

Understanding What Investors Value in a Financial Advisor

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Investors' Preferences Are Hard to Nail Down

PREFERENCES ARE HARD TO NAIL DOWN

Our Minds Can Get in the Way

Understanding what investors value and demonstrating that value are critical facets of a financial advisor's success. Unfortunately, clients' preferences are hard to nail down and may not be addressed by off-the-shelf investment solutions.

Just asking people what they value in a financial advisor may produce misleading results for a few reasons: preferences are complex, people may struggle to articulate their preferences, they may not have a good idea of their preferences, or they may be swayed by their biases when providing their answer. Furthermore, investors may struggle to explain how they benefit from working with an advisor, as they may not have a solid grasp of what an advisor does and how those activities create value. Many investors may still have an outdated understanding of advisors, something that is not unheard of given the ongoing [evolution](#) the industry is experiencing.

From an objective perspective, an advisor's value is clear. [Kinniry et. al](#) found that advisors add value by rebalancing their clients' portfolio (14 basis points), determining asset location (0-60 basis points), and acting as behavioral coaches (0-200+ basis points). Although we know the objective value of advisor services, we also know that those values do not always line up with what clients are looking for nor what they understand about what characteristics make for high-quality advice.

So, how do we uncover what investors value from an advisor? In 2018, we studied what investors found most valuable when working with a financial advisor. We asked investors to rank common advisor attributes (see right), from most valuable to least valuable.

Common advisor attributes

- Helps me avoid common behavioral mistakes
- Has a good reputation and positive reviews
- Is knowledgeable on tax consequences of investing
- Can help me maximize my returns
- Is approachable and easy to talk to
- Helps me reach my financial goals
- Is easy to get ahold of
- Has a clear fee structure so I know what I'm paying for
- Understands me and my unique needs
- Uses up-to-date technology
- Acts as a coach/mentor to keep me on track
- Presents themselves in a professional manner
- Keeps my interests in focus with unbiased advice
- Communicates and explains financial concepts well
- Has the relevant skills and knowledge

When Objective Results and Subjective Preferences Don't Match

In 2024, we built on our previous study and continued our efforts to help advisors uncover what investors value by examining three different measures across four different studies. First, we repeated our same study from 2018, allowing us to identify what investors value using a ranking system.

Second, we administered a willingness-to-pay measure, where we asked investors how much they would be willing to pay an advisor for different potential services they provided. By looking at the differences in willingness-to-pay across tasks, we can better understand how much investors value one service compared with another.

Lastly, we provided investors with an open text question to explain why they hired, and continue working with, their own advisor. This last measurement method allowed investors to provide answers in their own words, without being primed by a preset list. Also, by giving investors the opportunity to express their opinions anonymously, their answers would not be swayed by factors like social desirability or potential embarrassment, as it may be when advisors ask them the same question face to face.

Each of these measurements highlight different features of investors' values, starting at the surface, then getting deeper and closer to fundamental values. In total, they provide a comprehensive picture of what investors value in an advisor. Consistent with what successful advisors appreciate, we find advisors must address both surface and deeper preferences to meet investors' expectations and provide high-value, long-term advice.

Study Prompts

Ranking

"In your opinion, rank the following items by what is most valuable to you when working with a financial advisor."

Willingness-to-Pay

"How much would you pay this advisor per hour?"

Open Text: Hiring Decision

"Please list some reasons why you hired your advisor."

Open Text: Retention Decision

"Please list some reasons why you continue to have an advisor."

Using Different Measurement Strategies to Understand Value

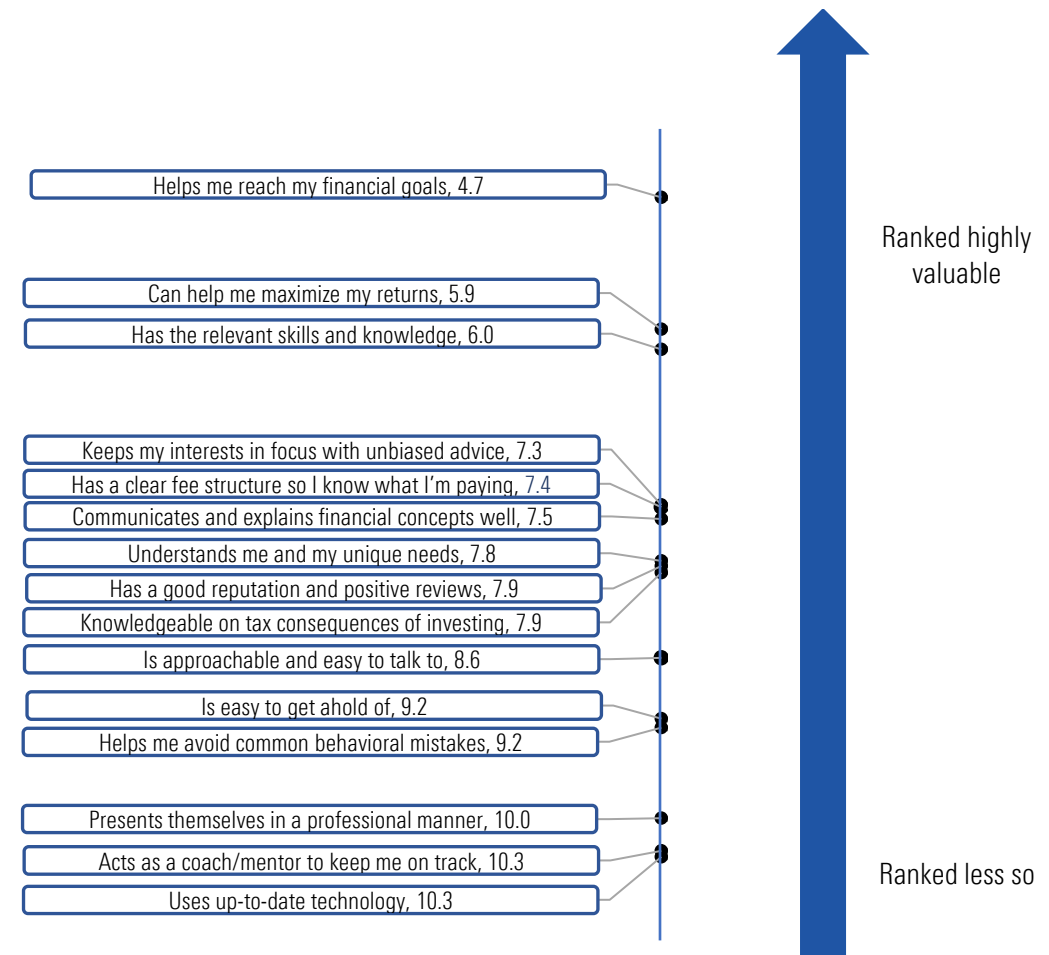
Ranking Study: 2018 Results Point to the Importance of Goals

In 2018, we examined investor perspectives on the value of working with a financial advisor. In our survey, individual investors ranked a set of common advisor attributes (page 5) in order of importance. The exhibit here displays the average ranking (remember, a lower average ranking indicates the attribute tends to be more important) of each attribute across investors. When reviewing these results, a few key details stand out.

