



Spenders and Savers

How to assess and respond to different mindsets planning for retirement





Money mindset, retirement readiness and the path to life satisfaction

ARE YOU A SPENDER OR A SAVER? THE QUESTION IS SIMPLE ENOUGH BUT A CLIENT'S ANSWER REVEALS A LOT.

While it's common to use risk tolerance as a starting point in client conversations, Jackson's recent study suggests you may also want to ask how they'd categorize themselves—as Spenders or Savers. Surprisingly, the risk tolerance of a Spender could mirror that of a Saver—in fact, our study found there's no difference between the people in these two groups. This raises an important question for you as a financial professional: Are you really getting to the heart of what you need to know?

Understanding financial personality types, how those perspectives form and ways in which they impact retirement planning are all important steps in achieving emotionally intelligent investment strategies. Helping your clients recognize their own biases with money can be useful when making a retirement plan that fits their priorities. Considering Spender/Saver tendencies and tailoring plans around them allows clients to make informed financial decisions and boost overall financial wellness.

This study explores various factors and outcomes related to Spender/Saver mindsets, including mindset influences on successful retirement planning and ultimately, on life satisfaction. It provides insights into what to look for when assessing financial personality types and how to handle potential pitfalls on the road to long-term financial success.



Key findings include:

- Spenders and Savers take different steps and have different preferences and approaches when it comes to retirement planning.
- Financial discipline and a Saver mindset appear to increase over time and are likely capable of being learned.
- Income was a contributing factor to many items measured in this study, but more so for some than others: Financial risk tolerance appears to be driven by income/risk capacity, whereas materialism and money management are driven by Spender/Saver status.
- The Saver mindset of parents appears to strongly influence mindset as an adult. Mindset also appears to play a role in choice of life partners.
- Those who were most well-prepared for retirement experienced a higher rate of life satisfaction.

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ABOUT THIS STUDY

This study investigates both the correlations and outcomes of **Spender** and **Saver** mentalities.

The findings reflect how Spender/Saver mindsets form and how they can influence retirement planning. As it turns out, these mindsets can ultimately affect and inform the paths to life satisfaction. Jackson's study expands on previous findings from the behavioral psychology of tightwads and spendthrifts, a study conducted by the Journal of Neuroscience, Psychology, and Economics. "Finally, those that rated themselves as having higher emotional intelligence were more likely to consider themselves to be spenders rather than savers."¹

Jackson's study also explores the **learned vs. innate nature** of Spender/Saver mindsets through an investigation into patterns between parent and child and examines mindset influences on choice of life partner.

Analysis is aimed at providing financial professionals information on **how to consider Spender/Saver mindset in assessing and responding to client needs**. While assessments that measure comfort with risk are traditionally used in the financial advising intake process, findings from our study suggest Spender/Saver mindset and comfort with risk are largely unrelated. This leaves a big margin of error for financial professionals.

It also focuses on creating a simple way to assess Spender/Saver mindset that provides additional context for the psychological and behavioral differences that may influence retirement outcomes. Given the observable differences in financial outcomes for Spenders and Savers, it's important to consider the nature of money mindsets and how to best advise clients based on the relationships they have with money.

Research/data collection supplier	Advanis
Population	<p>Investors who have/are:</p> <p>Aged 40 to 80 years old</p> <p>Either respondent or partner is currently employed or retired</p> <p>A financial decision maker</p> <p>Owns or rents home</p> <p>Has at least \$5000 in investable assets or at least \$500 in an emergency fund</p>
Sample size	n=631
Mode of data collection	Online web survey
Dates of data collection	November 21 to 30, 2024

Additional findings

- The natural distribution of Spenders and Savers in our survey population resulted in a 30/70 split.
- There was a steady increase in concentration of Savers as investor age increased.
- Highly correlated with a Saver's mindset, financial discipline also appeared to increase over time.
- Savers were more likely to be sole decision makers, but a statistically equal number of Spenders and Savers were solo or lead decision-makers.
- There were no notable differences in Spender/Saver status by gender/financial decision-maker grouping.

¹ Adrian Furnham, Charlotte Robinson, and Simmy Grover, Journal of Neuroscience, Psychology, and Economics, "Spenders and Savers, Tightwads and Spendthrifts: Individual Correlates of Personal Ratings of Being a Spender or a Saver," January 31, 2022.

Advanis is not affiliated with Jackson National Life Insurance Company.

SECTION 1

Different mindsets, different outcomes

BLAME YOUR PARENTS

When you were a kid and you got a little money for your birthday, did you sock it away for a rainy day, or immediately ask to be driven to the store so you could spend it? It turns out that if you saved it, you likely took your cues from your parents.

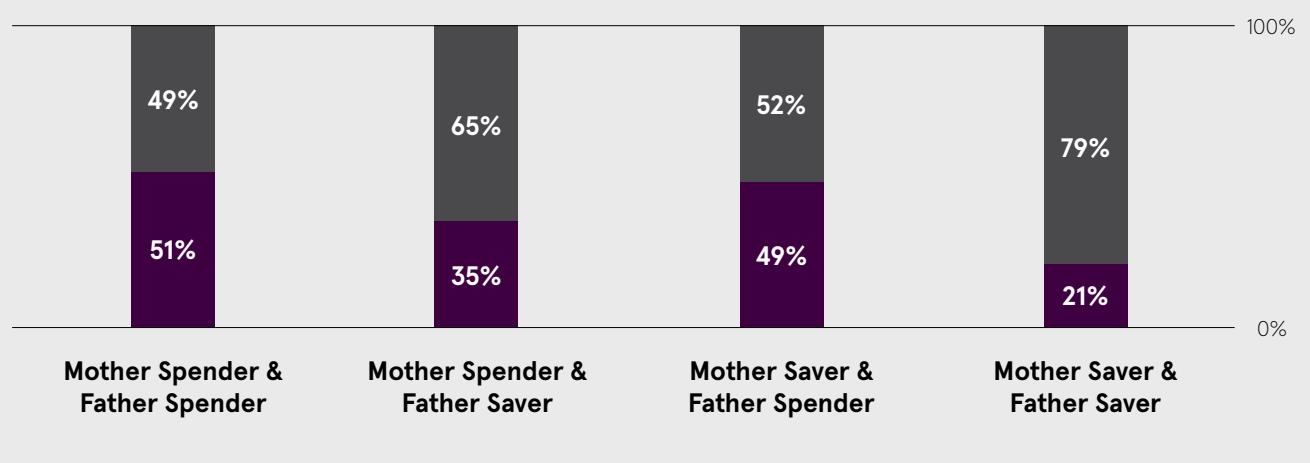
In this study, we asked respondents to indicate the Spender/Saver orientation of the parent(s) they lived with as young teenagers. We wanted to see whether this had any influence on their own mentality as a Spender or Saver as an adult.

What we found is, in households where both a mother and father were present, when both parents were Spenders, respondents had roughly a 50% chance of being a Saver. When the father was a Saver, but the mother was a Spender, the chance of being a Saver increased to 65%. When both parents were Savers, the respondent was a Saver almost 80% of the time.

Outcomes based on combined parent orientation

Spender
Saver

Parents influence their children's attitudes about money. But our research suggests Fathers' habits may carry more weight.

