

# 2015 Planning & Progress Study

## Americans & 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, which was commissioned by Northwestern Mutual and conducted on their behalf by Harris Poll, is based on an online survey of 5,474 Americans 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

# of Interviews	
<b>2,010</b>	<b>General U.S. Population</b>
<b>559</b>	<b>Baby Boomers (adults age 50 – 68)</b>

This report presents results from the general US population, including 559 Baby Boomers.

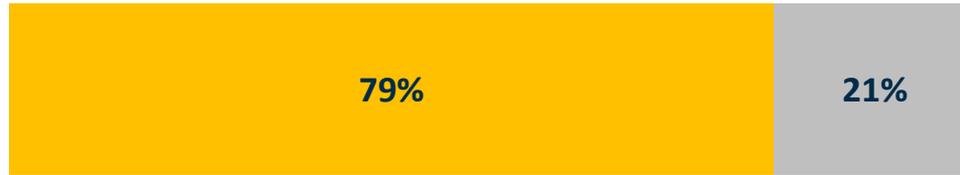
# Americans are Highly Uncomfortable with Taking Risk



Across many aspects of life — from social choices to career decisions to finances and more — risk-aversion is running high in America.

## Finances

I am more comfortable reducing my risk to ensure the safety and stability of my savings and investments, even if it means lower potential for returns.



Rather than playing it safe, I prefer taking calculated risks in the pursuit of higher returns.

## Social Relationships

I stick close to the friends I already have, not necessarily because I am uninterested in forming new relationships, but rather because I tend to avoid taking chances socially.



I put myself out there and take chances socially because I love the prospect of forming new friendships/ relationship.

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

**Q1530** For each aspect of your life, you will see two statements. Please indicate which statement more closely represents your receptivity to risk in that aspect of your life.

# Americans are Highly Uncomfortable with Taking Risk (Continued)



## Career

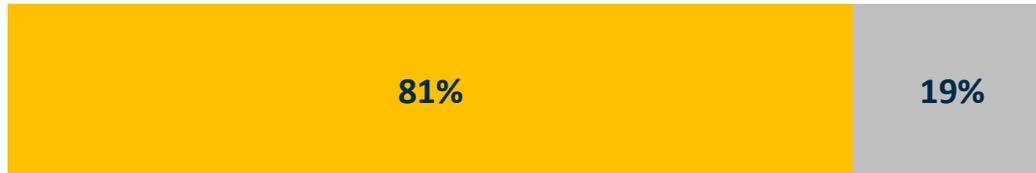
I prefer the consistency and stability of staying with one employer rather than taking the risk of moving around.



I will take the risk of making changes (e.g., employer, field, starting a business, etc.) if I believe it has a higher potential for success/ happiness than inaction.

## Home

I prefer the stability and consistency of living in one place long-term, even if an opportunity to move could potentially result in growth in my career, finances, etc.



I like the adventure of starting over; of hitting the road not knowing what will come next; in experiencing new cities, neighborhoods and people

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# Where Americans are Throwing Caution to the Wind



The two parts of life where Americans are taking some risks are:

- **Diet** – 50% of Americans are more inclined to live in the moment and enjoy foods they know are not good for their long-term health
- **Driving** – 44% of Americans tend to drive fast to get where they are going as quickly as possible

Looking across behavioral patterns:

- People who eat the right foods tend to feel ***more financially secure*** and are more likely to have ***taken steps to address outliving their savings***
- Financial risk-takers are more likely to be social risk-takers

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# Risk Aversion Today vs. 2008



Risk-aversion in America is higher today than it was at the height of the 2008 Financial Crisis. Compared with the autumn of 2008:

- One-third (32%) of Americans are less comfortable today taking risk with their finances
- One-fifth (20%) are less comfortable taking risks in their careers
- More than one-fourth (28%) are less comfortable taking risks with their healthcare coverage.

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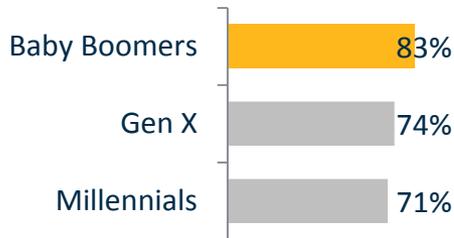
**Q1525** When you think about how you felt at the time of the Financial Crisis in the fall of 2008 compared to today, how comfortable are you with the following?

# Baby Boomers and Risk

Baby Boomers were once defined by how they challenged the status quo and pushed the boundaries of freedom. Things look a whole lot different today. Baby Boomers are considerably more risk-averse than Gen X and Millennials.

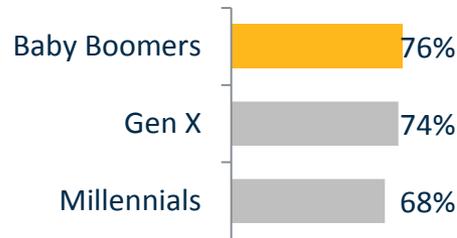
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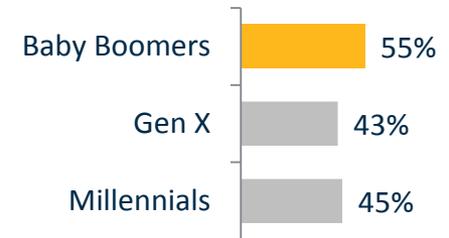
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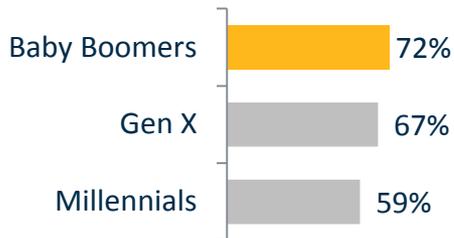
## Diet

*I am more inclined to avoid foods that I know are not good for my long-term health.*



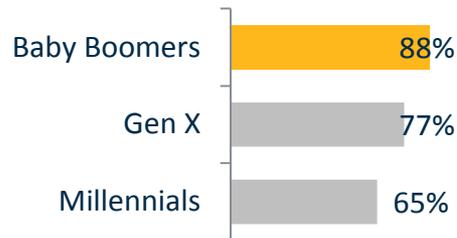
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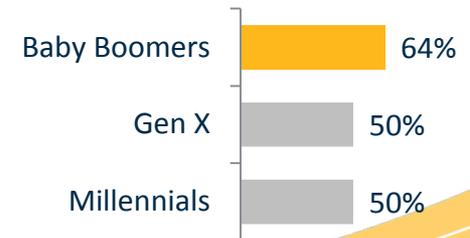
## Home

*I prefer the stability and consistency of living in one place long-term, even if an opportunity to move could potentially result in growth in my career, finances, etc.*



## Driving

*I never exceed the speed limit when I am driving, even if I am running late.*



# Boomers are the Nation's Slowest Drivers

Baby Boomers are the nation's most careful drivers by far. They even drive slower than Matures (aged 69+).

People who never exceed the speed limit even if they're running late:

- Millennials – 50%
- Gen X – 50%
- Baby Boomers – 64%
- Matures – 57%

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