

**Full Study
Available Now!**

Next-Generation Investing *Online Startups and the Future of Financial Advice*

Final Study Preview

Dear Reader,

Corporate Insight is excited to announce the release of our new study, **Next-Generation Investing: Online Startups and the Future of Financial Advice**. This is the first comprehensive study on the new generation of investing- and personal finance-related startups that have emerged in the wake of the financial crisis. Our goal is to provide readers with a clear understanding of these innovative startups and the impact they may have on the investment industry.

Corporate Insight currently tracks over 100 startups that represent a wide range of new ideas across ten unique categories of products and services including:

- Algorithm-Based Investment Advice
- Trade Mimicking
- Low-Cost Online Managed Accounts
- Online Financial Advisor Search Tools
- Online-Only Financial Advisors
- Online Financial Planning Tools
- Retirement Plan-Specific Advice
- Customizable ETFs
- Real Estate Crowdfunding
- Tuition-Financing Startups

This study takes a deep dive on each new idea, analyzing how it compares to what established financial institutions offer and examining the potential impact on the investment industry. In the process, the study highlights innovators in each category, offering profiles of leading startups and their online and mobile investment and planning platforms.

The preview includes excerpts for two of the categories of products and services that will be discussed in this study – **customizable ETFs and algorithm-based investment advice** – and profiles **Jemstep, Motif Investing and Folio**, three leading providers in the online investing space. A full list of the 100+ startups covered in the study is provided on page three.

Next-Generation Investing: Online Startups and the Future of Financial Advice represents the culmination of nearly two years of research led by Corporate Insight's Grant Easterbrook. Grant is a recognized expert in the field who has been cited in such outlets as the [Wall Street Journal](#), [New York Times](#) and [Reuters](#).

We hope you find the excerpts valuable and look forward to discussing the study with you further.

Sincerely,

James McGovern
Vice President, Consulting Services Department



**For additional information or to order the study,
please contact Grace Lei at 646-959-5143
or glei@corporateinsight.com.**

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Overview of Other Types of Fintech Startups

Broader Implications for the Industry

- Common strengths
 - Greater transparency on pricing and lower costs
 - Modern, user-friendly online platform, usually including performance tracking
 - Emphasis on passive index investing
- Common weaknesses of investing startups
- The long-term challenge and the threat to the financial services industry

STARTUPS AND COMPANIES INCLUDED IN THE STUDY

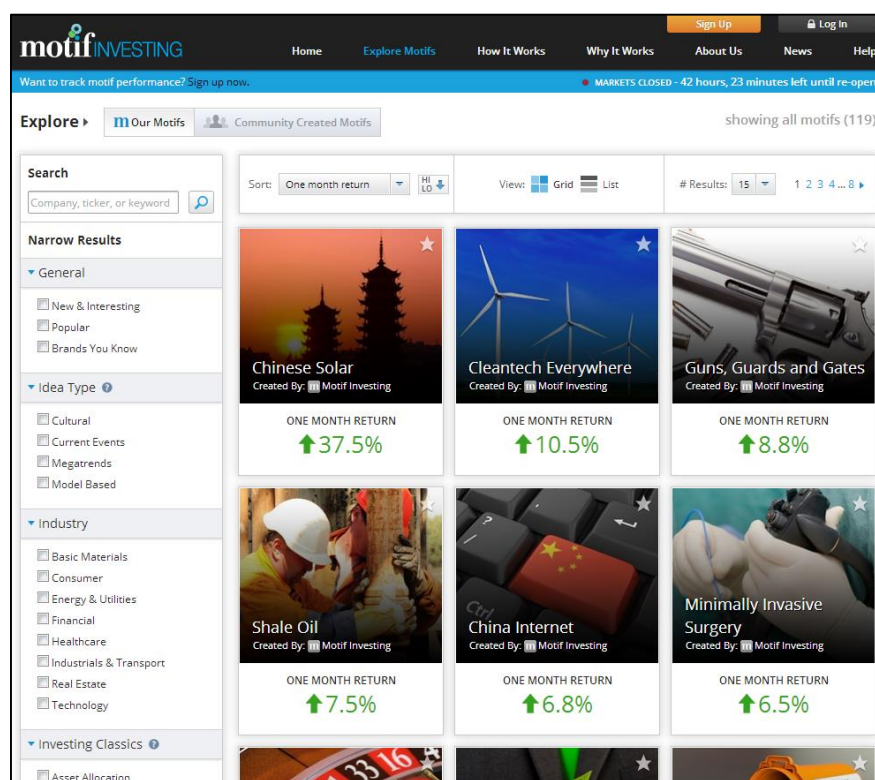
401K GPS	Give College	NestEgg Wealth
All Financial Advisors	Goalgami	Nestwise
Alltuition	Gradsave	Nutmeg
Alphaclone	GreenNote	Paladin
Artha Yantra	Guide Financial	Pave
AssetBuilder	GuruFocus	Personal Capital
ayondo	Hedgeable	Planwise
Betterment	HelloWallet	Plumvo
BloombergBlack	impok	Quovo
BrainFund	Instagrad	Rebalance IRA
Brightscope	Invessence	Refined Investment
Campus Slice	iQuantifi	RoboInvest
Career Concept	J3SG	SavedPlus
Collective2	Jemstep	SaveUp
CollegeZen	Kivalia	SigFig
CommonBond	LearnVest	Simpletuition
Covestor	Likeassets	Smart401k
Currensee	LikeFolio	SoFi
Deutsche Bildung	LinkedFA	Tippybob
Ditto Trade	Loanlook	TipRanks
Edelman Online	Loyal3	TradeCrowd
eSavant	Lumni	TradeHero
eToro USA	Macroaxis	Tradency
Fantex	MarketRiders	Tradeo
Financial Guard	MetaTrader	Tuiton.IO
FindTheBest	Money on Toast	TweelX
Finect	MoneyVista	Upstart
FirstPoint Financial	Motif Investing	Validea
Flat Fee Portfolios	MyFinancialAdvice	Vinetrade
FlexScore	Myfxbook	Vouchedfor
Folio Investing	MyMinuteMan	Wealthfront
Fundrise	MyPlanIQ	WiserAdvisor
FutureAdvisor	NarrowMatch	Signals
FXStat	NerdWallet	ZuluTrade

