

Northwestern Mutual Poll Shows Women Who Own Life Insurance May Be Underestimating Risk

MILWAUKEE, Sept. 11, 2012 /PRNewswire/ -- Women report feeling significantly more secure than men as a result of owning a variety of insurance products -- auto, health, homeowners/renters and life insurance -- but they may be underestimating their risks, according to a new poll by Northwestern Mutual in August among 2,097 U.S. adults ages 18 and older. The second of a three-part research series, the current poll looks at how and why men and women are using life insurance in the context of their long-term financial planning.

To view the multimedia assets associated with this release, please click: <http://www.multivu.com/mnr/53663-northwestern-mutual-poll-women-who-own-life-insurance-underestimating-risk>

(Photo: <http://photos.prnewswire.com/prnh/20120911/MM71760-INFO>)

(Logo: <http://photos.prnewswire.com/prnh/20120126/CG42140LOGO>)

According to the survey:

While 70 percent of women who own life insurance report having it makes them feel secure (versus 61 percent of men), when asked about how they have made decisions about their life insurance coverage, the responses indicate that women may not be as secure as they could be.

Women who have life insurance are more likely than men to have been mainly motivated to purchase life insurance in order to pay final expenses (44 percent vs. 33 percent), yet nearly one in five (18 percent) women have not fully accounted for all appropriate expenses in determining how much insurance they need.

"The power of a flexible, stable product like life insurance is only fully realized when it's part of an individual's tailored financial plan," said Dave Simbro, vice president of Northwestern Mutual. That's why it's so important to work with a qualified financial professional when making these decisions."

Gender Motivations: Emotional vs. Practical

When those who have life insurance were asked what has prompted them to purchase a life insurance policy:

Women are less likely than men to have been prompted by marriage (29 percent versus 35 percent) or home ownership (16 percent versus 20 percent).

Conversely, women are significantly more likely than men however to buy life insurance as a result of the death of someone who did not have life insurance (10 percent versus 6 percent).

[Part I of the poll series](#) found that more than half of Americans who have life insurance are mainly motivated to purchase it to provide for their loved ones (52 percent), while four in ten (39 percent) were mainly motivated in order to pay final expenses. These numbers shift however when factoring in gender:

As referenced above among life insurance owners, significantly more women than men were motivated by the desire to pay final expenses -- 44 percent versus 33 percent respectively.

On the contrary, significantly more men than women were motivated by the desire to provide for loved ones -- 57 percent vs. 47 percent respectively.

Women and Longevity Risk

Women also appear to be overlooking the important role that life insurance can play in managing their longevity risk, which is particularly notable given the fact that women live longer than men.

Only 23 percent of women indicated that knowing they will have enough money to live in retirement gives them the greatest peace of mind.

Less than one in four (24 percent) of women who own life insurance were prompted to purchase it as part of their retirement planning.

Among women who own a life insurance policy, they are also less likely than men to consider "protecting their ability to plan for retirement" (16 percent vs. 24 percent) when determining the amount of life insurance they would purchase.

"It is essential that women plan for longevity and understand the importance of having enough money to live on in what could be a long period of retirement," said Simbro.

Northwestern Mutual has a variety of resources available to individuals seeking to learn more about life insurance and some of the financial goals and challenges it can help address, including:

[How much insurance do I need? \(Calculator\)](#)

[Lifespan Calculator](#): Understanding and planning for longevity

[Building a legacy of giving with life insurance](#)

[Client stories](#): Videos featuring Northwestern Mutual policyowners sharing personal stories highlighting how they leveraged the features of their permanent life insurance policy to take advantage of an opportunity or achieve a goal while providing protection for their family

Survey Methodology

This survey was conducted online by Harris Interactive on behalf of Northwestern Mutual from August 10-14, 2012 among 2,097 American adults ages 18 and older. This online survey is not based on a probability sample and therefore no estimate of theoretical sampling error can be calculated. Contact Northwestern Mutual (Jean Towell 1-800-323-7033; mediarelations@northwesternmutual.com) for complete survey methodology, including weighting variables.

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](#).

SOURCE Northwestern Mutual

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

<https://news.northwesternmutual.com/news-releases?item=122639>