

# 2015 Planning & Progress Media Study

## The Longevity Risk

Northwestern Mutual is the marketing name for The Northwestern Mutual Life Insurance Company (NM), Milwaukee, WI and its subsidiaries.

# Background

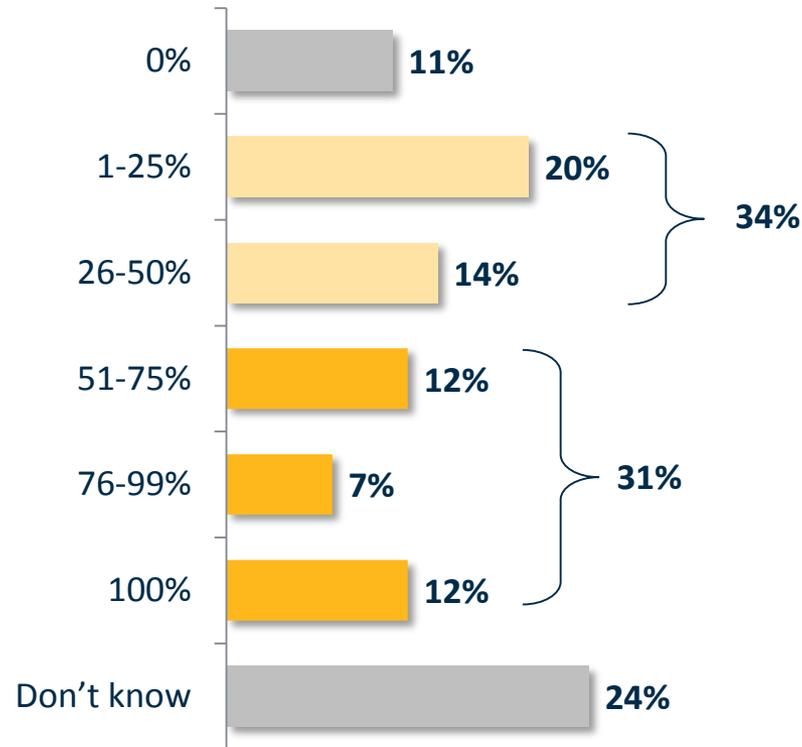
The 2015 Planning & Progress Study seeks to provide unique insights into U.S. adults' attitudes and behaviors toward money, goal setting and priorities.

The study is based on an online survey of 2,010 adults within the U.S. general population conducted from January 12 to January 30, 2015.

- Qualified participants were at least 18 years of age
- Data were weighted to be representative of the U.S. population (age 18+) based on Census targets for education, age/gender, race/ethnicity, region and household income

# Likelihood of Outliving Savings

Two-thirds of American adults think there is at least some chance that they will outlive their savings – with nearly one in three believing it's more than a 50% chance.



**BASE: ALL QUALIFIED RESPONDENTS (Gen Pop n=2010)**

**Q1645** In your opinion, what is the likelihood that you could outlive your savings?

# Steps Undertaken to Prevent Outliving Savings

While most Americans believe there is some chance they'll outlive their savings, more than half have done nothing to prepare for the possibility.

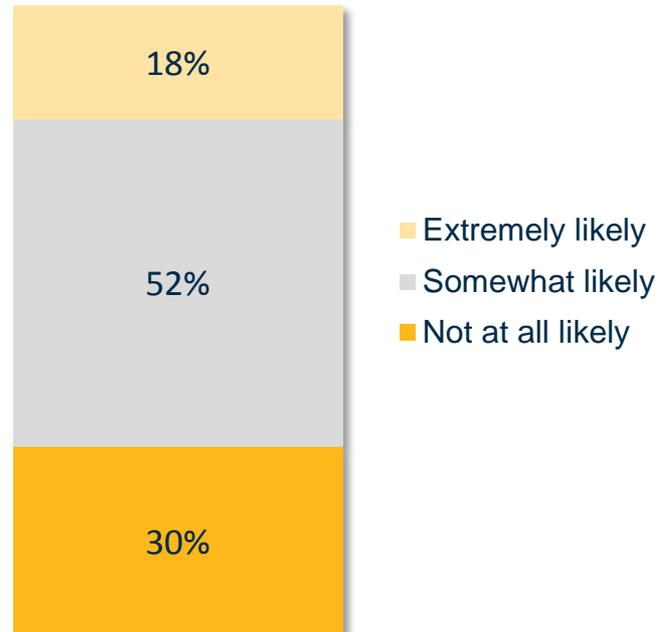


**BASE: ALL QUALIFIED RESPONDENTS (Gen Pop n=2010)**

**Q1655** What steps, if any, have you taken to address the possibility that you may outlive your savings?

# Likelihood that Social Security Will Be Available

Three in ten U.S. adults do not expect social security to be available when they retire.

