

LARGE-CAP TOOLS FOR MID-MARKET GPs: CREATING VALUE THROUGH PRODUCT INNOVATION

Private markets are experiencing their most significant transformation in decades. Capital formation, once the exclusive domain of institutions, is being fundamentally reshaped by surging demand from private wealth channels: RIAs, private banks, family offices, and new digital platforms.



The scale is staggering. In 2024, private wealth represented over 20% of global fundraising, more than double a decade earlier. Wealthy households now control over \$150 trillion globally, yet allocations to private markets remain in the low single digits. That delta represents not just whitespace, but a defining market inflection point.

Large-cap GPs moved first, building evergreen funds, securing shelf space, and educating advisors. But as product saturation sets in, the market is shifting again. Sophisticated wealth platform allocators are seeking something more: thematic focus, structural flexibility, and closer alignment with the underlying investment engine.

THE MID-MARKET ADVANTAGE

This evolution is where mid-sized GPs have a natural competitive edge. They are often closer to unique assets, more focused on sourcing, and more responsive to market dynamics. But to access wealth capital effectively, they need more than strong performance, they need adapted product structures, credible distribution models, and infrastructure that meets the rising expectations of this growing channel. ▶



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At Strategic Capital Group (SCG), we believe helping our partner GPs navigate this landscape is one of the most impactful ways we can create sustainable, long-term value.

A STRATEGIC FRAMEWORK FOR WEALTH CHANNEL ACCESS

We've developed a practical playbook to help mid-sized GPs engage the wealth channel, not as a tactical guide, but as a strategic framework for enabling product design and scalable capital access.

It begins with intelligent sequencing: understanding where a firm stands today, which segments it wants to reach, and what structures or partnerships are required to get there. In many cases, that means starting with white label solutions, feeder platforms, co-investment SPVs, or select syndications, before moving into more robust wrappers like interval funds or ELTIFs.

It also requires embracing technology as a strategic lever. Wealth allocators now expect institutional-grade service, from seamless onboarding and transparent reporting to intuitive liquidity mechanics and digital workflows. Many of our partner GPs already have foundational pieces in place. Our role is to help reconfigure and supplement those capabilities to meet the elevated standards, without asking firms to overbuild or lose focus on their core competencies.

BUILDING FUTURE-READY FIRMS

Ultimately, we don't view accessing wealth capital as simply another fundraising channel. It's about building more resilient, diversified, and future-ready firms. The GPs who will succeed in this evolving landscape won't be those who merely mimic large-cap strategies, they'll be the ones who thoughtfully adapt their own strengths to capture this massive opportunity.

That's the strategic focus of our work at SCG: delivering large-cap tools and capabilities to mid-market GPs in ways that amplify their ability to scale their businesses, and position them to thrive in the next era of private markets.

As part of this commitment, we've expanded our senior team to bring dedicated expertise in wealth strategy, product design, and execution capabilities. This investment reflects our broader conviction: helping our partner GPs modernize how they access capital while building enduring value that performs across market cycles.

The wealth channel transformation is just beginning, and we're positioned to help our partners lead it. ◀