



Introduce Alternative Investments as “Special Teams” And you might grow your practice

Lets be honest – terms like “hedge funds,” “alternatives investments,” and “private equity” scare many investors. In contrast terms like “ETF,” “mutual fund,” and “Index fund” give many investors a sense of security. This dichotomy is likely the results of millions in marketing dollars spent by firms that market ETFs, mutual funds, and index funds. Regardless, wise investment professionals know great, and terrible, investment solutions hide within any of these structures. So, lets stop hiding behind complicated terminology and explain how “alternative investments” look and act like special teams in football.



Football’s offensive team is similar to stocks – scoring lots of points or turning over the ball and garnering the attention of the press along the way. Defense is similar to cash/bonds/insurance – they quietly play a critical role but mostly behind the scenes and are rarely discussed in the press. Special teams plays the often overlooked but critical role of delivering the game winning field goal, converting a two point conversion, or putting your offense in ideal field position. Alternative investments are similar to special teams – often overlooked but play a critical role in your practice.

A study suggests that between 25-33% of college football games are decided by 5 points or less – exactly where special teams comes in. We often wonder what percentage of wealthy families choose an advisor based on showing them something they haven’t seen before, or educating them on something “new” like alternative investments. Another study advises that almost 50% of \$1M+ families want to learn about alternative investments. Are wealth advisors meeting this need? Our personal experience says no.

Alternative investments are growing. Clients want to learn about them. In the crowded space of financial advice are you differentiating your practice by addressing the often overlooked, but critical role, alternatives play in portfolio management? Coach Marv Levy once advise:

“There’s 3 parts to football; offense, defense, and special teams. You’d no more ignore special teams than you would offense or defense.”