ALI Cannex Protected Retirement Income and Planning (PRIP) Study
Retirement Outlooks among Peak 65 Women
August 1, 2023
Protected Retirement Income and Planning (PRIP) examines the rapidly changing retirement income planning landscape, including shifts in consumer attitudes and behaviors toward retirement savings.

PRIP is the only research of its kind that surveys both consumers and financial professionals simultaneously. PRIP 2023 surveyed 2,507 consumers in the U.S. ages 45 to 75, of which 507 are an oversample of Peak 65 consumers, ages 61 to 65, for a total of 845 Peak 65 consumers.

Chapter 3: Retirement Outlooks among Peak 65 Women examines the unique challenges women ages 61 to 65 (the Peak 65 group) navigate.

Peak 65 refers to a historic demographic moment when the U.S. will experience its greatest surge in the number of Americans to turn the traditional retirement age of 65 than at any time in history.

Currently, more than 10,000 people turn 65 each day, but that number will increase to over 12,000 a day until the nation reaches its Peak 65™ moment in 2024.
Summary of Key Findings

Current Life Circumstances Among Peak 65 Women

- **54%** have less than $100,000 in assets as do **48%** of Peak 65 men.
- **34%** think they have a 51% or better probability they will live to age 95 compared to **24%** of Peak 65 men.
- **39%** are not partnered (divorced, widowed or never married) and identify vulnerability due to few assets/lower income compared to **30%** of Peak 65 men.
Summary of Key Findings

Retirement Outlooks Among Peak 65 Women

- 38% have not thought about setting a target retirement income goal compared to 26% of Peak 65 men.
- 53% do not think their retirement savings and income will last their lifetime compared to 36% of Peak 65 men.
- 57% are confident in Social Security compared to 75% of Peak 65 men.
- 61% are interested in owning a financial product that guarantees them and/or their spouse a regular amount of lifetime income compared to 53% of Peak 65 men.
Demand for Protected Retirement Income Among Peak 65 Women and Men

- **48% of Peak 65 women are interested in owning an annuity** that guarantees them and/or their spouse a regular amount of lifetime income compared to **37% of Peak 65 men**.

- **Peak 65 men are twice as likely to be familiar with annuities** as women (20% are very familiar compared to **10% of Peak 65 women**).

- **59% of Peak 65 women** who work with a financial professional **say their advisor doesn’t discuss annuities with them or if they do, they’re unaware**, compared to **44% of Peak 65 men**.

- **43% of Peak 65 women with a financial professional who recommended an annuity bought one** compared to **20% of Peak 65 men**.
Demographic & Lifestyle Comparisons
More than half (54%) of Peak 65 women have less than $100,000 in assets, as do 48% of Peak 65 men.

<table>
<thead>
<tr>
<th>Amount in Assets</th>
<th>Peak 65 Women</th>
<th>Peak 65 Men</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $100,000</td>
<td>54%</td>
<td>48%</td>
</tr>
<tr>
<td>$100,000 - $149,999</td>
<td>7%</td>
<td>7%</td>
</tr>
<tr>
<td>$150,000 - $499,999</td>
<td>14%</td>
<td>14%</td>
</tr>
<tr>
<td>$500,000 - $999,999</td>
<td>15%</td>
<td>15%</td>
</tr>
<tr>
<td>$1,000,000 - $1,999,999</td>
<td>6%</td>
<td>12%</td>
</tr>
<tr>
<td>$2,000,000 - $2,999,999</td>
<td>1%</td>
<td>2%</td>
</tr>
<tr>
<td>$3,000,000 or more</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>$1M or more</td>
<td>9%</td>
<td>16%</td>
</tr>
</tbody>
</table>
Peak 65 women expect to live longer and have a stronger preference for safer investments to meet their retirement needs.

51% probability or higher will live to age 95

80% of Peak 65 women have a strong preference for safer investments

75% of Peak 65 men have a strong preference for safer investments

Base: Consumers Who Can Estimate Probability of Living to Age 95 (N=665)

Q28. What do you think is the probability you will live to age 95?

