

THE ASSET MANAGEMENT DIGITAL MARKETING SURVEY 2018

Survey Report - Autumn 2018



EXECUTIVE SUMMARY

Introduction

In this fifth annual survey conducted by Kurtosys, we have again asked our expansive audience to help us give some insights into digital marketing trends and perspectives in asset management marketing.

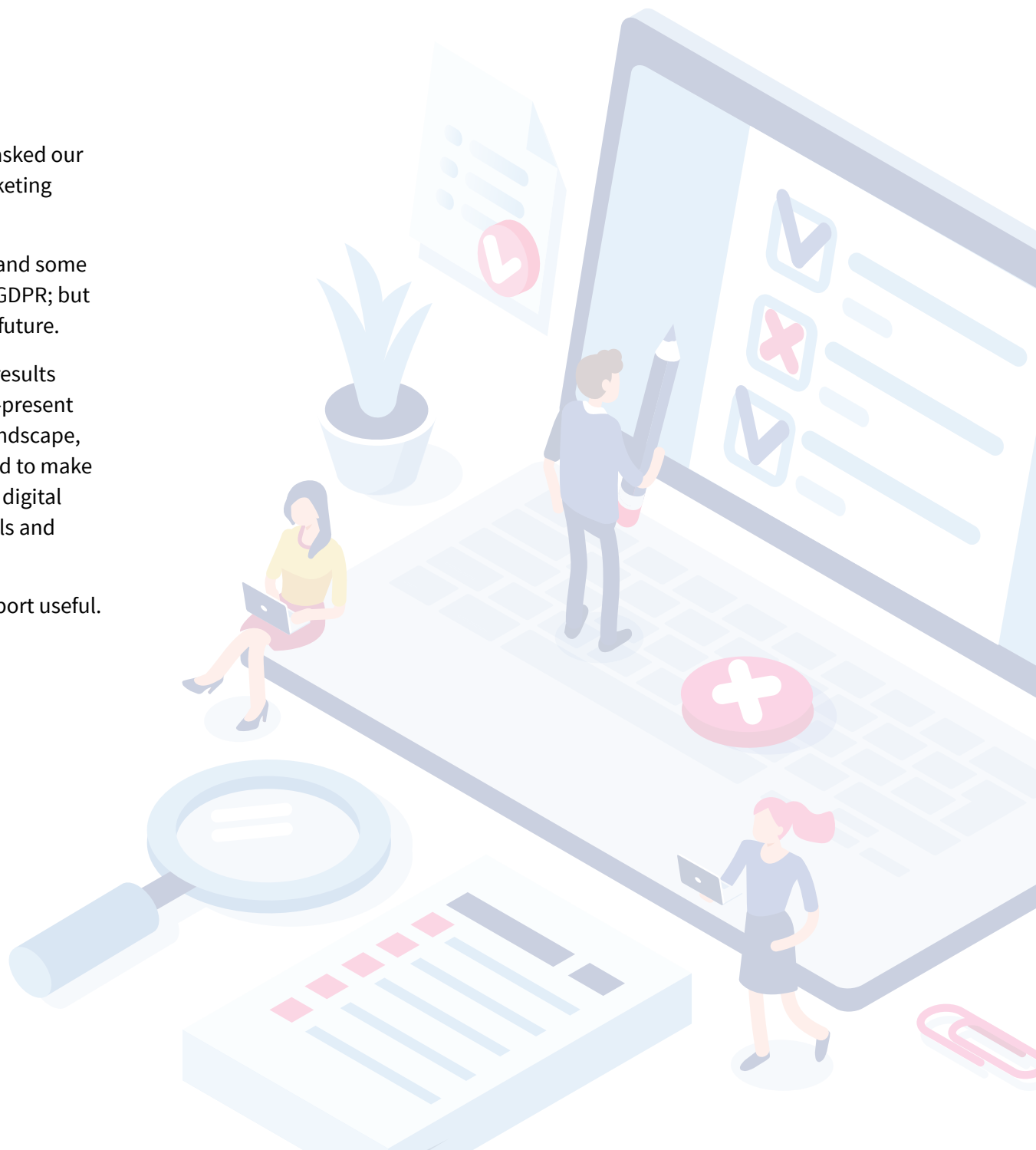
This year we introduced a fresh set of questions to better understand some of the issues that might have affected marketers in 2018, such as GDPR; but also what is on the horizon that could have an impact in the near future.

With 72% of respondents working in a marketing role, this year's results have proven to be both insightful and enlightening. With the ever-present pressure on asset managers to perform amongst a competitive landscape, coupled with a need to improve sales enablement, marketers need to make critical choices when it comes to technology. The requirement for digital transformation long since accepted, it's now a focus on which tools and strategies will become the most effective.

We thank all those who participated and we hope you find this report useful.

Topics covered in the 2018 survey:

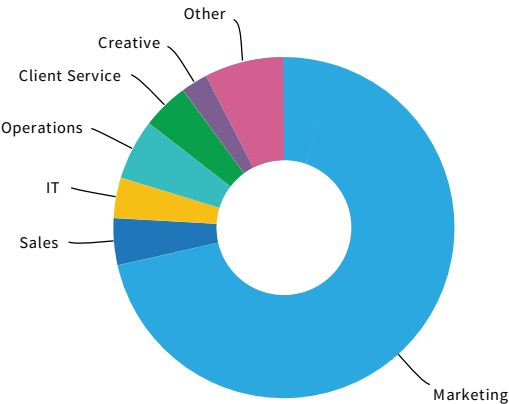
- » Objectives & Goals
- » Technology
- » Content
- » Distribution & Data
- » Regulation
- » Plans & Investment



