

Fact Sheet: CFP Board Public Awareness Campaign

Revised November 12, 2010

Increasing public awareness is central to CFP Board's mission to benefit the public by granting the CFP® certification and upholding it as the recognized standard of excellence for personal financial planning. CFP Board's Board of Directors recently authorized the organization to proceed with a public awareness campaign to raise the awareness of CFP® certification. This fact sheet provides background on the development of the campaign and the Board of Directors' resolution.

CFP Board and the CFP® professional community have made significant progress in establishing the reputation and standing of the CFP® certification within the financial services industry. And CFP Board's media relations activities, consumer outreach initiatives and strategic partnerships have resulted in many prominent consumer-facing publications urging readers to be aware of CFP® certification when seeking professional financial planning services.

While efforts to increase public awareness of the CFP® certification through non-paid, "earned" media have been met with good success, the vast majority of CFP® professionals have expressed that they want CFP Board to do more. The activities possible with the organization's current operations and funding do not have the broad impact that can be made through a paid public awareness campaign.

In early 2010, CFP Board's Board of Directors directed the organization to conduct a study on the feasibility of a national public awareness campaign to increase awareness of the CFP® certification among the general public. As part of this study, extensive qualitative and quantitative research was conducted with CFP® professionals and consumers. Our research found:

- Most Americans are not aware of the CFP® certification and hold negative perceptions of "financial planners" and other financial service providers. However, with a little education about the CFP® certification requirements and the valuable services provided by CFP® professionals, people demonstrate a positive understanding and preference for CFP® professionals.
- An online survey of CFP® professionals indicated strong support for the idea of CFP Board sponsoring a public awareness campaign, with 94% of more than 7,000 CFP® professionals saying that they support a public awareness campaign.
- After validating that CFP® professionals support the idea of CFP Board pursuing a public awareness campaign, CFP Board hired Westat, one of the largest and most respected research companies in the US, to determine whether CFP® professionals would be willing to support such a campaign financially. In a statistically significant telephone survey, with survey data +/- 4.6% at the 95% confidence level, Westat found that:
 - 83% of CFP® professionals surveyed still expressed support for a campaign, knowing that it would involve an increase in fees;
 - a majority of CFP® professionals surveyed (72%) would pay \$12 a month to support a national public awareness campaign sponsored by CFP Board; and
 - a majority of CFP® professionals surveyed would prefer having certification fees assessed on an annual basis, rather than the current bi-annual schedule.



During recent meetings with CFP® professionals – including a series of 12 in-person “CFP® Certificant Connection” events around the country, a live Webinar and a meeting at FPA’s national conference – CFP Board’s leadership engaged in discussions about the national public awareness campaign, sharing the results of the research and soliciting feedback on the proposal to fund the Campaign partly through increased certification fees.

On November 11, 2010, after careful review of the research and the feedback received from the CFP® professional community, the Board of Directors unanimously approved a resolution to move forward with a Public Awareness Campaign, including provisions for funding and monitoring the Campaign to ensure its effectiveness.

- \$9.3 million from CFP Board’s reserves (\$7 million for 2011 and \$2.3 million for 2012) has been allocated to provide initial funding for the campaign. Based on our most recent audited financial statement, this will leave about one year’s operating budget in unrestricted net assets, which is in keeping with other similarly sized financially healthy organizations.
- A certification fee increase of \$145 per year (about \$12 a month) will take effect July 2011, with all funds received as a result of this increase dedicated solely to the direct expenses of the Campaign. Based upon the current number of CFP® professionals, this fee increase will raise about \$9 million annually.
- CFP® professionals will pay the increased certification fee (\$325 annually – comprised of the \$145 fee dedicated to the Public Awareness Campaign and \$180 as an annualized amount of the current bi-annual fee) starting with their July 1, 2011 or later renewal. Renewal of certification will still occur every two years, but fees will be assessed annually.
- The national campaign, expected to launch in April 2011, will include television, online and print components. The campaign will reflect CFP Board’s neutrality on the business models and compensation structures utilized by CFP® professionals and include a “tool kit” that CFP® professionals can use in their local areas to extend the reach of the Campaign and promote the value of CFP® certification.
- CFP Board is committed to being an excellent steward of its resources. The Board of Directors has been clear that the public awareness campaign must be accompanied by transparent measures of success. The Board has authorized a four-year period for the campaign and will be evaluating the campaign on an ongoing basis, with a formal review at the two-year mark. If the campaign is found not to achieve the desired results, the Board has expressed willingness to end the campaign and the associated fees.
- CFP Board will provide CFP® professionals with information about what the campaign involves and share reports on its progress.

With the support of CFP® professionals, CFP Board has been successful in upholding the CFP® certification as the standard of excellence in competent and ethical financial planning. We believe a coordinated, targeted and appropriately funded public awareness campaign has the potential to make a real impact on public awareness of the CFP® certification – something that stands to provide value for all CFP® professionals and real benefits for the many Americans who can improve their lives with the assistance of competent, ethical and professional financial planning.