

Value of advice

Consumer Research

Key findings 2025 – Australia

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About the Report

The descriptions and statistics in this report are based on insights from consumer research undertaken for Financial Advice Association Australia (FAAA) by independent research firm MYMAVINS. The quantitative study undertaken from July to August 2025 involved an online survey of 1,226 respondents from Australia, each of whom was over 25 years old. They also needed to be earning over \$90k p.a. or holding over \$50k in investable assets to qualify.

The sample included both advised and unadvised consumers. Advised consumers are

those currently working with a financial adviser, those who seek financial advice as needed, and those who have received financial advice in the past three years. Unadvised consumers, on the other hand, are those who have never received financial advice from a financial adviser or have received financial advice in the past over three years ago. The study also analysed those consumers who work with a CERTIFIED FINANCIAL PLANNER® professional. Financial advisers who attain CFP® certification have committed to rigorous standards of competency and ethics in financial advice.



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Financial advice continues to deliver value amid economic and geopolitical uncertainty

The continued cost-of-living crisis, along with financial uncertainty due to geopolitical tensions and events across the globe, has contributed to the financial stress experienced by Australians, impacting their financial confidence, goals, and quality of life.

The 2025 Value of Advice Index findings show relatively stable scores for quality of life, financial confidence, and financial satisfaction compared to last year's results. However, it similarly shows the marked gap between those with a financial adviser and those without. In fact, the gap for financial confidence and financial satisfaction between advised and unadvised people has even widened slightly.

Notably, this year's results show the greatest improvements for the directly perceived value of advice and the vast majority who experience advice feel their adviser's value increases during volatile market periods.

We continue to find that all age groups with advisers continue to experience better quality of life, financial confidence, and financial satisfaction than their unadvised counterparts. We've seen an increase in quality of life, financial confidence, and financial satisfaction scores for advised Gen Y. However, for both advised and unadvised Baby Boomers, we've seen a slight decline in quality of life, financial confidence and satisfaction scores, likely reflecting external impacts.

This year's findings prove that the myths we've busted in previous iterations of the report remain busted. This includes that financial advice is only valuable for the wealthy. We found that 95% of clients earning \$120,000 or less who had financial advisers felt financially secure, much higher than those who didn't have an adviser. Advantages included reducing financial worries and stress, a realistic plan for retirement, and making sure they have regular income to live on.

The report has also busted the myth that younger clients see less benefit from financial advice. The research showed that the great majority of Gen Ys working with an adviser were left better off financially and have better quality of life, financial satisfaction, and confidence than their unadvised counterparts.

For advised clients, despite ongoing market volatility and geopolitical uncertainty, more than 9 in 10 say that having a financial adviser has helped them remain confident in their financial strategy and more than 8 in 10 also feel that their adviser's value increases during volatile market periods.

Overall, this year we have demonstrated the sustained value that financial advice delivers, even more so during times of uncertainty and hardship. This transcends being better off financially to also having improved quality of life and financial wellbeing.

Key findings



Clients who work with a financial adviser say they are better off

Nearly 2 in 3 clients of financial advisers are highly satisfied with their wealth versus close to 1 in 3 unadvised consumers.

They enjoy a higher quality of life, more financial confidence, and experience less financial stress.

- Over 4 in 5 report living with a strong sense of purpose
- Close to 9 in 10 say they are confident of solving most challenges
- Over 9 in 10 feel financially secure



Clients of financial advisers experience financial peace of mind

- Over 9 in 10 feel financially secure
- Over 9 in 10 feel financially better off
- Over 4 in 5 feel their adviser's value increases during volatile market periods



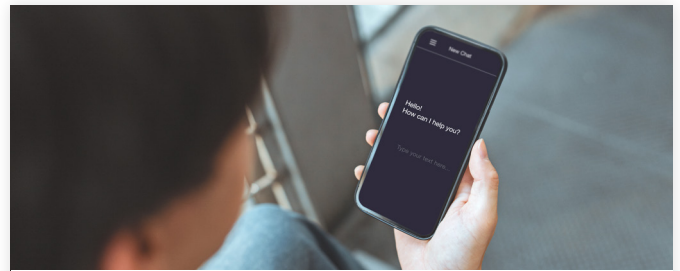
Financial advice helps people fulfil unmet financial needs

