

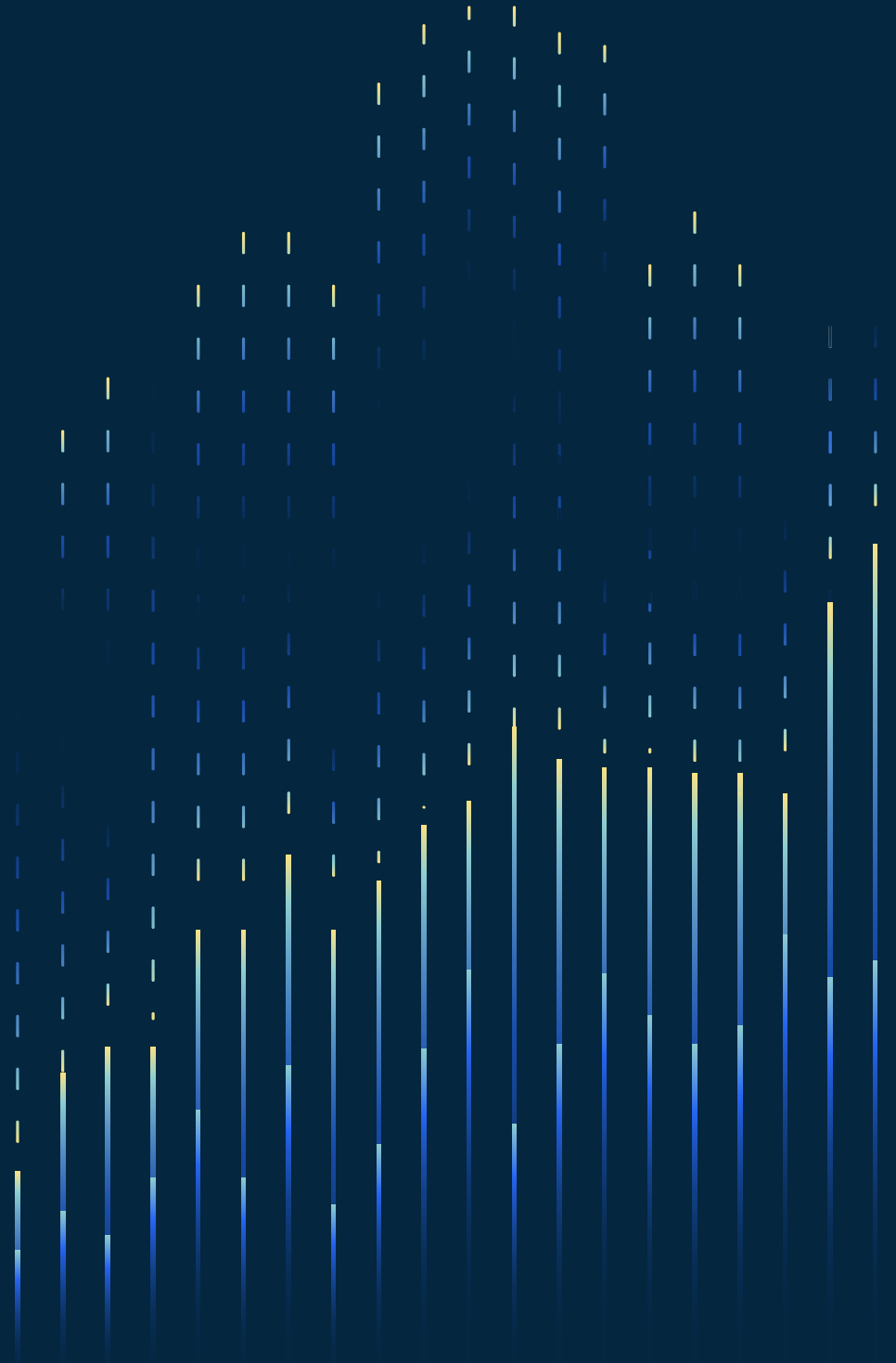


# Investment Banking Industry Benchmark Report

**MERGERS & ACQUISITIONS EDITION**

MAY 2022

A look at recent investment trends  
and how relationship intelligence  
technology can increase the speed of  
successful M&A dealmaking



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# What's in this report?

The trends in investment banking are fairly easy to research. Finding the best technology available to keep up with those trends—that's a heavier lift.

Whether you are a boutique or midsize investment bank, the right technologies can help you hold your own in an increasingly competitive and sometimes unpredictable market.

## This report includes:

- Benchmarks of the investment banking dealmaking landscape in 2021—including trends for growth, industry, geography, and diversity—and how it compares with previous years.
- A data-driven examination of how some small and midsize investment banks are navigating that landscape.
- A discussion of how relationship intelligence technologies are helping investment bankers find new opportunities, assemble deals more efficiently, and close mandates more quickly.
- Examples of investment banks applying relationship intelligence technologies successfully.

## Report sources

Over 2,000 relationship-driven organizations around the world use the Affinity relationship intelligence platform as their customer relationship management (CRM) software. Among those Affinity clients, over 500,000 new introductions are made and 450,000 deals tracked every month, making it possible for us to extrapolate industry trends based on aggregated data from our platform.\*

To further clarify the trends guiding the M&A industry, we consulted public sources and also applied Affinity Data—the platform's proprietary, enhanced dataset—to analyze over 300 M&A transactions from the past three years.

The information comprises macro data about the industry itself as well as granular data about the size and activity of investment banks' business networks, including details such as the frequency of contact with potential mandate partners.

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\* In doing the research, we adhered strictly to Affinity's security protocols, so all data from the Affinity platform has been aggregated and anonymized.

# Foreword

If the pandemic years have taught us anything, it's the importance of relationships. We learned that in a world of social distancing and physical isolation, it was more important than ever to stay connected to one another. Your weekly night out with friends became Zoom cocktails and an online game of Trivial Pursuit. And of course, we all needed to find new ways to think about business relationships.

Leaning across your desk to ask your colleague a question became a Teams message to someone hundreds of miles away; meeting with a potential client went from dinner in a nice restaurant to a video call during which cats, dogs, small children, and significant others might fleetingly appear.

While the world—and the world of investment banking—proved more resilient at maintaining relationships than we'd ever expected it could, the truth is that even before the pandemic, many investment bankers were not great at managing and keeping track of their business network.

For decades now, spreadsheets have been the investment banker's go-to for contact and mandate management. But people and relationships aren't numbers in rows and columns. And as your network grows larger, your company's mandate pipeline broadens, and your deals become more complex,

spreadsheets grow even less effective, and losing key information becomes inevitable.

Firms with expensive, legacy customer relationship management (CRM) platforms have not fared much better. Bloated with unneeded features and complicated to learn, adoption rates are low, time-to-value extended, and their ROI diminished.

Fortunately, software platforms have evolved to replace the spreadsheet and modernize the dealmaking process. Agile, tech-forward investment banks are more effectively harnessing the hidden power of their business network with the support of relationship intelligence—insights into their team's business connections that help them find, manage, and close more mandates quickly.

At Affinity, our mission is to find new ways of combining simple data points to describe the intricacies of human relationships. In this report, we use our behind-the-scenes perspective to connect those data points and share with you the insights we've uncovered as they relate to dealmaking and investment banking.

**Ray Zhou**

**Co-founder & CEO, Affinity**

San Francisco, May 2022





# 01

## Executive summary & market overview



# Summary of key findings

01

## Banks are back!

The start of the COVID-19 pandemic had a massive downward impact on Q3 and Q4 of 2020. But by January 2021, deal volume roared back, and heightened deal activity carried through the rest of the year. In 2021:

- **Banks generated 25% more mandates** each month compared to 2019–2020.
- **Bankers nearly doubled the number of potential buyers** they spoke to over 2019 and 2020 levels.

02

## Europe is catching up.

The lion's share of 2021's 100 largest M&A deals came from the U.S. (58) and UK (9). These leading markets grew that share marginally year-over-year from 2020 (23.4% and 12.5%, respectively), even as activity elsewhere remained stable or decreased slightly. In Europe, total deal volume grew by a staggering 37.4% year-over-year to overtake U.S. volume.

03

## The vast majority of M&As were in just three industries:

- Technology, media, and telecom (TMT)
- Industrials
- Manufacturing

M&A in manufacturing—just the third-ranked of the top 3—outstripped every other industry combined.

# Summary of key findings

04

## Women have made little progress in investment banking leadership.

Of the top 20 dealmakers in 2021, only one is a woman. The statistics for gender diversity on the boards and among the leadership and asset managers of the country's largest banks and investment firms are similarly lopsided.

05

## Relationship intelligence matters.

Maintaining a high-quality business network, your ability to leverage warm introductions, managing relationships effectively, and targeting the right contacts at the right time are the most effective ways to close more mandates faster.

- Investment banks are growing their network of business contacts at a more or less consistent rate month over month, averaging a post-holidays upswing with a summertime lull. **As the growth rate of business networks has leveled off (or decreased), the number of opportunities to pursue has increased.**
- **The average number of emails sent and received by investment bankers has declined** between 2019 and 2021. There is some seasonality in the volume of email correspondence.
- COVID-19 took a toll on deal volume as well as close rates, which followed the course of the pandemic: Deal volume fell precipitously in April, at the beginning of the lockdowns, and overall, **deals took almost twice as long to close in 2020 compared with 2018–2019.** But 2021 saw deal times accelerate to pre-pandemic levels.

# Market overview: The role of technology in mid-market M&A

# 31%

of deals in 2021 were in the mid-market, compared to only **25%** in 2020.

Throughout the 2010s, low market volatility and stiffer competition among investment banking firms led to years of slowed market activity. But the COVID-19 pandemic was met with government stimulus, high-volatility trading, and a [surge of mergers and acquisitions activity](#). Global M&A value in 2021 was **\$5.9 trillion**, up from \$3.7 trillion in 2020: a 59% increase. So there's more money than ever on the table—in a still-volatile market, there's nonetheless a surplus of mandates up for grabs. New data from Refinitiv shows a staggering **\$1.3 trillion in deals** were agreed to in Q1 2022, more than any quarter since at least 1980. In 2021 [there was a 69% year-over-year increase](#) in deals valued greater than \$500 million.

But even with this plethora of opportunities, closing mandates hasn't gotten any easier. More investment banks are competing in this roiling market. Businesses have a seemingly endless pool of options for both M&A and capital raising.

### **It's banks that have shifted their business development strategies and supporting technologies that are flourishing.**

The biggest, flashiest deals are still going to the biggest firms—[Deutsche Bank reported](#) a nearly 400% year-over-year increase from January 2021 to January 2022. [Wall Street analysts forecast](#) Goldman Sachs to generate \$48.9 billion in revenue for 2022 (a decrease from their massive \$59.3 billion in 2021, but

still well above their pre-pandemic \$36.5 billion in 2019 and \$36.6 billion in 2018).

But these aren't the only opportunities out there, and small to midsize firms embracing strategic change are also succeeding in the evolving market. In fact, 31% of deals in 2021 were in the mid-market, compared to only 25% in 2020. [A recent survey](#) of 150 well-placed private equity and investment banking dealmakers found that 53% of respondents believe that mid-cap will account for the bulk of deals; another 43% predict that the small-cap end of the market will attract most attention.

