

Planning & Progress 2013

“Financial Planning Obstacles”

Objectives and Methodology

Objectives

- To evaluate the state of financial planning in America, and people's ability to stay on course over the long-term to meet their goals.
- To assess how Americans are responding to the pace of society, as well as the current economic and political climate.
- To understand whether or not Americans feel they are 'moving in the right direction' in areas such as debt, saving, spending, health, and finances.

Methodology

- Online survey of 1,546 Americans (via web panel) conducted between January 9-23, 2013.
 - Qualified participants were those at least 25 years of age.
 - Data is weighted to be representative of the U.S. population (age 25+) by age, gender, income, region, household size, and marital status.

Key Findings

More than 6 in 10 Americans admit their financial planning needs improvement (an increase since 2012); the biggest excuse is not having enough time.

- Not enough interest, confusion and not knowing where to find the right help are also commonly mentioned barriers.
- Compared to last year, more Americans say the single greatest barrier to better financial planning is a lack of time and confusion.

Half of Americans are either “informal” financial planners or have no plans/goals at all.

- Only one-third are “disciplined” and very few (16%) say they are “highly disciplined”.
- Men are more likely than women to say they are “disciplined” financial planners.
- Gen Y (especially the youngest Gen Y), men, and those with the highest assets are more likely than their counterparts to consider themselves disciplined.
- Compared to 2012 there are now more non-planners and fewer disciplined planners.

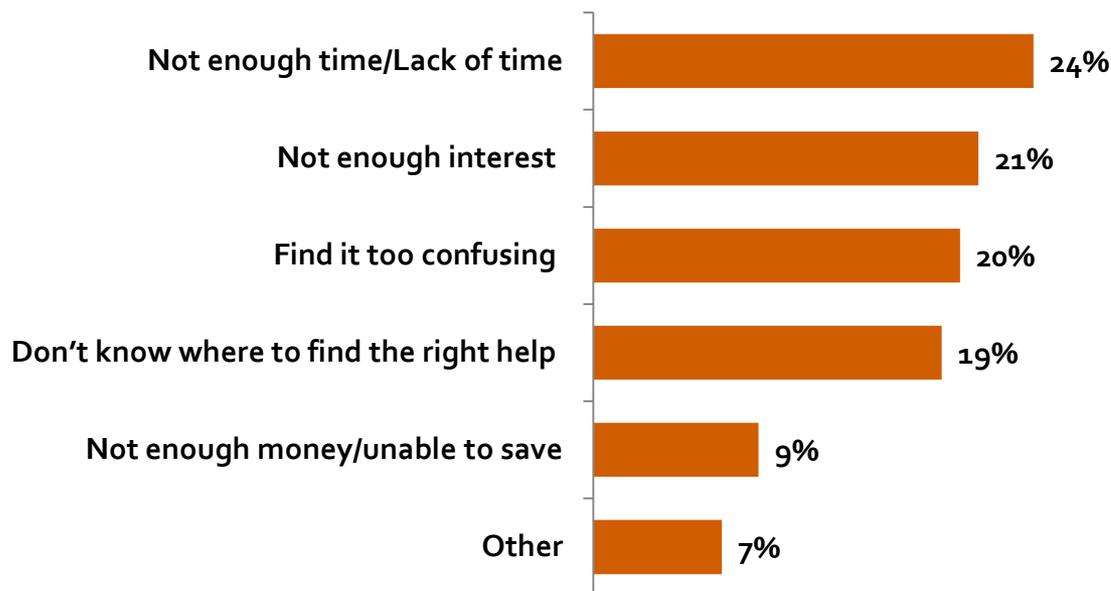
The majority say the pace of society makes it harder for people to stick with long-term goals. More than 6 in 10 say they feel too busy to think about long-term goals.

- More than one-quarter say they either often or always feel too busy to think about long-term goals.
- 3 in 10 say once they’ve set a long-term goal it’s difficult to stick with it and finish.

More than 6 in 10 (63%) admit their financial planning needs improvement; the biggest excuse is not having enough time.

- Not enough interest, confusion and not knowing where to find the right help are also commonly mentioned barriers.

