



## **THE MIND OF THE REGISTERED INVESTMENT ADVISOR**

*New white paper from Cogent Research explores the attitudes and behaviors of the fastest growing—and perhaps most prominent—advisor channel*

*Signals opportunity-laced challenges for product providers*

**CAMBRIDGE, MASS., (September 10, 2008)** – Among today’s financial advisors, few groups are as prominent as Registered Investment Advisors (RIAs). While this channel is made up of some of the industry’s most seasoned veterans—many who handle in excess of \$100 million in client assets—it is also an increasingly popular path for a wide variety of advisors who seek independence from large brokerage firms or long to implement their own unique investment strategies. This according to the “Mind of the RIA,” a new white paper from Cogent Research which suggests that product providers must work to fully understand RIAs and anticipate their unique investment needs and objectives.

“Mind of the RIA” is based on a study of more than 1,200 financial advisors that explored the attitudes and behaviors among the five primary investment channels: National Brokerage Firms, Regional Brokerage Firms, Banks, Independent advisors and RIAs. Among the key findings related to RIAs:

- 20 percent of RIAs manage over \$100 million in client assets
- The expected growth rate in the RIA channel between 2007-2009 is nearly twice that of any other channel
- Only 12 percent of RIAs consider product wholesalers to be an important source for marketing ideas and sales support

“There is no question that RIAs have seen a steady rise in prominence. Our research takes a look at the channel’s evolution and digs a bit deeper to examine how it presents a unique set of challenges for product providers,” said Antonio Ferreira, managing director, Cogent Research. “Smart product manufacturers will view these challenges as an opportunity to implement new strategies for appealing to—and effectively communicating with—this growing group of advisors.”

“Mind of the RIA” also reveals a significant disparity between RIAs and advisors from other channels regarding allocations to specific products. In 2009, RIAs will:

- Decrease allocations to traditional investment products
- Continue to keep Separately Managed Accounts (SMAs) in their product mix
- Utilize emerging and sophisticated products such as 130/30 funds, real-return funds and international investments

For more information about “Mind of the RIA,” please contact Michelle Kingdon, Cogent Research, at 617-715-7635 or [mkingdon@cogentresearch.com](mailto:mkingdon@cogentresearch.com).

#### **About Cogent Research**

Cogent Research helps clients gain clarity, obtain perspective, and formulate direction on critical business issues. Founded in 1996, Cogent provides custom research, syndicated research products, and evidence-based consulting to leading organizations in the financial services and life sciences 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:**

Michelle Kingdon

Cogent Research

(617) 715-7635

[Mkingdon@cogentresearch.com](mailto:mkingdon@cogentresearch.com)