**“If the stock market holds up and no major event impacts it, I think all sized deals...are eminently doable.”**

**MARTHA MCGARRY**  
CO-HEAD OF MAYER BROWN LLP'S M&A PRACTICE IN THE U.S.

Source: [Bloomberg News](#)

That same survey found that 42% of respondents expect a longer, more complicated due diligence process in 2022; 27% believe there will be a longer deal-completion time. **Technology that can help accelerate deal flow will be a key competitive differentiator for investment banking firms.**



While the big firms have enviable brand recognition and a miles-long list of business connections, boutique and midsize firms have used relationship intelligence technology to accelerate their deal flow, increasing the:

- Number of opportunities pursued
- Quality and efficiency of work that goes into each deal
- Size of the universe of quality contacts and organizations among whom deals are pursued and assembled

Some, like Rob Kindler, global head of M&A at Morgan Stanley, remain reserved about 2022:

“While it may not be another record year, all the key elements that made the 2021 M&A market so strong are largely in place.”

**ROB KINDLER**

GLOBAL HEAD OF M&A, MORGAN STANLEY

Source: [Morgan Stanley](#)

Others expect 2022 to outpace 2021. [A global survey by Bain](#) of more than 280 M&A executives shows a full 89% anticipate their own deal activity will stay the same or increase in 2022. A [KPMG survey](#) found much the same: more than 80% of M&A executives say they expect valuations to rise further in their industries in 2022; only 7% say they expect deal volume to decline.

**Either way, having the right technology in place to support M&A dealmaking will be pivotal to the success of any boutique or midsize firm competing in the market.**

## What is relationship intelligence?

Relationship intelligence is the insight into your team’s network, business relationships, and client interactions that helps you find, manage, and close mandates. The Affinity CRM generates these insights through algorithms that analyze data from every email, meeting, and interaction between your organization and every business contact you’ve engaged with.

It also enriches those insights with additional context from proprietary data sets and external data partners. The “intelligence” includes information such as who has the best relationship with someone who can advance a mandate, how well someone on your team knows someone at a target organization, and whether that organization has new hires with whom your firm can build new relationships.

The screenshot displays a vertical stack of contact cards in a CRM interface. Each card features a profile picture, name, title, and a small bar chart icon. A green banner labeled 'Recommended Introduction' is positioned between the first and second cards.

Contact Name	Title	Relationship Intelligence Indicator
Samantha Logan	General Partner	High (Green bar chart)
Ryan LeClair	Managing Partner	High (Green bar chart)
Cam Woodward	Last Contact	Low (Orange bar chart)
Michelle Wan	Recommended Introduction	High (Green bar chart)

# 02

## Key benchmark data for the investment banking industry



# Key benchmark data for the investment banking industry

After years of stagnation, growth in investment banking has ballooned and, many believe, shows no signs of abating (though based on Q1 performance, which was likely buoyed by momentum from Q4 2021 activity, it may [fall below the colossal deal count of 2021](#)).

Deal volume in 2021 reached its highest level since 2015 (and its second highest year on record). In fact, everything in the investment banking orbit has increased over time: number of mandates, valuations and deal size, capital round size, even the size of the banks themselves.

Some patterns driving this growth include inflation concerns, which are leading companies to borrow and buy now rather than later, and increased competition between firms, which is driving up average deal values.

“

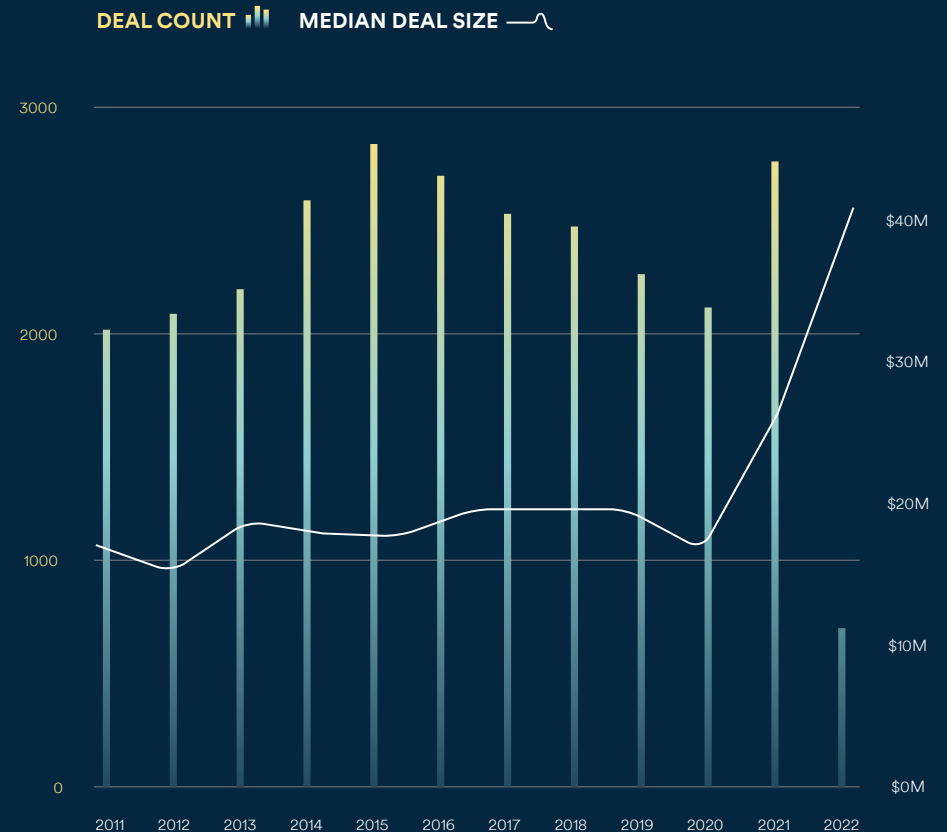
I haven't seen these levels of activity for a long time, and I don't see a meaningful slowdown any time soon. Stocks are highly valued, financing markets are supportive, and there's money coming in from many sources.”

**ALISON HARDING-JONES**

HEAD OF M&A FOR EUROPE, MIDDLE EAST AND AFRICA,  
CITIGROUP.

Source: [Bloomberg](#)

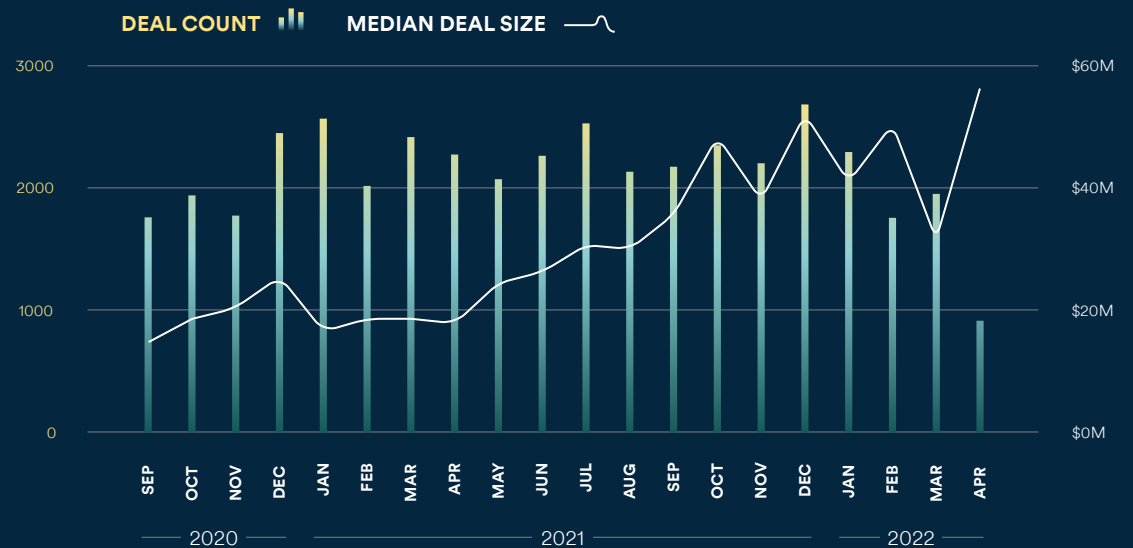
## Deal volume and size



SOURCE: PITCHBOOK

## Cyclical trends by month

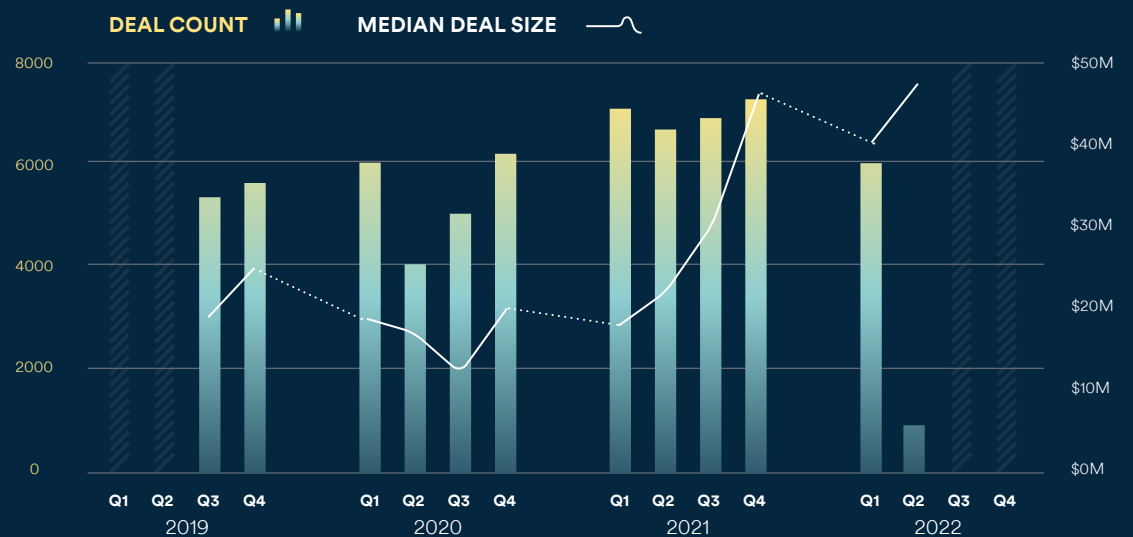
Reviewing deal count and median deal size more granularly reveals the massive downward impact that the start of the COVID-19 pandemic had on Q3 and Q4 of 2020. But by January 2021, deal volume roared back, and heightened deal activity carried through the rest of that year.



