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# Columbia Threadneedle Investments

## Income Sentiment Survey

### Advisor Preferences and Perceptions regarding Investing for income

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## Strategic Beta Sentiment Survey: Overview

A quantitative online survey was fielded from October 29–30, 2018. There were a total of 103 advisors who completed the survey.

### Key findings include:

- Interest rate changes, and balancing income and total return are the biggest challenges for advisors regarding investing for income
- Advisors are concerned with the quality of investments and yield when investing for income
- Almost half of advisors surveyed said that managing volatility was the most challenging investor goal to overcome in an investment portfolio
- Advisors report that the majority of clients were not well versed in investing for income when they started working together



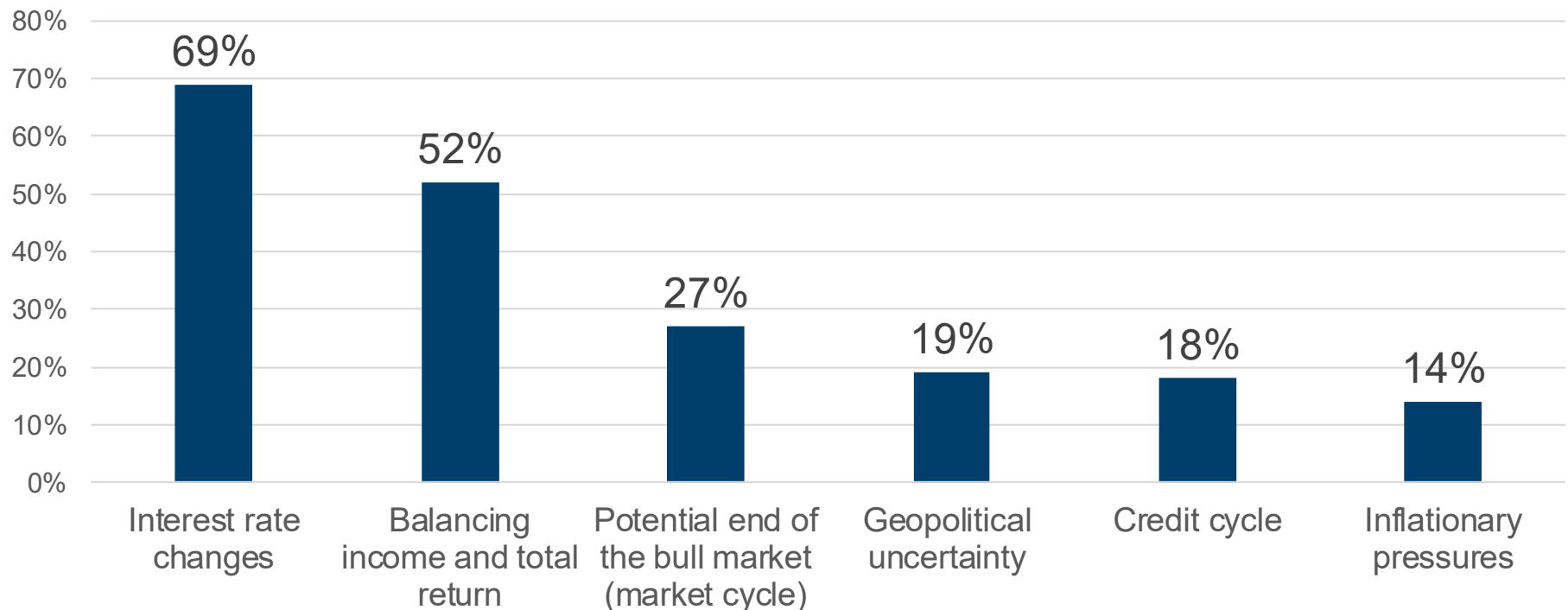
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# Results by the question

Which of the following creates the biggest challenges for you regarding income investing?  
(Choose 2)

