



The future of investment advice

Why combining trust and technology is key to attracting new generations of investors

Executive summary

On the cusp of the greatest wealth transfer in history, the investment industry looks to marry traditional excellence with digital innovation to engage investors across generations.



The investment industry is and always will be built on trust. Good news: eight in ten investors today express satisfaction with the industry, and roughly seven in ten have trust in it, according to the 2025 Voice of Investor Satisfaction, Trust and Advocacy (VISTA) study from KPMG LLP and SIFMA. Importantly, the traditional advisor-supported model remains a gold standard reflecting decades of relationship building and ethical conduct.

The study, developed to understand the changing expectations of US retail investors, reveals other reassuring strengths as well as some developing challenges based on a changing investor base. In particular, younger investors who stand to inherit trillions of dollars in wealth prefer self-directed investing, more transparency, and better digital experiences. They also are more likely to change investment firms for better digital capabilities, making them a potential flight risk. While financial advisors are essential for driving positive investor attitudes, the industry must evolve to stay innovative.

A hybrid model combining human expertise and self-directed access to the markets is capable of delivering on those expectations while maintaining investor confidence. The VISTA study supports this premise: hybrid investors report higher trust and satisfaction than purely self-directed investors. Nearly one in three investors have already chosen a hybrid approach, suggesting that the future of investing doesn't mean choosing between human expertise or digital innovation—it's seamlessly integrating both.

Organizations looking to compete in this hybrid investment world will need to enhance their strategies and capabilities to complement their traditional strengths, including preparing their financial professionals for the changes to come. Those that can blend the trust and expertise of human advisors with the transparency, accessibility, and digital sophistication younger generations demand have the opportunity to capture both market share and client loyalty.

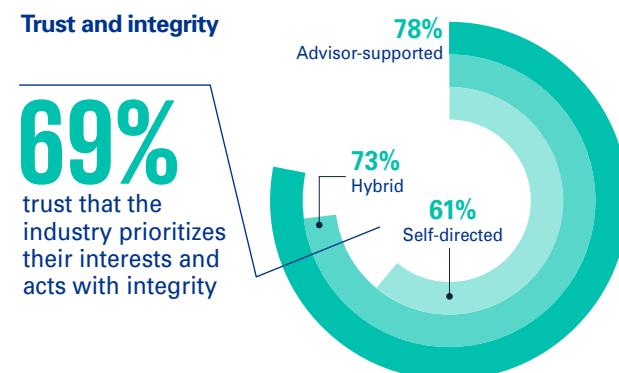
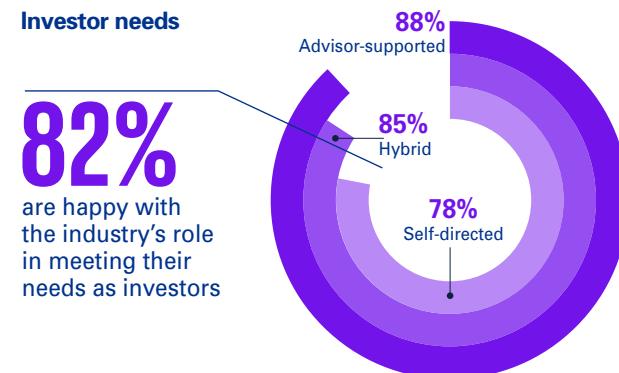
Advisors remain the cornerstone of satisfaction and trust in the industry

The investment industry receives high marks for trust and satisfaction from investors overall. However, a closer look finds that those who engage more with advisors give higher marks than self-directed investors who don't interact with advisors at all. This includes the hybrid investor, a growing percentage of the investment community who seek both human and digital access to the markets.



Despite technological advances, relationship-based advice is still important. But as younger generations seek more direct investment, the advisor relationship has to evolve to both preserve trust and retain clients.

Investors who work with advisors give higher marks across the board for trust and satisfaction.



