

The Definitive Guide to Raising Capital from Registered Investment Advisors

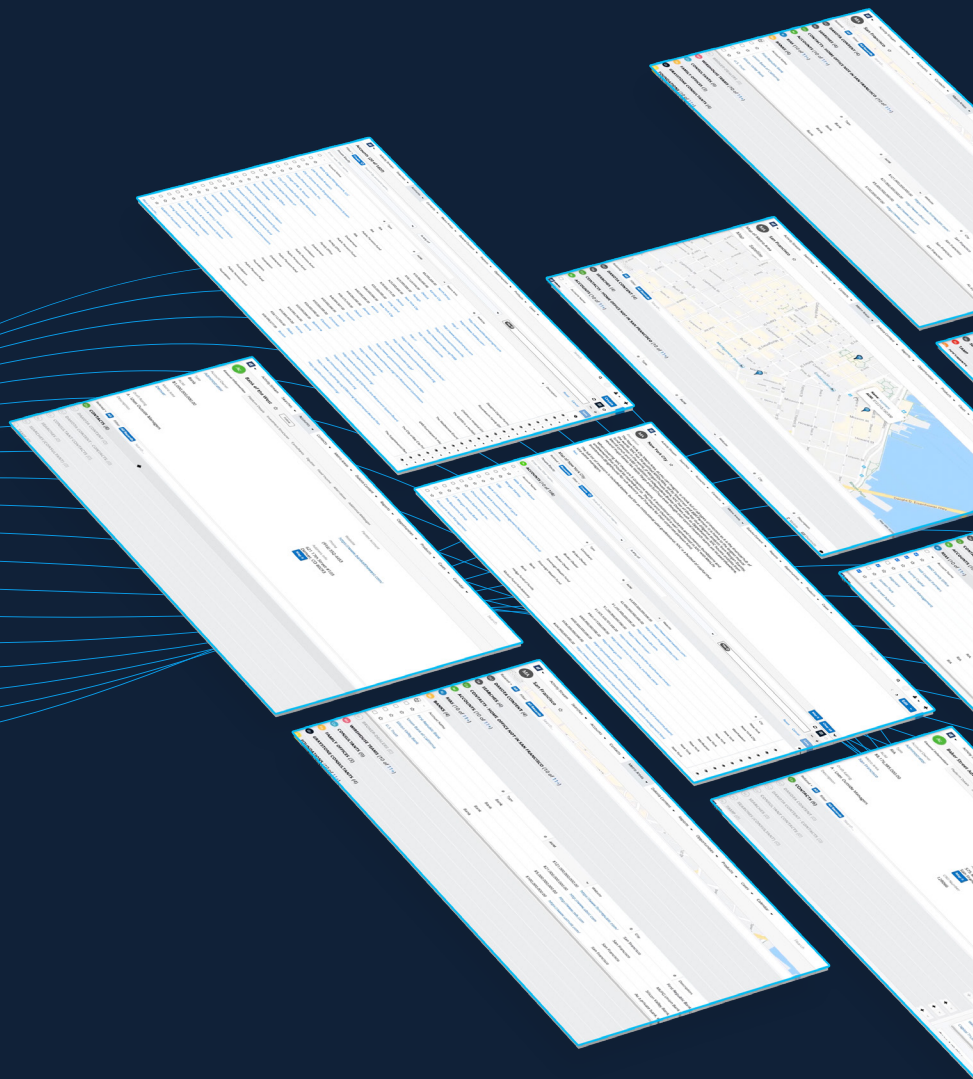


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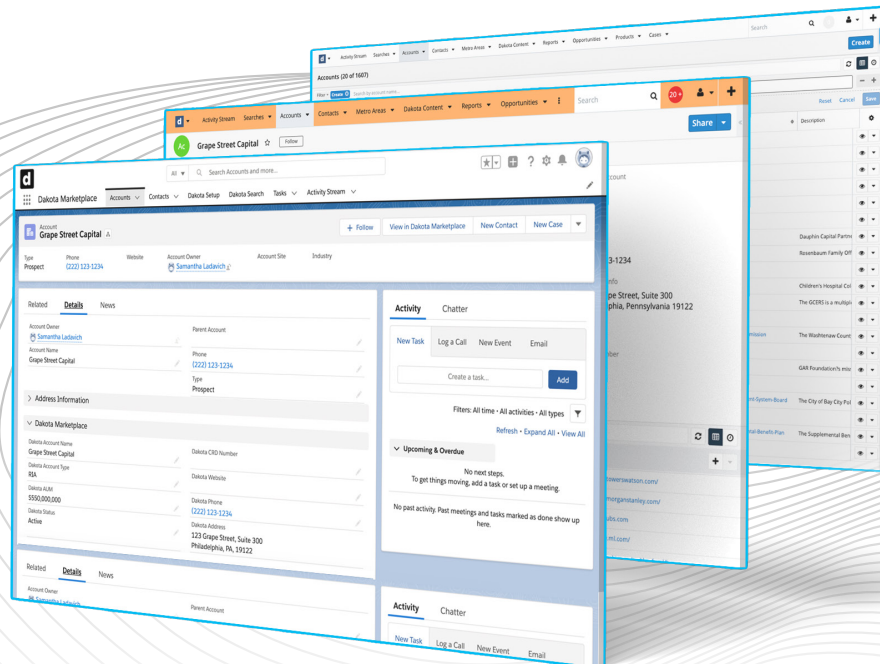
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An Introduction to The RIA Landscape

Even if you're new to the RIA industry, you likely already know that it's one of the fastest-growing channels in the industry, making it an incredibly attractive channel for investment firms to call on.

