

Firms Pump Up Their Marketing Muscle

By Laura Kreutzer

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Private-equity firms are hot to hire professionals who can sell their funds, an indication that the steady march of firms pitching funds probably isn't about to stop anytime soon.

Marketing hires among private-equity firms through the first three quarters of the year have more than doubled from the year-earlier period, according to a report published by global advisory and executive recruiting firm Context Jenson Partners.

Marketing hires by private-equity firms hit 157 for the first three quarters of 2016, which is 25% more than the number of such hires for all of last year, according to the report.

During the third quarter alone, private-equity firms hired 44 marketing professionals, according to the report.

The crush of investor demand for yield has pushed more money into higher returning, illiquid assets such as private equity, private debt and real estate, allowing many firms to raise capital for new funds. Through the first nine months of the year, U.S. private-equity funds have raised \$204.95 billion, nearly on pace with the first nine months of 2015, according to data provider Dow Jones LP Source.

Not surprisingly, more firms also see an opportunity to extend their brands into new strategies to accommodate different investor priorities. Witness the latest push among megabuyout firms such as Blackstone Group LP, Carlyle Group LP and CVC Capital Partners to raise long-dated private-equity funds or the efforts of industry specialists such as Francisco Partners Management and Thoma Bravo to raise dedicated funds for smaller deals or growth investments.

But these efforts all require fairly sophisticated marketing machines and professionals with the necessary skills to access different types of investors and to satisfy demand for a more "technical, hands-on approach to capital raising," according to Sasha Jensen, founder and chief executive of Context Jenson.

“As a result, funds have found it advantageous to both bulk up their investor relations teams to satisfy client requests and to target candidates with strong analytical and investment backgrounds to provide in-the-moment answers for investors without reference to portfolio management teams,” Ms. Jensen said in an email.

Individuals that possess those skills can expect to find plenty of opportunities to stay busy.