ASSETTE

First Impressions Matter

The Importance of Typography in Investment Management Presentations and Reporting

Based on research done for Assette by Prof. Joyce Walsh
of Boston University College of Communication.

INTRODUCTION

You put on your best outfit for client and marketing meetings. Your offices are well-appointed, reflecting the professional culture of the firm. You know that first impressions can make or break a relationship, and you pay attention to the details in order to make your first impression a positive one.

Then you pass the presentation materials around. The colors are dull and outdated. The font is quirky and informal. In places it's too small for some guests to read comfortably. The content jumps around, too, creating a narrative that lacks focus.

With the flip of a page, your chance of making a positive first impression is lost forever.

Your firm's marketing presentations and client reports are viewed by hundreds of asset owners, consultants and trustees every year. They are arguably the most public face of your firm, shaping impressions each time they are reviewed. In this series of papers, we deconstruct the three pillars of professional presentation material—color, font and information organization—to help institutional asset managers evaluate their current template and provide best practices for creating a powerful, positive first impression through their public-facing reports and presentations.

In this, the second paper in the series, we examine the effects of typography on your target audience and offer guidance on how to choose a font that reflects your firm's brand and message.

TYPOGRAPHIC STRATEGIES FOR INVESTMENT MANAGERS

Investment reports and presentations that look professional are more likely to engage the audience and lead the reader comfortably through the material. Researchers at MIT found that good typography not only improved the readers' moods, the subjects underestimated the time it took to read the assigned text.[1] This paper provides investment management professionals with strategies for establishing a level of excellence in their reports and presentations through informed use of fonts. These strategies will not only also make investment reports and presentations easier to comprehend, but will also reinforce the investment firm's brand identity and professional image.

To illustrate the different fonts discussed in this paper, each reference to a font name will appear in the font it represents. For example, Open Sans is used for the body text in this paper, and **Open Sans Bold** and Semi **Bold** is used for titles and subheads.

Is it a Typeface or a Font?

Do you use the terms typeface and font interchangeably? If so, you're not alone, but there is a distinction, admittedly a fuzzy one, with regard to computers. Typeface refers to the overall character set of a particular design. Font refers to the complete set of characters in any given size and style. In many usages, they are interchangeable terms. Throughout printing history, typefaces have been designed and fonts are their product. For consistency, I use font to refer to the software version and files; I use typeface when referring to the particular design of the letters.[2]

Recognize serif or sans serif fonts

The first step in producing professional-quality presentations and reports is to identify the best font for the task at hand. The key to selecting fonts is knowing what type of font it is. The two primary categories of professional typefaces are serif and sans serif. Serifs are those little notches at the ends of letters. Any letter with serifs belongs to a serif font. Any letter without serifs is a sans serif font — sans means "without" in French. Gill Sans, for example is a sans serif font; Rockwell on the other hand is a serif font.

While there are other categories of typefaces, like *script fonts* and novelty fonts, their strong personalities detract from the professional intentions of investment reports and presentations, and they should be avoided.

CLASSIC SERIF FONTS

Prior to the digital age, serif fonts were ubiquitous — the fonts of choice for most newspapers and publishers. The font family Times, for example, has long been one of the gold-standard serif fonts for financial and investment reporting. Its style is conservative and very legible. Times was originally developed for The Times newspaper in London in 1931. The typeface has been revised several times as printing technology advanced from metal type to digital. One of the most commonly used fonts in the world, Times is installed on all PCs and Macs with MS Office. Other classic serif fonts are Garamond, a publishing house staple, and Rockwell which is a design favorite. In the personal realm, serif fonts found a natural home on typewriters, which used typefaces like Courier, originally commissioned by IBM. Classic serif fonts are beautiful and, because of their long association with literature, newspapers and academics, convey a sense of dignity and authority. With origins dating back to early days of print, they also bring a traditional feel to the text.

SANS SERIF FONTS

Sans serif fonts trace their print history back to the early 1800s. But the new style only caught on and gained wide acceptance in the early 20TH century, fueled in part by the clean lines and minimalism of the modernist movement in art and design.

