



# Financial Adviser Consumer Survey

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**ORC***International*

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## Methodology

- ◆ This report presents the findings of an online survey conducted among a sample of 1,012 adults, consisting of 504 men and 508 women, 18 years of age and older. Interviewing for this survey was completed during the period August 8-11, 2013. Results are weighted by age, gender, region, race and education to be representative of the US adult population.
- ◆ Respondents for this survey were selected from among those who have volunteered to participate in online surveys and polls. As such, no estimates of sampling error can be calculated. All sample surveys and polls may be subject to multiple sources of error, including but not limited to sampling error, coverage error, error associated with nonresponse, error associated with question wording and response options, and post-survey weighting and adjustments.

# Executive Summary

# Executive Summary

These survey results indicate a broad based desire for comprehensive financial planning assistance from certified advisers. While the “typical” professional adviser client is often thought of as affluent and in later middle age or older, age (as well as income and asset levels) make little difference in attitudes and 29% of respondents under 35 either have (19%) or are currently (10%) working with an adviser.

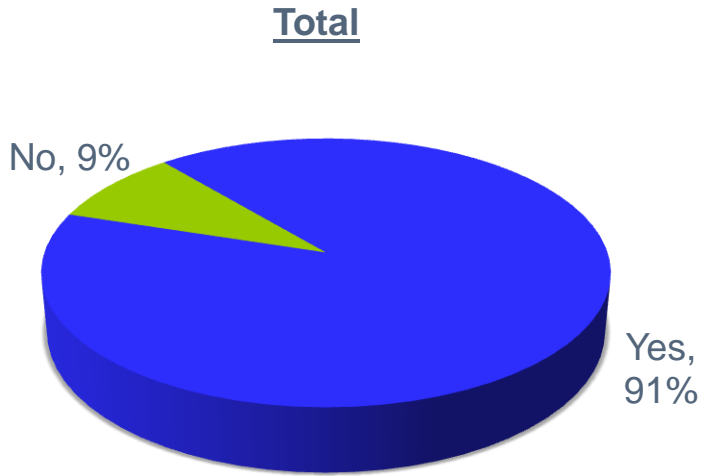
- Certification matters to most people when it comes to working with a financial adviser
  - Over eight in ten respondents (84%) believe that certifications are important when choosing a financial adviser, and 87% report that they would feel more confident working with an adviser who has a financial planning designation.
- Most prefer broad knowledge and view point
  - By far, the most important type of certification demonstrates knowledge of multiple financial areas, preferred by 68% compared to just 21% who prefer knowledge in a specialized area.
  - Seven out of 10 respondents (70%) prefer an adviser who has the ability to look at their whole financial situation as opposed to an adviser who specializes in one area (30%) and 91% expect the advice they receive from a financial adviser to take into account their total financial situation.
  - Roughly half of consumers (48%) most look for a strong knowledge of financial planning when choosing a financial adviser. Trailing a distant second in terms of importance is ethics (20%), followed by years in business/experience (17%). Ranking last is the ability to offer a variety of financial products (11%).

# Detailed Findings

# Expectations Regarding Advice From a Financial Planner

- An overwhelming majority of consumers (91%) expect the advice they receive from a financial advisor to take into account their total financial situation.
  - This expectation is largely consistent across all age groups.

*Would you expect the advice you receive from a financial advisor to take into account your total financial situation?*



