Application of Marketing 4.0 Principles By the Indian Mutual Fund Industry

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Abstract*: *The competitive Indian Mutual Fund Industry requires the use of Marketing 4.0 principles owing to changing marketplace dynamics and increased competition. Traditional advertising forms got saturated with mutual funds, and the new redefined marketing principles reinforced the need to move to digital media. The recent addition of the fifth A (Advocacy) to the marketing jargon became necessary because of the increased connectedness and social nature of the customers (investors). The O-Zone factor increasingly influences investor decision making and helps in driving loyal investors from Aware to Advocate. This article discusses the social media marketing of Indian Asset Management Companies (AMCs). Improving brand curiosity and extending product reach to prospective clients are some potential advantages of the activity. Engagement marketing practices, marketing expense impact, four C's marketing mix, and online customer care are some new marketing principles. AMCs can use these to build better marketing campaigns for building investor-centric financial products. Different dimensions of social media usage are specified, and their utilization by various Indian mutual fund houses is measured. This understanding can help in better marketing of financial products and services, particularly that of mutual funds.

Keywords*: *advocacy, asset management, financial product marketing*, m*arketing 4.0, mutual fund marketing

I. INTRODUCTION

Increased Internet penetration and affordable smartphones fueled social media consumption and changing media usage patterns in emerging economies like India [33]. The rising popularity of social media is exciting for marketers who are considering it as their new best friend [18]. With increasing smartphone penetration, India became the home for the #2 global internet user base, #3 Facebook user base, and stood #3 for Google Play app downloads. The Indian digital content marketplace is expected to grow from US$500 million in 2018 to US$5 billion by 2023. The rules of marketing management are changing with the emergence of modern web-enabled media. Marketers are now having opportunities and challenges in planning their marketing strategies [2]. This paper evaluates the use of emerging marketing techniques in the Indian mutual fund landscape as defined in *Marketing 4.0: Moving from Traditional to Digital* [20].

Like in several other developed and developing economies, the Indian Mutual Fund Industry is a very competitive marketplace. The industry rapidly grew from 34 Asset Management Companies (AMCs) managing assets worth Rs. 5,295 billion in March 2008 to 42 AMCs who are managing Rs. 25,475 billion as of August 2019. The market concentration and competition metric Herfindahl-Hirschman Index (HHI) for the Indian AMCs based on Assets Under Management (AUM) are at 932, denoting that that the marketplace is “competitive” as seen in Table-I. Industry consolidation decreased the extent of competition over the past few years, but the door is always open for new players considering India is moving towards becoming a US$5 trillion economy. Hence, AMCs have to put in more effort and work relentlessly to gain new investors while keeping the existing investor base intact.

Table-I: Herfindahl-Hirschman Index (HHI) for the Indian Mutual Fund Industry

Period	Number of AMCs	AUM (in Rs. Billion)	HHI
April – June 2019	42	25550	932
April – June 2018	41	23445	814
April – June 2017	41	19570	818
April – June 2016	42	14464	820
April – June 2015	43	12344	793

Source: Author compilation with data from AMFI

This article examines how various AMCs are using the concept of Marketing 4.0 to have the edge over its competitors in the highly competitive Indian Mutual Fund Industry.

II. BACKGROUND

A substantial amount of literature has investigated the impact of various dimensions of modern marketing methods. The quantum of research on Indian mutual fund marketing has been very low so far [14]. However, off late, both the quality and quantity of work in this area are growing several folds owing to increased inflows in recent times. Several studies have assessed the impact of traditional print and television advertising on fund flows. Their findings point out that the advertising campaigns are mostly ineffective except with bear market cycles. A broader study involved 4,71,000 US advertisements that appeared between the years 1997 and 2003.

The research showed that the top 10 advertisers stole the

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mutual fund market inflows. However, smaller fund houses can only use advertising to improve their brand image [1]. In the Mutual Fund industry, advertising increases price sensitivity, lowers prices, and increases competition [13]. However, the positive side of it is that advertising that includes financial disclosures improves brand recall, creates a favorable impression, and higher retention in the minds of investors [22]. There is a clear scope for AMCs to do something more beyond traditional advertising.

