

*Ninth Annual*

# *Advisor Authority Study*

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## Retirement Traditions

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05/2024

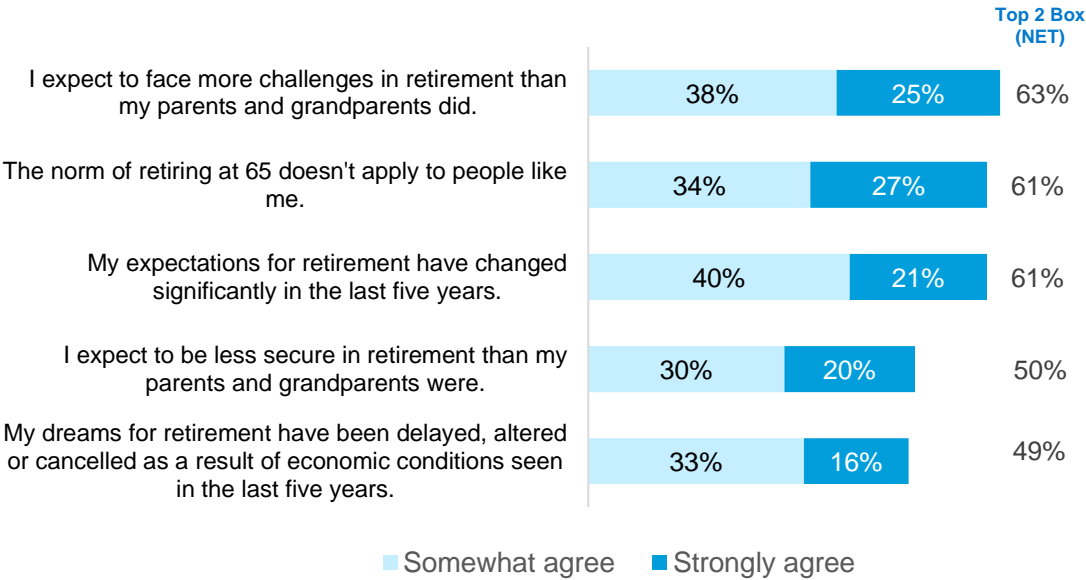




# More than six in ten investors say their expectations for retirement have changed significantly in the last five years

## Retirement Attitudes and Behaviors

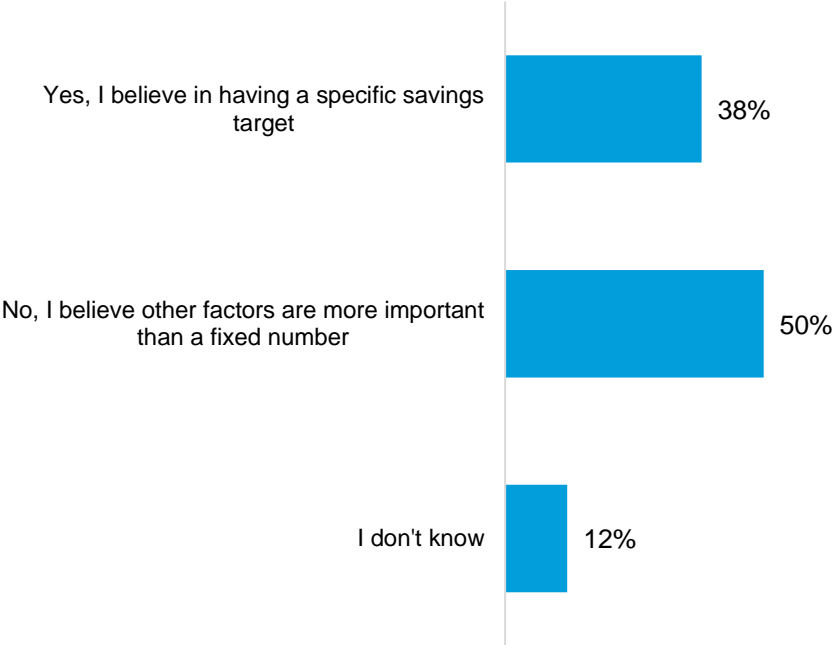
(Among all qualified investors)





