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INVESTMENT COMPANY INSTITUTE®

Ownership of Mutual Funds Through Investment Professionals, 2012

KEY FINDINGS

» **More than half of mutual fund–owning households owned funds purchased through investment professionals.** In 2012, 53 percent of households owning mutual funds held funds purchased through the investment professional channel, which includes registered investment advisers, full-service brokers, independent financial planners, bank and savings institution representatives, insurance agents, and accountants. Thirty percent owned funds purchased through the direct market channel, which includes fund companies or discount brokers; and 72 percent owned funds through employer-sponsored retirement plans.

» **Nearly half of mutual fund–owning households held funds through multiple channels in 2012.** Seventeen percent of mutual fund–owning households held mutual funds both inside employer-sponsored retirement plans and through investment professionals; 5 percent owned mutual funds both inside employer-sponsored retirement plans and through the direct market channel; and 10 percent held mutual funds through investment professionals and the direct market channel. Thirteen percent owned funds through all three channels.

» **Older mutual fund–owning households tend to own mutual funds outside of employer-sponsored retirement plans.** In 2012, 73 percent of mutual fund–owning households aged 50 or older held mutual funds outside of employer-sponsored retirement plans, with 82 percent of these households owning mutual funds through investment professionals. In contrast, 57 percent of younger mutual fund–owning households held mutual funds outside of employer-sponsored retirement plans. In addition, 27 percent of older mutual fund–owning households held funds only in employer-sponsored retirement plans, compared with 43 percent of younger mutual fund–owning households.

Key findings continued on the next page

» **Mutual fund–owning households with ongoing advisory relationships tended to be headed by slightly older individuals and were more likely to have greater household financial assets than households without advisory relationships**. The median head of household age for mutual fund–owning households with ongoing advisory relationships was 52, compared with a median age of 49 among households without ongoing advisory relationships. Median household financial assets for mutual fund–owning households with advisory relationships were nearly double that of their peers without advisory relationships. Mutual fund–owning households with female decisionmakers were more likely to have ongoing advisory relationships than households with male decisionmakers.

Mutual Fund–Owning Households Often Use Investment Professionals

More than four in 10 U.S. households owned mutual funds in 2012, and more than half of mutual fund–owning households indicated they have ongoing relationships with investment professionals.[1, 2] These investing households held mutual funds through a variety of channels or sources, in many instances seeking the assistance of financial professionals when investing.

Investment professionals offer investors a wide array of services in addition to helping them select and purchase mutual fund shares. These services may be grouped into two broad categories—investment services and planning services. The investment services range from portfolio analysis and asset allocation assistance to specific investment recommendations. Planning services include financial planning assistance, access to tax planners and other types of specialists, and discussions about how to disburse assets in retirement.[3]

About the Survey

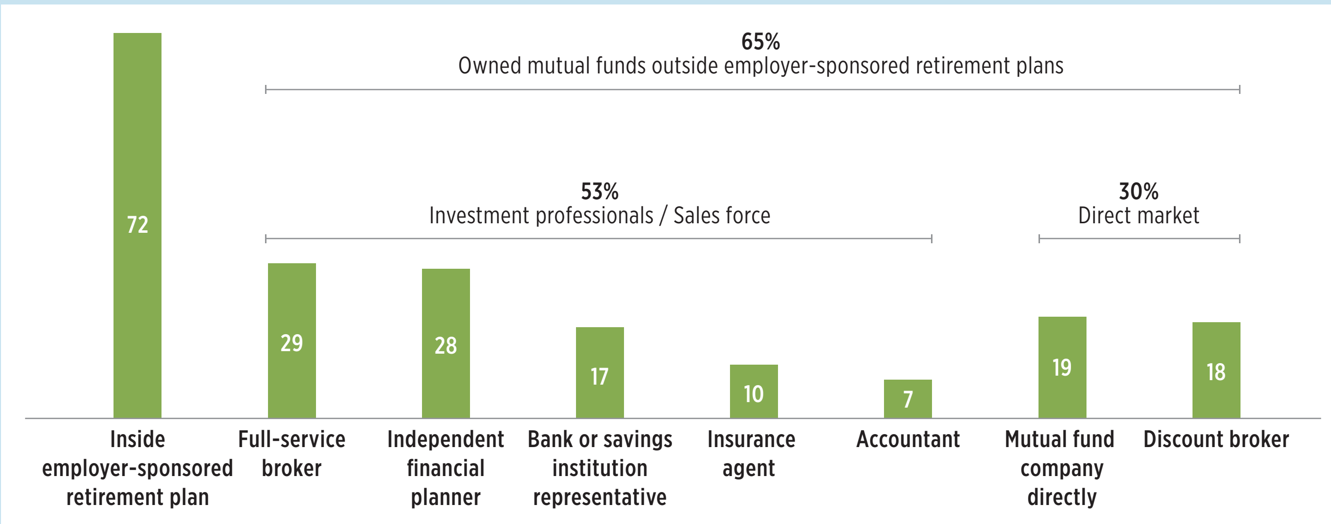
The Investment Company Institute conducts the Annual Mutual Fund Shareholder Tracking Survey each spring to gather information on the demographic and financial characteristics of mutual fund–owning households in the United States. The most recent survey was undertaken in May 2012 and was based on a sample of 4,019 U.S. households selected by random digit dialing, of which 1,786 households, or 44.4 percent, owned mutual funds. All interviews were conducted over the telephone with the member of the household who was the sole or co-decisionmaker most knowledgeable about the household's savings and investments. The standard error for the 2012 sample of households owning mutual funds was ± 2.3 percentage points at the 95 percent confidence level.