First, goals are top of mind for investors (as they should be). However, so is the attribute *maximizing returns*, which could be a sign investors continue to see advisors as a glorified get-rich-quick scheme (or at least expect them to pick the next hot stocks and beat the market). This notion can prompt returns-chasing and result in misaligned expectations on the investor’s part. The average high ranking of the *Can help me maximize my returns* attribute signals the need for advisors to level-set expectations early on and educate clients on the benefits of long-term financial planning instead of centering their attention on short-term returns.

Also of note is that investors don’t tend to rate items related to the behavioral coaching—*Helps me avoid common behavioral mistakes*, *Acts as a coach/mentor to keep me on track*, and *Communicates and explains financial concepts well*—as important. This contrasts to cognitive biases and other behavioral obstacles that often inhibit investors from making sound financial decisions, especially when their emotions are running high. Given research shows behavioral coaching is the single most impactful service advisors offer, and these findings indicate the need for advisors to emphasize this value to clients who might otherwise not appreciate it.

Average ranking for each attribute



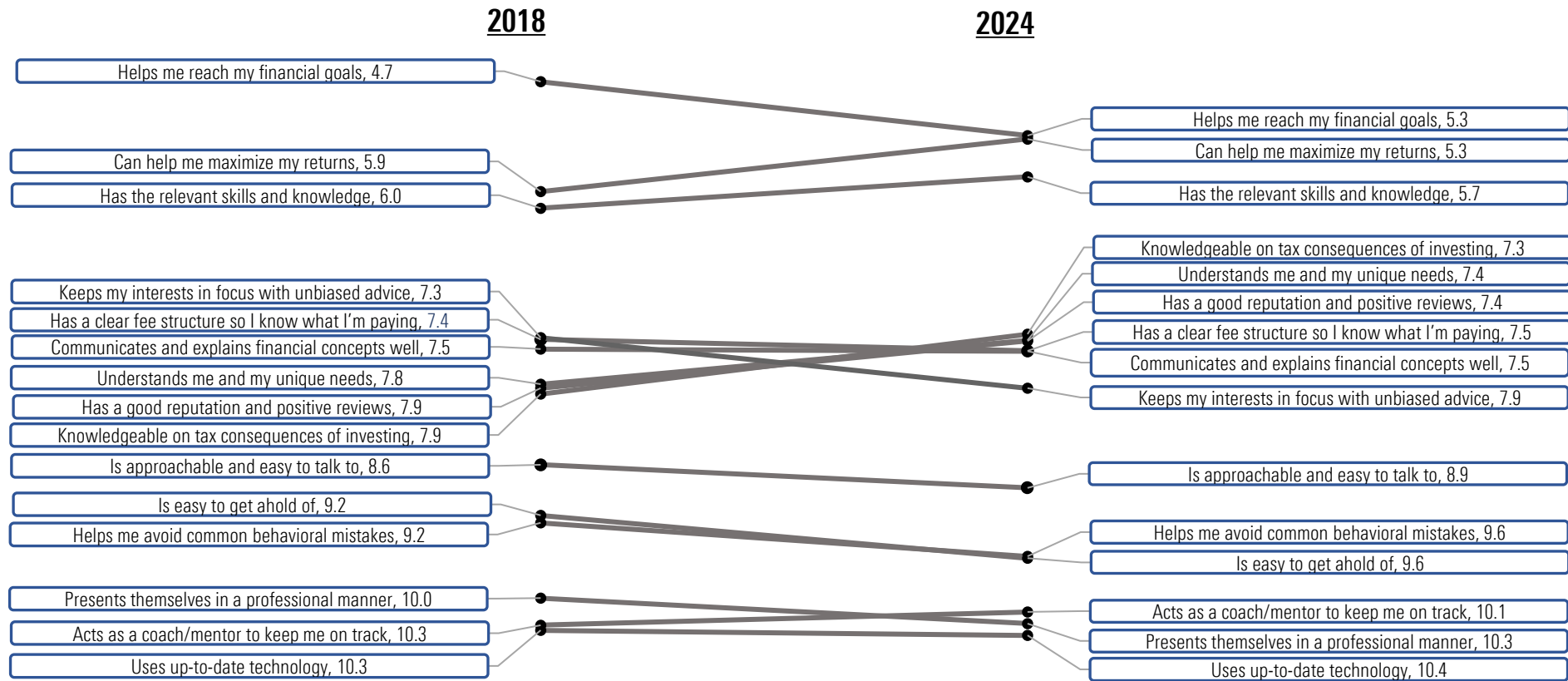
N= 180

Ranking Study: Goals Are Still King

In 2024, we administered the study again with a new group of investors.¹ The following exhibit compares the average rankings in 2018 with those in 2024. A few details are worth noting. First, investors’ preferences seem to have stayed generally consistent. There aren’t any huge disparities, suggesting that none of the attributes drastically changed in

importance—with goals, maximizing returns, and advisor expertise rising to the top three positions in both studies. The rank correlation between the two studies is $r = 0.97$, suggesting that the order of the two lists are nearly identical. As expected, we see some small shifts in the results, but these difference are not statistically significant and are attributable to noise.

Evolution of the Value of Advice



1: 2024 study participants (N = 688) was made up of investors located in the US who had at least some investable assets.

