



ALI Cannex Protected Retirement Income and Planning (PRIP) Study

Retirement Outlooks among Peak 65 Women

August 1, 2023

**Alliance for
Lifetime
Income**

CANNEX
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ALI PRIP Background and Objectives

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.**

Summary of Key Findings



Demand for Protected Retirement Income Among Peak 65 Women and Men

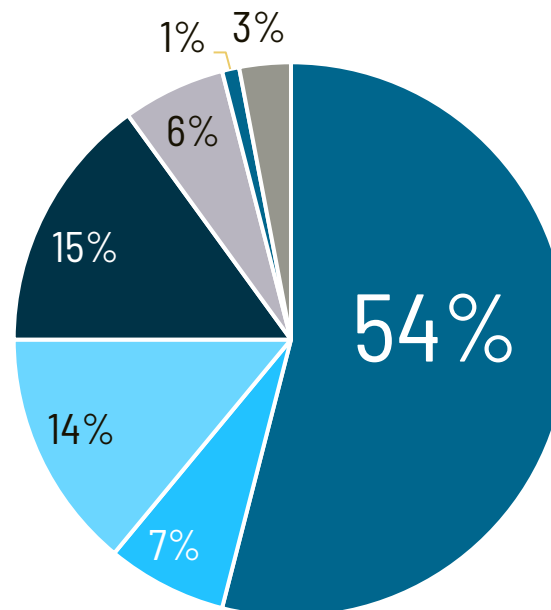
- **48% of Peak 65 women are interested in owning an annuity** that guarantees them and/or their spouse a regular amount of lifetime income compared to **37% of Peak 65 men**.
- **Peak 65 men are twice as likely to be familiar with annuities** as women (20% are very familiar compared to **10% of Peak 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

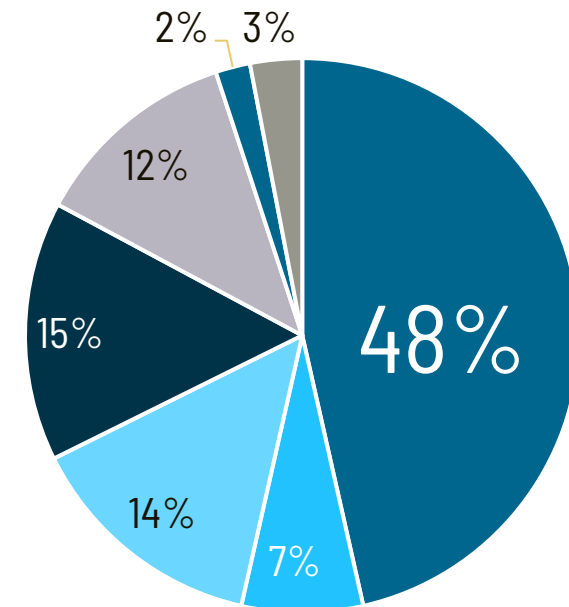
More than half (54%) of Peak 65 women have less than \$100,000 in assets, as do 48% of Peak 65 men.

Amount in Assets	Peak 65 Women	Peak 65 Men
Less than \$100,000	54%	48%
\$100,000 - \$149,999	7%	7%
\$150,000 - \$499,999	14%	14%
\$500,000 - \$999,999	15%	15%
\$1,000,000 - \$1,999,999	6%	12%
\$2,000,000 - \$2,999,999	1%	2%
\$3,000,000 or more	3%	3%
\$1M or more	9%	16%

