

## Half of U.S. women fear becoming 'bag ladies'—Allianz Life

By Kerry Pechter      Wed, Feb 5, 2014

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Women are becoming more financially confident, but they still face major obstacles to achieving financial security. And the financial industry doesn't fully understand their needs or how they prefer to learn about financial planning.

So says the newly released "2013 Women, Money & Power Study" by Allianz Life, a survey sponsored by Allianz Life of more than 2,000 women ages 25-75 with a minimum household income of \$30,000 a year.

Despite growing confidence among women, "Irrational fears about losing it all and becoming a bag lady remain," said Katie Libbe, Allianz Life vice president of Consumer Insights, in a release. "Some women keep a 'secret stash' of money that their spouse or partner does not know about, which reflects their need to protect themselves financially."

**CFOs of household.** Over half of all women surveyed said they are the chief financial officers of their households and 57% say they have more earning power than their partners. A majority say they primarily handle investment decisions, research retirement ideas, handle tax preparation and teach their children about money. Nearly seven in ten (68%) saying they have increased their financial involvement since the crisis.

**Few are involved in investment decisions.** One in five fits the profile of women who are actively involved in major investment decisions, understand financial products well and are interested in learning more about financial matters. Such "women of influence" may have a high salary and extensive education, "but [they] are just as likely to be a stay-at-home mom who manages the family's financial future," explains Libbe. Seventeen percent admitted to keeping a secret stash of money their spouse or partner doesn't know about.

**'Bag Lady' syndrome remains.** Nearly half of all women (49%) still fear becoming a "bag lady." Single (56%) and divorced women (54%) fear it slightly more than do Women of Influence (46%). The thought of running out of money in retirement keeps nearly six in ten women (57%) awake at night. Lack of adequate savings was their top retirement concern.

**Non-traditional families.** Single mothers, women in blended families or same-sex couples, and women in households with multiple generations under one roof often feel too busy to address financial planning strategies. Ninety-two percent of single mothers and 80% of same-sex female couples say that their nontraditional family structure increases the need for financial awareness.

**Underserved.** Today's women still feel underserved by the financial industry. Many believe financial information and materials are geared only toward the wealthy. About 20% say their belief that "financial

planning is for people that have more money than me” is a major barrier to getting more involved. Sixty-two percent of women don’t have a financial professional. Of those that do, 69% do not view their financial professional as a go-to source of information on spending, saving or investing.

For more insights from the 2013 Allianz Life Women, Money & Power Study, download a copy of the full 10-page white paper at <http://www.allianzlife.com/wmp>.

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