Digital Marketing for B2B Investment Management

I’ve been working as a digital marketer in the B2B investment management industry for over a decade, and don’t think marketing teams have been doing a particularly great job.

While this lacklustre performance is at least partly due to some wider issues around the modern office – an overall lack of expertise and enthusiasm, messy processes, an inability to focus, overflowing inboxes, and back-to-back meetings – there is also a less obvious reason: digital marketing teams haven’t adapted their approach to the peculiarities of the B2B investment management industry, and have therefore been repeatedly trying to fit the proverbial square peg into a round hole.

This guide aims to help digital marketing teams within the industry by demonstrating how a popular marketing methodology, **inbound marketing**, can be adapted for B2B investment management.

What is inbound marketing?

Inbound marketing is a methodology that aims to build more authentic and durable relationships with a firm’s audience by using a patient and subtle approach, rather than simply interrupting them with generic advertising or unsolicited emails. For me, this type of approach is well suited for the world of investing, in which a long-term and patient attitude is also needed in order to achieve success.

From the perspective of the business implementing it, inbound marketing consists of three stages: **attract**, **engage**, and **delight**. The first aims to attract members of the firm’s target audience, the second to convert them into customers, and the third to provide exceptional postsale and ongoing customer service. The overall goal for marketing is to deliver the right content, to the right people, at the right time.

As an example, a business selling software to other businesses that would like to try inbound marketing could attempt the following steps:

1. **Attract**: publish valuable content to attract members of the firm's target audience from search engines and social media.

2. **Engage**: allow website visitors to submit their contact details to subscribe to the firm's blog, and email subscribers about the topics they express an interest in, which should help to convince them to become customers over time.

3. **Delight**: send customers a welcome email upon purchase, a series of helpful tips about the product, and encourage them to upgrade and/or purchase add-ons where appropriate.

Importantly, to implement inbound marketing, the marketing team must be able to identify the current stage of each contact – attract, engage, or delight – so their experience can be personalised accordingly.

For a business selling software, this should be relatively simple: a data point can be added to each record in a firm's **marketing database** (in which details of all mailable contacts are stored) to note if the contact – or the firm they work for – owns the product. The data point could be a simple "yes/no" field, or the version of the product owned (if basic and premium versions are available, for example). Once created, it could be set up to update automatically when a contact purchases the software, or even updated manually if automation isn't possible.

Once the data point has been set up and populated, contacts in the firm's marketing database can then be segmented and marketed to accordingly: leads who haven't yet become customers can continue to be emailed blogs and case studies on topics they are interested in, recent purchasers can be sent an automatic welcome email, those who have purchased the basic product can be enticed to upgrade to the premium version, and so on. Lists of contacts can be created for future marketing campaigns by filtering the marketing database by this new data point.

Why should inbound marketing be adapted for investment managers?

For investment managers selling their products directly to retail investors (D2C) – purchased through the firm's website – adding a data point to identify if a contact is invested in their products may be feasible, albeit with additional complexity: as investment managers tend to offer multiple products (versus, say, a single software offering) a separate data point will be required for each product offered.

Due to the fact that investments can be bought and sold frequently by investors (unlike software), some form of automation would probably also be needed to keep each data point up-to-date.

Lack of transaction and holdings data

The investment products of **business-to-business (B2B)** investment managers aren't bought and sold through the firm's website. Instead, salespeople develop relationships with – and try to win business from – investment professionals at other organisations (such as financial advisors, fund selectors, or research analysts) who are able to allocate money, either directly or indirectly, into the firm's products.

Any trades in and out of a B2B investment manager's products are handled by salespeople, or conducted entirely through third-party investment platforms, so it's unlikely that transaction and holdings data will be available to the marketing team. This lack of data means that data points can't be used to identify if a contact is invested in the firm's products (i.e., those who would sit in the delight stage). Put simply, the marketing team won't know who their firm's invested clients are.

Accounting for gatekeepers

However, even if the marketing team *could* identify contacts who held investments with their firm, there's another complication: in addition to working with individuals who invest for themselves, and on behalf of others, B2B investment managers also work with those who select and monitor investment products solely for providing recommendations to others, without making any investments themselves.

Investment products can be researched and recommended by someone who doesn't hold an investment in the product because ownership can be simulated. When thinking about what an investor receives in terms of being a customer, all they *really* get is an "exposure" to the change in value of their investment – there's no tangible product. And as investment managers publish the change in value of their products over time, in a format deliberately standardised for comparison, performance can be calculated by anyone with access to the data. This data can be used, alongside other pertinent information (including the manager's investment philosophy and process, which is also publicly available) to compare products against others and make recommendations.

