

MEMO# 8447

December 9, 1996

PROPOSAL AND RECOMMENDATIONS FOR SOURCE OF SALES DATA COLLECTION

December 9, 1996 TO: INDUSTRY STATISTICS COMMITTEE No. 33-96 RESEARCH
COMMITTEE No. 41-96 SALES FORCE MARKETING COMMITTEE No. 44-96 RE: Proposal and
Recommendations for Source of Sales Data Collection

Recently, the Institute decided to examine the process used to classify and report data by Method of Sales (MOS). The Institute frequently reports mutual fund data summarized by MOS. For reporting purposes, all funds are categorized by their primary sales channel and all data will appear under the fund's principal MOS category even though some of the fund's sales may have been through other sales channels. While this system works well for the timely release of aggregate routine statistics, the broadness of the categories obscures the variety of outlets being utilized. With the increased use of more diverse distribution channels, there is concern that the current system produces an inaccurate picture of the industry. At the September Industry Statistics and Research Committee meetings there was some discussion of these issues. Since then, a task force met to review the current classification system and to evaluate the feasibility of other methods of tracking data by sales channel. Included with this memo is a rough draft of a proposed new data collection designed to obtain more accurate information on mutual funds sales by channel. In an effort to assess the feasibility of this collection, a special feasibility survey is attached. Please fax responses to the special survey and all comments to ICI Research at (202)326-5959 or 5957 by December 18. If you are not the person at your fund group who is in the best position to respond, I would appreciate your forwarding the questionnaire to the appropriate person. Additional comments or suggestions are welcome.