

# How Advisors Evaluate Sponsors on Marketing & Communications

*As advisors complete due diligence on sponsors and decide with which to trust client investments, it's important for sponsors to be prepared to provide advisors with key information about their firm and their offerings.*

Many aspects of the advisor due diligence process are top of mind, like the sponsor's track record, key differentiators and how sponsors underwrite a deal. Yet one area that can affect both advisors and their clients on a regular basis is often not ranked as a high priority by sponsors in the advisor due diligence process – marketing and communications.

Below, we'll discuss the key areas where sponsors should focus their marketing and communications efforts to help their firm and offerings stand out positively in the due diligence process.

## Offering Materials

In the offering materials category are your fund brochure, fact sheet, PPM/prospectus and your website – even if your firm is working with private placements and can't feature in-depth fund information on the site. Your offering materials – especially your website – is often where advisors start to evaluate your firm. Here are the questions advisors will ask and what they mean:

- **Is your website high-quality and clear?** Advisors want to share a sponsor/offering with their clients that warrants the level of investment required. Is your site communicating your offering as a Nordstrom or a Kmart? If it's appearing like Kmart, your site is not doing its job.
- **Are the materials current?** If materials aren't current while you're marketing your offering, advisors will assume your materials won't be current after they invest their clients in an offering either. This can put them in a bind in providing timely updates to or answering questions from their clients if they invest.
- **Is the "why" clear?** With a growing number of alternative investment offerings, your "why" is important to both advisors and their clients. What demand drivers are behind what you're doing? What problem are you solving? Advisors want to know.
- **Is your investment rationale well explained?** Complex investment strategies are common in our industry, but advisors don't have the time to decipher what you're doing. Boil it down to a clear, concise statement.
- **Are there client-approved materials for advisors to use?** Advisors need client-approved materials to pass your story on to their clients.
- **Has the PPM/prospectus been supplemented?** While not technically marketing, an updated PPM/prospectus lets advisors know you keep information current...and it allows your sales team to talk about material events happening with your offering. Some law firms prohibit sponsors from discussing events like property acquisitions unless they have been added to the prospectus or PPM via a supplement.

## Portfolio Updates

For commercial real estate offerings, updating portfolio information regularly boosts advisor confidence that they will always have current information. It's also your chance to demonstrate you are proving out your investment thesis. Use a portfolio summary, ownership maps, property acquisition/dispositions flyers and press releases to make portfolio updates. Advisors will be looking to see how often they can expect updates, how quickly after a purchase or sale a sponsor communicates it, and if press releases are distributed timely.

## Events & Access to Management

As high-quality and as current as your marketing materials might be, it's important to supplement them by providing advisors with access to the people behind the offering. Again, think about an advisor asking a client to invest a significant amount of money with a sponsor and not knowing who is behind the offering. Provide access to your management team on webinars, earnings calls, at due diligence meetings and one-on-one meetings if your management team has the capacity.

## Thought Leadership

Increasingly, sponsors are providing advisors with thought leadership content on their asset class or investment rationale. While you live and breathe your investment strategy and offerings, advisors do not. They are not commercial real estate or alternative investment experts. Providing advisors with easily understandable and “snackable” thought leadership provides confidence that you want them to truly comprehend what you're doing – not just invest in it. Thought leadership also helps advisors build their information bank about your firm and offering to pass along your story and their confidence in your firm to their clients. Think about how often you're publishing your thought leadership content – consistency is key. Also consider where you're publishing your content. Can advisors find you in key industry publications through outlets like ADISA, Blue Vault and DI Wire?



## Investor Communications

New sponsors to the alternative investments space frequently overlook the importance of the back-end communications that occur after an advisor invests a client in their offering. As a result, these areas often become a pain point for advisors because sponsors struggle to improve the communications on the fly based on advisor and client feedback. Plan your communications and evaluate them from the advisors' and clients' perspective. Be prepared to share examples of investor communications with advisors to build confidence.

- **Statements** – Share an example of your statement or how your offering will show up on a consolidated statement.
- **Property-Level Reporting** – Explain to advisors if your firm provides property-level reporting and provide an example.
- **Investor Portal** – Does your firm have its own investor portal? Or do you use a third-party portal? Advisors want to understand their clients' access to investment and other information once they're invested in your offering.

- **Major Updates** – How can advisors and their clients expect to get major updates from your firm? What's your communication protocol? Share this with advisors.
- **Crisis Communications** – While the goal is smooth sailing with your offerings, you never know when another “black swan” event will occur. When it does, how will you communicate with advisors and investors? When should they expect to hear from you? Share your plan.

## Marketing & Communications Operations

Now that we've covered what you **should** communicate, it's also important to think about **how** you'll communicate.

- Advisors can be highly sensitive to how much sponsors reach out to them. Once they invest in your fund, let advisors know how you plan to communicate with them and the frequency.
- Advisors are also sensitive to sponsors communicating directly with their clients – especially if they aren't kept in the loop. Share your plan for investor communications with advisors and explain how you will keep them informed on those communications (e.g., sending communications to advisors in advance of investors).
- Do you provide advisors with an online portal of materials on your offering, so they have on-demand access to key pieces and information? A self-serve way to access information helps build trust and confidence with advisors.

## Wrapping It Up

As the landscape of alternative investment offerings continues to grow, it's essential for sponsors to consider the advisor experience with their firm. High-quality marketing and communications can be the difference in why an advisor chooses and continues to work with a sponsor. A solid marketing and communications strategy can help sponsors elevate their firm, develop trust through transparency and create an enduring relationship with advisors and investors.



**Improve Advisors' Impression of Your Firm.  
Contact Us to Evaluate Your Marketing and Communications.**

**Email:** [info@marketingintent.com](mailto:info@marketingintent.com)  
**Phone:** 303.912.7349

## ABOUT MARKETING INTENT

*We are a sales-focused marketing group specializing in alternative investments. We help asset managers raise capital and bridge the gap between marketing and sales. And we happen to speak your language. Our team requires little ramp-up time due to our deep background in financial services, alternative investments and commercial real estate. We know the ins and outs of marketing as well as compliance regulations. And we understand how to get financial advisors to engage with your firm. Our work makes your clients take notice.*