

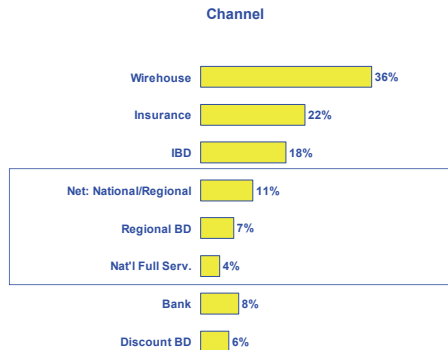
Retirement Income 2: Advisors

How are retail financial advisors adapting to the emerging industry focus on retirement income? Can they reconcile it with their traditional emphasis on accumulation? Do they have the products and tools they need to succeed? Do they even get it?

Updating Brightwork's seminal 2006 study on this topic, *Retirement Income 2* looks at how advisors approach retirement income planning, how this links to their rollover practice and how providers can support advisors' success in this space.

Who Does Retirement Income?

Is it just insurance-based advisors with an annuity solution? Or just wirehouse advisors with high net worth clients? How involved are 401(k) case advisors?

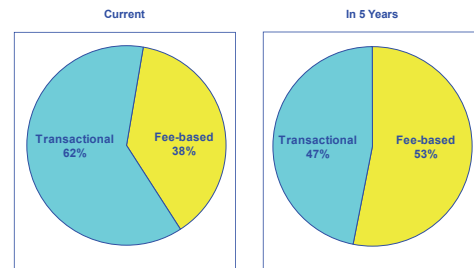


Today, as in the earlier study, the retirement income story is mainly a story about channel—the profoundly different needs and expectations of advisors depending on where they sit, what types of clients they have and the tools and products they have to work with.

As well, the study captures other critical factors such as the structure of the advisor's compensation (fee-based vs. transactional), tenure, AUM and the extent to which they focus on related

activities such as tax and estate planning or employer-sponsored retirement plans.

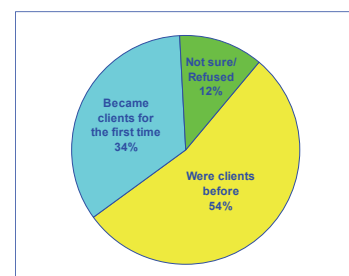
Transition to Fee Based Business
Average %



Rollovers

How focused are retail advisors on rollovers? How many do they do? What is their average balance? Are they building a practice around high balance rollovers or just taking what comes in? Is the rollover the gateway to successful retirement income planning or just a distraction along the way?

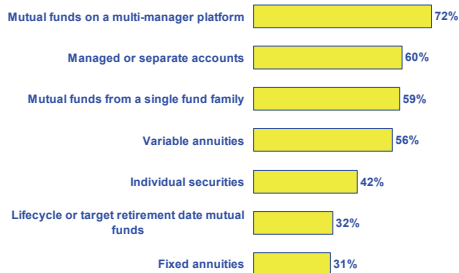
Prior Relationship with IRA Rollover Clients
Base: does rollovers (71% of advisors)



What instruments do advisors recommend in an IRA? How is this changing as the retirement income discussion matures? Critically, how do advisors who also do 401(k) business respond to these opportunities? How likely are they to place the rollover with the incumbent provider? Do they want to get paid (again), or is a referral program good enough?

Recommended Instruments Within an IRA

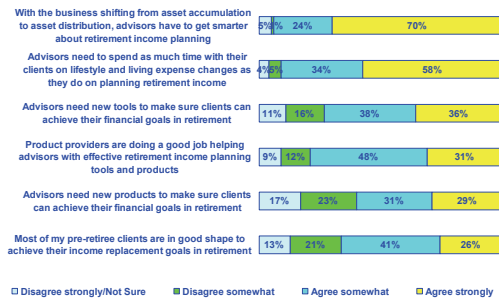
Base: does rollovers (70% of advisors)
Recommend almost always/sometimes



Retirement Income Solutions

Asset allocation funds, annuities, written financial plans? Products, processes or both?

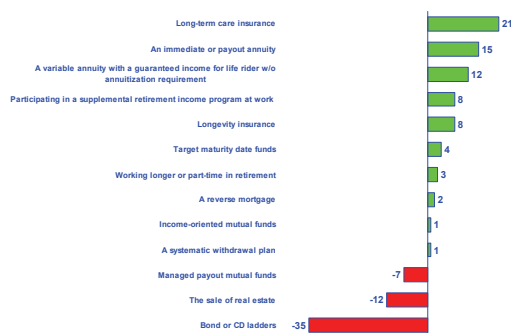
Attitudes Toward Retirement Income Planning



Which products? How does this vary by channel and type of client?

By Channel: Insurance Segment Summaries: Products Recommended

Points off market *Almost always or Sometimes*



Investment products, insurance products, credit products? In what combinations?

Which providers do advisors use? What tools from providers could make them more productive and successful?

What You Can Learn

Subscribers are able to:

- Understand how advisors approach the retirement income discussion with clients
- Evaluate retirement income product sets including variable and immediate annuities, target date funds and pay-out mutual funds
- Build a channel-specific strategy for the most promising advisor-sold retirement income solutions

Research Design

This research is based on executive telephone interviews with a representative national sample of 338 advisors across all channels screened for retirement income or rollover activity and trended to Brightwork's first retirement income study in 2006.

Subscription Details

Available: immediately

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