# Just 38% of investors believe in having a retirement savings goal, or a specific target (magic number) for retirement

**Belief in the Concept of a “Magic Number” in Retirement**  
*(Among all qualified investors)*

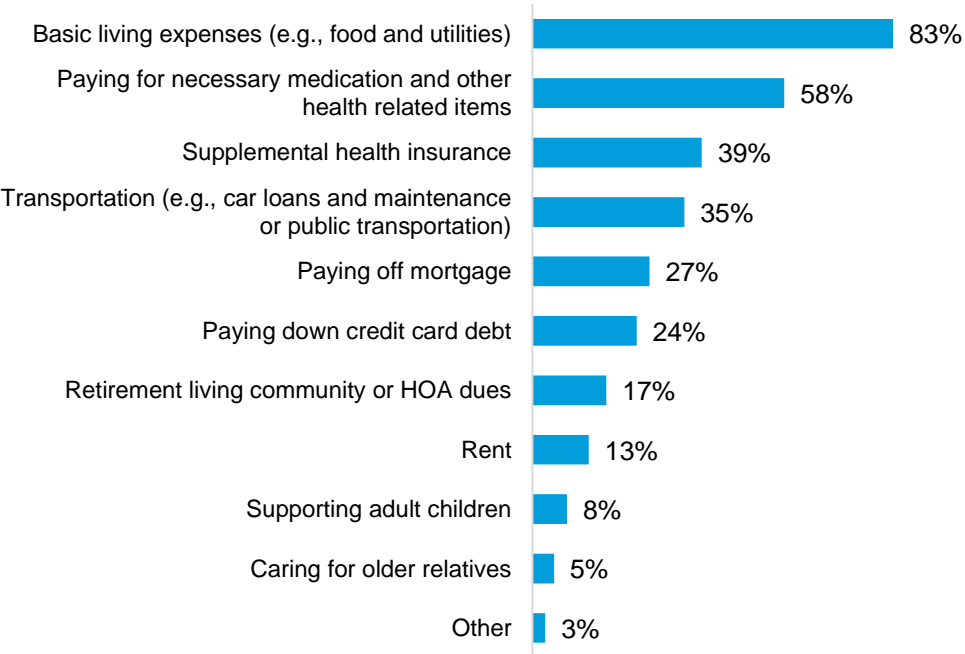




The top day-to-day expenses for non-retired investors aged 55+ or retired investors are all necessities—basic living expenses, necessary medication and other health related items and supplemental health insurance

**Recurring Financial Commitments Planning to Maintain in Retirement**

*(Among non-retired investors age 55+ OR retired investors)*

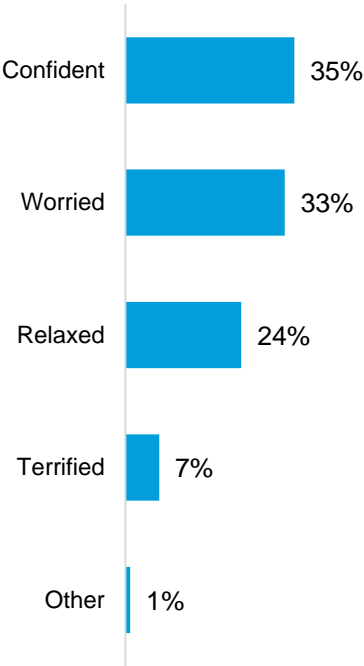




# Even though a third of investors seem confident, a similar third of investors worried about paying monthly bills in retirement

## Feelings About Ability to Afford Monthly Bills in Retirement

*(Among all qualified investors)*

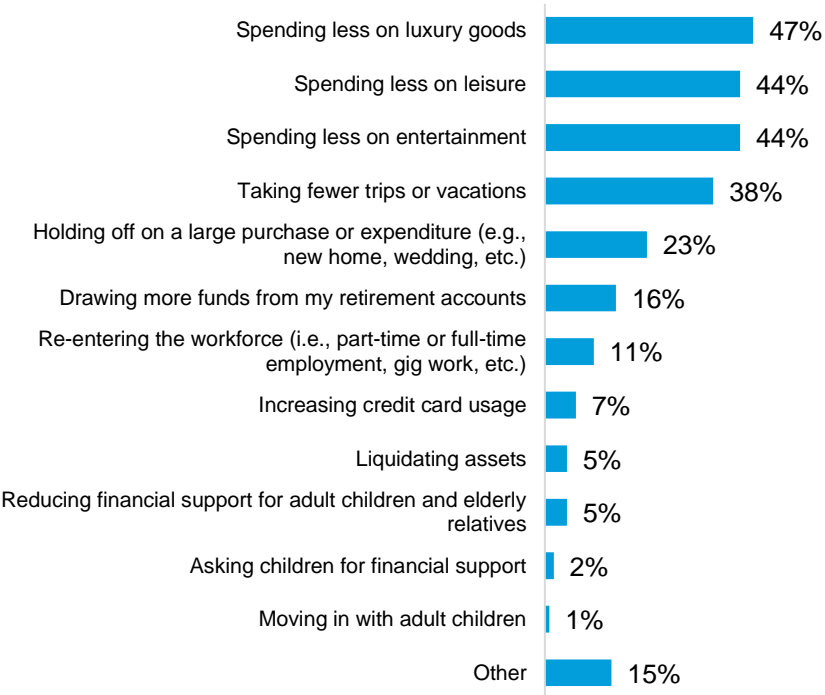




# To meet financial commitments, non-retired investors aged 55+ or retired investors are spending less on luxury goods, leisure, entertainment and vacations/trips

