



MAKING A DIFFERENCE

How Conscious Investing Can Make You Happy

COIN Team

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We know financial stability can lead to a sense of well-being, and that experiences and community-minded spending can increase your happiness. These can be our basic building blocks to creating a happy life. But what if our earnings and spending were just the beginning?

We Americans put a high value on happiness. You only need to watch a few commercials, browse a bookstore's self-help section, or tap the hashtag #blessed in your social feed to see how much we focus on it. Chasing happiness isn't a recent activity, either: After all, the Founding Fathers considered the pursuit of happiness so important to a fulfilled life that they gave it top billing in the [Declaration of Independence](#). So, if you're like your fellow Americans, happiness, and the pursuit of it, is top of mind.

But what actually makes people happy?

Of course, this is a complex question to ask. A six-year-old's definition of happiness will be wildly different from his parents', for starters. (For the record, we're guessing their answers would be getting some ice cream and taking a nice [vacation](#), respectively.) But despite how answers might vary across the country, research shows there *are* some common threads to the pursuit of happiness, and that many are tied in with money.

Money and Happiness

Can money buy happiness? Conventional wisdom says no, but the unexpected answer is maybe! To start, let's look at money's role in happiness and what that can mean for each of us. It turns out that when money is the means to providing peace of mind and stability, it can make people happier.

In 2010, researchers at [Princeton University](#) found that a person's happiness typically increases as they earn up to \$75,000 per year. As they work toward that \$75,000, they're increasingly able to cover their basic needs, pay off debts, and have some spending money, too. Happiness is in reach!

But here's where it gets interesting: If they keep earning more, you'd expect their happiness would keep going up, too, right? Surprise! That wasn't quite what the researchers learned. People who had high earnings actually weren't that much happier compared to the person earning \$75,000.

So, we see that financial well-being can bring a sense of balance up to a certain income amount, but *happiness* levels don't keep rising along with it.

We get some key insights from spending behaviors, too: People who buy [shared experiences](#), like concert tickets or going out to dinner, often feel happier than those who buy new gadgets or clothes. Similarly, people who [spend money toward helping others](#), whether contributing to a charity or purchasing gifts for loved ones, often feel happier than those who don't.

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Me + We = Happiness

According to [Psychology Today](#), "when psychologists study what makes people happy, they find that being kind to others makes people happier," and that "economists have demonstrated that people care about fairness, and want to be part of an organization or society that they consider just and fair."

What if we took this one step further, and *invested* toward the greater good? By doing so, we can build our financial futures and also support the causes we care about, all at the same time. We believe this strategy of [conscious investing](#) could not only help us pursue our own happiness, but also create a healthier and happier world.

Conscious investing, by nature, is a way to promote a more kind, just, and fair world. When you become a conscious investor, you tell companies that you support how they're working toward positive change, and that you want them to do even more.

Consider COIN's Impact Areas, for example. You can invest your money in companies that promote [Quality Work](#), which can mean your money supports sustainable, inclusive, and safe workspaces. Or, when you select [Better Health](#) as part of your conscious investment portfolio, you can invest in companies developing life-saving treatments for rare diseases. Additionally, your investments can make meaningful contributions toward [Climate Action](#), by encouraging companies committed to carbon-neutral operations. Your investments then become all about the combination of doing good via forward-thinking companies, while also being forward-thinking about your own finances.

It's also important to recognize that conscious investing has the biggest potential for impact if we do it in large numbers. It's the power of many individuals, consciously investing together, to make a difference over the long term. That's why we think of conscious investing as a movement, not just a trend. And because [movements are more meaningful than trends](#), they can kick off real change.

Conscious Investing as a Movement

That "many individuals" part of conscious investing is important not just for impact, but for keeping the movement going over the long haul. As humans, we find meaning when we feel like we're part of something bigger than ourselves. We want authenticity, to feel like our contributions are significant. If we feel like we're acting alone or not making a real difference, we can lose interest or become disengaged and unhappy. Motivation, then, becomes essential for both personal happiness and positive results on a larger scale.

So, what keeps us motivated and involved? Psychologists say it's the following [four necessities](#):

1. Participating in something big
2. Feeling that we belong
3. Taking a meaningful journey

4. Understanding we made a difference.

How can conscious investing help you achieve these key four necessities to feel motivated and involved? Well, when we invest consciously in Impact Areas like Climate Action, Clean Water, or other causes, we're participating in something big, something much larger than ourselves. And when we choose to align ourselves with inclusive causes like [Shared Prosperity](#) and [Gender Equality](#), we're saying that we all belong and should have equal opportunity. Because we plan to invest consciously for years to come, we can consider our investments a meaningful journey in themselves, contributing toward our financial future and working toward the causes we support. And as we track the impact of our conscious investments, we can see how our money has made a difference in those same causes.

As you consider getting started with conscious investing, remember what we know about the pursuit of happiness: Financial well-being can be important, and we need to feel like we're making positive contributions to something larger than ourselves. When you become a conscious investor, you're using your dollars to build your own happy life, as well as a better world.

What could be more meaningful than that?

Make a difference with your investment

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Instead of traditional technical and fundamental analysis, stocks for each Impact Area are chosen by scoring and ranking a company’s contribution to the specific Impact Area through a proprietary Environmental Social Governance (“ESG”) analysis methodology based on the United Nations Sustainable Development Goals (SDGs). In addition, COIN monitors and manages portfolio risk relative to the market. Before investing, consider your investment objectives and JHPFS’s fees. JHPFS may use data from third parties and clients believed to be reliable, but cannot ensure the accuracy or completeness of that data. JHPFS and Apex Clearing Corp do not provide legal or tax advice and investors should consult with their personal legal and tax advisors prior to funding an account or making any investment. Any investment outcomes or goal achievement dates are hypothetical in nature, provided for educational purposes only, do not reflect actual investment returns, are not individualized, are not intended to serve as the primary or sole basis for investment decisions, and are not guarantees of future results. Please see full disclosure for more information.

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