STUDY EXCERPTS

CUSTOMIZABLE ETFs

Firms like [Motif Investing](#) and [Folio Investing](#) offer customizable ETFs to investors, an interesting alternative to traditional mutual fund and ETF products. In a traditional fund, investors cannot customize the underlying basket of securities. In a Motif or Folio, however, investors own shares of all of the underlying securities (instead of shares of a fund) and can customize the basket based on their preferences. For example, a customer who already has a significant investment in Apple can remove AAPL from the Technology Folio before purchasing the fund. Another significant difference between this kind of customizable ETF and a mainstream ETF is that Motif and Folio do not charge an expense ratio.

Motif and Folio allow investors to purchase pre-packaged ETFs or to create their own basket of stocks from scratch. This can include up to 30 different stocks at Motif and up to 100 different stocks at Folio. In terms of differences, Motif's baskets are a collection of stocks based on an investment theme. Examples of such themes include a Rising Interest Rate Motif, a Too Big to Fail Motif, a Water Shortage Motif and a Tablet Takeover Motif. Folios, on the other hand, are based on more traditional asset class and product definitions – e.g., Small-Cap Blend Folio or Retail REIT Folio.

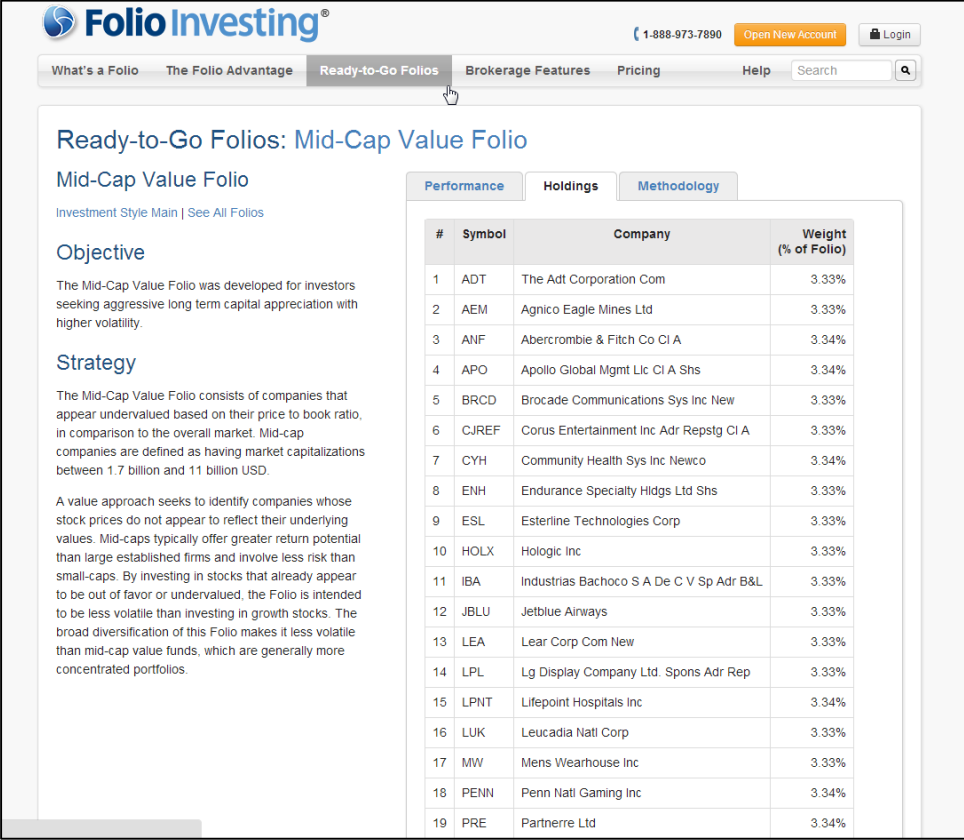


Motif Investing

Motif recently raised a Series C round of \$25 million in venture capital money from an investor group that includes Goldman Sachs. The firm is now developing solutions for advisors and has also launched a service where customers can create their own Motif for retail purchase and get a cut of the commissions it generates.

