

# Fund Distributors Seek Managers with Distinctive Service

*2017 Greenwich Leaders: Asian Intermediary Distribution*

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Asian fund managers have been active in developing and distributing a large number of investment products, while fund distributors have become very selective in which products they actively promote with clients. “An average distributor promotes 16 funds actively to clients, while having 27 managers with several products each on its platform,” says Greenwich Associates Managing Director Markus Ohlig. Being distinctive in product and service quality has become ever more critical.

Alliance Bernstein and AllianzGI are jointly the 2017 Greenwich Quality Leader<sup>SM</sup> in Overall Asian Intermediary Distribution. This year, Greenwich Associates interviewed 150 gatekeepers at large institutions across Asia, including retail and private banks, insurers, asset managers, securities brokers, and independent financial advisors. Study participants were asked to name the asset managers they have on their platforms and rate them in a series of service quality parameters related to investments, relationship management and servicing. Asset managers with ratings topping those of competitors by a statistically significant margin are named Greenwich Quality Leaders.

## Greenwich Quality Leaders — 2017



### Overall Asian Intermediary Distribution Quality

#### Investment Manager

Alliance Bernstein  
AllianzGI

Note: Based on interviews with 150 gatekeepers.

Source: Greenwich Associates 2017 Asian Intermediary Distribution Study

“While both these firms have competitive investment performance, they have earned special accolades from clients for the distinctiveness of their relationship management and client servicing efforts,” says Greenwich Associates consultant Parijat Banerjee.

Greenwich Associates assessment of quality takes into account the following factors, each of which is rated individually by the gatekeepers participating in the Firm’s annual research:

Investments <sup>1</sup>	Relationship Management	Client Service
<ul style="list-style-type: none"><li>• Clarity of investment philosophy</li><li>• Clarity and consistency of investment process</li><li>• Investment professional capability</li><li>• Ability to achieve superior future performance</li></ul>	<ul style="list-style-type: none"><li>• Understanding of the institution’s goals and objectives</li><li>• Professional knowledge and competence</li><li>• Keeping promises and commitments</li><li>• Proactive in providing information</li><li>• Quality and usefulness of meetings</li></ul>	<ul style="list-style-type: none"><li>• Ease of ongoing operations</li><li>• Timeliness of written reporting</li><li>• Transparency of information disclosure</li><li>• Portfolio risk management</li><li>• Quality of IT integration</li></ul>

Note: <sup>1</sup>Each investment parameter is rated separately for fixed income, equity and multi-asset funds for each manager.

# Broad Presence and Local Knowledge Key in Forging Strong Distribution Relationships

Success in strong distribution relationships is contingent on nuanced knowledge of client needs, which vary across the different Asian markets. “Understanding of differing product needs, the local language, relationship management and service, idiosyncrasies in reporting procedures are but a few among several key parameters which can help managers build and maintain strong distribution relationships in an overcrowded market and across periods of lean investment performance,” says Parijat Banerjee. Having broad reach and brand recognition across the region also helps managers in maintaining existing relationships and opening up new ones.

Managing Director Markus Ohlig and consultant Parijat Banerjee advise on the investment management market in Asia.

## METHODOLOGY

Between June and August 2017, Greenwich Associates conducted 150 interviews with some of the largest fund distributors in Asia. Senior gatekeepers were asked to provide detailed information on their business priorities, quantitative and qualitative evaluations of their investment managers, and qualitative assessments of those managers soliciting their business. Countries and regions where interviews were conducted include Hong Kong, Singapore, South Korea, Taiwan, Malaysia, Thailand, and China.

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