Indians possess a positive perception of social media marketing and feel it is better than traditional advertising [25]. Research by [24] shows that large Indian companies are now taking online marketing as an integral part of their marketing strategy. Devoting higher budgets for online advertising is now apparent. Several studies have stressed the alignment of social media advertising with the needs of social media users to get a meaningful impact. A study by [38] presented a typology comprising relationship, self-media, collaboration, and creative outlet. It suggested that campaign managers understand the differences between platforms and pick the best that fits the nature of the product and theme of their campaign. Work by [4] shows that social media emerged as an alternative communication medium. It can integrate into various organizational aspects like CRM, brand communities, email marketing, SEO, viral marketing, guerrilla marketing, event-based marketing, and mobile marketing. A variant of social media is mobile social media (MSM) where the creation and exchange of user-generated content happen in mobile marketing applications. With this, users (investors) become patrons of the promotional campaigns that the wishes to companies launch. These campaigns are often valid for a few hours. The four I's of MSM are Individualizing, Involving, Integrating, and Initiating. "Individualizing" marketer activities focus on taking into account end-user interests and preferences. Then, end-users (customers/investors) are to be "involved" with users. Engaging conversations eases this. Then, "integrating" marketing activities into users' lives. Minimizing or even avoid nuisance is to be taken care of in the process. Finally, the "initiate" stage helps in the creation of user-generated content [17].

The oligopoly domination of the few dominant players can be a cause of concern for the long-term health and viability of the industry. However, Tier-II and III India towns are still an untapped market and offer promising opportunities for the marketing of mutual funds [37]. A study by [3] dealt with the 7P's and marketing strategies used by Indian mutual funds. The study observed that fund houses are not free in their advertising and promotion campaign for regulatory reasons. Further, excessive reliance on intermediaries for distribution is still there. Despite this, fund houses are using the best of their options available to them in advertising and promotion.

III. DISCUSSION

A. Investors go online & digital

The Indian mutual fund investing came a long way since its inception in 1964. The investing process moved from the traditional offline paper application forms, and bank cheque leaves to the present digital, paperless, and electronic payment mode. The distributor and channel sales force, like banking and institutional marketing channels, are mostly responsible for the successful journey so far. They took up the responsibility of creating financial awareness amongst investors, motivated them to invest in realizing their financial dreams, and facilitated in the transaction process [23]. However, modern investors are more self-driven and tech-savvy. They use websites or mobile phone apps to transact directly by themselves bypassing the distribution channels. Higher scheme expenses that eat up from the returns is a significant factor for them [19]. As Indian internet bandwidth costs came down, penetration and usage levels went up. About 627 million Indians are internet users by 2019, and 87% have accessed the Internet in the last 30 days [16]. Estimates say that mobile internet penetration will move up from 30.2 percent in 2017 to 56.7 percent by 2022. More Indians are spending increased time online, and hence, marketers have to increase their focus on this media.

India witnessed increased smart mobile phone penetration and higher internet bandwidth. Marketers are thereby allowed to impress and influence investors by using video-based creatives uploaded on social media platforms such as YouTube channels. This new platform helped AMCs in simplifying financial jargon and teaching complex financial topics.

Being online helped AMCs to onboarding investors faster. The mandatory Electronic "Know your client" (KYC) is a prerequisite for a new investor to invest in the Indian capital markets. Fortunately, apart from the traditional paper-driven offline process, the facility is made available in the form of an online process now aswell. Video conference calls are helping in completing the In-Person Verification (IPV) is increasingly done through a video call. Investors today have a host of personal finance tools such as SIP calculators and portfolio building tools to aid them in investment planning. These features enriched the mutual fund website in offering better services to investors beyond the traditional services such as static data such as scheme information, application forms, and legal updates.

