

Sales Management 2019

November 2019

**ON ADVISOR
SEGMENTATION**

Practice model has become a key metric in segmenting advisors. More than 60% of firms ranked it "critical/very important," up from 48% in 2018.

Study Overview

The FUSE BenchMark Series is a comprehensive research service focused on benchmarking and optimization of resources within different functional areas of an asset management firm. Our BenchMarks are effectively support programs that combine market intelligence with a pre-defined methodology for self-assessment to produce a structured approach to the decision-making process of senior executives. FUSE provides upfront evaluations and ongoing monitoring to help ensure that business needs are met and objectives realized. The baseline research for the *Sales Management* study comes from a detailed survey and series of interviews with senior sales/distribution executives.

Benefits

This study will help Heads of Distribution, National Sales Managers, and distribution strategy pros improve productivity and effectiveness by providing the following:

- Size and hiring plans of distribution organization
- Sales budget allocations and efficiency
- Wholesaler compensation metrics by firm size
- Time allocation and wholesaler meeting metrics
- Territory and advisor segmentation strategies
- Recommendations and insight on the most important topics impacting fund distribution today

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ON MEASURING WHOLESALER PERFORMANCE

When looking at a three-year trend (2017 through 2019), percent of sales from focus advisors and diversity of product sales are the two categories that sales leaders have increased their focus on when measuring wholesaler performance (critical/very important).

There are over 60 exhibits in the study including:

- Importance of Criteria when Segmenting Advisors, 2017 – 2019
- Average Ratio of External to Internal Wholesalers by Tier, 2014-2019
- Importance of Criteria When Determining Regions/Territories
- Average Sales Budget Allocations by Tier

The Study Provides Answers to These Questions:

Is your firm properly staffed given your current distribution objectives and priorities?

Is your firm's sales budget being utilized efficiently?

How are firms measuring wholesaler performance?

What are the latest trends in distribution structure, compensation, head count, segmentation, and sales process?

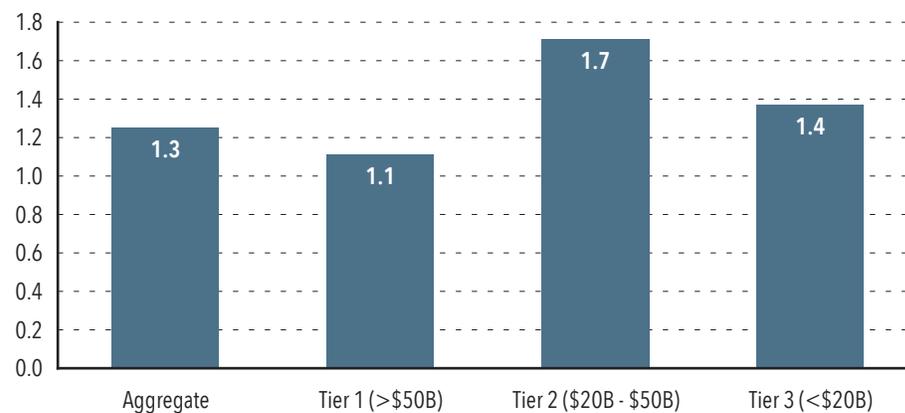
... and many more that are crucial to the overall success of your Distribution efforts.

Study Excerpt on Wholesaler Staffing

The stability of the external to internal wholesaler ratio implies that many firms, particularly those in Tier 1, are continuing the practice of pairing one external with one internal; however, aggregate results may conceal changes that are occurring in the industry.

Results at the aggregate level may also mask big changes occurring at some firms. For instance, last year, BlackRock redesigned its sales organization, which now features two internal wholesalers for every one external. The new model is also set up for advisors to go to the firm with their questions and requests. While this is an approach that few firms apart from BlackRock could make work, competitors will be watching to see how receptive advisors are to a sales model that relies heavily on internals.

Exhibit – Average Ratio of External to Internal Wholesalers



Sources: FUSE Sales Management Survey, 2019



Service & Pricing

FUSE's mission is to deliver actionable, practical recommendations that are customized to each client's business situation. Our BenchMark series studies are far more than a "data dump" of statistics and general trends.

When you purchase a BenchMark series study, FUSE will provide ongoing support and periodic updates to help ensure that our research will have a longer shelf life than similar studies available in the marketplace. Contact us for more information on our service and support model for the study and pricing details.

About FUSE Research Network, LLC

FUSE Research Network was launched with the view that research and consulting support for asset managers has failed to evolve with the changing needs of the client. The future competitive environment will demand that clients make important business decisions within shorter and shorter time frames.

In order to support clients in this setting, FUSE provides a dynamic research platform that covers our clients' current and future decision areas (strategic and tactical). Our goal is to become an invaluable business partner through the delivery of highly informed and forward-looking recommendations that are among the critical inputs our clients need to optimize results.

**FOR MORE
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