



Millennials Look At Retirement Goals Differently

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By Karen Demasters

Millennials are looking at a financial goal to trigger retirement, rather than at a particular age, says a report by Merrill Edge released Friday.

Forty-one percent of millennials, those ages 18 to 34, expects to retire when they hit a certain financial milestone or savings goal, whereas their older counterparts are focused on leaving the workforce when they hit a certain age or can no longer work due to health concerns, according to the Merrill Edge Report.

The survey of more than 1,000 mass affluent Americans with investable assets up to \$250,000 reveals there may be a shift in how retirement is viewed. Fifty-three percent of millennials view retirement as the start of something exciting. In comparison to their elders, 21 percent of millennials are more likely to make pursuing a passion, furthering their education or starting or growing their own business their priorities in retirement.

“It’s refreshing to see the mindset around retirement evolve, particularly a strong optimism and a goal-oriented approach from younger generations,” says Aaron Levine, head of Merrill Edge at Bank of America. “This focus is a great start, but one of the keys to a successful retirement is to ensure savings are prioritized early and often. Year over year, we continue to see today’s non-retirees struggle with the impact short-term spending has on their long-term financial future.”

While millennials are taking a goal-oriented approach toward their retirement, they align with Americans overall in thinking they could be more proactive. Nearly half (48 percent) of Americans say they are insecure about some aspect of their finances, including retirement savings.

“It has become increasingly apparent that retirement planning is not only evolving, but also has become a moving target that Americans must continuously revisit to pursue their goals and priorities,” says Ken Dychtwald, founder and CEO of Age Wave.

“As we see in the latest Merrill Edge Report, retirement planning requires a new mentality – ‘set it and forget it’ is a thing of the past. As millennials are envisioning living very long lives, this study reveals the new priorities they have for work, leisure, success and money as they are coming to realize that everything they do today financially speaking can impact the lives they’re hoping to live in retirement,” he says.

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