Buying or selling a Motif costs \$9.95. Clients pay an additional \$4.95 to buy or sell an individual stock in a Motif he or she already owns. User-generated Motifs earn the creator \$1 every time someone purchases or rebalances their Motif.

Folio is a more established firm, founded in 1999 by Steven Wallman, a former Commissioner of the SEC during the Clinton administration. Several of the startups covered in this study use Folio as their broker-dealer. Folio's commission structure is relatively unique – the Folio Unlimited Plan (\$29/month or \$290/year) has no commissions if trades are placed during one of two trading “windows” – at 11:00 am or 2:00 pm EST. Otherwise, market, limit, stop and stop/limit orders are \$3. Folio also offers a Basic Plan with \$4 window trades; \$10 market, limit, stop and stop/limit trades; and a \$15 quarterly service fee if the client placed three or fewer trades in the previous quarter.



Folio Investing 1-888-973-7890 Open New Account Login

What's a Folio The Folio Advantage **Ready-to-Go Folios** Brokerage Features Pricing Help Search

Ready-to-Go Folios: Mid-Cap Value Folio

Mid-Cap Value Folio

Investment Style Main | See All Folios

Objective

The Mid-Cap Value Folio was developed for investors seeking aggressive long term capital appreciation with higher volatility.

Strategy

The Mid-Cap Value Folio consists of companies that appear undervalued based on their price to book ratio, in comparison to the overall market. Mid-cap companies are defined as having market capitalizations between 1.7 billion and 11 billion USD.

A value approach seeks to identify companies whose stock prices do not appear to reflect their underlying values. Mid-caps typically offer greater return potential than large established firms and involve less risk than small-caps. By investing in stocks that already appear to be out of favor or undervalued, the Folio is intended to be less volatile than investing in growth stocks. The broad diversification of this Folio makes it less volatile than mid-cap value funds, which are generally more concentrated portfolios.

#	Symbol	Company	Weight (% of Folio)
1	ADT	The Adt Corporation Com	3.33%
2	AEM	Agnico Eagle Mines Ltd	3.33%
3	ANF	Abercrombie & Fitch Co Cl A	3.34%
4	APO	Apollo Global Mgmt Lic Cl A Shs	3.34%
5	BRCD	Brocade Communications Sys Inc New	3.33%
6	CJREF	Corus Entertainment Inc Adr Repstg Cl A	3.33%
7	CYH	Community Health Sys Inc Newco	3.34%
8	ENH	Endurance Specialty Hldgs Ltd Shs	3.33%
9	ESL	Esterline Technologies Corp	3.33%
10	HOLX	Hologic Inc	3.33%
11	IBA	Industrias Bachoco S A De C V Sp Adr B&L	3.33%
12	JBLU	Jetblue Airways	3.33%
13	LEA	Lear Corp Com New	3.33%
14	LPL	Lg Display Company Ltd. Spons Adr Rep	3.33%
15	LPNT	Lifepoint Hospitals Inc	3.34%
16	LUK	Leucadia Natl Corp	3.33%
17	MW	Mens Wearhouse Inc	3.33%
18	PENN	Penn Natl Gaming Inc	3.34%
19	PRE	Partnerre Ltd	3.34%

Mid-Cap Value Folio

Drawbacks of Customizable ETFs

In their present form, customizable ETFs suffer from some weaknesses related to the customization process itself. For example, rebalancing a customized ETF is a challenge. If the firm decides to adjust the weightings and rebalance the underlying holdings in a Folio or Motif, there is no effective way to update those clients who have tweaked the standard basket.

If Folio Investing decides to adjust the weightings of a particular Folio, clients who hold that Folio are notified via email. Clients can then accept or reject the update to have Folio Investing make the necessary buy/sell trades to bring their Folio in line with the newest Folio allocation. Investors who have

customized a Folio must choose between accepting the update and removing their customization or passing on the rebalancing. Customers cannot review the new weightings compared to the previous weightings, making it difficult to maintain a level of customization.

Likewise, owners of a Motif will be notified whenever a rebalance update is available and investors can decide if they would like to rebalance. If the client has customized the standard Motif, however, this notification is not provided.

Comparison to the Major Players

The concept of a customizable basket of securities is not without precedent. Fidelity introduced basket trading in 2001. The firm lets clients create a custom basket of up to 50 stocks with a minimum investment of \$2,000. One major weakness in the Fidelity's basket trading concept is that each purchase or sale of a security in a basket is treated as an individual transaction and is subject to standard commissions. The firm also does not provide any pre-packaged funds that can be customized.

Fidelity CUSTOMER SERVICE | OPEN AN ACCOUNT | LOG OUT Search by keyword

Accounts & Trade News & Insights Research Guidance & Retirement

Accounts & Trade > Portfolio > Trade/View Basket > [Help/Glossary](#)

Create Basket

Create a New Basket

1. Name Your Basket:

2. Choose a Method to Create Your Basket

- Create from a Watch List
 [Get Basket Symbols](#)
- Customize your own Basket:
 Enter Symbols: (2 minimum, 50 maximum) [Symbol Lookup](#) | [Quick Quote](#)

<input type="text" value="GE"/>	<input type="text" value="DELL"/>	<input type="text" value="AAPL"/>	<input type="text" value="VOO"/>	<input type="text" value="VVO"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
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<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

[Add more symbols](#)

3. Enter the Total Dollar Investment for your Basket: (\$2,000 minimum)

4. Choose a Method for Distributing this Investment in your Basket:
 [Learn more](#) about methods of distributing dollars into your basket

[Save & Continue >](#)

Fidelity's Create a New Basket page

TD Ameritrade also offers basket trading via its Portfolio Planner asset allocation tool. Portfolio Planner is designed to help clients buy and sell to keep their portfolio aligned with their desired asset allocation model. It makes the process of placing multiple rebalancing trades more manageable. Users can choose from three options – one of five model allocations (below), create a custom allocation or build a basket of securities.

