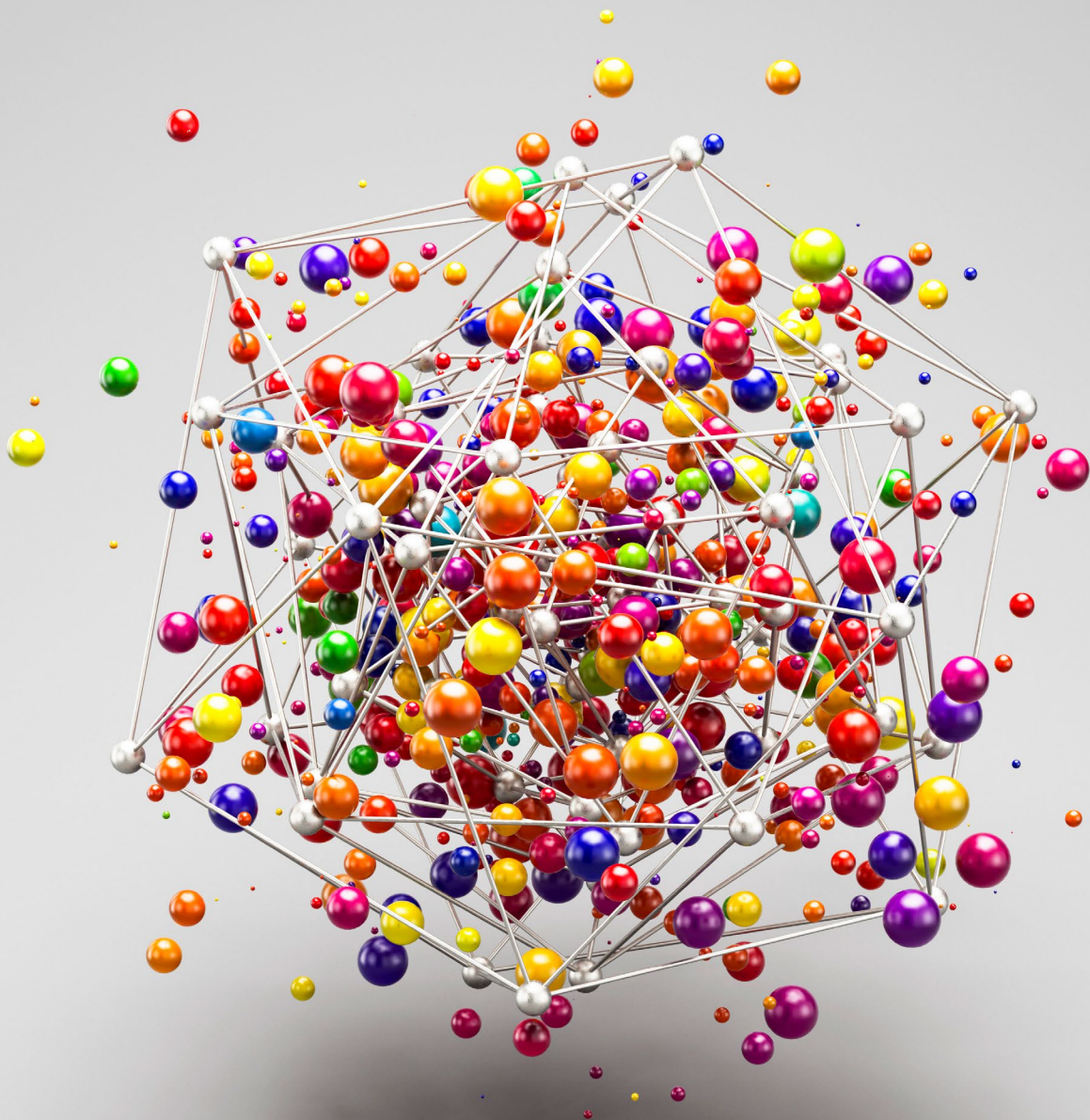


Headland

Standing out in the digital marketplace

How mid-market private equity firms can leverage the LinkedIn opportunity

We analysed the LinkedIn strategy of over 50 UK mid-market firms and 10 global buyout firms to rank strategies and assess what works



An opportunity you cannot afford to miss

Over 875 million people in the world now use LinkedIn, a figure which has consistently grown quarter-on-quarter since it was founded nearly 20 years ago. LP adoption is very high, while CEOs are using the platform to attract recruits, raise morale, and boost their profile. Private equity firms have generally been slow to take advantage of the opportunity, but that's changing rapidly.

Most of the large buyout houses now have sophisticated LinkedIn programmes. In the mid-market, however, the picture is mixed. Some are delivering best practice digital strategies, driving reputational uplift and contributing to impressive fundraising outcomes. Others have barely got started.

