DCMI

Defined Contribution
Market Intelligence

Defined Contribution pensions are here to stay. The demise of defined benefit pensions in the UK private sector has been followed by a new breed of defined contribution arrangements. Notwithstanding concerns about DCs' ability to generate satisfactory retirement incomes for scheme members, most observers agree that DC is here to stay as the accumulation vehicle of choice for current and future generations of workplace savers.

What does this mean for Institutional Asset Managers? DC is about collectivised funds rather than segregated and sub-advised mandates. In fact, the transfer of risk to individual scheme members makes DC a fundamentally retail rather than wholesale investment business. But there remain strong institutional elements to DC in terms of scheme advice, default fund design and fund distribution. For example, DC is primarily offered through the workplace, so corporate sponsors, employee benefits consultants and record-keepers are key influencers in the fund distribution process.

What are the opportunities for Investment Only fund suppliers? Despite its long history in other countries, the supply of funds to DC schemes – referred to as DCIO - is a new and complex distribution channel for institutional investment managers in the UK. What is the size of the DCIO opportunity? What assets are controlled by the bundled providers? How do consultants and sponsors influence the fund buying process? What are the selection criteria for managers and funds? How does this vary between providers and consultants?

What are the Challenges for Investment Only fund suppliers? Unlike traditional DB mandates, there are many more challenges in DC pension fund distribution. Marketing, sales and product development face new target audiences, unfamiliar gatekeepers and demands for innovation in default funds and income solutions. What types of funds are most in demand? What are the technical requirements for funds to go onto platforms? What are the cost and pricing economics of DC fund distribution? Who are the new gatekeepers and what are they looking for in their fund suppliers?

DCMI will explore these and many other issues in depth and for the first time.

The project managers, Spence Johnson, will deliver the full findings from survey and interview-based research in November 2011. This is an invitation to purchase the report.

More details are on the Project Summary overleaf and from Nils Johnson

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SPENCE JOHNSON

This study sources qualitative and quantitative data from the Defined Contribution market to offer a comprehensive set of marketing focused metrics for use by marketing, sales, strategy and product development professionals in asset management firms. It creates a clear picture of the size and opportunity of the UK DC Investment Only market, as well as the buying criteria and profiles of the leading Bundled DC Providers and Consultants.

Sources

The report is produced from three sources of data:

Market Sizing Data

Newly updated Spence Johnson proprietary measures excerpted from **DC Market Measures**; a study based on over 200 interviews and over 300 publicly available DC-related documents

DC Provider Data

A new survey of all the leading Bundled DC providers which generated key market metrics including:

- Number of schemes & type of service
- Average members per scheme
- Total scheme assets
- Legal structure of schemes
- Types of clients
- Types of intermediaries
- Length of client relationship
- Recent changes in client contracts

DC Fund Influencer data and insight

An extensive new survey conducted in Autumn 2011 followed by semi-structured interviews with individuals in investment marketing roles at 11 DC Provider and 10 DC consultant firms.

Benefits to buyers

Sales Fund buyer data will improve business development effectiveness

Marketing Insight into provider and consultant behaviour will focus comms, events and thought leadership budgets

Planning Size and growth data will validate DC business plans with hard evidence

Product Trend analysis will drive new product and service development

Timing

The report will be available for delivery in November 2011

Cost

£4,750 subject to Value Added Tax where appropriate

Delivery of findings

Findings will be delivered in the form of a PDF report. Spence Johnson directors will be available for in-person presentations upon request.

Topics Covered

DC Market Measures

- Size of bundled DC and DCIO market by assets
- Projections of market growth
- Extent of open architecture
- Use of passive strategies
- Use and type of default funds

DC Market Characteristics

- Segmentation of DC assets
- Number of schemes
- Number of members
- Level of contributions
- Annual contribution flows
- Current investment revenues
- Future investment revenues

DC Fund Influencer Data and Insight

Detailed findings and analysis from a survey completed in September 2011 by 21 leading DC fund influencers including 11 bundled providers and 10 consultants.

Over 40 separate metrics are offered under the following 9 chapter headings:

- Types of influencer
- Influencing process
- Selection criteria
- Technical requirements
- Fund characteristics
- Fund demand trends
- Monitoring funds
- Costs of fund selection
- Advice to asset managers

DCMI

Defined Contribution Market Intelligence

Order Form

A study providing marketing focused metrics on the UK Defined Contribution market

Sign

I wish to purchase this report. Please invoice me for the amount indicated. I have the authority to commit to this purchase. I agree to the terms below.

Signed | **Date**

Contact

Please affix a business card here. Or please fill in the following details:
Name, company, postal address, email, personal phone.

Price

Fee*	**£4,750**
Expenses supplement*	**Nil**

Payment is due within 14 days of presentation of our invoice. More details are in the terms below.

Invoicing

* We are required to add UK Value Added Tax at the prevailing rate if the address shown is in the UK, or if your address is outside the UK but in Europe *and* if we do not have your VAT number equivalent. If relevant, please supply your VAT number equivalent:

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