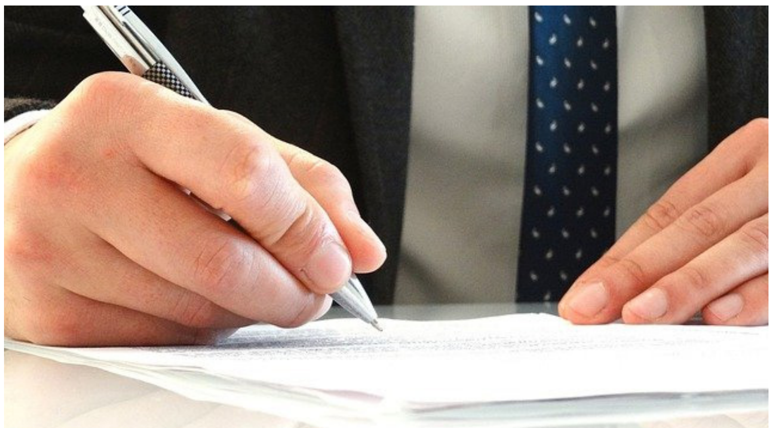
**Marketing To Sophisticated Investors column**
by Bruce Frumerman, CEO, Frumerman & Nemeth Inc.

October 2022

# Is Your Fund Marketing Guilty Of What Your Law Firm Wouldn't Do To You?

## Tip 31: Preparing For Post-Pandemic Asset Raising




ABOUT THE AUTHOR
Bruce Frumerman is founder and CEO of Frumerman & Nemeth Inc., a 35-year-old financial communications and sales marketing consultancy whose work has helped money management firm clients attract over $7 billion in new assets, yet they are *not* third-party marketers.


*Welcome to the* thirty first *of a series of articles offering insights and tips to prepare money management firms for improving their abilities to out-market competitors and attract assets from sophisticated investors in the coming post-pandemic world.*

### Are you trying to get away with what your law firm wouldn't attempt?

For the money management firms who may think that simply tweaking their current flipchart pitchbook and modifying how their sales person or portfolio manager talks about investment process at the first sales meeting with a prospect is sufficient, think again.

You could no more deliver an explanation of your process effectively via flipchart bullet points — as the vast majority of money management firms mistakenly attempt to do — than could your law firm hand you an offering memorandum composed only of abbreviated bullet point text and tell you that was sufficient for both the regulators and your prospective institutional investors.

Further, your law firm could not simply read out loud to you your pages' worth of offering memorandum copy, not hand over a printed copy of the same, and expect you to be able to remember and repeat to others all of that content.

So, why do most money management firms believe it is enough to recite in their verbal pitch at a first sales meeting with a prospect elaboration beyond flipchart bullet points as to how the portfolio manager's investment process is run, then not provide the same in print, and expect the prospect to recall this recitation in detail and be able to recount it to fellow investment committee members?

### A starting point marketing check-up

Has your fund marketing been guilty of doing what your law firm wouldn't do to you? A reexamination of your asset raising communications approach can help you find out.

You should begin by understanding what not to do and giving your firm a check-up to see whether you have been unintentionally making a marketing error in what you deliver to communicate investment process.

Three common communications marketing mistakes often hamper a money management firm's ability to effectively deliver the investment process information sophisticated investors expect and require. Is your firm guilty of any of these?

**Too vague —** This is where the only explanation about the fund's investment process is given in its description statement. For example: We are a bottom-up, fundamentals-based long/short equity investor in growth stocks. The problem with this is that it is only a statement as to the category type of the product offering. It is no explanation about investment process at all.

**Too generic —** For your marketing material that gives any explanation about your investment process, if you removed your firm's name and replaced it with that of a close competitor, would the same copy hold true for their fund as well? If so, your too much of a 'me too' investment process explanation is not detailed enough, differentiated enough or competitive enough.

**Too much only implied —** This occurs when fund marketing is top-heavy in pushing manager pedigree and too light on educating about what exactly is being done to assemble and manage the portfolio's basket of holdings. Investment firms that do this are mistakenly hoping that sophisticated investors vetting them will be willing to take it on faith that, because of where the portfolio manager used to work or went to school, transparency into and detail about strategy implementation is not required.

### Make like your lawyers

Don't be abbreviated, vague, generic or have too much implied rather than spelled out in your marketing about how you invest. And don't pass this off only in one verbal pitch presentation. Make like your lawyers and put it all in print.

# # #



### About the author

Bruce Frumerman is CEO of Frumerman & Nemeth Inc., a 35-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.

Mr. Frumerman can be reached at info@frumerman.com, or by visiting www.frumerman.com.