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. For me, this type of approach seems especially suited to the world of investing, in which a long-term and patient attitude is typically also 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 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, to try inbound marketing, a business that sells software to other businesses could attempt 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 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 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 the contact, or the firm they work for, owns the product. The data point could be a simple "yes/no" field, or the specific version of the product owned (if basic and premium versions are available, for example). Once created, the 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 of interest, 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 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 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 can't determine 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.

The recommendation of investment products without an accompanying investment is possible because investment performance is published by managers in a format deliberately standardised for comparison. Using this data alongside other pertinent information – such as a manager's investment philosophy and process, which is also publicly available – allows investment products to be recommended by individuals known in the industry as **gatekeepers**, whose job functions may 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.

Other characteristics of investments

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 really 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 that an investor is given 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 member of the firm's audience with an interest, regardless of whether they hold an investment in the related 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).

Even non-product related content – such as commentary on interest rates, inflation, and so on – can be appropriate for any member of the firm's audience too, invested or not, 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 two 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. For businesses outside investment management, there's usually a much clearer distinction between prospects and customers.

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 of the three stages from 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 that account for the complexities of the B2B investment management industry which have been pointed out.

The first change is around how contacts are segmented. As a contact's status as an investor in the firm's products won't be stored on their contact record, they won't be segmented on this status. Instead, only the specific interests of each contact – which they set themselves via **website subscriptions** – will be used to segment the firm's audience for marketing purposes (although segmenting contacts based on other fields on contact records, such as job role or country, may sometimes be appropriate).

To subscribe, website visitors will choose areas of interest among the options offered by the investment manager – topics, investment strategies, products, and so on – which they submit, along with their contact details, though a website form. From that point, subscribers will be sent content according to their individual preferences, and will 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).

Alerting sales to contact's digital activity

In addition to being good practice, allowing members of the firm's audience to subscribe has a key benefit for the marketing team: a marketing automation system is able to set a cookie on the browser of any subscribers to **track their future digital activity** – such as any return visits to the firm's website, engagement with emails, document downloads, and so on. A contact record is created for new subscribers in the marketing database, populated with the details provided in the form, and their tracked digital activity – classed as **implicit data**, collected without their input – is then logged on their contact record.

Being able to see which content individual contacts are engaging with is incredibly useful, and the marketing team may wish to segment contacts based on this implicit data collected by the marketing automation system. Any tracked contact who downloads a fund document can be automatically segmented by the marketing automation system as someone with interest in the fund; a future invitation to a relevant webinar could then be sent to the contacts in this segment. However, this clearly isn't in line with the inbound marketing approach, as content is being sent to contacts who haven't explicitly expressed an interest in receiving any communications; in this case, the webinar invite should only be sent to contacts who have explicitly expressed an interest. On a larger scale, implicit data won't be used to drive any marketing activity.

However, to utilise this useful implicit data, we will be taking advantage of another powerful feature of marketing automation systems: the ability to report the digital activity of tracked contacts to their assigned salespeople via automated **alerts**. These alerts, which can be sent 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), can give salespeople powerful visibility into what their assigned contacts are engaging with, so they can reach out at the right time, and nurture their relationships more effectively.

In the B2B investment management industry, salespeople are ultimately responsible for driving sales. To do so, salespeople focus on creating and nurturing their relationships, spending a lot of time in direct contact with their assigned contacts – often offline, via meetings, dinners, phone calls, and so on. Therefore, when alerted to a contact's digital activity, a salesperson will be aware of that contact's specific circumstances, including the last time they spoke. If the reported activity was influenced or caused by their own communications, they might consider the information "nice to know" but not require any further action; in other cases, it may provide them with an opportunity to reach out to a someone new for an introduction, or re-ignite an old relationship they may have neglected. Marketing teams, who won't be aware of any direct communication between salespeople and their contacts, won't have the full context of any digital activity, which – to be useful – needs to be filtered through the minds of salespeople.

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, if the salesperson hadn't spoken to them in a long time – or if they had never met – they might decide to reach out for a catch-up or introduction meeting.

Marketing teams in the industry should focus primarily on supporting salespeople. One aspect of this support comes from giving them visibility of what contacts are doing, so they can reach out at the right time. Another aspect will be ensuring salespeople are provided with all the materials they need for when they do reach out.

Adapting the approach to specific firms

At this point, you might have the impression that the adapted approach is overly simplistic and limited and that once the initial framework has been set up – subscriptions, marketing materials, and alerts – 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, unless 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.

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