



# The case for social media in the decade ahead

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For an industry in which legal and compliance regulations can complicate even the simplest of public-facing communications, is a responsive social media presence even possible? And is it worth the effort? Franklin Templeton Investments says the answers to both questions are ‘yes’.

### What's the Big Idea?

Back in 2009, an ambitious member of the Franklin Templeton marketing team wondered: *'what would happen if we took a popular figure and public speaker like Dr. Mark Mobius and gave him a blog? And a Twitter account? Demand for the globe-trotting portfolio manager's emerging market insights and experience had him making media appearances and doing interviews regularly anyway, so why not see what happens when he's given his own platforms?'*

Dr. Mobius enthusiastically embraced the opportunity and, after a great deal of legal and compliance work, he launched his blog, *Adventures in Emerging Markets Investing*, and his Twitter account, *@MarkMobius*.

The response was immediate, positive, and wide-ranging. Suddenly, Dr. Mobius had a way to easily share what was on his mind: trends in far flung locales, political bellwethers, regional or sector hotspots.

Those curious about the emerging markets guru's insights could easily access them, day or night, whether they lived in Alabama or Zambia. And, better yet, they could even ask him questions.

Within months, though the legal and compliance issues around financial services' use of social media were relatively uncharted territory, it was evident that there were thousands of people around the globe interested in portfolio manager perspectives on social media.

To capitalise on this growing opportunity, we broadened the firm's social presence, creating a variety of content suited to myriad channels and audiences. This meant thinking through the infrastructure that would support compliant, scalable, and repeatable processes.

#### Among the elements we built were:





### Making it Personal

Relying on purely organic growth at first, these new social channels enjoyed a warm reception. However, in a space where individual or business-to-consumer interactions were natural, the social media relationship between individuals—an uncontrollable mix of advisory clients, end investors, investing enthusiasts, and others—was more challenging to nurture.

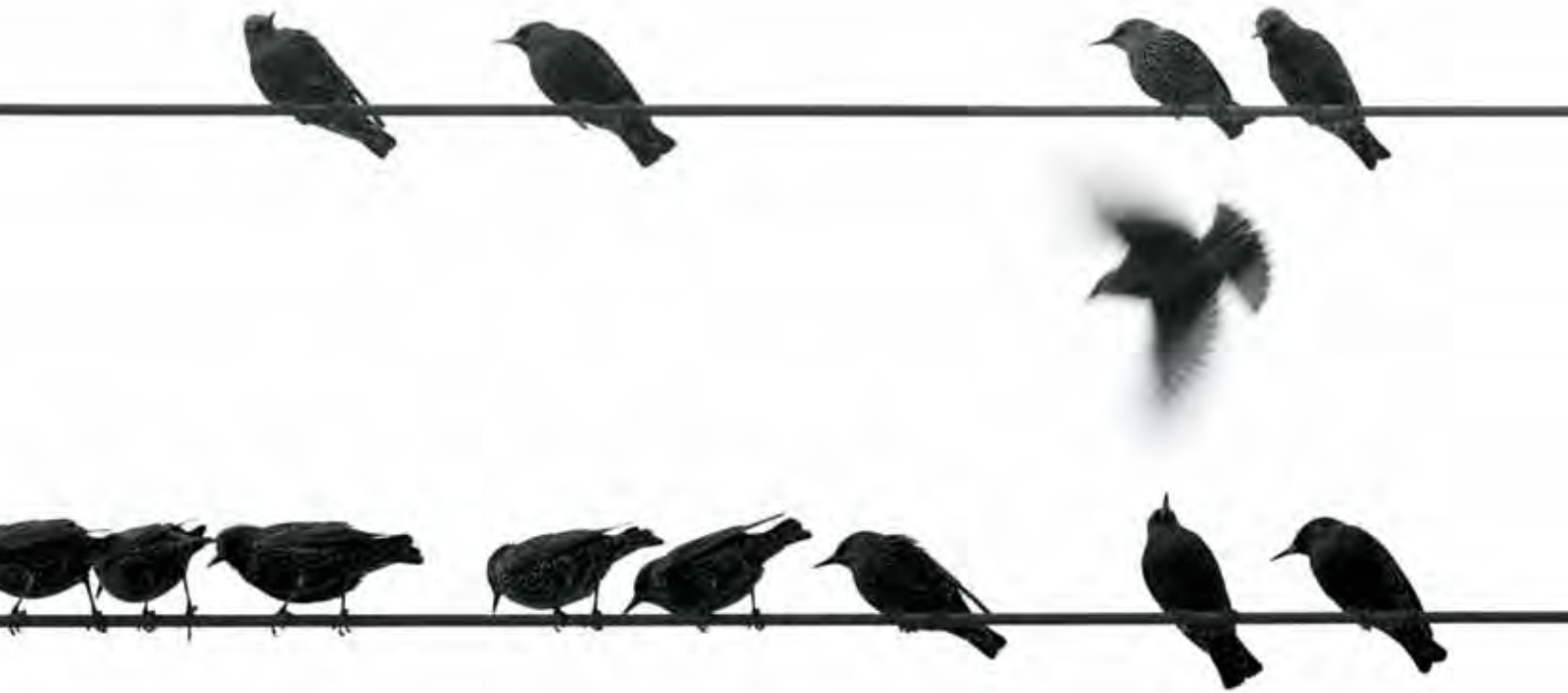
While the ranks of fans slowly grew and they increasingly not only consumed, but shared the corporate-branded content they especially enjoyed, the question became: *how can the firm empower its sales-force to easily, effectively, and compliantly tap into the communications and networking power of social media in order to be where our clients are, engage with them, and make doing business with us as easy as possible?*

Salespeople were meeting with, calling, and emailing their clients and prospective clients on a daily basis. Social media is merely another communication tool, so while the practical and compliance concerns were certainly complicated, they were also manageable.