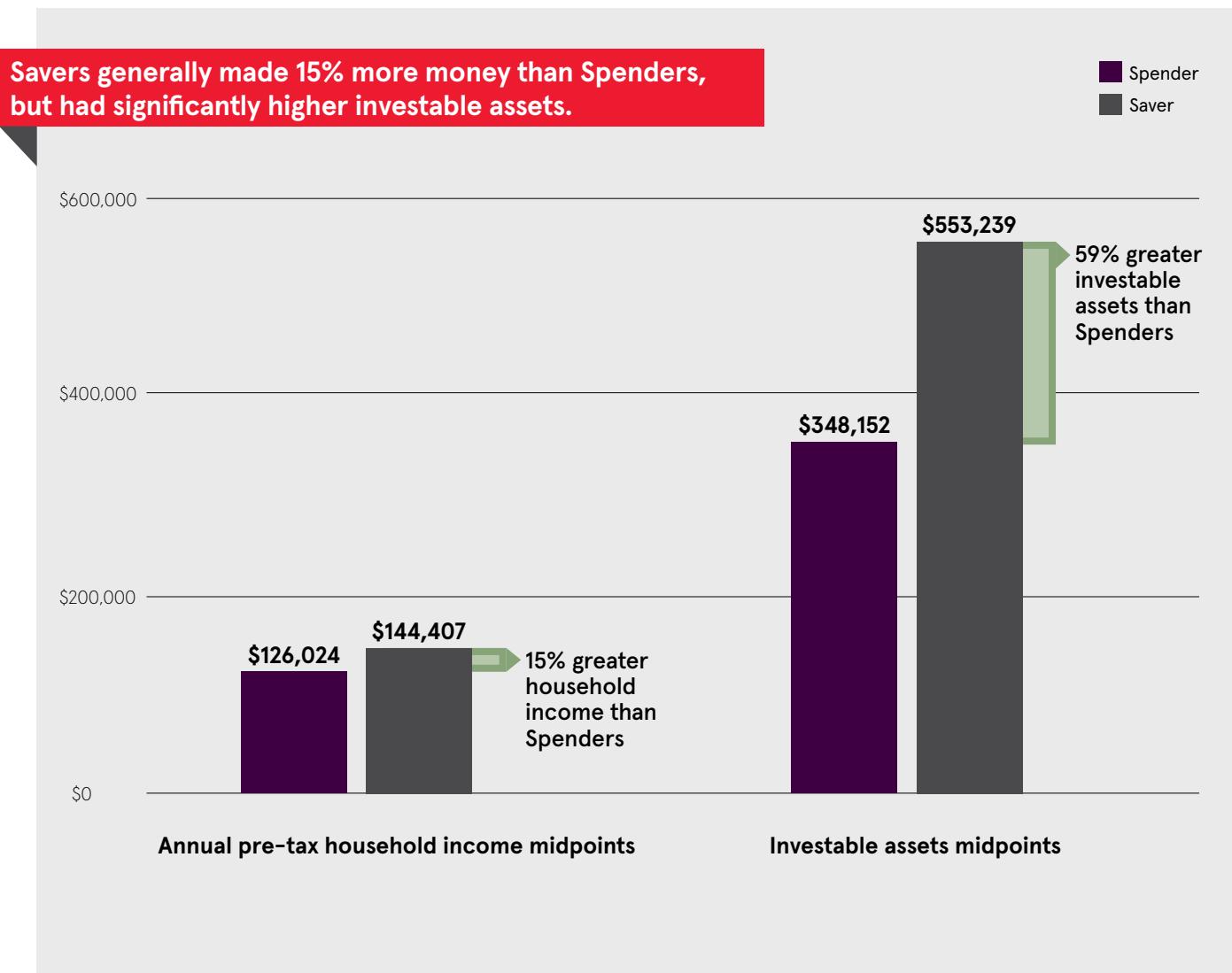


These findings suggest that—for whatever reason—Fathers' Spender/Saver orientation may have a greater pull than Mothers'. And the Saver mindset appears to be more transferable than the Spender mindset from generation to generation. This transferable influence may be interesting to know as a financial professional preparing clients for retirement.

IT'S NOT WHAT YOU MAKE, IT'S WHAT YOU SPEND

You might be asking if the Spender/Saver mindset is heavily influenced by income. As it turns out, not really.

Savers indicated somewhat higher household incomes—15% higher overall—but had **investable assets that were 59% greater** than Spenders. While income influences the amount of investable assets people have, saving habits appear to carry more weight. In total, 53% of Savers had greater than \$250,000 in investable assets, compared to only 32% of Spenders. But that's just a small part of the story.

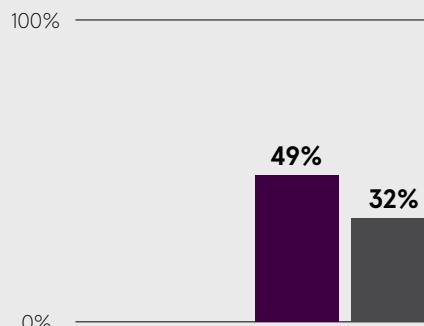


Despite having lower household incomes than Savers, Spenders' monthly expenses are greater—and credit card debt increases their monthly expenses even more. Spenders are more likely to carry credit card debt. In fact, nearly half of Spenders carry credit card debt, compared to only one-third of Savers. Although Spenders and Savers who carry credit card debt balances pay similar amounts monthly, on average, Spenders' payments chew up a greater percentage of their income.

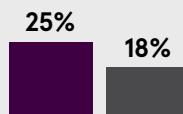
Credit card debt consumed a greater percentage of Spenders' income than Savers'.

■ Spender
■ Saver

Percent with credit card debt



Credit card debt payment to income ratio



Breaking it down:

Average monthly credit card payment
(for those with credit card debt)

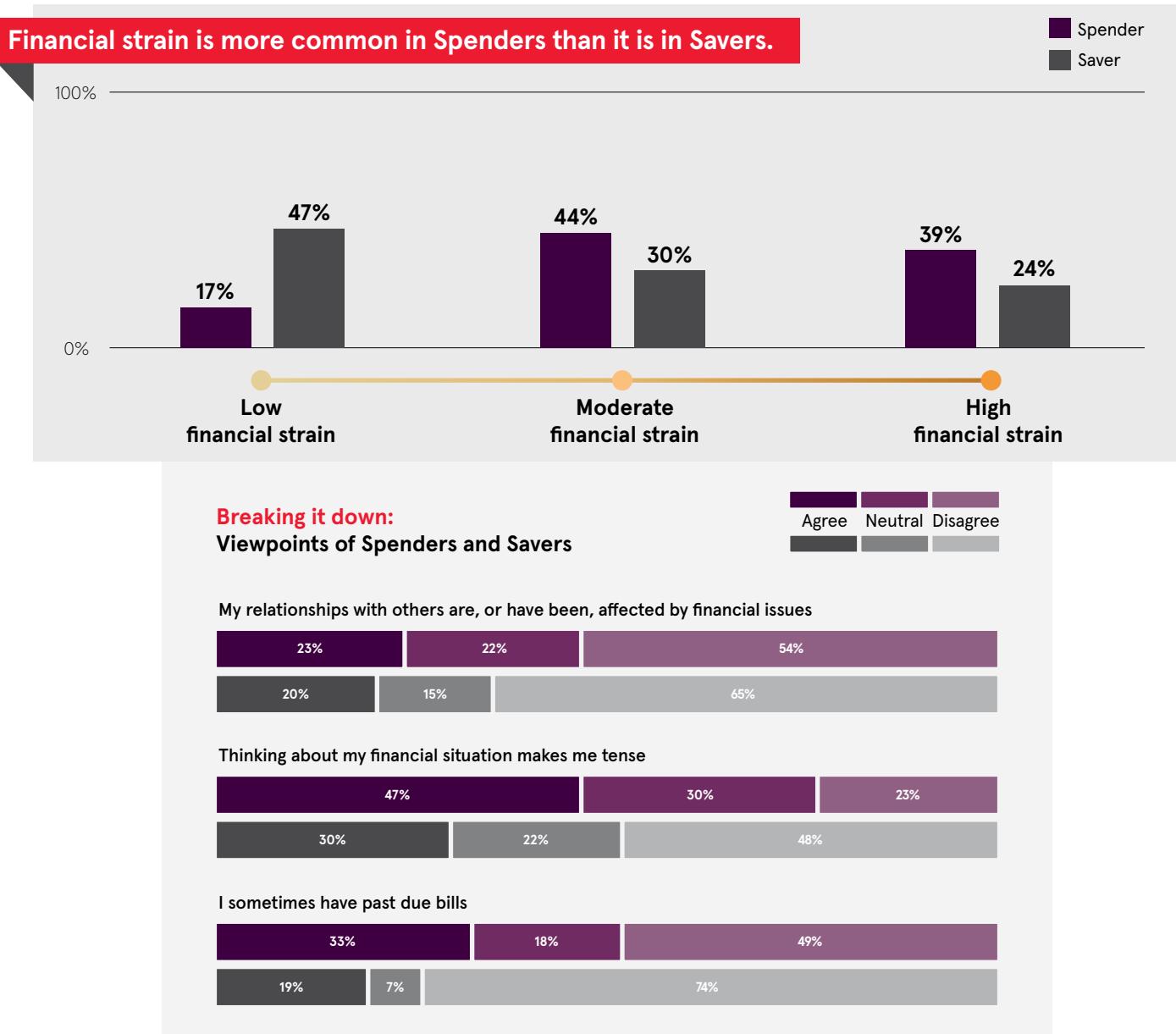


The Federal Reserve Bank of New York states that, as of August 2025, Americans owe a staggering \$1.21 trillion on their credit cards.² Lower household income, higher expenses and credit card debt are a sizable threat to Spenders' ability to build wealth.

