

## Northwestern Mutual Poll Finds Flexibility of Life Insurance Resonates Across Generations

MILWAUKEE, Sept. 18, 2012 /PRNewswire/ -- Life insurance is increasingly finding a place in the financial planning of Americans young and old, according to research from Northwestern Mutual. The findings show that the motivation behind obtaining life insurance and planning future financial security are quite different by age and lifestyle. The research is the final of a three-part series offering insights into financial planning across generations.

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

The poll found that:

Younger Americans – those who are 18 – 34 years old – who have life insurance are most likely to have purchased life insurance due to the birth of a child than those age 55+ (28 percent versus 16 percent respectively)

More than a one third (36 percent) of Americans 55+ years old who have life insurance were prompted to buy life insurance as a result of marriage and 31 percent were prompted as part of a retirement plan. 45 – 54 year olds who have life insurance were prompted by marriage (39 percent), followed by retirement planning (25 percent) and homeownership (25 percent). This group had the highest percentage than any other age group when asked how secure they feel as a result of owning life insurance (69 percent)

“It is important to have a financial plan that can both support you and evolve across the span of your lifetime as your financial situation changes. Life insurance can be a stable and yet flexible cornerstone of a financial plan – protection if you need it while also helping you meet financial goals at various life stages,” said David Simbro, senior vice president at Northwestern Mutual.

When asked what provides Americans with the greatest peace of mind, the generations once again stood apart:

18 – 34 years olds (35 percent) are significantly more likely than those ages 35-54 to have peace of mind as a result of knowing all their debts are paid

Both 35 – 44 year olds (34 percent) and 45 – 54 year olds (36 percent) derive the greatest peace of mind knowing that their family will be provided for in the event of their unexpected death, and those aged 18-34 (68 percent) and 45-54 (58 percent) who have life insurance were significantly more likely to have been motivated to purchase life insurance in order to provide for their loved ones

Those who are 55+ (31 percent) find the most peace of mind in knowing that they will have enough money to live in retirement.

“The differences between the generations further underscore that the opportunities and risks people face changes over time, as does what it takes for them to feel secure. Young people focus on building wealth and paying down debt, while those heading into retirement are concerned with managing their longevity risk. This is why it is critical that a long-term financial plan have built-in flexibility,” said Simbro.

Other findings included:

18 – 34 year olds (10 percent) who have life insurance were significantly more likely than age 35-44 (2 percent) to have purchased life insurance in order to leave an inheritance to heirs or a charity/non-profit

Among those who own life insurance, when considering expenses in order to determine the amount of life insurance needed:

18 - 34 year olds (27 percent) were significantly more likely than those 45 and older to indicate that they would have factored in education expenses

More than one-third of 35 – 44 year olds (38 percent) considered income replacement

45 - 54 year olds were most likely to have factored in their mortgage (40 percent) compared to those 18-34 (21 percent) and 55+ (24 percent)

The previous two polls in the series included:

[Part I: Poll Finds Majority of Americans Feel Secure By Owning Life Insurance, But Broader Benefits Often Overlooked](#)

[Part II: Northwestern Mutual Poll Shows Women Who Own Life Insurance May Be Underestimating Risk](#)

Northwestern Mutual also has a range 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 research 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 poll is not based on a probability sample and therefore no estimate of theoretical sampling error can be calculated. Contact Northwestern Mutual 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](#).

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