

# The Psychology of Passion Spending

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

# Background

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Northwestern Mutual has been helping families and businesses achieve financial security for more than 160 years. Through a distinctive, personalized planning approach, Northwestern Mutual combines the expertise of its financial advisors with a digital experience to help its clients navigate their financial lives every day.

In 2019, Northwestern Mutual embarked on a study to better understand consumers' propensity to save and how saving patterns may be impacted by individuals' passions. The Psychology of Passion Study included 2,301 Americans ages 18 and older who participated in an online survey between March 18-22, 2019.

Participants for the study were sourced through Dynata's consumer panel and were selected to ensure a representative sample of adult Americans based on gender, age and income.

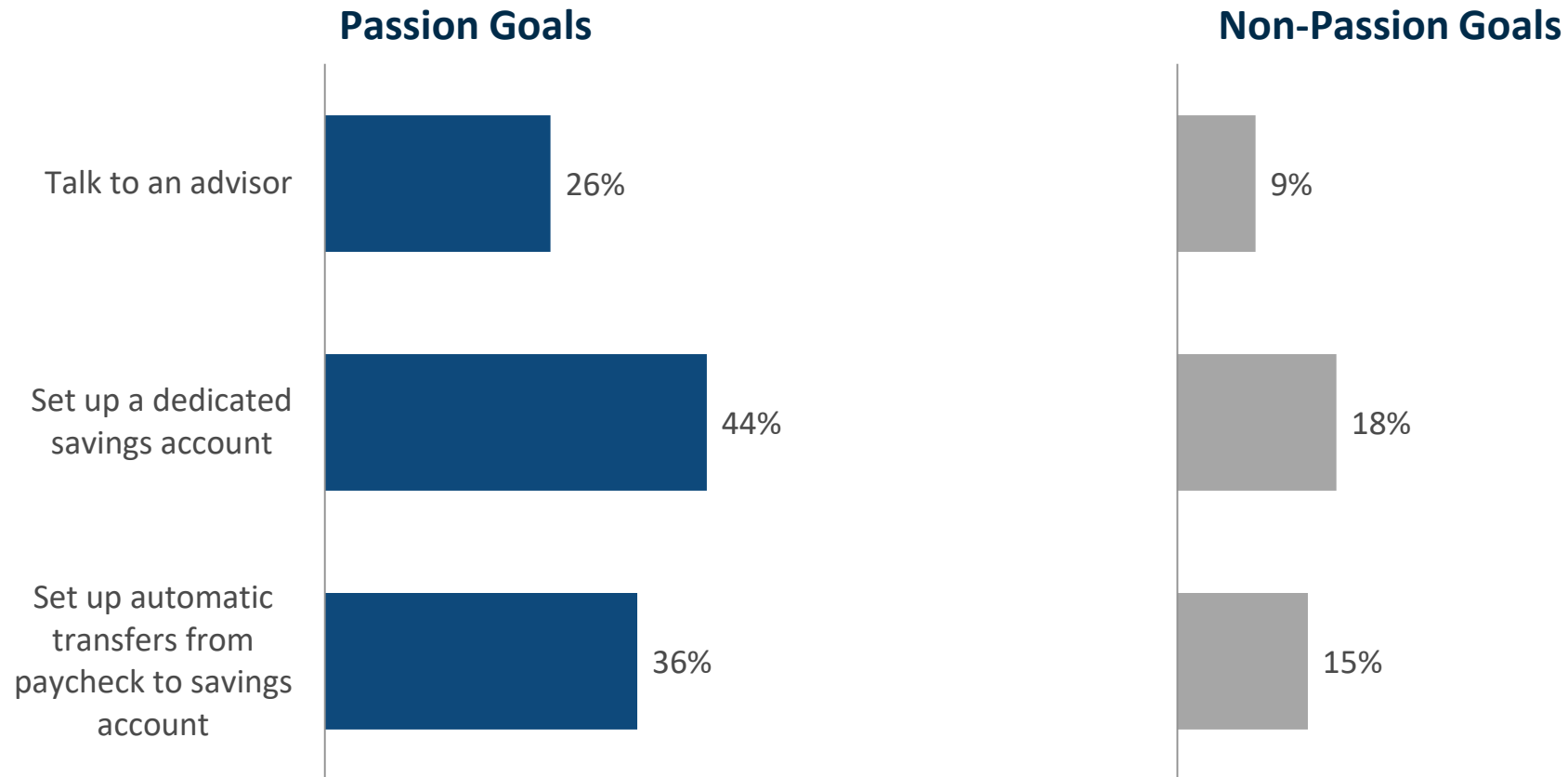
# Americans saving for a goal they feel passionate about save 31% more than those saving for non-passion goals

