



When Marketing Merges With Learning, Customers Profit

State Street Global Advisors' SPDR University links learning usability with long-term profitability.

By Judy Albers

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SPDR University



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It rings true in every industry and every company. People are overwhelmed by information but starved for time.

Boston-based State Street Global Advisors envisioned a learning model where its customers could easily access the exact information they need, when they need it, and in the format they prefer. The company also wanted to be able to track every decision the customers made. State Street enlisted the help of Intrepid Learning Solutions and was able to make its goal a reality.

SPDR University weds learning with marketing

In April 2008, State Street's intermediary business group, which is the investment

management arm of State Street Corporation, launched SPDR University—an agile learning portal exclusively for financial advisors.

The intermediary business group is responsible for distributing its SPDR (pronounced “spider”) Exchange Traded Funds (ETFs) and additional products via financial advisors, brokers, and other investment professionals. While State Street is one of the world's largest ETF providers, competition for advisor mindshare—and assets—is fierce. That's why State Street made a strategic decision to offer its prospects and customers considerably more than just investment product and performance data.

Gary MacDonald, managing director and director of marketing for State Street's intermediary business group says, “We needed a marketing approach that strongly differentiated our value from the competition.”

- State Street wanted to
- (1) extend the SPDR brand to its prospects and
 - (2) build greater brand loyalty among existing customers, by providing easily accessible investment and practice management education.

In addition to building advisor trust and brand loyalty, State Street believed SPDR University could give them valuable data about user preferences that would help them better target their digital marketing efforts and more quickly qualify sales leads.

According to Sam Herring, executive vice president with Intrepid, “We believe SPDR University is at the cusp of an exciting trend connecting two disciplines that have too often been disconnected—learning and marketing. In the Web 2.0 world, learning must be attuned to individual preferences—both what and how learners want to learn.”

Combining technical capabilities with marketing finesse

Needing the freedom to focus on strategy and communication, State Street’s marketing organization relied on Intrepid Learning Solutions, a global provider of holistic learning services, for educational marketing strategy consulting and learning management system (LMS) selection.

Later, Intrepid customized and implemented the LMS, providing ongoing administration and help desk services, custom content development, and business impact measurement.

State Street chose to use a LMS to deliver and track content and credits at the individual level. While a robust LMS was needed to capture this data, the typical transactional feel of an LMS would not suffice.

State Street needed more usability and personality to capture its audience’s attention. After all, unlike corporate training where employees are mandated to take part, educational marketing programs must woo their prospects and customers to participate.

To win over advisors, SPDR University had to deliver a compelling and easy user experience. Intrepid would help State Street select, implement, and customize

an LMS to not only fulfill content delivery, tracking, and reporting requirements, but also usability goals.

Give learners what they want and get their loyalty in return

To create a winning educational marketing strategy, Intrepid surveyed advisors, conducted focus groups, and performed thorough usability testing on SPDR University’s design and content.

Time and again, financial advisors, like many professionals, said they were tired of useless web searches and poring through white papers to find the one valuable nugget of information they needed. The mandate was clear: “Give us relevant content that’s easy to find and takes less than 10 minutes to grasp.”

The more appealing and on-target the content, the more registrants and repeat visitors the site would attract. Financial advisors are especially hungry for content that gets to the heart of a concept in plain language, not finance-speak.

Since the best financial advisors are educators themselves, offering basic materials they can share with their clients saves time and money they would otherwise have to spend developing materials themselves. Creating short, high-quality, persuasive content and client-ready materials would be critical to proving SPDR University’s value to advisors, and ultimately contributing to its success.

To organize the content, State Street and Intrepid used results from surveys, focus groups, and usability testing to create and refine content categories of most interest to financial advisors. These content categories drive navigation on the site today. The way in which advisors can freely explore these categories replaces the traditional sequential learning modules more typical of corporate training.

SPDR University also makes it possible for investment professionals to earn free continuing education (CE) credits anytime, anywhere. The way SPDR University aggregates CE credits is novel as well. Instead of offering credit only for courses 30 minutes or longer, SPDR University bundles shorter pieces of

content into 1-hour CE-eligible increments. Advisors take (and pass) a short quiz, and the credits earned are reported to the relevant licensing boards.

Make usability a priority

After helping State Street select the LMS that would be the backbone of SPDR University, Intrepid went to work to configure the system for optimum usability. Intrepid designers overlaid the site’s pages with custom code to create an effortless user experience for registrants. Extensive usability testing on the site’s design and functionality enabled State Street to give advisors exactly what they wanted: the fastest path to the content they want.

