

U.S. Advisor Metrics 2021

Client Acquisition in the Digital Age

OVERVIEW & METHODOLOGY

This annual report provides a broad and deep perspective on financial advisors, highlighting their most critical needs, risks, opportunities, and challenges. With a holistic perspective, the data and analysis cover financial advisors operating across all channels, including wirehouses, national/regional broker/dealers (B/Ds), independent B/Ds, hybrid registered investment advisors (RIAs), independent RIAs, insurance B/Ds, and retail bank B/Ds.

USE THIS REPORT TO

- Analyze advisor and practice attributes (e.g., demographics, staffing, fees/pricing, services, client relationships, product use, and portfolio construction)
- Evaluate 10-year historical market sizing trends and projections for the U.S. financial advisor marketplace across retail intermediary channels
- Understand the competitive dynamics underlying shifts in channel marketshare and the most effective strategies for attracting and retaining advisor talent
- Identify opportunities for B/Ds, custodians, and asset managers to better serve and strengthen relationships with advisors
- Determine the top-performing advisor segmentations and their key success factors, including drivers of practice growth and productivity

QUESTIONS ANSWERED

- How are B/Ds responding to the ongoing growth of the RIA channels?
- What are the most prevalent challenges facing wealth management firms and their advisors?
- How are advisors realizing organic growth?
- How can home offices and strategic partners encourage practice growth?
- How are practices navigating the ongoing COVID-19 pandemic?

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

Interact and explore select report data with Cerulli's visualization tool.

- **Practice Sizing:** Compare sizing data across intermediary channels—including each channel's assets under management (AUM), advisor headcount, and number of practices, in total and by marketshare—with filters by AUM.
- **Advisor Profile:** Explore a comprehensive side-by-side comparison of each intermediary channel's demographics, including percent of total headcount by advisor age, practice licenses and designations, and advisor experience. In addition, evaluate each channel's advisor and staff headcount, team structure, specialized staff, and product use.
- **Advisor Technology Use:** Analyze technology use among advisors with two years of data covering their current and planned use by technology type, and a comparison of their opinions on advisor technology by channel, core market size, and practice AUM.



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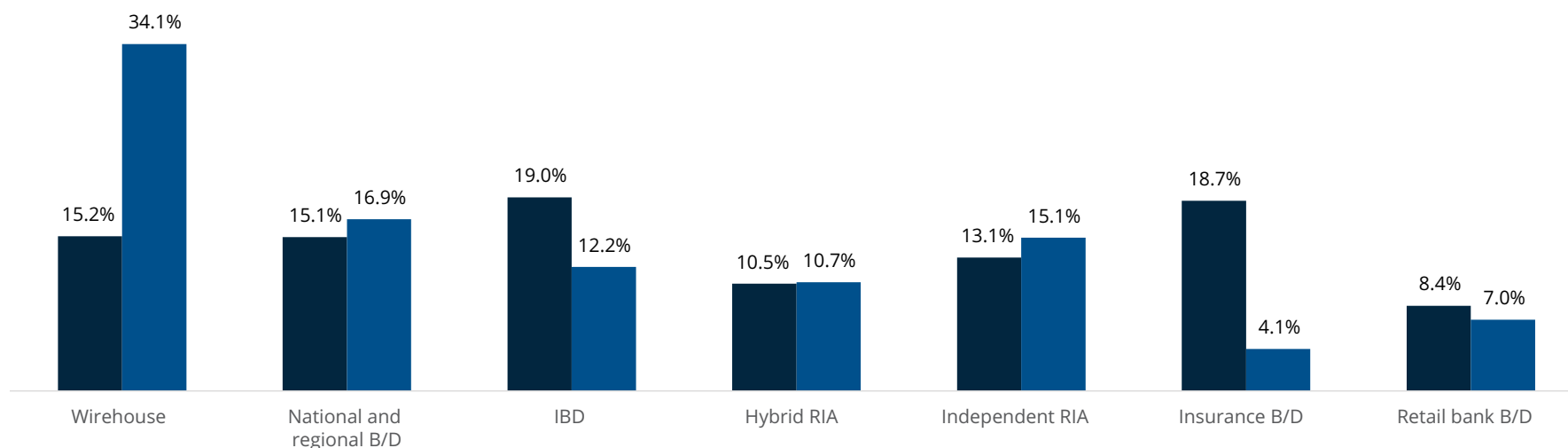
Research | Analytics | Consulting

Exhibit 1.04

Marketshare of Advisor Headcount and Assets, 2020

Sources: Cerulli Associates, Investment Company Institute, Insured Retirement Institute, VARDS, Strategic Insight/SIMFUND, Investment News, Judy Diamond, Department of Labor, PLANSPONSOR, S&P Capital IQ MMD, Financial Planning, Financial Advisor Magazine, Investment Advisor Magazine, and Cerulli Associates, in partnership with the Investments & Wealth Institute, WealthManagement.com, and the Financial Planning Association® (FPA®)

■ Advisor headcount marketshare ■ Asset marketshare



- Although wirehouses employ just 15% of all advisors, they control a disproportionate 34% of advisor-managed assets. Conversely, 19% of advisors are affiliated with an insurance B/D, but the channel accounts for just 4% of total assets, making them the least productive advisors in the industry.
- Only 8% of all advisors are in the retail bank B/D channel and in total, they manage 7% of asset marketshare. Bank B/Ds primarily work with mass-market retail clients, employ younger less experienced advisors, and often struggle to promote and cross-pollinate established banking relationships to their wealth management services.

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