After a Year of Uncertainty the Value of Professional Financial Advice Goes Up

Advisors are considered people's most trusted source for guidance

MILWAUKEE, July 21, 2021 /PRNewswire/ -- According to the latest findings from Northwestern Mutual's 2021 Planning & Progress Study, U.S. adults aged 18+ say financial advisors are the most trusted source for financial advice. This represents a reversal from 2020 findings when people said they trusted themselves most.

Americans' most trusted sources of financial advice:

2020	2021
1. Yourself (30%)	1. Financial advisor (26%)
2. Financial advisor (22%)	2. Yourself (20%)
3. Family member (13%)	3. Spouse/partner (16%)

"After the events of the last year, many people are looking for someone they can trust during unpredictable times," said Tim Gerend, executive vice president and chief distribution officer at Northwestern Mutual. "The value of professional advice is on the rise in America."

Guidance through a storm
The study found that the market volatility and economic downturn caused by the Covid-19 pandemic was a major factor influencing individuals to seek out professional financial advice.

Nearly four in ten (38%) Americans currently work with a financial advisor, representing a significant jump from pre-pandemic levels (29%).

Fifteen percent of survey respondents reported that they didn't have a financial advisor pre-pandemic and they now either currently work with an advisor or plan to start working with one.

The trend was most pronounced among younger generations, with 23% of Gen Z and an equal 23% of Millennials reporting that they have or plan to work with a financial advisor as a result of the pandemic's impact on the markets and economy.

"It's encouraging that younger people are taking action with their finances, as this is a crucial step towards creating positive financial planning habits and achieving financial security over the long term," said Gerend. "This study data reflects trends we've been seeing amongst our clients as well – the pandemic has prompted many to revisit their financial plans and seek help from their advisors."

Financial planning priorities
When asked to identify their top financial planning priorities over the next year, respondents identified:

Paying bills/expenses (48%)
Saving for retirement (39%)
Paying off debt/loans (38%)
Taking care of family (37%)
Investing (32%)

"Financial decision-making can be difficult, especially when outside factors are at play," said Gerend. "Financial advisors have the expertise and perspective to help simultaneously navigate present priorities while also planning for long-term goals. It's times like these when the value of that becomes crystal clear."

About The 2021 Northwestern Mutual Planning & Progress Study
The 2021 Planning & Progress Study was conducted by The Harris Poll on behalf of Northwestern Mutual and included 2,320 American adults aged 18 or older who participated in an online survey between March 16 – 26, 2021. Results were weighted to

Census targets for education, age/gender, race/ethnicity, region and household income. Propensity score weighting was also used to adjust for respondents' propensity to be online. No estimates of theoretical sampling error can be calculated; a full methodology is available.

About Northwestern Mutual

Northwestern Mutual has been helping people and businesses achieve financial security for more than 160 years. Through a holistic planning approach, Northwestern Mutual combines the expertise of its financial professionals with a personalized digital experience and industry-leading products to help its clients plan for what's most important. With $308.8 billion in total assets, $31.1 billion in revenues, and $2 trillion worth of life insurance protection in force, Northwestern Mutual delivers financial security to more than 4.75 million people with life, disability income and long-term care insurance, annuities, and brokerage and advisory services. The company manages more than $200 billion of investments owned by its clients and held or managed through its wealth management and investment services businesses. Northwestern Mutual ranks 90 on the 2021 FORTUNE 500 and is recognized by FORTUNE® as one of the "World's Most Admired" life insurance companies in 2021.

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