Three powerful trends shaping the investment industry

1 The great wealth transfer

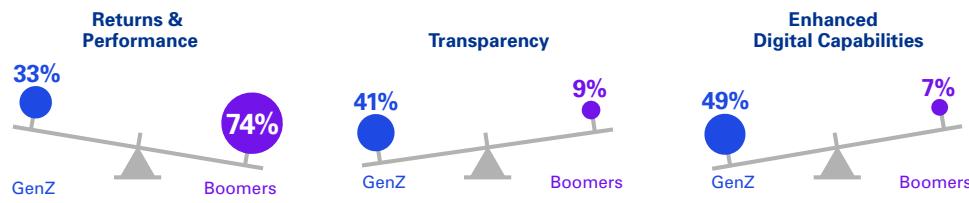
We're just at the beginning of the massive transfer of assets to younger generations—as much as \$105 trillion through 2048.* These investors have different values, expectations, and preferred approaches to engagement.

2 The generational divide reshaping investor expectations

Different generations are embracing technology in their own way.

Younger investors prioritize transparency and digital capabilities more than older generations and are far more willing to switch providers for better technology, signaling a fundamental shift in values that drive trust and satisfaction by generation.

Which of these matters to you the most in evaluating your investment experience?



Gen Z prioritizes transparency
4.5x more and digital capabilities
7x more than Boomers.



*The Cerulli Report—U.S. High-Net-Worth and Ultra-High-Net-Worth Markets 2024

3 The shift from public to private markets

As the number of publicly traded companies contracts and private markets expand, more than one in five investors are exploring alternative investments in addition to increasing participation in cryptocurrencies. This shifts the advisor focus on public market performance to include helping clients navigate the unique complexities and liquidity risks of the private markets, expanding the very definition of fiduciary duty.



More than 1 in 5

investors hold alternative investments, including real estate, private equity and commodities

As wealth transfers to digital natives and engagement increasingly moves to online platforms and private markets, how can the industry maintain trust and hold on to clients? By embedding that trusted advisor relationship within digital capabilities.



The future of investing is hybrid

Hybrid models combining advisor-led and self-directed investing can effectively bridge the generational divide

Organizations that can seamlessly integrate technology and human interaction to allow investors access to markets when, where, and how they want will have the opportunity to capture market share and take the lead.

Importantly, as survey results reveal, higher trust is associated with advisor-led investing. For the industry to continue to uphold high standards and attract clients, the human element is a necessary ingredient for moving forward.

While advisors are critical for maintaining investor satisfaction and trust, organizations need to prepare their front line for the demographic and technology changes to come.

30% of investors are hybrid, combining human and digital access to the markets

GenZ is the only generation more satisfied with self-directed investing than working with advisors

- **Advisor engagement, associated with greater trust and satisfaction,** is highest among older investors
- **Self-directed, younger investors** prioritize enhanced digital capabilities and transparency
- **Hybrid models blend trusted guidance and education** with the digital experiences that the next generation of investors will demand

Financial advisors take on new skills and responsibilities

Introducing the “next-gen” advisor

Experienced financial advisors are retiring, and younger generations of investors have different expectations for their interactions with the financial industry. These two developments give rise to the need for a new kind of financial advisor, one who has the knowledge and investment experience to generate trust with clients and who has command over digital tools to serve clients how, when, and where they want to invest.



Emphasizing the advisor as educator and coach

Advisors need a new set of skills to succeed amidst the convergence of trends—a new generation of investors, new markets, and new digital expectations. The next-gen advisor is a tech-savvy specialist who can guide clients through complexity, serving as not only a source of information but a bastion of trust who provides context and validation to clients.



Redefining risk and fiduciary duty

Risk and fiduciary duty are expanding as investors seek more complex, less-liquid alternative products and use AI to guide their decision-making. Advisors need to understand how and where their clients are accessing information and the markets, continuing to prioritize investor protection.