## Priorities Adjusted to Meet Financial Commitments in Today’s Economic Environment

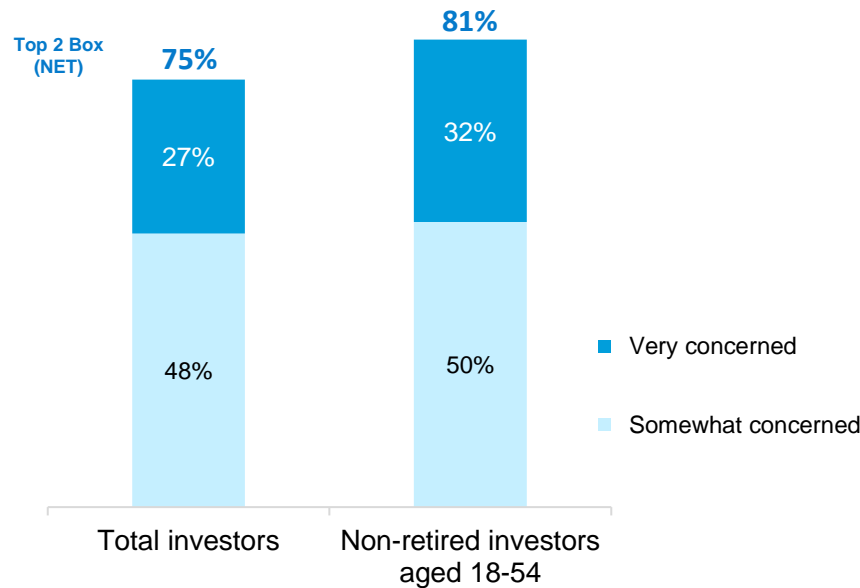
*(Among non-retired investors age 55+ OR retired investors)*





Three in four investors are concerned about a US economic recession over the next 12 months, including 81% of those farthest from retirement (non-retired 18-54 year olds)

**Concern About US Economic Recession Over the Next 12 Months**  
*(Among all qualified investors)*

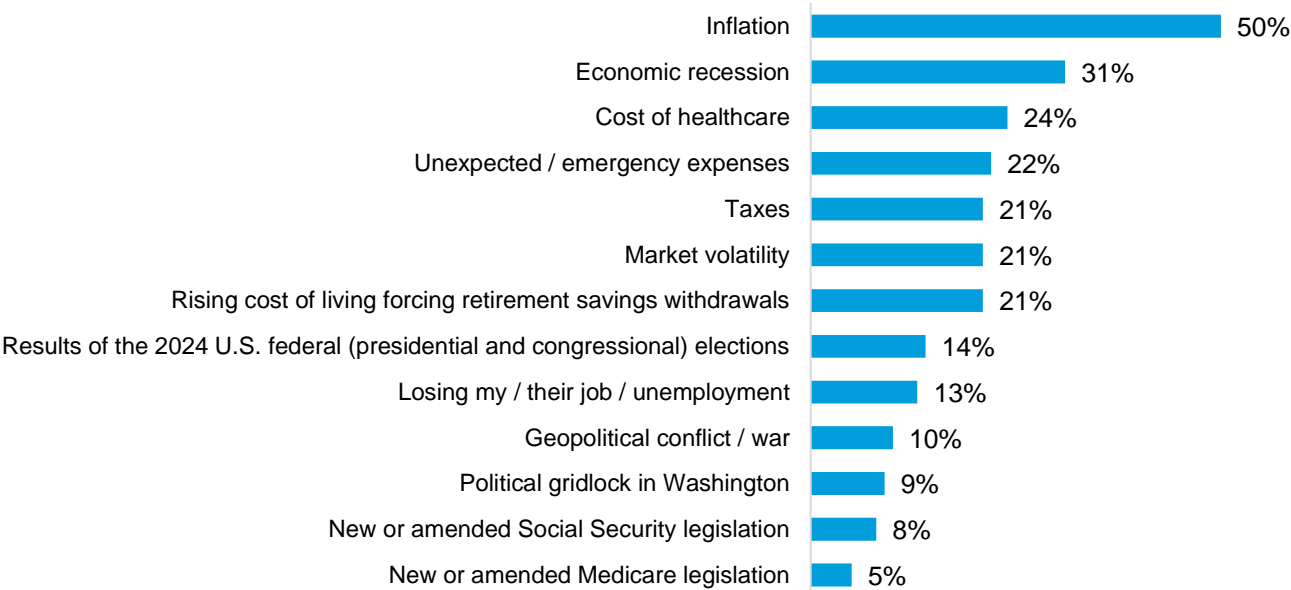




# Nearly one in three non-retired investors believe an economic recession poses the most immediate challenge to their retirement portfolio over the next 12 months

