JULY 2026

THE INVESTOR DIARIES

Staying Invested

Driving Long-Term Participation for Newer Investors in Retail Markets

The BlackRock. Foundation

commonwealth

Acknowledgments

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Commonwealth is a national nonprofit building financial security and opportunity for people earning low-to-moderate income through innovation and partnerships. For over two decades, Commonwealth has designed effective innovations, products, and policies enabling nearly 2.5 million people to save nearly $9 billion. Commonwealth collaborates with consumers, the financial services industry, employers, and policymakers. Because Black, Latin, and women-led households disproportionately experience financial insecurity, we focus especially on these populations. The solutions we build are grounded in real life, based on our deep understanding of people who are financially vulnerable and how businesses can best serve them. To learn more, visit us at www.buildcommonwealth.org.

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Guided by BlackRock's purpose to help more and more people experience financial well-being, The BlackRock Foundation ("the Foundation") funds and partners with organizations that strengthen financial security by helping people earn, save and invest—earlier, more often and for their futures.

We are deeply grateful to our research partners—Betterment, Decodis, JPMorganChase Institute, and moomoo—whose collaboration strengthened the rigor and depth of this work. The richness of The Investor Diaries' mixed-method research streams, spanning qualitative narratives, national survey data, and large-scale behavioral datasets, was made possible through their partnership and shared commitment to expanding financial security and market participation.

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DECODIS

LARGE TRANSACTION DATA ANALYSIS

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Executive Summary

Capital markets, and the opportunity to participate in them, are a proven driver of wealth creation that has traditionally been used by those with higher incomes. However, technological advancements, COVID-related stimulus packages, increased access to information about investing, and other changing social factors since 2020 have led to individuals living on low and moderate incomes (LMI) becoming increasingly engaged in retail investing. Our research shows that **54% of people living on low and moderate incomes are investors**, signaling a transformation in who participates in wealth building opportunities.

In the near term, investing in the stock market can cultivate a sense of agency and support the pursuit of financial security for participants. In the long term, investing can expand family choices and contribute toward life goals such as education, homeownership, or a secure retirement.

Individual investors are not a monolith; they bring distinct motivations, resources, and experiences that shape how they engage with investing. This research centers the experiences of newer investors—those who began investing after January 2020—to better understand how to effectively support their retail investing journeys, separate from retirement accounts. While these new investors are highly motivated and have long term investing goals, many face barriers to staying invested. We found that sustained participation in capital markets is not just about investor education as commonly reported, but it is also about people having access to liquid savings to smooth short term shocks, access to actionable knowledge that is given at the exact time a person is ready to act in an effort to increase confidence, and access to resources that investors trust, which all work together to help newer investors navigate volatility.

This report elevates the findings from our two year initiative where we used a comprehensive, mixed-methods research approach to understanding the needs of investors living on LMI and identifies three opportunity areas where industry and policy action can meaningfully support them: integrating emergency savings solutions, expanding access to actionable knowledge, and offering reliable, credible resources.

ABOUT THE INVESTOR DIARIES

The Investor Diaries is a Commonwealth research project supported by The BlackRock Foundation.[1] The research is designed to understand the millions of new investors who began investing in retail markets since 2020, with a focus on these investors living on low and moderate incomes (LMI). For this research we have defined LMI as households living on $30,000-$79,999. By following investors through voice diary entries, a national survey, and with analysis of a large transaction data set representing billions of transactions and millions of investment decisions by people living on LMI, the project reveals the unique financial circumstances, motivations, behaviors, needs, and the role that retail market investing plays in the overall financial wellness of households living on LMI.

These insights can support industry participants, technology developers, and policymakers in better serving this growing investor demographic. Findings from this research have the potential to inform product solutions, marketing strategies, and investor education programs to meet the needs and aspirations of investors, and ultimately benefit retail markets as a whole.

[1]The views expressed in this report are those of the authors and do not necessarily reflect the views of The BlackRock Foundation.

