

MEMO# 3331

December 10, 1991

MINUTES - COMMITTEE ON INDUSTRY STATISTICS - NOV.7

December 10, 1991 TO: MARKETING COMMITTEE NO. 45-91 INDUSTRY STATISTICS
COMMITTEE NO. 14-91 RE: MINUTES - COMMITTEE ON INDUSTRY STATISTICS - NOV.7
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Dissemination Decisions New questionnaires have been created and will be distributed to
the fund groups. The monthly questionnaire is designed to collect performance related
data. The quarterly questionnaire will ask for equity, debt, cash and other asset holdings as
well as yield and annual returns. Third party vendors as well as members will have access
to this data on an individual fund basis. There is still a concern about the small fund groups
being able to participate in and benefit from the electronic data collection process. 2.
FUNDS II BETA sites will begin testing in December. The chosen sites will be notified as soon
as possible. 3. Uses of the NASDAQ feed Currently we are using the Nasdaq feed and the
ICDI information to verify the integrity of the data we are collecting. We are now capturing
the NAV of all funds on the feed and are trying to bring to a minimum the number of funds
that will need to be called for their NAV. We are now receiving and have verified data for
approximately 68% of the money market funds, and we expect that this number will
increase as our verification process continues. Discussion of ICI Efforts to Improve Reporting
1. Background on Non-Reporters Each month, approximately 13% of funds that have
reported to ICI at least once in the past do not submit their monthly questionnaires. The
Institute has established a procedure to collect data from non-reporters by calling them
each month, since May. It has proven to be quite helpful in obtaining the data, and has
reduced the number of nonreporters to approximately 8%. Unfortunately, the amount of
time that is required to contact all non-reporters cannot be handled by the research staff on
a continuous basis. Further, the percent of non-reporting funds is consistent each month,
showing that there is no lasting effect to the phone calls. ICI cannot force funds to report,
but it is important that these funds understand that ICI is working for them, and that their
data may make a difference in the policies that ICI chooses. ICI can only strongly encourage
the funds to report. Committee Suggestions: - Have one administrative contact at each fund
that will be able to ensure that the fund submits all ICI questionnaires. - Provide some sort
of extra benefit to those funds that do report regularly. - Deny access to certain information
to those funds that are not reporting regularly. - Provide non-reporting fund groups with
spreadsheets used by the reporting fund groups in order to make their job simpler. 3. Use
of IVR (Interactive Voice Response) In order to get all the daily performance data from the
funds that do not report to NASDAQ, ICI is considering implementing a phone system that
will automatically call a fund that does not report to NASDAQ or a fund that has reported
but whose NAV exceeds a threshold based on its history. Sales by Distribution Channel 1.

Background The Source of Sales survey has several problems caused by the definition and interpretation of sales channels. There are no distinct guidelines to defining particular channels so there is no consistency among the fund groups. Therefore, the report produced with this data is flawed. Data has shown to be inconsistent from year to year for some fund groups. Also the Source of Sales report published by ICI is not timely enough. Members would like the data earlier. 2. Report from Consortium Meeting Jake Dreyer updated the committee on the discussion at the consortium. 3. Meaning of Channels A committee member representing each of the three broadly defined channels, Sales Force Proprietary, Sales Force Non-proprietary, Direct Marketing, discussed his perspective in defining the sales channels. A discussion revealed that there is still deviation in the way that sales channels are defined and that each group has different priorities in tracking different channels. In addition, all groups are interested in tracking institutional sales and some consider this a new channel. 4. Problems and Obstacles The different sales channels used by the fund groups need to be defined more clearly, as there is some gray area. The committee is interested in the data in this area because it has never been made available to them as a study. It is important in marketing strategy to understand where and how each sales channel is most effective. Committee Business 1. Assignment of Tasks ICI staff were asked to research items for a survey on retirement. All the members were interested in more extensive research in this area. 2. Next Meeting The next meeting of the Industry Statistics Committee is tentatively scheduled for mid-February.

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