

THE
GUIDANCE



Investors have
more sources,
but less clarity
than ever.

GAP

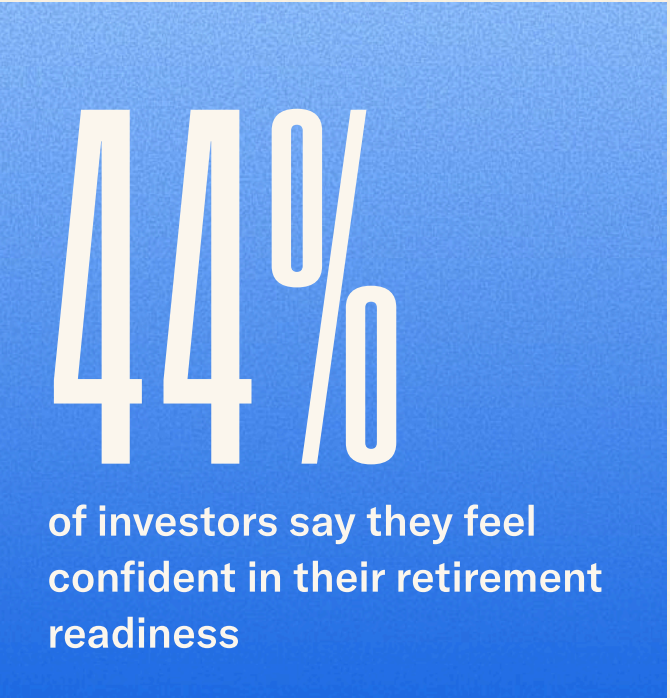
Investors have more sources of financial guidance available to them than ever before.

Financial advisors, social media, personal research, and, increasingly, AI are all competing for their attention. Now in its fourth year, Betterment's 2026 Retail Investor Survey draws on three years of data to explore where investors turn for guidance and how those choices may relate to their financial wellness. This year's findings, based on responses from 1,000 U.S. investors, offer a view of both the habits shaping investor confidence today and how those habits have evolved over time.

Overall investor optimism has recovered this year, with 55% of retail investors reporting a positive financial outlook for 2026, up from 48% last year. However, that headline optimism masks longer-term worries. Retirement confidence has fallen 12 points over the same period, to 44%. Investors feel better about the year ahead but less certain about their own ability to plan for what comes after it. That uncertainty traces back to a shift in where they turn for guidance.

An infographic with a yellow background. It features the number '55%' in large, bold, dark blue font. Below the number, in a smaller, dark blue font, is the text 'of retail investors report a positive financial outlook for 2026'.

of retail investors report
a positive financial outlook
for 2026

An infographic with a blue background. It features the number '44%' in large, bold, white font. Below the number, in a smaller, white font, is the text 'of investors say they feel confident in their retirement readiness'.

of investors say they feel
confident in their retirement
readiness

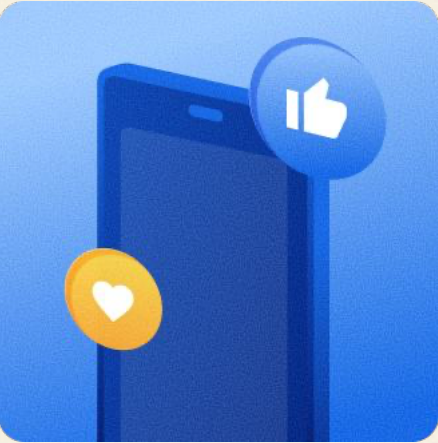
Key Findings



Investors trust themselves most.
Fifty-six percent say they rely primarily on their own research and judgment for a major financial decision, more than any other single source. Financial advisors rank a distant second, tied with friends and family at 16%.



Younger investors are blurring the line between investing and sports betting.
Twenty-six percent of Gen Z investors say they treat sports betting as a deliberate, ongoing part of their long-term financial strategy, signaling a notable shift as gambling becomes more widespread in the U.S.



Social media’s role keeps expanding, especially for Gen Z.
Social media has become Gen Z’s most commonly cited source for financial news, up from 45% in 2024 to 60% in 2026, and outpacing traditional news channels. That’s nearly three times the rate of those who cite a financial advisor (21%).



Retirement confidence has fallen the most when it hurts the most.
At 31%, Gen X reports the lowest percentage of investors who are confident in their retirement readiness of any generation, right at the stage when retirement planning demands the most attention.



