

Top 5 Best Online Investment Companies | 2017 Ranking | Best Online Investing Sites & Investment Management Services

2017 RANKING & REVIEWS
TOP RANKING BEST ONLINE INVESTMENT
COMPANIES



Award Emblem: Best Online Investment Companies

**2017-2018 Review: The Top 5 Best Online Investment
Companies**

Investing via investment advisors and stockbrokers has been around for decades. These advisors provide their advice and expertise to help us make the best use of our money.

However, with the rise of the Internet in the mid-1990s, more power has been put into the average Joe's hands through investing online. E-Trade and Ameritrade were a few of the first online brokerages that offered low commission for direct control over a portfolio of investments.

After these initial first players in the market, other conventional brokerage firms began to join in on the action, offering online investing services along with the advice of its brokers. This gave investors the ability to bypass the middleman and take control of their own portfolios, saving on trading commissions. By 2015, nearly [\\$19 billion was managed](#) by online investment platforms. The popularity of these online investing sites continues to grow, and shows little signs of stopping.

As estimated by [MyPrivateBanking](#), hybrid robo services--automated investment software combined with human advice--will constitute [over 10%](#) of total investable wealth by 2025.

As the popularity of online investing companies continues to spread, your choices in an online investment platform also continues to increase. Undoubtedly, it can be challenging to sift through online investing sites to find the best investment management software for your needs.

This is where AdvisoryHQ comes in. Our expert review of the best online wealth management companies provides comprehensive views of the features, and pros and cons for each of this year's top online investing sites, helping potential investors to make smart investment decisions.

AdvisoryHQ's List of the Top 5 Best Online Investment Management Companies

List is sorted alphabetically (click any of the company names below to go directly to the detailed review section for that online investment management company):

- [**Betterment**](#)

- [Charles Schwab](#)
- [FutureAdvisor](#)
- [Motif Investing](#)
- [Personal Capital](#)

Top 5 Best Online Investment Companies | Brief Comparison & Ranking

Best Online Investment Companies	Highlighted Features
Betterment	Simple asset allocation & low management fees for new investors
Charles Schwab	No advisory fees, account fees, or commissions
FutureAdvisor	Focus on long-term, diversified investments
Motif Investing	Provides themed, professionally-created baskets of stocks
Personal Capital	Intuitive, free investment management software

Table: Top 5 Best Online Investing Sites | Above list is sorted alphabetically

Best Practices for Online Investing

No matter which online investment platform you choose, there are several things to keep in mind when you embark on your online investment journey for the first time.

- Start with a smaller sum before putting substantial amounts of savings into the market. Once you feel confident with a smaller amount of money, you can add more to invest online.
- Mutual funds can lower risk, save you time, and will usually pay off in the long run! Keeping some of your money in mutual funds rather than converting it all into individual stocks is a wise move for most investors, especially beginners.
- If you decide to invest online, it's your duty to stay as informed as possible on how the company is doing. Check its website frequently, set real-time Google alerts, and monitor the news for any major happenings.

- The U.S. Securities and Exchange Commission also provides publicly available filings through its [EDGAR system](#).



AdvisoryHQ's Selection Methodology

What methodology does AdvisoryHQ use in selecting and finalizing the credit cards, financial products, firms, services, and products that are ranked on its various top-rated lists?

Please click here "[AdvisoryHQ's Ranking Methodologies](#)" for a detailed review of AdvisoryHQ's selection methodologies for ranking top-rated credit cards, financial accounts, firms, products, and services.

Detailed Review – Top Ranking Best Online Investment Companies

Below, please find a detailed review of each investment management company on our list of best online investment companies. We have highlighted some of the factors that allowed these online investing sites to score so high in our selection ranking.

Personal Capital Review

[Personal Capital](#) wants to “build a better money management experience for consumers” by blending objective financial advice with the most up-to-date [investment management software](#) available.

It believes this will make online investment management more accessible to consumers as well as more honest and transparent. It currently has over 1.3 million registered users and manages [\\$3.9 billion](#) in assets.

Key Factors That Led to Our Ranking of This as One of the Top Online Investment Companies

When examining the top investment management companies, below are the factors which led us to rank Personal Capital among the best online investing sites.

