



The Case for Public Relations **7 Compelling Reasons**

A CASE STUDY

INTRODUCTION

The Sparrow Growth Fund launched in 1998. The fund, advised by Sparrow Capital Management, is comprised of stocks the adviser believes demonstrate strong earnings momentum as measured by expanding profit margins, accelerating earnings, positive earnings surprises, positive earnings estimate revisions, and positive relative price strength.

PROBLEM

With a long track record of over two decades, the fund remained relatively small and unknown. In early 2020, Sparrow Growth Fund was rated 5 stars overall by Morningstar. A weekly email program was in place to thousands of advisors, but it lacked dynamic content and failed to produce leads. The portfolio manager had some 8,000 followers on social media platforms, but virtually no engagement.

SUNSTAR SOLUTION

In April of 2020, Sparrow initiated a public relations program with SunStar. In the new virtual world demanded by the novel coronavirus, SunStar conducted its Messaging Workshop with the manager via video conference.

The PR program resulted in coverage for Sparrow in 14 outlets over the first four months. SunStar further supported the firm's growth initiative by executing a marketing program that included compliance vetting, copywriting and execution of a revitalized weekly email to share the media coverage.

SunStar further was engaged to share the coverage on Sparrow's social media channels and handle logistics for a monthly sales/marketing meeting for the manager and a recently hired team of wholesalers across the U.S. to ensure shared strategy and good communications.

ACCOMPLISHMENTS

The fund assets were \$19 million on April 1, 2020 when Sparrow Capital began working with SunStar.

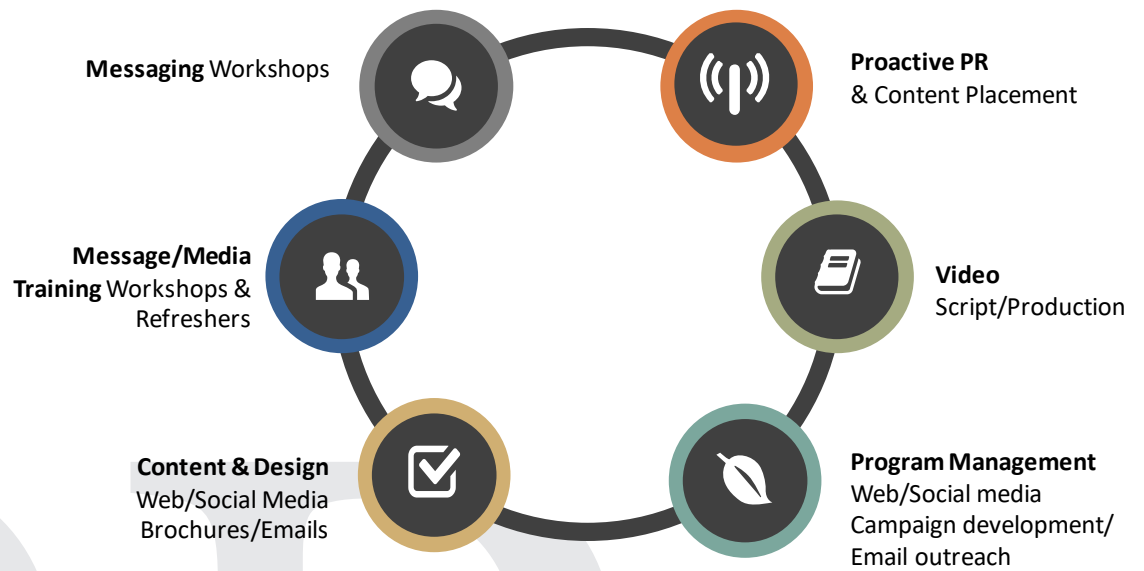
Four months later, as of August 5, 2020, assets topped \$40 million, **an increase of 106%**, with about \$3.6 million due to new fund flows.



CONTENTS

What is Public Relations?	5
The Competition is Doing It	6
7 Compelling Reasons	
1. You're in the Press	8
2. Name Recognition	10
3. They Like Me, They Really Like Me	11
4. Your Assets are Growing	12
5. Advisors Like to be Courted	13
6. It's a Digital World	14
7. Look for Results	15

PR



WHAT IS PUBLIC RELATIONS?

PR is a strategic process for communicating your message to the right audience with the most impact.

It begins with crafting a unique message that will differentiate you from your competition, then encompasses many or all of these tactics:

- Message development
- Interview opportunities
- Feature stories
- Quotes in interviews
- Social media
- Blogging
- Influencer outreach
- Content development and placement
- Press releases
- Websites
- Videos
- Newsletters
- Speaking engagements
- Events

Picking the right mix of tactics is the key to your success with a public relations program.

THE COMPETITION IS DOING IT

Imagine you're an executive at a fund group.

You're having your first cup of coffee and preparing for a chaotic day with an agenda that doesn't quit.

Your agenda just got longer!