By emulating best practices from popular consumer sites like Amazon and YouTube, SPDR University’s design is intended to support the typical user’s online behavior. An advisor can get to content in as few clicks as possible and, by quickly scanning the page, can see the content’s format, length, and CE credit eligibility.

The advisor can also read a summary description of the content before deciding to launch it. This learner-centric model effectively puts advisors in the driver’s seat, giving them control over when, where, and how they prefer to learn.

Align learning to business goals

From the start, support from key internal stakeholders was essential to the project’s progress. Just as Intrepid listened to the customer’s voice, it also interviewed stakeholders across State Street’s sales, marketing, and IT teams. Their input was critical to understanding the goals of the business unit and then identifying how SPDR University could best support them.

As project sponsor, MacDonald was tasked with sustaining the support of State Street’s executives, as well as internal and external sales teams. “The most effective way for me to win them over was by demonstrating precisely how SPDR University would help meet the business goals,” says MacDonald.

To help MacDonald with his task, Intrepid developed a comprehensive scorecard and suite of measurement

Customer Education Pays Off

According to a study by Next Century Media, education outperforms other marketing efforts. Customers you educate are

- 29 times more likely to buy products, compared to media ads
- 5 times more likely to buy, compared to direct marketing
- 93 percent more likely to tell friends and colleagues about their experience
- 94 percent more satisfied with their purchase.

The average consumer who takes a course spends 63 percent more than she intended. Sony has seen 15 percent of product-educated consumers click directly from their online learning experience to make a purchase.

Sources: Next Century Media Inc., "Consumer Education Produces High ROI," 2006
<http://tinyurl.com/csajaga>

reports that provide State Street with real-time views of what clients and prospects are interested in. These reports include statistics on the most popular content, total registrations, unique visitors, repeat visitors, peak usage times, and other figures.

LMS data is also correlated with dates of campaigns that market SPDR University's content, via email marketing or other promotions on State Street's product site (www.spdrs.com).

At close view, because data tracked by the LMS is fed back into State Street's customer relationship management system, salespeople can see which products an individual advisor is interested in prior to making a sales call. Knowing that a prospect or client selected a course on investing in emerging markets, for example, transforms the conversation, effectively "turning cold leads into warm leads," as one salesperson put it.

Educational marketing that wows, woos, and works

While it is still too early to get a clear picture of the full extent of SPDR University's success, the data to date paints an attractive portrait.

Eight months after launch, SPDR University registrants totaled several thousand, with a healthy number of repeat visitors—meeting State Street's original goals. In addition, nearly 5,000 course completions have been logged, and more than 250 users have earned professional CE credits. As important, the offering has become a core component of ongoing sales, marketing, and content strategies, receiving a warm embrace throughout the company.

Preliminary results from a user survey further support SPDR University's success:

- 97 percent of respondents are likely to return to SPDR University
- 93 percent are likely to recommend SPDR University to a colleague
- 98 percent are likely to use information learned from SPDR University
- 80 percent are likely to share materials from SPDR University with their clients
- 85 percent rated the relevance of content as above average or excellent.

"With SPDR University, we've leap-frogged our competition when it comes to delivery of client education," says MacDonald. "It's now a key enabler for our business goals: to extend brand reach, deepen customer loyalty, and generate qualified leads."

A powerful tool in an economic downturn

As Herring observes, "In the current economic downturn, we are seeing more companies looking for ways to extend and deepen customer relationships. Now is the time to think creatively to offer valuable, differentiated services that build long-term customer loyalty.

"We think learning makes so much sense—it differentiates a company from

its competition, offers a valuable service to customers, and transforms those customers into product and service evangelists. That's a hard combination to beat," he adds.

In fact, one of Training Industry's 10 predictions for 2009 is that "investment in customer training [will increase] to 59.5% of total spending."

And there may be one last lesson here. Educational marketing is not new, but it is underutilized. Corporate training could borrow from the best that SPDR University and educational marketing have to offer. The marriage of marketing and learning teams can benefit employee training as well as customer education.

We live in a time-poor, information-rich, customer-centric world. All of us can benefit from better usability and fewer demands on our time, whether we're learning about the latest and greatest investment opportunity or just fulfilling our company's training requirements.

Training professionals who employ a customer-focused mindset typical of marketing units may see increases in learner engagement and business alignment—goals that are beneficial for all involved.

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