Mindtree

A Larsen & Toubro Group Company

2023 Marketing technology trends in in banking and financial services

Welcome to possible

Introduction

Content marketing is all-pervasive in the world's largest asset and wealth, private equity, and advisory firms. In the last decade or so, digital and content marketing, as an integral part of the overall marketing plan, has become more prominent. For many asset and wealth managers and private equity firms, content is paramount – in terms of how firms articulate and convey their value proposition. Instead of sophisticated advertisements, asset management firms demonstrate relevant market expertise and build a perspective around global economic trends as a positioning strategy.

A large number of the top 200 global asset managers are instrumental in creating content on a frequent basis, and market this through various technology channels.

Rapid advancements in technology and the omnipresence of the internet have allowed asset managers to disintermediate the traditional ways of producing, publishing and distributing content through **email marketing, multichannel campaigns, advertising, SEO, audience segmentation, and personalization, to drive awareness and conversions.**

The websites of many asset managers today are modelled on traditional business areas and replete with videos and equity research. Most global asset managers are now moving towards videos and insights or market commentaries . Also, a growing trend today, firms are distributing thought leadership content widely through various channels.

Marketing technology

Definition

Marketing technology, also known as MarTech, is a suite of technologies comprising software and tools aimed at furthering marketing goals or objectives. While MarTech has become a norm in asset management firms for digital marketing campaigns, it can also be used through any marketing channel.

Difference between MarTech and AdTech

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Its Importance:

The gap between the spend of CIOs and CMOs has decreased significantly over the years. The reason is that technology is playing an important role in marketing and sales – and its presence is steadily increasing.

In the banking space there are definitive trends which banks are pursuing in the digital marketing space.

1. Spend to increase efficiency of marketing: From Pay per use ads with Google and Bing, to social media, all banks have a digital presence. To increase efficiency in this very competitive space banks must use non-traditional approaches and leverage projecting their success stories and case studies.

2. Segmentation, targeting and positioning in digital marketing: Leveraging Big Data and Artificial Intelligence (AI) for segmentation of the customer's profile, targeting the sector and segment and positioning the products for a particular segment by use of Machine Learning (ML) is a trend. Use of technology has also led to an increase in personalization down to the individual customer needs and preferences.

3. Mobile searches and Voice searches: Tailored content marketing to address the new kind of searches like mobile searches and voice searches and content strategies to reflect the same.

4. Omnichannel customer journeys: Technology to personalize offerings based on the customer journeys across ominchannel and create a seamless experience.

Essentials:

The technology stack depends on whether the marketing is for B2B companies or B2C companies.

Marketing attribution software

Marketing attribution software is an application that helps attribute value to marketing interactions. The key to attribution models is to account for both offline and online successes and not miss out on opportunities.

1. Marketing attribution software assists the sales and marketing team in the following ways. It garners insights into how to improve your marketing strategies and what is the conversion ratio of your sales cycle.

2. Enables banks and asset managers see who touches your videos, commentaries, e-mails, whitepapers, and data related to analyzing which has maximum impact.

Ideas for banks and asset management firms to leverage marketing technology.

Email marketing:

In his book, 'Perennial Seller,' Ryan Holiday discusses the importance of email marketing and cultivating relationships directly with customers. Email is the best medium to reach an audience. However, with the recent GDPR and CCPA legislations, emails need to be targeted towards contacts who are receptive to your content.
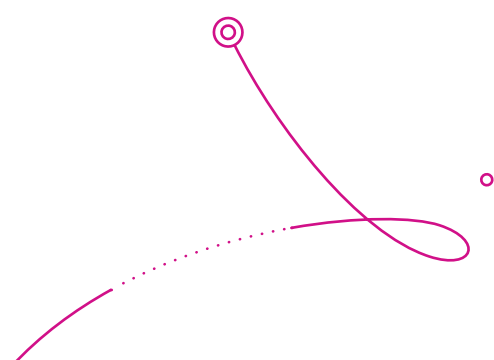
Customer experience software:

Customer experience software consists of a robust digital platform that entices new business and provides advanced investment functions like financial advisory, investor, and transfer agency services. Here, the customer experience platform is a digital ecosystem for an investment firm. Examples of a customer experience software which are predominantly used in the financial services space include Salesforce, Hubspot, Adobe Experience Manager, and SAS.

Customer Relationship Management (CRM) software:

Customer Relationship Management (CRM) software can determine the pipeline of opportunities and help sales managers with a 360 degree view of opportunities and the revenue stream. In a private equity context, CRM tools like Salesforce help connect with the limited partner and publish research and data on funds and portfolio companies. The software also stores opportunities, leads, tasks, notes, accounts, contacts, campaigns, dashboards, and reports, and helps investors see the funds in their purview.

