



*Cerulli Special Report:*

# Market Update: RIA Channel Sizing and Assessment

**Report Cost:**  
**\$4,000**

## Overview

Retail registered investment advisors (RIAs) and dually registered advisors (advisors who are a hybrid RIA and independent broker/dealer) have been of interest to product providers for years. These channels are attracting high-net-worth investors and was not hit as hard by the market turndown compared to other channels—they are growing in both assets and number of advisors.

This report is a crucial resource for asset managers, product providers, and broker/dealers looking to understand or better address this \$1.36 trillion distribution channel.

### This report answers the following questions:

- How are RIAs segmented? Where should a provider focus their attention?
- How are RIAs different in terms of product usage and client profile?
- How can an asset manager best approach RIAs and dually registered advisors?
- What can broker/dealers do to retain advisors who are looking for more independence?
- What are alternative paths to independence?

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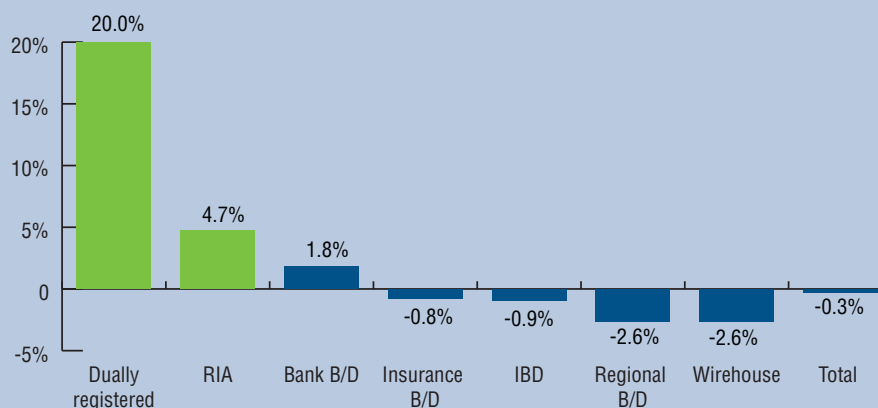
## KEY FINDINGS:

- Cerulli expects independent advisor channels, particularly RIAs, to continue to grow and win marketshare, but traditional employee models—wirehouses, regional, and insurance broker/dealers—will still control the majority of assets.
- The RIA market is highly concentrated—15% of firms control 85% of assets.
- The growing dually registered advisor model is showing signs of permanence as service agents continue to make it easier for advisors with simplified reporting.
- Traditional wholesaling techniques won't cut it in the RIA channel—larger firms require an institutional-like process.

## SAMPLE EXHIBIT:

### 4-year CAGRs for Advisor Headcount by Channel, 2004-2008

*The growth of RIAs stands out in an otherwise stagnating industry.*



Sources: Securities Industry and Financial Markets Association, Investment News, Financial Planning, Bank Insurance Market Research Group, National Regulatory Services, Standard and Poor's Money Market Directories, Cerulli Associates

**With 51 pages and 42 exhibits, this report contains the following sections:**

1. Sizing the Market
2. Selling to RIAs
3. Dually Registered Advisors
4. The Future of RIAs
5. Appendix: RIA Service Agent Sizing

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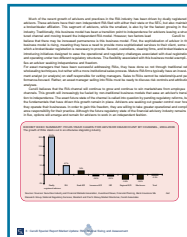
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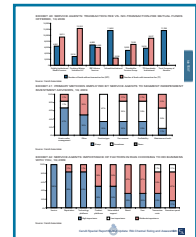
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