

MFEA MARKETING COUNCIL SURVEY

IDENTIFYING GAPS IN DISTRIBUTION

October 20, 2016

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Methodology

- Invited 250 MFEA Marketing Council members to participate in a Survey Monkey poll to gauge the following through a series of nine questions:
 - What marketing and distribution competencies were contributing most to their firm's growth strategy?
 - What was detracting from their strategy?
 - Which areas of concern are most pressing?

Results

- We received 15 responses from members; approximately a 6% response rate
- Beyond the numbers, the comments from the Council members provided a valuable window into the membership's collective aspirations and concerns

OUR PUBLIC RELATIONS STRATEGY IS AS EFFECTIVE AS IT COULD BE

	Strongly Agree	Somewhat Agree	Neither Agree Nor Disagree	Somewhat Disagree	Strongly Disagree	Total	Weighted Average
(no label)	0.00% 0	33.33% 5	6.67% 1	53.33% 8	6.67% 1	15	3.33

If not, what is the biggest problem? What could you do differently?

- PR is separate from marketing in our organization, therefore not nearly a coordinated enough effort. (3)
- We do not have a true public relations strategy.
- Need to continue to focus on thought leadership as opposed to reactive management.
- Availability of subject matter expert and generally small appetite for taking strong point of views holding us back a bit

OUR DIGITAL MARKETING STRATEGY IS AS EFFECTIVE AS IT COULD BE

	Strongly Agree	Somewhat Agree	Neither Agree Nor Disagree	Somewhat Disagree	Strongly Disagree	Total	Weighted Average
(no label)	7.14% 1	14.29% 2	21.43% 3	50.00% 7	7.14% 1	14	3.36

If not, what is the biggest problem? What could you do differently?

- Not as nimble as we should be dedicated staff with more cutting edge knowledge (2)
- We are way behind
- We don't have a "digital" strategy.
- It can always be better.
- Getting our CRM system fully integrated with internal and external data is a key focus -- full automation of campaigns, leads and measurement is key for future success

OUR STORY IS WELL UNDERSTOOD BY OUR TARGET AUDIENCE(S) AND WE ARE ABLE TO DIFFERENTIATE OUR FUNDS FROM OUR COMPETITION

	Strongly Agree	Somewhat Agree	Neither Agree Nor Disagree	Somewhat Disagree	Strongly Disagree	Total	Weighted Average
(no label)	6.67% 1	53.33% 8	20.00% 3	20.00% 3	0.00% 0	15	2.53

If not, what is the biggest problem? What could you do differently?

- Sea of sameness... need differentiated messaging (2)
- Articulate value that's independent of performance - simplify the story
- Our product lineup is very broad
- We have a strong reputation in a single asset class and are challenged convincing clients to think of us more broadly.
- Many FAs are reluctant to use too many funds from a single family -- may cause their clients to ask whether the FA and team are really adding value.

OUR SALES AND NATIONAL ACCOUNTS TEAMS ARE AS PRODUCTIVE/EFFECTIVE AS THEY COULD BE

	Strongly Agree	Somewhat Agree	Neither Agree Nor Disagree	Somewhat Disagree	Strongly Disagree	Total	Weighted Average
(no label)	0.00% 0	42.86% 6	21.43% 3	35.71% 5	0.00% 0	14	2.93

If not, what is the biggest problem? What could you do differently?

- Full integration of CRM system would move this to a strongly agree
- Incentives are still not strong enough to change behaviors, and are still focused too heavily on sales rather than AUM.
- Group often focuses on low hanging fruit rather than strategic priorities.
- Not sure we leverage relationship and partnership (financial) as strongly as we could/should. In a world where shelf space is constricting, national accounts is an increasingly difficult (impossible?) role.
- Could always do more.

