

Online Marketing Platform Revolutionizing Alternatives Fundraising

\$50bn sought by 200 funds on Preqin Investor Network: 10% of funds in market globally utilizing platform to connect with institutional investors

Latest figures from Preqin Investor Network reveal the extent to which the dynamics of fundraising have evolved in the current marketplace. Preqin's latest industry analysis reveals 51% of institutional investors are now actively seeking out investments through proactively contacting fund managers, with 5,600 investment professionals using Preqin's platform to source potential investments.

Since the launch of Preqin's fund marketing platform in November 2013, which provides overview information on all 2,100 funds in market, 200 funds, targeting a total of \$50bn, have signed up to directly engage approaches from accredited investors on the Investor Network, accounting for almost 10% of funds being raised. More funds are using the platform to help with fundraising with each passing week.

Traditional methods of fundraising are becoming increasingly inefficient in a market where over 2,100 funds are competing for commitments. On average investors receive 35 unsolicited PPMs a quarter, some more than 100 ([Best Communication Practices for Fund Marketers](#) report). Ninety-one percent of investors stated the main reason an unsolicited fund proposal is rejected is because it does not align with their investment criteria. Some investors even refuse to respond to unsolicited approaches altogether ([Best Communication Practices for Fund Marketers](#) report). Fundraising across the market is taking longer on average than a few years ago; 18 months until final close in 2013 compared to 12 months in 2007. Preqin Investor Network is improving the efficiency of the fundraising market because GPs are directly approached by LPs specifically interested in receiving information on their offering, and therefore only spend time dealing with qualified leads.

Leading fund managers such as buyout giant Doughty Hanson have already connected with potential investors over the platform, capitalizing on LP desire to actively seek out funds that align with their investment strategy. "Limited partner investors are more analytical than ever before," stated **Stephen Marquardt, CEO and Head of Investor Relations at Doughty Hanson & Co.** to Preqin, "They actively search for fund investment opportunities globally and demand much more information early on in the due diligence process."

"Preqin Investor Network is helping to improve the efficiency of the fundraising process for both investors and fund managers by allowing LPs to spend more time proactively reviewing funds that could be a good fit, while allowing GPs to spend more time interacting with the most likely future investors. Fund managers engaging with the Network are spending more time having valuable interactions and less time chasing institutions to discover if there is even a potential interest." **Stuart Taylor, Head of Investor Products at Preqin.**

"Preqin's Investor Network is helping us to bridge the communication gap between investors and managers in today's complex fundraising market," **Stephen Marquardt** commented. "It has opened the door [for Doughty Hanson] to new investors keen to discover details, led to more incoming investor enquiries and provided an efficient and effective way of communicating fund information."

For more information about Preqin Investor Network, please get in touch at press@preqin.com. For the full quote from Stephen Marquardt, CEO and Head of Investor Relations at Doughty Hanson & Co., please see below.

Full Quote from Stephen Marquardt, CEO and Head of Investor Relations at Doughty Hanson & Co.:

“Limited partner investors are more analytical than ever before. They actively search for fund investment opportunities globally and demand much more information early on in the due diligence process. LPs insist on information in a timely and transparent manner. Most GPs recognize this – but those that don’t understand the requirements of today’s investor will find it difficult to fundraise successfully.

Doughty Hanson has long appreciated the need to communicate clearly and with full transparency to potential and existing investors alike. The good business practices of the past, however, have now become more essential than ever. Whether a household name with a celebrated track record or a first-time fund, opening communication channels to investors across the globe is of paramount importance.

Preqin’s Investor Network is helping us to bridge the communication gap between investors and managers in today’s complex fundraising market. The platform has been a positive addition to Doughty Hanson’s wider investor relations activities. It has opened the door to new investors keen to discover details, led to more incoming investor enquiries and provided an efficient and effective way of communicating fund information.”

About Preqin Investor Network:

Preqin Investor Network is the preeminent resource for alternative assets investors. Investors from around the world, including 75% of the biggest allocators to alternatives, use the Investor Network to survey investment opportunities in private equity, hedge funds, real estate and infrastructure markets.

Due to investor demand, a platform was added to the Preqin Investor Network, enabling investors to directly request key fund information from fund managers and placement agents typically found in PPMs and other initial marketing materials, including detailed fund strategy, management fees and other fund terms & conditions, investment team history and performance track record.

About Preqin:

Preqin is the leading source of information for the alternative assets industry, providing data and analysis via online databases, publications and bespoke data requests.

Preqin has built a reputation in the alternative assets industry for providing the most comprehensive and extensive information possible. Leading alternative assets professionals from around the world rely on Preqin’s services daily, and its data and statistics are regularly quoted by the financial press. For more information, please visit: www.preqin.com.

Note to Editors:

- Preqin is spelled without the letter ‘U’ after the ‘Q’.

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