

Marketing 2017: Optimizing Marketing Strategies

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ON ORGANIZATIONAL STRUCTURE

Firms are increasingly adopting a centralized marketing structure, with the percentage of firms employing such an approach growing from 74% in 2016 to 84% in 2017.

Study Overview

The FUSE BenchMark Series is a comprehensive research service focused on benchmarking and optimization of resources within different functional areas of an asset management firm. Our BenchMarks are effectively support programs that combine market intelligence with a pre-defined methodology for self-assessment to produce a structured approach to the decision-making process of senior executives. FUSE provides upfront evaluations and ongoing monitoring to help ensure that business needs are met and objectives realized. The baseline research for the "Marketing 2017" study comes from a detailed survey and series of interviews with senior marketing executives.

Benefits

This study provides asset managers of all sizes with the necessary decision support metrics to benchmark their marketing efforts relative to peers and implement refinements to improve productivity and effectiveness. In addition, the study answers a range of pressing tactical and strategic questions faced by managers with different business models, distribution focus, and available resources. This study offers this critical information by providing the following:

- Overview of organizational structures
- Key performance indicators and benchmarks
- Compensation ranges and structures by role
- Staffing metrics
- Marketing investment and allocations
- Digital marketing roles, budget allocations, and hiring plans
- Social media tools and success measurement
- Effective value-add programs

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There are more than 50 exhibits in the study including:

- Total Marketing Department FTEs
- Projected Staffing Changes over the Next 12 Months
- Primary Drivers of New Marketing Initiatives, 2015-2017
- Advisor Interest Level for Value-Add Program Topics, 2015-2017

Answers to These Questions:

What marketing metrics are most important when evaluating my team's success?

How is the role of marketing evolving in the asset management industry?

Am I staying up to date with compensation levels in order to attract qualified talent?

How do I establish a digital content and operational strategy that will allow for more effective growth while identifying operational efficiencies?

Am I effectively leveraging all the marketing tools at my disposal: web, social media, CRM, data analytics, brand, sales collateral, and value-added programs?

...among a host of others that will help to improve marketing within the overall organization.

ON STAFFING

The Big 3—marketing communications, channel marketing, and web/eMarketing/social media—made up the bulk of marketing staff allocations. At the aggregate level, these three areas comprise 52% of marketing FTE allocations.

Study Excerpt on Marketing Budget Allocation

In our 2016 study we suggested that firms should pare back weighty allocations to run rate sales support (i.e., regularly updated materials, such as factsheets and pitch books), and we are pleased to see declines in allocation this year. Tier 1 is down seven percentage points from 2016, and Tier 2 is down five points. However, Tier 3 more than doubled their allocations from 11% in 2016. Overall costs likely remain relatively high for small firms that are competing to produce timely and customized materials.

As firms continue to allocate more spending to web/eMarketing, it is important to keep in mind that a firm’s digital capabilities should provide a quality interaction. They should also have the ability to craft powerful stories that differentiate funds, discuss broad issues, and explain what investors should do and how they can use your funds.

Exhibit – Marketing Budget Allocation by Firm Tier

	2017 Aggregate	Tier 1 (>\$100B)	Tier 2 (\$25B to \$100B)	Tier 3 (<\$25B)
Run Rate Sales Support	22.1%	24.6%	16.3%	25.3%
Advertising/Brand	21.7%	25.3%	12.5%	27.1%
Web/eMarketing	15.0%	16.1%	20.0%	7.6%
Value-Added Marketing	10.6%	5.5%	16.4%	11.4%
Distribution/Fulfillment	8.1%	11.5%	7.5%	4.0%
Content Development	5.2%	4.6%	5.4%	5.9%
Product Launches	5.1%	6.2%	4.8%	4.0%
Social Media	4.7%	3.3%	2.1%	9.7%
CRM/Segmentation	4.1%	1.2%	10.0%	1.4%
Other	3.3%	1.7%	5.1%	3.6%

Sources: FUSE Marketing Survey, 2017



Service & Pricing

FUSE's mission is to deliver actionable, practical recommendations that are customized to each client's business situation. Our BenchMark series studies are far more than a "data dump" of statistics and general trends.

When you purchase a BenchMark series study, FUSE will provide ongoing support and periodic updates to help ensure that our research will have a longer shelf life than similar studies available in the marketplace. Contact us for more information on our service and support model for the study and pricing details.

About FUSE Research Network, LLC

FUSE Research Network was launched with the view that research and consulting support for asset managers has failed to evolve with the changing needs of the client. The future competitive environment will demand that clients make important business decisions within shorter and shorter time frames.

In order to support clients in this setting, FUSE provides a dynamic research platform that covers our clients' current and future decision areas (strategic and tactical). Our goal is to become an invaluable business partner through the delivery of highly informed and forward-looking recommendations that are among the critical inputs our clients need to optimize results.

**FOR MORE
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