Cheaper, faster, and secure internet connectivity are helping AMCs enable the use of mobile-friendly websites and mobile phone apps for investors to transact. India is mostly under-banked and has low levels of financial literacy. Added to this, Indians do not trust smart technology. As per a survey by YouGov, around 31% avoid using phone banking because online privacy/losing personal data is their biggest worry (55%). However, things are changing for the better. Confidence levels to make online payment transactions using net banking, payment gateways, and UPI are increasing. The Indian e-commerce market is estimated to grow from US$24 billion (2017) to US$84 billion (2021) to US$300 billion (2026). "Mobile connectivity" need of marketing principles is thereby addressed.

The next step is "experiential connectivity," where the focus is on giving superior customer experience. AMCs will have to strive to address this. The last level is "social connectivity,"which deals with strengthening the connection with customer communities. As witnessed from the increased popularity of social media and virtual links, customer communities, and fan channels themselves began to build up online. Post-sale investor support is offered both by the traditional telephonic customer care method as well as with online chat and social media-based messaging services.

The flip side of going online and digital is that there are fewer footfalls on the premises of AMCs and Registrar and Transfer Agents (RTAs). However, this is not deterring the closure of support centers and instead are complementing to digital mode. Regulatory requirements necessities this.

B. Marketing goes online

When the investor is online and tech-savvy, so should be the financial service provider, and hence, many AMCs started the strategic use of effective content marketing. Many of them began to use social media seriously and started to post content actively. Social communities such as WhatsApp groups or Telegram channels replace traditional market segments. Because admins moderate these communities, only permission marketing is possible. Posting unwanted or irreverent messages that sound like "marketing" or non-value-adding words will see the wrath of admins who moderate them.

Branding and brand positioning plays a vital role in the minds of investors, and mutual funds are no different. Brands with the best recall are often the ones that have the highest market share. Some AMCs project to be a big fund house offering a wide variety of schemes (such as HDFC AMC, Reliance AMC, Kotak AMC). Other AMCs prefer to be unique and straightforward no-nonsense funds with just one or two schemes in the offering (such as PPFAS AMC, Mirae Asset AMC). Big conglomerates having colossal exposure to different financial domains are often such leaders.

Irrespective of what they are, netizens are collectors, critics, creators, and social connectors and expressive evangelists. As content contributors, they vote, "like" or give a product review, which can act as inputs to both the service provider and friends of the contributor. Their activity helps AMCs to reach out to friends of the netizens and extend the reach and penetration of the fund houses.

Mutual Funds require both traditional and digital marketing as they complement each other. The former is necessary for the initial phase of establishing the relationship. The latter gains significance to take the investor to action and advocacy levels. Further, digital marketing can be a great boon for small and new AMCs who might have low marketing budgets.

C. Influential digital sub-cultures

Demographic factors largely influence individual investor behavior [5]. The digital marketing age is shifting the influence of traditional agent/distributor led to tech-savvy Youth, Women, and Netizens (YWN). The YWN has become the mainstream influence in the marketing of financial products and services.

Youngsters are faster in taking financial decisions and are increasingly showing interest in investing. The average investor age is coming down over the years. This investor base has become the prime target for marketers. AMCs responded to this age group by bringing feature-rich mutual fund investing apps. The investing process is made paperless and does not require offline follow-up action such as visiting the AMC office to complete the transaction.

Financial awareness amongst women is growing, and they primarily have an "invest first" attitude. While both men and women have the same investment patterns and similar goals, only a third of the women take their own investment decisions. Encouragement from husband and parents, death of husband or divorce seems to be the prime reason that women consider investing. Almost a quarter of women who make investment decisions are self-taught. Forty-two percent of women who consulted someone in their investment decision making usually consult a professional financial adviser. [7] Husband, more than parents, are encouraging women to invest. Thus, there is a need to foster financial awareness amongst them from a young age. Acknowledging this necessity, AMCs like DSP MF have developed a dedicated website branded "Winvestor" that promotes women to invest.

