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## Signs You Need To Rethink How Your Fund Has Been Marketing



As a new year starts, fund marketing for asset raising will be foremost on the minds of all portfolio managers whose assets under management have not reached the capacity limits for their strategies.

But how should fund marketing for raising assets be handled going forward? Stay the course and just do everything the same as last year? Or could there be reason to look into making some changes?

To make a starting point evaluation of the efficacy of asset raising efforts at your firm, take into account the calendar year just ended and ask yourselves these have or have not questions:

### **Have the number of requests for a second meeting increased?**

As hard as it is to get a first meeting with a prospective investor, many investment boutiques often find that getting a second meeting is even harder. What could they have done wrong in that first meeting to not garner enough interest to continue the dialog between buyer and seller?

While numbers presented can speak for themselves, effectively communicating in enough detail as to how those numbers were generated is quite a different thing entirely. Was a salesperson used, and if so, how thoroughly did the portfolio manager teach them as to how the strategy is being run? For that matter, how detailed and consistent has the portfolio manager been in educating and interesting prospective investors about strategy implementation, which is a fund's main differentiator?

## **Have our number of followers increased?**

Every fund's sales marketing effort has two important people goals: seek out those who are potential investors over the near-term and seek out those who are potential investors for later. For those that fit in the later category your people goal is to intrigue them to be interested enough to be willing to follow you and your communications. Sophisticated investors want to get a feel for how a strategy performs in real time and, importantly, how the portfolio manager thinks. By increasing the number of followers for your fund you improve the odds of being at the right place at the right time when such investors are ready to make an allocation decision. If your firm has not been growing its followers list then this is something that needs to be remedied.

## **Have interested prospects been able to retell our story effectively without us in the room?**

Once a money management firm has gained an evangelist investment committee member, that person needs to be equipped with the content they need to answer the beyond-the-numbers investment process questions that will be asked by their peers. Lacking the ability to retell your portfolio manager's story fully enough without them being in the room can result in a no confidence vote, removing your fund from consideration.

## **Have we received from our content marketing some needle-in-the-haystack inbound queries where prospects are asking to speak with the portfolio manager as a result of what they read?**

Attracting prospects requires distributing quality content, with consistency, that demonstrates portfolio manager thinking and promotes the intellectual acumen of management. So, this goes well beyond just publishing monthly performance data and a quarterly letter to investors. Further, the content has to be actually good, and that is no easy feat. Yet this is what is required to make it through a selling cycle that can run with sophisticated investors from two months to two years.

## **Have audience members been approaching us after we speak at a session at an industry conference?**

Most people who speak at financial industry conferences are not memorable or intriguing to sophisticated investor audience members. Has the prep time and effort your firm put in to its conference appearances yielded some needle-in-the-haystack audience members to identify themselves as being prospective investors in your fund? If not then how you have been prepping needs to be reexamined.

If you answered Have Not to any of these questions, then you've found signs that the approach and execution of your fund marketing efforts could use a rethink.

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### **About the author**

Bruce Frumerman is CEO of Frumerman & Nemeth Inc., a 36-year-old financial communications and sales marketing consultancy that helps financial services firms create brand identities for their organizations and develop and implement effective new marketing strategies and programs. Frumerman & Nemeth's work has helped money management firm clients attract over \$7 billion in new assets, yet they are *not* third-party marketers.

Frumerman & Nemeth is internationally recognized for its work in crafting for clients the beyond-the-numbers story of how they invest — content that investment committees actually discuss, debate and vote on behind closed doors when considering firms on a short list for potential investment. Importantly, this is required due diligence content that cannot be communicated in pitchbook format.

Frumerman & Nemeth's work also includes providing strategic consulting on product and strategy-specific branding, crafting the required strategy-specific content detail and designing and producing the marketing tools needed to make it through the two-month to two-year institutional selling cycle. Clients also employ Frumerman & Nemeth to help promote the intellectual acumen of management — helping them get speaking opportunities, write and give speeches as panelists or stand-alone speakers at industry conferences, and through media relations marketing services.

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