

Planning & Progress 2013

“Best Financial Decisions”



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

Three-quarters say their priority is long-term planning, not short-term performance.

- Long-term performance is most important to those with assets of \$100K+ and the middle generations (Gen X and Boomers).

Those 55 and older say the best financial decisions they ever made were starting to save early and paying off their mortgage.

25-54 year olds say the most important financial decisions they will need to make include starting to save early and making sure their family is protected.

- Those 55 and older say one of their best financial decisions was paying off their mortgage. This doesn't make the list among 25-54 year olds.

Key Findings

One-third of Americans say “slow and steady wins the race” best describes their approach to future financial goals (similar to 2012). Unexpected expenses and debt are most likely to cause delays in saving.

- The subgroups with the most catching up to do include Gen Y, Gen X and parents. Parents also mention debt at higher levels than those without children.
- Over 6 in 10 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 fairly 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.

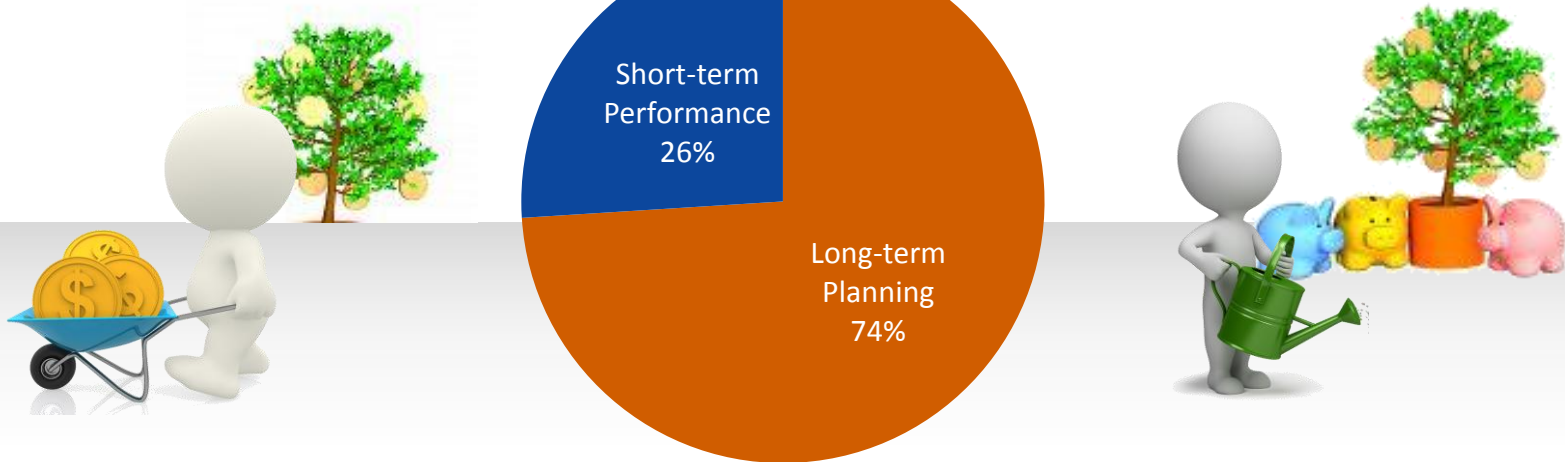
Three-quarters say their priority is long-term planning, not short-term performance.