Base: Consumers Who Can Estimate Percentage of Needs In Safer vs. Riskier Investments (N=602)

Q31. What percentage of your savings in retirement meant for your "needs" [MWT RETIRED: would / RETIRED: do] you want to be invested in safer investments vs. riskier investments?
Peak 65 women recognize challenges in retirement - from being caregivers for family members, earning less money over lifetimes to investing more conservatively.

**Unique Challenges Women Face in Retirement**

*Multiple responses accepted*

- **Women live longer**: 55% Peak 65 Female Consumers, 53% Peak 65 Male Consumers, 58% Total Peak 65 Consumers
- **Women are more likely to be caregivers for family members**: 38% Peak 65 Female Consumers, 48% Peak 65 Male Consumers, 46% Total Peak 65 Consumers
- **Women make less money over their lifetimes than men do, on average**: 30% Peak 65 Female Consumers, 39% Peak 65 Male Consumers, 30% Total Peak 65 Consumers
- **Women spend longer portions of their lives as widows**: 29% Peak 65 Female Consumers, 30% Peak 65 Male Consumers, 30% Total Peak 65 Consumers
- **Women tend to invest more conservatively than men**: 16% Peak 65 Female Consumers, 13% Peak 65 Male Consumers, 19% Total Peak 65 Consumers
- **Women feel less confident in making big financial decisions**: 13% Peak 65 Female Consumers, 12% Peak 65 Male Consumers, 15% Total Peak 65 Consumers
- **Women tend to have less experience managing finances than men**: 9% Peak 65 Female Consumers, 10% Peak 65 Male Consumers, 8% Total Peak 65 Consumers
- **Women don’t face any challenges that men don’t face**: 7% Peak 65 Female Consumers, 7% Peak 65 Male Consumers, 6% Total Peak 65 Consumers
- **Don’t know**: 15% Peak 65 Female Consumers, 11% Peak 65 Male Consumers, 29% Total Peak 65 Consumers

**Statistically Significant Differences by Gender**

- **More likely to be caregivers**: 57% Peak 65 Women, 38% Peak 65 Men
- **Make less money over their lifetimes**: 46% Peak 65 Women, 30% Peak 65 Men
- **Invest more conservatively**: 19% Peak 65 Women, 13% Peak 65 Men
- **Don’t know**: 11% Peak 65 Women, 20% Peak 65 Men

Base: Total Peak 65 (N=845)

Q35. When you think of retirement, what would you say are the unique challenges women face?
Retirement Outlooks
Half of Peak 65 women do not think their savings will last their lifetime and 1 in 3 Peak 65 women are not confident their retirement income will cover basic expenses.

<table>
<thead>
<tr>
<th>Do not think retirement savings and sources of income will last their lifetime</th>
<th>Peak 65 Women</th>
<th>Peak 65 Men</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>53%</td>
<td>36%</td>
</tr>
<tr>
<td>Married or Living with Partner</td>
<td>43%</td>
<td>31%</td>
</tr>
<tr>
<td>Not Partnered (divorced, widowed or never married)</td>
<td>68%</td>
<td>50%</td>
</tr>
</tbody>
</table>

Confidence that retirement income will cover essential or monthly expenses throughout lifetime

- Not at all confident
- Not very confident
- Moderately confident
- Very confident

PEAK 65 WOMEN

- 9% Not at all confident
- 25% Not very confident
- 50% Moderately confident
- 16% Very confident

PEAK 65 MEN

- 5% Not at all confident
- 19% Not very confident
- 50% Moderately confident
- 23% Very confident

Base: Total Peak 65 (N=845)
Q4: What is your marital status?
Q8: Do you think your retirement savings and sources of income will last for your lifetime?
Q9: How confident are you that you will have the income to cover your essential or basic monthly expenses throughout your retirement?
Peak 65 women have more negative outlooks about retirement than men.