PEAK 65 WOMEN

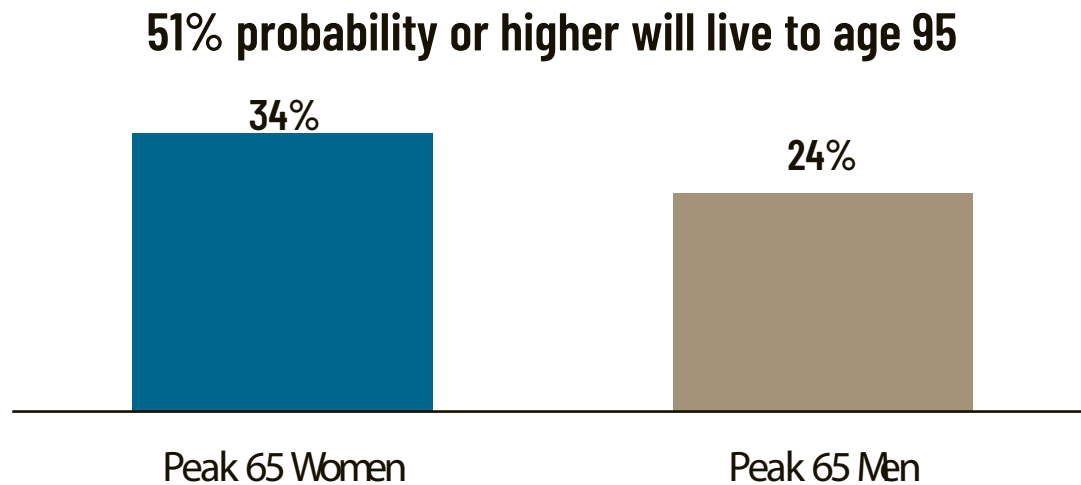


PEAK 65 MEN



Base: Total (N=845)
 S6: Which of the following ranges best describes your household's total investable assets? Please include money you have in savings accounts, stocks, bonds, mutual funds, and any money you have in IRAs, employer savings or retirement plans including a 401

Peak 65 women expect to live longer and have a stronger preference for safer investments to meet their retirement needs.



PREFERENCE FOR SAVINGS FOR NEEDS



80%

of Peak 65 women have a strong preference for safer investments

VS.



75%

of Peak 65 men have a strong preference for safer investments

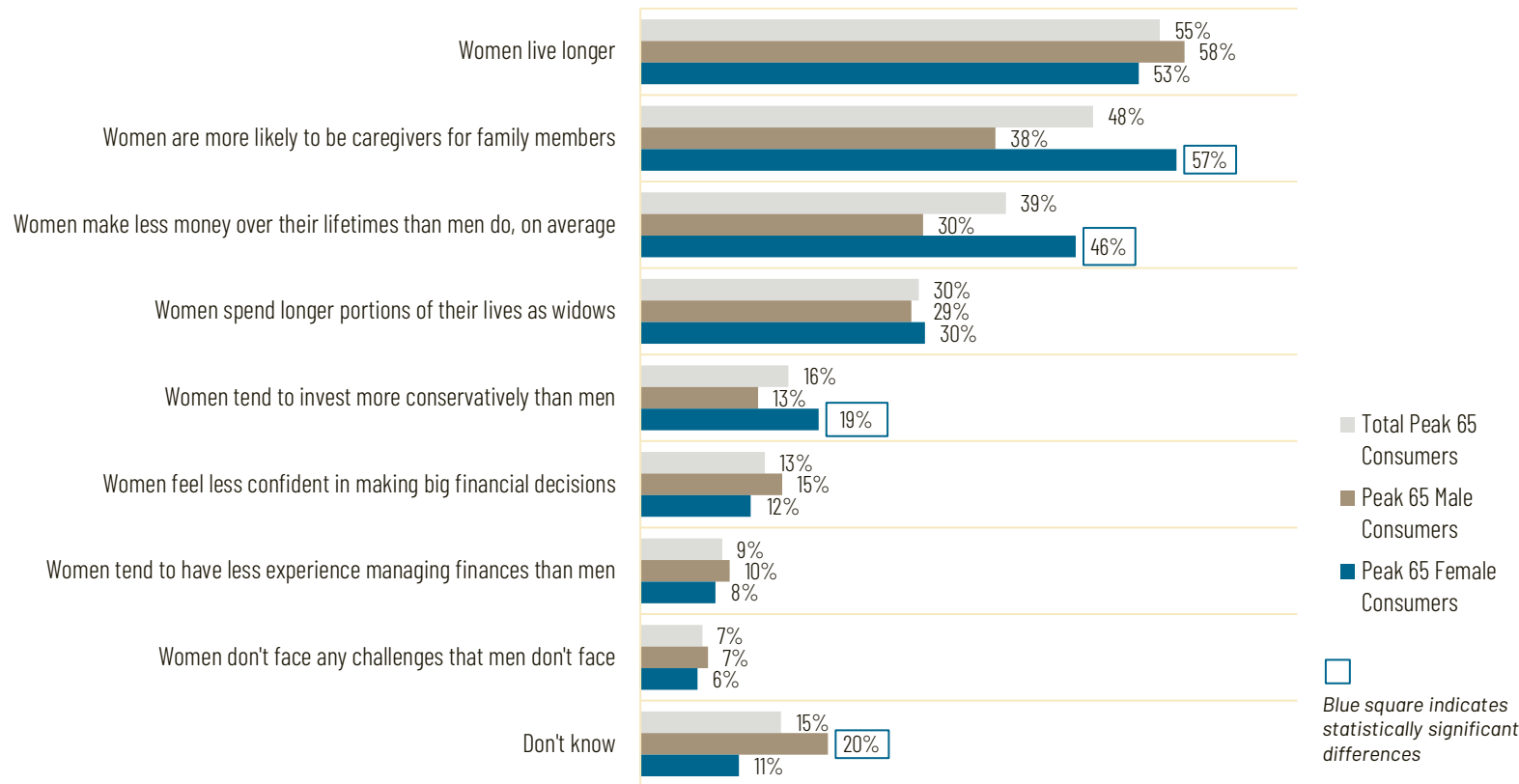
Base: Consumers Who Can Estimate Probability of Living to Age 95 (N=665)
Q28. What do you think is the probability you will live to age 95?