Investment professionals are the main source of mutual fund purchases outside employer-sponsored retirement plans. Among mutual fund–owning households in 2012, 72 percent held mutual funds through employer-sponsored retirement plans, and 65 percent owned mutual funds outside such plans (Figure 1). This latter group purchased funds through two sources: the investment professional channel, which includes registered investment advisers, full-service brokers, independent financial planners, bank and savings institution representatives, insurance agents, and accountants; and the direct market channel, which includes fund companies or discount brokers. In 2012, 53 percent of households owning mutual funds held funds purchased through the investment professional channel, and 30 percent owned funds purchased through the direct market channel.

FIGURE 1

Sources Used by Mutual Fund Shareholders to Purchase Mutual Funds

Percentage of U.S. households owning mutual funds, 2012



Note: Multiple responses are included.

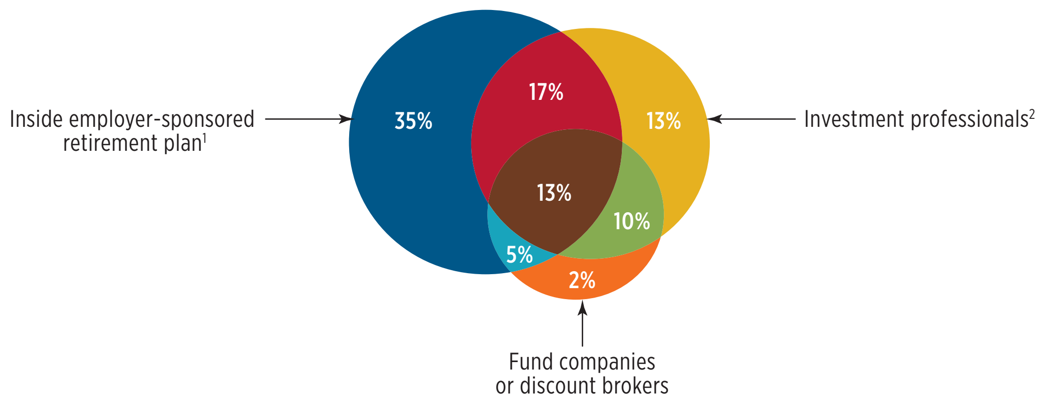
Source: 2012 ICI Annual Mutual Fund Shareholder Tracking Survey

Nearly half (48 percent) of mutual fund–owning households held mutual funds through multiple sources in 2012 (Figure 2).[4] Among mutual fund–owning households in 2012, 17 percent held mutual funds both inside employer-sponsored retirement plans and through investment professionals; 5 percent owned mutual funds both inside employer-sponsored retirement plans and directly through fund companies or discount brokers; and 10 percent held mutual funds through investment professionals and fund companies or discount brokers. Another 13 percent owned mutual funds through all three source categories. When owning funds only through one source category, the most common route to fund ownership was employer-sponsored retirement plans: 35 percent of mutual fund–owning households owned funds only through their employer-sponsored retirement plans.

FIGURE 2

Nearly Half of Mutual Fund–Owning Households Held Shares Through Multiple Sources

Percentage of U.S. households owning mutual funds, 2012



[1] Employer-sponsored retirement plans include DC plans (such as 401(k), 403(b), or 457 plans) and employer-sponsored IRAs (SEP IRAs, SAR-SEP IRAs, and SIMPLE IRAs).

[2] Investment professionals include registered investment advisers, full-service brokers, independent financial planners, bank and savings institution representatives, insurance agents, and accountants.

Note: Figure does not add to 100 percent because 5 percent of mutual fund–owning households owned funds outside of employer-sponsored retirement plans, but did not indicate which source was used to purchase funds. Of this 5 percent, 3 percent owned funds both inside and outside employer-sponsored retirement plans and 2 percent owned funds only outside of employer-sponsored retirement plans.