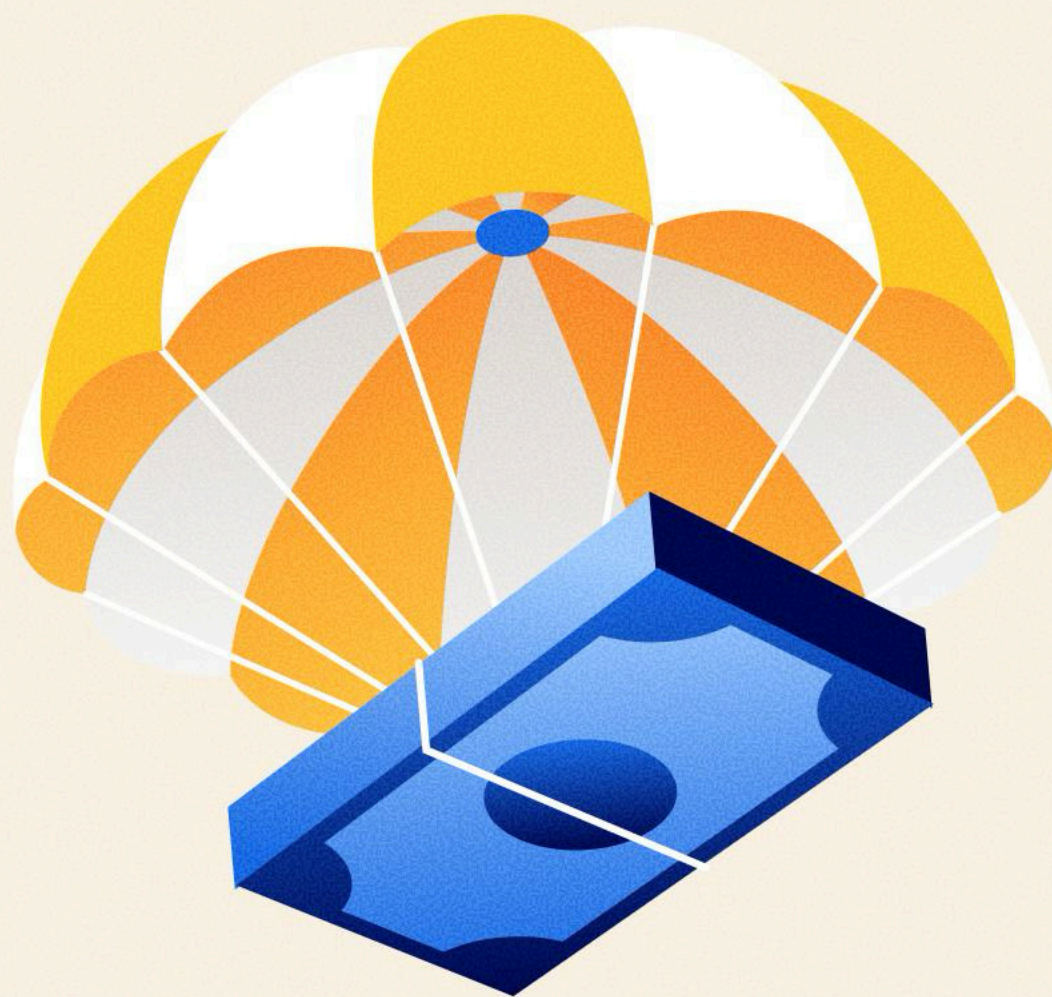
Trust in AI remains low, but for the minority who do trust it, AI is already shaping real decisions.
Trust in AI for financial advice has held roughly flat, 29% to 31% over two years. Among investors who trust AI, 53% say it has already influenced a financial decision they otherwise would not have made, compared with just 5% of those who distrust it. Gen Z is driving much of that shift: 48% say AI has already influenced a decision, and Gen Z investors are eight times more likely than Boomers to be comfortable using AI for long-term financial planning: 41% compared to 5%.

01

Where Investors Turn for Guidance



Four years of surveys tell a consistent story about pressure, though this year shows some easing.



Inflation has held the top spot among financial stressors in every year of Betterment's survey, with 17% of investors calling it their single biggest concern in 2026. The political situation has moved into second, at 14%, a shift that first appeared in the 2025 data and has held through this year. Household costs remain a persistent pressure across generations.

For Gen X specifically, inflation and household costs are nearly tied as the top stressors, at 14.7% and 13.9%, respectively. Looking at the top three concerns investors name overall, fear of a near-term recession has eased sharply, falling from 41% to 24% year over year. Market anxiety overall has cooled too: the share of investors naming market volatility among their top three concerns dropped from 31% in 2025 to 22% in 2026.

“

Last year, investors were navigating an environment where economic uncertainty felt immediate and unavoidable.

That acute anxiety has eased as markets have proven more resilient and people have had more time to adjust to higher rates and a changing economic backdrop. But feeling less alarmed is not the same as feeling more prepared, with the data showing investors remain unsure about their long-term plans, particularly retirement. The opportunity now is to help them turn a calmer outlook into a more durable financial strategy.”

**DAN EGAN**

VP of Behavioral Investing
Betterment

Even so, the bigger concern now is an ongoing one: keeping up with everyday costs. This is the backdrop against which investors are deciding whom, or what, to trust with their money.

“Everything keeps rising with the cost of living. My day-to-day expenses are also going up, so it’s hard to save and put money aside to have for the future.”

**MILLENNIAL INVESTOR**

The clearest finding in this year's data is how much investors rely on themselves instead of turning to someone else for guidance.



When asked whom they rely on most for a major financial decision, 56% of investors point to personal research and judgment, more than any other single source. Financial advisors rank second, tied with friends/family at 16%. That self-reliance builds with age and experience, climbing from 40% of Gen Z investors to 69% of Boomers. Digital tools, AI engines, and social media rarely rank among investors' top sources for a major decision, together accounting for just 12% overall. For Gen Z, that share climbs to 21%.

