

# THE IMPORTANCE OF ACCESS TO FINANCIAL GUIDANCE TO MODERATE INCOME RETIREMENT SAVERS

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# Methodology

Five hundred and six people responded to an online survey conducted from March 10 through April 18, 2022.

All respondents:

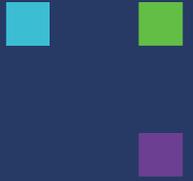
- Are between ages 55 and 70
- Are financial decision-makers
- Have an annual household income of \$35,000 to \$149,999
- Have \$25,000 to \$235,000 in savings and investments
- Work with a financial professional who is compensated by commission or plan to work with a financial professional in the near future, rather than an ongoing regular fee arrangement for portfolio management

Survey represented the racial and ethnic diversity of the U.S. population.

# Key Points

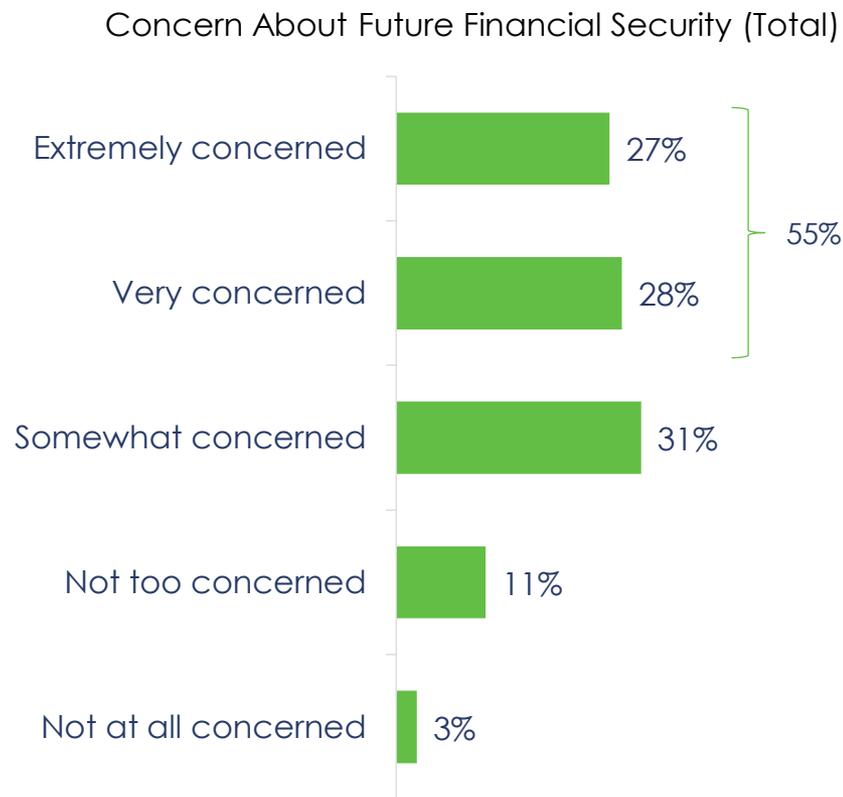
These moderate income guided, or guidance seeking, savers:

- Do not feel very knowledgeable about investing or retirement planning
- Are not very confident that they can do key tasks to ensure financial security throughout retirement without the help of a financial professional
- Those with guidance overwhelmingly trust and depend on their financial professionals, feel they are worth the cost, and would be negatively affected if they could not work with their financial professional
- Strongly oppose government regulation that would discourage or prohibit financial professionals from being compensated by commission and feel that compensation by commission is sometimes preferable to ongoing fees
- Feel guaranteed lifetime income products, typically offered by commission based professionals, provide very high value

