FINRA Investor Education FOUNDATION

Consumer Insights: Money & Investing

What Matters to Consumers When Assessing Information for Financial Decision-Making?

New research from the FINRA Investor Education Foundation finds that most consumers (56 percent) are confident in their ability to make financial decisions, but fewer (40 percent) are assured in their ability to assess money management information that might inform those decisions.

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What we looked at and what we learned.

These days, there is a flood of information related to managing money and making investment decisions. It remains to be seen whether artificial intelligence (AI) tools will add to the deluge or facilitate navigation. Either way, the increased volume and availability of information do not always mean such information is trustworthy, accurate or unbiased. In fact, more information may make it harder for consumers to separate the good from the bad. And when it comes to finances, bad information can be very bad indeed—ranging from merely inappropriate for a given consumer to outright fraudulent. Thus, the ability to evaluate whether information is good or bad is a critical component of financial capability.

To better understand the information channels consumers use to make financial decisions, whether and how consumers evaluate this information, and consumers' confidence in doing so, we fielded a survey to a nationally representative, probability-based sample of 1,031 respondents using a mixed-mode panel (see Appendix for survey questions).

Although consumers are confident in their ability to make decisions about their finances, we found that they are less confident in their ability to assess money management information that might inform those decisions. Almost half indicated they get information from websites, followed by about a third from magazines or newspapers, and a quarter from social media and podcasts. Notably, consumers look for information that is backed by research and from sources they deem credible, rather than information that others 'liked,' approved or recommended.

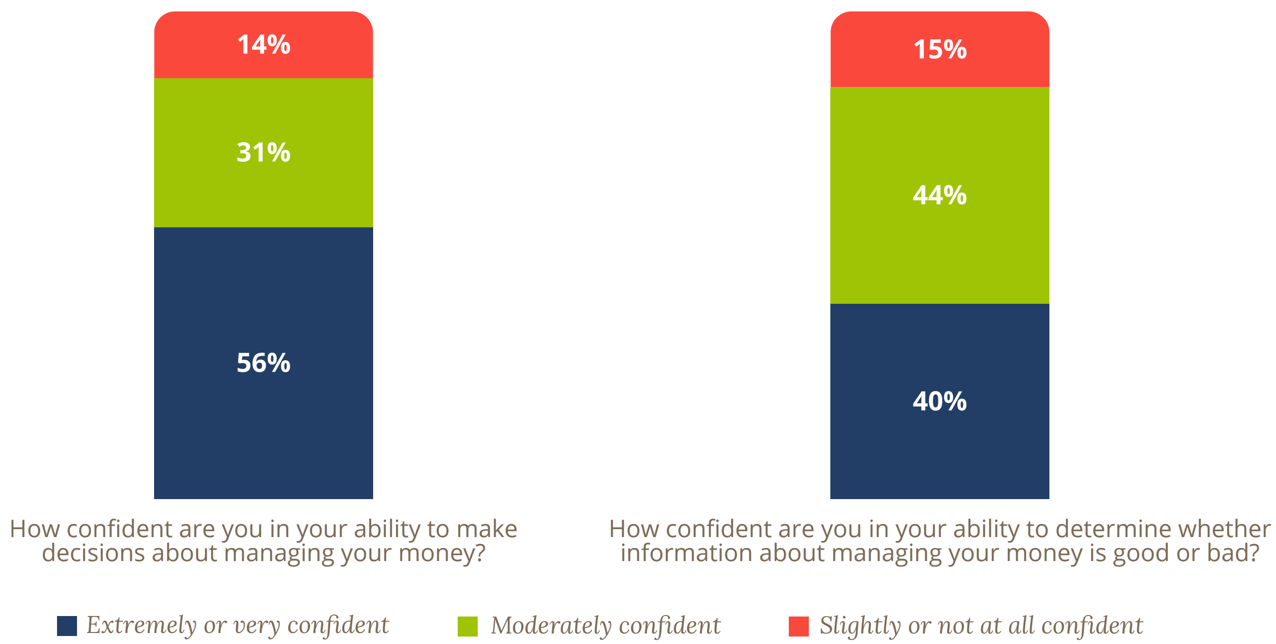
Consumer-focused organizations looking to share information about managing money or investing might want to consider how consumers evaluate information. Our results suggest that explicitly grounding guidance in carefully explained research can improve consumers' assessments of the information. Additionally, consumer-focused organizations must be diligent and transparent in their efforts to earn and maintain a position of credibility as a source of any information they provide to consumers. This extends to information sourced elsewhere but re-shared with consumers.

