

GUIDE

# Wealth Management

9 Social Media Guidelines for Wealth Management Firms



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Wealth management firms that embrace social media can position themselves to gain advantage in a financial services market where brand image, reputation, and new business opportunities greatly depend on client-generated reviews and content. Additionally, wealth management firms and financial advisors who use social media in a strategic and compliant fashion can turn negative perceptions or service issues into business wins and loyal clients.

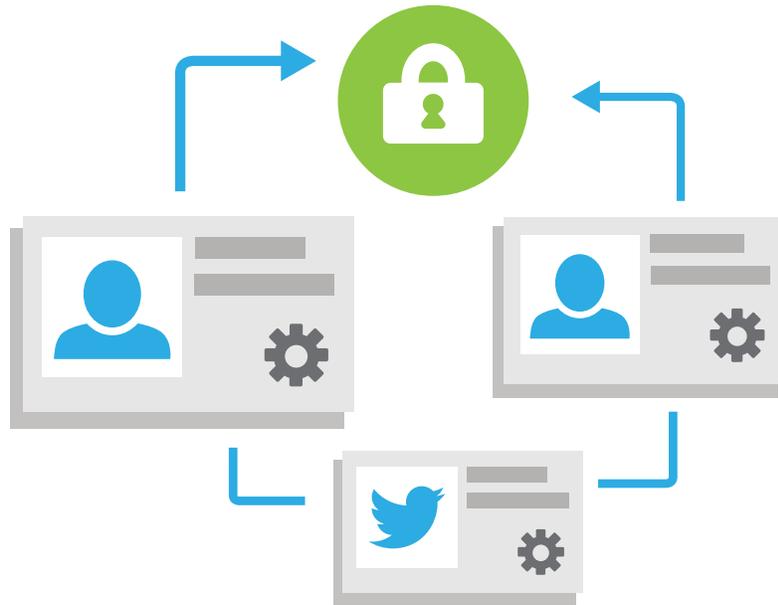
A recent [Putnam Investments study](#) reported that 75 percent of wealth management advisors use at least one social network for business, and 49 percent of advisors have used social media to acquire new clients. An [Accenture survey](#) revealed that financial advisors can use social platforms to forge deeper, stronger relationships with existing clients and recruit new clients. Forty percent of financial advisors said they had acquired new clients through Facebook, 25 percent through LinkedIn, and 21 percent through Twitter. The same survey found that internal social communities helped financial advisors connect with in-house experts to answer complex customer questions.

Investors are eager to connect with their financial advisors on social media. The [2014 World Wealth report](#) from Capgemini and RBC Wealth Management reported that trust and confidence in financial advisors is on the rise after reaching almost historic lows in recent years. The improvement is partially attributable to social media providing a platform for open, meaningful dialogue with potential clients. The survey also reported that 41 percent of high net worth individuals under the age of 40 cite social media as important for accessing information, 36 percent for engaging with wealth managers and firms, and 34 percent for executing transactions.

[Cogent Research](#) reports that 34 percent of affluent investors are using social media platforms for personal finance and investing reasons, and that nearly 70 percent have reallocated investments, or began or altered relationships with investment providers based on information discovered on social media.

These statistics reinforce how important it is for wealth management firms, asset managers, and financial advisors to have a strong and proactive social media strategy. However, some firms have been reluctant to use social media because of the liability and reputational risks stemming from erroneous or inappropriate postings. Fortunately, fears or risks concerning security, regulatory guidelines, or compliance can now be mitigated by a solid social media foundation, defined workflows, and an educated investment in a social relationship platform.

Hootsuite developed this guide to help you implement a social media strategy that supports your business goals and delivers measurable ROI, ensures your wealth management firm adheres to all compliance requirements, and is backed by a social relationship platform that meets the needs of social media stakeholders across your organization.



### Guideline 1: Take Control of Your Social Media Presence

Any social media account linked to your brand can affect your firm's credibility, reputation, and compliance, yet many wealth management firms may not know the full extent of social media use in their organization. Hootsuite provides audit capabilities and the ability to centralize ownership of all social media accounts.

