

## The Role of CRM in Building Brand Equity and Credibility

As part of our continuing Capital Education Series, Richey May has paired up with Kristin Steele, founder of [LaunchPad Creative](#), for her expertise on investor contacts and CRM solutions for the alternative investments industry. Kristin's insight in the article below provides fund managers with the key components of what to look for in a CRM system to build brand equity and credibility with investors.

### **The Role of CRM in Building Brand Equity and Credibility**

The saying that marketing is every employee's responsibility is true. Cultivating relationships with investors and other key contacts is crucial, particularly in this environment where competition is fierce for capital and investor retention. Every touchpoint with an investor is critical to building trust, credibility, and rapport.

A strong brand can assist with building a firm's credibility. More and more fund managers have invested in efforts to raise brand visibility through speaking engagements, one-on-one meetings, high-end websites and quality content. Together, brand visibility and consistent communication are effective in building credibility over time. Marketing and Investor Relations (IR) functions have become a more integral part of an investment firm's operations over the last decade.

**Brands and strong relationships are a product of intensive work by every member of a firm, not only the marketing and IR teams.**

While a versatile Client Relationship Management system (CRM) can be a valuable asset in crafting an attractive and relevant brand, CRMs also serve as the central point of communication with existing and prospective investors and as a hub for every member of the team. So, if investor John Smith calls the CFO at Investment Fund ABC, the CFO can pull up the investor's contact record to access recent conversations, a history of investments and other information that can help steer the conversation. Displaying familiarity with an investor instills confidence and fosters a stronger rapport quicker.

### **The evolution of an investment fund's CRM**

Crises highlight the importance of technology. During the most recent crisis – the global pandemic – it has been essential for fund managers to remain in frequent communication with investors. Investors sought assurance through transparency as their fear of market volatility increased their concern over their investments.

Forward-thinking fund managers were able to adapt quickly. They had the systems in place to efficiently provide information investors were seeking. Many fund managers launched robust Virtual Data Rooms (VDR) to give investors access to portfolio level information, video updates and other information, instilling confidence and trust. VDRs and CRMs enable fund managers to efficiently leverage their records to communicate specialized expertise within all communication channels.

The way fund managers have used CRMs has evolved. Once utilized as an online Rolodex, fund managers are now embedding CRMs into their operations. Today's CRM provides fund managers with the ability to centralize investor data, contacts, documents and ongoing correspondence while providing investors with the transparency they seek. All essential investor information is stored in the CRM, so fund managers no longer need to sift through disparate files and spreadsheets to find what they're looking for.

CRMs today have the unique ability to scale with a fund, can support firms with three people or 50 and can track relationships with thousands of investors. They have flexible reporting capabilities allowing fund managers to provide visually compelling investor-facing reports instantly. While generic CRMs are readily available to businesses of all kinds, investment management CRMs offer the functionality and features relevant to their unique processes.

### **What features are critical in a CRM?**

CRMs can be used in multiple ways. However, the key features integral to a fund manager's operations include:

- **Integration:** It is critical that the CRM be able to integrate with Microsoft or Google products, video call services and calendar apps. Additionally, implementing a CRM with an open API will provide flexibility to integrate with a system that offers functionality the CRM doesn't already have built-in.
- **Email:** Although most CRMs come standard with the ability to send emails, it is important to understand the software's email capabilities as it will enable you to communicate with all investors efficiently. Customizable categorization fields and relational capabilities inherent in CRMs offer instant access to data across relevant contacts when preparing for a conference or crafting a marketing email.

Additionally, CRMs have the ability to track responses and email engagement enabling marketing teams to evaluate the success of messaging and provide quantitative data to form future strategies. A CRM also provides information on how frequently prospective investors have been contacted. Users can set up reminders, flags and add notes to ensure opportunities don't slip through the cracks.

- **Pipeline Management:** Industry CRMs have the ability to track pipeline progress allowing fund managers to stay on top of prospects and provide visibility into capital activity. Similar to contact records, pipelines can be customized to reflect a firm's process. Customizable dashboards and reports are generated to provide visibility into fundraising efforts giving executives information they require to scale their operations.

- **Investor Data Room & Portal:** Transparency is king. Investment management industry CRMs either have a built-in VDR/Investor Portal or can easily link to one, allowing fund managers to provide investors with information in a centralized location.

VDRs and investor portals can be white labeled to reflect the firm's brand. A VDR that provides immediate access and a sense of security with investors' and firms' sensitive data is crucial to building brand equity.

- **Deal Management:** Many industry CRMs have deal management capabilities as well. Tracking deal progress in the CRM creates reporting efficiencies and enables managers to generate portfolio reports for investors.

The customizable categorization fields are useful for both deal management and prospecting. Search features in a CRM can drill down geographically, identifying a full list of viable prospects and existing investors who can be called on during business trips. CRMs provide fund managers with a tool that allows them to scale their business and provide investors with accurate information in a reliable and comprehensive format that complies with federal regulations and builds brand equity.

Today's competitive landscape places increased pressure on fund managers. A well-maintained CRM can provide fund managers with an advantage, allowing them to efficiently craft marketing emails to nurture relationships and build rapport with investors.

The forward-thinking fund manager understands that marketing is every person's job. Every touchpoint with an investor is an opportunity to build credibility, trust and rapport. A CRM supports firms in their efforts to better communicate with investors.

Richey May is dedicated to sharing best practices and trends in the industry to help you stay competitive in your marketplace. Please visit [our website](#) to see additional resources we have created for you and be on the lookout for more capital raising resources in the coming months.

For more information about how to manage investor contacts or the Richey May Capital Education Series, please contact [Steve Vlasak](#).

#### About LaunchPad Creative

[LaunchPad Creative](#) partners with financial services firms on tailored integrated marketing and brand design services, launching them into their next phase of exponential growth. We pride ourselves on delivering strategic innovation, creative design and content and crisp execution to help our clients realize ROI from their marketing efforts. Our unique advantage is that we are solely focused on helping financial services firms develop and execute their marketing strategies. With over thirty years in the industry, we understand the marketplace and speak the lingo.