EPISODE 1420

[00:00:00]

FT: So Money is brought to you by CNET, the site that shows how to navigate change all around us. So Money episode 1420, goal-based investing made simple, with Tara Falcone, Founder of Reason.

> *"**TF:** I went to bed one night, and I had a dream where my dad like came to me in my dream. And it was weird. We're like celebrating his birthday, but he wasn't there. And there was a knock on the door. And he just came to me and said, 'I don't want you to live your life for me anymore. I want you to figure out what you're passionate about and chase after that.' And I woke up the next morning and be like, 'I'm not going to medical school.' Like I don't know what it is that I'm going to do next, but it's not medical school. So we need to figure out what this is."*

[INTRO]

[00:01:08]

FT: Welcome to So Money, everybody. I'm Farnoosh Torabi. One of the things that listeners have been asking me for is more investing coverage. You want to learn more about investing, and I get it. It's a weird time to be investing, but we know the power of compounding, and we know that to build wealth investing is important.

Our guest today is a certified financial planner and Founder and CEO of a new app that is aiming to create a simple solution for everybody who wants to invest in a goal-oriented way. Tara Falcone is the Founder of Reason which helps people save and invest for specific goals in a organized intentional way. She's going to talk about how it works. We have a link for you to follow if you'd like to try out Reason.

But more interestingly, I think, is Tara's own personal financial journey. She grew up in a low-income family. Her father passed away at a young age. Out of necessity, she had to become financially independent, and she did so by age 14. She worked hard. She became valedictorian of her high school, went off to Yale on a Financial Aid Scholarship, thought she wanted to be a doctor, changed her plans, worked in finance, and now is bringing all of those experiences to entrepreneurship. Here's Tara Falcone.

[INTERVIEW]

[00:02:30]

FT: Tara Falcone, welcome to So Money.

[00:02:34]

TF: Thank you. I'm very excited to be here.

[00:02:35]

FT: Yeah. I'm excited to learn about your new invention. It's an app called Reason, a goal-based investing and crowd source insights app. But you've also got an incredible personal financial journey. You started out in a low-income family, became financially independent as a teenager, then you went to Yale on full scholarship. So I always like to start with the beginning because I'm chronological like that. I think it's fun to sort of know the before and then to talk about where you are today. So tell us about your money life growing up and what drew you to becoming financially independent at 14. I don't think I even had a job yet at 14.

[00:03:12]

TF: It was definitely not anything that drew me there. It was really out of necessity. So I grew up in a low-income household. My dad was the breadwinner. He was a factory worker, what's called a tool and die guy. So he worked in a factory near us in Michigan. Unfortunately, when I was 10 years old, he developed a kidney disorder that runs through our family. So his kidneys failed. He wasn't able to work. He was the breadwinner. So we started kind of like racking up credit card debt and all these types of things.

A few years later, he actually passed away. I was 13, he was 36, and my stepmom was 30. My stepmom had to go back to work. She was going back to school. She became an x-ray technician. She was working two jobs. So like she was waitressing at like one restaurant in town, and then I was waitressing at another restaurant in town, just trying to like keep the lights on and make ends meet. So it was really out of necessity, not out of desire.

I think while my dad was sick, I was like12. I wanted to work during the summers and like babysit for some local families, just to make some extra spending money so that I could do things and not feel guilty asking my parents for money because I was very aware. Like I knew that things were not great, and money was really tight, and that there was kind of some debt that we are going into.

But when he passed away, there was no life insurance. He was too young and got too sick too quickly to get a life insurance policy. So it really left my stepmom and I in a very precarious financial position. I can't tell you the number of times that she and I traded a $20 bill back and forth, literally, to just put gas in our car to get me to school, to get her to work and to school and vice versa. It was just this like really kind of awful, scary cycle for four years of my life, until I went to college.

So I worked my way through high school full-time. My first job after babysitting was as a – I call it an ice cream slinger. So it was a – I was an ice cream scooper at the local corner scoop, which was the local ice cream shop in town. Then when I turned 16, I started working as a waitress at the local diner or Big Boy, if anybody's like familiar with –

[00:05:18]

FT: Oh, yeah. I know Big Boy.

