

Allianz Life Insurance Company of North America

# Financially **smart**, financially **strong**

The Allianz Women, Money, and Power Study



For all that's ahead.<sup>SM</sup>



# Which step, which direction?

**My name is Joyce.** I've been divorced for a little over three years and have two grown children. I share a condo with my dog, Sam, and enjoy spending time outside.

My daughter was married last spring and is expecting my first grandbaby. My son is moving back home this fall and plans to attend an area technical institute.

My father died last year and my mother recently suffered a series of small medical setbacks.

For the past 12 years, I've worked as a tech for a small veterinary clinic, earning a modest but comfortable salary. Over the years, I've steadily contributed to my 401(k) plan.

When I was married, my husband handled all the household finances and investments. I was responsible for paying the bills and keeping the checkbook.

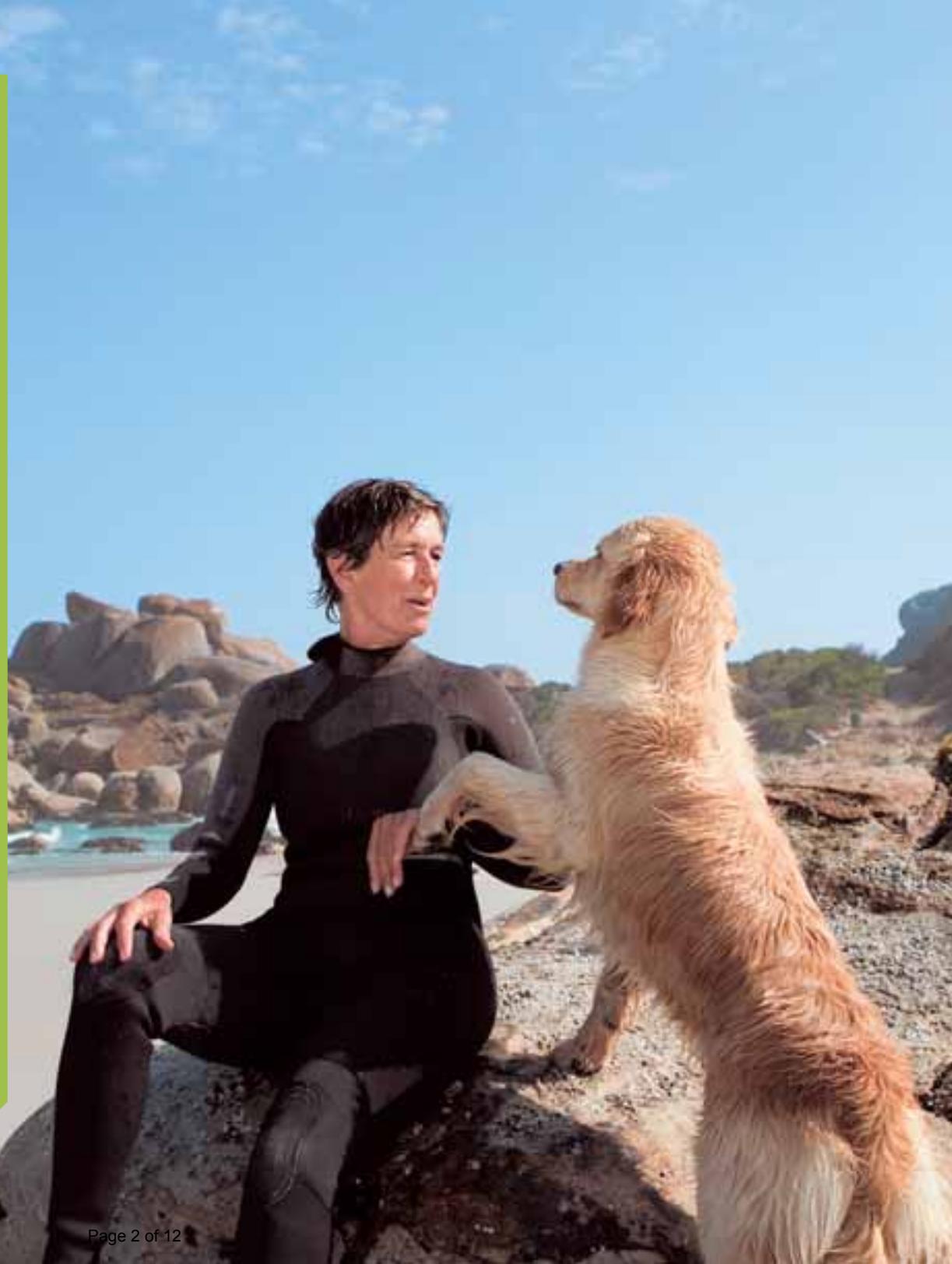
I closely watch my spending, faithfully pay my bills, and carry little debt. By all outward appearances, I should be well on track to retire at age 65.