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" [NOT 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



Statistically Significant Differences by Gender	Peak 65 Women	Peak 65 Men
More likely to be caregivers	57%	38%
Make less money over their lifetimes	46%	30%
Invest more conservatively	19%	13%
Don't know	11%	20%

Retirement Outlooks

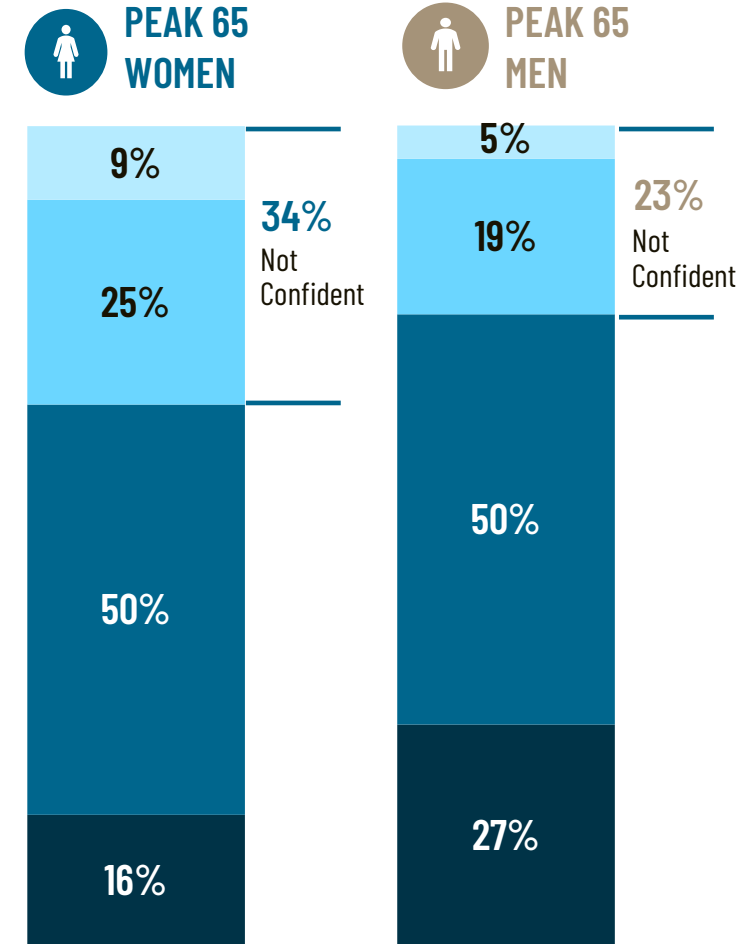
Half of Peak 65 women do not think their savings will last their lifetime and 1 in 3 Peak 65 women are not confident their retirement income will cover basic expenses.

