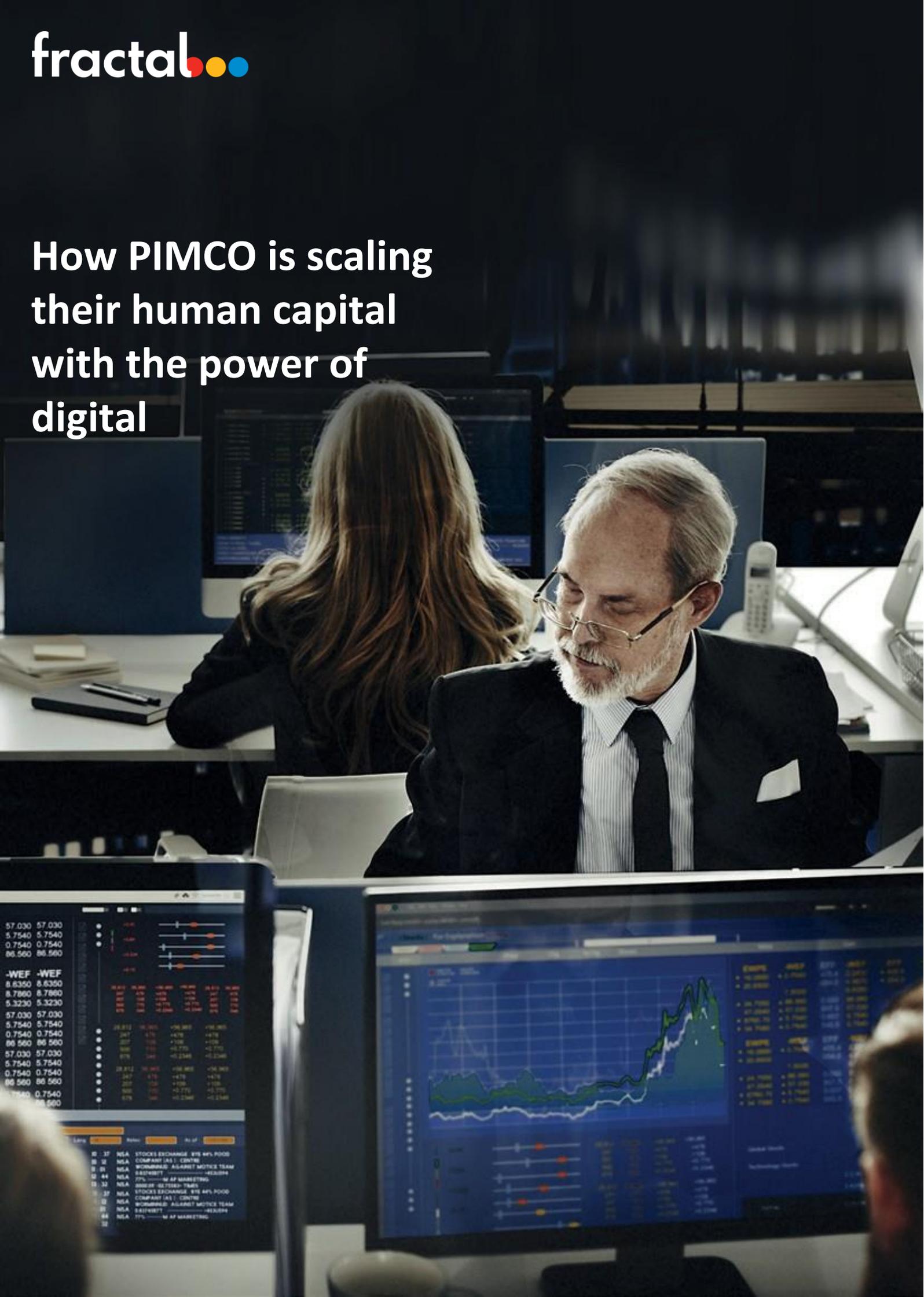


How PIMCO is scaling their human capital with the power of digital



57.030	57.030
5.7540	5.7540
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86.560	86.560
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-WEF	-WEF
8.6350	8.6350
8.7860	8.7860
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0.7540	0.7540
86.560	86.560
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86.560	86.560
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28.812	10.905	+16.905	+16.905
247	476	+476	+476
207	106	+106	+106
508	770	+1270	+1270
878	748	+1236	+1236
28.812	10.905	+16.905	+16.905
247	476	+476	+476
207	106	+106	+106
508	770	+1270	+1270
878	748	+1236	+1236

