

What Drives Retail Investors in 2020

A Stock Market Survey
by Barchart

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Executive Summary

Over the past 20 years, advancements in web and mobile technology have given retail investors access to more information than ever before. Where do retail investors turn to for market data and financial tools? How often do they check the markets? What tools do they use?

We surveyed over 400 individuals to determine how wealth management, brokerage, personal finance, and media firms can drive user engagement and acquisition through market information and tools. To do this, we surveyed three different audiences: **Active Investors**, **Business Professionals**, and the **General Online Population**. These cohorts allowed us to better understand how each group interacts with the financial markets, on which platforms, and with which tools and features.

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Overview of the Audiences

To better understand how each cohort interacts with and monitors the stock market, we surveyed individuals across three separate platforms: Facebook, LinkedIn, and Barchart.com.

General Online Audience



- Represents the "General Online Audience" - users were surveyed on Facebook
- Broad age range - includes both older and younger investors
- Respondents mostly have a middle-class income range
- Typically let their investments ride on their own (only 26% of respondents follow the markets on a daily basis)

facebook

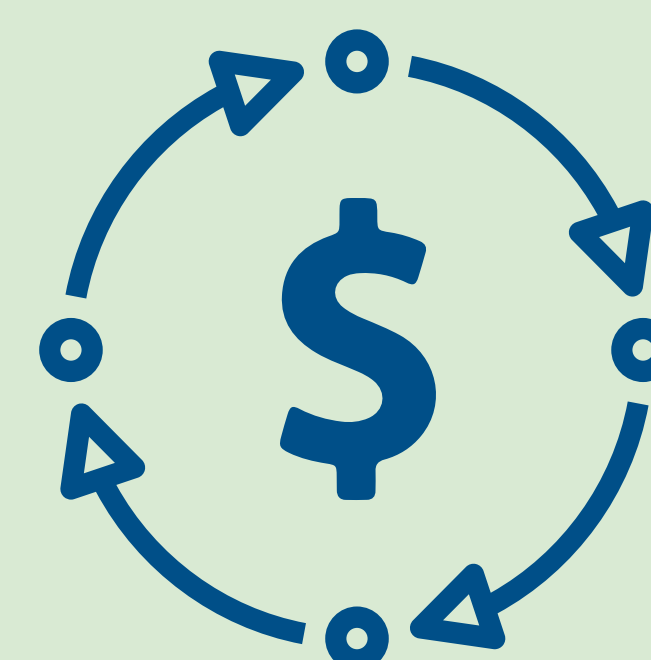
Business Professional Audience



- Represents the "Business Professional Audience" - users were surveyed on LinkedIn
- Younger age range - 53% of survey respondents are 44 years old or younger
- Respondents mostly have an upper-middle-class income range
- Monitors their investments on a regular basis (63% of respondents check stock prices on a daily basis)

Linked in

Active Investor Audience

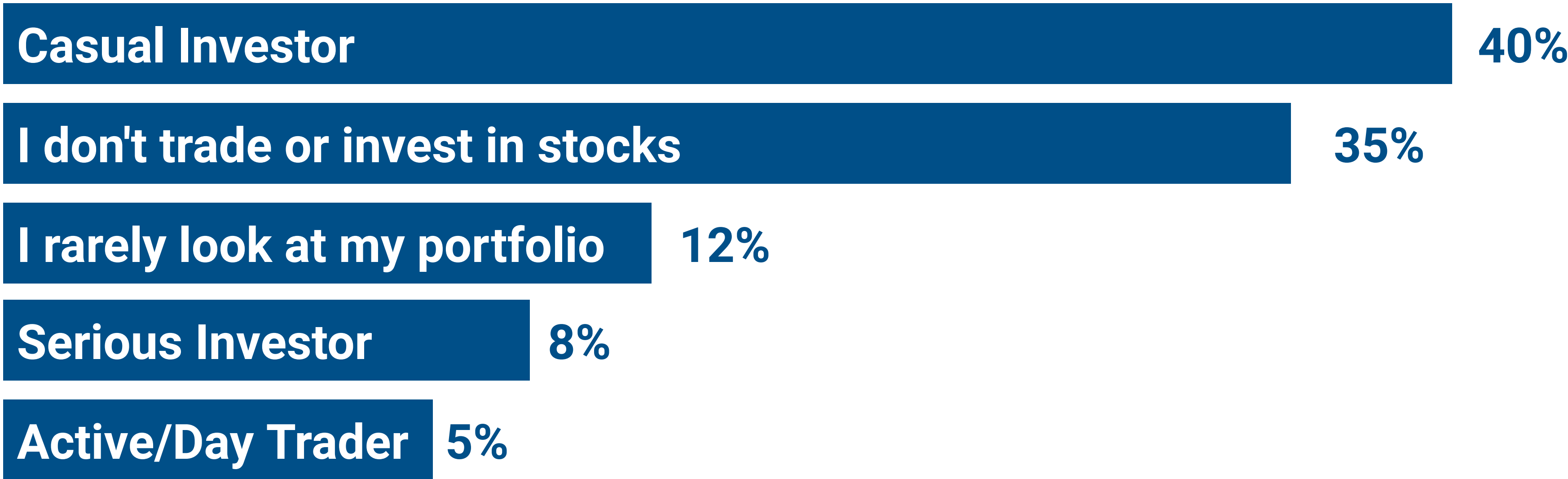


- Represents the "Active Investor Audience" - users were surveyed on Barchart.com
- Older age range - 84% of survey respondents are 44 years old or older
- Broad household income range - includes both middle-class and upper-class investors
- Actively monitors their investments (94% of respondents check stock prices on a daily basis, 69% of which monitor multiple times per day)

