

2020 Corporate Access Survey Series

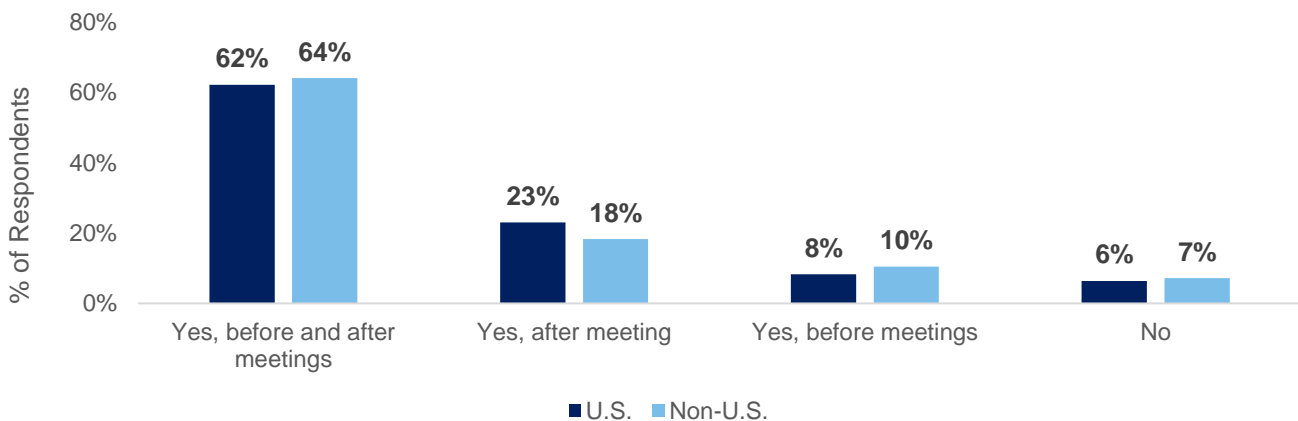
Meeting Feedback & Market Intelligence

-By Ryan Fitzgerald & Kelly Gentry

IHS Markit is pleased to present Part 2 of our 2020 Corporate Access findings. Based on a survey of over 300 global IROs conducted in January of this year, below we present our findings on the significance of meeting feedback and market intelligence pre/post investor interaction.

Only 7% of IROs are completely satisfied with the amount of intelligence they have pre/post investor meetings