Top Source Relied Upon for Major Financial Decisions

Personal research or
own judgment

40%

Friends/family

23%

Financial advisor

16%

Digital financial tools,
apps, or an AI engine

14%

Social media or
online influencers

7%

GEN Z

Top Source Relied Upon for Major Financial Decisions

Personal research or
own judgment

52%

Friends/family

21%

Financial advisor

12%

Digital financial tools,
apps, or an AI engine

13%

Social media or
online influencers

3%

MILLENNIALS

Top Source Relied Upon for Major Financial Decisions

Personal research or
own judgment

64%

Friends/family

14%

Financial advisor

15%

Digital financial tools,
apps, or an AI engine

6%

Social media or
online influencers

1%

GEN X

Top Source Relied Upon for Major Financial Decisions

Personal research or
own judgment

69%

Friends/family

6%

Financial advisor

22%

Digital financial tools,
apps, or an AI engine

2%

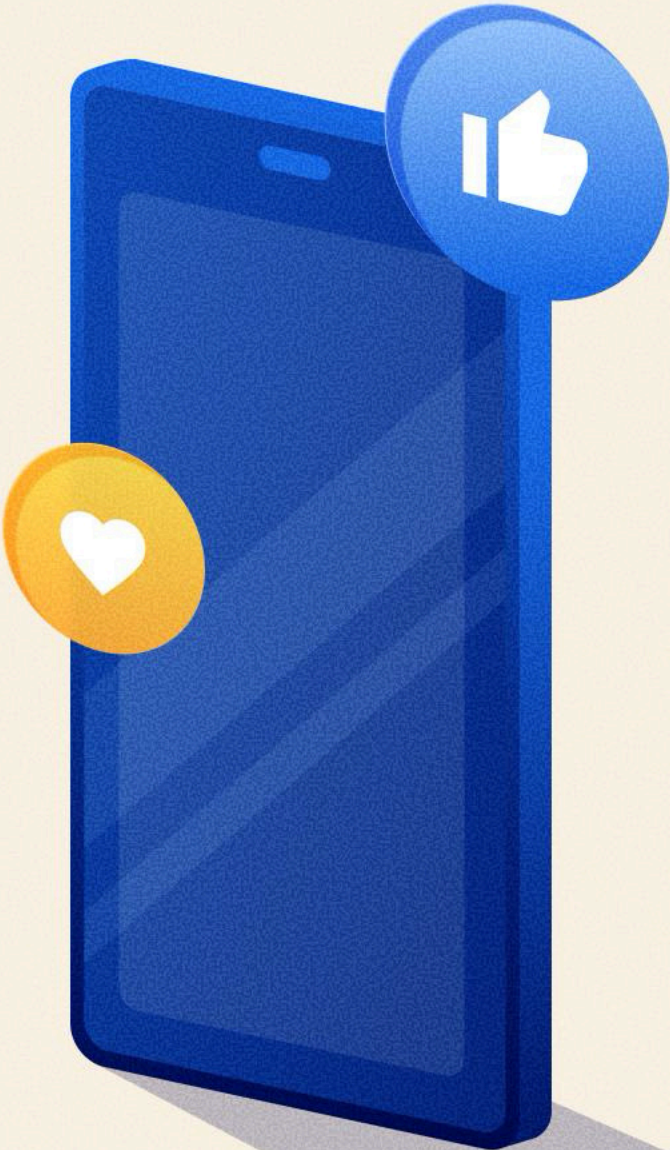
Social media or
online influencers

0%

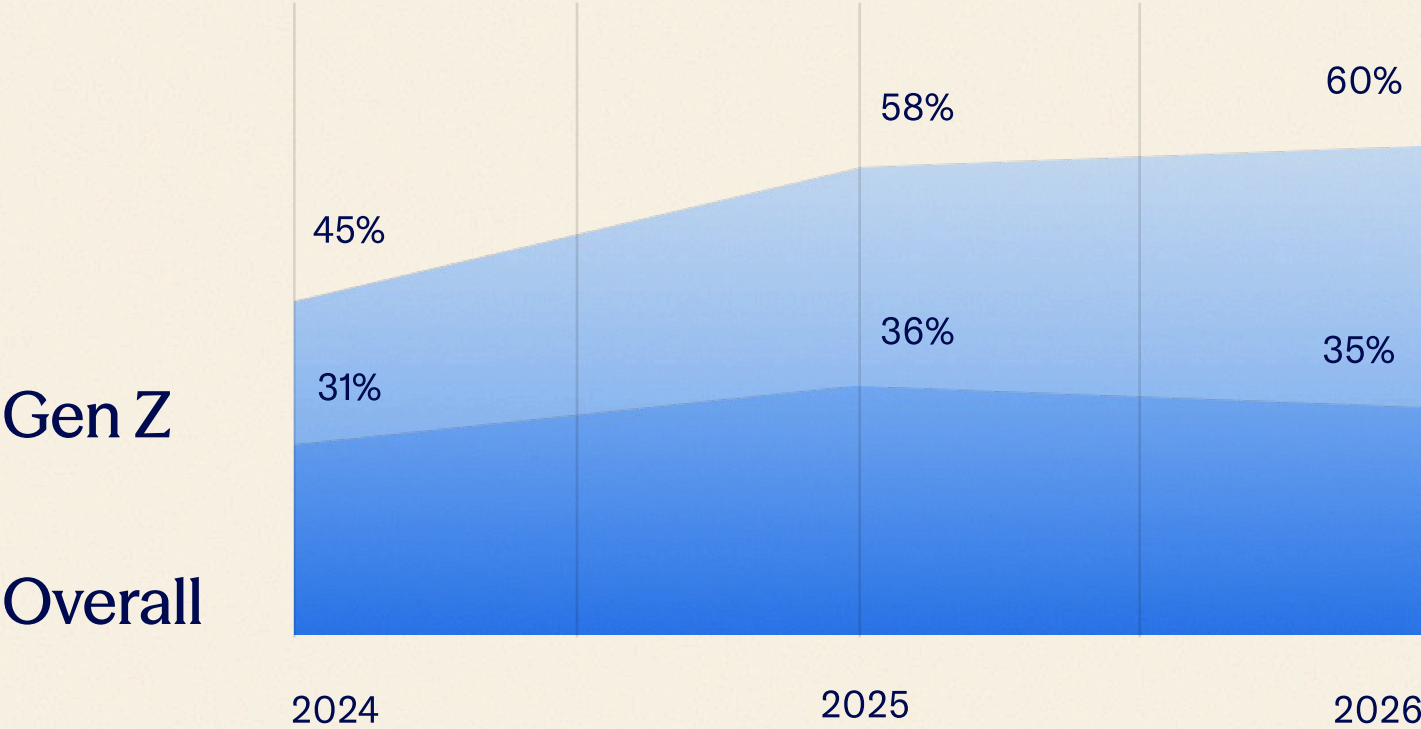
BOOMERS

Social media’s reach as a news source keeps expanding, even though it rarely wins out as the single source investors trust most for an actual decision. Overall, the share of investors citing social media as a financial news source grew modestly, from 31% in 2024 to 35% in 2026. For Gen Z, growth has outpaced the overall population, climbing from 45% in 2024 to 60% in 2026.

