



Neglecting Websites Can Be Fatal for Managers

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Many asset management professionals agree in theory that a periodic, regular review of their firm's website and digital marketing strategy is an essential best practice. However, many asset management firms, especially small to mid-size outfits, give short shrift to their websites and digital marketing efforts in practice, which puts them at a disadvantage relative to competitors in the eyes of institutional investors and consultants.

The virtues of a regular review should be obvious. The firm's website is often the most public, readily available marketing tool in an asset manager's arsenal. Due diligence professionals who are getting familiar with a manager will almost always review the firm's website as part of their vetting process. A digital presence is also a great way for managers to present an interesting story or a unique, differentiating aspect of their investment management approach and overall investment process.

Managers especially can do themselves a favor by steering clear of easily avoidable website-development pitfalls. One of the most common mistakes that managers make when launching, maintaining and updating their websites is not considering that a webpage is a significantly different format than reading content on paper or printed brochures. Too many manager websites display long blocks of text and bulky paragraphs with font that is too small to read easily.

In addition, too many asset management websites are littered with generic investment jargon, obtuse writing and over-dependence on technical language. For example, "best in breed," "cutting edge," "great people," "highly skilled" and "proven track record" appear all too often. Many sites also have too much focus on manager-centric features and not enough emphasis on client-centric benefits. Managers should avoid tired phrases such as "We strive to be...," "Our objective is..." and "We take pride in...."

Another common weakness is the use of generic stock photos such as bridges, mountains, fountains, conference room tables, a handshake or an hourglass. Managers also do themselves a disservice when they fail to clearly outline the firm's investment styles – such as small-cap growth, emerging-markets debt or convertible-bond arbitrage – right on the home page.

We also find that for managers exploring how to launch a new site, their most frequent request is "to get the site right and not have to worry about it again." This attitude of "set it and forget it" is a huge mistake. Leaving a website alone will ensure that both the technology and content grow stale over time, which can destroy a firm's reputation in two ways:



- First, managers fail to realize that website design technology keeps getting better, enabling more functionality every year. Any site that employs five-year-old Web design technology and content strategy will look dated, and that will affect institutions' and consultants' perceptions regarding the asset manager's level of professionalism and competence.
- Secondly, we cannot count the number of times we have clicked through to a manager's "news" or "insights" page only to find the most recent content dates back to 2009. Anyone who sees this would ask, "Is this firm still in operation? If so, is their business so stagnant that they don't care to update their customers?"

Visitors to a website with no new content may assume that there has been no evolution in the firm's process or philosophy, no new clients and no contributions to industry thought leadership. Or, worst of all, they may assume that the firm is ashamed of its performance or is trying to hide something.

Managers instead should be updating their websites constantly to share the latest news and views of the investment management team, alert clients and prospects of material changes within the firm and promote performance and other related data. Unfortunately, many managers view such website features and maintenance as unnecessary. It is true that asset management firms will have to expend additional resources to ensure that their Web presence remains fresh and vibrant. Once one project of upgrading the website is complete, it is time to start all over again.

Nevertheless, that investment can easily pay off. Because many asset managers neglect their websites, a firm that commits to invest in improving its digital presence can easily develop a point of differentiation. Every asset manager must remember that if its website cannot demonstrate why it is different, then gatekeepers will view the firm as a commodity, with nothing to differentiate its process from competitors.



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