

Asset managers with strong service gain an advantage in volatile times: Lessons from the pandemic

April 24, 2025

With the recent market volatility and uncertainty, managers and consultants have been recommending that investors stay the course. Most investors are taking that advice and not making snap decisions. However, investors in many markets are concerned and are closely monitoring the situation, with important implications for asset managers related to service. Here we look back at the pandemic to consider some of the key lessons learned during another period of significant volatility.

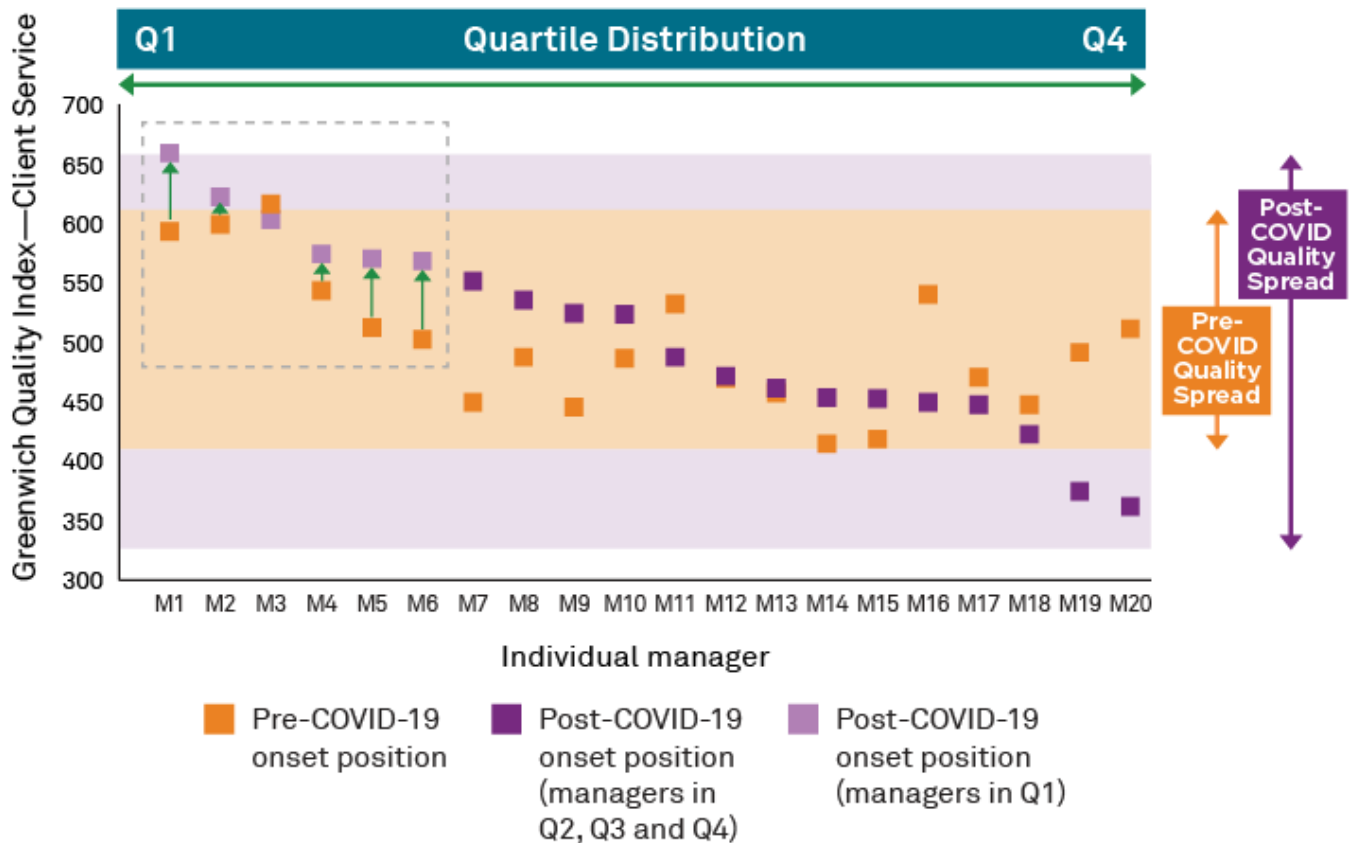
Five years ago, the pandemic hit with full force. In addition to adjusting to working from home, managers had to manage and maintain a very high level of client contact. During that time, some managers excelled while others did not. Our 2020 research revealed notable shifts in the perceptions of asset managers' relationship management and service capabilities, in large part due to their ability to effectively engage clients during a time of uncertainty and volatility.

