



# TIAA 2021 Lifetime Income Survey

Americans Divided on Biggest Concern in Retirement:  
Running out of Time vs. Running out of Money

Executive Summary – October 2021

# Americans are split on what is a bigger concern in retirement: time or money

Nearly half of working Americans worry about running out of money in retirement (45%), while the rest (55%) say running out of time to do what they want in retirement is a bigger concern.



## **55% More concerned about running out of time to do what they want to do:**

- To help alleviate this concern, 45% say retiring earlier is a top priority
- Those more concerned about time are more confident savings will last 20 or 30+ years of retirement



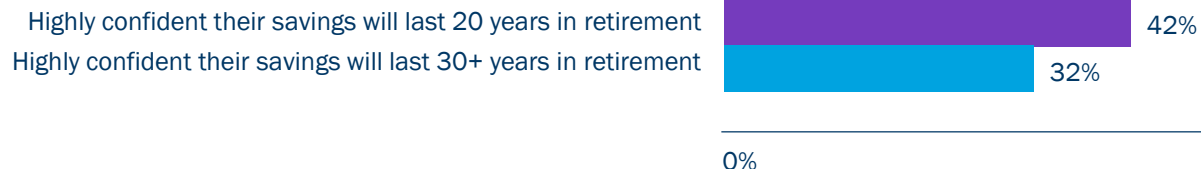
## **45% More concerned about running out of money to do what they want to do:**

- To help alleviate this concern, 51% say making savings last in retirement is a top priority
- Those more concerned about money have lower retirement confidence and have more financial concerns

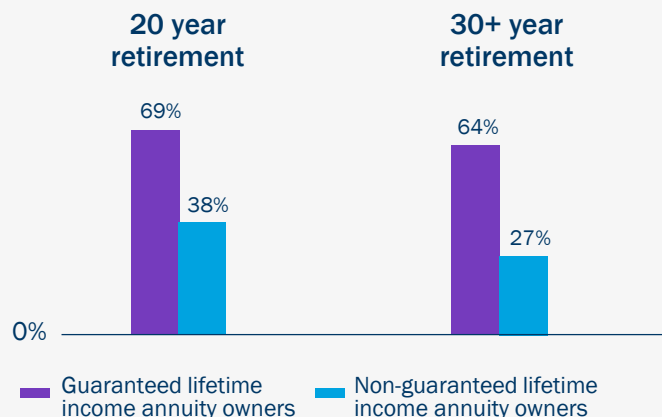
# Workers are not confident their savings will last throughout retirement



Workers are not confident they have enough savings to maintain standard of living in retirement



Those with a lifetime income annuity are more confident when it comes to both time frames. Highly confident:



Those who have lifetime income annuity or a pension have increased confidence about being financially secure throughout retirement.

20-year retirement

**83%** of those with lifetime income annuities say their confidence is increased to some or a great extent.

**85%** of those with a pension say the same.

# Lifetime Income provides financial confidence in retirement



About 7 in 10 believe having guaranteed lifetime income provides certainty around essential expenses, allows for spending flexibility, and makes knowing how much to save easier.

6 in 10

agree it is difficult to know how much income they will earn from the stock market

2 in 3

believe that guaranteed lifetime income can protect against market volatility

## BENEFITS OF OWNING GUARANTEED LIFETIME INCOME PRODUCTS: SAVING AND SPENDING

7 - Agree strongly 6 5 4 - Neither agree nor disagree 3 2 1 - Disagree strongly

It is important to have sufficient guaranteed lifetime income in retirement so that you can be certain that your essential expenses will be covered



Net agree

72%

Guaranteed lifetime income allows for more flexibility with spending in retirement



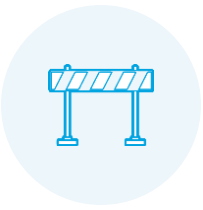
72%

Being able to invest in something that guarantees monthly income for life in retirement makes it easier to know how much to save for retirement



68%

# There are numerous roadblocks to saving for retirement



**About 30% of workers say the events of 2020 negatively impacted how they feel about their retirement savings progress.**

*7 in 10 of those who experienced a negative impact say their savings are not on track to retire when they want.*

*For those who think they are not on track with their retirement savings,*

**the top reasons these workers are not contributing more towards retirement are due to having debt or believing they cannot afford to save more.**

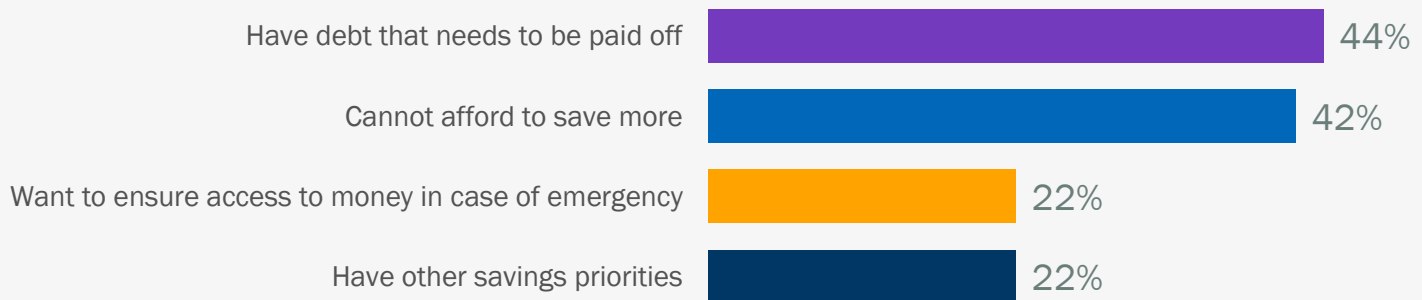
**Healthcare workers are less likely than the general population to think the amount they have saved is more than enough**

*(11% vs. 23%).*

**Contributing a portion of your savings to TIAA lifetime income consistently over a working career can significantly increase payments in retirement <sup>[1]</sup>.**

<sup>[1]</sup> Source: TIAA Actuarial Department study: January 1994 - January 2021.

## TOP BARRIERS OF SAVING MORE FOR RETIREMENT AMONG THOSE WHOSE SAVINGS ARE BEHIND



# Assistance creating and managing a budget could provide relief



45% of workers think they could save more for retirement if they had help creating and managing a budget.

66%

*For Millennials, 66% think budgeting help would enable them to save more.*

4 in 10

*Integrating this help into benefit offerings could be a useful tool as almost 4 in 10 say personalized financial advice and financial wellness benefits are highly important when making job or career decisions.*

45%

*think they could save more for retirement if they had help creating and managing a budget*

Millennials are more concerned about not having access to their money than the older generations.

Meeting with a financial advisor is a great first step toward achieving financial confidence. A professional can help make a plan to work toward both your short-term financial goals, like creating and managing a budget, as well as your long-term goals, like creating a retirement plan. Whether you are more concerned with having enough time or money in retirement, there are steps you can take to increase financial confidence and guarantee that you will have the financial resources to have income for life.

# Study Methodology



Greenwald Research conducted the 2021 TIAA Lifetime Income Survey using an online survey of 1,001 Americans ages 27–75 living in the United States. The study was fielded between May 12 to May 30, 2021. Data was weighted by gender, education, income, working status, race, and generation.

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