Unadvised consumers report many unmet financial needs, including:

- The ability to live their desired lifestyle (nearly 2 in 5)
- A realistic plan for a more comfortable retirement (nearly 2 in 5)
- Reducing financial worries and stress (nearly 2 in 5)

According to this study, these are the areas where financial advisers can help most. The top three ways financial advisers have helped the advised are:

- Reducing financial stress and worries (nearly 2 in 3)
- Building a realistic plan for a comfortable retirement (nearly 2 in 3)
- Helping to get the most out of a current financial situation (nearly 3 in 5)



Gen Y still prefer human financial advice

Despite Gen Y being more open to AI financial advice services than Baby Boomers:

- The majority still prefer human interaction in their advice solutions
- Only 1 in 10 Gen Y would be comfortable with a completely digital-only advice solution compared to almost no Baby Boomers
- However, Gen Y are significantly more likely to feel comfortable with AI performing administrative tasks of financial planning compared to Baby Boomers

Busting the myths about financial advice

Myth #1



If you're not rich, advice isn't worth it

FACT: More than 9 in 10 clients earning \$120,000 or less per year who work with a financial adviser feel financially secure — well above the level of unadvised consumers on the same income. They also enjoy a higher quality of life, stronger financial confidence, and greater satisfaction — with the difference between their unadvised counterparts even higher than those in higher income brackets.

Myth #2



Younger clients see less benefit from financial advice

FACT: More than 9 in 10 Gen Y clients working with a financial adviser report being better off financially. Compared with unadvised peers, they demonstrate higher levels of quality of life, financial confidence, and satisfaction — with the observed improvements in quality of life and financial confidence surpassing those recorded for Baby Boomer clients.

Myth #3



Financial advice is too expensive to be worthwhile

FACT: More than 9 in 10 clients say their financial adviser has made them tangibly better off financially and the same proportion agree the benefits of advice outweigh the costs. However, the biggest payoff isn't just money. Importantly, peace of mind emerges as both the most frequently cited benefit and the greatest need met through advice — an invaluable worth in the present that can't be measured in dollars.

Myth #4



Financial advice is just outsourcing your financial decision making

FACT: Over 9 in 10 clients of financial advisers report their financial literacy has improved through the process of receiving advice and a similar proportion value the investment education they have received. Nearly all feel their adviser has supported them to make the best financial decisions they can.

Myth #5



AI will replace the need for human financial advice

FACT: Consumers are most likely to prefer human led advice with limited use of digital tools and only 6 in 100 prefer fully digital advice solutions. The majority feel that digital advice cannot effectively provide personalised guidance, experience and judgement or emotional support and trust as humans.





FAAA Value of Advice Index

FAAA has developed the FAAA Value of Advice Index as a mechanism to measure the financial and nonfinancial impact of financial advice on the lives of clients. Scores range from 0 to 100 around the midpoint of 50; the higher the score, the better.

The Index below shows the difference between those who do work with a financial advice

professional (Advised) and those who do not (Unadvised). The Advised Delta shows the positive difference when working with a financial advice professional.

Clients of a financial adviser experience a significantly higher quality of life, financial confidence, and financial satisfaction than those who are unadvised.

 Quality of Life	Unadvised 62	Advised 74	Advised Delta* +12
 Financial Confidence	Unadvised 57	Advised 74	Advised Delta* +17
 Financial Satisfaction	Unadvised 55	Advised 74	Advised Delta* +19
 Experience	Unadvised N/A	Advised 83	Advised Delta* N/A

**Advised Delta is calculated from the difference of Advised and Unadvised*

FAAA Value of Advice Index

The Index below shows the scores for those clients who work with a CFP professional (CFP Professional Advised), compared to those clients of other financial advice professionals (Advised – excluding CFP Professional advised). It also compares both against people who do not work with a financial adviser (unadvised).

