



An Ameriprise study on couples and money

How couples manage their finances and develop successful
financial relationships

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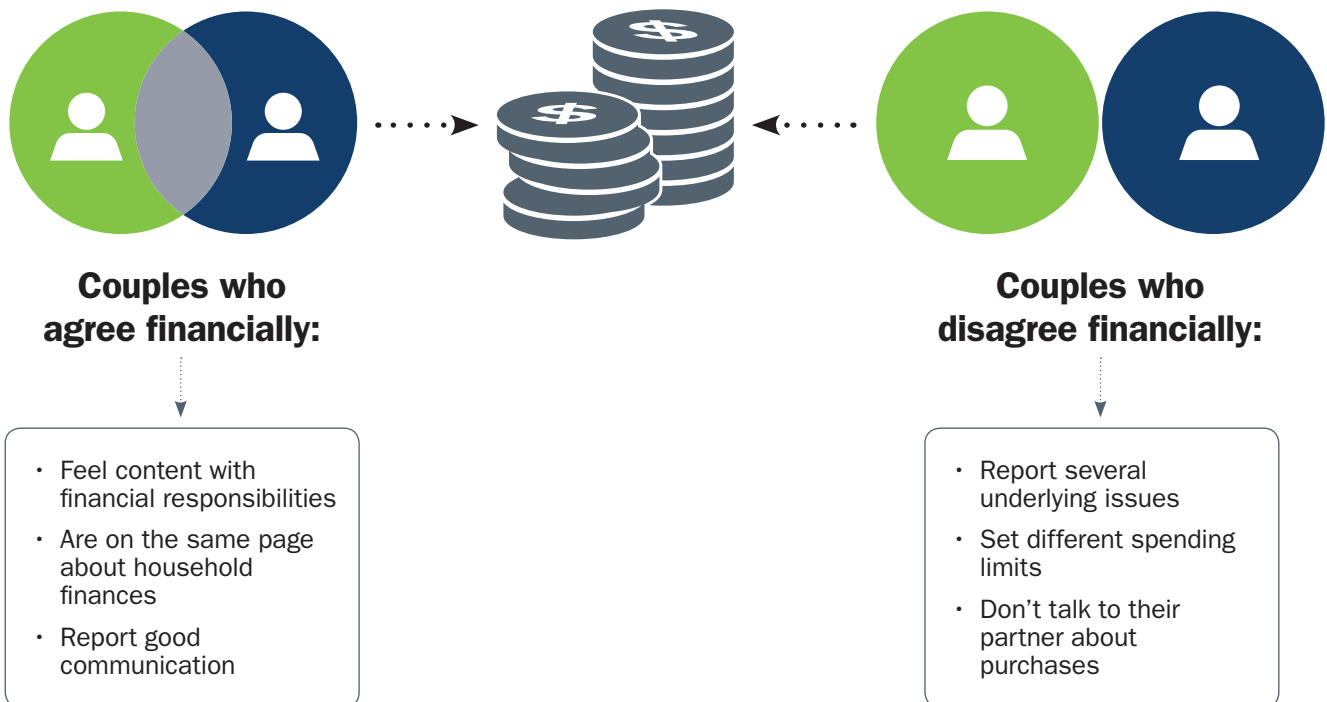
Seventy percent of couples say they have good communication about money, but don't always see eye to eye.

Discussions about money have the potential to make or break a long-term relationship, depending on how couples address their differences. A new study commissioned by Ameriprise Financial explores common characteristics of healthy financial relationships, how couples work together — or separately — to manage their assets, and challenges that could get in the way of their success.

By receiving input from both people in the relationship, we learned the majority of American couples say they are aligned when it comes to money matters and feel confident about managing their finances. Even so, there are a few areas that could use a tune-up because couples don't always agree with their partner's money habits.

We asked more than 1,500 couples (those married or living together for at least six months) about their money conversations and how they make financial decisions.

Couples and managing money





Achieving financial harmony

The majority of couples say they are aligned when it comes to managing their household finances.

Surprisingly, the majority of couples say they've cracked the code when it comes to managing their household finances, with more than three quarters (77%) reporting that they're on the same page as their partner. Only 20% say it's a work in progress, and 3% say they don't agree with their partner.