Values and Philosophy

Personal Capital lists several different core tenants of its [company philosophy](#) on its clean, easy-to-use website. It offers:

- Objectivity in its financial advice that is within its customers’ best interests
- A holistic view of consumers’ money
- Transparent business processes with no hidden fees
- Dedicated, personal financial advisors
- Strategic and affordable solutions to complex fiduciary problems
- Customized investing advice and strategies

[Click Here to Join Personal Capital Now!](#)

One thing that sets Personal Capital apart is its focus on women investors. Its [Creating Capital](#) movement aims to empower women to close the gender investing gap through promoting more dialogue, awareness, and education.

Features and Services

Personal Capital's online investment features fall into two main camps: financial tools and financial advisory.

The financial tools section includes the dashboard: the central hub of Personal Capital's tracking capabilities. The dashboard makes it easy to plan for retirement, set a budget, track your portfolio performance, and more.

Personal Capital also features an easy-to-use, crisp [app for Android and iOS](#) to help keep track of online investing portfolios on the go.

Fee Analyzer

One highlight of Personal Capital's selection of investment software tools is the [Fee Analyzer](#). This provides transparency into any hidden fees you may be incurring because of a mutual fund or retirement account.

These kinds of fees can cost you thousands and prevent you from retiring earlier, making this investment management software integral to creating retirement savings.

Investment Checkup

The [Investment Checkup](#) tool allows you to analyze your portfolio and can identify quick improvements that can save – or earn – you money. This tool can also recommend an ideal portfolio based on your comfort level, with risk and expected rewards. Under “Financial Advisory,” Personal Capital offers several different services based on consumer needs.

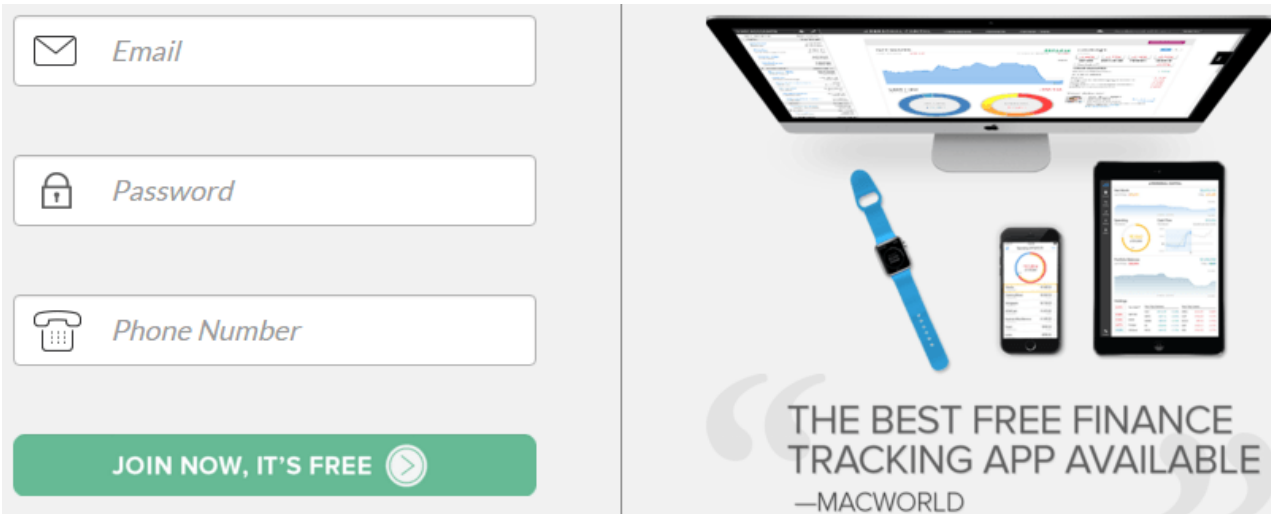
Registration and Process

Each of Personal Capital's sets of tools and services offer different registration and pricing structures.

First, all of Personal Capital's online investing tools are completely free and require minimal information to sign up – just a name, email address, and password.

When it comes to financial advisory, pricing gets a little more complicated. Clients who invest at [least \\$25,000](#) in portable assets receive licensed advisors dedicated to their account, an initial meeting with the advisors to discuss investing goals, and personalized recommendations to make progress toward those goals.