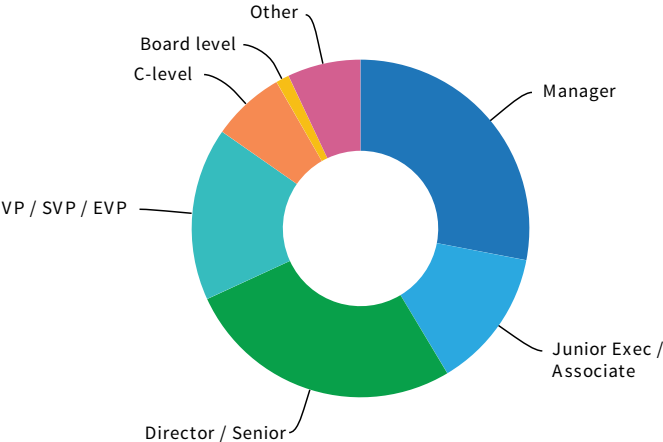
STUDY METHODOLOGY

In September 2018, Kurtosys invited its community of digital marketing executives at asset management firms worldwide to complete an online survey using SurveyMonkey. Nearly 200 qualified respondents completed the survey, representing a range of asset management firms.

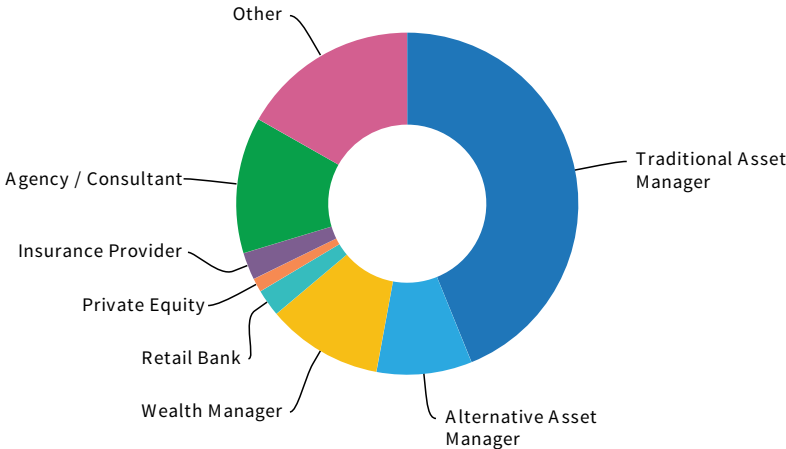
Primary Role - 72% Marketing



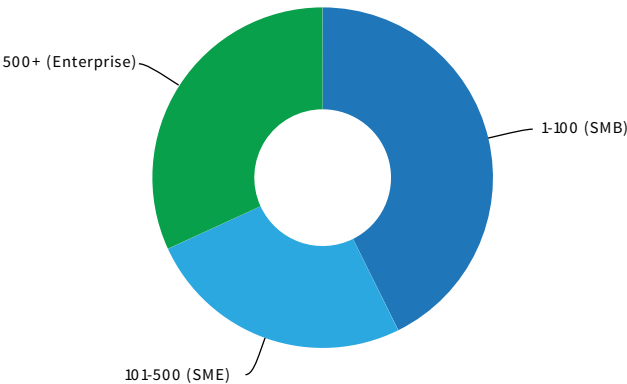
Level of Seniority - 70% Manager and above



Company Type - 44% Traditional Asset Manager



Size of company - 32% Enterprise



KEY FINDINGS



Objectives & Goals

Personalisation & Targeting (62%) and Data-Driven Marketing (45%) will be key marketing focus areas in the next 12 months.



Distribution & Data

50% think the traditional two-page fund factsheet is outdated and needs disrupting. 33% manually distribute documents via email.



Content

42% classify content marketing as 'very important'. But 60% agree too much content is being produced and it's quantity over quality.



Technology

43% think AI/Machine Learning will have the most impact in financial marketing in the near future. 33% use WordPress as their main CMS.



Regulation

Of those affected by GDPR (47%), 93% feel their company now complies. 78% feel that regulation is making marketing harder.



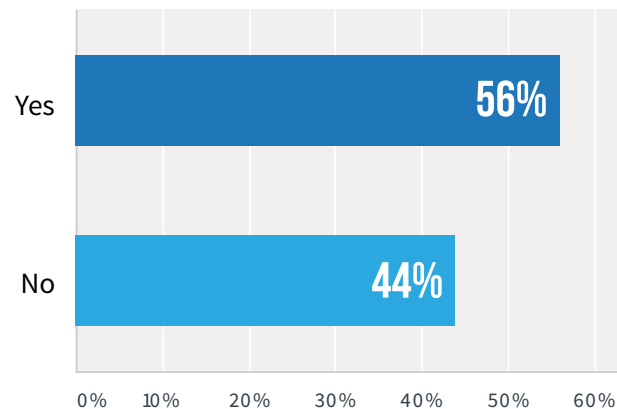
Plans & Investment

59% plan to spend more on their website development in the next year with 67% looking to spend more on content marketing.