Presented with the potential to positively impact the sales process and the additional digital reach that could be supported by individual sales personnel through social media channels, the firm was able, in about four months, to resolve technological, process, and content questions around how to support sales-level social media activity.

A key element for us was a web-based software solution designed to support various aspects of a social media programme: compliance, ease of use, and measurement.

With this tool and these processes in place, we were able to supply a diverse global pilot group with separate libraries of social content that were relevant and compliant in their respective local markets. In simpler terms, each new programme participant was suddenly able to maintain an active, visible LinkedIn presence designed to meet the varied needs of his client community in just two clicks.



As Julien Semonu, Franklin Templeton's Marketing Director Southern Europe/Benelux notes, *"Of course we were interested in leveraging social to maximise the reach of our priority marketing messages, but we knew that if we wanted our clients to engage with us, we had to be responsive to what they wanted to talk about and not just push our own agenda."*

To enhance the potential impact of each post, we worked with each sales person to import his or her existing client list to LinkedIn. We were able to create a process they found to be simple and successful, resulting in immediate increases in the number of clients within their respective communities.

While this sort of automation is ideal, in the early stages we found that one-to-one training and follow up meetings with sales users of social media was vital. It was through these individual training sessions and ongoing check-ins that were able to gain insight into the realities of practical application, allowing us to establish best practices and to improve upon every aspect of the programme in ways with the potential to make a positive impact on the bottom line.

Early results indicating ease of use and effectiveness encouraged adoption and sales users' social media activity generated considerable incremental digital reach as well as creating opportunities to support financial advisers. Based on those successes and the ever expanding corporate social channels, we decided to test the addition of country-specific social media programmes to complement the existing global one.

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### Going Global

The first test market we identified was France, which was followed by a pilot programme in Italy a few months later. After extensive preparatory work with the local marketing, legal and compliance teams and their U.S.-based counterparts, we were able to identify the local adaptations required to sustain these new country-specific programmes in Europe. The scope of these social media programmes included:

- 1. Individual sales-level use of LinkedIn:**  
Sales personnel signed up to Hearsay Social, connecting their personal LinkedIn accounts to the tool. This enabled them to publish vetted content directly through their LinkedIn profile and to fulfil local compliance process requirements.
- 2. Local corporate-level use of LinkedIn:**  
This is about geo-targeting status updates so they are only pushed to the newsfeeds of local followers in France and Italy. This enables us to deliver local-language status updates that include links to locally-approved content.
- 3. Local corporate-level use of Twitter:**  
Establishing a French language Twitter channel: @FTI\_France and an Italian language channel, @FTI\_Italia, both of which enabled local language content delivery and a means to directly target local clients as well as local media and influencers.
- 4. Both French Italian-language playlists available on the firm's global YouTube channel:**  
With local video production pipelines that did not warrant stand-alone channels, we opted to reduce administrative effort while still providing a conduit for local-language, locally-approved video content, such as portfolio manager commentary.

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Facebook was reserved for reconsideration at a later stage, though global trend lines indicate financial advisers are increasingly adopting the platform for business use, and are reporting success in prospecting for new clients there.

In many ways we were able to capitalise on lessons learned with previous efforts, but each market did present unique circumstances and requirements that needed to be addressed.

In France, for example, we discovered that the archiving function of the Hearsay Social tool—which was critical to our compliance processes—created a situation in which French-resident online data was being stored offshore on servers in the U.S. This is allowed, but gaining permission to do so requires a legal application to the government, a process which can add up to three months to your rollout schedule.

France also presented us with an interesting conundrum in that local privacy laws do not allow personal online behaviour to be monitored by an employer, but compliance requirements are such that active monitoring of employee online behaviour is necessary in order to ensure employees are behaving in a compliant fashion.

*“Like so much of the social media space, this was uncharted territory that was challenging—but also quite interesting—to explore. In the end we were able to find a balance in which our intensive one-to-one training plus comprehensive archiving of all social activity satisfied both sides of the legal and compliance equation.”* explains Julien Semonsu.

From both a business and a cultural perspective, both France and Italy used business models unique to their markets. As a result, in addition to having to translate content into their local languages, we also had to learn how to adapt the tonality of centrally-generated content, to increase the amount of locally-driven content, and to adjust our process standards to suit local business models. For example, while in the U.S. salespeople have separate client lists, in Italy clients are serviced by the sales group.