Portfolio Planner | [Cancel](#)

Set a Target Class Allocation

Choose a model from the list of pre-built asset allocation models, customize your own allocation model, or create a basket of individual securities and assign allocations to each one.


Other Allocation Methods: [About Methods](#)

Select a Pre-Built Class Allocation Model:

Choose one of 5 different pre-built models. Each model is designed for investors with a specific investment time frame or risk tolerance. Choose between Conservative, Moderate, Moderate Growth, Growth, and Aggressive.


< Most Conservative Most Aggressive >

Conservative




14% Domestic Equity
4% International Equity
2% Specialty
72% Domestic Fixed Income
8% International Fixed
0% Income
0% Other/Unclassified

Moderate




24% Domestic Equity
10% International Equity
3% Specialty
57% Domestic Fixed Income
6% International Fixed
0% Income
0% Other/Unclassified

Moderate Growth




30% Domestic Equity
13% International Equity
5% Specialty
47% Domestic Fixed Income
5% International Fixed
0% Income
0% Other/Unclassified

Growth



42% Domestic Equity
19% International Equity
9% Specialty
25% Domestic Fixed Income
5% International Fixed
0% Income
0% Other/Unclassified

Aggressive



51% Domestic Equity
27% International Equity
9% Specialty
10% Domestic Fixed Income
3% International Fixed
0% Income
0% Other/Unclassified

If you prefer to use your current allocations for your target, you can [customize your target portfolio allocations](#).

TD Ameritrade's Portfolio Planner's Five Model Allocation

Using the Build a Basket of Securities option, clients can create a custom basket of stocks, ETFs and mutual funds and assign each a specific allocation.

TD Ameritrade

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Shortcuts: Select... | Get Quotes [Symbol lookup](#) Search Account: Active -- main

Home Accounts Trade Research & Ideas Trading Tools Planning & Retirement Education Client Services

Balances & Positions Portfolio Planner [Gain/Loss](#) [Watch Lists](#) [History & Statements](#) [Tax Center](#) [Deposit/Withdraw](#) [Online Cash Services](#)

Mon Oct 07 2013 1:10:07 PM EDT

Portfolio Planner | [Cancel](#)

Build a Basket of Securities

Use TD Ameritrade's research tools to find and analyze individual securities. Portfolio Planner allows you to include currently held securities and add new securities, and to assign target allocation percentages to each security. Be sure to read and understand [how Portfolio Planner places trades](#).

Other Allocation Methods: [About Methods](#)

Step 1 Step 2 Step 3

3 Define Each Security's Target Allocation

Now that you have chosen your securities, you need to finalize their percentage allocations in your basket. The Target Security % for each security is the percentage that you want that security to represent in your basket. The securities must total 100%. If you allocate 0% to a currently held security, it will be sold.

[Hide Security Type](#)

Security Type/Securities	Current Security %	Current Security \$	Target Security %	Securities Message (Hide)
Mutual Funds				
<input checked="" type="checkbox"/> PTTRX PIMCO FDS PAC IN...	0%	\$0.00	15%	This security is underweighted compared to your target. Learn more about trading mutual funds.
Total Mutual Funds	0%	\$0.00	15%	
Equity				
<input checked="" type="checkbox"/> AC ALLIANCE CAP MGM...	0%	\$0.00	10%	This security is underweighted compared to your target.
<input checked="" type="checkbox"/> AHBIF ANHEUSER-BUSCH I...	0%	\$0.00	19%	This security is underweighted compared to your target.
<input checked="" type="checkbox"/> AMZN AMAZON COM INC COM	0%	\$0.00	20%	This security is underweighted compared to your target.
<input checked="" type="checkbox"/> BCLYF BARCLAYS PLC SHS	0%	\$0.00	10%	This security is underweighted compared to your target.
<input checked="" type="checkbox"/> GE GENERAL ELECTRIC...	0%	\$0.00	11%	This security is underweighted compared to your target.
Total Equity	0%	\$0.00	70%	
ETF				
<input checked="" type="checkbox"/> SPY SPDR, S&P 500 ETF...	100%	\$839.75	15%	This security is overweighted compared to your target.
Total ETF	100%	\$839.75	15%	
Total Portfolio Planner Allocation			100%	(Target = 100%)

[Find and Add Securities](#)

[Cancel](#) | [Save & Exit](#) | Complete Target Allocation %

Portfolio Planner's Build a Basket of Securities Option

Unfortunately, just like Fidelity's basket trading service, customizable funds are not provided and clients must pay commissions on each security they trade.

What Impact Will Customizable ETFs Have on the Investment Industry?