- Inventory all social media accounts associated with your brand. Look for local social media initiatives by managers or advisors, dormant accounts that may have been established for a one-off marketing campaign, and accounts associated with subsidiaries or international offices.
- Centralize ownership of social media profiles. Hootsuite provides centralized account provisioning, a multi-layered permission system for publishing, checks for regulatory compliance, and archival of public and internal social messaging to meet retention and retrieval requirements for your firm.
- Protect your social media accounts. Hootsuite enables you to implement secure single sign-on for users and assign permission levels that can be modified centrally.

The average enterprise has 178 social media profiles.



## Guideline 2: Establish a Social Media Strategy to Achieve Business Goals

Bring all departments together, including Marketing, Sales, Customer Service, Human Resources, Compliance, and IT to ensure you have a unified social strategy that promotes a consistent brand voice and presence, fosters collaboration that amplifies your social media efforts, avoids duplication, and is aligned with enterprise business goals.

- Identify business objectives first, then determine how social media initiatives can support those objectives.
- Solicit recommendations from all stakeholders in your firm, from executives to asset managers to front-line social media users, then build consensus on the best strategy to adopt.
- Shape your strategy across teams, business units, and regions by tagging keywords and listening to what is being said on social networks about your firm, brand, investment products, services, industry, and competitors. You will be able to uncover opportunities for engaging with clients.
- Formalize processes and workflows for receiving, sharing, and responding in a compliant manner to client messages over social networks. An incoming message could be a question about investment opportunities, current accounts, career advice, and more. Plan ahead to make sure the right people are involved and you respond to the client in a timely and appropriate manner.



### Guideline 3: Be Proactive About Regulatory Compliance

Wealth management firms today are using robust social relationship platforms such as Hootsuite to mitigate risks, ensure compliance, and confidently engage in social marketing, selling, and customer service. Hootsuite offers functionality to review all posts before and after publishing to ensure compliance.

- Become familiar with regulations and recommendations from FINRA, FFIEC, the SEC, and other regulatory bodies. There are also numerous state and regional laws and countless legal cases that have set the rules for what investment advisors can and can't do with social media. Hootsuite keeps up-to-date on regulatory guidelines and provides platform functionality for firms to remain compliant.
- Use a social relationship platform such as Hootsuite to create compliant workflows that eliminate burdensome and time-consuming email threads between social media content producers and compliance officers.
- Categorize and archive all social media content for quick retrieval to meet regulatory guidelines. Archiving can be a complex process given the interactive and real-time nature of social media, but Hootsuite can automatically perform this task.
- Hootsuite can help you develop custom corporate compliance guidelines into your workflow.



#### Guideline 4: Train & Educate the Entire Team

An educated workforce that is well-trained to be social media proficient is not just a competitive necessity but a regulatory one as well. According to the [Financial Professionals Social Media Adoption study](#) conducted by American Century Investments, 69 percent of financial professionals now have formal social media policies at their firm.

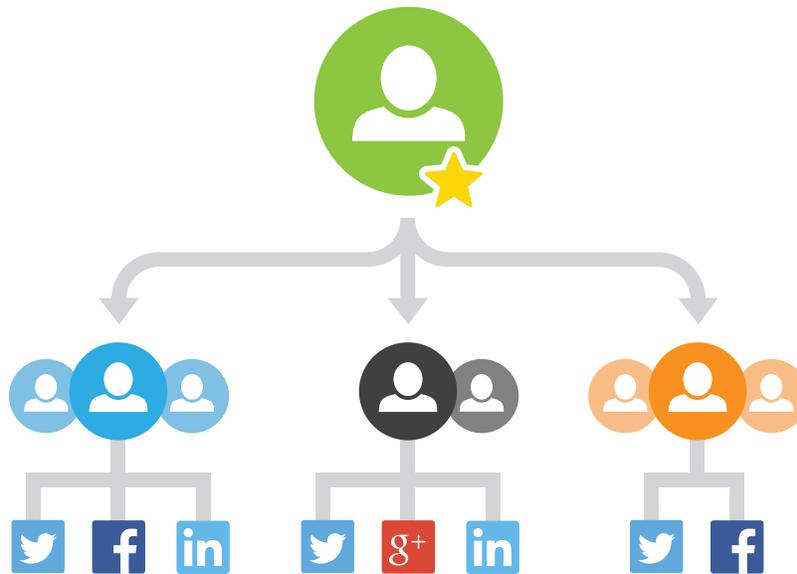
- Create a “playbook” of policies and guidelines for social media usage and compliance.
- Develop processes around account permissions and message approvals.
- Focus training efforts on how to use social media effectively to achieve business goals.
- Consider an external certification program such as the one offered by the [S.I. Newhouse School of Public Communications and Hootsuite](#) to provide a formal framework for social media training and strategy.
- Educate executives who can be high-profile leaders of internal social initiatives as well as your best brand ambassadors on external social media.



