

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. To me, it seems especially well-suited to the world of investing, 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 implement inbound marketing through the following 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 to a Boolean value ("yes/no") or describe which specific 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. Lists of applicable contacts can be compiled 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 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.

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 their "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 those 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 either internal or external use. Examples of gatekeepers include:

- **Fund selectors:** 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:** 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, due to their importance, the marketing team needs to be aware that gatekeepers may be monitoring products as if they are an existing investor – despite not holding an investment themselves – and understand that 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. 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 who have 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, or existing investors.

I suspect this is because investment products can be analysed and compared based on standardised performance reporting (which, of course, should form part of a deeper analysis that includes things like the manager's process and philosophy); this nullifies any need for demos, case studies, testimonials, or content 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, because these external

factors can influence investment values (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).

These reasons, for me at least, highlight 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 the marketing team can't identify who their invested clients are – the contacts who would sit in the delight stage – an obvious change to the team's approach is to remove the delight stage entirely. Only two stages from the original approach 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 also aligns perfectly 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 – which is 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 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, this could be a great way of personalizing their experience within an inbound marketing approach.

However, because marketing teams of B2B investment managers are limited in two key areas – the inability to segment audiences based on their stage in the customer journey, and a lack of content aimed at

specific sub-segments of their audience, such as prospects – this implicit data isn't much use.

Instead, it's much more powerful in the hands of salespeople, who can use it to help them nurture their relationships with clients and prospects more effectively. Unlike the marketing team, salespeople will have much deeper knowledge about the individual circumstances of each contact (including their stage in the sales process) as they spend a lot of time communicating directly with their assigned contacts 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, the salesperson will be able to reconcile it with any direct communications they may have had. In the cases where the observed activity was a direct result of their own communications, they can simply consider the alert as “nice to know” information. But in any cases where it wasn't, opportunities may arise to reach out to engaged contacts in a timely manner for an introduction, catch-up, or to reignite a relationship that might have become stale (although they must use subtlety when doing so).

Sending this data to the sales team, rather than using it to influence marketing activity, better suits an industry in which salespeople are ultimately responsible for winning business and handling trades; remember that transactions can't be made on the firm's website.

Adapting the approach for specific firms

Once the digital marketing infrastructure has been set up – with new and existing members of the firm’s target audience visiting the website, subscribing, entering the marketing database, and tracked activity reported to salespeople – you might have the impression that the digital marketing team’s work is pretty much done.

However, unless your firm has an exceptional investment process that has delivered amazing performance over all time periods, a well-known brand, and a robot that posts new content, then this won’t be the case.

As well as sourcing and posting content, tweaking the approach as necessary, and delivering ad-hoc projects – such as new product launches or new types of content – the digital marketing team will likely face challenges that are related to the individual characteristics of their firm:

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