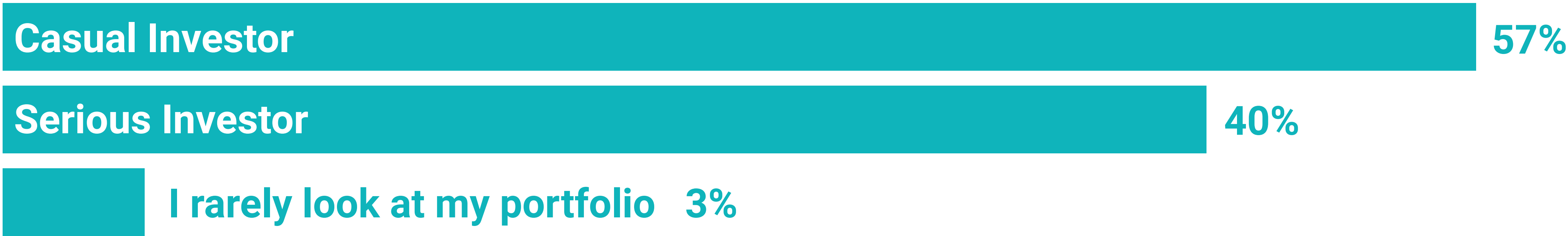
barchart

What kind of investor do you consider yourself?

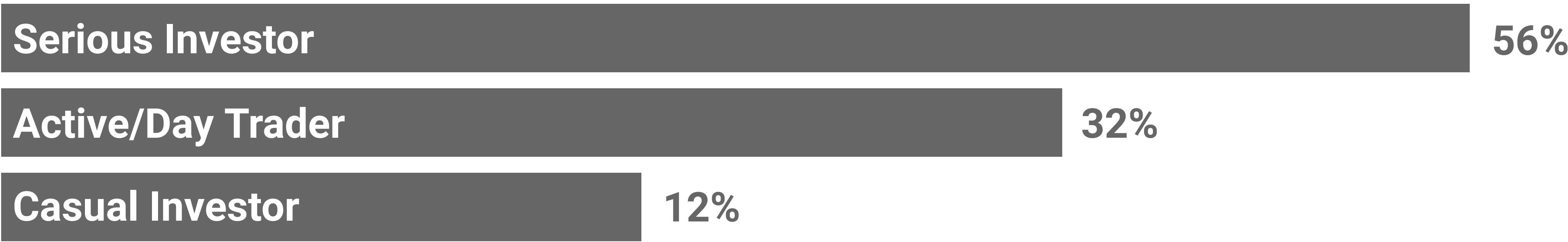
General Online Audience



Business Professional Audience



Active Investor Audience

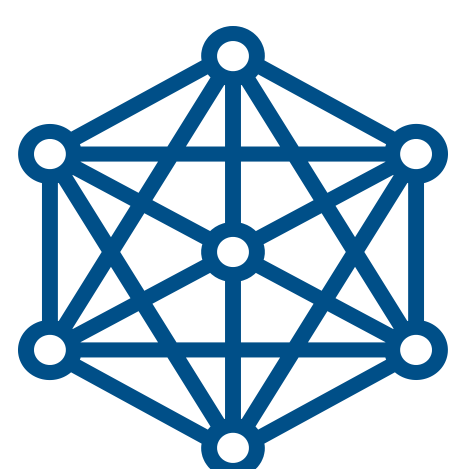


40% of the **General Online Audience** considers themselves Casual Investors vs. 57% of the **Business Professional Audience**



The Data and Solutions You Need. Delivered.

Barchart's mission is to deliver superior technology and data to our clients across the global financial, media, and commodity industries. From global pricing data and analytics to our leading financial tools and software, Barchart connects you to the solutions you need.



Digital

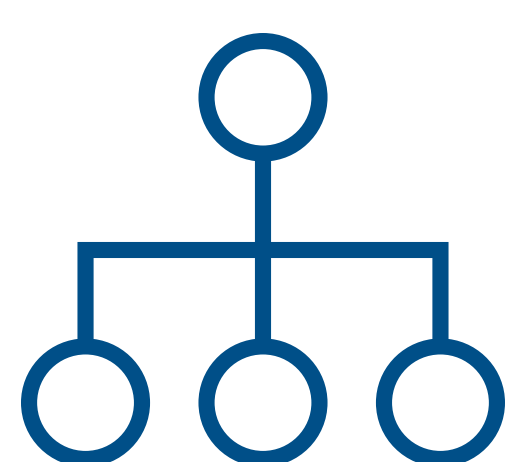
Market data, analytics, news, charting, and tools - all cohesively integrated with your brand



OnDemand

Empowering users with direct API access to extensive market data that is easy to implement

barchart



Stream

Use streaming data from Barchart to power your software or front, middle, and back office systems