METHODOLOGY

A Comprehensive Mixed-Methods Approach

The initiative employs a mixed-methods research approach combining qualitative voice diaries, national survey data, and analysis of billions of transactions to capture a holistic understanding of newer investors' motivations, challenges, experiences, and decision-making. This approach was designed to not only understand who is investing, but how and why investors living on LMI engage with retail markets.

VOICE DIARIES

Commonwealth followed more than 50 individual investors living on LMI to better understand their experience in capital markets. Over the course of 15 months, investors participated in voice diary entries and in-depth interviews about their investing behaviors, motivations, and experiences. These investors (or Diarists) represented a wide range of motivated investors, spanning ages 18-55+ and residing across the United States. Many are the first in their families to invest in capital markets.

NATIONAL SURVEY

To better understand how people living on LMI engage in retail markets, Commonwealth conducted the National Perceptions and Habits Survey. The survey, titled "Understanding Today's Retail Investor: Examining the Behaviors, Motivations, and Challenges of New Investors Living on Low and Moderate Incomes," draws from a nationally representative sample of over 2,750 adults in the United States living on LMI, inclusive of current investors and non-investors. The respondents of the survey were broken into cohorts of those who had been investing before 2020 (established investors), after 2020 (newer investors), and those who were not investing (non-investors). All survey respondents were individuals from households with an income range of $30,000 up to $79,999 annually. Analysis of survey findings particularly focused on the surge of investors who entered the retail markets after 2020.

BIG DATA

In collaboration with JPMorganChase Institute (JPMCI), Commonwealth released Retail Investors on the Rise: What Billions of Transactions Reveal About Today's Retail Investors Living on Low and Moderate Incomes, analyzing a 2015-2024 de-identified dataset of over 25 million JPMorganChase active checking account users—approximately 10 million of whom were living on LMI —representing billions of transactions. This analysis enabled us to understand investing patterns of retail investors at scale through viewing inflows and outflows of real-world, transaction-level data. The Institute's analysis filtered for active account users and used age-adjusted average net earnings (after tax and deductions) to group individuals by income—defining low and moderate incomes as the lower two quintiles, which is approximately 10 million checking account users. Median take-home income for individuals in those groups in 2024 was approximately $29,000 and $51,000.

DEFINITIONS AND LANGUAGE

ACTIONABLE KNOWLEDGE: Information and resources delivered at the moment someone is ready to act. Unlike traditional education, which often occurs far from decision-making, actionable knowledge provides timely, relevant insights that help people make informed decisions with clarity and confidence.

LOW AND MODERATE INCOME: In the Voice Diaries and National Perceptions and Habits Survey, low and moderate income is defined as individuals from households receiving between $30,000 to $79,999 annual income. Big Data analysis followed previous JPMCI research methods, using age-adjusted average net earnings and identified investors in the two lower ranges of the dataset as a proxy. Median take-home income for individuals in those groups in 2024 were approximately $29,000 and $51,000 (after taxes and other deductions).

ESTABLISHED INVESTORS: Individuals in households living on LMI who began investing in the retail markets, prior to 2020, and were currently investing at the time of data collection. At the time of original publishing this cohort had been directly investing for more than five years outside of tax-advantaged retirement accounts. This cohort of investors have differing levels of engagement and experience.

NEWER INVESTORS: Individuals in households living on LMI who began investing in retail markets in January 2020 or later, and were currently investing at the time of data collection. At the time of original publishing this cohort had been directly investing for five years or less outside of tax advantaged retirement accounts. This cohort of investors have differing levels of engagement and experience.

NON-INVESTORS: Individuals in households living on LMI who are not currently investing in retail markets. This cohort includes those who have previously invested and stopped, as well as those who have never invested.

RETAIL INVESTORS: All individuals in households living on LMI who are currently investing in retail markets, regardless of when they started to invest.

