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 in the modern office – which mostly boil down to an inability to focus due to smartphones, overflowing inboxes, and back-to-back meetings – there is also a less obvious reason: digital marketing teams haven’t adapted their approach (when they have one) 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 serve their firms more effectively by demonstrating how a popular marketing methodology, **inbound marketing**, can be adapted to properly fit the industry.

What is inbound marketing?

Inbound marketing is a methodology used to build more authentic and durable relationships with a firm’s audience through a patient and subtle approach, rather than simply interrupting them with generic advertising or unsolicited emails – which seems especially well-suited to the world of investments, in which a long-term and patient attitude is also typically required 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 engage and convert them into customers, and the third to provide exceptional post-sale 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 that sells software to other businesses could try an inbound marketing approach by following these broad 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 send emails to subscribers about the topics they express an interest in.

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 businesses operating outside the investment management industry – such as a software firm – this should be relatively simple: a data point can be added to each record in the firm's **marketing database** (in which details of all mailable contacts are stored) to note if a contact, or the firm they work for, owns the product. It could be set as a Boolean value ("yes/no") or describe which version of the product is owned (if basic and premium versions are available, for example). Once created, it could then be set up to update automatically upon purchase, or even updated manually if automation isn't possible.

Once the data point has been set up, 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 of interest, recent purchasers can be sent an automatic welcome email, and those who have purchased the basic product can be enticed to upgrade to the premium version. Audiences for future marketing campaigns can be compiled by filtering the marketing database on this new data point.

Why should inbound marketing be adapted for investment managers?

For investment managers that sell 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 any of the firm's 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.

And 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 the firm's salespeople, or conducted entirely through third-party investment platforms, so it's highly unlikely that transaction and holdings data will be available to the marketing team. And even in cases where holdings data is available – usually held in a system used by the sales team to store information about their contacts – it often can't be linked to the firm's marketing systems so it can be utilised by the marketing team, is unreliable, and often applies at a company level (and therefore might not be relevant for a specific individual).

This lack of available data means that the aforementioned data points can't be used by the marketing team to identify which contacts are invested in the firm's products (i.e., those who would sit in the delight stage). Put simply, the marketing team don't know who the firm's "customers" 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 people who select and monitor investment products solely for providing recommendations to others – without making an investment themselves.

These individuals, known in the industry as **gatekeepers**, analyse investment products to make recommendations for internal or external use. Examples of gatekeepers include:

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

- **Manager research analysts**, who 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. Therefore, the marketing team should be aware that gatekeepers may be monitoring products as if they are an existing 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.

Lack of specific content for audience sub-segments

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 do so. I'll explain why.

Firstly, from a customer's point of view, all an investor receives is exposure to the change in value of their investment, and not much else: there's no tangible product. Apart from an individual report of their account balance – which would only be sent if they held investments directly with an investment manager – there's nothing "special" that an investor is given, or receives 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 – tends to be appropriate for the entire segment of the firm's audience with an interest in the product. In other words, it isn't aimed at a specific sub-segment of this group – such as only the contacts who are considering a new investment in the product.

This is probably because investment products can be compared based on their historical performance (alongside other aspects) – using reporting standardised for this exact purpose – without having to "experience" or learn how to use the product oneself, which nullifies any need for demos, case studies, testimonials, or other content typically aimed at new prospects. For businesses outside investment management, there's usually a much clearer distinction between prospects and customers.

For investment managers, even non-product related content – such as commentary on interest rates, inflation, and so on – can be appropriate for multiple segments of the firm's audience, as a lot of these external factors can influence investment values. A prediction that interest rates will fall might 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.

These reasons highlight why marketing teams at B2B 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 the marketing team can't identify who their invested clients are – the contacts who would sit in the delight stage – an obvious initial change to the original inbound marketing approach is to remove the delight stage entirely. Only two stages now remain: **attract** and **engage**.

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

When engaging with the contacts who have become part of the firm's marketing database, however, some changes will need to be made to account for the various complexities that have been highlighted.

