

# 2014 Planning and Progress Study

“Talking Money & Retirement”

# Objectives and Methodology

## Objectives

To understand -

- How Americans plan and whether they feel it needs improvement
- Where people are on the road to financial security and if they're moving in the right direction
- Attitudes toward money and financial decision-making; and how people prioritize
- The financial state of individuals and the country as a whole
- Perspectives on working with a financial advisor and the client experience
- How long people plan to work and whether it is by necessity or choice
- People's preparedness to live long lives

## Methodology

Online survey of 2,092 U.S. Americans (via web panel) conducted between January 21st and February 5th, 2014.

- Qualified participants were those at least 18 years of age.
- Data is weighted to be representative of the U.S. population (age 18+) by education, age, gender, race, ethnicity, region and household income.

# Key Findings

## Talking About Money

Conversations about money are among the *most difficult* for U.S. adults to have – many adults say it is easier to talk about the “birds and the bees” (43%) or ask their adult children to move out (32%) than it is to ask a parent for money (19%) or ask a friend or family member to pay back a loan (26%).

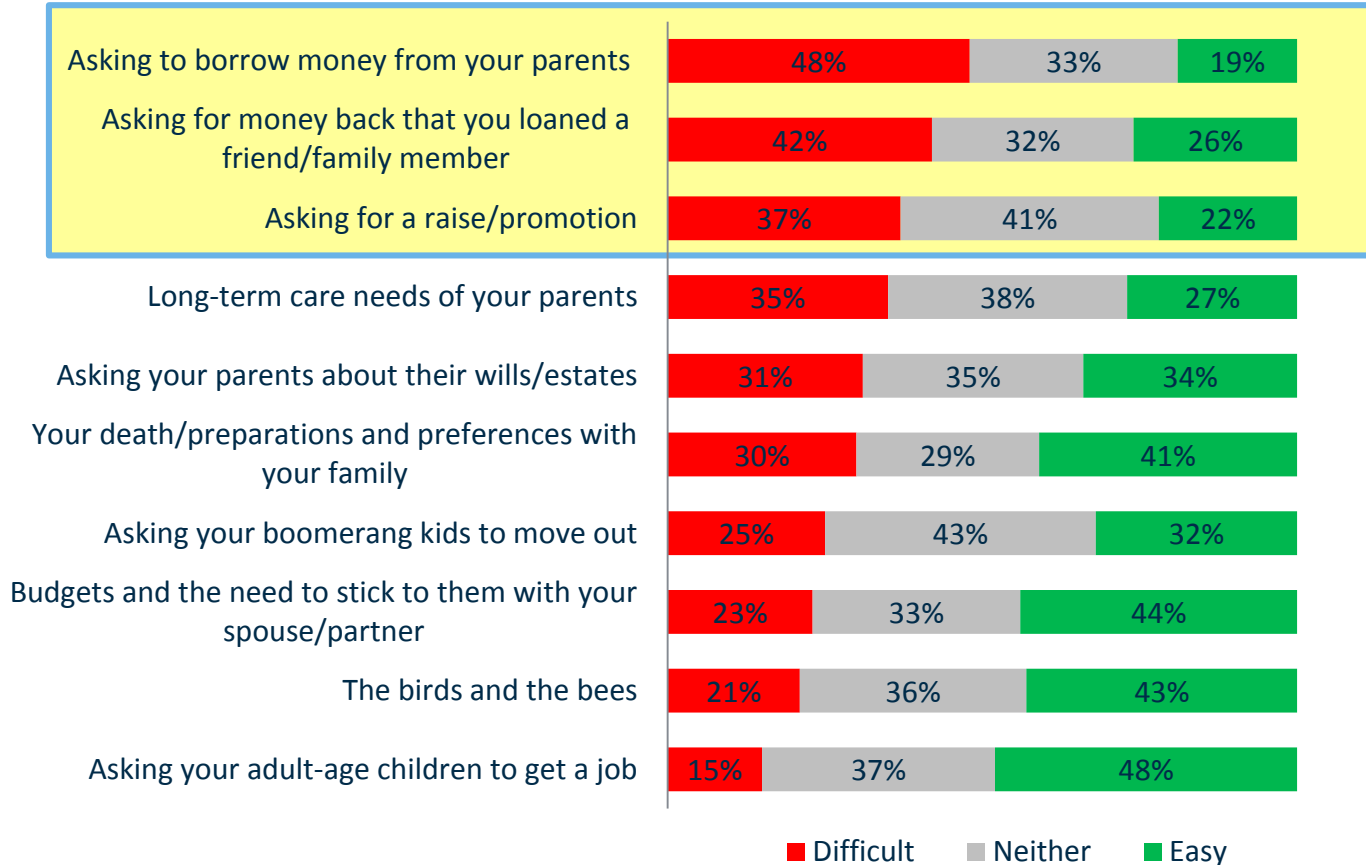
## Discussing Retirement

Despite what appears to be serious concerns about retirement, two in five adults (42%) have not spoken to *anyone* about retirement.