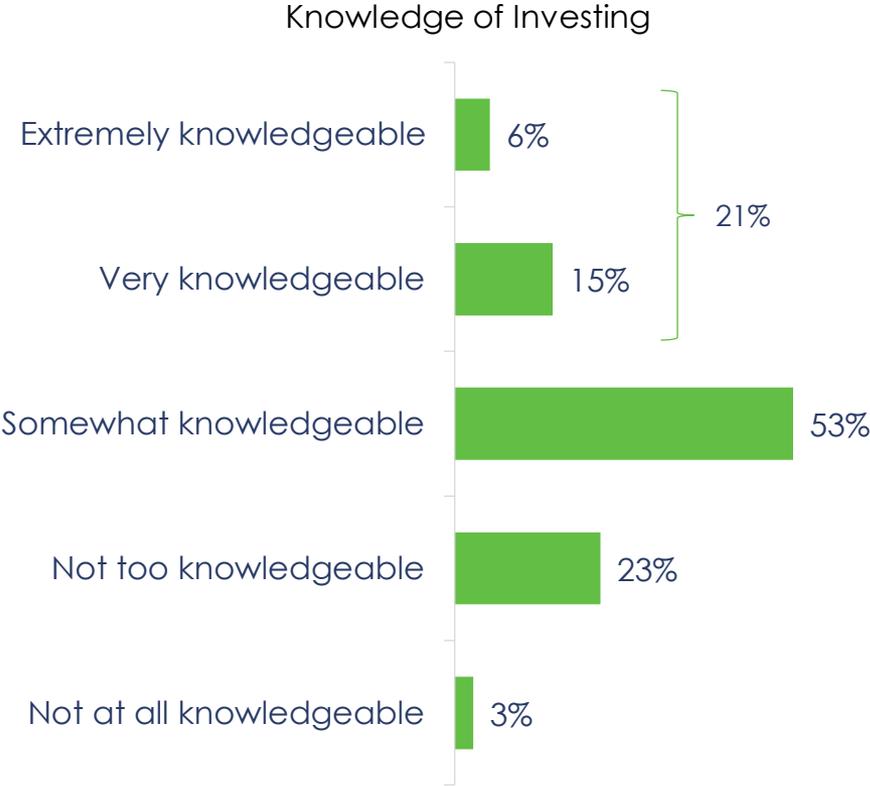


# Financial Concerns

# Over half are at least very concerned about their future financial security.

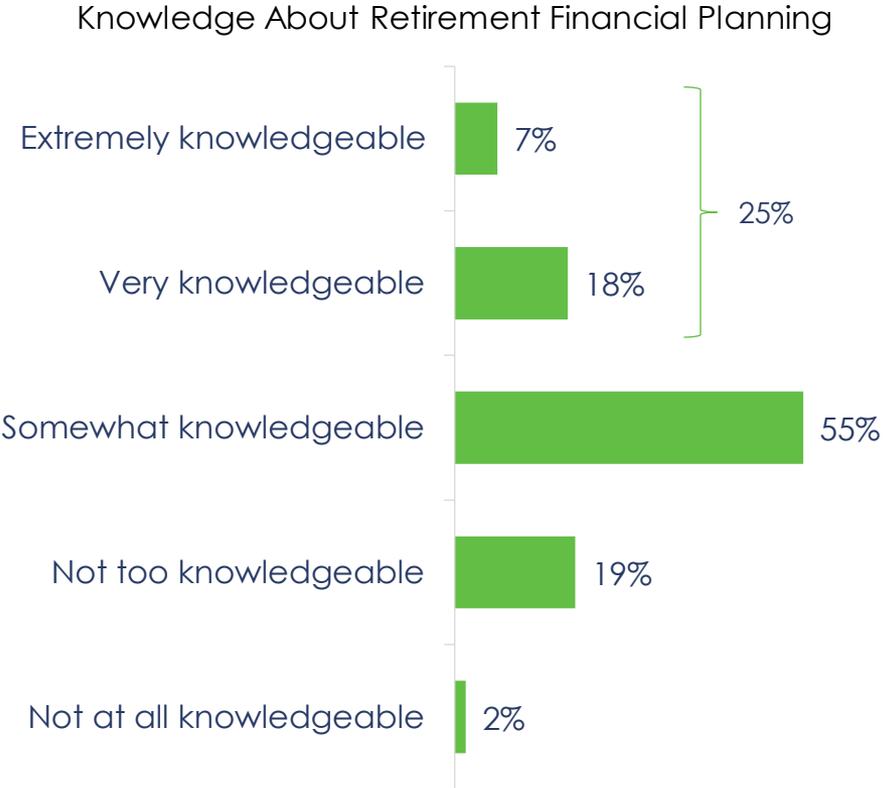


# Four in five claim they are not very knowledgeable about investing.

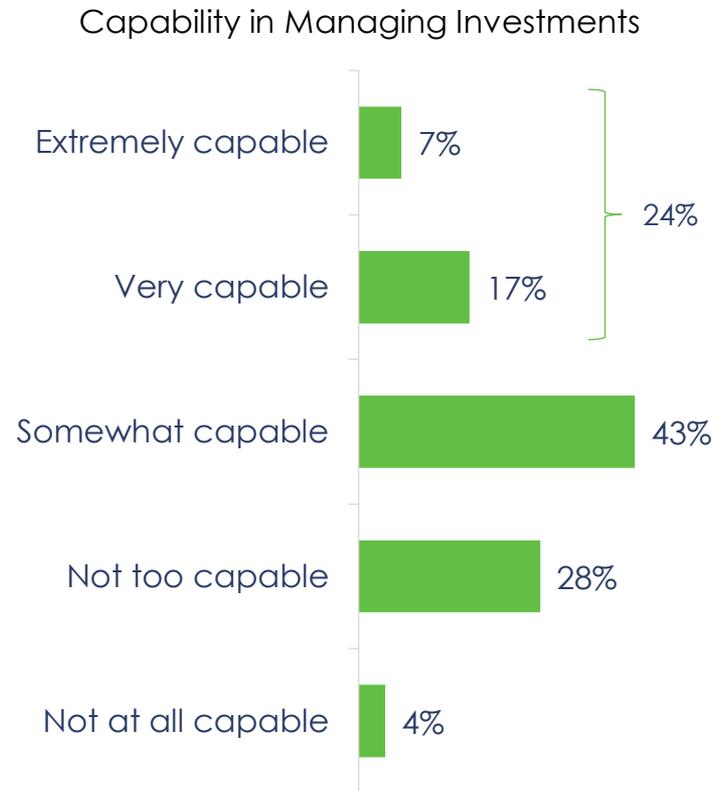