AGE

Long-term planning %:
Gen Y – 65%
Gen X – 81%
Boomers – 75%
Mature Gen – 69%

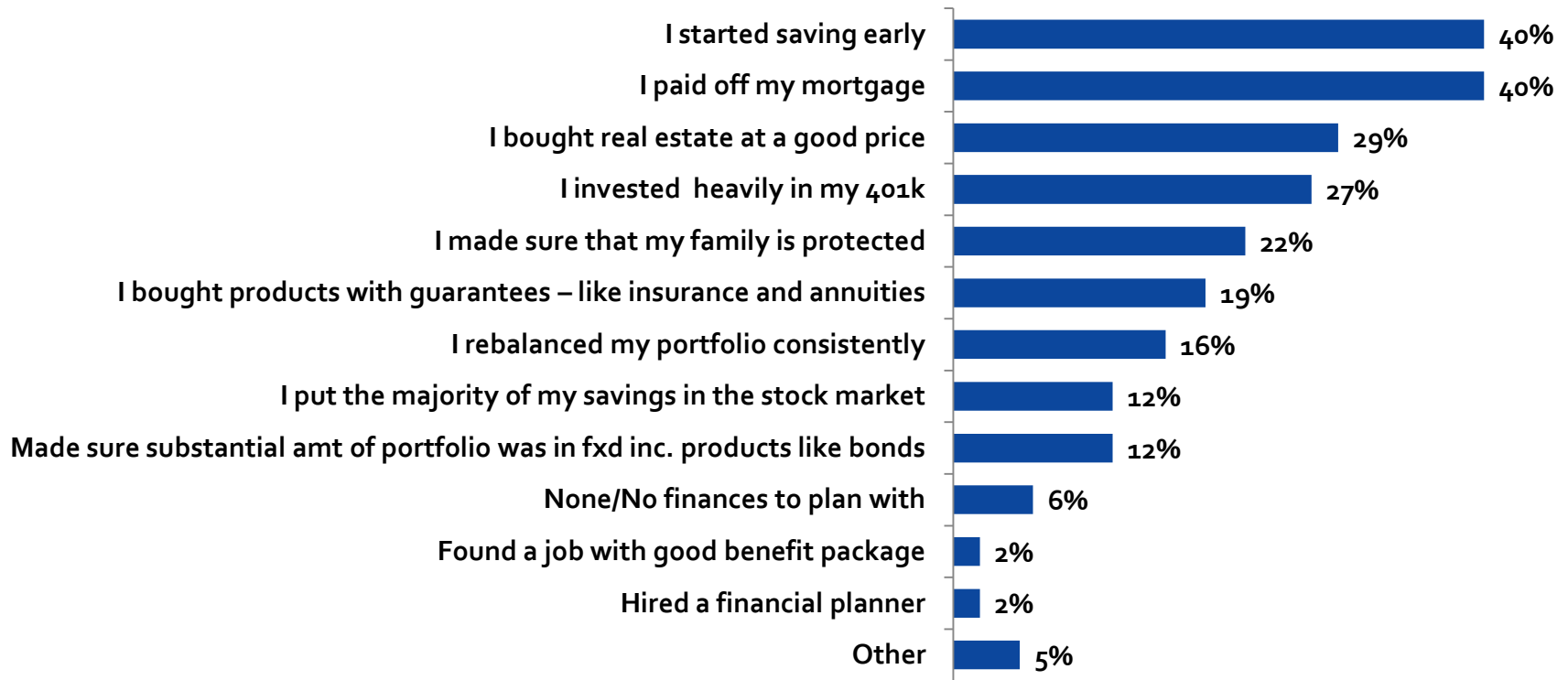
What Is Greater Priority –
Short-term Performance or
Long-term Planning?



Those 55 and older say the best financial decisions they ever made were starting to save early and paying off their mortgage.

Best Financial Decisions Ever Made (multiple mentions accepted)

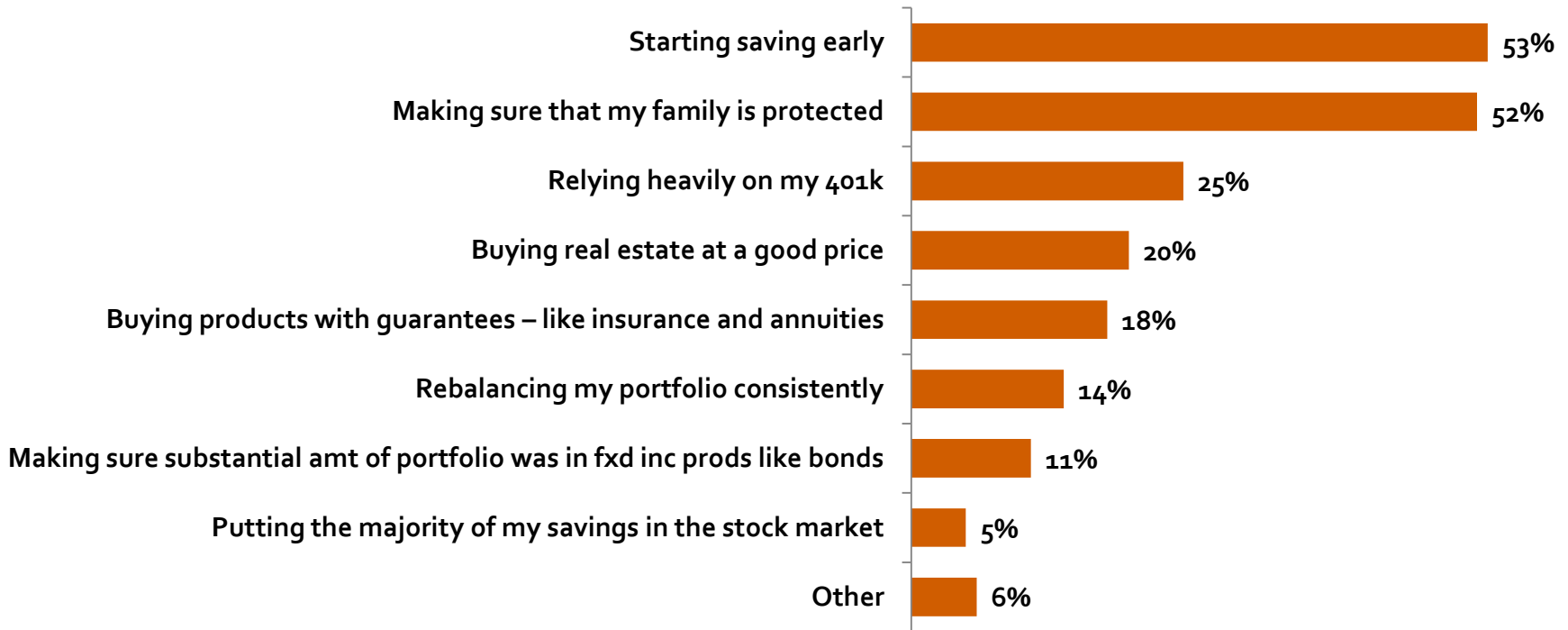
Among those already retired or nearing retirement (55 and older)



