

Noel Swain: Types of Retirees

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In 2011, Harris Interactive and SunAmerica conducted a poll which identified four groups that describe the hopes and dreams of retirees today. The survey was conducted with people age 55 and older. Here's a brief description of each.

The Ageless Explorers. These are the youthful, empowered, and optimistic set. They're also prepared, having contributed to retirement savings for about 24 years. They feel they have the financial resources to live the retirement of their dreams and are always looking for new things to learn. They want to stay healthy in order to live life to the fullest. They make up about 20 percent of the 55 and older population.

The Cautiously Contents. This segment comprises about 18 percent of retirees. They're interested in a more traditional retirement, wishing to live their lives at a slower pace and having saved meticulously to be able to do so. They focus on travel and relaxing, yet are still interested in personal improvement and contributing to society.

The Live for Todays. With similar aspirations as the Ageless Explorers, this group is not as prepared to fulfill their retirement dreams. They've only saved for an average of 7 years and face much greater risk of not being prepared. They are worried about being able to live the retirement they envision. They are constantly looking for ways to improve their financial conditions so that they can be assured of having a vital retirement life. This group makes up 27% of those over 55 who were surveyed.

The Worried Strugglers. This largest group tends to be pessimistic, having only saved for retirement for an average of 16 years. They are not high achievers and tend to be poorer and in poorer health than the other groups. They're envious of others who live high quality retirements, but feel that dream has always been out of reach for them. This group views retirement as boomer grandparents did—as a time to wind down but with little hope for the future. They make up 35 percent of the 55+ group.

A 2005 Merrill Lynch survey found over 75 percent of boomers plan to continue working in retirement with greater than 10 percent of those planning to start new businesses. It has been said that, for this generation of retirees, “work is becoming an offshoot of leisure.” The factors mentioned above tell us that people of retirement age may indeed retire—some will ‘retire’ early. But that may not mean traditional retirement. Rather, boomers will be retiring from their existing careers but will find other work either to supplement retirement income or simply for enjoyment and self-fulfillment.

Finally, I have learned that people who retire TO something else usually live longer than those who merely retire FROM a job. So when considering your own retirement, think more of what you want to do in the future rather than what you're happy you won't be doing anymore. It may make you happier and healthier.