The CFP Professional Delta shows the difference between those working with a CFP professional compared to those who do not work with a financial adviser, except for the 'Experience' delta,

which compares those working with a CFP professional to those who work with another financial advice professional.

Financial advice clients experience a higher quality of life, greater financial confidence, and more financial satisfaction than those who are unadvised. The study also found that clients of CFP professionals rate their personal experience even higher than those who work with other financial advice professionals.

 Quality of Life	Unadvised 62	Advised* 71	CFP Professional Advised 76	CFP Professional Delta** +14
 Financial Confidence	Unadvised 57	Advised* 70	CFP Professional Advised 76	CFP Professional Delta** +19
 Financial Satisfaction	Unadvised 55	Advised* 69	CFP Professional Advised 77	CFP Professional Delta** +22
 Experience	Unadvised N/A	Advised* 76	CFP Professional Advised 86	CFP Professional Delta** +10

*Advised in this table excludes CFP professional advised clients

**CFP Professional Delta is calculated from the difference of CFP Professional Advised and Unadvised, except for experience which is the difference of Advised (excluding CFP Professional Advised)

FAAA Value of Advice Index

There are four components in the FAAA Value of Advice Index:



Quality of Life

Measures non-financial 'personal assets' that are the key supporting pillars of a 'good life', including personal health, connection, capability, purpose, and life satisfaction.

The Advised Delta score of +12 shows that consumers who work with an advice professional experience a higher quality of life than those who are unadvised.

Looking at the CFP Professional Delta, it is slightly higher again with score of +14. This shows that there is an even higher quality of life for those that work with a CFP professional.

Advised clients (7.7 out of 10) and clients of CFP professionals (7.8 out of 10) report greater life satisfaction compared to their unadvised counterparts (6.6 out of 10).



Financial Confidence

Measures financial confidence, including personal expectations of security and ability to achieve goals and manage personal risk.

The Advised Delta score of +17 shows that consumers who work with an advice professional feel much more confident about their financial future than those who are unadvised.

The CFP Professional Delta score of +19 shows a slightly higher uplift for those that work with a CFP professional.

Almost all clients of advisers (94%) and of CFP professionals (98%) feel financially secure compared to under 7 in 10 unadvised consumers.

FAAA Value of Advice Index



Financial Satisfaction

Measures personal satisfaction with a consumer's financial situation, including spending capability, personal financial risk management, ability to stick to the strategies in a financial plan, and overall wealth.

The Advised Delta score of +19 shows that consumers who work with an advice professional report much higher levels of satisfaction than those who are unadvised.

The CFP Professional Delta score of +22 shows an even higher uplift for those who work with a CFP professional.

In fact, more than 6 in 10 advised clients and close to 7 in 10 of those advised by a CFP professional are highly satisfied with their overall wealth compared to less than 1 in 3 of those who are unadvised.



Experience

Measures the directly attributable value of the experience of financial advice and working with a financial adviser, as well as tangible financial benefits like financial gains and meeting critical financial needs.

Overall, those who seek advice from a professional report a score of 83, well into the high positive range of experience.

The CFP Professional Delta score of +10 shows that clients who work with a CFP professional experience even more value than those who are advised by other professionals.