The emergence of the low-cost, customizable ETF is consistent with the longer-term trend of declining transaction costs in the retail investing industry. Many online brokerages now offer free ETF trades from select fund families and/or free trade bundles for opening an account or for transferring a large amount of money into a preexisting account. Firms appear to have accepted the reality of lower commission revenues, at least for the foreseeable future. This explains why many now steer clients to more stable, fee-based advisory products like wrap accounts.

Some of the entrepreneurs that we've spoken with see customizable ETFs as a big step toward greatly reducing, or even eliminating, expense ratios on investment funds. We don't see this scenario playing out anytime soon, however. We imagine many brokerage firms will be reluctant to offer customizable ETFs if it risks cannibalizing their managed product or trade commission revenue. This is particularly true for firms that have their own asset management arms. Firms like E*TRADE, Scottrade or TD Ameritrade would have an easier time rolling out such an offering as none of them have their own fund families. They also tend to cater to active/engaged investors, the type who might find such a customizable product intriguing. Given how competitive the major online brokerages are when it comes to offering the latest in trading innovations, it's not hard to imagine that one of these firms would launch something similar to what Folio and Motif provide in the next few years.

ALGORITHM-BASED ADVICE USING ACCOUNT AGGREGATION

In the eyes of many in the financial services industry, there is still untapped potential for the Internet and automated services to upend the traditional investment advice model. Over the last several years, Corporate Insight has monitored the emergence of a new consumer-facing technology that may be the answer to those predictions – algorithm-based investment advice using account aggregation.

While not a widely familiar concept, this technology is gaining momentum. Of all the investing-related startups that Corporate Insight tracks, the algorithm-based advice category has the most impressive numbers for both account growth and financial backing from venture capital firms. Some of these firms have also landed partnerships to plug their tools into the websites of major media outlets such as CNN, Yahoo! Finance and USA Today. More partnership announcements are coming soon.

Three firms will launch their B2C algorithm-based advice service soon – Financial Guard later in September, Quovo in late 2013 and NestEgg Wealth in late 2013 or early 2014.

How Does Algorithm-Based Advice Work?

This kind of advice relies on aggregating users' outside investment accounts. The big leap forward here is that the best firms in this category use that aggregated information to provide specific buy/sell/hold recommendations for each of the clients' holdings. Without any human touch, these new services recommend selling funds that are high-cost, poor performing and/or not in line with the users' investment goals, and suggest better alternatives to buy.

Actions In Your Account: [REDACTED] at Vanguard

There may be tax implications to selling holdings in this account. ⓘ

Holdings	Current	Action	Recommended	Why
VQNPX Vanguard Growth and Income Fund Investor Shares	\$8,150.50	Sell \$8,150.50	\$0.00	⊞
VSEQX Vanguard Strategic Equity Fund	\$3,465.32	Sell \$3,465.32	\$0.00	⊞
VTI Vanguard Total Stock Market Index			\$4,774.83	⊞
VTV Vanguard Value Index Fund			\$3,955.44	13% CLOSER DOMESTIC STOCK VALUE
VB Vanguard Small-Cap Index Fund			\$2,384.87	8% CLOSER DOMESTIC STOCK SMALL-CAP
VSS Vanguard FTSE All-World ex-US Small-Cap Index Fund	\$0.00	Buy \$500.68	\$500.68	1% CLOSER FOREIGN STOCK SMALL-CAP

Why this move?

- This gives you exposure to Foreign Stock Small-Cap in your portfolio. You are currently underexposed to Foreign Stock Small-Cap; your target is 5% and you hold 0%. Performing this action will move you 1% closer to your target.
- The three lowest fee foreign developed markets small cap equity ETFs in the industry are SCHC, VSS, and SCZ. At Vanguard we recommend VSS because it has higher liquidity than SCHC, a lower expense ratio than SCZ, and it trades commission free.

Buy/Sell/Hold Recommendations from FutureAdvisor

To be clear, this buy/sell/hold advice focuses on funds; the automated advice won't tell you to buy specific stocks. Rather, algo-based advice will alert clients if their portfolio has too much exposure to a specific stock or prompt them to sell some stocks and buy into an ETF instead.

In addition to the specific buy/sell/hold recommendations, this new kind of automated advice usually includes general guidance on the risks, diversification, asset allocation and/or tax efficiency of a given portfolio.

Free vs. Paid Algorithm-Based Advice

FutureAdvisor, Personal Capital and SigFig offer free advice, while services like Financial Guard, Jemstep and Quovo charge a fee. FutureAdvisor and Personal Capital employ a freemium model where they try to upsell users to their paid advisory product, while SigFig makes money from referral fees.

Unsurprisingly, paid services require more inputs and provide more sophisticated analysis and advice, incorporating such factors as asset location and capital gains. There are a few examples of how paid services take the algorithm-based advice concept to the next level. Financial Guard's service detects whether or not a client favors passive or active investments. Their buy/sell/hold recommendations are then customized to focus on either passive or active funds.

Quovo has developed technology such as a proprietary PDF statement reader to provide an impressive level of analysis into clients' investing history and behavior. This technology allows Quovo to analyze what clients have done in the past and identify what has been successful and where they have made investing mistakes.

