

The Wealth Marketing Round Table

Q3 2020 Outlook



Crisis Creates Opportunity for Advisors in Q3

With earnings season underway, investors are paying close attention to the state of the financial markets during the COVID-19 crisis. Analysts have projected that Q3 earnings will decline by 44% from the same period in 2019. For the financial sector, expectations are direr, with consensus forecasts calling for a 52% decline in bank earnings compared to last year.

These figures represent the worst expected downturn since 2008. For wealth advisors, the lessons of the Great Financial Crisis are well-documented. Although the markets have recovered since the bottom in March 2020, the threat of a prolonged recession combined with many macroeconomic challenges (unemployment, trade war, currency depreciation).

It may come as a surprise, but following the 2008-2009 financial crisis, more people hired financial advisors and money managers than fired one, according to a 2019 paper from the [Journal of Financial Counseling and Planning](#). The group who hired advisors actually lost more money than those who fired them, suggesting that the 2008 financial crisis represented a broad realization among wealthy investors that they need more help and less DIY solutions.

Wealth advisors have two priorities in Q3 of 2020. First, to ensure they properly convey expertise and market views with existing clients to ensure trust and stability in the advisor-client relationship. Second, advisors need to use this time to proactively seek new business and build their book at a time that more



investors seek professional advice. With that in mind, the advising business is one that relies heavily on referrals, and the best source of new business comes from existing clients.

“I’ve had conversations in the last week with 2 FAs, both of which said they’re opening MORE new accounts and bringing on board new clients right now. MONEY IS IN MOTION. You’re either growing, or dying, and right now is one of those existential moments for an FA.”



Randy Bullard,
Global Head of Wealth
Charles River, a State Street Company

Since the onset of the crisis, ReachStack has spoken with dozens of wealth management leaders in positions ranging from marketing and compliance to advisor management and the C-suite. During our discussions, three primary rules emerged on how wealth advisors can best manage the current environment to improve client trust and expedite the growth of their business.

- Rule 1:** Be Honest and Proactive with Clients
- Rule 2:** Use Existing Data to Perfect Your Message
- Rule 3:** Embrace Content Automation Tools to strengthen relationships

Clients can handle short-term downturns. However, they cannot handle silence or dishonesty about the state of the markets and their money.

Rule 1 : Be Honest and Proactive with Current and Prospective Clients

The markets shed more than 33% in less than a month at the onset of COVID-19. Wealth clients - on the whole - are logical enough to understand that the recent financial downturn was out of wealth managers' control. Clients seek consistent feedback and forward insight into their financial goals and plans. In periods of uncertainty, performance is not as important as the trust they have in their advisors to navigate these challenges and help them achieve their goals.

“As a financial services company...be courageous and lead. People are worried about their life savings...so the most important thing right now is to proactively reach out to clients and customers... see how you can help...give them some level of comfort. If you don't have enough physical number of people... you have to rely on technology. Each week...each day... you should be pushing out thought leadership and materials that provide people with perspective on what's happening in the market and your best insight on where things are going.”



Jim Sparos,
Chief Marketing Officer
Fidelity Investments

Advisors must communicate quickly and regularly to maintain this confidence. Honesty and direct communications coming directly from an advisor - not from CFO outlooks or broad marketing perspectives - will provide peace of mind that their money remains in solid hands. However, advisors who rely on broader corporate messaging or traditional market lexicons will struggle to maintain their client base and build their book.

“My proactive weekly email is so valuable for touching base with clients to provide quick update and reassurance. Client feedback is very positive. They feel we're in constant contact without me having to pick up the phone.”



Maz Al-Samedi,
Investment Advisor
TD Wealth Private Investment Advice



Email communications between advisors and clients provide the richest source of data on client interests, expectations, fears, and investment goals. Harvest this data to improve marketing efforts.

Rule 2: Use Existing Client Data to Perfect Your Message

The best source of clients' expectations and goals aren't found in survey data or elevator pitches about their investment objectives when the relationship begins. Client expectations and market knowledge change over time. This is why it's critical to assess existing communication sources and utilize analytics and big data to help craft your specific message that caters to each individual audience.

“Understanding the performance and distribution of our content investments is vital. It ensures our busy executives, experts and thought leaders create content that advisors and clients value and use.”



Kate Flood,
Editorial Director
Commonwealth Financial Network

Your Chief Investment Officer (CIO) and other expert's time is very valuable. Understanding what your clients want, and then focusing your collective effort to create that, increases ROI and client impact.

Wealth management organizations are utilizing analytics of email and other points of contact to track business performance (client segments, advisor books, and product penetration), leverage data to create prospect profiles and map relationships to identify client leads.

