

# **HNW** SOCIAL MEDIA SOLUTIONS LTD

## **7 Key Benefits of Social Media for the Wealth Management Industry**

*Our free e-book to help the private banking & wealth management industry understand the importance of having a social media presence*

*by Graham Aikin, a former wealth manager  
and now a social media expert*

## Introduction

Social media is now considered by a large proportion of the population as a 'standard' way of communicating and, even amongst the mass affluent and high-net-worth demographic, there are some very compelling statistics around the use of social media:

- **9 in 10 HNW investors have used social media in the last 12 months**
- After websites, their most trusted source of information is social media
- 70% of mass affluent investors expect their advisor to provide market commentary via social media, 58% expect new product information
- 62% of HNW investors use LinkedIn at least once a week, 69% use Twitter daily

However, for various reasons (primarily around privacy and compliance) the wealth management sector has been one of the slowest industries to embrace social media.

This e-book has been created to give decision-makers in the industry a flavour of some of the key benefits of using social media, as well as some great examples of success stories from their industry peers.

One word of caution though - before any firm begins taking steps into social media, the importance of formulating a strategy cannot be stressed highly enough - those firms that fail on social media usually do so because they haven't given enough thought to which platforms they want to be on, where their clients are, and what they want to say.

Here is what we believe are the 7 key benefits of using social media... enjoy!

## 1. Raise brand awareness

One of the simplest ways to use social media is to drive traffic to your website, perhaps to your 'Market Update' page or your 'About Us' page. Any of the major social media platforms can help with this, but two of the most effective are **Twitter and LinkedIn Company Pages**.

Over **3 million** companies now have a page on LinkedIn, however it is really important to post regular content - this isn't just a 'cut and paste' of your website bio! One of the biggest mistakes companies make is to create a company page, get lots of followers, but don't engage with them.

A great example of a private bank's LinkedIn page...

**Arbuthnot Latham**

Home Services Insights

At Arbuthnot Latham we know that team work and trust produce the best results

**Recent Updates**

**Arbuthnot Latham** Spending Review 2013 relates to 2015-16 only: there will be bigger battles to come <http://ow.ly/mjVyZ>

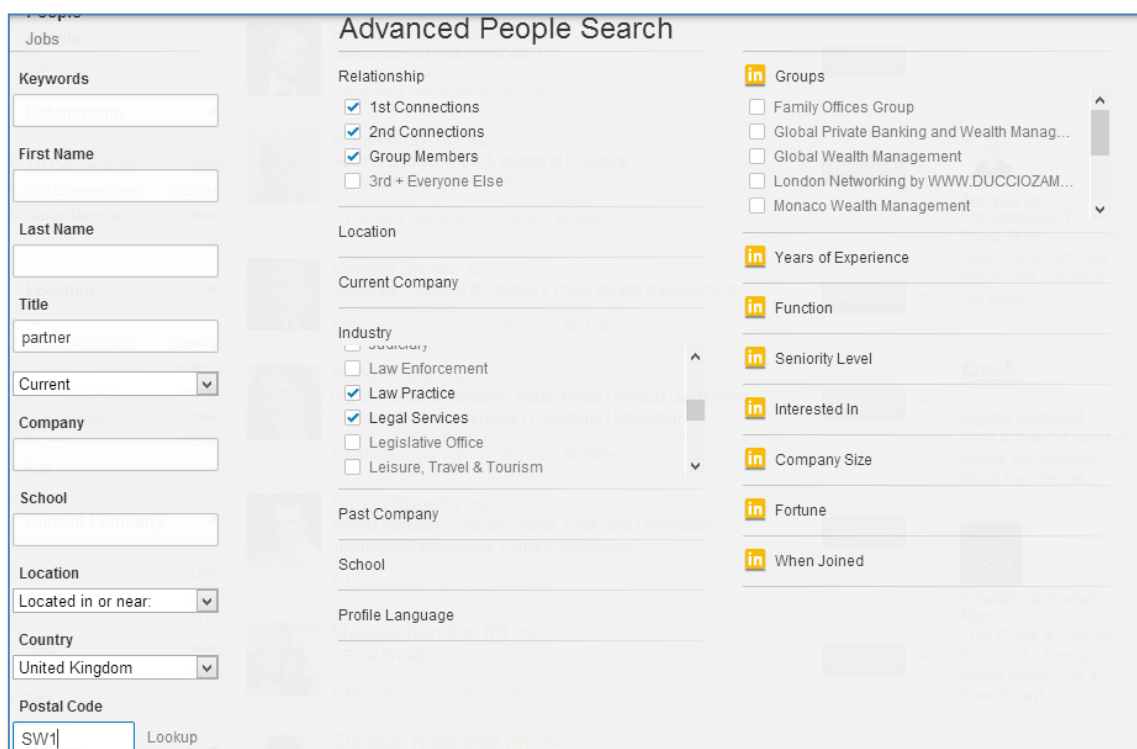
**Perspectives**  
arbuthnotlatham.co.uk • Non Executive Director of the Arbuthnot Banking Group since 2005, Ruth Lea's take on the economy. Ruth was previously Director of Global Vision between 2007 and 2010, Director of the Centre for Policy Studies between 2004 and...