Key Findings

Since 2020 there has been a surge of newer investors in capital markets, particularly among households living on LMI. Our research has found that over half of adults living on LMI are currently investors and are planning to invest for the long term, highlighting a compelling industry opportunity to effectively serve this growing market. Key findings about this cohort of newer investors include:

54% OF ADULTS LIVING ON LMI ARE RETAIL INVESTORS, WITH OVER HALF BEGINNING INVESTING SINCE 2020

This finding marks a significant shift in who is leveraging investing to build wealth, and underscores the importance of supporting newer investors as they navigate early decisions and build confidence. *(National Survey, pg 3)*

INCOME INFLUXES PROVIDE AN OPPORTUNITY TO DRIVE INVESTING DEPOSITS

Large-level transaction data revealed a seasonality to when investors make investment deposits, contributing the highest amounts in January and December, followed by March and April. This suggests seasonal patterns in how people invest, likely driven by short-term surges in income such as end-of-year bonuses, raises, or tax refunds—creating clear moments where timely guidance and support can reinforce investing behavior. *(Investor Transaction Analysis, pg 6)*

NEWER INVESTORS ARE GOAL-DRIVEN AND INCREASINGLY LONG-TERM IN THEIR OUTLOOK

Findings from our survey revealed that nearly half of participants reported planning to invest long-term, with many describing a shift away from short-term or speculative strategies toward stability, future security, and retirement-oriented goals—even as many continue to learn how to translate these goals into confident, informed investment decisions. *(National Survey, pg 3)*

UNCERTAINTY ABOUT WHAT TO INVEST IN IS A PRIMARY BARRIER TO CONFIDENT INVESTING

Both national survey and investor diary responses revealed that, despite strong long-term intent, many newer investors lack clear strategies, struggle to translate goals into action, and express uncertainty about asset allocation—highlighting a critical need for actionable knowledge delivered at key decision points. *(National Survey pg 3, Voice Diaries Analysis[1]).*

LIQUID SAVINGS INCREASES THE LIKELIHOOD OF STAYING INVESTED

Liquid savings is a leading indicator in whether retail investors living on LMI continue participating in the market. Analysis of transactions in our Big Data workstream showed that investors within these income ranges are more likely to invest when they have at least two weeks worth of liquid savings ($1,500-$2,000); highlighting the role of short-term savings in protecting long-term investing behavior. *(Investor Transaction Analysis, pg 6)*

NEWER INVESTORS ARE INCREASINGLY LEVERAGING NEWER MEDIA SOURCES AND SOCIAL PLATFORMS TO SUPPORT INVESTING DECISIONS

Diarists and national survey respondents reported gaining information about investing from social platforms, fintechs, or personal networks more frequently than through financial advisors or traditional media. This reflects expanded access to information and underscores the importance of trust and credibility in shaping where and how investors seek guidance and engage with the market. *(National Survey pg 12, Voice Diaries Analysis)*

[1]Voice Diaries Analysis was conducted by Commonwealth, in collaboration with Decodis

Key Opportunities

Taken together, the findings show that these newer investors are entering the market in greater numbers, expressing strong long-term intent, and responding predictably to moments of increased financial stability. At the same time, the findings point to a critical insight: for these newer investors to remain invested, they need quality liquidity products to overcome financial emergencies, tools that build investing knowledge while increasing confidence, and access to resources that promote informed decision making. The opportunities that follow focus on where targeted industry action can have the greatest impact.

Synthesizing insights across all three research streams reveals a consistent pattern: newer investors living on LMI are motivated, goal-driven, and increasingly long-term in their outlook. However, sustained participation is highly sensitive to knowledge gaps, financial volatility, and trust in information sources and systems.

Our research surfaced three high-impact industry opportunities where targeted action can meaningfully improve long-term participation in retail markets:

Emergency savings solutions

Across all research streams, financial shocks, such as emergency expenses or income volatility, are named as the primary reason otherwise motivated investors pause or exit the market. Solutions that help investors manage short-term needs (e.g., liquid savings buffers and well-timed contribution opportunities) play a critical role in protecting long-term investing behavior.

Actionable knowledge

Early uncertainty about what to invest in, how to diversify, and how to align investing strategies with personal goals remains a key friction point. Traditional methods of investor education tend to happen before or far from when investment decisions are being made, but investors benefit most from practical knowledge that is delivered at the moment they need to make decisions. This form of timely information can help investors take their next steps without becoming overwhelmed.

