



**Hooplot**  
ASSOCIATES

## Media Spend & Trends

- UK & Continental Europe

## Marketing Case Studies

- Large Asset Manager
- Mid Sized Asset Manager

October 2016



# Media Spend Data and Breakdown of 20 Asset Managers

Country: United Kingdom

Years: 2015 -2014 - 2013

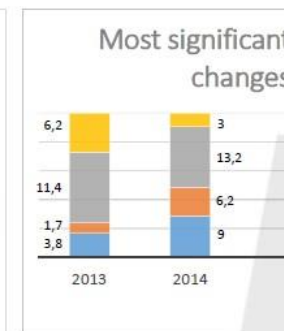
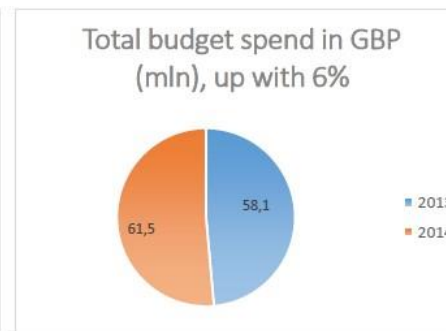
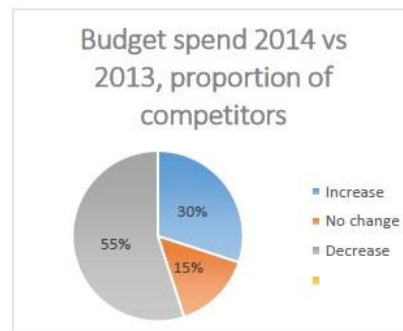
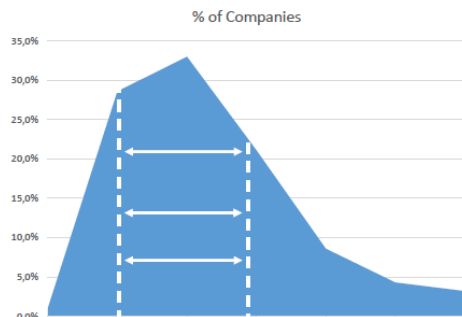
# AVAILABLE INFORMATION – UNITED KINGDOM

UK Asset & Wealth management Industry marketing & advertising spend 2013 – 2014 - 2015 including:

- Detailed spend information, breakdown of spend, competitive levels of spend per channel, B2C and B2B spend and share of voice of **20 Asset Managers, e.g Fidelity, Schroders, M&G, Blackrock, Vanguard and 14 Wealth managers such as Hargreaves, St James, Old Mutual Wealth.**
- Marketing spend as a percentage of revenue in Asset & Wealth Management for B2B and B2C
- Best practice example of budget setting process and approach as applied by asset & wealth managers (Top down – Bottom up)

This report offers data and information to help build a business case for the size and breakdown of the marketing budget for Asset and Wealth managers.

Distribution of the Marketing Budget as a % of revenue is not a 'normal distribution'



# EXAMPLE SLIDE – UNITED KINGDOM

## Trends in Total Share of Voice within Peer Group

2014				2015			
Company		Spend	%SOV	Company	Spend	%SOV	SOV change
	Ltd	1.131	20%		699	22%	2%
	s	1.004	7%		810	15%	8%
		3.764	3%		446	10%	7%
	Ltd	7.930	8%		853	8%	0%
		5.764	6%		802	7%	1%
		3.656	10%		003	7%	-3%
	d	0.669	6%		452	5%	0%
	Ltd	3.649	11%		616	5%	-6%
	nt	5.511	6%		918	5%	-1%
		2.739	8%		889	5%	-4%
		9.920	3%		669	4%	1%
	Ltd	0.837	3%		189	3%	-1%
	ents	1.937	1%		950	1%	0%
	s	9.938	1%		757	1%	0%
		2.311	3%		249	1%	-2%
		3.260	1%		216	1%	-1%
		3.261	2%		924	1%	-1%
		6.715	1%		856	1%	-1%
		9.615	1%		660	0%	0%
		5.455	0%		538	0%	0%
	Total	7.066			496		
	Change				6%		

