

Get Money Moving in the New Year! Key Motivators for Trial, Rollovers and Other Money Movement Transactions

Examining Themes of Simplify, Planning and More Involvement by Investors

(Jan. 5, 2023, Rye, NY) – The top motivator for an investor to move money is “to simplify my finances” – from rollovers, transfer of assets (TOAs) to funding new accounts with new deposits – according to a new research report by [Hearts & Wallets](#), the independent research and benchmarking firm that specializes in saving, investing and financial advice.

Money Movement 2022: Competitive Trends in Rollover, Transfers of Assets & Trial explores how and why investors move money between financial services firms. The analysis includes top motivating factors, top destinations by firms and timeframes on rollovers, transfer of assets, and funding new accounts with new deposits. This report is based on a survey of 5,993 U.S. households in the latest wave of 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 70,000 U.S. households dating back to 2010.

Top 3 Motivators

The top three motivators of money movement transactions are –

- “to simplify my finances” 33%
- “to get more involved myself” 26%
- “to consolidate for better planning” 25%

In addition, “to put money toward a specific purpose” emerges as a top motivator for trial. Top factors for consolidation are “simplify” and “better planning.” Most money movement transactions in 2022 are going to consolidation, but trial is up year over year.

Get Moving

Motivators are important given transactions can take time. 35% of rollovers of \$500,000 or more can take over 2 years. Transfers tend to take less time with the vast majority taking less than 6 months.

“Motivations can be harnessed to spur action for money movement, just as motivations can encourage consumers to take action on exercise or weight loss goals,” Laura Varas, CEO and founder of Hearts & Wallets, said. “Simplify can mean different things, depending on the type of account and customer. The competitive landscape within money movement is changing, and firms should understand where the money is going and why.”

Motivating Rollovers

Simplification is a key motivator for rollovers of all sizes. More rollover transactions are being retained in IRAs affiliated with the recordkeeper than at any time since tracking began in 2010.

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The portion of rollover transactions going to external platforms has plummeted to 39% in 2022, down from 53% in 2015. Larger rollovers of \$250,000 or more are also motivated by a desire for “better planning” and “better service” and to “get more involved.”

Tracking Transactions

The full report provides an in-depth examination of executed money movement transactions and transactions being considered, a leading indicator. The analysis includes types of transactions, motivating factors, timeframes, firms and other important competitive data.

Methodology

The *Money Movement 2022: Competitive Trends in Rollover, Transfers of Assets & Trial* report is drawn from the section of the Hearts & Wallets Investor Quantitative™ Database (IQ Database) that analyzes how and why investors move money between financial services firms. The latest survey wave fielded August 15 – September 15, 2022, with 5,993 participants. The full IQ™ Database is recognized as the largest single dataset with over 120 million data points on consumer buying patterns from over 70,000 U.S. households.

About Hearts & Wallets

Hearts & Wallets is the independent research and benchmarking firm that specializes in saving, investing and financial advice. Leading firms rely upon Hearts & Wallets research reports, software and benchmarking to make strategic decisions that lead to growth by improving products, distribution, pricing, positioning and targeting. For more information visit www.heartsandwallets.com.

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