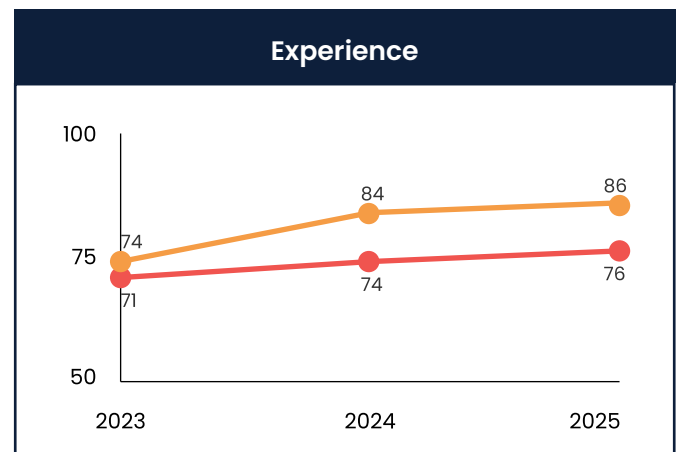
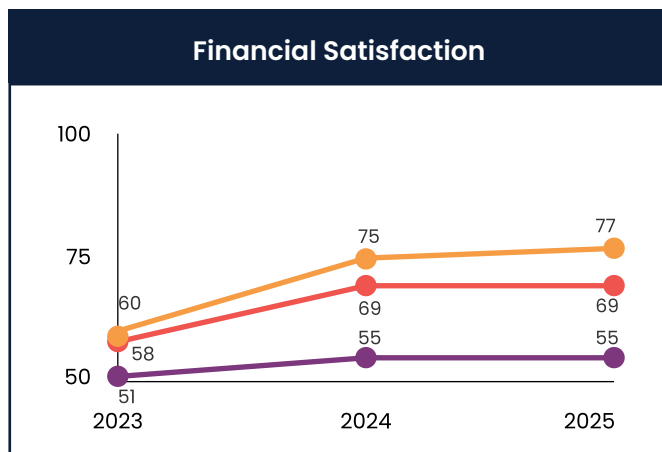
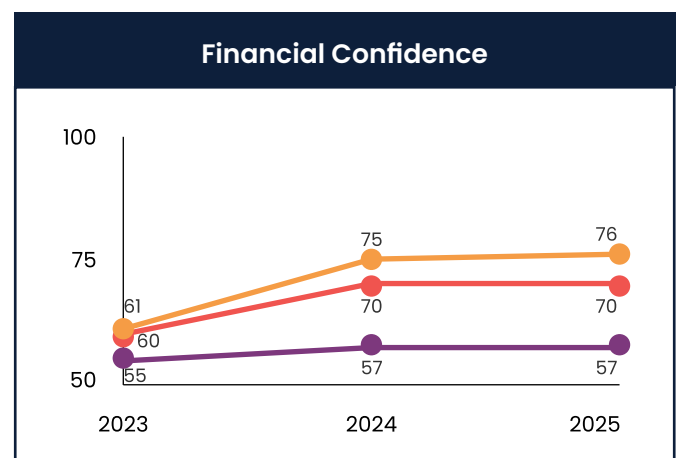
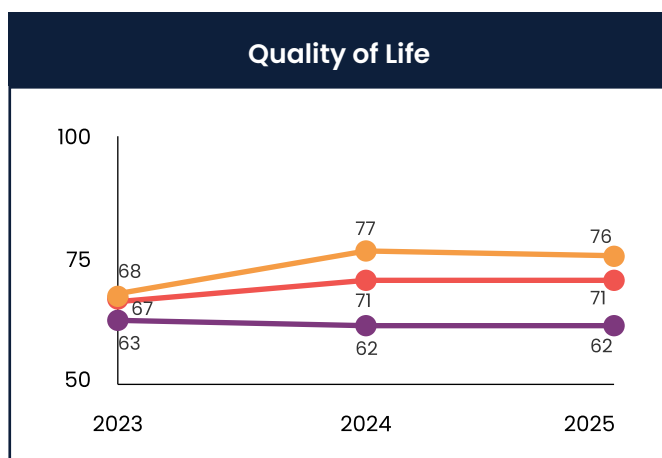
Over 2 in 5 advised clients and 1 in 2 clients advised by a CFP professional agree that their financial security has improved dramatically since they first received advice.

How does the Index compare to previous years?

From the previous year, scores have generally remained stable across the board, with only slight changes. The scores sustain the significant jump we observed between 2023 and 2024. Component-wise, Quality of Life has declined very slightly by 1 point for CFP professional clients, while Financial Confidence has improved very slightly, also by 1 point. Financial Satisfaction has improved by 2 points, and Experience has also

improved by 2 points for CFP professional clients.

Meanwhile, figures for advised clients of other financial advisers have remained unchanged, with the exception of Experience, which has increased by 2 points. The unadvised scores this year have not moved from last year, with the delta between them and advised increasing very slightly for financial confidence and satisfaction.