Do not think retirement savings and sources of income will last their lifetime

	Peak 65 Women	Peak 65 Men
Total	53%	36%
Married or Living with Partner	43%	31%
Not Partnered (divorced, widowed or never married)	68%	50%

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

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



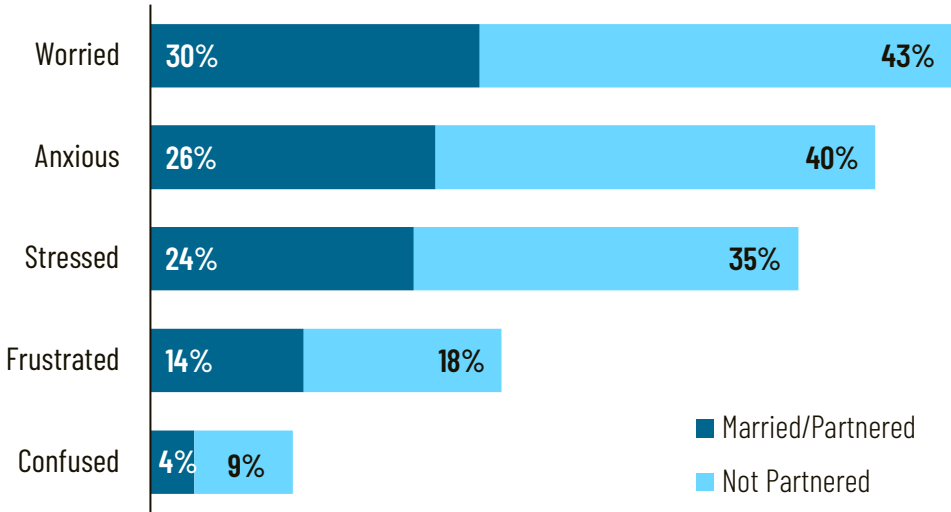
Base: Total Peak 65 (N=845)
 S4: What is your marital status?
 Q8: Do you think your retirement savings and sources of income will last for your lifetime?
 Q9: How confident are you that you will have the income to cover your essential or basic monthly expenses throughout your retirement?

Peak 65 women have more negative outlooks about retirement than men.

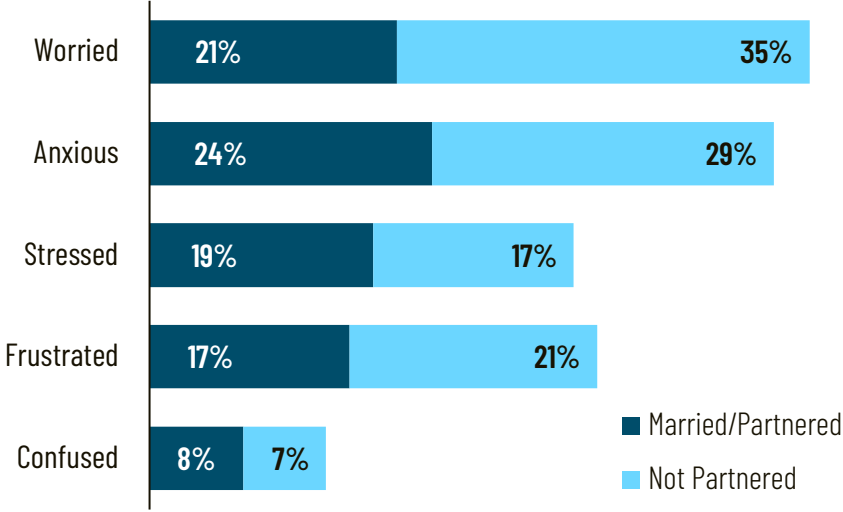
Emotional Sentiments by Gender & Marital Status