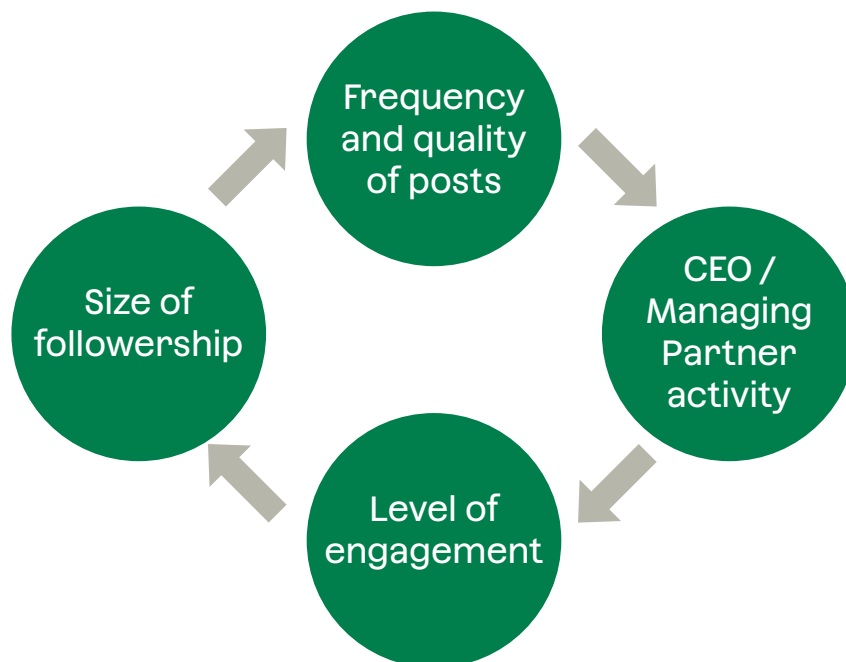
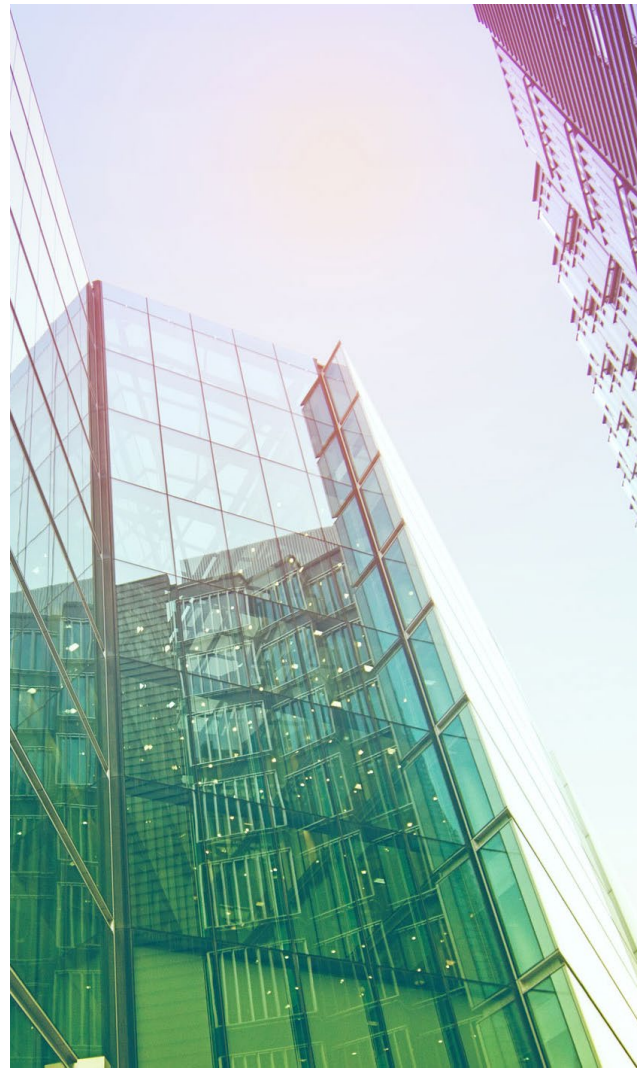
At a time when fundraising is becoming harder and financing is becoming more costly, there is more onus than ever before to demonstrate a point of difference. And now that LinkedIn has reached maturity as a platform, the opportunity it presents for mid-market firms is unquestionable. It is an opportunity that firms cannot afford to miss.

In this report, we have looked at over 50 leading UK mid-market firms to establish the state of play in terms of their presence and activity on LinkedIn. We have rated the performance of these firms on the frequency and quality of posts, activity on their CEO / Managing Partners' personal profiles, level of engagement and follower numbers. Why? Because a well-constructed LinkedIn programme will pull on these levers in a complementary way to drive reputational value.



Our report found that the top-performing mid-market firms are not only posting more regularly, they are also being more creative with their content, and how they distribute it. While the situation isn't uniform with the top ten performing companies generating 57% of all content engagement, we are seeing an increasing prominence of video and thought leadership content. With paid-for activity on the rise and leaders increasingly using their personal profiles, it's clear that the mid-market has started to invest and grow confidence in the platform as an important tool for engaging with key stakeholders.

- We analysed the LinkedIn programmes of 56 UK mid-market firms, which we benchmarked against 10 global buyout firms.
- Our analysis focused on four crucial elements – frequency and quality of posts, followership, engagement and CEO / Managing Partner activity.
- On this basis, we provide evidence-based advice on how mid-market firms can better leverage the LinkedIn opportunity.



The current state of play

Our research shows there is a significant gap between mid-market private equity firms that leverage LinkedIn effectively and those that don't.

Several firms have made great headway

The top 10 firms have grown their followership by 32% over the last 12 months

These firms have an average followership of 28,379 versus 8,345 for the entire sample. They post more frequently and to a higher quality than others, their CEOs or Managing Partners are generally more active, and they receive higher levels of engagement.