OUR MARKETING AND SALES ORGANIZATIONS ARE IN SYNC

	Strongly Agree	Somewhat Agree	Neither Agree Nor Disagree	Somewhat Disagree	Strongly Disagree	Total	Weighted Average
(no label)	6.67% 1	66.67% 10	6.67% 1	20.00% 3	0.00% 0	15	2.40

If not, what is the biggest problem? What could you do differently?

- Getting there...need more dialog with sales as well as sharing more in the wins and losses
- Despite our connectivity and CRM problems, we do play well together.

WE CREATE STRONG AND INTERESTING CONTENT AND DELIVER THAT TO OUR TARGET AUDIENCE(S) IN A TIMELY MANNER

	Strongly Agree	Somewhat Agree	Neither Agree Nor Disagree	Somewhat Disagree	Strongly Disagree	Total	Weighted Average
(no label)	13.33% 2	73.33% 11	6.67% 1	6.67% 1	0.00% 0	15	2.07

If not, what is the biggest problem? What could you do differently?

- Workflow processes need to be refined to speed time to market (5)
- Growing conservative nature of compliance is watering down message
- We do not create a lot of content but what we do create is meaningful
- Packaging is old fashioned
- Internal partners sometimes disagree on taking a strong POV on timely issues (i.e.. Brexit, elections)

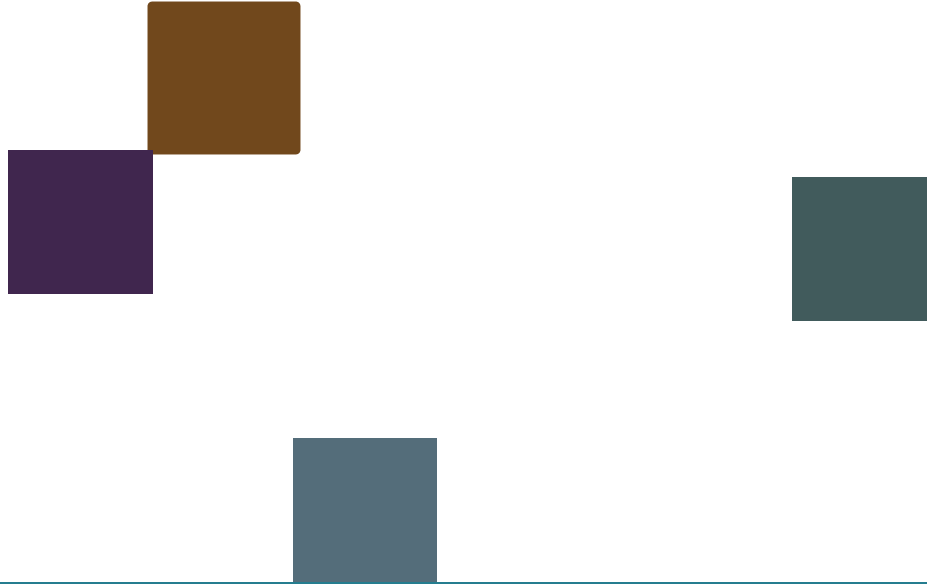
WHAT IS THE BIGGEST THREAT OR CHALLENGE TO YOUR BUSINESS THAT IS OUTSIDE OF YOUR CONTROL?

- Fee pressure/flow to passive and ETFs (8)
- Regulatory impacts, DOL ruling (6)
- Product development
- Fund performance
- FAs transitioning to fee-based business model
- Recommended list consolidation
- Robo advisors

WHICH THREE QUESTIONS ABOVE ARE THE MOST IMPORTANT FOR YOU TO DEAL WITH NOW OR IN THE NEAR TERM?

- Technology efficient (5)
- Digital marketing strategy (5)
- Marketing & sales in sync (3)
- Sales & national accounts effective (3)
- Strong, interesting content (2)
- How do we defend active management in a passive world? (2)
- How quickly can we overhaul our CRM system/data and integrate sales and marketing? (2)
- Our story is understood
- How do we not only comply with the new DOL fiduciary rule but also benefit from it?
- Differentiation

- *One item not on the list with a 60% ineffective rate*



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