Willingness-to-Pay: Reaching Goals Is Important, but so Are Goal-Setting and Brainstorming

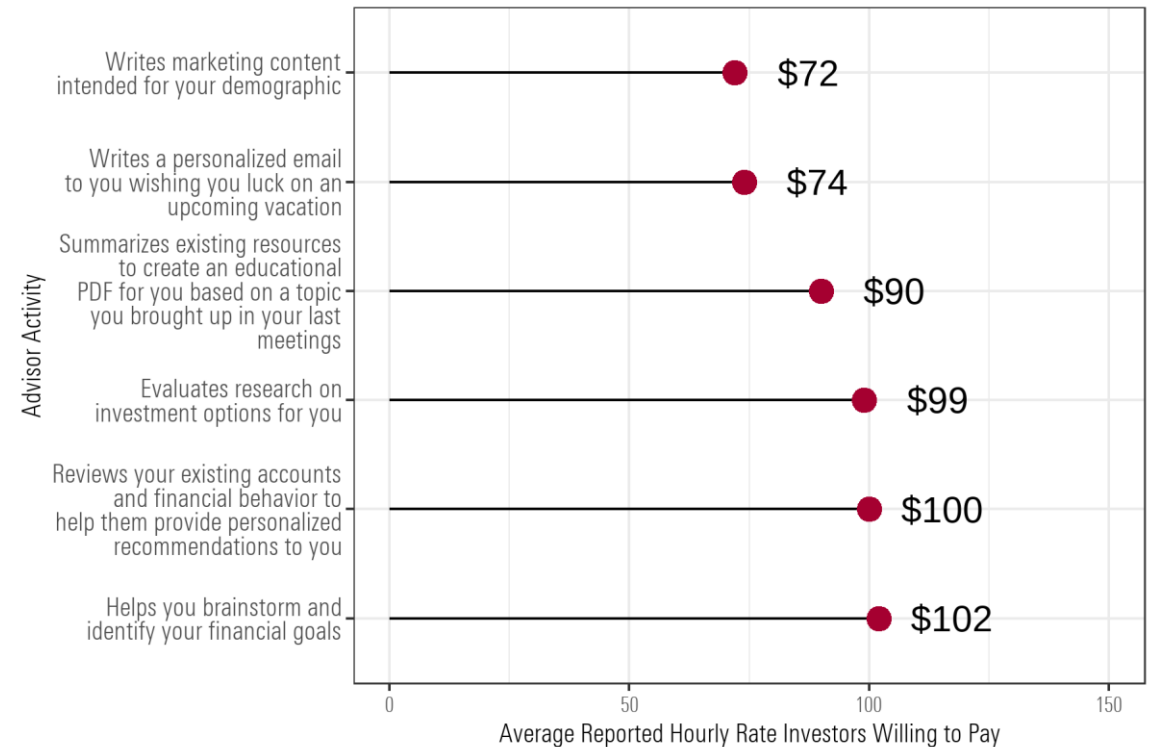
In 2024, we ran a separate study, which presented investors with tasks their advisor might perform for them. We then asked investors how much they would be willing to pay this advisor per hour given the description of each task. In the previous study, we gave investors concise labels to summarize advisor behavior. However, in this study, we provided investors with more detailed descriptions and examples, some of which incorporated more than one attribute.

The following exhibit presents the activities on the y-axis and the average reported hourly rate investors were willing to pay on the x-axis. Investors valued an advisor's ability to help them identify their financial goals as much as they valued an advisor's ability to evaluate investment research or provide personalized financial and behavioral recommendations, with providing educational resources following closely behind.

Like the ranking study, we see investors were focused on their financial goals and their advisor's expertise, but we also see the importance of the soft-skills side of financial planning. For example, investors don't just want help reaching their goals; they also want an advisor who helps them discover and identify their deeper investing goals—something that can only be achieved through ongoing discussions and trust. We also see investors valued an advisor who gives them personalized advice, not just based on their accounts but also based on their behaviors.

This willingness-to-pay study provides different insights into what investors value. It isn't just an expectation of returns, expertise, and goal attainment. Investors also value support to help define their goals and personalized support to help them get there.

Average hourly rate per task



N = 1858 people from the US, UK, and Australia (currencies converted to USD for analysis)

Open Text Questions: Collecting Investors' Responses in Their Own Words

Additionally, we featured open text questions in surveys run in 2021 to 2022—including one question to examine hiring decisions and another to examine retention decisions. In these surveys, we did not provide any predefined lists or explanation of an advisor's role for participants. Instead, we simply asked investors who had a financial advisor, why they hired their advisor, and why they continue to work with their advisor.

To analyze clients' open-ended responses, we first identified common, high-level motivations behind hiring and retention decisions by consulting industry and academic research. These motivational categories represent broader pillars of what investors value from a financial advisor. That is, instead of each category being a specific behavior (such as, "acts as a mentor to keep me on track"), the categories represented several related behaviors (such as, behavioral coaching). Because of this, the items tested in the Ranking and Willingness-to-Pay studies can be filed under one or more of these categories.

Using this master list of common motivations, we categorized client responses into one or more categories to determine why investors hired and kept their advisor.

Common Motivations Behind Hiring and Retention Decisions

Comfort handling financial issues

Advisor was hired/kept/fired because of the client's confidence (or lack thereof) in their own skills needed to reach their financial goals or their knowledge regarding finances.

Quality of relationship with advisor

Advisor was hired/kept/fired because the client felt they had a good (or bad) relationship with their advisor owing to any number of factors, such as a match in values, having trust in the advisor, and having a good rapport.

Quality of communication with advisor

Advisor was hired/kept/fired because of the communication they had with their advisor regarding financial services.

Self-presentation of advisor

Advisor was hired/kept/fired because of how they presented their business (for example, office, staff, and so on) to their client.

Recommended by friends/family

Advisor was hired/kept/fired because client was encouraged to do so by trusted individuals.

Behavioral coaching

Advisor was hired/kept/fired because they could (or could not) provide sufficient support to help the client act in ways beneficial to their finances, such as explaining the financial plan, motivating the client to stick to the plan, or providing guidance on what not to do in certain financial situations.

Specific financial needs

Advisor was hired/kept/fired because the client had a specific financial issue that needed to be resolved such as planning for retirement, handling the loss of a spouse, or tax planning.

Quality of financial advice and services

Advisor was hired/kept/fired because of how well their financial services and advice were perceived as being able to help the client achieve their financial goals.

Return performance-driven factors

Advisor was hired/kept/fired because of client expectations for returns.

Cost

Advisor was hired/kept/fired because of the price associated with their service.