List of Asset Managers

Budget per Asset Manager

List of Asset Managers

Budget per Asset Manager

# EXAMPLE SLIDE – UNITED KINGDOM

## Competitive levels of spend per channel - Online B2C

2014				2015			
Company		Spend	%SOV	Company	Spend	%SOV	SOV change
	Ltd	1.131	20%		699	22%	2%
	s	1.004	7%		810	15%	8%
		3.764	3%		446	10%	7%
	Ltd	7.930	8%		853	8%	0%
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		3.656	10%		003	7%	-3%
	d	0.669	6%		452	5%	0%
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		9.615	1%		660	0%	0%
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	Total	7.066			496		
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List of Asset Managers

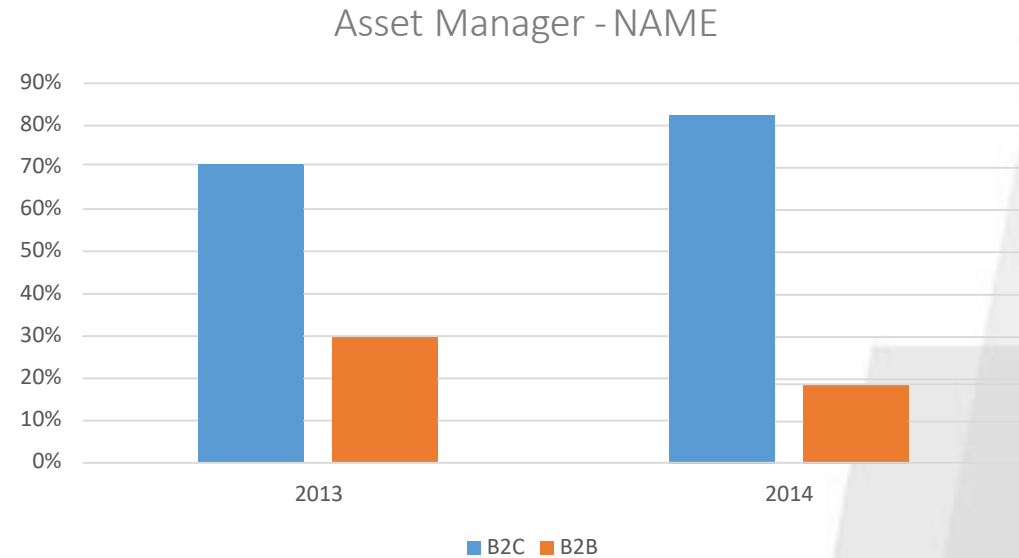
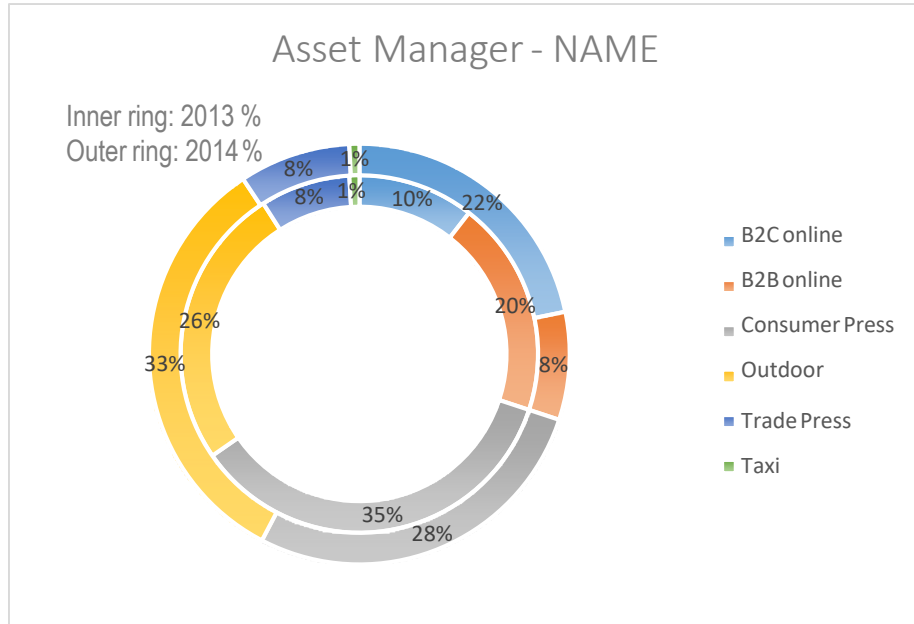
Budget per Asset Manager

List of Asset Managers

Budget per Asset Manager

# EXAMPLE SLIDE – UNITED KINGDOM

## 'AM xyz' Breakdown of Spend 2013 - 2014 - 2015



Budget increase 11,5 – 13,2 mln

Extra allocation to B2C online

Cut back on consumer press and B2C online

Budget allocation Tilt to B2C

# EXAMPLE SLIDE

## Best practice marketing budget planning

### Dimension 1: Top-down

The business allocates a % of total revenue to marketing based on past history and known thresholds in the industry for marketing spend.