Multiple responses accepted

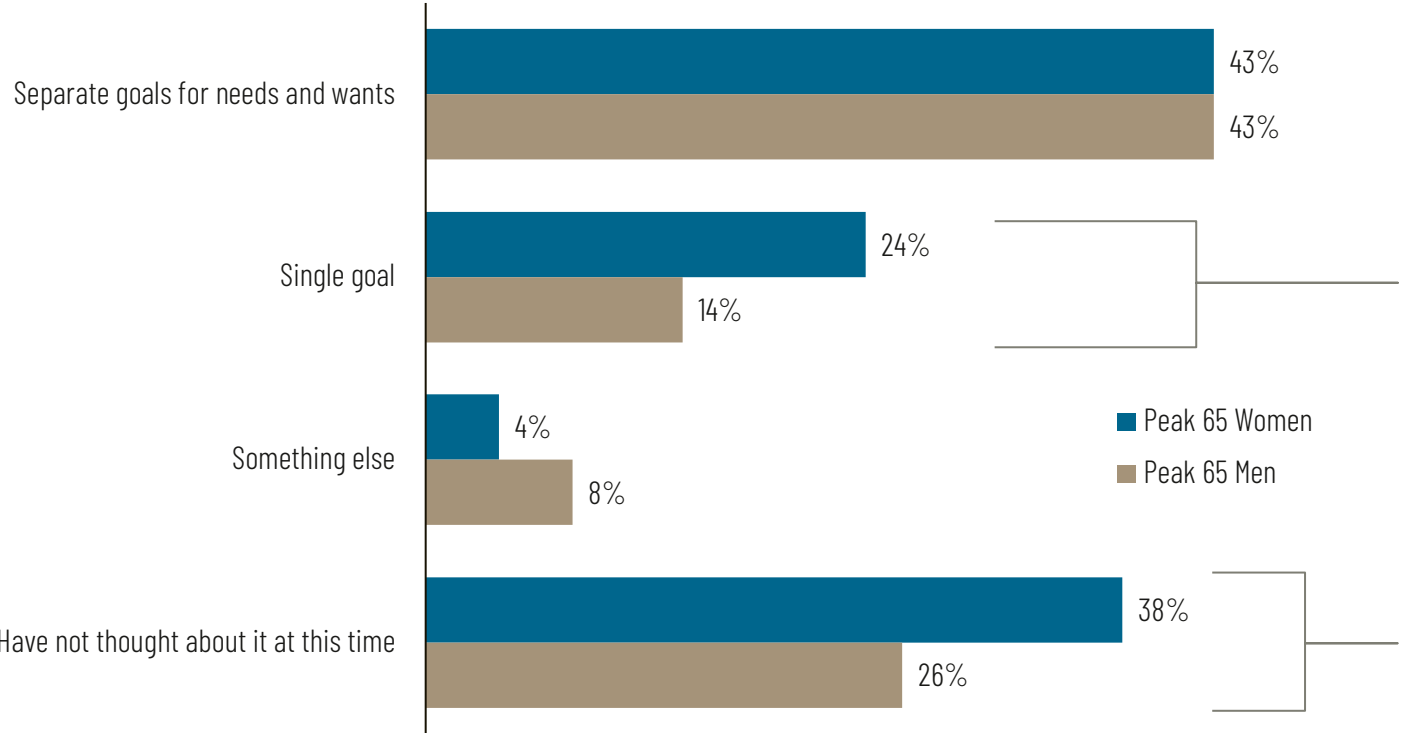
PEAK 65 WOMEN



PEAK 65 MEN



Over 1 in 3 Peak 65 women say they haven't thought about an annual target retirement income goal.



