



## WINNING PR CAMPAIGNS

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### **Rigorous Fact-Finding Favors Financial Fortunes: Tiller PR Launches Merrill Lynch Study of Financial Psychological Profiles to Flame Millions of Media Impressions**

*By Frank Zeccola, Editor, Bulldog Reporter*

The Social Security, retirement and healthcare debates raging at the highest levels of American politics bring to light one fact: More than ever, Americans are responsible for their own financial futures.

In an environment of such uncertainty and self-dependence, investing in our individual futures is critical. Company pension plans are dwindling—and government programs could be wiped out in as little as 20 years.

The message is clear: We're on our own to invest our money wisely for the future.

Yet billions of dollars are squandered annually in the hands of investors who make careless mistakes. A barrage of recent academic and corporate research shows that poor financial decisions—like chasing “hot” stocks—are costing investors hundreds of basis points *every time they make a move* in their portfolios.

**Merrill Lynch Investment Managers** and communications partner **Tiller LLC** wanted to do something about it. In 2004, they began crafting a PR program to get investors on track. Media relations would play a key role in the campaign, as would cutting-edge tactics like capitalizing on new media to reach key audiences comprised of investors of all stripes.

**The challenge: Raise the profile of investor mistakes in a cluttered media space—and turn the beat around.**

From the outset, the Tiller team knew this would be challenging because there's already an overwhelming amount of finance information and advice in newspapers and on websites, TV and radio—in addition to tens of thousands of professional advisors.

Yet people continue to make the same investing mistakes.

Breaking through the clutter and differentiating the Merrill Lynch program would certainly be difficult, but Tiller CEO Rob Densen points out one further challenge to positioning them as thought leaders:

“Americans don't trust corporations,” Densen says. “For the obvious reasons—including Enron, Martha Stewart and other scandals,” he suggests. “In an environment like this, a company like Merrill Lynch can't just advertise trustworthiness—they have to demonstrate it, especially in terms of investment management.”

**The strategy: Intense research on investors—and an educational platform to remedy investing missteps.**

The first step involved rigorous analysis of investors and investment mistakes.

Densen offers more context: “In the late 90s, the market was going up 25 percent a year, but investors disregarded many lessons of financial advisors,” Densen says. “And we all know how that turned out.”

Even to this day, he adds, investors continue to buy high and double up on losers, refuse to sell winners, chase “hot” funds, buy without doing any research and make a wealth of other mistakes that cost hundreds of billions of dollars annually.

“People are making mistakes left and right, and this shouldn’t happen,” he says. “We wanted to understand why people make these mistakes and answer the question: How do you break this boom-and-bust mentality?”

### **Deeper research: Psychological profiles of investors and the psychology of mistakes.**

Again, rigorous analysis was necessary: “We looked at all the research that had been done,” he says. “We found that academics and advisors had examined investor mistakes in the past, and they had also looked at investor psychology and the different psychological profiles of investors. But no one had ever overlaid the two. We said, ‘Let’s look at the mistakes people make as well as the psychology behind those mistakes.’”

But Densen knew the research would have to be airtight: “The biggest challenge in this campaign, which is a common challenge in research-based PR, was the quality of execution,” he says. “Good research creates new knowledge, but you have to come up with a smart idea and conduct smart, thoughtful journalistic execution. It’s not a case of ‘If you build it, they will come.’ You must spend a lot of time building it and communicating it the right way. It’s hard and competitive—but if you do it right and with conviction, the end results can be spectacular.”

Densen was dedicated to doing it right: “It’s an execution game,” he says. “If you’re not prepared to outthink the competition, it’s not worth it.”

The solution was a partnership with **Mathew Greenwald & Associates**, a public opinion and market research company, to conduct a phone survey of 1,000 investors to corral their behaviors and beliefs. “We did a cluster analysis and looked for common themes in the data,” Densen says.

The nationwide poll looked at 500 men and 500 women. The study revealed several telling broad trends. For example, 88 percent of investors consider themselves to be successful—but most people admitted to spending more time planning a vacation than researching an investment.

In addition, a computer-based segmentation model spotlighted four groups of investors based on their personality types—measured, unprepared, reluctant and competitive. Each group had clear and differentiated investing strengths and weaknesses.

“If you can understand these personality types, you can stop making mistakes,” Densen says. “This was breakthrough research.”

Once the results were in, customer education—and media outreach—could begin. “Calling attention to an issue is great, but what have you accomplished if you haven’t helped people with the issue?” Densen asks.