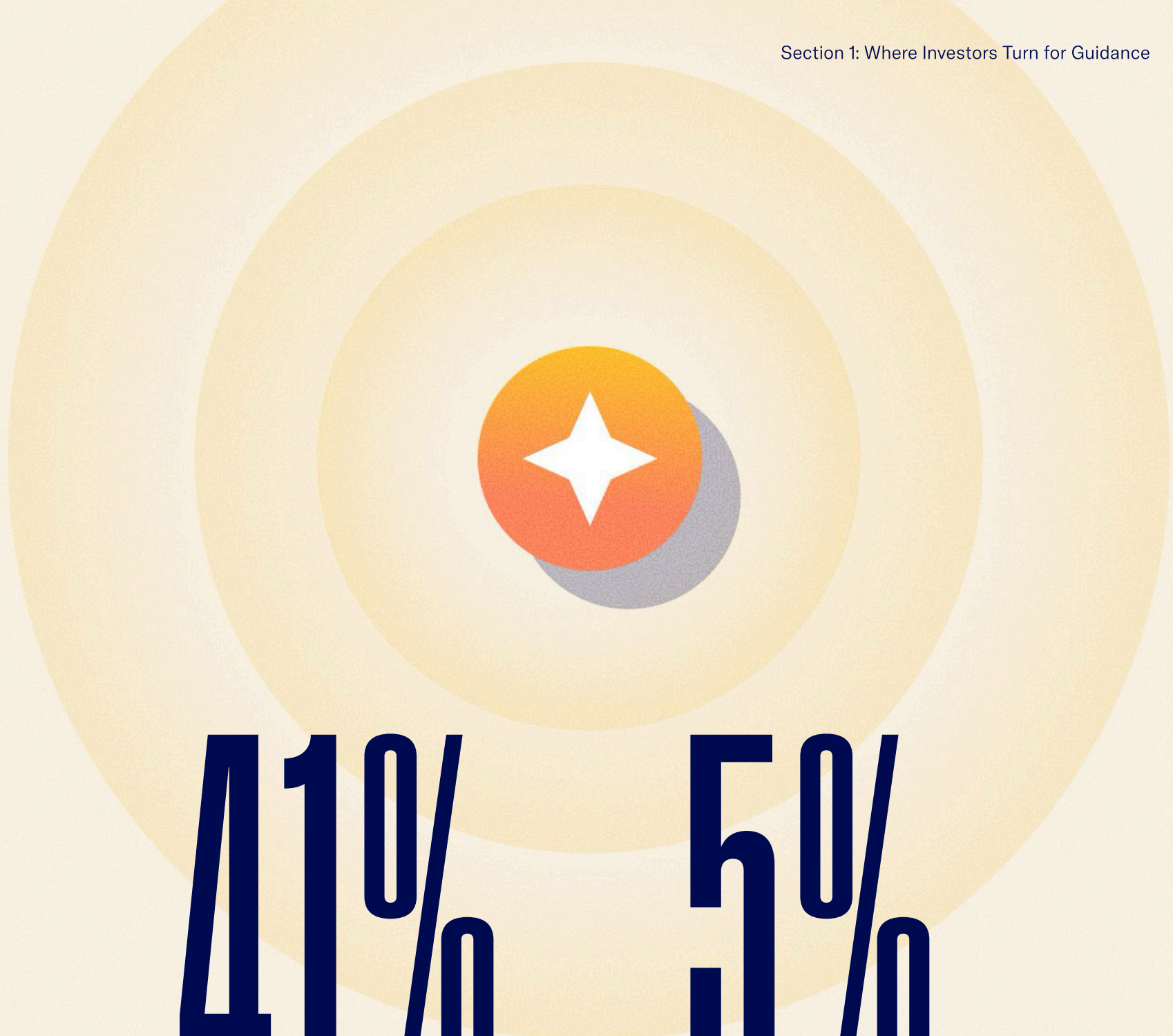
That growth comes with pressure attached: 44% of investors say they feel at least somewhat pressured by social media to act on financial trends, including popularized behaviors like “soft saving” (prioritizing wellness over strict savings) or “loud budgeting” (vocalizing financial goals) shared by influencers.



Social Media as a Financial News Source, 2024 to 2026, Overall vs. Gen Z



Despite persistent skepticism about using AI for financial advice, it's already shaping real financial decisions, particularly for Gen Z. Overall, trust in AI has held roughly flat, going from 29% in 2025 to just 31% in 2026. Yet among investors who trust AI, 53% say it has already influenced a financial decision they otherwise would not have made, compared with just 5% of those who distrust it. Gen Z is twice as likely as investors overall to say AI has already influenced a decision, at 48%. Gen Z investors are also eight times more likely than Boomers to say they are comfortable using AI for long-term financial planning, 41% compared to 5%.



41%

of Gen Z investors say they are comfortable using AI for long-term financial planning.

5%

of Boomers say they are comfortable using AI for long-term financial planning.

GEN Z

Investor



“If AI suggested a specific change to my financial plan that would make a big change, I would trust it and act accordingly!”

MILLENNIAL

Investor



“I would only trust [AI suggestions] if I took them to a financial advisor to look it over.”

GEN X

Investor



“I would definitely consider any changes that AI suggested to my financial situation, but I would go over everything with my financial advisor first. Ultimately, I would take their advice on whether the ideas generated from AI were in my best interests. I’ve worked with my financial advisor much longer than I’ve interacted with AI. Trust is built over time, and, in this case, human interaction wins out.”

BOOMER

Investor



“I wouldn’t trust AI. I have a financial planner who gives me one-on-one advice. I’m a Baby Boomer; AI is for the younger generation.”

“

AI is quickly becoming table stakes in financial services.