How knowledgeable would you say you are about investing?

# Three in four are not very knowledgeable about planning financially for retirement.



# Three in four are not very capable in managing investments.



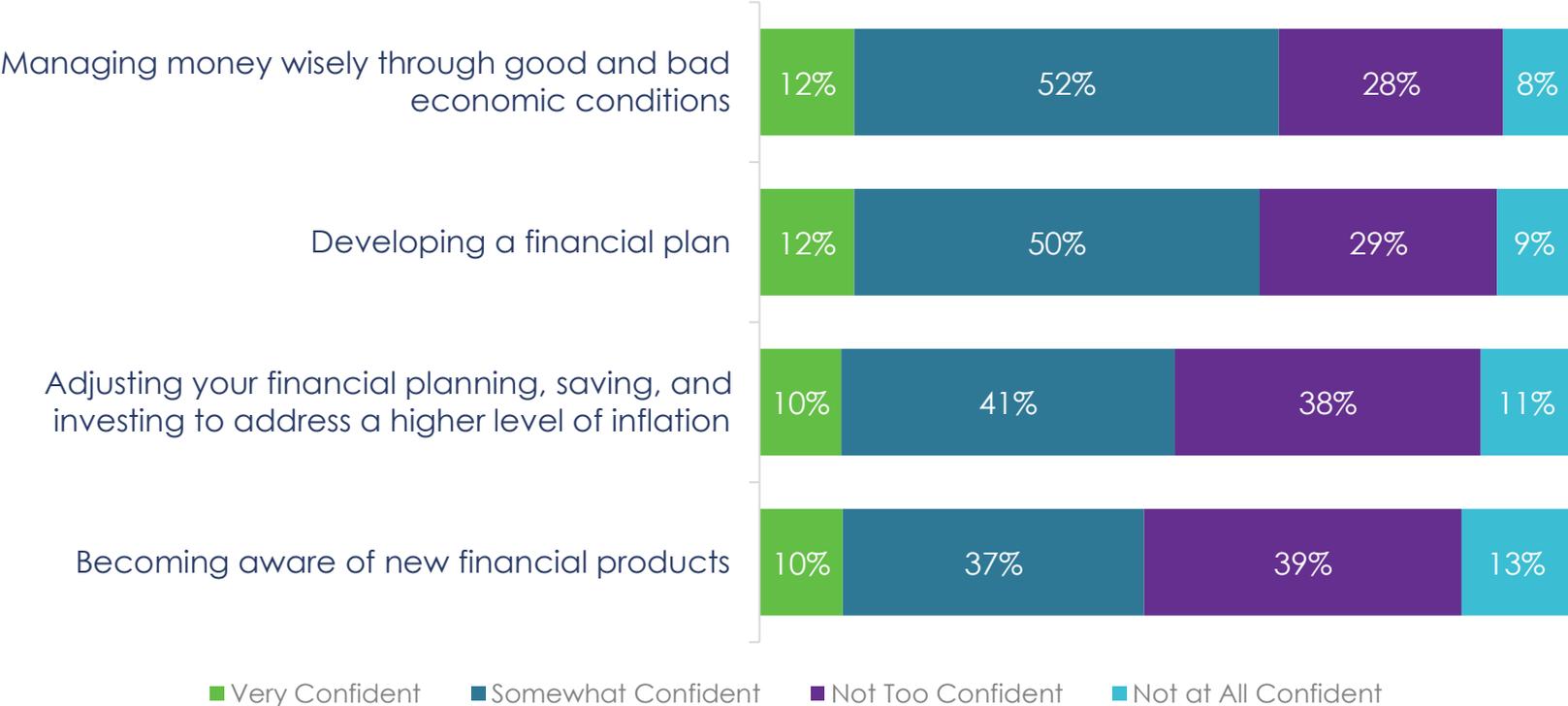
How capable do you feel you are in managing your investments on your own?



