Northwestern Mutual Research Indicates Many Are Financially Unprepared to Live Beyond Average Life Expectancies

Women surveyed feel the least prepared, yet are most likely to live longer lives

MILWAUKEE, April 25, 2012 /PRNewswire/ -- Northwestern Mutual released today the Longevity & Preparedness Study that reveals Americans appear to be startlingly unprepared financially to live into their 70s, 80s and 90s. The study is the second in a series of research exploring the state of planning in America.

To view the multimedia assets associated with this release, please click:http://www.multivu.com/mnr/53658-northwestern-mutual-longevity-preparedness-study

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The study asked people, based upon their current financial plan, how prepared they feel to live to age 75, 85 and 95. Findings revealed that only slightly more than half of Americans surveyed (56%) feel financially prepared to live to the age of 75. Less than half (46%) indicated that they feel financially prepared to live to the age of 85. And barely more than one-third (36%) said they feel prepared to live to age 95.

This stands in contrast to current longevity data. According to theCenters for Disease Control (CDC), average life expectancy in the U.S. has increased to 78.2 years (75.7 for men and 80.6 for women). For couples age 65 today, there is a 50 percent likelihood that one partner will live to age 94, and one out of 10 couples will have a partner that lives to be 100 or older[1].

"This research indicates that many Americans are financially unprepared to live long lives," said Greg Oberland, Northwestern Mutual executive vice president. "With longevity comes an increased need to proactively manage your personal finances, which includes a solid risk management strategy. No matter what age you'll live to, it's important to protect the dollars you'll eventually depend on to provide an income in your retirement years."

Northwestern Mutual's Lifespan Calculator is an online quiz that gives you a sense of your own life expectancy. Taking 13 different lifestyle factors into account, such as diet, drinking, smoking and stress, the tool calculates how long you might live. Social networkers on Facebook can download the new Lifespan Calculator Facebook application to compare their life expectancy score with that of other Facebook friends.

Women, Young Americans Report Feeling Least Prepared

When it comes to certain segments, the findings are even more revealing. Women – who on average life five years longer than men – feel significantly less financially prepared to live longer lives.

The research indicates:

Men regardless of age are significantly more likely than women to feel financially prepared to live to age 75 (65% vs. 48%), 85 (55% vs. 37%), and 95 (43% vs. 30%).
Younger Americans (25-59) feel less prepared than older Americans (60+) to live to 75 (47% vs. 79%), 85 (37% vs. 66%), and 95 (29% vs. 52%)

The fact that people feel behind in their preparedness was also underscored in the first of this series of research, called the Planning and Progress Study, which revealed that more than one-fifth of Americans surveyed (21%) would like to be more cautious with their money but feel they have a lot of catching up to do.

[1] Society of Actuaries, 2000 Mortality Tables

About the Research
Northwestern Mutual sponsored the Planning and Progress study to evaluate the state of financial planning in America, and where people stand in the way of progress toward reaching their long-term financial goals. Independent research firm Ipsos conducted the online survey of 1,015 Americans aged 25 or older between February 2 and February 13, 2012. Results were weighted as needed to U.S. Census proportions for age, gender, marital status, household size, 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 on request.

About Northwestern Mutual
The Northwestern Mutual Life Insurance Company – Milwaukee, WI (Northwestern Mutual) – among the "World's Most Admired"

life insurance companies in 2012 according to FORTUNE® magazine – has helped clients achieve financial security for more than 155 years. As a mutual company with $1.2 trillion of life insurance protection in force, Northwestern Mutual has no shareholders. The company focuses solely and directly on its clients and seeks to deliver consistent and dependable value to them over time. Northwestern Mutual and its subsidiaries offer a holistic approach to financial security solutions including: life insurance, long-term care insurance, disability insurance, annuities, investment products, and advisory products and services. Subsidiaries include Northwestern Mutual Investment Services, LLC, broker-dealer, registered investment adviser, member FINRA and SIPC; the Northwestern Mutual Wealth Management Company, limited purpose federal savings bank; and Northwestern Long Term Care Insurance Company; and Russell Investments.

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For further information: Jean Towell , 1-800-323-7033, mediarelations@northwesternmutual.com

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