Reliable, credible resources

Newer investors rely heavily on social network platforms and sources they personally perceive as credible or trustworthy. Investors are more likely to engage, learn, and persist when guidance comes through their trusted channels and reflects their experiences.

These opportunities suggest a shared north star for industry leaders, policymakers, and platform providers: **enabling investors living on low and moderate incomes to participate in the market and build long-term wealth by providing timely, actionable knowledge, supporting financial resilience, and establishing trust with this growing segment.**

OPPORTUNITY 1

Emergency Savings Solutions

SHORT-TERM SAVINGS PROTECT INVESTING

For investors living on LMI who are already participating in retail markets, continuity matters as much as access. Sustained investing activity is often disrupted not by loss of interest or lack of knowledge, but by the need to address immediate financial demands. When unexpected expenses arise investors without sufficient liquid savings may pause contributions or withdraw funds, interrupting long-term progress.

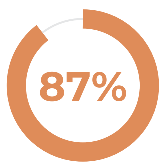
This presents a structural design opportunity. Integrating and raising awareness of short-term savings mechanisms alongside investment platforms and accounts can create built-in guardrails that help investors navigate volatility in their income and expenses. Where platforms already offer emergency savings solutions, these liquid savings tools can be presented to users in ways that encourage short-term savings alongside longer-term investing strategies. Aligning solutions with predictable income influxes may also further reinforce investing continuity. By embedding more liquidity supports within investment platforms, the industry can help protect sustained participation over time.

WHAT THE EVIDENCE REVEALS

Investors plan to invest long-term, but are vulnerable to short-term financial shocks

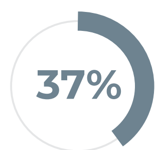
Across all three research streams, a clear pattern emerges: investors living on LMI express sustained commitment to investing over time, and behavioral data confirms that many are increasing contributions as their participation continues. At the same time, financial shocks and liquidity constraints frequently interrupt that trajectory. The presence of even modest liquid savings meaningfully improves continuity, and predictable income influxes are associated with increases in investing activity among those already participating in the market. These findings indicate that access to liquid savings is central to protecting long-term participation.

NEWER INVESTORS PLAN TO INVEST FOR THE LONG-TERM



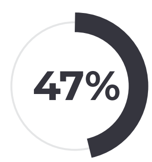
of retail investors living on LMI plan to continue investing for **at least 3 years**

(National Survey, pg 8)



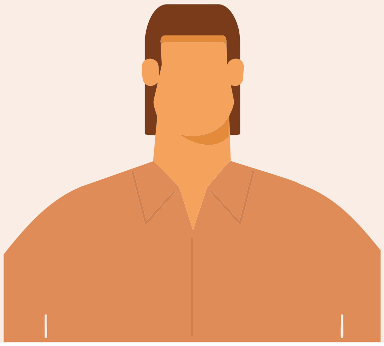
of newer investors plan to invest for **11+ years**

(National Survey, pg 8)



of voice diarists are planning or aiming to invest **long-term**

(Voice Diaries Analysis)



"**I'm not looking to get rich.** I just want to not worry about bills or everyday purchases. Investing helps me work toward a more stable future."

— RICHARD
Survey 1 Self-Directed Investment Outlook and Goals (Q13)

FINANCIAL INSECURITY AND EMERGENCY EXPENSES LIMIT THE ABILITY OF INVESTORS TO CONTINUE INVESTING OVER TIME

31%

of retail investors living on LMI reported either **pausing or stopping investing due to financial emergencies**

(National Survey, pg 13)

33%

of newer investors who paused and later restarted investing cited **not feeling financially secure enough** to continue as their reason for pausing

(National Survey, pg 13)

54%

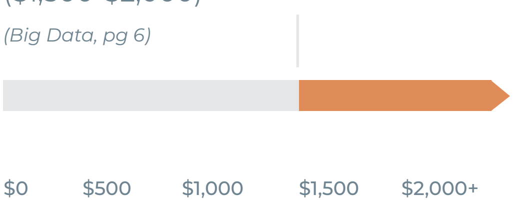
of voice diarists who withdrew funds during the testing period **cited financial difficulties** as the primary trigger for withdrawing

