



# THE FUTURE OF KEY ACCOUNT MANAGEMENT

*A Global CSO Study by **DemandFarm***

NAVIGATING THE CHANGING DYNAMICS OF  
DECISION MAKING

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Key Account Management has always been a critical component of every B2B organization, given that in most cases Key Accounts contribute upwards of 60% of their overall revenues. As businesses become more global and complex, the role of strategic account management will evolve further. As companies strive to increase market share and grow their customer base, making a "shift" towards digital KAM will help them achieve these goals.

However, in today's rapidly changing business environment, the traditional "relationship selling" & "walking the corridor" approaches are not quite enough to drive results home. Account Planning has evolved from wine and dine times to providing strategic solutions.

## The Game Changers

For years, key account growth has been a priority for businesses. Almost all the resources are dedicated to managing large accounts for higher business growth. But of late, this strategy is falling short and in many cases failing to achieve its mark. According to Gartner, 68% of key account managers state that their current organizational practices are ineffective at growing key account partnerships, while 58% of

With distributed work forces working remotely, both, at the buyer as well as seller end ways of working have undergone a sea change and organizations that don't have any sort of key account management practice that relies on structured data – will not be able to succeed.

Today, more than ever, there's a need to digitalize the KAM function, and convert the art of high performance selling into science so as to deliver sustained, repetitive results.

DemandFarm delves into the future of KAM: this white paper explores the factors that have changed the KAM landscape and explores four strategic approaches to managing key accounts, each with its own set of competencies.

## Key Findings

With more than a 1000 responses from sales leaders across USA, Europe and APAC, DemandFarm's CSO Survey covered the trends, skills, tools, and strategy to understand the future of KAM.

organizations fail to achieve their key accounts quota. Over the last couple of years, every organization has had to redesign its key account programs at least once. The underperformance of key accounts is a growing trend observed across the industry.

In an era where CSOs are re-evaluating their strategies, the biggest curve ball thrown in the recent past is the black swan event - COVID-19. From market disruptions to changing B2B buyer behavior, the pandemic has changed how businesses operate. The market is at a critical inflection point, where B2B sales leaders have changed their fundamental approaches to sales.

The Traditional KAM strategy no longer works for a hybrid work environment, nor does it support the rapid digitalization of businesses. With growing uncertainties, how can businesses develop better KAM strategies? DemandFarm surveyed over 1000 CSOs to get the answers for revamping your KAM strategy for the future. Our findings reveal four emergent themes that would significantly impact the future of KAM.

## Hybrid Work Environment



Companies haven't completely adopted the remote work model and are shifting to a hybrid environment.

## Skills

The two most important skills for KAMs in the future will be demand forecasting and relationship management. These skills will help unlock the potential of key accounts and enable a more personalized approach.



## Digital

Traditional B2B sales will soon be replaced by seller-assisted digital buying experiences.

While companies are looking for rep-free sales is not a viable solution for the KAM industry.



## Technology

With the prominence of digital experiences, technologies like artificial intelligence (AI) are here to stay. KAM strategies from here on now must include integrating AI-powered technologies to deliver better-personalized experiences for customers and superior results for the organization.



The insights from our survey lay the foundation for what leaders can expect from KAM and how they can go about strategizing for the future.

# Part 1: Hybrid work environment

## The Art and Science of KAM

A remote workforce was once a consideration that worked well for the IT industry. But the pandemic and its subsequent recovery have pushed all of us into a hybrid work environment. This has led to a diverse workforce dispersed across the globe and is here to stay for

the foreseeable future. Companies have adopted several digital technologies to ease this transition (virtual calls, end-to-end communication platforms). However, one of the most important aspects of a business —human interaction—is still crucial to success.