# Value of a Financial Professional

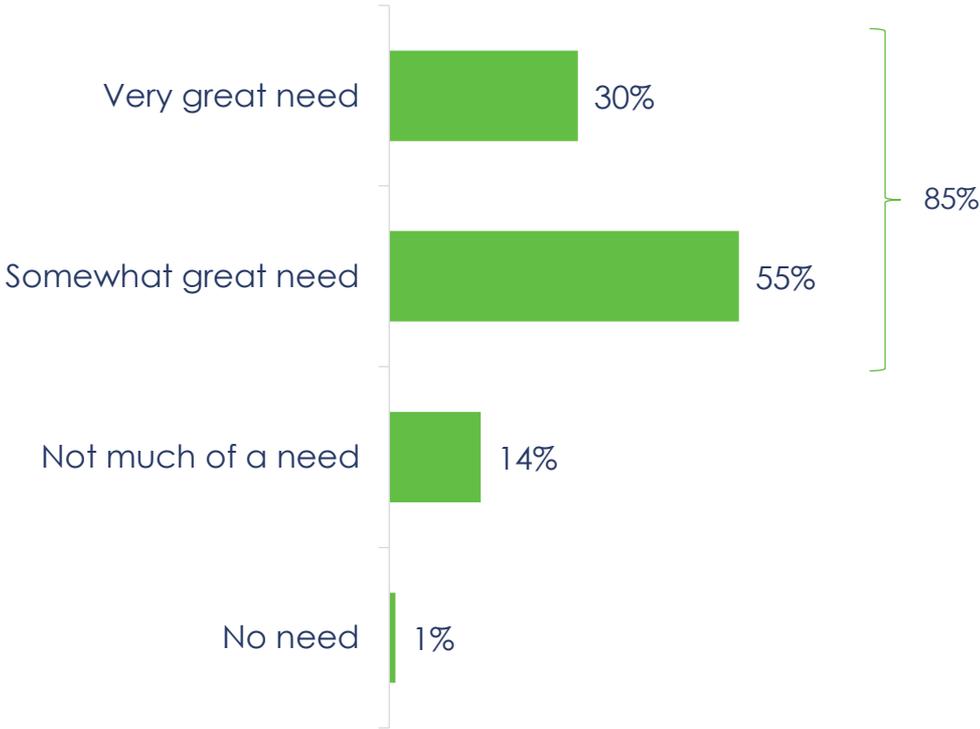
# Only about one in ten are very confident that they can conduct different aspects of financial planning without the help of a financial professional.

Ability Without Financial Professional



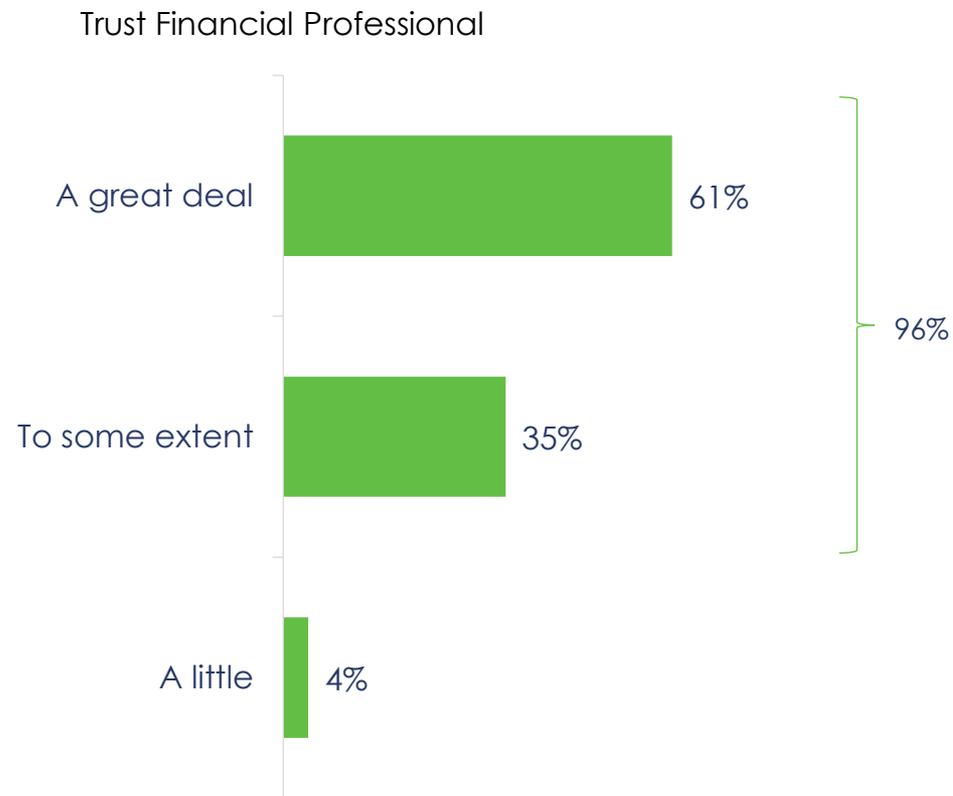
# Six in seven say they have at least a *somewhat great need* for financial guidance from a professional.