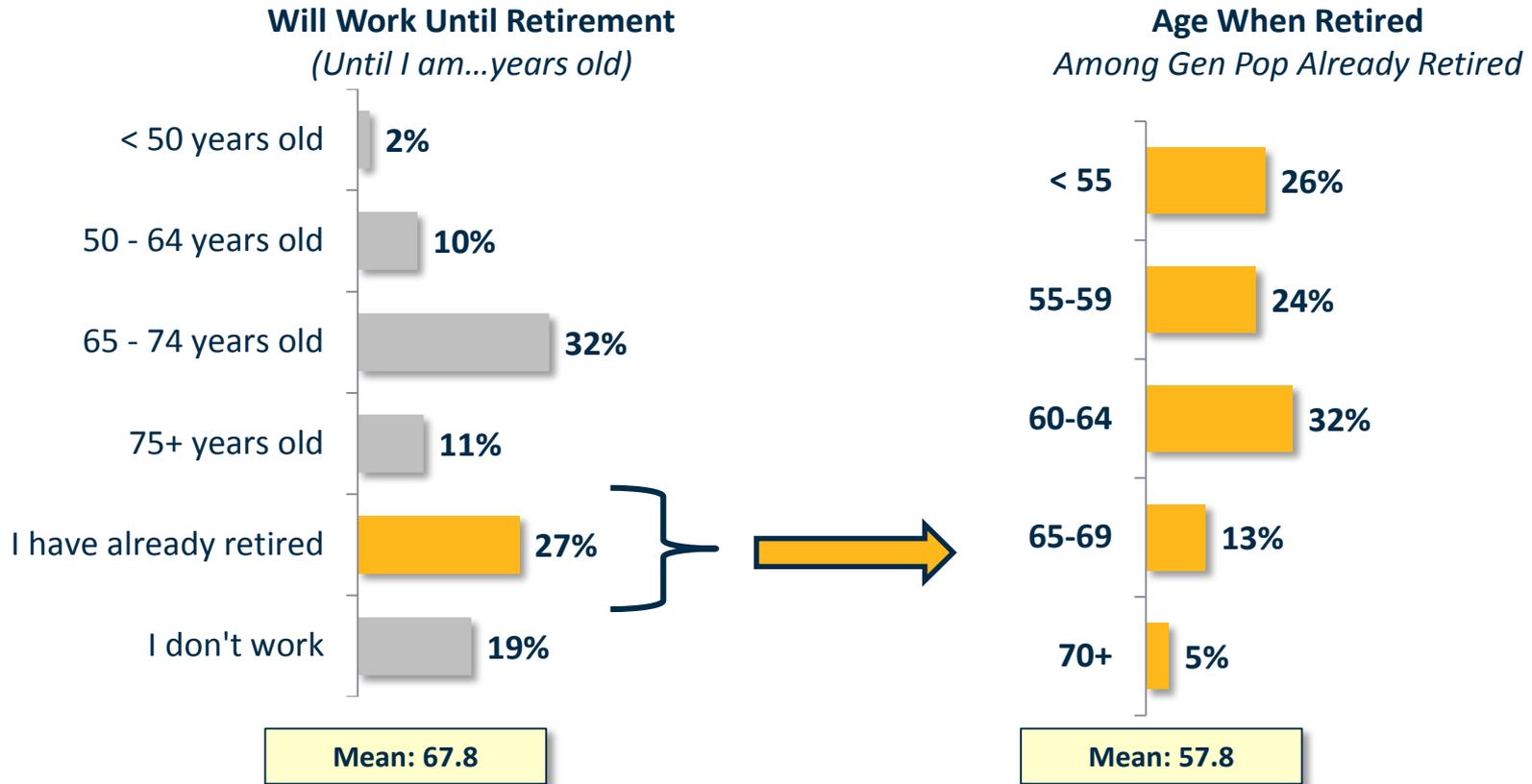


**BASE: ALL QUALIFIED RESPONDENTS WHO ARE NOT RETIRED (Gen Pop n=1228)**

**Q1565** In your opinion, what is the likelihood that Social Security will be available to you when you retire?

# Anticipated Age at Retirement

Those who are currently working feel they will retire at a much later age than current retirees.



