

The Power of Envisioning Retirement

2019 Lincoln *Retirement Power*[®] Participant Study

Media Contact:

Lucy MacNichol

484-583-2926

Lucy.MacNichol@LFG.com

Methodology

2019 Lincoln Retirement Power[®] Participant Study

- This report presents the results of an online survey conducted by Greenwald & Associates on behalf of Lincoln Retirement Plan Services. The purpose of the study is to gain insight into how retirement plan participants view their plans and interact with their plan providers. The research also explores how participants make decisions about their plans, what motivates their choices, how planning impacts saving, and the competing priorities that many participants face.
- Information for this study was gathered through 18-minute online interviews with a total of 2,580 full-time workers ages 18 to 72 who have been contributing to their current employer's retirement plan for at least one year. In addition, an oversample of LGBT plan participants was fielded allowing for an analysis of this subgroup. The oversample is not reported as part of the total results.
- Respondents for the survey were recruited through the Dynata online panel. Online interviewing took place from January 10 to February 14, 2019. Quotas were established by generation and for participants of certain ethnic/racial backgrounds to ensure comparability and representativeness.
- The data are weighted by gender, age, race/ethnicity and education to reflect the total population of full-time employees in a retirement plan. If this study were a random survey of 2,580 employed individuals in a retirement plan, it would have a margin of error (at the 95% confidence level) of plus or minus about 2 percentage points.



Envisioning retirement drives outcomes

	Good	Better	
	Calculating basic retirement costs <i>33% of participants have calculated this*</i>	Envisioning ideal (while still realistic) retirement <i>77% of participants have thought about this, but only 34% have given it a lot of thought</i>	Calculating ideal retirement costs <i>27% of participants have calculated this*</i>
% who contribute 15% or more	48% <i>2x more likely to contribute 15%+ than those who have not calculated basic needs</i>	48% <i>2.4x more likely to contribute 15%+ than those who have not given any thought to their ideal retirement</i>	53% <i>2.2x more likely to contribute 15%+ than those who have not calculated ideal costs</i>
Median deferral rate	15% <i>6% higher than those who have not calculated basic needs</i>	15% <i>5% higher than those who have not given any thought to their ideal retirement</i>	15% <i>3% higher than those who have not calculated ideal costs</i>
Median deferral rate needed to be on track	15% <i>The same as those who have not calculated basic needs</i>	20% <i>7% higher than those who have not given any thought to their ideal retirement</i>	18% <i>3% higher than those who have not calculated ideal costs</i>

*Note: Participants in their 60s are significantly more likely to have calculated both basic costs (51%) and the cost of their ideal retirement (38%)

Sources: 2019 Lincoln Retirement Power® Participant Study, 2019 Lincoln Retirement Power® Non-Participant Study



Envisioning retirement: Key themes

Personal & lifestyle plans

- Traveling (35%)
- Living comfortably / simple life (16%)
- Not having to work / relaxing (11%)
- Relocate / downsize home (10%)
- Entertainment / fun activities / hobbies (9%)
- Spend time with family / friends (9%)
- Volunteering / helping others (4%)
- Being physically active / staying healthy (4%)

Financial plans

- Financial security / not having to worry about money (30%)
- Being debt free (12%)
- Working part time (8%)
- Having a specific financial plan (4%)
- Providing financial assistance to family / inheritance (2%)

"I would really like to travel after being retired. I would also like to live comfortably, but not splurge. I don't want to feel like we can't do fun things."

"Travel a lot, see different parts of the USA, spend more time with family, do more things to help others."

"I would take yoga classes almost every day. I would go to the theatre or a movie at least once a week. And I would travel anywhere I wanted to go."

"Living in a warmer place, traveling, volunteering, still staying active, taking care of future children's babies."

"The ability to live comfortably and travel. We would of course make smart choices, but I don't want to do without if we can manage."

"Not having to worry about expenses - both living expenses and fun things on top of that. Maybe volunteer work or a part time job."

"Having all debt paid off and enough money set aside to cover regular and emergency issues as they arrive."

"Want to live better than I do now. Not worry about bills or health care. Leave money for my niece and nephew."

"I would be 65 and have at least \$5,500 coming in monthly. I would downsize my house and travel a good amount."

"Would like to retire at 62 so I get benefits from my employer. Would like to live comfortably without struggle."

"Being healthy and being able to enjoy it."



More *Retirement Power* research available

Non-participants

Who they are and why they're not saving in their employer-sponsored plan

Competing priorities

The impact of various financial obligations, and how participants prioritize

Success factors

Participant actions and plan design features that correlate to better outcomes

Motivators

Reasons for increasing contributions, and triggers for non-participants to start saving

Content preferences

Areas of confusion, topics of interest, and sources of information

Contact [Lucy MacNichol](#) for more information.