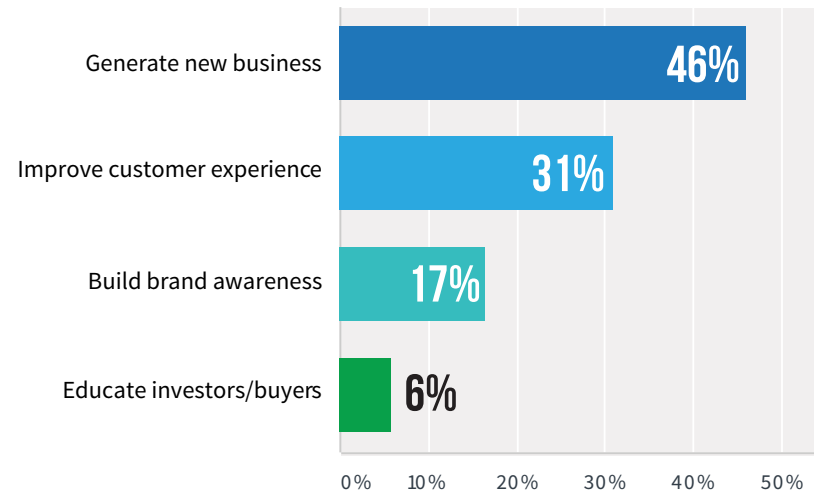
OBJECTIVES & GOALS

Do you have a documented digital strategy set for the next 12/24 months?



A consistent question we've been asking since 2015, 2018's results seem to also remain consistent, with just over half of respondents saying they have a documented digital strategy in place. That still leaves a large percentage without a strategy which is surprising in 2018.

Name your number one digital marketing objective for the next 12 months

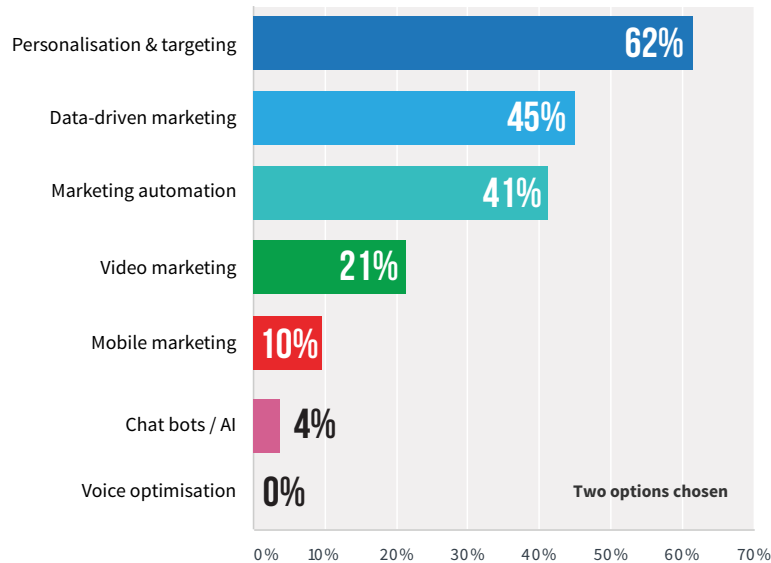


Another consistent question of our survey has also yielded a similar result for the option of 'generating new business' (41% in 2017). What we have seen is a large increase in those opting to 'improve the customer experience' through their digital marketing (18% in 2017).

Further reading: In Econsultancy's 2018 [Digital Intelligence Briefing](#), more than a quarter (28%) of FSI respondents rank optimising the CX as the 'single most exciting opportunity' in 2018.

OBJECTIVES & GOALS

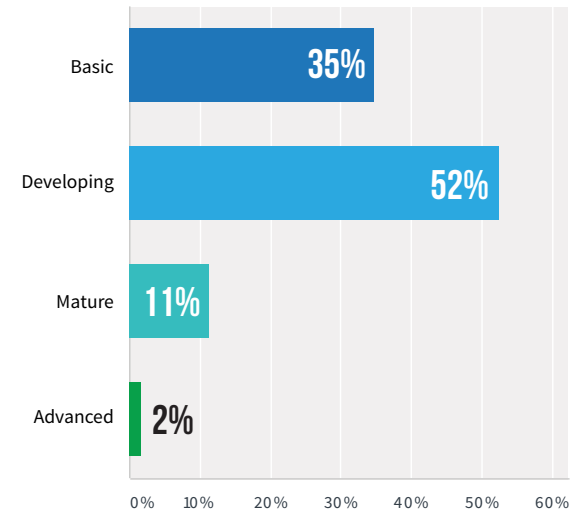
Name two areas of marketing that will be a priority for your department in the next 12 months



Personalisation and targeting has been a prominent theme in recent years but now it's become a key focus point for financial marketers. With marketing automation pushed into third place, it seems like marketers are clearly prioritising reaching investors and customers with more relevant content.

Data-driven marketing is a key factor in improving sales enablement but also for giving investors the most accurate information.

At what stage of maturity would you say your company's digital marketing is currently at?



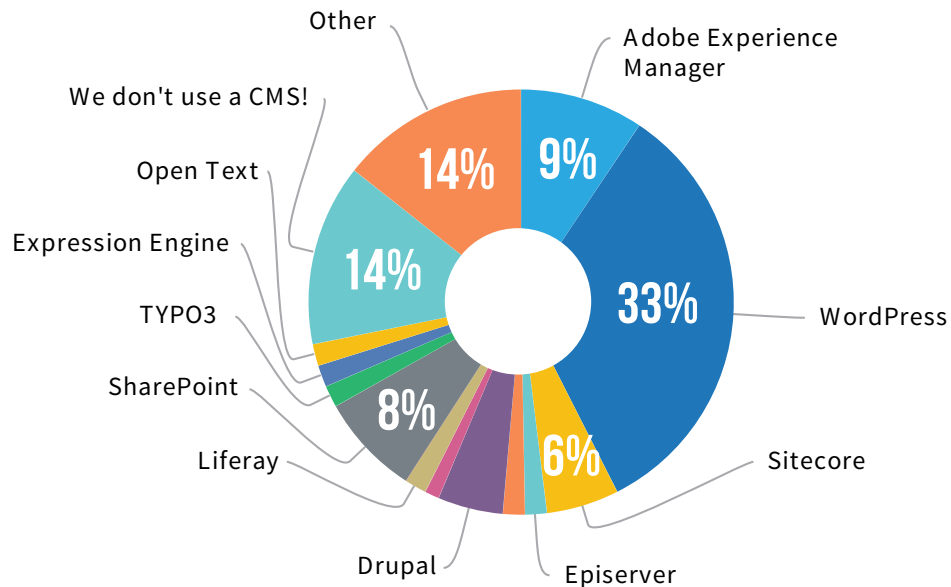
In one of the key takeaways from this year's survey, 52% believe their digital marketing is in the 'developing' stage, with 35% choosing 'basic', based on the following definitions:

Basic – No defined strategy for digital marketing. Ad hoc content marketing. No digital marketing budget allocated. Digital mixed in with traditional marketing. No training or resources.