## Most Immediate Challenge to Retirement Portfolio Over the Next 12 Months

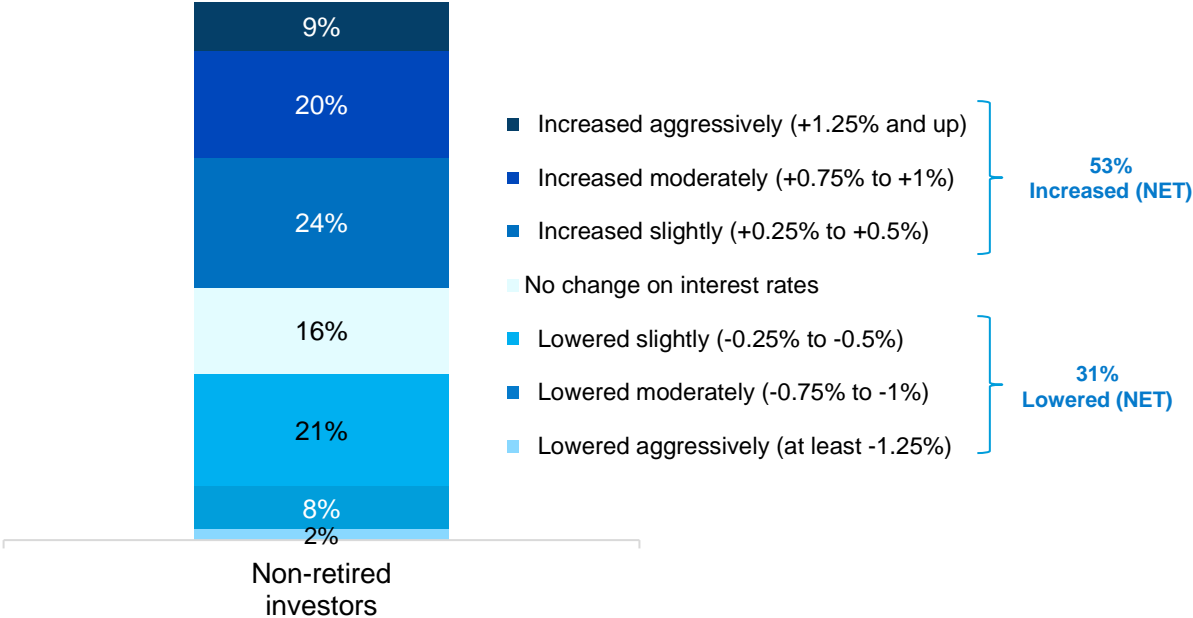
*(Among all non-retired investors)*





# Over half of non-retired investors expect interest rates to be increased 12 months from now

**Interest Rates in 12 Months Compared to Now\***  
*(Among all qualified investors)*

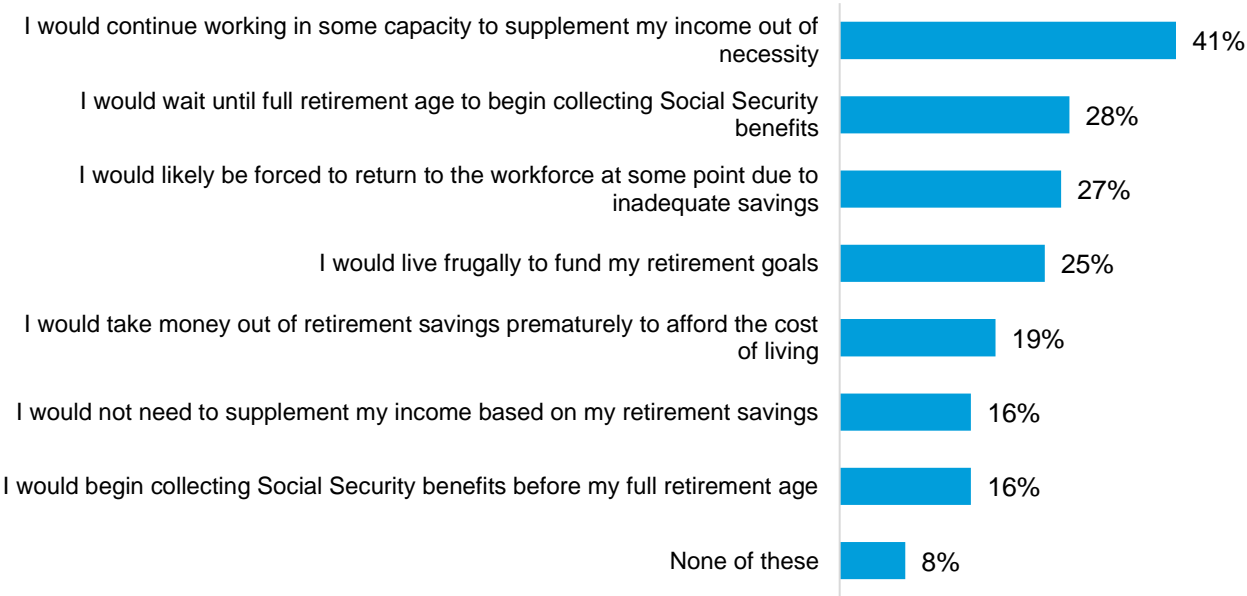