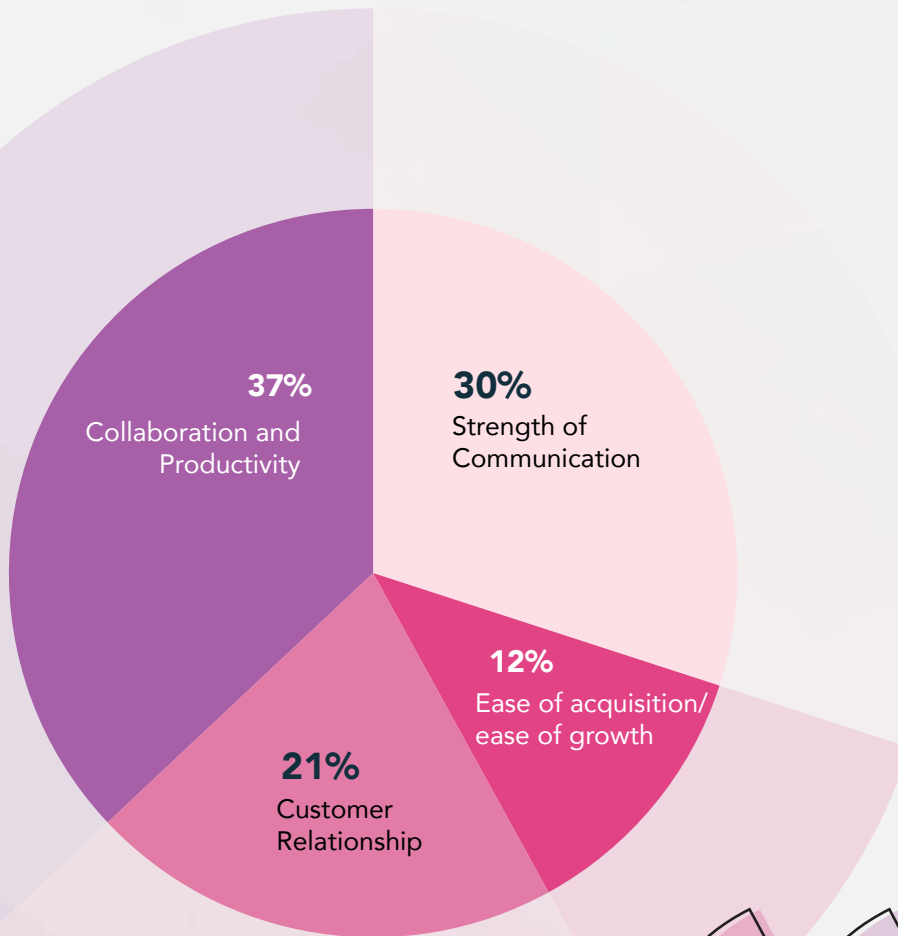
*It's not just about  
Improving Productivity..*

With an average of three years to retain a customer, KAMs must be highly skilled at engaging customers and enabling sales teams to do so as well. Most executives agree that to be most effective in a hybrid work environment, KAMs should have the authority to make decisions and commit the company to them. Even in a hybrid work environment, collaboration and

productivity are still top priorities for key account managers. 37% of executives agreed that collaboration and productivity is the most important factor to influence KAM in a hybrid work environment. This is followed closely by 30% of executives reporting the strength of communication as the second most important factor.

In an ideal world, face-to-face meetings would take place whenever a KAM needed to communicate something to a key account. Now more than ever, companies need to invest in technology that allows for virtual interactions that are

as effective—if not more so—than face-to-face meetings. Successful KAMs are constantly evolving and adopting new tools and technologies to enhance their communication with key accounts—both on the team and executive level.



*“Understanding clients and their challenges is the bread & butter of account planning”*

Isaac Puno-Predilla

VP Sales Enablement & Chief of Staff, CCO | TaskUs

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# Part 2: Skills

## Key skills required going forward

KAM is a critical function that links the sales and customer service teams with the rest of the business. The importance of KAM cannot be overstated, as it drives company success by identifying and building long-term relationships with high-value customers

Customer intelligence is still the top skill needed to be future-ready in the evolving KAM space. 47% of respondents agree that the industry’s most required skill is customer intelligence. Following customer intelligence, the most required skill in

the KAM space is strategic perspective (25%) and relationship building (25%). Rather than focusing solely on sales and contracting, KAMs are now involved in ongoing business development and relationship maintenance. The most successful KAMs are those that build trust and long-term relationships by identifying customer value and delivering on it. This can only be done by constantly communicating with key accounts, improving sales velocity, enhancing customer service, and early detection of issues that could cause problems for the customer.

