



WE ARE
TRU TO YOU



What Aren't Your Clients Telling You?

Unspoken Biases Derailing Your Sales

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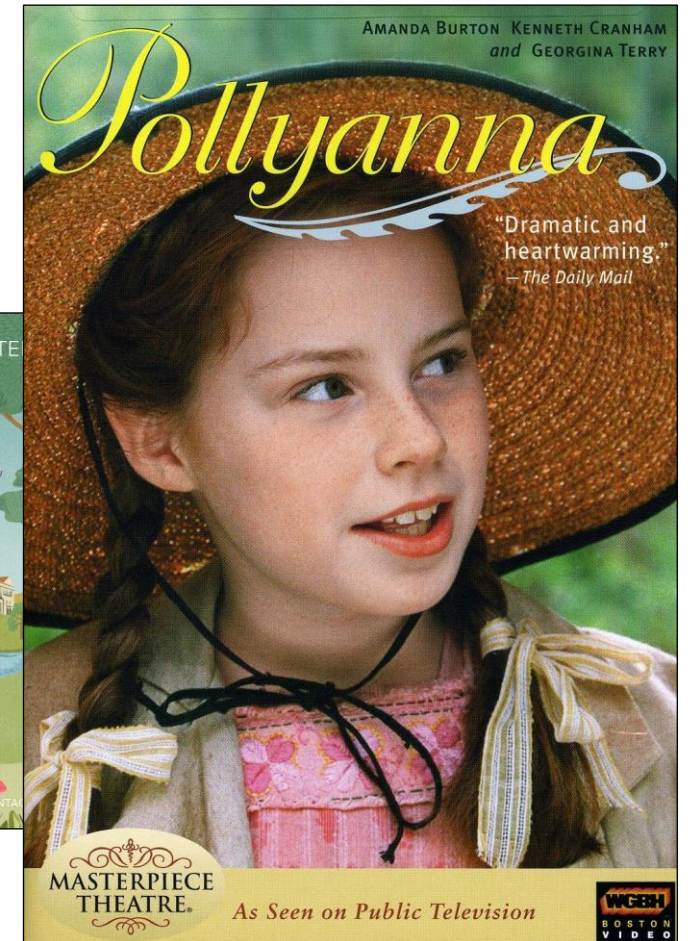
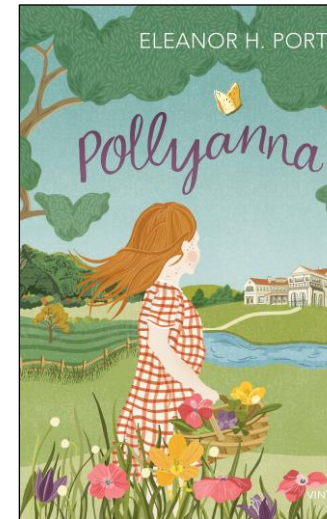
3 Key Psychological Effects **Influence Behavior**