## **But I'm not so sure.**

Earlier this year, I checked out a library book on finance and investing. But I struggled with the concepts and how they applied to my situation. I also enrolled in a community education class on retirement planning, but didn't really know what questions to ask.

I still worry about the possibility of someday ending up a homeless "bag lady." I know I need to take steps to plan for my future.

I'm just not sure what those steps are, and in what direction to take them.



# You're not alone...

If you're like many of today's emerging financially empowered women, you can relate to Joyce's situation and concerns.

On one hand, you have much to celebrate. Women have made impressive social strides over the past few generations. Compared to women before you, you're more educated, earn a significantly higher income, and assume a more powerful role in the workplace. Sixty-six percent of women consider themselves to be the CFO of their household.<sup>1</sup> What a remarkable achievement!

On the other hand, despite all of this tremendous progress, 90% of women surveyed in 2006 said they feel somewhat financially insecure.<sup>2</sup> You too may feel this way.

The Allianz Women, Money, and Power Study will help you take steps to move forward.

"You may never know what results come of your action, but **if you do nothing, there will be no result.**"

– Mahatma Gandhi

<sup>1</sup> Women and Affluence 2010, Women & Co.

<sup>2</sup> The Allianz Women, Money, and Power Study, 2006.

# Your evolving role in society and the economy

Your role in society, the economy, and at home has advanced to the point where an increasing amount of financial decision-making falls on your shoulders. Unlike your counterparts in past generations, today you find yourself in the middle of a societal and economic shift. Consider the following facts:

- The percentage of women in the workforce has increased significantly since 1950.<sup>1</sup>
- Out of college graduates in 2009, more than 57% were women.<sup>2</sup>
- Women are the sole or main breadwinners in nearly a third of U.S. households.<sup>3</sup>

While you're forging new roles, society has been slow to keep pace with your new reality.

## Lingering traditional values

For generations, women typically weren't educated on matters of investing and finance – at home or in school. Parents were reluctant to share family finances or spend time teaching their daughters to be financially independent. Instead of advising them to be knowledgeable and financially “well-prepared,” parents encouraged their daughters to “marry well.” And few school counselors encouraged young women to pursue careers in insurance and finance. Little has changed. A study commissioned by Allianz Life Insurance Company of North America (Allianz) showed that only 18% of women taught their children about finances.<sup>4</sup>

Today, women are breaking through the final barrier to gender equality – financial empowerment. Yet at times, many industries still fail to recognize women as distinct and valuable customers for financial products and services. Leaf through any of your favorite women's magazines. You'll notice an almost complete lack of articles on money and investing, or ads for insurance and financial products.

## He said, she said

Men and women view financial matters from radically different perspectives. Women are inclined to take a more holistic approach to planning their financial future. Men are more likely to make quick decisions based on “hot” tips. Women generally feel burdened with the worries that go along with increasing responsibilities that require greater financial decisions. Men tend to see themselves as more analytical and open to taking greater financial risks. And while women perceive arguments about money as issues of power and control, men are more likely to attribute them to a lack of trust. Yet on the whole, financial professionals address the financial needs of women the same way they handle the needs of men.

As society moves from a model where – in relationships – men were the primary finance and investing decision-maker, to a new reality where decisions are made jointly, partners often struggle with emerging misunderstandings, miscommunications, and conflicts. It's no secret that money is the major cause of disharmony in relationships today.

FINANCIALLY EMPOWERED  
WOMEN HAVE BECOME  
**VALUABLE**  
**CUSTOMERS**  
for financial products.

<sup>1</sup> BLS Spotlight on Statistics, “Women at Work,” March 2011.

