

TIAA 2016 IRA Survey

Executive Summary

June 29, 2016



Many Americans are missing out on key benefits of IRAs

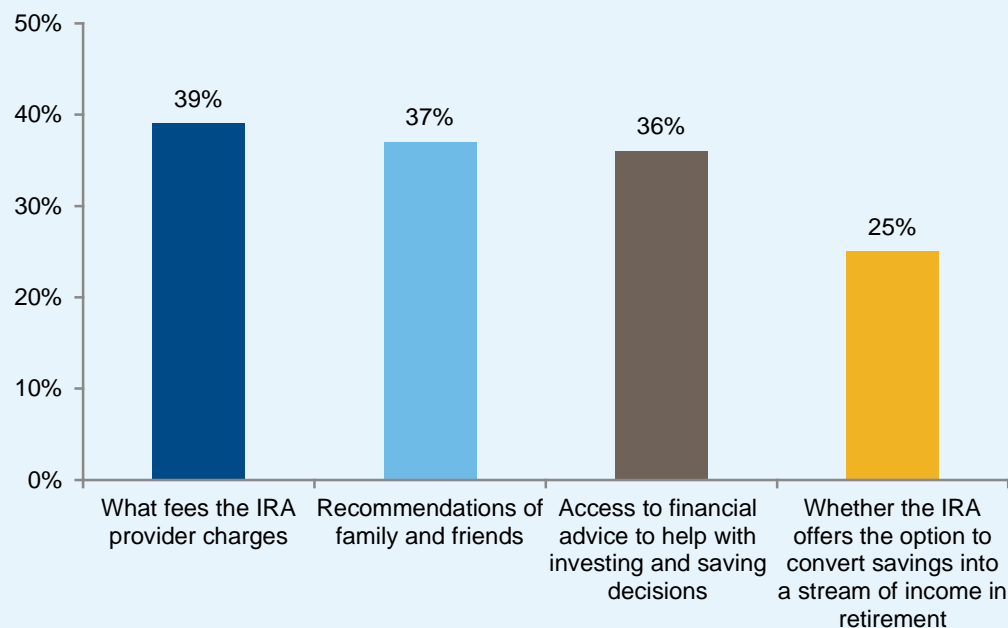
IRAs can be more than just a place for Americans to invest their savings. But a new TIAA survey reveals that few look at the full range of benefits that IRA providers can offer.

- Only 36 percent say finding a provider that offers financial advice is an important factor when they consider their IRA options.
- Twenty-five percent look for an IRA with an option to convert savings into a steady stream of income in retirement.

Many Americans are living longer in retirement, and retirement planning is often complicated. It is important that people take a big-picture view of their savings and investments. The professional advice that IRA providers can offer can help people develop a plan for living well in retirement.

The survey was conducted by KRC Research by phone among a national random sample of 1,003 adults, age 18 years and older, from Feb. 18 to 21, 2016, using a combination of landline and cell phone interviews. The margin of error for the entire sample is plus or minus 3.1 percentage points.