Need for Help From Financial Professional



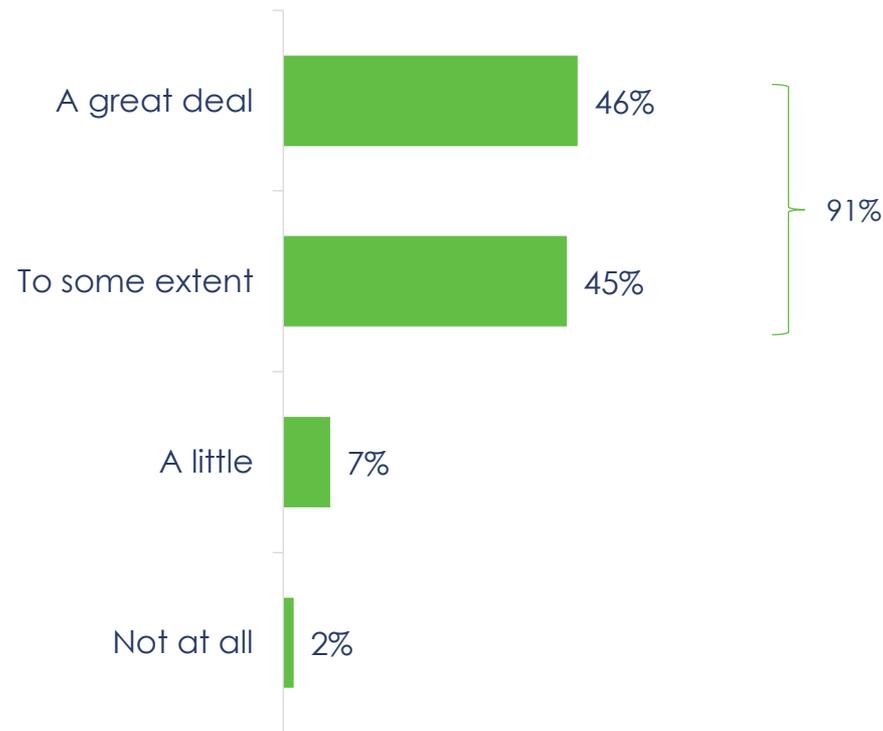
How much of a need do you have to get financial guidance from a financial professional to help you make retirement savings decisions?

# Those with a financial professional overwhelmingly trust that person.



# Nine in ten of those with a financial professional depend on that professional for retirement planning to at least some extent.

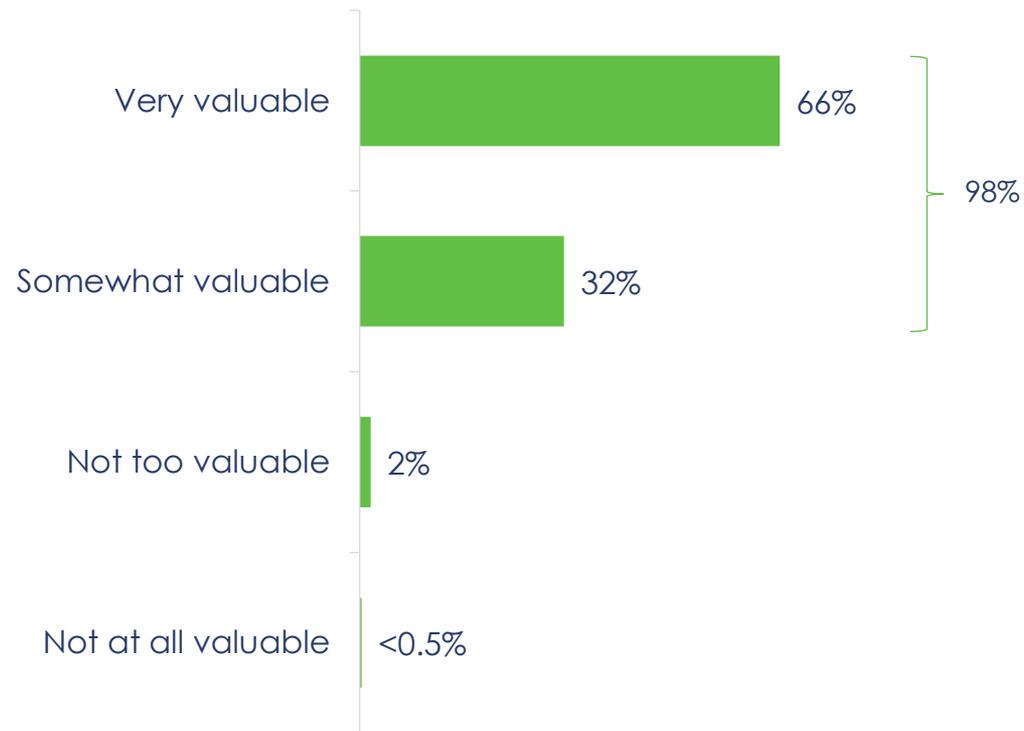
Dependence on Financial Professional for Retirement Planning