<sup>2</sup> U.S. Department of Education, National Center for the Education Statistics, 2010.

<sup>3</sup> U.S. Bureau of Labor Statistics, “Women in the Labor Force: A Data Book,” December 2010.

<sup>4</sup> The Allianz Women, Money, and Power Study, 2006.

Key life events  
are critical times to  
**TAKE CONTROL**  
of your financial future.

## Life events

Did you know that a large percentage of all women will be solely responsible for their finances at some point in their lives? Are you prepared for that possibility?

At each stage of life come events that can shape your financial needs and concerns, and impact your ability to plan for and achieve long-term financial goals. It's during these life-defining events that it's critical to take control of your financial future. Can you relate to any of them?

- **College/career planning** – as you get started in your profession, change jobs, go back to college, move up the career ladder, or plan for your child's education, you want to make sure that you're covered financially for unexpected expenditures.
- **Family** – whether you're moving in together with your partner, getting married, or having your first child, changes in your family status means changes in your financial security needs.
- **House and home** – whether you're buying your first home or downsizing to a condominium, you need the right financial strategies to help you purchase and protect the things you hold valuable.
- **Starting a business** – becoming self-employed or starting a business is a big step that brings new challenges and responsibilities. Financial security forms the basis for your business success.

- **Starting over** – if you become divorced, widowed, or find yourself in an "empty nest," changes to your family dynamics may involve additional challenges you didn't originally plan for, and your financial plans can change unexpectedly.
- **Retirement** – if you want to maintain your standard of living during retirement, you have to plan carefully. Social Security may not be enough. Making the right financial decisions now can have an enormous impact on the dynamics of your future.

Lingering traditional values, lagging society response, differences between the genders, and life stages and events all serve as challenges to today's financially empowered woman. **Have you considered and prepared for the possibilities?**



## The Sandwich Generation

### PLANNING AHEAD

can reduce the stress  
of caring for two  
generations of family.

With today's increasing longevity, a growing number of middle-aged women face the challenge of serving as caregivers to aging parents while still raising children at home. Known as the "Sandwich Generation," these women find themselves squeezed between two generations of family members who need their attention and care. The circumstances can create high levels of stress and negatively influence the ability to institute long-term financial goals.

If you find yourself in this situation, you can help lessen its emotional and financial impact by planning ahead:

- Set financial goals and reevaluate them frequently.
- Manage your debt.

- Create a retirement strategy.
- Save for your children's college expenses early on, and discuss with them the level of financial support they can expect to receive from you.
- Sit down with your parents and ask them about their plans and strategies for the future. This also may be a good time to talk to them about the legacy they want to leave after they're gone.

The knowledge, experience, and support of a financial professional can ease this process, and help Sandwich Generation women overcome their financial obstacles.

# Your emerging role as a financially empowered woman

Despite all the challenges you face, you continue to revolutionize your role with money and power. As you pioneer new relationships to money, you're venturing into unknown territory and may be asking yourself:

- Exactly what role should I assume?
- How much control should I assume over my financial life?
- Should I plan to be solely responsible for all of my finances?
- Should I seek more information, or work with someone who has financial expertise?
- Should I share financial responsibilities with my partner or family?
- How should I communicate about money?
- What are the advantages and disadvantages of my decisions?

The Allianz Women, Money, and Power Study found that women have been responding to these questions by assuming one of five distinct financial personas. Each of these behavior types is characterized by unique attitudes and behaviors toward money and power. Read through them and see which one best describes you.

## Financial dreamer

Intimidated by money and investing, you feel helpless and hope that someone else will help you take care of your financial problems. If in a relationship, you usually defer all financial matters to your partner. You have the most to gain by consulting with a financial professional.

## Financial avoider

You feel overwhelmed by all the financial choices available to you. A lack of financial knowledge keeps you from taking the necessary steps to resolve your financial problems. You know you would benefit by seeking the help of a financial professional. You just have trouble taking that first step.

## Financial initiator

You're self-assured, empowered, and optimistic. You're quite clear about your financial goals, and typically know how to achieve them. You take the initiative to work with a financial professional for advice and guidance.

