

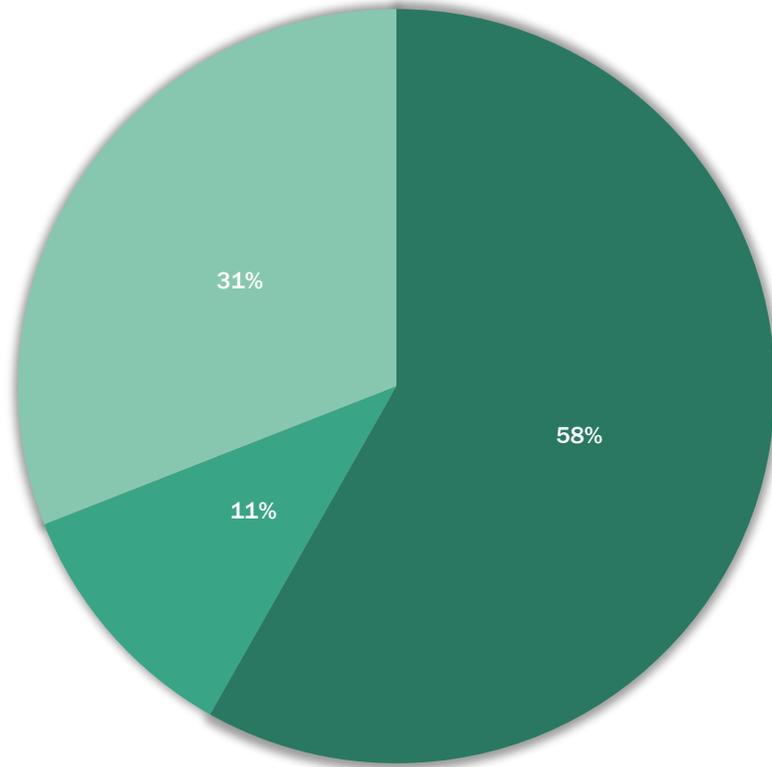
# **JAPANESE IROs BRING THEIR MESSAGE TO THE MARKET**

**2019 All-Japan Executive Team Insights**

# JAPANESE IROs BRING THEIR MESSAGE TO THE MARKET

A critical aspect of successful Investor Relations programs is delivering the company's message to the market as clearly and compellingly as possible. Investor Relations Officers must manage the allocation of their time to various audiences, getting them the relevant information, and presenting it using the most persuasive and effective methods.

Investor Relations Officers from 145 publicly listed Japanese companies offered their insights on communication in *Institutional Investor's* **2019 All-Japan Executive Team** survey.



- External/investment-oriented (analysts, portfolio managers, shareholders, etc.)
- External/noninvestment-oriented (customers, vendors, outsourcing-services providers, etc.)
- Internal (senior management, other company employees, etc.)