[00:05:19]

TF: Everybody knows Big Boy, right? Or if you've watched the Austin Powers movies, it's the guy with the burger on the tray. But I was a waitress there. I'll tell you, that was a very humbling experience to wait on your classmates. In a small town where everybody knows your business, they all know why you're working. They all know what has happened in your family. It was a very humbling experience for me.

Frankly, like outside of my personal life, I didn't really have control over anything but my schoolwork. So I channeled all of that negative energy into my schoolwork, just hoping that if I did well enough in school, it would take me somewhere, not necessarily out of that town, but just would help me get out of this horrible financial cycle that like we were stuck in, and it did. I ended up graduating as valedictorian of my class. I got a full need-based scholarship to Yale, which is the biggest gift I will ever be given, I think, in my entire life.

Frankly, my life has not been the same since, and that's really kind of where it all started from this sort of awful tragedy to a lot of grit, resilience, and hard work. I'm still doing that today. That's still my motto now, but it definitely opened a lot more doors once I got that big opportunity to go to Yale.

[00:06:30]

FT: What an incredible story. What were the conversations that you were having at the time with your stepmother? I can only imagine what she was going through too, right? 30 years old, lost her husband, taking care of you independently, working. Did you feel like you had support with her and together?

[00:06:49]

TF: Yeah. It's really interesting. I think that as a 13-year-old, you just assume that anybody over 30 has it all figured out or that they should know. When I turned 30, it was a sobering perspective that it gave me about how I acted back then and the things that I expected of her and maybe how unfair I was to her with some of those expectations. The conversations we had about money were just very honest. We didn't really have time or luxury to have anything other than honest conversations about money. It was like, “Hey. I see that there's the stack of bills in the corner piling up that are unopened. What's going – Is that – Can I help with any of that? Like what's going on there?”

Or my car would break down. How am I going to pay for this? It was very much a, "Hey, you need money. You need to work to make that money because that money just doesn't exist. Like it has to come from somewhere. You have to earn it." So that was really just what it was. We were in utter survival mode for those years after my dad passed this few years while I was in high school. It was a very big bonding experience for us.

Interestingly, like when I go home, like I go home – My home is my step mom's house now, She's remarried. She has a couple of other kids, who I consider my sisters. But it was a formative experience for both of us, and it's interesting because a lot of people say, "Oh, I'm so sorry that happened," or whatever. It's like it sucked that it happened. But I would not be the same person that I am today, and I wouldn't be striving to like help so many other people with their money, if it weren't for those experiences. So it's kind of a weird blessing in disguise.

[00:08:27]

FT: Well, it's very mature of you. I mean, then and now. After you went to Yale, was it then that you worked for Wall Street, where you were drawn to the financial industry? What was the motivation there? Was it like, "I could go there and make a lot of money, which is on a little thing, given my experience in life up to this point?" Or was there something else that attracted you to the industry?

[00:08:51]

TF: Yeah. So actually, while I was at Yale, I was a pre-med Spanish major. So I was on –

[00:08:55]

FT: Oh, wow.

[00:08:56]

TF: I know. So money was literally just the thing that stresses me out and that I knew I had to have enough of to just get by and be able to fly home for Thanksgiving or Christmas. But it was nothing that I was ever chasing. I was definitely more so chasing stability, which didn't really have a dollar figure associated with it for me. It was just like I don't want to have to wonder where like my lunch is coming from or how I'm going to get home for this holiday, instead of having to stay on campus the whole time.

So I was this pre-med Spanish major. I was on this like hell-bent path to avenge my dad's death. I was like, "I'm going to be a better doctor than he had had so that other daughters don't have to lose their fathers as early as I did." My marker of success was like if I could just prevent one daughter from having to experience what I did, that will be – Then I'll have done it. I'll have like – This will all have been worth it.