Software

Data, analytics, news, and tools all within a fully web-based system or a native desktop experience

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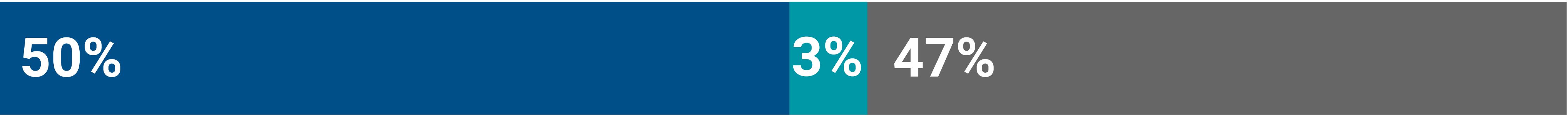
Where do you check stock quotes the most often?

Mobile Device Tablet Desktop/Laptop I Don't

General Online Audience



Business Professional Audience



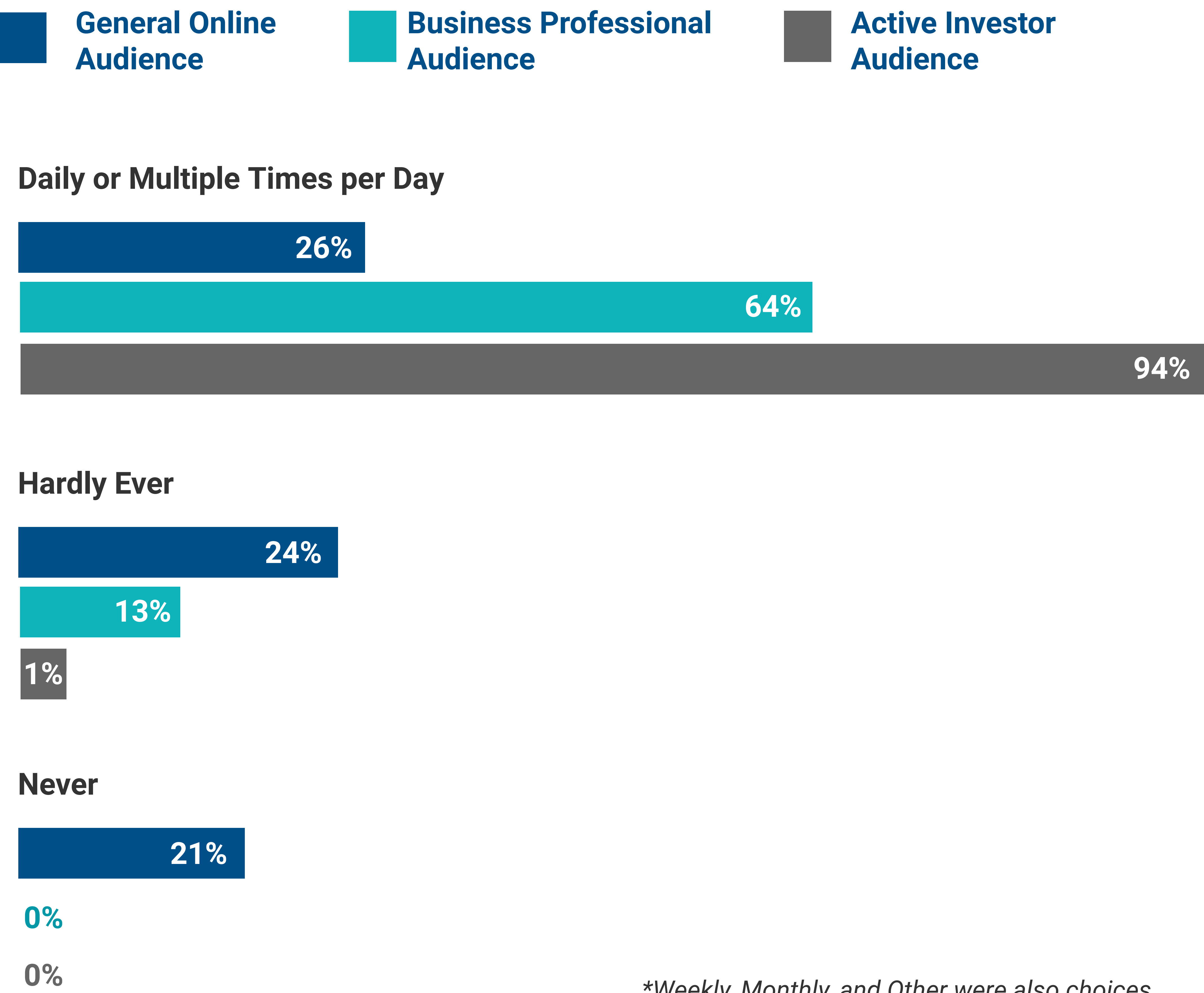
Active Investor Audience



50% of the **Business Professional Audience** check stock quotes most often using their mobile device while the majority of the **Active Investor Audience** uses their desktop/laptop

How often do you check stock market prices?

94% of the **Active Investor Audience** checks stock market prices on a daily basis or more often (69%)



Do you use real-time or delayed data?

