Volume 33 Issue 1 From the Editor

I have some exciting updates to share about *Financial Services Review* (*FSR*). First, as you can see from the number of papers in this issue, the journal is in a strong position and growing. We've seen a notable increase in both the quantity and quality of submissions, and our acceptance rate continues to decline, reflecting rising reviewer expectations that align with the goal of enhancing the journal's impact. Another development is that the editorial board and I are moving forward with an application for possible Scopus indexing. While there are no guarantees, I do believe that FSR is in a strong position for consideration. As an example, papers from FSR have been cited nearly 1,200 times in Scopus journals. The journal's impact is expansive. The final update is that this issue includes some outstanding papers. Let's quickly review these papers.

The first paper (*The Impact of the COVID-19 Income Shock on Debt Management: A Mediation Analysis*) was co-authored by Drs. Ouyang Congrong, Thomas Crandall, and Swarn Chatterjee. This study examines the relationship between large, unexpected income drops during the COVID-19 pandemic and individuals' use of stimulus checks to pay off debt. This research team found that those with significant income reductions were more likely to use their checks for debt management. The paper also highlights the role of perceived financial control in the decision-making process, showing that individuals who felt a lack of control over their finances were more likely to use stimulus funds for debt relief.

The next paper (*Retirement Expectations vs. Reality: If COVID-19 Did Not Impact Retirement Expectations Significantly, What Did?*) was written by Drs. Zhikun Liu, David Blanchett, Qi Sun, and Naomi Fink. This study analyzes the retirement expectations and actual retirement ages of older Americans, finding that while many expect to delay retirement, the COVID-19 pandemic had no significant impact on this trend. They did find that key factors influencing retirement decisions include health, wealth, marital status, education, and disability status. Their paper underscores the importance of understanding how these factors can help explain the gap between expected and actual retirement expectations.

Drs. Emily Koochel, Megan McCoy, and Sonya Lutter wrote the third paper in this issue (*Protecting Well-being through Financial Shocks)*. This study explores how resources, including personal qualities like self-control and perceived health, can buffer the effects of financial stress and improve financial well-being. They found that beyond income, factors such as access to resources and a strong sense of control play a critical role in enhancing resilience to financial challenges.

Dr. Megan McCoy and her colleagues, Drs. Ives Machiz, Portia Johnson, and Kenneth White, contributed the next paper (*Resilient Personality or Financial Resilience Framework for Coping with Physical and Mental Health During the COVID-19 Pandemic*). This study examines how two resilience frameworks—the financial resilience framework and the resilient personality model—were related to physical and mental health outcomes during the COVID-19 pandemic. Their analysis indicates that while both frameworks contribute to resilience, financial resilience is a stronger predictor of positive health outcomes than a resilient personality.

The fifth paper (*An Investigation of the Relationship between Gender and Investor Behavior During a Market Correction*) was written by Drs. Matthew Sommer, Megan McCoy, and HanNa Lim. This study investigates how U.S. retail investors coped during a recent declining stock market and a period of rising inflation. They found that men were more likely to shift investments from stocks and bonds to cash, while women experienced more financial stress. Their work shows that financial stress and investment overconfidence are linked to shifts in trading behavior, although the indirect effects are minor and only partially mediated by gender.

The next paper (*Retail Investors and Investment Fraud Victims: Is There a Connection?)* was contributed by Christopher Rand, Melisande McCrae, and Jason Martin. This study examines the characteristics of investment fraud victims, finding that both overconfident and financially literate investors are more likely to be victimized (although they differ in their investment behaviors). Overconfident investors were observed to be more comfortable with risk and use background checks on investment professionals, while financially literate investors engage in more frequent trading and stock allocation, with males and younger investors being more likely to experience fraud.

Drs. Yu Zhang, Khurram Naveed, and Jia Qi wrote the next paper in this issue (*Crypto Investment: The Role of Investment Motivations, Investment Confidence, and Risk Perceptions*). This study examines the psychological and behavioral factors influencing cryptocurrency investment, finding that motivations and investment confidence positively impact current and future investment decisions, while risk perceptions act as a barrier. Their findings suggest that understanding these psychological factors can improve investor profiling and enable financial advisors to offer more personalized guidance in the volatile cryptocurrency market.

In the next paper (*Assessing the Impact of Rebalancing on Equal-weighted and Value-weighted Portfolios over Five Decades*), Drs. Rama Malladi and Alexander Stanoyevitch discuss how transaction costs affect the performance gap between equal-weighted portfolios (EWPs) and value-weighted portfolios (VWPs). They found that EWPs generally outperform VWPs unless transaction costs become excessive. The results highlight that while EWPs offer significant diversification benefits, transaction costs play a critical role in diminishing their outperformance.

Dr. Eun Jin Kwak and I wrote the second-to-last paper in this issue (*A Domain Specific Measure of Investment Risk Preference*). This paper proposes a new measure of risk preference that combines aspects of revealed-preference measures and propensity assessment techniques. The resulting test adds to the literature by advancing the precision of investment risk assessment tools.

This issue of *FSR* concludes with a paper (*Does Overspending Harm Retirement Preparation?)* written by Drs. Christina Lynn, Stuart Heckman, Michael Kothakota, and Derek Lawson. This study explores the relationship between overspending and retirement preparation, testing the Behavioral Life Cycle Hypothesis using three data sets. Findings from their study reveal that overspending is only weakly linked to poor retirement preparation, suggesting that overspending behavior may only sometimes reflect one's retirement readiness. Dr. Lynn et al. provide detailed policy solutions to address overspending and improve financial awareness.

I would like to end by giving you an update about my role as editor. I announced in the last issue that Volume 33 Issue 1 would be my last as editor. I made that announcement prematurely. I've been asked to stay on through 2025 or until the Academy of Financial Services (AFS) can find a new permanent editor. As I told the AFS board, I am totally committed to ensuring that FSR continues to remain impactful. In this regard, I am officially announcing that I will serve as interim editor for the foreseeable future. I am so grateful for the guidance provided by those serving on the Advisory and Editorial Boards. The individuals listed on the masthead (and online) are amazing professionals. Finally, thank you for being an active participant in FSR. Each one of you, as a contributor or reader, has helped shape the content and quality of the *Financial Services Review*. Until next time, all the best,

John E. Grable, Ph.D., CFP®