Developing – Digital strategy and processes in place long-term. Budget allocated. Training and resources planning in development.

TECHNOLOGY

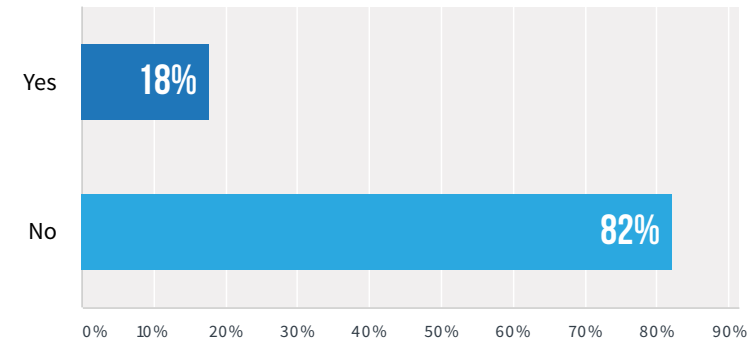
Which Content Management System (CMS) do you use to manage your website?



With WordPress reported to power over 30% of all websites, it's perhaps not surprising to see it also present in financial services. This is also a +3% increase on the figure from our 2017 survey. Open source CMSs are always a popular choice with many flexible benefits, but many asset managers opt for proprietary systems such as Adobe Experience Manager or Sitecore. 14% state they don't use a CMS at all with these results coming mainly from the smaller companies.

WPengine conducted extensive research into [CMS usage for enterprise companies](#) in 2017 which is well worth a read.

Do you use a secondary CMS?



A trend we're noticing, especially in very large or enterprise-sized companies, is the rise of the secondary CMS. With marketers sometimes limited by their main content management system, a secondary CMS is utilised for smaller campaigns to get results quickly.

Although the statistic is low in this survey, we believe many marketers are not aware that their organisation already has a secondary CMS in use.

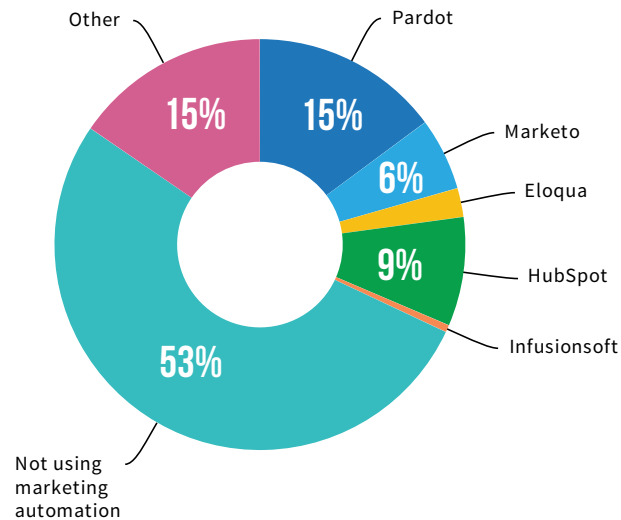
Which secondary CMS do you use?

Around 40 respondents cited these (among others) as a secondary CMS:

WordPress, HubSpot, Sitecore, Sharepoint, Drupal, Squarespace, 'bespoke'.

TECHNOLOGY

Which marketing automation platform are you currently using?

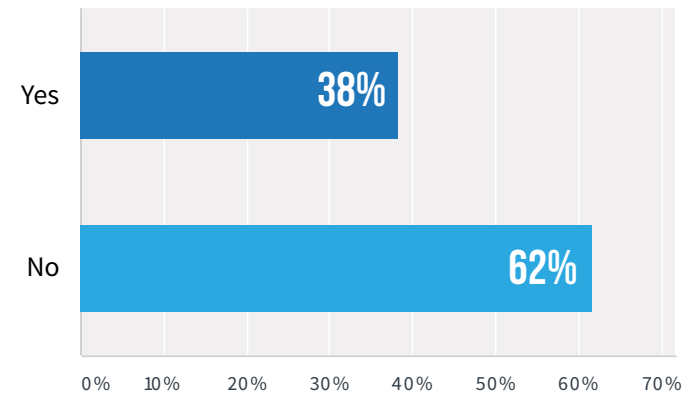


53% state they are not using marketing automation which is +2% on 2017's results. A surprisingly high figure considering how long the technology has been around for, and also how impactful the right software can be for any business.

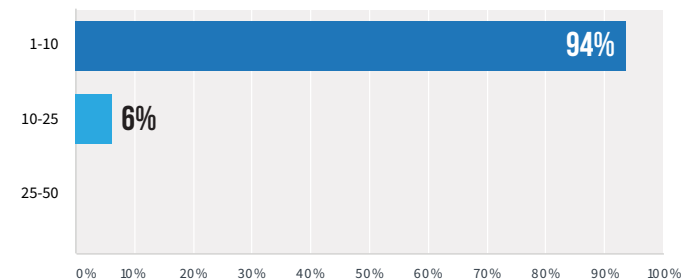
Pardot, Marketo and HubSpot continue to be the market-leading solutions for larger enterprises, which have tight integration with CRMs such as Salesforce.