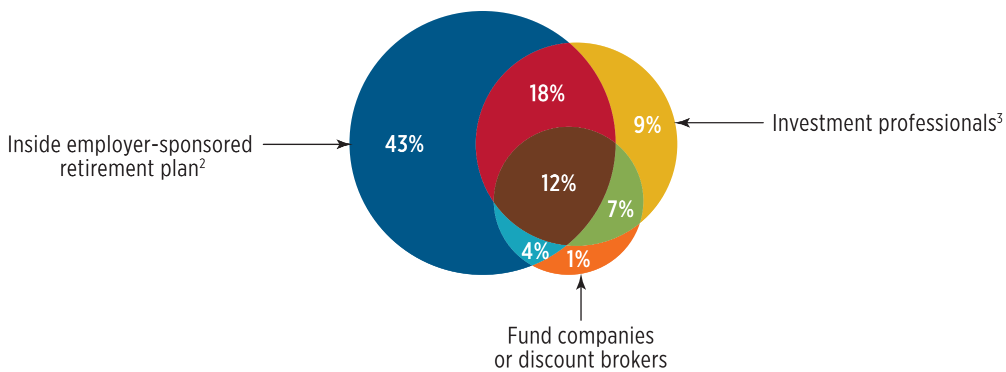
Source: 2012 ICI Annual Mutual Fund Shareholder Tracking Survey

Where households own mutual funds tends to vary with the age of the head of household. Younger mutual fund–owning households are more likely to own funds inside employer-sponsored retirement plans while older mutual fund–owning households are more likely to own funds outside such plans. In 2012, 80 percent of mutual fund–owning households younger than 50 held mutual funds inside employer-sponsored retirement plans (Figure 3).[5] Forty-three percent held mutual funds only inside employer-sponsored retirement plans. Forty-six percent of these households owned mutual funds through investment professionals, and 24 percent held funds directly through fund companies or discount brokers. Older mutual fund–owning households tended to own mutual funds outside of employer-sponsored retirement plans. Among mutual fund–owning households aged 50 or older in 2012, 73 percent held mutual funds outside of employer-sponsored retirement plans, with 82 percent of these households owning mutual funds through investment professionals (Figure 4).[6]

FIGURE 3

Younger Mutual Fund–Owning Households Were More Likely to Hold Funds Through Employer-Sponsored Retirement Plans

Percentage of mutual fund–owning households younger than 50,[1] 2012



[1] Age is based on the age of the sole or co-decisionmaker for household saving and investing.

[2] Employer-sponsored retirement plans include DC plans (such as 401(k), 403(b), or 457 plans) and employer-sponsored IRAs (SEP IRAs, SAR-SEP IRAs, and SIMPLE IRAs).

[3] Investment professionals include registered investment advisers, full-service brokers, independent financial planners, bank and savings institution representatives, insurance agents, and accountants.

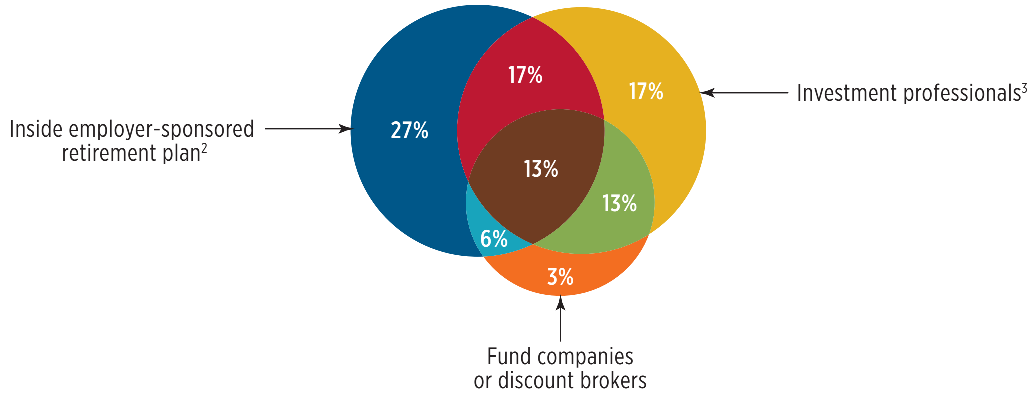
Note: Figure does not add to 100 percent because 6 percent of mutual fund–owning households younger than 50 owned funds outside of employer-sponsored retirement plans, but did not indicate which source was used to purchase funds. Of this 6 percent, 3 percent owned funds both inside and outside employer-sponsored retirement plans and 3 percent owned funds only outside of employer-sponsored retirement plans.

Source: 2012 ICI Annual Mutual Fund Shareholder Tracking Survey

FIGURE 4

Older Mutual Fund–Owning Households Were More Likely to Hold Funds Outside Employer-Sponsored Retirement Plans

Percentage of mutual fund–owning households aged 50 or older,[1] 2012



[1] Age is based on the age of the sole or co-decisionmaker for household saving and investing.

[2] Employer-sponsored retirement plans include DC plans (such as 401(k), 403(b), or 457 plans) and employer-sponsored IRAs (SEP IRAs, SAR-SEP IRAs, and SIMPLE IRAs).

[3] Investment professionals include registered investment advisers, full-service brokers, independent financial planners, bank and savings institution representatives, insurance agents, and accountants.