Click Below to Open Your Free Account with Personal Capital



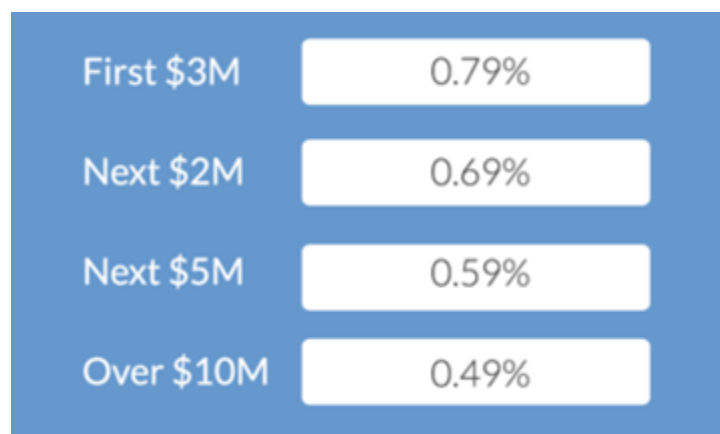
The image shows a registration form on the left with three input fields: 'Email' (with an envelope icon), 'Password' (with a lock icon), and 'Phone Number' (with a telephone icon). Below these is a green button that says 'JOIN NOW, IT'S FREE' with a right-pointing arrow. To the right is a graphic featuring a monitor, a smartwatch, a smartphone, and a tablet, all displaying financial data. Below the devices is a quote: 'THE BEST FREE FINANCE TRACKING APP AVAILABLE' attributed to '—MACWORLD'.

This service is priced at one all-inclusive fee based on the percentage of assets managed. There are no set-up fees, account opening fees or maintenance fees. Personal Capital is very upfront the cost structure associated with this version of its wealth investment management software.

Personal Capital Fee Schedule	
FIRST \$1 Million	0.89%
For clients that invest \$1 million or more:	
FIRST \$3 Million	0.79%
NEXT \$2 Million	0.69%
NEXT \$5 Million	0.59%
OVER \$10 Million	0.49%

Finally, for clients that invest online at rates of \$1 million or more, Personal Capital offers access to its private client group.

These clients will schedule a consultation that will provide them with expedited attention and tool personalization, access to an entire committee of investment professionals, and opportunities with private company investments (venture capital, private equity, etc.). Private clients also enjoy a reduced fee structure, pictured below.



First \$3M	0.79%
Next \$2M	0.69%
Next \$5M	0.59%
Over \$10M	0.49%

Resources

In addition to an attractive, easy-to-use website with concise, clear descriptions of its products and services, Personal Capital also offers a well-maintained [company blog](#).

This section provides news and education on high-level topics about the state of the online investing market, all the way down to articles about how to weigh if organic food is really worth the price.

The existence of this well-maintained blog shows that Personal Capital really does believe in getting its clients the best, most transparent information possible and helping them make smart decisions to reach their financial goals.

Bottom Line

Personal Capital is an easy-to-use, streamlined site for online investing but also includes the “big picture” of all your finances in one place. Its investment checkup and reporting features are also big pluses, and these features are supported by iPhone, iPad, Apple Watch, and Android.

However, asset allocation and categories inside its investment software aren't customizable, which could be problematic if users want to vary from the set models. In comparison, its budgeting tool is also less user-friendly than Mint's.

All in all, Personal Capital is one of the best online investing sites and offers an excellent, comprehensive service for managing all your assets in one location.

Click Below to Open Your Free Account with Personal Capital



“THE BEST FREE FINANCE TRACKING APP AVAILABLE”

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Don't Miss: [Best Robo Financial Advisors in Canada | Ranking | Best Canadian Robo Advisors](#)

Betterment Review

Betterment's focus is on an online investing portfolio that is designed to optimize returns and minimize risk, providing [2.9 percent higher returns](#) than the average do-it-yourself investor. It accomplishes this through global diversification, smart rebalancing, and lower fees.

It prioritizes automation of its services to make smarter and more efficient choices – scheduling deposits, investing excess cash, and providing a holistic look at spending across all accounts.