With their contemporary look, sans serif fonts convey a less formal, more no-nonsense feel to content. Historically, the investment industry shied away from sans serif fonts because of their more casual appearance. But that all changed at the turn of the 21ST century, when the digital age catapulted sans serif fonts to the forefront of common usage.

FONTS IN THE DIGITAL AGE

Most computer screens display bit-mapped images that are composed of tiny little bits or squares. The corners of the tiny squares make it difficult to render the delicate, curved shapes typical of serif fonts, which tend to break up on-screen displays. In addition, serif fonts can taper from thin aspects of the letter to thicker lines, another characteristic that does not display well on-screen.

Sans serif fonts, on the other hand, have no flourishes or curves to distort, and they are monoweight, meaning the width of the letters is consistent throughout their shape. Both translate into improved legibility on computer screens. As a result, Web designers began moving away from serif fonts in favor of more readable, screen-friendly sans serif choices.

The move to sans serif fonts for Web-based viewing became "official" in 2007 when Microsoft replaced Times New Roman, the original default font for MS Word, with the sans serif font Calibri. With a sans serif font at the fingertips of millions of users, it quickly became the norm and remains so today. For example, Assette selected Calibri as the default font for the software they use to produce client reports and marketing presentation material for their investment management clients because it is highly readable, has a contemporary feel, and was designed especially for software and digital displays.

Recommended fonts for investment reports

If you only used Times or Calibri for the rest of your career, you would be just fine. But there are other font choices out there that are also well-suited to investment reports, charts and presentations. Starting with fonts commonly available on PCs — or their Mac analogs, which are plentiful — investment professionals would be wise to consider the following:

<div align="center">Lorem ipsum</div>

SERIF

- Times New Roman is the Microsoft version of Times is universally accepted, and the most commonly used serif font.

- Cambria/Cambria Math is very good for documents with equations. When using Cambria Math, be sure to set all of the associated text in Cambria.

- Palatino is historically popular and one of the top 10 most widely used fonts. It contains Latin, Greek and Cyrillic characters, which can be helpful if your firm frequently uses characters for alpha, beta and other values common in quantitative portfolio attribution presentations.

SANS SERIF

- Calibri is the default font on all Microsoft Office products, making it extremely familiar to most readers. It is a derivation of Gill Sans.

- Arial is the PC version of Helvetica, the classic Macintosh font that is considered an almost perfect sans serif font.

- Century Gothic is a charming font with perfectly round o's that provides a more casual option.

- Gill Sans is a classic sans serif font that works well for investment presentations.

- Verdana is a Web-optimized sans serif font, perfect for websites and online viewing.

- Whitney is a recently designed professional font that has tabular figures, something that is very useful for detailed numeric charts.

Fonts to avoid in investment presentations

Investment managers would be wise to avoid novelty fonts in their investment reports and presentations. Their irregular shapes impede legibility, and their visual tone is unprofessional. A few of the more popular novelty fonts are:

- Comic Sans is perceived as a "juvenile" font, making it unsuited for professional documents.

- Courier is a serif font, but its old-fashioned typewriter style is not appropriate for investment presentations.

- Impact is a popular font for titles, but don't use it for body copy — it is too bold and condensed.

Combining fonts in a report or presentation

Most experienced designers work within a font family, using bold weights and italic faces for variety. This is the best approach for a successful design. Diverse fonts and styles usually won't combine into an organized whole, and the document may look unplanned or chaotic. But many layouts do combine typefaces, so when mixing faces, a good rule of thumb is to use no more than two different fonts — one serif and one sans serif. In this paper, for example, we used one sans serif font for body content because it enhances readability, and one serif font for titles and subheadlines because it commands attention and is a bit more formal.