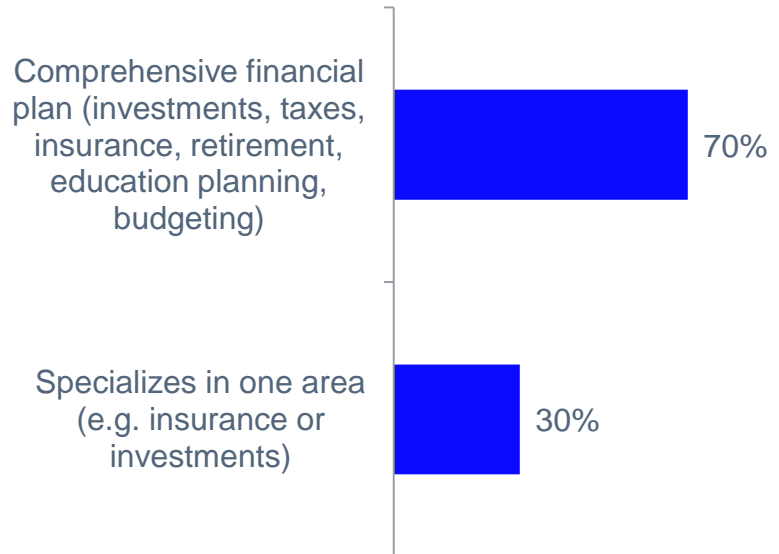
	AGE				
	<u>18-34</u> %	<u>35-44</u> %	<u>45-54</u> %	<u>55-64</u> %	<u>65+</u> %
Yes	87	95	94	92	92
No	13	5	6	8	8

F4: Would you expect the advice you receive from a financial advisor to take into account your total financial situation?  
 Base: Total (N = 1,012); Age 18-34 (N = 306), Age 35-44 (N = 144), Age 45-54 (N = 225), Age 55-64 (N = 202), Age 65+ (N = 135)

# Financial Adviser Preference: Specialty Area vs. Comprehensive Plan

- When looking for financial advice, a large majority (70%) prefer an adviser who has the ability to look at their whole financial situation as opposed to an adviser who specializes in one area (30%).
  - A comprehensive financial plan is more popular among all age groups.

**Total**



	AGE				
	<u>18-34</u> %	<u>35-44</u> %	<u>45-54</u> %	<u>55-64</u> %	<u>65+</u> %
Comprehensive financial plan	71	70	76	71	64
Specializes in one area	30	30	24	29	36

F1: When you look for financial advice, would you want an adviser who has the ability to look at your whole financial situation or one who specializes in one area of your finances?  
 Base: Total (N = 1,012); Age 18-34 (N = 306), Age 35-44 (N = 144), Age 45-54 (N = 225), Age 55-64 (N = 202), Age 65+ (N = 135)



# Most Desired Attributes When Choosing a Financial Adviser

- Roughly half of consumers (48%) most look for a strong knowledge of financial planning when choosing a financial adviser. Trailing a distant second in terms of importance is ethics (20%), followed by years in business/experience (17%). Ranking last is the ability to offer a variety of financial products (11%).
  - Younger consumers ages 18-34 (57%) are most likely to seek a strong knowledge of financial planning, particularly in comparison to those 65 and older (37%).



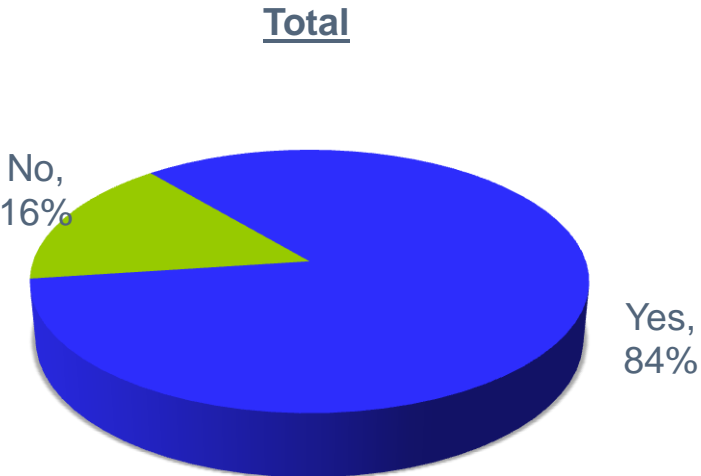
	AGE				
	18-34 %	35-44 %	45-54 %	55-64 %	65+ %
Strong knowledge of financial planning	57	47	48	43	37
Ethics	16	15	18	19	34
Years in business / Experience	17	18	18	17	13
Ability to offer a variety of financial products	8	17	13	15	6
Something else	2	2	3	5	10

F2: What would you look for most in choosing a financial adviser?  
 Base: Total (N = 1,012); Age 18-34 (N = 306), Age 35-44 (N = 144), Age 45-54 (N = 225), Age 55-64 (N = 202), Age 65+ (N = 135)

# Importance of Certifications When Choosing a Financial Adviser

- Over eight in ten consumers (84%) believe that certifications are important when choosing a financial adviser.
  - There are no differences in opinion across age groups.