- Pollyanna Principle
- Lake Wobegon Effect
- This Time is Different Syndrome



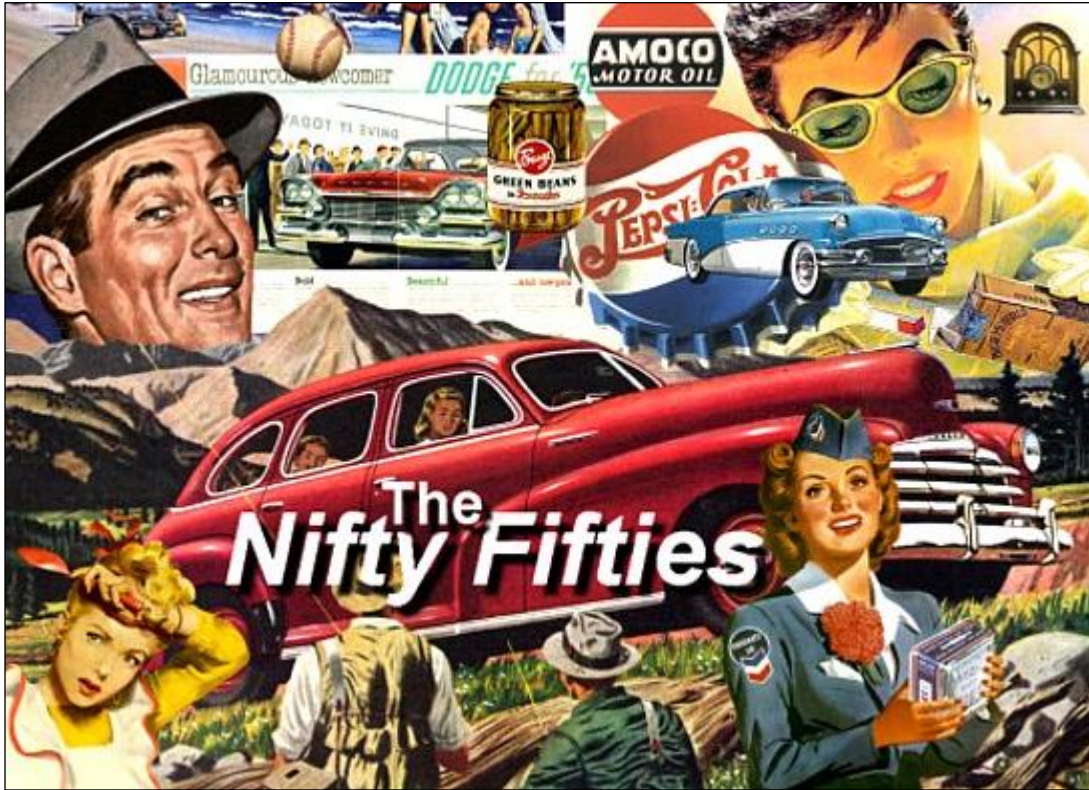
Pollyanna Principle: **AKA Positivity Bias**

- The tendency for people to focus on or remember the positive
- Often assume the "best" when it comes to making decisions

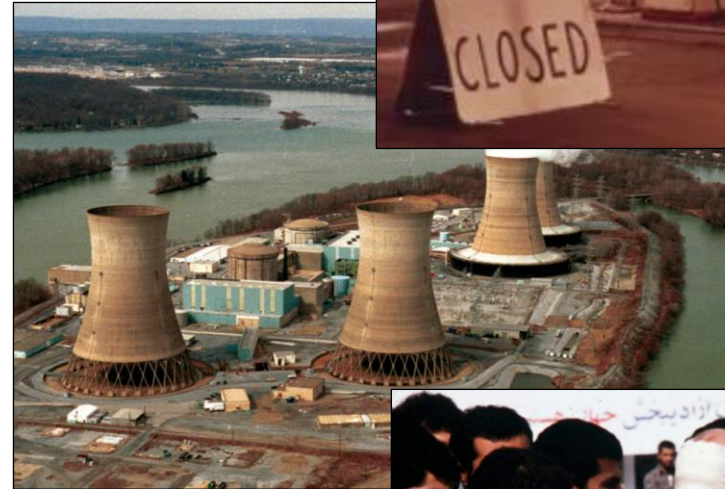


<https://positivepsychology.com/pollyanna-principle>

Pollyanna Principle: **AKA Positivity Bias**



Pollyanna Principle: **AKA Positivity Bias**



Pollyanna Principle and Aging

As we age, we tend to remember more positive than negative information. Older adults:

- Recall greater proportion of positive images than negative images
- Direct attention to happy faces and away from angry faces
- Focus on positive attributes or consequences



