

2014 Planning and Progress Study

“Financial Discipline & Happiness in Retirement”

Objectives and Methodology

Objectives

To understand -

- How Americans plan and whether they feel it needs improvement
- Where people are on the road to financial security and if they're moving in the right direction
- Attitudes toward money and financial decision-making; and how people prioritize
- The financial state of individuals and the country as a whole
- Perspectives on working with a financial advisor and the client experience
- How long people plan to work and whether it is by necessity or choice
- People's preparedness to live long lives

Methodology

Online survey of 2,092 U.S. Americans (via web panel) conducted between January 21st and February 5th, 2014.

- Qualified participants were those at least 18 years of age.
- Data is weighted to be representative of the U.S. population (age 18+) by education, age, gender, race, ethnicity, region and household income.

Key Findings

When it comes to mapping out their financial futures, one in five U.S. adults considers himself or herself a “highly disciplined” planner. In addition, one-third (36%) considers themselves “disciplined” when it comes to planning. However, nearly half of adults (46%) are either “informal” planners or don’t do any planning at all.

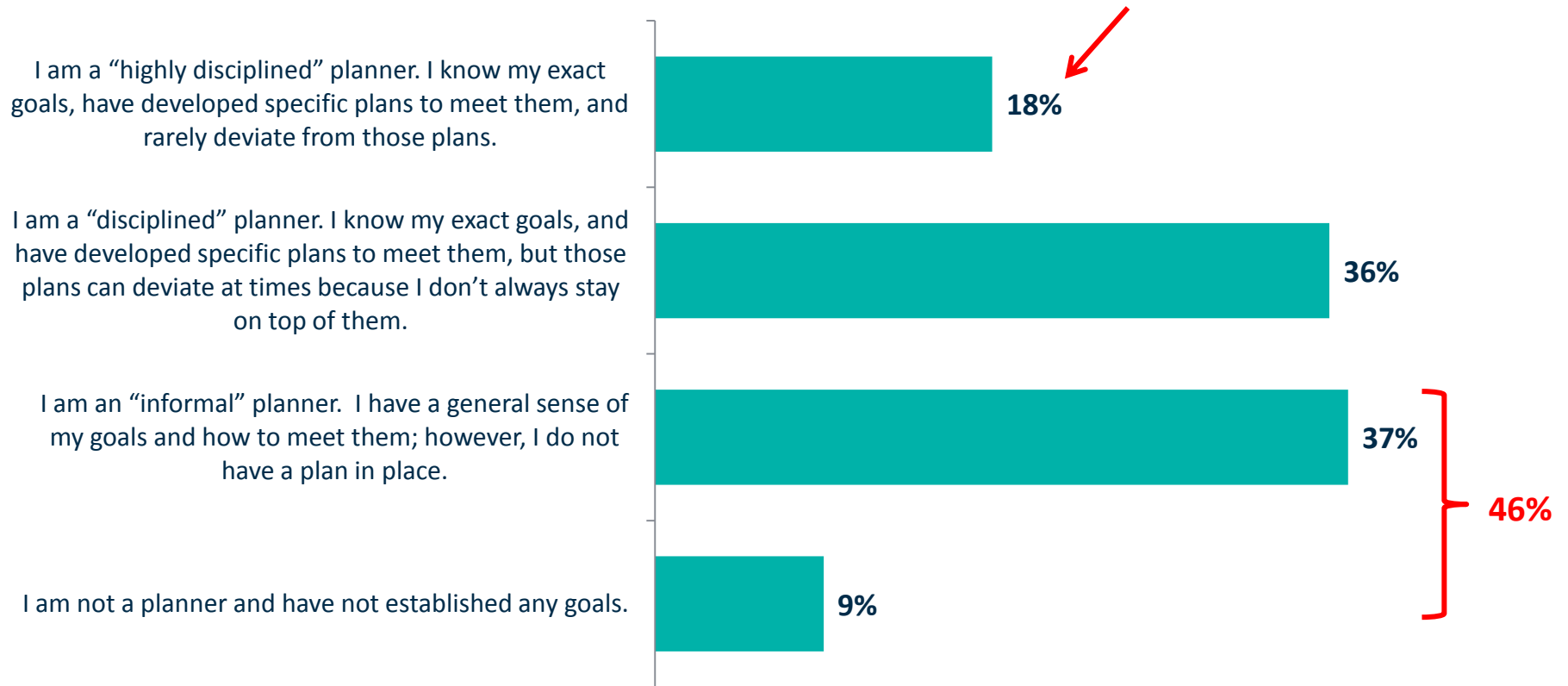
- The most disciplined planners come from both the youngest (18 – 39) and oldest (60+) age groups measured, while those aged 40-59 are the most likely to identify themselves as “informal” or non-planners.
- Discipline appears to pay dividends both in the present and down the road.
 - In the present, the more disciplined a planner is, the more financially secure one feels.
 - Disciplined planners who are retired are also much more likely than non-planners to say that they are “happy in retirement” (91% vs. 63%).

