Cerulli Thematic Report

Global Marketing and Sales Organizations

CERULLI ASSOCIATES
Global Analytics

Overview

This inaugural global analysis examines sales and marketing activities of asset managers operating globally, regionally, and within key domestic markets, with specific focus on Europe and Asia. This report examines organizational structures, budget allocations, headcount trends, and execution of marketing strategies. It includes data comprised from over 50 in-depth research interviews with large and small asset managers, and a proprietary survey of 23 asset managers including both the largest cross-border firms operating in multiple jurisdictions, as well as those that have a more concentrated footprint.

Key Reasons to Buy This Report:

- Gain unique insight into how global asset management firms are developing effective sales and marketing support to non-domestic markets.
- Compare strategies in Europe, the U.S. and Asia
- Obtain budget allocation, including staffing and headcount trends
- Understand how technology and social media are being successfully deployed globally and regionally
- Examine how brand is increasingly important for differentiation

Answer These and Other Critical Questions:

1. How do global, regional, and domestic marketing and sales efforts differ among asset management firms?
2. How are marketing and sales budgets being allocated globally? What activities are emphasized within each budget?
3. What are the most effective roles in supporting global, regional and country-specific efforts?
4. What future challenges exist among global sales and marketing teams?
5. How is recruitment in marketing and sales handled across regions and globally? What are common recruitment challenges?

107 pages, 81 exhibits

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THE CERULLI REPORT: GLOBAL MARKETING AND SALES ORGANIZATIONS 2012

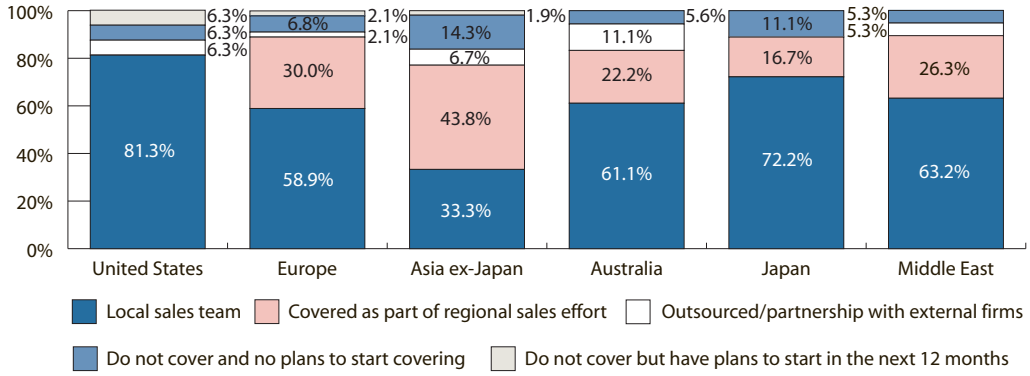
Managers in the GMSO survey have gathered AUM from markets around the globe and are well represented at a regional and local level. While sales structures and strategies vary, there are some key takeaways:

- Across Europe, the larger markets of the United Kingdom, France, Germany, and Switzerland have the strongest local sales representation from asset managers. A more regionalized approach is favored for companies covering Central Europe and often the Nordics.
- Japan and Australia are the most developed fund markets in Asia. Firms targeting these markets tend to have people on the ground. Elsewhere in Asia, Hong Kong is the hub for many international managers in North Asia and Singapore is the equivalent for Southeast Asia.
- The size of the asset manager has an impact on local representation. From our survey, the small managers with fewer resources adopt a more regionalized strategy. We spoke to a manager where one salesperson located in Switzerland is covering three to four markets. Another manager operating out of the United Kingdom has set up a German sales office with a single employee.

EXHIBIT 10: Global Asset Managers' Sales Presence by Region, 2012

Source: Cerulli Associates

Analyst Note: Survey question, "For the following countries/regions, please tick the response which best represents your sales effort."



Professional buyers

Understanding and servicing the needs of professional buyers are critical success factors for third-party managers. Cerulli has reported in the past about the increasing sophistication of the professional buyer and the difficulty of getting managers and funds on the fund selectors' radar. Buyers have a more institutionalized approach to fund selection—fund managers need to invest time in building relationships with the key influencers and gatekeepers.

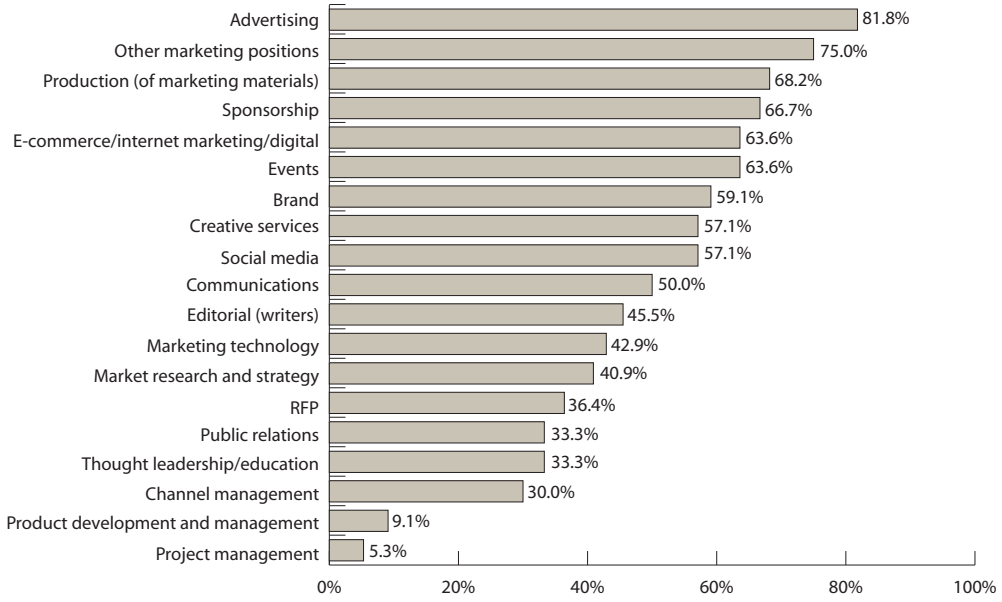
From our discussions with managers and responses to the survey, fund houses recognize the need to invest time in understanding this important channel. Indeed, understanding the research and selection process of fund buyers was ranked as the most important factor in developing relationships

Advertising, brand, communications, creative services, e-commerce, internet marketing, production of marketing material, events, sponsorship, and social media are the functions that 50% or more of survey participants suggested are located in the marketing function. Of note is that areas that are traditionally seen as marketing functions such as brand, communications, PR, sponsorship, and media, for some managers, report into corporate functions. **Exhibits 15, 16, 17**, and **18** illustrate the different parts of the organization where marketing- and sales-related functions might reside. With so many of these functions interdependent;—for example, brand and social media—it's imperative that there is good interaction and alignment across groups and processes.

EXHIBIT 15: Global Asset Managers on Marketing Functions Located in the Marketing Team, 2012

Source: Cerulli Associates

Analyst Note: Survey question, "Please select the most appropriate description of where the following marketing functions sit within your firm."



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