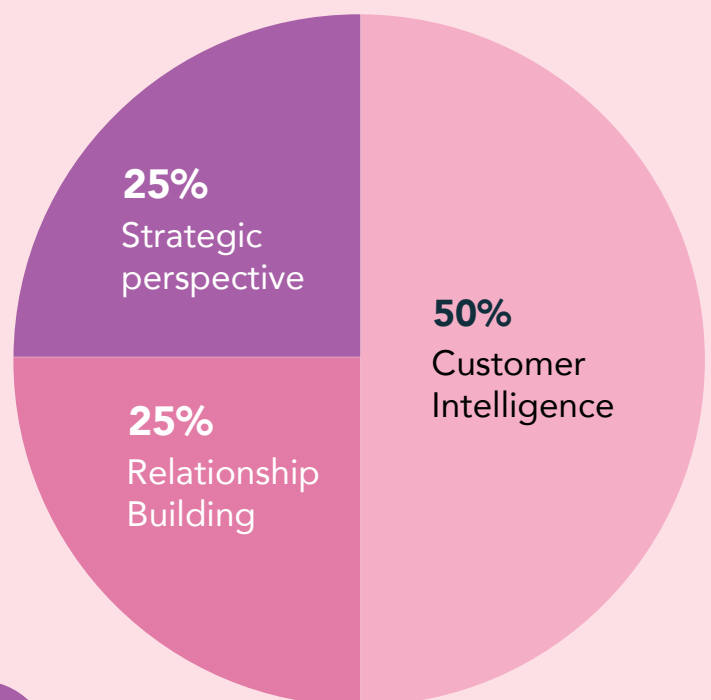


*“Understanding customer organization is key to converting Key Accounts”*

David Shen

Head of Revenue Ops | Cambridge Mobile Telematics

### Skills required for KAM



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## Part 3: Digital

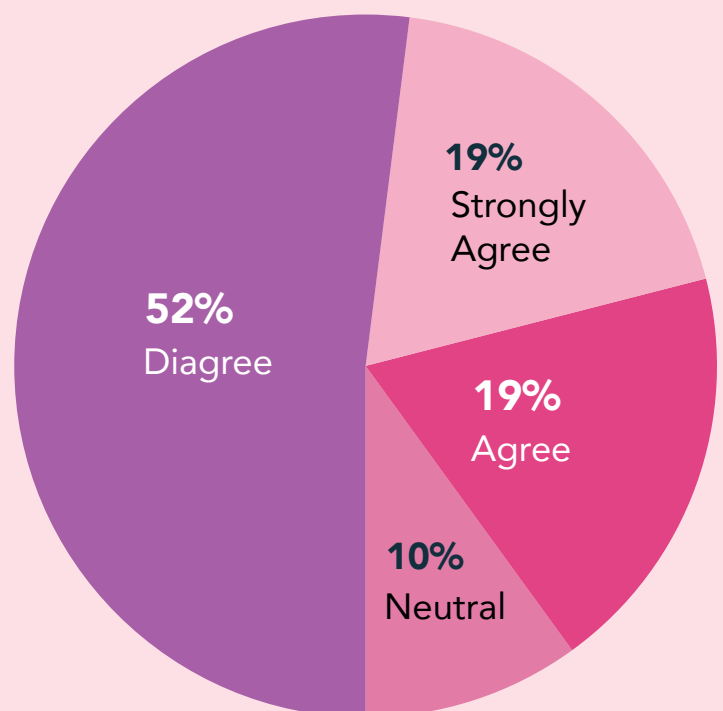
# The age of seller-assisted digital buying experience

In the post-pandemic digital age, a large part of the buying process for several industries has been streamlined online. In a contactless world, how can businesses improve their interactions with customers? In this survey, 52% of executives do not foresee a rep-free sales experience in the future. This is in alignment with the digital disruption trend in KAM. The approach for KAM is dependent on face-to-face interaction, rep-free sales are still not an accepted norm for the industry.

Instead of rep-led or seller-first buying, organizations are renewing their focus on delivering a digital-first buying experience that is supported by sellers. Account managers need to understand the digital channels that dictate modern-day interactions. While the KAM approach hasn't changed in decades, the customers have become digitally savvy. A growing trend is a preference for digital channels over face-to-face interactions. This trend is pushed further by the need for contactless interactions during the pandemic peak.