In fact, the total number of RIA clients increased by 3.5% to 64.1 million in 2023, marking an average annual jump of 8.5% over the past six years (from FP article).

That said, the RIA space presents unique challenges. Unlike landing a model allocation at a Bank or Broker-Dealer (which might feel like killing an elephant), winning in the RIA space is more akin to hunting squirrels – it's about targeting many smaller, independent firms rather than just one big win.

If you're new to the space, breaking in for the first time can seem daunting. You may be wondering where to start, who to call on, and if the rumors you've heard about the RIA world are even true.

At Dakota, we've been fundraising and working with RIAs since 2006, raising over \$35 billion in the process. We know firsthand how challenging this channel can be.

However, despite their difficulties, RIAs are a channel that we love. The space is full of independent business owners who are all trying to grow and thrive. The leaders of these firms, whether they're the founder, the CIO, or due diligence analysts, all wear a lot of hats. They have a thirst for new and interesting investment ideas, which is precisely why we all should be calling on them.

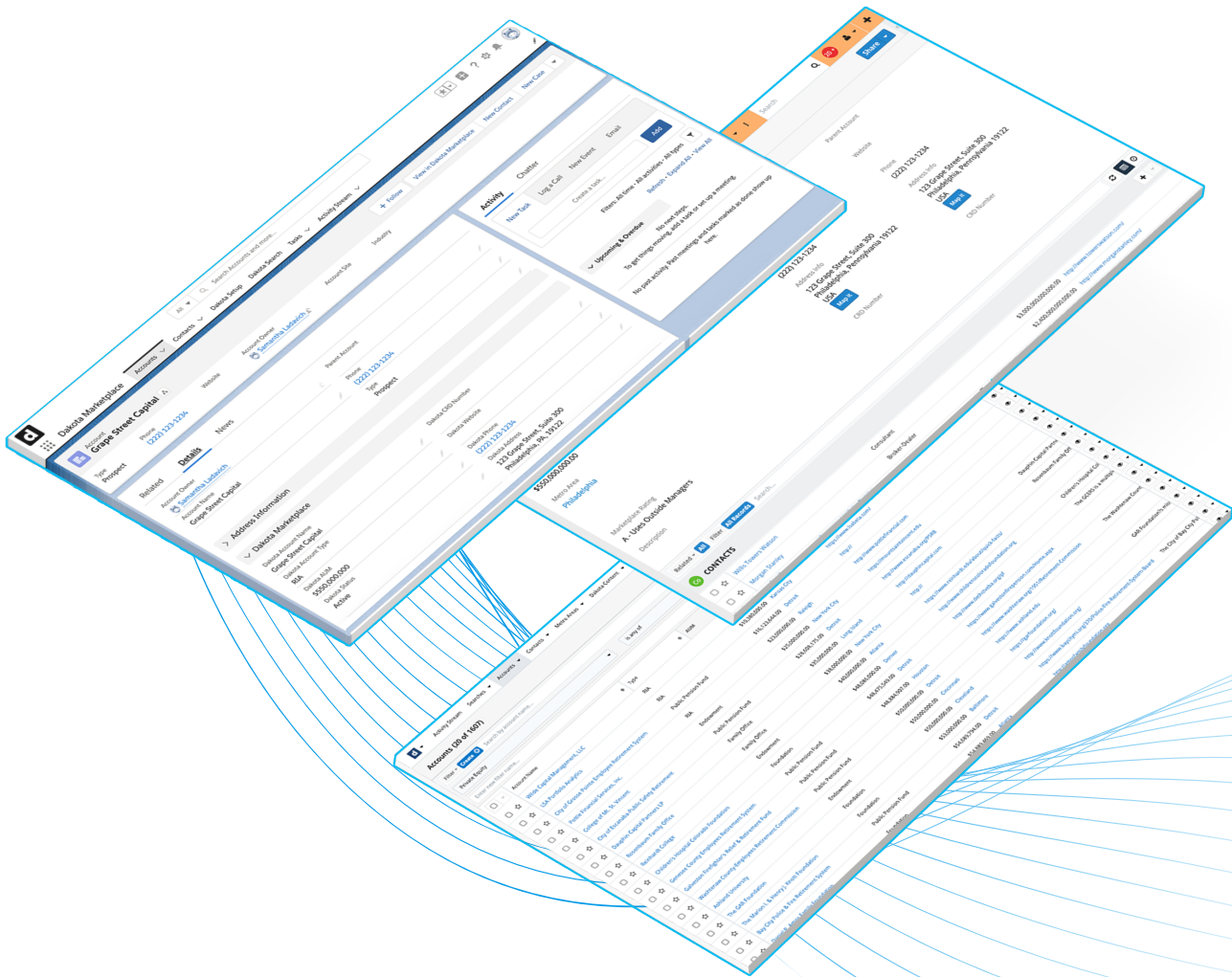
» ***In short, RIAs represent a goldmine for money managers. These firms are constantly searching for unique opportunities, and their openness to new ideas makes them invaluable partners. But if RIAs are the holy grail, what makes this channel more challenging than others like Banks, Consultants, Broker-Dealers, or Wirehouses?***