27% of the **General Online Audience** does not know whether they are using real-time or delayed data when viewing stock market prices



Real-Time Data

- General Online Audience | 41%
- Business Professional Audience | 63%
- Active Investor Audience | 81%



Delayed Data

- General Online Audience | 9%
- Business Professional Audience | 20%
- Active Investor Audience | 16%



Don't Know / Neither

- General Online Audience | 27% Don't Know / 23% Neither
- Business Professional Audience | 17%
- Active Investor Audience | 3%

Where do you check stock quotes?



80% of all respondents turn to
Financial Media for checking stock quotes

Financial Media

vs.

Broker Platform or
Trading Software

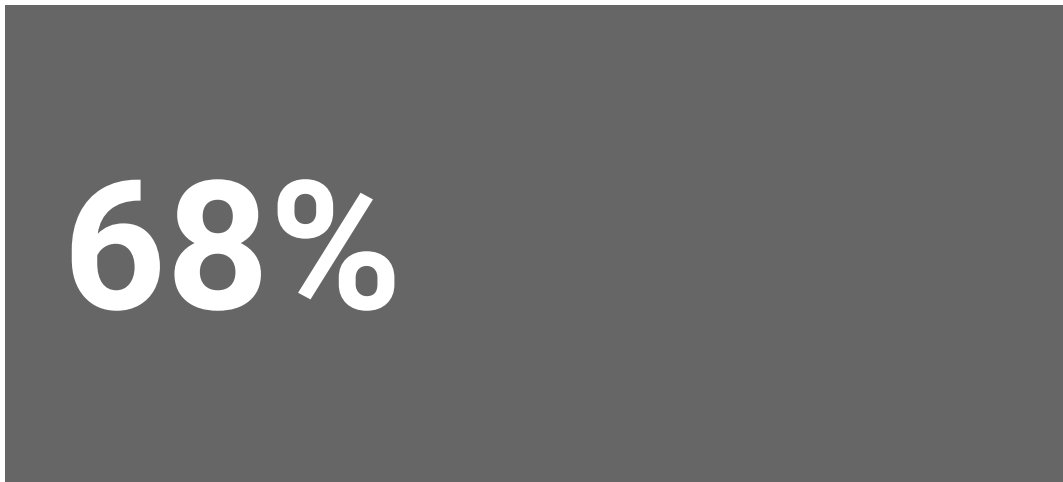
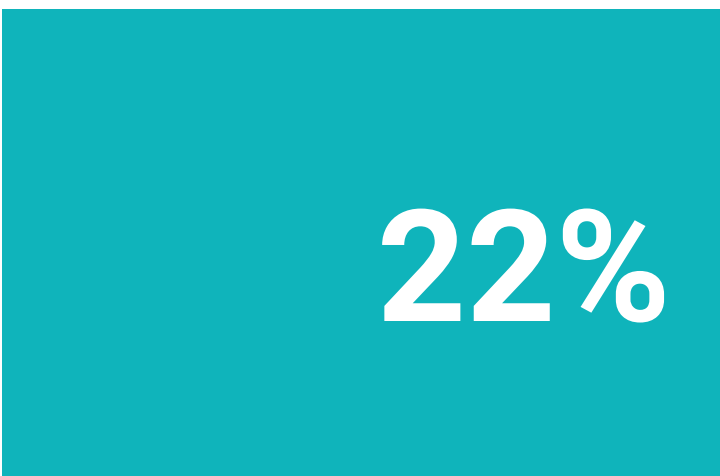


84%

General Online
Audience



Business Professional
Audience



Active Investor
Audience



**Respondents were allowed to select up to 3 choices for where they check stock quotes. The choices included: Financial Media Websites (e.g., Yahoo Finance, Google Finance, Barchart.com, Bloomberg.com, CNBC.com, MarketWatch.com, MSN Money, WSJ.com, TradingView.com, Investing.com, and "other financial media"), as well as "Broker Platform", "Trading Software", and "I don't".*

**6% of the General Online Audience responses were for "I don't."*

Barchart provides financial tools to help your business thrive allowing you to focus on your customers.



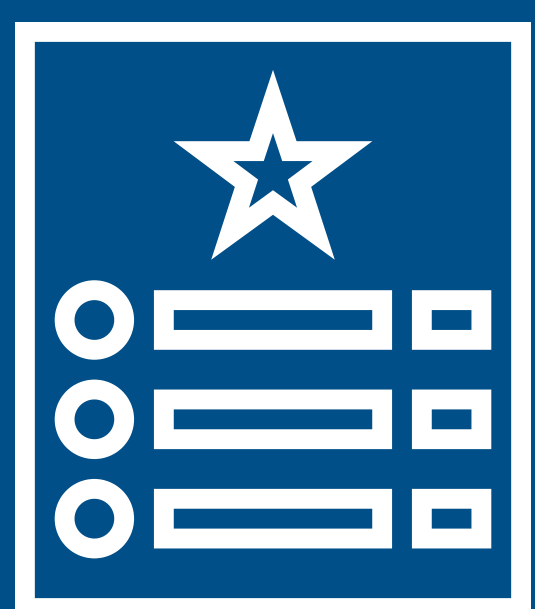
Financial Charting API

Our charting library makes it easy to implement interactive charting across all of your platforms. Drive user engagement in as little as three lines of code or leverage our custom capabilities.



