



2018 Value-Added Continuing Education (CE) Survey

Findings from Survey of Financial Advisors

Conducted by Broker Educational Sales & Training, Inc.

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Executive Summary

The wholesaling model is changing. Financial advisors have less time in their day, are often inundated by wholesalers requesting *product-related* meetings, and tend to direct their business to fewer companies.

Another significant roadblock wholesaler's face is gaining access to advisors. Due to today's technology, it's much easier for advisors to research investment options and product information themselves.

To overcome this change, wholesalers need to take another approach to get their product message heard and meet the changing needs of advisors. Advisors want and need a trusted *advisor-to-the-advisor* relationship with wholesalers - not a product peddler. They need to up the value-added approach and help advisors manage their practice, build their business and educate their clients.

The need to deliver on a truly "value-added" service is paramount for wholesalers to get their foot in the door. This will also help advisors with their practice management, business building and educational needs. Wholesalers, unfortunately and through no fault of their own, have a limited number of options and resources available to meet those needs.

Methodology

From November 1, 2017 through July 1, 2018, Broker Educational Sales & Training, Inc. (BEST) conducted both an online and written survey examining how financial advisors meet their continuing education (CE) requirements.

The survey is based on responses from four distribution channels, wirehouses, independent broker-dealers, bank advisory, and insurance sectors.

The objective of the survey was to understand:

- Which method of CE advisors prefer.
- The importance for wholesalers to provide value-added CE programs.
- The likelihood of advisors attending a wholesaler meeting when CE is offered.
- The willingness of advisors to meet with a wholesaler after he/she has provided a CE program.

This report highlights Key Findings from the survey and includes a statistics summary which can be found in the Appendix at the end of this document.

Key Findings

1. Three out of four advisors prefer live CE programs over other delivery methods.

Which method of receiving continuing education do you prefer?

Live	1,162	75.4%
Online	243	15.8%
Correspondence/Self-study	95	6.2%
Webinar	41	2.7%
Total Responses	1,541	100.0%

2. A majority of advisors feel it is important for wholesalers to provide value-added continuing education programs.

How important is it for wholesalers to provide value-added continuing education programs?

Very Important	1,150	74.3%
Somewhat Important	379	24.5%
Not Important	18	1.2%
Total Responses	1,547	100.0%

3. An overwhelming majority of advisors are more likely to attend a wholesaler meeting when continuing education is being offered

I am more likely to attend a wholesaler meeting when continuing education is being offered?

Yes	1488	96.6%
No	53	3.4%
Total Responses	1,541	100.0%

4. Over one-third of wholesalers visiting branch offices *do not* provide continuing education programs.

Wholesalers visiting my branch office provide continuing education programs?

Yes	975	64.9%
No	528	35.1%
Total Responses	1,503	100.0%

5. Nearly all advisors are willing to meet with a wholesaler after he/she has provided a continuing education program.

I am willing to meet with a wholesaler after he/she has provided a continuing education program?

Yes	1,408	93.2%
No	103	6.8%
Total Responses	1,511	100.0%

6. Nearly one-fourth of firms do not provide CE credits at national or regional training meetings?

Does your firm provide CE credits at national or regional training meetings?

Yes	1,112	74.7%
No	376	25.3%
Total Responses	1,488	100.0%

7. Nearly two-thirds of advisors hold the CFP, IMCA, CIMA/CPWA or other professional designations.

Do you hold any of the following professional designations?

CFP	480	38.2%
No Designations	430	34.2%
Other	290	23.1%
IMCA	23	1.8%
CIMA/CPWA	33	2.6%
Total Responses	1,256	100.0%

7b. Nearly one out of ten advisors have additional professional designations:

Do you also hold other professional designations?

