

Develop and Deploy a Marketing Strategy That Maximizes Wallet Share

Learner Workbook

NOTE: Please ensure you can interact with this document during the workshop in one of these methods:

- With a keyboard (as a Word document);or
- With pen (as a hard copy)

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AnalystSolutions, LLC
244 Fifth Avenue, Suite 200
New York, NY 10001
USA
+1-203-321-9400
AnalystSolutions.com

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Overview

Purpose



Why a Develop and Deploy a Marketing Strategy That Maximizes Wallet Share program?

The buy-side spends over \$10 billion on sell-side equity research, with the majority concentrated around a small portion of analysts from fewer than ten of the largest firms, suggesting there is an elite group that has cracked the code of successful marketing, leaving the majority of the sell-side on the outside.

This workshop takes analysts through the best practices of the highest-rated analysts to de-mystify and systematize the core elements of successful marketing initiatives, all with the goal of increasing market share.



Learning Objectives

After completing this program (covering the BREAD™ framework), participants will be able to:

- Build a 12-month marketing plan with quantifiable goals for all of the key marketing efforts such as number of client interactions, morning call appearances, cities/regions to be visited, reports to be written, etc.
 - Research client-centric investment controversies by covering the optimal universe of stocks and conducting research to answer the questions surrounding each stock's 1-4 critical factors (EPIC™ framework)
 - Effectively communicate in a manner buy-side clients want to receive (ADVICE™ framework) by 1) showing awareness of alternative views, 2) being differentiated, 3) validating out-of-consensus views, 4) being conclusion-oriented; and 5) delivering the message so it's easy to consume
 - Assemble and prioritize a client call list that maximizes votes and commissions
 - Develop client relationships by mastering 8 key influence skills (PRACTICE™ framework)
-

Module: Introduction

Self-Assessment: Sell-side Marketing Efforts



Instructions for Sell-side Marketing Efforts Self-Assessment:

- Answer the questions as truthfully below as possible (you will not be asked to share your results with anyone)
- For Table 1, respond on a scale of 1 to 5
 - 1 = Never
 - 5 = Always
- For Table 2, respond with the appropriate number
- Wait for instructions to score your results

Sell-side Marketing Efforts Assessment, Table 1

Question	Response	Score
1. The first page of my research reports cover something that has recently occurred to my companies.		
2. I win public awards, putting me among the top 20% analysts for my assigned universe of stocks		
3. My institutional sales force is a critical tool that I leverage for getting my message to clients		
4. My clients tell me I publish reports on topics not being discussed by other sell-side analysts		
5. I enjoy creating and publishing quarterly review reports.		
6. I am uncomfortable when clients disagree with my view.		
7. I find my best days at work are when I speak with many clients		
Total for "Score" column		
Divide "Total" above by number of questions to get average per question		
Divide row above by 5 to get percentage of maximum possible		%

Sell-side Marketing Efforts Assessment, Table 2

Question	Response
1. On average, I (and team, if relevant) proactively work on approximately this many research projects at any point in time, so that I have product to publish on a regular basis	
2. I receive this many incoming calls from our firm's top-tier clients in a typical month	
3. I have a "strong" relationship with this many clients, defined as: "I'm one of their top 3 sources for my assigned universe of stocks"	
4. I have this many interactions with my firm's top-tier clients in a typical month (personalized interactions where the client is responding). Excludes blast voicemails and blast emails.	
5. Over a typical 3-month period, I spend this percentage of my professional time (e.g. "work hours") speaking with clients, via phone or in person, excluding travel time	

