

The second study in an ongoing research program provides valuable insights into consumers' attitudes and behaviors around retirement income planning.

Fact Sheet: 2019 Protected Lifetime Income Study

# AMERICANS ARE CONFRONTED BY A LOOMING RETIREMENT INCOME SHORTFALL

THE ALLIANCE FOR LIFETIME INCOME'S LANDMARK SURVEY REVEALS SIGNIFICANT ANXIETIES ABOUT RETIREMENT INCOME AS WELL AS BARRIERS TO RETIREMENT PREPAREDNESS.

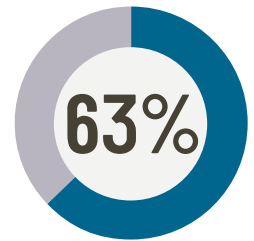
## AMERICANS ARE APPROACHING RETIREMENT UNPROTECTED

This census-balanced survey is the second in an ongoing research program tracking the level of protected versus unprotected households in the United States. **Americans who are unprotected have no source of protected lifetime income – such as a pension or annuity – other than Social Security.**

The most important question non-retired Americans face about retirement:

1. **How much income will I have in retirement?**
2. Will my savings and investments be enough?
3. Will Social Security be there for me?

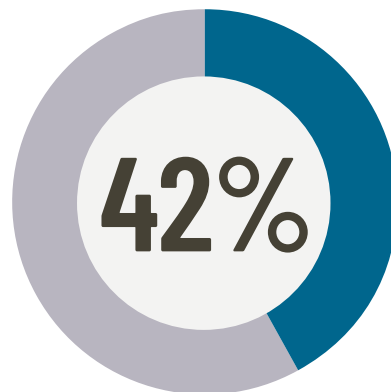
The study also revealed significant anxieties about retirement income and barriers to retirement preparedness.



63% of Americans are unprotected

8 in 10

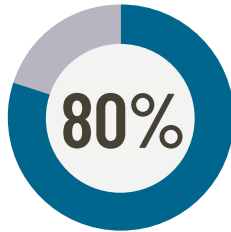
8 in 10 non-retirees lack a specific financial plan that they follow



Only 42% of non-retired Americans believe their savings and sources of income will last their lifetime

The second study in an ongoing research program provides valuable insights into consumers' attitudes and behaviors around retirement income planning.

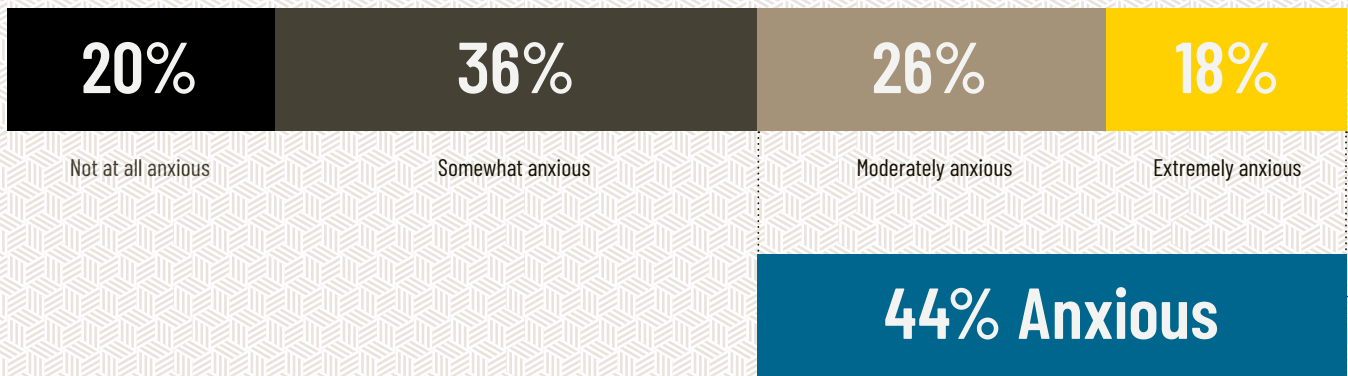
### AMERICANS ARE ANXIOUS ABOUT HAVING ENOUGH MONEY TO LAST THROUGH RETIREMENT



80 percent of non-retired Americans express anxiety that their savings may not provide enough to live on in retirement

Furthermore, 44 percent of those who are not yet retired are extremely or moderately anxious their savings may not provide enough to live on in retirement.