Portfolio API

Draw in users and increase engagement with responsive and sophisticated portfolio tools. Supercharge your platform with investor tools that scale to your needs.



Watchlist API

Acquire users and keep them coming back with Watchlists from Barchart. We make it easy to design, build, and deploy – so you don't have to.



Alerts API

Barchart's event-based alerts API provides customers with simple endpoints for implementing market data and news based real-time alerts when their user-defined conditions are met.

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What do you use these financial media websites / services for?

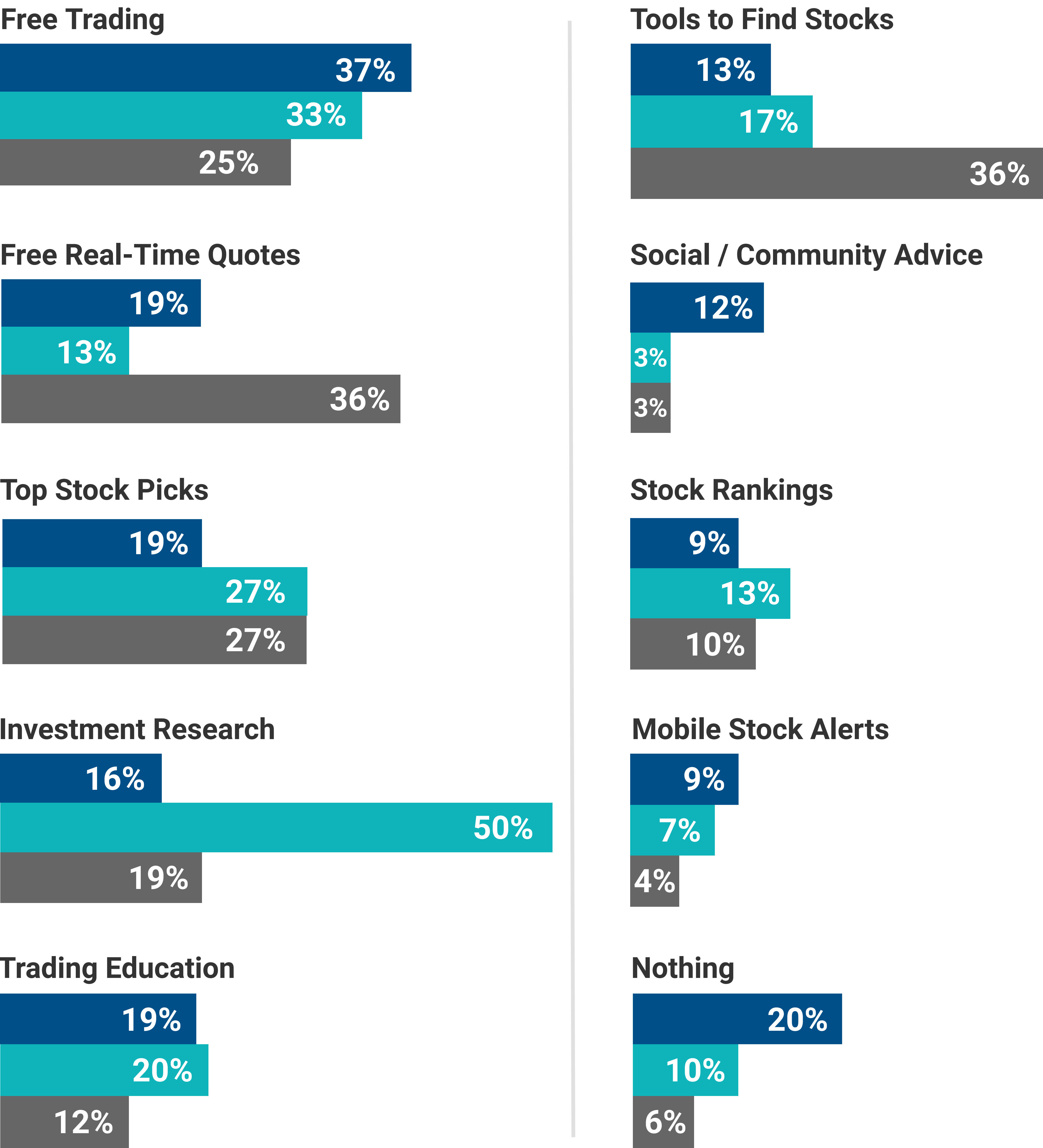


Financial News
Watchlists/Portfolios
Charts
Quotes
Alerts
Place Trades
Social
Screeners

**Respondents were allowed to select up to 3 choices from the following: Financial News, Watchlists/Portfolios, Charts, Quotes, Alerts, Place Trades, Social (Discuss/Share), and Screeners.*

What would you like to see more of?

General Online Audience Business Professional Audience Active Investor Audience



What would you like to see more of?