Please DO NOT proceed to the next page until told to do so

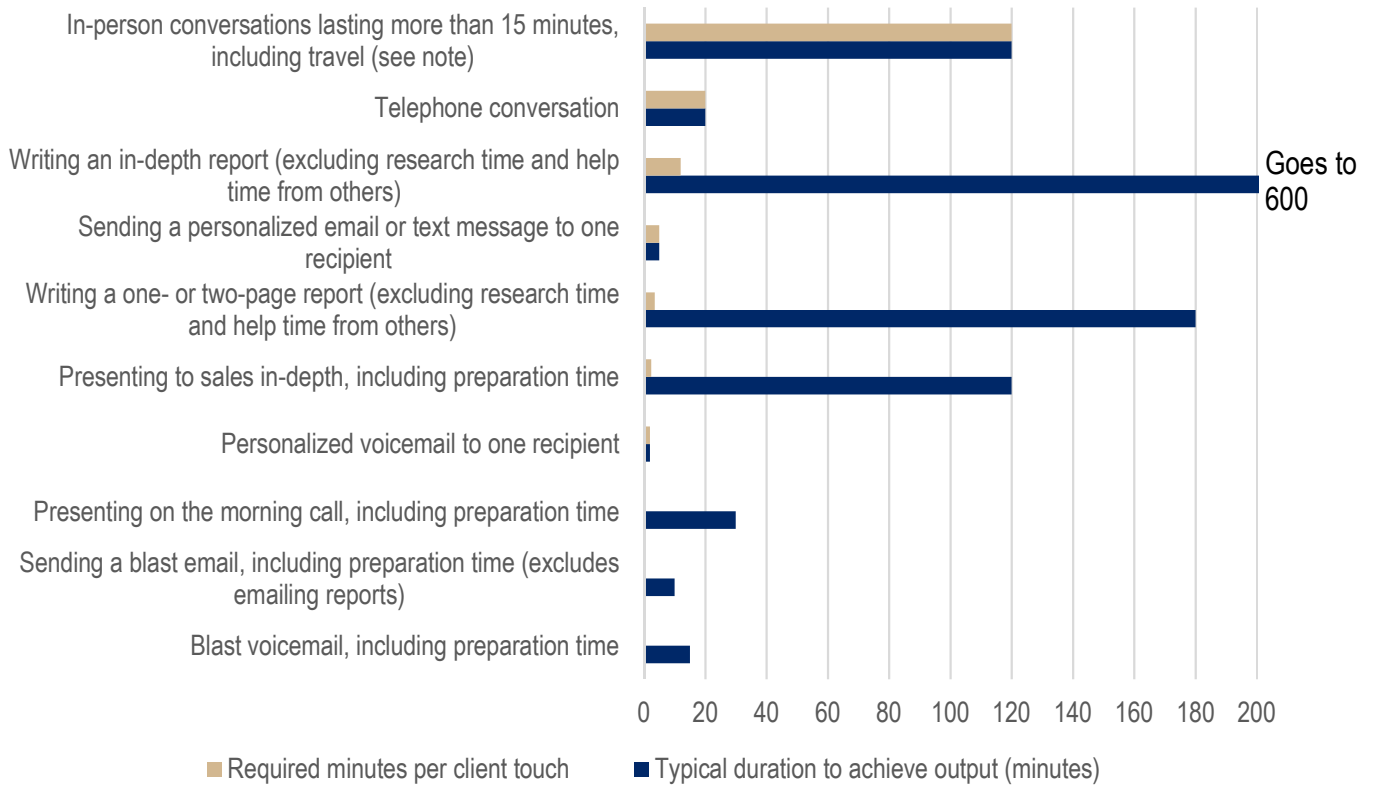
Table 2 Ideal Scores

Question	Ideal Score
1. On average, I (and team, if relevant) proactively work on approximately this many research projects at any point in time, so that I have product to publish on a regular basis	3 to 5
2. I receive this many incoming calls from our firm's top-tier clients in a typical month	Over 20 is good Over 40 is great
3. I have a "strong" relationship with this many clients, defined as: "I'm one of their top 3 sources for my assigned universe of stocks"	Over 30 is good Over 50 is great
4. I have this many interactions with my firm's top-tier clients in a typical month (personalized interactions where the client is responding). Excludes blast voicemails and blast emails.	Over 100 is good Over 150 is great
5. Over a typical 3-month period, I spend this percentage of my professional time (e.g. "work hours") speaking with clients, via phone or in person, excluding travel time	25% to 50% is ideal, depending on team size

Module: Build Optimal Marketing Plan

Selecting Marketing Channels

Marketing Time Per Channel



Selecting Marketing Channels

Complete the Excel Worksheet to Identify Available Marketing Hours:

F30 X ✓ fx =SUM(F20:F29)

	A	B	C	D	E	F	G	H	I	J	K	L	M
1	Analyst Solutions												
2	Complete only cells with a blue font (all others are formulas)												
3	Table A												
4	Hours of Professional Time	Hours											
5	Hours of "professional" work each week	50											
6	Weeks of vacation each year	3											
7	Stocks in assigned universe of coverage	15											
8	Hours of professional time per month (will be used later below)	204											
9	Hours of professional time per quarter (will be used later below)	613											
10													
11	Table B												
12	Division of Time During Professional Hours from Above	Percent	Hours Per Month	Hours Per Quarter	Hours Per Stock Per Month								
13	Researching and managing team	50%	102	306	6.8								
14	Marketing to sales and clients, including travel time during professional hours	40%	82	245									
15	All other profession activities	10%	20	61									
16	Total Professional Time	100%	204	613									
17													
18	Table C												
19	Activities to market research	Typical duration to achieve output (minutes)	Likely number of clients "touched" each time you conduct the activity	Times activity is completed in typical 62 working-day quarter	Clients touched	Hours required per quarter	Required minutes per client touch						
20	In-person conversations lasting more than 15 minutes, including travel (see note)	120	1	30	30	60	120.0						
21	Telephone conversation	20	1	200	200	67	20.0						
22	Writing an in-depth report (excluding research time and help time from others)	600	50	2	100	20	12.0						
23	Sending a personalized email or text message to one recipient	5	1	248	248	21	5.0						
24	Presenting to sales in-depth, including preparation time	120	50	2	100	4	2.4						
25	Writing a one- or two-page report (excluding research time and help time from others)	180	50	20	1,000	60	3.6						
26	Personalized voicemail to one recipient	2	1	100	100	3	2.0						
27	Presenting on the morning call, including preparation time	30	50	13	650	7	0.6						
28	Blast voicemail, including preparation time	15	500	13	6,500	3.3	0.03						
29	Sending a blast email, including preparation time (excludes emailing reports)	10	100	3	300	1	0.10						
30	Total from rows in Table C				9,228	245							
31	Total from Table B					245							
32													
33													
34													
35													
36													
37													

INSTRUCTIONS:

- This worksheet is intended to help analysts prioritize their marketing time. Start from the top and work your way down.
- Only enter data in cells with a blue font (all other cells are computations)
- There are notes in cells that contain red dots in the upper right corner of the cell (hover over the cell to see the note). Some of the important notes are in column heading cells.
- The output is intended to help analysts understand how to spend their time as though they are the only senior analyst in the team. If you are the junior analyst or there are multiple senior analysts on your team who market to clients, consider enter information collectively for the entire team
- It's important to note that the goal shouldn't simply be to maximize the number of client touches because the most efficient methods (blast emails and blast voicemails) are not personal and therefore are less likely to build rapport and trust with the client, which is a key ingredient to

Try to get this figure to come close to the number below it, by adjusting the assumptions in the three tables:

- If you think you could be spending more/less of your total time dedicated to your profession, modify Table A
- If you think you should be spending more/less time on marketing, modify Table B
- If you think you should be changing A) the amount of time it takes to complete

Module: Research Investment Controversies

Exercise: Select Optimal Universe



Instructions for “Select Optimal Universe” Exercise:

- The goal of this exercise is to identify the optimal research universe that will allow you to be relevant to at least 80% of your firm’s largest clients while ensuring adequate time for marketing
 - Identify the GICS (Global Industry Classification System) or ICB (Industry Classification Benchmark) information for all of the stocks in your assigned universe. The GICS consists of approximately 11 sectors, 24 industry groups, 68 industries and 157 *sub-industries* while the ICB consists of 9 supersectors, 41 sectors, 114 *subsectors*. The size of your local market and the number of stocks you are expected to cover will dictate if you conduct this analysis using the larger classifications (more candidates) or more granular classifications (fewer candidates). See the table that follows for examples of classifications that have many candidates while others have few.
 - Remove stocks from your universe that do not fall within your selected classification level unless required to follow for internal reasons or they provide a *tremendous* competitive advantage (recall any information spent on these stocks takes time away from your core franchise, which puts you at a competitive disadvantage)
 - Using your market data service provider (e.g. Bloomberg, FactSet, Thomson, etc.), download the following data for all stocks that have the same GICS industry group and industry or ICB sector as stocks in your current universe (see example report that follows):
 - Ticker
 - Company name
 - Market capitalization
 - Average daily trading volume (in shares, if commissions are paid per share or in dollar value, if commissions are paid as a percentage of trade value)
 - Number of analysts covering stock
 - Strongly consider dropping stocks in the bottom 20% of trading volume (see those highlighted in red below) unless they provide a *tremendous* competitive advantage
 - If not already covered, strongly consider picking up coverage of any stocks within the top half of trading volume for your GICS or ICB classification level, especially if they have a below-average number of analysts covering the stock
 - Go to the Transformation Action Plan (TAP) section titled “Optimize Your Coverage Universe” to identify stocks you will likely pick up or drop in order to ensure you are covering the optimal universe of stocks
-

