Institutional Investor

This Firm Has the Best Marketing in Asset Management

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Asset managers have struggled to differentiate their brands amid the increasingly noisy digital world brought on by the pandemic, according to Peregrine Communications.

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Victor J. Blue/Bloomberg

Shortly after Covid-19 shut down much of the U.S., Abigail Johnson, the CEO of Fidelity Investments, posted to LinkedIn and told the world that the privately held asset manager was hiring 2,000 new employees to help with customer service.

Johnson added the firm had already increased the number of customer service interactions by 30 percent compared to the year before. That's one of the reasons the firm replaces BlackRock for the number one spot on The Global 100, Peregrine Communications' annual report on the integrated marketing and communications of asset managers, including their standing on social media.

“While many managers were still formulating and curating their compliance approved response to Covid-19, Harvard Business School alumnus Johnson was already weighing in,” Peregine said in the report. “In a LinkedIn blog shared from her personal account, ‘When others step back, Fidelity steps up,’ she announced that Fidelity would be making 2,000 new hires to boost their customer service capability during this unprecedented period.”

Blackrock is now ranked third on Peregrine’s list. The Vanguard Group is number two, Invesco is in the fourth spot, and T. Rowe Price and PIMCO tie at number 5. The top five are followed by Capital Group, PGIM, Franklin Templeton, Natixis Investment Managers, and Schroder Investment Management.

Of the top 20 so-called outperformers, which Peregrine defines as those who have reach and engagement beyond what their absolute size would suggest, 19 grew their assets in the last year, according to the report. Robeco was the strongest outperformer on this list in 2020, followed by Baillie Gifford & Co., BMO Global Asset Management, Kohlberg Kravis Roberts & Co., and Lord Abbett.

“Outperformers double down on their strongest differentiators,” said Josh Cole, Peregrine’s head of analytics. “In the case of Robeco, by the first week of January this year, they had already laid out the five ESG themes they would be focusing on in 2020, from plastic to palm oil. Their content, from earned to paid media, then majored on these themes throughout the year, creating a real sense of purpose.”

The research, published on Wednesday, shows that managers are having a tough time differentiating their brands in a digital market flooded with information on everything from the pandemic to rocky elections in the U.S. That’s worrying given the increasing importance of brands to asset managers’ futures over the next decade, according to the firm. Peregrine, which published the first research on the subject in 2019, ranked each firm against peers based on 12,000 data points. Among the metrics used were brand awareness and momentum, first-page Google search results, social media, and the effectiveness of manager web sites.

Similar to last year’s results, the majority of global asset managers, or 58 percent, had stagnant or declining brand awareness. Asset managers also experienced a big decline in digital engagement, which fell at a time when asset managers could only communicate with clients and potential customers virtually. On LinkedIn, the engagement metric fell to 26 percent of the average in 2019.

Asset managers have a big opportunity to improve their social media acumen. Thirty six percent of firms got a score of 4 out of 10 or worse for social media. Forty six percent of firms had no paid search strategy and 75 percent of firms had lonely YouTube channels with fewer than 1,000 subscribers. In addition, users left asset management firm web sites after looking at only one page at an average rate of 53 percent — a statistic known as the bounce rate.

“When we conducted this research, we expected to find that Covid-19 and social distancing had led to digital engagement going through the roof. To our surprise, what we found instead was that digital engagement had gone off a cliff,” said Max Hilton, head of international business development at Peregrine. “Our intuition is that Covid content overload — just like Zoom fatigue — has seen firms struggling to fully leverage their digital channels to engage their stakeholders.”