Interestingly, while I was working full-time, my entire way through Yale, I was not partying on Saturday nights. I was like editing or analyzing data at the medical school on Saturday nights. Like I still got to the end of my senior year and realized I couldn't afford to apply to medical school. So I had received all of this incredible scholarship to get through Yale. I had done organic chemistry and biochemistry and like all these really hard classes and done quite well in them. I literally couldn't afford to take the next step. At least at the time, there were not like scholarships for med school applications.

For anybody who doesn't know, applying to medical school can cost anywhere from like 10,000 to 20,000 dollars because you have to – Yeah. Big eyes because the application fees themselves are expensive. Then you have to travel to the schools to interview I mean, I don't know about now in the Zoom world. But back then, it was a significant financial undertaking to apply to medical school. It was incredibly prohibited –

[00:10:39]

FT: Did you take out loans for that too?

[00:10:41]

TF: Well, so some people do. Some people take out loans. They go into credit card debt, and they take a year off between graduating and applying so that they can save up enough money to apply. It's a really big ordeal. It was like three months before graduation. I knew I did not want to like go back to my hometown, like move back home, wait on the same people I waited on before I went to Yale. That felt like a big step back for me, and I was really sick of being broke, and I was really sick of being intimidated by money, and I recognized –

Well, a couple things happened. One was I recognized that I was the only person in my family who had this upward social opportunity and like mobility to do something about this. Just because I had Yale on my resume, like doors were open to me that would not have been open to me otherwise, even if I didn't have the experience, right? It's like, “Well, you went to Yale. You must be smart.”

Then the other thing was really interesting. I'm very much like an intuitive person. February of my senior year, I was just – I felt lost. I didn't know what to do. I knew I couldn't afford medical school. I didn't know what I wanted to do next. I went to bed one night, and I had a dream where my dad like came to me in my dream, and it was weird. We're like celebrating his birthday, but he wasn't there. There was a knock on the door, and he just came to me and said, “I don't want you to live your life for me anymore. I want you to figure out what you're passionate about and chase after that.”

I woke up the next morning and being like, “I'm not going to medical school.” Like I don't know what it is that I'm going to do next, but it's not medical school. So we need to figure out what this is. A lot of my friends and my now husband, then boyfriend, had gone into finance. They've done internships on Wall Street, paid what seemed like to me a lot of money for a summer to like party in the city, and they can put some spreadsheets together, right? So I was like, “Wow, there's an entire industry dedicated to this thing that has stressed me out my whole life. Maybe I should learn something about it.”

So three months before graduation, I completely pivoted. I applied to every finance job that was left on the job board. I had no idea what I was doing. I had only taken micro economics. So like I'm applying to like fixed-income firms, asset managers, hedge funds, private equity shops, which all things are very different, right? But I had no clue how different they were.

Gratefully, I was picked up by a small hedge fund in New York City, who just saw how hungry I was to learn their job. They're like, “She will outwork any frickin’ finance major that like we could bring on. She wants to learn this. She's very hungry.” Again, I'm very intuitive, and I got offered a job in New York City at their office on what would have been my dad's 45th birthday.

[00:13:17]

FT: Oh, my God.

[00:13:18]

TF: I just remember leaving there and I'm like – I called my mom. I was like sitting on a bench and like on the kind of outskirts of Central Park on Fifth Ave or something like that. I called my mom. I was like, “Mom, they're going to pay me like $55,000 a year to like manage wealthy people's money, and I don't know what I'm doing. Like this is so wild.”

Where I come from, people make kind of like in the 30s to 40 range, if that. Wealthy people in my town are like the dentists. So for me, being offered like 55,000 in base, plus like a bonus at the end was like, “Holy cow, I'm going to be living.” I didn't realize how expensive living in New York City was going to be. But, yeah, that's really – I had no intention of going into finance, until, again, like necessity kind of required it, and I just saw that I had an opportunity in my hands that I couldn't waste. If anybody were going to change the trajectory of my family's financial life, it was going to be me. So I took that burden on and yeah.