— CFP Professional Advised — Advised excluding CFP Professional advised — Unadvised

The financial advice difference

Clients who work with a financial adviser are more likely to report a higher quality of life, more likely to have greater levels of financial confidence and resilience, and are more likely to

be satisfied with their financial situation. The vast majority of advised clients also directly acknowledge various aspects of the value their advice relationship provides.

93% of clients of financial advisers say that their financial literacy has improved through the process of receiving financial advice.

96% feel that having a financial adviser has made them remain confident in their financial strategy during market volatility and geopolitical uncertainty and 81% feel their adviser's value increases during these periods.

The most valued attributes about their financial adviser during times when markets are volatile are: help adjusting their strategy, proactive communication with clear explanations of market movements, and encouragement to stay the course.

94% of clients of financial advisers say they are satisfied with their relationship with their financial adviser.

98% of clients of financial advisers report that their financial adviser has supported them to make the best possible financial decisions.

97% of clients of financial advisers say that the services provided by their financial adviser have met their needs.

According to clients of financial advisers, the top 3 key needs that advice has helped address are: reducing financial worries and stress, a realistic plan to achieve a more comfortable retirement, and help to get the most out of their financial situation.

96% of clients of financial advisers say financial advice has provided them with more value than it costs.

92% of clients of financial advisers value the investment education they have received from their adviser

93% of clients of financial advisers report that their financial adviser has made them tangibly financially better off.

91% of clients of financial advisers report they trust their financial adviser to act in their best interests.

The financial advice difference

Top reported benefits of working with a financial adviser go beyond growing and protecting wealth – also important is how it makes them feel

01 Improved financial wellbeing and peace of mind

04 Improved financial decision-making confidence

02 Help to explain and simplify financial matters

05 Trusted partner to navigate life's financial challenges and opportunities

03 Help to save time/effort organising and making decisions about finances

97% say that their financial adviser has helped them manage financial risks in their lives

64% report financial advice positively impacted their mental health

94% say their financial adviser has helped provide greater spending confidence to enjoy their money

