

U.S. Household Feelings of Investing Experience at Highest Peak Since 2010

Experienced Investors' Formula for Success: DIY AND Use of Advisors
As Perception of Value in Paid Advice Grows, Financial Anxiety Declines;
Risk Tolerance Also at a Peak

(Nov. 13, 2024, Rye, NY) – Consumer feelings of being experienced at investing are at their highest peak since 2010, as long-term warming trends in receptivity toward paying for advice are also seen, according to a new market intelligence report by [Hearts & Wallets](#), the independent data and benchmarking firm that specializes in saving, investing and financial advice.

Attitudes & Sentiment 2024: Goals, Beliefs and Needs in an Era of Rising Financial Confidence

analyzes consumer attitudes, sentiment, concerns and goals toward saving, investing and advice. The report draws from Hearts & Wallets Investor Quantitative™ (IQ) Database, the largest single dataset with over 120 million data points on saving, investing and advice behaviors from 80,000 U.S. households over the past 15 years.

The Experience Factor and Advice

In 2024, 31% of households feel “very” or “somewhat” experienced with investing, up from 25% in 2010. Although an almost equal portion (30%) of households feel “very inexperienced” with investing, feeling “very inexperienced” is down significantly, having peaked at 45% in 2015.

As far as where experienced investors turn when making decisions, 71% of households who say they are “very experienced” investors say they make decisions on their own. Yet, 69% of “very experienced” investors say they also rely on paid investment professionals either as “go-to,” “usually,” or “sometimes” sources of information and advice.

“Consumer empowerment and advice from a paid investment professional may seem contradictory, but they aren’t,” Laura Varas, Hearts & Wallets CEO and founder, said. “As more U.S. households gain confidence in investing, they’re becoming more self-reliant in making financial decisions, yet with self-reliance comes the increasing realization of the value paid advice. Winning service models will cater to consumers who are empowered and seek professional advice.”

Value of Paying for Financial Advice

Along with increasing investing experience, long-term growth is occurring in the perception of the value of paid financial advice. “I see value in paying for professional financial advice, whether or not I use a financial advisor today” is tied for first among the top 5 changing attitudes long term along with “My financial advisor is a partner to me.” Both attitudes have a net change of 22pts trended over the last decade, netted to compare high agreement-disagreement.

Consumers are also feeling more optimistic about their finances than at any other time since tracking began, although pockets of higher anxiety exist among lower-asset Gen X households and parents of young children.

Feelings of Investing Experience at Peak, Both DIY and Use Advisors/2

Comfort with Volatility Also at Peak

Risk tolerance with market volatility is at the highest point since tracking began, with 35% of households feeling comfortable “accepting volatility in the hopes of getting a higher return,” up +12% ppts from 23% in 2010. Customer risk tolerance varies by store. Currently, customers of **E*TRADE by Morgan Stanley** (NYSE: MS), **Robinhood** (NASDAQ: HOOD) and **Wells Fargo Advisors** (NYSE: WFC) are most risk tolerant.

“Be mindful of customer preferences to enhance the effectiveness of your firm’s approach,” Beth Krettecoc, Hearts & Wallets Subject Matter Expert and report co-author, said. “Wells Fargo Advisors clients are likely to show more interest in equity strategies, for example, while Merrill clients may have a stronger interest in fixed income products.”

Number of Goals Higher, Concerns High for U.S. Political Environment

Households are juggling more financial goals than in the past, with the average goals per household at a new peak of 3.5. The No. 1 goal, emergency fund, now outranks retirement for most Americans. Among concerns, the U.S. political environment, a new concern added this year, jumped to the top, ranked as a high concern by 47%. Inflation remains a high concern, coming in second with 44%. Another new concern, data security on financial websites, is also among the higher concerns.

Attitudes Trended Over Time

Among other findings for attitudes trended over time are the rise in wealthier households who want to bank and invest at the same firm, increasing interest in asset managers behind investments, and a decrease in consumers who resist retirement assets remaining in plan. Newer themes are intergenerational finance, artificial intelligence (AI) and relationship proliferation.

Methodology

Attitudes & Sentiment 2024: Goals, Beliefs and Needs in an Era of Rising Financial Confidence analyzes consumer attitudes, sentiment, concerns and goals toward saving, investing and advice. This report is based on the Hearts & Wallets Investor Quantitative™ Database, recognized as the largest single dataset with over 120 million data points on saving, investing and advice behaviors from 80,000 U.S. households over the past 15 years. The latest wave was fielded Jul. 17-Aug. 9, 2024, with 5,989 U.S. households.

About Hearts & Wallets

Hearts & Wallets is the data and benchmarking firm that specializes in powering growth for saving, investing and financial advice businesses. Leading firms rely upon Hearts & Wallets market intelligence reports, software and benchmarking to make strategic decisions that lead to growth by improving products, distribution, pricing, positioning and targeting. The power of 2.5x: over 70% of Hearts & Wallets subscribers experienced positive net flows in 2022 as compared to just 30% of non-subscribers. For more information, visit www.heartsandwallets.com.

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