The number of cloud-based solutions used is a surprisingly low figure, especially since, according to research from the [Kleiner Perkins Internet Trends Report](#) in 2017, the average “enterprise” uses 91 marketing cloud services! Also a popular topic studied in detail by Scott Brinker and the [Marketing Technology Landscape](#) that his team update every year.

Are you using a platform (additional to your CMS) to manage the publishing of financial data in your websites or documents?

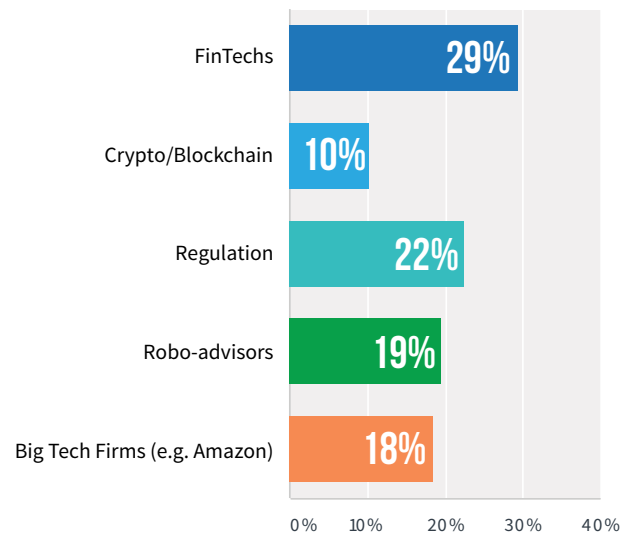


Approximately how many cloud-based marketing systems does your department currently use? (CRM, social, tools etc)



TECHNOLOGY

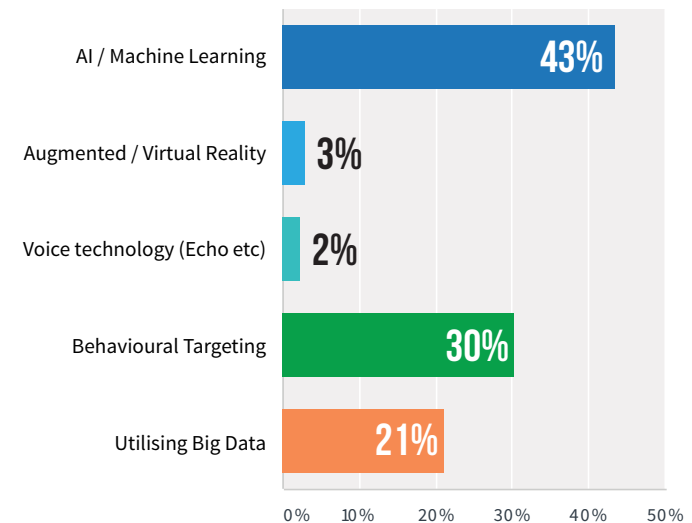
What do you think will be most disruptive to the asset management industry in coming years?



Another key finding of this year's study, 29% cite FinTechs as the most disruptive influence to the asset management industry in the future. In 2017 48% cited regulation as the most prominent disruptor, perhaps heavily influenced that year by MiFID II and other regulations that affected marketers.

Recently in the news: Amundi, Europe's largest asset manager, [appointed fintech guru Oliver Bussmann as adviser](#), 'amid a push by investment companies to increase their use of new technologies'.

Which technology do you think will have most impact in financial marketing in coming years?

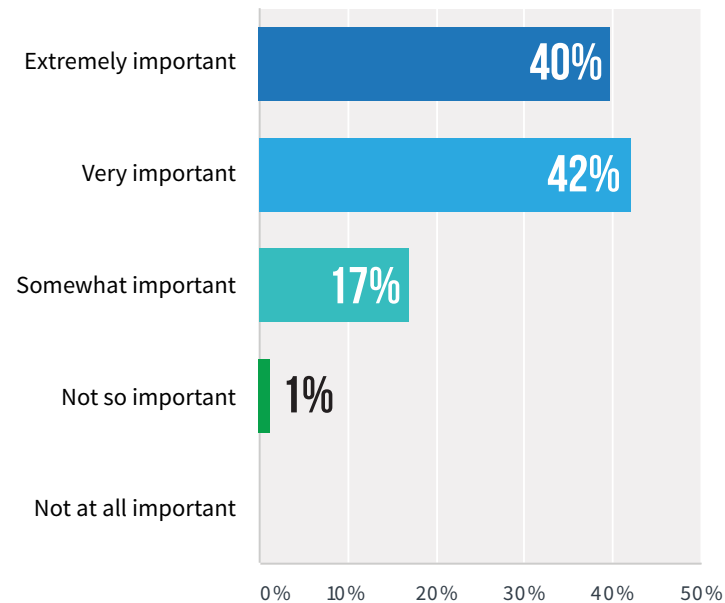


AI & Machine Learning is one of the hottest topics that marketers are bombarded with in 2018. With subtle differences between the two, many SaaS platforms have introduced some element of machine learning which can greatly benefit anyone working with financial data, particularly in marketing.

Wealth Management is also seeing a huge rise in technology that includes some form of AI or machine learning. The practical uses include anything from the KYC process to improving the compliance process through to financial planning.

CONTENT

How much importance do you place on content marketing?



In our 2017 survey, 64% chose content marketing as the most successful strategy. It's still very much the key focus in 2018 for financial marketers with a combined 82% marking it as extremely or very important.