To provide the most value to key accounts, managers need to evaluate the needs of digitally savvy companies. Explore digital channels and understand how one can effectively engage and support customers to reduce turnaround time. Digital channels can also be used to understand customer behavior and develop account-based marketing (ABM) strategies that provide personalized content across digital channels.

***Do you think B2B buyers will increasingly prefer rep-free sales experience in the future?***



# Part 4: Technology and tools

## Next-gen KAM tools

Today, the average number of individual stakeholders involved in a complex B2B purchase is over 14, occasionally flexing up to 23. The growing complexity of key account planning with account-centric interactions requires a technology that would continuously improve based on intelligence and insights. If these interactions and transactions can occur with no human intervention it would accelerate KAM; letting sales managers focus their time on key accounts instead of tedious data management. Effective management tools are also required to improve collaboration as geographical boundaries disappear across industries.

Traditional account planning and CRM tools are no longer effective to monitor and track progress. As the environment changes, KAM tools must leverage analytics to provide detailed insights. These tools must address the changing selling model from one-to-one selling to many-to-many selling. The tools would require end-to-end collaboration by breaking down information silos and driving a more long-term customer-centric approach and a centralized value proposition playbook.

The most important and recurring theme across technologies is the use of AI in critical business functions. 47% of the respondents state that AI will play a very important role in KAM. Prevalent AI-based KAM tools provide a single connected solution that structure and standardize KAM programs, eliminate data silos by providing a single source of truth, and provide data insights into your most profitable key account portfolios. AI tools not only enable key account managers but also sales operations and leadership to collaborate by providing the right insights.



*“If you don't know who you are talking to, you aren't getting anywhere”*

Anand Makwana

Sr. Manager – Analytics and Strategy | Zebra

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There are also different online forums and associations, available today that can help KAMs from different companies to connect, collaborate and share experiences. These forums are also a great way to build and strengthen relationships between companies and their customers. While most companies currently use KAM

tools, the integration of these technologies allows for greater precision and accuracy in reporting, as well as additional functionality, such as automation of requests for information or quotes when a customer sends them. These features will help KAMs be more efficient in their work and better serve their customers.

## Challenges in using KAM tools

The future of key account management involves leveraging technology to improve efficiency and effectiveness—but sales leaders must first address challenges to adopting new technology, budget constraints, and integrating legacy systems.

### **Reluctance to adopt new technology:**

While KAM tools can provide a centralized place for managing and organizing key accounts, 68% of respondents cite the reluctance to adopt new technologies as the biggest challenge for the widespread use of KAM tools.

### **Budget constraints:**

Investing in another tool, especially at a time of cost-cutting is a tough ask for managers. Over 19% of respondents cite budget constraints as a major roadblock

to adopting KAM tools.

### **Legacy systems:**

Another challenge is the integration of these tools with the company's legacy systems. Industries like banking, healthcare, and pharmaceuticals still rely heavily on legacy systems that are siloed and operate as a single unit. Whereas, KAM tools are built for a dynamic and integrated work environment that requires communication between each system.

### **Limited skills and knowledge:**

Apart from integrating with legacy systems, another challenge in setting up a KAM tool is to train employees to use the tool effectively. Over 6% of respondents state that the lack of training and knowledge about how to use the KAM tool effectively is a hindrance to the widespread adoption of these tools.