The vast majority of U.S. adults (60%) feel that their financial planning could use improvement, with lack of time cited as the biggest obstacle to improved planning (27%).

- “Lack of money” and “lack of interest” pose much bigger obstacles for those aged 50 – 59 than they do for younger age groups.
- Feelings that the planning process is “too confusing” are noted most often by those who are 60+, while younger adults (18 – 39) are more likely than other groups to say they simply do not know where to find the right kind of financial help.

What Type of Financial Planner Are You?

When it comes to their finances, nearly half of U.S. adults are either informal planners – or don't plan at all. By comparison, roughly 1 in 5 consider themselves 'highly' disciplined planners.

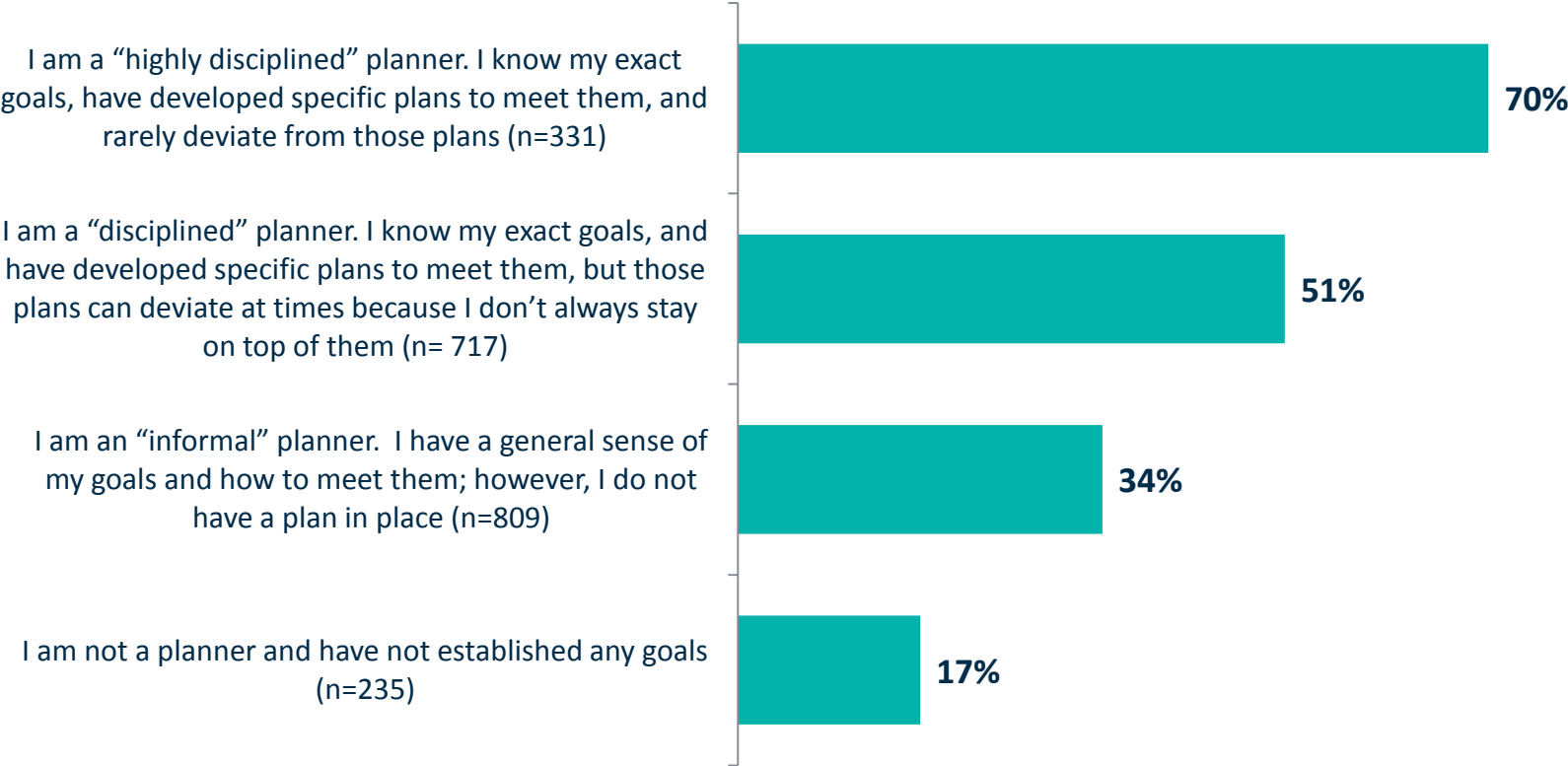


BASE: ALL QUALIFIED RESPONDENTS (n=2092)

Q1005 When it comes to financial planning, which of the following best describes the type of financial planner you are?

Disciplined Planners Feel More Financially Secure

Percent of U.S. Adults Who Feel “*Very Secure*” Financially



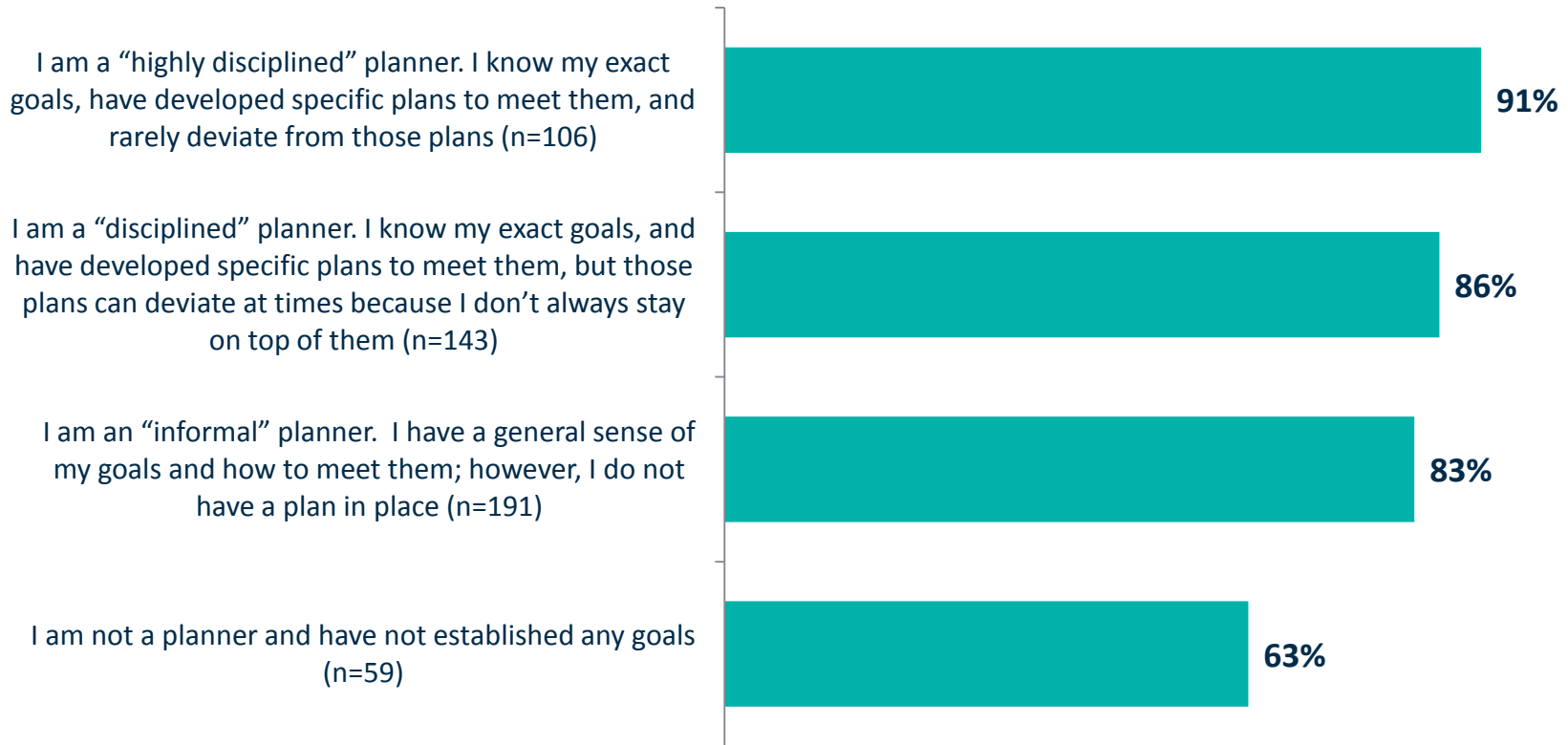
BASE: ALL QUALIFIED RESPONDENTS By Planner Type (Floating Base Sizes)

