



Family Office List



The Pillars of Effective Family Office Prospecting: Discovery, Research & Engagement



Introduction

Business development can be daunting in any market, but for prestige organizations seeking to work with Family Offices, just a handful of warm prospects can be the difference between exceeding targets or missing them altogether.

Winning new Family Office clientele requires a great deal of trust, and there are no shortcuts to building it. Family Office prospects present a unique set of challenges and typically have greater demands on their time, receive abundant solicitation, and consequently have more demanding and distinctive standards. Because of these unique preferences, Family Offices require an elevated approach for effective engagement.

Understanding the family's history, origin of wealth and genuine interests allows you to capture mindshare, winning a place in their attention and establishing an initial level of trust.

While standard prospecting approaches are far less likely to succeed, the right approach requires finding the best engagement points — those that are based on knowledge of each Family Office prospect and an understanding of their investment objectives.

Finding these points of engagement and being able to align yourself based on their mandates is a vital first step toward cultivating relationships. Behind every partnership lies a significant amount of time and work invested in creating that relationship.

As the longest standing Family Office data provider, Family Office List has developed several best practices and strategies for prospect engagement that have opened doors and built lasting connections for hundreds of our clients.

Our approach is built on three key principles: Discovery, Research, and Engagement. Each of these sections will help you build a successful roadmap for Family Office prospecting, providing you with a concrete action plan to turn formerly unreachable targets into investment partners and/or long-term clientele.

DISCOVERY:

BEST PRACTICES IN FAMILY OFFICE PROSPECTING

In order to successfully engage Family Office prospects, there are several key principles based around these two concepts.



THE EMOTIONAL CONNECTION

People don't buy products and services because they're the best, they buy them because of an emotional connection, driven by a belief. People choose to buy a product or service because of the people behind that product. While this fundamental concept is true at any wealth level, it is especially crucial to remember when engaging Family Office prospects, because needs and necessities play a very small part in their decision-making process. Although track record and impressive statistics help instill confidence in your abilities, your story is what will resonate. The values and legacy of the family drive decisions beyond those of an institutional investor who is looking to check a list of stringent prerequisites.



NETWORKING IS A VIRTUOUS CIRCLE

Anyone can find success through networking because they want to make a quick sale, but networking with the intention of helping people and providing a quality product, service, or value — outside of what they may be worth to you — must be your goal. By following this principle, clients and their associates will always come to you first because of the human connection behind what you're selling — people buy a connection with another person, not just products or services.



THE KEY PRINCIPLES OF FAMILY OFFICE PROSPECTING:

1. TREAT EVERY FAMILY OFFICE CONTACT AS A MARKET SEGMENT OF ONE

Just like the rest of us, each individual Family Office has their own needs, preferences, and idiosyncrasies. From the way they've built their businesses, structured their office, reinvesting the wealth, every office is unique and every family's story different. Therefore, the phrase "When you have seen one family office, you have seen one family office" resonates. As a market segment, we know that they expect highly personalized engagement and fully customized products and services. The good news is that the payoff for this high level of engagement can certainly be worth the investment.

2. DO YOUR HOMEWORK

Family Offices will quickly dismiss generic approaches and those that lack preparation or show a poor understanding of their Firm and their needs. Therefore, it is vital to develop a perfectly tailored pitch that speaks to them on a personal level.

3. PATIENCE MAKES PERFECT

Family Office relationships need to be carefully nurtured over time. Stay up to date with your prospects' professional and personal lives, and leverage these events as an opportunity to engage and develop these relationships. Be patient, always bearing in mind that these relationships typically take much longer to build than with mass-market prospects.

4. HARNESS THE POWER OF REFERRALS AND PASSIONS

There are only two consistently proven Family Office engagement methods — an introduction via a trusted acquaintance and/or pin-point targeting of an individual's unique interests, passions and hobbies. "Hope marketing" — mass campaigns that often provide no ROI and no learnings or feedback for future improvement — will be a waste of time and money.

RESEARCH:

BEST PRACTICES IN FAMILY OFFICE PROSPECT RESEARCH



WITH THESE KEY PRINCIPLES IN MIND, WE RECOMMEND THAT ORGANIZATIONS FOLLOW A THREE-STEP SEQUENCE OF PROSPECTING ACTIVITIES THAT INCORPORATE OUR BEST PRACTICES:

1. UNCOVER THE FAMILY OFFICES YOU MAY ALREADY KNOW

Most organizations have existing Family Office customers and prospects in their database, without even realizing their true capacity for spending or giving potential. These customers are almost always the lowest cost to acquire and the fastest to win because they already understand your brand and mission. By screening your existing client database against the Family Office List Global Database, you will uncover those that are already affiliated with your organization.

2. IDENTIFY THE FAMILY OFFICES CONNECTED TO YOUR EXISTING CLIENTS

Given the importance of referrals, the next step is to understand the relationship networks of your current Family Office clients. Family Offices who have an existing relationship with your organization are the best possible brand ambassadors to connect you with other Family Office clients. We find most Family Offices have close connections to an average of 10 other Family Office firms due in part to the strong networking community driven through conferences and co-investing initiatives.