> **Strategy:** If you want to mix fonts in reports and presentations, follow these time-tested design rules:

- *No more than two fonts in one design.*

- *Never mix two serif fonts or two sans serif fonts in the same document.*

That second guideline is important. You'll rarely see a professionally designed layout that uses two serif — or sans serif — fonts on the same page. Why? Because different fonts in the same category confuse the eye. They look similar, yet subtly different; the unintended result is that it appears to be a mistake, as in these examples:

- This paper is written in Open Sans. Here is a sentence in Calibri.

  Both are sans serif fonts, but notice that the letters in Calibri have slightly different proportions than those in Open Sans. The eye perceives these differences, leaving the reader with the unsettling feeling that something isn't quite right — a feeling you do <u>not</u> want them to transfer to the content being presented.

- This text is set in Times. This text is set in Cambria.

  Both are serif fonts, and both are 9 pt. roman — but there are subtle differences between the two. Cambria is more condensed, which lends a heavier feel to the text. Its characters are also blockier than those in Times. To the casual reader, however, it just looks like the second sentence is slightly bigger due to an error in font size, not a difference in font type — a false impression of carelessness that has no place in a professional report or presentation.

Add variety but keep it in the (font) family

Each typeface comes in a variety of weights and sizes, and a font family will have all the variations of a particular typeface. A specific variation in type size is technically called a "font," and each font contains 26 uppercase and 26 lowercase letters, as well as numerals, punctuation marks and glyphs — unique symbols like accented vowels or umlauts.

A well-designed typeface is an excellent example of the interplay of repetition and variety that makes for good design. The typeface Whitney, for example, comes in a series of variations described as condensed or narrow, oblique or italic, bold or medium. All of these variations can be used in a professional presentation to add visual interest. The similarities in width, brackets, serifs and x-height preserve the unity of the design, while the different weights and styles add variety and help define content hierarchies.

Computer software gives the designer the ability to make a wide variety of changes to these carefully designed fonts — type can be skewed, shadowed, mirrored and scaled with varying horizontal and vertical effects. While dramatic, these manipulations distort the type and have no place in a professional investment presentation or report. So don't be tempted by the software. Respect the subtle and complex beauty of the type designs and let them speak for themselves — and your brand — without embellishment.

> **Strategy:** *Use one good font and create emphasis and visual hierarchy with color, size and bold weights.*

> **Strategy:** *Don't distort type with glitzy manipulations when designing professional materials.*

Strategies for numbers

USE TABULAR FIGURES FOR COLUMNS OF NUMBERS

Numbers are the heart of most investment presentations and reports, so pay attention to the numerals and symbols when making choices about the right font family for your firm. When designing investment charts, the way a font handles numbers is particularly important. For numbers that appear in columns, tabular figures are ideal. Tabular numbers all use the same width on the page, so they stack nicely in columns.


21910
34185

Tabular Numbers
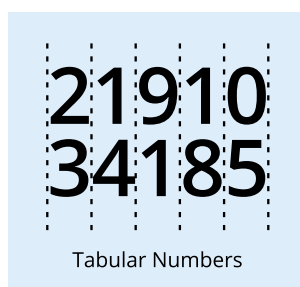
USE WEIGHT-DUPLEXING FOR EMPHASIS IN COLUMNS

Hoefler & Co. produces several highly regarded fonts for investment and financial reporting, including Gotham, Whitney and Archer. Whitney has the additional benefit of weight duplexing, which allows fonts to be bold, yet still stack without bulging out of the columns. This feature is especially useful for investment managers, since it allows them to emphasize good numbers without distorting the columns. Also, in this age

of billionaires and large numbers, consider using a font that provides condensed numbers, which are ideal
for 10-digit figures.

KEEP NUMERALS PROPORTIONAL TO TEXT

Numbers that appear within sentences should be proportional, which means that numerals are variable
width, making the text is easier to read. Beware of old-style figures. This is a style of numeral that
approximates lowercase letterforms by having an x-height and varying ascenders and descenders. They
are considerably different from the more common "lining" (or "aligning") figures, which are all-cap height.