**BASE: ALL QUALIFIED RESPONDENTS (Gen Pop n=2010)**

**Q1035** How long do you anticipate you will work before you retire?

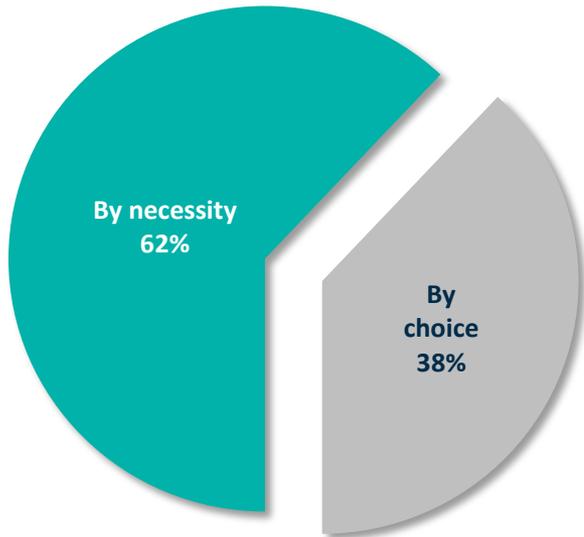
**BASE: ALL QUALIFIED RESPONDENTS WHO ARE RETIRED (Gen Pop n=416)**

**Q1040** At what age did you retire?

# Needing to Work Past Age 65

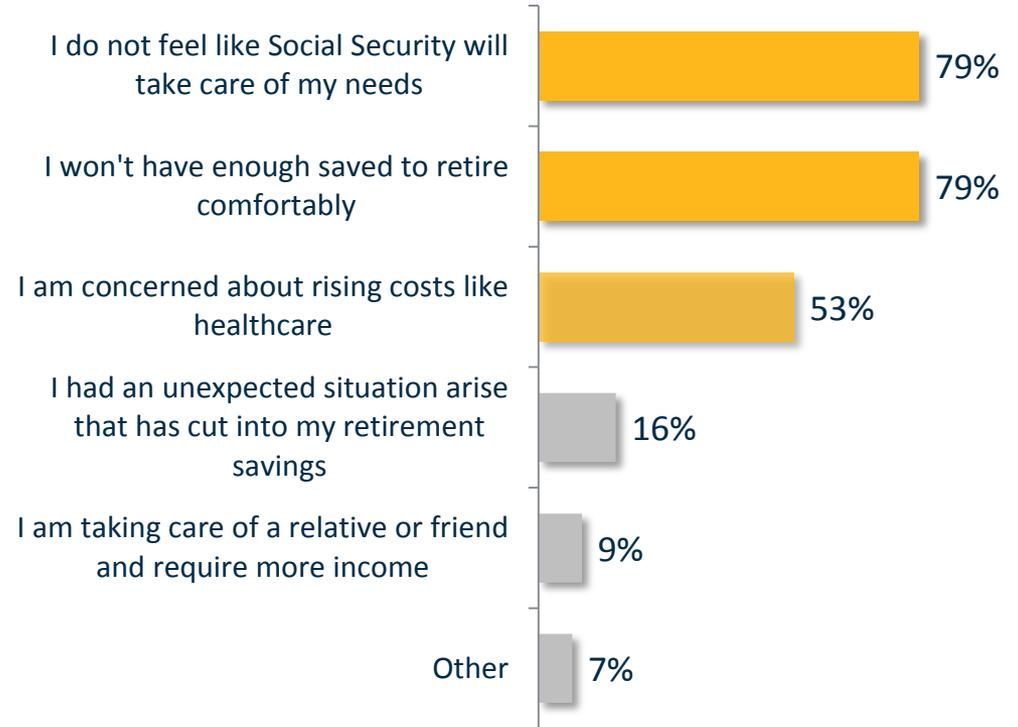
Six in ten working Americans who expect to work past the age of 65 believe it will be out of necessity, and among those, nearly 8 in 10 of those say they won't have enough money saved to retire comfortably and social security will not take care of their needs. Rising healthcare costs are also a concern to many.

