

Financial Caregiving: A Big Need with Little Current Support

Affluent and Younger Households Bigger Burden; Opportunities for Solutions

(May 15, 2025, Rye, NY) –Financial caregiving is a big need with little support currently available from financial services firms, according to a new market intelligence report by [Hearts & Wallets](#), the independent data and benchmarking firm that specializes in buying patterns in saving, investing and financial advice.

Financial Caregiving, Retirement & Funding: Sizing, Structuring & Pricing Solutions for a Large & Growing Need provides a comprehensive picture of needs and opportunities for solutions in financial caregiving, including data fields on current and future expected caregiving responsibilities, likelihood to purchase support for certain financial caregiving tasks¹, and demographics on receptive households. Increasing complexity of household retirement finance contributes to rising demand for financial caregiving solutions as shown by data on work/life vision, retirement ages and income sources (actual and anticipated), and other related fields. The report draws from the Hearts & Wallets Investor Quantitative™ Database, recognized as the largest single dataset on saving, investing and advice behaviors with over 120 million data points from 80,000 U.S. households, trending back 15 years, with 5,989 U.S. households in the latest wave.

Financial Caregiving Need and Current Support

62.8 million U.S. households who control \$38.2T in investable assets are willing to pay for help with financial caregiving tasks today. Households in the age-asset segments that currently bear the heaviest financial caregiving responsibilities are most likely to be willing to pay for help. Many additional households who are not currently providing help are also willing to pay. Financial caregiving incidence is rising across all lifestages, is highest among younger lifestages, and is anticipated to increase, as many households struggle to find support from financial services firms. Currently, about 36 million households, out of 131 million U.S. households for all lifestages, are responsible for financial caregiving tasks.

Little support on financial caregiving exists today, according to Inside Advice® Database, which measures market capabilities. Only 16% of advice experiences address financial caregiving questions for the “Sandwich Generation” segment. Only 5% do so for younger households.

The switch from pensions to defined contribution has made the recipe for funding retirement more complicated than previously. 17% of future retirees anticipate 6-plus sources of income in retirement. Only 8% of current retirees have 6-plus.

“Aging family members often face their most difficult life challenges when they are less able to handle finances, especially given the growing complexity of retirement finance,” Laura Varas, CEO and founder of Hearts & Wallets, said. “Support programs could aid retention, consolidation, new revenue streams, and possibly even acquisition, since a robust caregiving offering could spark trial.”

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¹Financial caregiving tasks include “paying bills,” “managing their finances, including managing income flows,” “managing medical bills and insurance claims.” Tasks more related to time include “making regular visits to an assisted living facility” and “making regular visits to a nursing home.”

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Affluent and Younger Households Shoulder More Burden

Younger affluent households and households with \$3-million-plus in investable assets are the segments currently providing many (3-plus) of 9 financial caregiving responsibilities tracked. Current incidence is highest among younger lifestages ages 21 to 50. Younger lifestages are higher in anticipated future caregiving at over 50% vs. the national incidence of 39%.

Most households who currently provide caregiving (6 in 10) are tasked with more than 1 responsibility. The more financial caregiving tasks households assume, the higher their concern about “the ability of loved ones to manage their finances as they age,” with 41% those managing 5-plus tasks exhibiting high concern (9-10 in 10-point scale) vs. 14% for households without any current caregiving tasks. Some caregivers report financial caregiving can be so time-intensive that it affects their ability to work.

Ethnic, Racial Differences in Who Feels Most Responsible

Today, 7% of households provide financial assistance to parents or in-laws, most often through shared living arrangements (5%), but sometimes (2%) through financial assistance without living together. Incidence of intergenerational financial connections is higher among Black, Native Americans, Asian, Hispanic households than white-only households. When financial support occurs, financial caregiving also occurs in 65% of cases.

Market Need and Opportunity

Biggest targets for potential financial caregiving solutions are households under age 45 (16M households), and in investable asset terms, households with \$3-million-plus (\$16.2 trillion). More effective support for the 36M households responsible for financial caregiving offers opportunities for supporting existing customers – such as at Wells Fargo Advisors (NYSE: WFC) and Morgan Stanley (NYSE: MS) which have the highest proportions of customers who manage financial caregiving with over 40% of customers currently serving as financial caregivers. The full report details potential markets, willingness to pay for services and explains the connection to the increasing complexity of retirement.

“In contrast to the tradition of financial caregiving falling squarely on ‘Sandwich Generation,’ these responsibilities broadly impact across all ages,” Amber Katris, Hearts & Wallets Subject Matter Expert, said. “Different pricing mechanisms will be needed to address the need across asset and age groups.”

Methodology

Financial Caregiving, Retirement & Funding: Sizing, Structuring & Pricing Solutions for a Large & Growing Need provides a comprehensive picture of needs and opportunities in financial caregiving and 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 the past 15 years. The latest wave was fielded Jul. 17-Aug. 9, 2024, with 5,989 households.

About Hearts & Wallets

Hearts & Wallets is the data and benchmarking firm that specializes in powering growth for saving, investing and financial advice businesses with competitive buying pattern data. Leading firms rely upon Hearts & Wallets market intelligence reports, software and benchmarking to make strategic decisions that lead to growth by making products and services more consumer centric. Over 70% of Hearts & Wallets subscribers experienced positive net flows as compared to just 30% of non-subscribers. For more information, visit www.heartsandwallets.com.

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