### Dimension 2: Bottom-up

However setting the marketing budget as a % of total revenue isn't enough. The marketing team needs to perform activity-level planning that is in line with the corporate strategy, ambition level, competitive landscape etc.

The use of historic data is crucial to reverse engineer how much budget is needed to achieve the desired impact (e.g. nr1 in UK).

### Budget Spend Range

In the table below the HA Benchmarking budget range is displayed for country allocation split in B2B and B2C.

Marketing Spend as % of total revenues			
	Thomson Reuters Benchmark	Thecosurvey.org	Asset Management Benchmark (Country)
B2B	x – y%	x – y%	x-y%
B2C	x – y%	x – y%	x-y%

Thomson Reuters Benchmark      Thecosurvey.org      HA-Benchmarking





# Media Spend Data and Breakdown of 60 Asset Managers

Region: Continental Europe

Years: 2015 and Q1 2016

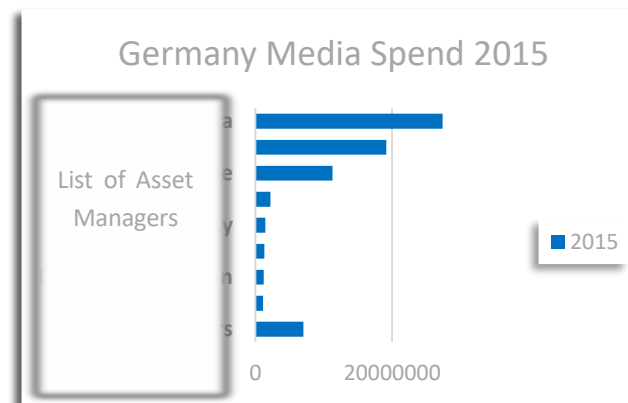


# AVAILABLE INFORMATION – CONTINENTAL EUROPE

Media spend data per country for 60 Asset Managers across 7 Continental European countries