51% say financial advice positively impacted their family life

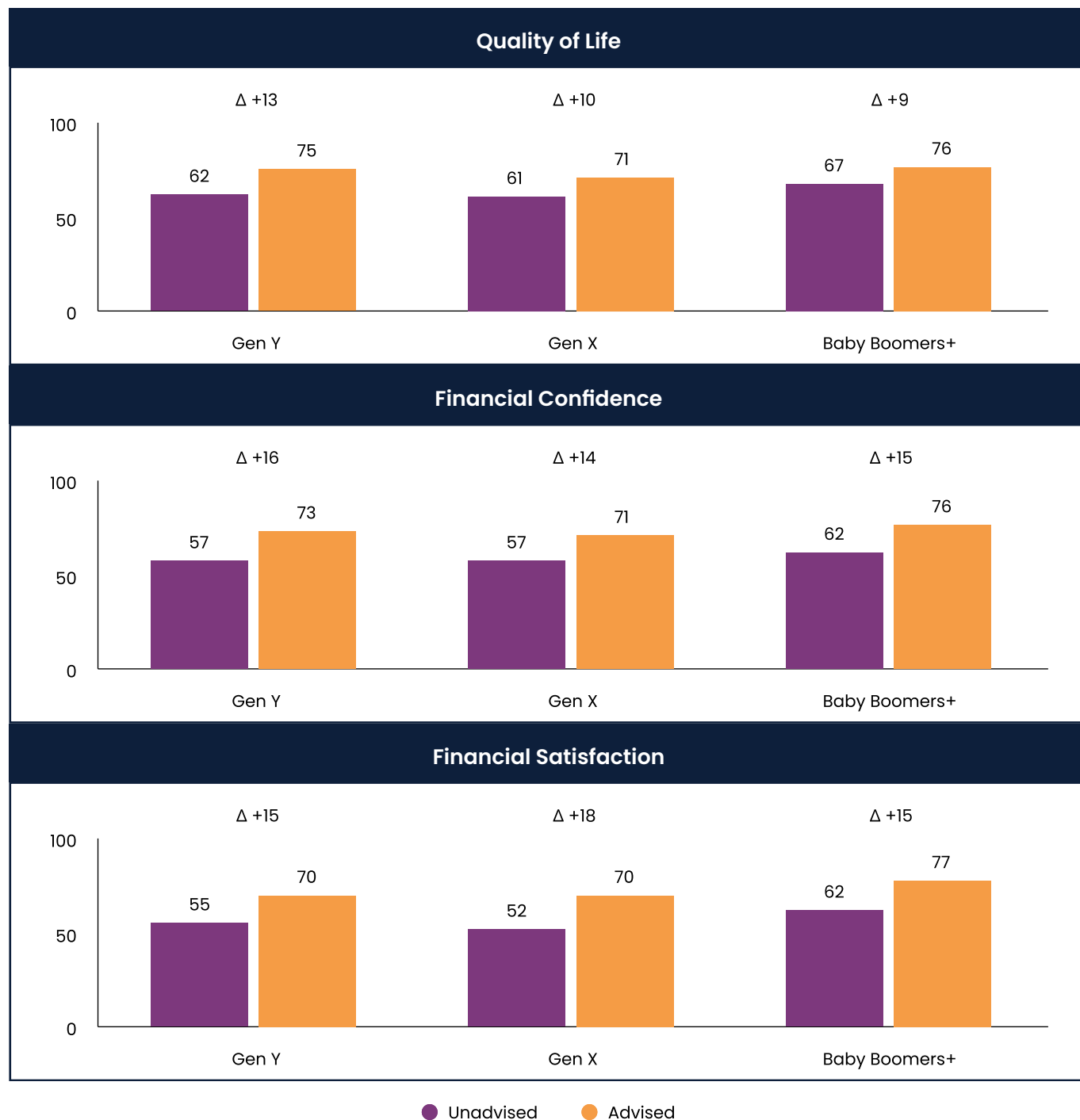
82% feel that their financial security has improved since they first received financial advice

30% say that their social life has improved due to receiving financial advice

The role of financial advice

While it is expected that older age groups are increasingly likely to report being happy with their life and finances, the financial advice delta is

consistently observed across generations and is even greater for Gen Y for quality of life and financial confidence.