Exercise: Select Optimal Universe

Example Report of GICS Sectors and Industries

Short Name	Market Cap	Total Analysts	Average Volume	GICS Sector	GICS Ind Grp Name	GICS Ind Name
UNITED PARCEL-B	\$95,894	24	2,200,175	Industrials	Transport	Air Freight & Logistics
FEDEX CORP	\$46,346	25	1,512,924	Industrials	Transport	Air Freight & Logistics
CH ROBINSON	\$9,931	29	1,247,365	Industrials	Transport	Air Freight & Logistics
EXPEDITORS INTL	\$9,210	18	866,886	Industrials	Transport	Air Freight & Logistics
XPO LOGISTICS IN	\$3,891	19	1,307,189	Industrials	Transport	Air Freight & Logistics
HUB GROUP-A	\$1,384	20	214,451	Industrials	Transport	Air Freight & Logistics
FORWARD AIR CORP	\$1,286	13	125,088	Industrials	Transport	Air Freight & Logistics
ATLAS AIR WORLDW	\$1,010	9	287,088	Industrials	Transport	Air Freight & Logistics
AIR TRANSPORT SE	\$813	6	234,024	Industrials	Transport	Air Freight & Logistics
ECHO GLOBAL LOGI	\$676	13	278,913	Industrials	Transport	Air Freight & Logistics
DELTA AIR LI	\$29,043	15	9,453,867	Industrials	Transport	Airlines
SOUTHWEST AIR	\$23,097	17	5,794,826	Industrials	Transport	Airlines
AMERICAN AIRLINE	\$18,838	14	7,766,793	Industrials	Transport	Airlines
UNITED CONTINENT	\$16,427	16	4,437,394	Industrials	Transport	Airlines
ALASKA AIR GROUP	\$8,096	12	1,194,654	Industrials	Transport	Airlines
JETBLUE AIRWAYS	\$5,589	14	5,665,385	Industrials	Transport	Airlines
WESTJET AIRLINES	\$2,836	17	330,819	Industrials	Transport	Airlines
SPIRIT AIRLINES	\$2,781	12	1,089,393	Industrials	Transport	Airlines
AIR CANADA	\$2,665	16	1,739,559	Industrials	Transport	Airlines
HAWAIIAN HOLDING	\$2,537	10	500,112	Industrials	Transport	Airlines
VIRGIN AMERICA I	\$2,415	10	886,844	Industrials	Transport	Airlines
ALLEGiant TRAVEL	\$2,204	11	128,102	Industrials	Transport	Airlines
SKYWEST INC	\$1,360	5	343,184	Industrials	Transport	Airlines
EXCHANGE INCOME	\$976	10	106,512	Industrials	Transport	Airlines
CHORUS AVIATION	\$808	8	390,002	Industrials	Transport	Airlines
KIRBY CORP	\$3,207	12	813,996	Industrials	Transport	Marine
MATSON INC	\$1,721	5	250,297	Industrials	Transport	Marine
UNION PAC CORP	\$78,569	28	3,020,812	Industrials	Transport	Road & Rail
CAN NATL RAILWAY	\$65,245	28	1,903,939	Industrials	Transport	Road & Rail
CANADIAN PACIFIC	\$28,491	29	446,590	Industrials	Transport	Road & Rail
CSX CORP	\$28,039	28	5,999,848	Industrials	Transport	Road & Rail
NORFOLK SOUTHERN	\$27,482	28	1,289,550	Industrials	Transport	Road & Rail
KANSAS CITY SOUT	\$9,681	21	1,178,382	Industrials	Transport	Road & Rail
GENESEE & WYOMIN	\$3,836	13	347,972	Industrials	Transport	Road & Rail

Identify Critical Factors and Key Assumptions



Identify Critical Factors and Key Assumptions

- The purpose of this exercise is to identify the key assumptions surrounding the critical factors for at least one stock, which is the first step before reaching out to information sources
- Properly identifying the 1-4 critical factors for a given stock requires detailed research (typically 3-10 hours of work), which is beyond the scope of this workshop and so it's worth noting the steps below are an abbreviated (and inferior) method compared to the full method (discussed in our workshop *Identify & Monitor a Stock's Critical Factors*)
- Using our EPIC™ framework the ideal critical factor will meet all of these criteria:
 - **E**xceed my materiality threshold
 - **P**robably going to occur during my time horizon
 - **I**'m good at forecasting factor and catalyst
 - **C**onsensus is poor at forecasting or spotting factor
- After reviewing the examples in the table below, list 1-3 critical factors for a stock of interest
- In the two right-most columns below, provide assumptions that must be better understood to gain greater clarity around each of your critical factors
- Avoid falling into the “confirmation bias” mind trap, by:
 - Not creating assumptions like this: “Worsening regulatory environment”
 - Instead, phrase the assumption more neutrally, like this: “Changes in regulatory environment.” This keeps you open to the idea that your research may find the environment isn't worsening but is actually improving
 - Recall the goal is to identify the *assumptions* for the critical factors, because they should be the primary targets of your future research

Identify Critical Factors and Key Assumptions Table

Sector or Stock	Critical Factor	Assumption #1	Assumption #2
Airbnb (online travel agency)	Growth of online travel agencies	Rate of market share gains from traditional hotel channels	Cost advantage of online travel agency vs. traditional channels
Amazon.com	Market share shift from traditional retailers	Adoption rate of e-commerce within emerging markets	Adoption rate of mobile apps for retail purchases
IBM	Migration to cloud-based solutions	Rate of growth of cloud-based enterprise applications	Level of security offered in the cloud vs. in-house options
Nike	Top line growth rate keeping up with historical trends	Changes in demand from international markets	Changes in broad athletic activities