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## Average Percent of Monthly Paycheck Put Towards Savings for Goal



# Americans saving for passion goals are over two times more likely than others to set up automatic transfers, dedicated savings accounts and/or talk to an advisor about saving for their goal



Q. How likely are you to talk to a financial advisor about saving for this purchase?

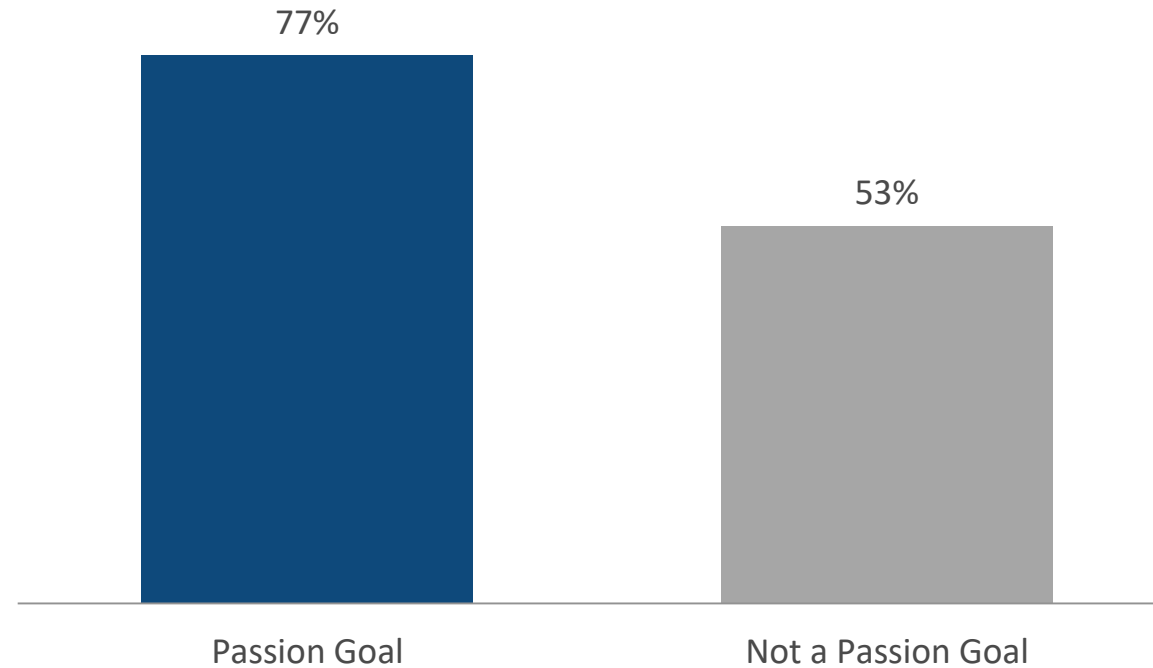
Q. How likely are you to set up a savings account specifically for this purchase?