- Those who are currently working feel they will retire at a much later age than those who are currently retired (68 years old for those working vs. 59 being the age current retirees entered into retirement).
- Working adults aged 60+ are the most pessimistic that they will retire at the “traditional” age of 65.
  - As retirement approaches for these adults, nearly two in five (38%) now estimate that they will have to work until age 75 or older before they can retire.

# Talking About Sensitive Subjects: Level of Difficulty

While many adults find it difficult to discuss death preparations with their immediate family, or estate planning or long-term care needs with their parents, **money-related** conversations are the **most difficult** for U.S. adults.

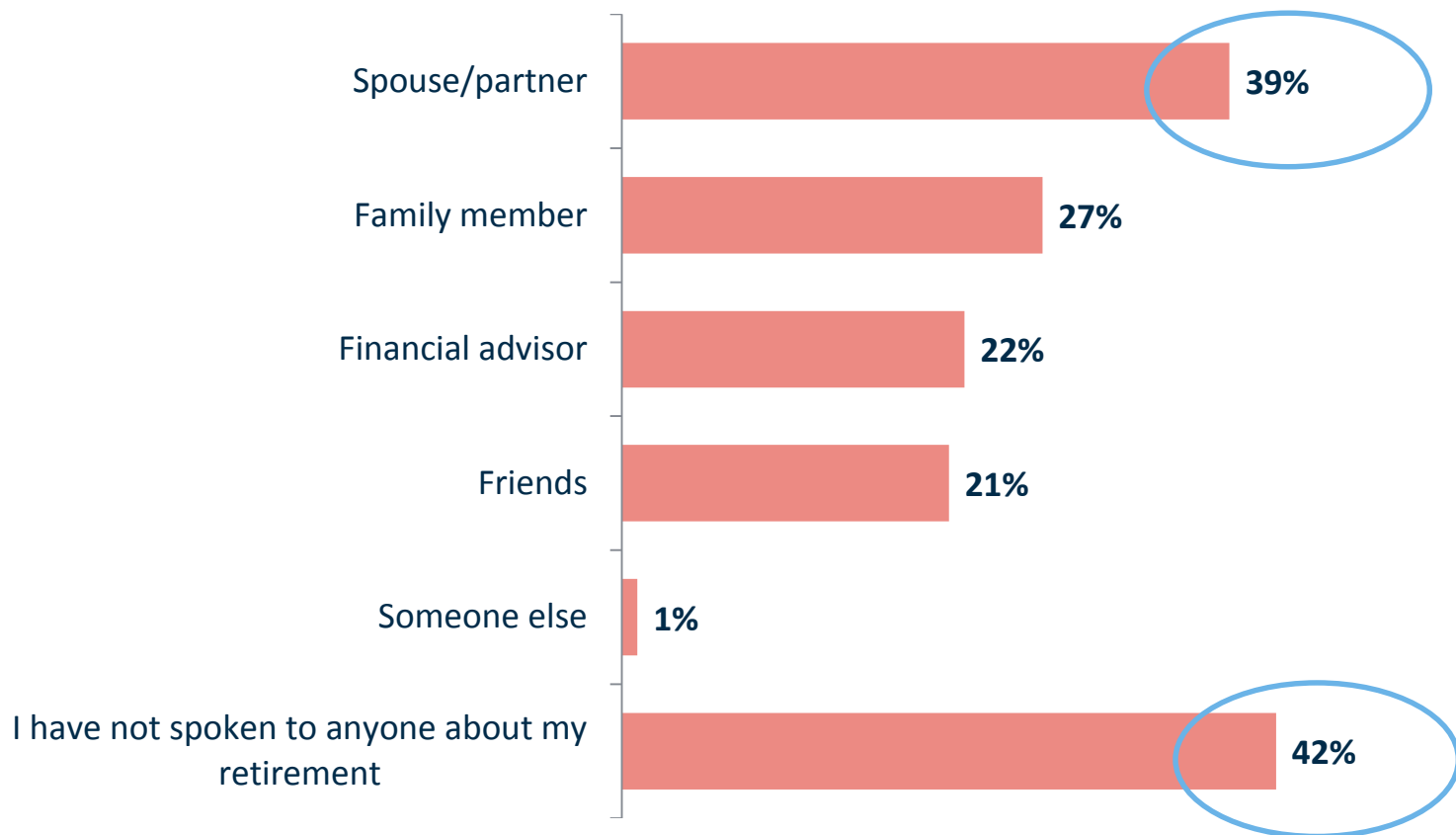


**BASE: ALL QUALIFIED RESPONDENTS (n=2092)**

**Q1296** Based on the following conversation topics, how difficult do you think each conversation would be for you to have?