**Emotional Sentiments by Gender & Marital Status**

*Multiple responses accepted*

### PEAK 65 WOMEN

- **Worried**: 30% (Married/Partnered), 43% (Not Partnered)
- **Anxious**: 28% (Married/Partnered), 40% (Not Partnered)
- **Stressed**: 24% (Married/Partnered), 35% (Not Partnered)
- **Frustrated**: 14% (Married/Partnered), 18% (Not Partnered)
- **Confused**: 4% (Married/Partnered), 9% (Not Partnered)

### PEAK 65 MEN

- **Worried**: 21% (Married/Partnered), 35% (Not Partnered)
- **Anxious**: 24% (Married/Partnered), 29% (Not Partnered)
- **Stressed**: 19% (Married/Partnered), 17% (Not Partnered)
- **Frustrated**: 17% (Married/Partnered), 21% (Not Partnered)
- **Confused**: 8% (Married/Partnered), 7% (Not Partnered)
Over 1 in 3 Peak 65 women say they haven't thought about an annual target retirement income goal.

- **Separate goals for needs and wants:**
  - Peak 65 Women: 43%
  - Peak 65 Men: 43%

- **Single goal:**
  - Peak 65 Women: 24%
  - Peak 65 Men: 14%

- **Something else:**
  - Peak 65 Women: 4%
  - Peak 65 Men: 8%

- **Have not thought about it at this time:**
  - Peak 65 Women: 38%
  - Peak 65 Men: 26%

14% of Peak 65 women vs. 24% of men say they have a single retirement goal.

38% of Peak 65 women vs. 26% of men say they haven't thought about an annual target retirement income goal.
Peak 65 women are less confident than men that Social Security will provide lifetime retirement benefits.

Confidence that Social Security will be solvent and able to provide retirement benefits for life.

- Not eligible for Social Security
- Not at all confident
- Not very confident
- Moderately confident
- Very confident

PEAK 65 WOMEN

- 13% Not at all confident
- 27% Not very confident
- 45% Moderately confident
- 12% Very confident
- 13% Confident

PEAK 65 MEN

- 6% Not at all confident
- 19% Not very confident
- 51% Moderately confident
- 23% Very confident
- 75% Confident

And 51% of Peak 65 men say Social Security is or will be a critical part of their retirement income.

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50%

PEAK 65 WOMEN

Q61: How confident are you that Social Security will be solvent and able to provide your retirement benefits for the rest of your life?

Base: Total Peak 65 Answering Question (N=734)

Q62B: Which of the following describes how you think about Social Security?

Base: Total Peak 65 (N=845)
Growing Interest in Annuities Among Peak 65 Women
61% of Peak 65 women are extremely interested in owning a financial product that guarantees regular income.

Interest in owning a financial product that guarantees regular lifetime income

61% of Peak 65 women are extremely interested

53% of Peak 65 men are extremely interested

Base: Total Peak 65 (N=845)
Q55: How interested are you in owning a financial product that guarantees you (and your spouse/partner) with a certain amount of regular income for the rest of your life?
Most Peak 65 women don't know that employers can offer protected retirement income.

87% No

Don't know that the SECURE Act allows employers to offer protected retirement income (annuities)

13% Said Yes

Base: Total Peak 65 (N=845)
Q57: Did you know that the SECURE Act allows employers to offer protected retirement income (annuities)?
48% of Peak 65 women are extremely interested in owning an annuity that guarantees regular lifetime income.

Interest in owning an annuity that guarantees regular lifetime income

<table>
<thead>
<tr>
<th></th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peak 65 women</td>
<td>48%</td>
</tr>
<tr>
<td>Peak 65 men</td>
<td>37%</td>
</tr>
</tbody>
</table>

Base: Total Peak 65 (N=845)
Q56: How interested are you in owning an annuity that guarantees you (and your spouse/partner) with a certain amount of regular income for the rest of your life?
Peak 65 men are twice as likely to be extremely familiar with annuities as Peak 65 women.

Familiarity with annuities
On scale of 1 to 7

**PEAK 65 WOMEN**
- Have never heard of them (rate 1 or 2): 25%
- Somewhat familiar with them (rate 3, 4 or 5): 66%
- Extremely familiar with them (rate 6 or 7): 10%

**PEAK 65 MEN**
- Have never heard of them (rate 1 or 2): 21%
- Somewhat familiar with them (rate 3, 4 or 5): 60%
- Extremely familiar with them (rate 6 or 7): 20%

Blue square indicates statistically significant differences

Base: Total Peak 65 (N=845)
Q47: How familiar are you with annuities?
Q52: Has your financial professional ever discussed annuities with you?