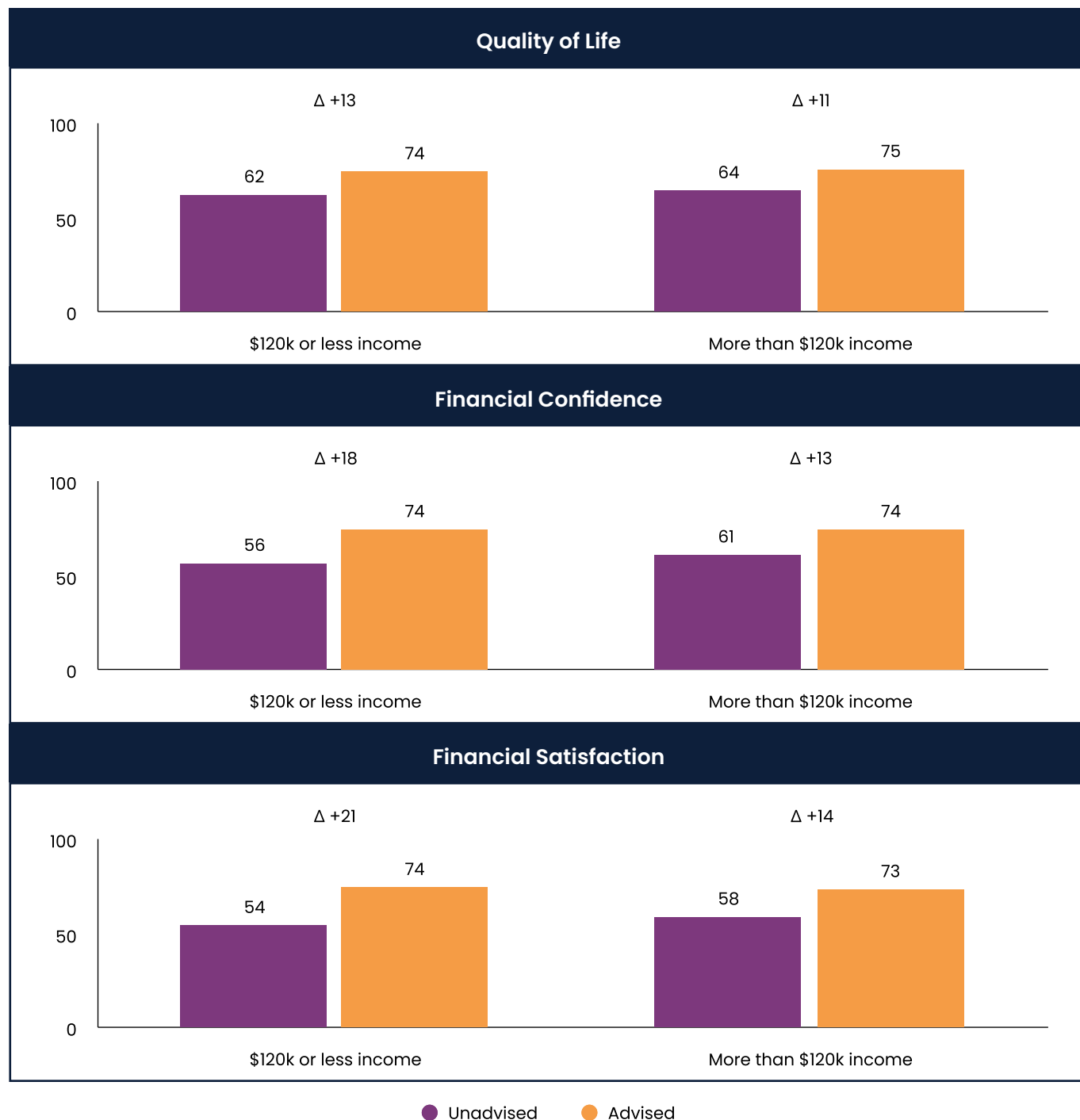


*Advised Delta Δ is calculated from the difference of Advised and Unadvised; numbers may not add up due to rounding

The role of financial advice

The demonstrated value of financial advice is not reliant on higher incomes. When we compare those in similar income brackets, we found that those earning less actually had a greater

financial advice delta than those in the higher income bracket, across quality of life, financial confidence and financial satisfaction.



*Advised Delta Δ is calculated from the difference of Advised and Unadvised; numbers may not add up due to rounding

The top valued aspects of financial advice

Key needs met from advice		
Gen Y	Gen X	Baby Boomers+
Reducing financial worries and stress i.e. greater peace of mind	A realistic plan to achieve a more comfortable retirement	Make sure I have regular money to live on
A realistic plan to achieve a more comfortable retirement	Help to define and achieve my long term goals	Reducing financial worries and stress i.e. greater peace of mind
Help to get the most out of my financial situation	Having a sounding board for financial decisions	Having a sounding board for financial decisions

Key benefits received from advice		
Gen Y	Gen X	Baby Boomers+
Improved financial wellbeing and peace of mind	Improved financial decision making confidence	Improved financial wellbeing and peace of mind
Greater wealth growth	Improved financial wellbeing and peace of mind	Help to simplify and explain financial matters
Help to establish and achieve goals	Help to simplify and explain financial matters	Help to save time/effort organising and making decisions about finances

Gen Y are more likely than Baby Boomers to have a more holistic view on the benefits of advice

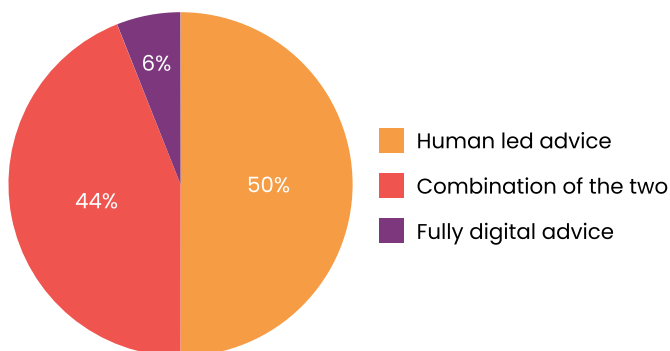
Close to 1 in 2 (49%) advised Gen Y highly value the investment education they have received from their financial adviser, while a further 45% say they value it to some degree.