That's what this eBook is here to address.



In the following pages, we will guide you through the challenges in the RIA space, starting with the essential questions you should ask yourself before diving into this channel. We'll also equip you with the strategies and tools you need to successfully engage with RIAs and maximize your opportunities.

▶ *With that, let's move into the questions you should first ask yourself before diving into the vast channel of RIAs.*



PART 2

Breaking Into the RIA Market: 7 Questions to Guide Your Approach

As we emphasized earlier, the RIA space is one we love at Dakota. It's a channel that has played a key role in our success, **helping us raise over \$35 billion**.

What makes the RIA space truly remarkable is its openness to new ideas and the creativity that flows through it. RIAs are constantly seeking innovative, client-aligned opportunities, which is why we believe this industry is such an attractive option for investment managers.

The space truly knows no bounds.

That said, whether you've already raised capital in the RIA space or are preparing for your very first meeting, it's important to take a step back and assess your readiness.

» *In this section, we'll walk through 7 essential questions that every money manager should ask themselves before stepping into their next meeting. These questions are designed to help you determine whether the RIA space is the right fit for your business and whether you're equipped to succeed in this vast and evolving market.*

Let's dive in.

1. Which RIAs should investment managers call on?

When deciding which RIAs to target, we recommend focusing on independently-owned wealth management firms that use external managers to build portfolios for their clients. The client sizes at these firms can vary widely, ranging from under \$1 million to tens of millions or even billions, depending on the size and focus of the firm.



At Dakota, we primarily work with RIAs that custody their assets with leading institutions like Schwab, Fidelity, TD Ameritrade, and Pershing. For the purposes of this eBook, we do not focus on calling RIAs who are affiliated with Independent Broker-Dealers.

We generally recommend targeting RIAs with at least \$200 million in AUM, with an average firm size of around \$2.5 billion. While many investment managers set an artificial limit of only calling on RIAs with \$1 billion or more in AUM, we believe that limiting yourself this way can lead to missed opportunities. In fact, RIAs with less than \$1 billion in AUM can still present valuable opportunities, especially in asset classes where they may be under-allocated.

For instance, a \$600 million RIA could have a larger allocation to a particular asset class than a \$2.4 billion firm. Because of this, we encourage you not to overlook RIAs in the \$400 million to \$1 billion range. These firms are often highly receptive to new investment ideas and can be excellent partners in growing your business.

2. How do you break into the vast RIA industry?

Before you start, it's crucial to make sure you are calling on RIAs that use outside managers. Without this understanding, you'll spend too much time researching who to contact, which can be inefficient.

But first let's take a step back – what is an outside manager?

Of the 14,000-plus RIAs registered with the SEC, most manage money in-house or are subsidiaries of larger firms registered for regulatory reasons. An outside manager is a third-party adviser who helps investors access more sophisticated institutional investment strategies.

Once you have a list of qualified RIAs to call on, we recommend segmenting the RIAs in two ways. By breaking down the expansive list, the RIA market becomes much more approachable and easier to navigate.



1. **SORT THE LIST FROM THE TOP TO THE BOTTOM BASED ON AUM**, and then go down the list and start reaching out, with the goal of being in a sales cycle with each firm on our list.



2. **SEGMENT BY METRO AREA OR CITY**. For example, gather all the RIAs in the Philadelphia metro area, and just like with the AUM list, the goal is to engage in a sales cycle with each RIA in that metro.



At Dakota, we schedule a day in each city and call all the RIAs to schedule meetings. This is called City Scheduling, and is a great way to cover the RIAs in a particular area. We will get into this practice later in the eBook.

3. Do RIAs want salespeople calling on them?

RIA due diligence analysts tend to be stretched very thin, especially when compared to banks, broker-dealers, consultants, and state pension funds. They often juggle many different roles, with only about 20% of their time dedicated to researching investment strategies.

This leaves them with very limited time for research.

As a result, RIAs count on investment sales professionals to bring new ideas to them. Most RIAs will tell you that they found out about a strategy because a salesperson called them or emailed them for a meeting.

So, yes. RIAs want to be called on to discuss your investment strategy. While they can't take hundreds of meetings each week, they do want to hear from you. In fact, they see investment sales professionals as an extension of their research team, helping them discover strategies they may not have the time to find on their own.