[00:14:23]

FT: Were you supporting your family back home as you were in New York? Second question, did you like the job? Did you end up liking the job?

[00:14:32]

TF: I was not supporting my family back home. There are a lot of like first gen low-income students who do that. They do send money back home. I was solely responsible for supporting myself. Once in a while, I think like $20 bills traded hands here and there, whether it was like mom or a sister or something like that needed help with something or I needed help with something. But I became incredibly financially independent as soon as I landed on campus. I think there was one time that somebody helped me pay for a plane ticket back home.

When I got to Wall Street, it was still the same thing. I felt – This might have been like internal. There may not have actually been any change in expectations. But I sort of felt that like, “Oh, do they – Should Christmas gifts be a little nicer than they've been in the past?” Or do people have any other expectations of me in terms of like what I'm giving them or if I'm offering them certain things? But, no, I was largely on my own.

The interesting thing is that I loved the work. So I was a long-short equity analyst. So I was like looking for stocks to buy and to sell that were value-oriented so that we thought were priced below where they should be and that we're event-driven so that there's some kind of catalyst that would like unlock the value and make the stock trade higher. So for me, I felt like I was on a treasure hunt every day. I was like, “Oh, I'm reading through 10 Ks and 10 Qs, trying to find like good value.

It was just absolutely fascinating to me that like a stock's price mean something. I had no idea, and I was so low-income that like I didn't even understand really what happened in ’08, that there was like a crash, and people lost a lot of money because like we didn't have a lot of money to lose. Like there were no investments. So it was just a whole new world and learning experience for me.

Yes, I really did love the work. I loved certain pieces of the work more than others. But over time, with the background that I have, I felt very disconnected from the wealthy clients that we were serving, knowing that I would leave the office to a text message or a voicemail from friends or family asking for advice about how to budget or how to pay off credit card debt or how to set up their 401(k).

So those were just kind of a little bit of the writing on the wall as to why I ended up leaving. But ultimately, it was because I knew that I now had a skill set that was really valuable and could be even more valuable if I shared it with other people.

[00:16:53]

FT: Yes. That brings us to your app called Reason and in some ways born out of the experiences on Wall Street, but probably more your personal life. Tell us about Reason and how it is or how you want it to transform our relationship with money and investing.

[00:17:13]

TF: Yeah. So when I left Wall Street in 2015, it was kind of a combination of this desire to take this knowledge I had acquired and serve a broader audience of people like my friends and family. But it also happened that my husband left Wall Street to join the Navy. So we were getting restationed to Japan for a couple of years. I knew that I wasn't going to be able to continue down the road of applying to high finance jobs every two years in foreign countries. That wasn't going to work.

So I was like, “All right, I want to create a solution for retail investors,” because I had started investing far earlier, younger than I would have ever imagined and I was doing it for very specific reasons. There were very specific financial goals that I was investing in certain stocks or ETFs over instead of others. But looking at the landscape back then in 2015, 2016, like everyday people hadn't really started investing on their own. It was still very much like, “Oh, I call my broker, and they make this trade.” Or like, “I have a financial manager that's managing this money for me.”

Robinhood was just a couple of years old, and so I didn't really feel that there was enough market demand for me to create a solution back then. So in the meantime, I focused on something else, which is a virtual financial literacy program for college students, personal finance 101 course we all should have had. I kind of created that to begin with, while they waited for the market to catch up. Then 2020 happened. So in 2020, everybody and their brother diving into retail investing, opening this account, that account, that other account that's offering them free stock or free crypto or whatever it is, trying to incentivize new users to come on board.

As a certified financial planner, which I earned that designation after I left Wall Street, I'm really fascinated by what motivates people to take action and to put their money at risk. So I just started having conversations with people. I infiltrated these Facebook groups that were blowing to like tens of thousands of members overnight, even women. All of a sudden, there were like 40,000 women in this one Facebook group for Investing Queens or whatever it was called. I was like, “Wow, this is – Like what is going on here?” So I like infiltrated these groups, and I just started asking people, “Why are you investing? What are you trying to accomplish?”