SOURCE: PITCHBOOK

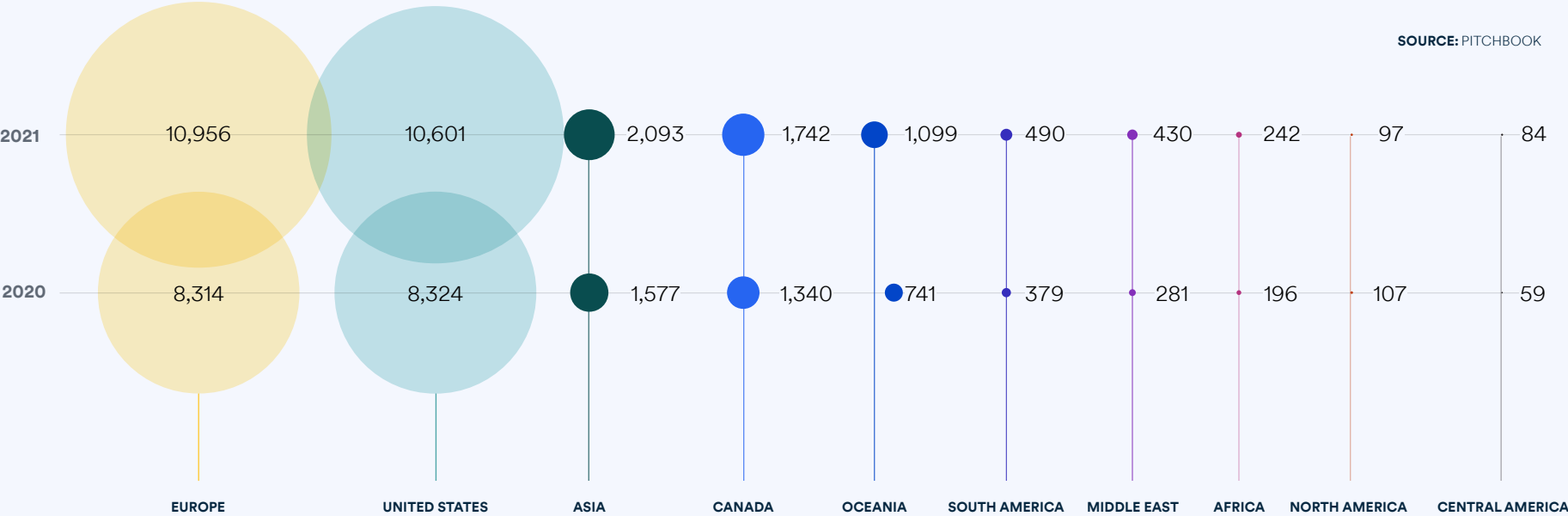
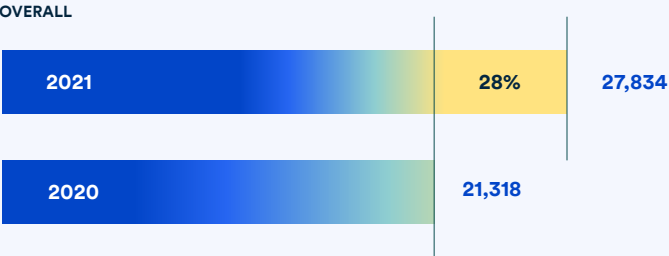
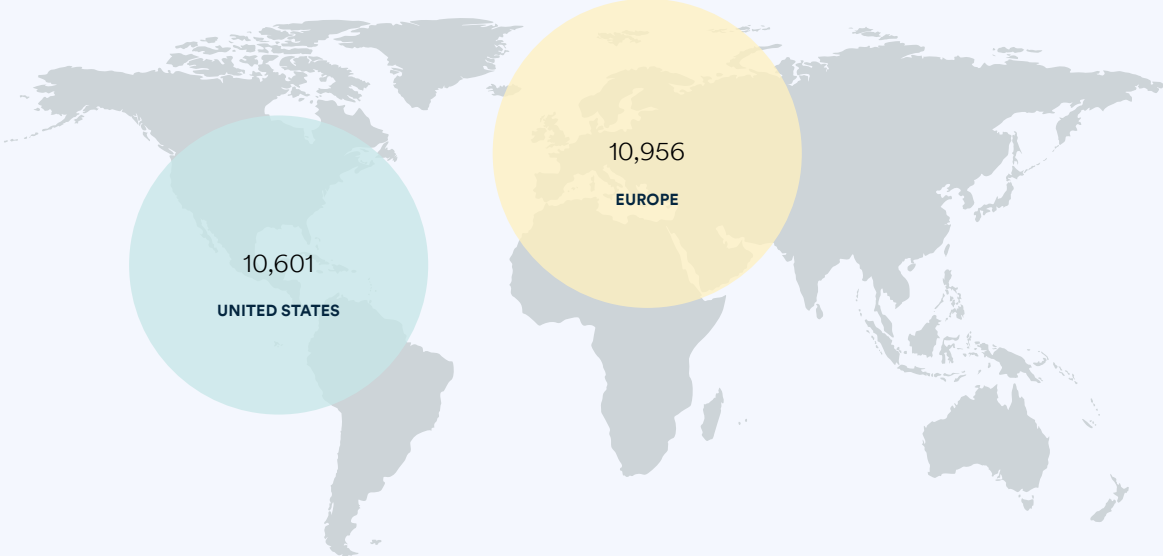
## Cyclical trends by quarter

This same trend becomes even clearer when evaluating deal count and size at a quarterly scale. Q2 and Q3 of 2020 were true outliers, but the severe drop through 2020 made the buildup, rebound, and subsequent expansion of 2021 all the more impressive.

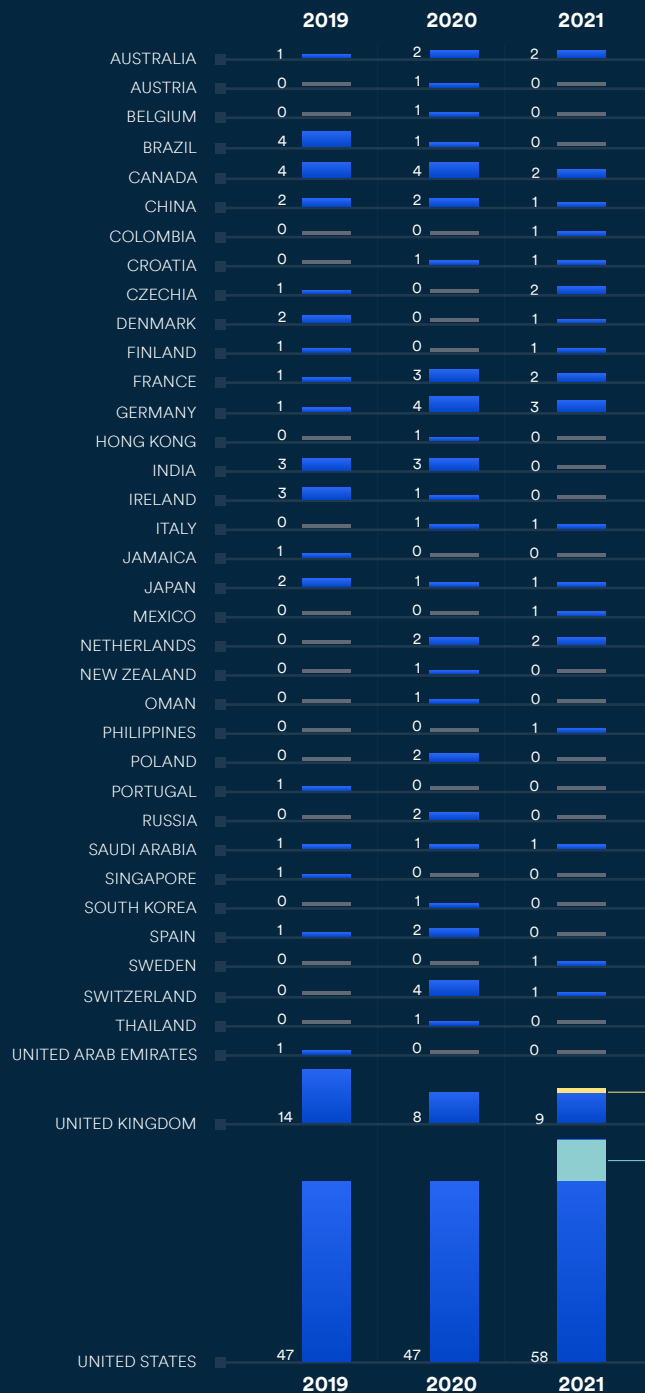


# Mandates by region

Comparing M&A deal volume in 2021 across regional markets, major regions grew by a minimum of 28% year-over-year from 2020. With the caveat that 2020 was a seven-year low for deals in Europe, deal volume grew by an unprecedented 37.4% year-over-year to overtake the U.S. total.



SOURCE: PITCHBOOK



## Top 100 deals by country

The lion's share of 2021's 100 largest M&A deals came from the U.S. (58) and UK (9), and these leading markets even grew that share marginally year-over-year from 2020 (23.4% and 12.5%, respectively) as activity elsewhere remained stable or decreased slightly.

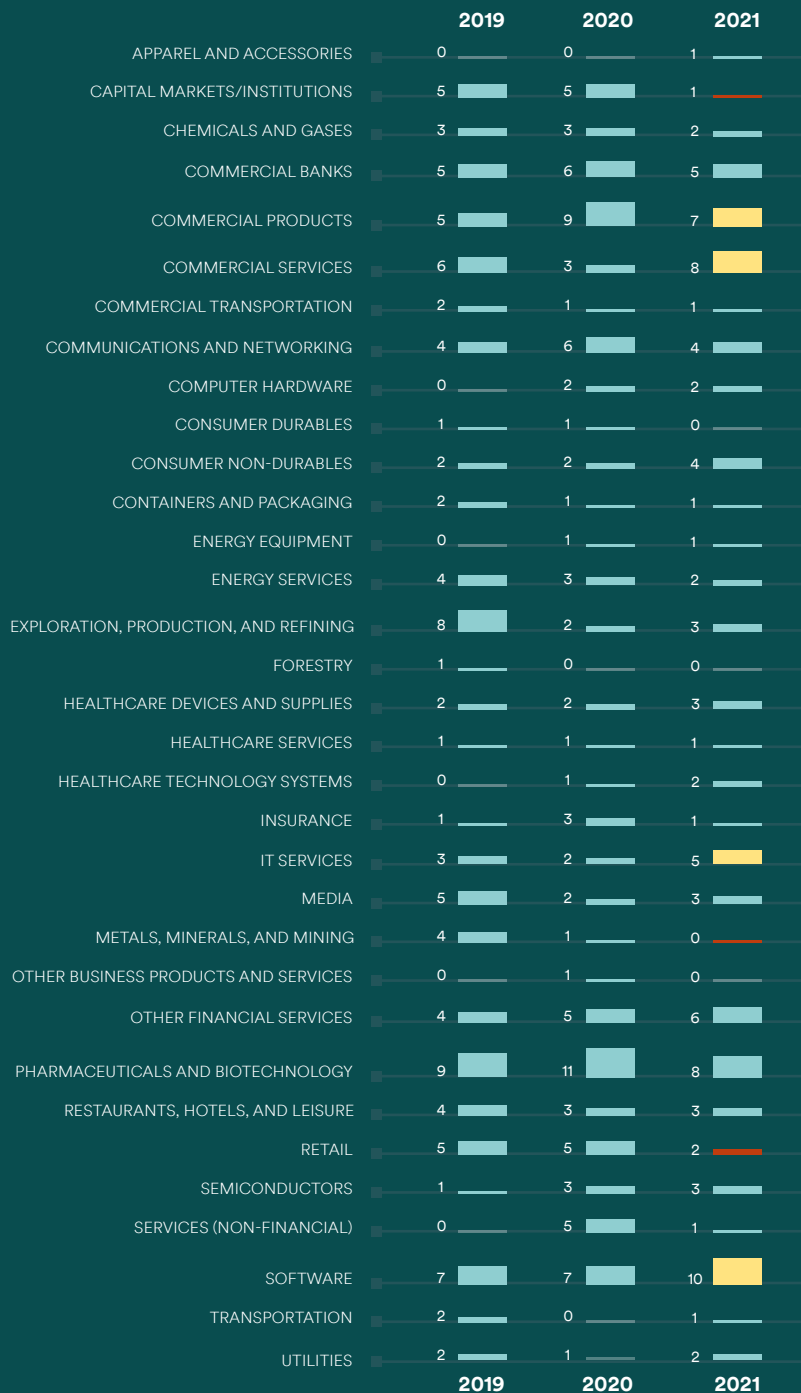
12.5%

GROWTH YEAR-OVER-YEAR

23.4%

SOURCE: AFFINITY





## Top 100 deals by industry

The majority of all of 2021's M&As were consolidated in three industries: technology, media, and telecom (TMT); industrials; and manufacturing. While manufacturing was only the third-ranked of the top three industries, it still accounted for more total deals than every other industry below it combined.