Search Engine Optimization (SEO):

It is important for asset and wealth management companies to perform an SEO audit of their website to attract more customers from relevant searches by optimizing brand presence. SEO helps provide valuable information like backlinks analysis, which provides insights on where backlinks are coming from, content strategy for asset and wealth managers, which helps in creating and distributing valuable and consistent content, and keywords search that aids in finding and analyzing words that people enter into search engines. This goes a long way in improving the marketing orientation of websites of asset and wealth management companies.

Distribution and multichannel campaigns:

Distribution and multichannel marketing is the practice of connecting with customers over different marketing channels and mediums.

Asset management and institutional asset management firms have obsolete distribution functions. Distribution headcount has steadily increased in last few years but they are not profitable in the retail and institutional investors space.

We are witnessing **consolidation** in the asset management industry primarily due to increased fee pressure and to enhance and increase the **spread on distribution.**

Investment in the distribution space is primarily focused on three areas.

1. Integrated data repository for centralizing client data
2. Client analytics engine
3. Client experience and CRM with personalization and real-time information
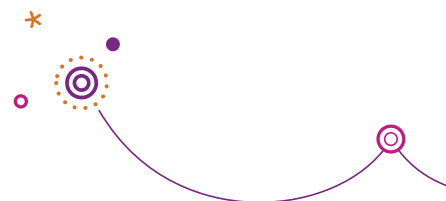
Asset Managers are looking to **streamline distribution** not only from a B2C perspective which could Robo-advisors or Client experience platform, but also from a **B2B2C perspective** which could be portals or channels for advisors, distributors, banks, and broker-dealers. This is being done based on geographies or more so depending on the outreach strategy without disturbing the existing distribution networks.
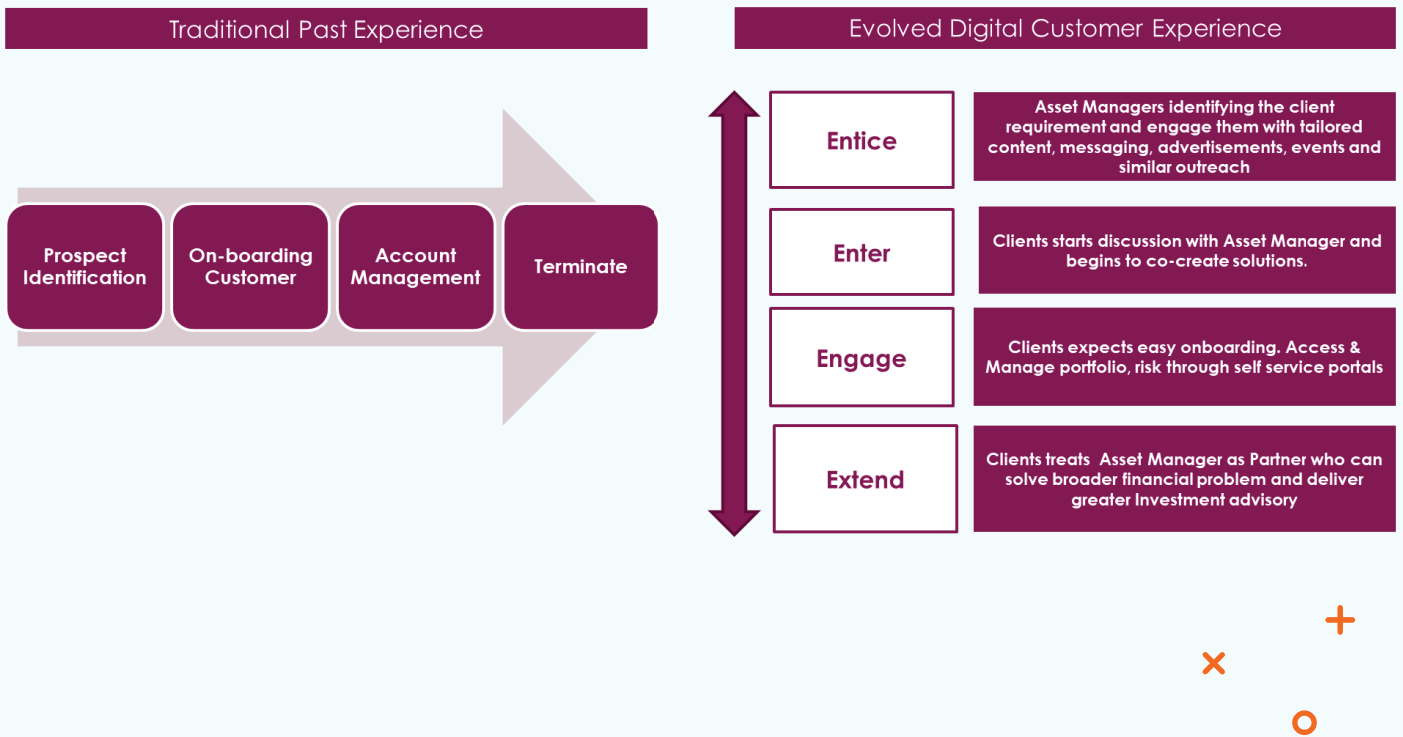
The key aspects from a technology standpoint for investment management and wealth management in 2023 are:

1. Customer experience and journey
2. Content management
3. Automation and AI
4. Personalization
5. Data-driven marketing and distribution

Differentiating client experience for enhanced distribution

- Client data: Unified enterprise CRM as an integrated data repository consists of client, prospect, and competitive information from proprietary and third-party sources.