## HOW MUCH TIME IS SPENT COMMUNICATING WITH INTERNAL VS. EXTERNAL AUDIENCES?

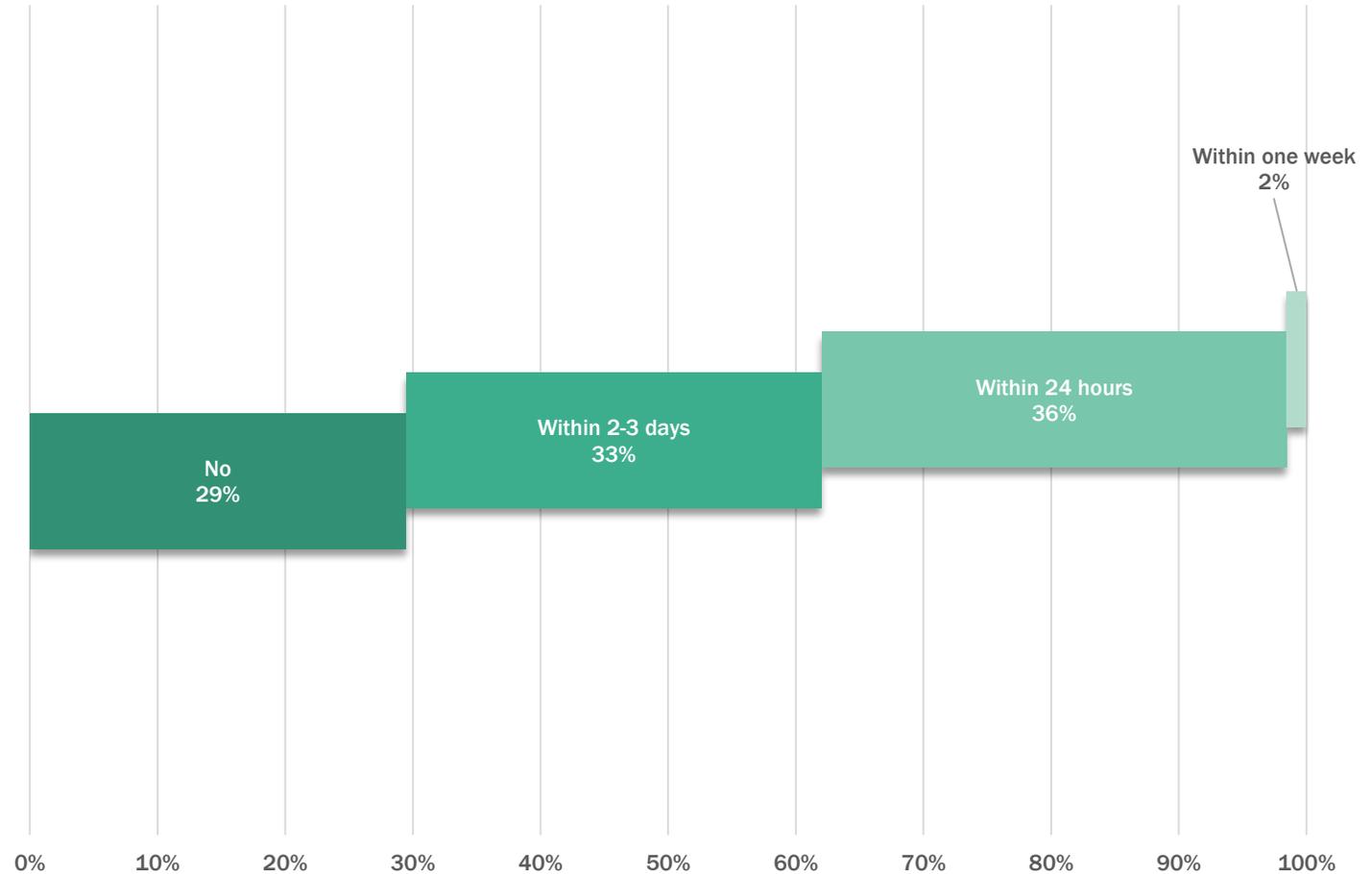
Japanese IROs communicate most with external investment-oriented contacts.