(Voice Diaries Analysis)

LIQUID SAVINGS CAN HELP INVESTORS CONTINUE TO PERSEVERE THROUGH FINANCIAL DIFFICULTY

Investors living on low and moderate incomes are **more likely to invest** when they have at least 2 weeks worth of liquid savings ($1,500-$2,000)

(Big Data, pg 6)



4x

When comparing investors to non-investors, newer investor respondents reported median savings of $10,000, which is **four times higher** than former investors and non-investors ($2,500)

(National Survey, pg 8)

INCOME INFLUXES CAN DRIVE ENTRY TO AND CONTINUED PARTICIPATION IN MARKETS

37%

JAN DEC

18.5%
of yearly investment

MAR APR

18%
of yearly investment

The large transaction data analysis revealed a seasonality to when this group makes investment deposits, contributing the highest amounts in January and December, followed by March and April. **Over a third** (approx. 37%) of annual investments by those living on LMI take place during these periods: **18.5% in December/January** and **18% in March/April.**

In contrast, there are fewer fluctuations in the percent of this cohort investing every month. This suggests seasonal patterns in how people invest, likely driven by short-term surges in income, such as end of year bonuses or raises in December and January, or tax refunds in March and April.

(Investor Transaction Analysis, pg 6)

INDUSTRY ACTIONS THAT LEAD TO IMPACT

Below is a list of potential approaches observed in the research:

Integrate liquid savings accounts alongside investment platforms and accounts

Since ongoing capital market participation is linked to having even a modest cushion of liquid savings, platforms can help investors stay engaged by offering savings accounts alongside investing accounts. Where these tools are already integrated into platforms, they can be presented to users in ways that promote both saving for emergencies and investing for the long-term.

Design for seasonal deposit patterns using nudges and behavioral supports

Because investors living on LMI tend to increase investment contributions during seasonal income surges, platforms can better support them by including behavioral science mechanisms, such as prompts, nudges, reminders, and communications campaigns that drive savings, deposits, and impactful investment activities during these income influx moments.

Normalize emergency savings as foundational investing infrastructure

Including information about the importance of liquid savings in investing information and making it easy for newer investors to both save and invest at the same time can help newer investors build a stable foundation as they are learning to invest.

Continue researching the savings thresholds, tools needed, and key moments which encourage consistent investing

This could include:

- Further researching what factors determine the amount of emergency savings individuals need to sustain investing.
- Gaining a deeper understanding of the types of financial shocks and emergency expenses that disrupt investing activities for investors in this income range.
- Piloting integrated emergency savings and investing communications strategies and systems that nudge investors toward deposits during seasons of income surges.

OPPORTUNITY 2

Actionable Knowledge

WHAT IS ACTIONABLE KNOWLEDGE?

Uncertainty about where to invest is the most commonly cited challenge for newer investors. Previous Commonwealth research has also connected this challenge to an **intention vs. action gap** for those living on LMI. Interest in investing is high, but aspiring investors face a sense of overwhelm that creates a barrier to taking their first and follow-on action steps. Delivering **actionable knowledge—defined as information in the right context at the right time that allows investors to take action without becoming overwhelmed**—can help to overcome this gap. While traditional methods of investor education tend to happen far from when investment decisions are being made, investors can benefit most from this actionable knowledge in the form of practical, relevant guidance that is delivered in the moment they need it.

Key moments for delivering actionable knowledge to investors are in onboarding processes and when making critical investment decisions. Support during these times helps inform decision making and builds momentum, while increasing investor confidence and portfolio diversification.

WHAT THE EVIDENCE REVEALS

Knowing what to invest in and developing an investing strategy are key barriers for newer investors, but confidence grows as investors receive real-time information and take their first steps

Research from both the national survey and voice diaries uncovered a similar challenge for newer investors. While potential investors have interest in investing, they are not always sure where to invest or how to begin. This knowledge gap is often more perceived than real. While many prospective investors believe they need significant investing expertise before getting started, newer investors report entering the market with less knowledge than non-investors assume is necessary. For those who do begin investing, they often invest in individual stocks and lack a clear investment strategy, representing an opportunity to strengthen investor education on diversification practices. These challenges point to a need for investor resources that both help newer investors take their first steps and continue investing as new questions and challenges arise. As investors gain experience, our research found that confidence in themselves and their ability to invest increases. This indicates that rightly timed, accessible information is key not only for investment outcomes, but also to help investors continue their investment journeys.