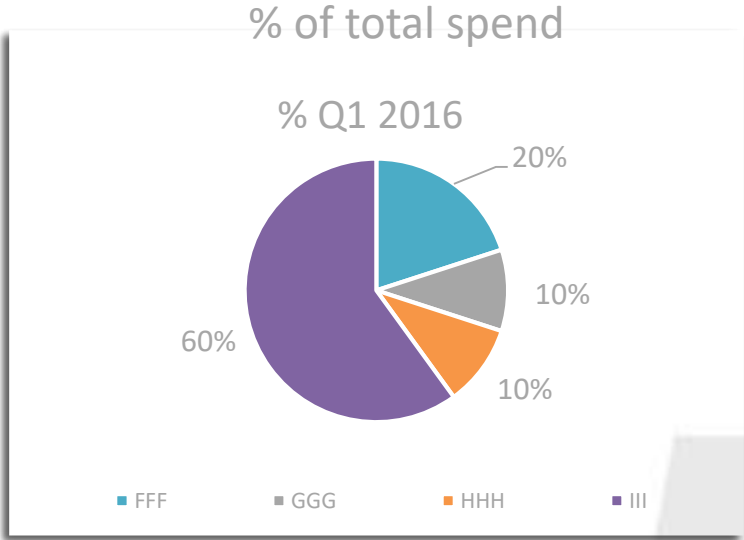
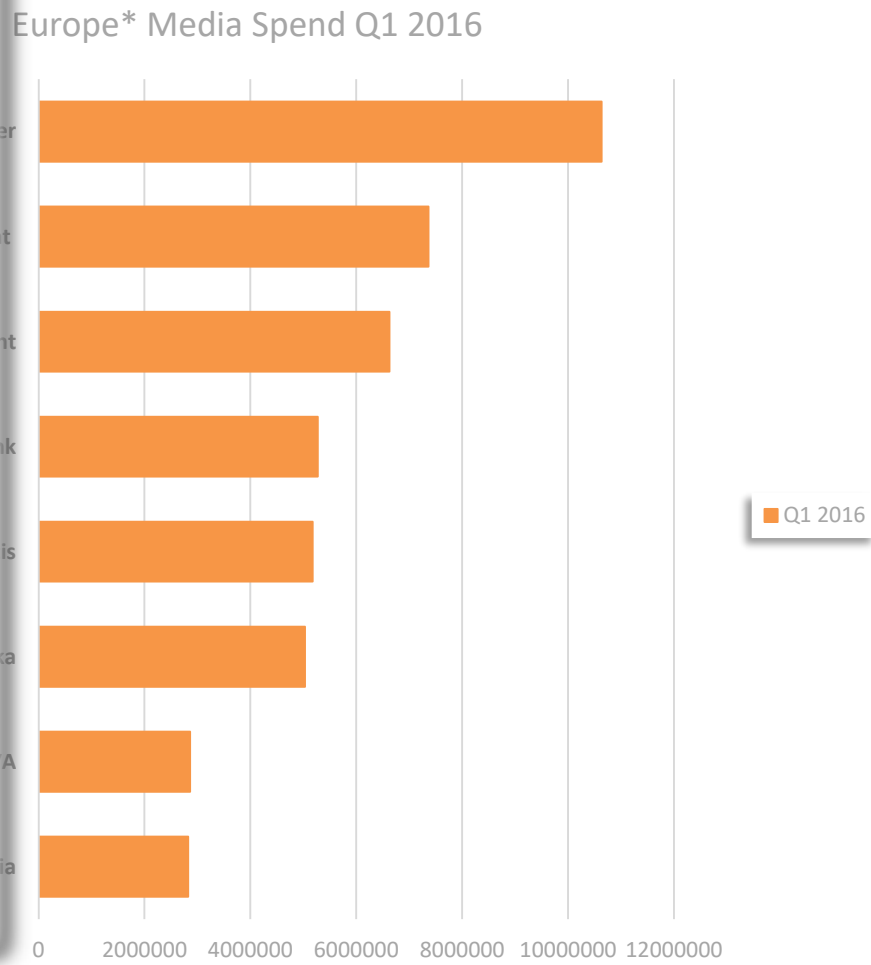
- Media spend data - full year of 2015
- Media spend data - Q1 2016.
- Media spend information per country
- Share of Voice per country

This report offers information and advice to help build a business case for the size and allocation to countries of the marketing budget for Asset and Wealth managers.

