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Marketing To Sophisticated Investors column
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Investors' Confessions:
How They View Your Conference Meeting Pitch

There was an event recently where industry experts were sharing insights with attending portfolio managers about marketing investments to prospective institutional investors at conferences designed for that purpose. There were a wide variety of panelist types on the buy side who followed my early session lead-off to the day. One was an in-house due diligence vetting gatekeeper of portfolio managers and strategies for an institutional plan sponsor. A comment he made to the audience didn't just potentially strike a chord for those investment firm attendees; it definitely struck a chord to many other of the other panelists speaking that day.

"An introduction to an introduction"

To paraphrase, what he said that day was this:

> I may be spending time with fifty or so different money managers at the event where you and I meet and talk. I appreciate that you paid money to be able to meet and present to me and my fellow institutional investors and I do my best to give you my fullest attention. However, it's difficult to keep focused on each of you and everything that you're saying to me. This is particularly an issue as the day, or days, wear on and I've already spoken with and taken notes on dozens of managers. So, if you make it through that initial vetting with me and I later agree to a next meeting do not misunderstand how I actually perceived your initial pitch. That first contact of yours was just *an introduction to an introduction*. It resulted in you being granted the opportunity to have an introductory meeting with me at my offices.

> As a result, he concluded, do not mistakenly assume that you can simply pick up where you might remember having left off in explaining yourself and your strategy offering to my organization back at that busy conference. Also, do not assume you are suddenly closer to closing a sale just because you've been granted a meeting after having made your initial contact at a conference. You are still at the starting line as far as we are concerned; except now you have our undivided attention.

And then a funny thing happened as the panel sessions continued. One after the other, institutional investor panelists repeated and concurred with that comment of his: Consider it *an introduction to an introduction*, because that's how they view it.

A panelist explaining his firm's business of making anchor investor allocations to investment boutiques said to the audience that's how he saw things, too: portfolio managers should understand that get acquainted time at a meet the manager conference should be seen as being an introduction to an introduction opportunity to be continued some other day, he said, repeating the phrase. A consultant gatekeeper for foundations and endowments admitted to feeling the same about those encounters with money managers at such events. Another panelist, from a firm that runs seed funds, said she felt that way, too. Some managers act like they're trying to close us at these initial meetings at conferences, and that's never going to happen, she said. Treat a positive contact experience as being an introduction to an introduction you can look to move farther along after the event. A panelist from a multi-manager fund of funds firm felt the same and almost repeated verbatim the above observations and sentiments.

In their eyes, such meet-ups at meet the manager events are a money manager's opportunity to present an introduction to themselves and their strategies that, if it goes well, will result in the opportunity to get further acquainted with the prospective institutional investor in an environment where there are fewer potential distractions.

The take-away

All these due diligence vetting institutional investors were warning don't get ahead of yourself. Don't fool yourself into thinking that a *We're willing to speak further with you later* is a hidden message that you've run the ball to the 50-yard line. The game has barely started. But at least you know they've allowed you on the pitch.

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About the author

Bruce Frumerman is CEO of Frumerman & Nemeth Inc., a 37-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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