

1 in 3 Americans Say COVID-19 Has Changed Their Attitudes to Saving, Investing and Financial Advice

Attitudinal Shifts Could impact Investment Solutions, Banking and Advice

(Dec. 9, 2020, Rye, NY) – One in 3 Americans say COVID-19 has changed their attitudes to saving, investing and advice, ranging from increasing anxiety levels to greater receptivity to financial advice, according to a new report by [Hearts & Wallets](#), the research and benchmarking firm that specializes in how consumers save, invest and seek financial advice.

The **Attitudes & Sentiment: COVID-19 as a Catalyst for Change in Saving, Investing and Advice Solutions** report annually tracks key consumer sentiments, goals, concerns and attitudes that are relevant to financial services firms and their strategic decisions. The analysis examines the impact of COVID-19 – how the initial shock and ongoing reactions have changed the consumer mindset and what it means for savings, investing and advice solutions. The report draws from the Hearts & Wallets Investor Quantitative™ Database, recognized as the largest single dataset with over 100 million data points on consumer buying patterns from 60,000 U.S. households.

Consumers with Attitudes Changed by COVID-19

The one third of U.S. consumers who say their attitudes to saving, investing and advice have been impacted by COVID-19 differ dramatically from consumers whose attitudes have not changed, as follows:

- 3 times more anxious
- 3 times more likely to have experienced job loss or reduction
- half have experienced a decline in income
- more receptive to financial advice with over one third (36%) who “see value in paying for professional financial advice”
- seek direction on how to tap into assets to fund expenses with almost half (43%) being “interested in advice on the best way to tap into my retirement and general savings to fund my expenses during this crisis”

“Consumers whose attitudes have been changed by COVID-19 think differently and want different things from financial services firms,” Laura Varas, CEO and founder of Hearts & Wallets said. “Receptivity to paying for advice, wanting closer connections between banking and investing, and increasing desire for packaged products could be harbingers of changes in 2021.”

COVID-19 Changes to Consumer Attitudes/2

National Attitudes, Concerns and Goals

In contrast to the anxiety being experienced by consumers whose attitudes have been changed by COVID-19, U.S. consumer optimism nationally about the financial future rebounded to pre-COVID levels. One in 5 households nationally feels “no anxiety, confident, comfortable and secure” about its financial future, reaching a 10-year high. The exceptions to growing optimism are consumers who are experiencing job disruptions, households with high income but low assets, millennials and consumers whose attitudes have been changed by COVID-19.

The biggest spike in national concerns centers around the U.S. economy, up 11 percentage points in one year, and among knowledgeable consumers, concerns about currency stability.

Nationally, consumers have renewed attention to saving and investing goals with the number of goals rebounding to levels before the beginning of the pandemic. The focus is now on short-term goals. All generations say to “build up an emergency fund” is the top goal nationally, followed by “take a vacation.” Retirement-related goals declined in importance vs. 2019.

“The dominance of the emergency fund as the top financial goal across all generations points to the need to dramatically enhance solutions for this product,” Beth Krettecoc, Hearts & Wallets Subject Matter Expert, said. “This focus on short-term goals reflect consumer desire for security and relief. Messaging should reflect this shift but also gently remind consumers that longer-term goals, like retirement, will soon matter again.”

Methodology

Attitudes & Sentiment: COVID-19 as a Catalyst for Change in Saving, Investing and Advice Solutions examines sentiments, goals, concerns and attitudes toward saving and investing. The report draws from the Hearts & Wallets Investor Quantitative™ Database, recognized as the largest single dataset with over 100 million data points on consumer buying patterns from 60,000 U.S. households. The latest IQ™ Database survey wave was fielded in August 2020 and includes 5,920 U.S. households.

About Hearts & Wallets

Hearts & Wallets is the research and benchmarking firm that specializes in how consumers save, invest and seek financial advice. Leading firms use Hearts & Wallets thought-leadership reports, software and benchmarking to make their saving, investing and advice solutions more consumer-centric. For more information visit www.heartsandwallets.com.

Media Contact

Lynn Walters lynn@heartsandwallets.com
800-930-0966 ext. 704

Hearts & Wallets, CEO & Founder

Laura Varas laura@heartsandwallets.com
800-930-0966 ext. 700