3. CONDUCT HIGHLY TARGETED PROSPECTING

There is a world of Family Offices beyond your current network. It would take years to try to Google them on your own account. Even if you could identify the firms, the chances of knowing who you needed to speak with and accessing their direct contact information would be slim. You should identify and prioritize those with an expressed interest for your sector, or those with interests through which you can engage. Detailed research into background and timing is required here to ensure every communication is perfectly targeted.



ENGAGEMENT:

BEST PRACTICES FOR AN INDIVIDUALIZED APPROACH

Creating the right engagement strategy with a Family Office prospect is a key driver of your brand. Rather than relying on “hope marketing”, you need to ensure that you are targeting the right people, that you know how to talk to them, and that you have a structure in place to follow up successfully.

Typically, organizations request that their best Family Office clients bring friends to events, hoping to tap into their network. This open invitation may fill the room, but it places your team at a disadvantage because they lack the right information to effectively target these new prospects.

We challenge clients to create a more tailored approach when it comes to engagement strategy. This means thinking less about filling a room, and more about creating an experience that fosters one-on-one engagement, regardless of the setting. We've outlined the following Six Steps for “Less is More” Family Office Engagement Success:

1. DEFINE THE MARKET SEGMENT

Developing a VIP target list is helpful if you want to deepen relationships. Review your entire database, applying filters to identify Family Offices matching select preferences. This empowers your team to uncover well-suited prospects with a high-value potential. To develop these relationships, you need to have an individualized understanding of each firm's history. Utilize our platform's company descriptions & website links to research the way in which the Family Office is structured, the way in which their business was built, and explore all the provided investment preferences. In addition, understanding the way they share their story and visually present themselves through their website will help you identify ways in which you can align your own marketing materials. A deeper dive through the provided LinkedIn profiles can help uncover the passions, hobbies, and interests of each prospect.

2. WHOM TO ENGAGE

Now that you have your target profile, you can strategically engage individuals who fit that description. Any meeting or event should have a very exclusive and curated guest list. Family Offices receive a vast amount of solicitation and are asked to a lot of meetings and events, so your target list should consist of the following three groups:

- Existing top tier clients. Your meeting or event theme needs to be relevant and Reward and/or educate these people. Your insight, knowledge, and understanding of their tastes, passions, interests, and hobbies will help to inform this.
- Uncovered Family Office contacts from your database. Identify existing Family Office clients who have not yet engaged as deeply as your top clients. If you get the theme content right based on Step 3 (below), these individuals will be happy to attend.
- First degree connections to your clients. Leverage clients' friends and associates and identify the individuals you

would like them to invite. Researching the platform's provided LinkedIn profiles will help tremendously. Doing your homework and giving your client a reason to invite their associates will make all the difference to getting those individuals in the room. Having a common connection (your existing client) and a relevant event will make it more of a draw and get you started with establishing mindshare.

3. AN EVENT THAT MATTERS

Having a deep understanding of your client is essential. It is true that the Family Office sector wants access to unique experiences, but they also want to know that you have developed it specifically for them. Create a program that remains true to your brand and is deeply connected to your clients' passions and interests.

4. THE INVITATION

Family Offices receive a high volume of large, stylishly designed marketing materials. However, personal letters and highly unique mementos will still stand out and garner the right kind of attention. Don't be afraid to think outside the box and use your authenticity to stand out. People want to do business with people they can trust. Family Offices are a sophisticated audience and can see past smoke and mirrors.

5. PREPARE YOUR TEAM

Organizations often meet prior to an event to review a guest list. Inevitably, the focus goes to the familiar top 30% of clients. But by learning as much as possible about the other 70% of attendees, you can create comfortable conversations that lead to relationships.

6. FOLLOW-UP

Build a plan for your team to reach out personally to every single attendee afterward. Based on your team's meaningful conversations during the event itself, they now have an authentic reason to engage.

CONCLUSION

These Pillars and best practices within them are critical for organizations seeking to grow their Family Office engagement. We have seen our clients discover new prospects and develop long-term relationships with Family Offices by following the right path.

While the members of your team may only have a handful of Family Offices within their scope, it's important to remember that this segment controls roughly \$10 trillion in assets and another \$65 trillion being transferred from the baby boomers to the next generation. The Family Office market will soon be larger than the entire private equity and venture capital markets combined. Breaking into this market can be extremely lucrative and worth the extra time and effort these relationships require to foster.

Family Office prospecting is a marathon, not a sprint — but a highly rewarding exercise when you cross the finish line. Any organization currently engaged in, or considering, Family Office prospecting must employ the right tools for the job.

Increased discovery, improved prospect intelligence, more strategic engagement through our trusted partnerships, and improved efficiency are among the key benefits of the Family Office List platform. These benefits ultimately lead to increased engagement and retention and deep connections that can fuel growth and expand your business horizons for years to come.