Most consumers are confident in their ability to make decisions about managing their money, but less so in their ability to assess information they might use to guide their financial decisions.

Over half (56 percent) of consumers reported feeling very or extremely confident in their ability to make decisions about managing their money, and only 14 percent indicated they were slightly or not at all confident. Consistent with other research on consumer confidence (Blanco et al., 2024), consumers who are older, white, have higher incomes and have greater levels of educational attainment[1] more frequently indicated they were very or extremely confident in their decision-making abilities.

However, consumers were markedly less confident in their ability to distinguish good information from bad. Only 40 percent indicated they were very or extremely confident, with 15 percent indicating they were slightly or not at all confident. Consumers with higher incomes and greater levels of educational attainment[2] indicated relatively higher levels of confidence on average. Although they might have less experience assessing information about managing money, younger respondents were as confident as older respondents.

Figure 1. Confidence in money management decisions and assessing financial information.

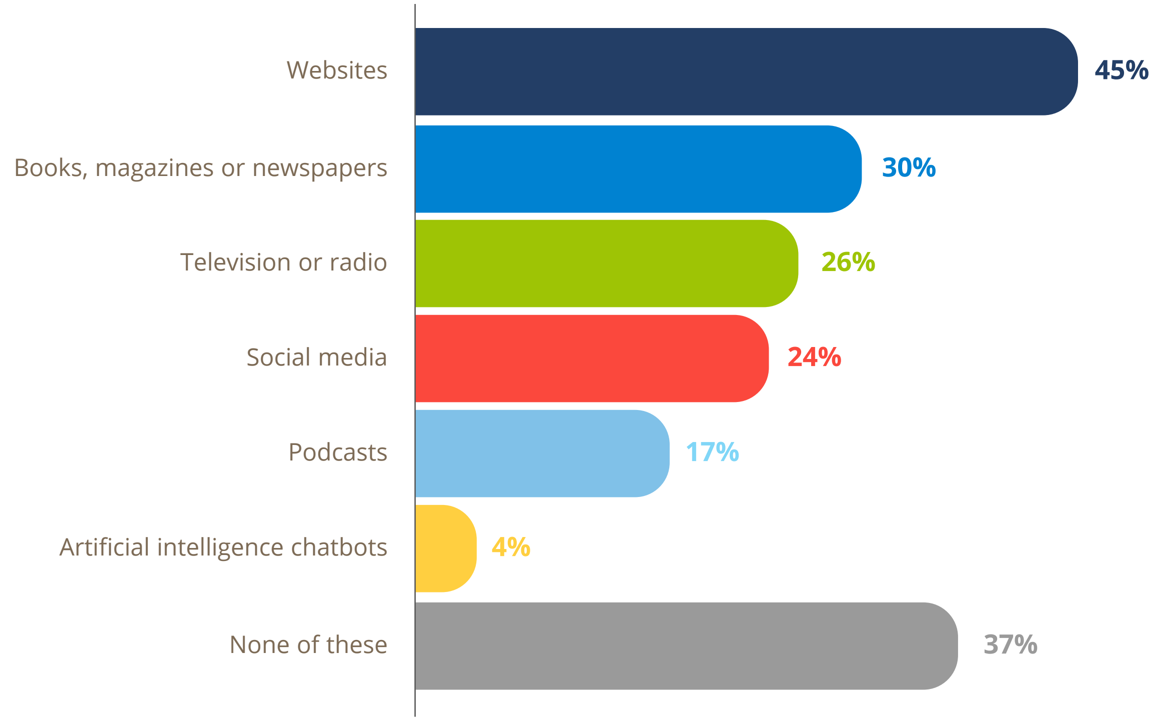


[1] See Appendix B, Table 1.
[2] See Appendix B, Table 1.

