



MDRT Study: Americans Value Emotional Intelligence from Financial Advisors

Most Americans want an advisor that listens to and acknowledges their needs.

PARK RIDGE, Ill. (May 9, 2024) – According to a new MDRT survey, the majority of Americans (74.7%) agree that it's important for advisors to demonstrate emotional intelligence both with their clients and themselves. With three out of four Americans considering emotional intelligence alongside more technical skills, advisors must ensure their clients feel their needs are heard and supported, and they're helping clients reach their financial goals.

Driving Trust by Showing Emotional Intelligence

While most Americans are likely to trust a financial advisor for professional advice, there are key skills that can help boost consumers' trust in advisors overall. Sixty-eight-point six percent of Americans say they find qualified financial advisors trustworthy, with men (74.2%) more likely to consider qualified advisors trustworthy than women (63.3%). An advisor's guidance on intricate financial tools is appreciated, as 60.7% of Americans say they are more likely to trust a financial advisor over their friends, family or colleagues. Women (56.2%) are less likely to take an advisor's advice over friends, family or colleagues than men (65.6%).

There are also additional advisor qualities that when alongside emotional intelligence, increase advisor trustworthiness. Forty-five-point six percent of Americans say an advisor who listens to and acknowledges their needs is likely to increase their trust, with respondents across demographic lines agreeing on the importance of this skill. Additionally, 44.4% of Americans say an advisor who follows through on their word increases their trust, and 44.4% say an advisor communicating in a way that's easy to understand increases their trust. By guaranteeing clients feel heard and able to process client conversations, advisors can increase their credibility and develop long-term client relationships.

Consumer Expectations vs. Experience with Advisors

There are certain benefits which Americans who don't have an advisor say they would expect advisors to provide – and Americans who do have an advisor confirm those specific needs are being met. Forty-two-point one percent of Americans who don't have an advisor expect advisors to help their clients feel less stressed. Among Americans who do have an advisor, 54.8% say their advisor does help them feel less stressed, with women (58.9%) and Americans ages 50 and older (58.3%) more likely to say this than men (51.3%) and Americans ages 18-49 (50.8%).

Less than half (39.4%) of Americans who don't have an advisor say they expect advisors to help clients feel protected from tumultuous financial periods that are out of their control, compared with 51.3% of Americans with an advisor who say their advisor helps them feel protected during those times. Advisors can showcase to both clients and prospects their dedication to providing safeguards for their financial plans, regardless of the current financial market.

“With the value of emotional intelligence still sky high for clients and prospects, financial advisors must continuously improve their ability to connect with clients on a deeper level,” says MDRT President, Greg Gagne, ChFC. “Demonstrating trustworthiness and emotional know-how as an advisor is necessary to guide clients toward a continuous path of financial security and growth.”

Areas for Advisor Improvement

Among Americans with an advisor, many of them feel their advisor could improve certain emotional intelligence skills. Only 41.3% of Americans with an advisor think their advisor can resolve conflicts and communicate well. Similarly, only 33.8% of Americans with an advisor think their advisor is disciplined in managing their own emotional reactions during discussions, and 44.6% say their advisor helps them have no regrets about their finances. With only 27.5% of Americans with an advisor saying they think their advisor is aware of their own emotions and how they affect others, it’s pivotal for advisors to take the time to learn the ways they can unintentionally impact their clients emotionally and how to improve.

American consumers have made clear that emotional intelligence is a necessary skill for any financial advisor. Financial advisors must be prepared to forge stronger connections with clients and highlight their ability to be a trustworthy support system. By demonstrating the ability to manage their emotions, as well as their clients’, during discussions, advisors can build more trusting, mutually beneficial client relationships.

Survey Methodology

This survey was conducted by Opinium on behalf of MDRT through a panel of individuals who have agreed to take part in surveys. Fieldwork was undertaken March 14 – 18, 2024, with a nationally representative sample of 2,000 U.S. consumers.

About MDRT

MDRT (Million Dollar Round Table) The Premier Association of Financial Professionals®, is a global, independent association of the world's leading life insurance and financial services professionals from more than 700 companies in 80 nations and territories. MDRT members demonstrate exceptional professional knowledge, strict ethical conduct and outstanding client service. MDRT membership is recognized internationally as the standard of excellence in the life insurance and financial services business. For more information, please visit www.mdr.org.

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