



NEWS RELEASE

Ameriprise Study: Retirees Ready, but Reluctant to Spend Savings

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Nearly Seven in 10 retirees have not begun to draw down their assets

MINNEAPOLIS--(BUSINESS WIRE)-- While retirees have worked hard to save and invest for their next chapter, new research from Ameriprise Financial (NYSE: AMP) finds many of them aren't tapping their nest eggs. The new study, *Making Money Last*, reveals only 21 percent of retirees feel confident about drawing down their assets. In fact, nearly seven in 10 (68 percent) of respondents have not begun to withdraw their money aside from taking required minimum distributions. Ameriprise surveyed more than 1,000 retirees with at least \$100,000 in investable assets to explore how they manage their finances. Half of the respondents retired from their primary job when they were in their 60s and 36 percent retired in their 50s.

This press release features multimedia. View the full release here:

<https://www.businesswire.com/news/home/20180619005344/en/>

"After working, saving, investing and making sacrifices for decades to build a nest egg, transitioning to spending can be challenging," says Marcy Keckler, vice president of Financial Advice Strategy at Ameriprise Financial. "Retirement requires individuals to think differently about money. Having a plan in place to manage their finances can help retirees feel confident about spending their assets and address the fears that may be holding them back."

Savings Shortfall – Perception or Reality?

Many respondents retired with a substantial amount of money – in fact, the median savings they had was \$839,000. However, for some retirees there's a good reason behind their reluctance to spend. A quarter of respondents say

they are not sure whether their money will last throughout their lifetime. This feeling of uncertainty is underpinned by a savings gap between what some retirees thought they would need versus what they accumulated. The Ameriprise study reveals 1 in 4 retirees fell short of their savings goal by at least \$250,000.

Not Outliving Money is a Top Priority

Whether they socked away the amount of money they desired or not, retirees are determined not to outlive the funds they accumulated. Managing investment risks and returns is the number one action retirees are taking to make their money last. This is also a topic that 59 percent of retirees view as complex. Retirees are seeking professional financial advice as the second most common action, followed by reducing debt and doing research to become more knowledgeable about investing, which are tied as the third most common action they are taking to sustain their money.

Retirement Income – Social Security Questions Persist

Beyond savings and investments, most retirees say pensions (72 percent) and Social Security (71 percent) are important to their retirement income. In fact, 76 percent of those surveyed say they have started receiving Social Security and of these respondents nearly half (49 percent) claimed the benefit between the ages of 62 to 64. Over a third (34 percent) of retirees who have not started collecting Social Security say they do not know when they will claim it, while 20 percent say they plan to receive the benefit between the ages of 62-64 and almost the same percentage of respondents (21 percent) say age 70 or older.

The Complexity Barrier

Over half of those in retirement (53 percent) feel understanding the tax ramifications of draw down strategies is complex. Similarly, 46 percent of respondents express this sentiment when it comes to understanding how to establish a retirement income plan.

“Retirees may miss out on the full and rich life they dreamed of by not spending the money they worked hard to accumulate,” says Keckler. “A financial advisor can help retirees develop a strategy to withdraw their assets effectively so they don’t outlive their money.”

For more information about the study, please visit our research page at [Ameriprise.com/makingmoneyleft](https://ameriprise.com/makingmoneyleft).

About the survey

The Making Money Last study was created by Ameriprise Financial, Inc. as part of the Ages, Stages & Money survey, which was conducted online by Artemis Strategy Group December 8-21, 2017 among 3,019 U.S. adults ages 30-79 with at least \$100,000 in investable assets. The respondents included 1,075 retirees between the ages of 40-79. For further information and details about the study, including verification of data that may not be published as part of this report, please contact Ameriprise Financial or go to [Ameriprise.com/makingmoneyleft](https://ameriprise.com/makingmoneyleft).

About Artemis Strategy Group

Artemis Strategy Group (www.Artemissg.com) is a communications strategy research firm specializing in brand positioning, thought leadership and policy issues.

About Ameriprise Financial

At Ameriprise Financial, we have been helping people feel confident about their financial future for more than 120 years. With extensive asset management, advisory and insurance capabilities and a nationwide network of approximately 10,000 financial advisors, we have the strength and expertise to serve the full range of individual and institutional investors' financial needs. For more information, or to find an Ameriprise financial advisor, visit ameriprise.com.

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