Netizens prefer transacting online over offline. Fund houses are allowing the use of digital platforms such as secure websites and mobile phone apps for making mutual fund transactions. Fund flow through payment wallets, official banking apps, and net banking have become the new norm now. Fund houses such as Reliance Mutual Fund even allow instant investing using voice commands in its Simple Save App.

D. Advocacy

The financial services industry runs on trust and confidence [36]. Service providers and intermediaries always attempt to reach out to both existing and new customers through multiple channels. Relationships with customers, channel members, and partners are vital in relationship marketing and can give an edge with the competitive marketing strategy [15]. Recommendations from brokerage houses, individual stock brokers/distributors/ financial advisors and friends/co-workers influence individual investor's selection of a stock/scheme. [26] The channel partners take much onus on establishing or building confidence while the AMC, through its fund performance, maintains and keeps the trust in the mutual fund industry.

Studies show that AMCs do not provide necessary information for optimal decision making through their advertising campaigns [11]. Financial service providers often get a terrible remark of misselling with misleading advertising. Regulators are stepping in to fix misleading statements from time to time. However, ample information is becoming available because of the standardization of statutory disclosures by market regulators. The Securities and Exchange Board of India

(SEBI) in India, for example, insists on the use of a pictorial "Riskometer," standardized return measurements and benchmarking against Total Return Index (TRI) amongst others. The Finnish Association of Mutual Funds insists on the disclosure of variables such as turnover and tracking error. Statutory regulations require that AMCs periodically publish scheme disclosures. Scheme portfolio holdings, valuations statements, and fund performances are examples of such disclosures done monthly. Several third-party websites post a risk-return analysis of various mutual fund schemes periodically. Investors increasingly focus on past returns ignoring the risk and cost factors, and hence, their investment decisions are sub-rational [32]. Investing is simple but not an easy process. Investors have ample information at their disposal to analyze and make investment decisions provided they know how to use it. Investors often misinterpret or get misled with disclosures at times and might even pay more fees [31].

Investors have trouble with "information overload." Despite this, they seek opinions and get influenced by their f-circle comprising family & friends (Facebook) friends and (Twitter) followers. This circle is reached even before reaching out to the product information sources such as the AMC website. Consulting subject experts such as financial service providers and portfolio designers often through social media apps such as WhatsApp and Telegram is becoming common. They prefer independent experts over a commercial company-backed brokerage/advisory provider because investors feel they get personalized, honest, and fair opinions. So much is the influence of advocacy that the community views overweight investors' views. The impression and experience of existing investors are hence, vital in the marketing process. They are instrumental in influencing existing investors to move from the "act" phase to the "advocate" phase. Success in doing so will mean that the company will get new leads and expand their investor base organically. Existing loyal investors act as a new communication line for modern marketers.

The concept of "advocacy" gradually changed over the years, even though the core theme of keeping the customer at the center remained unchanged. The earlier concept of "advocacy" focused on the individual customer and in the co-creation of products. Modern advocacy has increased the scope also to include the customers' social circle, extending the marketable circle.

"Advocacy" is a dual-sided sword. When positive advocacy exists, there will be a door for negative advocacy too. While "negative advocacy" is sometimes inevitable, investment services like mutual funds can overcome this by delivering superior performance. Investors chase returns and do not hesitate to switch loyalty if they feel their fund is not performing according to their expectations. Unlike in the past, this is more valid now owing to reduced switching costs by the regulators. Negative advocacy emerges from such dissatisfied investors, but, fortunately, marketers can do two things. First, the existing media line is to be used to reach out to the investor community to explain and educate the reason for the underperformance. The marketing team can draw a campaign that explains the cause in an easy-to-understand manner. It will be easier to explain the causes beyond the scope of the investment scheme - such as macroeconomic factors or the overall bearish trend of the stock market. Second, marketers can alert the fund management team so they can make more meticulous moves going forward. Taking cautious investment bets involving lesser risk can be taken going forward are some examples of this. Therefore, this can act as a feedback mechanism to the fund managers.