- A client analytics engine - data-driven business intelligence: Analytics models that process large sets of data in order to generate insights regarding client and prospect behavior. Outputs from the analytics engine empower the distribution team in finding new prospects and expanding existing relationships by identifying the next best product.

- Client experience applications that allow the distribution team to use analytics to improve customer experience across multiple functions.

  - Automated digital onboarding
  - Personalizing web/app content
  - Interactive client reporting
  - Tailored market commentary
  - Portfolio construction tools

Traditional Past Experience	Evolved Digital Customer Experience

Traditional Past Experience

Prospect Identification → On-boarding Customer → Account Management → Terminate

Evolved Digital Customer Experience

Entice — Asset Managers identifying the client requirement and engage them with tailored content, messaging, advertisements, events and similar outreach

Enter — Clients starts discussion with Asset Manager and begins to co-create solutions.

Engage — Clients expects easy onboarding. Access & Manage portfolio, risk through self service portals

Extend — Clients treats Asset Manager as Partner who can solve broader financial problem and deliver greater Investment advisory

Audience segmentation and personalization: The use of marketing tools that leverage AI and predictive analytics to track customers' behavior and advise the next course of action based on their interests is on the rise. For example, in the asset management space, an advisor can be informed about a customer's decision to exit a fund or make an investment into a new sector, which can help produce curated content that is relevant to the investor. It also helps in segmenting a market based on sector, income-levels, and interests, and then positions the product to sell accordingly.

Digital Marketing Operations Center

STRATEGY

- Journey Mapping
- Campaign Planning
- Engagement Strategy

- Content Strategy
- Personalization Planning
- Experience Strategy

- Measurement Strategy
- KPI development
- Analytics Frameworks

- Technology Roadmap
- Data Strategy
- Operating Models

Campaigns	Content	Commerce	Insights
• Campaign design, delivery, tracking and analysis • Automation implementation • Omni-channel execution • Message development and testing • Quality Assurance • Marketing Platform Automation • Campaign Testing and Deployment • Data Management Platforms (DMP)	• Content Operations (Workflow, Publishing, Compliance, Optimization, Strategy) • Content & asset creation and management • Search Engine Optimization • Experience Optimization (Testing (a/b & Multivariate) • Marketing Operations Processes and Governance • Digital Asset Management (DAM	• Strategy, execution, optimization, governance • Ecommerce Content supply chain management • Commerce Optimization (CRO, Testing, Merchandising) • Multivariate Testing (MVT) • Compliance, Privacy and Security monitoring	• Marketing Analytics tagging, strategy, implementation, governance • Marketing and Campaign Reporting and Analysis • Data Layer Management/3rd Party Tag management • **Marketing Data Sciences** ○ Content, offer, product recommendations ○ Model development/ optimization

Creative

Mindtree **Design**

- Customer insights
- Journeys and personas

- UX
- Experience prototyping and design

- Creative development
- Design and production

- Art Direction
- Asset management and renditions

Conclusion: The race to innovation in the marketing technology space

In the asset management and financial services domain, most companies are fully aware of how technology is disrupting the industry through fintech solutions that automate everything, from asset allocations to transaction monitoring. As marketing technology firms seek to innovate and influence content marketing, the following are the key focus areas:

Marketing automation platforms: In last few years, Marketo has been focusing on streamlining lead generation and ROI tracking. It seeks to offer a centralized location to simplify marketing campaigns as well. For instance, Salesforce Pardot automates segmentation and direct email campaigns, and tracks all prospect touch points.

Content marketing platforms:

Innovations in this space relate to managing the compliance approval process and addressing record-keeping requirements. Content curation software to find and share relevant articles via blogs, newsletters or through social media is also on the rise.

AI-based content editing: Natural Language Generation uses AI to automate the content editing process. AI can be used to automate mundane areas in content editing, for instance, portfolio commentary and analyzing earnings data.

About Mindtree

Mindtree [NSE: MINDTREE] is a global technology consulting and IT services company that enables enterprises across industries to drive superior competitive advantage, customer experiences and business outcomes by harnessing digital and cloud technologies. A digital transformation partner to more than 275 of the world's most pioneering enterprises, Mindtree brings extensive domain, technology and consulting expertise to help reimagine business models, accelerate innovation and maximize growth. As a socially and environmentally responsible business, Mindtree is focused on growth as well as sustainability in building long-term stakeholder value. Powered by more than 35,000 talented and entrepreneurial professionals across 24 countries, Mindtree — a Larsen & Toubro Group company — is consistently recognized among the best places to work.

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