4. Are RIA analysts as sophisticated as analysts in other channels?

Yes, RIA analysts are just as sophisticated as those in other channels. A common misconception is to view the RIA industry as “retail,” which we believe is a big mistake.

In general, due diligence analysts at RIAs are often just as knowledgeable, if not more so, particularly when it comes to evaluating and selecting managers. Most analysts are CFAs with years of experience. Given their ability to invest in almost anything, they are exposed to a handful of investment opportunities, which only deepens their expertise.

Additionally, there's a lot of significant overlap in talent across different areas of finance. In any given city, analysts frequently move between RIAs, consultants, foundations, endowments, and family offices. Meaning the RIA analyst you're meeting with may have just come from a consultant or endowment, bringing a wealth of sophisticated experience with them.



5. Do RIAs invest in alternative investments?

Most RIAs invest in alternatives, but understanding their approach requires knowing their preferred investment vehicles. Typically, RIAs favor mutual funds and separate accounts for their ease of use. Platforms like Schwab and Fidelity offer robust backend technology, making it simple for RIAs to trade and manage portfolios. Non-mutual fund structures, like LPs and quarterly tender offers, are used less frequently due to their complexity and inefficiency.

Mutual funds and ETFs are generally the go-to for most RIAs because they streamline running and managing their business. However, larger RIAs are more likely to invest in illiquid and LP-type structures, making them worth targeting if you offer those products.

Many RIAs also use liquid alternatives housed in mutual funds or ETFs. While performance in this category has been inconsistent, RIAs remain a valuable channel for marketing liquid alternative strategies.

6. Should I only call on RIAs with over \$1 billion in AUM?

The short answer is no. You shouldn't limit yourself to RIAs with over \$1 billion in AUM. Like we mentioned above, we believe the only cutoff is around \$200 million, and even that can be limiting.

RIAs between this \$200 million and \$1 billion are highly attractive for a few reasons:

- ▶▶ **MANY SMALLER RIAs HAVE HIGHER ABSOLUTE ALLOCATIONS TO CERTAIN ASSET CLASSES.** For example, a \$600 million RIA may allocate more to your strategy than a \$2.4 billion RIA.
- ▶▶ **NEW RIAs ARE FORMED WEEKLY.** When advisors leave wirehouses, it can take years to transfer all their client assets, making them look smaller at first. By building relationships early, you can grow alongside them as their AUM increases.
- ▶▶ **THE RIA INDUSTRY IS FULL OF GROWING FIRMS.** Many of the rapidly growing firms are sub-\$500 million. Establishing relationships with these firms while they're small can lead to long-term partnerships as they expand.

In short, we strongly recommend calling on RIAs below \$1 billion in AUM. They are often some of the best opportunities.



7. Do I need a portfolio manager in RIA meetings?

We've always believed that investors ultimately want to connect with the person managing their money. While it's not mandatory, it's a good idea to eventually get the Portfolio Manager on a call.

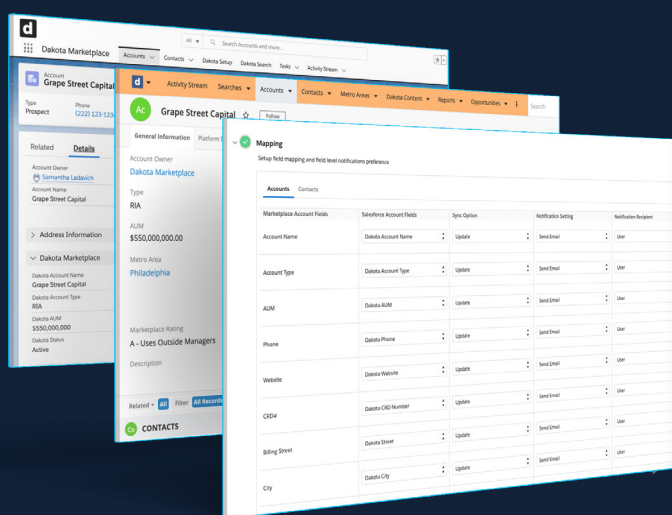
One of the greatest assets an RIA can have with their clients is to be able to say "Well, I just got off the phone with Susan, the lead PM on our small cap value strategy, and this is what she said about the market." Access to a PM is a big deal for RIAs and adds significant credibility. So, if you have a PM who is willing to do calls, then this is a great use of time.

THE ROAD AHEAD

The RIA space presents vast opportunities, but success requires careful preparation. By addressing the 7 key questions covered in this section, you can determine if the RIA space is the right fit and how best to approach it.

From identifying the right RIAs to targeting and understanding their investment preferences, these questions will help shape your strategy. Remember, success in this space often comes from building strong, long-term relationships and offering solutions that meet their needs.

As you move forward, keep in mind that breaking into the RIA space is just the beginning. In the next section, we'll explore how to hire, train, and manage a team for lasting success in this growing industry.