37	NSA	STOCKS EXCHANGE, 876 MPL FOOD
12	NSA	COMPANT (AS) - CENTRE
81	NSA	WORLDWIDE ALABAMA MOTICE TEAM
84	NSA	SAITWETT
32	NSA	77% - M AF MARKETING
37	NSA	STOCKS EXCHANGE, 876 MPL FOOD
12	NSA	COMPANT (AS) - CENTRE
81	NSA	WORLDWIDE ALABAMA MOTICE TEAM
84	NSA	SAITWETT
32	NSA	77% - M AF MARKETING



Introduction

PIMCO is a premier global investment management firm focusing on active fixed income management. The firm manages investments and develops solutions across a full spectrum of asset classes, strategies, and vehicles, and serves a large network of financial advisors who connect their clients with PIMCO's investment solutions. Like many global investment companies, PIMCO's support of financial advisors often requires high-touch, person-to-person interactions through distribution teams. When the limits of human capacity (especially now) mean that only a portion of a client base can be covered with "high-touch" engagement from valuable human capital resources, digital strategies can bridge the gap.

To better support a broader swath of their clients, PIMCO has put digital marketing and account servicing at the core of their strategy to scale their human capital and actively leverage advanced analytics, modern digital marketing practices, and rapid iteration to drive revenue and improve client experiences. Matt Dunn, Global Head of Digital Marketing at PIMCO, talks to Charles Boyle, AI/ML Client Partner at Fractal, about how they're executing their digital marketing strategy.

Fractal: What does digital transformation mean to you?

Matt Dunn: Digital transformation is such a broad concept, but to me, it's about evolving our clients' experience as their consumption patterns change, having a core foundation to create valuable, new experiences, and creating an environment of innovation around connecting our business strategy with client needs. When done right, digital transformation should unlock the Lego blocks across a firm to enable the rapid development of experiences for both internal and external evolution. Core to this is connecting datasets spanning the organization to meaningfully measure and gain insights across implicit and explicit client-servicing opportunities.

Take, for example, "out of office" replies. In the US alone, we received over 500,000 auto replies last year from marketing emails that were auto-returned by financial advisors. This is a pool of data that is sitting within some siloed system –in this case, our email service provider (ESP) –and creating no value. We looked at this data set and created a natural language processing (NLP) program that classified these bounce backs as either "update CRM" (retiring, no longer at the firm, transferred book to a new person, etc.), "hold mail" (genuinely out of office, on vacation, etc.), or "take no automated action" (insufficient data in the bounce back to do anything meaningful).

"We want to connect any data that could create more authentic, meaningful relationships with clients or gain operational efficiency for our client-facing team."

You'd be surprised by the number of "out of office" replies that aren't really "out of office" notices but are random thoughts or updates. This might sound like a small thing but imagine the value to an account manager when you can automatically inform them that one of their top clients has left their firm or is retiring. Even better when – as is often the case – you can inform them who's taking over the practice. We want to connect any data that could create more authentic, meaningful relationships with clients or gain operational efficiency for our client-facing teams. The simple "out of office" example illustrates the digital transformation opportunities we can unearth when we look more deeply across our firm.



Fractal: How important is digital for your firm?

Matt Dunn: The core of what PIMCO does and what we do well is investment management. Our investment process and our people are the nuclei of our firm. Looking after our clients who entrust us with their assets is where digital marketing/servicing plays a significant role. Like most other global companies, PIMCO has scale and capacity challenges. We have very talented, and knowledgeable client-facing teams who support financial advisors and institutional clients globally. Take our US wealth management business as an example. There are roughly 300,000 financial advisors across the US that our current sales force could be speaking with, but we can only effectively cover ~10-15% of those clients with proactive support. So, if we want to support more clients effectively, we need to supplement our human capital with a comprehensive digital strategy.

Combining the best of our human capital with a dynamic digital strategy is a complex effort that requires strong partnership with distribution teams and a great deal of analysis to accurately identify the client's communication preferences, inform consumption patterns, and then use those insights to serve our clients in ways that are meaningfully better for them.