The top 10 firms that achieved the highest scores:

1. **Post 3 times per week.** Whereas, on average the analysed mid-market firms have a significantly lower frequency of posting – less than once per week in 2022.
2. **80% incorporate thought leadership and 70% regularly share high-quality video content** as part of their LinkedIn programme. In comparison, 41% of the analysed funds posted thought leadership, with only 25% sharing video content such as Meet our portfolio and One year of partnership-type series.
3. **60% employ a LinkedIn Ads strategy**, compared to 19% on average. The top-performers use paid social to promote a range of assets, including original thought leadership and video content, which adds

a human face and tone to their firm, the businesses they invest in and how they partner with them.

4. **Their CEOs/Managing Partners have a significantly more active personal presence** on the platform, posting on average once per month. Six out of the ten top performing funds have active senior leaders.

But, for the most part, mid-market firms are underutilising LinkedIn

73% have an active corporate presence

This means that over a quarter are not even attempting to communicate proactively on the platform. Tellingly, all the 10 larger firms we looked at are highly active on LinkedIn.

Only 32% post once per week or more from their corporate page

Frequency of posting is a key determinant of follower growth and engagement, yet most firms post content irregularly. In contrast, the average large buyout firm posts four times per week.

Only 33% have a consistent visual identity

Most firms do not use consistent colour schemes, tailored images and fonts, in line with their brand identity, thereby presenting their brands sub-optimally. Only a third have templates in place to ensure visual consistency.

Only 25% use video, and 41% use thought leadership

Higher-quality posts that make use of video or provide insight into the business and investment climate perform better, yet most firms stick to more rudimentary content.

Just over a third (35%) of CEOs are active on LinkedIn

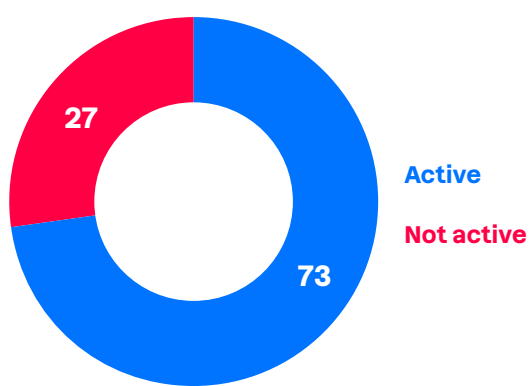
Whilst 83% of CEOs or Managing Partners have LinkedIn profiles, far fewer are active. And

only 14% post regularly. Perhaps surprisingly, mid-market funds outperform the buyout firms, whose CEOs / Managing Partners have a less visible presence on the platform.

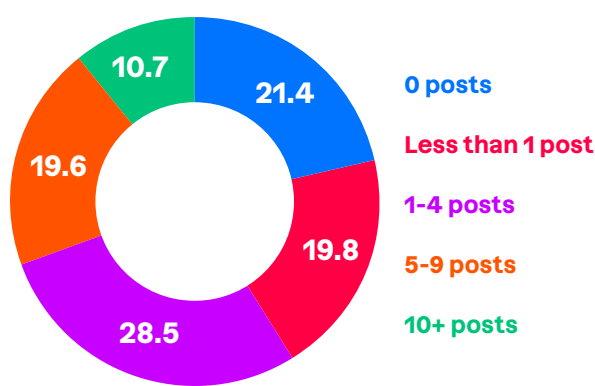
19% use LinkedIn Ads

LinkedIn advertising is a highly cost-effective way to reach investors, corporates and other stakeholders. Of the mid-market firms that do use LinkedIn ads, only half promote higher quality thought leadership posts.

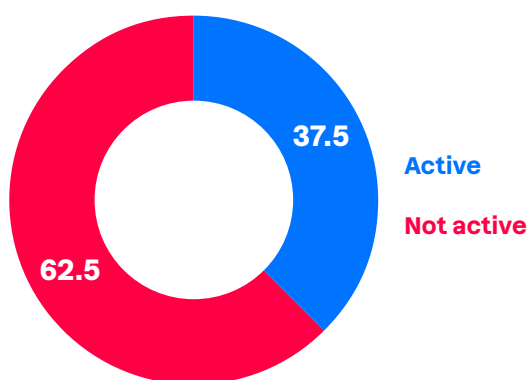
Percentage of “active vs not active” mid-market firms



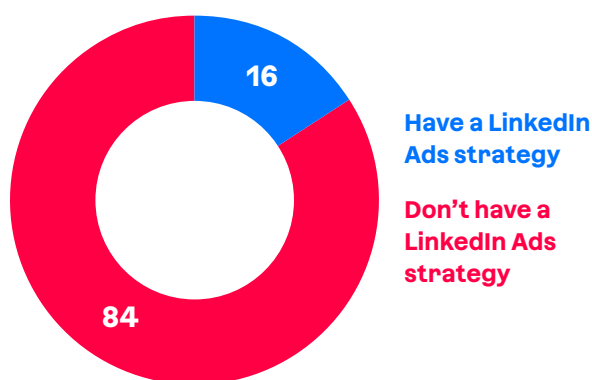
Percentage of firms who post 0 / 1 / 5 / 10+ times per month



Percentage of “active vs not active” mid-market firm CEOs



Percentage of firms that have a LinkedIn Ads strategy and those who don't



The mid-market LinkedIn league table

Taking into account our key metrics – frequency and quality of posts, level of engagement, follower numbers as well as level of activity on CEO personal profiles – we have compiled a league table showing the top 20 best performing mid-market private equity firms on LinkedIn.