CFP/CRPC	1	0.5%	CWS	1	0.5%
AAMS	4	1.9%	LUTCF	1	0.5%
ADPA	1	0.5%	MBA	1	0.5%
AIF	1	0.5%	MS	1	0.5%
AIF/C(K)P	1	0.5%	Other	119	56.4%
CHFC/CLU	3	1.4%	RFC	1	0.5%
CPA	13	6.2%	CRPC/CRPS	1	0.5%
CFP	5	2.4%	CLU/CHFC/CASL	1	0.5%
CRC	1	0.5%	CHFC/CLU/APMA	1	0.5%
CRCP	1	0.5%	CIMA	1	0.5%
CRPC	18	8.5%	CLTC	2	0.9%
CRPC/AIF	1	0.5%	CLU	5	2.4%
CLU/CRPC/APMA	1	0.5%	CPRS	1	0.5%
CRPC/CRPS/CFA	1	0.5%	CLU/CHFC/AIFA/RHU	1	0.5%
CMFC	1	0.5%	CLU/CHFC/CASL/RICP	1	0.5%
CRPS/CLTC/AAMS	1	0.5%	CLU/CHPC	1	0.5%
CTFA	1	0.5%	CLU/CHFC	5	2.4%
Total Responses				211	100.0%

8. Eight out of ten advisors have been in the insurance and/or financial services profession between 10 and 30 plus years.

How many years have you been in the insurance and/or financial services profession?

10 to 19	420	27.2%
20 to 29	454	29.4%
30 plus	384	24.9%
5 to 10	160	10.4%
1 to 5	124	8.0%
Total Responses		1,542
		100.0%

9. Nearly nine out of ten advisors are affiliated with a wirehouse or independent BD firm?

Which type of firm are you affiliated with?

Wirehouse	645	46.0%
Independent BD	601	42.9%
RIA	101	7.2%
Independent Agent	55	3.9%
Total Responses	1,402	100.0%

9b. Additional advisor responses from question 9 above:

RIA	37	71.2%
Bank	8	15.4%
Independent Agent	3	5.8%
Independent BD/RIA	1	1.9%
Bank Advisor	1	1.9%
Bank Channel	1	1.9%
Hybrid	1	1.9%
Total Responses	52	100.0%

Conclusion

To help wholesalers get access to advisors, wholesalers need to offer truly “value-added” programs and services that will help win over the attention of advisors. There are countless value-added programs to choose from, but advisors find many fall short of the benchmark.

Advisors work in an increasingly competitive environment and are often faced with an overwhelming selection of products and regulatory obstacles. Clients today have changing and more demanding needs than they did before. For example, Baby Boomers are rapidly moving into a retirement distribution phase. This may lead advisors to rely on wholesalers to educate them about specific products and investment strategies. Wholesaling is also more than just investment solutions; it’s about business and practice management solutions as well.

The wholesaling model continues to be relationship driven and requires getting in front of advisors. When it’s all said and done, wholesalers are competing for the same objective – shelf space for their product.

The best wholesalers take their time to understand the challenges advisors face and offer practical solutions. They need to be solutions focused, not just product focused.

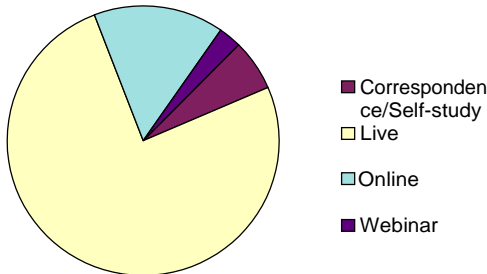
According to our survey, not all financial service companies provide CE programs to advisors. In addition, given the limited credit hours provided by the companies that do, there is a great opportunity for wholesalers to fill the gap.

BEST’s comprehensive CE programs help advisors meet their mandatory continuing education requirements, provides timely educational subject matter and advances a wholesalers ability to gain access to advisors.

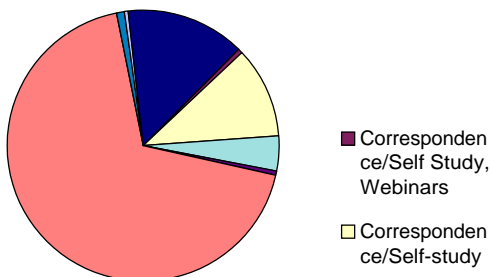
APPENDIX

Statistics Summary with Graph

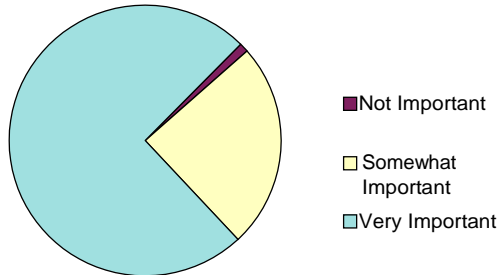
Question #	Question Text	Response	# of Resp.	% of Resp.
1	Which method of receiving continuing education do you prefer?	Correspondence/Self-study	95	6.2%
		Live	1162	75.4%
		Online	243	15.8%
		Webinar	41	2.7%
			0	0.0%
Total Responses			1541	100.0%