Gen Y who are open to financial advice are even more likely to appreciate its holistic value. They are significantly more likely than older generations to believe that financial advice can benefit their mental health.

Attitudes to digital advice

Overall, given the choice between fully digital advice, human led advice and a hybrid model, consumers are most likely to prefer human led advice with only limited use of digital tools. Very few prefer advice solutions entirely driven by algorithms and AI with no involvement from a financial adviser.

Digital advice model preferences



Q: Which of the following financial advice models do you think that you would prefer?

Most believe that personal guidance (64%), experience and judgement (63%), and emotional support and trust (59%) can only be provided by human financial advisers. Furthermore, many feel the same about tailored risk assessment (34%) and motivation to follow through (32%). Notably, across the board, these beliefs are significantly higher among advised clients compared to those unadvised.

While close to 1 in 2 are comfortable with AI being used to perform administrative tasks such as meeting notes and document preparation, over 1 in 5 are not comfortable with this and over 3 in 10 are unsure. Notably for those that are comfortable, nearly three times as many are only somewhat comfortable rather than very comfortable.

Baby Boomers are less open to digital advice

While close to 3 in 5 Baby Boomers prefer human-led advice only, this decreases to 1 in 2 among Gen X and fewer than 1 in 2 Gen Y.

Baby Boomers more than any other generation believe in personal guidance from a human

Exactly 4 in 5 Baby Boomers believe that personalised guidance can only be provided by humans as opposed to digital-only advice, compared to fewer than 3 in 5 Gen Y and Gen X. Similarly, Baby Boomers are also more likely to believe experience and judgement, tailored risk assessments, and motivation to follow through can only be provided by human financial advisers compared to the younger generations.

Younger Generations especially Gen Y more open to AI being used as part of the advice process

Close to 3 in 5 (57%) Gen Y and 1 in 2 (51%) Gen X would be comfortable with AI being used for administrative tasks compared to only 1 in 3 (33%) Baby Boomers.

Conclusion

This year's edition of the FAAA Value of Advice Index sustains the findings found in last year's study — advised Australians are quantifiably better off than those who are unadvised, regardless of age or wealth.

The FAAA Value of Advice Index measures how people experience the financial and nonfinancial benefits of financial advice. Our findings show that clients who receive financial advice tend to enjoy a higher quality of life. They report experiencing more positive emotional outcomes, a stronger sense of purpose, greater social connection, better health, and reduced financial stress. They have greater financial confidence, financial satisfaction and feel that financial advice has made them tangibly better off, with the value clearly outweighing the cost.

In the past year, the cost-of-living crisis is still being acutely felt, and while inflation has moderated, other economic volatility, uncertainty, and geopolitical events have continued to dampen household optimism. However, the value of advice indicators observed last year have been sustained with a growing gap between the experience of the advised and unadvised. In fact, the perceived value of financial advice has notably increased amongst clients — not just despite market uncertainty but because of it.

Some of the barriers to working with a financial adviser remain the same and include the perception that it's too expensive, or it's only for rich people, and others feel like their circumstances do not justify the need. This year, we have once again been able to systematically bust these myths.

AI and digital advice is a fast-growing technology and its potential in the advice space is still being explored; however, even in these early stages, we've seen younger generations be more open to its use in advice contexts. However, it's clear that very few Australians are interested in purely digital advice models and still require involvement of human advisers.

Financial advice continues to deliver value, despite uncertain times. It's not just about the financial gains, but the support, confidence, and better life it can bring to clients in a challenging environment.



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The key findings presented in this document
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