Note: Figure does not add to 100 percent because 4 percent of mutual fund–owning households aged 50 or older owned funds outside of employer-sponsored retirement plans, but did not indicate which source was used to purchase funds. Of this 4 percent, 3 percent owned funds both inside and outside employer-sponsored retirement plans and 1 percent only owned funds outside of employer-sponsored retirement plans.

Source: 2012 ICI Annual Mutual Fund Shareholder Tracking Survey

Characteristics of Mutual Fund–Owning Households by Ongoing Advisory Relationship Status

More than half of mutual fund–owning households indicated that they had ongoing advisory relationships in 2012. Mutual fund–owning households with ongoing advisory relationships tended to be headed by slightly older individuals, with a head of household median age of 52, compared with a median age of 49 among mutual fund–owning households without ongoing advisory relationships (Figure 5). Households with advisory relationships were more likely to be nonworking retired and less likely to be employed full-time, compared with those without advisory relationships. Fifty-eight percent of mutual fund–owning households with advisory relationships were employed full-time, compared with 64 percent of households without ongoing advisory relationships. Twenty-four percent of mutual fund–owning households with advisory relationships were nonworking retired, compared with 19 percent of households without ongoing advisory relationships. Nevertheless, incomes and educational distributions between the two groups were very similar.

FIGURE 5

Mutual Fund Shareholder Head of Household Characteristics

Percentage of U.S. households owning mutual funds by advisory relationship status, 2012

	All mutual fund–owning households	With an ongoing advisory relationship	Without an ongoing advisory relationship
Age of household sole or co-decisionmaker for saving and investing			
Younger than 35	17	12	18
35 to 44	20	19	20
45 to 54	24	23	26
55 to 64	22	24	21
65 or older	17	22	15
Median	51 years	52 years	49 years
Mean	51 years	53 years	50 years
Education level			
High school graduate or less	23	20	24
Some college or associate's degree	28	28	30
Completed four years of college	22	22	22
Some graduate school	6	6	6
Completed graduate school	21	24	18
Marital status			
Married or living with a partner	75	74	78
Single	11	10	10
Divorced or separated	8	8	8
Widowed	6	8	4
Household savings and investment decisionmaker			
Female is sole decisionmaker	18	18	16
Co-decisionmakers: female interviewed	31	33	29
Co-decisionmakers: male interviewed	31	31	34
Male is sole decisionmaker	20	18	21
Employment status[1]			
Employed full-time	63	58	64
Not retired	61	56	62
Retired from lifetime occupation	2	2	2
Employed part-time	9	10	8
Not retired	6	6	7
Retired from lifetime occupation	3	4	1
Not employed	28	32	28
Not retired	8	8	9
Retired from lifetime occupation	20	24	19

Continued on next page

FIGURE 5 CONTINUED

Mutual Fund Shareholder Head of Household Characteristics

Percentage of U.S. households owning mutual funds by advisory relationship status, 2012

	All mutual fund–owning households	With an ongoing advisory relationship	Without an ongoing advisory relationship
Household income[2]			
Less than $25,000	5	5	5
$25,000 to $34,999	6	4	7
$35,000 to $49,999	11	10	12
$50,000 to $74,999	21	19	20
$75,000 to $99,999	18	19	17
$100,000 or more	39	43	39
Median	$80,000	$87,500	$80,000
Mean	$100,600	$110,700	$97,900
Memo: Household financial assets			
Total household financial assets (median)[3]	$190,000	$275,000	$150,000
Mutual fund assets (median)	$100,000	$150,000	$80,000
Number of households	*1,786*	*847*	*769*

[1] Figure reports employment status of the head of household (sole or co-decisionmaker for saving and investing).

[2] Total reported is household income before taxes in 2011.

[3] Household financial assets include assets in employer-sponsored retirement plans but exclude the household's primary residence.

Source: 2012 ICI Annual Mutual Fund Shareholder Tracking Survey

Conventional wisdom suggests that households with more financial assets would be more likely to use financial advisers than those with fewer assets,[7] a supposition which is confirmed in the survey data. Median household financial assets for mutual fund–owning households with advisory relationships ($275,000) were nearly double that of their peers without advisory relationships ($150,000) (Figure 5). Mutual fund–owning households with ongoing advisory relationships also were more likely to have non–mutual fund investments. Two-thirds of mutual fund–owning households with ongoing advisory relationships owned individual stocks, individual bonds, or annuities compared with 54 percent of mutual fund–owning households without advisory relationships (Figure 6).