Almost half (45 percent) report getting money management information from websites, while only one-quarter (24 percent) get it from social media.

Respondents were shown six information channels[3] and asked which they used. Almost half indicated they used websites (45 percent); about one-third (30 percent) said books, magazines or newspapers; and one-quarter indicated television or radio (26 percent) and social media (24 percent). In terms of demographic differences, younger respondents (those under 30) more frequently reported using social media than older respondents (35 percent of 18 – 29 year olds compared to 13 percent of those 65 and older) and less frequently reported television or radio (11 percent of respondents ages 18 – 29, compared to 35 percent of those 65 and older).[4]

Figure 2. Which of the following do you use to get information about managing money?



On average, respondents indicated using 1.46 of the six channels, with 37 percent indicating they didn't use any of them. A small percentage of respondents (8 percent) indicated they used four or more. Consumers who were very or extremely confident about their ability to make money management decisions used slightly more channels, on average, to get information (1.54 compared to 1.35 among less confident consumers). Men used, on average, more sources than women (1.72 compared to 1.21).

We also asked investors[5] where they get information about potential trades more specifically (see Appendix A for question and response option text, which included the six response options listed in Figure 2 above, plus a paid financial professional). While many still indicated relying on websites (40 percent), almost as many indicated financial professionals (38 percent). One in five indicated they got information on social media (21 percent), and the same percentage of investors (21 percent) indicated they didn't get information from any of the listed channels.

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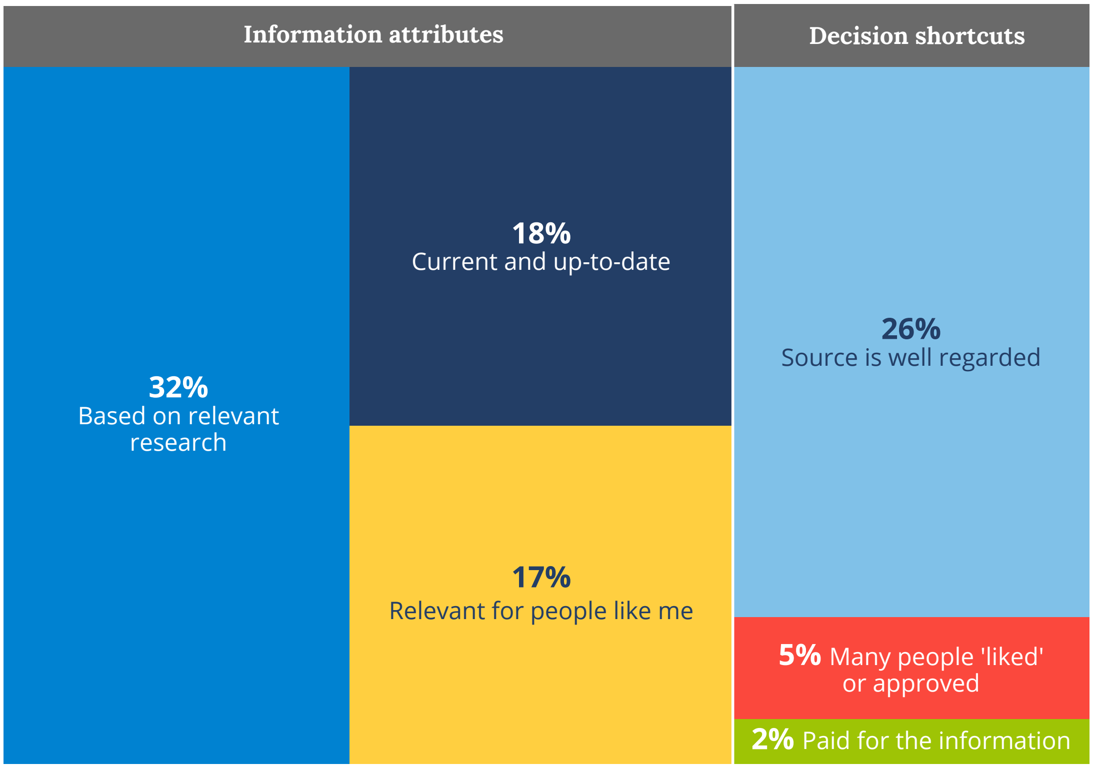
[3] While consumers commonly use these channels to access information on managing money and investing, this is not a comprehensive list of information sources.
[4] All noted differences are statistically significant at the $p<.05$ level.
[5] In this study, investors were defined as those reporting owning stocks, bonds, mutual funds, exchange-traded funds or cryptocurrency.