*Are certifications important when choosing a financial adviser?*

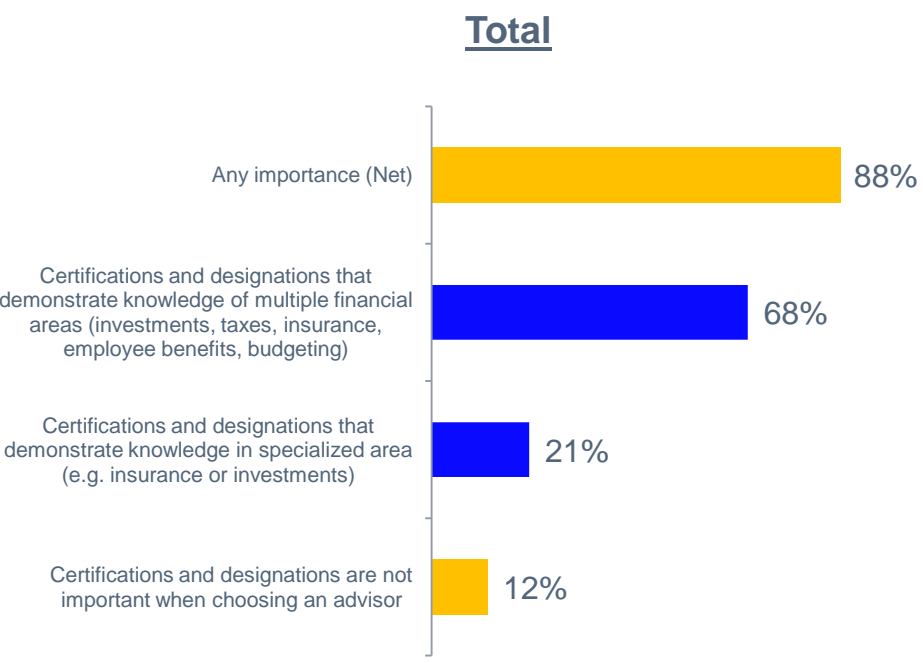


	AGE				
	<u>18-34</u> %	<u>35-44</u> %	<u>45-54</u> %	<u>55-64</u> %	<u>65+</u> %
Yes	82	85	83	91	83
No	18	15	17	9	17

F5: Are certifications important when choosing a financial adviser?  
 Base: Total (N = 1,012); Age 18-34 (N = 306), Age 35-44 (N = 144), Age 45-54 (N = 225), Age 55-64 (N = 202), Age 65+ (N = 135)

# Preferred Certifications When Choosing a Financial Adviser

- Certifications are important to nearly all consumers (88%) when choosing a financial adviser.
- By far, the most important type of certification demonstrates knowledge of multiple financial areas, preferred by 68% compared to just 21% who prefer knowledge in a specialized area.
  - Consumers within the 35-64 age group tend to place greater importance on certifications, particularly those that demonstrate knowledge of multiple financial areas, as opposed to their younger and older counterparts.



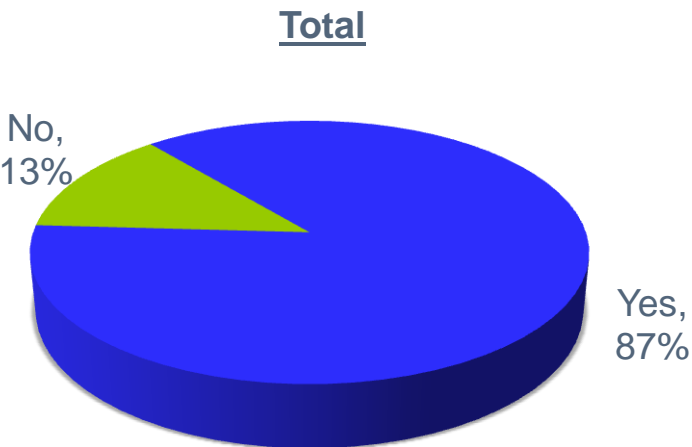
	AGE				
	18-34 %	35-44 %	45-54 %	55-64 %	65+ %
<b>Any importance (Net)</b>	<b>85</b>	<b>92</b>	<b>90</b>	<b>93</b>	<b>84</b>
Knowledge of multiple financial areas	63	74	71	72	61
Knowledge in specialized area	22	18	19	21	23
Certifications and designations are not important when choosing an advisor	15	8	10	7	16

