Third of Those Married/Living with a Partner Say They Would Save For Retirement

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About a Third of Those Married/Living with a Partner Say They Agree on What they Should Save for Retirement
However, one in five married or living with a partner have not even discussed how much they should save

ROCHESTER, N.Y. â€“ July 5, 2006 â€“ A recent Wall Street Journal Online/Harris Interactive Personal Finance Poll reveals that while 40 percent of adults want to use their money to continue to support their current lifestyle in their later years, about one-quarter prefer to use their money for enjoyable activities such as traveling or relocating to a warmer climate. Three out of 10 of those who are married or living with their partner are in agreement about how much they need to save for retirement, while equal numbers say they focus on saving more than their spouse/partner does (20%) or have never talked about how much they need to save for retirement (20%). The survey further explores how much retired couples say they argue over finances, how current living expenses in retirement compare with what retirees expected, and how much income those who are not retired believe they and their spouse/partner need annually in order to retire comfortably.

These are some of the results of an online survey of 2,075 U.S. adults conducted by Harris InteractiveÂ® between May 30 and June 1, 2006 for The Wall Street Journal Onlineâ€™s Personal Journal Edition.

Use of money in the later years

If adults had one choice with what to do with their money in their later years, the likelihood that they say they would continue to support the lifestyle they have now increases with age, while the likelihood that they say they would use the money to travel, buy a vacation home or relocate to a warmer climate decreases with age.

Men are more likely than women to say they would continue to support the lifestyle they have now (47% vs. 35%, respectively).

Those who are single or have never been married are substantially more likely than those who are married/living with a partner or divorced/separated/widowed to say they would use the money to travel, buy a vacation home or relocate to a warmer climate (32% vs. 24% and 20%, respectively).Â

Saving for retirement

The level of agreement about how much they need to save for retirement rises with age and income, presumably because as couples near retirement they feel compelled to discuss their plans.

Interestingly, men are more likely to focus on saving for retirement than women (both men and women admit this is the case in their relationship).

Arguing over finances

Over half (54%) of retirees who are married or living with a partner say they argue about their finances about the same amount as they used to, and 41 percent say they argue less than they did before they retired.

"Money has long been known as a source of conflict among couples. The good news is that when couples reach retirement they argue about finances much less than they did while working," states Anne Aldrich, Senior Vice President of the Financial Services Research Practice at Harris Interactive. "Moving into this stage of life takes planning and communication â€“ when couples take the time to work through their plans conflict can be reduced."

The notion of saving for retirement is one that is too much for some couples â€“ about one in 10 say that neither of them can decide on how much to save for that stage in their life.

Current living expenses vs. expectations

Over one-third (37%) of retired adults have experienced higher living expenses than they expected they would have, and this rises to nearly one out of two in the West (49%) and of those who are divorced/separated or widowed (49%) who say this.

On average, adults who are not retired believe they and their spouse/partner need $75,233 annually in order to retire comfortably. Predictably, this number increases when responses are compared by household income.

According to Aldrich, "The outlook on spending becomes more realistic with age. Priorities shift with different life stages, and it is important for financial advisors and those in the financial services industry to be aware of their clientsâ€™ needs and motivations as they near retirement so they can provide guidance that is personally relevant."

Downloadable PDFs of The Wall Street Journal Online/Harris Interactive Personal Finance Polls are posted at http://www.harrisinteractive.com/news/newsletters_wsjfinance.asp.

Methodology

This survey was conducted online within the United States between May 30 and June 1, 2006 among 2,075 adults (aged 18 and over). Figures for age, sex, race/ethnicity, education, region and household income were weighted where necessary to bring them into line with their actual proportions in the population. Propensity score weighting was also used to adjust for respondentsâ€™ propensity to be online.

All surveys are subject to several sources of error. These include: sampling error (because only a sample of a population is interviewed); measurement error due to question wording and/or question order, deliberately or unintentionally inaccurate responses, nonresponse (including refusals), interviewer effects (when live interviewers are used) and weighting.

With one exception (sampling error) the magnitude of the errors that result cannot be estimated. There is, therefore, no way to calculate a finite "margin of error" for any survey and the use of these words should be avoided.

With pure probability samples, with 100 percent response rates, it is possible to calculate the probability that the sampling error (but not other sources of error) is not greater than some number. With a pure probability sample of 2,075 adults one could say with a 95 percent probability that the overall results have a sampling error of +/- 3 percentage points. Sampling error for the various sub-samples shown in the tables is higher and varies. However that does not take other sources of error into account. This online survey is not based on a probability sample and therefore no theoretical sampling error can be calculated.

These statements conform to the principles of disclosure of the National Council on Public Polls.

About the Survey

The Wall Street Journal Online/Harris Interactive Personal Finance Poll is an exclusive poll that is published in the Personal Journal Edition of The Wall Street Journal Online at www.wsj.com/personaljournal.

About The Wall Street Journal Online

The Wall Street Journal Online at WSJ.com, published by Dow Jones & Company (NYSE: DJ; www.dowjones.com), is the largest paid subscription news site on the Web. Launched in 1996, the Online Journal continues to attract quality subscribers that are at the top of their industries, with 761,000 subscribers world-wide as of Q1, 2006.

The Online Journal provides in-depth business news and financial information 24 hours a day, seven days a week, with insight and analysis, including breaking business and technology news and analysis from around the world. It draws on the Dow Jones network of nearly 1,900 business and financial news staff-the largest network of business and financial journalists in the world. The Online Journal also features exclusive content, including interactive graphics on business and world news, and online-only columns about the automotive industry, technology, personal finance and more.

The Online Journal offers three industry-specific verticals: the award-winning Health, Media & Marketing and now Law. Health offers authoritative analysis, breaking news and commentary from top industry journalists. Media & Marketing is designed for professionals in the advertising, marketing, entertainment and media industries. Law is designed to provide law firms and attorneys timely information on events and trends important to the legal market. Subscribers to all also get access to the full content of the Online Journal.

In 2005, the Online Journal was awarded a Codie Award for Best Online News Service for the second consecutive year, and its Health Industry Edition was awarded Best Online Science or Technology Service for the third consecutive year. In 2004, the Online Journal received an EPpy Award for Best Internet Business Service over 1 million monthly visitors.

The Wall Street Journal Online network includes CareerJournal.com, OpinionJournal.com, StartupJournal.com, RealEstateJournal.com and CollegeJournal.com.

About the Financial Services Practice

The Harris Interactive Financial Services Practice provides custom, global research solutions to leading companies in the

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About Harris Interactive

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