² Source: Federal Reserve Bank of New York, Center for Microeconomic Data, "HOUSEHOLD DEBT AND CREDIT REPORT (Q2 2025)," accessed September 3, 2025.

FINANCIAL STRAIN

This study also examined financial strain resulting from financial behaviors and attitudes. In addition to stress that comes from carrying credit card debt, there were other consequences too. Spenders felt financial strain more frequently than Savers.



EMOTIONAL INTELLIGENCE *insight*

Saver orientation is negatively correlated with financial strain

Perhaps, regarding financial strain, what is most interesting is what we don't find: **Money management and income don't correlate strongly with financial strain**. Since all our participants had at least some savings and a household income that averaged more than \$115,000, the tension people feel surrounding money matters, or the ways they influence their relationships, are based in something other than scarcity.

SECTION 2

Psychological correlations to Spender/Saver mindsets

MONEY HABITS AND INVESTMENT CONFIDENCE

We've discussed some external factors that can influence how one views and manages money, so now let's examine the psychology behind it. In this study, we measured the following concepts and found meaningful differences between Spenders and Savers in the following areas:

1. Saver orientation

2. Money management

3. Future orientation

4. Numeracy confidence

5. Materialism

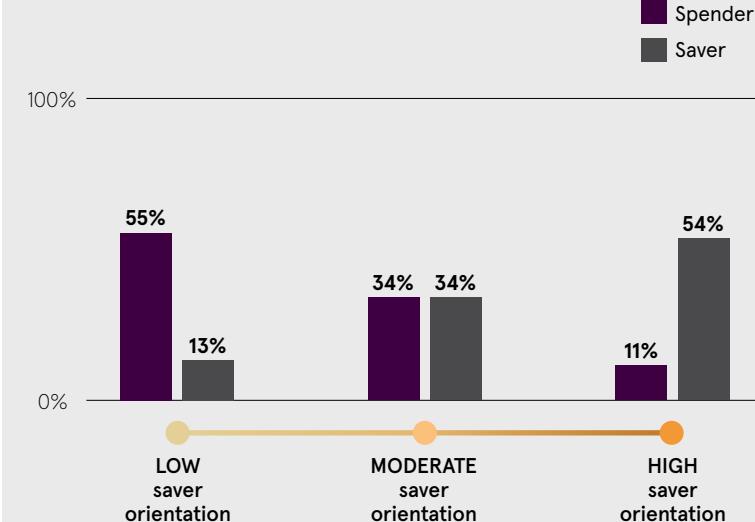
As with most mindsets, it turns out it's not just one behavior or tendency that determines the outcome, it's many. Whether it's in their motivations for saving, their discipline in managing a budget, their confidence in working with numbers, or tendencies to value material things acquired today rather than the accumulating spending power in the future, Spenders and Savers are decidedly different in many areas.

HERE ARE THE DIFFERENCES, IN ORDER OF GREATEST TO LEAST:

1. Saver orientation

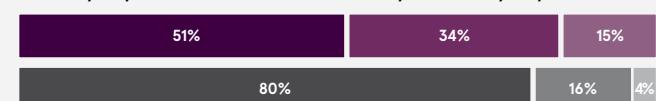
Not surprisingly, one of the greatest differences between Spenders and Savers in this category is the personal importance and satisfaction they place on saving for the future. Those who are intrinsically motivated to save do so more often and effectively.

Behaviorally speaking, Savers are also far less likely (18% vs. 48%) to say they often spend for today rather than save for the future. Perhaps this is because Savers are more likely to associate money with security and not freedom.³



Breaking it down: Viewpoints of Spenders and Savers

It is very important for me to save money for a rainy day



I get a lot of satisfaction from saving for the future



I find that I often spend today rather than save for the future

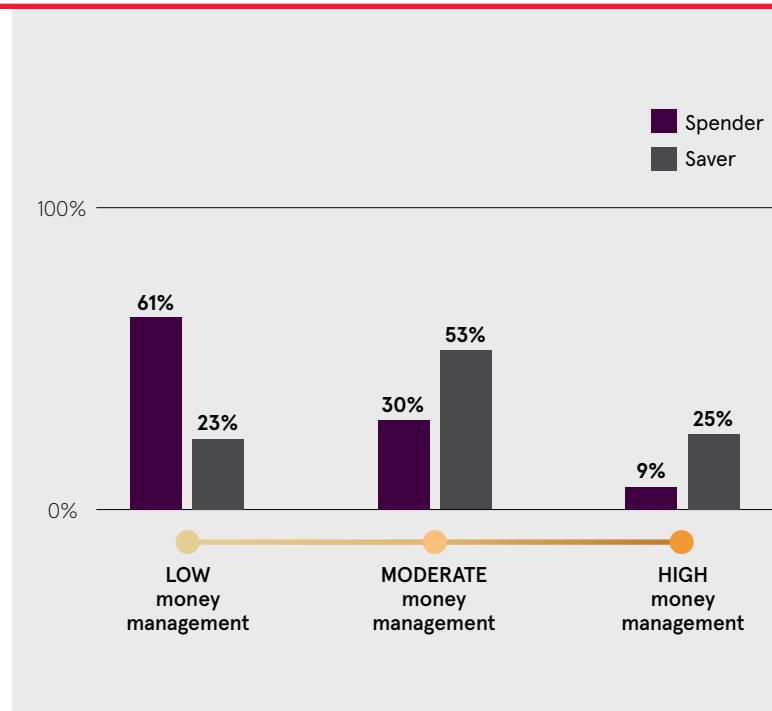


³ Journal of Neuroscience, Psychology, and Economics, "Spenders and Savers, Tightwads and Spendthrifts: Individual Correlates of Personal Ratings of Being a Spender or a Saver," January 31, 2022.

2. Money management

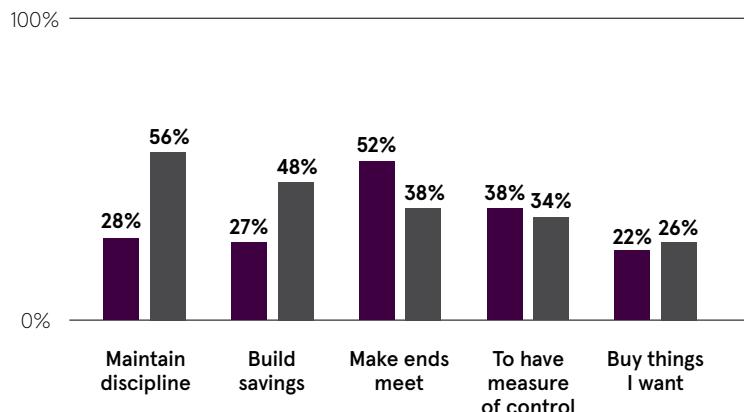
When it comes to monitoring and managing their savings, Savers are more likely to track their spending and save something from every paycheck. Spenders take a more passive approach to saving.⁴

Overall, two-thirds of respondents indicated they have a budget, but there were significant differences between budgeting habits by Spender/Saver mindset. Seventy-three percent of Savers said they have one while only 50% of Spenders did. Spenders and Savers also have different reasons for budgeting. Savers are more likely to look to their budgets to support building their savings and to maintain discipline over their spending habits. Spenders cite “making ends meet” as their primary reason for monthly budgeting.