<https://positivepsychology.com/pollyanna-principle>

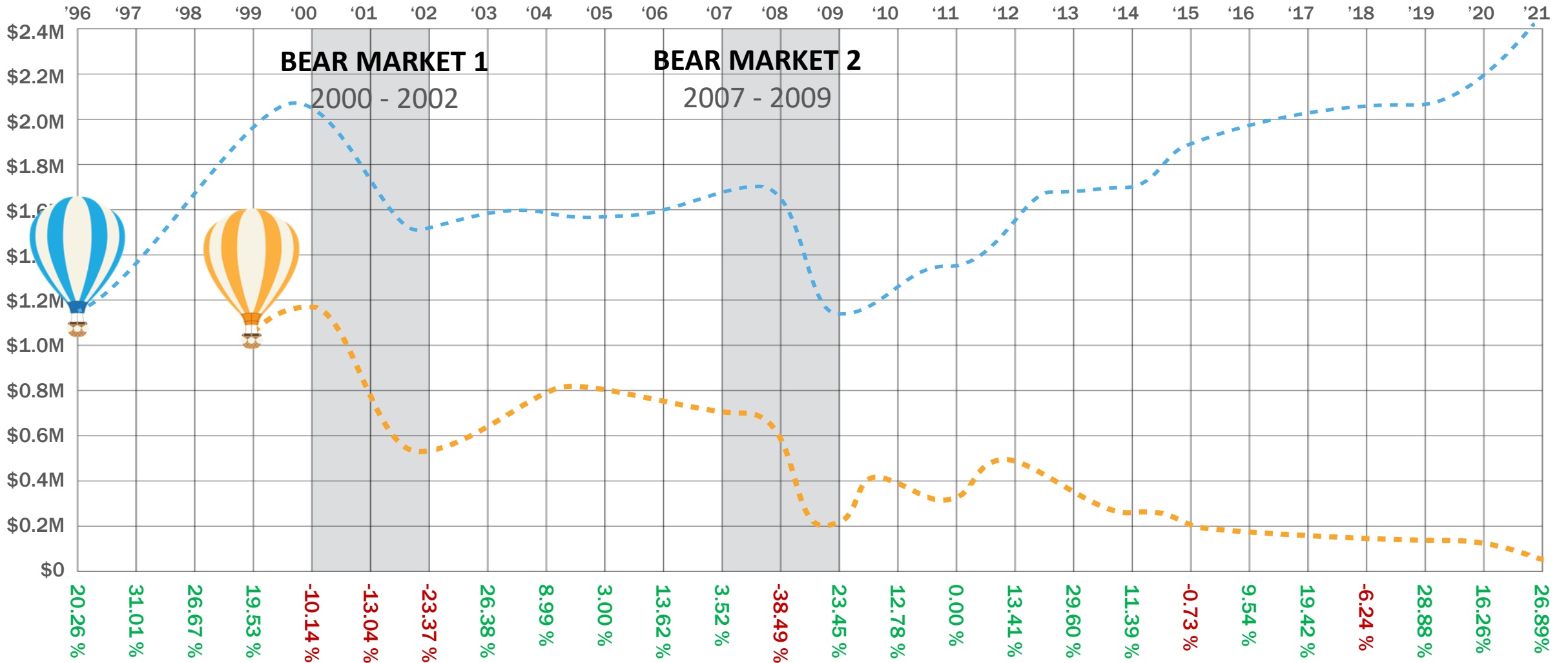
Pollyanna Principle and Retirement

- People “under-remember” investment losses compared to gains. This results in overly optimistic beliefs.
- Investor expectations of future market returns are positively correlated with recent past returns.
 - “Past performance becomes a predictor of future results.”



Investor Memory, July 2019, Katrin Godker, Peiran Jiao, and Paul Smeets

SEQUENCE OF RETURNS RISK



Annual returns are based on the S&P 500 index.

This is a hypothetical example for illustrative purposes only. The hypothetical returns are not indicative of actual market performance. Actual market returns will vary. This is not intended to project the performance of any specific investment or index. If this were an actual product, the returns may be reduced by certain fees and expenses. For financial professional use only – not for use with the general public.



Lake Wobegon **Effect**



Welcome to Lake Wobegon, where all the women are strong, all the men are good-looking, and all the children are above average.

(Garrison Keillor)

Source: Alicke, M. D., Dunning, D. A., & Krueger, J. I. (Eds.). (2005). The Self in Social Judgment. Psychology Press.

