

**Media Contacts:**

Neal Ringquist, ASI  
925-299-7782 x230  
nringquist@advisorsoftware.com

Jaclyn Tully, THUNDER FACTORY  
818.206.8304  
[jaclyn@thunderfactory.com](mailto:jaclyn@thunderfactory.com)

**RETIRING BOOMERS ARE INCREASINGLY DEMANDING MORE  
PERSONALIZED ATTENTION FROM THEIR INVESTMENT ADVISORS**

Recently Completed National Survey of Investment Advisors Finds Growing Interest  
in New Products Such as ETFs, But Still Little Understanding of Them

**Lafayette, CA - (May 16, 2006)** – Investors today are more sophisticated than ever before and are becoming increasingly engaged in their personal financial planning, according to a new national survey of investment advisors from Advisor Software Inc. (ASI). But, as investors – especially Boomers nearing retirement – get more involved in their finances, they are expecting more personalized service from their investment advisors, who now must spend more time educating them about new investing strategies and products such as Exchange Traded Funds (ETFs).

The survey found that investors are interested in a wide range of investment vehicles:

- 73 percent of Registered Investment Advisors (RIAs) say that investors are very interested in ETFs – however, 85 percent of those RIAs agree that investors are not knowledgeable about ETFs
- One-third of advisors find that investors are interested in Hedge Funds
- 64 percent of advisors find that retirees are willing to take higher risks compared to 10 years ago

The result, according to ASI, is that RIAs are spending more time servicing existing clients and less time cultivating new ones. For example:

- 67 percent of RIAs agree that investors are more savvy today and require special handling
- 52 percent of RIAs feel that the reason investors turn to advisors is because they are looking for personal attention
- RIAs agree that the most common challenge they face is finding new clients (37 percent)

“Our survey confirmed that investors today, especially Boomers, are very interested in hot new investment vehicles like ETFs, but they really don’t know much about them,” said Neal Ringquist, President of ASI. “At the same time these investors are becoming more focused on and engaged with their finances, requiring advisors to spend even more time advising and educating them. Consequently, advisors end up spending less time developing new client opportunities, which is vital to their continued success in an increasingly competitive profession.”

Advisors are turning to technology solutions to help drive more efficiency in their business. Technology that allows advisors to construct, manage and propose portfolios was identified as a key source of efficiency for advisors. When asked what tools are critical for advisors to acquire and maintain successful client relationships

- 45% of the respondents indicated portfolio management software,
- 16% indicated proposal generating software,
- 13% indicated research/analytics software, and
- 10% indicated rebalancing software.

According to an investment advisor who took part in the survey, "We rely on technology because it enables us to keep better track of our clients and what they like. It makes interoffice communication a breeze. Without it, portfolio reporting would be very difficult."

Ringquist asserts that recent demand in ASI's Client Acquisition Solution™ (CAS) is driven by these trends. "The advisors' time is increasingly stretched by the demands of existing clients, and the need to generate differentiating advice to attract new clients. The ability to leverage ASI analytics in CAS to construct custom model portfolios, allocate to multiple custom model portfolios uniquely for each client, and present the result to the client in an intuitive way has been a key differentiator for ASI."

The survey, which was conducted electronically by THUNDER FACTORY Research on behalf of ASI, was sent to 5,053 registered investment advisors and received approximately a 2 percent response rate. The survey was conducted between March 2 and March 15, 2006.

#### **About Advisor Software, Inc.**

Advisor Software, Inc. (ASI) was founded in 1995 by Andrew Rudd (Founder, former Chairman and CEO of Barra, Inc.) to deliver institutional-strength analysis and advice to the individual investor. ASI's applications are designed for a wide range of asset management firms, broker-dealers, banks, insurance companies, online brokerages, and other financial institutions, enabling these institutions and their advisors to deliver more insightful, actionable investment advice and build stronger, more profitable client relationships. Advisor Software provides financial institutions with web-based hosted solutions that facilitate the investment decision-making process for their advisors and clients.

###