



Complete the RIA Benchmarking Study from Charles Schwab to help take your firm to the next level.

You'll get eye-opening data, comparisons to your peers, and insights to help you thrive and grow amid increasing competition. Here are five great reasons to participate, with some highlights from the 2016 study.

1 PINPOINT YOUR SOURCES OF GROWTH.

Find out whether asset growth or new clients are driving your peers' growth—and yours. You can compare your firm with your peers in terms of investment performance, asset and revenue growth, number and sources of new clients, and AUM per staff member and other productivity measures.

- More than half of the firms that participated in Schwab's 2016 RIA Benchmarking Study had doubled their AUM since the lows of 2009.
- One-quarter of firms that participated in the 2016 study had doubled their revenue in the same period.

2x



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2 GET SMARTER ABOUT ATTRACTING AND RETAINING TALENT.

Participating in the optional compensation portion of the study helps you discover how firms are staffing and how they distribute ownership as they focus on retaining and attracting top talent. You can also learn how firms compensate 24 key roles in various labor markets.

- As firms scale, they increasingly turn to professional management roles. Sixty-seven percent of firms with over \$1B in AUM staff a chief investment officer, while only 26% of those in the \$500M–\$1B peer group have this role.
- As reported in the 2016 Compensation Study, 64% of senior client account managers/relationship managers received performance-based incentive pay.

Chief Investment Officer



percentage of firms with over \$1B in AUM with role



percentage of firms with \$500M–\$1B in AUM with role

3 COMPARE YOUR SPENDING PRIORITIES.

Get a glimpse of how your peers allocate costs—and compare this to your own spending. The study highlights many expense categories, including marketing and business development, information technology, compliance, and salaries and benefits.

- The top expenditures for 2016 participants were personnel-related costs and rent, followed by information technology.
- Total overhead expenses accounted for 34% of revenue.



of revenue goes towards total overhead expense.

4 LEARN WHERE NEW CLIENTS COME FROM.

Your clients can be a key part of your marketing strategy. Show your dedication to their interests, and they can reward you by recommending you to friends and family members.

- Firms added a significant number of new clients over the past five years—increasing their client base between 28% and 50% at the median for the various peer groups.
- Seventy-five percent of new clients came through referrals—from existing clients, business partners, or other professional referrals.



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5 DISCOVER HOW FIRMS PRICE THEIR SERVICES.

Find out if your pricing is competitive, and see what firms offer besides asset management to help meet their clients' needs.

- The median price for clients with \$2M in AUM was 90 bps, up from 87 bps six years ago.
- About one-fifth of wealth managers with \$250MM+ AUM in the 2016 study reported offering trustee services.



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Make benchmarking part of your growth strategy.

Participating in Schwab's annual RIA Benchmarking Study can give you the insights you need to help chart a course for your firm. Each participating firm receives a customized Peer Benchmarking Report. And those firms that also participate in the compensation portion of the study receive an in-depth Compensation Report along with access to our online Compensation Benchmarking Tool. This information can help you define where you are, where you're headed, and what success looks like.

To participate in the RIA Benchmarking Study from Charles Schwab or to learn more about it, speak with your relationship manager.

Own your tomorrow.

About the RIA Benchmarking Study from Charles Schwab

Schwab designed this study to capture insights in the RIA industry, based on responses from individual independent advisory firms. The 2017 study will provide information on topics such as asset and revenue growth, sources of new clients, products and pricing, staffing, marketing, technology, financial performance, and compensation.

Since the inception of the study in 2006, over 3,000 firms have participated, with many being repeat participants. A total of 1,128 advisory firms representing nearly three-quarters of a trillion dollars in assets under management (AUM) that custody their assets with Schwab participated in 2016, making this the leading study in the RIA industry.

The RIA Benchmarking Study comprises self-reported data from advisory firms that custody their assets with Schwab. Schwab did not independently verify the self-reported information. Participant firms represent various sizes and business models. They are categorized into 12 peer groups—7 wealth manager groups and 5 money manager groups, by AUM size. The study is part of Schwab's Business Consulting Services, a practice management offering for RIAs. Grounded in the best practices of leading independent advisory firms, Business Consulting Services provides insight, guidance, tools, and resources to help you strategically manage and grow your firm.

Unless otherwise noted, study data represent median results for all firms with \$250 million or more in AUM, representing the vast majority of total assets managed by the 2016 participants.

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