

Survey shows advisers must factor family support into retirement needs

By Marli D. Riggs

July 13, 2011

When Americans think about retirement one of the main obligations they feel is the need to offer financial assistance to their adult children. More than 60% of respondents to a July 12 SunAmerica Financial Group survey expect that they will be helping their adult children as well as their spouse, grandchildren and siblings.

More than 1,000 respondents age 55 and older are six times more focused on building a plan that gives them peace of mind and will protect their family and assets compared to a decade ago when SunAmerica partnered with Age Wave to first examine attitudes toward retirement. In October 2001 the primary focus was to accumulate as much wealth as possible.

“The inter-generational support component came through loud and clear, which for us was a bit of an ‘ah-ha’ moment [because] this is huge — we need to make sure we are factoring this in as we continue to build up products and services,” says Mary Jane Fortin, president and CEO of American General Life Companies, a subsidiary of SunAmerica.

Additionally, during the decade between the original report, Re-Visioning Retirement Study, and this year’s report, Retirement Re-Set Study, Fortin notes a 20% increase in the number of respondents working with an adviser. Ten years ago, 40% worked with an adviser and in 2011 that number jumped to 49%. “They recognized that this is more complicated than many of us thought,” Fortin says.

Participants rated what makes a good adviser: they must be a good listener and communicator. Fortin stresses that consumers need help navigating through their portfolio and trusted advisers can help alleviate increased worry and concern over family obligations.

To provide the best service, Fortin believes retirement advisers should use “plain English” with consumers. “The reality is that products get pretty complex and the consumer needs to fully understand what they are buying and how it works so they are not surprised,” she says.

For more information about the survey findings or to view video vignettes log on to retirementreset.com.