Among the top 100 deals, software, IT, and commercial products and services all saw an increase in mandate activity over 2020 levels, while, metals, minerals, and mining; retail; and capital markets lost deal volume.

The movement in both directions can be attributed to the pandemic. Boosted by the fortunes of telecommunications and work-from-home technologies, software, IT, and commercial products and services all saw an increase in deals. Consumer-reliant businesses, supply chain disruptions, and market volatility led to lost deal volume in capital markets, retail, and metals, minerals, and mining.

 INCREASE IN MANDATE ACTIVITY

 DECREASE IN DEAL VOLUME

SOURCE: AFFINITY

# Top investment bank providers 2016–2021

The dominance of the largest banks is indisputable. Only a dozen or so banks jockey for position among the top 10 each year, as measured by the number of deals they handle. In the past 6 years, only 18 banks have made the cut. Of those, 8 made the list for at least 5 of the 6 years; 7 banks made it only once, and never above position number 6.

SOURCE DATA: PITCHBOOK

## Number of times in the top ten











## Top investment bank providers by deal count

RANK	2016	2017	2018	2019	2020	2021
1	Wells Fargo	Goldman Sachs	Goldman Sachs	Goldman Sachs	JP Morgan Chase	Goldman Sachs
2	Goldman Sachs	Wells Fargo	Morgan Stanley	Morgan Stanley	Goldman Sachs	Morgan Stanley
3	Morgan Stanley	Morgan Stanley	J.P. Morgan	BofA Securities	Morgan Stanley	BofA Securities
4	BofA Securities	Credit Suisse	Credit Suisse	J.P. Morgan	Wells Fargo	Canaccord Genuity
5	J.P. Morgan	J.P. Morgan	Canaccord Genuity	Canaccord Genuity	Canaccord Genuity	J.P. Morgan
6	Credit Suisse	BofA Securities	BofA Securities	Credit Suisse	KeyBank	Credit Suisse
7	Stifel Financial	Canaccord Genuity	Wells Fargo	KPMG Corporate Finance	J.P. Morgan	Piper Sandler
8	Raymond James Financial	Raymond James Financial	Deutsche Bank	Houlihan Lokey	Huntington National Bank	Jefferies Financial Group
9	Houlihan Lokey	Houlihan Lokey	Raymond James Financial	Wells Fargo	Credit Suisse	Stifel Financial
10	RBC Capital Markets	Deutsche Bank	Houlihan Lokey	Raymond James Financial	Houlihan Lokey	William Blair & Company

# Ten deals that went south in 2021

Of the more than the [record-breaking](#) 30,000 signed deals announced in 2021, [71% closed](#); [27% remain pending](#) in 2022. Only 217 deals were signed and then terminated. These 10 are among those that made the biggest splash for the wrong reason.

WOULD-BE ACQUIRER	SIZE OF DEAL	COMPANY
Microsoft	\$51B	 Pinterest
PayPal	\$45B	 Instacart
DoorDash	\$45B	 Willis Towers Watson
Uber	\$45B	 Entain
Aon	\$30B	 SAS Institute
DraftKings	\$22B	 Santee Cooper
Broadcom	\$17B	 Five9
NextEra Energy	\$16B	 DXC Technology
Zoom	\$15B	
Atos	\$10B	

# Gender diversity

Recent U.S. government reports have cited similarly lopsided statistics for gender diversity at the highest levels of the largest investment banks, where women comprise on average 25% to 30% of executive-level management and board members, despite comprising more than half of each bank’s workforce. On executive committees, that percentage dips to 20%. Moreover, those figures haven’t budged significantly since at least 2018, despite an unending parade of research and journalism that proves gender diversity is not just a matter of equality: it’s good business, too.



**Anu Aiyengar**  
JP Morgan Chase

“

A diverse workforce isn’t only the right thing to do, it’s a business imperative. You’ll lose the war for talent and business if this isn’t a priority.

**STEPHANIE COHEN**  
CHIEF STRATEGY OFFICER, GOLDMAN SACHS

Source: [Oliver Wyman](#)

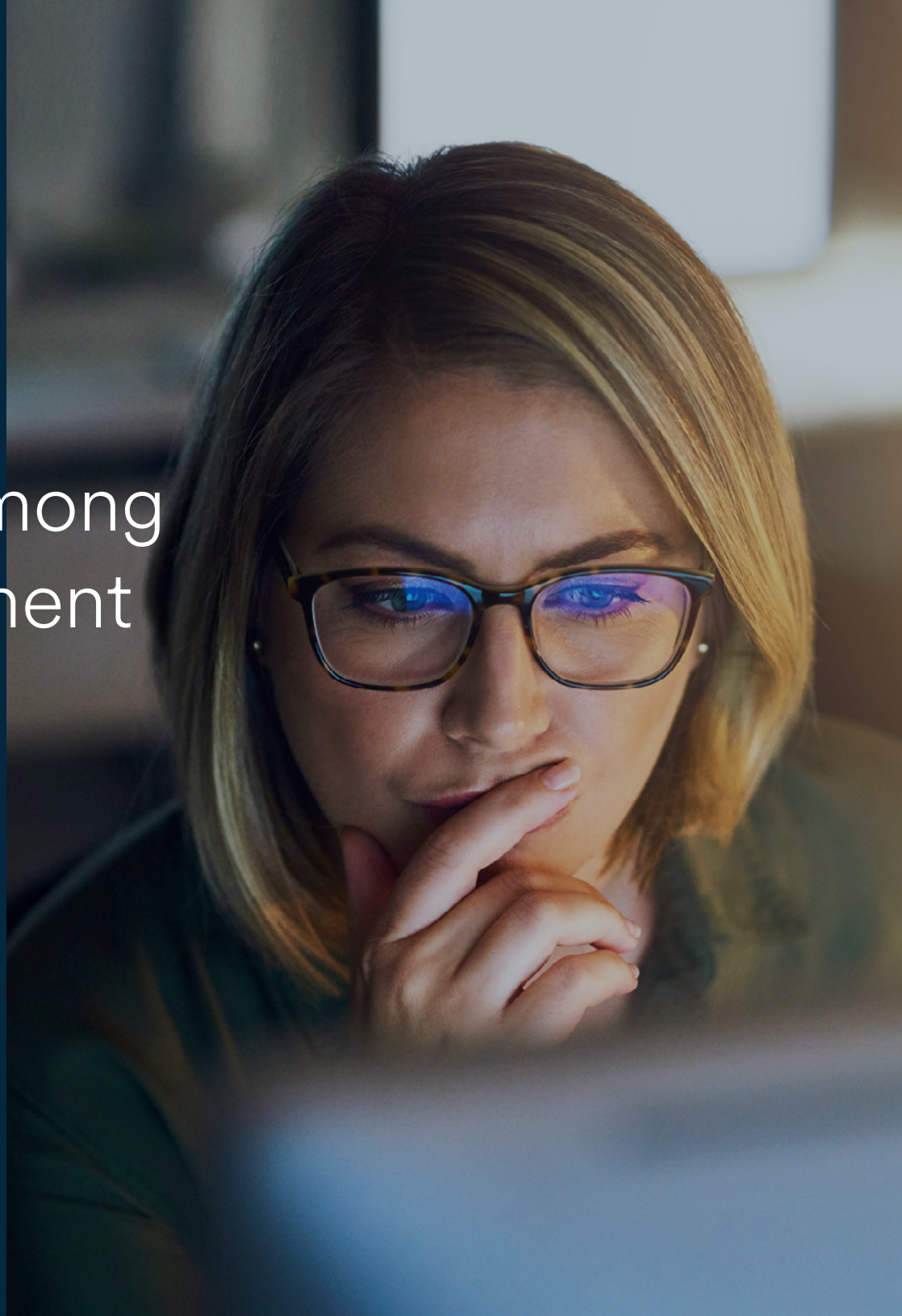
Of the top 20 dealmakers in 2021, only one is a woman.