In the first weeks of the pandemic in 2020, we observed that:

- Some managers “actively stepped forward.” Other managers either did not sufficiently grasp the situation, froze or did not have the capability to respond in the moment.
- The range of perceptions of managers' service quality expanded, with some managers reaching new heights and others reaching new lows.
- Managers with strong existing service quality propositions pre-pandemic (e.g., receiving first quartile client feedback scores) were in many cases able to up their game and obtain even better relative feedback post-COVID-19 onset. Their focus and investment in service paid significant dividends.
- Most managers in lower quartiles pre-pandemic were unable to differentiate themselves through their service proposition and, in many cases, slipped back competitively.

The chart below shows an example of institutional investor feedback related to top European asset managers as of mid-April 2020.

Asset manager client service quality ratings pre- and post-Covid-19 onset



Source: Greenwich Associates 2020 Continental European Institutional Investors Study

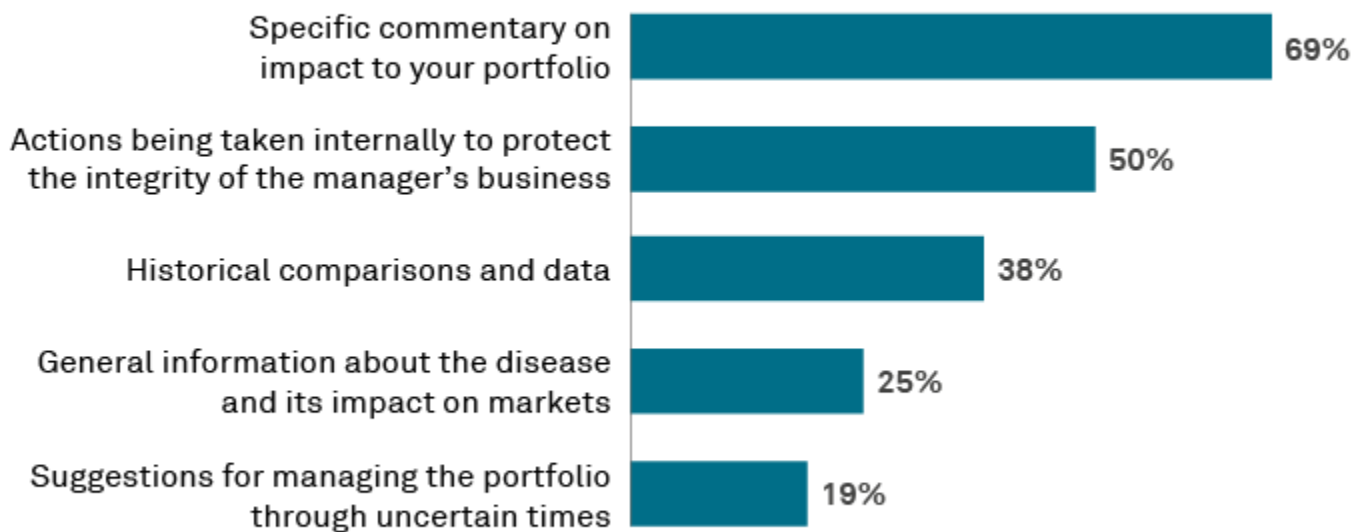
In the spring of 2020, we conducted a series of flash studies called *Pandemic Perspectives* to gauge investors' attitudes and expectations. Looking back, what can we learn from that experience? The key findings include:

- Service matters.
- The relative importance of service is heightened during periods of volatility and uncertainty.
- Clients' needs increase, and they expect managers to respond.
- Managers need to step forward proactively; silence is not an option.
- Client engagement must be conducted in a manner that is balanced and mindful of investors' needs and their time.
- Investors pay attention to the differences in service levels provided by their managers during these periods.
- Trust is built over time but can be lost quickly.
- Perceptions of managers change more dramatically during times of stress, or "moments of truth."

When these moments of truth arise, investors expect a higher level of responsiveness, regular updates and check-ins, no surprises from managers, empathy, and solutions. At the same time, managers need to find a balance and not bombard clients with lower value information and insights. During the pandemic, the most important information that managers provided was specific commentary on the impact to clients' portfolios. Historical comparisons and data, and suggestions for managing the portfolio through uncertain times were

also valued.









Most useful information from managers related to coronavirus outbreak



Source: Greenwich Associates Coronavirus Flash Study, March 2020

High-quality and insightful portfolio and market summaries, risk management and transparency provided to clients succinctly was most appreciated, as was personal outreach. From an investment perspective, sticking with the investment strategy and not drifting during the period of uncertainty was critical.

