
'I'll never retire' vow weakens with age, survey shows

By Kerry Pechter Thu, Mar 13, 2014

As people pass age 35 and near retirement, they grow less willing to retire later and more willing to downsize their expenses and lifestyle, according to a new survey by Franklin Templeton Investments.

The concept of retirement is "laden with contradictions in both attitude and preparedness," according to Franklin Templeton Investments' 2014 Retirement Income Strategies and Expectations (RISE) Survey of 2,011 Americans ages 18 and over.

Among those not yet retired, the survey found that 92% of individuals anticipate their retirement expenses to be similar to or less than pre-retirement spending. Interestingly, more than a third of pre-retirees (39%) have not yet started saving for retirement.

Most (72%) of pre-retirees said they are looking forward to retirement, but only 25% expect their retirement to be better than previous generations while 33% expect it to be similar and 41% expect it to be worse.

Almost half of those surveyed said they are concerned (48%) about outliving their assets or having to make major sacrifices to their retirement plan, up from 44% at the beginning of last year.

By a ratio of three to two, women are more likely to respond that they are not very confident with and don't really understand their retirement income plan. Men more frequently said they think their retirement will be better than previous generations.

Men are slightly more likely to consider the needs of their spouse, while women are more likely to consider their own needs and those of their children and grandchildren.

The younger the respondent, the earlier they expect to retire. When asked what they would do if they were unable to retire as planned due to insufficient income, "retire later" was the top response.

About a fourth (24%) of retirees retire due to circumstances beyond their control, the survey showed. As people pass age 35 and near retirement, they grow less willing to retire later and more willing to downsize their expenses and lifestyle.

The 2014 Franklin Templeton Retirement Income Strategies and Expectations (RISE) survey was conducted online among a sample of 2,011 adults comprising 1,008 men and 1,003 women 18 years of age and older. ORC International's Online CARAVAN administered the survey from January 2 to January 16, 2014.

© 2014 RIJ Publishing LLC. All rights reserved.