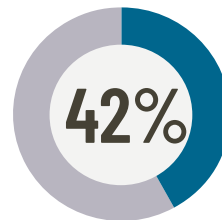
#### NON-RETIRED: HOW ANXIOUS ARE YOU THAT YOUR SAVINGS MAY NOT PROVIDE ENOUGH FOR YOU TO LIVE ON IN RETIREMENT?



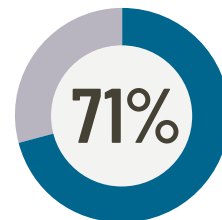
Only 4 out of 10 non-retired Americans expect their retirement savings and sources of income to last their lifetime.

Conversely, 71 percent of retired Americans believe their savings and income will last their lifetime - evidence in part that many of today's retirees are among the last to benefit from a pension.

Think retirement savings and sources of income will last for your lifetime:



Non-retired



Retired

The second study in an ongoing research program provides valuable insights into consumers' attitudes and behaviors around retirement income planning.

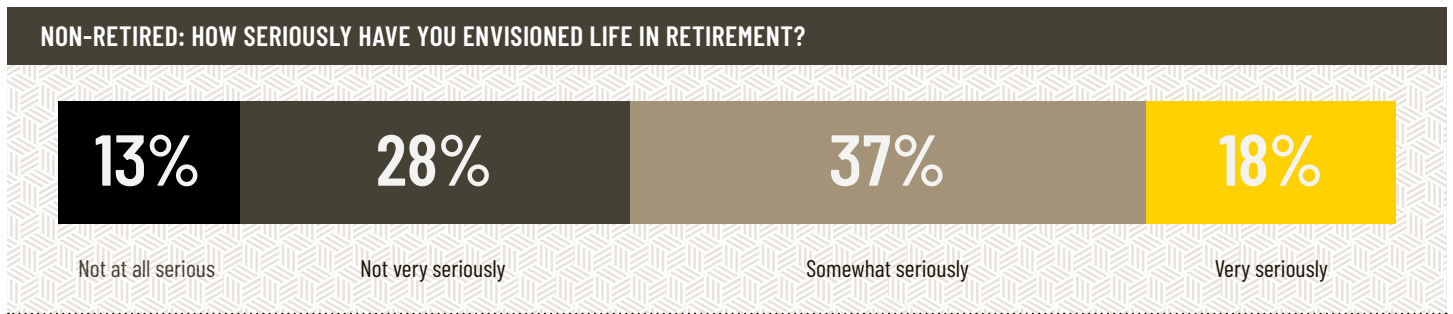
Those who expressed either severe or moderate anxiety about the adequacy of their income during retirement attribute their concern to several factors, beginning with healthcare.

**TOP CONCERNS IN RETIREMENT**

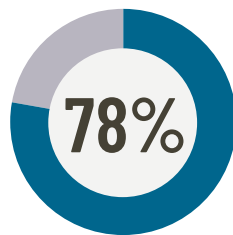
- 1. **Rising health care costs**
- 2. The risk of a financial surprise
- 3. Some type of health problem
- 4. Not having enough lifetime income

**THE RETIREMENT PLANNING DEFICIT**

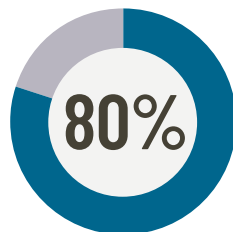
Among non-retired Americans, only 1 in 5 have very seriously envisioned life in retirement – a figure that does not vary much by age.