Like (3) • Comment • Share • 7 days ago

**TOP TIP** - set up a list of services on your LinkedIn Company Page and get recommendations for them by your clients - you Page will then appear far more credible than one without any Services.

## 2. Find and engage with prospects and NextGen clients

What is your ideal client? Where is your target market? Many of our clients believe that HNW and UHNW clients are not using social media. This may be true to an extent, however by way of example you can **use the LinkedIn Advanced Search to find prospects** and, if this doesn't result in what you are looking for, think about using LinkedIn to **find strategic partners** who also work with your target market, for example lawyers and accountants:



The image shows a screenshot of the LinkedIn Advanced People Search interface. The search criteria are as follows:

- Keywords:** Relationship
- First Name:** (empty)
- Last Name:** (empty)
- Title:** partner
- Current:** (dropdown menu)
- Company:** (empty)
- School:** (empty)
- Location:** Located in or near: (dropdown menu)
- Country:** United Kingdom
- Postal Code:** SW1| (with a 'Lookup' button)

**Relationship:**

- 1st Connections
- 2nd Connections
- Group Members
- 3rd + Everyone Else

**Location:** (empty)

**Current Company:** (empty)

**Industry:**

- Advertising
- Law Enforcement
- Law Practice
- Legal Services
- Legislative Office
- Leisure, Travel & Tourism

**Past Company:** (empty)

**School:** (empty)

**Profile Language:** (empty)

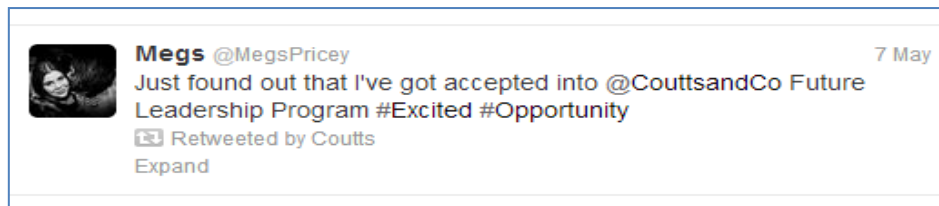
**Filters on the right:**

- Groups:**
  - Family Offices Group
  - Global Private Banking and Wealth Manag...
  - Global Wealth Management
  - London Networking by WWW.DUCCIOZAM...
  - Monaco Wealth Management
- Years of Experience:** (empty)
- Function:** (empty)
- Seniority Level:** (empty)
- Interested In:** (empty)
- Company Size:** (empty)
- Fortune:** (empty)
- When Joined:** (empty)

The above LinkedIn search, for law firm partners in central London, provided a list of over 1,000 people who could be potential clients or business referrers!