Key Factors That Led to Our Ranking of This as One of the Top Online Investment Companies

When examining the top investment management companies, below are the factors which led us to rank Betterment among the best online investing sites.

Values and Philosophy

Betterment is at the intersection of investing and technology, setting out to answer the question, “What should I do with my money?”

With sophisticated financial products and investment software, Betterment aims to align its incentives with those of its clients to bring certainty and control to the online investing process.

Features and Services

Betterment divides its services across financial planning, retirement, IRAs, trusts, and a product called [Tax Loss Harvesting+](#).

Most of these features feed into its main offering of financial planning. Betterment promises a customized online investing strategy based on client goals: saving, retirement, building wealth through online investments, etc.

Its [RetireGuide](#) offers a consolidated view of your retirement, taking all assets and savings into account. It also handles rollovers of IRAs, pensions, and government plans as one while maintaining an optimal level of risk.



Registration and Process

Recently, Betterment has completely overhauled their [pricing structure](#), offering no trade fees, no transfer fees, and no rebalancing fees. Each pricing structure comes with automated portfolio management, tax-efficient investing features, expert advice, and award-winning customer support, though pricing does depend on individual balances.

Pricing for this online investment platform is detailed as follows:

- 0.25% Annual Fee: No minimum account balance
- 0.40% Annual Fee: \$100,000 minimum account balance. Includes an annual call with CFP professionals and additional account monitoring.
- 0.50% Annual Fee: \$250,000 minimum account balance. Includes unlimited calls with CFP professionals and additional account monitoring.

Resources

Betterment's bank of online investing [resources](#) is impressive. Besides educational articles similar to those on Personal Capital, Betterment offers several interactive tools and calculators to help clients lead smarter financial lives.

Featured on its resources page is a [guide to protecting yourself against tax fraud](#), which addresses identity theft issues associated with filing taxes.

In its Resources section, Betterment also provides transparency into the research, data, and sources it uses to make its investment selections. In-depth

white papers take readers through the algorithms and automations that Betterment has created to manage online investments.

Bottom Line

Betterment offers simple asset allocation and low management fees that are perfect for young investors. Its simple, easy-to-use interface offers all the features needed to manage online investments for a low fee, and it is certainly among the best online investment companies today.

Though many of Betterment's investing services are on par with Personal Capital, the dashboard doesn't offer a holistic look at the goings-on of all your financial accounts.

Additionally, it may be too catered to beginners for some higher-net-worth investors who may be looking for more sophisticated advice and can perform their own asset allocation.

Related: [**Best Robo Advisors | Ranking | Best Online Investment Companies for Robo Investing**](#)

FutureAdvisor Review

[FutureAdvisor](#) caters to clients who already have accounts and online investments across several channels. Its services help people manage these accounts to maximize benefits and help them all work together seamlessly.

It emphasizes automated online investment management through its proprietary algorithm, coupled with its personalized advice from financial advisors and service specialists. Money you invest stays in your name, within Fidelity and Ameritrade, and is managed by trusted custodians.

Key Factors That Led to Our Ranking of This as One of the Top Online Investment Companies

When examining the top investment management companies, below are the factors which led us to rank FutureAdvisor among the best online investing sites.

Values and Philosophy

FutureAdvisor's online investment philosophy makes it clear that it doesn't believe in cookie-cutter investing. It touts the benefits of long-term, diversified investments combined with algorithmic monitoring.

Its strategy is based on modern portfolio theory, the Black-Litterman model, and the Fama-French three-factor model, taking into account its investor's age, time he/she has to invest, and family situation before providing a personalized recommendation.

Features and Services

The main focus of this top investment management company is on helping investors save for retirement and college. Plans for both of these goals are free and include portfolio analysis and an easy-to-use interface.

Day-to-day portfolio management is done through a combination of FutureAdvisor's recommendation algorithm and a human investment team.