This may be one reason that so many Americans are not following a specific financial plan. Despite 8 out of 10 non-retired Americans believing that they can successfully plan for retirement, the same number are failing to follow a specific financial plan



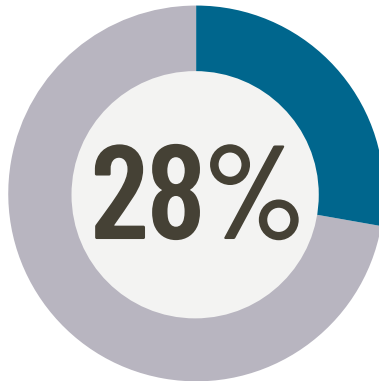
78 percent of non-retired Americans believe they can successfully plan for retirement



8 out of 10 non-retired Americans do not have a specific financial plan that they follow

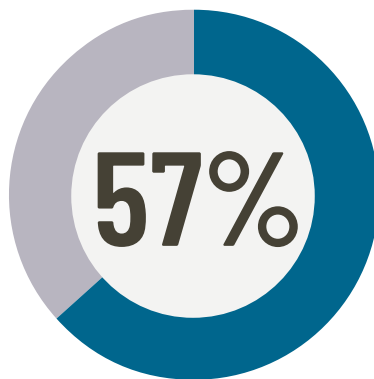
The second study in an ongoing research program provides valuable insights into consumers' attitudes and behaviors around retirement income planning.

Further evidence of the retirement planning deficit:



Only 28 percent of non-retired Americans have made an effort to determine their likely monthly income needs in retirement

How seriously have you envisioned life in retirement? This is perhaps the single most important question when considering retirement income needs.



57% have not calculated how much money they will need each month to cover expenses in retirement

Many Americans are uncertain about how to prepare for retirement.

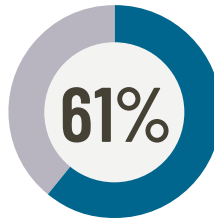


1 in 5 non-retired Americans are unable to indicate any next step in planning for retirement

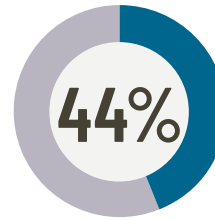
The second study in an ongoing research program provides valuable insights into consumers' attitudes and behaviors around retirement income planning.

**THREE BARRIERS TO PREPARE FOR RETIREMENT**

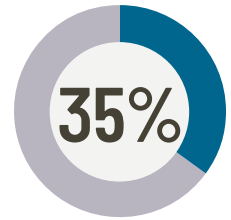
Non-retired: Top three barriers to taking more actions to prepare for retirement



