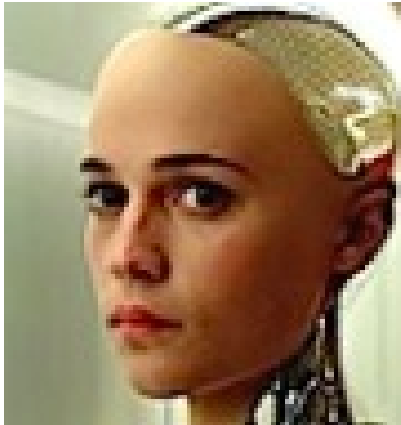


Americans like Robo-Advice: Survey by Capital One Investing

By Editorial Staff Thu, Mar 10, 2016

The survey also showed that Americans would rather lose weight or travel than save for retirement.



Positioning itself as a hybrid robo-advisor in the retirement space, Capital One Investing has taken the well-trod path of self-promotion by sponsoring a study on retirement savings habits.

The survey reinforces the idea that many Americans find the hybrid robo experience acceptable or desirable.

In unrelated but striking findings, the survey also showed that most Americans favor mandatory availability of workplace retirement and—not surprisingly—that most would rather travel or lose weight than save for retirement.

The online broker offers “fully self-directed digital accounts and advised accounts.” Among the findings of its 2016 Financial Freedom Survey: 75% of Americans see benefits in robo-advised investing, with 33% valuing 24-hour access most and a quarter valuing most the ability to manage and maintain control a portfolio independently.

Those with reservations about robo-advice were in the minority. About 31% of Millennials question the accuracy of robo-advice algorithms and 30% of Generation X think a lack of human oversight is a drawback to planning. During market fluctuations, however, 45% said they would prefer advice from a live financial advisor.

Thirty-nine percent of self-directed investors said they preferring to work with an advisor when creating a portfolio, 34% when doing financial planning work, and 36% when rebalancing a portfolio.

The survey also showed that 83% of Americans think all employers should be required to offer retirement savings plans. Only 16% of Americans named increasing their retirement savings as their top priority in 2016; 27% said “travel to a new destination” was their top goal. “Weight loss” was the top goal for 23%.

Americans’ savings habits are slipping, not improving, the survey suggested. A lower

percentage of Americans is investing for retirement this year compared with 2015 (by five percentage points) and fewer (by eight percentage points) are confident they are investing enough to live comfortably throughout retirement.

The combined sample consisted of 1,005 Americans 18 years old and older living in the lower 48 states. ORC International conducted the study in January 2016.

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