Because traditional personal finance advice and gurus would say, “Don't buy individual stocks. Don't buy crypto. Invest in ETFs and diversified assets for the long haul and for decades, and you'll be wealthy over time.” What happened was I started getting all of these responses about very specific financial goals that people, especially women, were hoping to achieve by investing in stocks, crypto, and in other individual assets like a spin bike. I want to buy a peloton, and I want to feel less guilty about that purchase. Or I want to buy a peloton instead of a Nordic bike.

Or whatever that delta expense difference was. They wanted the slightly more luxurious purchase. Or I want to buy a house in three years, and I either want a bigger down payment, so I don't have to take out as big of a mortgage. Or I want to be able to buy a bigger house. Or I want to pay off my car loan. Or like this just wide gamut of things that people were investing for that are much shorter term than retirement, everything from like six months to 10 years away. I was like, “Wow, that is really fascinating.”

As a financial planner, again, I’m like, “How are those goals, each of which has a unique timeframe and a risk tolerance associated with it, right?” Some would suck more than others, if you don't achieve them. How are those dictating the investments you're buying? Nobody had any clue. They're like, “I'm following this person on Twitter and this talking head on CNBC, and I'm just investing in like 20 fractional shares and five crypto and hoping one of them goes to the moon.” I'm like, “That is not the answer.”

Then the last question I would ask is how are you tracking any of this, and a couple people said, “Well, I've built a spreadsheet, and it kind of sucks. I have to manually update this whenever I sell or buy something else in my accounts. But it at least lets me see, these assets I own in my Robinhood account are for this goal. These other assets I own in that account are for this other goal. And then my Roth IRA is split across three different goals,” let's say. So at least it allowed them to kind of earmark certain assets for specific goals. I was like, “That's really interesting.”

But most people are just doing mental accounting. So they would open those five accounts that they opened during the pandemic. They would sum in their head about how much they have across all of them. Then they go one step further, which is to say a third of it is for this goal. Half of it is for this other goal. The rest is YOLO, like whatever happens. Interestingly, I love how life works in full circle, it reminded me of when I was still on Wall Street. Like 2013, my now husband came to me and he said, “I have this much money saved for your engagement ring. But the one I want to buy you is more expensive. Are there any investments I should buy for your engagement ring?”

As a female investment analyst, like this is what I did for a living. So, of course, like what better karat, pun intended, for me to be like, “Yes, I've got some investment ideas. This is what I do all day. I research all of this stuff.” So back then, I sent him what is now the super rudimentary prototype for Reason, which was a simple spreadsheet of 5 to 10 different companies I had researched and price targets for each or like the price at which I would sell each of them in the future to pay for or use those profits for this goal.

He was able to play around with different like allocations. Okay, if I buy this much of A, B, and C, it could get me to this close to my goal. Versus this much of stocks, X, Y, and Z could get me closer to my goal. So over the course of a year, we doubled his ring fund. I got a beautiful engagement ring out of it. As a woman who had previously felt very excluded from the financial world, to recognize how I could leverage it to achieve a very specific and important financial goal for myself was transformative. So I thought there has to be a tech solution for this.

In looking at the market, there's, until Reason, really wasn't a solution that allowed a user, an investor, to assign specific investments they own to specific goals on certain timeframes, and then track those goals kind of in buckets. There's lots of solutions for savings buckets. Oh, I'm saving for this. I'm saving for that. You can put cash that you own into each of those.

That doesn't exist for investing, and so we built the engine that allows you to say, “I own 10 shares of Apple. Three of them are for this goal that I want to achieve in a year. The other seven are for this other goal. I want to hold on to them for a while.” So that's five years away, let's say. Then it allows you to sort of put a stake in the ground that when and how high of a price you'd be willing to sell it to actually use those assets for specific goals.

