

The Important Role of Marketing in an Asset Manager's Long-term Success

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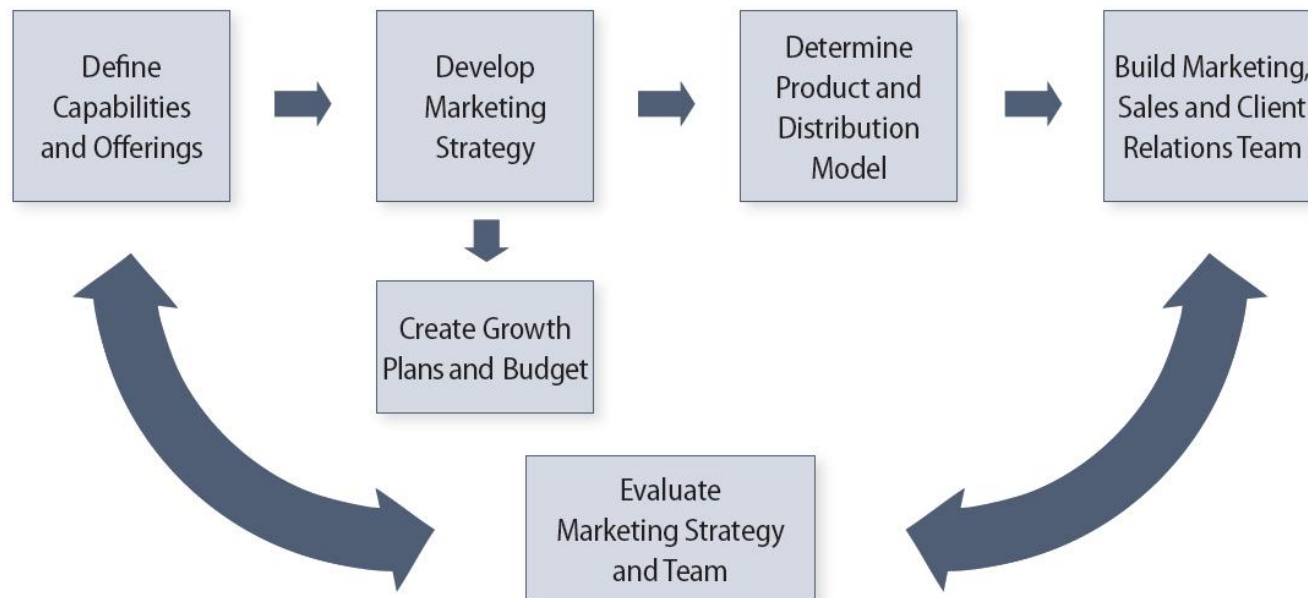
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Role and Importance of Strategic Marketing

- Strategic marketing is:
 - Articulated in a well-crafted plan
 - Sound guide for establishing and growing an investment firm
 - Disciplined yet fluid to accommodate firm's specific needs and dynamic marketplace
 - Designed to prevent or minimize impulse decisions
 - Regularly assessed; firm's results must be measured against targets and benchmarks

Process: Disciplined and Flexible

- Process to build marketing team, strategy and plan is disciplined with built-in flexibility



Define Capabilities and Offerings: A Firm's Core

- Firm's capabilities and offerings stem from **investment philosophy**, which must be:
 - Clearly articulated inside and outside firm
 - Understandable and repeatable
 - Solid foundation from which strategies and offerings are developed
- Firm's brand—who it is and what it offers—evolves from soundly defined capabilities and offerings

Develop Marketing Strategy: Well-constructed Guide for Firm

- Marketing strategy and plan can propel firm from good to great
- SWOT Analysis is useful tool:
 - **S**trengths, **W**eaknesses, **O**pportunities and **T**hreats
- Elements of plan:
 - Firm's strengths and weaknesses; overall risks to plan's success
 - Marketplace environment
 - Product growth and retention projections
 - Necessary resources to achieve goals
 - Sales and marketing functions

Guide to Develop Marketing Strategy

- Comprehensive yet streamlined guide:
 - What is firm's focus?
 - Who is firm targeting?
 - Why choose firm?
 - How to measure firm's success?

WHAT	Investment menu, philosophy and process
WHO	Target market and clients, which may be organized by areas of specialty including: <ul style="list-style-type: none">▶ Channel: Such as institutional or intermediary▶ Segment: Such as pension fund or insurance company▶ Geography: Such as U.S. or Global
WHY	Competitive advantages, solution selling (identify the way investment offerings fit within the clients' portfolio context)
HOW	Short- and long-term plans for gaining and retaining clients, and baseline assessments of key metrics

Evaluate Marketing Strategy: Continuous and Critical

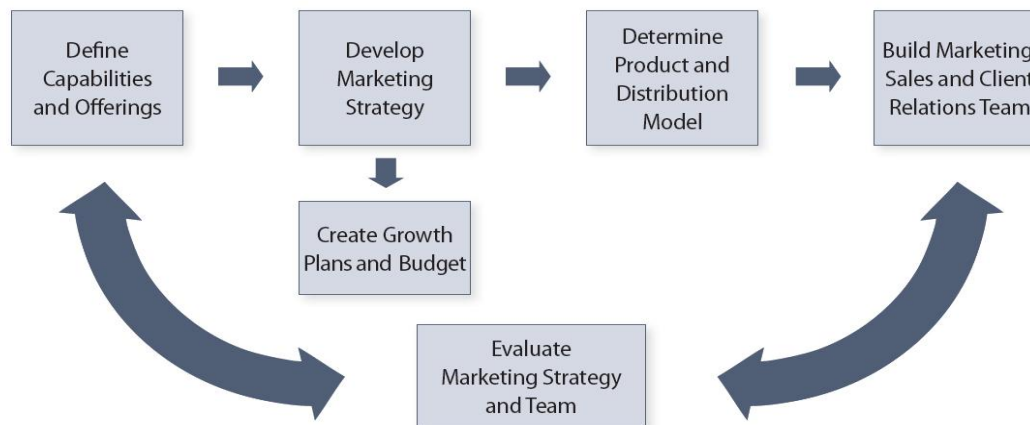
- Continuous evaluation is key to ensure firm is on right trajectory:
 - Analyze marketing plan, and growth plans and budgets
 - Review assets and clients under management
 - Evaluate product menu and distribution channels
 - Consider marketplace trends and competition
 - Implement a client relationship management system

Build the Marketing Team: Strategic, Thoughtful Process

- Marketing Function:
 - Execute marketing strategy
 - Support sales
- Considerations:
 - Production-oriented vs. Strategic positions
 - Full-time hires vs. Outsourcing

The Process in Review

- The Process is:
 - Disciplined yet flexible
 - Designed for new and established firms
 - Useful to develop a new marketing strategy or review an existing one



Conclusion:

Why Strategic Marketing?

- Strategic marketing is:
 - Crucial in “new normal” environment; investment performance no longer enough for success
 - Articulated through well-crafted plan to help managers reach goals
 - Guides firms toward stated objectives; only as strong as continuous assessments of results against benchmarks and goals
 - Designed to propel firms from good to great

Complimentary white papers on this topic available at
www.margolisadvisory.com:

Inside a Successful Investment Management Firm:
Building a Premier Marketing, Sales and Client Relations Organization
(Papers 1 and 2)

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