Cross, K. Patricia (Spring 1977) "Not can but will college teachers be improved" New Directions for Higher Education. 1977 (17)

Heck, P. R., Simons, D. J., & Chabris, C. F. (2018). 65% of Americans believe they are above average in intelligence: Results of two nationally representative surveys. PLoS one, 13(7), e0200103. <https://doi.org/10.1371/journal.pone.0200103>

Lake Wobegon **Effect**

- 85% of high school seniors rated themselves above-average on their ability to get along with others.
 - 25% said they were in the top 1%
- 94% of professors at the University of Nebraska stated they had an above-average teaching ability.
- 65% of adults agreed with statement, “I am more intelligent than the average person.”

Source: Alicke, M. D., Dunning, D. A., & Krueger, J. I. (Eds.). (2005). The Self in Social Judgment. Psychology Press.

Cross, K. Patricia (Spring 1977) “Not can but will college teachers be improved” New Directions for Higher Education. 1977 (17)

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<https://doi.org/10.1371/journal.pone.0200103>

Lake Wobegon Effect

How it alters decision-making:

- Older cancer patients unable to reconcile the realities of the illness.
 - Patients believe they will have an “above-average” chance of survival.
 - Most believe they will be in the percentage who survive.
- 74% of professional fund managers stated they were above-average at investing.
 - 100% of fund managers reported being average or better.
 - Only 25% of all actively managed funds beat their passive rivals over 10-year period.

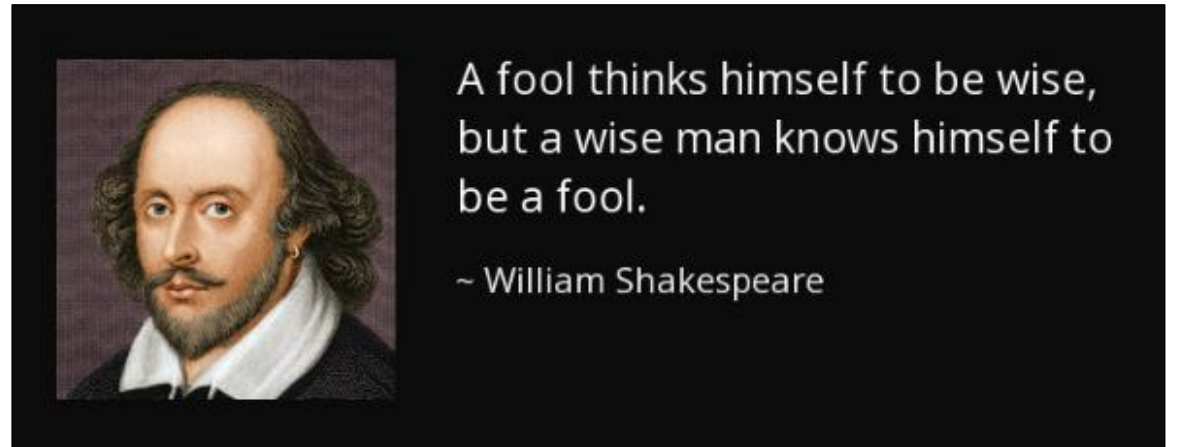
Source: J.H. Wolf and K.S. Wolf, The Lake Wobegon Effect: Are all cancer patients above average? (2013), Milbank Quarterly, 91: 690-728

Montier, James, Behaving Badly, February 2, 2006

Morningstar's Active/Passive Barometer, October 2021

Lake Wobegon Effect

- Downing Effect
 - Tendency of people with limited knowledge or competence to greatly overestimate their own knowledge or competence
- Flip side, those with above average knowledge or competence underestimate their knowledge



