
Wealthy Less Materialistic, Survey Shows

By Editor Test Tue, Jan 12, 2010

Thirty-five percent of high net worth respondents "believe that my children may be too spoiled by money and have too many material possessions," up from 22% in 2007.

Four out of 10 (42%) of America's wealthy have felt a negative impact on their family budget, with one-third experiencing a negative effect on their lifestyle, according to the sixth annual Wealth and Values Survey conducted by PNC Wealth Management in Philadelphia.

Nearly nine out of 10 (88%) say it is "more important than ever to live within my means" and 66% believe they have "developed a greater appreciation for the non-material wealth in my life." Half say they "feel more centered because the recession has given me an opportunity to re-evaluate my priorities."

Concern over children becoming more spoiled has risen dramatically in the last two years. This year's survey revealed that 35% "believe that my children may be too spoiled by money and have too many material possessions," up from 22% in 2007.

The survey, designed by HNW, Inc., was conducted online last fall by Harris Interactive among 1,046 Americans age 18 or over with incomes of at least \$150,000 (if employed), at least \$500,000 of investable assets (unless retired) or at least \$1 million of investable assets (if retired).

In other findings, just over half (51%) believe the recession has changed the way their children will manage their finances and has prompted nearly half (47%) to discuss money management with their children.

The survey of 1,046 Americans with at least \$500,000 in investable assets also revealed that four in 10 (42%) have cut their spending on non-essential goods, while three in 10 (29%) have provided financial assistance for friends or family who need it.

Among the ultra-wealthy (those with \$5 million or more in assets), 39% are more likely to have provided financial assistance to friends or family, compared to 26% of those with assets of \$500,000 to \$1 million.

"For wealthy individuals, the recession has presented an ideal opportunity for a strategic analysis of their current lifestyle," said Steve Pappaterra, managing director of wealth planning for PNC Wealth Management.

"It is time to strip away the clutter, discern what is most important, and develop tangible action steps to ensure that key goals and dreams are accomplished and important values are passed on."

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