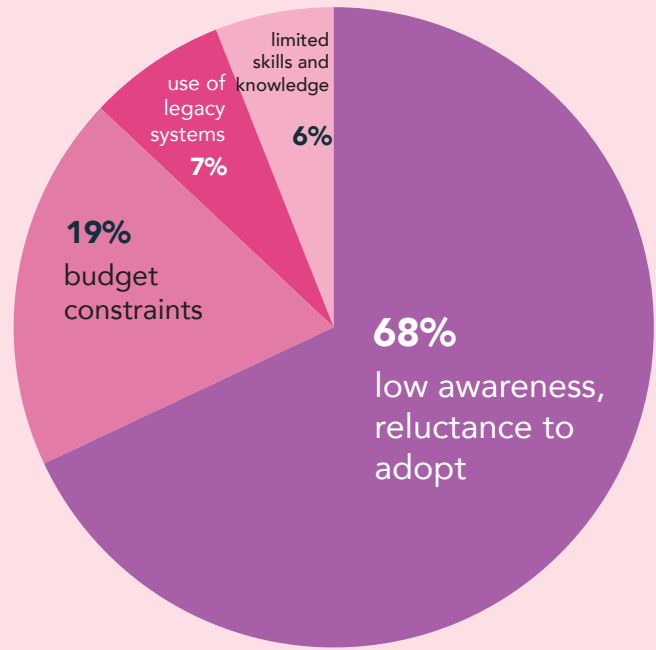


*"Integration into other existing tools is a key challenge"*

Jenny Smith Byers  
Vice President Client Services | TaskUs

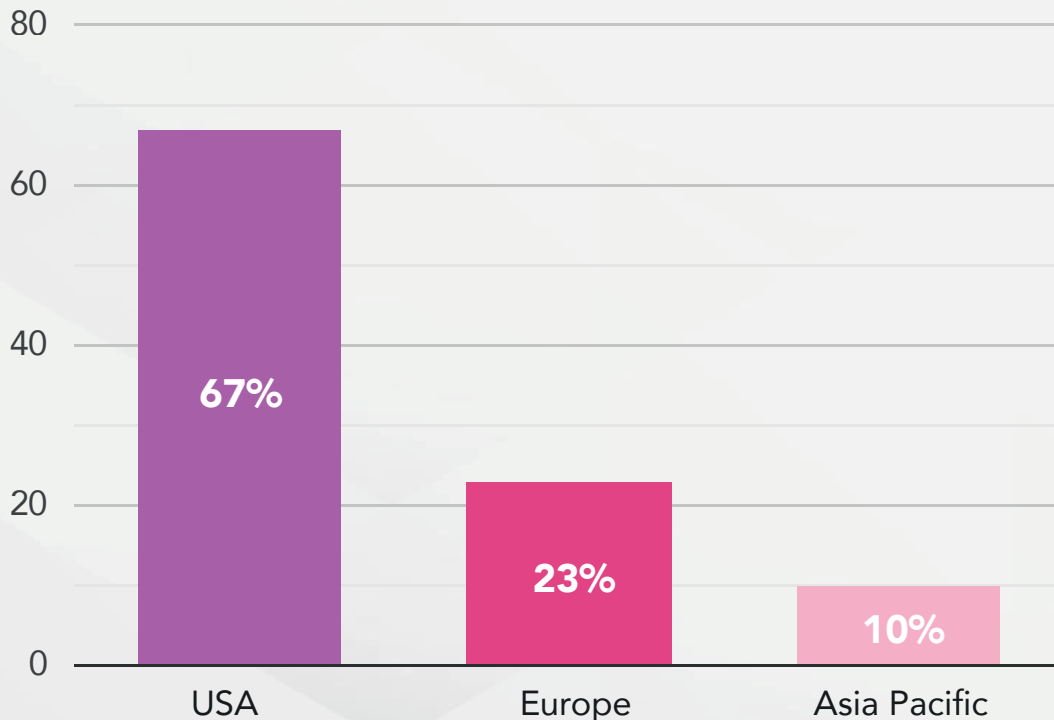
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### Major challenges for widespread use of KAM tools