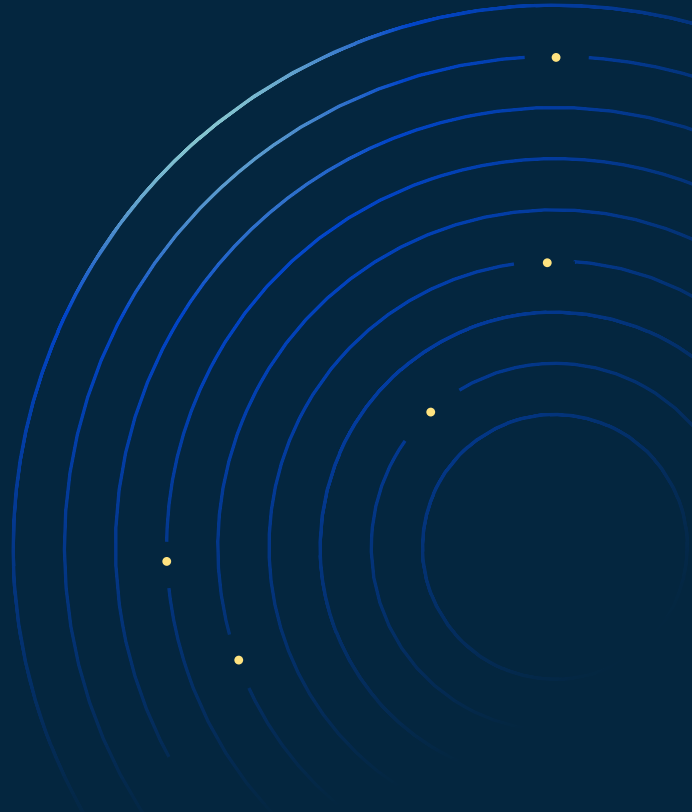


SOURCE: BUSINESS INSIDER

# 03

Key findings among  
Affinity investment  
banking clients





## Key findings among Affinity investment banking clients

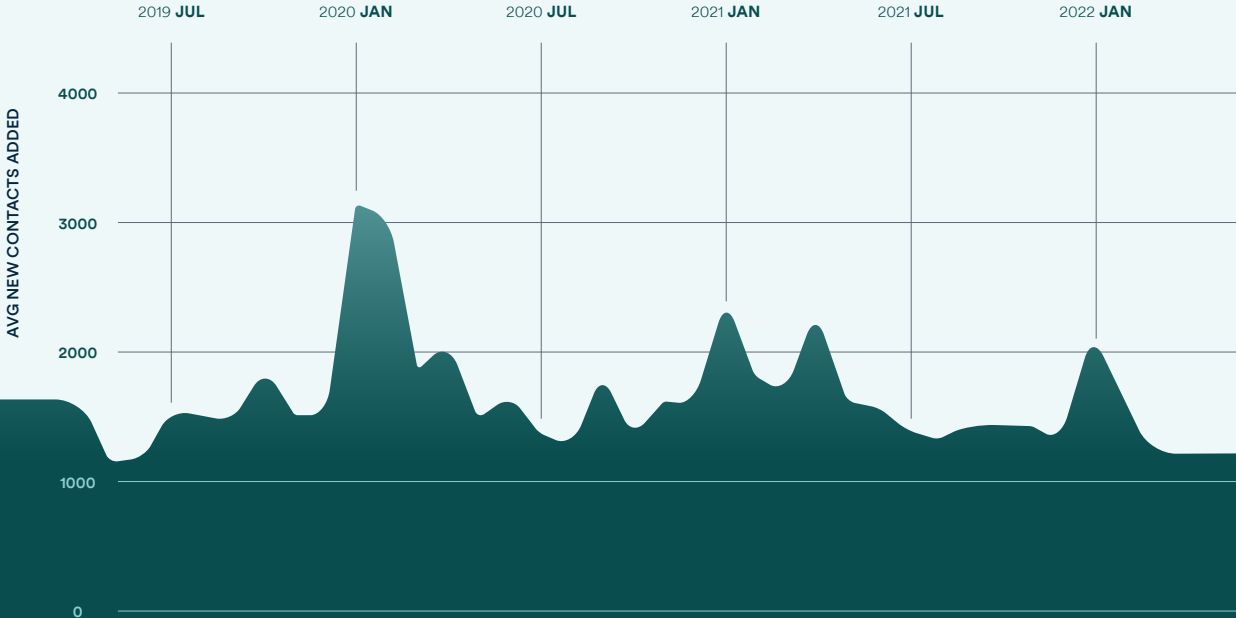
Foundational to how investment banks using Affinity responded to the industry's overall trends was the platform's relationship intelligence, which uncovers hidden connections in a workgroup's collective business network while accurately gauging the strength of the relationships among the bank's own team and potential clients and deal partners. This enabled Affinity users to compete for mandates more successfully and take action on deals faster.



# Growth trends of business networks

Investment banks are growing their network of business contacts at a consistent rate month over month, averaging a post-holidays upswing with a summertime lull. This steady growth indicates that the amount of prospecting and business development banks do has increased as the number of opportunities to pursue has increased. To support that growth, Affinity clients have leveraged the platform’s collective network mapping and automated reminders to reach a broader spectrum of contacts and uncover more warm leads faster, while strengthening and growing existing accounts.

## Average network size by client



## Network growth trends



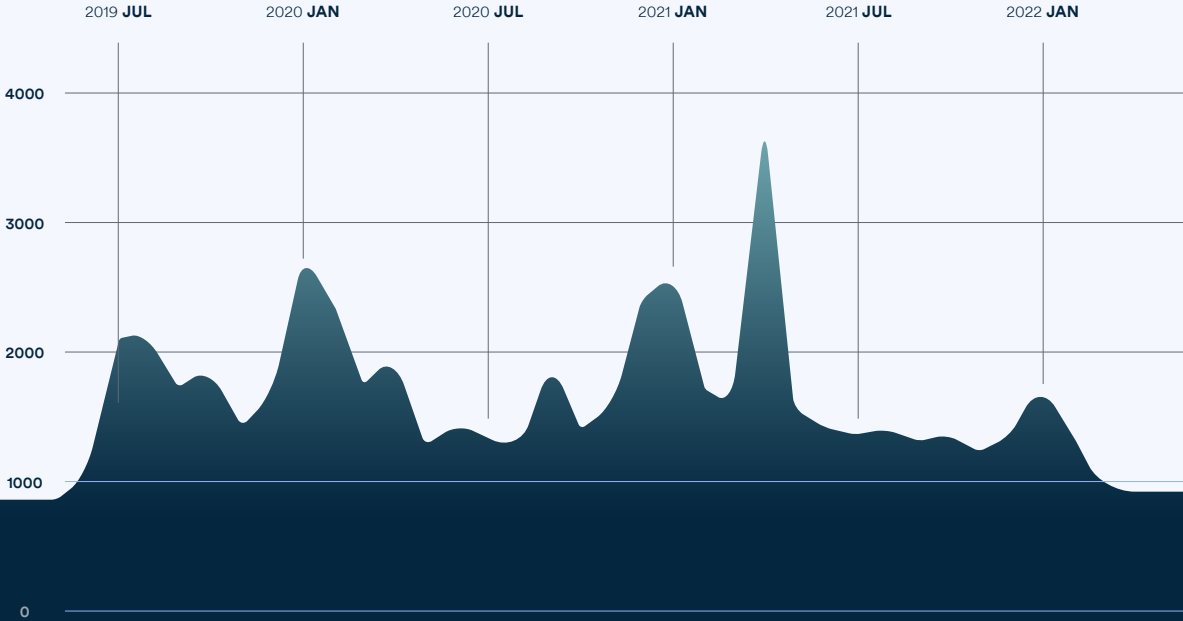
“Despite setting a record for the M&A market, I believe we’re capable of reaching greater heights if CEO and board room confidence remain strong.”

**CARY KOCHMAN**  
 GLOBAL CO-HEAD OF M&A, CITIGROUP  
 Source: [Financial Times](#)

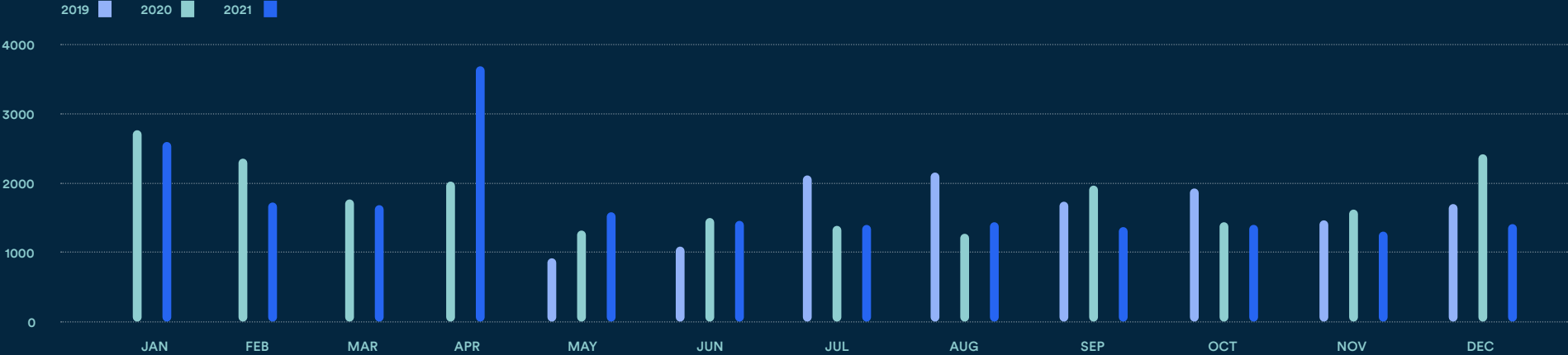
# Email volume

While they are still sending a healthy number of emails, the average number of emails sent and received by investment bankers has declined between 2019 and 2021. Affinity investment banking firms sent 3.5% fewer emails in 2021 than they did in 2020. It also appears there is some seasonality in the volume of email correspondence.

## Average emails per client



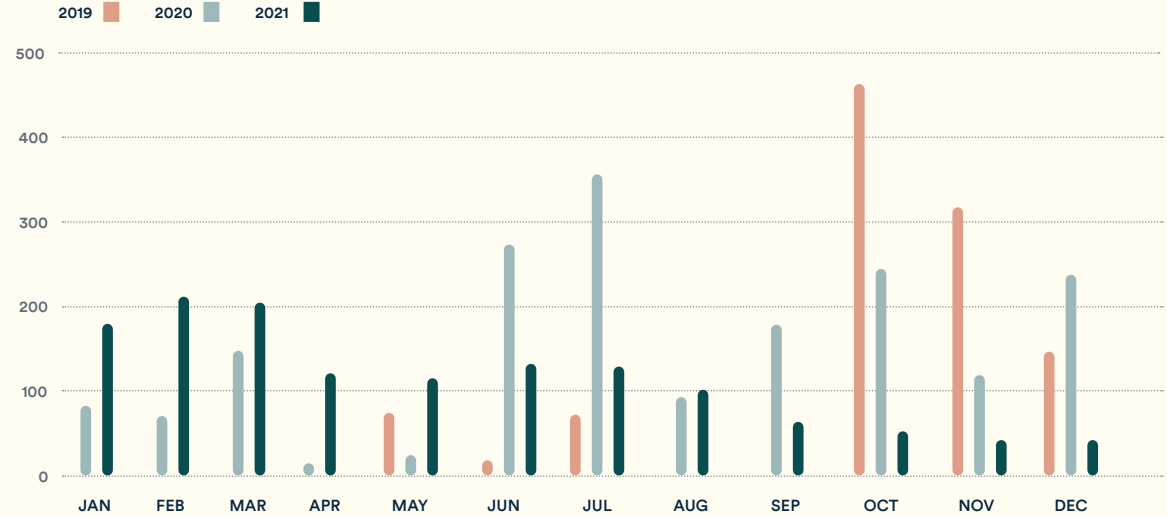
## Client email trends



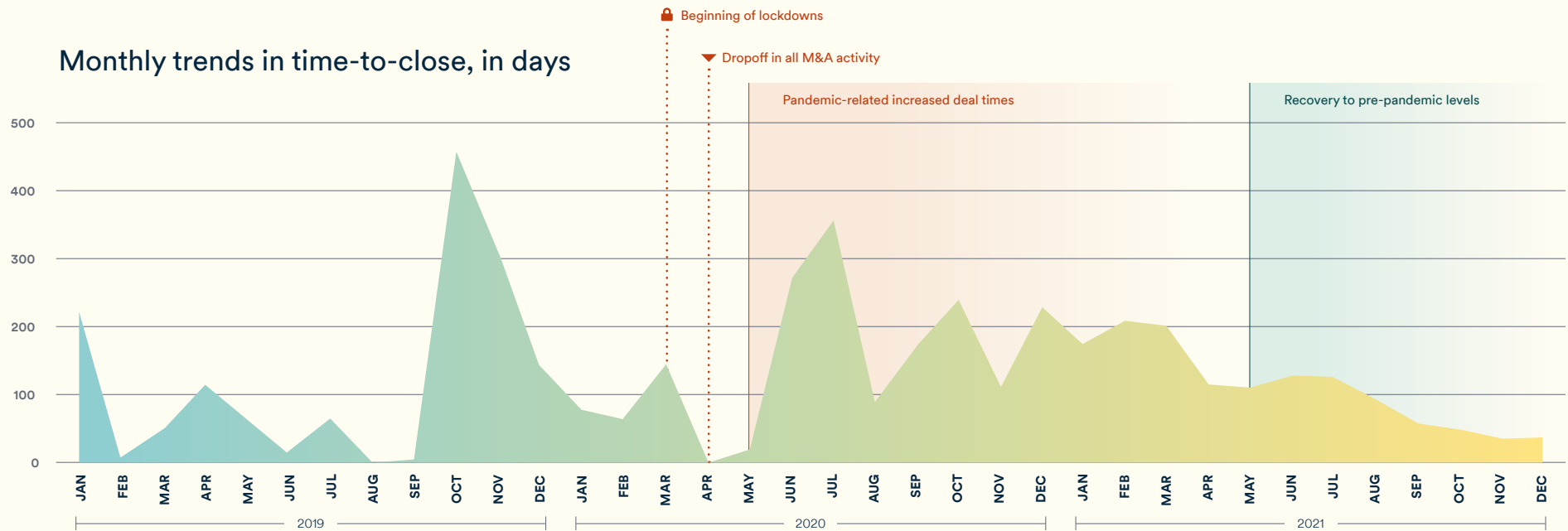
# Time-to-close per mandate

The pandemic took a toll on deal volume as well as close rates, which followed the course of the pandemic. Deal volume fell precipitously in April, at the beginning of the lockdowns, and overall, **deals took almost twice as long to close in 2020 compared with 2019**. But 2021 saw time-to-close accelerate 63%, from an average 150 days to an average of 55 days. Clients are looking for banks that can close deals faster, and banks want to increase revenue by executing more projects more efficiently. By optimizing dealflow elements such as researching and compiling buyer lists to find the opportunities likeliest to close, banks used Affinity to close deals faster prior to the pandemic and recover quickly as the pandemic waned.