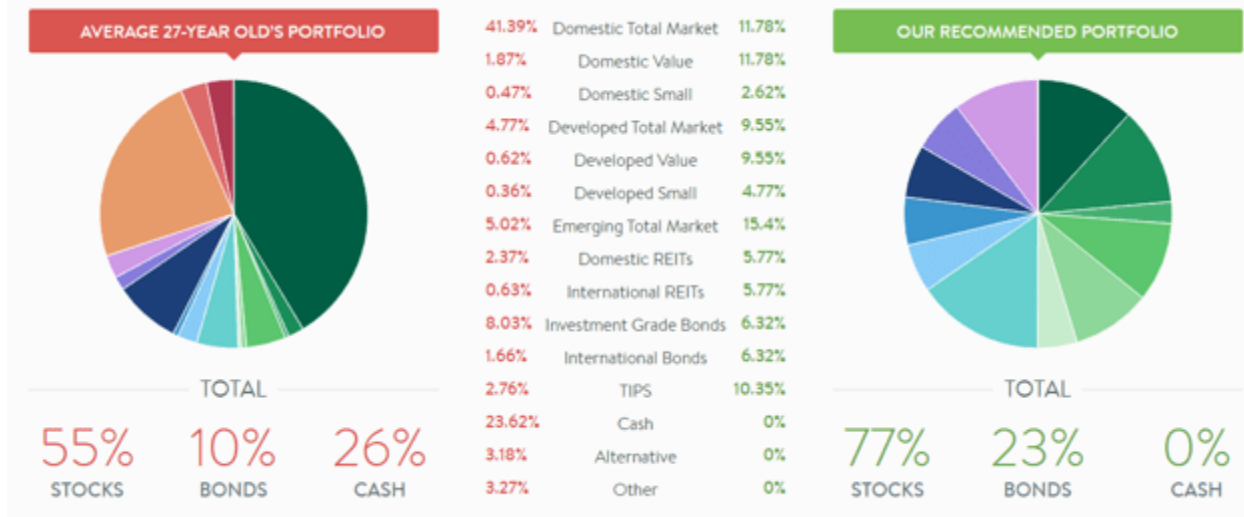
Registration and Process

When signing up for FutureAdvisor, investors have two main options:

First, is having FutureAdvisor manage online investments, where advisors create an action plan tailored to your goals. The money stays with Fidelity or TD Ameritrade while they make trades on your behalf on an ongoing basis.

Investors are also allowed to check in on advisors' analyses and trades at any time via FutureAdvisor's easy-to-use dashboard.

This option has a flat annual management fee of [0.5% of assets managed](#), but the first three months are free. Investors must have at least \$10,000 in assets that are available to invest.



The second option for investors is to receive advice on how to improve investments on their own, which they define as [Retirement Advice](#).

Investors can connect their accounts to FutureAdvisor, and then the platform provides step-by-step advice based on their goals. The dashboard will also shift and update depending on market options. There is no fee for using this version of their investment software.

Resources

Like many other online investing sites, FutureAdvisor provides an [Investing Library](#) that contains advice and articles about online wealth management.

Topics of these articles include financial goal setting, beginner’s advice for those new to online investing, and retirement and college saving. FutureAdvisor also maintains active social media accounts where it shares related news and commentary.

Bottom Line

The biggest pluses for FutureAdvisor, along with many of the features and services that other online investing sites offer, are the flexibility and ability to try its service for free. Its online investment platform gives you recommendations based on your current portfolio without having to transfer assets over.

However, drawbacks include higher fees than some online wealth management sites, and its asset allocation is less flexible than Betterment.

When looking for investment or retirement services, FutureAdvisor is a solid option. However, if you're looking for holistic daily financing and budgeting, go with Personal Capital instead.

Popular Article: [Best Online Financial Advisors | Ranking | Top Online Investment Companies & Planners](#)

Charles Schwab Intelligent Portfolios Review

[Schwab Intelligent Portfolios](#) markets itself as an online investing advisory service that builds and rebalances your portfolio and helps you work toward your savings and income goals.

With [no advisory fees, no commissions, and no account service fees](#), Schwab Intelligent Portfolios is one of the top online investment companies to consider using in 2017.

Key Factors That Led to Our Ranking of This as One of the Top Online Investment Companies

When examining the top investment management companies, below are the factors which led us to rank Charles Schwab Intelligent Portfolios among the best online investing sites.

Values and Philosophy

Charles Schwab believes in offering sophisticated online wealth management to more than just millionaires. Its services are available to anyone with a [minimum of \\$5,000](#) to invest.