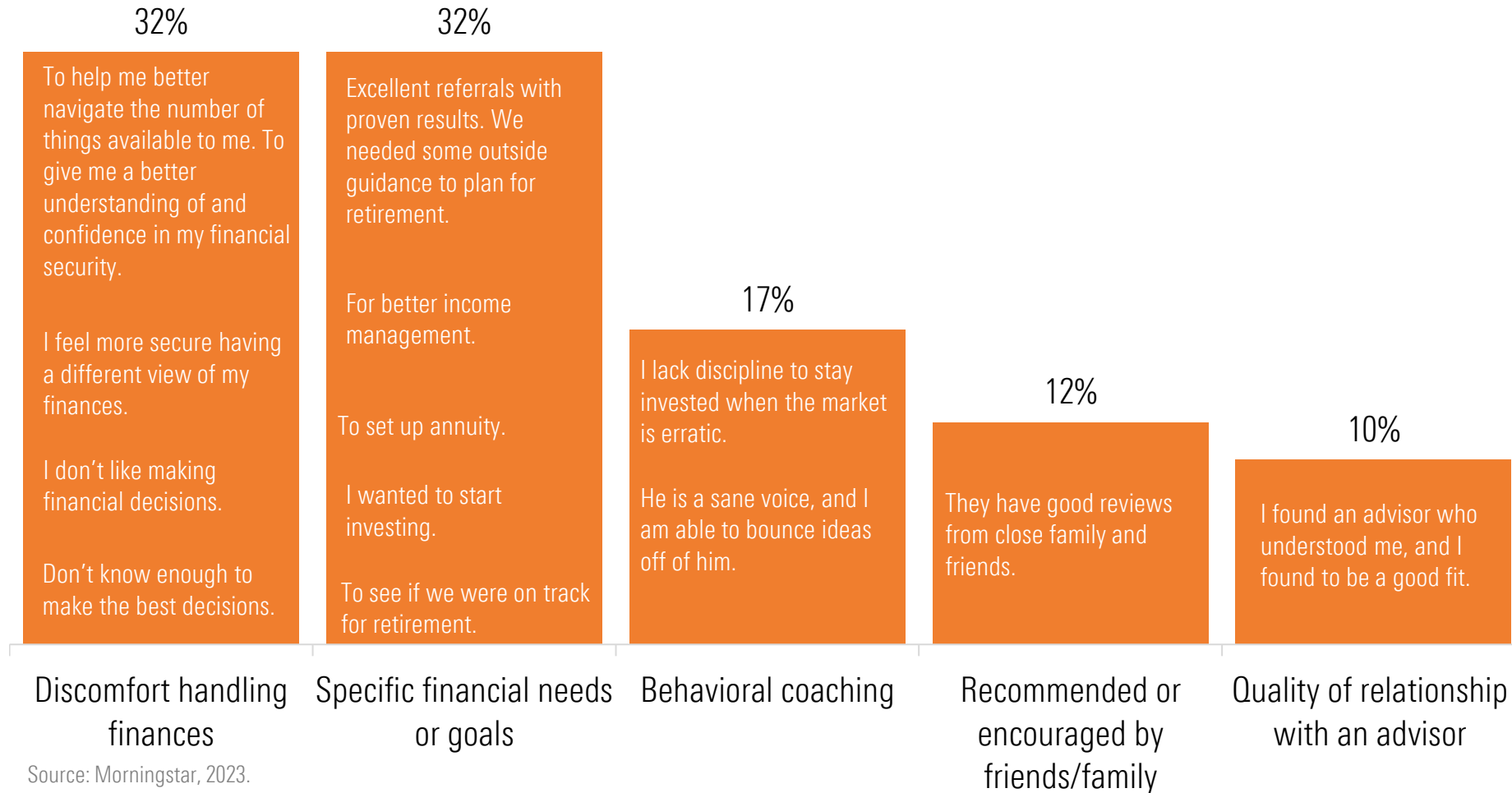
Open Text–Hiring: Not Just Addressing Needs, but Someone Investors Can Lean On

This exhibit shows the percent of responses that fell into the five most common motivations driving hiring decisions, along with examples of some associated responses.

It's clear investors value a financial advisor for their expertise in handling specific financial needs, which coincides with findings from the previous two studies. We also see that financial goals play a key role in hiring decisions.

However, we again see the importance of the softer side of the advising relationship. For example, investors report they wanted to be able to lean on their advisor and the expertise they bring. Investors also indicated they wanted help staying calm during market volatility and navigating financial decisions.

Most Common Reasons for Hiring a Financial Advisor



Open Text–Retention: Soothing Financial Concerns

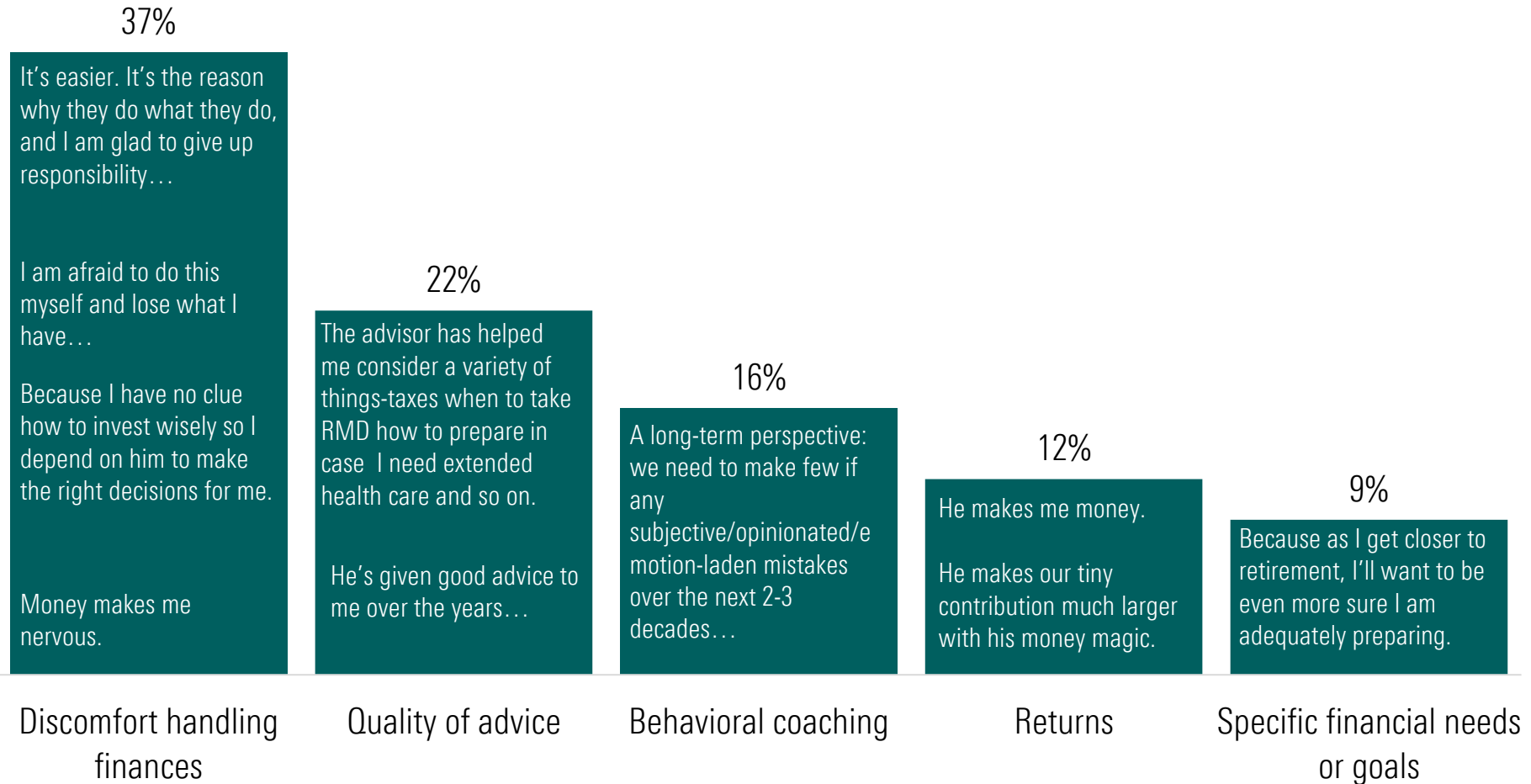
This exhibit shows the percent of responses that fell into the five most common categories driving retention decisions, along with a few examples of some associated responses.

