support from a trusted partner with ABM planning and implementation expertise. ICF helps utilities navigate all eight components of a successful strategy through tools such as our [Sightline technology](#) stack. Sightline supports the full length of the ABM funnel from top to bottom, with analytics, CRM, tracking, and reporting capabilities.

It's time for your utility to create deeper business customer relationships. ABM helps you deliver a 1:1 experience your medium and smaller business customers do not get today.

## About the author



### Kelly Zonderwyk

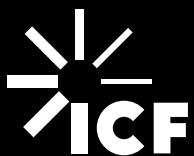
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With nearly 20 years of experience, Kelly designs and delivers award-winning energy efficiency programs and marketing campaigns for utility programs and local governments. Kelly's career in energy began when she recruited and partnered with Fortune 100 companies to fund green government initiatives across the country. Her success led to collaboration with ENERGY STAR on new benchmarking initiatives for local governments.

Using proven business-to-business marketing and engagement practices coupled with deep field experience, Kelly has worked with ICF for 8 years to develop unique lead generation and nurturing campaigns for commercial utility clients. She brings a unique results-driven approach to conceptualizing and executing commercial energy programs' marketing and outreach strategies, with knowledge of commercial sectors, decision-makers, analytics, and segmentation best practices.



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