However, a combined 59% agree that too much content is being produced and there is a quantity over quality issue. A combined 58% agree that the best content in financial services is written in-house, a trend that can be married with many asset managers investing heavily in homegrown thought leadership.

Do you agree with the following statements with regard to content in financial services?

Content marketing “works” in financial services as a digital strategy



Too much content is being produced by firms so it's quantity rather than quality



Content in financial services needs to be more targeted to fit audiences



Marketing automation has improved content marketing distribution



The best content in financial services is written in-house

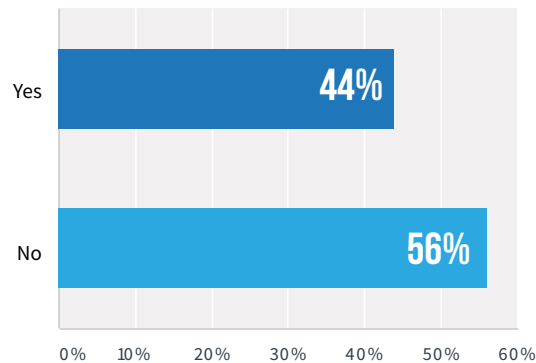


0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

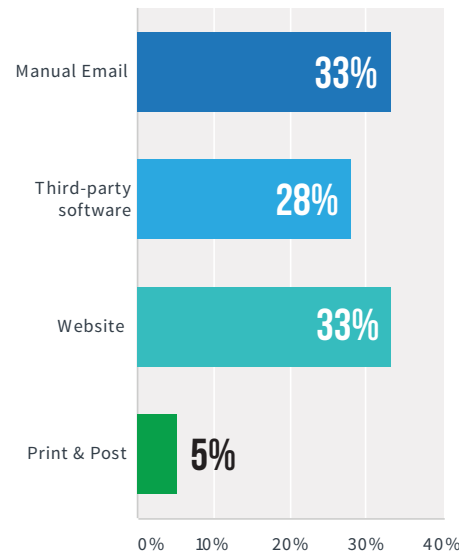
Strongly Agree Agree No opinion Disagree Strongly Disagree

CONTENT

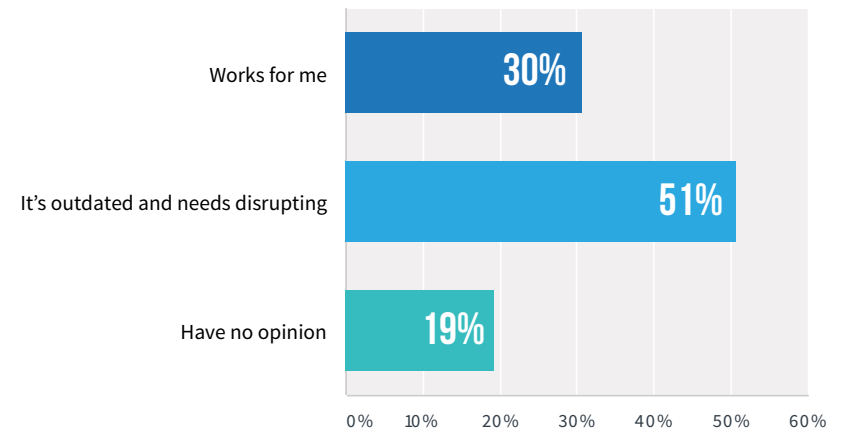
Are you using software to personalise/target different audiences with more relevant content?



How do you currently distribute financial literature to investors?



What is your opinion on the traditional 2-page fund factsheet?

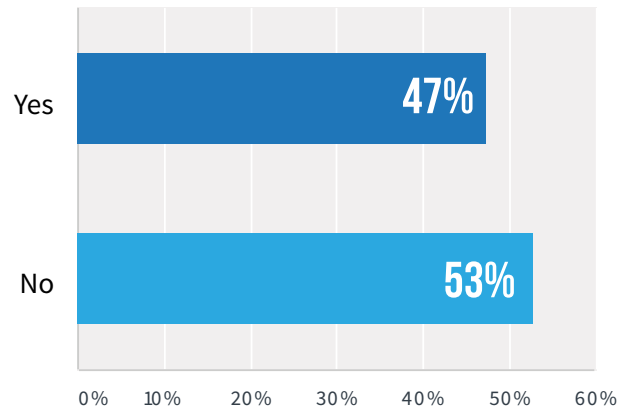


A growing number of asset managers (44%) are using third-party software to target audiences with more relevant content, with 28% saying they use specific software to distribute financial literature. 33% are, however, still distributing via manual email which could have compliance and security implications.

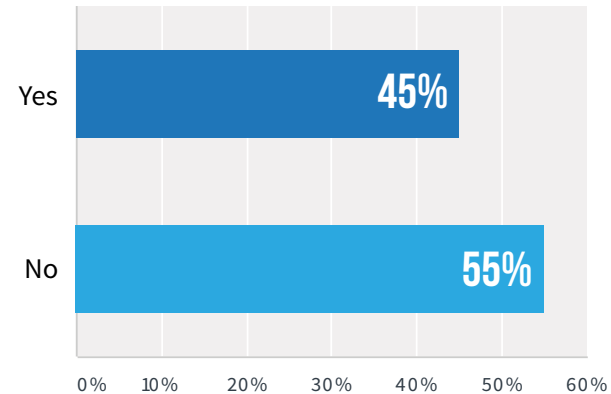
51% of respondents think that the traditional fund factsheet is an outdated method of communication and needs disrupting. This growing opinion is consistent with some asset managers opting for a 'fully digital' version of factsheets which can be generated directly from a web page with the very latest data.

