



Marketing Challenge:

How do you launch a sophisticated financial program to a target audience of High-net-worth and Ultra HNW clients and their advisors?

Early in my career, Consulting Group, a subsidiary of Smith Barney, considered to be the leader in fee-based portfolio management programs at the time, approached us regarding their two new program offerings: “Select” and “Choice.” Their objective was to introduce these new portfolio management programs and to explain how they worked in a way that made sense to both clients and advisors. They wanted to demonstrate their process of vetting and filtering more than 3500 of their best portfolio offerings into a list of approximately 50 portfolios. This “select list” would be chosen using a strict proprietary process based on everything from portfolio turnover rates to risk management and sell disciplines among other criteria.

Consulting Group would then create customized portfolios for individual clients that balanced each client’s unique financial objectives, risk tolerance, liquidity needs and lifestyle. Finally, they blended together selected portfolios into a proper asset allocation model for each client.

The Select and Choice programs had a number of “moving pieces” that were not easy to explain in traditional face-to-face client meetings or over the telephone. In addition, fee-based programs were a fairly new concept at that time in the industry. The advisors were not quite ready to adapt their business models in order to make it simple to understand. They needed help to jump-start the understanding of the programs by both the financial consultants and their clients. The key, we recognized, was to help them simplify their communications.

The traditional marketing tools in the financial industry were high quality, well-written brochures, letters, product sheets and high-end mailers as well as seminars. However, without a detailed explanation of their new programs presented in an easy-to-understand format, these methods were ineffective. As you can imagine, the programs were not taking off and they needed a new approach.

The Solution: A High-Quality Video Series

We proposed a sophisticated video that tied together graphics, animation and a number of interviews with the program’s designers, portfolio managers, executives and advisors. This approach would provide clients and prospects with an understanding of the program simply and directly.

Consulting Group needed first to understand this would not be a slapdash product produced in a week. The video required research, scouting, pre-interviews, scripting and production with a talented production team and took almost 2½ months to complete. The budget was considered high for the time, but the leaders of Consulting Group understood its value and the impact it would bring to their business.

Results: Transformative

The result was that Smith Barney’s 15,000 advisors immediately understood the potential of Consulting Group’s approach for their clients and their businesses. There was a dramatic increase in the number of inquiries into the Choice and Select programs. Prospect conversion rates rose substantially and the business began to grow.



Over the course of the next five years, Consulting Group's assets under management grew by ten times. The video was sent out to more than 700 UHNW and HNW clients and the conversion rate was above 50% among their targeted prospects and clients.

Consulting Group's program has become the model for the industry and before too long everyone on the street had their own Portfolio Management video presentations.

Doing it with Today's Tools

Back then; a video project resulted in physical videotape mailed in glossy, high-end packaging with a cover letter from the financial consultant to his or her prospects. The advisor would follow up with a telephone call to prompt clients and prospects to view the video.

Today, we can stream high-quality video and email links directly to clients and prospects. We can post them on websites and analyze who is watching them and then follow-up with telephone calls or an invitation to meet via email. Using demographics, an advisor can target the ideal prospects for their business.

With the latest technology, video production has become faster, more sophisticated and far less expensive. However, top quality video production requires time, intelligence, experience and high-end execution. People can tell when you haven't devoted the time and care to give them a professional product. A poor-quality product is worse than no product at all.

Throughout my career, we have targeted the UHNW and HNW clients, prospects and advisors with videos and streaming media that are both educational and entertaining. The results are immediate and dramatic, showing engagement with the video and, thus, with the company.

The Next Challenge

We were recently approached by an investment bank about a new lifestyle-based portfolio allocation program using a variety of external Portfolio Managers that employ both an active management style and a low-cost passive investment style in a blended portfolio. The challenge is getting the advisors, who are primarily transactional-based, to understand the benefits of a fee-based model for their clients and their businesses. As with Consulting Group's video, streaming media featuring animation and interviews might be right solution for them.

If you are interested in learning more about effective ways to market,
please feel free to contact us at Westcott Associates.