Additional context: Reasons for budgeting

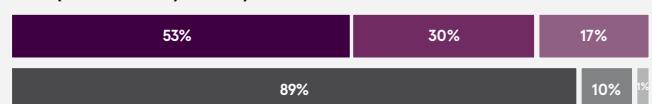
Spender
Saver



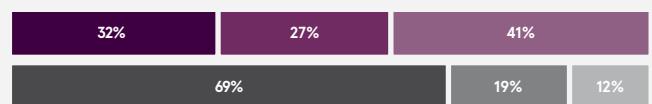
Breaking it down: Viewpoints of Spenders and Savers

Agree
Neutral
Disagree

I keep track of my money



I save something from every paycheck



Although I consider myself thrifty, I permit myself small luxuries

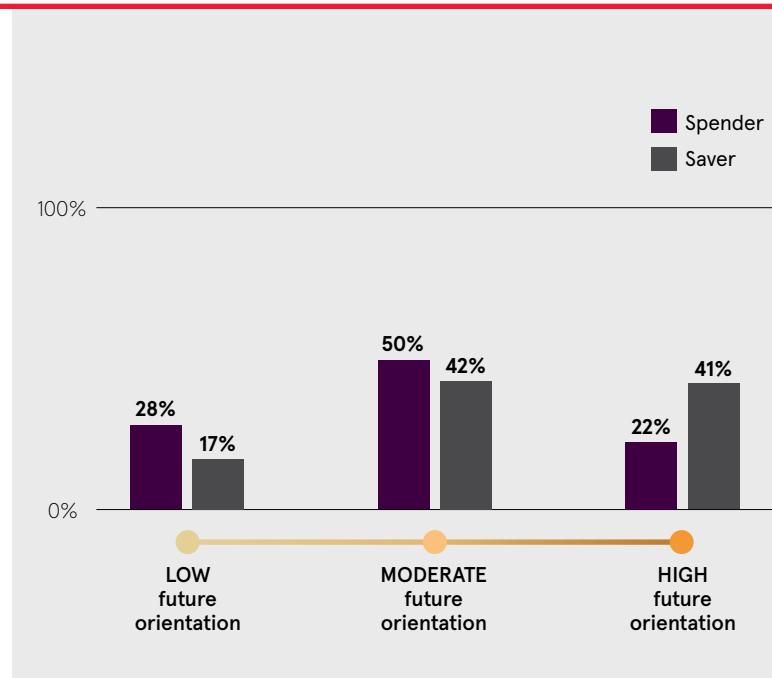


⁴ T. Rowe Price, “How spenders can save more: Key insights from our latest study,” accessed August 19, 2025.

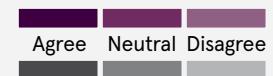
3. Future orientation

There's another dimension to consider too: differences in future orientation.

Savers were more willing and likely to consider the future in their current actions and able to practice delayed gratification—both of which are beneficial traits in money management and investing.



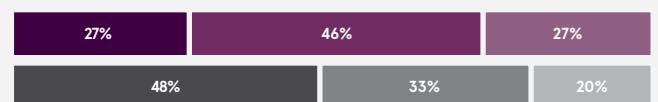
Breaking it down: Viewpoints of Spenders and Savers



I consider how things might be in the future and try to influence those things with my day-to-day behavior



I am willing to sacrifice my immediate happiness or well-being in order to achieve future outcomes

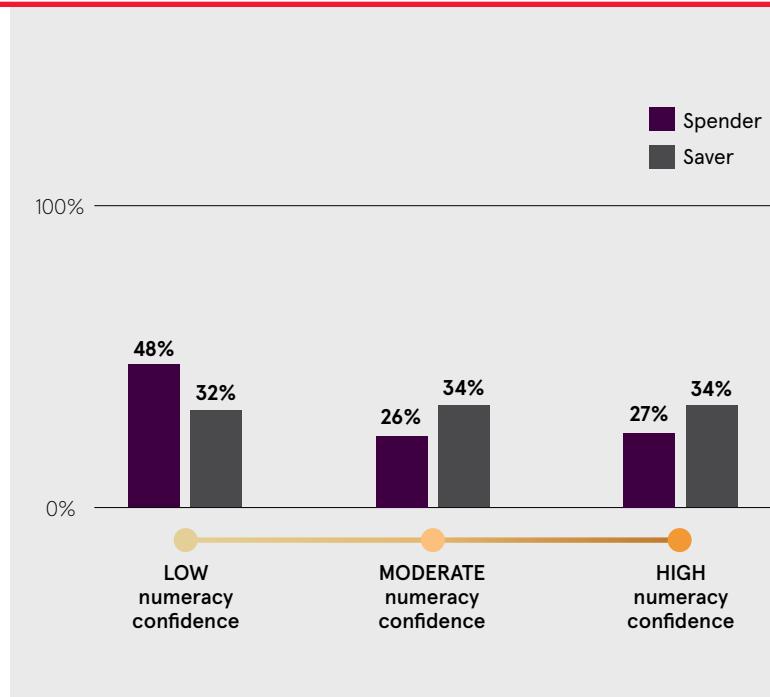


4. Numeracy confidence

We also wanted to know how good Spenders and Savers perceived themselves to be at basic mathematical functions, such as working with fractions or calculating a tip.

Forty-eight percent of Spenders fell into the low numeracy confidence category, compared to 32% of Savers. In addition to their low levels of confidence in working with numbers, they also demonstrated lower investment skills than Savers.

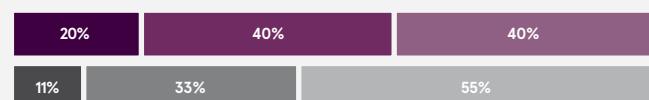
Just over half of all Savers are confident in their investment skills and get advice from financial professionals. Spenders have much lower levels of confidence in their investment skills and are less inclined to get advice from financial professionals. Spenders also revealed that they find financial information to be confusing or overwhelming.



Breaking it down: Viewpoints of Spenders and Savers



Working with fractions



Working with percentages



Calculating a 15% tip



Figuring out how much a shirt will cost if it is 25% off

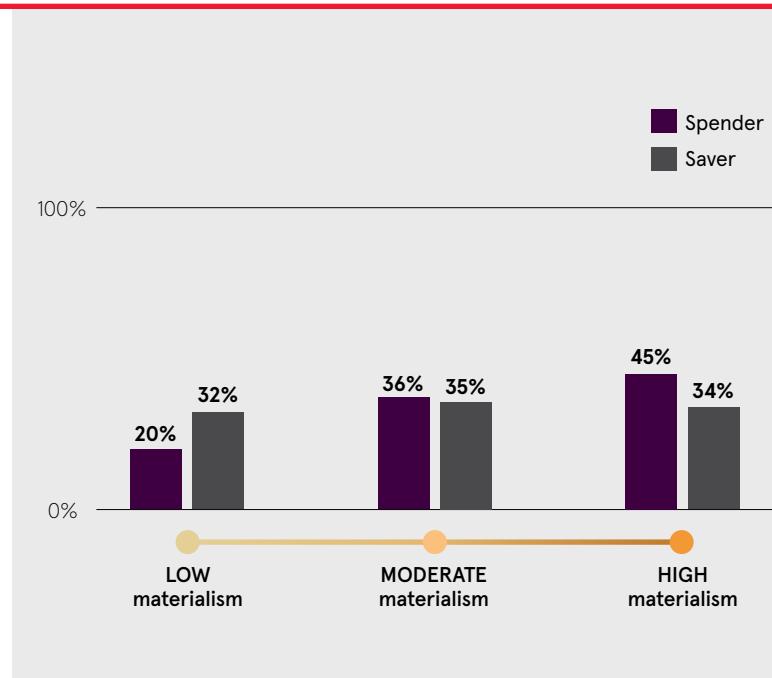


5. Materialism

Have more or want less?