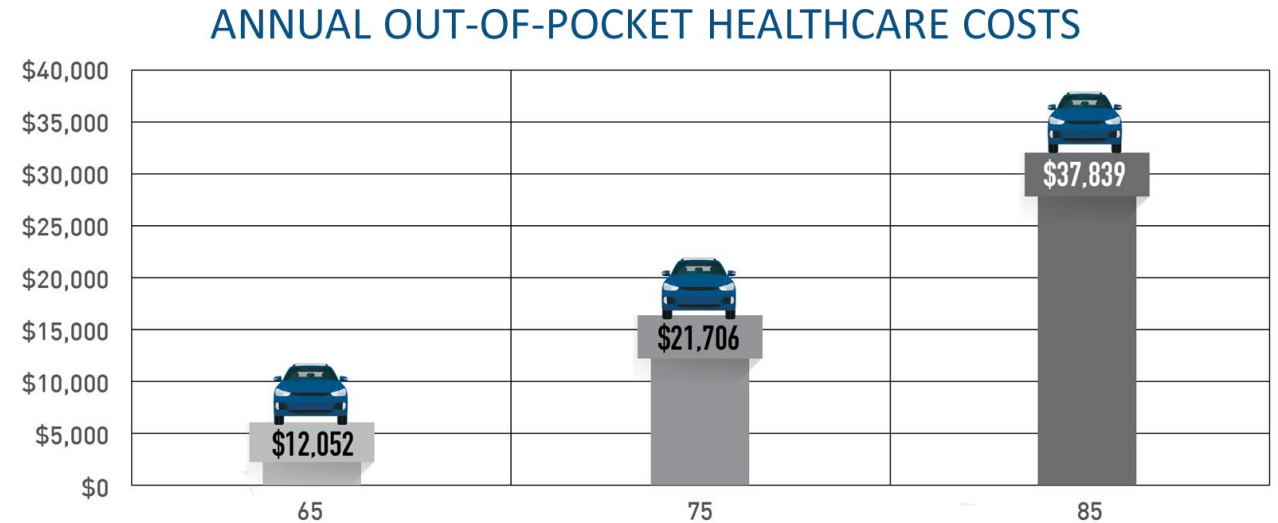
A fool thinks himself to be wise,
but a wise man knows himself to
be a fool.

~ William Shakespeare

Source: Kruger, J and Dunning, D Unskilled and Unaware of It: How Difficulties in Recognizing One's Own Incompetence Led to Inflated Self-Assessments, Journal of Personality and Social Psychology, 1999

Lake Wobegon Effect

- Only 22% of Americans 50+ have purchased LTC coverage.
- Someone turning 65 today has almost a 70% chance of needing long-term care services.

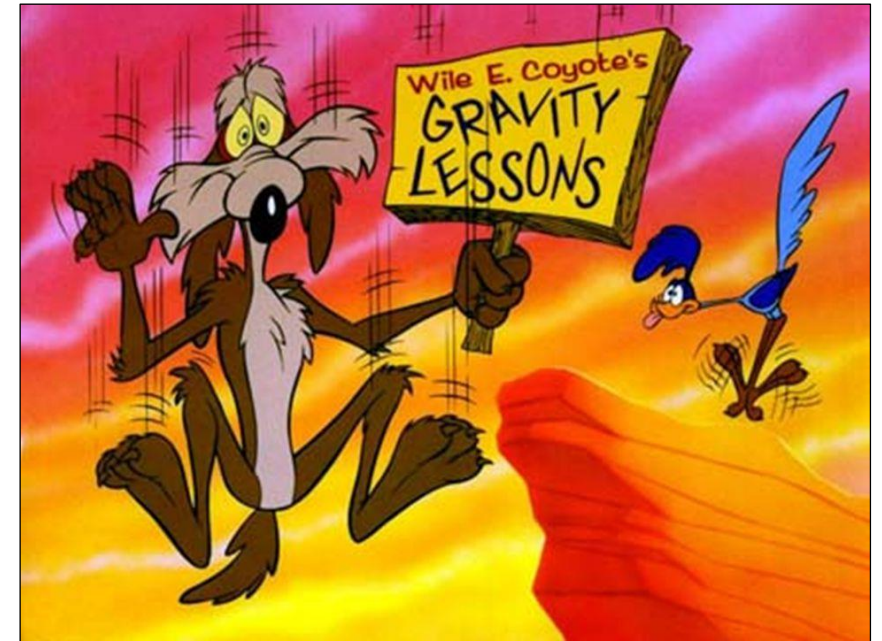


HealthView Services, 2019 Retirement Healthcare Costs Brief

Source: <https://www.seniorliving.org/finance/long-term-care-annual-report/#:~:text=About%2040%20percent%20of%20people,of%20an%20LTC%20insurance%20policy.https://acl.gov/ltc/basic-needs/how-much-care-will-you-need#:~:text=Someone%20turning%20age%2065%20today,for%20longer%20than%205%20years>