Identify Critical Factors and Key Assumptions

NVIDIA (graphics tech)	Growth of virtual reality as mainstream product	Adoption of virtual reality by mass markets	Cost to produce high quality virtual reality devices that can be used in the home
SolarCity	Growth of renewable energy revenue	Changes in energy storage costs	Impact from changes in oil and natural gas prices
The Gap	Apparel pricing deflation	Adoption of off-price and low-price fashion	Use of mobile devices for price discovery
Time Warner Cable	Growth of competing content providers such as Netflix, Amazon and HBO	Customer loyalty for the cable bundle vs. new entrants	Potential growth of cable-provider broadband offering (which is required to access new entrants)
T-Mobile	Competitive pricing among the wireless carriers	Timing when domestic smartphone becomes saturated	Changing regulations
VMware (software)	Growth of Open Source software vs. traditional vendors	Open Source providers going public	IT leaders selling services that rely on Open Source solutions
Walgreens (drug retailer)	Generic drug price inflation	Changes in FDA regulation of non-generic drug manufacturers	Distribution channel consolidation
Your Stock #1:	Your Critical Factor #1:	Your Assumption #1:	Your Assumption #2:
Your Stock #2	Your Critical Factor #2:	Your Assumption #1:	Your Assumption #2:
Your Stock #3:	Your Critical Factor #3:	Your Assumption #1:	Your Assumption #2:

Exercise: Evaluate Your Research Process



Evaluate Your Research Process

- The purpose of this exercise is to determine if you are conducting research in a manner that will yield proprietary, differentiated insights, which is the demand of buy-side clients
- Evaluate 1 to 3 of your reports or presentations (one at a time) using the table below
- In this stage your focus should be on your research *process*, rather than your communications style, which will be covered in the next module

ENTER™ Quality Checklist

ENTER™ Quality Checklist	Yes/No/Not Clear
<u>E</u>xpectational	
Do you have a <u>forward-looking</u> view in terms of the stock and the critical factor(s) likely to move the stock?	
Have you identified the catalyst(s) likely to move the stock and important dates when the catalyst is most likely to cause the stock to move to your price target?	
Have you framed company management's forecast in terms of your <u>independent</u> financial forecast (rather than just repeat management)?	
<u>N</u>ovel	
Do you have a piece of information or insight that is new and not widely understood within the financial markets?	
Have you explained where your view falls within the FaVeS™ framework, in terms of identifying if he has a superior <u>F</u> inancial forecast, <u>V</u> aluation method/multiple, or unique view about market <u>S</u> entiment?	

Exercise: Evaluate Your Research Process

<p>Do you know why the market does not have your view?</p>	
<p><u>Thorough</u></p>	
<p>For the critical factors that are key to the stock call, did you research more than one source or confirm the insight with an independent source?</p>	
<p>Did you conduct detailed modeling in the area surrounding the critical factor(s)?</p>	
<p>Do you avoid using management guidance as the primary justification for the call?</p>	
<p><u>Examinable</u></p>	
<p>Do you have the following details that could be presented to a stock selection committee?</p> <ul style="list-style-type: none"> • Data or insights about the critical factor(s)? • Detailed financial forecast or valuation analysis, key to the investment thesis? 	
<p><u>Revealing</u></p>	
<p>Have you created upside, downside, and base-case scenarios to identify where the investment thesis could have flaws?</p>	
<p>Have you identified specific risks beyond the macro?</p>	

Exercise: Evaluate Your Research Process

Have you provided his conviction level to others, even if it is not strong?	
---	--

Module: Effectively Communicate Using ADViCE™

Exercise: Evaluate Your Communication Effectiveness



Evaluate Your Communication Effectiveness

- The purpose of this exercise is to determine if you are *communicating* effectively to clients (the prior section was on *researching* effectively)
 - Evaluate 1 to 3 of your reports or presentations (one at a time) using the table that follows (5 = strongly agree)
 - In this stage, your focus should be on your *communications* rather than your *research process*
-

Exercise: Evaluate Your Communication Effectiveness

Checklist for Communicating Stock Calls Successfully

Criteria	1=Strongly Disagree 5=Strongly Agree
1. Does the communication focus primarily on something not widely known by the market? (if not, why is this being communicated?)	
2. Does the communication focus on the future? (If it is discussing quarterly results or other historical data is the focus on how this information helps in forecasting the <i>future</i>)?	
3. Does the communication begin with a brief conclusion that explains: a. If you are positive/negative towards the stock?; and b. How your forward view is changing or being reinforced with this communications?	
<p>Evaluate only one of the following:</p> <p>4. If the communication is <i>not about a recommended stock</i>, will it add significant forward-looking insights for those who have interest in the stock?</p> <p>5. If the communication is <i>about a recommended stock</i>, does it include: a. A future price target; and b. How you differ from consensus in at least one of these areas (for the future price target): i. Financial forecast ii. Valuation multiple iii. Valuation method</p>	
<p>Evaluate one of the following (unless the analyst differs in both areas):</p> <p>6. If the forecast differs from consensus: a. Does the communication focus on why consensus is likely wrong, other than just supplying company management's view? b. Is there a financial model identifying how you differ from consensus?</p> <p>7. If valuation multiple/method differs from consensus, does the communication focus on why the market is likely to change its view between now and the price target date?</p>	
8. Does the communications identify the catalyst (and its timing) that will need to occur to get consensus to change its current forecast or valuation multiple/method?	
9. Does the communication include upside, downside and base-case scenarios for the assumptions surrounding the area(s) that differs from consensus? a. Does it include alternative views and why they are less likely to occur than your view? b. Do you explain the most significant risks to the call, beyond the macro?	
10. Would the communication be easy to understand for a generalist analyst or portfolio manager?	