1910

Proportional Numbers
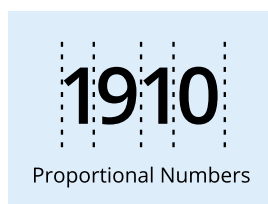
Strategy: *Use proportional figures for numerals to be read within the text.*

Strategy: *Use tabular figures when numerals will be read in columns. Invest in fonts with weight
duplexing, which provides the advantage of bolding numbers within columns for emphasis.*

Strategy: *Use a font with indices, which are numbers within circles, when your investment
presentations require numbers that plot points on graphs. Whitney is a popular font that provides a
variety of indices, including circles, squares, double-digit indices and reverse indices, to serve a wide
range of labeling needs.*

SHOW THEM THE MONEY

Every investment manager needs a font family with a broad selection of currency symbols. Be sure to look for
a font with extended character sets that go beyond the dollar, pound, euro and yen. As the global economy
expands to include emerging and frontier markets, forward-looking managers need a font that includes
symbols for currencies like rupees, pesos and the new shekel.

Strategy: *Use a font with extended character sets for international currency symbols.*

Layout strategies

Once the best font for the job is chosen, engage the audience with intelligent layout designs that attract
readers and lead their eyes comfortably through the content. You may want to draw attention to particular
aspects of your reports. How do you create emphasis while maintaining clarity?

ESTABLISH VISUAL HIERARCHY OF INFORMATION

Think in terms of visual hierarchy. Determine what you want your audience to see first, second, third —
and what they may skip. When designers want to make a focal point on a page, they typically choose the
most important point and make it the largest or most colorful item. It is ideal to make only one focal point

per page. Arrange the next most important information near the focal point. This will lead the eye to your relevant content. All other text and numbers should be regular weight.

When formatting paragraphs of text, almost all text should be left-aligned or justified copy. These are the most legible formats for reading. Right-aligned copy may be used rarely for subtitles. Centered copy should only be used for invitations and title pages. It is a very formal, slow-to-read format.

> **Strategy:** *Create one focal point per page based on the information that is most important.*

> **Strategy:** *Capture attention by making that text or number bigger and bolder. Avoid ALLCAPS in body text for emphasis, however. It has become a common social media convention for "shouting" in tweets and text messages.*

> **Strategy:** *All other text and numbers should be regular weight.*

> **Strategy:** *Format paragraphs of text as left-aligned or justified.*

Typography in presentations

Make your PowerPoint presentations engaging, rewarding and easy to read. Smart slide design and delivery will help people organize and integrate the information you give them. Sans serif fonts are best for presentations that will be delivered online or viewed on a screen. Even if you will be using these presentations as hard copy handouts, stick to sans serif for the main body text and, if you wish, use a serif font for title pages and page headings to provide contrast and visual interest. Be consistent with the fonts and sizes throughout the document and remember to make the type large enough for the entire audience to see, particularly when presenting numbers.

Avoid text-heavy slides and limit each slide to one main point, supported by no more than three bullets. Too much text can create cognitive overload, causing your audience to miss what you're saying as they try to process all that written information. It is more engaging to provide slides that show both visual and verbal content.

While reading charts, graphs and columns of numbers may be second-nature to investment managers, some members of your audience may be less comfortable processing graphic information quickly, so be sure your slide has verbal content to help them understand visual data sets. Ask yourself: Will the average member of our target audience understand this slide in three seconds? If the answer is no, rework the slide until it passes that test.

> **Strategy:** *Keep text on slides to a minimum. Use hard copy handouts or online resources for supplemental information.*

> **Strategy:** *Provide a good balance of text and images per page, both to create interest and to address the needs of verbal and visual learners in the audience.*

> **Strategy:** *Make sure all content is set in a font size large enough to be seen by everyone in the room.*

Conclusion

Typography is a subtle tool. When used judiciously, it doesn't call attention to itself. Instead, it helps the reader comprehend the content comfortably and quickly. Poor typographical choices become a distraction — like a tacky necktie worn by a presenter — overshadowing the message they are meant to convey. Investment managers who dismiss the importance of font choice in their presentations and reports do so at their own expense.

