

2019 Planning & Progress Study

America the Risk-Averse

Northwestern Mutual is the marketing name for The Northwestern Mutual Life Insurance Company (NM), Milwaukee, WI and its subsidiaries.

Background

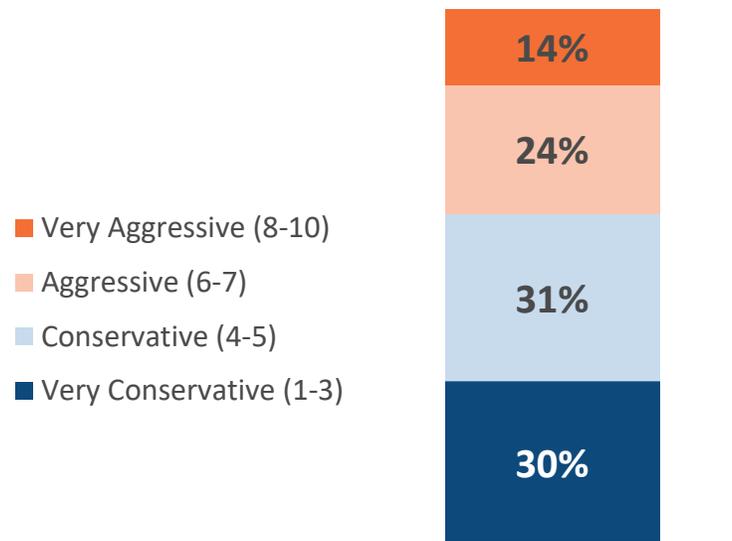
2019 marks the 10th year of the Planning & Progress Study – an annual research study from Northwestern Mutual that explores U.S. adults' attitudes and behaviors toward money, financial decision-making, and the broader issues impacting people's long-term financial security.

The study was conducted by The Harris Poll on behalf of Northwestern Mutual and included 2,003 American adults aged 18 or older in the general population who participated in an online survey between February 20 and March 5, 2019.

Results were weighted to Census targets for education, age/gender, race/ethnicity, region and household income. Propensity score weighting was also used to adjust for respondents' propensity to be online. No estimates of theoretical sampling error can be calculated; a full methodology is available.

Americans are inclined to play it safe rather than take risks with their finances

Financial Risk Tolerance



Financial Risk Tolerance Averages



BASE: ALL QUALIFIED RESPONDENTS – 2019 Gen Pop (n=2003)

RA1. On a scale of 1-10, what would you say is your “financial risk tolerance,” defined as your comfort level with taking financial risks in order to seek financial returns?

Q1230. Do you have a financial representative or advisor that you work with?

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

Americans' tendency toward risk-aversion isn't limited to finances

Risk-averse...

Risk-taker...

<p>I am more comfortable reducing my risk to ensure the safety and stability of my savings and investments, even if it means lower potential for returns</p>	<p>72%</p> 	<p>28%</p>	<p>Rather than playing it safe, I prefer taking calculated risks in the pursuit of higher returns</p>
<p>I stick close to the friends I already have, not necessarily because I am uninterested in forming new relationships, but rather because I tend to avoid taking chances socially</p>	<p>66%</p> 	<p>34%</p>	<p>I put myself out there and take chances socially because I love the prospect of forming new friendships/relationships</p>
<p>I prefer the consistency and stability of staying with one employer rather than taking the risk of moving around</p>	<p>65%</p> 	<p>35%</p>	<p>I will take the risk of making changes (e.g., employer, field, starting a business, etc.) if I believe it has a higher potential for success/happiness than inaction</p>
<p>I prefer the stability and consistency of living in one place long-term, even if an opportunity to move could potentially result in growth in my career, finances, etc.</p>	<p>76%</p> 	<p>24%</p>	<p>I like the adventure of starting over; of hitting the road not knowing what will come next; in experiencing new cities, neighborhoods and people</p>
<p>I don't find thrill-seeking activities particularly enjoyable. My personal interests tend toward activities that don't involve an element of risk</p>	<p>72%</p> 	<p>28%</p>	<p>I'm a thrill-seeker. I like folding in an element of risk as a way of having fun – things like skydiving, swimming with sharks, climbing mountains, and bungee jumping</p>

BASE: ALL QUALIFIED RESPONDENTS - Gen Pop: (n=2003)

Q1530. The next set of questions will explore the aspects of your life where you are more likely to take risks and where you are more likely to choose the stability of playing it safe.