Single Greatest Barrier



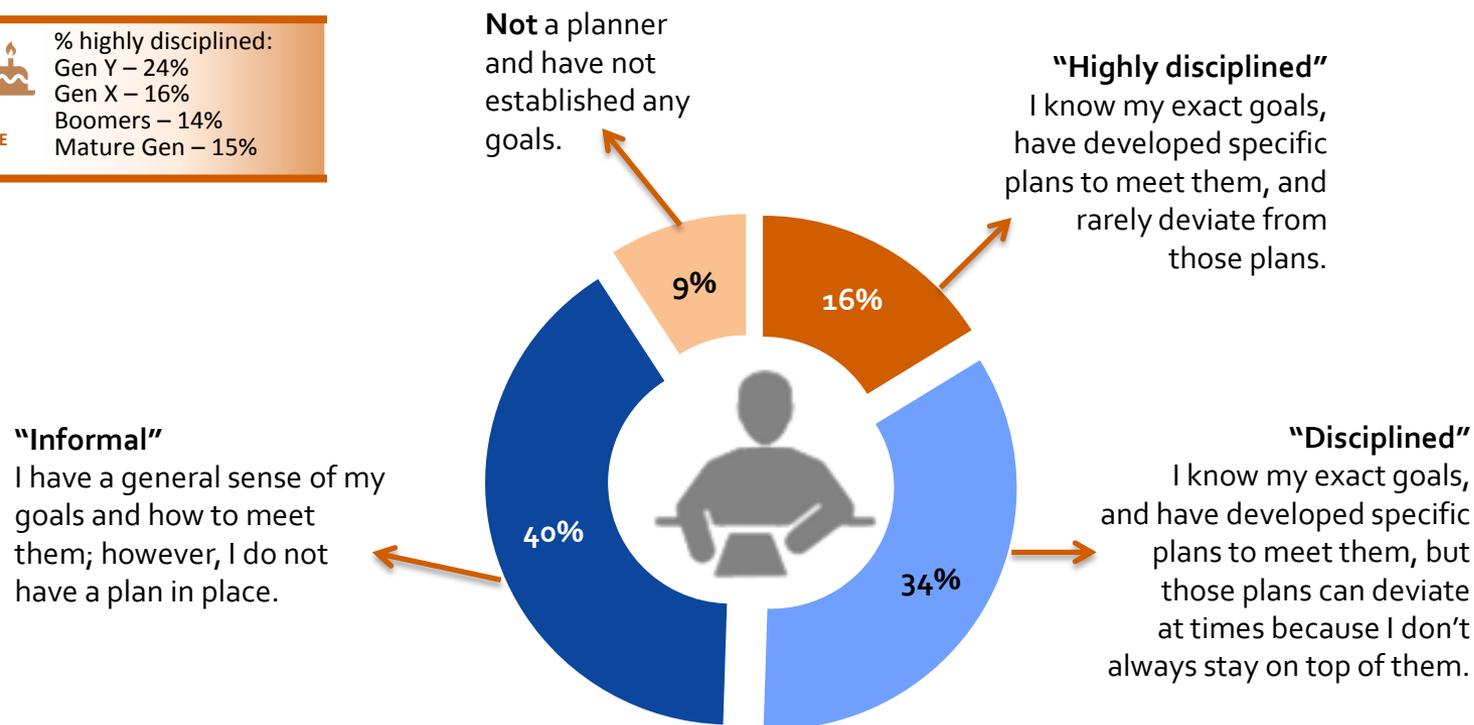
AGE

Those under 67 are more likely than the Mature Gen. to say their financial planning needs improvement.:
Gen Y – 67%, Gen X 76%,
Boomers – 60%, Mature Gen 44%

Half of Americans say they are either “informal” financial planners or have no plan or goals at all.

- Only one-third are “disciplined” and very few (16%) say they are “highly disciplined”.
- Gen Y, especially the youngest Gen Y, men, and those with the highest assets tend to be more disciplined while their counterparts are less disciplined.

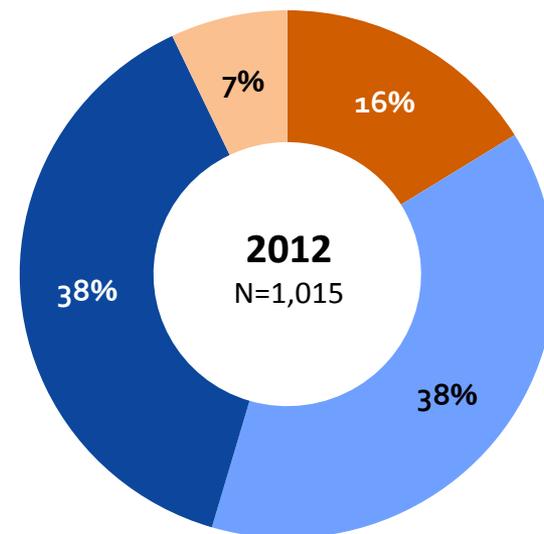
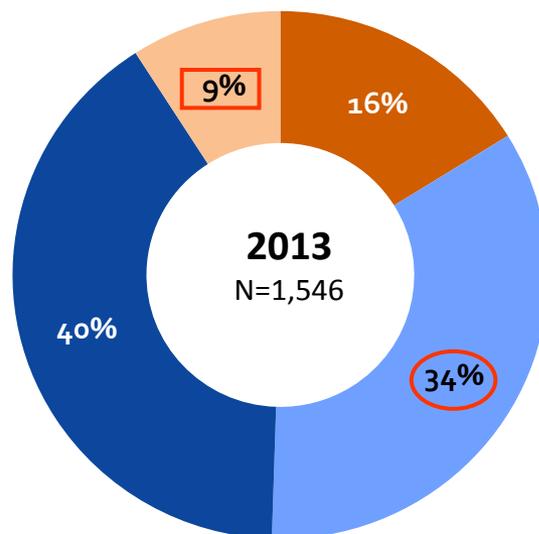
AGE	% highly disciplined:
Gen Y	24%
Gen X	16%
Boomers	14%
Mature Gen	15%



Compared to one year ago, there are now significantly more non planners and fewer disciplined planners.