Q1005 When it comes to financial planning, which of the following best describes the type of financial planner you are?

Q1076 If financial security is defined as “a feeling of confidence that you will achieve the financial goals you have for yourself or your family through the actions you are currently taking,” how financially secure do you feel right now?

Disciplined Planners Are More Likely to Say They Are “Happy in Retirement”

Percent of U.S. Retired Adults who Say they are “Happy in Retirement”



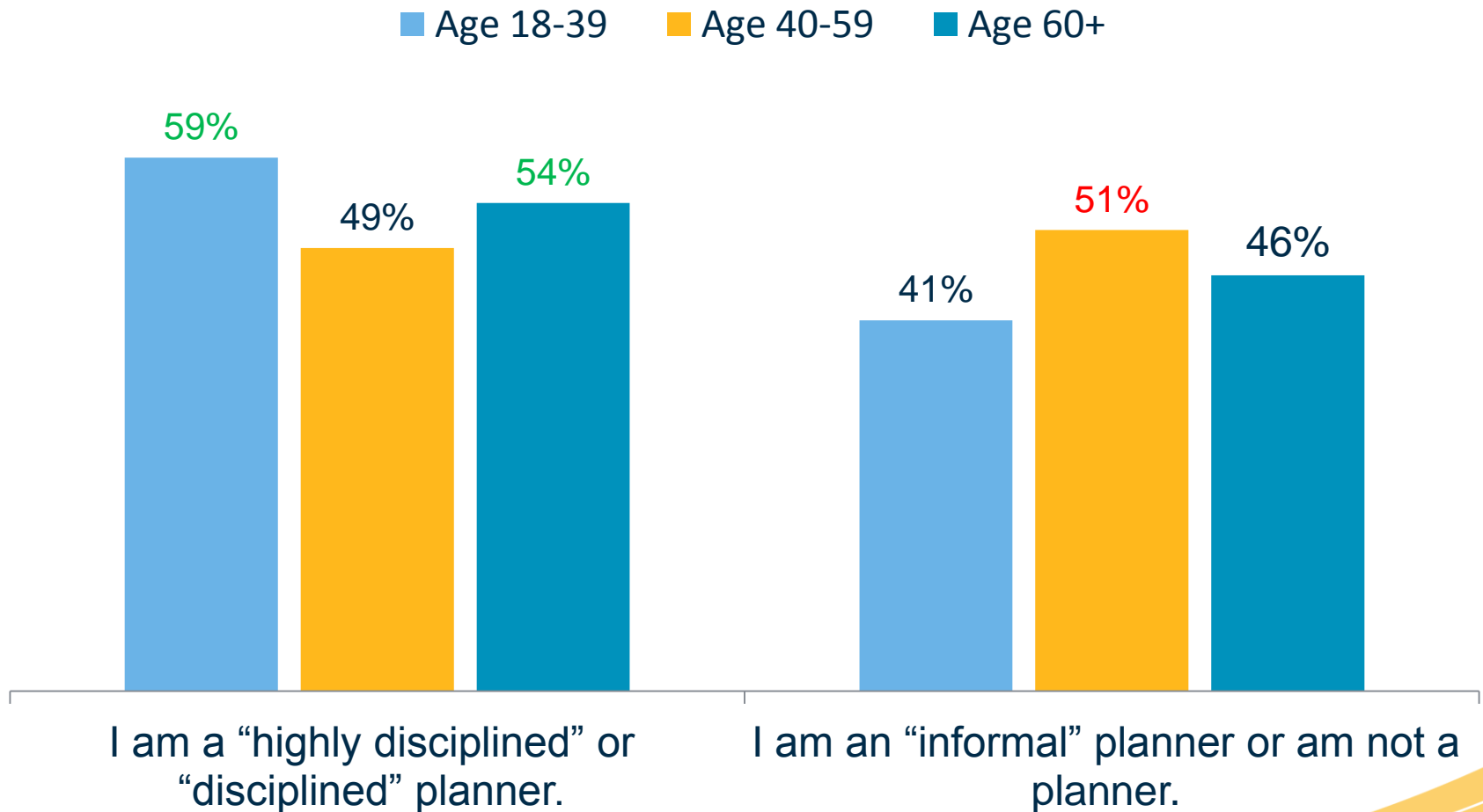
BASE: ALL QUALIFIED RESPONDENTS Who Are Currently Retired (Floating Base Sizes)