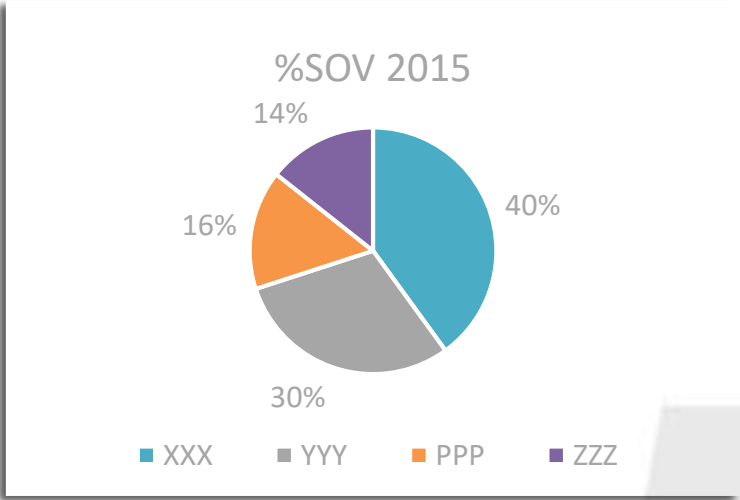
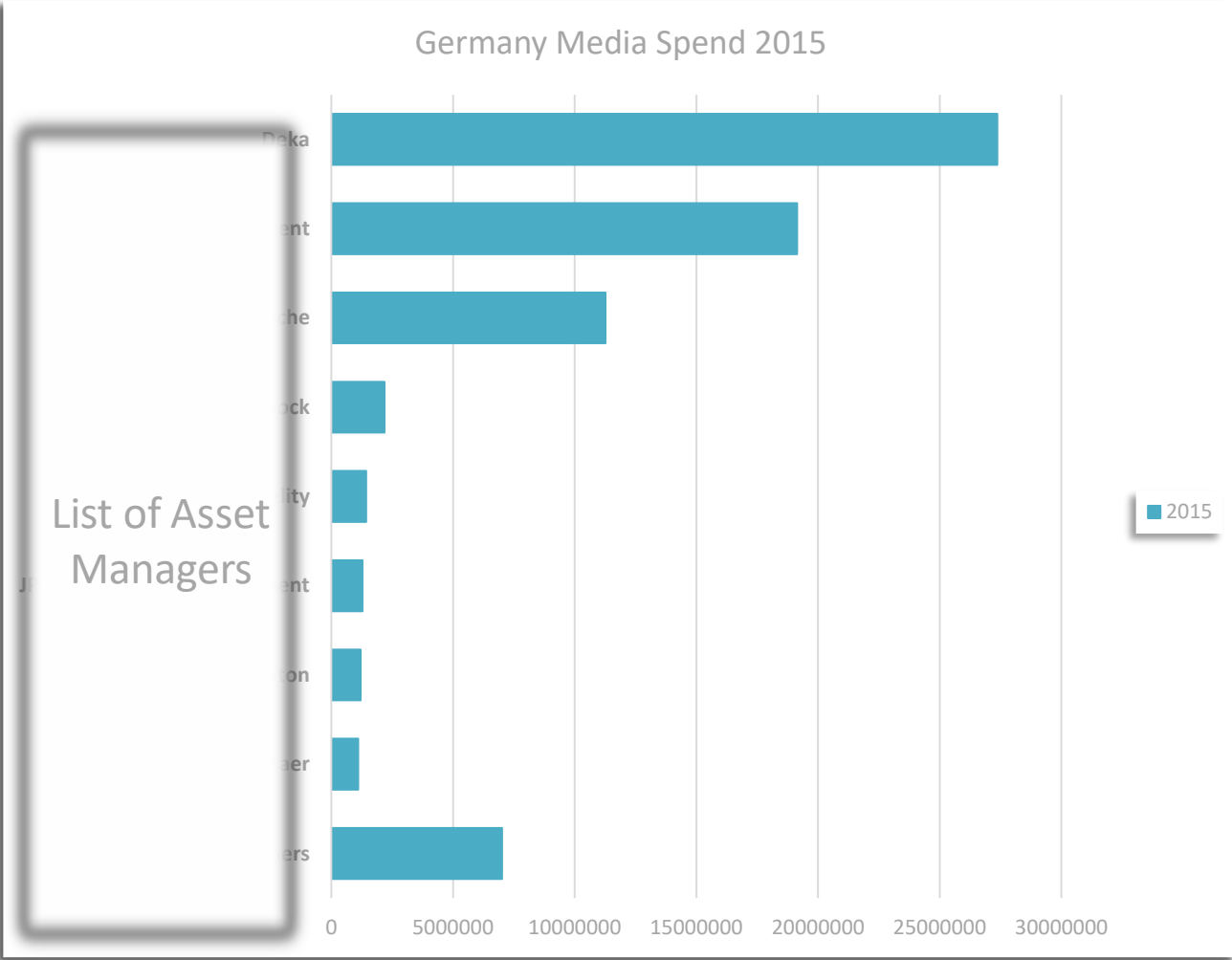


# TOTAL CONTINENTAL EUROPE\* - 2015 AND Q1 2016

List of Asset Managers



# GERMANY - 2015



# COUNTRY X

Company	2015		Q1 2016	
	Spend	% SOV	Spend	% SOV
	1293000	17%	10000	1%
ement	1210000	15%		0%
	1123000	14%	427000	45%
	609000	8%	38000	4%
	528000	7%	78000	8%
	362000	5%		0%
	319000	4%	12000	1%
	280000	4%	38000	4%
	268000	3%		0%
	249000	3%	68000	7%
	246000	3%		0%
	207000	3%	88000	9%
	189000	2%		0%
	173000	2%	27000	3%
	131000	2%		0%
	131000	2%	10000	1%
	102000	1%		0%
	87000	1%	15000	2%
	86000	1%		0%
	85000	1%		0%
	39000	0%		0%
	26000	0%	10000	1%
	18000	0%		0%
	17000	0%		0%
	17000	0%		0%
	15000	0%		0%
	9000	0%		0%
	3000	0%		0%
	3000	0%		0%
		0%	71000	7%
		0%	40000	4%
		0%	19000	2%
<b>TOTAL</b>	<b>7825000</b>	<b>100%</b>	<b>951000</b>	<b>100%</b>