# If they retired in the next 12 months, more than a quarter of all non-retired investors would likely be forced to return to the workforce at some point due to inadequate savings

## Action That Would Be Taken If Retired in the Next 12 months

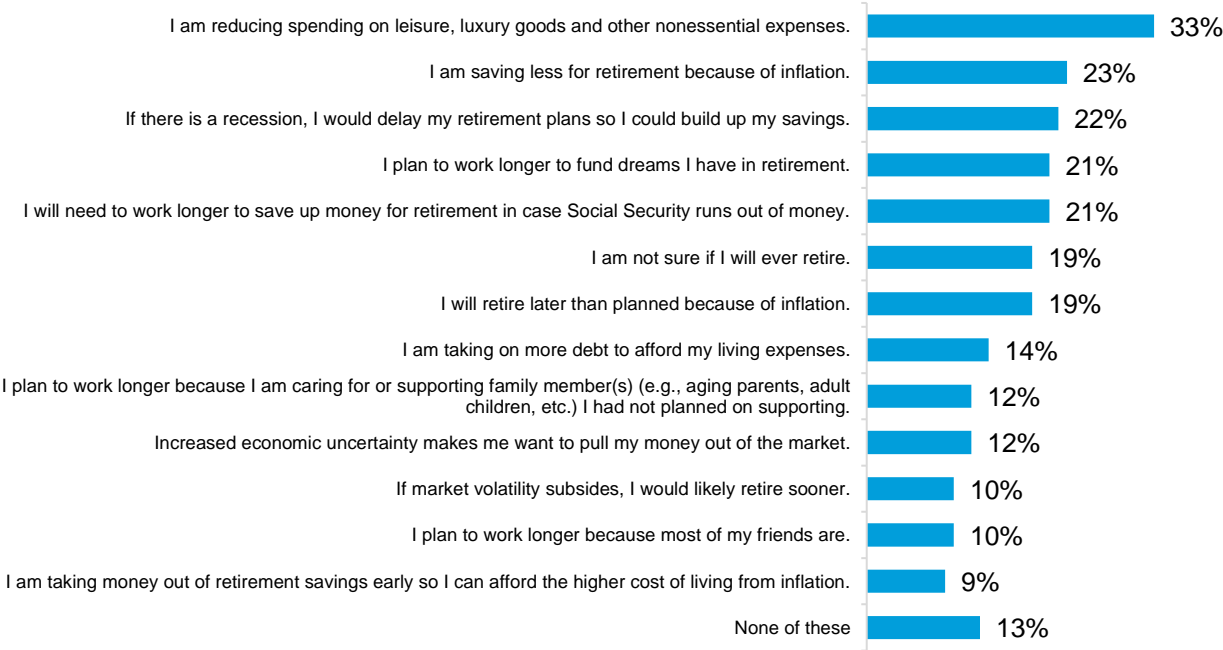
*(Among non-retired investors)*





One in five non-retired investors are unsure if they will ever retire, and 19% claim that they will retire later than planned because of inflation.