F6: What certifications would you prefer when choosing a financial adviser?  
 Base: Total (N = 1,012); Age 18-34 (N = 306), Age 35-44 (N = 144), Age 45-54 (N = 225), Age 55-64 (N = 202), Age 65+ (N = 135)

# Importance of Financial Planning Designation

- Nearly nine in ten consumers (87%) would feel more confident working with an adviser who has a financial planning designation.
  - Opinion levels remain steady across age groups.

*Would you feel more confident working with an adviser who has a financial planning designation?*

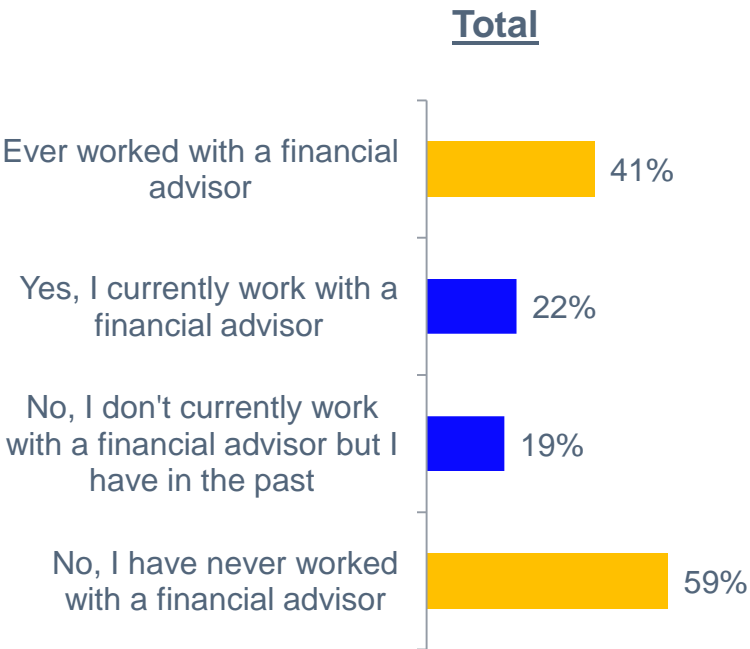


	AGE				
	<u>18-34</u> %	<u>35-44</u> %	<u>45-54</u> %	<u>55-64</u> %	<u>65+</u> %
Yes	88	86	86	89	83
No	12	14	14	11	17

F7: *Would you feel more confident working with an adviser who has a financial planning designation?*  
 Base: Total (N = 1,012); Age 18-34 (N = 306), Age 35-44 (N = 144), Age 45-54 (N = 225), Age 55-64 (N = 202), Age 65+ (N = 135)

# Ever Worked With a Financial Adviser

- Roughly four in ten consumers (41%) have **ever** worked with a financial adviser. Two in ten (22%) currently work with an adviser, while the majority (59%) have never worked with a financial adviser.
  - Consumers ages 55 and older are more likely to have ever worked with a financial adviser, including currently, while their younger counterparts are most likely to have never worked with an adviser.