Q. How likely are you to set up an automatic transfer from your paycheck to a savings account for this purchase?

Charts present the percentage "Very Likely," i.e., ratings of "6" and "7" on a 7-point scale where 1=Not At All Likely and 7=Very Likely

# Those saving for passion goals are more likely than others to plan to share the experience with someone else

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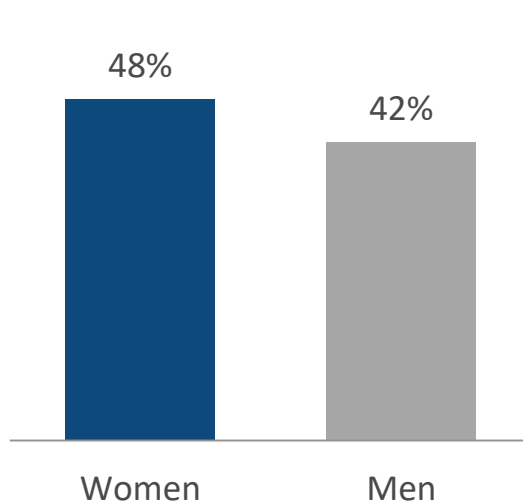


Q. How likely is it that this experience will be enjoyed with at least one other person?

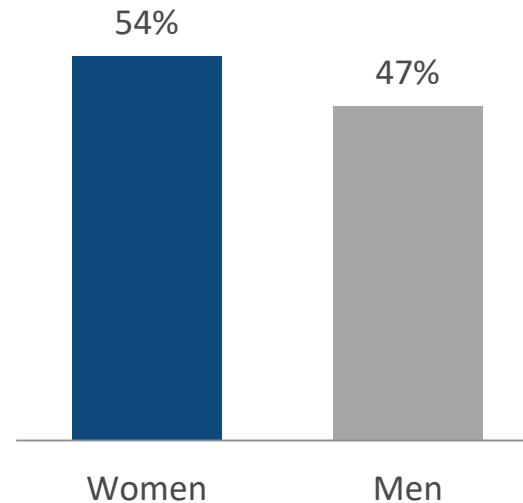
Charts present the percentage "Very Likely," i.e., ratings of "6" and "7" on a 7-point scale where 1=Not At All Likely and 7=Very Likely

# More women than men feel passionate about saving for their financial goal

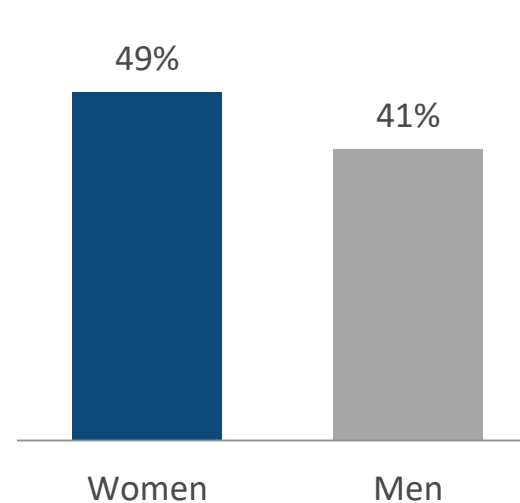
I am passionate about saving for this goal



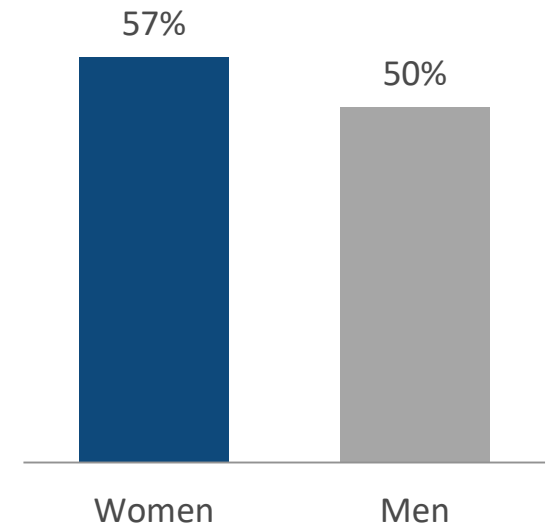
This purchase will allow me to do something I feel passionate about



This purchase will allow me to express a part of myself I feel passionate about



How important is purchasing this to you?



**Q.** To what extent do you agree or disagree with the following statements as they relate to saving for (goal description)?