Module: Assemble & Prioritize Client List

Example Lists from Market Data Services

Bloomberg Holders Matrix (HDSM)

Import List Mode		95) Matrix Settings										98) Edit Securities		99) Matrix Position		Holders: Matrix	
Source	Equity Screen	Name										JJV N.Am Transport	Display		Position		
Holder Group	Top 20 Holders																
Holder/Securities	SPX US	UMR US	FOX US	DAL US	CSX US	NSC US	LUV US	HTZ US	GAR US	KSU US	R US	CHRW US	BHT US	JHAL US	ALX US	EXP US	
Public Portfolios	44,169,068	50,939,957	16,560,494	45,834,437	64,897,998	20,272,449	38,790,684	6,525,424	6,116,546	9,452,097	5,078,018	14,239,161	8,071,548	426,056	11,663,763	17,644,418	
WANGUARD GROUP INC	29,524,892	20,553,309	8,585,502	3,801,333	38,979,474	318,662	1,726,205	6,250,775	741,708	3,586,525	488,112	1,687,274	3,384,555	271,698	1,931,073	44,458	
WELLINGTON MANAGEMENT GR	25,878,761	32,282,909	9,713,966	25,597,666	38,852,643	11,654,382	22,420,075	1,438,974	1,351,222	4,090,684	1,929,310	5,653,152	3,464,819	151,042	3,950,210	9,608,163	
STATE STREET CORP	23,102,921	14,465,153	81,815	3,449,933	-	-	8,935	-	-	611,382	-	-	-	-	340,100	53,480	
MASSACHUSETTS FINANCIAL S	18,466,572	21,713,763	6,552,233	18,501,098	25,894,969	8,177,168	17,921,904	472,284	2,290,989	2,802,756	1,583,353	4,074,949	2,512,012	165,207	3,053,553	5,017,481	
FIDELITY MANAGEMENT TR	15,926,176	4,392,216	4,255,374	15,886,301	16,150,480	3,753,670	48,256,012	2,458,111	1,508,200	2,869,646	1,76,765	7,279,079	7,461,026	16,500	7,35,174	142,621	
BANK OF AMERICA CORP	11,292,889	13,629,451	3,908,192	5,600,116	7,748,057	6,885,067	4,881,332	1,35,036	1,66,634	396,177	905,769	7,279,079	7,461,026	79,042	2,221,821	3,392,786	
BANK OF AMERICA CORP	9,292,823	3,242,296	8,989,517	10,953,371	3,889,457	7,827,139	159,928	1,922,217	2,071,772	1,150,816	3,690,234	1,853,684	56,565	2,202,835	4,606,088		
NORTHERN TRUST CORP	9,133,473	9,636,571	2,941,587	8,141,633	10,826,520	4,807,487	6,378,484	383,411	476,283	1,169,436	549,275	1,795,943	1,041,855	31,500	1,394,865	2,310,423	
BANK OF NEW YORK MELLON C	6,620,679	10,072,456	2,046,065	12,998,824	8,128,620	3,628,950	9,705,812	399,347	4,079,271	919,676	817,427	3,340,514	1,642,724	24,597	1,394,865	2,647,672	
BLACKROCK GROUP LIMITED	5,895,891	6,781,031	2,360,357	3,371,374	8,058,181	2,456,117	4,036,950	77,824	96,649	1,201,228	1,40,231	1,286,177	696,259	28,407	2,21,018	1,571,452	
NORGES BANK	5,851,395	7,101,190	2,668,871	3,251,618	7,655,315	2,121,010	2,456,576	997,020	792,637	855,855	536,379	1,413,266	779,846	73,994	713,041	1,809,583	
GOVAT PENSION INVEST FUND	5,822,989	6,115,865	1,764,908	1,277,783	7,206,523	2,458,649	1,101,672	708,807	-	760,045	-	2,116,780	603,753	-	1,210,505	-	
CLEARBRIDGE INVESTMENTS L	5,524,141	2,938,868	5,020	-	29,000	3,420	25,200	-	-	-	-	2,005,384	-	-	1,043,379	-	
GEORGE CAPITAL MANAGEMENT	5,562,054	7,353,842	1,968,450	5,930,955	7,893,916	2,311,598	5,152,993	730,314	613,386	875,018	445,436	1,337,215	802,743	46,923	1,060,256	1,777,533	
LOONIS SAVIES & COMPANY L	5,040,104	-	103,307	166	358,273	557,284	323,183	-	-	-	-	-	-	218,622	131	12,774,353	
T-RONE PRICE ASSOCIATES	4,812,299	5,979,995	8,262,741	9,618,007	1,581,818	958,284	6,786,285	97,539	359,192	9,233,517	95,875	4,057,346	7,400,295	51,544	9,730,929	3,518,640	
BILL & MELINDA GATES FOUND	4,528,329	-	30,24,999	-	-	13,200	-	-	-	13,580	-	-	-	-	-	-	
TEA ORF INVESTMENT MANAG	4,253,731	7,457,098	1,225,658	5,891,033	3,652,495	970,076	4,971,072	2,637,146	581,607	1,294,163	3,660,631	606,250	2,20,246	77,714	1,330,515	406,067	
COLUMBIA MANAGEMENT INVE	4,219,003	1,749,957	2,929,836	9,742,998	3,675,208	508,447	1,110,083	35,929	10,025	917,692	719,961	54,478	234,652	2,844	891,192	2,317,773	
INVECO LTD	4,195,714	880,246	483,804	1,971,885	16,602,201	666,276	3,662,126	582,222	211,510	221,327	212,785	295,839	184,883	7,434	666,466	3,767,557	
PRIMECAP MANAGEMENT COMP	3,907,013	4,678,825	15,922,289	19,473,230	5,025,575	414,862	733,653,893	1,267,842	500,100	-	1,230,254	-	-	-	7,538,700	869,400	
GOLDMAN SAKHS GROUP INC	3,295,133	5,237,926	1,468,692	2,014,607	4,878,428	1,310,527	2,654,872	563,384	693,610	2,282,427	429,630	1,331,490	392,273	105,773	1,327,827	2,480,437	
OPPENHEIMER FUNDS INC	3,065,291	770,461	137,537	770,565	586,982	11,875	45,319	418	-	2,324	8,965	17,489	767,700	-	8,866	261,954	
WELLS FARGO ADVISORS LLC	2,828,342	1,329,028	376,938	2,341,111	1,891,880	4,204,200	1,434,790	64,499	32,768	137,560	159,261	550,669	76,494	59,129	332,866	660,491	
MAGENIZE FINANCIAL CORP	2,722,631	1,306,925	-	40,961	-	9,975	17,691	-	-	-	3,550	6,928	67,907	-	-	384,000	
ALLIANCEBERNSTEIN LP	2,702,306	3,785,810	444,534	12,072,992	1,711,830	538,224	1,115,632	79,725	67,893	186,836	694,285	266,001	1,58,942	6,218	213,848	1,435,677	
US GROUP AG	2,607,409	5,167,662	788,938	2,379,075	3,063,199	305,916	604,994	135,833	4,184,166	-	56,468	73,841	60,078	2,826	549,209	109,300	
BOSTON PARTNERS	2,498,630	-	155,839	8,387,027	-	-	-	-	-	-	-	-	-	-	76,842	49,200	
JP MORGAN CHASE & CO	2,375,516	12,849,718	405,366	33,559,726	2,711,330	2,034,944	5,445,577	20,984	36,490	710,129	12,746	579,752	271,341	29,048	6,00,808	1,034,954	
THREADELLE ASSET MGMT H	2,288,931	1,392,067	91,039	-	-	44,800	9,486,577	-	-	-	-	-	-	-	37,588	-	
DEUTSCHE BANK AG	1,618,307	5,842,952	482,214	5,823,308	2,646,698	1,556,210	3,064,391	692,708	980,704	331,667	70,024	610,035	4,56,434	13,884	3,69,735	16,915	
AMERICAN CENTURY COMPANIE	1,497,385	3,418,797	205,788	3,192,279	2,652,564	8,779	8,779	-	-	10,455	-	1,354,564	1,338	201,998	14,387	14,387	
TEACHERS CAPITAL MANAGEMENT	1,447,441	2,200,272	288,934	38	101	8,274,268	59	1,234,312	8,926	127,752	0	8,926	3,277,562	131	88	968	
JANUS CAPITAL MANAGEMENT	1,441,004	2,200,272	288,934	1,655,303	2,204,304	479,184	1,158,315	843,536	3,277,562	1,010,464	101,299	266,942	88,232	5,272	339,663	189,610	
TEACHERS INSURANCE & ANNU	1,436,365	7,772,244	2,024,746	2,475,898	11,262,683	3,348,601	7,589,055	1,316,206	2,914,406	1,202,099	1,875,885	434,462	399,515	830,954	1,224,493	537,589	