Name of fund	Followers Ranking	Engagement Ranking	Posting Ranking	Most active CEO	Overall Ranking
Business Growth Fund (BGF)	4	2	2	1	1
Actis	2	3	7	4	2
Hg Capital	3	1	3	19	3
LDC	5	4	1	38	4
Tenzing	22	13	11	3	5
Endless LLP	13	9	18	10	6
ECI Partners	14	5	4	28	7
Maven Capital Partners	12	16	9	14	8
Piper Private Equity	25	17	6	5	9
NorthEdge Capital	11	14	8	23	10
LivingBridge	9	15	19	22	11
H.I.G. Capital	1	8	12	52	12
Inflexion	7	7	5	54	13
Montagu	8	10	16	43	14
IK Partners	6	6	14	53	15
Beringea Private Equity	23	20	13	30	16
Oakley Capital	15	11	21	40	17
Equistone	10	12	15	50	18
Bowmark Capital	19	18	20	47	19
nvm Private Equity	26	25	24	32	20

Regularity, range and richness of content

Our research shows that the larger global firms are sharing more and higher-quality content on LinkedIn, as evidenced by the significantly higher levels of engagement they achieve. Of course, larger budgets and higher brand recognition both play a big part in achieving this, but there are other explanations too. With a higher follower growth rate and number of engagements per post compared to the mid-market firms, all of the analysed global buyout firms consistently amplify media coverage, share original and thought-provoking thought leadership content, and are considerably more vocal on

environmental, social and governance (ESG). Standout content moved beyond corporate news to lifting the lid on their corporate culture and talking about their commitment (and progress) on the topic of ESG.

Leveraging a more diverse range of content to target key stakeholders with paid-for activity and leaning on tailored rich media around corporate milestones, new fund launches and strategy updates, the buyout firms take a sophisticated approach when it comes to leveraging the stakeholder engagement opportunity on LinkedIn.



Headland's 6-point plan for excelling on LinkedIn

While a fully-fledged LinkedIn programme can take time to build, there are some simple steps that firms can take to elevate their presence, achieve their business objectives, and better serve their stakeholders.

- 1 Align your LinkedIn programme with your business priorities and communications activity
- 2 Deliver a consistent drumbeat of posts from your corporate page
- 3 Develop and deploy high-quality video content
- 4 Create and maintain a consistent visual identity
- 5 Help your CEO to lead the way and humanise the firm
- 6 Take advantage of paid-for LinkedIn campaigns



1 Align your LinkedIn programme with your business objectives and wider communications activity

Whether the objective is to attract talent, highlight the strong partnerships and positive impact being made by investments, or communicate the investment strategy to facilitate fundraising, it is important to have a clearly defined LinkedIn strategy. Some of the questions you may want to ask yourself include:

- Which internal and external stakeholders are you looking to reach on LinkedIn?
- What are the key things you want your stakeholders to take away from seeing your content?
- Do you have buy-in from senior stakeholders and colleagues whose time and engagement you need to make the programme work?
- How are you going to source good stories to tell internally?
- What is your budget?
- What is the editorial process to ensure a steady and diverse content flow?

Our report shows the positive direction several mid-market firms are now taking to build successful programmes. It is clear they want to ensure that their impact on investments and approach to ESG is resonating, and that their differentiation and values comes across.

These firms invest in LinkedIn in terms of quality and range of content, but also in terms of senior leaders' time and channels. It is clear their programmes are built in collaboration between their Investor Relations, Communications, and leadership teams, with the firm's wider reputation taken into account, and are in line with other channels and communication.

They collaborate internally to ensure good stories are at the heart of their digital strategy, come up with increasingly fresher content formats and highlight stories from across their business to keep their audiences engaged. This also includes using video, podcasts and animated graphics, moving away from expert comments and large text blocks.

2 Deliver a consistent drumbeat of posts from your corporate page

Consistency is key on LinkedIn – from the frequency of posting and the time you post to the tone of voice used in the messages of their profile, private equity firms need to be recognisable to gain traction among their target audiences. Our research found a strong positive correlation between having a LinkedIn strategy that is aligned with the company's broader communications programme, frequency of posting with a variety of corporate LinkedIn content (from corporate news, appointments and internal initiatives to portfolio company updates, thought leadership, calendar hooks and employer branding) and achieving a higher level of engagement.

What also became apparent is that the top-performing mid-market firms tend to find a balance when posting content, making sure that they aren't posting too much of a certain topic and, or type of content and not enough of another. Their content moved beyond corporate news and deals to what partnering with private equity firms means for portfolio companies, founders and employees. For example, Tenzing used a podcast series to lift the lid on the inner world and workings of the top private equity-backed companies, tech entrepreneurs and CEOs, talking about what motivates founders, and what drives them to push through adversity into success and back again.