What are the most important factors in choosing an IRA?*

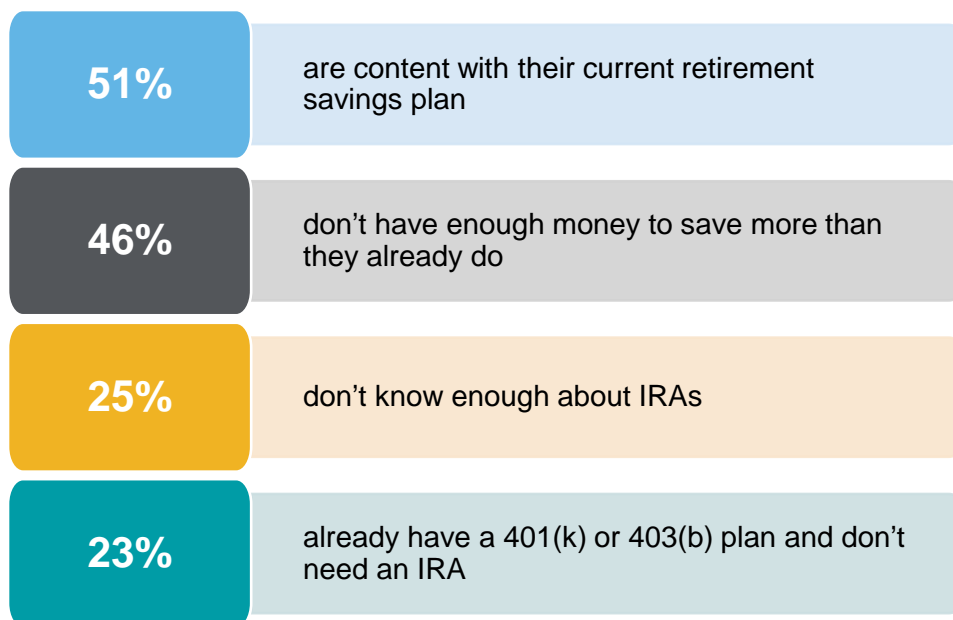


*Respondents were asked to select three factors that were most important to them when choosing an IRA.

Translating knowledge into action

One-third (33 percent) of American adults have an IRA, with 18 percent currently contributing to their account. Employed individuals are more likely to have an IRA (25 percent) than those who are not employed (11 percent) or retired (8 percent).

Only 41 percent of those who are not currently contributing to an IRA would consider one as part of their retirement strategy – a decline from 56 percent in 2015. Why isn't an IRA part of their game plan?



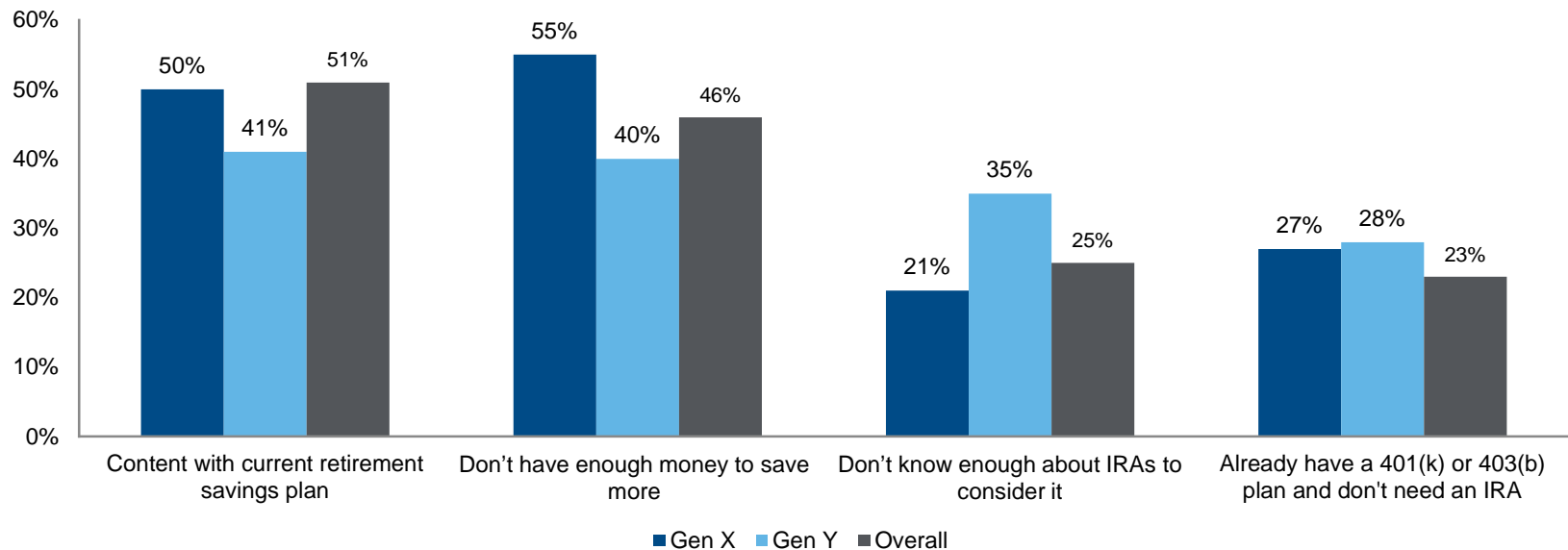
The number of people who say they don't know enough about IRAs has dropped from 39 percent in 2015, while the number of people who have IRAs has held steady. This shows that more people need to turn their knowledge about IRAs into action.