► Investment Research

50% of the **Business Professional Audience** wants more **Investment Research**

Free Trading ◀

37% of the **General Online Audience**, and 33% of the **Business Professional Audience**, would like **Free Trading**

► Tools to Find Stocks

36% of the **Active Investor Audience** is looking for more **Tools to Find Stocks**

Top Stock Picks ◀

27% of the **Business Professional Audience** and **Active Investor Audience** would prefer more access to **Top Stock Picks**

**Respondents were allowed to select up to 2 choices from the following: Free Trading, Free Real-Time Quotes, Top Stock Picks, Investment Research, Trading Education, Tools to Find Stocks, Social/Community Advice, Stock Rankings, Mobile Stock Alerts, and Nothing.*

Where do you get financial news from?

Big Tech dominates where individuals receive financial news from



YAHOO!
FINANCE

Google

facebook

twitter

94% of the **General Online Audience** indicates that they use either Yahoo Finance, Google (News or Search Results), Facebook, or Twitter to receive financial news.

80% of the **Business Professional Audience** and 48% of the **Active Investor Audience** turn to Big Tech for financial news.

21% of the **General Online Audience** indicated they do not pay attention to financial news versus 0% and 1% for the **Business Professional Audience** and **Active Investor Audience**, respectively.

...53% of the Business Professional Audience uses WSJ.com when it comes to receiving financial news

**Respondents were allowed to select up to 3 choices from the following: Yahoo Finance, MarketWatch.com, Google News, Bloomberg.com, WSJ.com, Search Result (i.e. Google), Barchart.com, CNBC.com, Facebook, Twitter, CNN.com, Fox Business, Investors.com, Investing.com, I don't pay attention to financial news, or Other.*

What type of options do you trade?