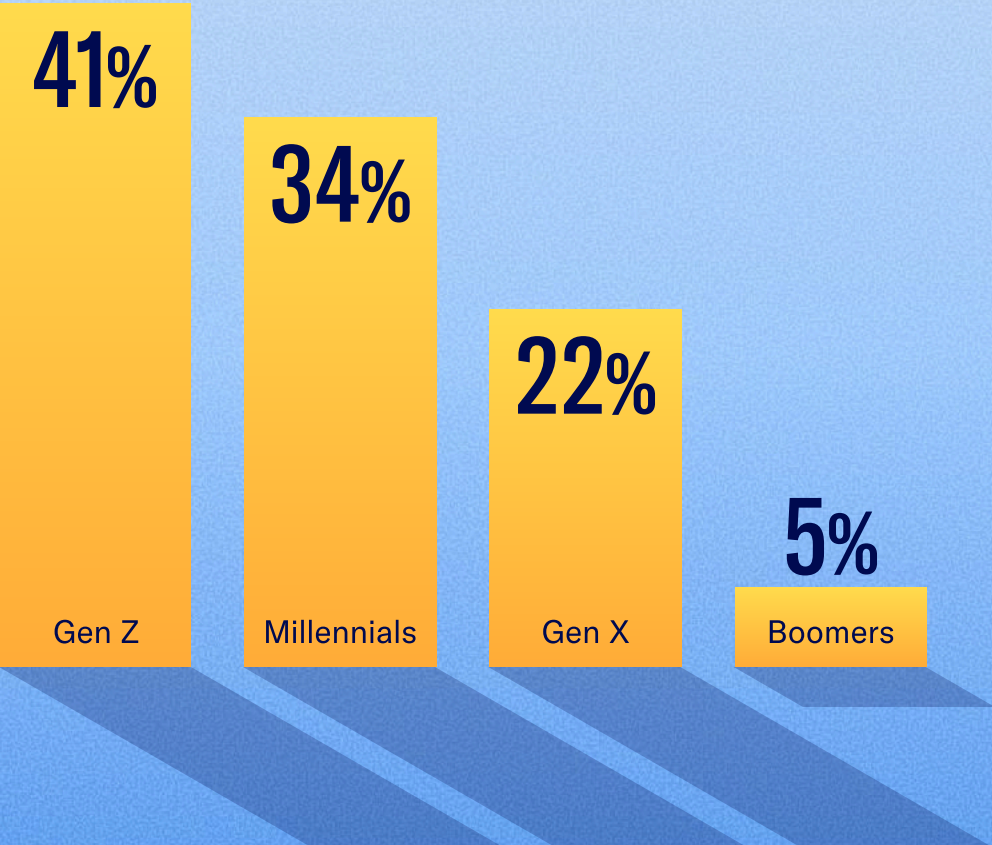
As these tools become more accessible, investors will expect faster answers and more personalized experiences, but speed alone is not advice. The value of human expertise will only grow, particularly when people are making complex or emotional decisions where context, judgment, and accountability matter. Those who succeed will be the ones that use AI to make expert guidance more accessible, not to replace it.”



MIKE REUST
President
Betterment

Investors have never had this many places to turn for guidance. They now weigh advice from advisors, social platforms, AI tools, and their own research, sometimes all at once. But more sources have not added up to more confidence.

Comfort Using AI for Long-Term Financial Planning



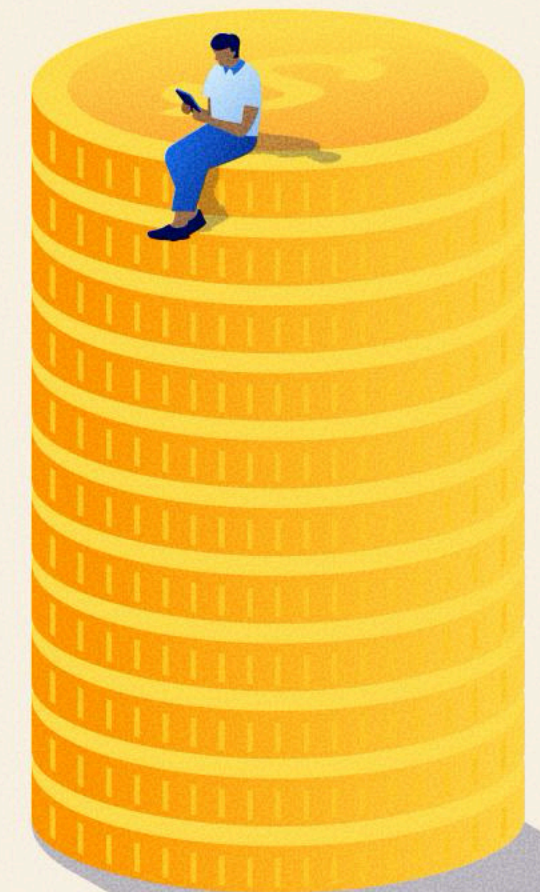
Gen Z's New Asset Class: Sports Betting

Amid the search for guidance, a less obvious trend is shaping how younger investors think about their financial strategy. Sports betting has grown into a nearly \$17 billion industry in the U.S., up from about \$400 million in 2018.