I am passionate about saving for this purchase

This purchase will allow me to do something I feel passionate about

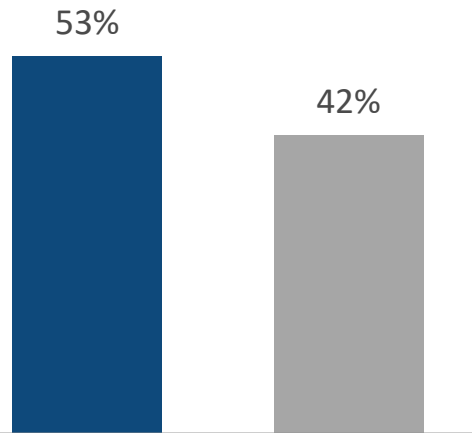
This purchase will allow me to express a part of myself I feel passionate about

How important is purchasing (goal description) to you?

Charts present the percentage "A Great Deal," i.e., ratings of "6" and "7" on a 7-point scale where 1=Not At All and 7=A Great Deal

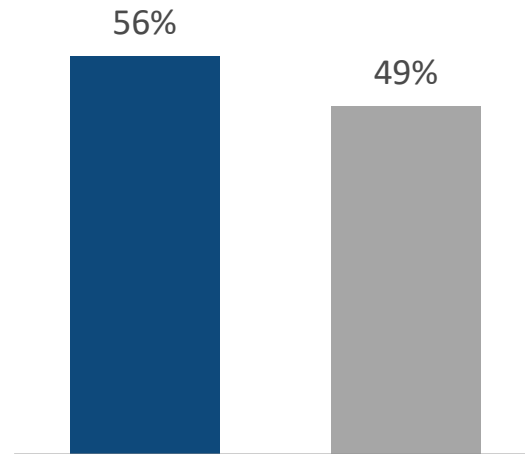
# More People of Color feel passionate about saving for their financial goal compared to Caucasians

I am passionate about saving for this goal



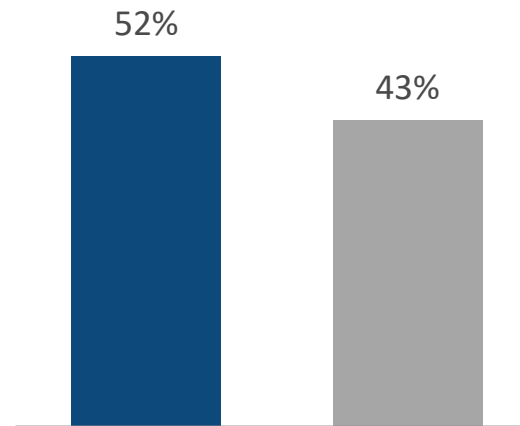
People of Color    Caucasians

This purchase will allow me to do something I feel passionate about



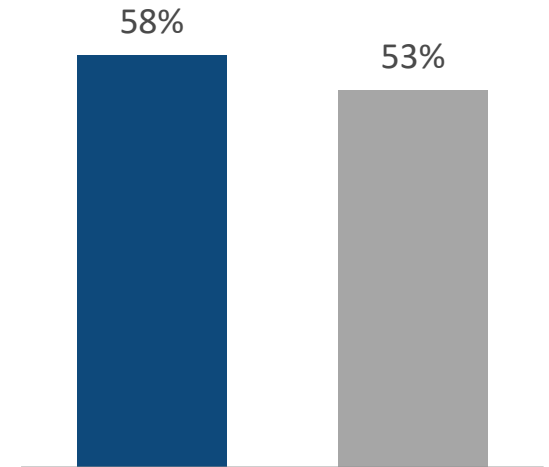
People of Color    Caucasians

This purchase will allow me to express a part of myself I feel passionate about



People of Color    Caucasians

How important is purchasing this to you?



People of Color    Caucasians

**Q.** To what extent do you agree or disagree with the following statements as they relate to saving for (goal description)?