That means engaging with and serving clients even when our sales teams aren't able to connect with them. This isn't just our front-line folks, but our portfolio managers and other thought leaders, too. Stitching together disparate data sets enables us to answer a bunch of questions: How are our thought leaders' perspectives being used across paid, earned, owned, and syndicated channels? What works? What doesn't? Who's engaging? How is this data helping inform their decisions, and how can it inform ours? How do we build that into a holistic ecosystem and improve our identification rate to fuel more insights across cohorts?

“To be clear, digital marketing and client servicing are core to our strategy, but it's in no way about replacing that human capital; it's about enhancing human activity with scale and insights.”

To be clear, digital marketing and client servicing are core to our strategy, but it's in no way about replacing that human capital; it's about enhancing human activity with scale and insights.

Fractal: What is your approach to drive that scale for PIMCO?

Matt Dunn: Our approach is centred around three primary objectives: Grow, Modernize, and Optimize. Within each of these objectives we're focused on client data, we're applying modern marketing practices across the entire client experience, and we have a team of technical and data-driven marketers whose daily focus is evolving and executing for our clients.

One component of that is extending the reach of our distribution teams to support our growth structure. By connecting data pools, we're able to create hyper-personalized marketing automation and client-servicing programs that can connect our account associates to clients in useful ways. For example, a financial advisor we've not contacted recently or whom we're unable to cover will get a personalized email from their account associate that shares – for example – an important update about a fund they own, like a cap gain estimate, so they can better plan tax implications for their clients.

For PIMCO, it's about being there for our clients, so we want the email (or other touchpoints) to be connected to someone they can speak with if they have a question.



This is a small example that improves the overall client and advisor experience while streamlining the amount of effort required by both the account associate and the advisor with their end client. Imagine an eventual paradigm where an account associate can turn on their computer and see all the meaningful activities across their territory (birthdays, first time purchase in a fund, advisors on the newly released Forbes Top Advisor list, etc.) and, have a way to engage –at scale –with pre-populated, data-driven content they can choose to send.

The data will never be perfect; hence, merging the art of relationship management with the science that's informing the triggers and suggestions is where these better outcomes will emerge.

Bottom line: Our opportunity is in our ability to harness that data from multiple sources, harmonize and transform it into useable, authentic, and meaningful engagements with our clients and ultimately enable our account managers to be incredibly efficient while vastly improving the quality of client and advisor communications at scale.

“The data will never be perfect; hence, merging the art of relationship management with the science that’s informing the triggers and suggestions is where these better outcomes will emerge.”

Fractal: What were some of the most important aspects that contributed to PIMCO’s digital marketing transformation?

Matt Dunn: Persistence and perspective are equally vital. I joined PIMCO because it has an entrepreneurial and purpose-driven culture that felt like an environment in which I could contribute to the digital momentum our CEO, Global CMO, and our US Head of Distribution built. That culture and partnership with other leaders in the organization presented a path to help create an aggressive roadmap to support our overall strategy and build a powerhouse team of technical, data-driven marketers able to execute at scale while steadily improving the strategy over time.

Showing progress is another critical component. We started with a small pilot we stood up in three months. We created an approach, control groups, and a simple hypothesis: Higher authentic engagement will lead to better business outcomes. It was manual, but once you begin impacting business outcomes, you give yourself the opportunity to influence other teams and give yourself (and your firm) higher conviction that your strategy is working. Just pilot something small, show the results, and move out from there.

The ultimate value of digital is in how it helps our clients and our firm achieve their goals. The unprecedented market and humanitarian dynamics today mean that being there for our clients has never been a greater imperative. My hope is the work we’ve put into digital will smooth friction and ease challenges that might have occurred in the absence of these enhancements and pave the way for more mutually productive conversations with more clients.

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About Fractal

Fractal is one of the most prominent players in the Artificial Intelligence space. Fractal's mission is to power every human decision in the enterprise and uses the power of AI to help the world's most admired Fortune 100 companies.

Fractal's products include Qure.ai to assist radiologists make better diagnostic decisions, Cuddle.ai to assist CEOs and senior executives make better tactical and strategic decisions, Theremin.ai improve investment decisions and Eugenie.ai to find anomalies in high velocity data.

Fractal has consistently been rated as "India's best companies to work for", by The Great Place to Work® Institute. Fractal has been featured as a leader in the Customer Analytics Service Providers Wave™ 2019 by Forrester Research, and recognized as an "Honorable Vendor" in 2020 magic quadrant for data & analytics by Gartner.

For more information, [visit fractal.ai](https://fractal.ai). Follow us on  

