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A Medley of Marketing Advice by Holly Singer



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Over the course of many years’ experience in the hedge fund space I have given and heard numerous marketing tips, well beyond the scope of a single article, but would like to share a medley that includes communication advice and traps sourced from institutional investors and long-standing industry professionals’ comments that have been especially well received. As fund managers, service providers and other industry professionals gear up for conferences, networking and capital raising opportunities, all marketers should carefully execute communication strategies and best practices while seeking to avoid common traps that are often overlooked.

Tip: To deliver a winning pitch, visualize when you talk.

“Communication is mental transfer, so you need to be as picturesque and visual as you can to achieve the necessary transfer of your strategy and capabilities.”

Source: “7 Keys to a Perfect Pitch” article based on speech by Jim Rosebush, CEO and Founder of Growth Strategy Inc., former senior advisor to President Ronald Reagan, and speaker/coach at Hedge Connection’s Global Fund Forum 2015.

Trap: Focusing on beta sources

“We know where all the betas are; we want to know where your alpha is.” Fund managers that devote precious meeting time to presenting the drivers of return in their overall strategy need to realize that experienced allocators already get that level of information and need to know how each manager brings specific value to their subsector or niche.

*Source: Michael Dubin, Managing Director, Silvercrest Asset Management Group
Comments made during Global Fund Forum 2015’s allocator panel*

Tip: Make your edge and your capacity very clearly understood.

Numerous well-respected allocators including those speaking at several industry programs have noted that too many managers fail to articulate their edge and as a result leave a blurry frame of reference, often undermining their own capabilities relative to competitors. What makes your firm memorable? How do your pedigree and/or team stand out from the pack? Is infrastructure one of your firm’s strengths? Does your investment strategy have capacity constraints and if so, what is the timeframe and rationale? Managers must proactively define their strengths while proactively addressing allocators’ critical information criteria. Tell your story with personality and passion!

Trap: Inadequate follow-up

“Your initial pitch, regardless of how impressive it may have been, is just a stepping stone. Don’t neglect the need for assiduous follow-up.”

*Source: Adam Choppin, Manager Research – International Equities, FIS Group, Inc.
Comments made during Global Fund Forum 2015’s allocator panel*

Tip: Incorporate key components into a succinct pitch book message:

- 5 P's: People, Philosophy, Process, Product and Performance
- Lead with *qualitative* message points
- Highlight the opportunity set relevant to your niche strategy
- Showcase *your* value proposition and competitive advantages
- Approximately 20 slides maximum for your marketing deck.

Source: “Marketing Opportunities for Alternative Investment Managers” webinar organized and hosted by Richey May

Trap: Leading with performance

Investors need to build a trusting relationship with you, not with your data. Focus on people before performance by telling your story first, making it personal yet succinct. What sets you apart you're your peers? Needless to say, for a new fund launch, a performance examination report issued by a respected CPA firm, along with a well-designed pitch book presentation incorporating a compelling message, will present a strong and persuasive case for potential investors to commit to your fund.

Source: “Using Performance Exams as Part of Your Pitch Book Strategy” article by Edson, Senior Audit Manager, Richey May & Co, LLP, and co-author Holly Singer

Tip: Don't wait for your magic AUM or rely on lists for prospecting

- Get out there and start meeting with allocators *before* reaching your magic AUM number
- Be wary of buying costly lists – what do you do with this information and how up to date is it?
- Carefully evaluate the options for meeting investors including online and event-based introductions with the effective venues and the right demographics *for you!*

Source: Lisa Vioni, CEO of Hedge Connection

Trap: Flipping through your entire deck during an initial 1:1 investor meeting

That approach is too distracting and can easily undermine the impact of your meeting. Alternatively, consider presenting 3-4 slides; focus on those with key visual highlights.

Tip: Earned press can reinforce credibility and help build your brand

Selectively integrate public relations (PR) initiatives. Leverage social media channels – cast a wide net. Include Blog posts, LinkedIn, Twitter. Create and curate fresh content that is informative not a product promotion.

Trap: Misusing popular alternative investment industry terminology

Certain popular investment terms do not mean what we sometimes think they mean. Use them correctly.

Source: “Misusing These Popular Alternative Investment Terms? Inconceivable!” by Meredith Jones

Tip: Provide all investors with answers to 3 key questions.

- Who are you (as a team)?
- What do you do (as a firm)?
- What sets you apart (from peers in your strategy)?

Trap: Mistaking your monologue with investors for effective networking

To build better relationships with investors and prospects, have conversations, not monologues. Always tell the truth, even if the answer is “I don't know.”

Source: “Trust Me, I'm a Portfolio Manager!” . . . “Top 10 Ways to Build Better Relationships With Investors and Prospects” by Meredith Jones