
Honorable Mention

By Editorial Staff Mon, Nov 25, 2024

Retirement got tougher for more people in 2024: EBRI Financially, the happiest retirees are those who had the longest work tenures at the fewest employers, the longest participation in retirement plans, and the most sources of guaranteed income in retirement, a survey from the Employee Benefit Research Institute suggests. Results from EBRI's 2024 Spending in... [Read more »](#)

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Results from EBRI's 2024 Spending in Retirement study also showed "dampened spending expectations due to lack of sufficient savings, inflationary pressures and rising credit card debt," especially among those with household incomes under \$50,000.

As in prior iterations of the survey, EBRI's analysis showed a high proportion of current retirees retiring earlier than expected due to reasons beyond their control. Key highlights in the new survey report include:

- On a scale of one to 10, retirees rated their satisfaction with life in retirement at 6.9 in 2024, down slightly from 7.0 in 2022 and 7.4 in 2020.
- Retirees on average rated the "alignment" between their current retirement lifestyle and their pre-retirement expectations at 5.7 on a scale of one to 10 in 2024. That was down from 6.4 in 2022 and 6.8 in 2020.
- 31% of retirees said they were spending more than they could afford in 2024 (up from 27% in 2022 and 17% in 2020).
- 68% of retirees reported outstanding credit card debt in 2024, up from 40% in 2022 and 43% in 2020.
- Half of the retirees said they hadn't saved enough for retirement. One in three said they saved the right amount and 17% said they saved more than what was needed.
- 58% had retired earlier than expected, because of a health problem or disability (38%) or because of a downsizing, closure, or reorganization at their companies (23%).
- Eight in 10 retirees receive Social Security and say it represents about half of their current income.
- Aside from Social Security, 39% of retirees said they currently receive guaranteed income through a workplace pension or annuity.
- Among their current sources of income, 20% of retirees cited an individual retirement

account (IRA) and 17% cited a defined contribution plan. They drew a median 10% and 15% of their incomes from these accounts, respectively.

- 38% of retirees said they have a “savings mindset” in retirement, 11% have a “spending mindset,” and 51% were somewhere in the middle.
- 59% of retirees said they have three months of emergency savings, down from 69% in 2022.
- 36% of retirees have experienced unexpected spending needs since their retirement.

“A lack of sufficient savings and retirement preparation negatively influences retirees’ spending outlook, particularly among those with total annual household incomes below \$50,000. Compared with 2020, fewer retirees indicated that they would spend down all or a significant portion of their financial assets over the course of their retirement,” said Bridget Bearden, Ph.D., research and development strategist, EBRI, in a release.

“These spending constraints contribute to declining levels of well-being in retirement, with retirees rating two out of three well-being measures lower in 2024 than they did in 2020 and 2022. Longer tenure, fewer employers over a career, more years participating in a retirement plan, and the presence of guaranteed income in retirement are correlated with more positive outlooks on spending and well-being.”

A total of 3,661 American self-identified retirees between the ages of 62 and 75 years old were surveyed during summer 2024 for EBRI’s third “Spending in Retirement” study. Capital Group/American Funds, Empower, Mercer, Principal Financial Group, Transamerica, BlackRock, J.P. Morgan, PGIM and SS&C Technologies provided financial support for the survey.

To review a summary of the 2024 Spending in Retirement report, visit www.ebri.org/publications/research-publications/issue-briefs/content/2024-spending-in-retirement-survey.