Most active companies, total posts in 2022 and average posts per month

Ranking	Name of fund	Total posts	Posts per month
1	LDC	241	20
2	Business Growth Fund (BGF)	212	17
3	Hg	203	16
4	Actis	167	13
5	Inflexion	160	13
6	ECI Partners	152	12
7	Maven Capital Partners	113	9
8	Piper Private Equity	103	8
9	NorthEdge Capital	97	8
10	Tenzing	79	6

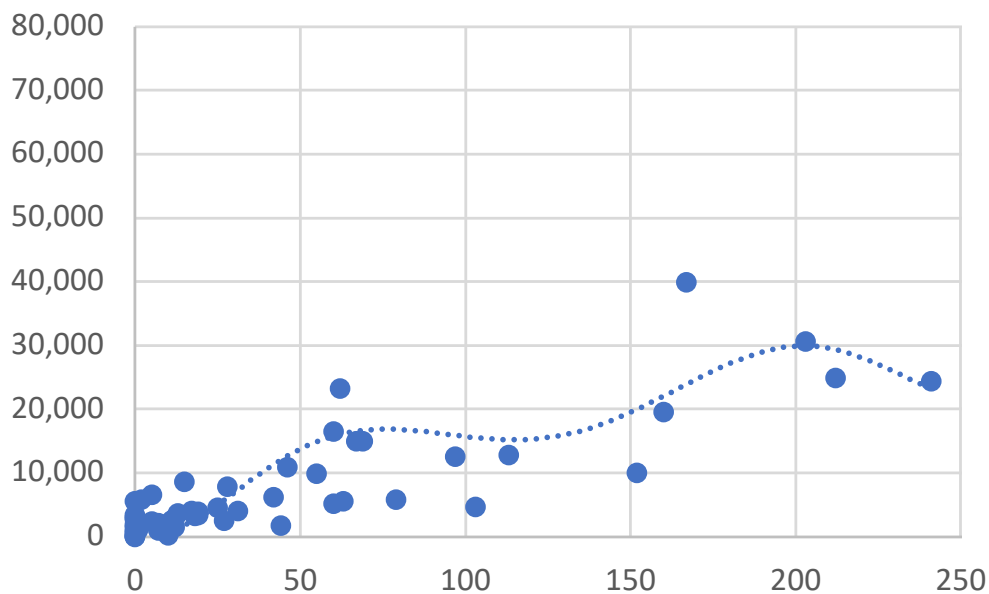


LinkedIn's algorithm

Like all social networks, LinkedIn relies on an algorithm for sending content to its users. And like any other algorithm, it's relying on a variety of factors for making those decisions. The topics, people, and types of posts an individual is most likely to engage with determines what their feed will look like. Companies need to know those factors if they want their LinkedIn posts to be seen by the right people.



Correlation graph on how frequency of posting is correlated with a higher engagement rate



X axis – Number of posts

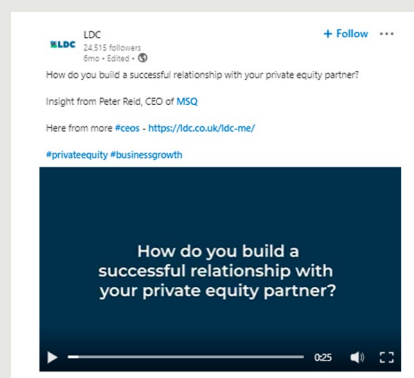
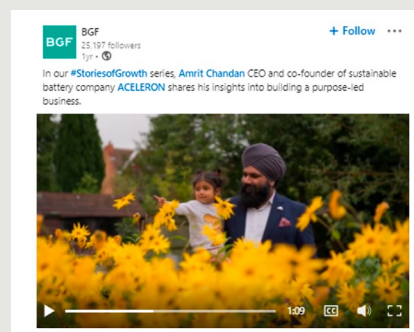
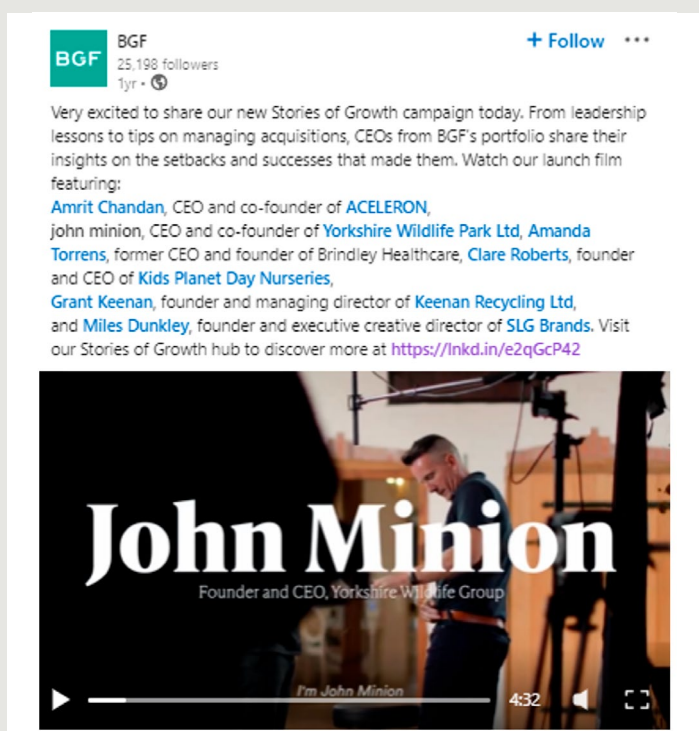
Y axis – Number of engagements

3 Better leverage innovative, video content

The top-performing mid-market firms made excellent use of videos to tell stories of how the successful partnerships they form with their portfolio companies, but LDC and BGF stood out. For example, LDC regularly posts videos profiling the winners of the LDC Top 50 Most Ambitious Business Leaders Awards. It also has a video series with portfolio company CEOs sharing their insights on how to build a successful private equity partnership, the benefits a private equity firm can bring, and the growth they've experienced since

partnering with LDC. These are short, succinct video clips uploaded natively and no longer than two minutes. Paid-for targeting is also used to promote these.