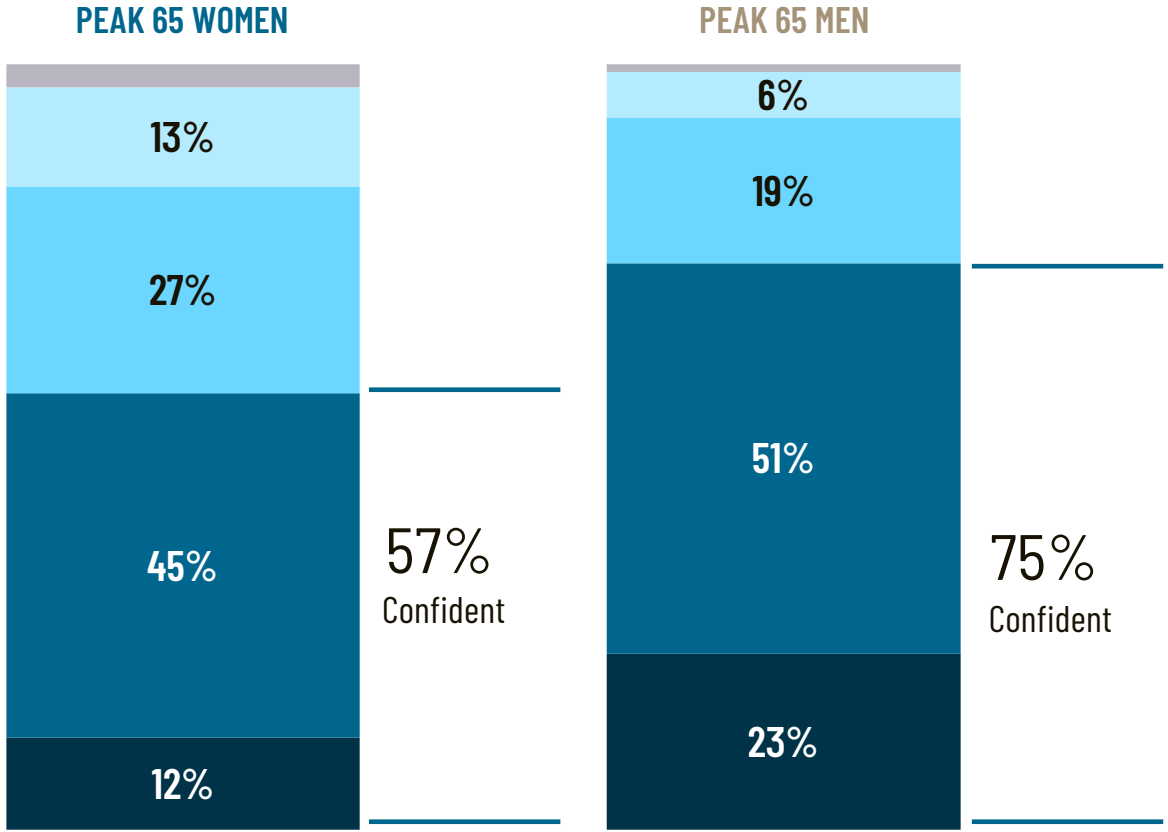
14%
of Peak 65 women vs. 24% of men
say they have a single retirement goal

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



50%
PEAK 65 WOMEN

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

Base: Total Peak 65 (N=845)
 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?

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.

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?

Interest in owning a financial product that guarantees regular lifetime income



61%

of Peak 65 women are extremely interested

VS.



53%

of Peak 65 men are extremely interested

**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.

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?

Interest in owning an annuity that guarantees regular lifetime income



48%

of Peak 65 women are extremely interested

VS.