Financial constraints

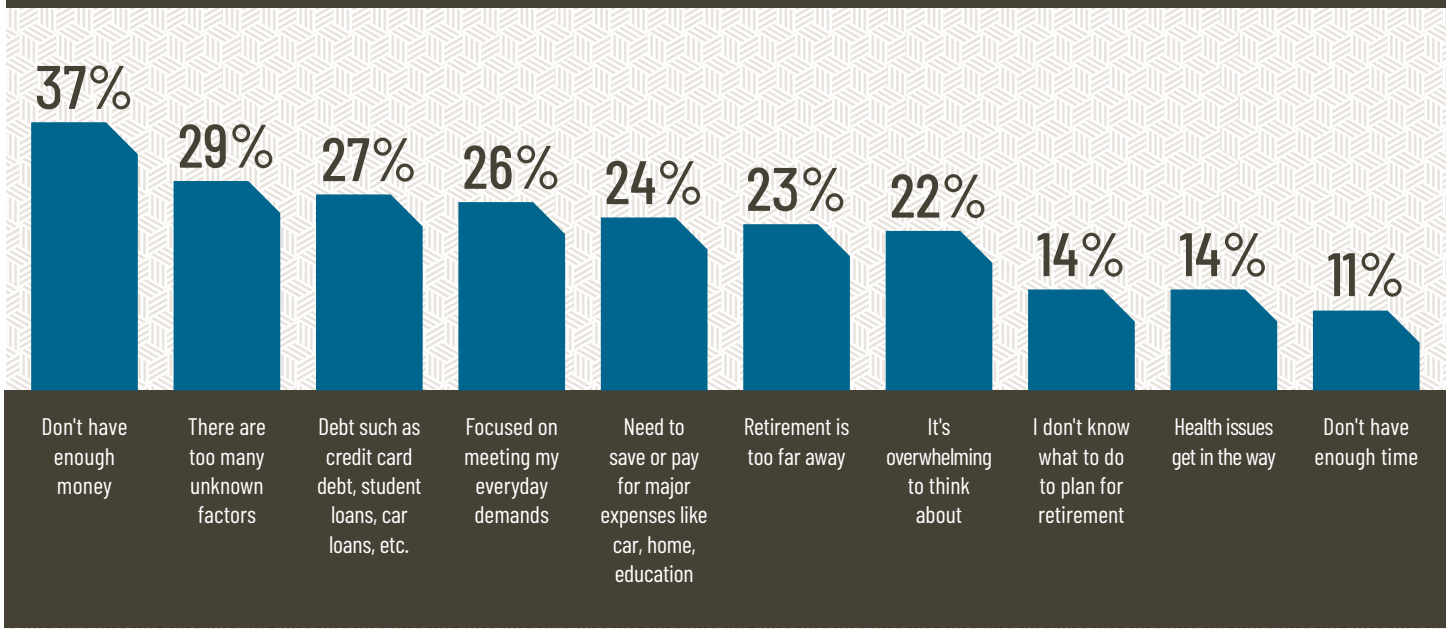


Uncertainties



Time demands

**NON-RETIRED: TOP THREE BARRIERS TO TAKING MORE ACTIONS TO PREPARE FOR RETIREMENT**

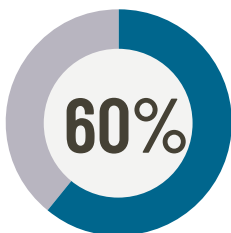


Significantly fewer Americans have financial support systems (either professional or casual) compared to health support systems.

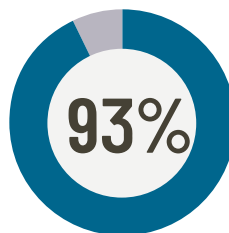
**Among non-retired Americans**

Have support from a professional to offer expertise

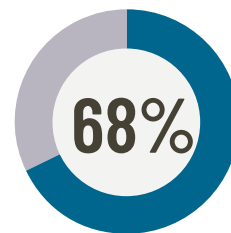
Have support from family or friends



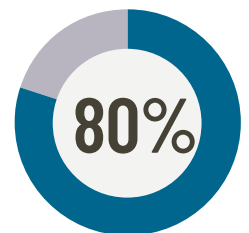
Financial 60%



Health 93%



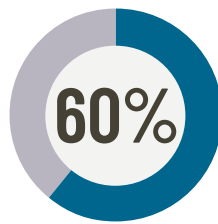
Financial 68%



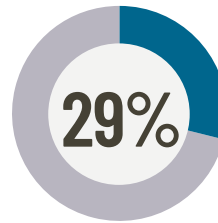
Health 60%

The second study in an ongoing research program provides valuable insights into consumers' attitudes and behaviors around retirement income planning.

Among those who say they have access to professionals to offer their expertise about finances, only half indicate that they actually work with a licensed financial professional.



Have access to financial professional

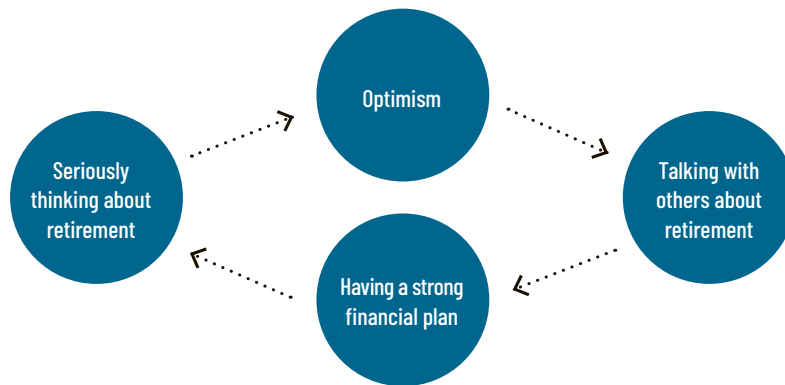


Actually work with a licensed financial professional

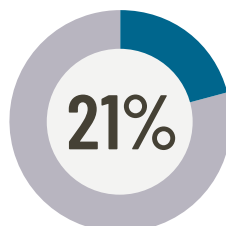
### RETIREMENT PLANNING IS A VIRTUOUS CYCLE

The research shows that when it comes to retirement planning **everything is connected**.