Informed use of typography puts a professional stamp on investment management presentations and reports, reinforcing the firm's brand image and messaging. It also helps "pull" the audience along, guiding them through both the hierarchy and meaning of the information being presented. There are many font choices out there, but most users just stick to their software's default choice — one reason, perhaps, why so many industry presentations look similar! If the default choice aligns with the image you want to project and resonates with your target audience, by all means, use it. But it pays to make an informed choice. Explore some of the professional serif and sans serif fonts available and select the ones best-suited to your organization. Then implement your choice using the professional design strategies in this paper.

In the end, it always pays to follow the golden rule of professional design: Simplify, simplify, simplify. As Leonardo Da Vinci said, "Simplicity is the ultimate sophistication."

The next paper in our "First Impressions" series will focus on the 3nd pillar of a standout presentation: Information Organization. In it, we'll explore strategies for organizing your report and presentation content to enhance readability and reinforce the message you want to convey.

APPENDIX: A BRIEF HISTORY OF TYPOGRAPHY

15,000 BCE: CAVE ART

The Latin alphabet is the most widely used alphabetic writing system in the world. How did we get to our 26 letters? Our alphabet is a small group of abstract symbols that evolved over 20,000 years from hundreds of ancient pictographic characters. Writing systems have been around for tens of thousands of years, beginning with cave paintings of hunting scenes that contain abstract markings that may have been used for ritualistic purposes or for counts from the hunt.

4,000 BCE: SUMERIAN CUNEIFORM

The Sumerians were using a pictographic writing system, know as cuneiform, as early as 4,000 BCE.
Their system is older than hieroglyphics, and the records were etched into clay tablets with reeds.

Serendipitously, Sumerian scribes turned their tablets 90 degrees to minimize smears while drawing pictographs, but when the symbols were turned on their sides, they no longer looked like what they represented, so the symbols became abstract and then had the potential for expanded meanings. Eventually, scribes quickened their work by pressing the reeds into the clay, and this change made for purely abstract symbols which further expanded their meaning. The Sumerian abstract writing system is called cuneiform. Consonants were added around 1600 BCE and this led to a significant breakthrough — symbols could represent not just objects but sounds of speech.

Clay tablets were the primary media for everyday written communication and were used extensively in schools. Tablets were routinely recycled and if permanence was called for, they could be baked hard in a kiln. Many of the tablets found by archaeologists were preserved because they were baked when attacking armies burned the building in which they were kept.

3,100 BCE: EGYPTIAN HIEROGLYPHICS

Around 3,100 BCE, the Egyptians created a systematized alphabet called hieroglyphics. We are familiar with their characteristic black figures, often drawn on woven papyrus or etched into stone. Originally the symbols were pictographs — simple outlines of objects. This is problematic because pictographic symbols could represent only tangibles, and consequently this required hundreds of pictographs. In order to master the hieroglyphic language, only a fortunate few were taught to become scribes. This skill was so rare that literacy held an almost magical allure. One of their best perks was exemption from taxes. Egyptians were very secretive about hieroglyphics. One of the reasons they were difficult to decipher is the direction hieroglyphics were read in could change from left to right and up or down. The secret visual clue that determined the proper reading direction was the direction the living figure in the document faced.[3]

1,600 BCE: PHOENICIAN ALPHABET

Around 1600 BCE, the Phoenicians — who were great traders, with ports throughout the Fertile Crescent — used both Egyptian hieroglyphics and Sumerian cuneiform for business purposes. The Phoenicians developed their own writing system by modifying the Sumerian cuneiform into a writing system with less than 30 characters. Phoenician was the first widely used script in which one sound was represented by one symbol. It was much easier to learn than the Egyptian and Sumerian pictographic systems. This democratized

the writing process — the magical allure was lost, and the scribes lost their monopoly on power. Phoenicians eventually taught the Greeks their writing system as they conducted business around the Mediterranean. By 1,000 BCE, the ancient Greeks adapted the Phoenician system. The Roman alphabet of 23 letters was derived from the Greek, and the classic Roman capitals are remarkably similar to our alphabet.

