

VIDEO

March 28, 2014

Focus on Funds: Profile of Mutual Fund Shareholders

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The March 28, 2014, issue of *Focus on Funds* offers insights from “Profile of Mutual Fund Shareholders,” an annual ICI report that provides an extensive look at the demographic and financial profile of mutual fund investors.

Transcript

Stephanie Ortbals-Tibbs, Director, ICI Media Relations: Welcome to *Focus on Funds*, the Investment Company Institute’s weekly roundup of industry news, ICI activities, and research findings.

The ICI’s annual, in-depth analysis of mutual fund-owning households is out.

ICI’s annual “Profile of Mutual Fund Shareholders” provides an extensive look at mutual fund investors’ demographic and financial profiles, and the range of ways in which they hold mutual funds.

Here’s more on the insights it offers.

Sarah Holden, Senior Director, ICI Retirement and Investor Research: Our latest profile confirms that mutual funds play a significant role in household finances for the 46 percent of U.S. households that own them.

It also shows there are many sources through which households purchase mutual funds, although employer-sponsored retirement plans, such as 401(k) plans, often are the primary source through which investors purchase their mutual funds.

Mutual Fund-Owning Households by Primary Source for Purchasing Funds Percentage of U.S. households owning mutual funds, 2013

Source: Investment Company Institute Annual Mutual Fund Shareholder Tracking Survey

Forty-five percent of mutual fund-owning households said that their primary purchase source for mutual funds was their employer-sponsored retirement plans.

Another 40 percent said investment professionals were their primary source, while a minority bought funds directly from fund companies or discount brokers.

Stephanie Ortals-Tibbs: Investment professionals cover a range of financial intermediaries and the survey offers detail on which types of investment professionals mutual fund-owning households rely on.

Sarah Holden: When purchasing mutual funds, many households seek the help of investment professionals, with 40 percent indicating investment professionals are their primary purchase source.

Many Different Investment Professionals Help Households Purchase Funds
Percentage of U.S. households owning mutual funds by primary source for purchasing funds, 2013

Source: Investment Company Institute Annual Mutual Fund Shareholder Tracking Survey

This breaks down to 13 percent of mutual fund-owning households relying primarily on full-service brokers to purchase funds and another 14 percent relying on independent financial advisers. The remaining households relied primarily on a bank or savings institution representative, insurance agent, or accountant to purchase funds.

Stephanie Ortals-Tibbs: Use of investment professionals varies with age and other household characteristics. The report—posted on our website—offers a wealth of additional data.

That's this week in funds. See you next week.

Additional Resources

- [ICI Research: Profile of Mutual Fund Shareholders, 2013](#)
- [ICI Research: Characteristics of Mutual Fund Shareholders, 2013](#)
- [Graphic: Mutual Fund-Owning Households by Primary Source for Purchasing Funds \(pdf\)](#)
- [Graphic: Many Different Investment Professionals Help Households Purchase Funds \(pdf\)](#)