E. Marketing expenses

When there are so many players in the business doing more or less the same thing, innovation can be a crucial differentiator. Ideas to build better and newer financial products can come from the market when companies spend time in co-creation with customers and then commercialize them. Some mutual fund innovations such as Daily SIP, offering ATM cards to withdraw mutual fund investments from bank ATMs, are few examples. However, change in financial products will mean getting new regulatory approvals, which are usually time-consuming.

Moreover, even when approved, success might not be sizable enough. Adding to this complexity is market segmentation. Some fund families promote schemes that are more of a do-it-yourself/self-service type targeted at the performance-sensitive direct investors. Others fund families promote mutual fund schemes that are distributed mainly through broker-sold channels [10].

Contrary to the general belief, marketing expenses decrease because of increased competition. Though investors catch attention to marketing expenses, the mutual fund market is a tournament-like marketplace. The winner (top-performing schemes) steals the credit, focus, and gets rewarded with increased inflows often at the expenses of the non-performing schemes. Research by [27] finds that increased competition decreases funds' ability to outperform. The ability to attract investors is adversely affected, thus compelling funds to spend less on marketing. For determining scheme size, marketing is as relevant as performance and scheme fees. Marketing fees represent a reasonable component of the overall expenses in managing a scheme, and cutting marketing costs will substantially improve the scheme alpha [35]. These are a little higher for active funds over passive funds. The other side of the coin is that it leads to less visibility of the scheme in the marketplace.

Increased market competition on its own does not decrease the expenses of the fund. Regulatory interventions are equally urging investors to realize the fee structure [28]. It became a global standard that while the mutual fund company board management has control over marketing decisions, regulators enforce caps on the marketing expenses. The scheme pool account books the marketing expenses.

With this, an age-old debate as to whether or not regulators have jurisdiction on limiting management fees comes to an end [9].

The more the marketing and distribution expenses (termed "expense ratio" in the Indian context), the higher the media and broker-dealer channel coverage. Also, schemes with modest marketing expenses are often compensated by top marketing expense schemes of the same fund family because of the spill-over effect [12].

F. Four C's of the marketing mix

Financial products that are *co-created* with customers being involved right from the ideation stage will have a durable success rate. The Internet provides all the necessary information about a financial product and investment strategy required to innovate. Product innovation and deployment in local markets thus gets speeded up. Therefore, innovation and localization of products happen quickly. For example, digital payment innovations from other countries like Unified Payments Interface (UPI) and mobile wallets are now available as official modes of accepting payments in India in no time.

Currency or product pricing applies to the mutual fund industry. Investors prefer low-cost schemes-those schemes whose expense ratio (the charge per annum that a scheme charge) is low. Further, there are limits specified by the market regulator. Pricing would be less critical for active investing schemes because the investor already knows the fund manager gets compensated for the services. Because the focus is primarily on the returns, better performing schemes beating the benchmark index can demand higher pricing. However, pricing is a crucial factor with passive investment products such as index funds or Exchange-Traded Funds (ETFs). The most recent trend is that fierce competition in the mutual fund industry is forcing AMCs even to launch "no-expense" schemes.

Mutual funds use multiple *channels* for marketing their products. A bulk of mutual fund distribution is through distributors and sub-distributors. The selling network includes independent distributors, investment advisors, independent financial advisors (IFA) and distribution networks, bank networks, third-party service providers. New generation investors are increasingly indulging in self-study and scheme evaluations. They are more keen on self-service investing by transacting online directly from the fund house to lower investment costs.

Conversation or product promotion, though, ought to be a two-way, is still mostly one-way in the Indian mutual fund context. However, with rising "likes" and "recommendations" on Facebook and other social media outlets, the trend is moving towards becoming a two-way. An engaging influencer in this context is the fund review and the star ratings for various schemes that some third-party websites offer by using their proprietary algorithms.

