

## DIGITAL TECHNOLOGY STRATEGIES FOR AN INVESTMENT MANAGER

**IPRO PROBLEM:** Substantial marketing of Calamos' investment funds is based upon personal contact with John or Nick Calamos. However their time is limited and, as the company has grown, it has become harder and harder to give the same personal touch by John and Nick to their clients and prospects.

**IPRO TEAM OBJECTIVE:** Research how digital communication technologies can leverage the marketing efforts of John and Nick Calamos and pilot the most promising digital communication ideas for leveraging the time and ideas of John and Nick Calamos.

**TEAM STRUCTURE:** Our team split in 4 sub-teams in order to focus on different 4 aspects of our research.

**CUSTOMER ANALYSIS SUB-TEAM:** Determine the customer profile for High Net Worth Individuals private investors

This sub-team found demographics information about HNWI' s and separated HNWI' s in two categories: One category includes older 55+ years old HNWI' s that use traditional ways of communication like mail, phone and meeting in person. They hardly use digital devices to communicate with their investment company and they do not appreciate advertising. On the other hand the HNWI' s that are 25-55 years old tend to use cutting edge technology, use mostly internet services to communicate with their investments companies and they are more receptive to advertising.

**COMPETITOR ANALYSIS SUB-TEAM:** Evaluate client communication strategies of competitors

This sub-team identified and analyzed five competitors to Calamos based on certain criteria: the size of the investment firm's assets under management, the image as portrayed publicly, whether the company has oriented itself towards soliciting investment from the extremely affluent or the mainstream investor. Also some competitors were selected because Calamos itself had identified them as comparable to them. On that basis the sub-team selected Gamco (Gabelli) Inc., Pimco Inc., Fisher Investments, Nuveen and Fidelity for analysis. The analysis identified several digital communication technology applications that were quite revolutionary and avant-garde in the manner in which these companies communicate and correspond with their clients.

**DIGITAL TECHNOLOGY ANALYSIS SUB-TEAM:** Provide a digital communication technologies evaluation and forecast

This sub-team explored three technology domains: Hardware, more specifically mobile devices, Networks, namely wireless networks, and Software Applications. The main trend found in the Hardware domain was that of the convergence of mobile devices. Convergent devices will incorporate the functionality of PDA's, cell phones, and digital media players, as well as allow for access over multiple networks, such as 3G, and Wi-Fi. The main trend in the networks domain was the convergence of wireless networks which will provide seamless broadband access over mobile devices. The main trend in the applications domain is of the increased consumer preference for audio and video for communication purposes.

**WEBSITE ANALYSIS SUB-TEAM:** Evaluate competitors' websites and suggest improvements for Calamos' website

This sub-team selected fund managers' web sites and judged them based on design, structure and other functionalities. For the design, the sub-team looked at how well the web pages transmit the firm's philosophy and corporate image. For the structure, the sub-team studied whether the website had different pages for different types of investors etc. Finally, the team searched for special functionalities that made the web site stand out among others. The findings of this sub-team were that while some companies gave a big importance to have a well designed website, others (not the smallest or worst funds), had quite old and unaesthetic home pages (but on the contrary, sometimes provided very sophisticated multimedia content). Recommendations to Calamos for their web site strategy will be prepared in conjunction with the Calamos web team.

**NEXT STEPS:** Our next steps will be to survey the high net worth customers of Calamos in order to determine their degree and type of digital technology usage. At the same time we will benchmark the performance of Calamos competitors from using digital communications technologies. Moreover, we will provide the web development team of Calamos a report with recommendations and share ideas with them as to how their website can be improved. Lastly and most importantly, we will pilot new digital communication technologies that will leverage the presence and ideas of John and Nick Calamos, like Podcasting.

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**TEAM MEMBERS:** Joseph Aquilla, Architecture, Angeliki Ermogenous, Applied Mathematics, Imran Hafeez, Molecular Biochemistry & Biophysics, Siddhartha Patel, Computer Science, Corey Reese, Civil Engineering, Yonathan Sabbah, Physics & Finance, Alexi Severyn, Business, Joseph Tomal, Information Technology.