In yet another example, Jemstep's guidance is optimized for a gradual portfolio transition. Jemstep assumes that clients are not comfortable with selling everything immediately, so the recommendations shift clients over time to minimize fees and avoid capital gains taxes.

The unique features of paid firms will be examined in more detail in the study's firm profiles.

This New Technology is not Without Drawbacks

Unfortunately, most algorithm-based advice services do not collect a significant amount of information from users about their financial situation and goals. This leads us to question the validity of the advice being provided. While there's value in receiving investment recommendations, it would be better if the analysis were based on a truly comprehensive understanding of the client's financial situation. We believe users would be better served if they were required to input everything from the current value of their spouse's 401(k) to expected life events, such as sending children off to college.

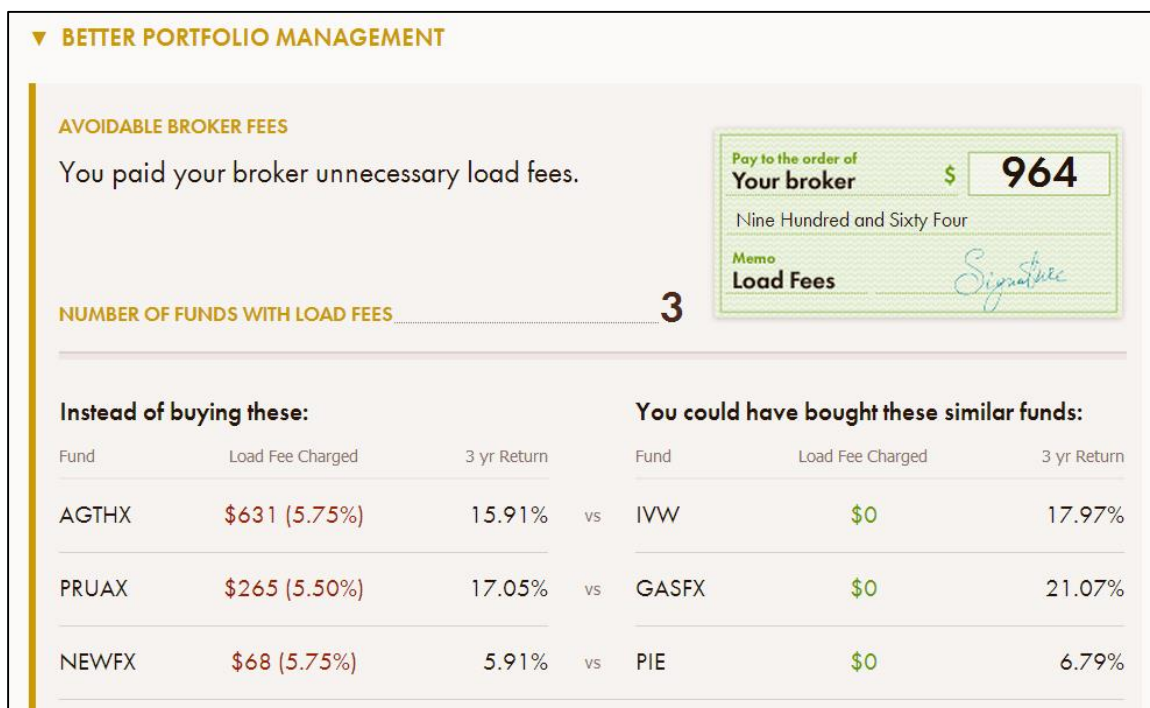
Some firms let users assign their outside investing accounts to a specific goal, e.g., my Charles Schwab brokerage account is for a home purchase or my Fidelity IRA is for retirement. In most cases, however, users cannot assign an investment account to multiple financial goals, or a retirement goal is the only option. Since most investors don't have their investing goals neatly segmented by account, this limits the effectiveness of their recommendations.

It also remains to be seen if investors will be comfortable actually executing all of the buy/sell recommendations generated by a purely automated service. If clients only place a few of the recommended trades at a free service, so be it. If clients don't place all of the trades at a paid service, however, it creates serious problems. Imagine paying for an advisor but only placing a quarter of the trades he or she recommends; eventually, the value of this advice would be called into question.

What Impact will Algorithm-Based Advice have on the Financial Advice Industry?

Two types of investors stand to benefit most from an algorithm-based advice service: those with a complex portfolio spread across several accounts and those who want a second opinion on what their financial advisor is doing.

For those who already pay for a traditional in-person financial advisor, using the services of one of these startups will make it easier to hold their advisor accountable. In the past, clients may have simply grumbled to themselves about advisor fees with little recourse for action. Now, these clients can use a service like SigFig to see just how much they're paying in fees and how much money they're losing in a high-fee mutual fund compared to a comparable index-based ETF.



SigFig's Analysis of Load Fees

The do-it-yourself investor without professional advice will gradually discover these free or relatively low-cost services to help them invest. The advice offered will help investors see problems they might otherwise miss if their investment holdings are spread across a number of different accounts and/or institutions.

JEMSTEP'S ALGORITHM-BASED ADVICE

Jemstep's paid algorithm-based advice offering has been live for several months. According to Jemstep's President, Simon Roy, the firm has been pleased with their conversion rate for getting paid users to actually place the trades the firm recommends – a good sign, since conversion rates are one of the biggest question marks for these types of firms.