Marketing blurs differences between sub-sectors. The sub-sectors exist because of regulatory requirements. Aditya Birla Capital frequents Facebook advertisements that focus on their Century SIP offered for its mutual fund SIP investors. Such investors get a free group life insurance coverage, which is a product offering from an insurance company. For large financial houses, inclusive advertising (living harmoniously despite differences) seems to work. Aditya Birla Capital is present in several financial verticals, including mutual funds, insurance, and stockbroking. However, they have a unified brand and virtually consistently carry the identity of the parent and not of the vertical.

G. Online customer care

Early adoption of disruptive technologies like Artificial Intelligence (AI) and Blockchain technology will have an immense application in financial services domains like the asset management industry. The mutual fund industry can enjoy cost-benefit and operational efficiencies with them. Artificial Intelligence enabled chatbots are employed to understand investors better and provide them with customized services. Several Robo advisory products and services at present working on this. Self-service customer support, such as by the use of chatbots, is acting as first-level support or a replacement to call center agents in handling customers. Generating the Common Account Statement (CAS) on the tap will soon become the norm once the technology evolves. However, for now, investors can create a variety of ad hoc investment-related statements by placing an online request. The data-sharing alliance amongst registrars is helping in preparing one combined report spanning several AMCs offering a consolidated view through a singular statement. Investors can thus save time.

Registrars such as CAMS are offering website-based chat-bot aided support services using their CAMServ service offering. Essential services like correction or change request, generation of the account statement, status check, and essential financial transactions are allowed through the online website interface for about 14 AMCs that CAMS represent.

With WhatsApp increasingly becoming India's most preferred chat and conversation tool, AMCs and Registrars began offering investor support through the app. Registrars such as CAMS and even individual AMCs such as Quantum MF, Motilal Oswal MF (May 2019), too joined in providing these support services.

H. Engagement marketing

Digital tools play a vital role in delighting modern customers so that they can transition from the Act stage to the Advocate stage. Using smartphone apps acts as an arsenal to the marketers of AMCs, RTAs, and third-party financial solution providers. However, only 23 of the 40 Indian AMCs have dedicated mobile apps. If the AMC does not have a mobile phone app, investors might feel the AMC is not tech-savvy. It forces such investors to use the website interface on the smartphone to transact. A negative impression gets conveyed that AMC is a technology laggard. The second level of engagement is to have a social customer relationship management (SCRM) interface. Some AMCs

such as Franklin Templeton India MF have built an interface to include family and relatives' portfolios on a single dashboard allowing family-level investment planning. Few others began using WhatsApp to provide support services on the tap. Dedicated apps and tools can aid in Gamification, providing various hypothetical scenarios. These tools can guide investors through a series of steps to take to the ultimate level where the intended message will get unveiled.

I. The O-zone (O3) approach

New marketing principles in the investing landscape say that three types of influences impact investment decisions - by their "own" influence, "others"' influence, and "outer" influence. The "outer" factor gets created with an excellent brand appeal, and maximizing it essential to create curiosity so that potential investors ask questions and inquire about the product. Frequently sending emails and newsletters with a good write up is a common approach for this. Getting mentions in influential blogs and press releases and running advertisements on investing portals (particularly mutual fund portals) can help. Search engine optimization of the official website and inorganic channels like Google AdWords and Facebook Ads can help. A robust messaging process and integration system can give a delightful experience to the investor. The content team can prepare attractive creatives, and the sales team can make follow-up inquiries. Integration can be accomplished by linking the official AMC website on the Facebook page and vice-versa.

J. Mobile & Social Media Measurement (SMM)

A survey found that 96 percent of intermediaries harness digital technologies to reach and communicate with their clients. [29] However, this usage is at the individual-investor level only. AMCs hardly train their sales force on operating digital tools. Corporate blogging is only occasional. The usage of Online reputation management (ORM) tools is very less. Webinars are frequent with large AMCs, but small, medium-sized AMCs hardly implement them. Most AMCs are in their elarly stages of using Search Engine Marketing (SEO) or data analytics, and clearly, there is a vast scope for improvement in this area. According to [30], the top five measurement metrics for social marketing are:

1. Volume (size of conversion)
2. Reach (spread of the message)
3. Engagement (people taking part in the conversation)
4. Influence (impact of a person on others) and
5. Share of voice (percentage of the overall conversation in the industry)