One of the major issues which the wealth management industry is currently facing is how to engage with the Next Generation of clients, many of whom are

'international' in outlook and are highly mobile, and **want to be able to communicate with their advisors 'wherever, whenever'**. Social media allows them to do this:

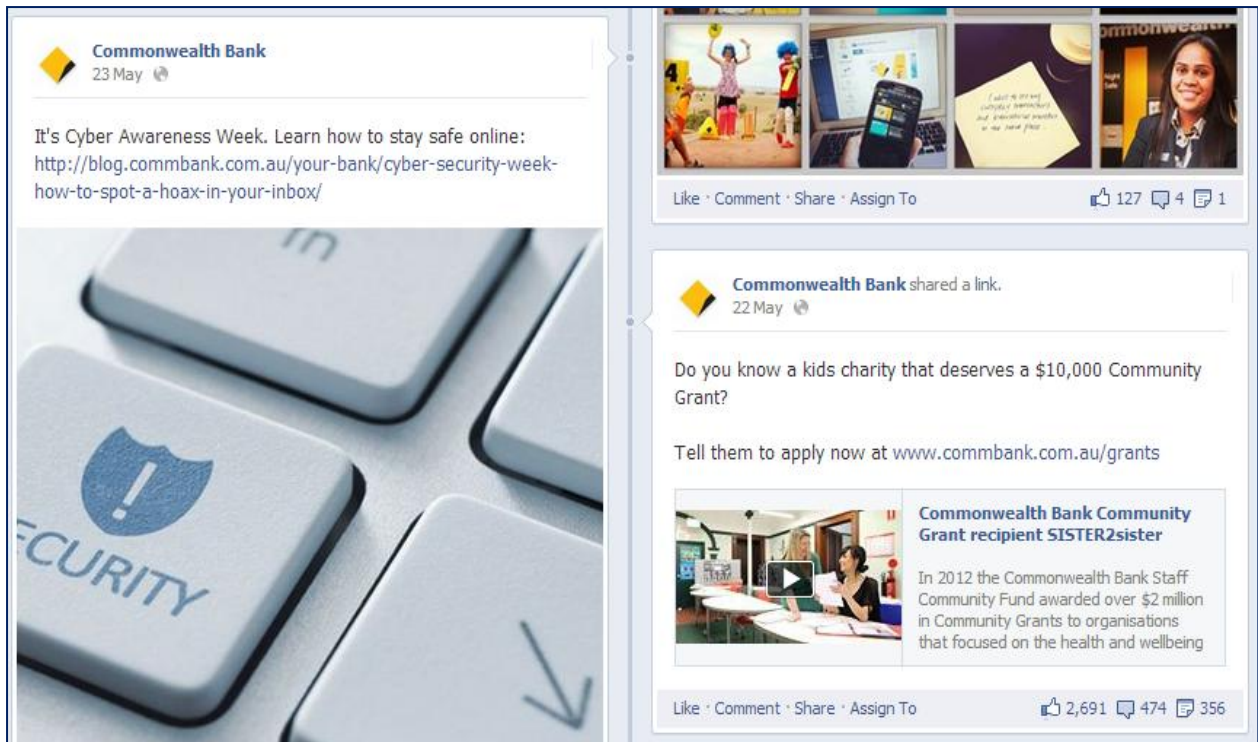


**TOP TIP** - once you have created an Advanced LinkedIn search, you can now save it and get an e-mail alert each time someone new falls within your search parameters - you never need to run the search again!

### 3. Deepen relationships with existing clients

Given the negative press which the financial services industry has experienced over the last few years, it is important that wealth managers attempt to deepen their relationships with existing clients, so as to retain their assets under management and enhance the client experience. One of the new ways which some firms are starting to do this is by creating a Facebook Community Page which, rather than being used to 'sell' or promote their products and services, is being used to **tell clients about events, seminars, sponsorship and charitable efforts.**

Take a look at this snapshot of Commonwealth Bank's Facebook page:



The post about the kids charity has received 2,691 Likes, 474 Comments and 356 shares - that gives them over **3,000** new people to engage with! And it shows their existing clients that they are more than just a 'bank' and are active in the local community.