Brighter Colors for Tops of Current Securities.

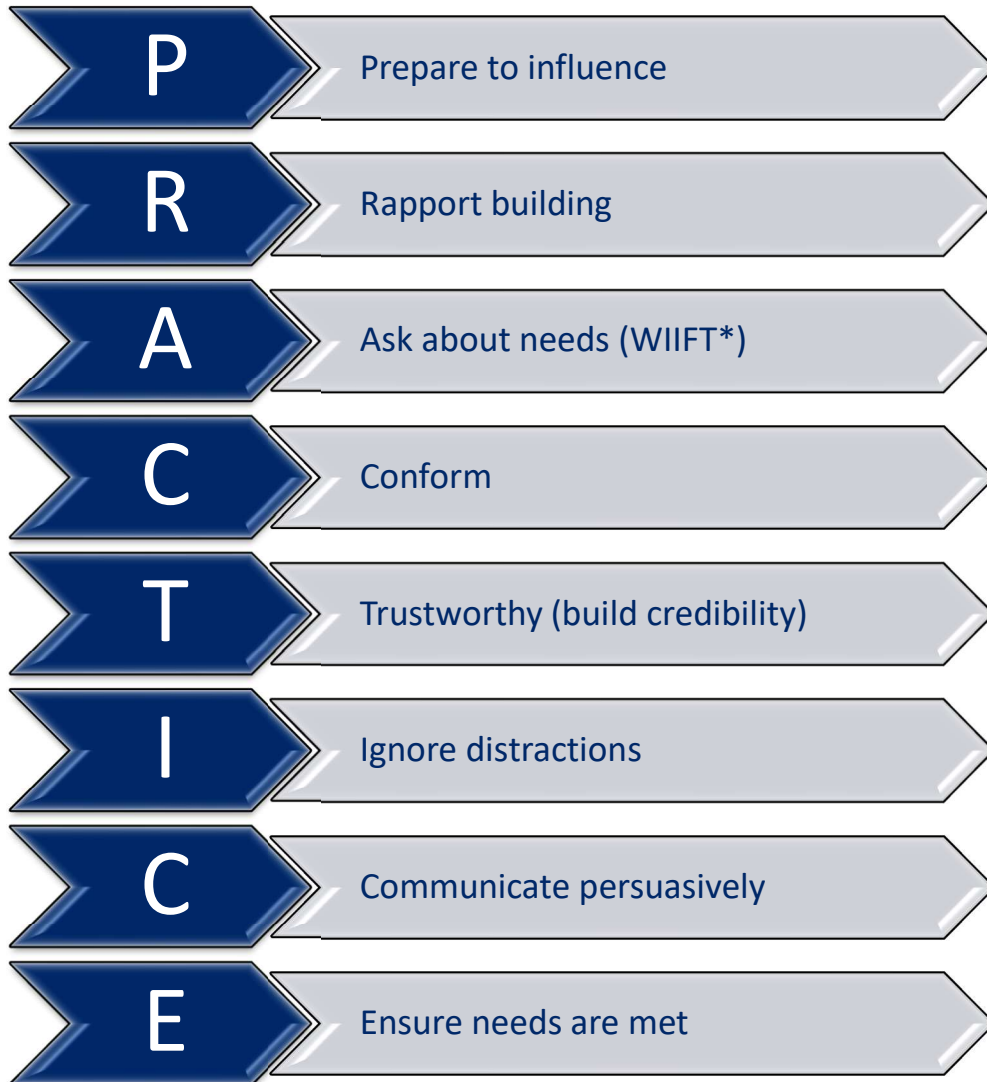
Example Lists from Market Data Services

FactSet Comprehensive Ownership Report

	A	B	Q	S	T	U	W
1	Comprehensive Ownership Detail Report						
2							
3	Company Name:	STARBUCKS CO	RP	COM	(SBUX)		
4	Type(s) of Holder:	All					
5	Industry:	Restaurants					
6	Sector:	Consumer Services					
7	Market Cap:	Mega					
8	Total Shares out:	755,900,000					
9	Ownership %:	78.15					
10	Float (%)	97.26					
11							
12							
13	Holder Name						
14	Fidelity Management & Research Co.	Position	Holdings Style	Cap Group	Turnover	Type	Contact Name (Title)
15	Fidelity Contrafund	43,957,456 Growth	16,302,568 Aggressive Growth	Large Cap	Very Low	Open-End Fund	Bruce Herring CFA, MBA (Chief Inve
16	Fidelity Series Growth Company Fund	4,858,100 Aggressive Growth	4,858,100 Aggressive Growth	Large Cap	N/A	Open-End Fund	Will Danoff, MBA (Portfolio Manager-Ec
17	Fidelity Growth Company Fund	4,788,000 Aggressive Growth	4,788,000 Aggressive Growth	Large Cap	Very Low	Open-End Fund	Steven S. Wymer, MBA (Portfolio Man
18	Fidelity Advisor New Insights Fund	4,373,306 Aggressive Growth	4,373,306 Aggressive Growth	Large Cap	Very Low	Open-End Fund	Will Danoff, MBA (Portfolio Manager-Ec
19	Fidelity Capital Appreciation Fund	4,020,802 Aggressive Growth	4,020,802 Aggressive Growth	Large Cap	Low	Open-End Fund	J. Fergus Shiel, MBA (Portfolio Manage
20	Fidelity Blue Chip Growth Fund	2,558,800 Aggressive Growth	2,558,800 Aggressive Growth	Large Cap	Very Low	Open-End Fund	Sonu Kalia, MBA (Portfolio Manager-Ec
21	The Vanguard Group, Inc.	35,541,132 Index	10,703,223 Index	Large Cap	Very Low	Mutual Fund Manager	Tim J. Buckley III, MBA (Chief Inves
22	Vanguard Total Stock Market Index Fund	7,407,942 Index	7,407,942 Index	Large Cap	Very Low	Exchange Traded Fund	Gerry C. O'Reilly (Portfolio Manager-Ec
23	Vanguard Institutional Index Fund	7,270,012 Index	7,270,012 Index	Large Cap	Very Low	Exchange Traded Fund	Don M. Butler, CFA (Portfolio Manager-Ec
24	Vanguard 500 Index Fund	3,341,849 Index	3,341,849 Index	Large Cap	Very Low	Exchange Traded Fund	Michael H. Buek CFA, MBA (Portfolio M
25	Vanguard Growth Index Fund	1,270,142 Index	1,270,142 Index	Large Cap	Very Low	Exchange Traded Fund	Gerry C. O'Reilly (Portfolio Manager-Ec
26	Vanguard Institutional Total Stock Market Index	540,022 GARP	540,022 GARP	Large Cap	Very Low	Exchange Traded Fund	Michael Perre, MBA (Portfolio Manager
27	Vanguard Employee Benefit Index Fund	459,103 Index	459,103 Index	Large Cap	Very Low	Open-End Fund	Christine D. Franquin (Portfolio Manage
28	Vanguard Consumer Discretionary Index Fund	404,642 Index	404,642 Index	Large Cap	Very Low	Exchange Traded Fund	Michael A. Johnson (Portfolio Manager-Ec