> "It is definitely always a concern of mine, of whether or not I'm making the right decisions, whether or not I'm making the right choices, **whether or not I am invested in the right things**."
>
> — JENNIFER
> *Survey 5 Asset Allocation Knowledge and Understanding*

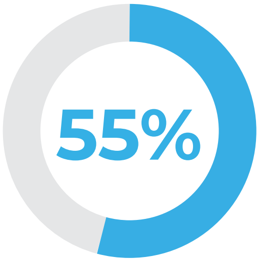
LACK OF KNOWLEDGE OR UNCERTAINTY ARE KEY BARRIERS FOR NEWER INVESTORS

Over half of retail investors have been investing fewer than five years, representing a relatively recent entry into capital markets

(National Survey, pg 2)

Nearly one-third (30%) of investors who began investing in the last five years reported being unsure of what assets or securities to invest in

(National Survey, pg 13)



of investor diarists cited limited knowledge as a barrier to starting investing

(Voice Diaries Analysis)

“**The hardest part about starting to invest was just understanding everything.** It felt like going from English to French. There’s so much information to learn and absorb.”

— GODFREY
Survey 2 Accessibility, Social Influence, and Barriers

NEWER INVESTORS TEND TO LACK A CLEAR INVESTING STRATEGY

46%

of voice diaries participants reported having no formal investment strategy. While some investors described having a risk-managed investing strategy, many did not consistently follow it in practice

(Voice Diaries Analysis)

Although participants held a mix of assets such as stocks, bonds, ETFs, and real estate, more than **one-third (38%) were unsure how their money was currently allocated**

(Voice Diaries Analysis)

Individual stocks were the most commonly held asset (69%) among newer investors

(National Survey, pg 11)

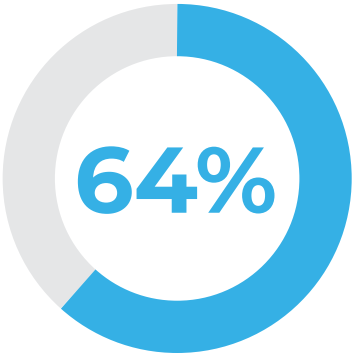
“...right now I am very comfortable putting in a lot more risk into my investments so that I have [gone] almost 100% stocks. And that is almost all in tech or emerging technologies in particular. **Because I’m on the younger side, I feel comfortable making such a risk**.”

— ERNESTO
Survey 5 Asset Allocation Knowledge and Understanding

AS INVESTORS GAIN EXPERIENCE, THEY EXPRESS GREATER CONFIDENCE IN INVESTING AND A GREATER WILLINGNESS TO INVEST FOR THE LONG TERM

When asked to measure both their own investing knowledge and how much knowledge they believed was needed to start, **non-investors set a higher bar for the knowledge they would need** than the knowledge levels reported by those who were actively investing

(National Survey, pg 16)



of diarists described feelings of c**onfidence, satisfaction, and optimism** when asked about their experiences with investing

(Voice Diaries Analysis)

"I've been investing for about five years now. **I feel pretty confident in my strategies.** I've seen my money grow a lot, and it's super exciting. And most of it has been just really safe stocks. And finally, after five years of investing pretty seriously, I'm finally starting to see it compound and starting to see it all pay off. And **I know that if I keep doing that it'll just.. from here on out.. just explode**, which is really exciting. And it's really cool to see all the hard work and the sacrifices I put in, for saving and investing a lot of money. I'm super excited. I'm, I'm very confident in in how things are looking."

