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Managers Seek to Automate Client Outreach but Face Data Hurdles

By Dervedia Thomas February 1, 2021

Asset managers have ramped up their marketing outreach since the pandemic began and some are churning out content more frequently as a way to stand out, according to a recent study from **FUSE Research** and **Synthesis Technology**.

To support the need for speed, firms are automating content generation, but getting good, reliable data is proving to be a drag, particularly for institutional marketers, according to the study, is based on a September survey of 22 asset management marketing professionals.

“Institutional [content] has more depth of data, and [marketers are] more likely to present something unique,” says Synthesis CEO **John Toepfer**. “Uniqueness tends to drive toward manual data processes and spreadsheets that create reliability and quality control problems.”

While most managers produce factsheets, pitchbooks, sales ideas and portfolio manager commentaries on a quarterly basis, 23% are updating factsheets every month, and 36% generate monthly portfolio manager commentaries.

Further, 64% of asset managers churn out new “thought leadership”content every month, and 39% put out monthly capital market updates.

The frequency of thought leadership pieces shows that managers want to maintain a constant flow of information on their websites, the study shows. While some firms see monthly factsheets as a differentiator, it’s often the smaller asset managers that seek to stand out by releasing capital markets updates and thought leadership pieces more often, the study notes.

While some managers decreased their use of outside marketing agencies and freelancers during the pandemic, no managers reported reducing resources for marketing and content automation, the study shows. In fact, 20% said they planned to utilize these tools more.

The industry is adopting sophisticated automation technologies such as natural language generation (NLG), which can turn data into a narrative that is customized to each client, says **Sailaja Devireddy**, head of fund marketing solutions for research and analytics company **Acuity Knowledge Partners**. In addition to thought leadership and commentaries, institutional investors are asking for more bespoke information on requests for proposals, due-diligence questionnaires and client reports, she says.

Managers can’t automate everything, however, Devireddy adds.

“The production of marketing collateral that requires periodic updates of quantitative data is an area that can be automated,” she says. “However, the initial development of such collateral and other creative material… still requires the involvement of skilled fund analysts.”

Although firms aim to release content more frequently, 43% of marketers cite the need to enter data manually as the main reason why they miss deadlines, followed by checks to validate the quality of the data, the study shows.

It's often challenging to get external data points on a consistent basis, says FUSE relationship manager **Bob Kennedy**.

"Quite often, the data they want to provide is derived from other [external] data sources, and it may not be completely repeatable, at least to the degree that is desirable," he says. "That makes it a little bit harder to create a smooth supply chain for repeating data."

Collating internal data can also be a difficult because the information often sits in different business units, says **Bill Finnegan**, a managing director responsible for financial services marketing at **Seismic**, a technology consultancy that provides content automation tools. As a result, data governance processes are important to assign responsibility for the data and develop policies for errors that emerge, he adds.

"One of the things that we would always encourage is investing in data management," Finnegan says. "I know from personal experience that human error can occur. If you're varying by a few basis points, [firms] may not worry so much about the data, especially if it's in the clients' favor. But if they said it did one thing, and it really did less, that's where they have to have the governance rule for what they're going to do next."

Too many marketing departments end up serving as data aggregators and data quality control teams, Toepfer says.

"That's not what you pay the marketing department to do," he says. "You need them to be thinking about strategy and impact and results of the marketing efforts, not keyboarding or testing numbers."

Some firms have successfully had a staffer from the technology division sit in marketing or have opted outsource data management to vendors, Toepfer says. But in both instances, asset managers can still end up grappling with inadequate testing and quality controls, he says.

"We see internal IT depts very frequently promising to build a perfect data warehouse and significantly underdelivering because it's very hard in this market, where you have very disparate types and sources of data that have to come together and give clean and correct numbers to marketing," Toepfer adds.

Marketers should impose tighter restraints on what they choose to publish because it could hamper their ability to meet deadlines and achieve departmental objectives, Toepfer says.

"In data-driven publishing, the piece can't go out until the last piece of data arrives," he says. "If someone says, 'I want you to publish a piece of literature with a certain number,' marketing needs to ask, 'where is that number coming from? [And] who's going to be responsible for giving me that number on a timely basis? If [the marketing unit is] smart, they will actually refuse to publish a number that they can't know they're going to get on a regular basis."

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