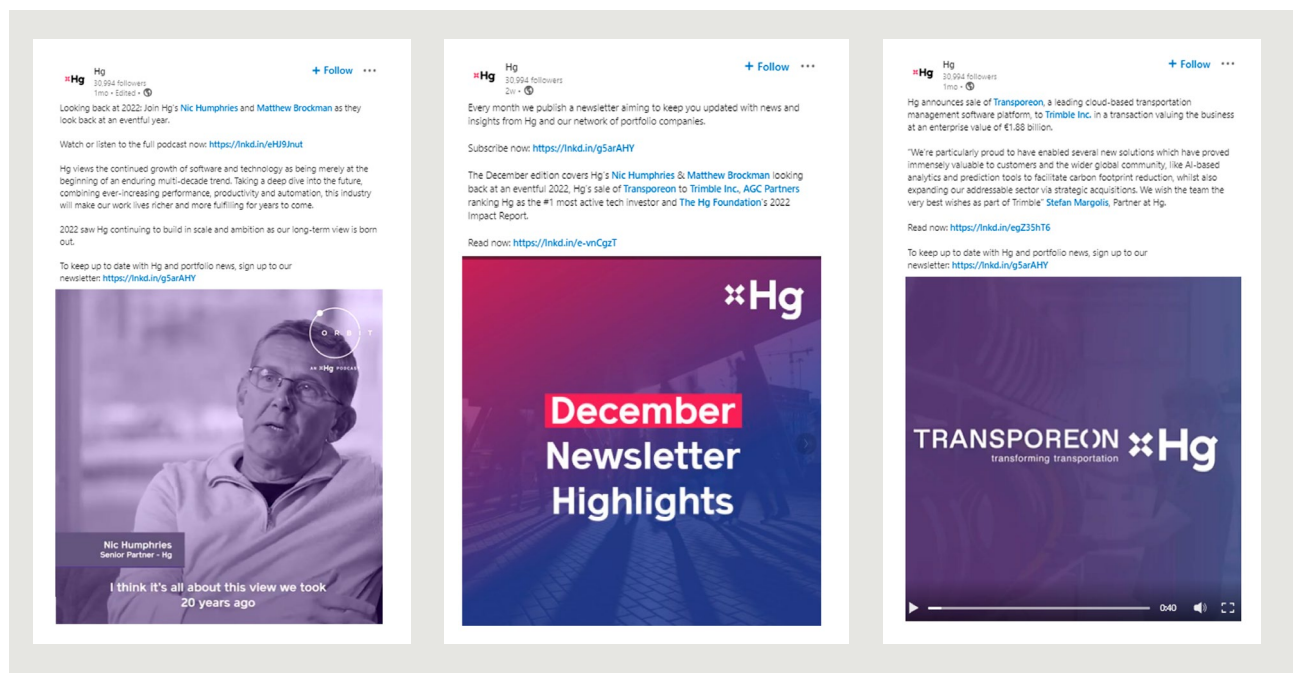
BGF's Stories of Growth video series campaign is another strong example of highlighting the inspirational stories of the entrepreneurs and business leaders in the portfolio, past and present. In this series, BGF explores the mindset of business founders, revealing the challenges, setbacks and successes that made them who they are today.



4 Create and maintain a consistent visual identity

Much like having a well-designed and impactful website, private equity funds' LinkedIn profiles need to have visual appeal. People are visual creatures and are naturally attracted to aesthetically appealing visuals. What's more, audiences' attention spans have never been smaller. In the face of a relentless stream of breaking news and seemingly never-ending social media feeds, making people stop their scroll and read is increasingly difficult. So, to reach your audience on LinkedIn, you need visuals to simplify data and complexity, and deliver impact on scroll on a mobile.

Making sure that their corporate profile follows a theme that is consistent with their website and marketing decks, using a distinctive colour scheme for their branded images creates consistency and coordination in their images and posts, resulting in a greater impact on the audience. Hg, amongst others, uses these techniques on its corporate LinkedIn page to maximize its reach by having a cohesive, visually appealing theme that consistently reinforces its brand.



5 Your CEO should lead the way

Social media algorithms usually give higher preference to content coming from individuals over brands, so empowering senior leadership is a key component of the success of a private equity firm's LinkedIn programme – a common feature of many of the best performing mid-market private equity firms. We know that CEO-shared content receives considerably higher engagement than that shared by corporate channels – our analysis of the content posted by the top-performing CEOs and Managing Partners had a positive impact on the overall engagement with mid-market private equity firm's content, receiving an average of 40 engagements per post.