**Statements on Working, Savings, and Retirement**  
*(Among non-retired investors)*

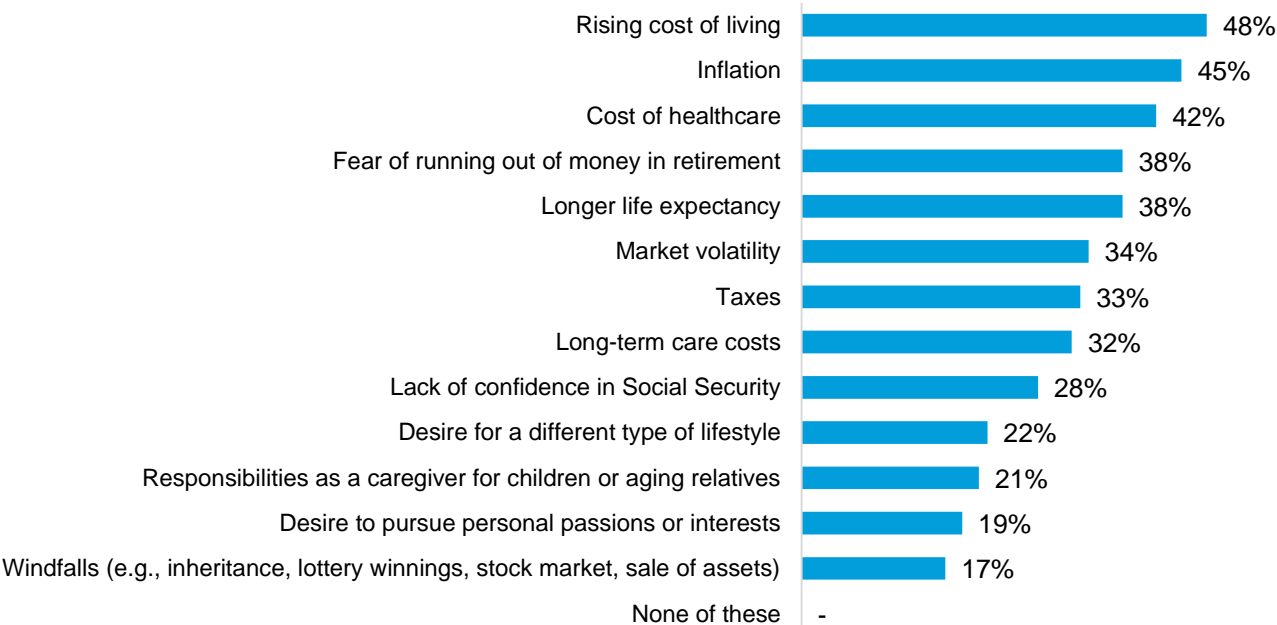




# Nearly half of financial advisors say the rising cost of living has influenced their clients to rethink or redefine their retirement planning strategies

## Factors That Influenced to Rethink or Redefine Retirement Planning Strategies

*(Among all qualified financial advisors)*

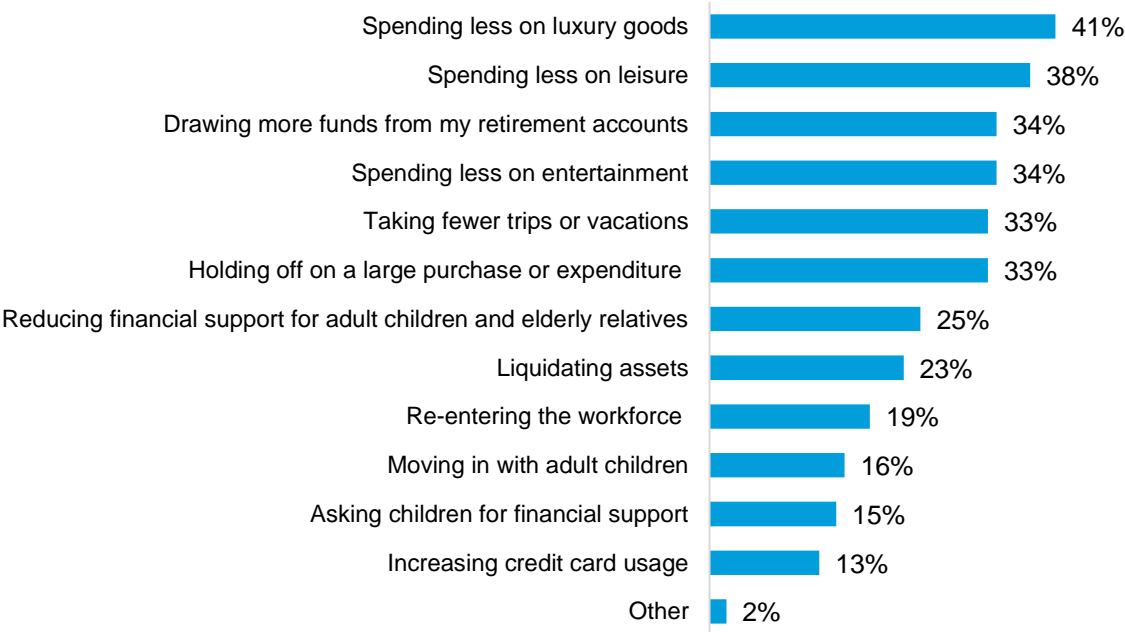




# Nearly 1 in 4 financial advisors say their clients are liquidating assets to meet financial commitments in today's economic environment