### Key Takeaway

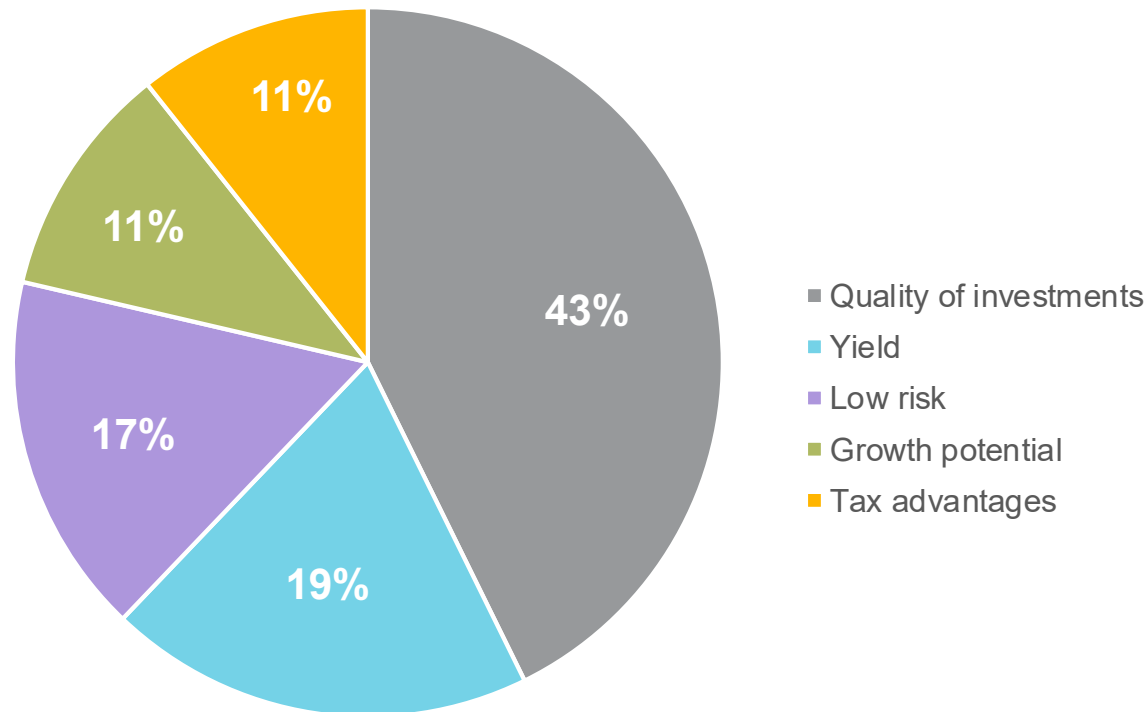
Interest rate changes, which are gradual and somewhat predictable, is the most common challenge for advisors when investing for income. The second most common challenge, balancing income and total return, is an element that they have some level of influence over.



What most influences how you choose income solutions for your clients?

### Key Takeaway

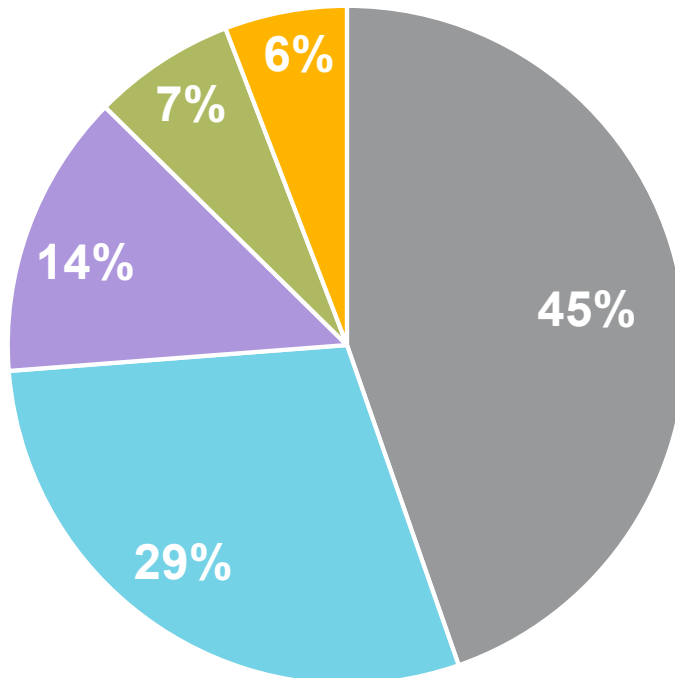
The biggest influence, quality of investment, is subjective and something advisors can control. On the other hand, the second biggest influence, yield, is less controllable, but an expected influence.



What is your go-to solution when solving for long-term client income needs?

### Key Takeaway

Advisors would rather assert control or go with the more conventional form of investing for long-term income than pick options they have less influence over.