## Financial collaborator

When in a relationship, you're healthy, happy, and cooperative. You provide family financial comfort and stability. You and your partner share equally in financial decisions and actions, including working with a financial professional.

## Financial analyzer

You have a good understanding of household finances, and take initiative in thoroughly researching investment opportunities and tracking financial results. You're a comparison shopper, an avid saver, and rarely purchase something you can't afford. Chances are, you've worked with a financial professional in the past.

Each financial persona is marked by a set of **UNIQUE ATTITUDES** regarding money.

**Knowing your particular behavior type will allow your financial professional to better understand you, and in turn, better understand your decisions and personal approach to planning for your financial future.**



# Taking the first step forward

Your financial goals and objectives will vary depending on what stage of life you're in. Whether you're starting a new job, getting married, buying a home, starting a business, or approaching retirement, there's an important point to keep in mind: It's never too early – or too late – to start taking control of your financial security.

## Knowledge is power

Women say they're  
**MORE**  
**CONFIDENT**  
when they work with  
a financial professional.

Over 40% of women surveyed said that the lack of sufficient knowledge was the single largest barrier to getting more involved in managing savings and investments.<sup>1</sup> If you want to learn more, the experience and expertise of a financial professional is invaluable. Please consider the following:

- Women who work with a financial professional felt 50% more responsible, confident, and optimistic.<sup>1</sup>
- Women who work with a financial professional were 50% more likely to have more financial security, clarity, and satisfaction.<sup>1</sup>
- Women who work with a financial professional were far more likely to teach their kids to be financially independent.<sup>1</sup>

## Tips for preparing to meet with your financial professional

- Review the five distinct roles financially empowered women are creating today, and note which one you most closely identify with.
- Write down your three biggest concerns regarding your financial future.
- If you're caring for aging parents or anticipate you may need to someday, consider involving them.
- If you're in a relationship and share finance and investing decisions, invite your partner along.
- Finally, ask your financial professional about any factors you may have overlooked that may be relevant and important to address.

<sup>1</sup> The Allianz Women, Money, and Power Study, 2006.

# The Allianz Women, Money, and Power Study

To quantify the attitudes and behaviors of women toward money, finance, and investing, Allianz Life Insurance Company of North America commissioned a national survey. The Allianz Women, Money, and Power Study examined women in a variety of stages of life, and took into consideration varying family dynamics.

We partnered with Ken Dychtwald, Ph.D., president of Age Wave, to design the study, and with Harris Interactive to conduct the survey.

A random sampling of women and men were asked to identify their attitudes, behaviors, and personality traits regarding money and investing. Harris Interactive fielded a nationwide online survey among a total of 3,183 U.S. adults, of whom 1,925 were women and 1,258 were men.

For more information about The Allianz Women, Money, and Power Study, please visit [www.allianzlife.com](http://www.allianzlife.com).

A person with long dark hair, wearing a black beanie, a green long-sleeved shirt, brown cargo pants, and a black backpack, is walking away from the camera on a sandy dirt path. The path leads towards a beach with waves breaking in the distance under a blue sky with scattered white clouds. The foreground and middle ground are filled with tall, dry, brownish grasses.

# Take control of your financial future.

To learn more about overcoming your financial challenges and achieving your financial goals, contact your financial professional today.



## True to our promises ... so you can be true to yours.®

A leading provider of annuities and life insurance, Allianz Life Insurance Company of North America (Allianz) bases each decision on a philosophy of being true: **True to our strength** as an important part of a leading global financial organization. **True to our passion** for making wise investment decisions. And **true to the people we serve**, each and every day.

Through a line of innovative products and a network of trusted financial professionals, and with over 2.2 million contracts issued, Allianz helps millions of people as they seek to achieve their financial and retirement goals. Founded in 1896, Allianz is now proud to play a vital role in the success of our global parent, Allianz SE, one of the world's largest financial services companies.

While we pride ourselves on our financial strength, we're made of much more than our balance sheet. We believe in making a difference with our clients by being true to our commitments and keeping our promises. People rely on Allianz today and count on us for tomorrow – when they need us most.

Guarantees are backed solely by the financial strength and claims-paying ability of Allianz Life Insurance Company of North America. Variable annuity guarantees do not apply to the performance of the variable subaccounts, which will fluctuate with market conditions.

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