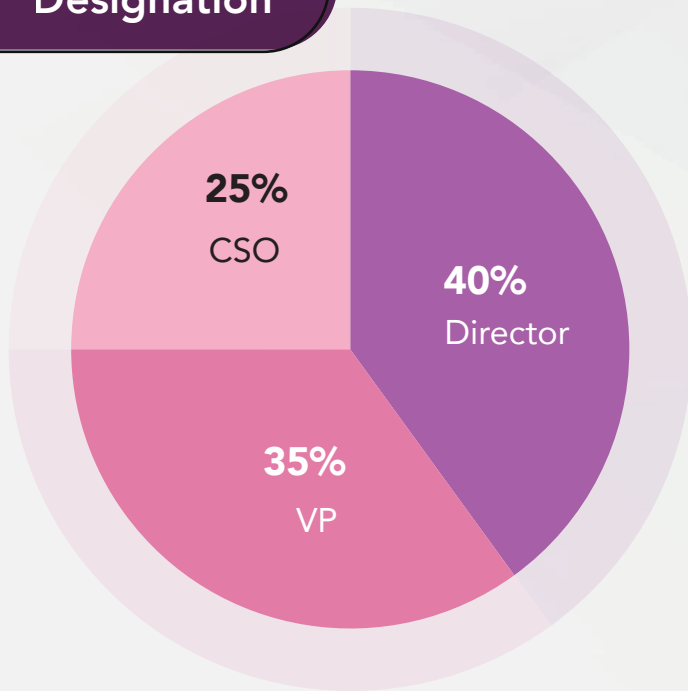


## Sample Study Details

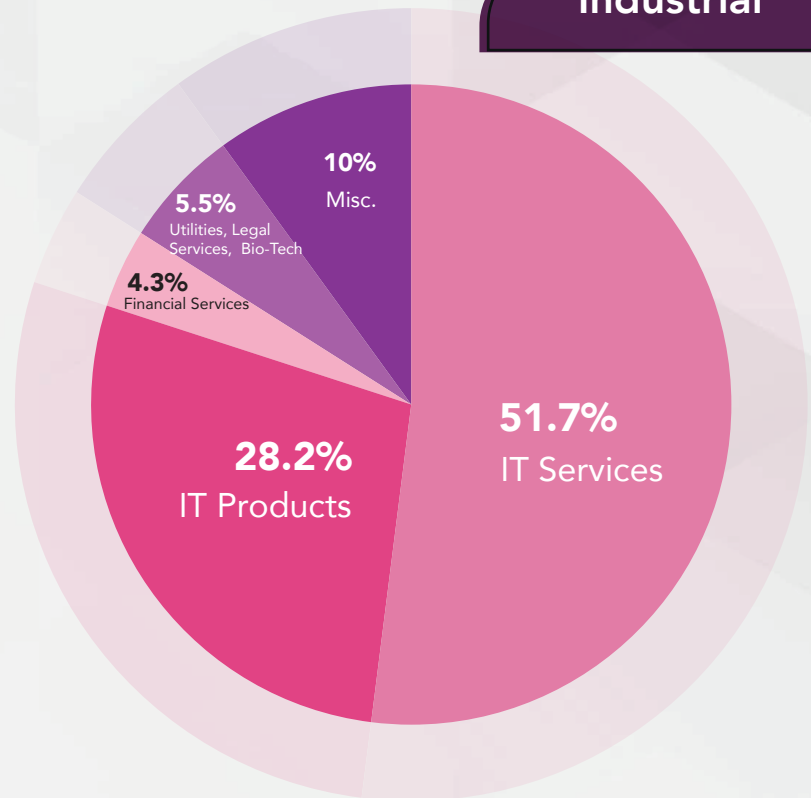
### Geography



## Designation



## Industrial



# Revamping your KAM strategy For the Future

As we have seen, the future of key account management is looking very bright. Key account managers would continue to be a crucial part of key account planning serving as a bridge between businesses and their customers. The future of key account management will see account managers utilising data and analytics to drive decisions, working more closely with other teams to deliver a holistic approach to the customer, and using technology to automate tasks and processes.

The most successful companies are those that have a structured plan to train and grow their KAMs in conjunction with new-age KAM tools that look beyond a simple spreadsheet. These tools offer modern KAM solutions specifically designed for key accounts. With the right tools and strategies in place, key account managers can help businesses and their customers to grow and thrive in the ever-changing landscape of B2B sales.

# About DemandFarm

DemandFarm is a pioneer and leader in the Digital Account Planning space. Over the past 6 years our Customer-centric platform has evolved significantly and stands out as a mature, flexible, and modular solution that can meet every customer's individual needs in terms of business. We are native to Salesforce thereby driving higher adoption & usage and have over 150+ satisfied customers with 15000+ users across the world today. Some of our leading customers include Zebra, Task Us, Slalom, Capita and Genedata to name a few.

## Some of our notable recognitions include

- ▶ Gartner three years in a row since 2019
- ▶ Forrester in 2021 as a leading solution provider in the KAM space
- ▶ Member of Forbes Business Development Council (an-invitation only membership forum)

The Demand Farm solution offers 3 core modules and has been making Key Account Management productive, effective and predictable through its suite of products



All of these are supported by an AI powered reporting & insights module that helps maintain oversight at multiple levels across the Key account portfolio.



From Planning to Growth with one Connected Solution

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