Ownership of employer-sponsored DC plan accounts was higher among mutual fund–owning households without advisory relationships, which would be expected given the limited role that advice plays in such plans. Eighty-four percent of mutual fund–owning households without advisory relationships had DC plan accounts compared with 73 percent of mutual fund–owning households with advisory relationships (Figure 6). In addition, mutual fund–owning households without advisory relationships were more likely to hold mutual funds only through employer-sponsored retirement plans.[8] These ownership patterns likely reflect their slightly younger age profile; in addition, because this group is younger on average and at a different point in their careers, they are less likely to have rollover assets. In a similar vein,

FIGURE 6

Mutual Fund–Owning Households' Financial Assets

Percentage of U.S. households owning mutual funds by advisory relationship status, 2012

	All mutual fund–owning households	With an ongoing advisory relationship	Without an ongoing advisory relationship
Household ownership of non–mutual fund investments[1]			
Certificates of deposit	27	34	24
Individual stocks, individual bonds, or annuities (total)	58	67	54
Individual stocks	42	46	39
Individual bonds (excluding U.S. savings bonds)	10	14	7
Fixed or variable annuities	30	41	24
Investment real estate	29	35	25
Closed-end funds	2	4	2
Exchange-traded funds	6	8	4
Household ownership of employer-sponsored retirement plan accounts[1]			
Household owned employer-sponsored retirement plan accounts (total)	82	76	85
DC retirement plan accounts (total)	80	73	84
401(k) plan account	65	58	72
403(b); state, local, or federal government plan account	35	36	33
Employer-sponsored IRA[2]	13	16	12
Household ownership of IRAs[1]			
Household owned IRA (total)	68	78	64
Traditional IRA or Roth IRA	65	75	60
Employer-sponsored IRA[2]	13	16	12
Types of mutual funds owned[1]			
Equity funds	79	80	78
Hybrid funds	44	46	43
Bond funds	50	55	44
Money market funds	66	71	60
Other fund type specified	5	5	5
Total number of mutual funds owned			
One	13	8	17
Two	16	15	18
Three	11	10	12
Four	12	15	9
Five to six	17	18	17
Seven to ten	13	15	11
Eleven or more	18	19	16
Median	4 funds	5 funds	4 funds
Mean	8 funds	9 funds	7 funds
Number of households	*1,786*	*847*	*769*

[1] Multiple responses are included.

[2] Employer-sponsored IRAs include SEP IRAs, SAR-SEP IRAs, and SIMPLE IRAs.

Source: 2012 ICI Annual Mutual Fund Shareholder Tracking Survey

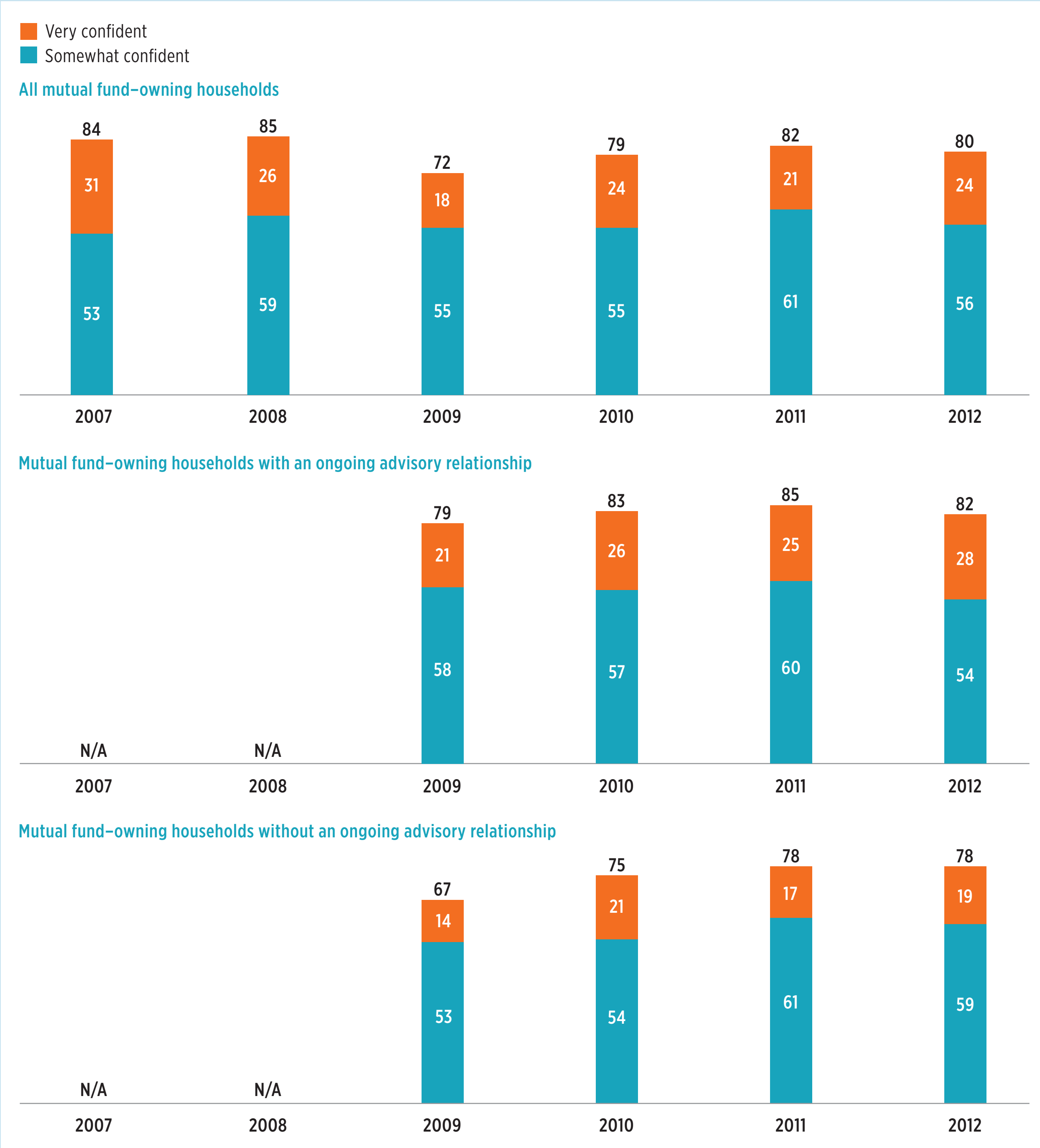
mutual fund–owning households with advisory relationships were more likely to report IRA ownership compared with those without advisory relationships. Three-quarters of mutual fund–owning households with advisory relationships owned traditional or Roth IRAs, compared with 60 percent of mutual fund–owning households without advisory relationships.[9]

