Northwestern Mutual Research Shows that Nearly Half of American Millionaires Believe Their Financial Plans Need Improvement, and a Third Think They Could Outlive Their Savings

Wealthy people value professional help and trust financial advisors, with 70% working with a financial advisor – nearly double the amount of the general population

Wealthy Americans are proactive, disciplined long-term planners who take very little for granted; 84% have a long-term financial plan in comparison to 52% of average Americans

MILWAUKEE, Sept. 12, 2023 /PRNewswire/ -- Wealthy Americans don't sit back and assume they have nothing to be concerned about financially, according to the latest findings from Northwestern Mutual's 2023 Planning & Progress Study.

Nearly half of American millionaires say their financial planning still needs improvement

U.S. adults aged 18+ with more than$1 million in investable assets are active, disciplined long-term planners who take very little for granted: nearly half (47%) say their financial planning still needs improvement, and a third (33%) think it's possible they could outlive their savings. The study finds 84% of wealthy people say they have a long-term financial plan that factors for up and down economic cycles. That compares to 52% who say the same among the general population.

"Wealthy people hold themselves to an exceptionally high standard when it comes to managing their finances," said Aditi Javeri Gokhale, chief strategy officer, president of retail investments and head of institutional investments at Northwestern Mutual. "They don't go on autopilot. Instead, they aim to see well beyond today. That includes the possibility of twists and turns in their financial lives."

When it comes to financial planning, wealthy Americans demonstrate high levels of discipline in comparison to the general population.

Type of planner you consider yourself	$1M+ in investable assets	General Population
I am a **highly disciplined planner**. I know my exact goals, have developed specific plans to meet them, and rarely deviate from those plans.	42 %	20 %
I am a **disciplined planner**. I know my exact goals, and have developed specific plans to meet them, but those plans can deviate at times because I don't always stay on top of them.	35 %	30 %
I am an **informal planner**. I have a general sense of my goals and how to meet them; however, I do not have a formal plan in place.	20 %	36 %
I am **not a planner** and have not established any goals	3 %	15 %

Wealthy Americans trust financial advisors

The study finds seven out of ten (70%) wealthy Americans work with a financial advisor, nearly double the amount of the general population (37%).

Over half (53%) of wealthy people consider advisors to be their most trusted source of financial advice – that's more than four times any other source. Spouses/partners ranked a distant second at 11%, followed by business news at 10%.

Recent economic uncertainty has led to a re-evaluation among some wealthy Americans. Nearly half (48%) of wealthy people who work with an advisor said that, if they were seeking a change, they would select another advisor who could offer more comprehensive financial guidance than their current advisor. One-third (34%) would switch to someone who has a better understanding of their life stage and priorities.

"It's wise for the wealthy to seek out a second opinion about the strength of their financial plans," said Javeri Gokhale. "Periods of uncertainty like the one we're in now are spurring people to take inventory about the choices they've made and reconsider if their advisors are the right fit for them. As more affluent Americans intentionally seek out comprehensive financial advice

instead of individual financial products, I expect to see this trend of second-opinion-seekers to grow."

About The 2023 Northwestern Mutual Planning & Progress Study

The 2023 Planning & Progress Study was conducted by The Harris Poll on behalf of Northwestern Mutual among 2,740 U.S. adults aged 18 or older with oversamples of Gen Z & High Net Worth (total household investable assets, excluding pensions, retirement plans and property, greater than $1,000,000). The survey was conducted online between February 13 and March 2, 2023. Data are weighted where necessary by age, gender, race/ethnicity, region, education, marital status, household size, household income, and propensity to be online to bring them in line with their actual proportions in the population. A complete survey methodology is available.

About Northwestern Mutual

Northwestern Mutual has been helping people and businesses achieve financial security for more than 165 years. Through a comprehensive 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 more than $570 billion of total assets being managed across the company's institutional portfolio as well as retail investment client portfolios, nearly $35 billion in revenues, and $2.2 trillion worth of life insurance protection in force, Northwestern Mutual delivers financial security to more than five million people with life, disability income and long-term care insurance, annuities, and brokerage and advisory services. Northwestern Mutual ranked 111 on the 2023 *FORTUNE* 500.

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