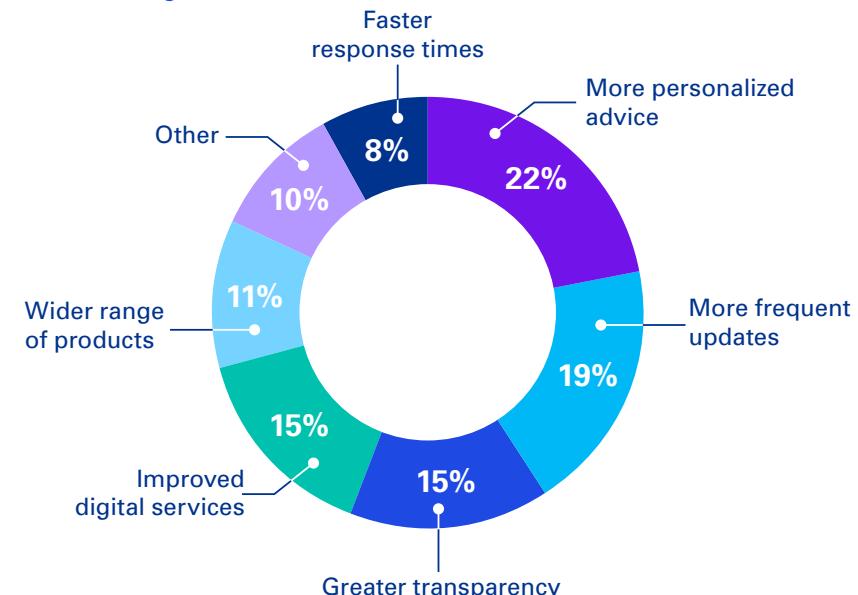


Using technology to drive personalization

Investors expect financial providers to deliver the same level of tailored content, insights, and experiences that they get from other digital leaders. A firm’s technology platform—and its ability to deliver a superior, personalized, and educational experience—is a competitive differentiator and a necessity for advisors to provide personalization at scale.

What single improvement would most increase your satisfaction with your investment platform or financial advisor? ^(a)

N=2,001; Single select



Notes: (a) Sum of percentages may not add up to 100% due to rounding off.

Source: VISTA Study, August 2025

Firms face a dual challenge to accelerate the reskilling of their existing financial professionals in data analytics and AI tools while simultaneously recruiting talent who have both tech and market know-how and can guide clients through complexity.

Is your organization ready for generational change?

Begin building a more effective hybrid and trust-based model for the future

Growth and strategy

- Reshape your business model to capture growing demand for hybrid access to the markets
- Determine which capabilities are needed to support digitally assisted advice and next-generation advisors
- Consider if investments, deals, and/or partnerships are necessary to develop key capabilities in a shorter timeframe
- Recognize that the pressure for technological scale is driving industry consolidation, creating opportunities to acquire talent and clients through the acquisition of smaller RIAs

The client and advisor experience

- Define the ultimate experience for both clients and advisors to uncover gaps to address
- Develop digital and self-service options for internal and external stakeholders
- Better integrate marketing and sales activities

Operational transformation

- Using the lenses of people, process, technology, and data, improve operating models to deliver more effectively on the hybrid future of advice
- Assess productivity and identify opportunities to introduce automation, GenAI, and other technologies
- Optimize profitability and cost takeout

Data and technology

- Assess if current data and technology systems align with objectives to support a hybrid model
- Modernize the core platform and architecture
- Determine readiness for new products and services

Regulation, risk, and compliance

- Assess current state of risk and compliance capabilities with an eye on future needs
- Test and monitor risk profiles and reviews
- Review process for regulatory filings and reporting to keep up with the speed of change

About the study

The 2025 Voice of Investor Satisfaction, Trust and Advocacy (VISTA) study, a KPMG independent study sponsored by SIFMA, was designed to understand expectations of US retail investors. The study was conducted online between August 29 and September 9, 2025, and presents responses from 2,001 adults with investable assets (excluding residence) of \$100K or more, investing experience of one or more years, and primary or joint responsibility for investment decisions.

For more details from the VISTA study, visit kpmg.com/us/en/articles/2025/the-rise-of-the-hybrid-investment-model.html.