## Length of deal-making time, in days



## Monthly trends in time-to-close, in days



# Potential buyers per mandate

In 2021, banks nearly doubled the number of potential buyers they spoke to over 2019 and 2020 levels, in part by building lists of M&A prospects more efficiently, aligning information about their interactions with Affinity’s enriched data about the contacts and organizations with which they did business. The platform also facilitated bulk emailing, while increasing the impact of each email by identifying the best contact at each firm.

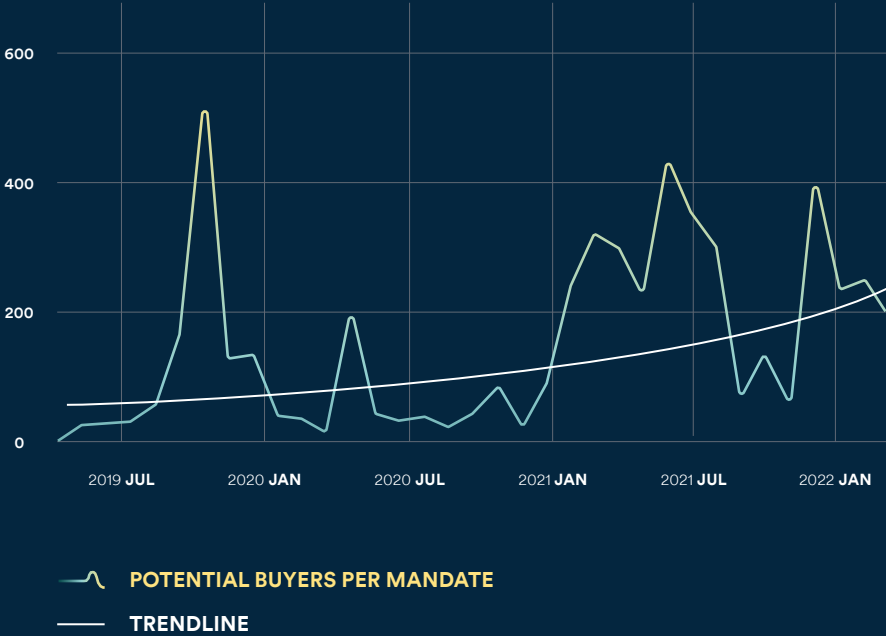


The deal activity is out of this world. In the first half of [2021] a lot of clients were cautious. Now they need to make up for the lost time.”

**SIMONA MAELLARE**  
GLOBAL CO-HEAD OF FINANCIAL SPONSORS, UBS

Source: [Financial Times](#)

### Average potential buyers per mandate



# Mandates pursued

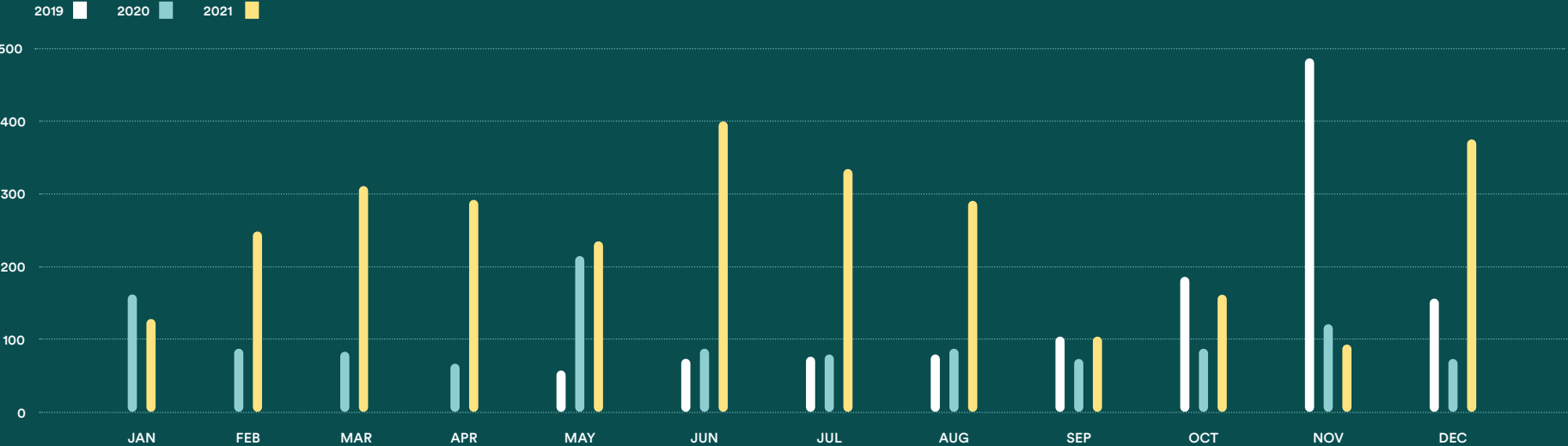
Banks in 2021 generated 25% more mandates each month compared to 2019–2020. By replacing manual data entry with automated data capture, Affinity users reduced errors and recorded more information per contact. And they eliminated data silos, providing their teams with a single source of truth and improving the analysis underlying business development and account growth. They were therefore prepared when the market heated up, and were able to prospect, assemble, and close more M&A deals more efficiently.

“

We’ve been running flat-out for the past 18 months...but M&A bankers like being busy... We’re likely to see \$1-to-\$10 billion transactions [in 2022] versus the mega transactions we saw in some prior years...but it will be tough to match [2021’s] volume totals.

**GARY POSTERNACK**  
 GLOBAL HEAD OF M&A, BARCLAYS  
 Source: [Bloomberg News](#)

## Monthly trends in opportunities per mandate





## AFFINITY CASE STUDY

# Automated data capture yields more time for pursuing deals

Corporate Advisory Solutions (CAS) is a boutique investment and merchant banking firm specializing in outsourced business services. With their existing CRM, “We were spending so much time, effort, and money on manual data entry that we weren’t leveraging that data profitably,” according to Michael Lamm, CAS’s cofounder and managing partner.

After switching to Affinity, they synced years of email and calendar data to the platform, automatically surfacing years of unrecorded contact details and doubling the contacts to which CAS has access—from 8K to 17K.

“

Affinity turned data entry into data capture, giving us more time to leverage that data productively. This wealth of lost contact information helped us close deals in a remote marketplace.”



**MICHAEL LAMM**  
CO-FOUNDER AND MANAGING PARTNER

[Read the full case study.](#)



# 04

## Analysis of Affinity platform findings



# Analysis of Affinity platform findings

The baseline data is common sense: M&As close faster when there are more potential buyers in the pool. As the opportunities available increased from 2019 to 2021, the time to close arced, peaking at the anomalous year 2020, and falling in 2021 while opportunities were climbing to an apex.

“

This is a business where experience begets more activity in a virtuous circle.”

**SAM BRITTON**

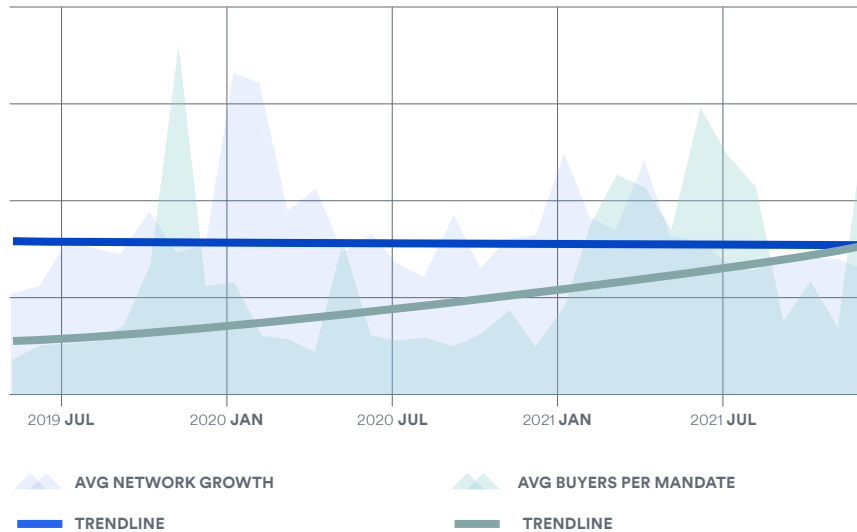
CO-HEAD OF TECHNOLOGY, MEDIA, AND TELECOM INVESTMENT BANKING, GOLDMAN SACHS

Source: [Business Insider](#)

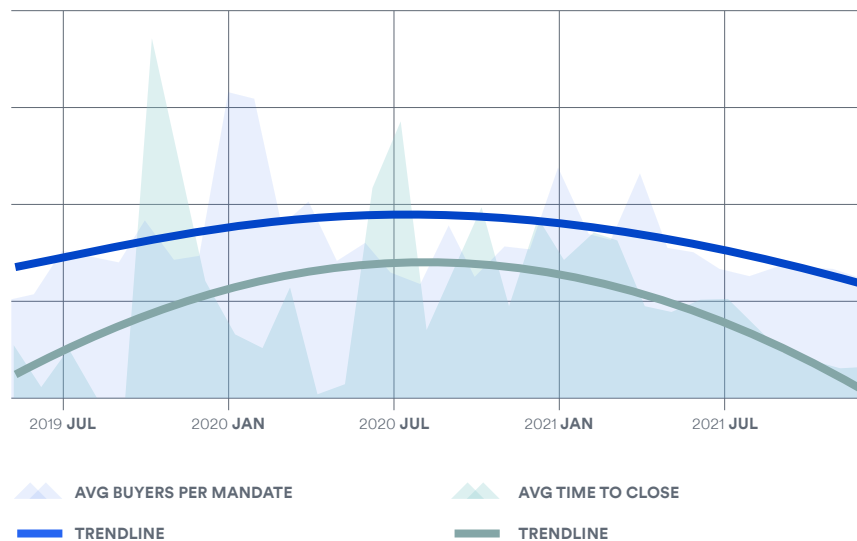
## Buyers per mandate vs. time to close



## Network growth vs. buyers per mandate



## Network growth vs. time to close



## Analysis of platform findings

The following findings, however—representative of not-uncommon business practices—are counterintuitive and contraindicated strategies.