So it's really started as this like dashboard of sorts that you sync your accounts, and you can kind of earmark certain assets for specific goals. But actually, as it's developing, it's becoming much more of a platform that allows you to see what other people are investing for, how they're investing, or what their strategy is for similar goals that maybe you're investing for. So you create a home down payment reason, let's say, and we'll be able to show you other people like you who want to achieve a home down payment, have assigned these types of assets, cash, ETFs, stocks, etc. to that goal, and really leverage the wisdom of the crowd to help you make more informed decisions for yourself. So it's kind of where we're at right now.

[00:24:30]

FT: Tara, can you guess what I'm going to ask you next?

[00:24:33]

TF: Maybe. But go ahead.

[00:24:34]

FT: All right. Well, as I'm hearing you describe this, and I can definitely see how this could be very helpful for long-term investment goals, but there's a reason this app doesn't really exist for short term goals. That's, I think, because we have been told that it's too volatile to put your money in the market for something that you want to absolutely have that money back in five years. I say that. I believe in that. So how do you adjust for risk, and how do you educate risk to an audience that's new to investing?

I see a lot of potential problems, right? Someone's like, "But I invested in five shares of Apple for this ring that I want in five months." But then Apple had a really bad earnings report. So now, you have to wait another who knows how long for those shares to regain value. So this is not just something that might happen. I think it will happen. So how do you adjust for that?

[00:25:27]

TF: Yeah. That's a great question, and I was like, "She's either going to ask about volatility or taxes." Which one is it going to be? Because the taxes piece is another part. But on the volatility side, it's interesting. We aren't going to be a registered investment advisor. We're not going to tell you what to invest in. If you want that, you should go to a robo-advisor. We're really targeting the people who have very specific goals they're trying to achieve and want to make those decisions more on their own with a little bit of insight from a community, let's say.

What we can show you or at least tell you would be that, hey, you've told us that this goal is short-term and very important to you. We will be able to eventually objectively ping you and say, "Hey, there's a mismatch between what you've told us about this goal, short-term and very important, and the types of assets that you've assigned to it. Hey, these have a much higher risk score than would be considered like appropriate or suitable for this type of goal," and just give you a little nudge of like, "Hey, you might want to change what you've done here."

Interestingly, users have sort of told us that in this market downturn, using Reason and viewing their investments through this goals-focused lens has actually made them feel less scared about what's happening in the market and the volatility and the ups and downs. Because when they've kind of assigned suitable assets towards specific goals, they see like – My husband's investing in crypto to buy a surfboard. He's not getting that surfboard anytime soon, and he's okay with that because the surfboard is not consequential to his life.

Meanwhile, the assets we have earmarked for our home down payment are much less volatile, less tied to the market. So when we see everything through Reason, it's like, "Oh, yeah. My surfboard is like down a lot. But like that's because of the types of assets I've assigned to it." Whereas my home loan payments doing okay because I've assigned a less tied to the market, lower beta, risk-adjusted assets to that.

[00:27:18]

FT: I see.

[00:27:18]

TF: Yeah. So rather than – I think what happens is that you have a lot of hurting and panic selling in the current structure of investing apps because you just open an account, and you just see a big list of red and a big dollar account value that's dropped, let's say, on a percentage basis or a dollar basis. But you don't have any context for what that actually means for what you're trying to achieve, unless that one account is only for one goal, and then it matches up. You can connect the dots.

But if that one account is meant to sort of cover a bunch of things, then you don't really have any context, and so you just get scared because you're like, "Oh, my God. My account's down 25% this year." Well, what does that actually mean for the goal you want to achieve in six months, the other one you want to achieve in two years, the other one you want us to achieve in five years? You don't really know, until you actually put your money into buckets and attract them that way.

It's an interesting personal finance, behavioral finance experiment, for sure. But we are – Everything that I do as a financial planner is with the intention of doing right by our users and trying to educate them along the way.

[00:28:22]

FT: Are you creating any sort of guidelines, ground rules for how the crowd converses? Because as we know, we don't want this to turn into some sort of Reddit board, right? Where suddenly now you are having a bunch of people targeting a meme stock. That happens, right?