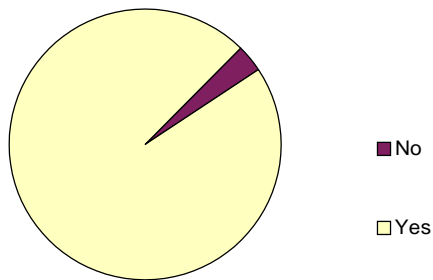
1 a	Was any other methods selected? Type in responses:	Online, Correspondence/Self Study, Webinars	1	0.7%
			0	0.0%
		Correspondence/Self Study, Webinars	1	0.7%
		Correspondence/Self-study	16	10.7%
		Live	6	4.0%
		Online	102	68.5%
		self-studt/webinars	1	0.7%
		webinars	21	14.1%
		Live, online,webinars	1	0.7%
		Total Responses		



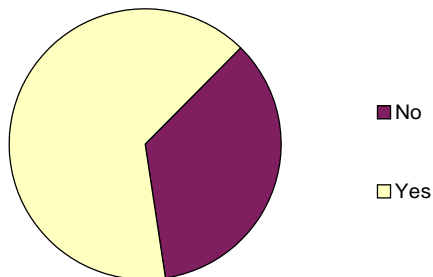
Question #	Question Text	Response	# of Resp.	% of Resp.
2	How important is it for wholesalers to provide value-added continuing education programs?	Somewhat Important	379	24.5%
		Not Important	18	1.2%
			0	0.0%
		Very Important	1150	74.3%
		Total Responses	1547	100.0%



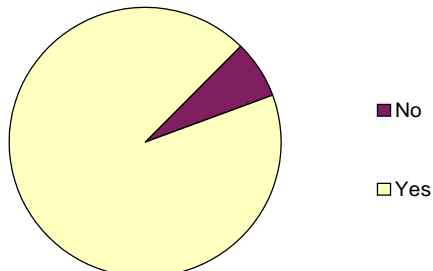
3	I am more likely to attend a wholesaler meeting when continuing education is being offered?		0	0.0%
		No	53	3.4%
		Yes	1488	96.6%
		Total Responses	1541	100.0%



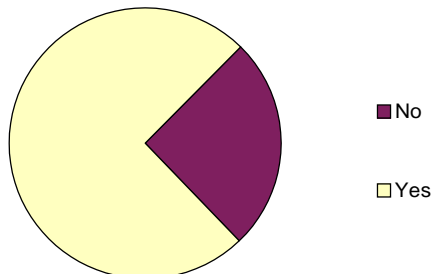
4	Wholesalers visiting my branch office provide continuing education programs?		0	0.0%
		Yes	975	64.9%
		No	528	35.1%
		Total Responses	1503	100.0%



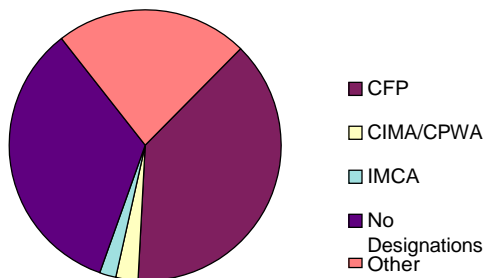
Question #	Question Text	Response	# of Resp.	% of Resp.
5	I am willing to meet with a wholesaler after he/she has provided a continuing education program?		0	0.0%
		No	103	6.8%
		Yes	1408	93.2%
		Total Responses	1511	100.0%



