

New Survey Suggests Americans are Worried about Outliving Savings, While Advisors are Confident They Can Address Client Concerns

RetireOne and Midland National's latest survey shows financial advisors believe they have the necessary tools and strategies to protect clients' retirement savings, yet many appear to rely on increasingly outdated methods

August 24, 2022 -- SAN FRANCISCO -- [RetireOne](#)[®], the leading independent platform for fee-based insurance solutions, and [Midland National Life Insurance Company](#) (Midland National), a member of [Sammons Financial Group](#)[®], today announced the results of the “[2022 RIA Protected Accumulation + Retirement Income Survey](#)”. The survey reveals that 82 percent of Registered Investment Advisors (RIAs) agree that clients are concerned about outliving their retirement savings, and 64 percent agree that clients worry about retiring on time. Despite this, the survey also suggests that RIAs may not have a clear plan for protecting client portfolios as they approach retirement, and may be focusing more on accumulation than decumulation.

The client concerns are real.

More than nine in 10 advisors say clients are anxious about inflation's impact on their retirement portfolios, while 70 percent are uneasy about the war in Ukraine and the impact of geopolitical instability on their nest eggs. Even with all of these concerns, in their joint survey of nearly 200 financial professionals, RetireOne and Midland National find that nearly all financial advisors (92 percent) believe they have the tools to keep their clients happy. But do they?

Only four in 10 respondents use income-planning software, while 85 percent use financial planning tools. When it comes to principal protection, 41 percent still allocate to certificates of deposit, 60 percent use money market accounts, and 49 percent keep clients in cash. Despite inflation climbing toward 9 percent and [the creator of the four percent rule calling for a revision](#)¹ to the commonly-referred-to rule of thumb, RIAs still rank unprotected methods for generating retirement income ahead of lifetime income solutions.

“For 12 years markets performed extraordinarily well, and so did many advisors,” said [David Stone, Co-Founder and CEO at RetireOne](#). “Still, with lingering volatility, advisors are searching for another way to best serve clients. While they're hoping markets will come around quickly, it's become evident that in times of turmoil, advisors need to offer clients protection for the retirement portfolios that they've been nurturing for years.”

Are volatility and rising interest rates making annuities more attractive?

As the Fed hikes interest rates, [annuities have become a more appealing retirement income strategy](#), especially as low-cost solutions offering guaranteed lifetime income enter the market. Compared to [RetireOne's survey last year](#), more advisors say they would refer annuities to their clients should their needs be addressed by the features of a specific offering (65 percent in 2022 vs. 52 percent in 2021).

Nearly half of RIAs who are using annuities cite guaranteed lifetime income as the primary reason they refer them to clients. [In a recent whitepaper](#) penned in partnership with RetireOne, [Michael Finke, PhD, CFP](#)[®], outlines how longevity continues to improve for Americans, leaving the onus on advisors to ensure their clients don't outlive their retirement savings. As new innovations such as contingent deferred annuities (CDAs) enter the market, Finke says establishing a fixed guaranteed income stream can provide portfolio income insurance to enable an advisors' client to invest more aggressively.

“Portfolio income insurance allows a retiree to maintain a lifestyle free of the possibility that spending today could jeopardize their ability to live well later in retirement,” writes **Finke**.

Empowering clients to retire confidently.

Constance, a CDA introduced by RetireOne and issued by Midland National in 2021, is **designed to confront many of the current challenges** advisors face with their clients. The portfolio income insurance solution allows RIAs to wrap client brokerage accounts, IRAs or Roth IRAs with lifetime income protection to combat longevity and sequence-of-return risks, while enabling advisors to continue to oversee client assets as they enter retirement and begin the decumulation phase.

“Americans need help to create long-term income from savings,” said **Rob TeKolste, President of Sammons Independent Annuity Group**, a division of Midland National. “It’s time for RIAs to prioritize holistic advice that includes both strategies for retirement income planning as well as asset accumulation. While our survey shows that advisors are using more guaranteed income solutions, many are lagging. An advisor must respond to the needs of their clients in the face of economic headwinds.” RetireOne and Midland National developed the survey to help advisors realize the steps necessary to protect client income in retirement.

For more insights from the *“2022 RIA Protected Accumulation + Retirement Income Survey”*, please [visit the infographic](#).

About RetireOne

Serving over 1,000 RIAs and fee-based advisors since 2011, RetireOne® is the leading, independent platform for fee-based insurance solutions. With offerings from multiple “A” rated companies, RIAs may access this fiduciary marketplace at no additional cost to them or their clients. Currently servicing over \$1.3 billion of retirement savings and income investments, RetireOne continues to grow in its mission to provide advisors and their clients’ valuable retirement solutions that are simple to use, easy to understand, and delivered with outstanding service. Learn more at [RetireOne.com](#) and follow us on Twitter [@RetireOne](#) and [LinkedIn](#).

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For more than 115 years, [Midland National® Life Insurance Company](#) has been an industry leader, crediting the company’s strength to its commitment to stability, innovation, and dedicated customer service. Midland National is accredited by the Better Business Bureau, and has earned an A+ (Superior) rating from [A.M. Best](#), a large third-party independent reporting and rating company that rates an insurance company on the basis of the company’s financial strength, operating performance, and ability to meet its ongoing obligations to policyowners. This rating is the second highest out of 15 categories and was affirmed by A.M. Best for Midland National as part [Sammons® Financial Group, Inc.](#) on July 29, 2022.

Founded as Dakota Mutual Life Insurance Company in 1906, Midland National has protected families and preserved legacies for generations. Midland National is one of the leading insurance companies in the United States. Midland National is a member of Sammons Financial Group, a subsidiary of [Sammons Enterprises, Inc.](#) With its annuity division in West Des Moines, Iowa, and its life insurance operations in Sioux Falls, South Dakota, Midland National operates in 49 states and the District of Columbia through its 12,000 licensed sales professionals. For more information, [click here](#).

¹This article is available to wsj.com subscribers.

The Certificate is designed to protect investors who are concerned that, either because of withdrawals over time, poor market performance, or both, their Covered Asset Pool may be depleted during their lifetime. To address that need, the Certificate in effect provides a limited form of insurance against outliving assets. The Certificate has no cash value, surrender value or death benefit. The Certificate is intended for long-term investment purposes. You and your client should consider the risks and expenses of the annuity carefully before investing. The prospectus contains this and other information. You or your client can call 877-575-2742 to obtain a current prospectus for the contingent deferred annuity. Inform investors to read it carefully before investing.

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