

U.S. Intermediary Distribution 2020

Aligning Impact with the Cost of Distribution



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OVERVIEW & METHODOLOGY

This annual report focuses on the distribution of investment products through financial advisors, providing a sourcebook to asset managers seeking to maximize product distribution through intermediaries across all channels in the U.S.

The report includes over 10 years of market sizing of advisor-controlled assets by channel, rankings of the industry's largest distributors, and forward-looking projections of marketshare by channel. It provides comprehensive data on advisor portfolio construction and product use trends. It also provides benchmarking and competitive insights related to asset manager distribution strategy, staffing structure and compensation, and distributor relationships.

Data for this report is compiled from annual proprietary surveys, with responses from over 2,000 advisors, as well as asset managers, national and divisional sales managers, heads of key accounts, key accounts managers, and wholesalers. Data from this report also comes from interviews with distribution leaders and broker/dealer (B/D) executives, along with various partnerships and associations. The proprietary data in this report is supplemented with government and third-party sources.

USE THIS REPORT TO

- Identify and size the most compelling distribution opportunities
- Analyze trends related to advisor product use, portfolio construction, and allocation changes across industry segments
- Examine changes to distribution strategy occurring at asset management firms
- Maximize effectiveness of wholesaling and key accounts strategies
- Strengthen advisor and distributor relationships

QUESTIONS ANSWERED

- How is technology changing wholesaling?
- How has the COVID-19 pandemic affected distribution teams' staffing plans?
- How are distribution teams responding to the growing influence of professional buyers?
- How has the wealth management landscape changed over the past five years?
- How are shifts in advisor product use impacting active managers?

PRODUCT DETAILS

Included with Purchase

- Digital report in PDF format
- Unlimited online firm-wide access
- Exhibits in Excel
- Key findings
- Analyst support
- Interactive Report Dashboards

Interactive Report Dashboards

Experience Cerulli's digital analytics platform and explore interactive data from this report

- **Advisor Sizing Analysis:** Explore advisor headcount and asset marketshare across channels and delve deeper into each channel's historical assets under management (AUM), advisor headcount, average AUM per advisor, and advisors' productivity index.
- **Portfolio Construction, Product, and Strategy Trends:** Compare portfolio construction, discretion, product use, and allocations to active and passive strategies across channels, and evaluate the differing perspectives of B/Ds and independent registered investment advisors (RIAs) on demand for various products and strategies.
- **Advisor and Wholesaler Comparisons:** Analyze a side-by-side comparison of advisors' and wholesalers' views on the top reasons why advisors terminate a relationship or mandate and what resources they find most valuable.
- **Asset Managers: Strategic Relationships:** Gain insight into the firms in which asset managers are placing the most focus and compare channels' data package and strategic marketing costs, the AUM increase that would offset costs, and their salesforce and staffing metrics.
- **Staffing and Compensation:** Explore asset managers' current and expected staffing plans, in addition to understanding how key account managers and wholesalers allocate their time and how their compensation is structured.
- **Drivers of Change:** Visualize a complete story of the strategic implications that result from different catalysts such as increased use of fee-based programs, the growth of investment outsourcing, and changes allocations to passive products and exchange-traded funds (ETFs).

Exhibit 1.08
Drivers of Change, 2015–2020

Heightened regulatory oversight and a secular bull-market triggered a cascade of events that have permanently altered asset manager distribution in the broker/dealer (B/D) channels.

Source: Cerulli Associates

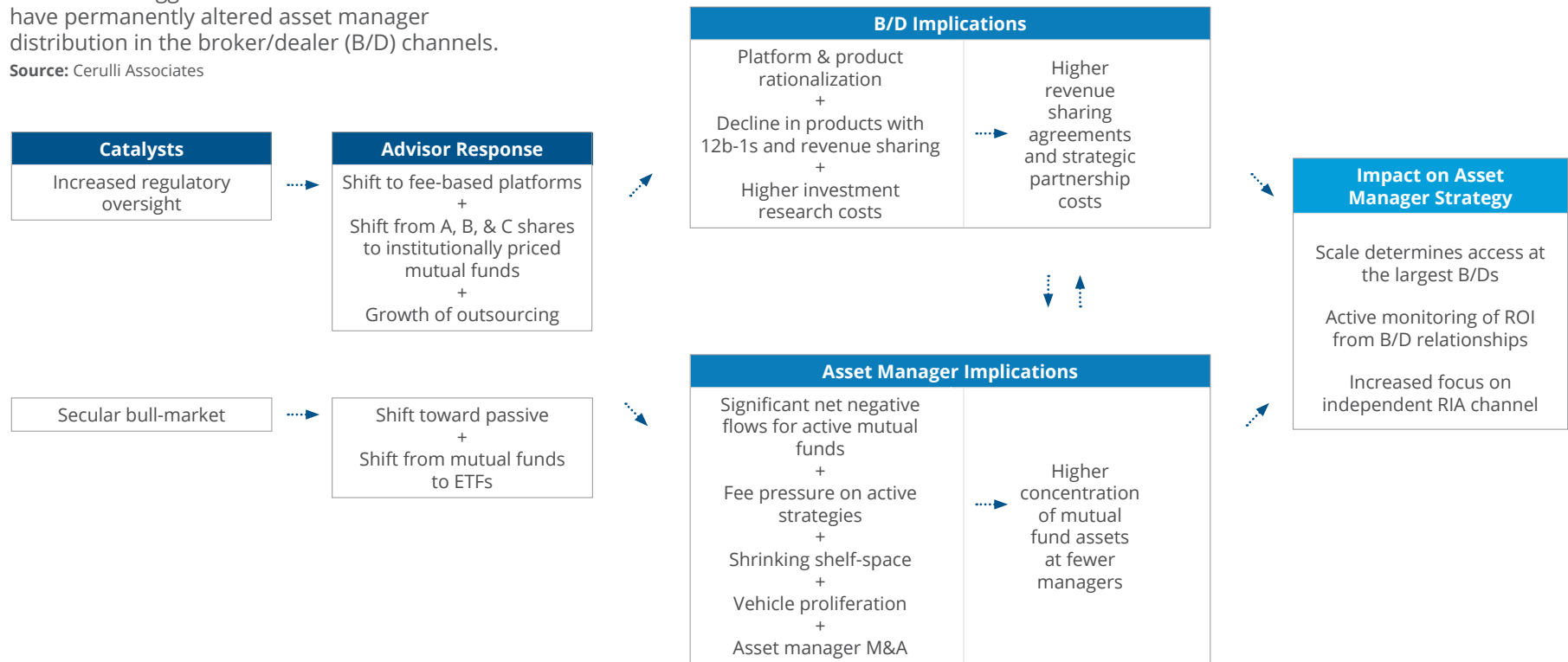


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