Mutual fund–owning households' confidence that mutual funds are helping them reach their financial goals declined a bit in the wake of the financial market crisis. In 2009, 72 percent of mutual fund–owning households said they were confident in mutual funds' ability to help them achieve their financial goals, compared with 85 percent in 2008 (Figure 7). Over 2010 and 2011, confidence rose. In 2012, 80 percent of all mutual fund–owning households said they were confident in mutual funds' ability to help them achieve their financial goals. Survey data are not available to observe the change in confidence among mutual fund–owning households by advisory relationship status from 2007 and 2008; however, from 2009 to 2012 those with advisory relationships had greater confidence in mutual funds' ability to help them achieve their financial goals than those without advisory relationships. In 2012, 82 percent of mutual fund–owning households with ongoing advisory relationships were confident in mutual funds' ability to help them achieve their financial goals, compared with 78 percent for those without ongoing advisory relationships.

FIGURE 7

Level of Confidence That Mutual Funds Can Help the Household Meet Financial Goals

Percentage of mutual fund–owning households by ongoing advisory relationship status, 2007–2012



Note: The ongoing advisory relationship question was added to the survey in 2009. The confidence question had four choices; the other two possible responses were "not very confident" and "not at all confident."

N/A = not available

Source: ICI Annual Mutual Fund Shareholder Tracking Survey (2007–2012)

Mutual fund–owning households with ongoing advisory relationships were more willing to take financial risk than those without advisory relationships. In 2012, 82 percent of mutual fund–owning households with advisory relationships were willing to take at least above-average financial risk, compared with 76 percent of mutual fund–owning households without advisory relationships (Figure 8). Mutual fund–owning households without advisory relationships also were more likely to indicate that they were unwilling to take any financial risk than those with advisory relationships.

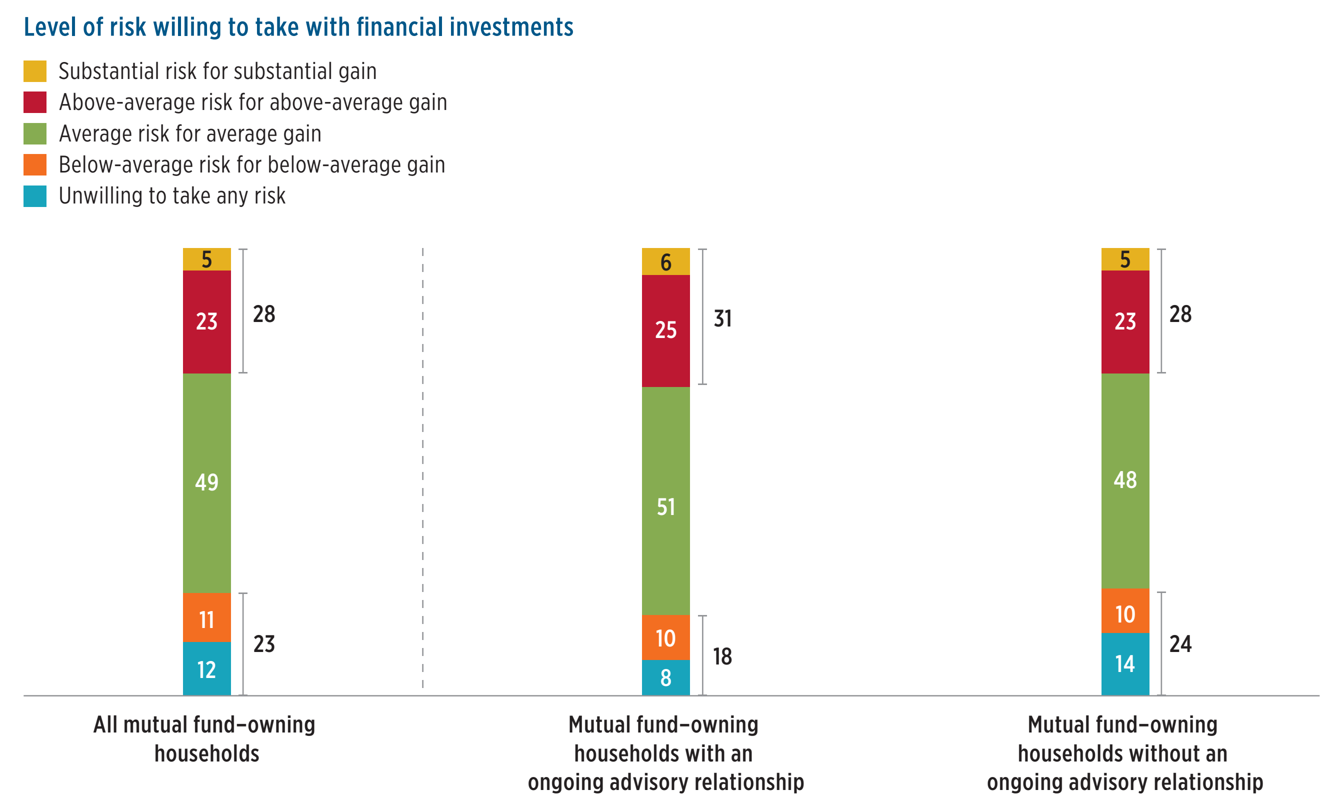
Factors Related to Ongoing Advisory Relationships