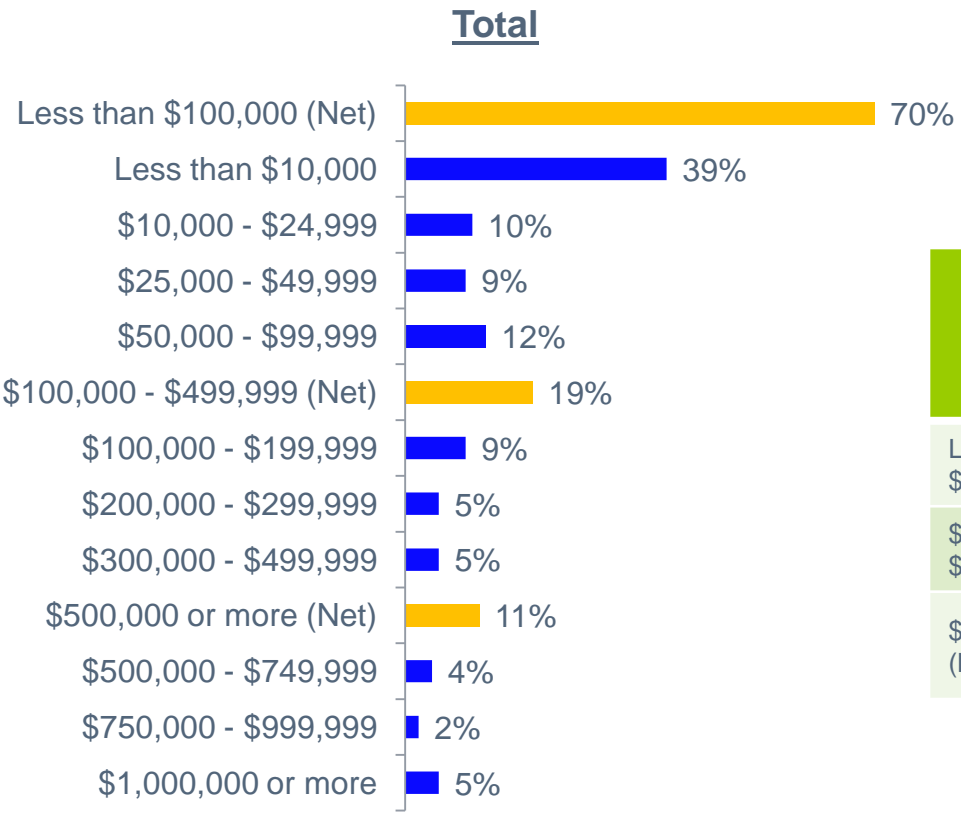


	AGE				
	18-34 %	35-44 %	45-54 %	55-64 %	65+ %
<b>Ever worked with a financial adviser (Net)</b>	<b>29</b>	<b>43</b>	<b>36</b>	<b>50</b>	<b>56</b>
Yes, I currently work with a financial adviser	10	20	18	30	42
No, I don't currently work with a financial adviser but I have in the past	19	24	18	20	13
No, I have never worked with a financial adviser	72	57	64	50	44

F9: Do you currently work with a financial adviser?  
 Base: Total (N = 1,012); Age 18-34 (N = 306), Age 35-44 (N = 144), Age 45-54 (N = 225), Age 55-64 (N = 202), Age 65+ (N = 135)

# Total Value of Household Investments / Investable Assets

- Most consumers (70%) have household investments/investable assets of less than \$100,000.
  - Not surprisingly, investable assets increase with age, with roughly half (52%) of those 65 and older having investments totaling \$100,000 or more.



	AGE				
	18-34 %	35-44 %	45-54 %	55-64 %	65+ %
Less than \$100,000 (Net)	82	77	72	57	49
\$100,000 - \$499,999 (Net)	14	17	20	19	31
\$500,000 or more (Net)	4	6	8	24	21

F10: What is the approximate **total value** of the investments/investable assets held by you and other members of your household? These include checking accounts and savings accounts as well as any assets held in brokerage accounts or retirement plans such as stocks, bonds, mutual funds, money market funds, etc. When you think about your total investments/investable assets, please **DO NOT** include the value of any real estate or personal valuables such as jewelry, automobiles or art collections.  
 Base: Total (N = 1,012); Age 18-34 (N = 306), Age 35-44 (N = 144), Age 45-54 (N = 225), Age 55-64 (N = 202), Age 65+ (N = 135)