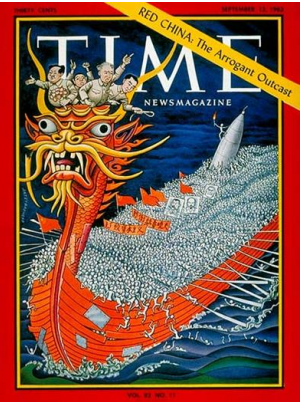
This Time is Different **Syndrome**

- Belief that financial crises are things that happen to other people or to other countries.
- Crises do not happen to us here and now.
- We are doing things better; we are smarter; we have learned from our past mistakes.



<http://www.nber.org/papers/w13882>

This Time is Different **Syndrome**



1963



1972



1978



1984



1999



2001



2010

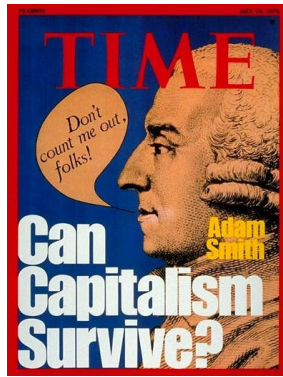


2017

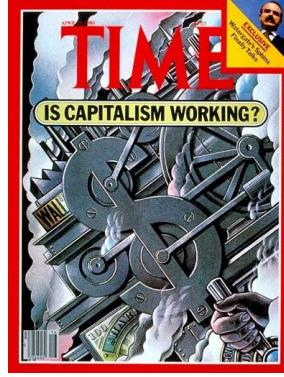
This Time is Different **Syndrome**



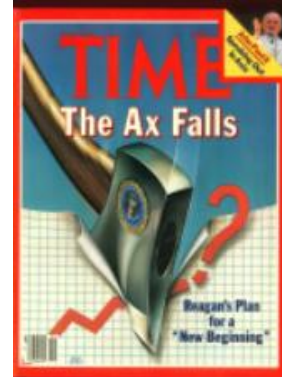
1972



1975



1980



1981



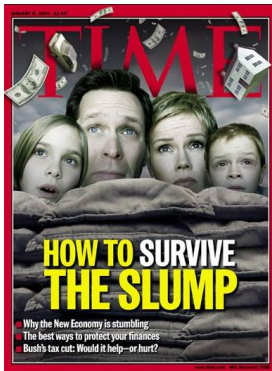
1987



1992



1998



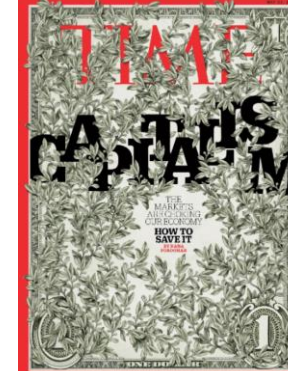
2001



2008



2011



2016



2020

This Time is Different **Syndrome**

“(T)he staff now has a noticeable slowdown in growth starting later this year in the forecast, but given the resilience of the economy recently, they are no longer forecasting a recession.”

– *Federal Reserve Chairman Jerome Powell*

“Since 1955, there has never been a quarter with price inflation above 4% and unemployment below 5% that was not followed by a recession within the next two years.” – *Larry Summers*

“The prevailing consensus right before things went downhill in 2007, 2000, and 1990 was for a soft landing” – *New York Times*

Source: “Fed staff drop US recession forecast, Powell says” Reuters, July 26, 2023

Domash, A & Summers, L “A labor market view on the risks of a US hard landing”, April 2022

“Soft landing optimism is everywhere. That’s happened before.” New York Times, July 27, 2023

**Number of Fed Engineered
Soft Landings: 1
(1994-1995)**

<http://www.nber.org/papers/w13882>

Retirement Roadblocks™ Platform



DIGITAL PITCH KIT

It's easy to promote the risks clients may face in retirement with these email graphics, social media ads, website graphics and virtual backgrounds!



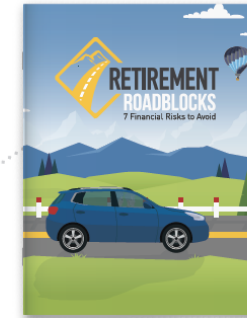
CALCULATORS

Plug in real numbers to show your clients custom scenarios and solutions based on their individual situations.