— BRENNAN
Survey 7: Part 1: Trust and building Trust, Resources, Learning; Part 2: Looking Back & Looking Ahead

"I feel like I just do my own research and kind of follow my own advice. I'm pretty confident in making my own investing decisions. Long term it has worked out, so I'm happy with what I've been doing. **I feel like I'm confident in my ability to make investing decisions**... and I have somewhat decent knowledge in the investing field...I'm relatively confident in my abilities."

— AMAL
Survey 7 : Part 1: Trust and building Trust, Resources, Learning; Part 2: Looking Back & Looking Ahead

INDUSTRY ACTIONS THAT LEAD TO IMPACT

Below is a list of potential approaches observed in the research:

Deliver investment knowledge tools at moments that matter

Resources for newer investors can be most effective and least overwhelming when tied to moments when investors can take direct action, such as during onboarding, major life milestones, or tax season.

Strengthen education on diversification practices through clear, contextual guidance

Optimize support by providing investors with in-platform resources on best practices and tools to make informed investment decisions.

Continue researching how newer investors develop and evolve their investing strategy

This could include:

- Researching how investors develop an investing strategy, learn and apply new information and tools, and react to market shifts.
- Testing the impact of actionable knowledge applied at key moments (such as onboarding, milestone ages, and tax season).

OPPORTUNITY 3

Reliable, Credible Resources

WHO DO NEWER INVESTORS GO TO FOR INVESTING INFORMATION?

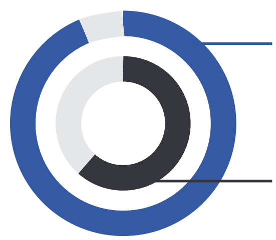
As newer investors have entered the market, the most popular sources of information and means of investing have begun to shift. Rather than turning to traditional brokerages and financial institutions for support with investing decisions, newer investors tend to turn to online influencers, to social and video platforms, and to their personal social networks. These trends point to changing perceptions of expertise and trustworthy advice, as well as new potential strategies to meet investors with information where they already are. There's a clear opportunity for investing platforms and institutions to partner with reputable thought-leaders and vetted experts, build or expand their presence on the social platforms investors use most, and further explore how to build rapport with newer investors, leading to increased engagement.

WHAT THE EVIDENCE REVEALS

Newer investors increasingly turn to online resources, technology tools and personal social networks for investment information and advice

Surveys and interviews with newer investors revealed that they tend to turn to YouTube, TikTok, Reddit, and other social and video sharing platforms to learn about investing. They are also motivated by their social circles. Newer investors were significantly more likely to know others who were investing, compared to non-investors. Further, investors increasingly utilize fintech platforms for investing rather than traditional brokerages. This signals wider access to and increased comfortability with getting information from online resources, influencers, and family and friends rather than financial institutions. These findings point to a need to resource investors through online and social channels and a growing demand for technologies that support investing.

SOCIAL CIRCLES SHAPE INVESTING BEHAVIORS AND HIGHLIGHT THE IMPORTANCE OF A SENSE OF COMMUNITY WITHIN PLATFORMS

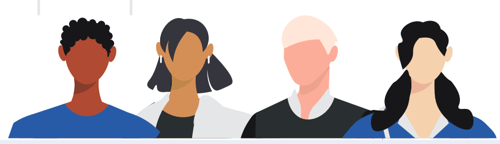


90% of retail investors living on LMI know one or more people who are also investing, compared to **64%** of non-investors

(National Survey, pg 9)

Over one-fourth of voice diary participants (27%) cite their social circles (family members, friends, coworkers, or partners) as key influences to begin investing

(Voice Diaries Analysis)



"It's easier just to ask someone who I trust more about it. There's so much information online that it actually makes me nervous to read it."

— CYNDI
UI Survey 2 Accessibility, Social Influence, and Barriers

SOCIAL CIRCLES SHAPE INVESTING BEHAVIORS AND HIGHLIGHT THE IMPORTANCE OF A SENSE OF COMMUNITY WITHIN PLATFORMS

57% of newer investors use traditional brokerages versus **74%** of established investors

(National Survey, pg 11)

Over 81% of these newer investors have used a robo-advisor. In our survey, age was the strongest predictor of robo-advising utilization

(National Survey, pg 11)

The most common sources for learning about investing were sites such as **YouTube, TikTok, Vimeo,** and **Twitch**, social media including **Meta** platforms and **X/Twitter**, and messaging boards like **Reddit**.