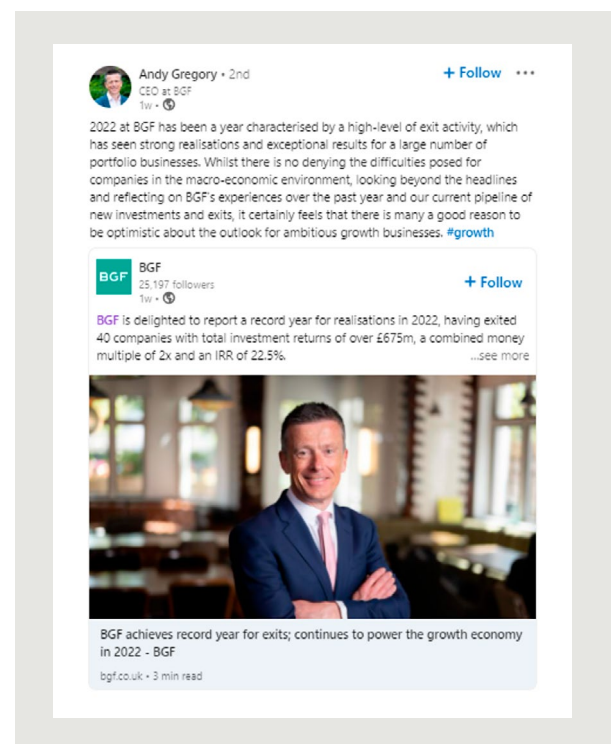
The top-performing posts by CEOs and Managing Partners, including Andy Gregory (BGF), Torbjorn Caesar (Actis) and Guy Gillon (Tenzing) not only highlighted corporate milestones (deals and fundraises), but also gave more colour on the investment thesis and their companies' mission and purpose, and highlighted their ESG and CSR initiatives. Using their personal profiles allowed these CEOs to provide more authentic context to their firms, which resonates well with their audiences.

Strategic principles to building a CEO's presence on LinkedIn:

- **Tone of voice:** The tone of voice should be true to the CEO and his/her personality and style. In saying that open and honest, empathetic, insightful, accessible, personal, collaborative and considered are the different approaches to LinkedIn that see the best results.
- **Be emphatic:** Ensuring all posts demonstrate that you are doing one of the following: listening, learning, reflecting, knowledge-sharing. Try to avoid coming

across as 'corporate', 'unfeeling' or 'arrogant'.

- **Connect to priorities:** Wherever relevant, always make an explicit reference back to your firm's priorities, and where relevant own research / programmes, to help build awareness and understanding, following an agreed content framework.
- **Drive action:** Including a call to action in every post is crucial to driving engagement. A call to action can be anything from changing policies, to signposting to a website, to participating in polls.
- **Engage vs broadcast:** Engagement is shifting to a participate vs driving the conversation approach. Understanding when you should participate in an existing conversation, or when to drive the conversation, for example around report launches, is key.



6 Explore LinkedIn Ads campaigns

Paid social remains an area where the mid-market continues to fall behind its larger peer group, with fewer than a fifth (only 19%) of mid-market managers employing any type of paid-for strategy and, or using LinkedIn Ads.

Of the 12 mid-market managers which do use LinkedIn Ads, only half are using Sponsored LinkedIn content to promote thought leadership. The likes of Hg, BGF and Actis

regularly promote thought leadership and high-impact video content, which shows that firms are starting to be aware of the power of targeting key audiences with insightful content to support their fundraising and deployment efforts. LinkedIn Ads has the scope to offer tangible gains for mid-market managers looking to increase visibility over their peers in a targeted way.

The image displays three LinkedIn advertisements side-by-side. The first ad is from LDC (24,514 followers, Promoted) and features a portrait of CEO Peter Reid. The text reads: 'A #privateequity partnership with LDC helped MSQ Partners triple in size in 3 years. Discover the secret to success in this exclusive guide, in partnership with Management Today.' Below the image is a call to action: 'Discover how CEO Peter Reid tripled the size of his business.' and a button 'DOWNLOAD OUR BUSINESS GROWTH GUIDE'. The second ad is from BGF (25,197 followers, Promoted) and features a portrait of Dob Todorov, Founder of Helecloud. The text reads: 'Our support helped Helecloud make acquisitions in the Netherlands and Bulgaria while boosting its services portfolio and developing new cloud computing capabilities. The business exited to Swiss multinational SoftwareONE just four days before its fifth anniversary.' Below the image is a quote from Dob Todorov: 'BGF's investment accelerated the business, which allowed us to compress our timeline to exit... As well as cash, BGF provided governance and market intelligence that allowed us to be successful.' and a call to action: 'Stories of Growth £3m invested to drive intentional expansion'. The third ad is from NorthEdge (12,634 followers, Promoted) and features a video player. The text reads: '2022 was another busy year for Team NorthEdge as we focused on supporting our people, portfolio and planet. As we begin the New Year, we look forward to investing in more high quality businesses, supporting our portfolio and developing our people throughout 2023. In the last twelve months we completed two new deals, supported a merger and delivered an exit with a subsequent reinvestment. We also supported our portfolio with six bolt-on acquisitions, organised three portfolio forums, released a new series of sector reports and received recognition for our commitment to ESG. Find out more.' Below the video player is a call to action: '2022 Supporting our portfolio, our people and our planet.'