"Being based on relevant research" was identified by one-third (32 percent) of respondents as the most important factor in deciding whether information about managing money is good.

Respondents were shown six factors[6] they might consider when assessing information on managing money—three that were related to the attributes of the information itself (that the information is research-based, current and up to date, or relevant to the consumer), and three that were related to decision shortcuts, including well-known rules-of-thumb or cognitive biases (placing more value on information you pay for, valuing information from sources that are well regarded or valuing information based on popularity). While relying on decision shortcuts might not always result in negative outcomes, such shortcuts can lead consumers to make decisions that are not in their best interests relative to assessing information based on its inherent attributes (Berthet, 2022). For this study, respondents were asked to identify the most and least important factor in assessing whether information on managing money was good.

Regarding the *most* important factors, information that is based on relevant research (a factor related to attributes of the information itself) was the most frequently selected response (32 percent), followed closely by information that came from a well-regarded source (a factor related to decision shortcuts; 26 percent). Very few respondents indicated they placed the most importance on whether many other people 'liked,' approved or recommended the information (5 percent) or whether they had paid for the information (2 percent)—both factors related to decision shortcuts.

Figure 3. Factors *most* important in assessing information.

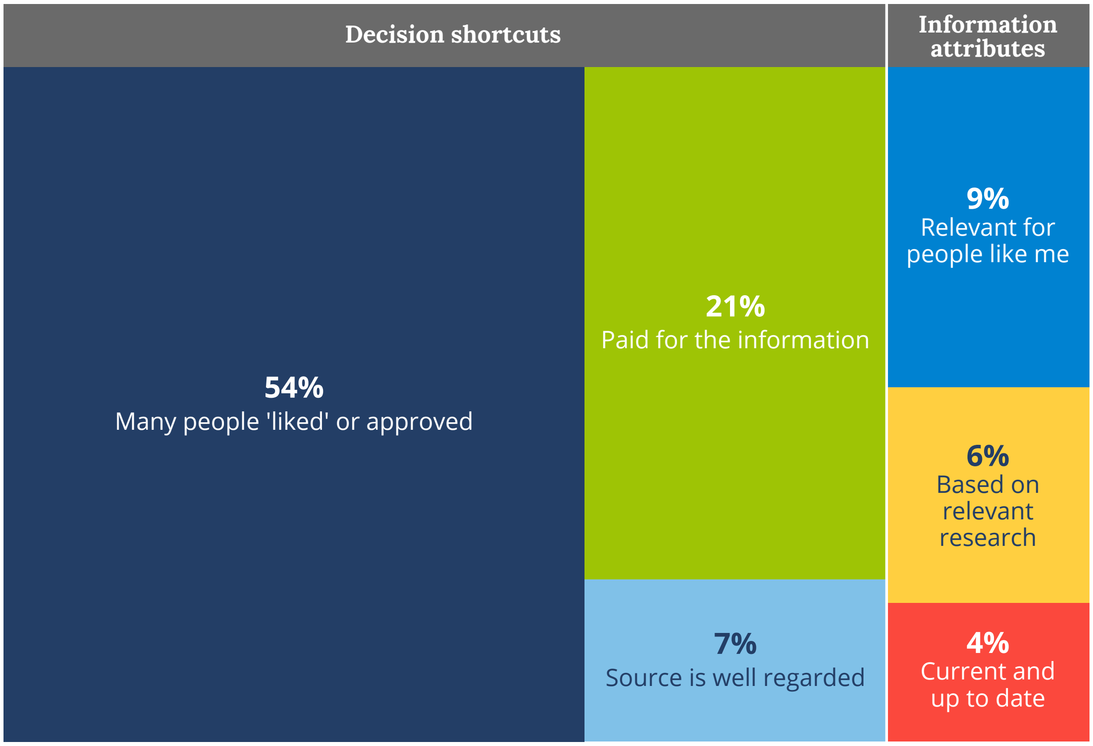


When asked what factors were *least* important in assessing information, the top two responses were related to decision shortcuts: A majority (54 percent) of respondents selected whether others 'liked,' approved or recommended the information; and 21 percent selected whether they had paid for the information.

[6] See Appendix A, Q4 and Q5, for full question text.

When comparing factors tied to information attributes versus decision shortcuts, about one-third (33 percent) of respondents selected a decision shortcut as their *most* important factor in assessing information. By contrast, only 19 percent selected an information attribute as *least* important. This suggests that while decision shortcuts are valued by many consumers, factors related to the actual attributes of the information are rarely considered unimportant when assessing information.