Obviously this had implications when it came to points relating to implementation, such as determining who should connect with which clients on LinkedIn.

### The Proof is in the Pudding

Benchmarks specific to the financial services industry were, at first, non-existent, so we did an extensive audit of competitor and client activity across social channels to define goal estimates, and over time were able to establish a sufficiently deep data pool to indicate true benchmarks.

Fleshing out our view of social programme effectiveness is a proprietary algorithm we developed which enables us to quantify what we refer to as the Minimum Value of Social, a concrete measure of bottom line impact based on proxy values.

Internal adoption represents the foundational success metric, since without adoption there can be no other successes. We made participation in the individual sales user portion of the programmes entirely voluntary, knowing that only people who are independently interested in taking advantage of social media for business would have the enthusiasm needed to adopt new workflows and the fortitude to endure the inevitable technological hiccups.

We actively tracked individual user adoption and activity levels and committed to a monthly schedule in which we conducted follow-ups with high performers to learn about their best practices, and with low performers to find out what was preventing them from using the programme and to provide them with personalised support.

Adoption in the U.S. grew faster than expected, as we communicated initial success stories that inspired other salespeople to join. Activity levels continue to range between adequate and robust, with the primary drivers of robust activity being use of the more automated Hearsay Social publication functions (one click, several posts), and ease of use via mobile devices, which has enabled participants to sustain activity levels even when they spend most of their working day outside of a formal office setting.

At the time of writing, individual sales use of social media for business is still too new to draw hard conclusions. We do, however, have qualitative evidence proving that the addition of LinkedIn to the sales-force arsenal has created sales opportunities that would not have existed if LinkedIn had not been in place to broker the connection.

We have also witnessed numerous instances of social engagement setting the stage for a potentially more productive sales conversation follow-up.

VP Client Insights, Marco Bailetti notes, *“Early correlation analysis suggests there’s a relationship between social activity and positive sales outcomes. We’re thinking about approaches to better attribute value to digital engagement across multiple channels, including social media, as it relates to sales outcomes. It’s still preliminary, but we’ve already seen that social is creating or capturing opportunities that could otherwise have been left on the table, enabling us to deliver a better customer experience.”*

Some of Franklin Templeton’s corporate-level social media activities are now almost five years old (Dr. Mark Mobius’s blog and @MarkMobius Twitter), so a more concrete structure of quantifiable metrics, benchmarks and targets is in place there. In essence, it breaks down into 4 components:

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### 1. AWARENESS



Measured in community size, views and impressions. You have to reach a certain tipping point in community size and traffic in order to achieve the other goals, but awareness figures do not indicate dynamic interaction with content, which is why this is considered a base metric.

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### 2. ENGAGEMENT



Measured in audience retention, likes and replies. This is where you see trackable indications that a user has actively interacted with content, indicating that the content is topical and interesting.

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### 3. ADVOCACY



Measured in shares and re-tweets, advocacy indicates the user liked the content enough to put his or her stamp of approval on it, sharing it with the members of his or her own social community. This has the effect of increasing the reach of the shared content by extending it to people who are not members of the firm’s communities. Studies have shown that content your connections promote is content you are more likely to consume, so the likelihood of shared content being read by these recipients is higher than if they had encountered it by accident or through advertising.

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### 4. ACTION



Measured in CTR (Click Through Rate), which can also mean downloads. Often this also translates into increased awareness, such as when a financial adviser downloads a pdf of a brochure to share it with his clients.

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As an example, if the business goal is to support a campaign message, then the awareness metric would indicate success or lack thereof by demonstrating how many additional incremental pairs of eyes saw campaign content as a result of the social activity. The engagement metric is an indicator of whether that campaign message is resonating, providing either confirmation that the message is on-target or needs to be re-worked. Incidents of advocacy and action help boost other metrics and suggest resonance with the audience.

On rare occasions there are social interactions which are clearly linked to a specific sales outcome, but it is far more common for social activity to be but one of many touch points contributing to an ultimate sale. However, certain social behaviours or behaviour patterns may provide a basis on which to predict likely readiness for a sales conversation. And knowing that even a single digital touch point can vastly increase the likelihood of a previously un-touched client doing business, the potential for digital publication to create sales opportunities is seemingly limitless.

Looking ahead, Franklin Templeton has no plans to slow the pace of social media expansion. As the firm kicks off its fiscal year, the focus is largely on the overlap between social media and sales, looking more specifically at ways to connect with and serve more clients in the social space, leveraging digital communications as a means to extend the reach of each individual salesperson, and, by extension, the reach of the brand and its messages.

#### To the point:

- It's clear there's a global appetite for investing insights within the social media space. Legal and compliance issues are complicated, but they're also solvable. There are risks; we believe the potential rewards outweigh them
- A mix of individual level and corporate level social media activity will likely yield a more comprehensive mix of results with real business impact
- Written policies and procedures supported by technology are the administrative backbone of an effective social media program
- A global program should be able to take advantage of central resources and learning, but each market will require local accommodations
- Success is measured first in adoption, then in the awareness, engagement, action and advocacy metrics that indicate progress towards pre-determined business goals