A regression analysis helps confirm that many of the patterns evident in the cross tabulations also are statistically significant in a multivariate analysis, which isolates the impact of each variable on the existence of an ongoing advisory relationship while controlling for the other variables.[10] Figure 9 presents the variables included in the regression analysis and Figure 10 reports the regression results. The dependent variable is a zero-one dummy variable for an ongoing advisory relationship.

FIGURE 8

Mutual Fund–Owning Households with Ongoing Advisory Relationships Are More Willing to Take Financial Risk

Percentage of mutual fund–owning households by ongoing advisory relationship status, 2012



Source: 2012 ICI Annual Mutual Fund Shareholder Tracking Survey

FIGURE 9

Variables Used in Probit Regression Model

Variable	Type of variable
Head of household age	Continuous
Head of household age (squared)	Continuous
Household income before taxes in 2011	Continuous
Household financial assets excluding primary residence	Continuous
Education level of head of household	Dummy
High school graduate or less (omitted)	
Some college or associate's degree	
Completed four years of college	
Some graduate school	
Completed graduate school	
Level of risk willing to take with financial investments	Dummy
Not willing to take any financial risk	
Willing to take below-average financial risk for below-average gain	
Willing to take average financial risk for average gain (omitted)	
Willing to take above-average financial risk for above-average gain	
Willing to take substantial financial risk for substantial gain	
Household sole or co-decisionmaker for saving and investing is female	Dummy
Household used the Internet for a financial purpose	Dummy
Household owns DC account(s)	Dummy
Household owns IRA(s)	Dummy
Level of confidence that mutual funds can help the household meet financial goals	Dummy
Not at all confident that mutual funds are an investment that can help the household meet financial goals (omitted)	
Not very confident that mutual funds are an investment that can help the household meet financial goals	
Somewhat confident that mutual funds are an investment that can help the household meet financial goals	
Very confident that mutual funds are an investment that can help the household meet financial goals	

Note: Shading indicates the variable was found to be significant. A dummy variable takes the value of one if the household has the characteristic indicated, or zero if the household does not.

Source: 2012 ICI Annual Mutual Fund Shareholder Tracking Survey

FIGURE 10

Probit Regression Analysis of Mutual Fund–Owning Households Use of Ongoing Advisory Relationships

Dependent variable = mutual fund–owning household has ongoing advisory relationship (1=yes; 0=no)

Variable	Probit: Parameter estimate	Probit: Standard error	Average marginal effects: Parameter estimate	Average marginal effects: Standard error
Intercept	-1.34*	0.80		
Head of household age	0.00	0.02	0.00	0.01
Head of household age (squared)	0.00	0.00	0.00	0.00
LN(Household income before taxes in 2011)	-0.10	0.06	-0.04	0.02
LN(Household financial assets excluding primary residence)	0.16***	0.04	0.06	0.01
Education level of head of household				
High school graduate or less (omitted)				
Some college or associate's degree	0.29**	0.15	0.11	0.05
Completed four years of college	0.25*	0.15	0.09	0.05
Some graduate school	0.32*	0.19	0.12	0.07
Completed graduate school	0.49***	0.15	0.18	0.05
Level of risk willing to take with financial investments				
Not willing to take any financial risk	-0.42***	0.16	-0.15	0.06
Willing to take below-average financial risk for below-average gain	-0.17	0.14	-0.06	0.05
Willing to take average financial risk for average gain (omitted)				
Willing to take above-average financial risk for above-average gain	-0.16	0.10	-0.06	0.04
Willing to take substantial financial risk for substantial gain	-0.00	0.21	-0.00	0.08
Household sole or co-decisionmaker for saving and investing is female	0.24***	0.08	0.09	0.03
Household used the Internet for a financial purpose	-0.04	0.11	-0.02	0.04
Household owns DC account(s)	-0.31***	0.10	-0.11	0.04
Household owns IRA(s)	0.33***	0.09	0.12	0.03
Level of confidence that mutual funds can help the household meet financial goals				
Not at all confident that mutual funds are an investment that can help the household meet financial goals (omitted)				
Not very confident that mutual funds are an investment that can help the household meet financial goals	0.21	0.22	0.08	0.08
Somewhat confident that mutual funds are an investment that can help the household meet financial goals	0.19	0.20	0.07	0.07
Very confident that mutual funds are an investment that can help the household meet financial goals	0.44**	0.21	0.16	0.07
Pseudo R^2	0.08			
Number of observations	1,098			

