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Which Firms Have the Best Sales Teams?

By Hannah Glover October 18, 2011

External sales teams at **Lord Abbett**, **MFS** and **The Hartford** and internal wholesalers at **Franklin Templeton**, **Pimco** and **J.P Morgan Funds** provide the best wholesaler service and support, according to the results of a recent advisor survey.

Cogent Research polled 1,643 retail advisors across the wirehouse, independent broker-dealer, registered investment advisor and bank channels about firms with which they do business. Advisors were then asked to rate wholesalers from those firms on five aspects of their relationship with the internal and external wholesaler. That included the wholesaler's generation of business-building ideas, ability to resolve problems, commitment to helping the advisor succeed, integrity and honesty, and depth and breadth of product knowledge. Cogent then ranked more than a dozen firms.

The results are part of Cogent's new quarterly Wholesaler Quality Index, which will allow firms to monitor performance at the national, regional and sales territory levels and measure that performance against competitors.

What advisors seek from external and internal sales reps differs, says Tony Ferreira, managing director of Cogent's wealth management group. "The outside wholesaler is seen as a business consultant, helping with practice management and business-building ideas, and the inside sales person plays a supporting role," he says. That supporting role requires more nuts-and-bolts knowledge and in-depth product knowledge and the ability to resolve problems or deliver data quickly, he says.

J.P. Morgan Funds is the only firm to have cracked the top five for both categories, landing in fourth place for external wholesalers and third for internals. Strong coordination between teams can strengthen a firm's brand and ensure that a consistent message is delivered to the market, says Ferreira.

Sales executives at leading firms say that the success of their sales staff stems from consistent training and deep understanding of their clients' businesses, which allows them to provide the support advisors seek most.

Who's Got The Most Effective Wholesalers?	
Cogent asked 1,643 advisors to rank firms' internal and external wholesalers on attributes like business-building ideas, helping them resolve problems, demonstrating a commitment to helping the advisor succeed, showing integrity and honesty and having deep	
Top 5 External Teams	Top 5 Internal Teams
Lord Abbett	Franklin Templeton
MFS Investment Management	Pimco
The Hartford	J.P. Morgan Funds
J.P. Morgan Funds	Fidelity Investments Advisor Funds
BlackRock	American Funds
Source: Cogent Research	

At Lord Abbett, members of the 63-person field sales force don't set foot in an advisor's office for the first six

weeks of their tenure. During that time, sales staff study up on the products and viewpoints of the firm, says Robert Noelke, a partner with the firm who oversees the sales team and portfolio specialists. Wholesalers must pass periodic written and oral exams, and are judged by product and portfolio specialists and senior managers. In addition, wholesalers undergo several hours of training each week, delivered in person via conference call or over the Web. “We always want to be the best that we can,” says Noelke.

“If you take a look at Lord Abbett’s culture, we have a singular focus on managing money and helping advisors help their clients,” he says. Noelke points to the Jersey City–based firm’s independence and a history that stretches back to 1929. Beyond products, the sales force delivers the firm’s perspectives on asset classes and economic trends by way of regular commentary from senior economist and market strategist Milton Ezrati and fixed-income strategist Zane Brown. Advisors value such perspectives as they talk to their own clients, especially in times of great volatility, he says.

In addition to arming advisors with investment perspectives, wholesalers also spend time understanding each advisor’s practice, and help them define their niche. Lord Abbett teaches advisors how to learn more about their clients and prospects, and offers a Web-based Insights & Intelligence program that helps them segment their own books.

Despite extensive education efforts, there are times when wholesalers still don’t have the answers, and for those times, Lord Abbett has a team of product, portfolio, retirement and other specialists who can step in. “We are not afraid to say, ‘We don’t know, but we will get the answer,’” Noelke says.

Ongoing education and an understanding of how advisors prefer to communicate are core elements of the success of Franklin Templeton Investments’ internal sales team, says Mike Mahoney, head of internal and digital sales. “Our internal wholesalers receive regular updates from our global product strategy and portfolio management teams with perspective on market conditions and related investment opportunities — and we find that, especially during times of volatility, our clients appreciate receiving these timely insights through our internal wholesalers,” he writes in an e-mail response to questions. Franklin Templeton has about 90 internal wholesalers and a roughly one-to-one ratio between internal and external teams.

Internals also partner closely with their external counterparts to better understand the preferences of each core client, and based on that, determine the best way to serve them, he says.

Providing a seamless experience between internal and external teams helps strengthen a firm’s brand and advisors’ bond to it. At J.P. Morgan, that starts with training both internal and external wholesalers together, says Jed Laskowitz, managing director and head of U.S. distribution at J.P. Morgan Funds. The firm has about 90 territories, and the ratio of internal to external wholesalers is about one to one. “What it comes down to is that an advisor and a client want to have a relationship with the team,” he says. “There has to be a consistent message across the team.”

The cornerstone of that message is J.P. Morgan’s Market Insights program, which includes regular market commentary, in-depth economic analysis, conference calls, and information and perspectives advisors can use with their own clients. Five such conference calls in August and September drew a combined audience of nearly 30,000 advisors, he says. Whether in person, online or on the phone, Laskowitz says, “We believe that we can help advisors communicate better with their clients in times of uncertainty.”

Internal and external sales representatives coordinate their efforts but must both be equipped to deliver whatever service an advisor needs, Laskowitz says. “We have one primary tool,” he says, referring to the Market Insights program. “It’s one thing that everyone is focused on and skilled at presenting.”

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