- Faster network growth leads to fewer opportunities per mandate.
- Faster network growth leads to slower mandate close times.

Clearly, **it's not the quantity but the quality of the contacts in your network that matters most.**

“

“[2020] was a roller coaster for the markets and the economy, and a tragedy on the human level.”

NANCY PERETSMAN  
MANAGING DIRECTOR, ALLEN & CO.

Source: [Barrons](#)

## Email volume

Similarly, increasing email volume did not correlate with increasing potential buyers per mandate or shorter mandate close times. This could be for a number of reasons:

- Affinity’s relationship intelligence enables banks to send emails more efficiently: even though the networks are growing in size, bankers are able to abandon spray-and-pray tactics and send targeted or personal emails to the most receptive people at the optimal moment.
- The pandemic shifted business away from email and toward face-to-face virtual meetings.

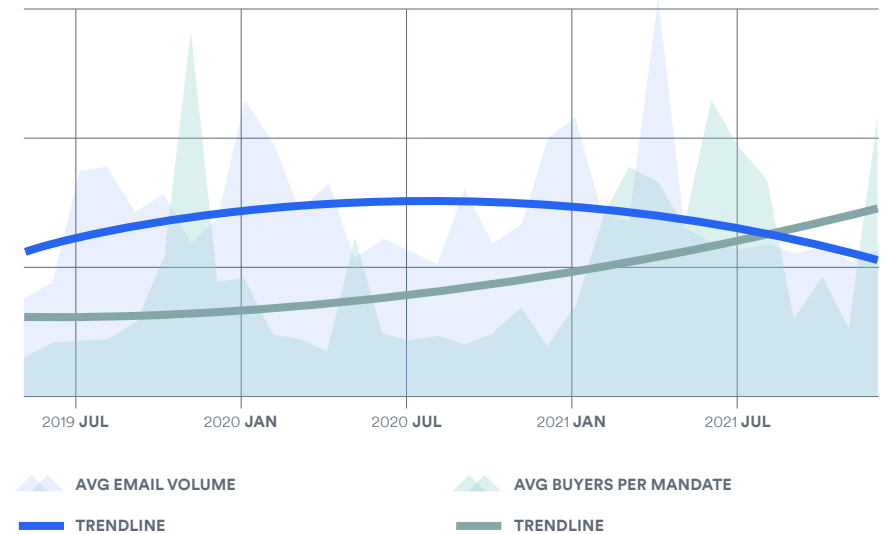
“

Video conferencing has made dealmaking much more efficient. You can do three or four meetings in a day without having to travel...and key decision makers [can] attend and participate.”

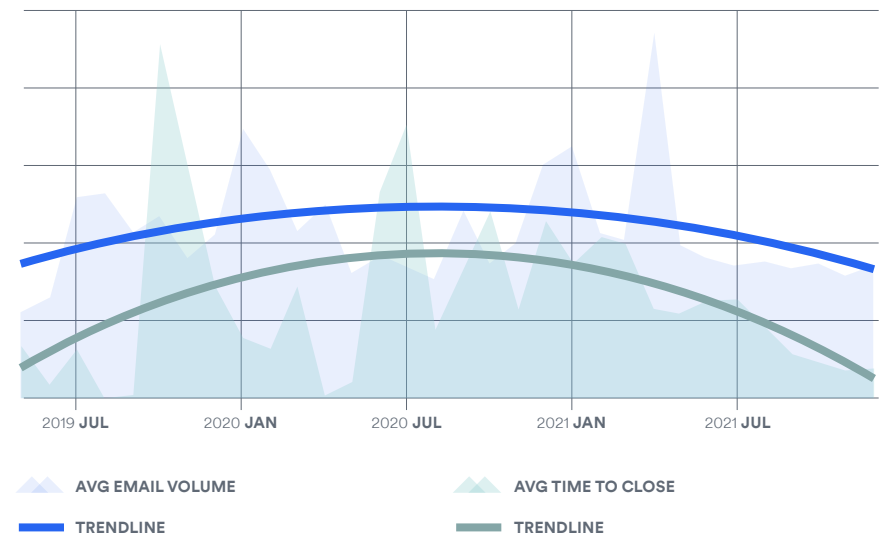
**KEVIN BRUNNER**  
AMERICAS M&A, BANK OF AMERICA

Source: [Financial Times](#)

## Email volume vs. buyers per mandate



## Email volume vs. time to close



# Meetings

Meetings per month correlate directly with an increase in potential buyers per mandate and a decrease in mandate sell time. In 2021, Affinity clients took 19.6% more meetings than in 2020. Relationship intelligence enabled Affinity users to home in on the likeliest prospects; automated data capture and reminders gave them the information they needed to nurture the relationships successfully. Rather than the size of their networks, it was the quality of the meetings they took that underlay their success.

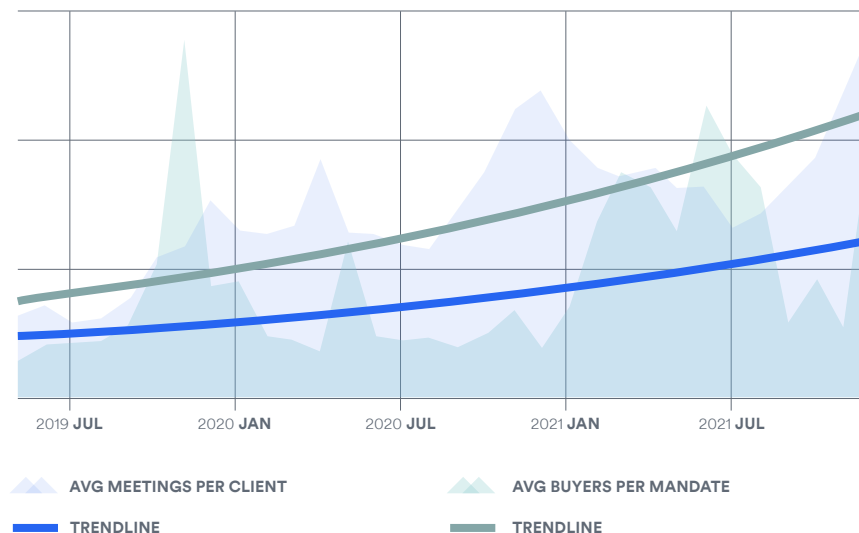
“

In the past you had to be in the same room. Now we’ve done M&As remotely from start to finish. Chemistry-building is harder, but remote technology has been amazing.”

**ANU AIYENGAR**  
GLOBAL CO-HEAD OF M&A, JPMORGAN CHASE

Source: [SS&C / Intralinks](#)

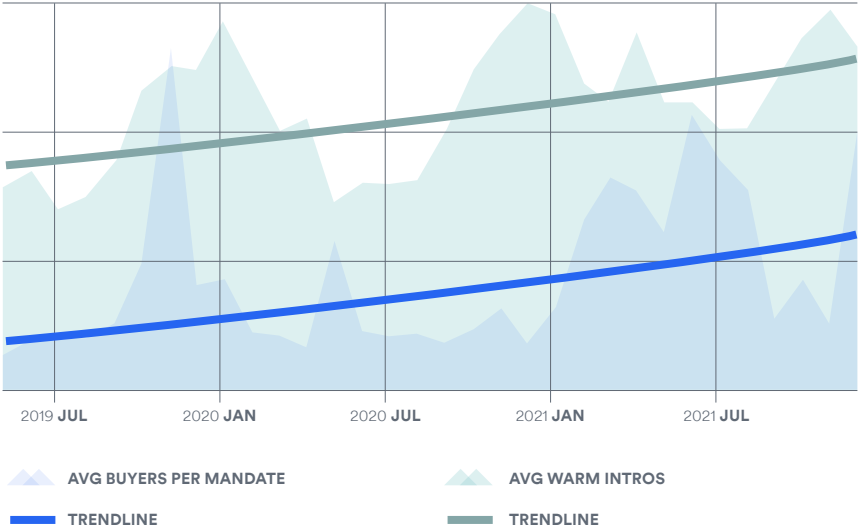
## Meetings vs. buyers per mandate



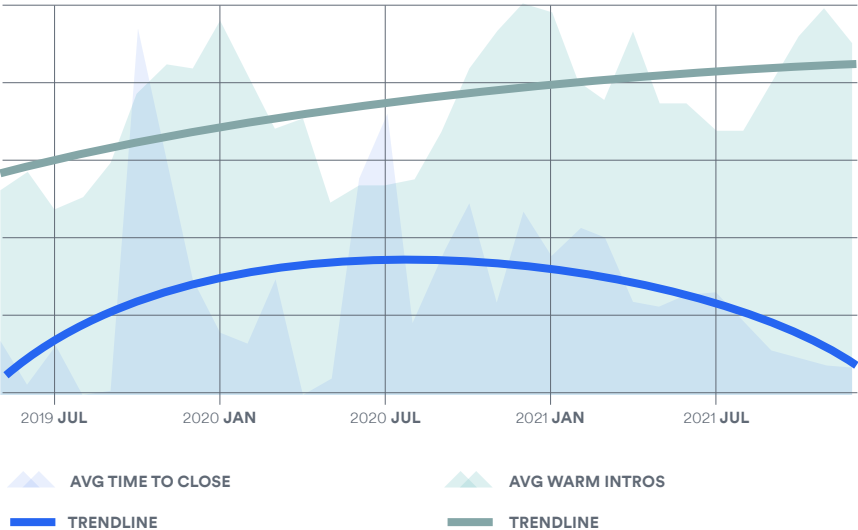
## Meetings vs. time to close



### Warm introductions vs. buyers per mandate



### Warm introductions vs. time to close



## Warm introductions

Warm introductions, an Affinity relationship intelligence metric that measures the strength of the relationship between anyone in your workgroup and anyone among your business contacts, are, like the meetings themselves, a strong indicator of finding more buyers per mandate and achieving a shorter mandate sell time. More warm introductions correspond directly to potential opportunities, and an increase in introductions relate inversely to a shorter time to close.

“

The rebound from a year ago [2020] is more dramatic than anything we’ve ever seen in M&A recovery—full stop.”

**CARY KOCHMAN**  
CO-HEAD OF GLOBAL M&A, CITI  
Source: [Financial Times](#)



## A data-proven path to successful deals and buyers who will close

All this platform data raises a key question: How can investment banks increase not merely the number of potential buyers per mandate, but the number of buyers most likely to close? The activities of investment banks using Affinity point to three stepwise, interconnected strategies:

1. Parse your business contacts to uncover existing but hidden opportunities in a comprehensive, workgroup-wide, transparent network
2. Narrow opportunity lists to those likeliest to close
3. Build stronger relationships with the right contacts over time

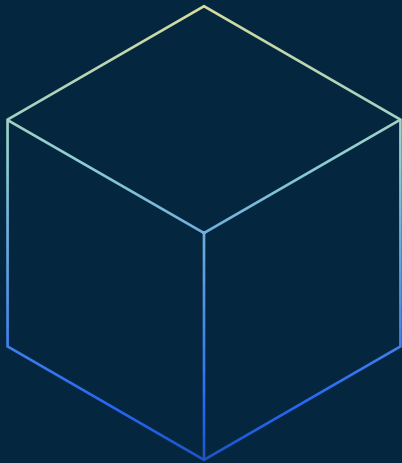
“

It's the busiest I've ever known it. There's a ton of capital that is desperately trying to find a home.”