About Headland

Headland is an independent, award-winning communications consultancy. We were built on the belief that good reputations give businesses the legitimacy to create the conditions and opportunities to thrive financially, socially, and environmentally, even in challenging times.

We believe that reputations are built on purposeful relationships with all stakeholders, and they happen by design. Through a method and culture of collaboration amongst our experts, we shine a light on all perspectives and help businesses act on those insights. Those actions provide the impetus for powerful communications and give rise to reputations that put our clients in control of their futures.

Our senior team is drawn from journalism, government, research, creative and digital strategy, advertising, law and banking so that we can offer our clients specialist advice across the full communications landscape.

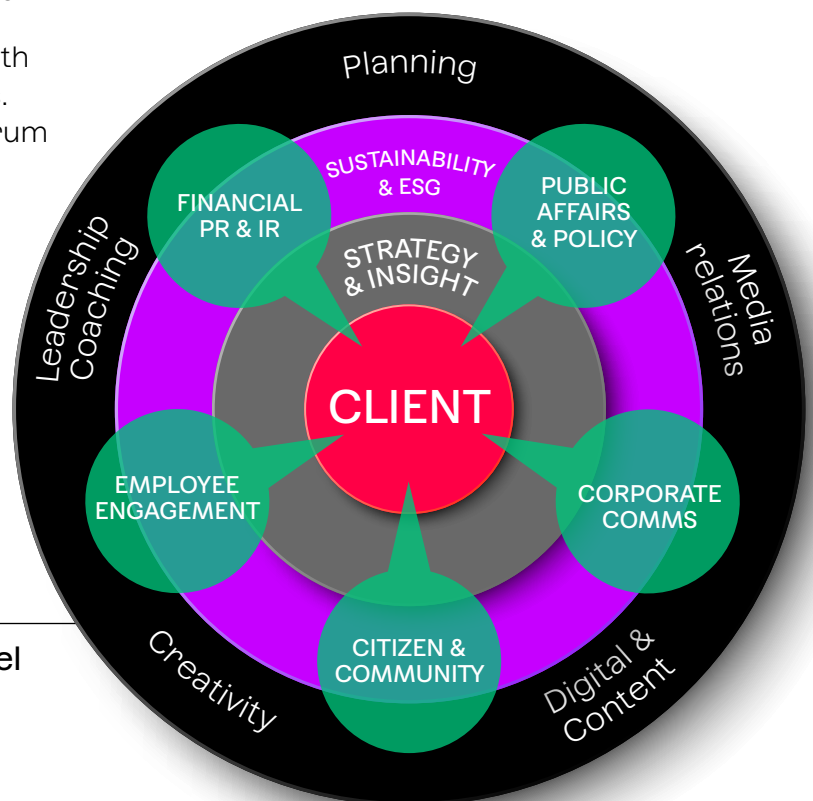
We are the fastest-growing UK agency with more than 170 people across 120+ clients. We work with companies across a spectrum of communications mandates covering all the areas in your brief: from financial communications, M&A and capital markets, to government affairs, digital marketing and issues management. We are as experienced at advising around the board table as we are at rolling up our sleeves and delivering as part of

our clients' teams on the ground.

Headland has one of the UK's leading private capital advisory practices, made up of a senior team with decades of experience in advising private capital managers and portfolio companies. Our team has a strong appreciation for the power of digital channels to protect and enhance reputations, having developed digital communication strategies for several investment organisations.

Over the past few years, our work as an agency has been recognised by the wider communications industry and we currently hold the titles of Best Agency at the CorpComms awards (where the judgements are based entirely on client feedback), Best City and Financial Agency at the PRCA awards, and Best Public Affairs Agency at the PR Week awards. Additionally, we have a 93% retention rate for clients and a 92% retention rate for colleagues.

The Headland Model



About Headland

If you want to discuss anything in this report, or our take on reputation management in private capital more widely, please reach out to:



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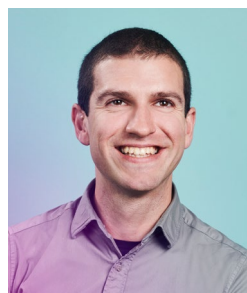


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Methodology

We searched LinkedIn for public social media accounts of mid-market private equity firms and buyout firms, and their CEOs. The CEOs included in the research were leading the companies at the point the research was conducted in January 2023, and the companies covered were 66 (56 mid-market firms and 10 buyout firms). The companies were compiled and selected using publicly available data, based on AUM.

We analysed 4,307 posts published by the mid-market and buyout firms between 1 January 2022 and 31 December 2022, and 139 posts by their CEOs / Managing Partners published between 1 January 2022 and 31 December 2022. We recorded the number of engagements (reactions, comments and share) received for all posts.

All types of engagements were weighted equally (i.e., a LinkedIn reaction, share and comment were given the same weight and considered to be one engagement). Throughout our research we broadly suggest that more engagement is better than less, without fully analysing whether this engagement is positive or negative in sentiment. While reactions (likes) are generally considered to be positive metrics, comments can sometimes be negative. Although we haven't analysed all 3,818 comments on the posts covered in our research the vast majority are positive or neutral in sentiment.