117 AD: ROMANS ADD SERIFS

Letterforms throughout history are closely related to writing tools. Egyptian and Phoenician symbols were written with reed brushes on papyrus. The reed created a pattern of thick and thin strokes. The Greeks used a stylus on wooden tablets. The Egyptian and Greek alphabets have no serifs. Serifs evolved with the Roman alphabet. Important Roman inscriptions were chiseled into stone. Serifs allowed the stone workers to cleanly finish the ends of chiseled vertical lines of letters, and the alphabet used very few curved lines, because curves were more difficult to chisel.

680 AD: IRISH MONKS ILLUMINATE THE DARK AGES

Hundreds of years later, Irish monks perfected the art of a beautiful layout with their illuminated texts. Medieval handwritten scrolls kept the alphabet alive during the Dark Ages. The scrolls evolved into folded manuscript books produced in scriptoriums by religious orders. This was a completely hand-made, time-consuming process that typically took six months and used the skins of 30 sheep for the pages. It was very expensive — one book could be equivalent in value to a vineyard.

1450-55 AD: GUTENBERG INVENTS MOVABLE TYPE

Everything changed in the mid-1400s, when Gutenberg invented movable type and printed his famous bible. Early in the printing process, typefaces mimicked the handwritten letters of manuscripts. Gutenberg had a partner who not only cheated Gutenberg out of any profit from the Gutenberg bible, but tried to pass the bible off as handwritten manuscript. When the partner was accused of using witchcraft to produce the bible, he admitted to the new printing process.

FROM GUTENBERG TO THE DIGITAL AGE

For hundreds of years, from the mid-1400s to mid-1700s, type designs were based on the written hand. The rounded style favored by the Renaissance artists was the inspiration for our modern roman typefaces such as *Palatino*, which is a font on all PCs and Apple devices with MS Office for Mac. Today, computers make it possible to develop variations on existing styles quickly. Whatever tool: reed, chisels or software, a trained eye is the most important factor in effective typography.

TERMINOLOGY

CENTERED TYPE FORMAT
A layout in which all of the lines align to the center. A formal alignment, it is considered difficult
to read for more than several lines.

CONTRAST
Pronounced differences of elements in a design. It is used to attract attention, create focal points,
add visual interest and indicate hierarchy of information.

FONT
The complete set of characters in any given size and style.

GLYPHS
Special typographic characters that can be shapes, unusual letters or punctuation.

JUSTIFIED TYPE FORMAT
A layout in which all of the lines align on the left and right margins. Considered the most readable
format for large amounts of text.

KERNING
Adjusting the area between upper-case letters for ideal spacing in titles.

LEFT-JUSTIFIED TYPE FORMAT
A layout in which all of the lines align on the left margin. Sometimes called "ragged right".

MONOWEIGHT
A typeface style in which there is no variation in the width of the strokes and stems of letterforms.
Most sans serif typefaces are monoweight, leading to better legibility for onscreen text.

NOVELTY TYPEFACES
Unique fonts, rich with personality, they provide a distinctive voice to a design, but are best
avoided in professional use.

PIXEL
The unit of measurement for digital images.

RIGHT-JUSTIFIED TYPE FORMAT
A layout in which all of the lines align on the right margin. Considered difficult to read for more
than a few lines.

SANS SERIF
A typeface of letters without serifs. Also refers to the category of typefaces that do not have serifs.

SCRIPTS
Typefaces that appear to be hand-drawn.

SERIF
The notches at the end of letterforms. Also refers to this category of typefaces.

TABULAR NUMBERS
All of the numbers have the same width, so they stack in columns well.

TYPE FAMILY
A set of fonts that contain all the variations of a particular typeface.

VISUAL HIERARCHY
The interpretation of the relative importance of the words on the page with regard to the size,
color and position of the text.

X-HEIGHT
The height of a lowercase letter.

RESOURCES

This paper is based on research done for Assette by Prof. Joyce Walsh of Boston University College of Communication.

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