## Planning to Work Past the Traditional Retirement Age of 65



**BASE: ALL QUALIFIED RESPONDENTS NOT RETIRED PLANNING TO WORK PAST AGE 65 (Gen Pop n=682)**

**Q1540** Are you planning to work past the traditional retirement age of 65 by necessity or by choice?

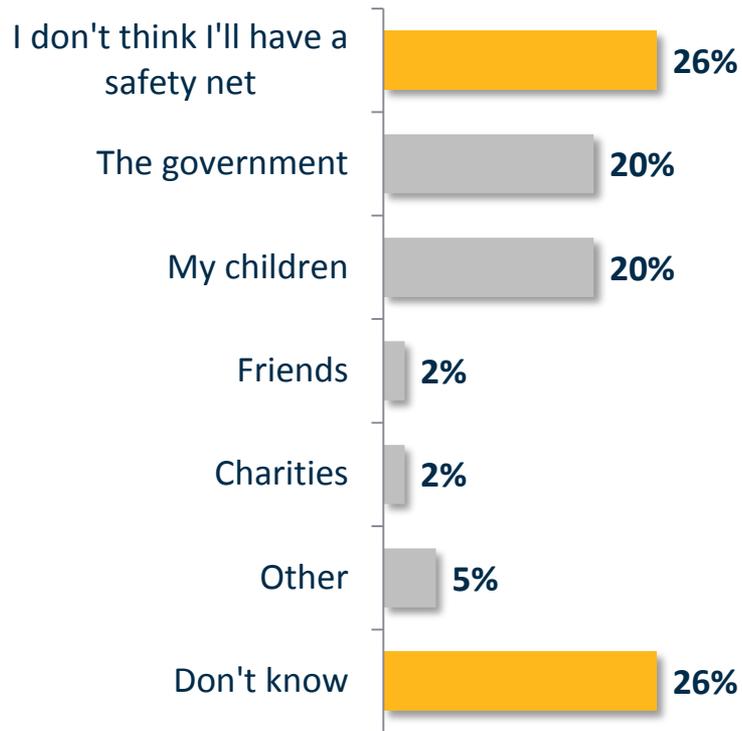


**BASE: ALL QUALIFIED RESPONDENTS NOT RETIRED PLANNING TO WORK PAST AGE 65 BY NECESSITY (Gen Pop n=411)**

**Q1545** Why do you anticipate needing to continue working past the traditional retirement age of 65?

# Safety Net for Outliving Savings

One in four adults do not think they have a safety net if they outlive their savings, and another one in four are not sure.