The recommendation of investment products without an accompanying investment is performed by **gatekeepers** (which is a term used widely in the industry), examples of which can include:

- **Fund selectors:** evaluate and select the funds that their firm's client-facing advisors can choose from to invest the client's money, usually at a wealth manager or private bank.

- **Manager research analysts:** perform research on investment managers and compile lists of investment strategies that can be recommended to their firm's clients, such as an analyst at an investment consultancy selecting strategies for field consultants to recommend to pension fund clients.

As they can make an investment product available to wider audiences – and ripe for potentially large investments in the future – gatekeepers are a priority for salespeople at B2B investment managers.

Due to their importance, the marketing team should be aware that gatekeepers may be monitoring products as an investor – despite not holding an investment themselves – and if certain marketing communications were limited to only those who held an investment, a key portion of a firm’s target audience could be excluded.

Unique characteristics of investments and related content

However, we now arrive at another complication: even if the contacts in an investment manager’s marketing database *could* be segmented based on ownership of their products, *and* gatekeepers could be accounted for, I still don’t think there’s any reason to. I’ll try to explain why.

Firstly, remember that all investors receive as customers is an exposure to the change in value of their investment, and not much else: apart from a report of their account balance – which an investor would only receive if they held investments directly with an investment manager – there’s nothing they receive exclusive access to versus anyone else.

And secondly, the vast majority of product-related content published by investment managers – factsheets, brochures, commentaries, webinars, and so on – can be appropriate for any interested member of the firm’s audience, regardless of whether they hold an investment in the relevant product. A website visitor who downloads a mutual fund factsheet could be researching the fund for the first time, monitoring an existing investment, or a gatekeeper performing either of those tasks.

For businesses outside investment management, there’s usually a clearer distinction between prospects and customers, and content is more likely to be aimed at a single segment of the firm’s audience.

There will be *some* content published by investment managers that is solely aimed at prospects – usually to introduce a product and detail the various reasons it should receive an investment. Sending this type of content out to contacts is risky, as it could be accidentally sent to existing investors due to the marketing team not being able to identify who they are. My advice is to reserve this content for use by salespeople only, who will know the individual circumstances of anyone they share it with.

As the value of investments are influenced by external factors that investment managers often provide commentary on – interest rates, inflation, Donald Trump, and so on – even content with no direct connection to products can be appropriate for any member of the firm's audience, invested or not. For example, a prediction that interest rates will fall could be used to influence new investments into a bond mutual fund, as well as reassure existing investors in the fund to continue to hold (or even increase) their investment.

For me, this provides a clear reason why marketing teams at investment managers don't need to segment contacts by their invested status, even if they could: it makes no difference to the content they would be sent.

Adapting the inbound marketing approach

If we accept the marketing team can't identify if contacts in their marketing database are invested in the firm's products – which is any contact who would sit in the delight stage – an obvious change to the team's approach becomes clear: remove the delight stage entirely (don't worry, we will still try to delight our audience).

Only two stages of the original inbound marketing approach now remain: attract and engage.

Attracting audiences

New audiences will be attracted as usual – by publishing content the firm's target audience will find valuable, ensuring it is discoverable on search engines, and distributing it on social media.

Engaging contacts

When engaging the contacts in the firm's marketing database, some changes will need to be made to account for the complexities of the B2B investment management industry that have been highlighted.

Firstly, a contact's status as an investor in the firm's products won't be stored on their contact record, nor affect how they are marketed to. They also won't be segmented or sent any communications that are based on **implicit data** about their digital behaviour (such as website visits, pages visited, documents download, and so on) due to a risk of the marketing team sending out content which is inappropriate for some audience members – as their status as an investor is unknown.

Instead, website visitors will be able to **subscribe** to receive communications on a variety of options – topics, investment strategies, and products – by submitting their contact details though a website form. This **explicit data**, provided by the contact, will be used to segment contacts for marketing purposes. Subscribers will be sent content according to their individual preferences, and given the option to change their preferences, or unsubscribe entirely, at any time. Allowing the firm's audience to set their own contact preferences is a vital part of the inbound marketing approach and aligns perfectly with the principles of **data protection regulations** (such as GDPR).