**TOP TIP** - set up a Facebook Community Page and keep it updated (ideally daily) with interesting, visual content.

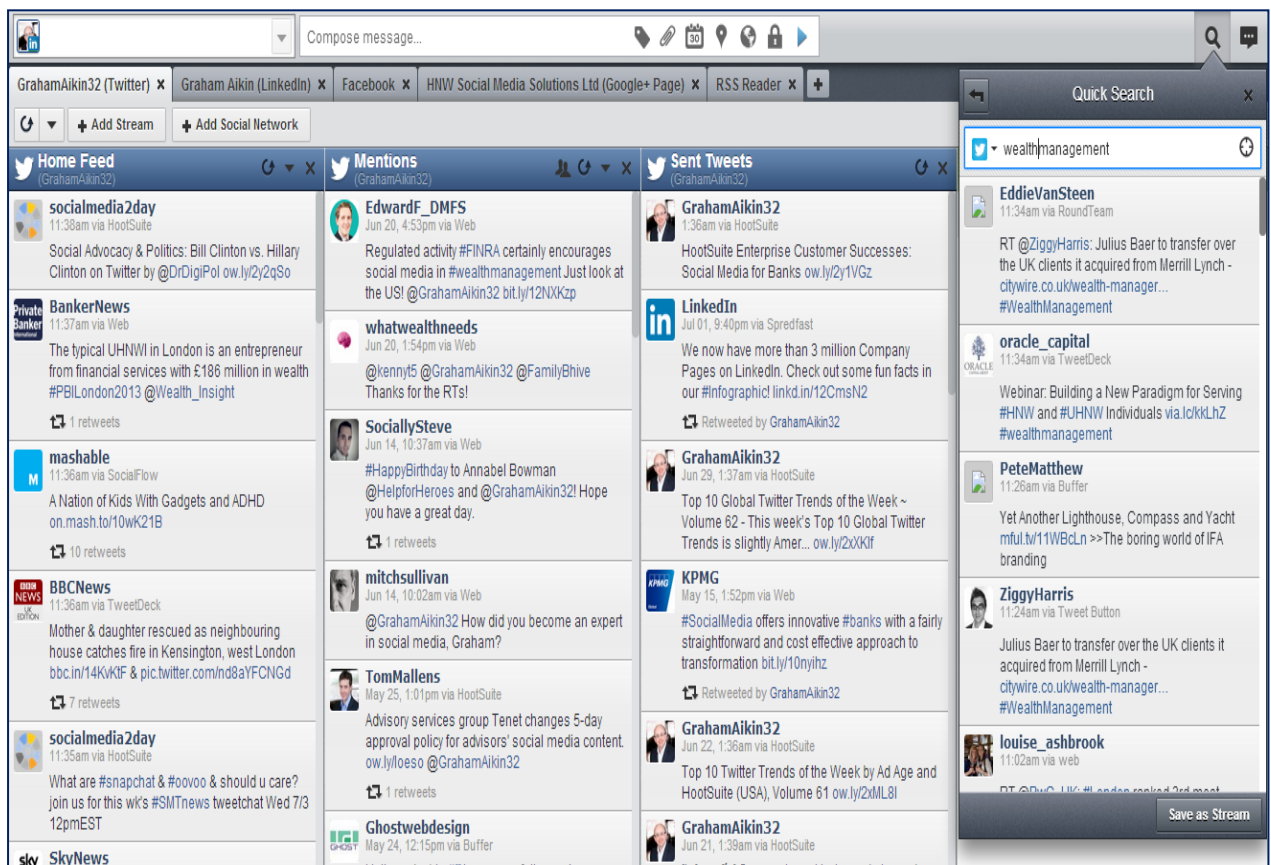
#### 4. React to reputational issues/complaints

Clearly the mitigation of reputational risk and the handling of local compliance regulations are major factors to consider when wealth managers are using social media. A **fantastic tool** to help address these concerns is **Hootsuite**, which helps you to:

- Monitor what is being said online about your brand
- React and respond in real-time to reputational issues and client complaints
- Schedule your social media content across multiple platforms
- Pre-approve content to ensure it is compliant before it goes 'out there'
- Archive and retrieve your content should your regulator require access

One of our clients has a number of different offices, each of which has its own Twitter account so that it can engage with its local market, and Hootsuite allows its marketing team to monitor what each office is doing.

Here is a snapshot of a typical Hootsuite dashboard:



**TOP TIP** - set up a quick search for your company name to see what is being said about your firm on social media worldwide

## 5. Monitor the competition and industry trends

**Twitter is an incredible tool** for monitoring what your peers and competition are up to, as well as keeping up-to-date with market news and industry trends.