### Guideline 5: Engage Customers Locally

Whether you are a partner in a small group of certified financial professionals or a multinational investment bank with hundreds of locations, you need to connect with customers where they live and work.

- Monitor industry terms or brand mentions based on location using the geolocation functionality offered by Hootsuite. This will reduce incoming noise and allow local social media users to see only local messages.
- Create a virtual perimeter, called a geofence, around a real-world geographic area to target outbound social media messages by country, state, region, or city so followers see content relevant to their location.
- Use demographic targeting to reach specific segments of consumers based on age, gender, relationship status, education level, and other attributes.
- Listen to what your customers are saying on social media. Many of their conversations and posts may be related to insurance needs, such as birthdays, car shopping, house hunting, marriages, and other life events. Using this insight, you can craft intelligent responses.
- Use your social media accounts to communicate information if catastrophic events occur, from safety tips to making claims.



#### Guideline 6: Define Workflows to Deliver Better Customer Support

[McKinsey & Company](#) reports that social media offers companies the ability to redefine the delivery of service to customers while dramatically lowering costs. Create and document a triage process for categorizing, reviewing, and responding to inquiries and complaints from clients over social media networks.

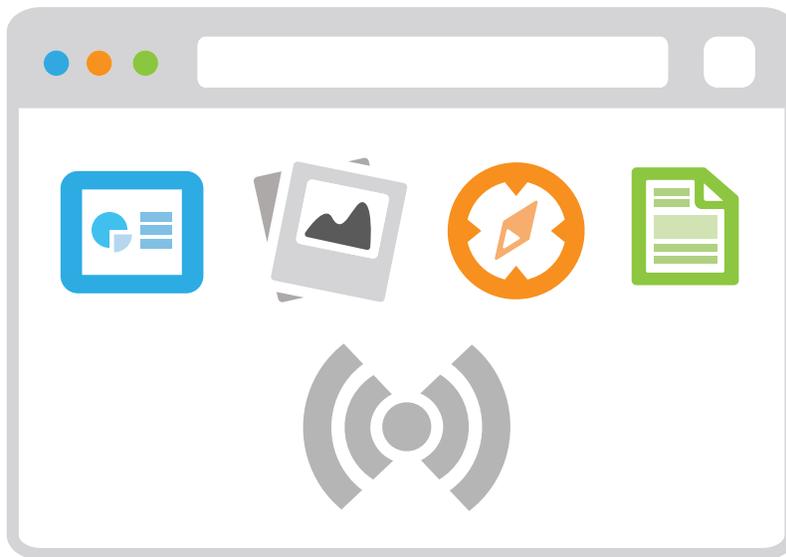
- Work with Compliance and Public Relations to determine which messages should not be responded to over public channels or responded to at all, or to identify any individuals that should be blocked.
- Respond quickly to clients but avoid stock responses when possible. It's useful to have a library of legally approved content from your Marketing department. If possible, respond individually, which carries greater influence and results in stronger customer affinity.
- Protect your clients' privacy by educating your team about when to take conversations off public social media networks and into other channels of communication.
- Access in-house experts and escalate issues as needed to resolve client problems and answer questions.



### Guideline 7: Measure and Analyze to Demonstrate ROI

Social media lends itself to measurement and analytics because it creates data that can lead to intelligent action. According to [Advisor Websites blog](#), social analytics provides valuable information that can help direct your overall online strategies and enhance your social media engagement initiatives.