What role, if any, does materialism play in financial strain? Perhaps not surprisingly, we found a strong relationship between the two, but no real relationship with Saver orientation. Spenders were more likely to demonstrate high levels of materialism. Spenders demonstrated significantly more agreement with the statement that buying things gives them pleasure and that they would be happier if they could afford to buy more things.

So, Spenders believe buying more things will make them happier, but does that end up being true?



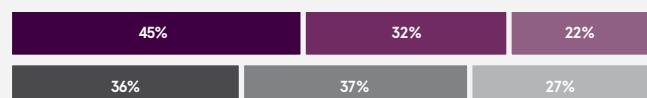
Breaking it down: Viewpoints of Spenders and Savers



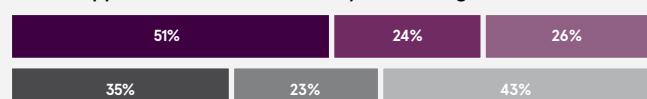
I admire people who own expensive homes, cars, and clothes



Buying things gives me a lot of pleasure



I'd be happier if I could afford to buy more things



SATISFACTION (NOT) GUARANTEED

It's easy to picture Spenders as living life to the fullest, spending freely and enjoying every opportunity that comes their way. But we found that to be untrue.

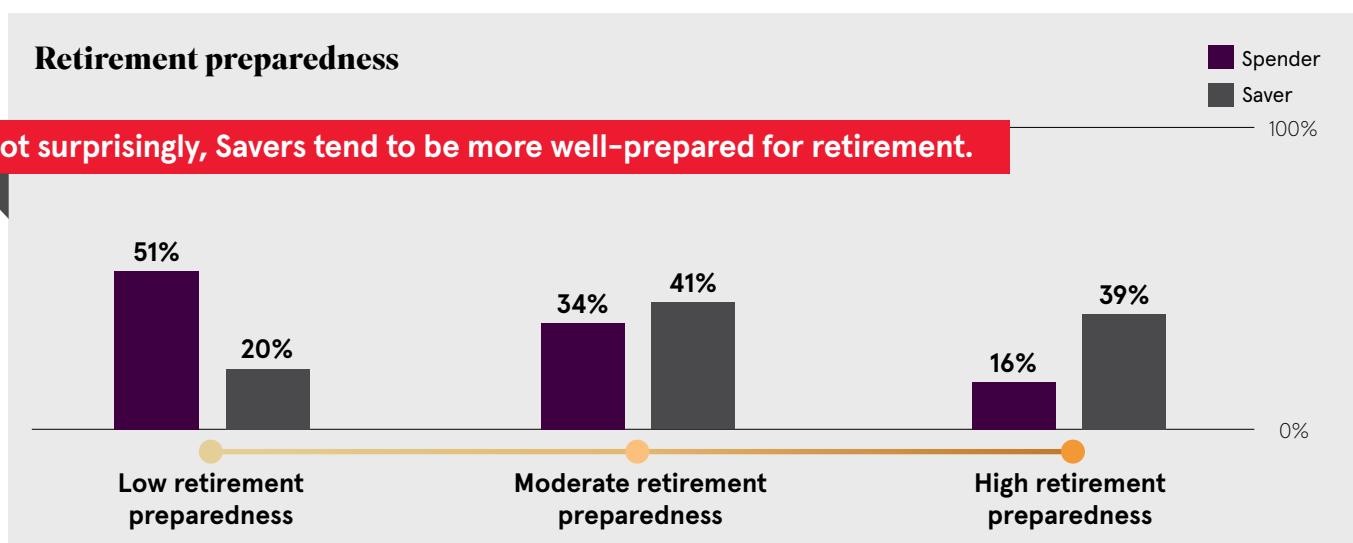
When it comes to life satisfaction, Spenders were twice as likely to fall into the low-satisfaction category—across every category. Among all measures of satisfaction, finances, ability to attend events and travel were among the greatest differences between Spenders and Savers.



LIFE SATISFACTION THROUGH RETIREMENT READINESS

Then what is the key to life satisfaction? While you may get a different answer from each person you ask, our research shows there is one very strong factor: retirement preparedness.

Roughly half of all Spenders fell into the category of low retirement preparedness, while only 20% of Savers did. On the opposite end of the spectrum, only 16% of Spenders were in the high retirement preparedness category, compared to 39% of Savers.



RISK TOLERANCE

Notably, risk tolerance, one area typically thought to impact financial outcomes, did not show differences between self-identified Spenders and Savers.

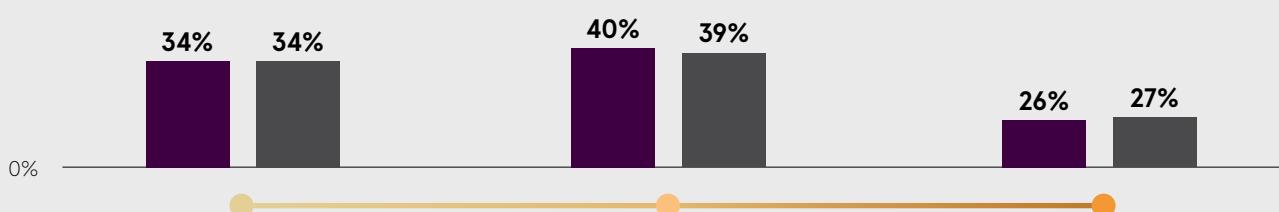
Regardless of self-identified mindset, about 40% of people agreed they were willing to take on investment risk if it could mean a higher return.

Financial risk tolerance

Spender
Saver

100%

Financial risk tolerance does not vary much between Spenders and Savers.

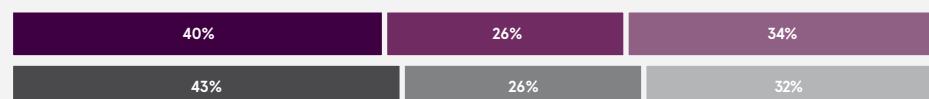


Breaking it down:

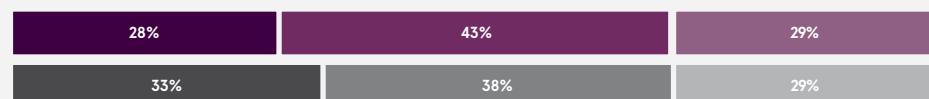
Viewpoints of Spenders and Savers

Agree
Neutral
Disagree

I am willing to take investment risks if it could mean a higher return



To get ahead financially you have to be willing to take substantial investment risks



I am not a risk taker when it comes to investing my money (reverse coded)



Interestingly, the willingness to take risks to make money may not necessarily be related to money management and a Spender/Saver mindset. It may be more about comfort with the unknown and a willingness to take a chance in order to gain something. Money management is more about discipline and adherence to rules, so the two don't necessarily seem incompatible.

SECTION 3

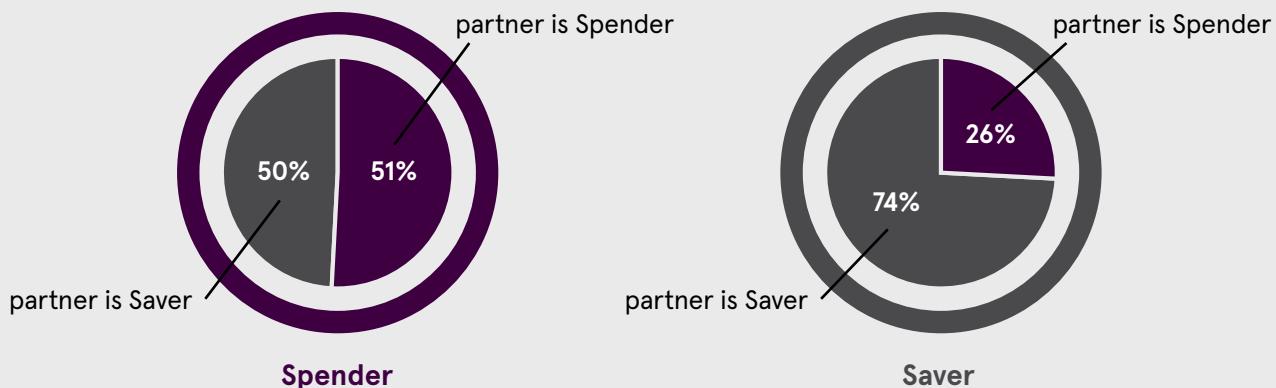
Birds of a feather

We've looked at a lot of aspects of the Spender/Saver mentalities, but we wanted to see whether birds of a feather really do flock together. As it turns out, Savers are more likely to flock together than Spenders.