Data can also provide wealth managers the ability to retain clients by measuring existing sentiment and risk in real-time (instead of a reliance on survey results). It can also help managers develop net worth and client sales profiles to assets lifetime value and an individual's risk tolerance.

Finally, proper data analysis tools ensure that wealth managers can leverage existing client communications and surveys to tailor portfolio allocations, rebalance portfolios, generate new trading ideas, and leverage artificial intelligence and other cognitive insight to formulate the best message possible for each client in real-time.



Wealth clients open 85% of emails from their advisors. Content automation tools increase the quality and quantity of client engagements, customer satisfaction, and loyalty.

Rule 3 : Embrace Content Automation Tools to Strengthen Client relationships

Wealth managers have less time than ever to meet the ongoing demands of clients. As we noted, clients are constantly seeking feedback from their wealth advisors on the state of the market, new ideas that meet their risk tolerance, and broader thought leadership to help them navigate any market. No content medium offers the ability to harness existing customer data, artificial intelligence, information gathering, and client engagement than email. In fact, ReachStack estimates that clients open roughly 85% of every email sent by their advisors, which prompts the question of why wealth managers don't harness this medium more often.



“Advisor incentives have traditionally been aligned to acquisition of new clients. It is as important, if not more, to serve and support clients, as it is to attract them into your service. Advisors need to be equipped to do both well, which is where technology has to help them build and nurture enduring relationship”



Rob Assimakopoulos,
Chief Marketing Officer
Canadian Imperial Bank of Commerce (CIBC)

Ten years ago, email systems remained heavily centralized with little ability to customize messaging and automate for individual audiences. But today, next-generation automation systems help wealth managers mine client and prospect data and match existing content to meet the needs of individual clients.

Wealth advisors have a world of relevant content ranging from blog posts and webinars to whitepapers, market outlooks, and other value-packed content. Harnessing that content and directing it to the right audience with the right custom message. These automation tools meet strict compliance standards, empower corporate marketing teams to provide support to individual wealth manager business lines, and provide advisors with more free time to build their business and seek new opportunities.

The ReachStack Advantage

ReachStack is a Wealthtech service provider and consulting company that helps wealth management companies increase their AUM and client engagement. We employ artificial intelligence, email content distribution solutions, cloud-based marketing automation, and program management (including outsourcing of content).

Its best-in-class content technology platform empowers wealth management and financial services companies to expand their digital reach by streamlining client email communications with advisors. ReachStack provides:

More Advisor Control

ReachStack puts advisors firmly in control of thought leadership across all email content while saving time and money on marketing. We enhance client engagements with personalized content that quickly meets compliance standards.

Stronger Marketing Performance

Advanced AI and analytics provides ongoing analysis of client interests and preferred engagement levels. Increased touchpoints at lower costs per engagement enhance client loyalty and expands a wealth advisor's profile and audience reach.

Lasting Value for New and Existing Clients

ReachStack strengthens the bond between marketing, compliance, and wealth advisors - increasing the number of engagements with clients. More frequent feedback and customized thought leadership produces happier, more engaged wealth management clients.

“I'm swamped with extra work on the marketing front... wish we had already implemented as my life would have been easier! Communication is so important right now – and you're the key to that”



Tricia Shaw,
VP Marketing
Assante Asset Management

Email: The Most Impactful and Data-Rich Channel Between Advisors and Clients



ReachStack doesn't engage in social media or the latest fad in digital. Email is the single most important marketing and communication channel between Advisors and their clients.

For years, marketers have overlooked email as the most efficient medium to streamline client engagement, collect and analyze client data, and measure and maximize the efficiency of every single interaction with new and existing clients.

Email has evolved into a unique channel that provides a rich data layer and level of interaction that doesn't come from anywhere else.







Our data shows Clients open 85% of emails sent from their advisors.

And each message to clients and their response creates a robust trove of data that offers insight into their investment interests, objectives, fears, and more.

This data link between every adviser and client – helps companies create actionable content and measure the success of every interaction and marketing campaign.

By activating your advisors with ReachStack's next generation of wealth management tools, you can become a part of an active community of advisors that have experienced a **1,600% increase in client engagement**. The result of ReachStack's platform is:

-  Greater client trust,
-  Empowered and activated marketing and wealth advising teams,
-  Greater opportunity to expand AUM, and
-  24-hour access to customizable thought leadership and market insights that expand the reputation and reach of wealth management firms.



About ReachStack

ReachStack is the first fully compliant, centralized client communication and content distribution platform made by advisors for advisors. Our platform utilizes artificial intelligence to mine communications for data and streamline customer engagement to create and control the narrative with clients. The result: A 1,600% increase in client engagement.

We'd love to show you how easy it is to use, the expansive and powerful data set that you can harness from your new and existing email communications and the additional possibilities on the horizon.

[Book a demo today.](#)



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