

MEMO# 2044

August 1, 1990

SUMMARY REPORT OF DISTRIBUTION ANALYSIS

August 1, 1990 TO: BOARD OF GOVERNORS NO. 53-90 MEMBERS - ONE PER COMPLEX NO. 27-90 DIRECT MARKETING COMMITTEE NO. 18-90 MARKETING COMMITTEE NO. 16-90 OPERATIONS COMMITTEE NO. 16-90 PUBLIC INFORMATION COMMITTEE NO. 24-90 RESEARCH COMMITTEE NO. 18-90 SALES FORCE MARKETING COMMITTEE NO. 18-90 SHAREHOLDER COMMUNICATIONS COMMITTEE NO. 17-90 SMALL FUNDS COMMITTEE NO. 11-90 RE: SUMMARY REPORT OF DISTRIBUTION ANALYSIS

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@@@@@@@@@@@@@@@@@@@@@@@@@@@@@@@@ I enclose a copy of the Summary Report for three reports in the series called The Distribution Connection. This Summary provides a brief overview of the three major analyses that have been carried out by ICI on the distribution research data and for which reports are, or soon will be, available. The Summary contains a discussion of the segmentation of the mutual fund market according to investors' expectations of a distribution channel. As well, the Summary also introduces the analysis of distribution channel market share given specific changes in fee level or other attributes of a distribution channel. This is known as conjoint or trade-off analysis. The reports in this series and their dates of publication are as follows: The Distribution Connection: Channels Link Shareholders to Mutual Funds, 1989 The Distribution Connection: Summary Report of Major Research Findings, July 1990, enclosed The Distribution Connection: Targeting Investors and Increasing Market Share, due September, 1990 For information about these or other ICI research reports, contact Sandy West, Director, Marketing Research, at (202) 955-3509. Jacob S. Dreyer Vice President and Chief Economist