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WHILE 62% OF AMERICANS ARE CONFIDENT ABOUT THEIR CURRENT FINANCIAL HEALTH, A MAJORITY LACK CONFIDENCE IN THEIR RETIREMENT FUTURE

- *Only 18% Have Created a Comprehensive Written Plan for Retirement*
- *Planning Helps People Feel Better: 49% Who Have a Retirement Plan in Place Say They Feel “In Control”*
- *Most Helpful Small Step to Better Retirement Planning? “Start Saving Whatever I Can Each Month”*

BOSTON, April 23, 2019 – Saving for retirement doesn’t necessarily require taking big leaps to get started -- for some it’s the little steps that are the source of inspiration. Yet, when it comes to evaluating progress towards a retirement goal, a disconnect exists between how people feel about their current financial health and their level of confidence about their future financial health in retirement, according to Fidelity Investments’[®] *Retirement Mindset Study*. (Fact Sheet: [here](#).)

According to the Fidelity study, which examines the different attitudes Americans have toward retirement, when asked how much confidence people have in being financially prepared for retirement, 75% report feeling only “somewhat confident” to “not confident at all,” compared to a majority (62%) who feel confident about their current financial health – and 65% who are more confident today than they were this time last year.

With all this confidence about their current financial health, why the uncertainty about retirement? The answer may be a lack of planning. While we know creating a plan for retirement can lead to a sense of confidence and control, and ultimately give people a clearer picture of where they stand for their retirement, the study suggests that a surprising percentage of the general population haven’t even considered doing so. In fact, while many say they’ve “thought about it”, only 18% have created a comprehensive written plan for their retirement. Of those who say they have not created a written retirement plan, the No. 1 reason is “I’ve never thought of having to prepare a plan” (23%), followed by “I don’t know where to begin” (22%) and “I feel like I am too far behind for it to make a difference” (20%). The findings suggest there is an opportunity for those who are simply thinking about it to take the first step toward more mindful planning, a good starting point in establishing habits that can eventually develop into a more disciplined approach for the long term.

This lack of planning cuts across generations, too: three out of four boomers (79%) don’t have a written financial plan for retirement, which is alarming given this generation is closest to retiring, if they haven’t retired already. Yet, boomers are not alone, as the majority of those belonging to other generations – millennials (87%) and generation X (81%) – also haven’t created such a plan.

“We know many people feel overwhelmed by the prospect of creating a plan for retirement. The good news is you don’t have to be a great planner or take giant leaps to get started,” said Melissa Ridolfi, vice president of college and retirement leadership at Fidelity Investments. “Whether you’re a millennial or a boomer, or think of yourself as a planner or not, the small steps you take today can lead to a greater sense of confidence about your retirement years. It’s never too early or too late to get started.”

Where Do People Draw Retirement Inspiration?

If retirement itself isn’t a motivator for retirement planning, what is? The study also seeks to learn whether specific life events (e.g., divorce, the death of a family member, etc.) or economic situations (e.g., market volatility) inspire people to gain more financial control of their retirement. Surprisingly, these life events, which are typically triggers for financial reflection, didn’t rise to the top as common motivators. When asked which event most inspired people to gain more control over their retirement finances, 30% cite “no specific event/just felt like it’s what I needed to do.” The second most common response: “I haven’t yet gained control over my finances” (25%).

However, even if specific events don’t necessarily serve as an impetus for action, that doesn’t suggest people aren’t concerned about the “what ifs” life could throw their way in the future. When asked which one of the economic “what ifs” worry them the most, the No. 1 answer is rising health care/long-term care costs, garnering more than one-third (38%) of responses. Social security benefits are the second biggest worry at 28%. (For more on rising health care costs, read Fidelity’s Viewpoint: [How to plan for rising health care costs.](#))

Many also admit to worrying about uncertainties related to their lifestyle in retirement, causing them to question whether they’ll be able to live the life they want. When asked which of the lifestyle “what ifs” worry them most, concerns related to their personal finances emerge as a common theme. “Having to downsize my home or move due to high cost of living,” “adjusting my lifestyle to fit a fixed income” and “outliving my assets” make up nearly half (49%) of respondents’ main worries, with the fear of outliving their assets as the single largest concern at 24%.

“Stress over future uncertainties is often a reality, and while we can’t necessarily predict or control them, we can account for them with a plan,” continued Ridolfi. “Estimating how much one might need in retirement and whether they’re on track to be able to cover those expenses is a good first step. From there, consider current savings habits and investing strategies to help close any gaps over time. Taking these steps can go a long way toward providing clarity and, ultimately, a greater sense of control and peace of mind,” says Ridolfi.

Gain Control. Get a Plan. Fidelity Has Resources to Help

The Fidelity study shows putting a plan in place can help people feel better, and help them feel like they've gained a sense of control. When asked how having a written retirement plan in place made them feel, 49% of those who had one in place say they feel "in control." Forty-three percent feel good about themselves and 30% feel relieved; only 10% say they are "still stressed."

The key is to not become overwhelmed. Taking a step forward -- no matter how small -- is a step in the right direction toward feeling more confident and prepared. Sometimes small steps are all it takes to get started. When asked what would be the most helpful small step to take toward planning for a better retirement, one-third simply say "starting to save as much as I can each month" (33%). Fidelity has resources to help investors map out their retirement journey and take the first steps toward getting there. No matter how far away retirement may be, knowing where one stands today is an important first step in getting where they want to go, and leading the life they want in retirement.

- Fidelity Viewpoint: [Take control of your retirement.](#)
- [Fidelity Retirement Score](#): Answer six simple questions to get your personal retirement score, and adjust different responses to see the impact small changes can have on your outlook.
- [Fidelity's Planning & Guidance Center](#): Help build a clear and comprehensive plan and investment strategy to prepare for what's ahead.
- [Retirement Checklist](#): Access a checklist of action items to consider when you're getting close to retirement -- whether it's 6-10 years away, 2-5 years, or just around the corner.
- [Do your retirement savings measure up?](#): Learn more about how to get on the right track, including catch-up tips by age.

About the Retirement Mindset Study

Fidelity Investments' Retirement Mindset Study presents the findings of an online survey, consisting of 1,429 adults, 23 to 74 years of age and older. Fielding for this survey was completed between February 25, 2019 and March 2, 2019 by Brookmark Research Services, which is not affiliated with Fidelity Investments. The results of this survey may not be representative of all adults meeting the same criteria as those surveyed for this study. The margin of error is +/- 2.6% at the 95% confidence level.

About Fidelity Investments

Fidelity's mission is to inspire better futures and deliver better outcomes for the customers and businesses we serve. With assets under administration of \$7.4 trillion, including managed assets of \$2.6 trillion as of March 31, 2019, we focus on meeting the unique needs of a diverse set of customers: helping more than 30 million people invest their own life savings, 22,000 businesses manage employee benefit programs, as well as providing more than 13,500 financial advisory firms with investment and technology solutions to invest their own clients' money. Privately held for more than 70 years, Fidelity employs more than 40,000 associates who are focused on the long-term success of our customers. For more information about Fidelity Investments, visit <https://www.fidelity.com/about>.

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