Figure 4. Factors *least* important in assessing information.



Conclusion

With the barrage of information available to consumers today, the ability to assess information related to money management or investing is an essential component of overall financial capability. This research indicates that, for the most part, consumers are confident in their ability to make money management decisions and are evaluating information based largely on the inherent attributes of the information itself (such as the extent to which the information is grounded in research), and relatively less so on convenient shortcuts (such as whether or not others 'liked,' approved or recommended the information).

That said, consumer educators can play an important role in sharpening information evaluation skills that consumers already use. They can, for example, help consumers understand what to look for when it comes to the research that underpins information, or explain why consulting multiple sources of information may matter. Further, the positive relationship between confidence in assessing information and the number of channels consumers use suggests that increased exposure to financial information may also mean increased confidence, and vice versa. Future research into this topic is warranted, including the relationship between the ability to assess information on investing and money management and susceptibility to financial fraud.

References

Berthet, V. (2022). The impact of cognitive biases on professionals' decision-making: A review of four occupational areas. *Frontiers in Psychology, 12.*

Blanco, L. R., Garcia, C., Gulbins, B., & Gutierrez, R. (2024). Systematic review of racial/ethnic and gender differences in financial knowledge in the United States. *Journal of Financial Literacy and Wellbeing*, *2*(2), 91–120. https://doi.org/10.1017/flw.2024.10

Methodology

The poll of 1,031 adults was conducted between April 18 and April 21, 2025, using a sample drawn from SSRS's Opinion Panel, a mixed-mode probability-based panel designed to be representative of the U.S. adult population (18+). Interviews were conducted in English (n=1,005) and Spanish (n=26). The weighted survey AAPOR3 response rate is 45.4 percent, and the overall AAPOR3 response rate is 2.2 percent, and the margin of sampling error for all respondents is plus or minus 3.7 percentage points (at the 95 percent confidence level). For analysis, data were weighted to be representative of the U.S. population 18 and older (by sex, age, education, race/ethnicity and region) using 2023 Current Population Survey benchmarks. The poll and analyses were funded by the FINRA Investor Education Foundation.