Hiring, Training, and Leading for RIA Sales Excellence

Now that we've explored the foundational questions a money manager should ask when deciding to enter the RIA space, it's time to dive into actionable strategies for building and managing a successful sales team in this industry.

The RIA space is often misunderstood – most people don't understand the unique dynamics that drive success in this channel. To truly penetrate this space, it's critical to hire the right salesperson, train them effectively, and set clear expectations for performance.

In this section, we'll cover how to hire the ideal RIA salesperson, how to provide them with the tools and training they need to succeed, and how to lead and manage your team to ensure you're building meaningful relationships with RIAs. Let's start with the first step: finding the right candidate for your firm.

FINDING THE RIGHT PERSON TO FILL THE ROLE OF RIA SALESPERSON AT YOUR FIRM

When looking to fill the role of RIA salesperson at your firm, it's important to remember that prior experience in the RIA space isn't always necessary. What matters most is finding someone who is consistent in their approach to securing meetings with RIAs.

RIAs are one of the harder channels to sell to because of the large numbers and the sophistication level. However, you need to set the expectation for your salesperson to focus solely on covering all the RIAs in your total addressable market (TAM). As we will talk about later, the goal is to cover the channel in totality and build a pipeline.

To do this effectively and drive the results you need, we believe the RIA salesperson should be someone with:

- ▶▶ **ASSERTIVENESS** with a politely aggressive approach
- ▶▶ **PERSISTENCE** and resilience, especially when faced with rejection
- ▶▶ **CONFIDENCE** in navigating the sales process, including follow-ups via email and phone



Why? Because you need to be able to get a lot of meetings and you need to do that using email and a proper follow up.

At the end of the day, the person you need is someone who is professional and personable enough that if you were to put them in front of an RIA, they would be able to carry their weight.

In our experience at Dakota, many of the best candidates come from competitive backgrounds, such as former athletes, who are accustomed to persistence and hard work. Once they receive the necessary industry and sales training, they can hit the ground running and make a meaningful impact in the RIA space.

TRAINING A NEW SALESPERSON TO ATTACK RIAs EFFECTIVELY

At Dakota, our sales training begins with The Dakota Way, and it's contributed to our \$35 billion raised since 2006. You might be wondering what this is and how you can apply it to your business. We can help you do exactly that.

The Dakota Way is a methodology made up of three components: Know who to call on, Know what to say, and Have a killer follow-up system. Separately, these things may seem simple, but when combined, they can create a powerful sales process that will lead your team to success.

Below, we'll explain each piece of The Dakota Way and how you can apply it to help you start attacking the RIA space.

1. Know Who to Call On

The primary focus of your sales effort should be to people who buy what you sell. Figuring out who this audience is and how to reach them is the first step to sales success.

If you specialize in mutual funds, you need to call on allocators who deal in mutual funds: RIAs, ETFs, and separate accounts. Keep in mind that identifying the appropriate channels and contacts within each account can take a lot of time and legwork before you ask for a meeting.

The key here is not to waste time convincing the wrong buyer that you might be a fit for them. In short: sell apples to apple-buyers, don't try and tell an orange-buyer that they might like an apple instead.



2. Know What to Say

Unfortunately, this step is often overlooked, but it's so critical. Simply getting a meeting with the right person is not enough. To win business, you need to master the art of the pitch.

Institutional investors need to understand your story and how you got to your performance numbers. You'll have to use carefully chosen words to bring your story to life while addressing the questions an institutional investor wants answered. Talking performance won't be enough.

3. Have a Killer Follow-Up System

After getting to the meeting and nailing the pitch, it's critical that you follow up. Almost everyone sends a thank-you email with some marketing materials. But that is table stakes. It's the logging of those meetings into a CRM that is the critical step to get maximum leverage.

If your follow-up begins and ends with a single generic email, building a pipeline will be difficult. You need a follow-up system that helps trigger sales actions so you can effortlessly continue the conversation with the allocators you have met with in a meaningful way.

With this sales methodology in mind, Know Who to Call On (build a TAM); Know What to Say (be a master messenger); and Have a Killer Follow up System (log all your meetings for leverage), your sales team will be prepared to attack the RIA space.

BREAKING INTO SELLING TO RIAS

Once you hire a salesperson, there needs to be a clear business plan. What is your sales plan? How are you going to attack this massive channel? Well, in our experience there are two key ways to do this.

1. Attack them from the top down



If you have a twelve month plan, then you'll want to look at the next year, and say to yourself, okay, "How can I go from the top down?" You will want to introduce your strategy to the largest firms first, and get your firm and strategy in front of them.



2. Attack the RIAs city by city.



Anyone who has raised money knows that when you travel to a city, you'll try and pack as many meetings into that trip as possible. At Dakota, we call this city scheduling. This is built around metro areas. Start with NYC, Boston, Philadelphia, Washington, D.C., Chicago, San Francisco, LA, Atlanta, and Dallas.