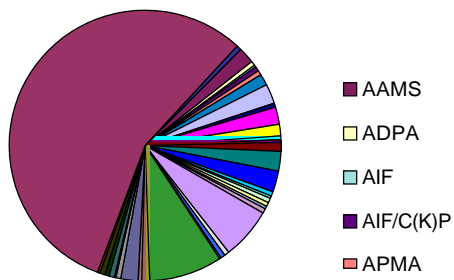
6	Does your firm provide CE credits at national or regional training meetings?		0	0.0%
		No	376	25.3%
		Yes	1112	74.7%
		Total Responses	1488	100.0%



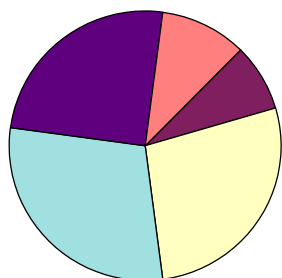
7	Do you hold any of the following professional designations?	CIMA/CPWA	33	2.6%
		Other	290	23.1%
		IMCA	23	1.8%
		CFP	480	38.2%
			0	0.0%
		No Designations	430	34.2%
		Total Responses	1256	100.0%



Question #	Question Text	Response	# of Resp.	% of Resp.
7	b If they also hold Other designations:	CFP/CRPC	1	0.5%
			0	0.0%
		AAMS	4	1.9%
		ADPA	1	0.5%
		AIF	1	0.5%
		AIF/C(K)P	1	0.5%
		APMA	1	0.5%
		CFA	3	1.4%
		CHFC	4	1.9%
		CRPS	4	1.9%
		CHFC/CLU	3	1.4%
		CPA	13	6.2%
		CFP	5	2.4%
		CRC	1	0.5%
		CRCP	1	0.5%
		CRPC	18	8.5%
		CRPC/AIF	1	0.5%
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		CMFC	1	0.5%
		CRPS/CLTC/AAMS	1	0.5%
		CTFA	1	0.5%
		CWS	1	0.5%
		LUTCF	1	0.5%
		MBA	1	0.5%
		MS	1	0.5%
		Other	119	56.4%
		RFC	1	0.5%
		CRPC/CRPS	1	0.5%
		CLU/CHFC/CASL	1	0.5%
		CHFC/CLU/APMA	1	0.5%
		CIMA	1	0.5%
		CLTC	2	0.9%
CLU	5	2.4%		
CPRS	1	0.5%		
CLU/CHFC/AIFA/RHU	1	0.5%		
CLU/CHFC/CASL/RICP	1	0.5%		
CLU/CHPC/	1	0.5%		
CLU/CHFC	5	2.4%		
Total Responses			211	100.0%

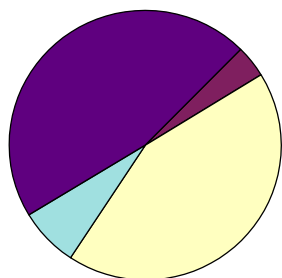


Question #	Question Text	Response	# of Resp.	% of Resp.
8	How many years have you been in the insurance and/or financial services profession?	10 to 19	420	27.2%
			0	0.0%
		20 to 29	454	29.4%
		30 plus	384	24.9%
		5 to 10	160	10.4%
		1 to 5	124	8.0%
Total Responses			1542	100.0%



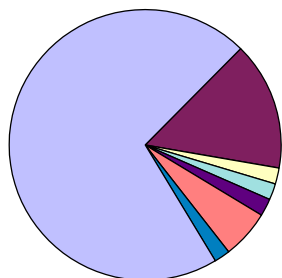
- 1 to 5
- 10 to 19
- 20 to 29
- 30 plus
- 5 to 10

9	Which firm are you affiliated with?		0	0.0%
		Independent Agent	55	3.9%
		RIA	101	7.2%
		Independent BD	601	42.9%
		Wirehouse	645	46.0%
Total Responses			1402	100.0%



- Independent Agent
- Independent BD
- RIA
- Wirehouse

9 a	Other firm types: type answer		0	0.0%
		Bank	8	15.4%
		Bank Advisor	1	1.9%
		Bank Channel	1	1.9%
		hybrid	1	1.9%
		Independent Agent	3	5.8%
		Independent BD/RIA	1	1.9%
		RIA	37	71.2%
		Total Responses		



- Bank
- Bank Advisor
- Bank Channel
- hybrid
- Independent