Additionally, this cohort was less likely to rely on financial advisors and traditional news media

(National Survey, pg 12)

INDUSTRY ACTIONS THAT LEAD TO IMPACT

Below is a list of potential approaches observed in the research:

Establish mission-aligned partnerships and co-create resources with reputable, vetted thought-leaders

This can build audience trust through proximity and ensure investors receive quality information with sources of content they already engage with.

Measure impact through engagement, learning, and behavior change

Identify benchmark metrics and KPIs to measure impact, engagement, actions taken, and conversions.

Continue targeted research on where and how newer investors access resources

This could include:

- Further exploring how investors learn from their social circles and social networks.
- Examining the importance and impact of community support within investing platforms.
- Researching what types of messaging builds trust with investors living on lower and moderate incomes.

POLICY IMPLICATIONS

Strengthening Financial Security via Short-Term Savings to Build a Foundation for Sustained Investing

Across The Investor Diaries, one finding emerged consistently: short-term financial stability matters for long-term investing. For many individuals, the ability to remain invested is shaped not only by long-term goals, but also by whether they have the financial flexibility to absorb short-term disruptions without pulling back from the market.

This has important implications for how investing participation is supported. Commonwealth's interpretation of this research is that short-term savings and long-term investing should not be treated as separate financial goals or policy domains. Rather, the ability to build even modest liquid savings may help create the conditions that allow long-term investing to continue through periods of financial strain.

Recent policy developments have begun to reflect that connection. Provisions in the SECURE 2.0 Act introduced new mechanisms for linking emergency savings to workplace retirement systems, creating more opportunities for individuals to build short-term reserves alongside long-term assets. These approaches are notable not because they replace investing, but because they may help reduce the tradeoffs that often interrupt it.

Commonwealth acknowledges this points to a broader opportunity for policy and system design. If short-term liquidity helps stabilize long-term financial behavior, then policies that make it easier to build and preserve emergency savings may also help support more durable investing participation over time. That includes structures that reduce friction, support saving, and make it easier for households to manage both immediate needs and future goals without having to choose one at the expense of the other.

The data also suggests that financial systems may be especially effective when they align with how people already manage money. For example, investing activity often increases during periods of income influx, such as tax refund season or end-of-year compensation periods. Policy and program design that helps individuals allocate those moments across both short-term savings and long-term investing may better reflect the financial tradeoffs people are already navigating.

What emerges from this research is a broader implication: participation alone is not the endpoint. If the goal is to support more durable investing behavior, then policy design must also account for the short-term financial conditions that shape whether people can remain invested in the first place.

Looking Ahead

This research has provided a valuable opportunity to gain a holistic understanding of newer investors who will continue to shape the investing landscape, as well as key opportunities to encourage and support these newer investors. As technology continues to evolve, so too will the ways newer investors access information and make financial decisions. While artificial intelligence was not a primary focus of this research, our diarists' surveys acknowledged how emerging technologies are increasingly becoming part of the investing landscape and represent an important area for future exploration as investors seek timely, trusted, and actionable guidance.

Embedding opportunities for actionable knowledge and experiential learning within investors' early investing experiences can help investors grow in both financial knowledge and their sense of agency. Incorporating liquid emergency savings into investing platforms can ensure that newer investors are able to remain invested, and ultimately get closer to long-term financial security. Exploring ways to build trust and share actionable knowledge through the social platforms and communities newer investors already use can help ensure they receive the information they need from sources they trust. Finally, pursuing policies that allow households to save for emergencies while investing for the future can protect consumers and enable more households to reach their financial goals.

By designing for the needs of these investors, platforms, and policymakers can further democratize access to wealth building opportunities and positively impact financial security. Through continued research and pilots, we aim to continue to explore the ways designing for these newer investors can provide a win-win for both platforms and customers—making investors feel empowered. If you are interested in learning more about this work or would like to explore pilot opportunities, contact Commonwealth at **info@buildcommonwealth.org**.

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