Following this outline you can go into Marketplace, find the RIAs in each of these cities, and send an email to each firm in each city introducing your firm and your strategy. Then your sales team can put this into action by creating reports in your database outlining their progress.

TURNING RIAs FROM PROSPECTS INTO ALLOCATIONS USING REPORTS

At Dakota, we start at the account level when transitioning RIAs from prospects to allocations. Begin by creating a custom field in your CRM (like Salesforce) called "Sales Cycle." Initially, all RIAs start in the "prospecting" category. As you qualify them, they move to "qualified," then "evaluating," and eventually into deeper sales cycles. This process is critical because it allows you to easily track where each RIA stands in the sales process. Applying a custom sales cycle to the account screen makes this straightforward.

As you review your account list over time, you'll notice that not all RIAs remain in "prospecting." Instead, they move through different stages of the sales cycle. This progression leads to the creation of an opportunity pipeline report. By regularly running this report, you can evaluate each opportunity based on where it stands in the sales cycle.

Over time, you'll be able to see how your list of 1,200 RIAs is evolving. The goal is to have fewer and fewer accounts in "prospecting" as you progress through your sales cycle – whether it's 30, 60, or 90 days in. As time goes on, you should see more accounts moving into "evaluating," "red zone," and eventually final presentations.

MEASURING THE SUCCESS OF YOUR SALES TEAM

The reports mentioned above are essential for measuring your sales team's success.

As a sales leader, your goal is to see the number of prospects in the "prospecting" category steadily decline, showing that your team is actively qualifying leads, setting up meetings, and closing deals.



Eventually, you'll also want to reduce the "qualified" category. Some RIAs may not invest in your asset class, or they might already have an investment in that space they're satisfied with. These accounts can be moved to the "long-term evaluation" category or noted as specialized cases where, although they invest in your asset class, they're content with their current holdings.

START SETTING MEETINGS WITH THE RIGHT PEOPLE!

Now that you know who to hire, how to train them, and how to attack RIAs, it's time to focus on setting meetings with qualified buyers.

How do you begin? It all starts with an email.

Every successful allocation begins with that initial meeting. Nothing can move forward without it. As a sales leader, it's your responsibility to ensure your team is consistently reaching out to allocators and securing those critical first meetings.

The key to getting in the door is sending that first email. In the next section of this eBook, we'll dive into proven strategies for raising capital with RIAs, starting with how to craft that initial outreach.



PART 4

Proven Strategies for Successfully Raising Capital from RIAs

In this section, we shift focus from understanding the RIA space to putting that knowledge into practice. With The Dakota Way sales methodology in hand, it's time to apply proven strategies that have consistently driven success in the RIA space for over two decades.

Whether it's mastering outreach through city scheduling, crafting the perfect email, or hosting engaging quarterly webinars, each tactic we cover is designed to help you build strong, long-term relationships with RIAs and raise capital efficiently.

These best practices are tried-and-true approaches that have propelled Dakota's own fundraising success, and they are now at your fingertips to help you achieve similar results.

BEST PRACTICES:

City scheduling

For RIA sales professionals, success goes beyond getting your name in front of firms – it's about consistently scheduling and securing meetings with key decision-makers. At Dakota, we've honed a strategy called City Scheduling that efficiently organizes meetings in key metro areas.

One common issue salespeople face is losing time at the start of the day due to a lack of a clear plan. City scheduling solves this by setting specific cities and dates for meetings well in advance.

Start by selecting a city, picking a date, and blocking out time slots. For example, plan a trip to Boston on October 8th with the goal of securing as many RIA meetings as possible in that metro area.



To maximize your results, send personalized emails requesting meetings that pack a punch (we'll discuss this next). You may need to send 30-40 emails to secure 5 meetings, but even if you don't get immediate responses, your name and brand are still making an impression for future opportunities. Once the meetings are set, schedule them in 2-hour increments: 9:00 AM, 11:00 AM, 1:00 PM, 3:00 PM, and 4:30 PM. This structured approach ensures you stay organized and make the most of your time in each city.

Keep in mind, just because someone isn't available now doesn't mean they won't be interested later. That's why consistency is crucial – schedule your key cities multiple times a year to maintain continuous outreach and build relationships with RIAs over time.

WRITING AN EFFECTIVE EMAIL

If you raise money for a living, you know one thing for sure: you can't raise capital without securing meetings. But with inboxes overflowing, what makes someone open your email and agree to meet?

The answer lies in the subject line.

▶▶ **SECTION 1 – THE SUBJECT LINE.** A clear, concise subject line is critical. For example, if you're in New York on October 5th, a subject like "Meeting request for October 5th at 3:00 PM" gets straight to the point. The recipient knows exactly what you're asking for.

▶▶ **SECTION 2 – THE BODY.** Your message needs to be brief and impactful. Use one sentence to introduce yourself and your firm while clearly conveying the value of a meeting. Make it as compelling as possible. For instance: "Hello, I'm Gui Costin, and we specialize in long-only equities. I'll be in Boston on October 8th and would love to share how we're helping firms like yours succeed."