The firm has a tiered flat-rate fee structure – it's free for under \$25,000 in assets, and fees range from \$17.99/month for \$25,000-\$150,000 to \$69.99/month for \$600,000 and over.

The advice process begins with users answering a few basic biographical questions, e.g., age, gender, income, expected retirement date, etc. Next, they are asked a risk tolerance question and whether they have any preference on investing in ETFs versus mutual funds, as well as whether they prefer active or passive fund management. The final question probes users regarding whether they presently manage their own retirement portfolio or use (or would be willing to use) a paid financial advisor.

Your Investment Preferences
Close ▲

How much risk are you comfortable with?

The chart below shows the potential one-year loss or gain for five hypothetical portfolios. Select the option you are most comfortable with for your retirement portfolio.

Largest one-year gain

Portfolio	Largest one-year gain	Largest one-year loss
1	16%	-11%
2	22%	-17%
3	29%	-24%
4	35%	-30%
5	45%	-37%

Largest one-year loss

i To construct the right portfolio for you, we'll consider your ability to take on risk and your ability to tolerate risk.

What types of investments do you prefer?

- Mutual funds
- Exchange-traded funds (ETFs)
- No preference / I don't know
- Jemstep recommends index funds for most investors. Please check this box if you would like Jemstep to also include active funds in its analysis.

i Why are we asking? So we can get to the real payoff: a customized action plan with buy and sell recommendations. Jemstep will find the best mutual funds and ETFs for your portfolio. Individual stocks are not a part of Jemstep's investment methodology.

How do you currently manage your retirement portfolio? *(optional)*

- I manage my retirement portfolio without the help of a paid advisor, and enjoy doing so.
- I manage my retirement portfolio myself without the help of a paid advisor, but would let someone else do it if they were good, affordable, and I could trust them.
- I manage my retirement portfolio, but I run decisions by an advisor or friends and family.
- A paid advisor manages less than half of my retirement portfolio for me.
- A paid advisor manages most of my retirement portfolio for me.

Jemstep's Your Investment Preferences Questionnaire

Users are then given a recommended allocation for their retirement savings. After receiving an allocation, users are presented with a Your Action Plan page with specific instructions for which holdings they should sell and which funds they should replace them with. These recommendations are available either by account or by asset class.

Your Action Plan

This step-by-step plan has everything you need to reach your target asset allocation. [See how we create your recommendations »](#)

So how do I implement this plan?
Implement the 16 Buy and Sell recommendations below by placing the trades with your financial institution or broker.

16 Items you should review before implementing
▼

View by:

Account
Asset Class

Print
 Email/Share

Action	Qty	Ticker	Description	Asset class	Jemstep's Rank	Value/Price	Why?	Other
IRA - Simple IRA (Merrill Lynch [REDACTED]) Go to broker 								
SELL	4,964 <small>of 5,214</small>	FIA CARD SVS NA RASP	FIA CARD SVS NA RASP	Cash & Equivalents	N/A	\$4,964.10 <small>\$1.00 / Sh</small>	Why?	Other SELL options
SELL	150 <small>of 150</small>	ROM	ProShares:Ult Tech	Other	#22 <small>of 159</small>	\$12,637.50 <small>\$84.25 / Sh</small>	Why?	Other SELL options
SELL	92 <small>of 100</small>	VNR	Vanguard Natural Resources, LLC	U.S. Small Cap	N/A	\$2,514.36 <small>\$27.33 / Sh</small>	Why?	Other SELL options
BUY	157	DBE	PowerShares DB MS Engy	Commodities	#1 <small>of 19</small>	\$4,628.36 <small>\$29.48 / Sh</small>	Why?	Other BUY options
BUY	188	VNQ	Vanguard REIT Idx	Real Estate	#1 <small>of 10</small>	\$12,099.68 <small>\$64.36 / Sh</small>	Why?	Other BUY options
BUY	32	CFT	iShares:Barc Credit Bond	U.S. Credit	#1 <small>of 16</small>	\$3,387.52 <small>\$105.86 / Sh</small>	Why?	Other BUY options
IRA - Simple IRA (Merrill Lynch [REDACTED]) Go to broker 								
No actions required at this time.								

Jemstep's Your Action Plan Page

An explanation is given for each recommendation. In the example below, clicking on the "Why?" link next to a recommendation to buy a Vanguard REIT opens a flyout image outlining why the user needs more exposure to real estate and why the particular fund Jemstep recommends is the best option.

The screenshot shows a financial dashboard with a table of recommended funds. A pop-up window titled "Why this is recommended:" is overlaid on the table, providing detailed analysis for the Vanguard REIT Idx fund. The table lists the following funds:

Action	Qty	Ticker	Description	Asset Class	Rank	Share Price	Why?	Other Options
SELL	4,964 of 5,214	FIA CARD SVS NA RASP	FIA CARD SVS NA RASP					Other SELL options
SELL	150 of 150	ROM	ProShares:Ult Tech					Other SELL options
SELL	92 of 100	VNR	Vanguard Natural Resources, LLC					Other SELL options
BUY	157	DBE	PowerShares DB MS Engy					Other BUY options
BUY	188	VNQ	Vanguard REIT Idx	Real Estate	#1 of 10	\$12,099.68 / \$64.36 / Sh	Why?	Other BUY options
BUY	32	CFT	iShares:Barc Credit Bond	U.S. Credit	#1 of 16	\$3,387.52 / \$105.86 / Sh	Why?	Other BUY options

The pop-up window explains the recommendation for the Vanguard REIT Idx fund, comparing it to the average Real Estate Stocks fund and providing performance metrics for the last 3 and 5 years, as well as risk and fee information.

