B2B AWARDS
Best use of direct mail

STATE STREET.

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200-word summary: In a financial industry experiencing extraordinary regulatory and transparency challenges post-global financial crisis, State Street identified an opportunity to help smaller “boutique” asset managers to liberate themselves from various investment servicing functions. This would allow boutique asset managers the freedom to concentrate on their core business of providing outstanding investment performance for their clients.

State Street has an established global business servicing the world’s larger asset managers, but has never before set out to provide bespoke solutions to Europe’s “boutique” asset managers.

State Street created a direct mail which demonstrated to boutiques that we understood their challenges and had an end-to-end solution that could be tailored to meet their needs.

We targeted the key decision-maker at 88 boutique asset managers with our innovative video-based direct mail which provided a vital first contact for our sales professionals to develop in person. The direct mail duly delivered a 44% meeting rate and we won three major new clients.

The innovative direct mail piece was part of a broader thought leadership, PR and marketing campaign targeted at boutique asset managers, demonstrating our understanding of their challenges.

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Target Audience: Chief executive officers / Chief operating officers and other "C-suite" executives of "boutique" or "specialist" asset managers. These asset managers typically have between $1 billion and $50 billion assets under management. Our target territories were the UK, Germany, Switzerland, France, The Netherlands and Nordics.

Background: State Street has an established business servicing the world's larger asset managers, but we identified a business need on behalf of smaller "boutique" or "specialist" asset managers.

So, we developed a new middle-office product to complement our existing trading and back-office solutions. This meant that for the first time, we could package an end-to-end solution for these boutique asset managers.

Objectives of the campaign: We wanted to support our EMEA sales team to penetrate the European boutique asset managers segment. This was done by establishing first contact with key prospects using an impactful, thought leadership video-based direct mail and side-stepping the email "overload" experienced by most investment managers.

The immediate objective was to set up as many meetings as possible, in a timespan of three months, with C-suite executives of the top target prospects in this segment.

Campaign in a nutshell: We commissioned The Economist Intelligence Unit to survey over 150 boutique asset managers on the challenges and opportunities they face. We used the results to produce a thought leadership report entitled: Empowering Boutiques: The Rise of the Specialist Asset Manager.

We created a short, impactful, "teaser" video highlighting some of the headline research results. This was embedded in a video direct mail sent to 88 boutique asset managers in key European markets.

This was the main element of an integrated thought leadership, PR and social media marketing campaign, we pushed into a completely new sector for State Street.

The campaign resulted in three new business wins, and on-going contact with 30 other boutique asset managers.

Direct mail specification: We worked with the sales team to identify the key decision maker at each boutique asset manager, and ensured that they received the direct mail personally.

Each prospect was owned by a senior sales person to handle all follow-up contact, which the marketing team monitored and measured.

The mail was A5 single-fold format with a three-minute video embedded which played when the fold was opened. The messaging centred on our understanding of the asset manager's challenges, based on our extensive EIU research. It included a clear call to action to "Talk to Us" – we understood their challenges and could help them overcome them. This, we explained, would free them up to focus on their core business of delivering outstanding investment returns to clients.

Headline results: The project resulted in a 44% meeting rate (percentage of the 88 targets who agreed to a meeting), and so far we have gained three new clients.

Strategy (three parallel phases):

1. **Product creation:** We created a dedicated middle-office platform tailored for boutique asset managers that conduct trades from a single country or region. We were now in a position to offer an end-to-end fund servicing solution.

2. **Thought Leadership:** We commissioned The Economist Intelligence Unit (EIU) to research the top challenges for 160 boutique asset managers and their state of readiness to cope with major changes in financial regulation.

The research was used to underpin a paper in our Thought Leadership series, VISION. *Empowering Boutiques: The Rise of the Specialist Manager* examined the impact of these challenges on boutique asset managers in depth.

All three elements were used in traditional PR and media outreach resulting in over 25 pieces of press coverage. We also used social media (Twitter and LinkedIn) extensively to encourage digital downloads of the VISION paper. The EIU research was also turned into an infographic, again this was given to journalists to use in their coverage.

3. Client-centric story: In our marketing materials which complemented the direct mail, we showed that we understood the challenges faced by boutiques. These include growing regulatory complexity and investor demands for accurate, frequent data – both challenges that we can help with. By outsourcing these data and reporting functions to State Street, boutique asset managers can concentrate on their key priority of returning outstanding investment performance to their investors.

Overall results:

32 prospects committed meetings (out of 88 targets)

3 new agreements signed

On-going discussions with many of the prospects named above.

Follow-up: All responses have been tracked and categorized for various follow-up programmes. These have included telephone contact and further mailings which featured a brochure for our end-to-end solution for boutique asset managers and the VISION paper.

Outcome: By their nature, partnerships between boutique asset managers and their service providers can take many months to close due to the complexities involved in the services offered. The direct mail was a crucial tool to allow our sales team to make meaningful contact with the key decision-makers at each asset manager. This campaign has opened the door to several more prospective business wins in the coming months, and created a regularly re-visited list of qualified leads for our sales team to take forward.

Supporting material enclosed:

1 Direct mail video brochure

2. Belly banded marketing material with two items:

    i) VISION paper: Empowering Boutiques: The Rise of the Specialist Manager

    ii) Boutique Asset Manager Solution brochure

Images:

Internal campaign corner:



The front of the direct mail (right); the front of the marketing brochure (far right):