**FARAH O'BRIEN**

PRIVATE EQUITY AND M&A PARTNER, LATHAM & WATKINS

Source: [Financial Times](#)



## Closing more mandates faster

Putting it all together, the Affinity platform data suggests that unless the emails are well-targeted and your contacts well-vetted, sending out more emails and adding more contacts to your database are not necessarily the fastest path to winning more mandates. Indeed, a higher email volume and increased network size can sometimes be detrimental to performance: more work for less payoff.

However, meetings and intros are direct indicators of increased success. Finding the right contacts and building the right relationships are the difference between a closed deal and a wild goose chase. Relationship intelligence enables investment bankers to choose and meet with only those prospects who are likeliest to further the mandate.

**The quality of your business network, your ability to leverage warm introductions, managing relationships effectively, and targeting the right contacts at the right time are the most effective ways to close more mandates faster.**

Billions of data points—a map through these strategies—are hiding in plain sight and routinely go uncaptured: This “data exhaust,” produced by emails and calendaring, contains a wealth of information about who knows whom and what they spoke about, as well as the recency, frequency, cadence, and quality of those communications. All that adds up to relationship intelligence. And relationship intelligence is the shortest distance between two points on that map.



## AFFINITY CASE STUDY

### Relationship scores and list filtering prove brand value

IEG Investment Banking Group is a boutique bank specializing in tech sector mid-cap transactions. Their previous CRM muddled the management of their business network and complicated their dealflow, and they were unable to easily understand their relationships with key partners.

A transparent, single source of truth, Affinity gives their entire workgroup access to the same data, which is captured automatically and accurately. The platform also evaluates and scores the strength of the relationships among their global team and their business network.

Unlike other banks that merely display the logos of the companies they do business with, IEG is able to corroborate those relationships with a list of potential buyers in Affinity. Each list, filtered for the most promising prospects, includes a communication history as well as relationship scores that indicate how well they know each prospective buyer.

“

Our clients want to know that we have key access to decision-makers; with Affinity, we're able to show them we do.”



**MIRKO HEIDE**  
MANAGING DIRECTOR

[Read the full case study.](#)

05

# Conclusions



# Conclusions

The journey from finding a new opportunity to closing a mandate can involve dozens of people across your team and professional network.

Accurately tracking the deal flow—every person involved, every Zoom call, every meeting, document, and story shared over dinner—is imperative for building deeper, longer-lasting business relationships. But effectively managing all of the information relevant to each connection and each opportunity becomes more and more difficult—and so does knowing when and how to act on that data.

“

It's easy to forget that managing relationships isn't the same as managing ones and zeroes.”

## **The most successful investment bankers don't just have more resources or more money to invest—they're experts at managing their relationships.**

Rather than letting it overwhelm them, the most efficient firms of every size are leveraging this surfeit of data to strengthen their relationships, relying on it to inform what steps to take to move a contact to a close.

Along the way, it's easy to forget that managing relationships isn't the same as managing ones and zeroes—it means ensuring you build new connections and maintaining strong connections with the people in your business network.

Because so many firms have used legacy tools like Excel successfully, many have never explored newer, more relevant technologies. However, by putting relationships—and relationship intelligence—at the heart of their tech stack, many investment bankers have discovered an easier way to find and close mandates faster.

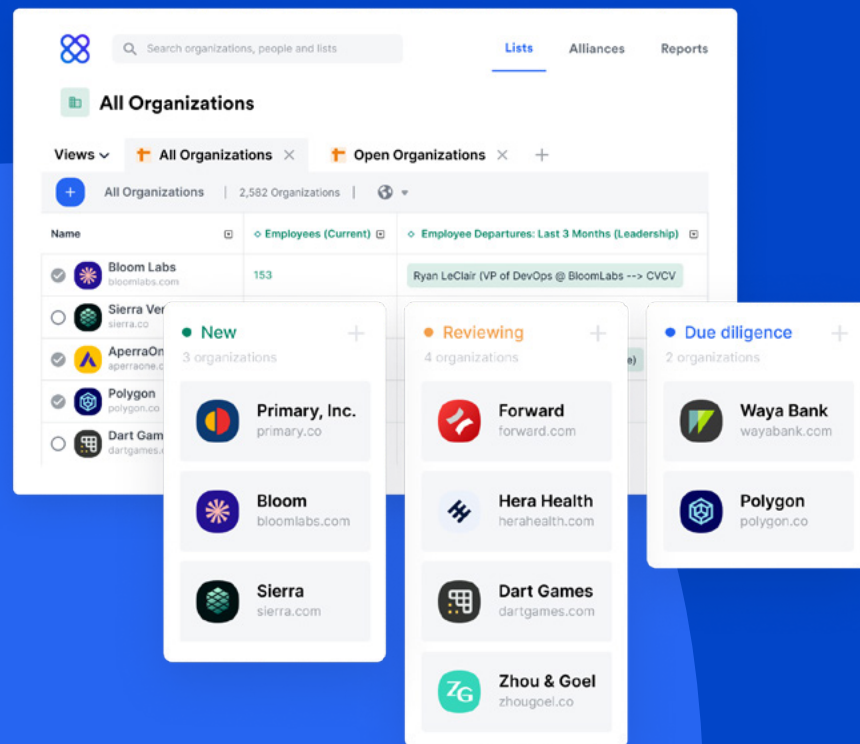
**Relationship intelligence contextualizes and enhances your existing contact and deal data, whether it's currently in a spreadsheet or last-generation's CRM.**

**Firms that use Affinity's relationship intelligence CRM platform:**

- **Close the most mandates successfully**
- **Foster network-building more efficiently**
- **Manage relationships and mandate pipelines wisely**

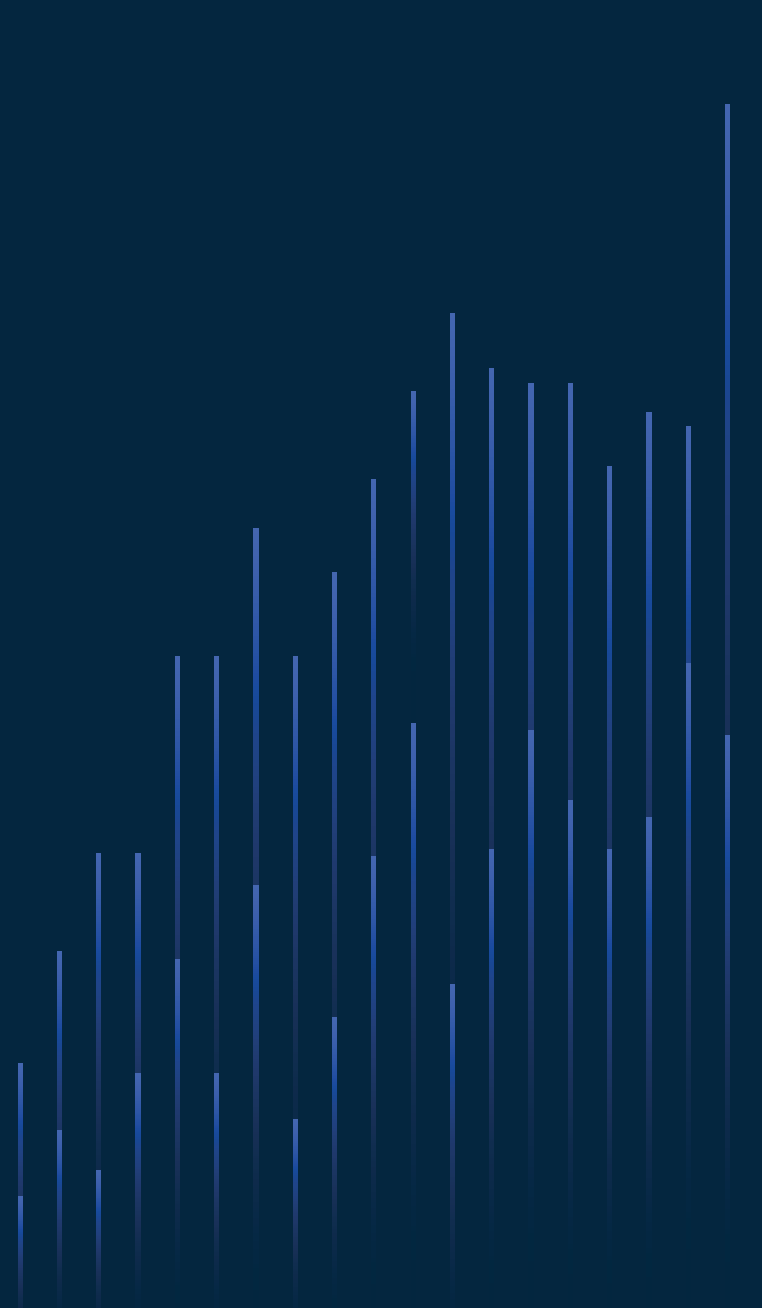
# The Affinity Relationship Intelligence CRM Platform

To get ahead of the competition and close more deals, small and midsize investment banks are turning to relationship intelligence technology that helps them optimize relationship building, act faster on key deals, and demonstrate their value to clients.



Here are a few ways Affinity's technology is helping small and midsize investment banks do just that:

- **Data captured automatically** from your email and calendar frees your team from the drudgery of manual data entry, giving them more time to handle mandate-related work.
- **AI-driven relationship scoring** leads to warmer introductions by quantifying the recency, frequency, and cadence of connections between your team and your contacts.
- **Enriched datasets** from Affinity's proprietary algorithms as well as leading investment data providers enhance your own data to help you make broadly informed decisions.
- **Automated reminders** mean you never lose track of a connection in your network.
- **In-depth business intelligence** lets you visualize, evaluate, share, and improve your business development tactics.
- **An easy-to-use platform** with an intuitive interface is quick to implement, simple to learn, and fosters widespread adoption.
- **Pipeline management tools** align the platform's workflow management with how you prefer to work.
- **Security protocol certifications** protect your client and mandate data on a platform that meets certification against stringent global standards such as GDPR and SOC 2 Type II.
- **An extensible, open API** lets you integrate your most-used tools with Affinity.
- **The Affinity mobile app** lets you access your data from anywhere.



Relationships are core to winning more business, and the best deal teams employ technologies that turn their connections into contracts in a market with faster times to close and more money on the table than ever.

The most successful investment banks and advisory firms are closing more quality mandates with a relationship intelligence CRM purpose-built to optimize relationship building, improve their firm's timing when acting on key deals and contacts, and demonstrate their value to clients.

Find out how **Affinity** can do all that and more for your investment banking team.

[info@affinity.co](mailto:info@affinity.co)

“

Never underestimate human creativity. When none of the traditional tools of M&A are available to you, you find another way to do things.”

**ANU AIYENGAR**

GLOBAL CO-HEAD OF M&A, JPMORGAN CHASE

Source: [SS&C/Intralinks](#)

**Investment Banking Industry Benchmark Report**

Mergers & acquisitions edition | May 2022

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