This top investment management company also believes that online investing doesn't have to be painful and is proud that it offers investment professionals for round-the-clock customer service.

Features and Services

Schwab Intelligent Portfolios is designed to save you time by automating many of the things investors do on an ongoing basis – studying the market, choosing the right investments, and rebalancing. Goals are set on a savings or income basis.

Unlike several other online investing sites, Intelligent Portfolios is pretty straightforward regarding what its services offer. A portfolio is built that includes [up to twenty](#) low-cost exchange-traded funds (ETFs), including stocks, fixed income, real estate, and commodities to diversify.

As with most other online investment sites, Intelligent Portfolios offers automatic rebalancing of underweight and overweight asset classes as long as investors keep a balance of at least \$5,000.

Registration and Process

Charles Schwab Intelligent Portfolios claims that “if you have time for a cup of coffee, you have time for investing with their services.” The process is simply to answer a few questions to determine risk profile, review your recommended portfolio, and complete a simple enrollment process.

Notably, Intelligent Portfolios charges no advisory fees, account service fees, or commissions. However, affiliates do earn revenue from underlying assets in these accounts that they manage.

Resources

Schwab Intelligent Profiles offers [several white papers](#) explaining different parts of its online investment process and defining terms. It also offers investing insights in the form of a blog, though it is not nearly as well-maintained or organized as Personal Capital or Betterment.

Bottom Line

Obviously, the biggest draw for the Schwab Intelligent Portfolios service is no direct fees. Their investment management services will also allow you to remove up to three EFTs from the selected portfolio given to you, which is an option most online investment companies don't offer.

However, investments include large percentages of cash assets, which earn zero interest. Investments also include smaller cap stocks.

When factoring in returns lost from cash allocation and ETF fees, Intelligent Portfolios isn't actually cheaper than any of its competitors. Investors would be better off going with Betterment or Personal Capital.

Related: [Best Financial Advisors in Cincinnati, OH | Ranking | Cincinnati Wealth Managers](#)

Motif Investing Review

[Motif Investing](#) sets itself apart from the online investing community and the players mentioned above by positioning itself as a “concept-driven” trading platform.

Founder and CEO Hardeep Walia built the company in 2010 to fulfill a vision of consumers being able to invest in a trend, like robotics, or an investment style. These concepts are turned into “motifs,” which are baskets of up to 30 stocks or funds under these umbrellas.

Since its conception, Motif has received [\\$126.5 million in VC funding](#), was ranked fourth on CNBC's Disruptor 50 list, and built over 150 different motifs.

Key Factors That Led to Our Ranking of This as One of the Top Online Investment Companies

When examining the top investment management companies, below are the factors which led us to rank Motif Investing among the best online investing sites.

Values and Philosophy

Motif “gives the little guy a taste of the IPO,” according to the *Wall Street Journal*. Based on the insight from a consumer, Motif gives these investors a chance to act on their own perspectives and current events in the way they want to.

Motif emphasizes the fact that all investors are unique in their time horizons, risk profiles, and interests. Due to this, investors can customize professionally built portfolios to add or change online investments as needed.

It also believes in the transparency and visibility of your holdings and pricing as well as the power of continual innovation.