PRESENTATION PACKAGE

This package has everything you need to prospect—the invite gets people there, a PowerPoint and speaker notes help you walk through each of the 7 Retirement Roadblocks, and the evaluation helps gauge interest and set appointments.



RETIREMENT ROADBLOCKS MOBILE APP

This app provides direct access to most of our Retirement Roadblocks tools! Download the app to access videos, whitepapers, sales tools, and more!



WHITEPAPERS

For your eyes only! These walk you through each of the risks on a deeper level to help you better grasp the concepts and be more prepared for your client conversations.



ANIMATED CONSUMER VIDEOS

Each risk is highlighted in its own animated video! These videos provide a visual approach to explain each risk and identify ways to potentially overcome them.

Print, Digital, & Multimedia

RETIREMENT ROADBLOCKS
7 Financial Risks to Avoid

MEET BILL AND JILL

Let us introduce you to siblings Bill and Jill. Both Bill and Jill have worked hard and saved for retirement. Their bags are packed and they are ready to head out on their retirement journey.

We invite you to tag along with Bill and Jill as they guide us through seven different financial roadblocks, or risks, that may be encountered along the way.

JOHN DOE FINANCIAL GROUP
www.johndoefinancial.biz

DIGITAL PITCH KIT BUMPY ROAD AD SUITE

RETIREMENT ROADBLOCKS
7 Financial Risks to Avoid

DIGITAL PITCH KIT RISK AD SUITE

RISK is not a 4-letter word.

Retirement can be risky, but the ways to help manage those risks may be easier than you think. Learn more [HERE](#).

WITHDRAWAL RATE RISK

MAKING MONEY LAST.

Withdrawal rate was once considered a "safe" amount based on research done in the 1990s. However, market "rule" into question. When determining a safe retirement withdrawal rate, savings are divided between equities and bonds.

40% Equities / 60% Bonds	60% Equities / 40% Bonds
1.9%	1.4%
2.7%	2.6%
3.2%	3.2%
4.3%	4.6%

year retirement withdrawal rates and Safe Portfolio Withdrawal Rates, January 2013.

RETIREMENT ROADBLOCKS QUESTIONNAIRE

Please take a moment to complete this questionnaire.

PRINT your name _____ Age _____
 Spouse (if appl) _____ Age _____
 Address _____ City _____ State _____ Zip _____
 Best Contact Phone: _____ Email: _____

RETIREMENT ROADBLOCKS QUESTIONNAIRE

1. Are you confident that your savings will withstand a **25 to 30-year retirement**?
 2. Do you have a plan to combat **inflation's damaging effects** on your purchasing power?
 3. Do you have alternate income sources not tied to the market to offset **sequence of returns risk**?
 4. Do you know what **withdrawal rate** is responsible to help sustain your lifestyle in retirement?
 5. Are you confident that your **Social Security benefits** are optimized for yourself and your spouse?
 6. Do you have strategies to cover rising healthcare costs and potential **long-term care needs**?
 7. Do you have a **tax allocation strategy** to help minimize the impact of taxes during retirement?

I WOULD LIKE A SECOND OPINION

If you answered "NO" to one or more questions above, you might want to review your strategy.

YES! I would like to schedule a complimentary financial review to explore financial strategies and insurance solutions to help protect and grow my retirement assets. I understand there is absolutely no obligation. (Check your appointment preference.)

BEST DAY		BEST TIME	
<input type="checkbox"/> Monday	Tuesday	<input type="checkbox"/> 9:00 AM - 12:00 PM (Noon)	
<input type="checkbox"/> Wednesday	Thursday	<input type="checkbox"/> 12:00 PM (Noon) - 5:00 PM	
<input type="checkbox"/> Friday		<input type="checkbox"/> 5:00 PM - 7:00 PM	

List any specific questions/concerns you would like the presenter to address: _____

If I'd like a speaker to present Retirement Roadblocks for my group (civic organization, church, book club, company, etc.) Please contact me. Group type: _____ We will call you for contact information preferred.