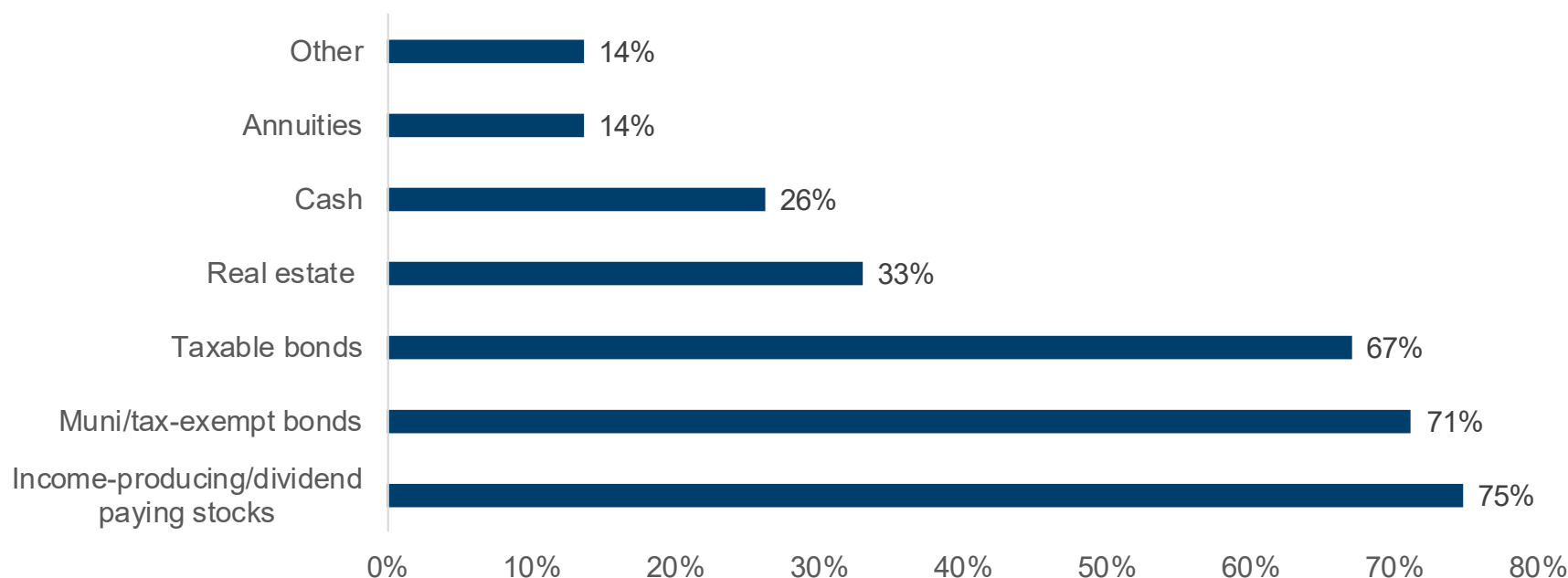


- Actively managed portfolio (mutual fund/SMA/ETF)
- Bond ladder portfolio
- Passive indexed product/ETF
- Strategic Beta ETF
- Other (like a CD, US Treasuries, bank product, annuity, hard asset/real estate, etc.)

## What are your top 3 go-to asset classes when solving for client income needs?

### Key Takeaway

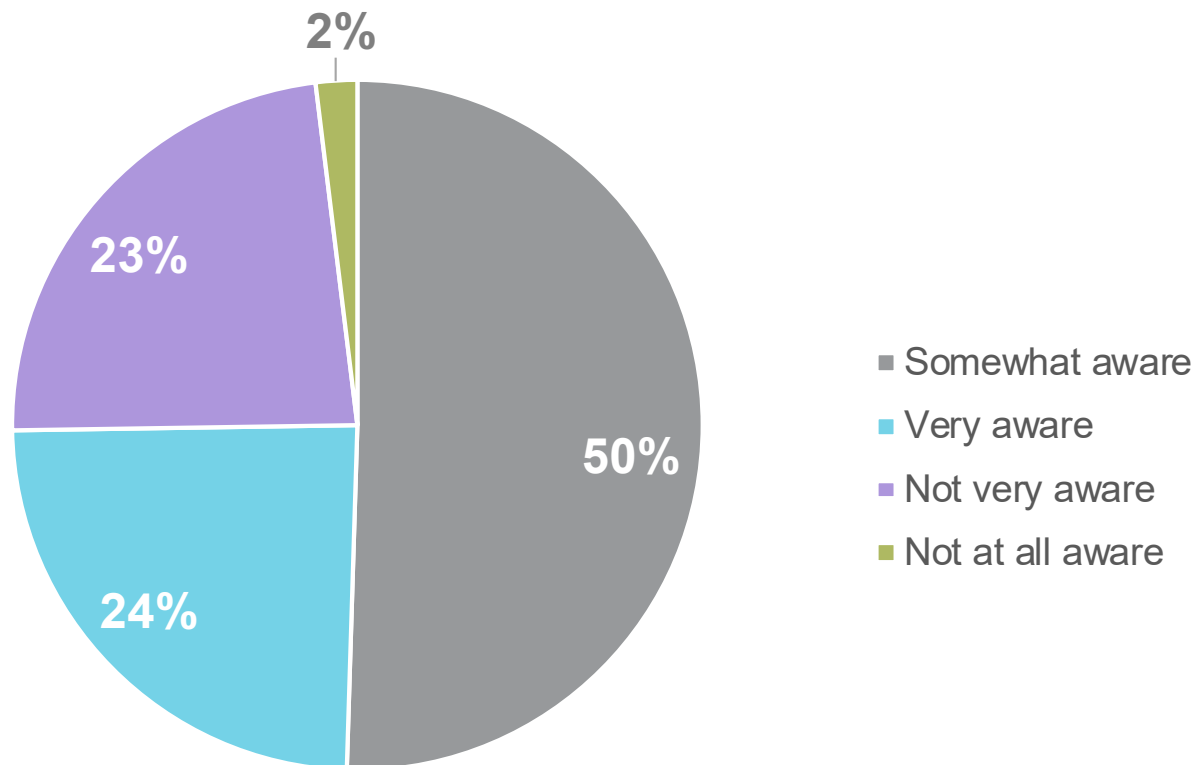
Advisors default to the traditional (or vanilla) asset classes when it comes to choosing a “go-to” to solve for income needs.