REGULATION

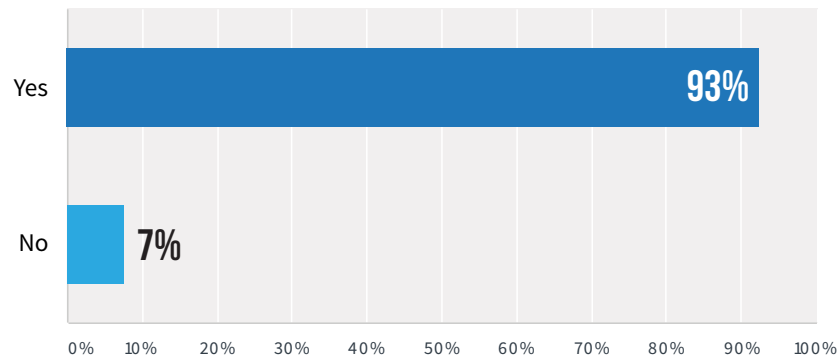
Did GDPR affect your company's marketing in 2018?



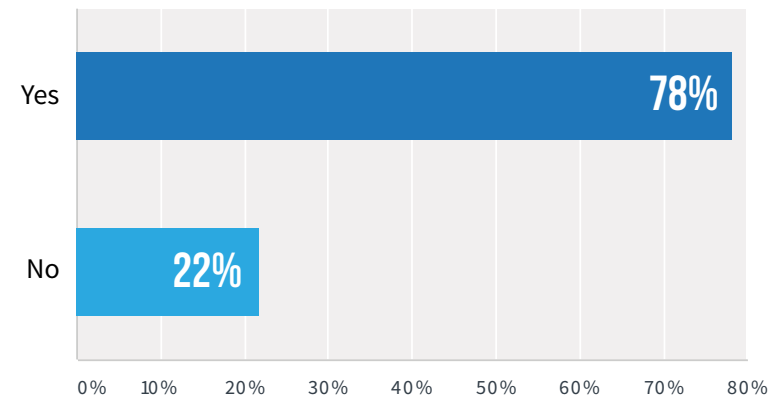
Do you think GDPR has had a negative effect on your marketing, such as less form completions or inbound leads?



Do you feel your company now complies with the data privacy regulations of GDPR?

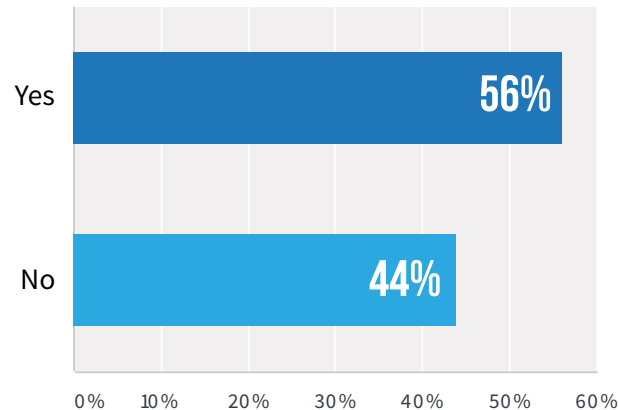


Do you feel that regulation is making financial marketing harder?



REGULATION

Do you use dedicated technology to deal with regulation, such as record-keeping software?

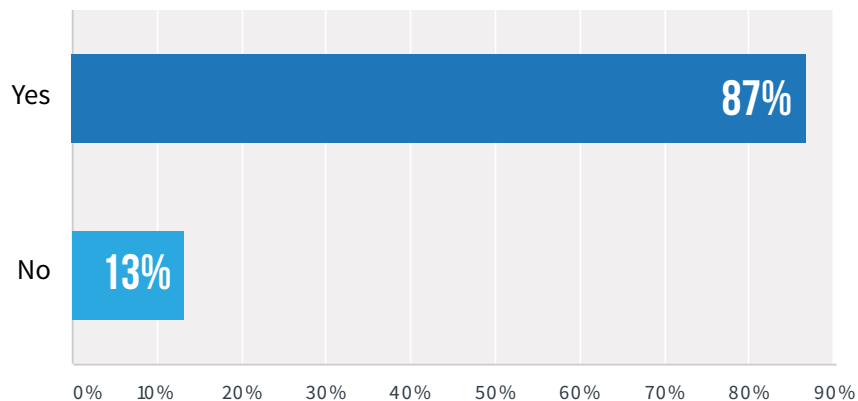


GDPR was such a prominent factor in European marketing in 2018 that we had to include it in this year's survey! For the 47% that it did affect, 93% say they now comply with the new data privacy regulations. 45% say that GDPR has had a negative effect on their marketing, such as reduced form completions or leads.

The biggest takeaway is that 78% think that regulation is making marketing in finance harder. A further 87% of respondents anticipate stricter regulation around data privacy in the near future.

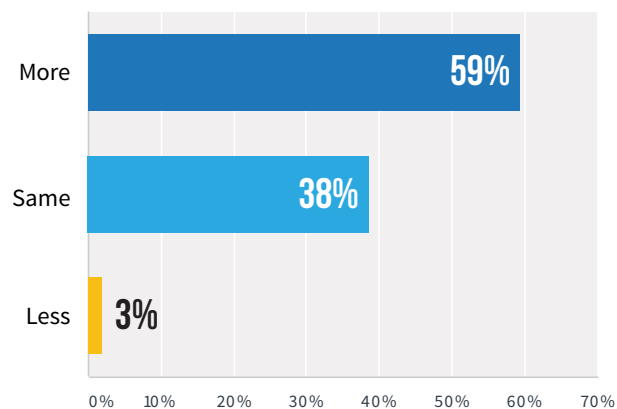
With the ICO already threatening large fines in Europe, the US are eyeing new data privacy laws in the wake of the Cambridge Analytica scandal.

