

Fundraising, investor relations and marketing

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How you communicate during a crisis matters ... A lot

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The way that managers communicate with me during the current COVID-19 crisis will have a lasting impact on how I view them.

We are now part of a new, larger team that does a lot of research, which is fantastic. A recent survey of LPs revealed some insight I feel compelled to share. All GPs should take a moment to reflect on the statement above. It is direct and timely feedback from the investor community.

This is a pretty profound statement. It directly contradicts the longstanding belief held by many GPs that performance is all that matters. In reading the response above, it is impossible to deny that a GP's tact, responsiveness and empathy during the COVID-19 crisis could directly influence whether a redemption or re-up happens or doesn't happen.

This is all branding has ever been about, maintaining customer loyalty long enough for a company to re-establish competitiveness. GPs seem to have a misguided impression that marketers believe that brand building can somehow act as a substitute for good investment performance. This isn't at all what we are saying.

Could Nike have become a global leader in footwear if their shoes weren't of high quality? No chance.

Could Goodyear continue to sell tires if the cars they were riding on couldn't maintain performance in the rain? Nope. All brand does is allow companies such as Nike and Goodyear to keep their customers when their competitors (which are equally reputable firms) come to market with a strong competitive response.

Asset management is no different. If the product quality isn't there (investment performance) you will eventually crash and burn. Branding, however, can help slow redemptions, promotes re-ups, and closes capital during those moments when the luster on your performance is a little dull.

Tags: communication , covid-19 , crisis , investor realtions , marketing