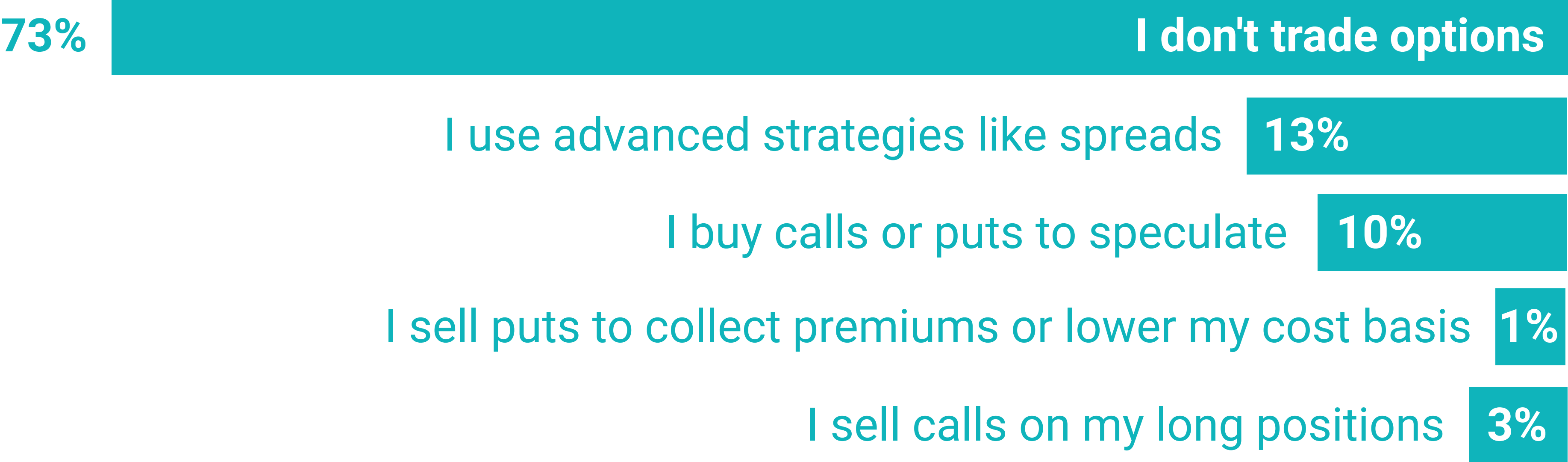


73% of the overall respondents indicated that they do not trade options

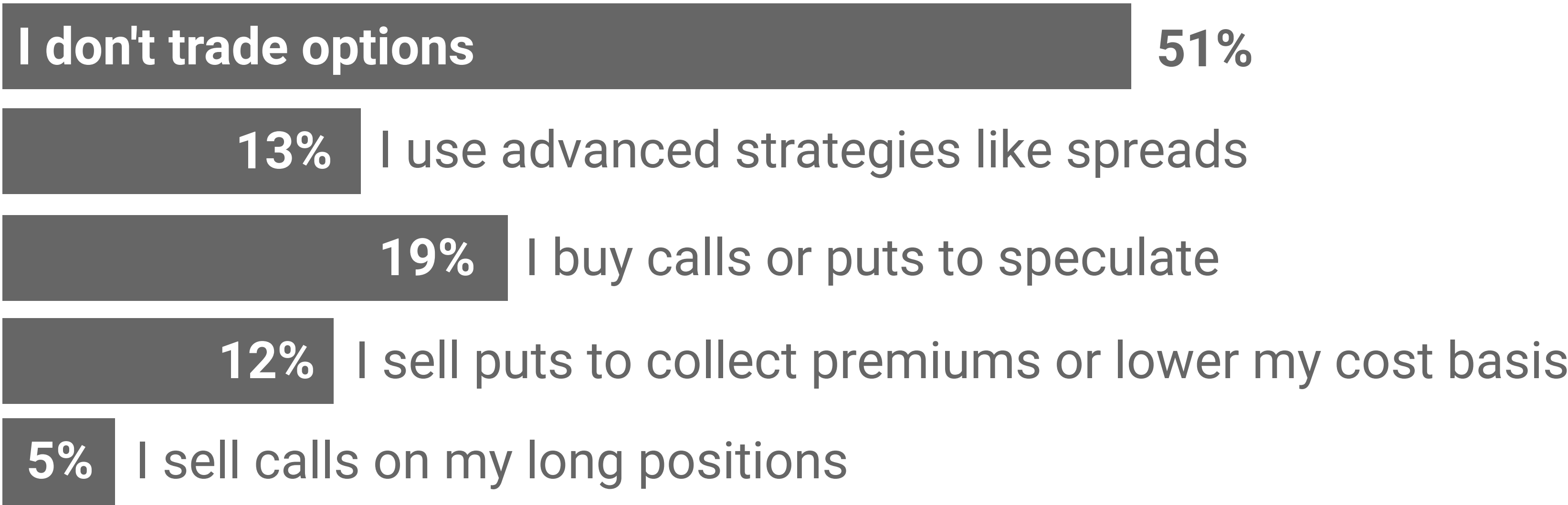
General Online Audience



Business Professional Audience

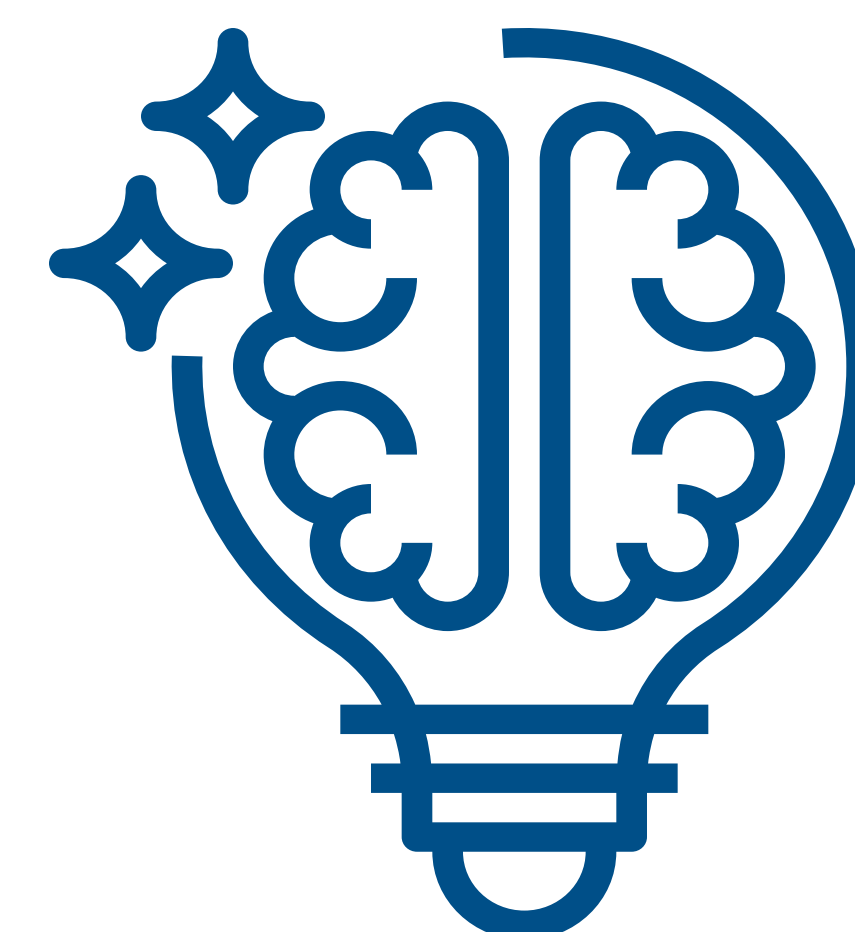


Active Investor Audience



Conclusions

Developing an Ecosystem to Differentiate from **Big Tech** is Needed



Big Tech is everywhere and their products scale to the needs of the most common user and use case. Competing with the general tools they provide, such as serving basic stock quotes, will likely prove to be a losing strategy going forward.

Financial media and other firms catering to the retail investor community need to provide tools and features like advanced charting, alerts, differentiated news, and other tools - like Excel integrations - that aren't available from these firms. Each tool can then serve as connection points that drive users back into your ecosystem and away from a search box that doesn't do your product justice.

Additionally, with search moving towards the presentation of information directly on the results page and the increased use of voice search, user acquisition through organic search on desktop and mobile may erode in value over time.



Insight

- When it comes to competing against Big Tech, financial media should focus their time on features that are currently not available on bigger websites such as **Advanced Charting** and **Excel Integrations**.
- With financial data now being presented directly at the top of search results pages, financial media should be prepared that user acquisition from organic searches may decrease.

Conclusions

Business Professionals are an Opportunity to Better Serve and Monetize

The **Business Professional Audience** has a demonstrated desire for more investment research, increased insight through stock rankings and stock picks, and has an appetite for relatively sophisticated options strategies.