Features and Services

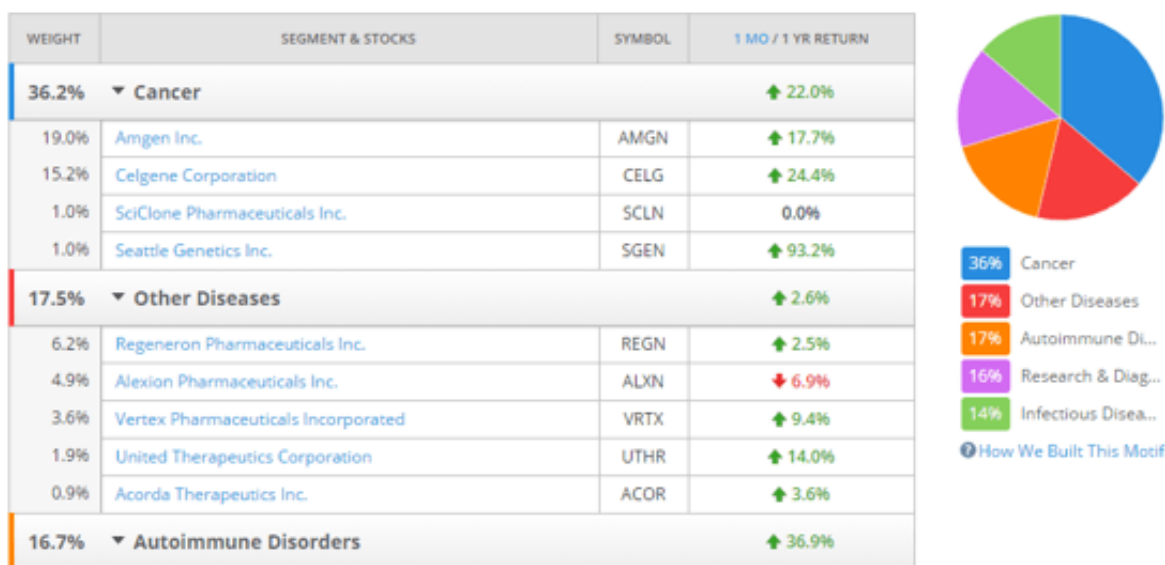
True to its name, the main service of this top online investment platform is the creation and trading of its professionally created baskets of stocks, or motifs. Each reflects a particular idea, concept or trend and can be customized.

Investors can also create their own motifs and then choose to share them with the larger motif community. If this motif is picked up by another investor, the motif creator enjoys a royalty payment.

Registration and Process

To get started, investors can sign up using Facebook or their email address. Investing in a motif is as simple as researching and choosing from a list of motifs – both investor-created and professionally-created.

Even before signing up for motif, potential investors can check out all available motifs in their [catalog](#). This includes a list of top stocks in the motif by weight, a chart of the diversification of segments, the index, and volatility rating. This Biotech Breakthroughs motif overview is one great example:



With a [minimum balance of \\$1,000](#), investing in a motif costs [\\$9.95](#) – as low as \$0.33 per stock. There are no management fees, which makes Motif one of the best online investing sites to consider for low-fee investment software.

To compare Motif Investing against other top investment management companies, they provide a brief comparison chart:

	motif	E*TRADE Adaptive Portfolio	Fidelity Go	Calvert Social Index Fund(CSECX)
Cost ¹	\$9.95/Mo	0.30%	0.35% - 0.40%	1.09% + 4.75% initial fee
Minimum Investment	\$1,000	\$5,000-\$10,000	\$5,000	\$2,000
Aligned to Your Personal Values	✓	×	×	✓
Direct Stock Ownership	✓	×	×	×
Know Exactly What You Own	✓	×	×	×
Ability to Customize	✓	×	×	×
No Compromise Guarantee	✓	×	×	×

Resources

Motif offers a blog of investing insights and trading ideas similar to the first three online investing sites listed.

Additionally, it has sections for “Hardeep’s thoughts” and an “Inside Motif” section, which take investors through commonly overlooked features of the platform. Motif does a better job at humanizing its brand through these resources than most other online investing sites.

Bottom Line

Motif is an interesting option for people looking into online investing. Its themed investments are great for diversifying assets and provide low-cost trading. Many users will also enjoy the option to create their own motifs or sell single stocks or ETFs at \$4.95 per trade – one of the lowest fees in the industry.

However, its relatively short time in the industry means that there are still some additions it could make to improve its services. Searching for features and complex orders are still unavailable on the platform.

For those looking to diversify or who are interested in starting out with a relatively low-cost, low-risk option, Motif is a solid choice.

Conclusion: Summary of Online Investments

When it comes to investment management services, there is no doubt that online investment companies and investment management software are quickly becoming the investing tools of the future.

Automatic portfolio rebalancing and asset allocation makes it easier than ever for investors to begin creating and diversifying their investments, regardless of experience or financial skill level.

If you're considering using an online investment platform for investment management services, take a look at the top online investment management companies and see what the best online investing sites have to offer.

These online investment companies tend to be much more affordable and much more convenient than their human advisor counterparts, and can be valuable tools when making investments and planning your financial future.

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— MACWORLD —

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