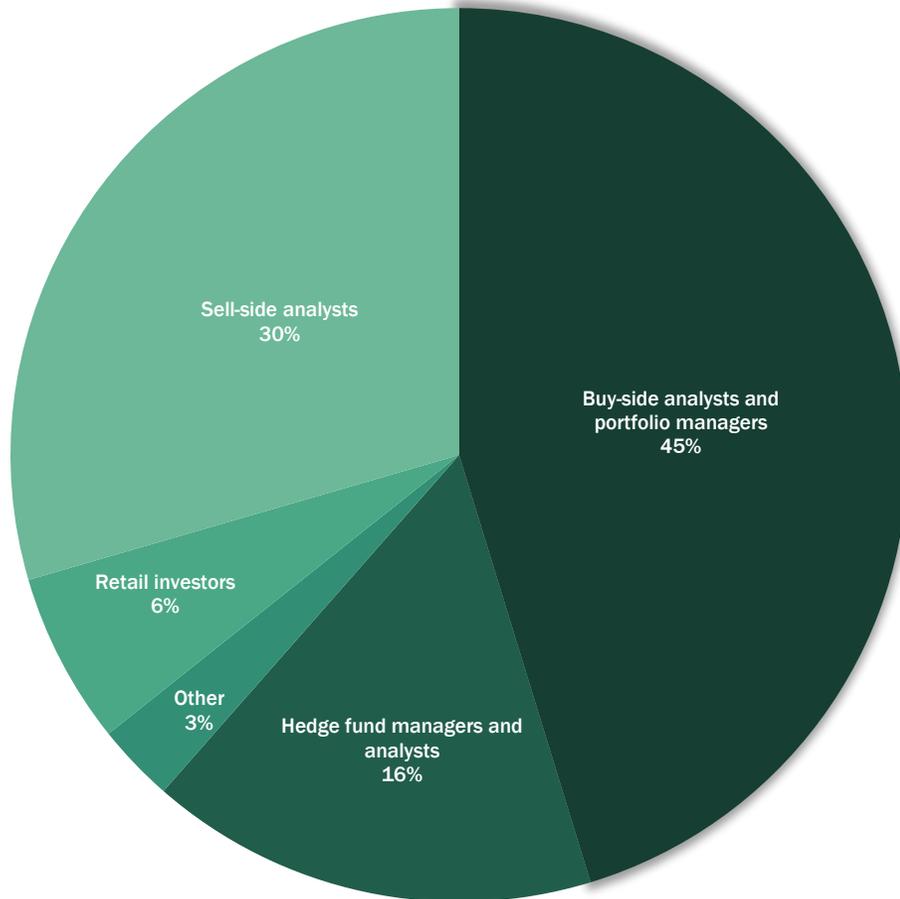
Investor Relations Officers at Japanese companies report that almost 60% of their time is spent communicating to external investment-oriented audiences. The next largest portion of IROs' communication time, nearly one-third, is spent communicating with internal company audiences. Connecting with internal audiences is important for IROs as it helps them to develop their company and industry knowledge which then bolsters their ability to represent the company to the market.

## IS THERE A STANDARD TIME LIMIT TO RESPOND TO REQUESTS?

Most IROs will respond within 1-3 days.

Over one-third of Japanese IROs report having a 24-hour response time limit for all requests, regardless of investor type. Another third of IROs state that they will reply to requests within 2-3 days. On the other hand, 29% of IROs shared that there is not a standard time limit in place for responding to requests made by investors. Only 2% of IROs disclosed that they respond to requests within one week of receiving them.





## HOW IS TIME SPENT COMMUNICATING WITH FINANCIAL AUDIENCES ALLOCATED?

IROs communicate with buy-side analysts and portfolio managers the most.

Nearly half of Japanese IROs' time spent communicating with financial audiences goes toward buy-side analysts and portfolio managers. The next largest portion of their time with financial audiences, 30%, is given to sell-side analysts. Hedge fund managers and analysts account for roughly one-sixth of Japanese IROs' time.

## WHAT ARE THE MOST EFFECTIVE COMMUNICATION METHODS?

One-on-one meetings win out for both the buy and sell sides.

Japanese IROs are in agreement on two out of the three top most effective communication methods for communicating the company's message to both the buy and sell sides. One-on-one meetings and company publications take the first and third spots for each side respectively. When it comes to the buy side, Japanese IROs find that group analyst briefings and site visits are the second most effective communication method. While for the sell side the second most effective method is reported to be earnings calls and Q&A. This suggests that direct explanation of the business is effective for both sides.

### Buy Side

**One-on-One Meetings**

#1

**Group Analyst Briefings & Site Visits**

#2

**Company Publications**

#3

### Sell Side

**One-on-One Meetings**

**Earnings Calls and Q&A**

**Company Publications**

To view more **Research Insights** from  
*Institutional Investor*, please visit:

<https://www.institutionalinvestor.com/research-insight>