Awareness of discussing annuities with financial advisor

**PEAK 65 WOMEN**
- 18% Yes
- 40% No
- 41% Don't Know

**PEAK 65 MEN**
- 3% Yes
- 41% No
- 56% Don't Know

59% of PEAK 65 WOMEN who work with a financial professional say their advisor doesn’t discuss annuities with them or if they do, they’re unaware.
43% of Peak 65 women with a financial professional who recommended an annuity bought one compared to 20% of Peak 65 men.

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### Financial Professionals (FP) and Annuities: Recommendation and Result

<table>
<thead>
<tr>
<th></th>
<th>Women</th>
<th>Men</th>
</tr>
</thead>
<tbody>
<tr>
<td>FP recommended an annuity, client bought one</td>
<td>43%</td>
<td>20%</td>
</tr>
<tr>
<td>FP discussed annuity client already owned</td>
<td>23%</td>
<td>35%</td>
</tr>
<tr>
<td>FP did not recommend, client did not buy</td>
<td>16%</td>
<td>22%</td>
</tr>
<tr>
<td>FP recommended, client did not buy</td>
<td>14%</td>
<td>13%</td>
</tr>
<tr>
<td>FP did not recommend, client did buy</td>
<td>1%</td>
<td>9%</td>
</tr>
<tr>
<td>Other</td>
<td>2%</td>
<td>2%</td>
</tr>
</tbody>
</table>

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*Source: Peak 65 Consumers With a Financial Professional Who Discussed Annuities With Them (N=160)*

What was the result of the discussion with your professional about annuities?
This online survey of consumers was conducted by Artemis Strategy Group March 1 to 31, 2023. The 2,507 consumers are ages 45 to 75, of which 507 are an oversample of Peak 65 consumers ages 61 to 65, for a total of 845 Peak 65 consumers.

Data is weighted to align with the population on age, income by gender, race/Hispanic ethnicity, region, work and retirement status, assets, and education. The oversample of ages 61 to 65 is weighted down to reflect their proportion in the population.
# PEAK 65 Consumer Respondent Profile

## Gender
- **Male**: 46%
- **Female**: 54%
- Other, non-binary/-conforming, prefer not to say: 0%

## Age
- Ages 61 to 65: 100%

## Region
- Northeast: 18%
- South: 39%
- Midwest: 23%
- West: 20%

## Race/Ethnicity
- White/Caucasian: 89%
- Black/African American: 7%
- Asian: 2%
- Amer. Indian / Alaska Native/ NH or PI: 1%
- Other: 1%
- Hispanic/Latin origin: 7%

## Marital Status
- Married: 60%
- Living with partner: 6%
- Single, never married: 10%
- Divorced or separated: 18%
- Widowed: 6%

## Education
- High school or less: 39%
- Some college/Assoc. degree: 31%
- College graduate: 15%
- Graduate school (any): 15%

## Current Employment Status
- Employed (full or part-time): 25%
- Unemployed: 5%
- Homemaker or other: 9%
- Retired, but working part-time: 5%
- Fully retired: 56%

## Household Income for 2022
- Less than $50K: 36%
- $50K < $100K: 29%
- $100K < $250K: 32%
- $250K or more: 2%

## Household’s Total Investable Assets
- <$100K: 51%
- $100K < $150K: 7%
- $150K < $500K: 14%
- $500K < $1M: 15%
- $1M < $2M: 9%
- $2M < $3M: 1%
- $3M or more: 3%

## Work with a Financial Professional
- Yes: 38%
- No: 62%
- Not sure: 2%
ABOUT THE ALLIANCE FOR LIFETIME INCOME

A non-profit 501(c)(6) educational organization that creates awareness and educates Americans about the value and importance of having protected income in retirement.
THANK YOU!