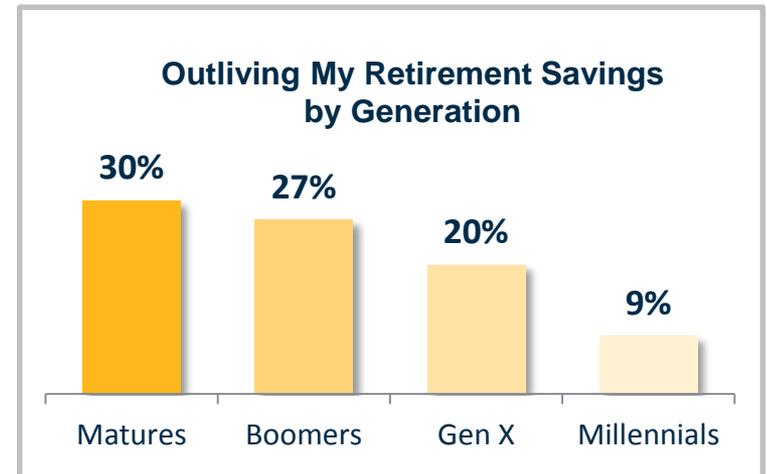
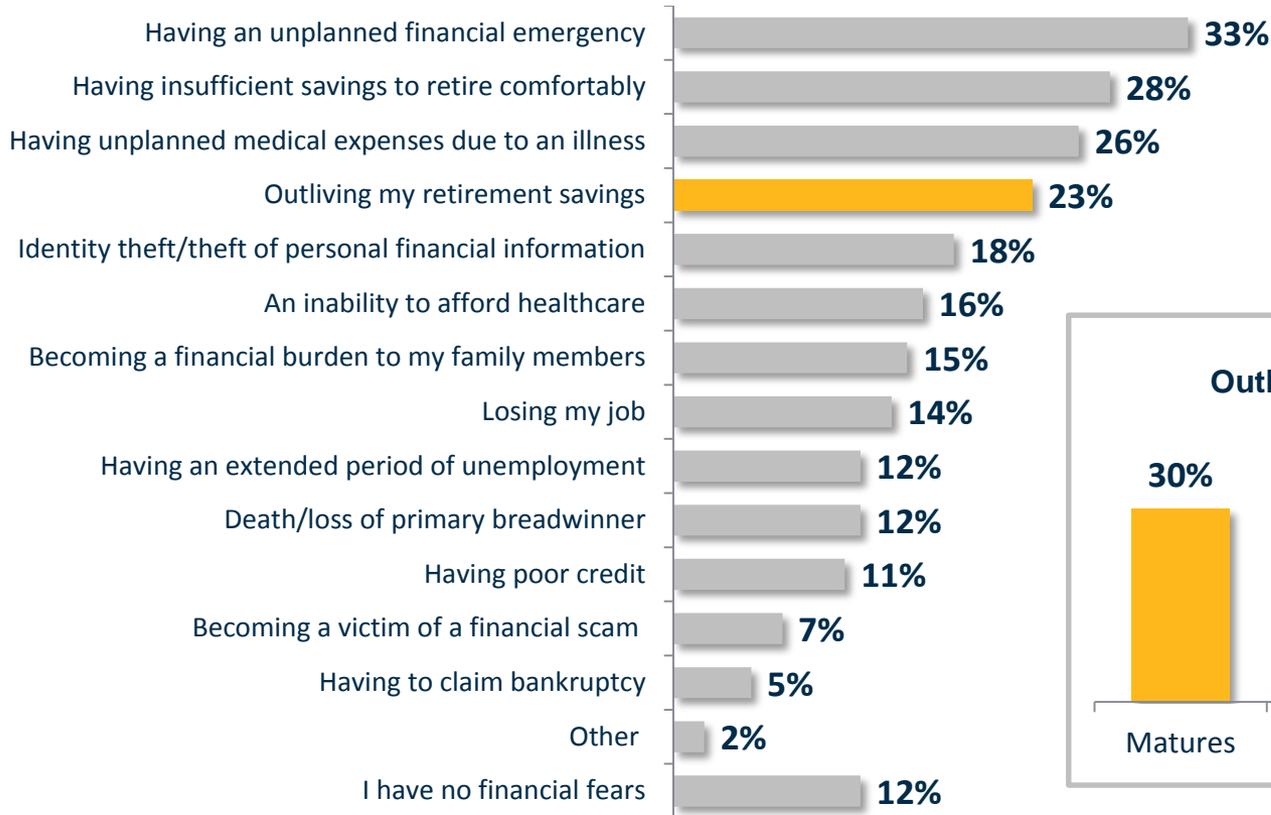
**BASE: ALL QUALIFIED RESPONDENTS (Gen Pop n=2010)**

**Q1650** If you do outlive your savings, what would be your primary safety net?

# Greatest Financial Fears

U.S. adults are most concerned about unplanned financial and medical expenses, outliving their retirement savings and having enough savings to retire comfortably.

Fear of outliving retirement savings increases with age.

