

How Can Marketing Technology Drive Business Success?

New Expectations for Marketing Teams

Historically, investment management firms have purchased marketing technology (MarTech) in response to a specific new requirement, often as add-on functionality to a client relationship management (CRM) or other system. The low level of MarTech investment matched the relatively low expectations for marketing departments, which were limited primarily to meeting sales team requests for brochures, data sheets, and other marketing collateral. But CEOs today have higher expectations for CMOs and their teams. They want marketing to do more to attract new clients, serve existing clients, and grow AUM.

Digital Branding

Analysis by McKinsey & Company shows that firms with a strong brand have better results in both bull and bear markets. With this consideration in mind, investment management firms are working to stand out among peers and become more client-centric. Firms are revamping their website and focusing on customer needs. They are ensuring that updated webpages function well across popular client devices including desktops, tablets, and smart phones. In addition, firms are establishing a presence on channels where their customers frequent, including social media and third-party websites. To differentiate their brand from competitors, firms are creating compelling video and interactive content. Ideally, content is the perfect blend of client needs, firm strengths, and the investment strategies offered by the firm.

MarTech Enables Digital Marketing

Just as one's home plumbing moves water at different speeds at different temperatures for different functions such as washing clothes, watering the lawn, and heating the home, Marketing Technology is the "technology plumbing" that runs a firm's public portal, email program, social media, advertising, content management, events, etc. Simply put, MarTech enables Digital Marketing. MarTech is present in every stage of the client lifecycle including acquisition, onboarding, servicing, and account closure. And rather than just a collection of disparate experiences, marketers attempt to stitch together a customer journey along the client digital touch points in service of the client's needs. For example, if a client comes to a fixed income webpage after Googling "fixed income," a firm can dynamically add additional, relevant content to the page as video commentary from their fixed income team. But there's a secret ingredient that's needed to make this all work...data.

New Perspectives on Data and Technology

Although many investment managers have been capturing data on client-advisor interactions for years, few had the technology to derive value from it. The data typically languished in siloes where it was useless for targeting specific client segments, leaving sales and marketing teams dependent on "spray and pray" approaches. Today's MarTech tools provide firms the ability to test and learn. Marketers develop hypotheses about segments, content, offers, and marketing mixes, then test the hypotheses using the solutions, and identify the best approaches for various client personas.

According to Warc
\$99.9 Million
will be spent on
Martech in 2018
In the UK and North America,
almost 1/4 of marketing budgets
are now spent on martech.

Source: Martech: 2019 and beyond, Sept 2018, www.warc.com

Actionable Insights

Today, marketing, sales, and IT departments are working together to strategically invest in MarTech solutions that aggregate and analyze data on interactions between clients and their advisors. Using AI and other technologies, MarTech solutions derive intelligence from client-advisor data that identifies which clients represent the firm's most profitable relationships, which clients are engaging with the firm the most and least frequently, and which clients represent the best opportunities for expanded relationships. The solutions can also provide insight into how clients prefer to engage with the firm in each stage of the client lifecycle, and which sales cycles are shortening and lengthening. Such insights allow firms to create relevant experiences for clients and strengthen brand perception.

New Roles

Significant investments in MarTech, along with related investments in data management, analytics, sales enablement, and social media capabilities require strong leadership, technical know-how, and marketing expertise. Many firms are hiring or consulting with marketing technologists to design a MarTech technology stack and roadmap, and to help marketing collaborate with Sales and IT to ensure effective management of the systems, processes, and data.

Conventionally retail firms have made the most progress implementing modern MarTech solutions, followed by firms selling through intermediaries, with institutional managers lagging. Managing both personal and business accounts exposed retail banks early on to higher customer expectations in terms of access, transparency, and ease of use. Banks have responded with digital solutions that provide easy access to real-time data and simple ways to move money such as depositing checks through a smartphone app.

Investment firms may never need to match retail banks in terms of digital proficiency, but each must determine how they should prepare for the future. Progressive firms are aggregating their client reference and engagement data, developing analytic capabilities, taking inventory of their MarTech capabilities, and building a MarTech roadmap.

Want to know more? Connect with Cutter Associates to find out how we can help you map out your MarTech future at connect@cutterassociates.com.

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- which clients represent the firm's most profitable relationships
- which clients are engaging with the firm the most and least frequently
- which clients represent the best opportunities for expanded relationships
- how clients prefer to engage with the firm in each stage of the client lifecycle

About the Author



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John Refford joined Cutter Associates in 2018 as a consultant in the client facing practice. John brings deep expertise in digital marketing technology within the financial services industry. Prior to joining Cutter Associates, John spent 18 years at Natixis Investment Managers, most recently as Senior Vice President - Marketing Technology. There, John led the effort to digitize and modernize the firm's Marketing strategy by launching new digital capabilities and marketing channels. He pioneered the firm's social media and lead generation programs focused on building brand awareness and driving advisor engagement. John also spent eight years as a Vice President - Global Infrastructure where he was responsible for all system, network, and security for global offices. John was a member of the Mutual Funds Education Alliance and served as a Digital Council board member from 2015-2017. A recognized leader in digital strategies, John has presented at several industry events on "A Customer Oriented Social Strategy" and "9 Principles of Advisor Engagement". John holds a B.Sc. in Computer Science from Fitchburg State College, a Graduate Certificate in Technology Management from Worcester Polytechnic Institute, and an M.B.A. from Babson College.

Members, be sure to join our upcoming CutterCast

Using Marketing Automation to Improve Sales and Service

Thursday, February 14

10:30 am - 11:30 am ET

- Is your Marketing Team stuck doing repetitive tasks?
- Are you providing relevant and personalized content?
- Is your segmentation strategy identifying the best opportunities for sales?
- Can you analyze your contact's activities across all your digital touchpoints?

Marketing Automation is becoming popular as a way to gain new clients, service existing clients, and even manage redemptions. In our first 2019 CutterCast, we will review key Marketing Automation capabilities, share best practices, and explore the ways firms are using this MarTech to drive business.

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