To what extent do you depend on your financial professional for retirement planning? *FILTER: Has a financial professional*

# Almost all those with a financial professional find their discussions with the professional valuable.

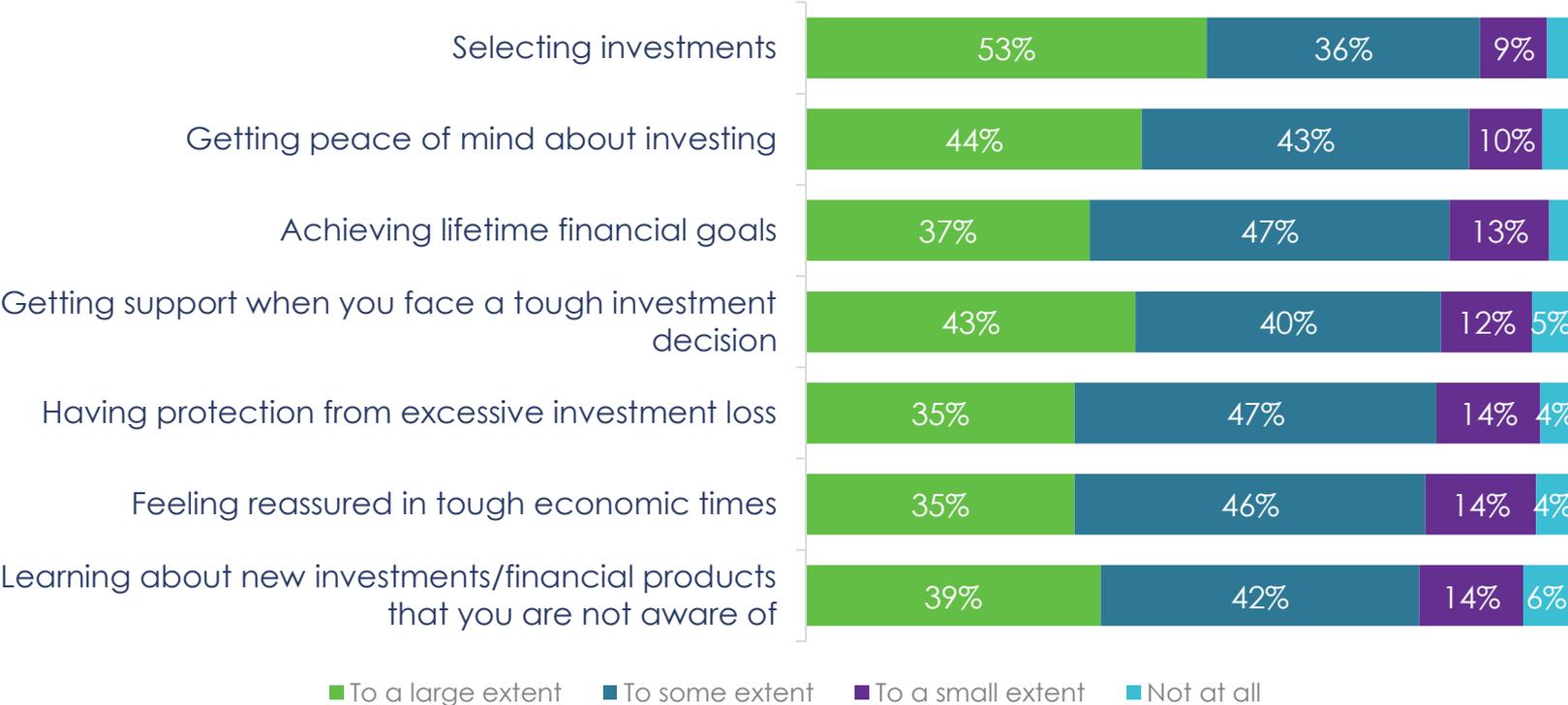
Value of Discussions With Financial Professional



How valuable is it for you to be able to discuss financial and investment issues with your financial professional? *FILTER: Has a financial professional*

# Over eight in ten believe they were helped to some extent with selecting investments and getting peace of mind with investments.

Help From Financial Professional



To what extent do you believe your financial professional has helped you with the following objectives? *FILTER: Has a financial professional*

# Almost all without a financial professional feel that there are many important reasons to work with a financial professional.