• Only one-third are “disciplined” and very few (16%) say they are “highly disciplined”.

- **“Highly disciplined”** – I know my exact goals, have developed specific plans to meet them, and rarely deviate from those plans.
- **“Disciplined”** – I know my exact goals, and have developed specific plans to meet them, but those plans can deviate at times because I don’t always stay on top of them.
- **“Informal”** – I have a general sense of my goals and how to meet them; however, I do not have a plan in place.
- **Not a planner** and have not established any goals.



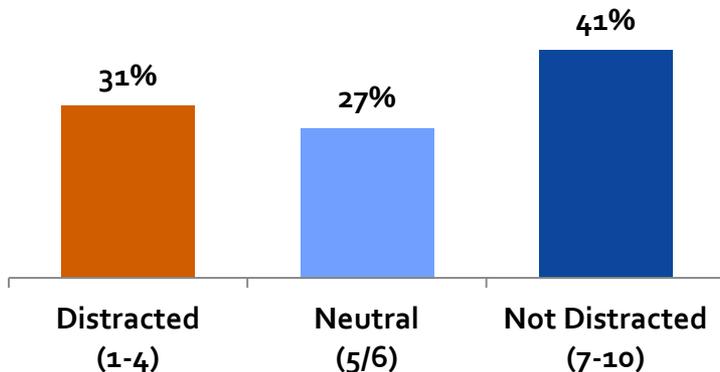
Significantly higher/lower than previous period at the 90% confidence level



3 in 10 Americans say they are distracted by the immediacy of society.

- Nearly one in three (31%) responded that they find the immediacy of society today – characterized by 24/7 connectivity and accessibility – to be distracting.

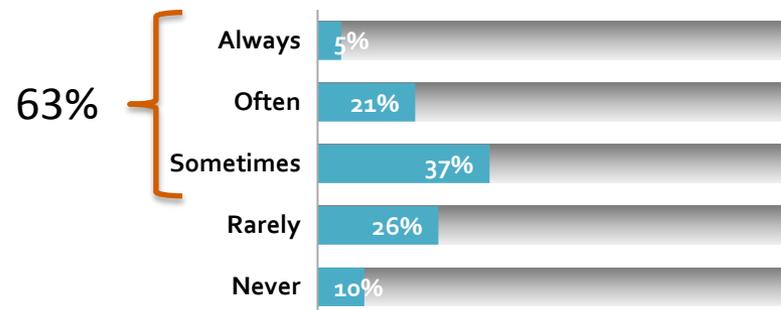
Level of Distraction Felt by the Immediacy of Society Today (Email, Instant Message, Mobile Devices, etc.)



AGE

Distraction is highest among Gen Y:
Bottom 4 box (most distracted):
Gen Y: 35%
Gen X: 36%
Boomers: 30%
Mature Gen: 24%

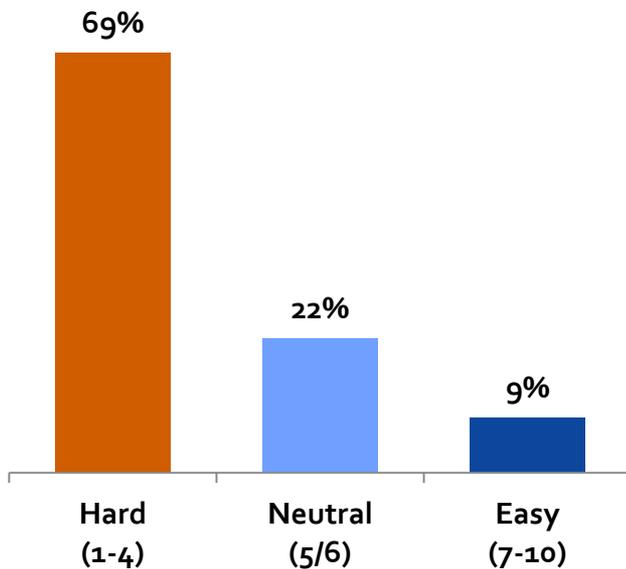
How Often Feel Too Busy to Think about Long-term Goals



The majority say the pace of society makes it harder for people to stick with long-term goals. More than 6 in 10 say they often feel too busy to think about long-term goals.

- More than one in four (26%) Americans either “often” or “always” feel too busy to think about long-term goals.

Level of Ease or Difficulty Pace of Society Makes It for People to Stick with Long-term Goals



CHILD STATUS

Those with children <18 are more likely to feel too busy to think about long-term goals: Have children <18 - 34%, children 18+ - 24%, no children - 23%.



AGE

While the Mature gen rarely feels too busy to think about long-term goals, the younger generations do: % feel they're always/often too busy: Gen Y – 38%, Gen X - 31%, Boomers - 24%, Mature gen - 13%.



AGE

Boomers and Matures are more likely to say the pace of society makes it harder to stick with long-term goals: Gen Y – 61%, Gen X 63%, Boomers 74%, Mature gen 75%.