U.S. Asset Allocation Model Portfolios 2022
Model Customization and Tax Optimization

OVERVIEW & METHODOLOGY

Cerulli's 2022 U.S. Asset Allocation Model Portfolios report takes a first look at model portfolios outside of the off-the-shelf model portfolio category, inside what asset managers are offering as custom model solutions made for specific broker/dealer (B/D) home office and individual advisory practice clients.

It also provides an update to prior year survey data and analysis on the direction and pace of change within the off-the-shelf model portfolio industry, as driven by model providers and users of model portfolios. A renewed and revamped sizing includes model provider, advisor portfolio construction segment, and marketplace sizing. The report looks at how model portfolio sales and organizational structure are changing, including which service and support initiatives are most valued by clients.

The report also provides in-depth coverage on the characteristics of advisor portfolio construction segments based on their demographics, firm structures and offerings, product use, and opinions on various topics.

USE THIS REPORT TO

- Explore how model providers are breaking into the custom model space, building a unique product for a particular B/D home office or individual advisory practice

- View data summarizing how advisors indicate they are constructing client portfolios, how Cerulli believes they should be constructing model portfolios, and which firms are top model portfolio providers

- Learn the types of product development initiatives that model providers are pursuing, including types of model portfolios, building blocks used to construct models, and resources used by/offered to model users

- Review an analysis of the characteristics of potential model users and advisors who are not likely to use outsourced model portfolios in the future

QUESTIONS ANSWERED

- How big is the asset-gathering opportunity in asset allocation model portfolios?

- What types of models have been gathering the most flows, and which types have the most opportunity going forward?

- How are advisors constructing portfolios for their clients, and how can potential users of model portfolios be identified?

- Through which marketplaces do advisors prefer to access model portfolios?

- How do various members of model portfolio sales organizations contribute to distribution of model portfolios?

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.

- **Interactive Leaderboard:** Review the top-50 model providers by model assets, with ability to focus on specific types of model providers (*e.g.,* Advisory TAMP, asset manager).

- **Model Provider Landscape:** Evaluate the building blocks used to construct model portfolios, including vehicle use, management styles, and fees of underlying products. Also, understand the types of model portfolios that are offered by model providers and requested by financial advisors, including portfolio architecture.

- **Portfolio Construction Sizing:** Examine the asset, practice, and headcount sizing of the current and optimal portfolio construction segments, including breakdown by channel.

- **Advisor Profile:** Review demographics of advisors and characteristics of advisory practices for each cohort of current and optimal portfolio construction segments.

- **Models Distribution Service and Support Initiatives:** Discover how model providers believe models fit into a firm's overall distribution strategy, and what the most challenging factors are for increasing model assets.

- **Headcount and Contribution to Model Distribution:** Assess the headcount of various position types within model provider organizations, including the degree to which they contribute to model distribution.

Exhibit 2.03

Current vs. Optimal Asset Allocation Model Marketshare, 2021

Sources: Cerulli Associates, Investment Company Institute, Insured Retirement Institute, Morningstar Direct/AnnuityIntelligence, Investment News, Judy Diamond, Department of Labor, PLANSPONSOR, S&P Capital IQ MMD, Financial Planning, Financial Advisor Magazine, Investment Advisor Magazine
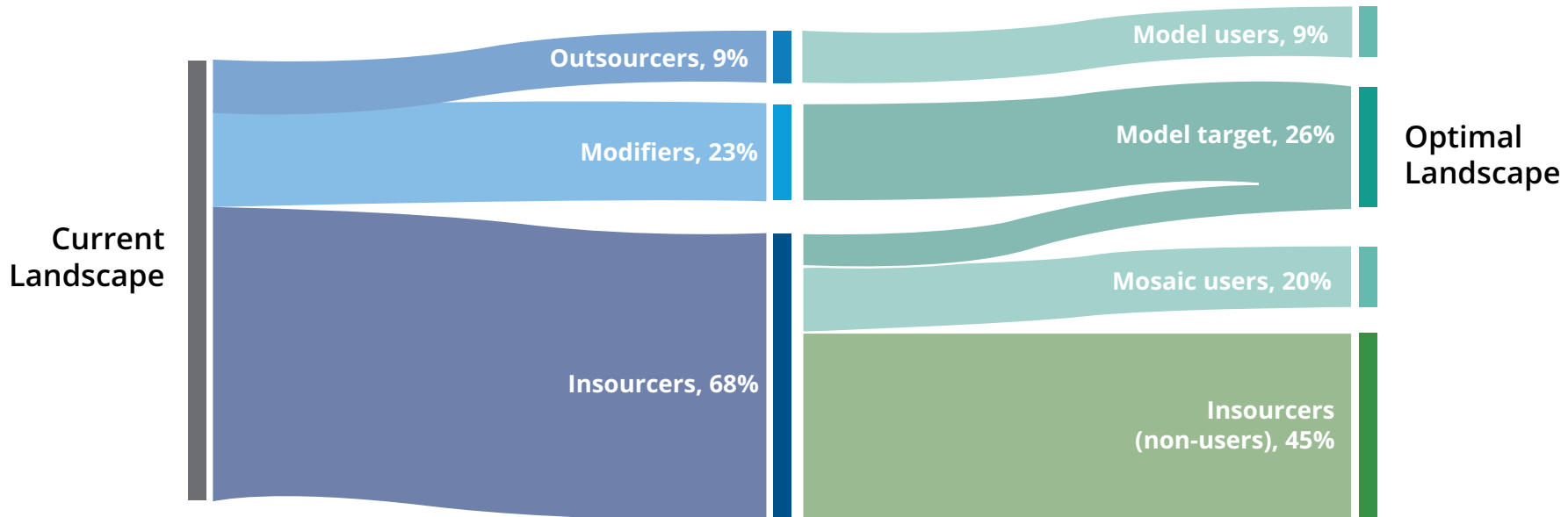
*These segments take the same advisor-reported data and bucket advisors into an optimal landscape of model use. The optimal segmentation takes into account several factors, including staffing, assets under management, and current portfolio construction process.

• The mosaic user segment is made up of advisors who view themselves as insourcers but are really using a variety of resources to build their client portfolios, not just internal resources and models.

• 23% of the current insourcer segment should really fall under the umbrellas of model targets and mosaic users, given their capabilities and portfolio construction tendencies.

Table of Contents: Expanded

Table of Contents

Table of Contents

Table of Contents

Company Index