Importance of Reasons For Working With Financial Professional

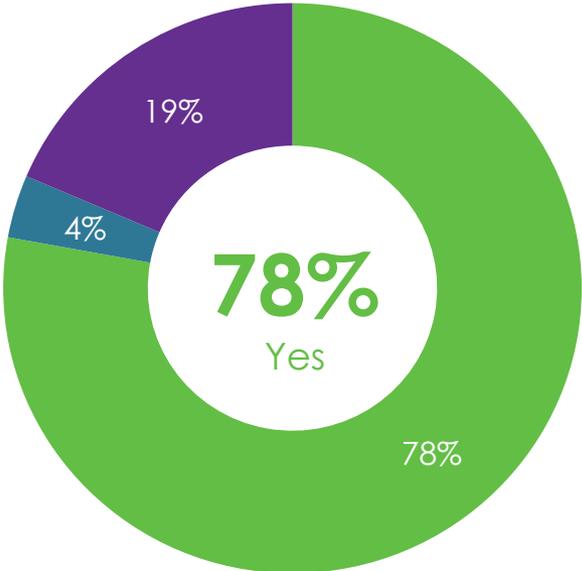


How important are the following reasons for wanting to work with a financial professional? FILTER: Does not have a financial professional

# Nearly eight in ten of those with a financial professional believe their professional is worth the cost.

Financial Professional Worth the Cost

■ Yes ■ No ■ Not sure





# Viewpoints on Government Regulation and the Compensation of Financial Professionals

# Only one in ten feel they would not be negatively impacted in each of four areas if they could not work with a financial professional.

Impact of Not Working With Financial Professional



If you could not work with a financial professional what impact would it have on the following areas:

# Nearly six in ten believe that when government regulators seek to dictate how professionals get paid, it usually does more harm than good.

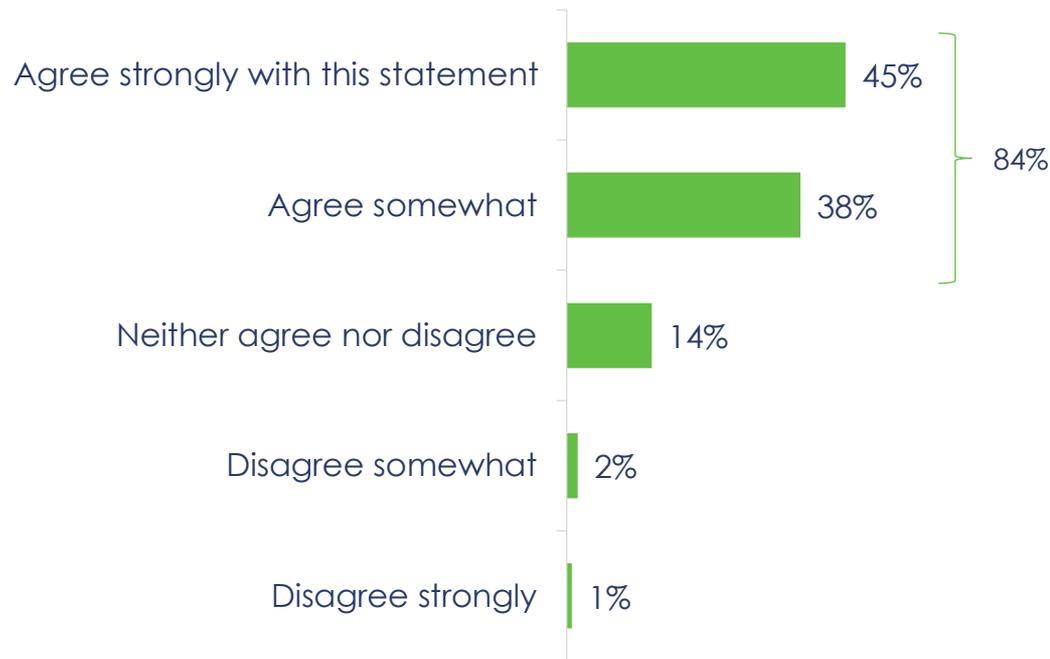
*“When government regulators seek to dictate how professionals get paid for the work they do for American consumers it usually does more harm than good.”*



Please indicate the extent to which you agree or disagree with the following statements. a. When government regulators seek to dictate how professionals get paid for the work they do for American consumers it usually does more harm than good.

