

## NEW RESEARCH REPORT ON SERVICE IN THE INVESTMENT ADVISORY INDUSTRY

### SUMMARY FINDINGS

In 2006, we surveyed top producers and veterans on the service that they provide to their clients. Last year, we repeated the survey to see how the market volatility may have changed your approach with your clients. Below are some highlights of our research.

To view the original 2006 survey, please go to:

- [www.ParagonResources.com/library/surveysummary.pdf](http://www.ParagonResources.com/library/surveysummary.pdf)

To view the 2010 survey results, please go to:

- [www.ParagonResources.com/library/surveysummary2.pdf](http://www.ParagonResources.com/library/surveysummary2.pdf)

### HIGHLIGHTS

- Those of you who feel the overall service you deliver “Works Well” or “Works Extremely Well” has decreased from 77% in 2006 to 71% in 2010.
- You are more challenged in “Exceeding Your Clients’ Expectations” with 47% indicating that you need some or significant improvement (37% in 2006).
- But, you feel that you are doing a better job of responding to reactive client requests scoring 92% in the “Works Well” and “Works Extremely Well” categories (87% in 2006).
- You’re listening to best practices, with advisors who segment their client base increasing from 72% to 83%.
- 24% have a written ideal client definition compared to only 20% 4 years ago. When defining your ideal client, more of you are using the characteristics “Accepts My Advice with Ease” and “Referrals (actual and potential)” than you previously used.
- 77% of the survey respondents feel that you should proactively communicate with your best clients on a monthly basis, with 9% indicating a range of 24-60 times per year.
- Even though there is no real change in the portion of people conducting client surveys in the industry, more of you are utilizing firm resources and 3<sup>rd</sup> party companies to provide this service. (60% versus 42% in 2006.)
- On average, the survey respondents indicated that they control more of their clients’ wallet share than in the previous survey – 46% control 81-100% whereas in 2006, only 33% controlled this portion.
- For those of you who have teams, you are more actively communicating each team member’s roles to your clients. (67% in 2006 vs. 71% in 2010.)
- You also feel that your clients are more comfortable working with support staff, rating 69% “Very Comfortable” in 2006 and now 76% in 2010. This demonstrates that teams work for your client relationships!
- Lastly, due to market volatility, 53% of the respondents changed their service strategy. Most changes included increased proactive communication, face-to-face meetings, education, and more frequent reviews of client information and goals.