
Don't neglect the 'middle market': LIMRA SRI

By Editorial Staff Thu, Apr 3, 2014

With so many advisers and companies focusing on the high net worth investor market, America's 13 million middle-market investors continue to be neglected and underserved. Therein lies opportunity, according to LIMRA's research unit.

Financial firms and advisors stand to benefit from the fact that almost three-fourths of all middle-market households are still working and saving for retirement, according to the LIMRA Secure Retirement Institute (LIMRA SRI).

According to LIMRA:

- The middle market consists of 13 million households (11% of all U.S. households) with assets from \$100,000 to \$249,000.
- 80% of middle-market households have assets in a employer-sponsored retirement plan or an IRA, and 30% own cash value life insurance.
- Middle-market households own \$2.1 trillion in financial assets. Their average net worth is \$447,500 and average financial assets are \$160,900.
- Only 28% (3.7 million households) of middle-market households are fully or partially retired.
- The middle market includes leading-edge and trailing-edge Boomers (age 46-59) and Gen X and Y households (age 45 and under) who collectively have \$1.24 trillion in assets.
- Barriers to entry in the middle-market are few because few financial firms and advisors actively cultivate this market.
- A significant portion of this group are boomers in their peak earning years who need advice for retirement saving and managing cash flow.

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