CONDUCTING RESEARCH WITH

FINANCIAL ADVISORS

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ZELDIS LEARNING CENTER

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Whether your organization develops and provides financial service products or helps investors manage these products, if your company touches financial advisors, conducting research with this audience can pay serious dividends.

Research with advisors can be conducted in dynamic and perhaps unexpected ways. In the financial services, investment, and insurance space, we've helped our clients engage with advisors using both traditional and innovative research methods, with both qualitative and quantitative approaches. Ultimately, this research has generated useful insights which help our clients make effective and impactful marketing and product decisions. Studies range from messaging or positioning tests to market explorations to complex product development, including choice modeling.

Quantitative research with advisors can be surprisingly robust and can target many key subgroups of advisors.

Many of our clients are surprised in terms of the number of advisors that can be surveyed quantitatively. Most often using the Discovery database of financial professionals, Zeldis has been able to survey large numbers of advisors (300, 600, or even 1,000+) for online surveys. We've also been able to target certain segments of advisors, including RIAs, fee-based advisors, and advisors who sell specific products (e.g., FIAs). We have successfully fielded online surveys (mostly unbranded) varying in complexity, scope, and survey length (up to 25 minutes on average, though we typically recommend no more than 15 minutes). In online surveys, we find advisors are typically willing to share up to 20 minutes of their time in exchange for a $25 Amazon gift code incentive (though we often provide higher incentives, up to $50, when surveys take longer than 20 minutes on average to complete).

An important note on online panels:
While some online panels also offer (limited) feasibility for advisors, we have found the quality of this sample to be questionable. For example, we once conducted an advisor study using both the Discovery list and panel sample and compared the results on the backend. We found much of the panel data to be suspect (e.g., 90% of panel advisors said they were also CPAs). If you do use online panels to survey advisors, we recommend adding an open-ended question to the screener asking respondents about their business. This will assist in screening out invalid respondents.

Research Implications

Consider investing in the Discovery database if you do not already. We've found that most organizations have access to the database even if the research group does not realize it – the data may sit with marketing or another group. When using the Discovery database, we typically see a response rate of about 1-2%, which is usually adequate to reach our targeted number of completed surveys, depending on other sampling criteria. The only subgroup of financial professionals we've had difficulty reaching using Discovery data are unregistered reps, though there are other potential sample sources for this group.

Discovery has recently licensed its database to a panel company, which it had not done in the past. However, the cost of using Discovery through a panel is much higher than licensing the database yourself, especially if you plan to conduct more than one advisor survey.

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In qualitative research, we are often able to find "needles in haystacks" (e.g., those selling highly specific annuity products, representatives with specific licensing requirements in specific regions) and are able to use a variety of methodologies to meet study objectives.

This is especially valuable for studies with objectives which are narrowly defined, but require a deeper investigation to uncover insights.

When recruiting for qualitative research, we use local facility databases or the Discovery Database. When using the latter, our approach differs depending on the assumed incidence of the target advisor. While for easier-to-find respondents we typically start with a phone recruit, for lower incidence targets, we tend to program an online screener and "cast a wide net" with an email send, followed by a phone call to re-screen and schedule.

From a methodological perspective, while there is a perception that advisors will be reluctant to share in a group environment, we have not found this to be the case. We've been very successful in group discussions with advisors, particularly when using a webcam focus group approach – advisors enjoy the convenience of participating from their home or office and seem comfortable sharing with other advisors who are in other cities/markets and so are not "direct competition". This is even the case with topics which might seem sensitive, such as compensation structures, recent industry trends where some companies may be behind the curve, or managing relationships with clients. In-person groups can also work, especially for testing materials or messaging (e.g., illustrations). That said, we also frequently conduct in-depth, one-on-one, telephone interviews with advisors when the topic lends itself to a deeper, individual discussion.

Research Implications:
Unless there are specific internal needs driving in-person qualitative research (e.g., a need to have stakeholders in an actual back room) or a need for a one-on-one discussion (e.g., individual journey mapping), we have found considerable success interviewing advisors using webcam focus groups. These groups allow a small number (4-6) of advisors to interact dynamically with the moderator, and offer the additional flexibilities of a nationally representative sample and tailoring recruits toward specific advisor targets without local geography constraints. Also, consider a digital qualitative research format (such as webcam focus groups) even if you are concerned the topic may be sensitive. Advisors are more willing than you think to share their opinions, as long as they do not know the other advisors in the virtual "room".

03 Conducting research with advisors requires working with research partners who understand the barriers to engaging with this audience.

Some of the barriers we've experienced over the years include:

- Field period – Given the low response rates with Discovery Database, fielding/recruiting can take longer than it would for consumers or other populations. As a result, we often recommend a three-week field period for both qualitative and quantitative research.
- Branded research – Conducting branded research can be more complicated, typically due to compliance issues. Some companies are constrained to $100 total in "gifts" offered to advisors in a given calendar year, and incentives can count toward this total. However, other companies' legal departments take the position that using a third-party research firm exempts them from this issue. There are a variety of ways to handle this.
- Some companies avoid branded research, which can be done by asking about the client's brand along with one or two others to "hide" the research sponsor or by removing any branding on materials to be tested.
- Some limit the incentive to a very small amount or a charitable donation. In order for this to work, the client will often reach out to advisors in advance requesting participation and communicating the importance of the research.
- Methodological limitations – though there are many ways to successfully engage with advisors for research, realistic expectations for advisor research are necessary. For example, surveys with video open-end options tend to underperform with advisors vs. other populations, as do some (but not all) "out of the box" creative techniques in qualitative moderating.
- Survey considerations: Many of our clients have already segmented the advisor population and as such, would expect the segmentation questions to be used in subsequent surveys. Others have extensive screening questions they need to use to target advisors. While we incorporate both of these regularly, it is important to keep in mind that long screeners and/or segmentation typing tools can eat into valuable survey time and constrain the availability of deeper explorations later in the survey.

Research Implication:

Providers need to level-set expectations with internal business partners surrounding timing and feasibility for advisor research. A typical research project with this audience might take six to eight weeks or more from kickoff to delivery of results. Additionally, advisors expect to be adequately incentivized for their time, and incentives should be finely tailored to the specific advisor audience and methodology selected (e.g., institutional advisors may require significantly greater compensation vs. fee-based retail advisors, etc.). Given the compliance issues mentioned above, this often requires a push into unbranded research.