This creates a virtuous cycle where positive actions continually build on each other and lead to positive outcomes over time. For example, those who are optimistic talk with others about planning; they have a strong financial plan, and they think seriously about retirement. Likewise, those who talk with others about retirement are optimistic, have a plan and so on. **Fortunately, there are many points of entry for Americans on the retirement planning journey.**



The good news is that most people have taken at least some steps to prepare for retirement, though 2 in 10 (21%) cannot think of a thing they've done.



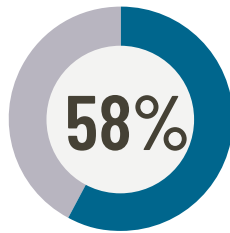
21 percent of Americans can't think of a thing they've done to prepare for retirement

The second study in an ongoing research program provides valuable insights into consumers' attitudes and behaviors around retirement income planning.

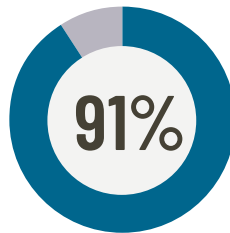
One easy entry point for people to enter into the virtuous planning cycle is to talk with friends and family about retirement.

The non-retired Americans who have talked a lot about retirement with their spouse or family, which represents 24 percent of the respondents in the Alliance survey, are more comfortable with both their retirement plans and their financial preparedness than the other three-quarters of Americans.

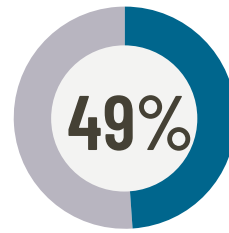
Non-retired Americans who have talked a lot about retirement with their spouse or family are characterized by the following:



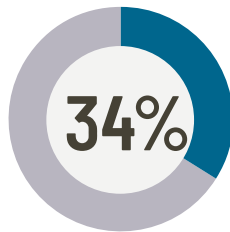
58 percent believe their income will last their lifetime



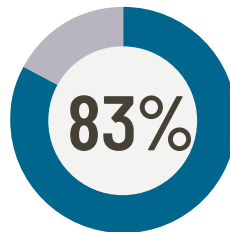
91 percent believe they can successfully plan for retirement



49 percent have calculated how much money they will need each month to cover expenses in retirement and are more likely to expect to have more interests and pursuits, be more active physically, be more healthy, have more friends, and enjoy managing finances in retirement



34 percent have a specific financial plan



83 percent are very/somewhat optimistic about retirement

## 2019 PLI STUDY

### 7.2019

The second study in an ongoing research program provides valuable insights into consumers' attitudes and behaviors around retirement income planning.

#### About the Survey

The Alliance for Lifetime Income's [2019 Protected Lifetime Income Study](#) is the second study in an ongoing research program tracking the level of protected/unprotected households in the United States and providing valuable insights into consumers' attitudes and behaviors around retirement-income planning.

This online study was conducted in May 2019 among a census-balanced cross-section of 3,119 U.S. adults ages 25-74. Study results were weighted to correspond to the distribution of the U.S. adult population based on age, income, race, education, ethnicity and region. The study was conducted by Artemis Strategy Group.

#### About the Alliance

The Alliance for Lifetime Income, based in Washington, D.C., is a nonprofit 501(c)(6) organization formed and supported by some of the nation's leading financial services organizations and nonprofit consumer and industry groups to create awareness and educate Americans about the importance of protected lifetime income.

The Alliance is focused on helping to educate Americans on the risk of outliving their savings so they can enjoy their retirement lives. The Alliance provides consumers and financial professionals with the educational resources, tools and insights they can use to build plans for protected lifetime income in retirement.

For more information about the Alliance, visit [www.AllianceForLifetimeIncome.org](http://www.AllianceForLifetimeIncome.org).