Segmenting the marketing database

The first change applies to how contacts are segmented. As a contact's status as an investor in the firm's products won't be stored on their record, they won't be segmented on this status; instead, contacts will be segmented primarily on their interests – which they explicitly express via **website subscriptions** – for marketing purposes.

Website visitors will be able to subscribe to areas of interest among the options offered by the investment manager – such as topics, investment strategies, products, and so on – by submitting a website form (which includes their contact details). From this point, the contact will be added to the marketing database, segmented accordingly, and sent any content that aligns with their individual preferences. Contacts will be able to change their preferences, or unsubscribe entirely, at any time.

Segmenting the firm's audience based on this **explicit data** about their interests – which can only be provided by the contacts themselves – and limiting any communications to the preferences they set is a key part of the inbound marketing approach, and aligns well with the principles of **data protection regulations** (such as GDPR).

Using implicit data about digital activity

The second change applies to how **implicit data** about a contact's digital activity – collected by the marketing automation system without the contact's input, but only if they give consent – is used.

Collecting this type of data is possible because when website visitors subscribe (and consent) the marketing automation system sets a cookie on their browser to track any future digital activity – website visits, engagement with emails, document downloads, and so on – which is logged on their respective contact record in the marketing database.

As you can imagine, the ability to observe the behaviour of members of the firm's audience – at an *individual level* – is incredibly powerful: it offers the potential for marketing activity to be individually personalised for each contact based on their digital activity (assuming that they have explicitly expressed an interest in receiving any communications that are sent as a result).

Unfortunately, however, marketing teams at B2B investment managers are limited in two key areas – an inability to segment audiences based on their stage in the customer journey, and a lack of content aimed at specific sub-segments of the firm's audience (such as prospects who are considering a new investment) – which means that this implicit data isn't much use for tailoring marketing activity.

However, it is incredibly useful information, and so will still be put to use by being sent to the firm's salespeople, helping them to nurture relationships with clients and prospects more effectively. Unlike the marketing team, salespeople will have detailed knowledge about the individual circumstances of each of their assigned contacts (such as their stage in the sales process for each product), because they spend most of their working day in direct communication with them offline – via meetings, dinners, phone calls, and so on.

Therefore, the digital activity of tracked contacts will be reported to their assigned salesperson via **alerts**, set up to be sent automatically by the marketing automation system – 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).

When alerted to digital activity of an assigned contact, a salesperson will be able to reconcile it with any direct communications they may have had. In cases where the observed activity was a result of these communications, they can simply consider the alert as "nice to know" information. But in the cases where it wasn't, opportunities will arise to reach out to engaged contacts for an introduction, catch-up, or to reignite a relationship that might have become stale (although they must use subtlety when doing so).

Sending implicit data about the digital activity of tracked contacts to the sales team, in place of using it to influence marketing activity, marks a general shift in the primary focus for the marketing team in the adapted approach: it now becomes the provision of support to salespeople to help them nurture their relationships with clients and prospects.

This support – sourcing and assigning new leads, sending alerts about the digital activity of tracked contacts, and providing content and materials – is a much better fit for an industry in which most of the sales process happens offline, visits to the website are short, and salespeople are ultimately responsible for winning business.

Adapting the approach for specific firms

This adapted approach may seem overly simplistic. Once the digital marketing infrastructure has been set up – and website visitors are subscribing, entering the marketing database, and their digital activity is being reported automatically to their assigned salespeople – does this mean the digital marketing team's work is done?

I can assure you that is not the case: unless an investment manager has perfect investment performance, a brand known the world-over, and a robot that can post content, there will be plenty of ongoing work required to keep things running smoothly.

As well as sourcing content, posting it intelligently, tweaking the approach when needed, and delivering ad-hoc projects – such as new product launches – there will be three potential areas for additional focus, when (1) not enough visitors are coming to the website, (2) not enough website visitors are subscribing, and (3) there is a lack of digital activity from tracked contacts. The areas that apply will differ for each investment manager.

At the very least, the adapted approach should provide a solid foundation on which more complex marketing activity and software can be layered, if needed – although I would urge teams to only add complexity if it is warranted, and when a problem and it's respective solution are fully understood. Once it is in place, the digital marketing team will have more space to properly consider any enhancements.