Here is a search we undertook on Twitter using the hashtag #PBILondon2013, a wealth management conference we attended:



The screenshot displays a Twitter search results page for the hashtag #PBILondon2013. It shows a vertical list of six tweets. Each tweet includes a profile picture, the user's name and handle, the tweet text, and a timestamp. The tweets are as follows:

- Private Banker Int. @BankerNews** (7m): The typical UHNWI in London is an entrepreneur from financial services with £186 million in wealth #PBILondon2013 @Wealth\_Insight Expand
- Private Banker Int. @BankerNews** (10m): London: the multi-millionaire capital of the world? Ouliana Vlasova Head of Content of @Wealth\_Insight #PBILondon2013 Expand
- REddCM @REddCM** (1h): Barclays MD says 40% of HNWI's state entrepreneurship as primary source of their wealth. Only 20% inherited. #PBILondon2013 Expand
- Coutts @CouttsandCo** (1h): London is setting an international gold standard in establishing a transparent financial advice industry #PBILondon2013 Followed by Edward Felmingham Expand
- Private Banker Int. @BankerNews** (1h): Client's trust remains low. We need to rebuild the trust and make it the heart of our propositions. James Fleming #PBILondon2013 Expand
- Coutts @CouttsandCo** (1h): The financial service industry's contribution to the UK economy cannot be underestimated, says Michael Morley at #PBILondon2013 Expand

As you can see, this is a scrolling news feed of some of the key messages from the conference s, and anyone not attending can get a really good understanding of what is being said.

Competition for 'share of wallet' is extremely strong in the industry and it is therefore imperative that key decision-makers have a deep understanding of industry trends.



**TOP TIP** - set up a Twitter List of all of your competitors Twitter feeds, keeping it separate from the rest of the social media 'noise'.

## 6. Expand your professional network

One of the primary ways in which private bankers and relationship managers can grow their book of business is to expand their professional network, both in the 'real world' and via social media.

**LinkedIn still remains the only online business networking tool**, however most users still don't understand its true potential - **LinkedIn is not an online CV**, which only headhunters care about(!), but should be used as marketing tool by individuals to engage with their connections - what is the point of having 500+ connections if you're not doing anything with them?

Here is a snapshot of a great professional headline (not a job title):



The image shows a LinkedIn profile for Jon Kinnell. On the left is a square profile picture of a man in a suit. To the right of the photo, the name 'Jon Kinnell' is displayed in bold, with a '1st' badge. Below the name is the headline: 'Working with Individuals, Family Foundations and Corporate donors globally to optimise their impact.' followed by 'London, United Kingdom | Philanthropy'. A list of work and education history follows: 'Current Charities Aid Foundation', 'Previous The Co-operative Banking Group', and 'Education CMI Chartered Management Institute'. At the bottom left is a blue 'Send a message' button. At the bottom right is a grey 'Suggest connections' button with a dropdown arrow, and a '67 connections' badge.

Jon uses LinkedIn to find HNW donors and, although he is based in London, has attracted donors from the Far East by having an engaging LinkedIn profile.

One of our other clients, a mortgage broker, has written **over £8m** of new lending merely by re-connecting with his former clients on LinkedIn!

**TOP TIP** - ensure you write an interesting and engaging summary on your LinkedIn profile - this is where you need to tell **the reader what your value is for them**, it is not a list of your expertise.

## 7. Ultimately, grow your business and increase stakeholder value

It's fair to say that the ultimate reason to use social media, like your other marketing efforts, is to grow your business and increase stakeholder value. Social media, as explained above, can be used for all sorts of reasons, and it is recommended that you use a combination of platforms (for example LinkedIn and Twitter) to achieve your different objectives, as well as educating your employees on what they are permitted to do online. It is also important to obtain the buy-in of all key decision-makers, whether that be compliance, HR, marketing or IT as the most successful firms on social media have ensured at the outset that everyone understands its importance.

**TOP TIP** - talk to us about our services!

## Conclusion

There is no doubt that the wealth management industry has significant hurdles to overcome when using social media, however with a comprehensive strategy and a deep understanding of how social media platforms and monitoring tools can be used, the industry can establish itself as a leader in client engagement in the next few years.

## Contact Us

We have an in-depth knowledge of all of the major social media platforms and would be delighted to have a no-obligation discussion about your needs. Our founder, Graham Aikin, spent several years in the wealth management industry as a private banker and is therefore able to 'speak your language' in terms of compliance, risk and relationship management. He has trained over 1,500 professionals on the use of LinkedIn and has numerous success stories, so please get in touch for an informal chat!

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