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SHIFTING THE DEMOGRAPHIC DIAL

**How can content help traditional wealth managers
tap into the next generation of investors?**

THE CHALLENGE

Of all the challenges facing wealth managers today, the issue of attracting and engaging a younger market is one that requires their full attention – not to mention a robust content marketing strategy.

By the very nature of their business model, wealth managers face a significant demographic challenge. It takes time to make money, so many wealth management clients tend to be in their 50s or 60s. Even if a client is new to the firm, at this point in their life, they are approaching the wealth decumulation, rather than accumulation, phase.

They will most likely be looking at estate planning and gifting funds. They may be in retirement and drawing on their wealth to go on holiday or start new ventures. Equally, they may have children who are in their teens, twenties and thirties – that time when university fees and first mortgages typically result in a call to the Bank of Mum and Dad.

All of this activity can quickly deplete the pot that wealth managers have to work with. Forward-looking firms are therefore attempting to insert themselves into the wealth journey at any earlier phase – supporting the younger generation to accumulate their wealth. But for firms that have traditionally catered for the older

client, and have therefore focused on personal relationships, tapping into the tech-savvy millennial demographic can seem daunting.

Without doubt, those firms looking to engage the younger generations will need to make investments into their online platforms and user interfaces. They must also provide a sliding scale of services that leverages trends such as robo-advice to enable the aspiring investor to access advice in a manner that suits their budget and their interaction preferences.

However, no matter what kind of interface is chosen, good quality content will be essential to keeping younger generations engaged at every point of their investing journey. There is also an opportunity to use content to encourage older generations to recruit their children as future clients of the firm – creating a business pipeline that feeds itself, and is far less exposed to the risk that is old age.

The team at Editions are a pleasure to work with, and...they showed flexibility, professionalism and a great deal of skill to deliver what was a challenging ask. We are grateful to them for their support on what has turned out to be a very rewarding campaign for SEI.

**KEVIN RUSSELL, PROPOSITION DIRECTOR,
SEI WEALTH PLATFORM**

THE SOLUTION

1. ASK YOUR CLIENTS WHAT THEIR CHALLENGES ARE

In Spring 2017, we undertook a survey of UK wealth managers. We asked them about their challenges and the issues – the 3am moments – they felt were keeping their clients up at night. This whitepaper is the response to one of the most common challenges – how to shift the demographic dial and attract a younger audience.

Knowing what wealth managers and their clients were most worried about enabled us to provide content that answered these issues. Speak to your clients. Learn what motivates them. Put yourself in their shoes. Knowing what drives your clients will help when it comes to delivering a personalised (content) response.

SEI were delighted with their report and its outcomes. As Kevin Russell, Proposition Director, SEI Wealth Platform explains: “The team at Editions are a pleasure to work with, and on this project they showed flexibility, professionalism and a great deal of skill to deliver what was a challenging ask. We are grateful to them for their support on what has turned out to be a very rewarding campaign for SEI.”

2. ACTIVELY ADDRESS WEALTH PRESERVATION

Wealth managers’ greatest source of future clients is arguably their current clients. As well as friends who are keen to hear about new wealth management propositions, clients will probably also have children who could inherit wealth, or take over the running of the family business. That said, succession planning is a tough topic to approach. But by employing a targeted and analytics-based approach, your content can be used to facilitate these types of conversations.

3. BUILD TRUST

The High Earning, Not Rich Yet (HENRY) cohort is hungry for information on accumulating and maintaining wealth. But they don’t necessarily trust information offered by “the man in the grey suit” who advises their parents. They are digital creatures who live on the internet, and trust their peers more than any other generation.

Become that trusted source of information by reaching out and engaging with them through targeted digital content. And we don’t just mean articles. We mean videos, motion graphics, podcasts and webinars, all supported by carefully crafted social media. This kind of content marketing might be new to many wealth managers, but it’s how the next generation of investors operate.

4. EMBRACE THE CULT OF CELEBRITY

In the age of YouTube and Instagram stars, societal aspirations have changed enormously. According to a 2017 report published social media network Clapit, 20% of millennials would rather be a celebrity than a lawyer, and circa 23% would swap being a doctor with being famous¹.

Younger generations no longer want older role models who are only prepared to share their success stories. They want to relate to authentic people of a similar age, or to those who have made mistakes but have turned their fortunes around.

The importance of getting the right content in front of the right audiences should not be underestimated – especially at a time when the competition among wealth managers to get the next generation of investors onboard is only intensifying.

Source 1: <http://www.independent.co.uk/life-style/millennials-extreme-lengths-celebrity-fame-disowning-family-give-up-marriage-break-up-not-have-a7547041.html>

WHAT NEXT?

The race to reach millennial investors has begun. A number of traditional wealth managers have already launched online services that appeal to the younger demographic. Others are doing a great job of gearing up their existing clients to recruit the younger generation. And some firms are working both angles, leaving little to chance.

Yet the race still has some way to run – and in such a competitive marketplace, there is never a single winner. Standing out from the crowd will, however, require something unique. And in a world where almost every wealth manager seems to believe its people and its culture are its key differentiators, a new breed of “unique” is needed.

While technology can, and will, be a differentiator for some firms, especially those that are able to build a slick interface, it won't be enough by itself. Content that reaches through the screen to grab the attention of next gen investors is a must.

The real trick, though, is balancing this with content that also speaks to your core investors, and keeps them engaged, whilst driving them to involve their family in the preservation of their wealth – and the future of your firm.

READY TO ENGAGE?



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