Crowdsourcing has its pros, but it also has its pitfalls, which is that we tend to follow the herd. We get overexcited about a particular stock. We become irrational, essentially. So what is Reason doing to sort of manage that potential?

[00:28:52]

TF: Yeah. That's a great question too, and we are intentionally not including chat functions or forums on Reason because we don't want some loud voice to be the one – Like the voice of Reason. We want to be the voice of Reason and make sure that anything that we are showing you is with the end goal your ultimate motivation in mind. So, sure, we may show you sort of like top five investments owned by Reason users. But when you click on something like that, it will then show you what reasons those have been assigned to. Or if you see top reasons on the platform, like other goals that people are investing for, let's say retirement, you can then click on that and see the top types of assets that people have assigned to that reason.

So it's all with the intention of like, "Well, why did they buy that?" For us, it's not just about chasing some return or alpha or like trying to outperform some index or have like gain or like lost stuffed posts on Reddit, subreddits, etc. It's all about how does this affect the goal that you're trying to achieve? When we apply that filter, it all of a sudden kind of makes those bad actors go away because those bad actors aren't pumping up stocks to pay for something very specific. They're pumping up stocks for like the entertainment value of it, for the ego aspect of it, etc. That's not what we're about.

So just by virtue of how we're constructed, we've likely won't attract those types of people. Even if we do, we have these filters in place to kind of filter out the things that they're doing or at least try to spin it in a way that like is informative to you about how that act or investing in that thing may affect the goals that you're trying to achieve.

[00:30:31]

FT: It's definitely innovative and I think a nice sort of solution when we have what I think are very opposite end products in the market. We've got, like you mentioned, the Robinhoods of the world, which can promote a lot of frenzy to trading. Then you have the other platforms like the

Ellevests, Wealthfronts that are more like long-term goal-oriented, the IRAs and ETFs and retirement portfolios. This is sort of like pick your lane, but let's do it responsibly, and let's help you be goal-oriented and leverage community when it makes sense. We have a special link in our episode notes for listeners who'd like to give Reason a try. Any parting thoughts, Tara, before we wrap?

[00:31:15]

TF: Yeah. I mean, I think you said it exactly right. That's how I describe the market, which is you have on the far right side of the spectrum robo-advisors that are very goals-focused but take the control from you, right? They make the investment decisions for you. Then the brokerage accounts give you way more control than you need but don't care because they're not – That's not their business model. They don't care how you actually do or why you're actually there. We are sitting squarely in between for all the people who want the best of both worlds to say, "I want more control over my investments. Maybe I want to own something because I liked the company, or I believe in their mission, or it has an ESG impact," whatever it might be.

But I want to do that because investing is a tool to achieve a goal. It is a means to an end. You have to sell investments to actually make those investments make you money. You have to realize those gains. So we just give you a way to take all that stuff out of your head, put it into a really easy-to-use intuitive platform that's going to continue to get smarter and smarter as more people start to use it and, ultimately, will help you kind of help or achieve your reasons for investing, while also being the voice of Reason for you along that journey.

So my parting thought is I just love the dual mission of Reason, which is to, ultimately, help you achieve the things that are motivating you to invest but really be kind of that wise counsel for you along the way. I'm not giving you advice but just sort of like showing you objective things and what other people are doing to help you make more informed decisions yourself. Like I'm all about financial empowerment, and that's really what is rooted in Reason.

[00:32:45]

FT: Tara Falcone, thank you so much. We'll be following you.

[00:32:49]

TF: Awesome. Thank you, Farnoosh. Appreciate it.

[END OF INTERVIEW]

[00:32:53]

FT: Thanks so much to Tara for joining us. Again, the link to check out Reason is in our episode notes. Stick with us. On Wednesday, we're going to kick off a multi-episode series, where we'll be highlighting the NextUp honorees, the new voices in personal finance. In partnership with NextAdvisor, we'll have Adam Auriemma on the show Wednesday. He's the editor-in-chief of NextAdvisor, to talk about what NextUp is and the future of personal finance. Until then, I hope your day is So Money.

[END]