Q1005 When it comes to financial planning, which of the following best describes the type of financial planner you are?

Q1181 How much do you agree or disagree with the following statements?

What Type of Financial Planner Are You?

Younger adults and more senior adults represent the most disciplined planners while people aged 40-59 are more likely to identify themselves as informal or non-planners

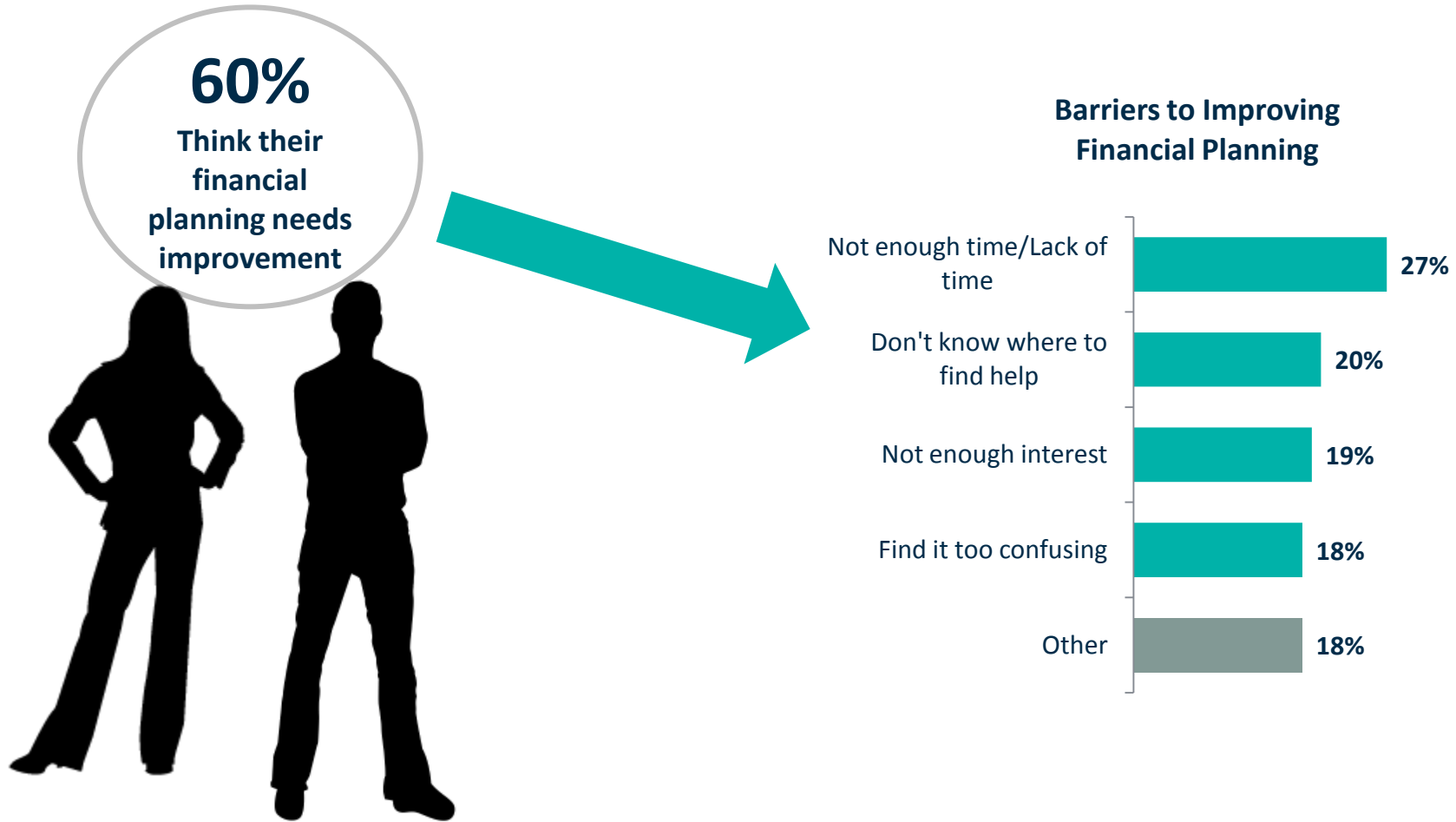


BASE: ALL QUALIFIED RESPONDENTS (n=2092)

Q1005 When it comes to financial planning, which of the following best describes the type of financial planner you are?

Barriers to Better Financial Planning

Six in ten U.S. adults feel their financial planning needs improvement. Reasons for not having a solid financial plan are led by not having enough time.



BASE: ALL QUALIFIED RESPONDENTS (n=2092)

Q1010 Do you think your financial planning needs improvement?

BASE: ALL QUALIFIED RESPONDENTS WHO THINK THEIR FINANCIAL PLANNING NEEDS IMPROVEMENT (n=1215)

Q1015 What is the single greatest barrier holding you back from getting better about financial planning?

Barriers to Better Financial Planning