When it comes to relationships and the mindset orientation of their life partners, Savers tend to pair with other Savers. When asked about the mindset of their spouse or partner, Spenders, on the other hand, were just as likely to partner with a Saver as they were with a fellow Spender.

Spenders are almost equally as likely to pair with Spenders as they are with Savers. Savers, however, are much more likely to pair with other Savers.

Spender/Saver orientation of spouse, partner or closest friend

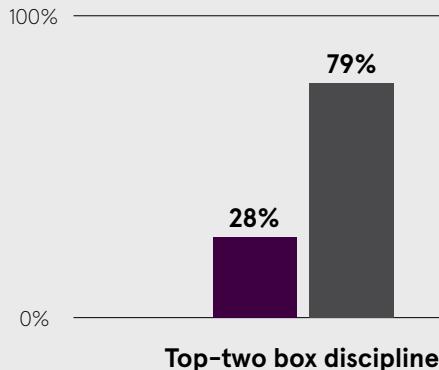


When it comes to financial discipline and money management, 79% of Savers would rate themselves in the Top-two box discipline, while only 28% of Spenders would. When it comes to their spouses, while 48% of the time Spenders would rate their spouses in the Top-two box discipline, Savers would rate their spouses as the Top-two box discipline 73% of the time.

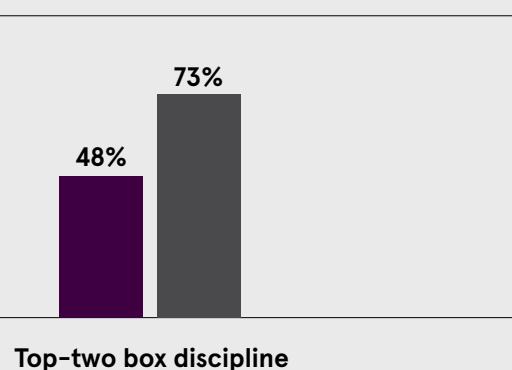
Discipline with money management differs widely between Spenders and Savers.

Spender
Saver

How disciplined are you with money management?



How disciplined is your spouse or partner with money management?



Further evidence that Savers look for other Savers can be found in the fact that, when asked specifically about how disciplined they were with money management, as well as how disciplined their spouse or partner was (when applicable), Spenders ranked themselves equally or more disciplined only 59% of the time, compared to 90% of the time for Savers.

Breaking it down: Money discipline compared to spouse

Spender



Saver



Note that percentages in charts may not total 100% due to rounding and/or missing categories.

Regardless of their levels of self-assessed financial discipline and money management skills, Spenders were just as likely as Savers to be lead or sole financial decision-makers in their households. So their potential impact on financial outcomes is great. Thus, understanding Spender/Saver mindsets and how to advise them becomes critical.

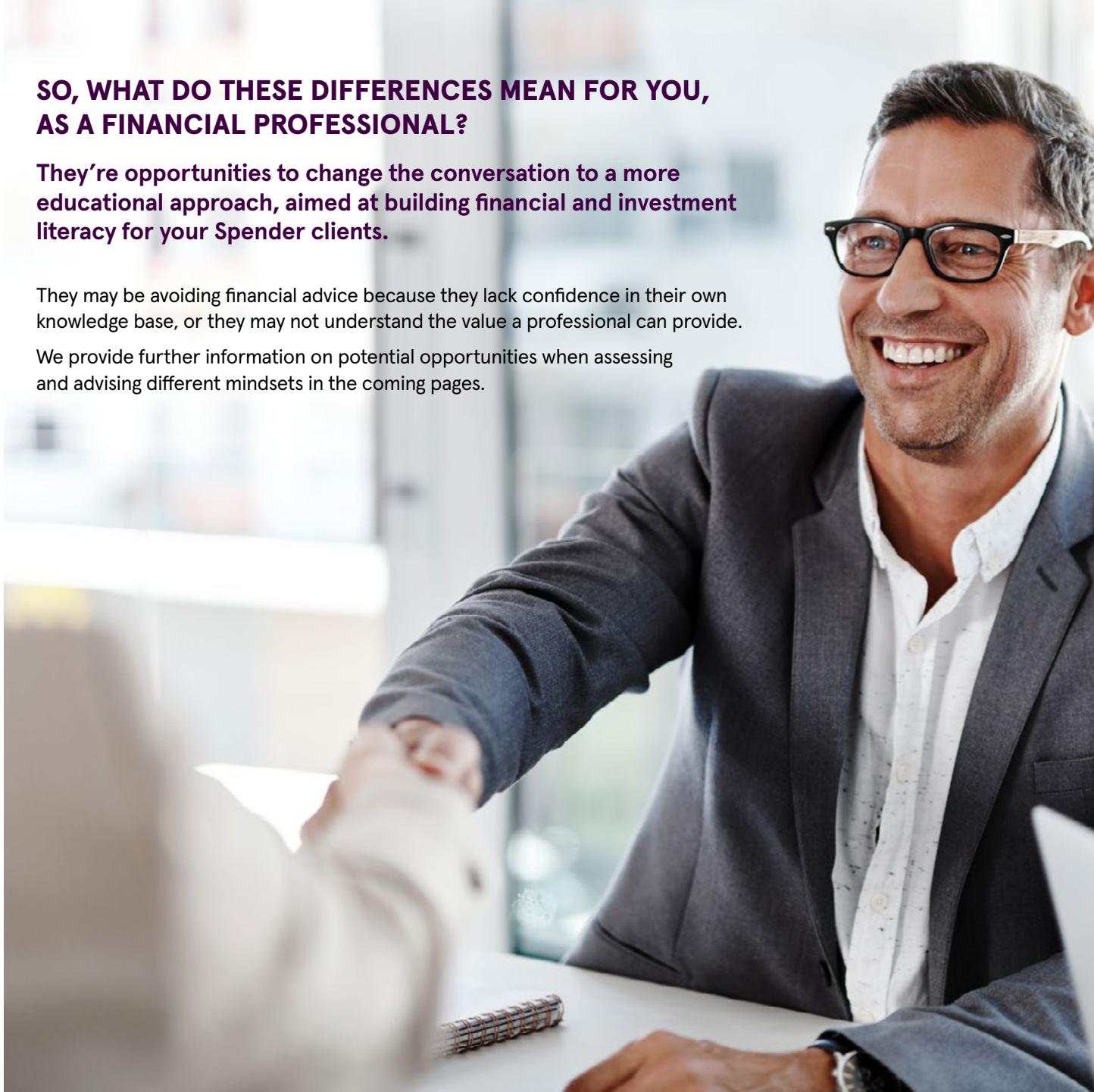
Assessing clients' relationships with money

SO, WHAT DO THESE DIFFERENCES MEAN FOR YOU, AS A FINANCIAL PROFESSIONAL?

They're opportunities to change the conversation to a more educational approach, aimed at building financial and investment literacy for your Spender clients.

They may be avoiding financial advice because they lack confidence in their own knowledge base, or they may not understand the value a professional can provide.

We provide further information on potential opportunities when assessing and advising different mindsets in the coming pages.