Some factors for mobile and social media measurement are:

a. SEO-optimized mobile-friendly website

b. Dedicated mobile app for doing financial transactions

c. Facebook factors: Dedicated Facebook page, sections for photos, events, videos, number and rate of posts, hashtags, likes, followers, and links to special financial tools.

d. Twitter factors: Dedicated Twitter handle, rate, and count of tweets, followers, likes, and lists.

e. YouTube channel: Dedicated channel, Subscribers, and the number of video posts

f. Instagram: Dedicated pages, posts, and followers

g. Linked In: Dedicated page and followers count

h. WhatsApp support/transaction facility

Table-II: Experimented Results on Social Media Usage of Indian Mutual Funds

Mutual Fund House	Mobile friendly Website	Dedicated Mobile App	Faceboo k	Twitte r	YouTub e	Instagram	WhatsApp Support	Total Score
Aditya Birla Sunlife MF	1	1	5.5	9	0	0	1	16.5
Axis MF	1	1	5	6	3	1	1	17
Baroda Pioneer MF	0	0	2	0	3	1	0	6
BNP Paribas MF	1	1	2.5	7	3	0	0	14.5
BOI AXA MF	1	0	0	0	3	0	0	4
Canara Robeco MF	1	0	5	5.5	3	3	0	17.5
DHFL Pramerica MF	1	1	6.5	6	3	0	0	17.5
DSP MF	1	1	7	6	3	0	0	18
Edelweiss MF	1	0	6	6	0	3	0	16
Essel MF	1	0	6.5	0	0	0	0	7.5
Franklin Templeton MF	1	1	7	6	3	3	0	21
HDFC MF	1	1	6	6	3	3	0	20
HSBC MF	1	0	0	0	0	2	0	3
ICICI Prudential MF	0.5	1	6	6	3	2	0	18.5
IDBI MF	1	0	5.5	0	0	2	0	8.5
IDFC MF	1	0	7.5	7	3	0	0	18.5
IIFL MF	1	1	0	6	0	0	0	8
IndiaBulls MF	1	1	7	6	3	2	0	20
Invesco MF	1	0	6.5	9	3	2	0	21.5
ITI MF	1	0	6	6	0	2	0	15
JM MF	0	0	0	0	0	0	0	0
Kotak MF	1	1	7	6	3	3	0	21
L & T MF	1	1	8	9	3	3	0	25
LIC Nomura MF	1	1	7	6	0	0	0	15
Mahindra MF	1	0	5.5	6	3	3	0	18.5
Mirae Asset India MF	0	0	7	6	0	0	0	13
Motilal Oswal MF	1	1	7	6	3	3	1	21
PPFAS MF	1	1	8.5	6	3	3	1	22.5
Principal MF	1	1	0	0	3	0	0	5
Quant MF	1	0	0	0	0	0	0	1
Quantum MF	1	0	8.5	6	3	0	1	18.5
Reliance MF	1	1	6	7	3	3	1	21
SBI MF	1	1	7.5	6	3	3	0	21.5
Shriram MF	0	0	0	6	3	0	0	9
Sundaram MF	1	1	7	6	3	0	0	18
Tata MF	0	1	8	6	3	0	0	18
Taurus MF	0	0	0	5	0	0	0	5
Union MF	0.5	0	0	0	0	0	0	0.5
UTI MF	1	1	8	7	2	2	0	21
Yes MF	1	0	0	0	0	0	0	1
Average Score	**0.8**	**0.5**	**4.8**	**4.8**	**1.9**	**1.2**	**0.2**	**14.3**
Maximum Allowed Score	**1**	**1**	**9**	**7**	**3**	**3**	**1**	**25**
Non-Zero Count	**36**	**23**	**32**	**32**	**28**	**22**	**8**	**181**