Do you anticipate stricter regulation around data privacy in financial services in the near future?

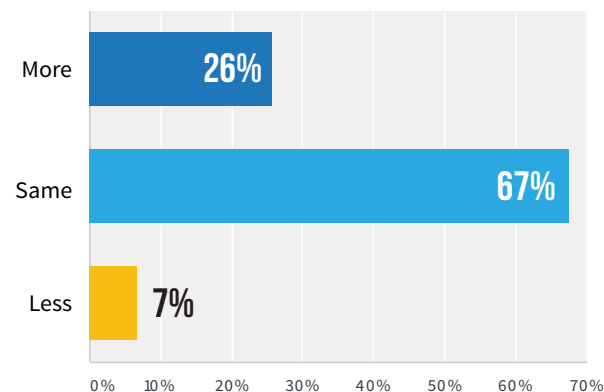


PLANS & INVESTMENT

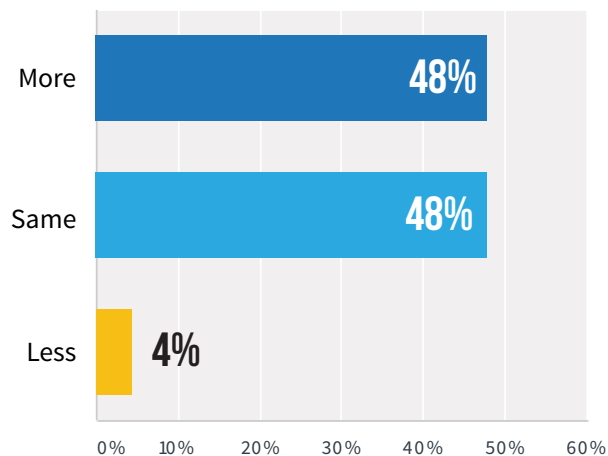
Are you planning to invest more or less into your website development (in the next 12 months)?



Are you planning to invest more or less in RegTech tools/software (in the next 12 months)?



Are you planning to invest more or less in Marketing Cloud Tech (in the next 12 months)?



With the average shelf-life of a website reducing, 59% say they are planning to invest more in their website in the next 12 months.

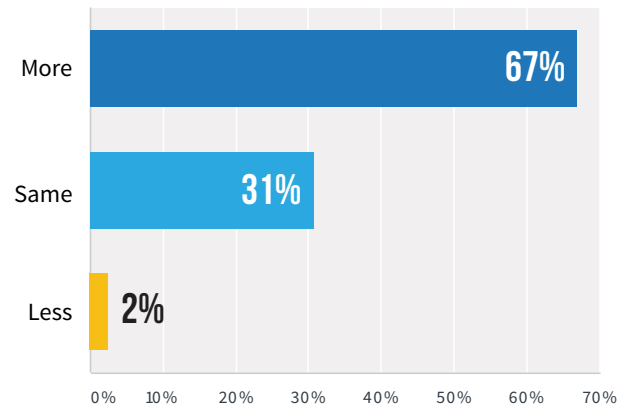
48% plan to invest more in Martech systems (+9% on 2017). With an enormous array of marketing technology available, it's now more about careful choices with regards to which solutions will be most effective.

The number of RegTech tools available has also grown with industry specific solutions available that can alleviate some of the regulation headaches in marketing and operations.

For a deeper dive into the RegTech world, we recommend looking at Deloitte's [RegTech Universe, which details 259 solutions](#).

PLANS & INVESTMENT

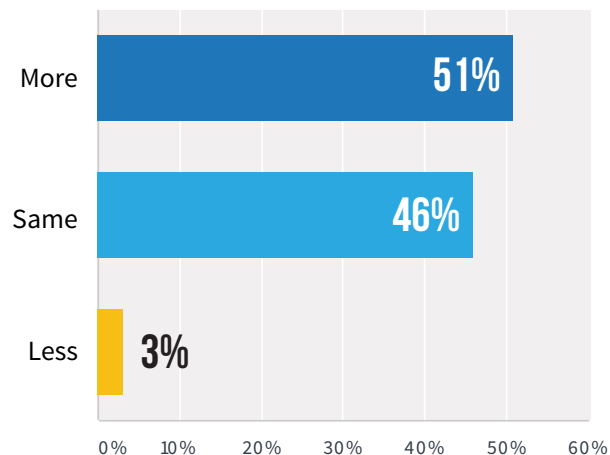
Are you planning to invest more or less in content marketing (in the next 12 months)?



Content marketing is still a clear winner in terms of continued investment, with 67% of marketers looking to increase spend. 51% are planning to invest more in training staff in digital marketing.

This [excellent study by the Digital Marketing Institute](#) highlights a skills gap in the USA and UK (across multiple industries), detailing the difference between perceived and actual skill levels.

Are you planning to invest more or less in staff training in digital marketing (in the next 12 months)?



ABOUT KURTOSYS

Kurtosys provides a unique Enterprise Content Management system for financial services firms. The Kurtosys platform enables marketing, sales, client service and operational departments to orchestrate all of their financial data, documents, websites and content in a secure environment. Trusted by the world's leading investment brands, our platform enables financial institutions to automate manual processes, mitigate risks and reduce costs.

Kurtosys solutions include secure websites, interactive data tools, automated factsheets, secure portals and document libraries.

Our infrastructure and technology are underpinned by our global ISO-27001 certification in information security management; and we have a deep understanding of working at scale with data, information design, industry regulations and compliance issues.

Founded in 2002, Kurtosys was funded from Silicon Valley investment and now operates across three global offices and employs over 200 talented people. We work with some of the world's largest financial brands that include banks, wealth managers, mutual fund providers and alternative investments.

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