Focus on Gen X and Gen Y

While knowledge of IRAs may have increased over the past year overall, the survey reveals an opportunity for Gen Y individuals to learn more. Thirty-five percent who are not contributing to an IRA say they do not know enough about IRAs to consider using one, compared to 25 percent of respondents overall.

Gen Xers are more likely to say they don't have enough money to save more than they already do. This group (ages 36 to 51) juggles multiple priorities and feels stretched to the limit. Many may not realize that choosing an IRA provider that offers advice can help them figure out a way to balance the need to save with other financial priorities.

Why wouldn't you consider an IRA as part of your retirement strategy?

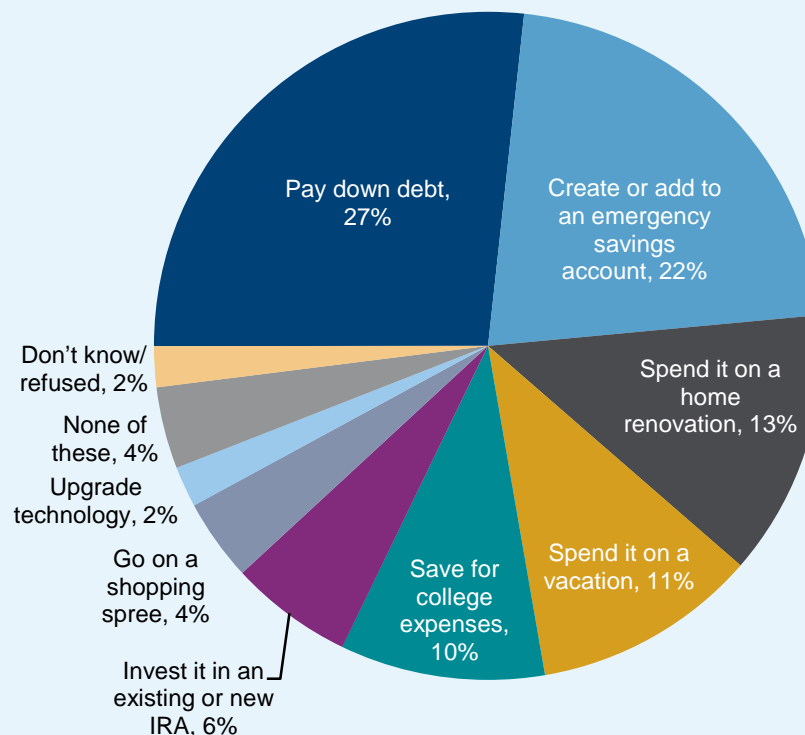


An ally in financial planning

An IRA provider that offers financial advice can be an ally and help people get the most out of their investments – especially if they find themselves with extra income.

An IRA can be a smart destination for extra cash, but 30 percent of survey respondents would spend the money on home renovations, a vacation, technology upgrades or a shopping spree if they had an extra \$5,000 to spend or invest. Only 6 percent would put that money into an IRA.

If you had an extra \$5,000 to spend or invest in one way, which of these would you choose?



We're here to help



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Personalized support for all customers. It doesn't matter whether you have \$500 or \$5 million, we offer personalized support for all.

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- TIAA was recently recognized as one of the most ethical companies in the world.

A simple approach to retirement investing.

Research shows TIAA's customers have the largest retirement account balances when they retire in the industry.

For more information, visit [TIAA.org](https://www.tiaa.org).

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