
Retirement Opportunity Will Also Be Disruptive—Deloitte

By Editor Test *Wed, Oct 21, 2009*

Financial service companies hoping to capture "money in motion" must first address internal issues around operations and products, according to Deloitte's "Mining the Retirement Income Market" report.

Financial services companies are facing the risk that the retirement of the baby boomers will disrupt existing retirement businesses as retirees move assets from current retirement accounts and into new, income-generating products.

Companies hoping to capture "money in motion" must first address internal issues around operations and products, according to Deloitte's ["Mining the Retirement Income Market"](#) report, released today.

The report reviewed the strengths of insurance companies, mutual fund companies and banks in the competition for Boomer retirement assets, saying:

- "Insurers face a critical decision about whether to unbundle insurance coverage from asset management offerings and how best to achieve this because their ability to assume these risks is a core strategic advantage over players in the other sectors," said Rebecca Amoroso, head of Deloitte's U.S. Insurance practice.
- "The largest mutual fund companies in the defined contribution planmarket have the greatest exposure to asset erosion as the baby boom generation retires. But they are also in a potentially good position to capture rollover assets. Still, mutual fund companies will likely need to reposition and broaden their brands for the retirement income market," said Cary Stier, Deloitte's U.S. head of Asset Management Services.
- "Because most people view their banks as their primary financial institution, the industry is uniquely positioned to capitalize on its extensive existing customer network and establish a role in planning and managing retirement income programs," said Jim Reichbach, Deloitte's U.S. head of Banking and Securities.

In the paper, which is also available at www.deloitte.com/us/insurance. Deloitte offers 10 key actions financial services companies should consider as part of a plan to potentially succeed in the retirement market.

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