I am passionate about saving for this purchase

This purchase will allow me to do something I feel passionate about

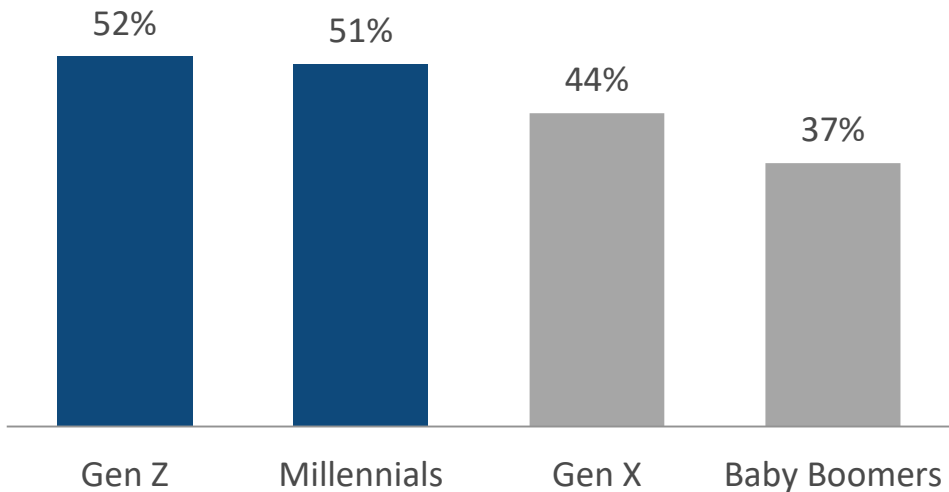
This purchase will allow me to express a part of myself I feel passionate about

How important is purchasing (goal description) to you?

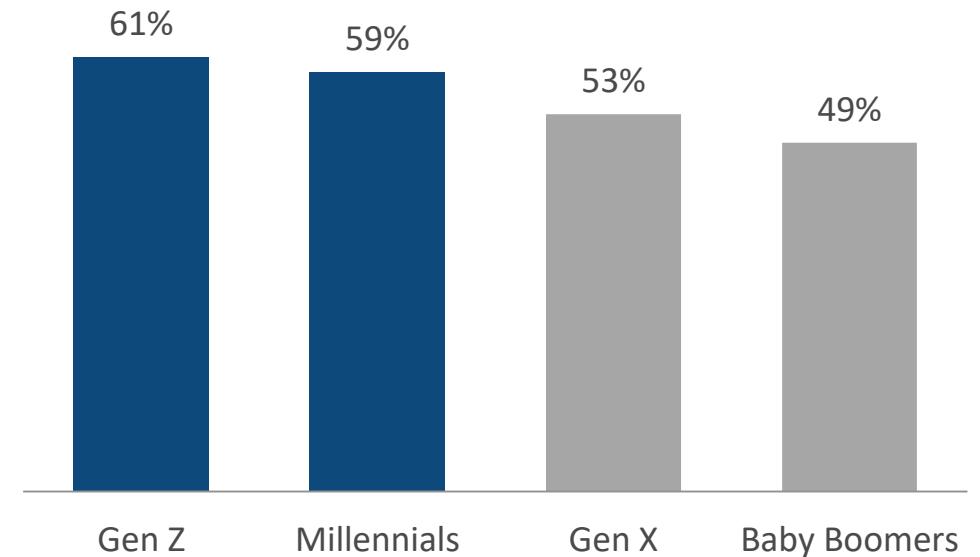
Charts present the percentage "A Great Deal," i.e., ratings of "6" and "7" on a 7-point scale where 1=Not At All and 7=A Great Deal

# Younger generations are more likely to feel passionate about their goal and say it is important to them compared to older generations

I am passionate about saving for this goal



How important is purchasing this to you?



Q. To what extent do you agree or disagree with the following statements as they relate to saving for (goal description)?

I am passionate about saving for this purchase

How important is purchasing (goal description) to you?

Charts present the percentage "A Great Deal," i.e., ratings of "6" and "7" on a 7-point scale where 1=Not At All and 7=A Great Deal