That's all it takes. Be direct, relevant, and focused on how you can benefit the reader.

▶▶ **SECTION 3 – THE CALL TO ACTION.** Your closing needs to be specific. Instead of a vague "Can you meet sometime next week?" say, "Can we meet on October 8th at 3:00 PM?" This gives the recipient the option to either accept or suggest a different time – keeping the conversation going rather than shutting it down.

In short, too many emails get lost in endless paragraphs of company history or overly complex explanations. Don't be that person.

Your goal is simple: to get the meeting.



Keep your email clear, concise, and focused on the ask. By mastering the subject line, body, and call to action, you'll dramatically increase your chances of booking valuable meetings with RIAs.

HOSTING QUARTERLY WEBINARS

For firms targeting RIAs, quarterly performance updates are an effective way to build relationships, share key insights, and stay top-of-mind. At Dakota, we've used quarterly webinars to foster trust and drive consistent engagement with RIAs.

CONSISTENCY AND TRANSPARENCY: Hosting regular webinars builds trust and keeps your firm visible to RIAs. By consistently sharing updates on performance, strategy positioning, and outlook, you maintain transparency while ensuring RIAs keep your firm in consideration for future allocations.

MARKETING OPPORTUNITY: Webinars offer four key marketing touch points:



1. **INVITATIONS:** Sending save-the-date and day-of reminders helps keep your name and brand in front of RIAs.



2. **THE WEBINAR:** This is your chance to present quarterly updates, insights on the market, and how your strategy is performing.



3. **REPLAY:** The recorded webinar is an excellent follow-up tool, allowing RIAs to access your updates at their convenience while reinforcing your message.



4. **TRANSCRIPTION:** A transcript of the webinar can be turned into a summary or abstract, serving as an additional resource for RIAs during due diligence or follow-up conversations.

EFFICIENCY: Webinars allow you to deliver updates to a broad audience of RIAs at once, maximizing the time of your portfolio managers and team. Follow-up calls with interested RIAs can then be shorter and more targeted, as many will already have watched the webinar and have specific questions in mind.

By hosting quarterly webinars, you create multiple opportunities to engage RIAs, reinforcing your value proposition through consistent communication and structured follow-ups. To get started, set a date, prepare a clear presentation, and communicate with your RIA contacts. With regular webinars, your firm will stay top-of-mind with RIAs, enhancing your chances for future allocations.



ASK THE TWO TOUGH QUESTIONS

Traditional wisdom suggests following up after the meeting, but The Dakota Way encourages a more proactive approach. As the meeting wraps up, make sure to ask these two crucial questions:

1. Do you see our strategy fitting into your asset allocation model?
2. Do you anticipate conducting a search in our asset class within the next 12 months?

These questions are not mere formalities; they are strategic probes designed to gauge genuine interest and determine your next steps. By asking these questions, you avoid the common trap most salespeople find themselves in post-meeting: The Unknown – not knowing where they stand.

If the answer to the first question is no, you know the appropriate follow-up: add them to your mailing list and check in again later. If the answer is yes, proceed to the second question.

If the answer to the second question is no, again, your follow-up is clear – mailing list. But if the answer is yes, then you can ask, “What would be the next steps we could take to better familiarize you and your team with our strategy?” This final question opens the door for deeper engagement and builds momentum toward a potential allocation.

For professional fundraisers, this approach saves time and helps focus your efforts on prospects who are genuinely interested, ensuring you walk away from every meeting with clarity and next steps.

HOSTING NETWORKING EVENTS

Hosting exclusive events can be a powerful way to build your brand and foster deeper connections with firms, specifically RIAs. These events help you get in front of due diligence analysts and other sales professionals in the industry in person – rather than sending an email behind a screen.

One approach is to pick a trendy, exclusive venue in your area to create a memorable experience for attendees. Charging for the event adds a layer of exclusivity and signals the value of the content and insights being shared. By limiting your guest list to key decision-makers, like due-diligence analysts, you ensure you’re engaging with the right audience – those who have the most influence over investment decisions.

Alternatively, you can host a more intimate luncheon with due-diligence analysts, featuring your portfolio managers speaking on their outlook and market insights. This gives analysts direct access to the professionals managing the portfolios, allowing for deeper discussions and more personal connections. Having your portfolio managers present their views in person adds credibility to your firm and provides an opportunity to showcase your expertise in a more interactive setting.



LEVERAGING YOUR CRM—THE 2 REPORTS NEEDED

To maximize your CRM's potential in investment sales, two essential reports are crucial: activity reports and pipeline reports. These reports provide a structured view of your sales process and allow you to take action at the right time, driving more efficient fundraising efforts.

ACTIVITY REPORTS track meetings, calls, and other interactions over specific time frames (e.g., the last 14, 30, or 90 days). By regularly reviewing these reports, you can trigger follow-up actions—whether it's a reminder to send information, schedule another meeting, or simply reconnect. This ensures that no opportunity slips through the cracks, keeping your sales process active and engaged.