Here we see more signs of investors valuing their advisor for their ability to soothe their finance-related concerns and anxieties. Some clients are driven from their own lack of financial expertise, and others acknowledge their emotions may get the better of them.

We also see signs that clients notice and appreciate how their advisors are addressing their financial needs and helping them reach their financial goals.

Together, these two open text studies provide further context to make sense of the different things investors value from an advisor.

Most Common Reasons for Keeping a Financial Advisor



Source: Morningstar, 2023.

Starting at the top to Get to the Bottom of What Motivates Investors

Each of the studies presents a different, but complementary, perspective on what investors value from a financial advisor. Although we did find some similarities between the results for each study, we also found some instances of contrasting results. The following table provides an overview of each study: the prompt, the top attributes investors valued, and our interpretation of the results. In the next section, we provide more tangible takeaways for advisors looking to incorporate this knowledge into their practice.

Study Recap and Interpretation

Study	Prompt	Findings	Interpretation
Ranking	"In your opinion, rank the following items by what is most valuable to you when working with a financial advisor. "	Investors valued: <ol style="list-style-type: none"> 1. Help reaching their financial goals 2. Maximized returns 3. Advisor's skills and knowledge 	Ranking advisor behaviors may be difficult for investors who have a surface-level understanding of an advisor's role, prompting them to home in on top-of-mind values like those one typically associates with advisors. Advisors should address these needs but not take them as conclusive.
Willingness to pay	"How much would you pay this advisor per hour?"	Investors valued: <ol style="list-style-type: none"> 1. Help generating goals 2. Evaluation of investment options 3. Personalized advice based on their accounts and financial behavior 	Advisor behavior was better illustrated in prompts, giving investors examples of what it is they would actually be paying for. This revealed that things previously ranked as low, like behavioral coaching (when better explained), were seen equally valuable as things like advisor expertise.
Open-ended	"Please list some reasons why you hired/continue to have an advisor."	Investors valued: <ol style="list-style-type: none"> 1. Getting comfort handling their finances 2. Quality financial advice 3. Help with specific financial problems 4. Behavioral coaching 	Clients reflected on their own advisor's value and expressed themselves in their own words. This provided deeper insight into how clients think about advisor value. The categories that appear here can be understood as the root of what client's value in a financial advisor.

What Do Investors Want From Their Advisor?

Creating Order From Complexity

Advisors may be frustrated seeing four different kinds of answers for the four different studies about what investors value. How are advisors to make sense of this? If investors' responses can shift around so much by context and inquiry, what should advisors take away from the results?

To provide clarity on what investors value, we took the top items investors valued about advisors from each study. From the Ranking study, we picked the three highest-ranked items. For the Willingness-to-Pay study, we picked the three items with the highest values. And from the Open Text studies, we selected the three most commonly referenced motivations, two of which overlapped (Discomfort handling finances and Behavioral coaching).

From there, we broke the categories down into their constituent parts. Whereas the features present in the Ranking study were already at this level, the categories in the other three studies sometimes had broader definitions. Therefore, the full list of features investors identified as valuable are seen on the right.

We then identified four encapsulating themes gleaned from the commonalities and differences present in each study to describe what investors value from their advisors.

What we find in the end is a complicated picture that is ironically good news for advisors. These studies point to investors not being happy with a one-size-fits-all approach to financial planning; instead, they find value in personalized advice and the human touch advisors provide that technology cannot replace.

What Investors Valued Across the Four Studies

Ranking	Helps me reach my financial goals
	Can help me maximize my returns
	Has the relevant skills and knowledge
Willingness-to-Pay	Evaluates research on investment options for me
	Reviews my accounts to provide personalized recommendations
	Reviews my financial behavior to provide personalized recommendations
Open Text Hiring	Helps me brainstorm and identify my financial goals
	Provides comfort by having the skills I don't have to reach my goals*
	Provides comfort by having financial knowledge I don't have*
Open Text Retention	Resolves my specific financial needs
	Helps me act in ways beneficial to my finances*
Open Text Retention	Provides good advice and services
	Provides advice and services that help me reach my goals

*Appears in both Open Text studies

Themes in What Investors Value in an Advisor

Two themes that are present across all four studies in what investors value: an advisor's ability to provide advice they can rely on, and an advisor's ability to help them achieve their financial goals. From the different methodologies employed across the four studies, we gain deeper insights into *why* investors value these things, which is more than what could be found in one study alone.

The other two themes did not emerge across all four studies: an advisor's ability to keep clients on track (through behavioral coaching), and an advisor's ability to maximize returns. We will discuss why these different methodologies may have obfuscated or highlighted these two themes, and what that means for how advisors should address them.