With the increased adoption of passive investment throughout financial markets, it can be lost sometimes that Business Professionals still consider themselves to be serious investors (40%) and are looking for insights they can use to make better decisions - 50% indicated a desire for more research and this cohort show the greatest demand for stock picks and rankings.

These users, which trend towards affluent, may represent an underserved market segment with the demand for more information, and the ability to pay for it. Putting stock investment recommendations and suggestions for speculative options positions in front of them, could represent potential sources of differentiation and subscription revenue.

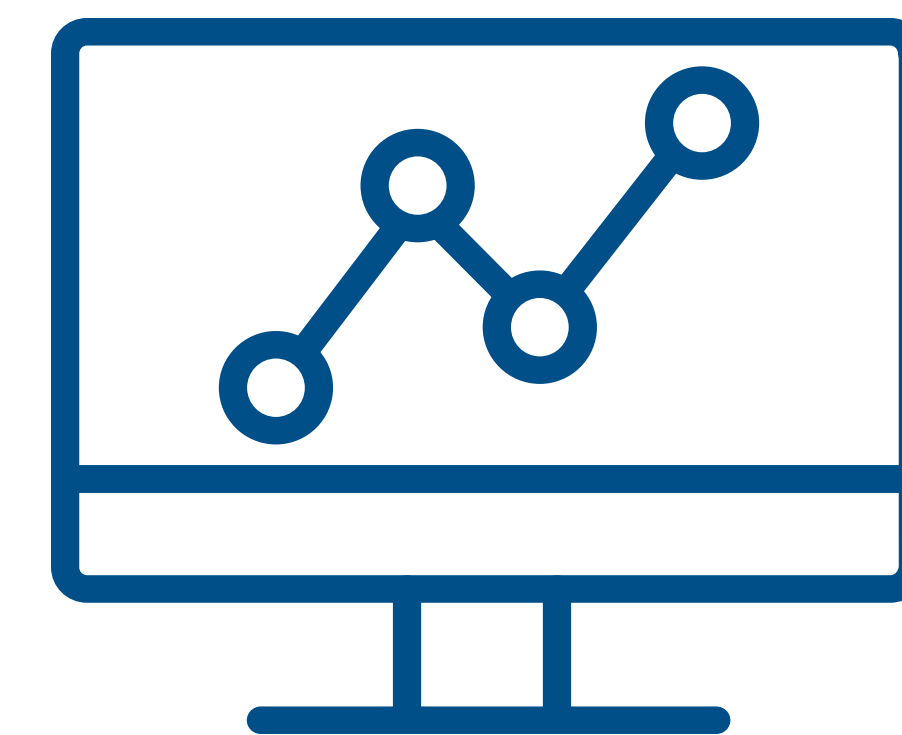


Insight

- While many Business Professionals are considered serious investors, 50% responded that they would like access to more **investment research** to make better decisions.
- With the respondents for this cohort mostly having an upper-middle-class income range, **financial media has an opportunity to generate more revenue** from these individuals who are willing to pay to receive information such as stock picks, stock rankings, and options strategies.

Conclusions

Premium Desktop Experiences are Key for **Active Investors**



One thing is clear, the Active Investor community likes tools and needs screen space to perform the research and analysis they rely on. An overwhelming 64% of the **Active Investor Audience** checks stock quotes on desktop; and with 94% of these users checking quotes at least once per day, ensuring they come back to your product or service for their quote is critical.

These users, which are relatively affluent, want more tools and view themselves as serious investors or professionals. Since most professionals still work on a desktop themselves, providing a premium desktop experience to these sophisticated users is an intuitive decision that has the potential to provide a serious return on investment. Packing premium charting, alerts, and research tools into an investor “dashboard” is a good start and can be deployed as an extension to your existing tool set.



Insight

- With 94% of active investors checking stock quotes at least once per day, primarily via their desktop computer, it is essential for financial media to provide their users with a **premium desktop experience**.
- With 56% of this audience considering themselves serious investors, it would benefit financial media to offer their users an **investor “dashboard”** packed with premium features. As this audience is relatively affluent, associating a cost with the premium dashboard will also provide an additional ROI.

Conclusions

What About The Audience that Does Not Invest?



It is also clear that many people do not invest in stocks - 35% of the **General Online Audience** indicated they don't trade or invest in stocks. And, 12% of the same audience indicated they rarely look at their portfolio.

This audience presents many questions. Does this represent any opportunity? Is this part of the cohort robo-investing, micro-investing, commission free and mobile first FinTech firms have been chasing? Free trading has become the norm and with the record market run in 2019 has that been enough to bring an increasing amount of new investors into the market? What else can you offer them? Besides free trading and free real-time quotes, this audience ranked top stock picks and trading education higher on their list.



Insight

- While there are many investors actively monitoring their portfolios daily, there are still many people who do not track their investments regularly or invest at all, which could potentially open a door of opportunity for firms that focus on **investment recommendations**, **trading education**, **micro-investing**, and **mobile**.
- Firms that offer **free trading** and **free financial quotes** also have an edge when it comes to engaging this audience as those are the most sought after tools the General Online Audience would like to see more of.

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