Asset manager actions

Appreciated		Concerning	
	Very high quality and informative market and portfolio summaries.		Lack of risk management and transparency.
	They are sticking with their process; we have not seen any surprises and not deviating whatsoever.		Change in strategy; drift of management style is an automatic elimination of the asset manager.
	Narrow, succinct, concise, specific impact update.		The decision to load up on cruise companies.
	Personal phone call to check in.		Silence.

Source: Greenwich Associates Coronavirus Flash Study, April 2020

As with investment strategy and decision-making, a period of uncertainty and volatility provides managers

with an environment to clearly demonstrate their service capabilities. Managers who are prepared and step up and deliver can strengthen client relationships, build trust and gain competitive advantage. On the flip side, there is downside risk for managers who have not invested in service, are unprepared and don't deliver during these periods. Clearly understanding clients' service expectations, how service practices are perceived relative to competitors and acting on those insights will be critical in the coming months.

www.greenwich.com | ContactUs@greenwich.com

Coalition Greenwich, a division of CRISIL, an S&P Global Company, is a leading global provider of strategic benchmarking, analytics and insights to the financial services industry.

We specialize in providing unique, high-value and actionable information to help our clients improve their business performance.

Our suite of analytics and insights encompass all key performance metrics and drivers: market share, revenue performance, client relationship share and quality, operational excellence, return on equity, behavioral drivers, and industry evolution.

About CRISIL

CRISIL is a leading, agile and innovative global analytics company driven by its mission of making markets function better. It is majority owned by S&P Global Inc., a leading provider of transparent and independent ratings, benchmarks, analytics, and data to the capital and commodity markets worldwide.

CRISIL is India's foremost provider of ratings, data, research, analytics, and solutions with a strong record of growth, culture of innovation, and global footprint.

It has delivered independent opinions, actionable insights and efficient solutions to over 100,000 customers through businesses that operate from India, the U.S., the U.K., Argentina, Poland, China, Hong Kong, and Singapore.

For more information, visit www.crisil.com

Disclaimer and Copyright

This Document is prepared by Coalition Greenwich, which is a part of CRISIL Ltd, an S&P Global company. All rights reserved. This Document may contain analysis of commercial data relating to revenues, productivity and headcount of financial services organisations (together with any other commercial information set out in the Document). The Document may also include statements, estimates and projections with respect to the anticipated future performance of certain companies and as to the market for those companies' products and services.

The Document does not constitute (or purport to constitute) an accurate or complete representation of past or future activities of the businesses or companies considered in it but rather is designed to only highlight the trends. This Document is not (and does not purport to be) a comprehensive Document on the financial state of any business or company. The Document represents the views of Coalition Greenwich as on the date of the

Document and Coalition Greenwich has no obligation to update or change it in the light of new or additional information or changed circumstances after submission of the Document.

This Document is not (and does not purport to be) a credit assessment or investment advice and should not form basis of any lending, investment or credit decision. This Document does not constitute nor form part of an offer or invitation to subscribe for, underwrite or purchase securities in any company. Nor should this Document, or any part of it, form the basis to be relied upon in any way in connection with any contract relating to any securities. The Document is not an investment analysis or research and is not subject to regulatory or legal obligations on the production of, or content of, investment analysis or research.

The data in this Document may reflect the views reported to Coalition Greenwich by the research participants. Interviewees may be asked about their use of and demand for financial products and services and about investment practices in relevant financial markets. Coalition Greenwich compiles the data received, conducts statistical analysis and reviews for presentation purposes to produce the final results.

THE DOCUMENT IS COMPILED FROM SOURCES COALITION GREENWICH BELIEVES TO BE RELIABLE. COALITION GREENWICH DISCLAIMS ALL REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, WITH RESPECT TO THIS DOCUMENT, INCLUDING AS TO THE VALIDITY, ACCURACY, REASONABLENESS OR COMPLETENESS OF THE INFORMATION, STATEMENTS, ASSESSMENTS, ESTIMATES AND PROJECTIONS, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE ARISING OUT OF THE USE OF ALL OR ANY OF THIS DOCUMENT. COALITION GREENWICH ACCEPTS NO LIABILITY WHATSOEVER FOR ANY DIRECT, INDIRECT OR CONSEQUENTIAL LOSS OR DAMAGE OF ANY KIND ARISING OUT OF THE USE OF ALL OR ANY OF THIS DOCUMENT.

Coalition Greenwich is a part of CRISIL Ltd, an S&P Global company. ©2024 CRISIL Ltd. All rights reserved.