PIPELINE REPORTS offer a comprehensive view of your potential revenue streams. Start with a general pipeline report to capture all sales channels, and then create segmented reports for key areas like RIAs, Bank / Broker-Dealer, or consultants. These channel-specific reports help you tailor your strategies and understand where to focus your efforts. Regularly sharing these reports with your team and leadership ensures alignment, while keeping your sales pipeline organized and on track.

TURN STRATEGIES INTO SUCCESS

Raising capital from RIAs requires a combination of consistent effort, strategic targeting, and tailored communication. From efficiently scheduling meetings and crafting compelling emails to engaging RIAs through webinars and exclusive events, every touchpoint plays a role in building trust and credibility. Leveraging tools like CRM reports and asking the right questions in meetings ensures that your sales process remains streamlined and focused on actionable opportunities.

By adopting these proven strategies, you can strengthen your presence in the RIA market, fostering meaningful relationships and positioning your firm for long-term success.



Using Your Database of RIAs to Drive Results

A database for RIAs can be invaluable tools for streamlining your prospecting efforts and quickly identifying the right firms that allocate capital to outside managers. By offering a list of contacts, often sourced from industry registries like Form ADVs, these databases provide an excellent starting point for generating leads and setting up meetings.

However, not all databases are created equal. Some are little more than basic spreadsheets, while others function as robust lead generation platforms. Recognizing the power of having this information at our fingertips, we developed Dakota Marketplace.

Drawing from our years of experience, we've outlined eight key factors to consider when selecting the right database of RIAs for your team.



1. MORE THAN JUST RIAs:

Choose a database that covers more than just one channel. While RIAs are key, having access to a broader range of institutional investor channels – like MFOs, banks, broker-dealers, and consultants – helps expand your reach.



2. INTUITIVE DESIGN:

The database should be user-friendly, flexible, and designed specifically for investment sales professionals, allowing you to easily filter and focus on the data that matters most.



3. CURATED CONTACTS:

Avoid databases that pull raw, unvetted data. Instead, look for one that curates contacts relevant to your business – those who use outside managers and play a role in the buying process.



4. ACCURATE:

Contacts in the investment industry change often. Your database should update automatically in real time, ensuring you always have accurate information for your outreach efforts.



5. INTELLIGENT CITY SEARCH:

Find a database that shows contacts based on where they live, not just where their firm is based. This ensures you don't miss opportunities when scheduling meetings in a city.





6. ACTIVE SEARCHES:

A good database should highlight allocators currently searching for strategies you offer, giving you a clear edge in identifying high-priority prospects.



7. INVESTOR PREFERENCES:

Your database should tell you which RIAs allocate to specific strategies, like hedge funds or private equity, cutting down on wasted outreach.



8. CONTENT:

Look for a platform that includes helpful content, such as city overviews, allocator interviews, and sales notes, to give you deeper insights into trends and contacts.

DAKOTA MARKETPLACE FOR RIAs

Dakota Marketplace is an institutional and intermediary investor database designed by fundraisers, for fundraisers. Launched in 2019 and serving over 1,000 firms, the platform is updated in real-time, offering complete cross-channel coverage.

With the implementation of the first ever filterable Form ADV Database, Dakota Marketplace offers fast access to Form ADV data, eliminating the need to wade through cumbersome government websites. The platform provides essential insights, including:

- ▶ Detailed advisory business descriptions
- ▶ AUM breakdown by client type
- ▶ Custodian relationships and corresponding business volumes
- ▶ Ownership information
- ▶ Private fund reporting, and more

One key feature, via the private fund reporting, is the ability to target feeder funds, which offer RIAs a way to pool client capital and access alternative investments without the high entry barriers. For RIAs whose clients want exposure to illiquid alternatives but can't meet individual minimums, feeder funds present an ideal solution. Dakota Marketplace makes it simple to identify RIAs using feeder funds, saving time and increasing your chances of securing meetings with firms that are ready to invest in alternatives.

From our extensive database of over 14,500 RIAs, we've curated a list of 450 RIAs actively creating feeder funds. Targeting these RIAs is even more effective when factoring in custodian relationships – 350 of these RIAs are with Schwab and Fidelity, custodians known for their independence and flexibility in investment decisions.



Unlike RIAs tied to broker-dealers like LPL or Wells Fargo, Schwab and Fidelity RIAs face fewer restrictions when allocating to alternatives, making them prime candidates for outreach.

Beyond sales efficiency, feeder funds streamline operations for alternative managers by reducing administrative burdens. Instead of managing multiple small accounts, you deal with a single LP, the feeder fund, leading to a more efficient and smoother investment process.

The value of Dakota Marketplace is clear: it not only gives you access to over 14,000 RIAs, but also enables you to focus on the most strategic opportunities – those actively using feeder funds and supported by accurate, real-time Form ADV data – making your sales efforts more efficient and targeted.

dakota marketplace

PRICING: **\$15,500/year**

Book a demo of Dakota Marketplace for RIAs today!

\$1,000 for each additional user login.

