Institutional Investing: How Social Media Informs and Shapes the Investing Process

April 16, 2015

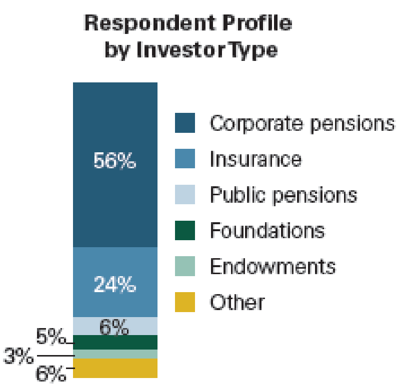
Executive Summary:

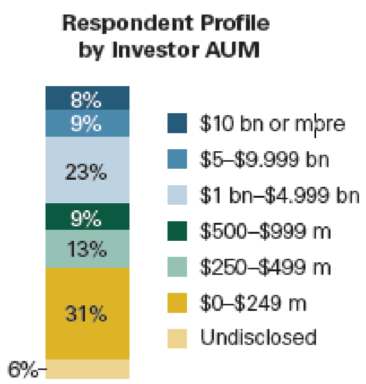
The importance of social media in today's world has not been missed by institutional investors. Interviews with over 250 asset owners found that 4 out of 5 institutional investors frequently use social media platforms at work. Furthermore, nearly one-third of those investors also confirmed that the information they have consumed through social media has, in fact, impacted their investment decision process. Knowing that these decisions can result in the allocation of hundreds of millions of investment dollars, it is certainly notable that social media platforms are more often playing a role in achieving institutional investors' workflows.

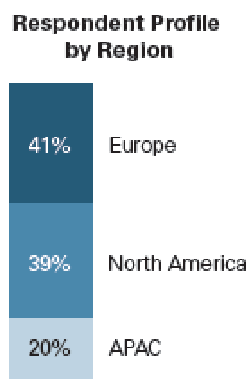
Asset managers—those looking to attract the aforementioned allocations—must therefore implement an effective social media strategy. While the importance of fund returns is paramount, the impact of content that is unique, insightful, and ideally, actionable can be significant. For successful firms to retain and grow their footprint, using social media to distribute the company's messages and ideas could bring a greater return than a full-page ad in the financial press. Either way, we know this for sure: Social media is officially part of the financial services mainstream.

Methodology:

Greenwich Associates conducted 256 interviews of institutional investors between November and December 2014. Research participants included public and private pensions, insurance companies, and foundations and endowments in the United States, Europe and Asia. They varied in size from under $250 million in assets to over $10 billion. Interview topics ranged from their overall use of digital and social media platforms to the role these information sources have in their selection of fund managers.







Cover Photo: © iStockphoto/kmlmtz66 © 2015 Greenwich Associates, LLC. Javelin Strategy & Research is a division of Greenwich Associates. All rights reserved. No portion of these materials may be copied, reproduced, distributed or transmitted, electronically or otherwise, to external parties or publicly without the permission of Greenwich Associates, LLC. Greenwich Associates®, Competitive Challenges®, Greenwich Quality Index®, Greenwich ACCESS™, Greenwich AIM™ and Greenwich Reports® are registered marks of Greenwich Associates, LLC. Greenwich Associates may also have rights in certain other marks used in these materials. Facebook is a registered trademark of Facebook, Inc. in the United States and other countries. LinkedIn is a registered trademark of LinkedIn Corporation and its affiliates in the United States and/or other companies. Twitter is a registered trademark of Twitter, Inc. in the United States and other countries. YouTube is a registered trademark of Google Inc. in the United States and other countries.

GREENWICH
DATA | ANALYTICS | INSIGHTS

---

www.greenwich.com | contactus@greenwich.com

The data reported in this document reflect solely the views reported to Greenwich Associates by the research participants. Interviewees may be asked about their use of and demand for financial products and services and about investment practices in relevant financial markets. Greenwich Associates compiles the data received, conducts statistical analysis and reviews for presentation purposes in order to produce the final results. Unless otherwise indicated, any opinions or market observations made are strictly our own.

©2020 Greenwich Associates, LLC. All rights reserved. No portion of these materials may be copied, reproduced, distributed or transmitted, electronically or otherwise, to external parties or publicly without the permission of Greenwich Associates, LLC. Greenwich Associates,® Competitive Challenges,® Greenwich Quality Index,®Greenwich ACCESS,™ Greenwich AIM™ and Greenwich Reports® are registered marks of Greenwich Associates, LLC. Greenwich Associates may also have rights in certain other marks used in these materials.

greenwich.com | ContactUs@greenwich.com | Ph +1203.625.5038