



NEWS RELEASE

# Investors Feel Financially Confident, but Worry About the Next Generation in Their Family, Ameriprise Study Reveals

2019-04-10

Study finds parents are providing more financial support to their adult children than they received from their own parents

The research also uncovers shifting attitudes on homeownership and talking about money

MINNEAPOLIS--(BUSINESS WIRE)-- Modern Money, a new study released today by Ameriprise Financial (NYSE: AMP), reveals 78 percent of investors say achieving financial success has been the same or easier for them than it was for their parents at the same age, but over half (51 percent) think it will be harder for the next generation in their family to feel comfortable financially. The study, which surveyed more than 3,000 U.S. investors ages 30 to 69 with at least \$100,000 in investable assets, explores how attitudes toward conventional financial goals such as homeownership, supporting children, and retirement have shifted across generations. The study also sheds light on how these changes impact investors' relationship with money.

This press release features multimedia. View the full release here:

<https://www.businesswire.com/news/home/20190410005432/en/>

Modern Money infographic (Graphic: Parental Financial Support  
Business Wire)

Many of today's investors are providing financial support to their children at a higher rate than they received from their own parents. Nearly two-thirds (64 percent) of respondents say their

parents helped them pay for their college education. When it comes to helping their own children pay for college, 87 percent of respondents say they have or plan to assist with this milestone. Surprisingly, one out of three (33 percent) respondents say they have delayed their own retirement or would do so to help their kids with this expense; however, only 10 percent of respondents say their parents made this same sacrifice for them.

“Parents delaying their retirement to pay for their children’s college education could be a potential red flag,” says Marcy Keckler, vice president of Financial Advice Strategy at Ameriprise Financial. “As individuals juggle competing financial goals, they should have a plan in place to ensure they’re not sacrificing their financial future in order to fund other priorities. You only get one shot at saving for retirement, so it’s critical to keep it front-and-center.”

More than half (54 percent) of respondents say their parents helped pay for their first car, but an even greater percentage (80 percent) say they either intend to or have already helped pay for their own children’s first vehicle. What’s more, the study shows that financial support from modern parents often continues in adulthood. Investors have assisted or plan to assist their kids financially with wedding expenses (78 percent) and first home purchase (40 percent). Comparatively, when reflecting back on their experiences as young adults, 51 percent of respondents say they received help from their parents for their nuptials and only 19 percent received help from their parents for their first home.

## Modern Attitudes Toward Homeownership

Most investors (70 percent) say owning a home is as good of an investment as it was a decade ago. In fact, the clear majority (92 percent) of respondents are homeowners. Despite many viewing homeownership as a good investment, it is not the primary reason they bought their home – the No. 1 driver is that it gives them “a sense of pride in being a homeowner.”

The remaining eight percent of respondents who identify as renters say the top reason they don’t own is that renting provides more flexibility. These investors are applying the money they could have used to buy a home toward other financial goals – 71 percent are using the money to save for retirement and 55 percent say they are allocating it toward traveling.

## Mum about Money

Half (51 percent) of investors think discussions around money are still as taboo today as they were a decade ago, but this sentiment is gradually shifting. The Modern Money study reveals younger generations are more open to discussing money matters with others. For example, 26 percent of Millennials surveyed said they talk with their friends about how much they spent on a major purchase, compared with 18 percent of Gen X and 12 percent of Boomers. Millennials are also more likely to talk with their friends about their salary and how much money they

have invested, compared with Gen X and Boomers.

Among those who have conversations about money, they say they do so because it helps them learn more about managing their finances and they can help others by teaching them what they know.

“Talking about money pays off,” says Keckler. “Our research finds that investors who have more financial confidence are more likely to speak with others about money. Consulting a financial professional may be a good place to start, especially for those who find this topic difficult to discuss.”

For more information about the study, please visit our research page at [Ameriprise.com/modernmoney](https://ameriprise.com/modernmoney).

## About the survey

The Modern Money study was created by Ameriprise Financial, Inc. and conducted online by Artemis Strategy Group December 11-25, 2018 among 3,008 U.S. adults between the ages of 30-69 with at least \$100,000 in investable assets. For further information and details about the study, including verification of data that may not be published as part of this report, please contact Ameriprise Financial or go to [Ameriprise.com/modernmoney](https://ameriprise.com/modernmoney).

## About Artemis Strategy Group

Artemis Strategy Group ([www.Artemissg.com](http://www.Artemissg.com)) is a communications strategy research firm specializing in brand positioning, thought leadership and policy issues.

## About Ameriprise Financial

At Ameriprise Financial, we have been helping people feel confident about their financial future for more than 120 years. With extensive asset management, advisory and insurance capabilities and a nationwide network of approximately 10,000 financial advisors, we have the strength and expertise to serve the full range of individual and institutional investors' financial needs. For more information, or to find an Ameriprise financial advisor, visit [ameriprise.com](http://ameriprise.com).

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