## Ways Priorities Are Adjusted to Meet Financial Commitments in Today's Economic Environment

*(Among all qualified financial advisors)*

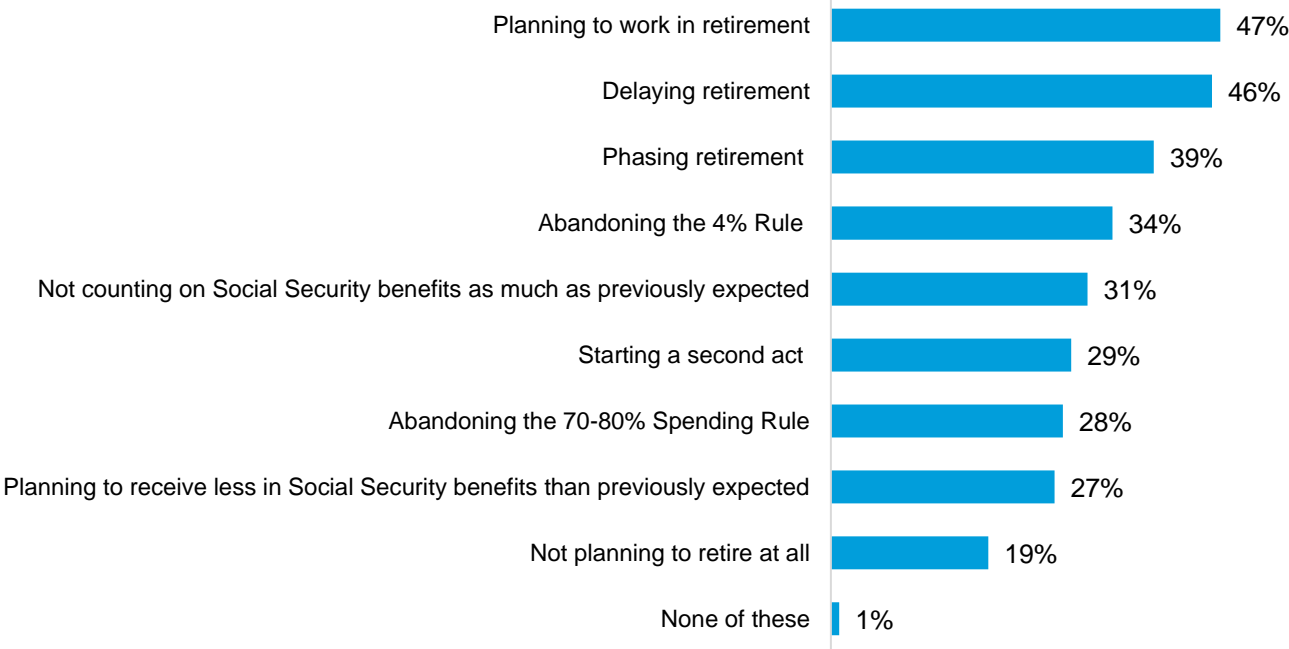




# Nearly half of advisors say planning to work in retirement is a strategy that their clients are using would be considered radically different from that of their parents or grandparents