List of Asset Managers



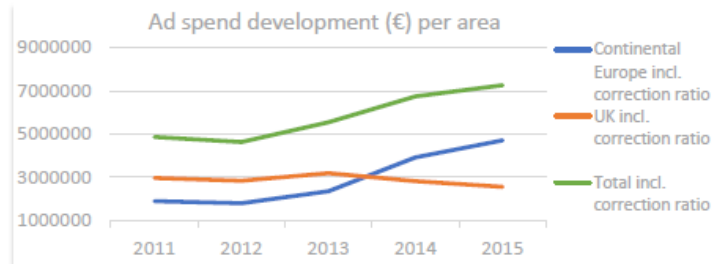
## Case Studies of 2 International Asset Managers with Strong Growth

# AVAILABLE INFORMATION

**In-depth business cases of marketing and spend of two of the fund buyer focus top 50 Asset Managers** who distribute both in the UK and continental Europe. They cover:

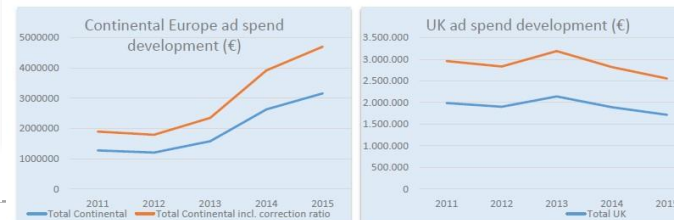
- Media Spend and Breakdown
- Headline AuM growth rate
- Strategic choices
- Choices regarding marketing activities
- Messaging, campaign themes and consistency in communication
- Marketing FTE and maturity of the marketing organisation

## INCREASING MEDIA SPEND – SHIFT TO CONTINENT

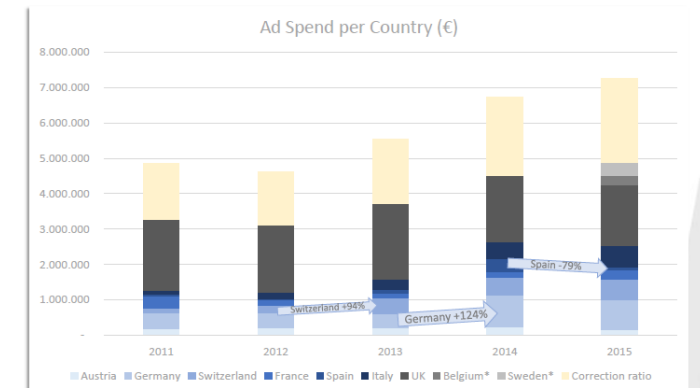


## AD SPEND CONTINENTAL EUROPE AND UK

- Ad spend data is completely in line with the growing focus of CompanyXYZ on Con
- Continental Europe ad spend growth from 2012 to 2015 163%



## MEDIA SPEND & BREAKDOWN





# Company name



# MANAGEMENT SUMMARY **CompanyXYZ**

## STRATEGIC CHOICES



- Strategy fully aligned with parent company
- Key deliverable is growing 3rd party assets
- Managed at arm's length with much autonomy including own brand
- Retail first - focus on the Global Middle Class (OwnerABC)
- Primary focus on indirect Retail UK & Europe (CompanyXYZ)

## MARKETING MATURITY



- CompanyXYZ has a mature marketing function that started their digital transformation.
- CompanyXYZ recently appointed professionals and allocated resources to address this.
- Strong Senior Management

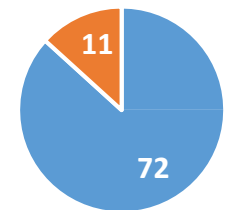
## MARKETING CHOICES & ACTIVITIES – **BIG, BAD & BOLD**

- The marketing approach of CompanyXYZ is Retail focused and budget heavy.
- The mix used is sponsorships, traditional advertising and events
- Roughly 4% of the staff has a marketing role
- The functions are geared towards traditional media, CompanyXYZ started to close the gap regarding digital and data to develop a more omni-channel approach.