# Discussing Retirement With Others

Roughly two in five U.S. adults have either spoken to their spouse/partner or have not spoken to anyone about retirement.



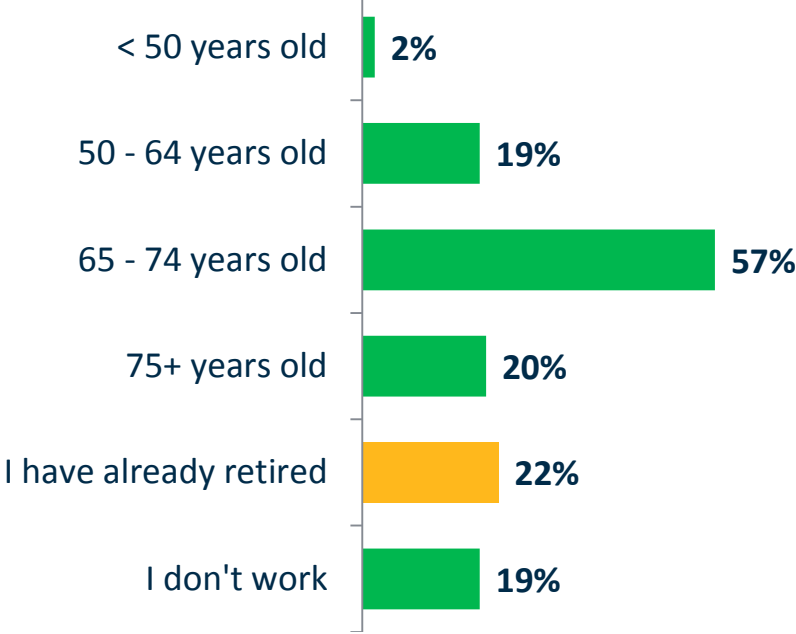
BASE: ALL QUALIFIED RESPONDENTS (n=2092)

Q1130 Who have you talked to about retirement?

# Anticipated Age at Retirement

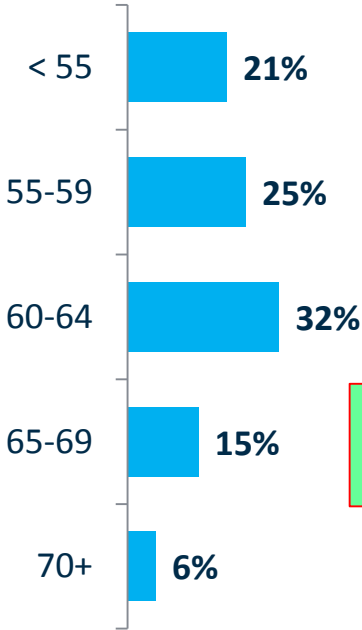
Those who are currently working feel they will retire at a much later age than those who are currently retired. The vast majority of those who are retired did so by choice, rather than out of necessity.

**Will Work Until Retirement**  
(Until I am...years old)



**Mean- 68.4**

**Age When Retired**  
*Among those already retired*



**Mean- 59.0**

**By Choice 71%**  
**By Necessity 29%**

**BASE: ALL QUALIFIED RESPONDENTS (n=2092)**  
**Q1035** How long do you anticipate you will work before you retire?  
**BASE: ALL QUALIFIED RESPONDENTS WHO ARE RETIRED (n=499)**  
**Q1040** At what age did you retire?  
**Q1045** Did you retire by necessity or was it your choice?

# Anticipated Retirement Age (By Age)

Looking ahead to retirement, those who are **nearest retirement age** are the **least optimistic** that they will retire at the “traditional” age of 65 – with over one in three feeling that he or she will have to work to age 75 or beyond.

Will Retire at Age ... Among Working Adults	18 – 29 (A) (n=240)	30 – 39 (B) (n=294)	40 – 49 (C) (n=306)	50 – 59 (D) (n=211)	60+ (E) (n=152)
Younger than 45	5% BCDE	1%	0%	0%	0%
45 - 54	7% BCDE	2%	3%	0%	0%
55 - 64	21% E	15% E	17% E	22% BE	3%
65 - 74	53%	58%	61%	61%	59%
75+	14%	24% A	19%	17%	38% ABCD
Mean	64.7	69.5 A	69.1 A	68.6 A	73.3 ABCD

**BASE: ALL QUALIFIED RESPONDENTS WORKING AND NOT RETIRED**  
**Q1035** How long do you anticipate you will work before you retire? Until I am \_\_\_ years old.