Generally, how aware of investing for income are clients when you first start working together?

#### Key Takeaway

Surprisingly, the majority of advisors said that clients don't have income top of mind at the onset of their engagements.

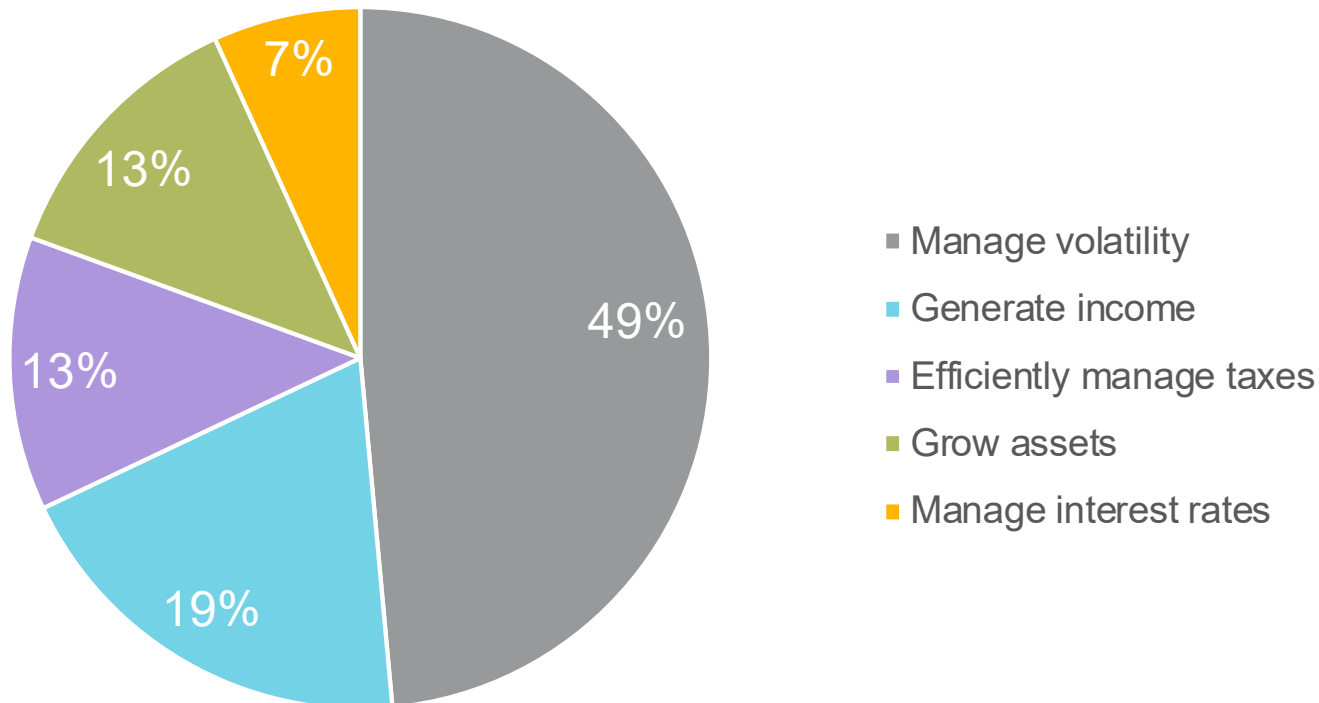




## What is the most challenging investor goal to overcome in an investment portfolio?

### Key Takeaway

Half of surveyed advisors said that managing volatility was the most challenging investor goal to overcome in an investment portfolio. While not surprising, this is a timely statistic that will be helpful in pitching.



## About Columbia Threadneedle Investments

Columbia Threadneedle Investments is a leading global asset manager that provides a broad range of investment strategies and solutions for individual, institutional and corporate clients around the world. With more than 2,000 people, including over 450 investment professionals based in North America, Europe and Asia, we manage \$426 billion\* of assets across developed and emerging market equities, fixed income, asset allocation solutions and alternatives.

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\*In U.S. dollars as of March 31, 2020. Source: Ameriprise Q1 Earnings Release.