



## Knowledge, Support Key to Wholesaling Success

By Lee Barney, *Money Management Executive*

December 15, 2010

After superior fund performance, advisers look for breadth of product knowledge and business-building support, according to a new study by [Cogent Research](#), *Adviser Touchpoints 2010*, released Tuesday.

“For many years, we have seen that after investment performance, wholesaler support is a critical driver of mutual fund provider loyalty,” said Christy White, a principal at Cogent. “This year, our research went deeper into the wholesaler touchpoint to understand which elements of this interaction are most important to advisers.”

Advisers don’t want to be sold product; they want a partner to help them build their business, Cogent found. “Consultative-type selling that focuses on understanding the adviser’s business trumps product-focused approaches,” White said.

The firms that score in the top tier of Cogent’s Wholesaler Quality Index are: DFA, Fidelity, BlackRock, Russell Investments and Franklin Templeton. Advisers said they like these firms’ business-building abilities as well as their integrity, honesty and timely support when facing problems.

Russell Managing Director of U.S. Private Client Services Michael Winnick said, “We focus on helping advisers with all aspects of their business as they study results confirm.”

Franklin Templeton Distributors President Peter Jones added: “We strive to be visible and responsive to financial advisers so they know they can always rely on us for the support and tools they need. As we emerge from an extraordinary period for global financial markets, financial advisers are clamoring for value-added services.”

Cogent found that no-load firms scored lower and said that could be because they typically have hybrid adviser support and rely more on internal wholesalers or a “key account” management structure.