Jemstep's Buy Recommendation Explanations

If clients don't like the particular fund Jemstep recommends, the firm also lets them choose an alternative fund from a list of options.

The screenshot shows a financial dashboard with a table of recommended funds. A pop-up window titled "Other - Commodities" is overlaid on the table, providing a list of alternative funds for the Vanguard REIT Idx fund. The table lists the following funds:

Jemstep's Rank	Ticker	Description	Share Price	Action
#1	DBE	PowerShares DB MS Engy	\$29.48	Selected
#2	RJI	ELEMENTS ETN:RIC TR	\$8.49	Select
#3	DBC	PowerShares DB Cm Idx	\$26.56	Select
#4	GSG	iShares:S&P GSCI Cmdty	\$33.82	Select
#5	GSP	iPath ETN S&P GSCI TR A	\$34.00	Select
#6	RJN	ELEMENTS ETN:RIC Engy TR	\$7.23	Select

The pop-up window also includes a "View by:" dropdown and a "Go to broker" button. The background table shows the Vanguard REIT Idx fund as the primary recommendation.

Jemstep's Menu of Alternative Buy Option

ABOUT CORPORATE INSIGHT

[Corporate Insight](#) (CI) provides competitive intelligence and user experience research to the nation's leading financial institutions. For over 20 years, Corporate Insight has tracked new developments in the financial services industry through our *Monitor* research services and custom consulting services. We are known for our detailed, objective research, unmatched expertise, and emphasis on the actual user experience. There are no assumptions in Corporate Insight's work – we use live accounts at the firms we track to benchmark their effectiveness across all major channels and give our clients unparalleled competitive intelligence.

Corporate Insight is continuously tracking and identifying best practices in online banking and investing, insurance, annuities, mobile finance, active trading platforms, social media and other emerging areas. In the process, we have helped our clients -- which cover the entire spectrum of financial services -- to stay on top of industry trends and improve their competitive position.

Our research and analysts are frequently cited in financial media outlets such as The Wall Street Journal, Barron's, Bloomberg, CNBC, Forbes and SmartMoney and news publications like the Associated Press, New York Times, Newsweek, TIME and USA Today.

CI'S CONSULTING SERVICES

Corporate Insight offers a variety of consulting services that are fully customizable to meet the specific needs of our clients. Some of our popular services include:

- [Website Audit Services](#)
- [User Research for Web and Mobile Platforms](#)
- [Mystery Shops](#)
- [Merger Integration Guidance](#)

For examples of past consulting solutions we have delivered to leading firms across the financial services industry, check out our [case studies](#).

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[Tablet-Friendly Web Design: Best Practices for Financial Services](#)

The study examines the tablet-friendly website features provided by four leading firms across financial services and provides recommendations for financial services firms building tablet-optimized websites.



[Alternative Investments: How Asset Management Firms Frame Their Funds](#)

This whitepaper examines the online content leading firms are using to educate investors and financial advisors about alternative investments and takes a look ahead to what's next for these products.



[Facebook Marketing: Social Media Initiatives in the Insurance Industry](#)

This slide deck highlights some of the engaging Facebook marketing campaigns initiated by *P&C Insurance Monitor* firms this year and offers a few Facebook marketing tips for insurers.



[User Insights Vol. 2: Comparing the Desktop and Tablet Banking Experience](#)

This usability study provides insights to how mobile applications match up against traditional website interfaces, both in terms of usability and functionality across five leading banks.



[2013 Mobile Finance Trends and Innovations](#)

This study includes commentary on mobile developments, key takeaways for financial services firms and thoughts on what's next for mobile finance.



[Asset Management and Social Media: A Guide to Social Marketing](#)

This guide looks at how asset management firms use popular social media platforms such as LinkedIn, Twitter, Facebook, YouTube and Google+ to connect directly with investors and financial advisors. It's also available as a [slide deck](#).



[The Millennial Opportunity Whitepaper](#)

This whitepaper examines the marketing tactics, strategies and online resources leading financial institutions are using to connect with Millennials. It's also available as a [slide deck](#).

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Grant Easterbrook is a Senior Research Associate at Corporate Insight, a leading provider of competitive intelligence, consulting and user experience research to the financial services industry.

Grant joined Corporate Insight's Consulting Services team in 2011. He leads the firm's research on investment and personal finance-related startups, monitoring more than 130 firms.



Grant has been researching this space for the past two years. He has written three studies on the subject prior to his most recent study, *Next-Generation Investing: Online Startups and the Future of Financial Advice*. His research has been cited in outlets such as the Wall Street Journal, the New York Times and Reuters.

In addition to his startup-focused research, Grant leads custom engagements for several of the firm's clients within the financial services industry. These include website audits, industry trend analysis and a variety of strategic consulting projects.

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