Dimensional Fund Advisors has set a “digital transformation agenda” to bring its marketing strategy in line with clients’ evolving needs.

The $579bn fund group’s strategic priority, referenced in various DFA LinkedIn job posts over the last several months, involves investing in new ways to deepen client engagement and profitability through digital channels. The active manager is modernizing its client portal and making its message more accessible to all.

A head of digital marketing job listing posted a month ago notes the factor-focused Texas firm aims to “create an impeccable digital ecosystem that will help clients adopt the Dimensional investing lens as their own and apply it to help the investors they serve.”

Among the first forays into revamping its online footprint came when the firm launched its public website four years ago, Karen Dolan, DFA’s head of global marketing, said in an interview with Fund Intelligence.

The firm’s growth has largely come through word of mouth across its 38-year history, Dolan noted. But a few years ago, financial advisers working on the front lines with end-investors began to express that they needed more information that they could easily reference and share.

“The content that we’re putting out there and getting onto digital is really intended to arm the professionals who are working with the full range of investors in helping them see markets through a different lens,” Dolan said.

The firm has stayed consistent with its message and how it works with clients for years, noted Jake DeKinder, DFA’s head of client communications. What has evolved, he explained, is the company’s understanding of how clients want to interact with DFA and use its resources efficiently.

“How do we take some of the 40-page research papers, some of the things Dimensional is known for, and actually turn it into messages that our clients can use more effectively that’s going to resonate more with investors?” DeKinder said. “That’s consistent feedback we’re hearing from clients that we’re then taking, translating and figuring out how we can simplify some of these ideas so they’re more accessible for
A video posted last year on DFA’s Facebook page and YouTube channel takes viewers through a timeline, accompanied with sound bites of news broadcasts. It begins with the Dow Jones Industrial average and the Nasdaq Stock Exchange Index reaching all-time highs in 1999 and 2000, respectively. It then shows just two years later that Nasdaq has hit a bear-market low.

“Markets can be volatile,” the video reads. “There is no crystal ball.”

Headlines of home prices posting record gains in 2005 and Lehman Brothers filing for bankruptcy in 2008 then flash across the screen.

“But if you were working with a financial adviser who had helped you tune out the noise,” the video continues as a loud stock exchange bell goes silent, “…You could have had a positive investment outcome that let you live your life through the ups and downs and know it would be okay. That’s the value of discipline.”

The “tuning out the noise” message is one that DFA has used even before Dolan joined the company, she said.

“It wasn’t an exercise of coming up with a tag line on a white board — it was more carefully listening to the conversation, dialogue and interaction between Dimensional and our clients,” Dolan said. “These are the sorts of ways that in those dialogues with clients we’ve tried to translate what we think could be a very intimidating topic into something that helps people and empowers them to make it more approachable.”

Another video on the firm’s LinkedIn page shows DFA executive chairman and co-founder David Booth sharing the story of how he met Professor Eugene Fama while studying at the University of Chicago 50 years ago. A student and research assistant under Fama, Booth asked him to be a founding shareholder and a member of the board of directors when starting up the company in 1981.

Moulaye Niang, who grew up in Senegal and went on to play basketball at the University of Kansas, also shares his journey in a four-minute clip on the page. The former 6-foot-10 center, now a senior associate at DFA, compares the belief system and process instilled in him by his college coaches to that of the firm.

“What we’ve done and the story we have is something we’ve been sharpening and evolving kind of throughout our history and always refreshing,” Dolan said. “I think it’s much more of an evolution of where we’ve been and then utilizing the power of digital to be more streamlined and effective in how we get our messaging and the support out there for clients.”

A next-generation portal
Along with providing more robust, easy-to-consume content across digital channels, DFA last month launched the “second generation” of MyDimensional, which now has more than 16,000 global users.
First created in 1999, the client portal has long provided thought leadership, research, articles and data tools, executives said. The firm has and continues to add new features to the platform.

“We think we have good content, good analytics, good resources and we just want to make them easy to find, easy to use, easy to share so ultimately our clients can use them in a very efficient way inside of their businesses,” DeKinder said.

Savannah Samuelson, a senior associate for digital marketing at DFA, highlighted MyDimensional’s new browse section. This feature allows users to identify topics — like ESG, fixed income investing and retirement — as well as the form of the content, like video, audio or articles to quickly find relevant information.

The firm has also invested in a more thorough search platform that goes beyond just article keywords to also scan video transcripts and PDFs.

The MyDimensional tools section allows advisers to see data through the same lens that the company’s money managers view it, Dolan noted. They can create model portfolios and compare them in terms of size, value and profitability.

Users can break down DFA products’ characteristics and asset allocations down to the individual securities, and the firm has worked to make the data more visual and interactive than before. The tool also compares the portfolio you build on the platform to an index.

“We feel like we offer a lot of the benefits of indexing — low costs, turnover, high diversification, transparency — but we’ve improved on it in the way that we interpret research, implement that research and the track record that we’ve been able to attain,” Dolan explained.

Remaining unique
As more people have seemed to gravitate toward systematic investing, Dolan said, finding new ways to communicate the firm’s value proposition is critical.

Earlier this year, former DFA co-CEO Eduardo Repetto and COO Patrick Keating launched Avantis Investors, a Los-Angeles-based factor-investing affiliate of American Century Investments. The firm poached about a dozen DFA staffers as it built up its team, and industry watchers said Avantis would compete directly with the value investing specialist.

Dave Swanson, founder and managing partner for SwanDog Strategic Marketing, said DFA enjoys “a stellar and rabid following” among a subset of advisers. American Century nabbing the former DFA leaders was a smart move, he argued, implying that the executives could bring DFA clients to Avantis.

“Competition’s nothing new,” Dolan said. “In a lot of ways, I think it’s a compliment. It indicates that we’re doing something right.”

DFA’s digital transformation agenda isn’t just client driven. Internal technology upgrades have allowed the firm’s employees to move off legacy platforms and collaborate with different groups, Dolan said.
Professionals from the marketing, client, investment analytics and data, technology and even compliance teams have helped modernize the platform. The latest leg of this cooperation began about 18 months ago and is ongoing, Dolan said.

DFA also named Lisa Dallmer as its new chief operating officer earlier this month. She will partner with senior leaders of the corporate, sales and marketing, and investment teams to develop and implement operational strategies that improve standards, drive efficiency, and enhance business capabilities, the firm said in a statement at the time.

“Our focus is on making sure we’re continuing to do what’s best for our clients and strengthening our own investment proposition,” she explained, “and to the extent that we need to get out there and tell the story, we feel like we’re in a really good position to do it.”

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