Seen in all four studies

Advice I can rely on

Has the relevant skills and knowledge

Evaluates research on investment options for me

Reviews my accounts to provide personalized recommendations

Provides comfort by having financial knowledge I don't have*

Resolves my specific financial needs

Provides good advice and services

Helps me achieve my financial goals

Helps me reach my financial goals

Helps me brainstorm and identify my financial goals

Provides comfort by having the skills I don't have to reach my goals*

Provides advice and services that help me reach my goals

Seen in some studies

Keeps me on track

Reviews my financial behavior to provide personalized recommendations

Helps me act in ways beneficial to my finances*

Maximizes my returns

Can help me maximize my returns

Ranking

Willingness-to-Pay

Open Text - Hiring

Open Text - Retention

*Appears in both Open Text studies

Two Throughlines: Investors Value Reliable Advice

The responses across all four studies show investors value having advice they can rely on. On the surface, this is apparent in their appreciation of an advisor's expertise—particularly, the advisor's skills, knowledge, investment research, and ability to identify and resolve financial issues.

However, other responses reveal this premium on reliable advice goes deeper than respecting the advisor's expertise. Instead, investors value *how* they benefit from that expertise, both in terms of the quality of advice and how it makes them feel.

In open text responses, many investors measured the quality of advice according to how personalized it was to their specific needs. This echoed the amount of money investors were willing to pay for personalized advice, suggesting the importance of that expertise being attuned to their particular financial needs. Put simply, expertise matters when investors feel heard and understood.

Furthermore, other investors wrote about how they appreciated being able to delegate financial decisions to an advisor given the advisor's training and their trust of the advisor. These responses often indicated their advisor's expertise helped them sleep better at night because they did not have to overcome their own lack of expertise, time, or energy to make financial decisions.

Altogether, the studies show investors care about having access to advice they can rely on. By using multiple methods in the study, we see how this value can initially appear on the surface as a general appreciation of an advisor's expertise, but it extends to a desire for advice that is specific to investors, so they feel at peace and confident that they are on track (that is, they trust everything is going to be OK).

Theme #1

Investors throughout all four studies wanted advice they could rely on. They were looking for an advisor who has the expertise to handle financial matters and who they could trust with their financial future and dreams.

Advice I can rely on

Has the relevant skills and knowledge

Evaluates research on investment options for me

Reviews my accounts to provide personalized recommendations

Provides comfort by having financial knowledge I don't have*

Resolves my specific financial needs

Provides good advice and services

Ranking

Willingness-to-Pay

Open Text - Hiring

Open Text - Retention

*Appears in both Open Text studies

Two Throughlines: Investors Value Goals-Based Planning

The responses across all four studies show investors value multiple aspects of goals-based planning. This starts as a surface-level appreciation of goals-based planning (accomplishing their goals) and extends to an appreciation of what advisors do to help them understand, articulate, and reach their goals—from beginning to end.

To start, investors value an advisor's ability to help them identify their deeper financial goals. This means investors recognize, at least on some level, that they do not necessarily know what they want to achieve with their money and see their advisor as someone who can help them through the goal-setting process.

In addition to this, we see that investors value an advisor's ability to steer them in the right direction throughout their financial journey. Namely, in open text responses, clients identified that they value working with advisors whose advice is geared toward helping them reach their financial goals. Furthermore, clients wrote that they valued how working with their advisor brings them peace of mind that their goals will be achieved.

When we examine it on the surface, as in the Ranking study, we see the basics of what investors' value: goal achievement. However, in using different research methodologies, we were able to uncover that investors also value the support advisors provide along the way—from identifying their deeper goals to resting easy because they see they are on track to getting where they want to go.

Theme #2

Investors throughout all four studies wanted an advisor who could help them achieve their financial goals. This entails an appreciation of the whole process—getting help identifying goals, developing a plan, helping them stick to the plan and course-correcting when necessary, and, finally, accomplishing their goals.

Helps me achieve my financial goals

Helps me reach my financial goals

Helps me brainstorm and identify my financial goals

Provides comfort by having the skills I don't have to reach my goals*

Provides advice and services that help me reach my goals

Ranking

Willingness-to-Pay

Open Text - Hiring

Open Text - Retention

*Appears in both Open Text studies

Two Inconsistencies: Investors Value Behavioral Coaching and Returns

Theme #3

Investors value advisors who provide behavioral coaching.

Keeps me on track

Reviews my financial behavior to provide personalized recommendations

Helps me act in ways beneficial to my finances*

Although behavioral coaching was not highly valued in the Ranking study, it was perceived as valuable in the other studies. Investors were willing to pay money for advice based on their financial behavior and recognized they needed some help making better decisions to stay on track with their financial goals.

Investors may have shown different preferences because of language differences across the studies. The Ranking study provided concise wording for different aspects of behavioral coaching, some of which required that investors acknowledge shortcomings in their own capabilities and behavior.

However, the Willingness-to-Pay study gave investors an illustration of an advisor providing behavioral coaching, which may have helped investors understand what this coaching entails (which they found valuable).

This is also supported by the prevalence of behavioral coaching in the Open Text studies, where clients were able to talk about what they liked about their advisor in their own words. They were not bound to how much they liked particular terms; instead, they could expound on what they valued about their advisor — which often were instances of behavioral coaching.

Theme #4

Investors value advisors who achieve good returns.

Maximizes my returns

Can help me maximize my returns

Advisors often report that some clients are overly focused on returns, yet ironically, this value is the one we find the least support for, and it was only present in the top answers for the Ranking study. What explains this discrepancy?

The answer once again lies in context. When clients were given the opportunity to say what they valued about their advisors without prompted options, returns seldom came up. Although returns may be attention-grabbing when they are present, they are not seen as the main value-add of advisors.

Advisors may hear about returns because it is easier for clients to talk about returns rather than the emotions they experience when they see volatility. When interacting with others, people tend to respond in ways others will find socially acceptable. Clients may not regard their fears to be a socially acceptable topic, thus they choose to talk about returns as a less embarrassing way to exhibit their fears.

Though investors undoubtedly see value in good returns, this value is far from the sole focal point of the advisor-client relationship and may serve as a bellwether for other concerns.

*Appears in both Open Text studies

WHAT DO INVESTORS WANT FROM THEIR ADVISOR?

Mapping What Investors Value About Their Advisors

Together, these values provide insight into what clients expect their advisor to bring to the table when they interact with them. Below, we've created a mind map for how clients think about the value that advisors bring. The sections are divided into the four broad values we found throughout the studies and subdivided further by their corresponding components. The size of each section is determined by how

much evidence we have for each of these values from the four studies. The more valued something is, the more advisors should focus on them or should use them as a bridge to help clients understand the value behind the actions. In the next couple of pages, we will discuss some practical ways advisors can address these values.

