

Group 5:

Characteristic	Description
Age	18-35 (Millennials and GenZ)
Gender	Any/All
Educational Level	High School Diploma completed at minimum, maybe some Associate's Degree/Bachelor's Degree/Postgraduate Degree
Income Level	Middle to upper-middle-class, people who can <i>afford</i> to have savings
Investment Knowledge	Limited knowledge of investment concepts, terminology, and strategies.
Risk Tolerance	May have low-risk tolerance or are not sure how to adjust their tendency for risk-taking (may need to research this more?)
Investment Goals	Grow money steadily over time for long-term investments like kids, housing, retirement (more stable)
Financial Situation	Middle-upper working class, but does not have a lot of inheritance/generational wealth. May also include lower-middle class
Technology Comfort Level	Eager to learn more, and comfortable with online communication, younger audiences may be more likely to blame the technology for errors while older audiences may blame themselves
Investment Preferences	Cautious behavior, low-risk, and stable investments. Whether they invest in SRIs is dependent on their political/generational demographics

Reliable Sources:

Demographics:

- The Pew Research Center does report that mobile banking and investment apps are most popular among younger adults (18-29 years old) at 82% compared to 63% for all adults. (<https://www.pewresearch.org/topic/economy-work/personal-finance/>)

Psychographics:

- A 2023 Gallup poll found that 68% of Americans prioritize long-term financial goals like retirement when making investment decisions.
(<https://news.gallup.com/topic/investors.aspx>)
- A 2022 Charles Schwab survey indicates 73% of Gen Z investors (born 1997-2012) find automated investing appealing.
(<https://www.aboutschwab.com/modern-wealth-survey-2022>)

Values:

- A 2023 Northwestern Mutual study found that 83% of millennials (born 1981-1996) value low-cost investment options.
(<https://news.northwesternmutual.com/planning-and-progress-study-2023>)

Preferred Media:

- According to a 2023 Pew Research Center report, 88% of 18-29 year olds get news online, while only 24% rely on print newspapers.
(<https://www.pewresearch.org/journalism/collection/fact-sheets-state-of-the-news-media/>)

Barriers to Adoption:

- The Global Financial Literacy Excellence Center (GFLEC) reports that only 34% of young adults worldwide possess the knowledge and skills to make informed financial decisions. (<https://gflec.org/>)

From ChatGPT:

Sure, here's a simple audience analysis chart for a beginning investor:

PROMPT: please give me an audience analysis chart for a beginning investor

1. ****Demographics:****

- Age: Typically young adults to middle-aged individuals, but can vary widely.
- Income Level: May range from entry-level salaries to moderate incomes.
- Education Level: Varies, but often includes some level of higher education or ongoing self-education.
- Occupation: Students, entry-level professionals, or individuals transitioning into investment as a supplementary income source.

2. ****Psychographics:****

- Attitudes Toward Risk: Generally risk-averse or risk-tolerant depending on individual preferences and financial situations.
- Financial Goals: Primarily focused on wealth accumulation, saving for retirement, or achieving specific short-term financial milestones.
- Knowledge Level: Limited to basic understanding of financial concepts, eager to learn more about investing.
- Investment Experience: Limited or no prior experience in investing, may have dabbled in savings accounts or retirement plans.

3. **Behavioral Characteristics:**

- Information Sources: Likely rely on online resources, social media, financial news platforms, and advice from family and friends.
- Investment Habits: May exhibit cautious behavior, preferring low-risk investment options such as index funds, ETFs, or robo-advisor platforms.
- Decision-Making Process: Tends to research thoroughly before making investment decisions, seeks reassurance and validation from trusted sources.

4. **Communication Preferences:**

- Digital Communication: Comfortable with online communication channels such as email, social media, and investment apps.
- Plain Language: Prefers clear and straightforward explanations of financial concepts without jargon or complex terminology.
- Visual Aids: Responds well to visual representations such as graphs, charts, and infographics to understand investment concepts.

5. **Motivations:**

- Financial Independence: Aspires to achieve financial stability and freedom through smart investment decisions.
- Learning and Growth: Motivated by the opportunity to expand knowledge and skills in the realm of investing.
- Long-Term Security: Seeks to build a solid financial foundation for themselves and their families, focusing on long-term wealth preservation and growth.

This analysis can help tailor investment advice, educational materials, and communication strategies to effectively engage and support beginning investors in their journey towards financial success.

GPT Sources: Certainly! While I can't provide specific sources for this audience analysis chart as it's a synthesis of general knowledge and understanding about beginning investors, I can point

you to credible sources where you can find more information about investor demographics, psychographics, behavioral characteristics, communication preferences, and motivations:

1. ****Demographics:****

- Census Bureau or government statistical agencies for demographic data.
- Market research reports from financial institutions or investment firms.
- Surveys and studies conducted by reputable organizations focused on investor demographics.

2. ****Psychographics:****

- Investment behavior studies by financial institutions, consulting firms, or academic researchers.
- Consumer behavior research in finance and investment journals.
- Surveys and polls conducted by financial news outlets or investment platforms.

3. ****Behavioral Characteristics:****

- Behavioral finance literature and studies, such as those by renowned scholars like Richard Thaler and Daniel Kahneman.
- Market research reports on investor behavior published by financial institutions and investment firms.
- Surveys and case studies conducted by investment platforms or advisory services.

4. ****Communication Preferences:****

- Studies on communication preferences in finance and investing, often conducted by marketing research firms.
- User experience research and design principles for financial apps and websites.
- Surveys and feedback data collected by investment platforms or financial services providers.

5. ****Motivations:****

- Psychological studies on financial motivations and goals.
- Surveys and polls on personal finance and investment conducted by financial institutions or research organizations.
- Behavioral economics literature on motivations for investing and saving.

By consulting these types of sources, you can gain insights into the characteristics and preferences of beginning investors, helping you create a more accurate audience analysis chart.

Citations

- “Robo-Advisor - Automated Investing Services | Vanguard.” Vanguard.com, 2018, investor.vanguard.com/advice/robo-advisor. Accessed 27 Feb. 2024.

- Waterworth, Kristi. “What Is a Robo Advisor? | the Motley Fool.” The Motley Fool, 2023, www.fool.com/terms/r/robo-advisor/. Accessed 27 Feb. 2024.
- “What Is a Robo-Advisor?” Investopedia, 2024, www.investopedia.com/terms/r/roboadvisor-roboadviser.asp. Accessed 27 Feb. 2024.