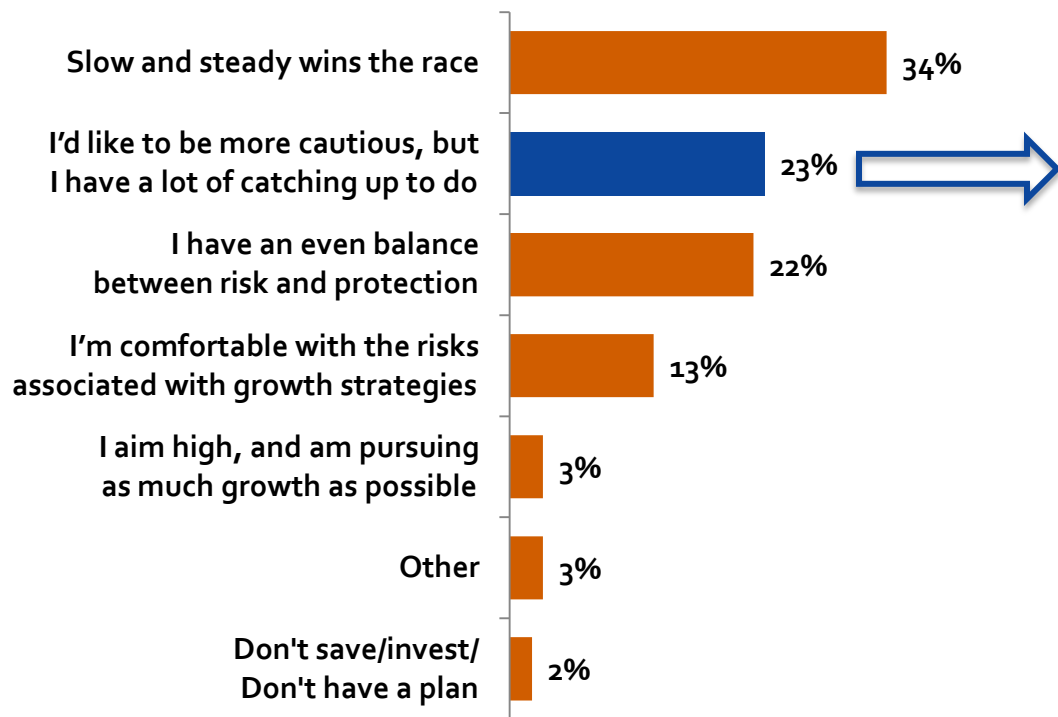
25-54 year olds say the most important financial decisions they will need to make include starting to save early and making sure their family is protected.

Most Important Financial Decisions to Make

Among younger generations (25-54 year olds)



One-third of Americans say “slow and steady wins the race” best describes their approach to future financial goals. Unexpected expenses and debt are most likely to cause delays in saving.



Unexpected expenses	52%
Debt (mortgage, student loan, Car loan, credit card, etc.)	47%
Lack of effective planning for the long term	37%
Concerns about job security/employment	32%
I or my spouse was unemployed For a period of time	29%
Housing value declined	17%
Decline in retirement savings	16%
Market losses on investments	12%
Business venture failed	6%
Other	5%

CHILD STATUS

Debt:

- Children <18 – 55%
- Children 18+ - 68%
- No children - 38%

AGE

Have a lot of catching up to do:

- Gen Y – 28%
- Gen X – 32%
- Boomers – 20%
- Mature Gen – 13%