You just saw that your major competitor was profiled in *The Wall Street Journal*.

Your jaw dropped! Your coffee just went flying! Your first thought was how did they do it? Why them and not us?

Your funds are performing as well as theirs and are highly regarded by Morningstar, your strategies are proven, and your portfolio managers are smart.

So why is your competitor profiled and not you?

You hop online to check out the competitor's website and notice it's all new. The site is clean, fresh and uncluttered. It's easy to navigate and chock full of new content. There are other news features as well as video clips.

You take a look at your own website and suddenly, now you understand the complaints that you and your salespeople hear from prospects and clients.

You wonder how much business you're losing because your website was too cumbersome and complicated?

While not the best reason for you to do PR, this will certainly give you food for thought!

You scroll through some of the media pieces on your competitor's site and watch a video from the top portfolio manager. He was concise and stayed on message. He articulated their strategy and delivered their key points.

He wasn't just smart. This was not just happenstance. What did they do? How did they make this happen?

They embraced a public relations program—maybe with a professional firm, maybe on their own.

Good PR makes an impact. It follows a process to distinguish yourself from thousands of other financial firms.

In this book, we'll examine seven compelling reasons PR is effective.

A comprehensive program will energize a firm's growth.

1. YOU'RE IN THE PRESS

One of the simplest ways to measure PR success is through the quality and quantity of press coverage you receive.

If you're an asset manager that's never used a PR firm you've likely had sparse coverage. An investor googling your firm's name is likely to only see your website and no thought leadership.

Once you start a PR program, a quick Google search will show your recent live TV and radio appearances, as well as any online and print articles you've been mentioned in.

While the exact number of "hits" an article received can be difficult to track, you'll be able to use audience statistics to gauge the success of your press coverage.

The Wall Street Journal reaches a global audience of 42.4 million digital readers per month.

Similarly, a profile in a prestigious publication like *Barron's* is virtually priceless.

Earned media can't be blocked.

Online ads can. According to Statista, use of ad blocking software doubled from 2014-2018. For 2018, it is estimated that 30 percent of U.S. Internet users will block ads on their connected devices.

But, that's not going to stop you, right?



SAMPLE REACH OF FINANCIAL PUBLICATIONS

	The Wall Street Journal (online)	Forbes	Barron's	CNBC Market-Watch (online)
Visitors	42.4 Mil			9.1 Mil
Average age	43			45
Average household income	\$242K	\$280K	\$325 personal	\$243K
Average household net worth	\$1.5 Mil		\$4 Mil	\$1.7 Mil
College graduates	81%			85%
Millionaires	41%	#1		49%
Top management	35%	58%	26% C-Suite	34%
Millennials		#1		
Average household investments			\$3.6M	
Financial advisors		30%		

2. NAME RECOGNITION

To put money in your fund, an investor needs to know the fund exists.

When a potential investor searches for your firm or funds, do you want them to find your website and nothing else? Or, would you rather have them see your website, a feature article in Forbes, and a CNBC interview? Probably the latter.

Financial advisors
401k plans
RIAs
Investors
Institutions
Family offices

The best part of a PR program is that you can focus your efforts and comments so they resonate with your target audience.

Aim to reach advisors via advisor publications, and target retail investors through the mainstream media. If you have a niche fund, there are publications tailored for specific investor types: ESG, family offices, financial advisors and more.

Building awareness also helps keep your current investors happy.

If there's a downtick in performance, instead of having investors in the dark, you are showing up in the national media explaining your investment philosophy and why you're not concerned—perhaps you've weathered such times in the past.

Over time, as you're quoted and featured in stories geared to your asset class or area of expertise, advisors and investors begin to associate you with the category. When the time comes to seek that kind of product, your firm will be top of mind.

Thanks to media coverage, you're viewed as a thought leader.

Not only will you see an increase in press coverage, awareness generated, and digital interactions, but you'll also see growth in assets under management (AUM) and improved advisor relationships.



3. THEY LIKE ME, THEY REALLY LIKE ME

Traditional marketing pieces tell the world who you are and what you can offer, but a story in the press adds authority and clout.

Depending on how much money you want to spend, you can send your marketing materials far and wide, advertising across various platforms. Even then, your message might not resonate or it may seem too promotional.

Just because YOU think you're great – is everybody going to believe it?

When you show up in the press, there's implied credibility that comes from a perceived 3rd-party endorsement, building your reputation as a thought leader.

Why would your expertise be sought if it's not valuable? Clearly, you must be knowledgeable or why would you be quoted?