Source: Author compilation; Review Period: Month of June 2019

Modern customers are difficult to influence, persuade, and retain, and hence, both active and passive Social Media Marketing (SMM) strategies are to be used [6]. There are four dimensions in [8]'s strategic SMM framework - scope, culture, structure, and governance. Indian AMCs mostly engage in one-way communication with stakeholders, and in terms of *scope*, they are mainly *defenders*. However, by embracing open and flexible SMM *culture*, they are quickly moving towards *modernism*. Indian AMCs follow the Hierarchical SMM *structure*. However, the *Autocracy* form of SMM *governance* remains inside the organization with SMM tasks assigned to corporate communications or public relations teams. A survey on 168 marketing executives from the financial services industry is done by [34]. It concluded that practical social media channel usage leads to better economic measures, influences proper planning, and gives the response in terms of market analytics. Marketers need to use a mix of direct, informative content combined with the brand and personality-related material to balance reach and engagement. [21] Four key reasons why Indian mutual funds are using social media are:

1. To increase awareness of product awareness
2. Ease investment process
3. To increase brand visibility (by posting greeting messages during festivals) and
4. During new product launches, such as New Fund Offer (NFO)

The following points are noted based on the factors discussed:

1. Indian investors are increasingly getting tech-savvy and prefer to invest directly. They seek information and get influenced by their *advocacy* circles.
2. Influence and impact of traditional sales and distribution channels are slowly reducing as investors prefer to buy *direct* plans.
3. Only large and top fund houses and select smaller houses are using modern marketing principles, while many smaller fund houses are ignoring it.
4. L & T MF, PPFAS MF, Invesco MF, and SBI MF are top Indian AMCs aggressively using social media.
5. AMCs whose social media usage is low include some old-timers like JM MF and new entrants like YES MF and Quant MF.
6. Facebook is the most popular social media outlet. Instagram usage for marketing is very less. WhatsApp-based customer support is just catching up.
7. Overall, the Indian Mutual Fund Industry is an average user of social media marketing.

AMCs of all sizes can use social media tools to build a media strategy. Disseminating information at regular intervals can help them gradually increase reach out towards investors. Securing loyalty from existing investors can turn them into advocates and hence help AMCs in extending their market inorganically. Dedicated social media teams and budgetary allocations can be part of the existing marketing department set up. The integration of CRM tools can help in providing superior customer experience and to control negative advocacy.

IV. FINDINGS

1. Social media usage of the Indian Mutual Fund industry is at a very nascent stage.
2. Increased investors are going for online and digital transactions and hence has a vast scope for marketing activity to happen online.
3. The influence of Youth, Women, and Netizens (YWN) is catching up. Own, Others, and Outers will be three levels of O-zone influences.
4. Advocay plays a vital role in Indian financial product and service marketing, particularly with mutual funds.
5. Regulations and investors' quest is for low-cost (less expense ratio) mutual fund schemes.
6. Chatbots will first handle customer care and post-sale support.
7. Smartphone come as a boon for engagement marketing.
8. SEO and SMM are in their early stages of usage in the MF industry.

V. CONCLUSION

Despite being an incredibly competitive marketplace, Indian Mutual Fund AMCs are not entirely digitally-ready to build and deploy online/mobile marketing strategies. By underutilizing social media, they are inhibiting themselves from extending their marketing reach. Tech-savvy Indian investors are now more confident in carrying out digital transactions and using social media from their smartphones. The marketing process is now starting to become online through the traditional offline/distribution-led channel that continues to dominate. Youth, Women, and Netizens (YWN) are in the nascent stages of catching up. Advocacy will represent the future of influencer-led marketing in financial services. The 4C approach of the marketing mix will benefit the mutual fund industry. Customer care is going online and social. SCRM and Gamification are popular ways of engagement marketing in India. The O3 approach will help users influence as the tool to move an investor from *awareness* to *advocacy*.

This perspective presents a mobile & social media measurement tool that supports measuring the use of Marketing 4.0 principles by the Indian Mutual Fund Industry. Only the elite few industry players are using mobile and social media marketing strategies thoroughly. Considerable work by other players is necessary to catch up with the game.

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