29	T. Rowe Price Associates, Inc.	33,817,226 Growth	9,179,020 Aggressive Growth	Large Cap	Very Low	Mutual Fund Manager	Jim A. C. Kennedy CFA, MBA (Chief
30	T. Rowe Price Growth Stock Fund	5,316,000 Aggressive Growth	5,316,000 Aggressive Growth	Large Cap	Very Low	Open-End Fund	Rob Bartolo CFA, MBA (Portfolio Mana
31	T. Rowe Price Blue Chip Growth Fund	2,101,722 Aggressive Growth	2,101,722 Aggressive Growth	Large Cap	Very Low	Open-End Fund	Larry J. Puglia CFA, MBA (Portfolio Ma
32	Principal Investors - Large Cap Growth Fund I	2,071,100 Aggressive Growth	2,071,100 Aggressive Growth	Large Cap	Low	Open-End Fund	Rob W. Sharps CFA, MBA (Portfolio M
33	T. Rowe Price Institutional Large Cap Growth F	977,200 Aggressive Growth	977,200 Aggressive Growth	Large Cap	Very Low	Variable Annuity Fund	Rob Bartolo CFA, MBA (Portfolio Mana
34	JNL/T. Rowe Price Established Growth Series	917,386 Index	917,386 Index	Large Cap	Very Low	Open-End Fund	Eugene F. Bar (Portfolio Manager-Equ
35	T. Rowe Price Equity Index 500 Fund	915,473 Aggressive Growth	915,473 Aggressive Growth	Large Cap	Medium	Open-End Fund	Daniel Martino CFA, MBA (Portfolio Me
36	T. Rowe Price New America Growth Fund	611,400 Aggressive Growth	611,400 Aggressive Growth	Large Cap	Low	Open-End Fund	Larry J. Puglia CFA, MBA (Portfolio Ma
37	John Hancock II Blue Chip Growth Fund	537,800 Aggressive Growth	537,800 Aggressive Growth	Large Cap	Low	Variable Annuity Fund	Rob Bartolo CFA, MBA (Portfolio Mana
38	Metropolitan Series - T. Rowe Price Large Cap						

Module: Develop Client Relationships with PRACTICE™

PRACTICE™ Framework



Appendix

Transformation Action Plan



Instructions for the Transformation Action Plan (TAP):

- Throughout this workshop complete the TAP below
- Apply the key points after the workshop to help you improve your performance
- This will not be collected and so write in a manner that will help you utilize the concepts being learned



Section 1: One-Year Marketing Goals

- In the space below, highlight where you currently stand and where you would like to be in one year (if you are uncertain of a current metric, provide your best estimate)

One-Year Marketing Goals

Metric	Current Level	One-Year Goal
1. Rank within department for client votes		
2. Rank within department for salesforce poll		
3. Rank in your favored public-poll(s) (e.g. I.I., Extel, Starmine)		
4. Rank within department for the number of non-deal corporate roadshows		
5. Number of monthly incoming client calls		
6. Number of monthly client conversations		
7. Number of reads for major reports (e.g. upgrades, think-pieces)		
8. Compensation as a percentage of the top performing analyst within my firm (e.g. 50%, 90%, etc.)		

