The Bucket

By Editorial Staff *Thu, Oct 29, 2015*

Brief or late-breaking items from Northwestern Mutual, LIMRA, LOMA, Mindset Digital and Allianz.

Northwestern Mutual pays $27 million in dividends to DIA owners; $5.6 billion overall

Northwestern Mutual will pay record dividends of about $5.6 billion to policyowners through its 2016 distribution, exceeding the estimated 2015 payout by $120 million, the Milwaukee-based mutual life insurer said in a release.

The company also expects to pay $55 million in dividends on its annuity product line, including nearly $27 million on its relatively new suite of Portfolio Income Annuities.
About 90% of the $5.6 billion will go to traditional permanent life insurance policyholders, most of whom are expected to spend their dividends on more life insurance. The 2016 payout includes:

- $4.9 billion on traditional permanent life insurance
- $340 million on disability income insurance
- $155 million on term life insurance
- $115 million on variable life insurance

Favorable mortality and expenses accounted for about two-thirds of the traditional permanent life insurance dividend payout, with interest from investment earnings producing the rest. In 2016, the company’s dividend scale interest rate on unborrowed funds for most traditional permanent life insurance will be 5.45%.

Courses available on using social media

LIMRA, LOMA and Mindset Digital today announced a new set of courses, called *Leading in a Social World*, to teach financial professionals how to use social media. The new courses will be offered in a series of 15-minute segments that can be viewed online 24/7.

The courses show leaders in insurance, banking and other financial institutions how to:

- Enhance their personal and professional online reputation
- Expand their networks
- Showcase their thought leadership
- Listen to key audiences
- Grow their organization’s brand

According to LIMRA research, seven in 10 young advisors are using social media; yet more than two thirds believe they need more support. Only 60% of companies have social media programs to support their financial professionals, a release said.

How eight kinds of non-traditional families view personal finance: Allianz

Allianz’ new “Love-Family-Money” survey shows that older new parents worry about the challenge of saving for retirement and for their children’s educations at the same time. The survey of 4,500 Americans identified seven different family types, including the “older parent with first child under five years old.”

Nearly 80% of couples with one parent age 40 or over said they had “a great deal or some” stress about achieving both goals. They were more focused on saving for their children’s education (53% vs. 39% traditional families) and more likely to say they wouldn’t retire until after age 70 (27% vs. 13% of traditional families).

The number of first-time mothers in their 40s rose 35% between 2000 and 2012, according to an analysis of Census Bureau data by the Centers for Disease Control and Prevention. There were nine times more first-time births to women over 35 in 2012 than in 1972.

The older parent family-type was likely to have “invested” their money (58%), 73% were “proud of what they had accomplished financially,” and 48% rated themselves “excellent or above-average” financial planners. But 59% listed “stressed about how to invest their money” as a top worry. About 70% described themselves as “savers” and most (60%) described their spouses as savers.

A quarter of older parents said they “would not consider using a financial professional,” and only 45% had ever used one (vs. 53% of traditional families). One in six older parents (vs. one in 12 traditional families) said they lack time to create long-term financial plans. More than half of older parents (53%) said college costs would motivate them to create a long-term financial plan and 45% said retirement would.

The study was commissioned by Allianz and conducted by The Futures Company via an online panel in January 2014 with more than 4,500 panel respondents ages 35-65 with a household income of $50K+.

It included “Multi-Generational Families,” “Single-Parent Families,” “Same-Sex Couple Families,” Same-Sex Couple Families with Kids,” “Blended Families,” “Older Parent with Young Children Families,” “Older Parent Families with First Child under 5,” and “Boomerang Families.”

The study defined “traditional families” as those with married spouses of opposite sexes, where at least one child under 21 lives at home; no stepchildren, no adult child who returned home, and no one besides spouses or children living in the household.