2018
\$400M



2026
\$17B

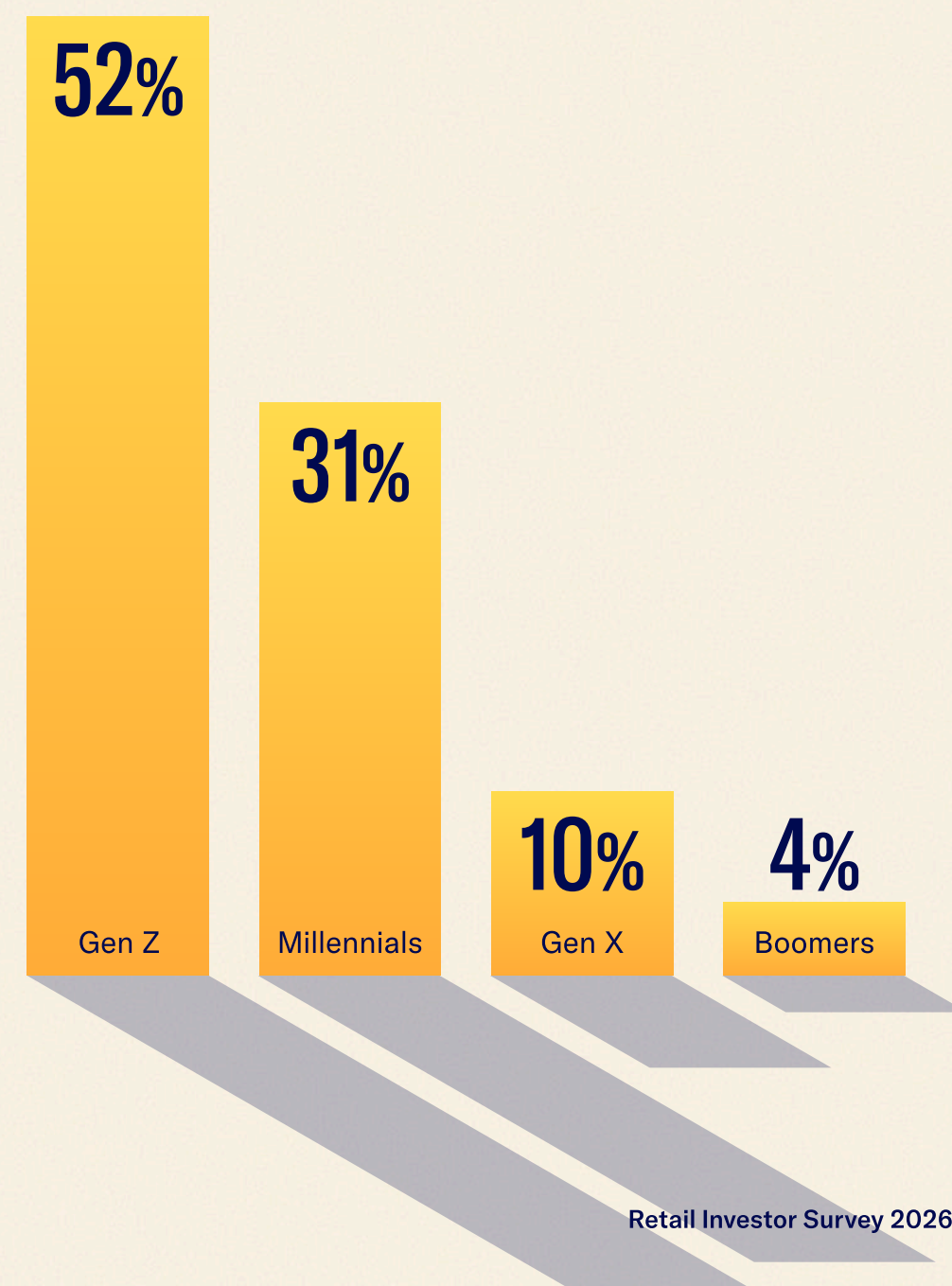


That growth is increasingly showing up in how investors approach their finances.

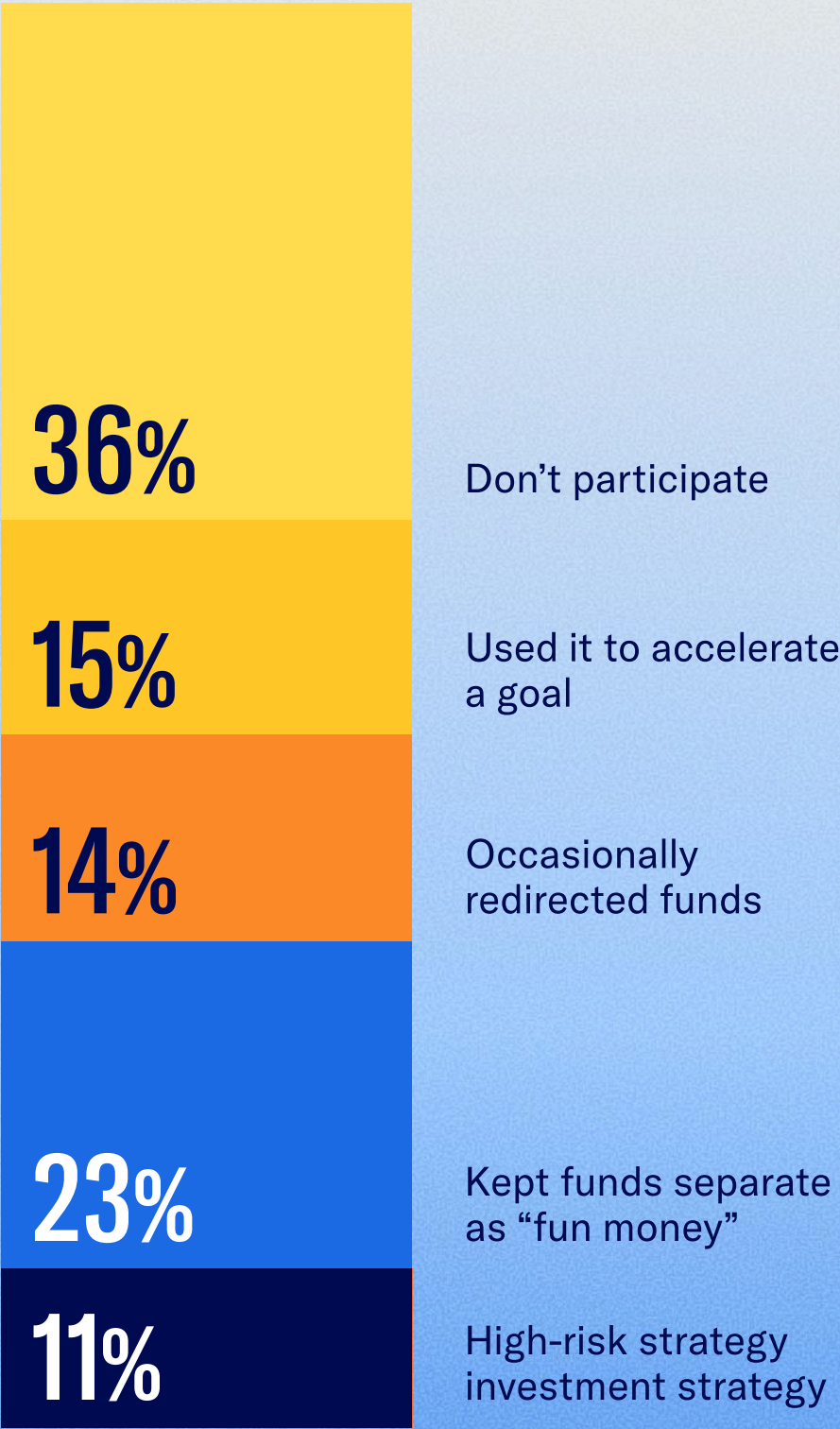
About one in eight investors (12%) say they treat sports betting as a deliberate part of their long-term strategy. That share is far higher among younger generations: 26% of Gen Z and 14% of Millennials, compared to 6% of Gen X and 1% of Boomers.