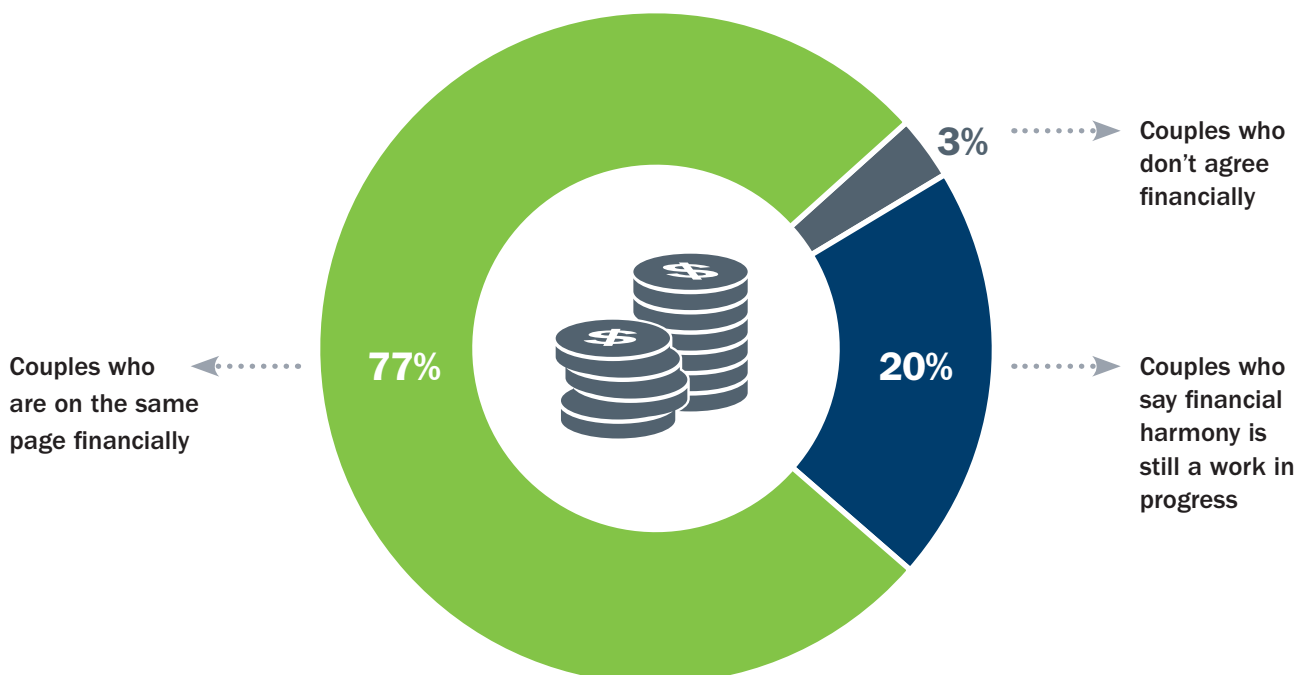
The majority of couples are transparent about who earns the most money in their relationship. Around 61% of couples agree on who earns a higher salary, while 10% have differing perceptions and 1% are unsure who makes more money.

Communication is key to a successful financial relationship — it's almost an even split on who initiates money discussions. Couples report they aren't just talking about their current financial situation; they're also working as a team to plan for the future. More than eight in 10 couples have talked about retirement and have similar views on how to approach it.

Key takeaways from healthy financial relationships

- Couples are happy with how they're handling financial responsibilities
- They feel their relationship has made them more financially responsible
- Both members say they are confident about managing their money

Majority of couples agree when it comes to household finances





Room for improvement

About three in 10 couples disagree on finances at least once a month, most commonly about major purchases or spending habits.

Most couples feel it's a good idea to have a designated spending limit — anything higher needs to be discussed prior to the purchase. But over half of couples (54%) list a different dollar amount than their partner. On average couples said a purchase over \$400 should trigger a discussion.

Couples don't always disclose when they spend money outside their regular household expenditures. Among the top reasons they don't tell their significant other: they don't think it's a large purchase (59%), they are spending their own money (20%) or their partner is too busy to be concerned about their spending (15%). However, 9% say they don't agree with their partner on spending, so it's easier not to talk about it; and 8% say their partner gets upset when they spend money so they'd rather avoid the subject.

Key takeaways to help couples improve their financial relationship

- Talk it over: Have discussions about financial goals and expectations
- Give it time: Couples who have been together longer tend to agree more often
- Work together: Manage investments jointly and share responsibility for investment decisions

Common reasons partners don't tell one another when they spend money



They don't think it's a big enough purchase

59%



They are spending their own money

20%



Partner is too busy to be concerned with their spending

15%



They don't agree on spending so it's easier not to talk about

9%



Partner gets upset when they spend money so they avoid the topic

8%

Working with a financial professional

A financial advisor can play an important role in helping couples increase communication and understanding of financial matters.

More than half of couples are currently working with a financial advisor and it's something they prefer to do together. Whether meeting with or choosing an advisor, most couples approach this aspect of their finances as a team. The majority (73%) say they share an advisor, while 8% report they each have their own separate advisor.

Key takeaway for working with a financial advisor

- An advisor can help couples navigate tough topics such as retirement and estate planning by helping them develop a financial plan to fit their needs

Couples working with a financial professional



Methodology

The study was created by Ameriprise Financial, Inc. and conducted online by Artemis Strategy Group.

- 3,028 interviews were completed online among U.S. adults between June 14 and July 14, 2016.
- The respondents are between the ages of 25 to 70 and have at least \$25,000 in investable assets.
- The margin of error is +/- 1.8 percent at the 95% confidence level.

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/couplesandmoneystudy.

About Ameriprise Financial

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

About Artemis Strategy Group

Artemis Strategy Group (artemisstrategy.com) is a communications strategy research firm specializing in brand positioning, thought leadership and policy issues.



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