Desire for More Intelligence Before and After Meetings

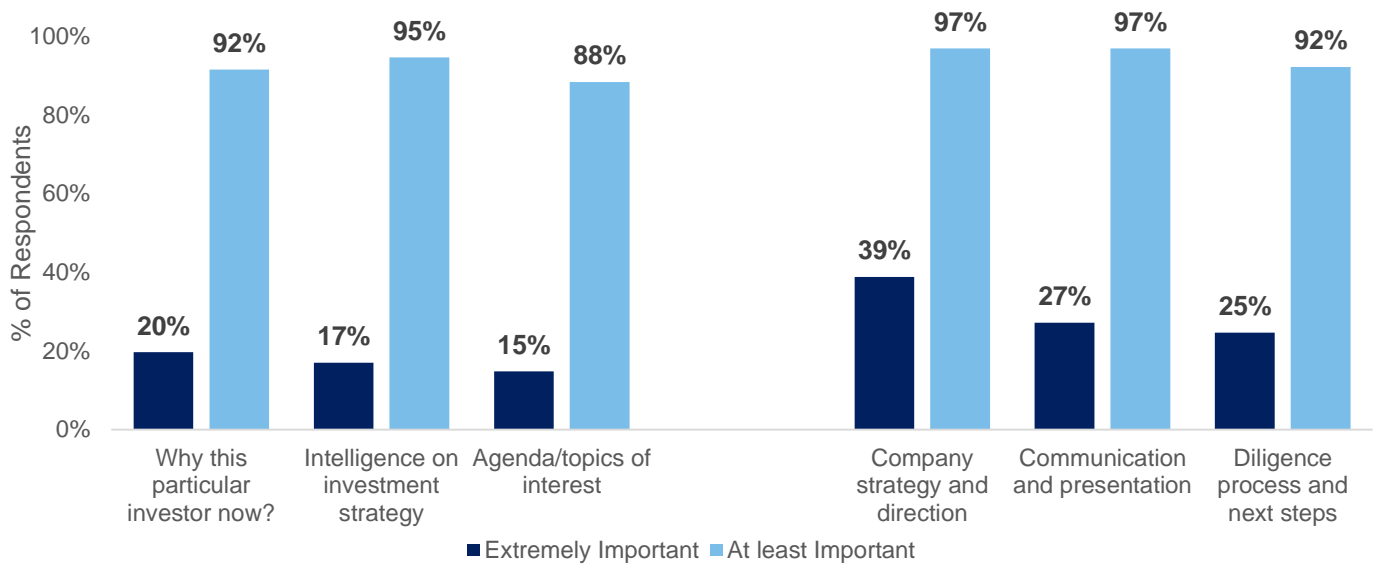


The 2020 Corporate Access survey revealed that the majority of IR teams around the world are at least somewhat dissatisfied with the amount of intelligence they receive both before and after interactions with investors. While this is a trend that has been consistent for several iterations of this report, there was a slight increase in the amount of respondents who want more intelligence both before and after meetings when compared to the 2017 survey results.

As illustrated, over 60% of respondents desire more intelligence ahead of interactions and more feedback post meeting, regardless of geography, market cap size and industry.

However, for IROs only desiring one or the other, the survey found respondents favor feedback after an event over intelligence ahead of an event by around 3 to 1, which is in line with answers from the 2017 survey.

Importance of Intelligence and Feedback



“Knowing what your investor or potential investor is interested in ahead of the meeting is essential, it allows everyone to prepare accordingly and hopefully create value for both parties.”

Respondent, Large Cap Issuer (>\$10B)

Narrowing the scope, we asked respondents to rate the level of importance on several types of intelligence ahead of an event and feedback after an event. Worth noting, the chart above only includes answers from respondents who reported a desire for more intelligence/feedback.

As seen, feedback from investors on a company’s strategy and direction was viewed as the most important amongst respondents. Interestingly, 50% of large cap respondents found this type of feedback Extremely Important, as compared to 34% and 37% for mid and small cap

respondents, respectively. This may be related to the potential for large cap companies to have more breadth and depth across their respective businesses.

Meanwhile, one out of every four individuals who participated in this survey believes feedback from investors on their respective investment processes and expectations for the future is Extremely Important. While there was little variance across market caps, North American respondents were almost three times as likely to respond Extremely Important than when compared to European based respondents.

IRO Perspectives – Market Intelligence & Feedback

Without a doubt, this Corporate Access survey confirms that most IR teams around the globe desire more intelligence ahead of interactions and more feedback post engagements. We've included several comments below from respondents across different market caps, industries and geographies to further support to this takeaway.

“We are trying for more direct outreach for feedback before and after meetings as we are not satisfied with what is being received from the sell-side.”

Respondent, Industrials

“I would appreciate specific investor feedback vs. the general overall feedback from the sell-side.”

Respondent, Consumer

“I have found sell-side analysts don't have particular insight into accounts unless they are close to them. The salesforce member who joins before a meeting is often best placed to provide intel on a particular investor and what they are looking for. I have found, most of the time it isn't provided unless asked for and oftentimes only comes 5 minutes before you walk into a meeting, so the value impact is limited.”

Respondent, Real Estate

“Usually get better direct feedback from investors, usually distorted or muted with sell-side feedback. Very few provide ‘raw’ feedback.”

Respondent, Energy

“Investors are very reluctant, in fact very rarely, provide feedback to brokers or third parties. We ask ourselves and investors are willing to give feedback. Our CEO is very good at always asking the investor what they think.”

Respondent, Consumer