What Investors Value in Advisors



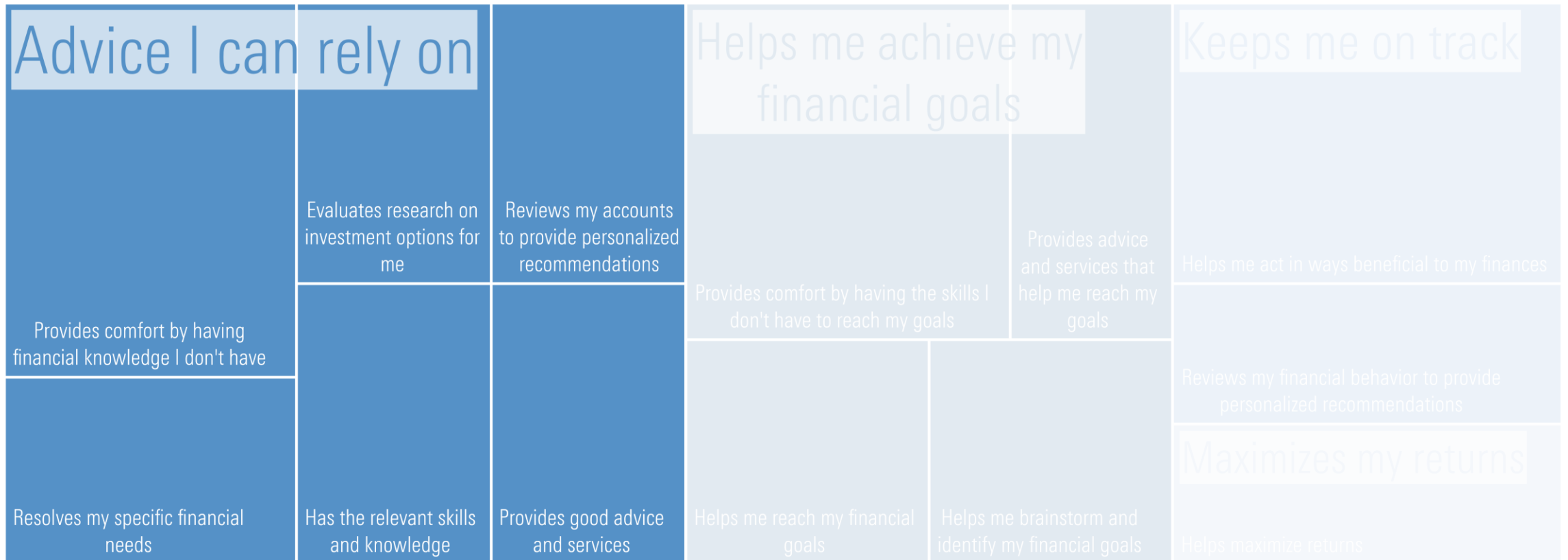
WHAT DO INVESTORS WANT FROM THEIR ADVISOR?

Showing Value: Build Trust

One thing that is clear across all these studies is that investors value advice they can rely on. What this means is that just having certain letters after your name is not enough to demonstrate the value you provide. Instead, advisors should provide insight into how they think about their clients' problems and where subsequent solutions come from. That is, advisors should show their work. Clients will be more likely to *trust* your expertise if it isn't hidden behind the curtain.

Another important facet to this is ensuring clients understand your adherence to a best-interest standard. Clients need to understand the relationship between the advice they are getting and how you get paid to see how your advice is something they can rely on for their needs. By showing your work and explaining best interests, clients will be able to rest easy, which is what they want when they are working with an advisor.

What Investors Value in Advisors



WHAT DO INVESTORS WANT FROM THEIR ADVISOR?

Showing Value: Goalcentric advice

Our research consistently shows that investors are focused on their financial goals. These studies extend those findings, showing not only do investors want to achieve their goals, but they also want goal guidance throughout the financial-planning process.

This starts with helping investors uncover their financial goals through discussions and goal-setting exercises and then developing a plan aimed to achieve those goals.

What Investors Value in Advisors

Investors expect ongoing counsel as they navigate decisions that could affect their goals. They may also expect advisors to identify services that could help them reach their goals faster. Throughout their financial journey, investors expect an advisor to provide reassurance regarding their goals. Although complete assurance is impossible, investors still benefit from knowing they have an advisor on their side who is looking out for their financial goals, and if life deals a bad hand, not all hope is lost.



WHAT DO INVESTORS WANT FROM THEIR ADVISOR?

Showing Value: Behavioral Coaching

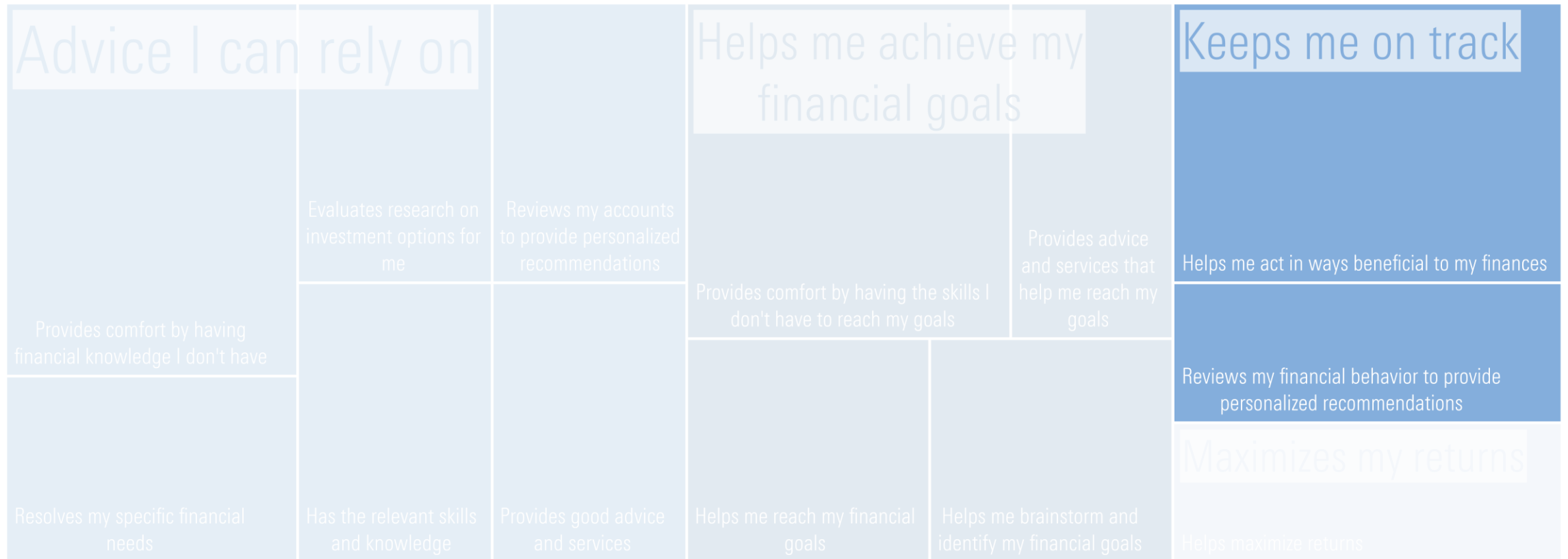
Our results indicate investors may not want to admit to making behavioral mistakes. Therefore, advisors must be subtle when expressing the value of this theme to ensure they are communicating this value without alienating clients.

