



The Future Shape of Retail Distribution



The future for niche platforms; Intermediary and D2C

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Niche marketing

Market to the world and go broke

Meet the very specific needs of a part of the market.

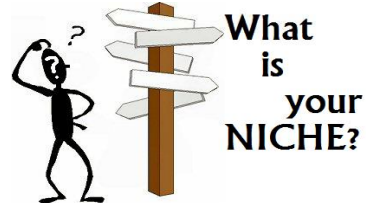


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Rules for niche marketing

Meet a need:

- **Product features**
- **Service**



Speak their language:

- **Know the IFA's difficulties**
- **Understand the key issues for them**

Requirements for niche platforms to succeed

- **Focus**
- **Close relationship with IFAs**
- **Flexible systems**
- **Culture of service and change**
- **Cost control**





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Results if done well

- Great customer loyalty
- Profitability



Possible threats to niche platforms

- FSA due diligence – perceived need for size
- New entrants/improvements of large platforms
- Lack of name awareness



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Future of intermediary business

- Higher end intermediaries want:
- To build their own distinct service offering :
 - Branding, DFM, model portfolios
- Close relationship with providers
- Cost Control
- Far less transactional

Future of direct to customer business

Growth due to:

- RDR/Intermediary branding for D2C
- Other entrants
- Junior ISAs
- Mass market?





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Future plays to strengths of niche players

- **Close relationship with intermediaries and fund managers**
- **Flexible / nifty systems**
- **Culture**



Finally...



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