'Live to 100? We can't afford it': Allianz Life survey

By Editorial Staff *Thu, Jun 30, 2016*

"The Gift of Time" survey found that almost half (49%) of respondents were open to a non-traditional lifestyle that was unique to their interests, instead of taking a traditional sequence of school, work, marriage, parenthood and retirement).

"Everyone wants to live a long life, but nobody wants to get old." So goes the adage. One might add that few people know how they would cover cost of living to 100, if they were so lucky.

The Gift of Time, a new study from Allianz Life Insurance Company of North America, shows that while Americans are optimistic about the prospect of living an average of 30 extra years, 70% feel financially unprepared to live to 100 and beyond.

The study found that fears surrounding money and a lack of planning keep people from taking risks and following their dreams. Nonetheless, Americans understand that preparation, self-discipline and a longevity plan are essential to a sense of fulfillment.

More than three-quarters (79%) of the Gen Xers surveyed say they feel financially unprepared for a longer life, compared with 74% of Millennials and 57% of Baby boomers.

When respondents were asked to finish the sentence, "Following your dreams is all well and good, but you need to have—-," the top two prerequisites named were "enough money" (57%) and "a good financial plan" (50%). The biggest regrets reported (or potential future regrets for Millennials) were not saving more money (52%), not traveling more (38%), and not spending more time with their kids (32%).

- For 45% of those surveyed, "uncertainty" best described their outlook. More than half (51%) identified "having enough money to last my whole life" as a very big problem when they thought about living to age 100. In contrast, the study also showed people's awareness of solutions that could help.
- 51% of respondents believed they would need to better plan their spending and saving, or live more modestly; 37% acknowledged that they might need to work longer or retire later.
- Respondents who had a financial professional reported being happier (79%) with their major life choices; 64% of those who were happy with their major life decisions did not have a financial professional.
- 72% of respondents reported not having a financial professional. But 47% of these respondents would be more willing to seek one if he or she helped them create

guaranteed income for life (47%), helped them plan for and fund a longer life (34%), and helped them with finances throughout life stages (31%).

- When asked what stopped them from following a less conventional path in life, 46% blamed "worries about money, " 33% said "life events" got in the way, and 22% cited "lack of a clear plan for how to go about it" or "fear of failure."
- 65% admitted that it was better to explore, experiment and travel earlier in life by changing when and how they attended school, worked, married or raised kids.
- *The Gift of Time* found that almost half (49%) of respondents were open to a non-traditional model that was unique to their interests, instead of taking a traditional sequence of school, work, marriage, parenthood and retirement.

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