The behavior extends further than that framing suggests. More than half (52%) of Gen Z investors say they have redirected money originally intended for investing into sports betting in the past year, including 14% who do so multiple times a month. Only 34% of Gen Z say they don't participate in sports betting at all, compared to 63% of investors overall. A separate question asking investors to categorize where sports betting fits into their financial goals found a similar share of Gen Z, 36%, saying they don't participate at all.

Share of Investors Who Have Redirected Investing Funds to Sports Betting at Least Once



Where Sports Betting Fits
Into Financial Goals for Gen Z



“

When the lines between speculative betting and long-term investing blur, the true risk isn't just about the money lost—it's about the erosion of a coherent financial strategy.

We see this blurring often when investors lack clear guardrails. Our goal is to provide a structured alternative to DIY investing that lets investors clearly separate their speculative interests from their long-term wealth building, making sure they don't inadvertently jeopardize their future for a current thrill.”



DAN EGAN
VP of Behavioral Investing
Betterment

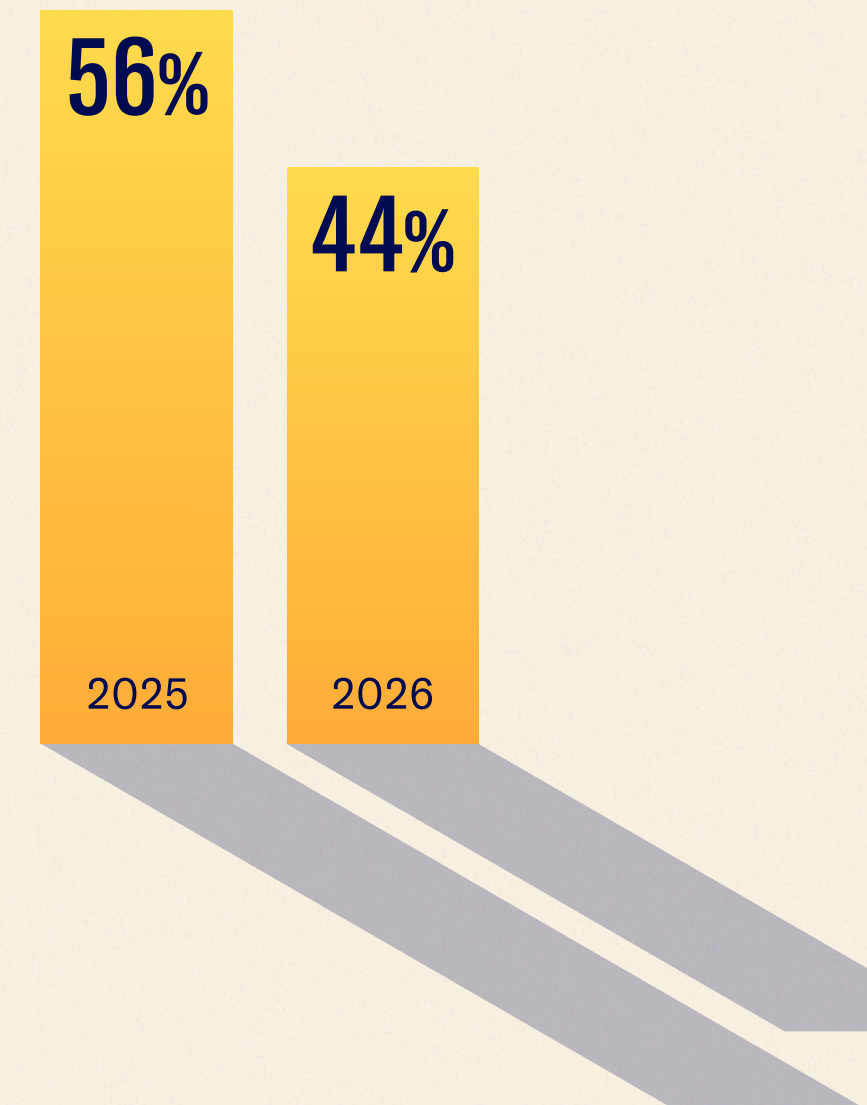


The Widening Confidence Gap

Retirement confidence has dropped sharply this year.

In Betterment's 2025 Retail Investor Survey, 56% of investors said they felt confident in their retirement readiness. In 2026, that fell to 44%, a 12-point decline in a single year. The decline was significant across generations, ranging from 9 points for Gen Z to 15 points for Millennials, the steepest drop of any group. Gen X reports the lowest confidence of any generation this year at 31%, and is also nearing the age when retirement planning becomes urgent.

Confidence in retirement readiness



“I can’t tighten anything up anymore. Just sell things off and rent rooms and look for more work. Can’t stop buying basics like food or fuel, and repairs only go so far.”



GEN X INVESTOR

Retirement isn’t the only area where investors report feeling like they are running short on time. Fifty-four percent of investors started preparing for their most recent major financial milestone, such as a home purchase, having a child, or marriage, less than a year in advance. Regardless of how much lead time they had, more than two-thirds (68%) say they wish they had started planning earlier. The top two reasons: wanting a larger financial cushion (57%) and wanting to feel more in control and less overwhelmed by decisions (50%).

68%

of investors wish they had started planning earlier

That short runway has an emotional impact too. Fifty-nine percent of investors say last-minute preparation for a milestone increased their financial anxiety, including 21% who say it increased significantly.



Financial anxiety around big life events often stems from having very little time to prepare.