“In this case, we did great research and then worked with investment managers to build a robust, educational website where people can take a quiz and understand their profile.”

### **Putting the plan into action: Merrill Lynch rolls out the Hindsight 2 Insight website.**

The website, [www.hindsight2insight.com](http://www.hindsight2insight.com), provided educational information dedicated to empowering investors and addressing their mistakes: “The site allows you to take a quiz that tells you, ‘Here are things you personally need to watch out for. Here are things you need to do,’” Densen says.

The next step was securing media publicity: Tiller went for the slam-dunk of media relations: The exclusive feature: “We approached *Money* magazine early on and gave them the first look at the data,” Densen says. “And they wrote a big story about it. In our space, which is personal finance, *Money* is very well regarded. Because they wrote it up so prominently, the marketplace took notice.” The take-home for PR: “If you have a media partner who believes you’re on to something, you can get a lot of attention.”

But they weren’t finished. “In 2005, a year after the original research, we went back and looked at the data from a gender perspective,” he says. “We got a whole second wave of publicity—more, in fact, than from the

original press outreach.”

His point: “If you have a robust sample size, and if you do it right and spend the time up front to do the research, you can live off that. You can come up with other stories lines—and that pays off over time with more publicity.”

### **The results: Tiller hits the jackpot with a wealth of top media hits.**

All told, the campaign generated 168 million media impressions, including segments on NBC’s “Today” show, PBS’ “Wall Street Week” and Fox News’ “Your World with Neil Cavuto.” Stories also appeared on the AP, Reuters and Dow Jones wires, as well as in *The Wall Street Journal* (two stories), *USA Today*, *The Chicago Tribune*, *The Philadelphia Inquirer* and websites like MotleyFool and MarketWatch.

“The reason we got such great results is that it was a smart, rigorous, well-executed study done to the highest journalistic integrity,” Densen says. “It also aligned Merrill Lynch’s interests with its customers’ interests. This is an issue of interest to investors—why they make mistakes—and it’s a great example of the value a good PR program can bring to clients. We got investors to look differently at investment mistake making and what you can do about it. The payoff was tremendous.”

**Secrets for success:** Read on as Densen offers these tips and explains why this campaign won Gold in Investment, Banking & Financial Services and Silver in Issue/Cause Advocacy at the 2006 Bulldog Awards for Excellence in Media Relations & Publicity:

**1. Ensure rigorous research practices to capitalize on knowledge creation.** “There’s no substitute for knowledge creation,” he says. “Original, smartly constructed research will go a long way—and if you get it right, it’s a home run.” But make sure you do it right, he advises: “As I mentioned earlier, when it comes to research, the catchphrase ‘If you build it, they will come’ doesn’t apply. It doesn’t work that way,” he adds. “If you go down the knowledge creation route, make sure it’s smart.”

Additionally: “This campaign was really smart and well executed,” he says. “PR people should hold themselves to the standards of the best journalists—and that’s what this program did. The question I always ask myself is, ‘If I was a journalist with a \$100,000 budget, what would I do?’”

**2. It’s all about the customer: Eschew self-serving promotions and programs.** “Focus on the customers’ needs, not the needs of the client,” he stresses. “You need to understand the issue from the perspective of customers. It’s not about cramming a program down their throats—it’s understanding the need and knowing how you can help that need. Do it with integrity and you will reward your clients.”

**3. Leverage new media options and influence to offer customer solutions.** “Don’t just raise the issue—help consumers address it,” he says. “Your customers need to be smart, and your challenge is educational fulfillment. It could be a quiz, a website, a CD-Rom. Whatever the case, you need to offer solutions.”

**WINNER’S PROFILE:** “The most successful advocacy marketing programs are true client/agency collaborations,” Densen says. “This campaign was no exception. **Grace Sette**, Managing Director, Enterprise Marketing at BlackRock (formerly Merrill Lynch Investment Managers); **Chris Davis**, Vice President, Brand Communications/Enterprise Marketing and **Dan McGrath**, Director, Brand Communications; and Megan Frank (former VP of media relations at MLIM) all played critical roles in the formulation and execution of this high visibility campaign. A shout out to **Brian Perlman**, who directed the research of behalf of the polling firm, Mathew Greenwald & Associates, and **Sheryl Tucker, Jean Chatzky** and **Andrew Borinstein** who worked on the original *Money* magazine cover story.”