Note: Shading indicates the variable was found to be significant. *** = significant at the 99 percent confidence level; ** = significant at the 95 percent confidence level; * = significant at the 90 percent confidence level

Source: 2012 ICI Annual Mutual Fund Shareholder Tracking Survey

Higher household financial assets tend to be significantly positively related to the probability that the household had an ongoing advisory relationship (Figure 10). Households headed by a female sole or co-decisionmaker had a significantly higher probability of having an ongoing advisory relationship than their male counterparts. Also, bearing out the patterns observed in the cross tabulations, IRA ownership increases the probability of the mutual fund–owning household having an ongoing advisory relationship, and DC account ownership decreases the probability of having an ongoing advisory relationship. These variables are highly significant and their interaction with ongoing advisory relationships makes intuitive sense: financial advice is more readily available outside of employer-sponsored retirement plans, and rollover activity, which is common throughout people's working lives, generates traditional IRAs, which are considered to be outside employer-sponsored plans.

Finally, mutual fund investors who agree that they are "very confident" that mutual funds can help them meet their financial goals have a higher probability of having ongoing advisory relationships than do mutual fund investors who are not at all confident (Figure 10). It does seem logical that working with an adviser leads to confidence about investing, rather than vice versa; however, this analysis signals a correlation between high levels of confidence and an ongoing advisory relationship, not causation. Regressions using earlier years of survey data found that mutual fund–owning households using the Internet for financial purposes were less likely to have an advisory relationship,[11] but that variable was not significant in the 2012 regression. This may reflect the fact that use of the Internet is widespread among mutual fund–owning households.[12]

Notes

1 Investment professionals include registered investment advisers, full-service brokers, independent financial planners, bank or savings institution representatives, insurance agents, and accountants.

2 For more information on U.S. household ownership of mutual funds, see Schrass, Bogdan, and Holden 2012a. For more information on the characteristics of mutual fund–owning households, see Schrass, Bogdan, and Holden 2012b and Bogdan and Schrass 2013.

3 For additional information on services provided by investment professionals, see Leonard-Chambers and Bogdan 2007 and Schrass 2008.

4 In 2012, 3 percent of mutual fund–owning households owned mutual funds both inside and outside employer-sponsored retirement plans, but did not indicate specifically which outside source they used.

5 In 2012, 3 percent of mutual fund–owning households younger than 50 owned mutual funds both inside and outside employer-sponsored retirement plans, but did not indicate specifically which outside source they used.

6 In 2012, 4 percent of households aged 50 or older owned mutual funds outside of employer-sponsored retirement plans, but did not indicate specifically which outside source they used.

7 This likely is in part because people seek financial advice at certain key junctures in their lives, often when a significant accumulation of assets has occurred, such as receiving a lump sum through an inheritance or job change. For more information, see Leonard-Chambers and Bogdan 2007.

8 Thirty-nine percent of mutual fund–owning households without advisory relationships held mutual funds only through employer-sponsored retirement plans, compared with 18 percent of mutual fund–owning households with advisory relationships. These results are from tabulations of the 2012 ICI Annual Mutual Fund Shareholder Tracking Survey.

[9] Traditional and Roth IRAs are considered investments outside of employer-sponsored retirement plans, and mutual fund–owning households with advisory relationships were more likely to report mutual fund ownership outside such plans; 37 percent of mutual fund–owning households with ongoing advisory relationships owned mutual funds only outside employer-sponsored retirement plans, compared with 23 percent of those without ongoing advice. In addition, 45 percent of mutual fund–owning households with ongoing advisory relationships owned mutual funds both inside and outside employer-sponsored retirement plans, compared with 38 percent of those without ongoing advice. These results are from tabulations of the May 2012 ICI Annual Mutual Fund Shareholder Tracking Survey.

[10] A probit model was used to model the binary outcome of whether or not the household has an ongoing advisory relationship in 2012.

[11] For those analyses, see Leonard-Chambers and Bogdan 2007 and Holden 2012.

[12] See Schrass, Bogdan, and Holden 2012a.

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