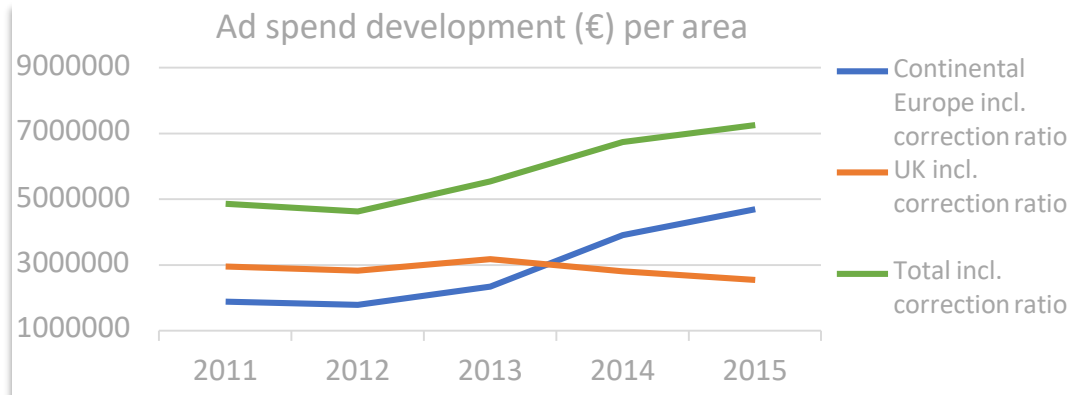
Marketing employees  
Total 83

■ Specified ■ Non-specified

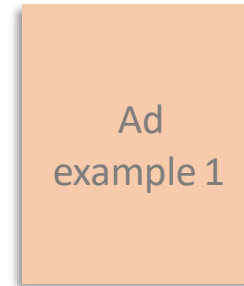


# MANAGEMENT SUMMARY **CompanyXYZ**

## INCREASING MEDIA SPEND – **SHIFT TO CONTINENT**

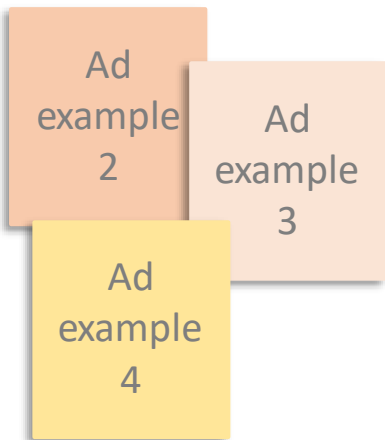


## MESSAGING AND **CAMPAIGN THEMES**



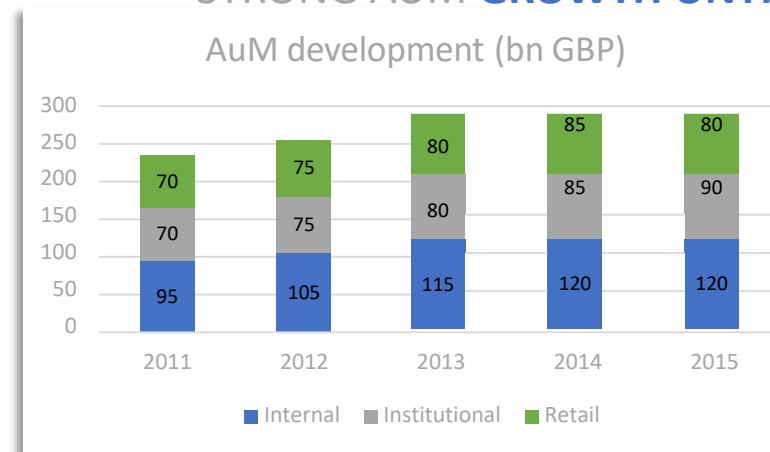
- Campaign themes are very much skewed towards generic brand campaigns and traditional product push ads
- Product campaigns moved from multiple products in the past to single product in 2015.
- The key product that was promoted was the Optimal Income Fund.

## CONSISTENCY OF **COMMUNICATIONS**



- While the focus of the corporate and products campaigns changed over time it's clear that the visual identity and the same campaign platform is used across all countries.
- We observe a switch from multi product towards single product approach in communications.

## STRONG AUM **GROWTH UNTIL 2014**



Profitability increased as result of higher growth rate of external AuM compared to internal AuM.