RETIREMENT ROADBLOCKS
7 Financial Risks to Avoid

[Presenter Name]
[Presenter Title] | [Company Name]

Inflation Calculator

Retirement Research for John Doe and John Doe

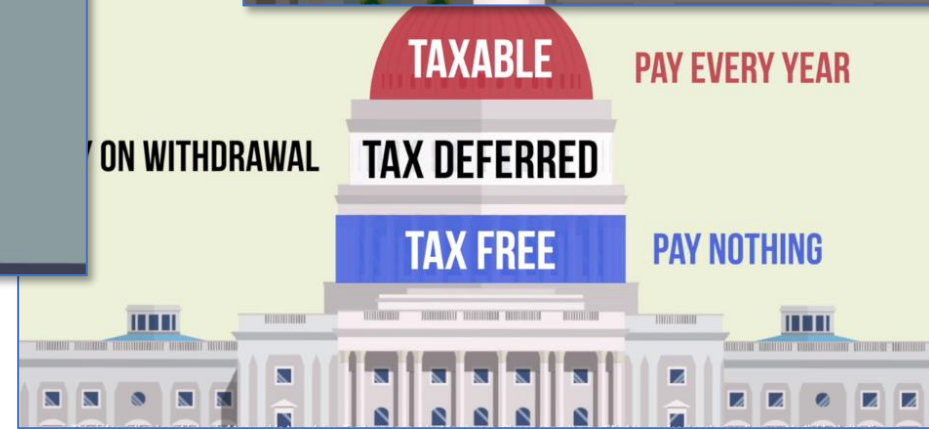
Inflation Impact on Purchasing Power

Initial Investment: \$1,000,000
 Inflation Rate: 3.00%
 Final Investment: \$1,812,641

Note: Facebook feed ads have character limits.
 • Text: 125 characters (i.e. Retirement can be risky)
 • Headline: 25 characters
 • Link description: 30 characters

TruChoice FINANCIAL GROUP

Animated Videos



Financial professionals should follow the approval requirements of the carriers they represent and their broker-dealer and registered investment adviser, if applicable.

Mobile Access



7 Financial Risks to Avoid

LONGEVITY RISK
Longer Life, Bigger Risk.
The "risk multiplier". →

INFLATION RISK
Same Money, Less Power.
Rising costs of goods and services affect retirement income strategies. →

SEQUENCE OF RETURNS RISK
Timing is Everything

Withdrawal Rate Risk

WITHDRAWAL RATE RISK

MAKING MONEY LAST.
"Now that we have run out of money, we have to think."
— Winston Churchill

Some retirees rely on withdrawal rates from their retirement portfolio far higher than current research suggests they should to ensure a lifetime of income. Consequently, they may need additional assets to generate the same level of income, or must realize higher returns while accepting additional risk, or look to other vehicles to generate the desired level of income.

Withdrawal Rate Risk

Conversation Starter

To help discuss this Retirement Roadblock, start by asking a prospect:
How do you know if you will be withdrawing too much or too little from your retirement nest egg?

Then share "**Withdrawal Rates in Retirement**" on pages 10-11 of the Retirement Roadblocks Consumer Guide.

Tools & Materials

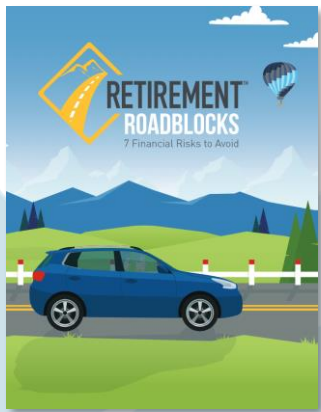
- Retirement Roadblocks Consumer Guide →
- Withdrawal Rate Risk Whitepaper →

Videos

Action Items

ONE:

Remember to visit MyRetirementRoadblocks.com to see sample videos, the consumer guide and more!



TWO:

Reach out to your TruChoice Wholesaler to discuss how to use the Retirement Roadblocks material.



THREE:

Scan the QR Code to learn how to access the Retirement Roadblocks materials.





OUR TRU
IS YOU