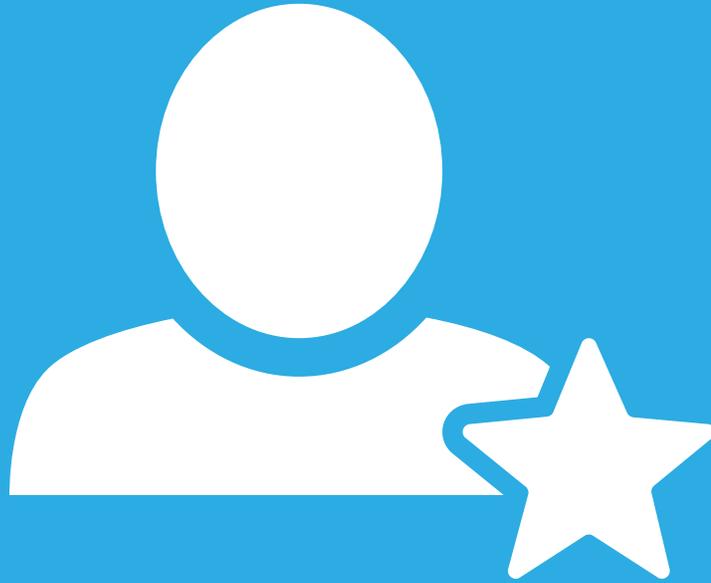
- Tie your social media strategy to specific business goals and identify the relevant metrics that will support those goals and deliver ROI.
- Track social media customer care metrics such as response times, time to resolution, and number of case resolutions through a specific social channel.
- The Hootsuite social relationship platform works with popular analytics packages such as Google Analytics and Omniture. You can measure not only comments, likes, and followers, but also perform end-to-end tracking of consumer behavior such as click-throughs to your website, campaign conversions, leads, revenue, and other strategic outcomes attributable to social media initiatives.
- Apply the intelligence you gain to optimize programs, hone your message, and invest in social media promotions that deliver the highest return.



### Guideline 8: Develop a Robust Content Strategy

You are likely to be using multiple social networks as part of your strategy, including Twitter, LinkedIn, Facebook, and others. You will need to stay active on these networks and develop an effective content strategy to keep your audience engaged. [The American Century Investments study](#) reported that the top three types of information financial professionals want from asset managers are commentary/market insight, market news, and educational content to share with clients.

- Monitor messages and campaigns to discover what resonates with your audience, then spread effective messages across multiple channels.
- Use content discovery capabilities to find and suggest relevant, interesting content that will engage and educate your social media followers.
- Deliver content that highlights your brand attributes and positions financial advisors as experts in investors' needs. For example, educate consumers about the different types of investment instruments, saving for retirement or college, or how to develop an individual risk profile.
- Produce a mix of content for social media publishing. A good rule of thumb is 30 percent original thought leadership/educational content, 50 percent curated content from other sources, and 20 percent promotional content.
- Develop an editorial calendar and publishing schedule. Hootsuite lets you plan social media posts in advance and schedule their automatic publication.



**Guideline 9:**

# **Make the Necessary Commitment to Achieve Success**

Forward-thinking wealth management firms are committing to the necessary step of using a social relationship platform such as Hootsuite to accelerate and derive measurable business value from their social media efforts. A social relationship platform isn't simply a convenient way to manage social media, it's the foundation of your ability to integrate all stakeholders and to execute an effective and compliant social media strategy in support of business objectives.

Get started today.

# About Hootsuite Enterprise

Partner with Hootsuite to accelerate your social transformation



Hootsuite Enterprise empowers organizations to execute business strategies for the social media era. As the world's most widely used social relationship platform, Hootsuite Enterprise enables global businesses to scale social media activities across multiple teams, departments, and business units. Our versatile platform supports a thriving ecosystem of technology integrations, allowing businesses to extend social media into existing systems and programs.

We help organizations create deeper relationships with customers and draw meaningful insights from social media data. Innovating since day one, we continue to help businesses pioneer the social media landscape and accelerate their success through education and professional services.

Request a custom demo today by visiting [enterprise.hootsuite.com](http://enterprise.hootsuite.com)

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