



Delivering Profit – with Principles

In early 2008 Ecclesiastical Investment Management (EIM) undertook a rebranding to reflect their new business focus to become a significant player in the ethical investment market. It was a challenging commitment.

Two hard-working campaigns took place in 2009 which not only helped dramatically increase IFA awareness but saw meeting levels rocket and fund inflows grow by a staggering 1,000%.

The challenge

To reflect their business focus of becoming a respected player in the ethical investment market, Ecclesiastical Investment Management (EIM) decided upon a rebranding in early 2008. There were significant barriers to this.

Few IFAs had heard of EIM. Fewer still recognised them for their specialism – ethical fund management. EIM had launched one of the UK's first ethical funds over 20 years previously, had delivered strong in-house stock analysis and performance was good.

While their business plan dictated significant growth as an ethical fund provider, fund inflows were small by industry standards and depressed further by the recession.

Ecclesiastical knew that ethical fund sales represented only 1% of total IMA sales – so growth would need to come from both specialist ethical IFAs and IFAs who had never sold ethical funds before.

There were some sizeable barriers to achieving this. The most serious was that 'generalist' intermediaries saw ethical investments as poor performers – denying client recommendations. Secondly, if Ecclesiastical was to generate

sales from generalist IFAs, they would be competing against 'non-ethical' funds from all providers. Thirdly, marketing budgets designated for this task were 'tiny' in comparison to their established competitors.

In 2009, Ecclesiastical set out on the first step of their business goal – to become a 'player in ethical investments'. To achieve this, they undertook a 'root and branch' review of their marketing strategy and set themselves the following marketing objectives.

- Put Ecclesiastical on the IFA map, increasing awareness of Ecclesiastical as 'a recognised player' in ethical investments' by 5.
- Generate a 50% increase in face-to-face meetings with high potential IFAs against 2008 deliverables.
- Generate response rates to their inaugural online advertising tests of 0.2.
- Generate a resulting increase in year-on-year fund inflows of 50% by January 2010.

The insights

In December 2008, independent research through NMG with both ethical and wider market IFAs revealed the following fundamental insights:

- Few had heard of EIM, and those that did were largely unaware of their ethical specialism or the fund sectors they operated in.
- The main reason IFAs did not promote ethical investments to their clients was that they wrongly associated them with poor performance. Any ethical communications therefore needed to lead with 'performance over the value of being ethical per se' – something that competitive advertising did not do.
- Ethical IFAs felt they were only able to advocate a preferred ethical provider once they had fully understood their individual ethical investment process.

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Independent research

Research revealed that to achieve the recommendations, they would have to communicate more clearly their positive and negative screening process – and how it stood apart from their competitors.

The execution

- High visibility on and offline trade advertising was used to position EIM as a provider of ethical funds that delivered consistent performance (Profits) first, with the added social benefit of ethical screening (Principles) – thereby overcoming perceptions that performance and ethics were mutually exclusive. They drove ethical and ‘generalist’ IFAs to online fund manager videos and ethical performance content, raising awareness and communicating top quartile fund achievements.
- Thought-provoking ‘Purchased’ editorial – high profile articles in the trade press, consistently aligned Ecclesiastical’s ethical funds with performance, thereby overcoming the perceptions of IFAs.

WITHIN 12 MONTHS OF ADVERTISING, AVERAGE MONTHLY INFLOWS HAD GROWN BY A STAGGERING 1,000%.

- Segmented direct marketing featured a high impact, ‘door opener’ Sunflower Mailing sent to 300 IFAs from the sales force’s ‘dream IFA list’. They were despatched one month after advertising broke, to feed off campaign awareness. Thought leadership mailings (Amity Insights) were mailed to ethical IFAs to demonstrate authoritatively their ethical investment process on contentious subjects such as China, Oil and Nuclear.
- Sales force follow-up. All recipients of the Sunflower Mailing and respondents from the Amity Insight mailings were followed up and meetings arranged.

Measuring effectiveness

- Awareness and perceptual changes were measured through NMG’s panelled research ‘IFA Census’. Pre-activity benchmarking took place in December 2008 with repeated research in July 2009 and December 2009.

GENERALIST INTERMEDIARIES SAW ETHICAL INVESTMENTS AS POOR PERFORMERS.

- Online click throughs were tracked via media owner reporting.
- Meeting growth was measured by Ecclesiastical sales/call sheets and reports.

Proof that it worked

Results surpassed all targets, hopes and expectations. By July 2009, and after only one communications ‘burst’, the following was recorded:

- Average monthly inflows had grown by a staggering 1,000% (target 50%).
- Changes in targeted awareness and perceptual measures with awareness of EIM against the key measure of ‘recognition as an ethical player’ leapt by an amazing 18% (target 5%). Prompted awareness of ‘EIM as an ethical fund manager’ also shot up by an amazing 8%, overtaking far bigger-spending established players such as Aberdeen Investments for the first time.
- Overperformance against targeted online target levels with Ecclesiastical’s first ever online advertising levels achieving click throughs at 0.5% (target 0.2%), beating targets by 250.
- Massive increases in meetings levels were delivered, overall rising 245% (target 50%) against pre-recessionary 2008 levels; the ‘Door Opener’ Sunflower Mailing alone achieved a staggering 31.8% conversion to meeting from high profile ‘dream list’ IFAs. Amity Insight ‘thought Leadership’ direct mail achieved response levels of 2.7% from cold ethical lists (industry cold response levels – 0.25–0.5%).

Value-added benefits to the business

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- Massive unexpected new doors opened. Ecclesiastical were panelled with their all-important first major network Sesame – giving them access to hundreds of IFAs in one fell swoop.
- Industry recognition as a ‘player’. EIM became Moneywise Ethical Provider of the Year 2009 for the first time.