37%

of Peak 65 men are extremely interested

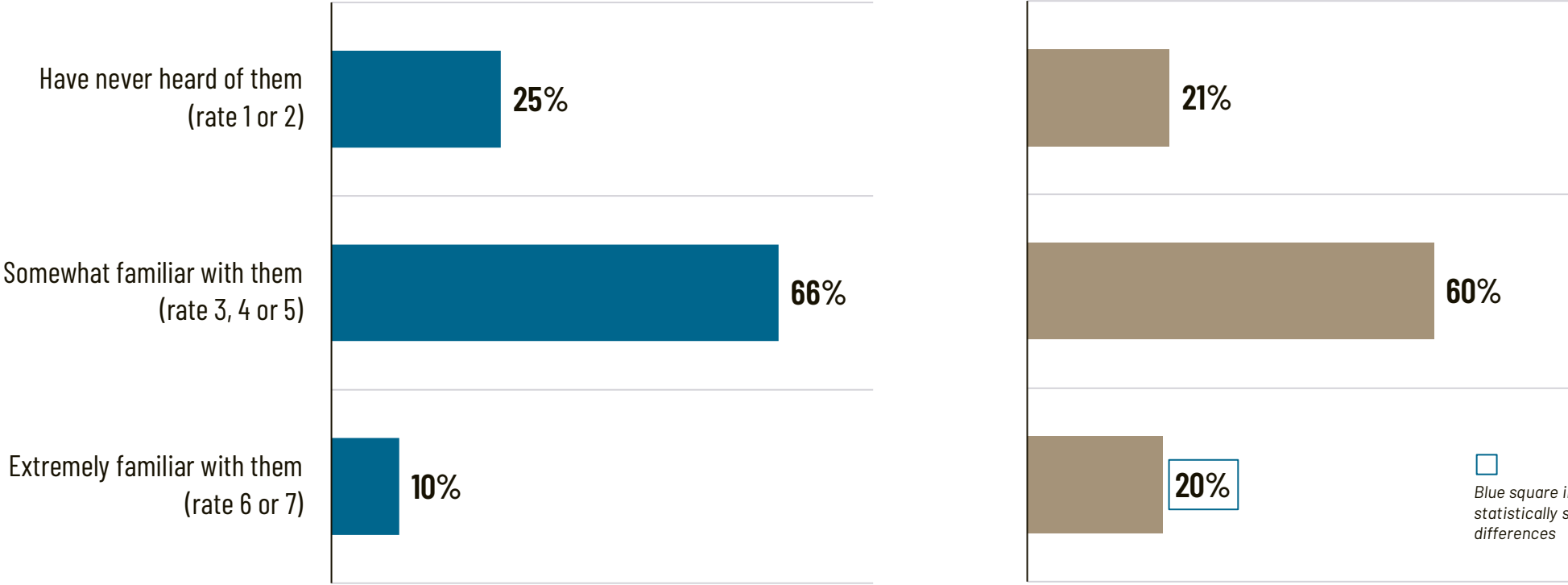
Peak 65 men are twice as likely to be extremely familiar with annuities as Peak 65 women.