KPMG

Leading financial services firms rely on KPMG to help them improve business performance, turn risk and compliance into opportunities, develop strategies, and enhance value. With more than 900 partners and 8,500 professionals, the KPMG LLP Financial Services team sees today's environment of converging challenges as a catalyst for improvement by taking advantage of the opportunities that surround us.

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By integrating our capabilities across audit, tax, and advisory, KPMG Financial Services professionals bring insight to help our clients build competitive advantage and align strategies during this period of substantive change and enormous opportunity.

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SIFMA

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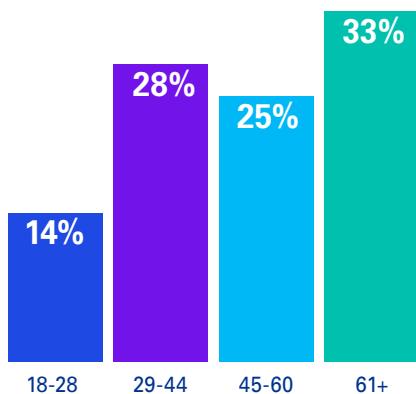
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Survey Demographics

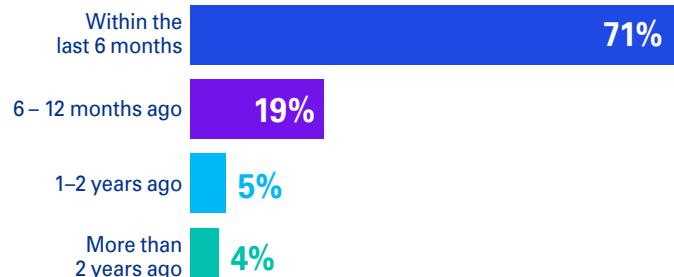
Our survey included responses from **2,001 investors**, conducted in September 2025.

Age of respondents

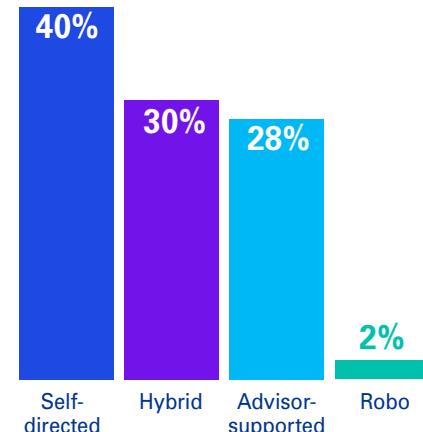


Interaction with financial advisor or wealth manager

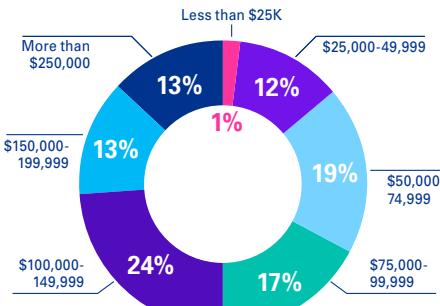
(n=1160)



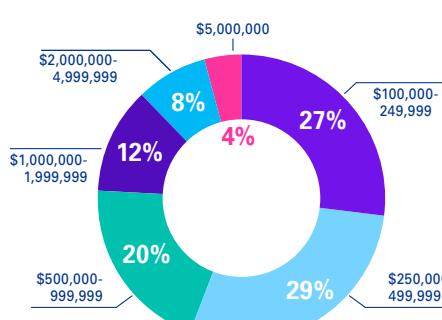
Primary investment approach



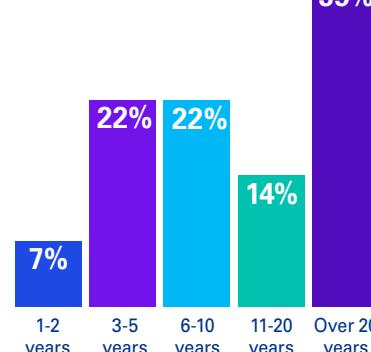
Annual household income (before taxes)



Range of investable assets



Investment tenure



Level of decision making in investments

I am primarily responsible for my household investment decisions



I share responsibility with someone else (e.g., spouse or partner)



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