# Four in five believe that people should have access to financial professionals paid in a variety of ways.

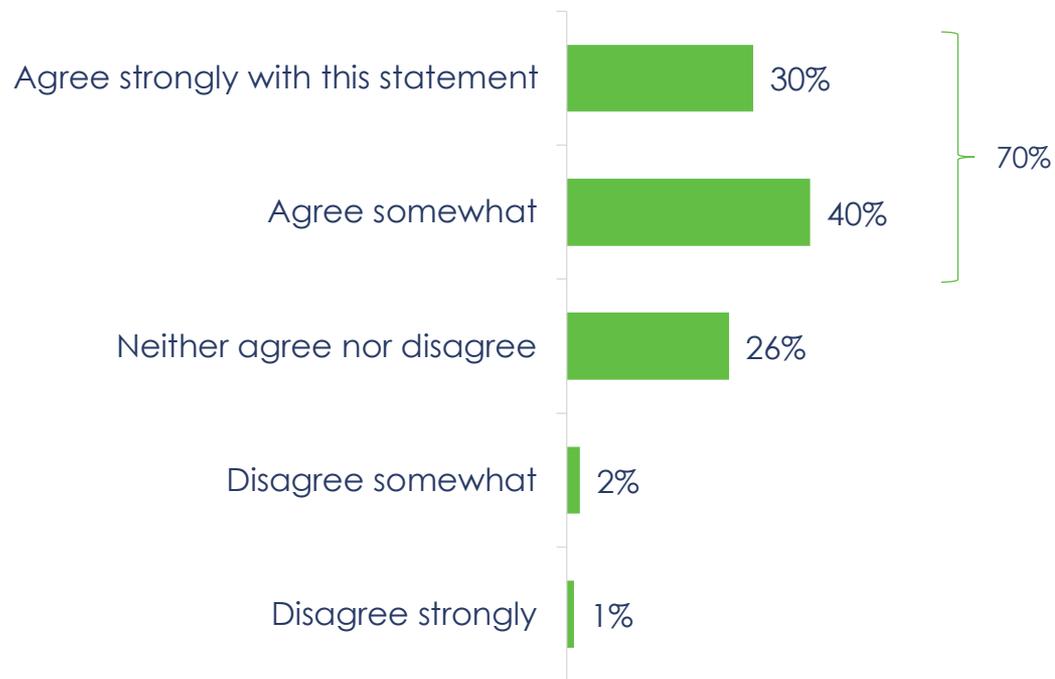
*"People should have access to both financial professionals who get paid by commission and financial professionals who get paid by a fee."*



Please indicate the extent to which you agree or disagree with the following statements. b. People should have access to both financial professionals who get paid by commission and financial professionals who get paid by a fee.

# Seven in ten believe that in some cases it is preferable for a financial professional to be compensated by commission rather than by a fee for service.

*"In some cases it is far better for people to pay their financial professional a commission rather than an annual fee."*



Please indicate the extent to which you agree or disagree with the following statements. c. In some cases it is far better for people to pay their financial professional a commission rather than an annual fee.

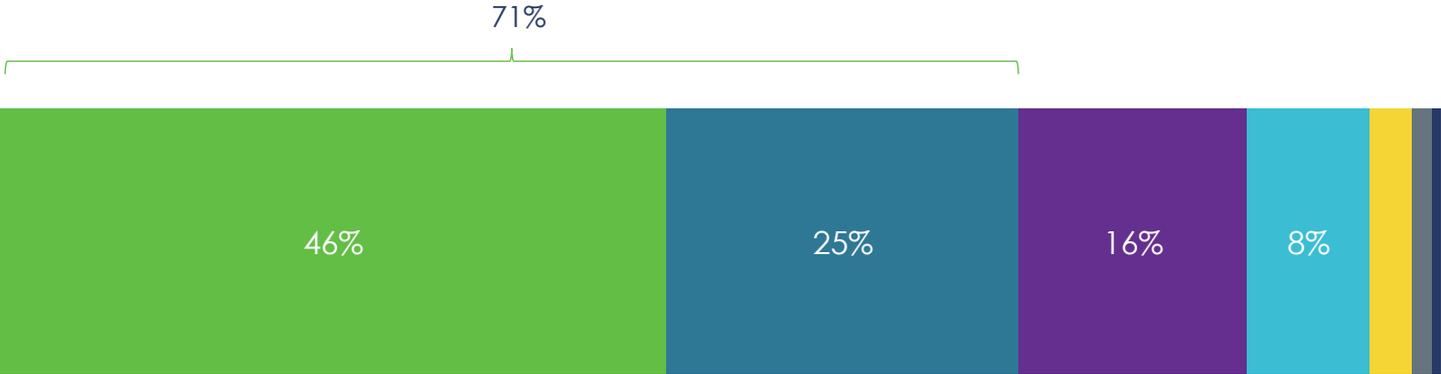


# Value of Guaranteed Lifetime Income

# Seven in ten view guaranteed lifetime income products as a very valuable addition to Social Security.

Value of GLI

7-Extremely valuable 6 5 4 3 2 1-Not at all valuable



How valuable would you say it is for someone who is retired to start getting monthly income for life from a guaranteed lifetime income product in addition to monthly income for life from Social Security?

# Guaranteed lifetime income products are especially valued for giving extra protection for those who live a long time and providing peace of mind.

Agreement on GLI Statements



Please indicate the extent to which you agree or disagree that owning a financial product that provides guaranteed monthly income for life...?