SECTION 4

Advising to Spender/Saver mindsets

HOW TO APPLY THIS INSIGHT

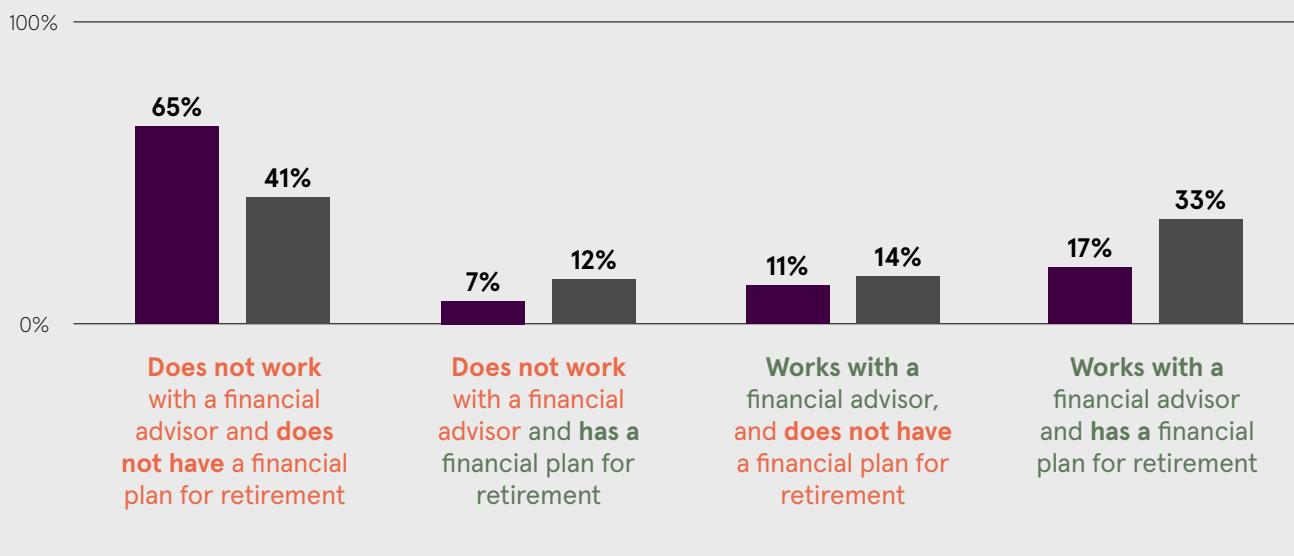
Before we discuss how to apply this insight to your business, let's first recap a few things:

- ✓ Savers are much more likely to engage in formal financial planning.
- ✓ Spenders were far less likely than Savers to work with a financial professional and/or have a written financial plan for retirement.
- ✓ The financial planning process can be overwhelming to Spenders.

Works with a financial professional and has a plan

Spender
Saver

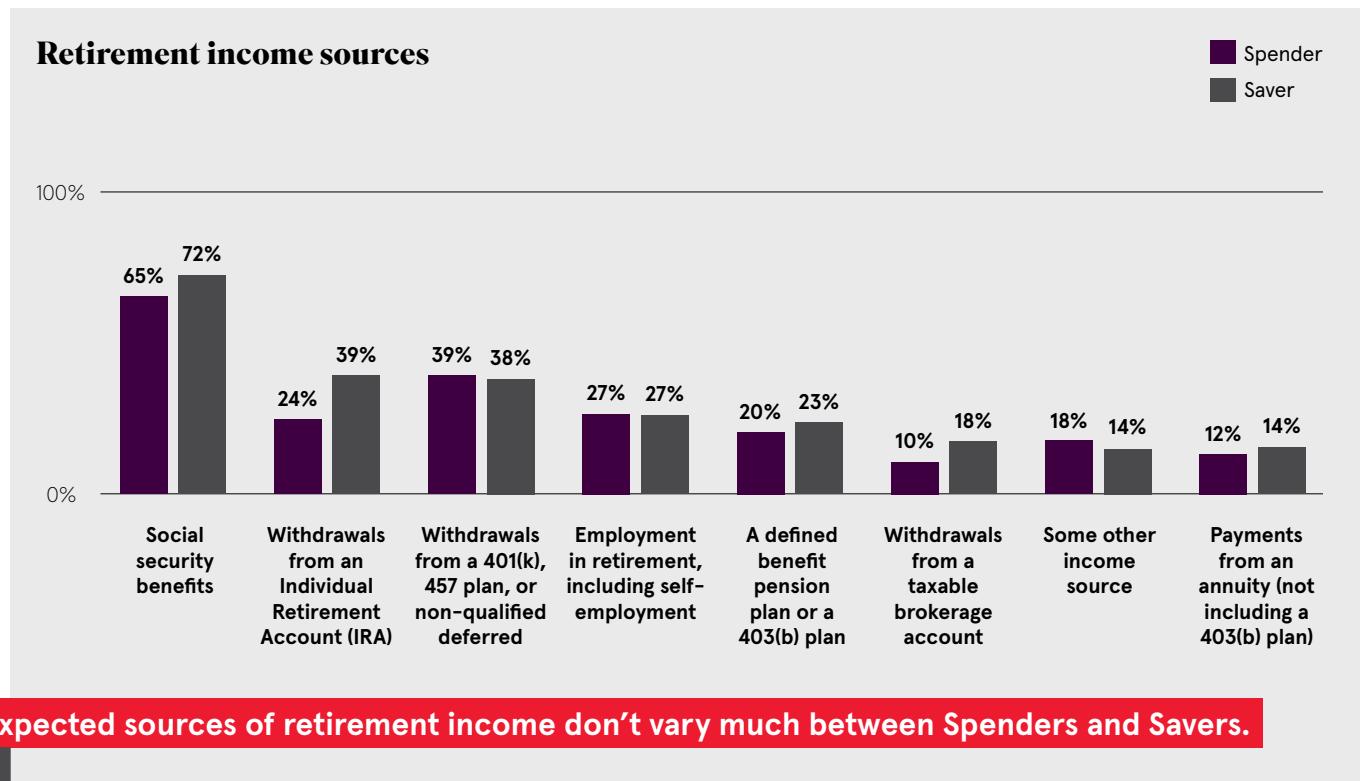
Savers are more likely to work with a financial professional and to have a plan for retirement.



You have the opportunity to develop a new way of thinking about and talking to Spenders, showing the benefit of financial advice.

For example, you could offer Spenders a “trial period” where you establish a relationship and offer them some advice for building up their wealth, since they may not yet have assets to bill against.

In addition to the attitudinal differences, there are also differences between the types of investments they own. When asked about the sources of retirement income they expected to have available, Spenders were less likely to list an IRA account or withdrawals from a taxable brokerage account. Perhaps this reveals another opportunity, to discuss the benefits of tax diversification and tax deferral within sources of retirement income.



Both Spenders and Savers cited the same most concerning thing about their finances: having enough money for retirement/a lifetime. However, there are other noteworthy differences between the concerns of Spenders and Savers.

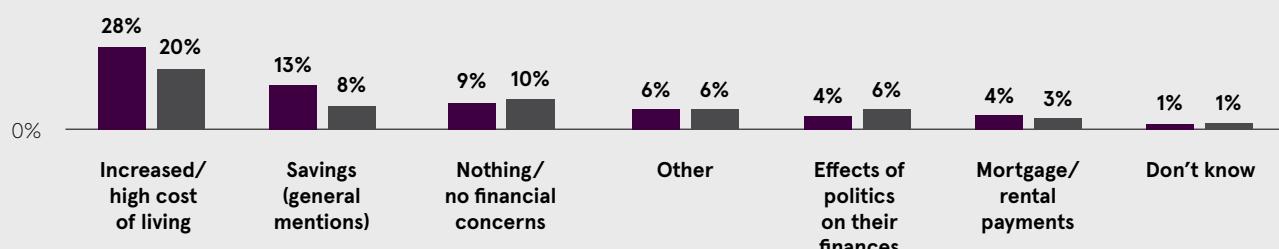
Greatest financial worry (top of mind mentions)

Spender
Saver

100%

Spenders and Savers share many of the same concerns about finances.

Having enough money for retirement/lifetime
Spenders indicated it 28% of the time, Savers 31% of the time.



Breaking it down:

When asked to identify the top concerns they had in the context of an open-ended question, Spenders and Savers showed important differences, which you can help address.