Advisors can do this by providing examples of behavioral coaching in action, like an advisor's ability to be a sounding board for an investor. An advisor may see serving as a sounding board as an opportunity to help clients avoid mistakes, but investors

may see it through the more inoffensive lens of getting an expert's opinion.

Our research also suggests investors may be receptive to advisors providing personalized advice based on investors' financial behaviors. Although this is just another way of describing behavioral coaching, it's clear that this language is more acceptable to investors and can be employed to help clients understand the value of an advisor.

What Investors Value in Advisors



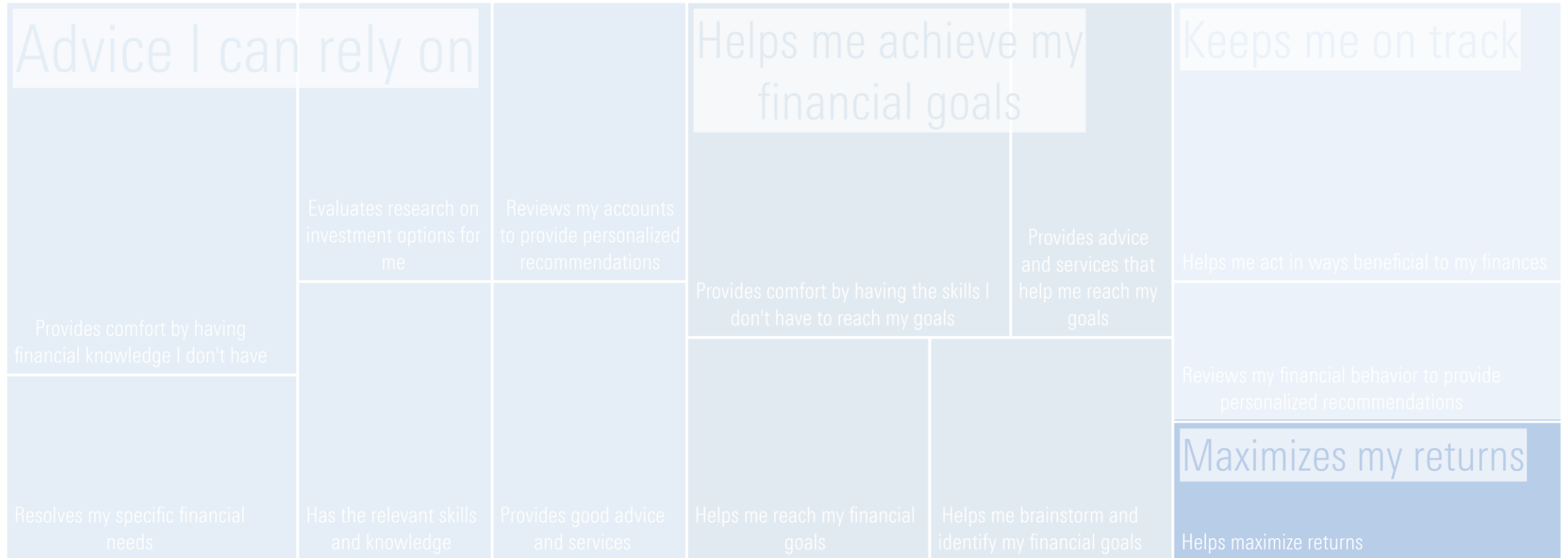
WHAT DO INVESTORS WANT FROM THEIR ADVISOR?

Showing Value: Returns Matter but Are Not the Be-All and End-All

It can be worrying to see the value investors place on having an advisor who maximizes their returns, yet the good news is that returns were not the main value-add that investors expected from advisors in every study. Still, returns are not going to go away from the advisor-client conversation, so advisors must be able to address this. One way to do this is to set expectations with clients about returns — giving clients a benchmark against which to measure returns can help prepare them for the

ups and downs that are inherent in investing. Another way to handle the issue is by having clients check their portfolio less often, as this will help naturally smooth out the peaks and valleys of the market. Lastly, help clients think in terms of their goals and not market returns. You can show clients that even when markets are down, they are still on track to reach their long-term goals, which can help them feel at ease even during volatility.

What Investors Value in Advisors



WHAT DO INVESTORS WANT FROM THEIR ADVISOR?

Mapping What Investors Value About Their Advisors

Our results suggest soft skills matter in the advisor-client relationship. Investors are looking for advice they can rely on, which requires a deep level of trust derived from a relationship with an advisor who understands them. Investors value advisors who help them reach their goals—from beginning to end, suggesting the power of goalcentric advice throughout an investor’s journey. Lastly, investors benefit from the assurance that they are on track and doing the right things to get where they want to go.

These findings signal a positive change in advisors’ value proposition, as it aligns with tangible value-adds that advisors provide and helps advisors differentiate themselves from technology. However, advisors must be ready to think more about goals and personalization, while acting as a guiding hand for investors. In some ways, the future of financial advice may be less about investment management and more about investor management.

What Investors Value in Advisors





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About Morningstar Behavioral Insights Group

Morningstar's Behavioral Insights Group researches how people make decisions about risk, money, and investing. We use our results to better understand and empower investors and the advisors who serve them. We produce original research, processes, and tools, that investors can use on their own or with the guidance of a financial advisor. We are an interdisciplinary group bringing together methods and expertise from psychology, economics, and finance. Our current work centers on the intricacies of the client-advisor relationship, personalization, goal-centric investment planning, and the impact of new investment products and technology on investor decision making.

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