When you try to solve complex financial goals in just a few months, you end up in a reactive state that feels overwhelming. The advantage of starting early with a support system is simple: you gain the extra time you need to make calm decisions. Building a foundation with both automated tools and professional guidance well before the pressure peaks prevents you from having to guess or panic when the deadline arrives.”



NICK HOLEMAN

Director of Financial Planning
Betterment



Confidence has declined this year, and planning windows remain short, making investors anxious. Our hypothesis is that for many investors, guidance is arriving later than it should. The next section looks at what helps close the gap between information and confidence.



The Key to Financial Confidence

The investors who report the most retirement confidence share a set of habits.

They build a plan that combines their own research with professional advice, and they revisit it regularly.

One way to put that structure in place is via digital investing platforms. Namely, investors who use these platforms consistently report higher awareness and confidence in their financial journey.

Investors who use a digital investing platform are far more likely to have reviewed their financial approach before a milestone.

Review financial plan before milestone

77%

Users

53%

Non-Users

Digital platform investors also revisit their strategy more often.

Fifty-nine percent check in on their plan at least quarterly, compared to 33% of non-users. That same group reports retirement confidence nearly 30 points higher, 68% compared to 39%, the widest gap in this report.

“I prefer a mix of digital tools for daily tracking and professional banking advice for long-term planning. It has shifted since the stakes became higher. The inflection point was when I began handling multiple investment accounts, which made me feel like a newbie.”



GEN X INVESTOR

Revisit financial strategy quarterly or more

59% 33%

Users

Non-Users

Confidence in retirement readiness

68% 39%

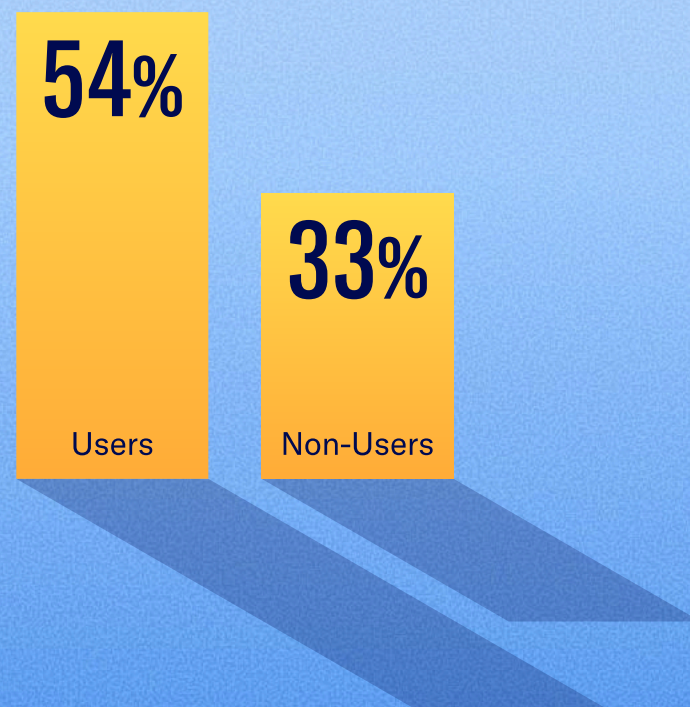
Users

Non-Users

Investors who use a digital investing platform are also more likely to work with a financial advisor.

Investors who combine professional advice with their own research report feeling more confident and in control than any other group in this report. Asking one source to do all the work, whether that's a person, a tool, or your own judgment, leaves gaps the others could have covered.

Work With a Financial Advisor



Confidence doesn't come from finding a 'silver bullet' source of truth; it comes from building a support stack.

The most successful investors are those who curate a mix of automated discipline for the heavy lifting and human perspective for the life transitions. That combination is what turns a volatile financial journey into a sustainable process.”



MINDY YU

Senior Director of Investing
Betterment at Work

CONCLUSION

This report began with a simple fact: investors have never had more places to turn for financial guidance.

Given the choice, most turn inward. More than half, 56%, say personal research and judgment are their top sources for a major financial decision, more than financial advisors, friends and family, social media, and digital tools combined. Social media and AI largely extend that same instinct. Investors use them to gather more information, then decide for themselves.

That instinct comes with a cost, though not the one the headlines suggest. Day-to-day optimism is actually up this year, with 55% of investors reporting a positive financial outlook for 2026, compared to 48% last year.

But retirement confidence moved in the opposite direction, falling from 56% to 44% in the same period. Investors feel better about the year ahead and less certain about their ability to prepare for the ones after it.

Some investors manage to close that gap, and the data shows a clear pattern in how. Investors who use a digital investing platform, one concrete way to put a plan into practice, report retirement confidence nearly 30 points higher than those who don't: 68% compared to 39%. The habits that go with it matter too: pairing that structure with professional advice and regular check-ins may also help support greater confidence over time.

The instinct to go it alone is understandable. But the investors who feel most confident are the ones who diversify their guidance the same way they diversify their investments, pairing research with structure and expert judgment rather than betting on any single source.



Financial complexity is the new baseline.

For investors, the challenge is that this complexity arrives faster than their time or knowledge can keep up with. Our mission is to be the platform that turns that complexity into clarity by providing a foundation where thoughtful, automated structure and human-led advice reinforce each other to create stronger outcomes.”



NICK HOLEMAN

Director of Financial Planning
Betterment



METHODOLOGY

An online survey was conducted with a panel of potential respondents from March 27, 2026, to April 3, 2026. The survey was completed by a total of 1,000 U.S. respondents, evenly split between the four generations (Gen Z, Millennials, Gen X, and Boomers). For purposes of this survey, Gen Z includes respondents born from 1997 to 2007; Millennials, 1981 to 1996; Gen X, 1965 to 1980; and Boomers, before 1965. They each had to have some kind of financial investment to qualify for the survey. All respondents held at least one qualifying financial investment (401(k)-only holders were excluded). The sample was provided by Sago, a research panel company. All respondents were invited to take the survey via an email invitation. Panel respondents were incentivized to participate via the panel's established points program, regardless of positive or negative feedback.

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