## Planning Strategies Used That Are Radically Different From Parents'/Grandparents' Generation

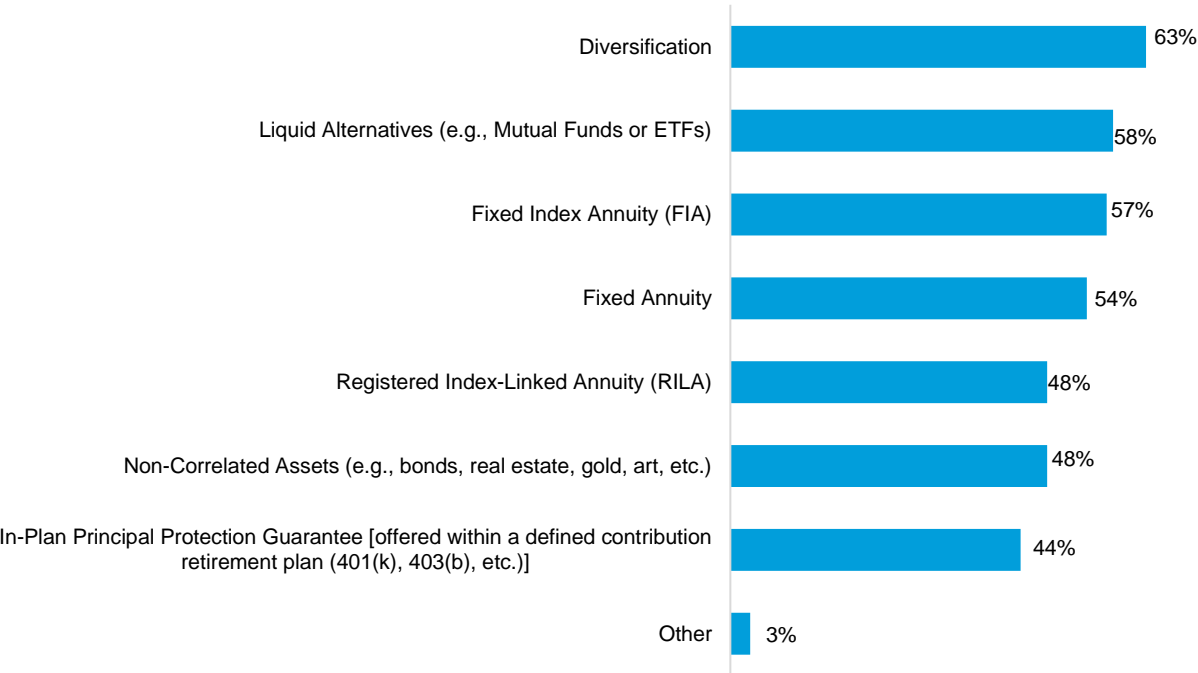
*(Among all financial qualified advisors)*





To help their clients protect their assets against market risk, advisors who have a strategy to protect assets against market risks are using annuities, diversification and non-correlated assets and liquid alternatives, such as Mutual bonds or ETFs

**Solutions to Help Clients Protect Their Assets Against Market Risk**  
*(Among financial advisors who have a strategy to protect against market risks)*



ANNUITY (NET)	79%
Fixed Index Annuity (FIA)	57%
Fixed Annuity	54%
Registered Index-Linked Annuity (RILA)	48%
Diversification/Non-Correlated Assets (NET)	77%
Diversification	63%
Non-Correlated Assets	48%

### **About Advisor Authority Methodology**

The research was conducted online within the U.S. by The Harris Poll on behalf of Nationwide from January 8-23, 2024, among 518 advisors and financial professionals and 2,346 investors ages 18+ with investable assets (IA) of \$10K+. Advisors and financial professionals included 257 RIAs, 178 broker-dealers, 130 wirehouse and 42 other financial professionals. Among the investors, there were 601 Mass Affluent (IA of \$100K-\$499K), 518 Emerging High Net Worth (IA of \$500K-\$999K), 410 High Net Worth (IA of \$1M-\$4.99M) and 217 Ultra High Net Worth (IA of \$5M+), as well as 600 investors with \$10K to less than \$100K investable assets (“Less affluent”). Investors included a subset of 391 “pre-retirees” age 55-65 who are not retired, and subsets of 346 single women and 726 married women.

Raw data from advisors were not weighted and are therefore only representative of the individuals who completed the survey. Investor data are weighted where necessary by education, age by gender, race/ethnicity, region, marital status, household size, employment, household income, investable assets, and propensity to be online to bring them in line with their actual proportions in the population. To ensure the investor sample was representative, the data were initially weighted separately for those with investable assets of \$10K to less than \$100K and those with \$100K+ and then post-weighted/combined into a total investor group. Data for the subset of pre-retirees age 55-65 who are not retired were weighted separately as needed by education, age by gender, race/ethnicity, region, marital status, household size, employment, household income, investable assets and propensity to be online.

Respondents for this survey were selected from among those who have agreed to participate in our surveys. The sampling precision of Harris online polls is measured by using a Bayesian credible interval. For this study, the sample data is accurate to within +/- 2.8 percentage points using a 95% confidence level. This credible interval will be wider among subsets of the surveyed population of interest. The sample data for the subset of pre-retirees age 55-65 who are not retired is accurate to within +/- 6.2 percentage points using a 95% confidence level. All sample surveys and polls, whether or not they use probability sampling, are subject to other multiple sources of error which are most often not possible to quantify or estimate, including, but not limited to coverage error, error associated with nonresponse, error associated with question wording and response options, and post-survey weighting and adjustments.

### **About Nationwide**

Nationwide, a Fortune 100 company based in Columbus, Ohio, is one of the largest and strongest diversified insurance and financial services organizations in the United States. Nationwide is rated A+ by Standard & Poor's. An industry leader in driving customer-focused innovation, Nationwide provides a full range of insurance and financial services products including auto, business, homeowners, farm and life insurance; public and private sector retirement plans, annuities and mutual funds; excess & surplus, specialty and surety; and pet, motorcycle and boat insurance.

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