Spenders are more concerned with:

Savers are more concerned with:

Increased/high cost of living

28% vs 20%

Inflation

14% vs 10%

Lack of savings

13% vs 8%

Stock market/investments

8% vs 3%

Paying debt/going into debt

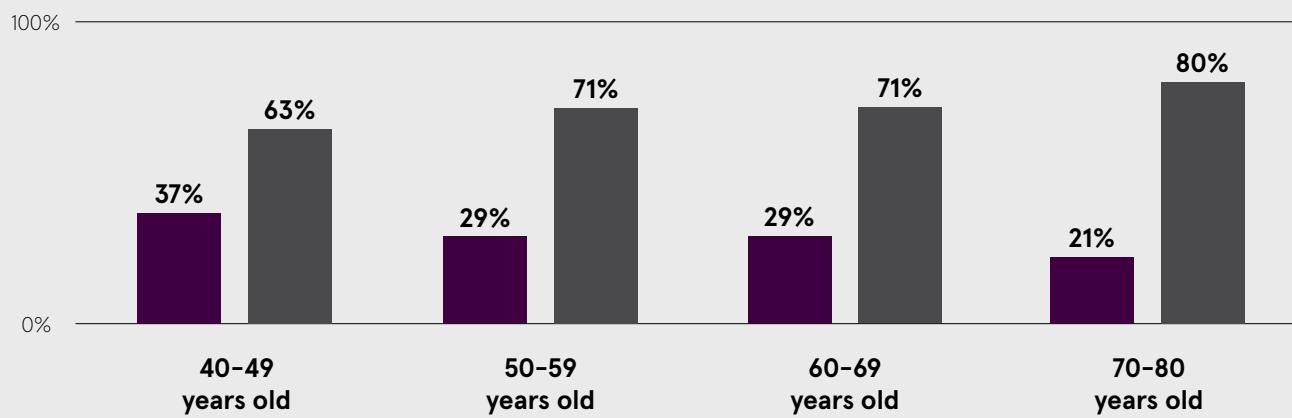
14% vs 5%

Knowing what the top concerns are, we wondered whether age played a part in the mindsets and financial discipline of respondents. In fact, age was one of the only demographic categories in which statistical differences were seen.

Spender/Saver self-classification by age group

Spender
Saver

The predilection for saving tends to increase with age.

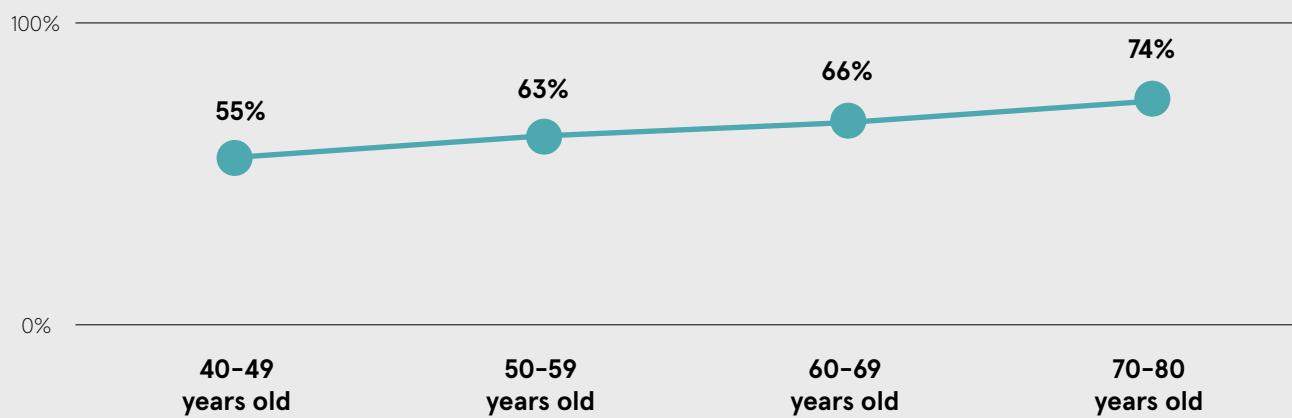


The older the respondent, the more likely they were to be a Saver. So, it's possible life stages are an important component to this profile. Proximity to retirement may breed a sense of urgency.

As age increases, so does financial discipline, for both Spenders and Savers

Spender/Saver self-classification rates by age group

Spender and Saver



KNOWING THAT EVEN SPENDERS MIGHT DRIFT TOWARD A SAVER MINDSET AS THE YEARS PASS PRESENTS YOUR BUSINESS WITH AN OPPORTUNITY.

Establishing client relationships and understanding their mindsets—beyond just the common framework of risk tolerance—can help them more effectively plan for retirement. Here are a few additional resources.

1. Advising to Spender/Saver mindsets

2. Client discussion guide



Advising to Spender/Saver mindsets

SPENDER/SAVER DIFFERENCE	FINANCIAL PROFESSIONAL OPPORTUNITY
Initial engagement with a financial professional Spenders are far less likely than Savers to work with a financial professional and/or have a written financial plan for retirement.	Engagement campaign to Spenders showing the benefit of financial advice; financial professionals might want to offer a trial period with some alternative income model since Spenders may not yet have assets to bill against.
Use of tax deferral strategies Spenders were less likely to list an IRA account or withdrawals from a taxable brokerage account as expected sources of retirement income.	Discuss the benefits of tax diversification overall and tax deferral within that framework.
Different financial circumstances and concerns Spenders are more concerned with: <ul style="list-style-type: none"> Increased/high cost of living Lack of savings Paying debt/going into debt Savers are more concerned with: <ul style="list-style-type: none"> Inflation Stock market/investments 	Assist with more immediate budgeting and financial wellness education. Assist Spenders in accessing and using financial planning tools.
Numeracy/investment confidence Just over half of all Savers are confident in their investment skills and get advice from financial professionals whereas Spenders have much lower levels of confidence in their investment skills and are less inclined to get financial advice from professional advisors. Spenders also indicate financial information can be confusing or overwhelming.	Develop an educational approach aimed at building financial and investment literacy to better engage and advise Spenders.

Client discussion guide

AREA OF DIFFERENCE	TYPES OF QUESTIONS TO ASK	FINDINGS
Saver orientation	Levels of agreement with the following: 1) It is very important for me to save money for a rainy day. 2) I get a lot of satisfaction from saving for the future. 3) I find that I often spend today rather than save for the future. (Reversed) 4) I save something from every paycheck.	Savers are often intrinsically motivated to save and regularize their saving habits more so than Spenders.
Financial strain	1) My relationships with others are, or have been, affected by financial issues. 2) Thinking about my financial situation makes me tense. 3) I sometimes have past due bills.	Savers indicate lower levels of financial stress and experience fewer negative financial outcomes than Spenders.
Retirement preparedness	1) I think I'm on track to meet all my financial goals in/for retirement. 2) I know the amount of income and savings I will need for (the rest of my) retirement. 3) I worry about having enough money for (the rest of my) retirement.	Savers tend to have a stronger sense of retirement preparedness and greater confidence in their investment goals than Spenders.
Life satisfaction	Levels of satisfaction with the following: 1) Your daily life 2) Your ability to attend events or experiences including travel 3) Your finances	Savers demonstrate greater levels of satisfaction in all aspects of life than Spenders.
Motivations for budgeting	Reasons for budgeting: 1) So I can build my savings 2) I like to maintain discipline over spending 3) To make ends meet each month	Savers tend to budget for the future and are intrinsically motivated to maintain fiscal discipline. Spenders tend to budget for today.



EMOTIONAL INTELLIGENCE IN RETIREMENT PLANNING

Spenders and Savers

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Diversification does not assure a profit or protect against loss in a declining market.

Investing involves risk, including possible loss of principal.

Tax deferral offers no additional value if an IRA or a qualified plan, such as a 401(k), is used to fund an annuity and may be found at a lower cost in other investment products. It also may not be available if the annuity is owned by a legal entity such as a corporation or certain types of trusts.