Upon submitting the website form, a contact record for the subscriber will be added to the firm's marketing database by the **marketing automation system**, populated with details provided in the form. At the same time, a cookie will placed on the subscriber's browser, which allows their digital activity to be tracked. Implicit data about a tracked contact's digital behaviour – website visits, email engagement, and document downloads – can then be reported to their assigned salesperson through automated **alerts**, either in real-time or as some kind of periodic summary (e.g., a daily notification of a salesperson's assigned contacts with digital activity in the previous 24 hours).

These alerts can give salespeople powerful visibility into what their assigned contacts are engaging with. But to be useful, any implicit data about the behaviour of contacts needs to be filtered through the minds of salespeople, as they spend a lot of time speaking to their assigned contacts offline – via meetings, dinners, phone calls, and so on – which the marketing team won't be aware of. When alerted to a contact's digital activity, they will be aware of the contact's specific details and circumstances, including when they last spoke – and will know if any activity was influenced or caused by their own communications. They can then determine if a follow-up is appropriate, or whether the information in the alert is just "nice to know".

As an example, let's imagine a contact downloads a mutual fund factsheet – seemingly a clear indication of interest – which is reported to their assigned salesperson via an alert. However, if the contact had spoken to the salesperson about the mutual fund in question the day before, it won't be much of a surprise to learn they had downloaded the factsheet. However, maybe the salesperson hasn't spoken to them in a long time, or ever, in which case they may decide to reach out for a catch-up or an introduction meeting.

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One part of this support involves giving salespeople the aforementioned visibility into what their assigned contacts are engaging with (via alerts), which allows them to follow-up at the right time. Another will be to ensure salespeople are provided with all the materials they need for when they do reach out.

At this point, you might have the impression that the adapted approach is overly simplistic and limited and that once things have been set up, there won't be much for the digital marketing team to do going forward.

However, I can assure you this isn't the case. As well as sourcing and posting content, tweaking the approach, and delivering ad-hoc projects – such as new product launches or new types of content – each team will likely face one of three challenges, due to the individual characteristics of their firm:

1. Not enough visitors to the website
2. Not enough people subscribing
3. Not enough digital activity

If your firm has an exceptional range of products with amazing performance, a clear investment process that has delivered amazing long-term returns, and a well known brand, then maybe you won't have that much to focus on.

1. Goals

TBC

2. Strategy

When a website visitor initially subscribes, a contact record is created in the firm's marketing database, which is stored in the **marketing automation system**. At the same time, the marketing automation system also adds a **cookie** to the subscriber's browser, so their future engagement with the firm's content can be tracked – visits to the website, engagement with emails, and document downloads – and logged on their contact record. Typically, the marketing automation system is linked to the **customer relationship management (CRM) system**, which is used by the firm's salespeople to track meetings and phone calls with their assigned contacts.

When a new contact record is created, the marketing automation system searches the CRM for a corresponding record, and links the two records together if it finds one. If a CRM record exists (i.e., the contact already has an assigned salesperson) the marketing automation system assigns ownership of the corresponding record in the marketing database to the same salesperson who is assigned coverage in the CRM.

If a CRM record doesn't exist (i.e., the contact is not known to the sales team) a contact can be immediately assessed and qualified by rules set up in the marketing automation system – based on the information submitted in the website form – to determine if they are likely to be of interest to the sales team (usually based on whether the contact is able to allocate money, directly or indirectly, into the firm's products). For any contacts that qualify, a corresponding record can be automatically created in the CRM by the marketing automation system, or the task assigned to someone to review and create the record manually. At this point, the contact needs to be assigned to a salesperson – either automatically or manually – who should be notified.

Miscellaneous notes

Chapter 1

A common mistake to avoid with website subscriptions is allowing salespeople to set communication preferences on behalf of their assigned contacts, often without the contact's knowledge. This isn't a good idea, for two reasons. Firstly, contacts won't always be aware they've been subscribed, and thus may become annoyed when they receive emails; as they often can't override the preference themselves, they must resort to unsubscribing from all emails to stop them. And secondly, keeping preferences up-to-date is a huge task: a salesperson with 1,000 assigned contacts, each with 10 possible preference options, must keep 10,000 data points updated – unlikely for someone with much more pressing priorities. Instead, salespeople should direct contacts to the subscription page on the firm's website to manage their own preferences.

Note, however, that some investment managers may benefit from casting a wider net with a limited amount of interruption marketing (i.e., advertising), especially if they are relatively unknown and trying to establish their brand and reach new audiences.