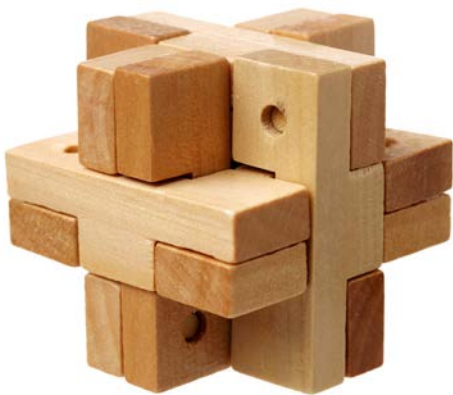
4. YOUR ASSETS ARE GROWING

When push comes to shove, what you really care about is asset growth!

While we all love feature stories and television appearances, the ultimate goal is to translate those press opportunities into dollars invested in your funds. The key to remember, though, is that growing AUM with public relations is a process.

Establishing a rapport with reporters, delivering a consistent message through intelligently targeted publications, and sharing your press coverage across social media outlets all contribute to generating leads.

If you put in the effort required you will see your assets grow. The effort may seem laborious at times, but it's crucial to succeed in growing your business.



Part of the fun of a public relations program is figuring out what works for your firm, and what doesn't.

You'll need to constantly fine-tune your program.

If you're consistently seeing an uptick in website visits after a high profile television interview, then getting comparable coverage should be a priority going forward.

Alternatively, if a publication doesn't really reach your target audience or drive any website activity, you'll want to drop it as a priority in your program.

Focus pays off!

5. ADVISORS LIKE TO BE COURTED

Like most things in life, success in public relations is about nurturing relationships.

A PR program can vastly improve your relationships with financial advisors. By targeting advisor publications such as *Financial Advisor Magazine*, *Financial Planning*, and *ThinkAdvisor*, you're reaching advisors where they work and plan.

Deeper relationships with advisors is a pleasant “side effect” of positive of media coverage.

Press coverage can help an advisor see you as a relevant, informative source of information that can be shared with clients. The more times an advisor sees your name in relevant publications, the better.

There's a sense of knowing you, even though you've never met.

It's much easier to set a meeting with an advisor who's seen you in the press and is aware of your investment philosophy than one who hasn't. You've shared your knowledge and personality—you've enhanced your trustworthiness.





6. IT'S A DIGITAL WORLD

“Going digital” is a critical piece of most marketing plans. And in the 2020 world of the global pandemic, its no longer an option. You’ve got to be there, and a PR program offers this in spades. This includes having a responsive web design, active social media accounts, and content for your followers.

Investors want more than just to be aware of your brand, they want to interact with it.

Let’s say an investor sees your portfolio manager on CNBC: Then they visit your website, sign up for an email list, and follow you on social media. PR provides fresh content, key messages and a destination chock-full of value.

Social media expands the reach and life of your media coverage with potential advisors and investors.

Gone are the days when an investor would have to make sure he’s in front of the TV at 3:55 PM to watch your Fox Business interview. Today’s investor wants to see what he wants to see when he wants to see it, so post those interviews to your social media accounts (it can be done, just follow your advertising compliance rules). Post links to free sites, buy reprint rights on others.

An interview doesn’t end when the camera stops – by leveraging the coverage you’ll get “more mileage” from each story.

Add regular fresh content. When paired with inbound marketing or digital advertising, you’ll convert high-value content like white papers into lead generation tools.

7. LOOK FOR RESULTS

Measuring the impact of your PR program is more doable than ever before. Digital tools are enabling us to track metrics—often for free. Each program may be different, but reviewing the reach of earned and owned content and social sharing gives you insights into a program’s success. Even asking clients and potential investors if they’ve seen you can provide anecdotal evidence.

Web analytics pinpoint spikes and trends in web visits.

Social media shows you shares and likes, while sponsored content lets you grow your follower base. With some effort, you can track media impressions.



Don't overlook the quality of the content of the interviews that appear in the media.

Were your key messages mentioned, was your firm presented in a positive light, was the content valuable to your target audience?

And then there's SEO power.

Google's algorithm offers great news for companies with active PR programs! In addition to coveted backlinks, Google gives you credit for implied links—mentions of your brand.

According to medium.com, “you also get credit for other areas of the web [read news publications] where people are talking about your brand, but not necessarily giving you the links you'd like.”

So, if a well-respected industry or national publication mentions your firm, their digital power will contribute to your online authority.

Most likely, this high-quality content will be accessible for years.

ABOUT SUNSTAR

DEDICATED TO YOUR GROWTH

SunStar Strategic specializes in providing PR and marketing programs for financial firms by:

- Developing outreach programs to attract and retain clients
- Enhancing your brand
- Strengthening distribution
- Creating new product launch campaigns
- Writing and designing professional content
- Managing a robust content marketing program
- Navigating compliance

30 YEARS EXPERIENCE

Since our founding 30 years ago, we've worked with nearly 200 money managers and 20 leading regional banks. Our clients are counted among mutual funds, ETF providers, back office service providers, RIAs, wealth managers, and private banking divisions of large banks.

Are you ready to experience the positive impact a PR program will have for you?

Give us a call to get started at 703.299.8390.



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