About FINRA and the FINRA Foundation

The Financial Industry Regulatory Authority (FINRA) is a not-for-profit organization dedicated to investor protection and market integrity. It regulates one critical part of the securities industry — member brokerage firms doing business in the United States. FINRA, overseen by the Securities and Exchange Commission, writes rules, examines for and enforces compliance with FINRA rules and federal securities laws, registers broker-dealer personnel and offers them education and training, and informs the investing public. In addition, FINRA provides surveillance and other regulatory services for equities and options markets, as well as trade reporting and other industry utilities. FINRA also administers a dispute resolution forum for investors and brokerage firms and their registered employees. For more information, visit www.FINRA.org.

The FINRA Investor Education Foundation empowers Americans with the knowledge, skills and tools to make sound financial decisions throughout life. The Foundation accomplishes this mission through educational programs and research that help consumers achieve their financial goals and that protect them in a complex and dynamic world. For more information about FINRA Foundation initiatives, visit www.FINRAFoundation.org.

Appendix A – Survey Questions

[ASK ALL]

Q1. In general, how confident are you in your ability to make decisions about managing your money?

- ☐ Not at all confident
- ☐ Slightly confident
- ☐ Moderately confident
- ☐ Very confident
- ☐ Extremely confident

[ASK ALL]

Q2. Which of the following do you use to get information about managing money? Please select all that apply. [Randomize 1–6]

1. Social media
2. Websites
3. Television or radio
4. Books, magazines, or newspapers
5. Podcasts
6. Artificial intelligence (AI) chatbots
7. None of the above

[ASK ALL]

Q3. How confident are you in your ability to determine whether information about managing your money is good or bad?

- ☐ Not at all confident
- ☐ Slightly confident
- ☐ Moderately confident
- ☐ Very confident
- ☐ Extremely confident

[ASK ALL]

Q4. Among the following factors, which is most important to you when deciding whether information about managing money is good information? [Randomize]

1. I paid for the information
2. The source of the information is well regarded
3. Many people 'liked,' approved, or recommended the information
4. The information is based on relevant research
5. The information is current and up-to-date
6. The information is relevant for people like me

[ASK ALL]

Q5. Among the following factors, which is least important to you when deciding whether information about managing money is good information? [Randomize; omit option selected for Q4]

1. I paid for the information
2. The source of the information is well regarded
3. Many people 'liked,' approved, or recommended the information
4. The information is based on relevant research
5. The information is current and up-to-date
6. The information is relevant for people like me

[ASK ALL]

Q6. Do you own the following types of investments? [yes/no/DK for each option]

1. Individual Company Stocks
2. Cryptocurrency
3. Mutual Funds or Exchange Traded Funds
4. Company or Government Bonds
5. CDs

[ASK IF Q6 is yes for 1, 2, 3, or 4]

Q7. When you buy or sell investments, which of the following sources do you use to get information about potential trades? Please select all that apply. [Randomize 1–7]

1. Social media
2. Websites
3. Television or radio
4. Books, magazines, or newspapers
5. Podcasts
6. Artificial intelligence (AI) chatbots
7. A financial professional that I pay
8. None of the above

Appendix B – Demographic Tables

Table 1. Percent extremely or very confident in ability to make decisions about managing money (Q1) and ability to assess information (Q2), by demographic characteristics.

	% extremely or very confident about making decisions	% extremely or very confident about ability to assess information
Income (household)		
Less than $50k	47.17	34.10
$50k – $74.9k	56.56	42.71
$75k and over	64.88	45.51
Gender		
Male	58.44 n.s.	42.54 n.s
Female	53.46 n.s	38.02 n.s
Age		
18–29	35.44	37.81 n.s.
30–49	52.77	42.45 n.s.
50–64	67.51	39.73 n.s.
65 and older	63.92	38.80 n.s.
Education		
Less than high school	30.61	31.02
High school	54.89	34.97
Some college	55.99	43.76
College degree	61.24	42.83
Race/Ethnicity		
White (non-Hispanic)	60.11	42.21
Black (non-Hispanic)	57.59	38.08
Hispanic	47.88	42.93
Other (non-Hispanic)	39.78	26.33

Unless noted as non-significant (n.s.), differences are statistically significant at the p<.05 level.