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## **Forbes.com High-Net-Worth Investor Study Reveals Internet as #1 Source of Business Information for Affluent Investors**

### ***Despite Subprime Mortgage Crisis, \$1M+ Investors Remain Optimistic***

**New York, NY (March 18, 2008)** – Forbes.com (www.forbes.com), home page for the world's business leaders, announced today the results of a High-Net-Worth Investor study conducted online by Affluent Dynamics, a global marketing research and intelligence company that is part of international business communications consultancy FD.

Salient findings from the study include:

- The Internet is increasingly the primary source of business information for affluent investors. Fifty-nine percent of respondents said they rely on the Internet as their most important source of business information, up from 52 percent from the High-Net-Worth Investor Study conducted in 2005. On average, they spend 18 hours per week on the Internet.
- Affluent investors are increasing their use of the Web for financial transactions – 87 percent use online banking services, up from 82 percent in 2005; 64 percent buy/sell stocks or other financial investments online, up from 62 percent in 2005; and affluent investors continue to respond positively to online advertising, with 45 percent indicating they respond versus 46 percent in 2005.
- Seventy percent of affluent investors rely on at least one professional financial advisor for investment advice. Eighteen percent see themselves as the primary decision-maker, which is a significant increase from 7 percent in 2005 and mirrors the increased use of the Internet.
- Fifty-eight percent of respondents said the current subprime mortgage crisis is a significant issue causing affluent investors to reconsider investing in banks and financial services firms. Thirty-seven percent said they would consider an investment in these sectors, a significant decrease from 49 percent in 2005.

“The High-Net-Worth Investor study reinforces our long-held belief that affluent investors are increasingly turning to the Web as their primary source of business information,” said Jim Spanfeller, CEO and President of Forbes.com. “This study clearly indicates that this hard-to-reach segment of the investing community is looking to be communicated with online.”

Despite their increasing concerns about the domestic economy, affluent investors

remain optimistic about both the short- and long-term growth of their investments. They are slightly less bullish in the short term than they were three years ago; over the next twelve months they expect an annual rate of return of 7.5 percent, down from 8.1 percent in 2005. However, over the next five years they expect a 9.5 percent annual rate of return, which is almost identical to the 9.4 percent rate of return in 2005. Additionally, almost two-thirds of the affluent investors are planning to increase assets in their primary investment account, and only 5 percent are planning to withdraw assets.

“Cautious optimism is probably the best way to describe the outlook affluent investors have about the U.S. economy in general and their investments in particular,” said Neil W. Benedict, Senior Vice President, FD. “Investors with \$1 million or more in assets are watching the financial markets carefully, but there is no indication that they are ‘running for the exits.’”

Alternative investment vehicles are also of interest to this group, with 31 percent considering an investment in hedge funds, 30 percent considering precious metals and other inflation hedges and 29 percent considering investments in basic industries such as steel and paper.

The survey was conducted over three days, December 20-22, 2007, using a qualified 200-member panel of investors with \$1 million or more in investable assets, excluding their primary residence. To view the survey in its entirety, please visit: [www.forbes.com/adinfo/research](http://www.forbes.com/adinfo/research).

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#### **About Affluent Dynamics**

Affluent Dynamics is a leading online research firm that provides companies with significant insight in the areas of brand building strategy, new product development and communications through its unique online panels of affluent/emerging affluent individuals, financial advisors and small business owners. Affluent Dynamics is part of FD, one of the world’s leading international business communications firms. FD is a division of FTI Consulting Inc., the global business advisory firm. For more information, please visit [www.fd.com](http://www.fd.com).