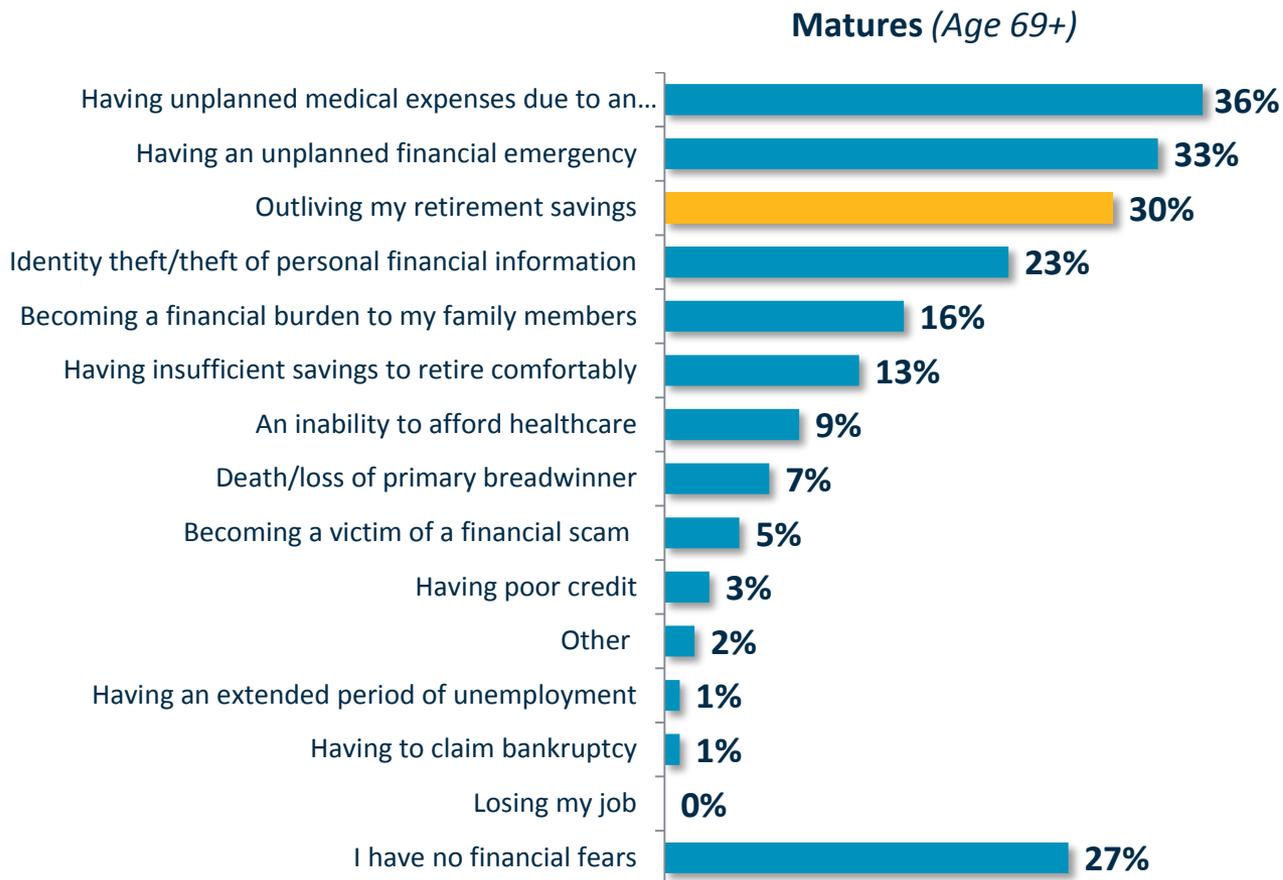


**BASE: ALL QUALIFIED RESPONDENTS**

**Q1520** What are your greatest financial fears?

# Greatest Financial Fears: By Generation

**Outliving retirement savings ranks third among financial fears for Matures and Boomers.**



## Other Generations: Top 3 Fears

| Millennials                                | Percent |
|--|---------|
| Unplanned financial emergency              | 35%     |
| Losing job                                 | 28%     |
| Insufficient savings to retire comfortably | 26%     |
| Gen X                                      | Percent |
| Insufficient savings to retire comfortably | 34%     |
| Unplanned financial emergency              | 31%     |
| Losing job                                 | 23%     |
| Boomers                                    | Percent |
| Unplanned financial emergency              | 34%     |
| Unplanned medical expenses                 | 31%     |
| Outliving retirement savings               | 27%     |
| Insufficient savings to retire comfortably | 27%     |

**BASE: ALL QUALIFIED RESPONDENTS (Millennials n=1,081; Gen X n=813; Boomers n=559; Matures n=188)**

**Q1520** What are your greatest financial fears?