Transformation Action Plan



Section 2: Client Interaction Metrics

- After completing the Excel file “Available Marketing Hours,” create your marketing plan for the next 12 months by completing the table below
- The information you provide is on a quarterly basis, because it’s good to periodically check on your performance (at least quarterly and preferably monthly)

Your Goal for Client Interaction Metrics for Next 12 Months (on a quarterly basis)

Marketing Plan	Frequency per quarter
1. In-person conversations lasting more than 15 minutes, including travel	
2. Telephone conversations	
3. Writing an in-depth report (excluding research time and help time from others)	
4. Sending a personalized email or text message to one recipient	
5. Presenting to sales in-depth, including preparation time	
6. Writing a one- or two-page report (excluding research time and help time from others)	
7. Personalized voicemail to one recipient	
8. Presenting on the morning call, including preparation time	
9. Blast voicemail, including preparation time	
10. Sending a blast email, including preparation time (excludes emailing reports)	

Transformation Action Plan



Section 4: Optimize Your Coverage Universe

- Based on the exercise in Module 2, identify the stocks you will likely pick up or drop in order to optimize your coverage universe

Optimize Stock Universe

Stock	Pick-up or Drop?	Rationale

Transformation Action Plan



Section 5: Develop Commercial Research Ideas

- The purpose of this portion of the TAP is to generate the report or presentation titles you intend to research that will appeal to clients
- From the critical factor assumptions completed in the prior exercise, derive possible outcomes you will likely reach after conducting research. This can be in the form of a hypothesis or report/presentation title.
- Also, record the type of research you will need to conduct to better measure the assumptions for the critical factors (e.g. primary research, individuals to contact, etc.)

Develop Commercial Research Ideas

Hypothesis or Report/Presentation Title	Individuals/roles to contact or research to be conducted
Example: Netflix's expansion into international markets will allow for significantly faster growth than current market expectations	<ul style="list-style-type: none">• Conduct survey of potential users in Netflix's new international markets• Speak to John Smith and Jane Doe, industry experts on Netflix's new international markets
1.	<ul style="list-style-type: none">•
2.	<ul style="list-style-type: none">•
3.	<ul style="list-style-type: none">•

Transformation Action Plan



Section 6: Market Research for Your Services

- Think of your 3 to 5 smartest clients in terms of understanding the sector and company fundamentals for your sector (if you are new to a sector, ask institutional salespeople for the clients they believe are the most knowledgeable about your sector)
- In the tables that follow, list the client names and the questions you could ask in order to conduct market research to better understand the need for your services
- Contact these clients, but do so differently than typical marketing. Email or phone them to ask them “Would you have 15-20 minutes to help me with a project?” Buy-side analysts are often flattered to help if they believe they are among a few select “experts” you are seeking help from (make sure to pitch it this way). When clients do not have time, they will usually respond as such.

Table 1, Clients to Contact

Client Name	Rationale (client's strengths)

Table 2, Questions to Ask

Question
1. Competitor's strengths (and weaknesses if client is comfortable discussing)
2. Capabilities missing among existing sell-side analysts
3. Topics not being researched by the sell-side
4. Likes/dislikes of sell-side analyst's research and marketing
5. Other:
6. Other:

Transformation Action Plan



Section 7: Self-Assess Your Client Call List

Instructions for Assessing Your Client Call List

- Evaluate each item on a scale of 1 to 5, with 5 as “strongly agree”

Self-Assess Your Client Call List

Topic	Your Response
1. I always have an updated list of my firm's priority accounts	
2. I regularly check to see which of my firm's priority accounts have little or no interest in my sector(s) and why	
3. I regularly check to see which firms are among the top 20 holders of each of my stocks	
4. I know at least one counterpart at each of my firm's top priority accounts where there is interest in my stocks	
5. I proactively contact sales (or seek out on my own) when I do not have a contact at any of my firm's top priority accounts where there is interest in my stocks	
6. I have at least 50 clients identified to call when I change a stock recommendation, prioritized by potential votes/commissions for my firm	

If you self-scored yourself less than a “4” on any of the items above, create an action plan for yourself on how you can make improvement in this area(s):

Transformation Action Plan



Section 8: Developing Client Relationships with PRACTICE™

- This portion of the TAP reinforces the PRACTICE™ framework
- Most of the items in the table that follows are best practices to develop and strengthen client relationships (as part of the PRACTICE™ framework)
- Review the table that follows and rate each element using this scale:
 - 1 = Already firmly in my routine
 - 2 = Part of my routine but want to improve further
 - 3 = Not part of my routine and want to develop
 - N/A = Not interested in making this part of my routine

Elements of the PRACTICE™ Framework

Marketing Skill	Element of PRACTICE™	Rating
1. I focus my influencing efforts on my firm's most profitable clients	Prepare	
2. Before meeting new clients, I speak with sales to understand the client's preferences and demeanor	Prepare	
3. Before meeting/speaking with clients I ensure I am an expert on the critical factors most likely to drive my stocks	Prepare	
4. I am an excellent communicator of my ideas	Prepare	
5. I am an excellent listener (never interrupt; periodically check to ensure I understand client's concerns, empathetic, etc.)	Prepare, Rapport	
6. When I learn I have a new client, I proactively reach out to them immediately	Rapport	
7. When starting a conversation with a client I make them feel important by using their name, offering a compliment and ask questions about them	Rapport	
8. I am confident in my presentation style but not arrogant in that I never put down a client for not knowing more than me	Rapport	
9. I start client meetings by asking the client about their current interests and how they would like to use the time	Rapport Conform	
10. I always probe to understand a client's needs as they pertain to my universe of stocks	Ask about needs	
11. When speaking with a client, I begin by thinking in their style of investing to position my view	Conform	
12. When meeting a new client, I show interest in something that is unique about them or their firm	Conform	
13. I match my presentation style to the delivery style most desired by the client (formal vs. casual, cynical vs. open-minded, judicious vs. related with time, loud vs. quiet)	Conform	
14. I avoid overuse of jargon when it may be misunderstood	Conform	
15. I never mislead a client about my abilities	Trustworthy	
16. I openly acknowledge where I could be wrong	Trustworthy	
17. I follow through on my commitments to send follow-up information	Trustworthy	

Transformation Action Plan

	Ensure needs are met	
18. When meeting with or speaking with clients, I am always "in the moment" and remove all distractions from my thoughts (not looking at computer, phone, thinking about my return flight, etc.)	Ignore distractions	
19. I periodically ask clients for their opinion on important topics	Communicate persuasively	
20. When speaking with clients, I use metaphors, stories, analogies and visioning	Communicate persuasively	
21. When meeting with clients, I use good body language (energetic, good eye contact, posture, smile, not crossing hands or legs, no smirks or signs of skeptics)	Communicate persuasively	
22. I use weapons of influence to influence clients (reciprocation, commitment and consistency, social proof, liking, authority and scarcity)	Communicate persuasively	
23. After meeting with a client, I ensure I meet all of their immediate needs within 24 hours	Ensure needs are met	

If you self-scored yourself a "2" or "3" on any of the items above, create an action plan for yourself on how you can make improvement in this area(s):

