Senior Investor Literacy and Fraud Susceptibility Survey
Key Findings

The key findings are from a national telephone survey of 500 household financial decision makers age 60 or older, conducted November 2, 2006 – December 2, 2006 by Applied Research & Consulting LLC for the FINRA Investor Education Foundation.

- Most seniors are confident about managing their finances, but many are not very knowledgeable about investing and only some are interested in becoming more knowledgeable.
    - Seniors who are not active investors show very little interest in learning about investing or aspects of investing.
    - Seniors who are active investors are more knowledgeable about investing than the general population.

- More than 50 percent of seniors report having made a bad investment at some point, and one in five of those respondents felt they were misled or defrauded.
    - A majority of seniors who felt they were defrauded or misled did not report this to anyone.
    - Findings from this study confirm that victims of fraud are relatively knowledgeable and active investors.

- Most investors use a financial professional, but only a minority rely completely on their advice.

- Print media (newspapers and magazines) are the most useful media sources for senior investors.

- Seniors who do not invest report low levels of trust and a lack of resources as the primary barriers to investing.

- Seniors who attend free investment seminars do so to learn about investing in general and to learn about estate/retirement planning.
    - Very few attendees report actually investing in a specific product being recommended either at the seminar or in follow-up communication.

- Seniors who are active and engaged investors are the most likely to attend seminars. They have relatively high investment literacy and higher interest in becoming more knowledgeable.

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