Roughly 7 in 10 of those in their 20's, 30's and 40's feel their financial planning needs improvement. One in four adults in their 50's says the primary obstacle to financial planning is lack of interest, while one in four adults 60+ finds the process too confusing.

Needs Improvement	Total (n=2,092)	Age 18 – 29 (A) (n=324)	Age 30 – 39 (B) (n=378)	Age 40 – 49 (C) (n=400)	Age 50 – 59 (D) (n=347)	Age 60+ (E) (n=643)
% Yes	60%	68% DE	72% DE	68% DE	60% E	40%

Barriers to Planning	Total (n=1,215)	Age 18 – 29 (A) (n=226)	Age 30 – 39 (B) (n=259)	Age 40 – 49 (C) (n=263)	Age 50 – 59 (D) (n=209)	Age 60+ (E) (n=258)
Not enough time/Lack of time	27%	28% D	35% DE	31% DE	17%	20%
Don't know where to find the right help	20%	28% CDE	23% CE	16%	18%	12%
Not enough interest	19%	15%	15%	22%	25% AB	20%
Find it too confusing	18%	15%	20%	15%	14%	26% ACD
Lack of money/finances	7%	4%	4%	9%	13% AB	8%

(A, B, C, D, E) indicate a statistically significant difference between these, and other, subgroups at the 90% confidence level

BASE: ALL QUALIFIED RESPONDENTS

Q1010 Do you think your financial planning needs improvement?

BASE: ALL QUALIFIED RESPONDENTS WHO THINK THEIR FINANCIAL PLANNING NEEDS IMPROVEMENT

Q1015 What is the single greatest barrier holding you back from getting better about financial planning?