

# The State of Distribution Intelligence 2022 Benchmark

## Introduction

Olmstead conducted a study of distribution intelligence practices by conducting a dozen conversations with intelligence professionals. Based on these discussions, we identified six common themes that best describe why firms have found success in their intelligence practices and developed a model to rate asset managers using these themes.

The asset management industry's data management efforts are generally in a state of transformation. We found staff dedicated to the propositions at all the firms we spoke to, but with a wide range of success as defined by each enabler. Below we have rated the industry and its state for each enabler.

1. Aggregated Data 

2. Governance 

3. Self-Service 

4. Executive Champions 

5. Seat-at-the-Table 

6. Internal Engagement 

## Key Findings:

- **Distribution Intelligence is Mainstream** – the industry recognizes its potential impact and is materially investing in DI people, data, and solutions.
- **ROI is Elusive** – impact is anecdotal as DI is at the front-end of its Maturity Curve in terms of optimally moving the needle
- **Wrangling Dominates** – while it is recognized that there will always be data wrangling, the DI A2W\* ratio (\*value-add business analytics to data wrangling) is heavily weighted towards the data chase (80%)
- **Unified Data is Lagging** – the complexity and effort of marrying varied and complex internal and external data sets is the challenge
- **Culture Matters** – without a culture that integrates distribution intelligence, data, and use of technology, no venture can be modernized
- **Evolution of Lead Gen** – a top DI use case is maturing lead generation models as data has enabled more sophisticated models

# The State of Distribution Intelligence 2022 Benchmark

Olmstead's DI Impact Model assesses the industry on 6 key enablers of a best-in-class DI function

## Aggregated Data



The industry is making extensive investments in blending data and making it accessible to the firm.

## Data Governance



Governing data has become a much more common practice in the industry. While some protocols exist, many do not have defined data rules and definitions or implemented many data validations, leading to a lack of trust in the data.

## Self Service



Self-service has been a long-term goal for many years but has not been fully realized by the industry; user uptake of BI tools is on the rise, but still early days.

## Executive Champion



As executives realize distribution intelligence's impact on their bottom line, they are more willing to invest in personnel, technology, and processes.

## Seat at the Table



While there is executive buy-in, in practice, distribution intelligence staff are not involved in many strategic conversations where their insight is critical.

## Internal Engagement



Many firms only see 20% of engagement with their technologies and processes. This prevents the firm from realizing the ROI on their investments. Best practices see a high degree of model collaboration between DI team and sales.