Familiarity with annuities

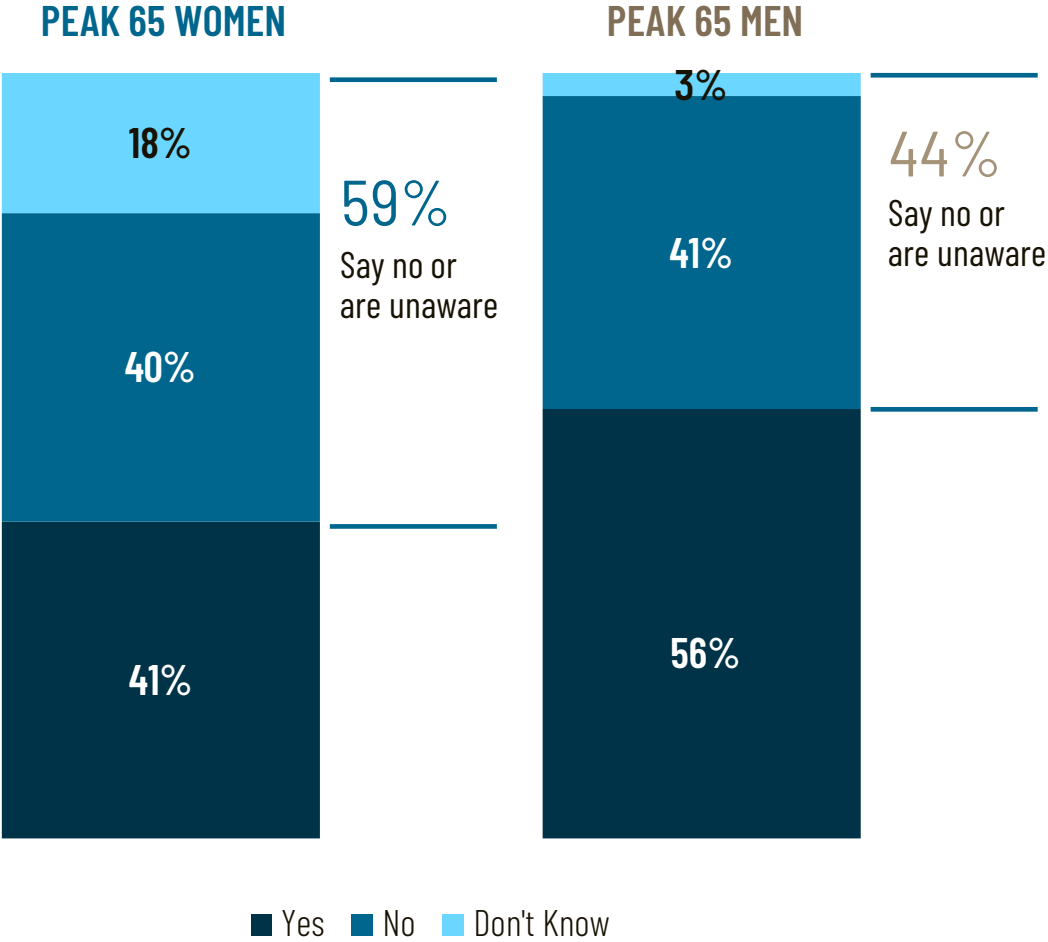
On scale of 1 to 7

 PEAK 65 WOMEN

 PEAK 65 MEN



Awareness of discussing annuities with financial advisor

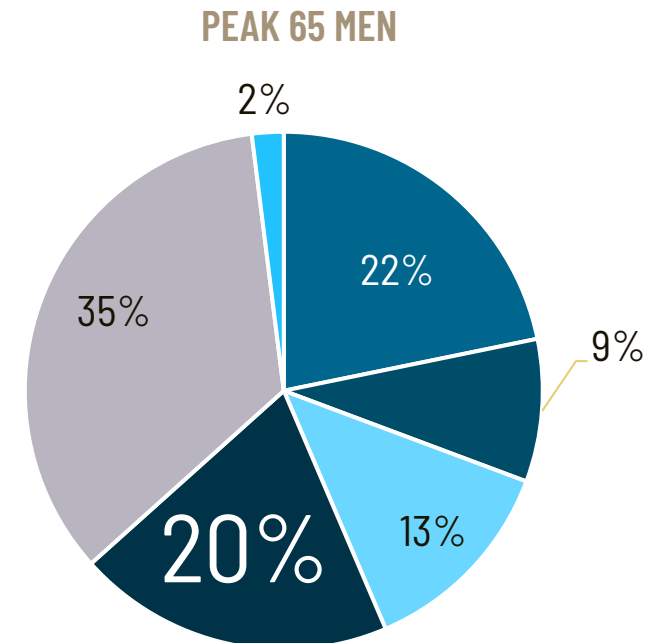
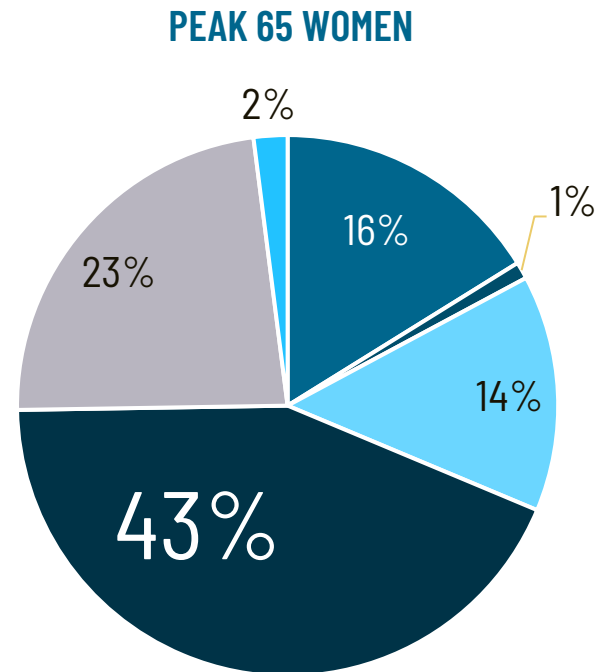


59%
PEAK 65 WOMEN

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.

Financial Professionals (FP) and Annuities: Recommendation and Result	Women	Men
FP recommended an annuity, client bought one	43%	20%
FP discussed annuity client already owned	23%	35%
FP did not recommend, client did not buy	16%	22%
FP recommended, client did not buy	14%	13%
FP did not recommend, client did buy	1%	9%
Other	2%	2%



Base: Peak 65 Consumers With a Financial Professional Who Discussed Annuities With Them (N=160)
 Q53: What was the result of the discussion with your professional about annuities?

APPENDIX

Methodology



CONSUMERS

- 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%
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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	19%
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	36%
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!