



Advisor Commitment to Mutual Fund Companies is Shifting

Cambridge, Mass., (September 27, 2011) – A new report recently released by [Cogent Research](#) reveals shifts among advisors in their level of commitment to the fund companies they currently use. Compared to last year, across two dozen leading firms, T. Rowe Price and Legg Mason experienced the biggest gains in overall advisor commitment. Meanwhile, The Hartford, Dodge & Cox, and Eaton Vance all lost significant ground relative to their respective 2010 rankings. J.P. Morgan Funds ranked second overall this year behind Dimensional Fund Advisors (DFA), which once again placed first. These and other findings are contained in the 2011 [Advisor Brandscape](#),™ an annual report on advisor trends and product usage by Cogent Research which is based on a nationally representative sample of 1,643 retail investment advisors across all major distribution channels.

The mutual fund provider commitment scores and rankings compiled by Cogent Research are based on a combination of two separate measures; advisor Loyalty to current providers and their anticipated future investment with those providers. Individual results across all 24 providers included in the ranking are indexed, and then separated into four groups; “Stars,” “Leaders,” “Players,” and “Drifters.” According to John Meunier, Cogent Research Principal and co-author of the report, these results not only reflect where providers stand today among the advisors they serve, but point to how momentum is shifting across the provider landscape. “Last year, DFA and BlackRock were the only Stars in our mutual fund company commitment ranking,” said Meunier. “This year, a total of four firms made it into the top tier, and the gap between DFA and the rest of the pack has narrowed substantially.”

The study also shows that, after several years of declining interest, use and dependence on mutual funds has grown over the past year. The percentage of users is up from 95% to 97%, and the overall average advisor allocation to mutual funds (as a percentage of total book) rose from 35% to 39%. However, while these results may appear encouraging, half (50%) of all the advisors currently using mutual funds report that they expect their dependence on these

products to decline over the next two years. “It’s obvious, the competition for market share and advisors’ attention will only intensify over time,” said Meunier. “So, building loyalty and momentum today is a simple matter of survival.”

Advisor Mutual Fund Company Commitment Ranking

Rank		Firm	
2011	2010		
1	1	DFA (Dimensional)	Star
2	NA	J.P. Morgan Funds	Star
3	3	PIMCO	Star
4	5	Vanguard	Star
5	6	Franklin Templeton	Leader
6	2	BlackRock	Leader
7	14	T. Rowe Price	Leader
8	4	American Funds	Leader
9	9	Russell	Leader
10	13	Fidelity Investments/Advisor	Leader
11	17	Legg Mason	Leader
12	8	Columbia Funds	Leader
13	10	OppenheimerFunds	Player
14	16	Janus	Player
15	15	MFS Investment Management	Player
16	7	Hartford Mutual Funds	Player
17	NA	Invesco Funds	Player
18	12	Eaton Vance	Player
19	11	Dodge & Cox	Player
20	23	Dreyfus	Drifter
21	21	American Century	Drifter
22	20	AllianceBernstein	Drifter
23	19	Putnam Investments	Drifter
24	22	DWS Investments	Drifter

Source: Cogent Research Advisor Brandscape 2011™

About Cogent Research

[Cogent Research](#) helps clients gain clarity, obtain perspective, and formulate direction on critical business issues. Founded in 1996, Cogent Research provides custom research, syndicated research products, and evidence-based consulting to leading organizations in the financial services, life sciences, and consumer goods industries. Through quality research, advanced analytics, and deep industry knowledge, Cogent Research delivers data-driven solutions and strategies that enable clients to better understand customers, define products,

and shape market opportunities in order to increase revenues and grow the value of their products and brands.

Media Contact: Anne Fallon, (617) 715-7611, afallon@cogentresearch.com
Cogent Research, 125 CambridgePark Drive, Cambridge, MA 02140 www.cogentresearch.com

###