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## **LIKE MOTHER, LIKE DAUGHTER? NOT WHEN IT COMES TO RETIREMENT, ACCORDING TO NEW STUDY FROM THE METLIFE MATURE MARKET INSTITUTE**

**“It’s Not Your Mother’s Retirement” Finds that  
Mothers and Daughters Don’t Always See Eye to Eye on Retirement Issues  
Daughters will Retire Later (Or Never) and Say They’ll Remain More Active**

**Westport, CT – May 8, 2007** - A new survey on women and retirement may defy Oscar Wilde's adage that “all women become like their mothers.” "It's Not Your Mother's Retirement: The MetLife Study of Women and Generational Differences" reports that young women have their own ideas about how they will spend their later years.

The study reports that retirement for women will be redefined by the younger generations who expect to have a more active retirement with varied pursuits, including travel, social interaction with family and friends and an extended work life. However, daughters are entering retirement with considerably higher levels of debt than their mothers and are expected to make a greater financial adjustment than their mothers.

Daughters (22%) are almost twice as likely as their mothers (12%) to have \$25,000 or more in consumer debt (apart from home mortgages). Mothers, not surprisingly, are concerned about the younger group’s ability to adjust to living on a fixed income. Each generation is reportedly worried about being derailed by poor health and rising health care costs.

Conducted for the MetLife Mature Market Institute® by Mathew Greenwald & Associates, in cooperation with the Women’s Institute for a Secure Retirement (WISER), the study asked mothers and daughters to assess their own and each other’s retirement prospects.

“Today’s younger women clearly do not see themselves staying home, caring for the house and relaxing - and their mothers agree,” said Sandra Timmermann, Ed.D., director, MetLife Mature Market Institute. “These findings point the way to lifestyle changes for tomorrow’s older women and may influence the growth and direction of the education sector and the travel industry. We’ll find more people traveling, taking courses and volunteering. There will also be an increased number of older people in the workplace, unless the younger generations’ predictions for themselves are overly ambitious.”

“Mothers advise their daughters to save more money and not to ‘live beyond your means,’” added Dr. Timmermann. “Daughters, when asked how they would have advised their mothers, say, ‘don’t forget your dreams’ and be ‘willing to spend money if it will make you happy.’ It will be interesting to see if daughters, as they approach traditional retirement age and are faced with the financial realities of a long life, are more open to their mothers' advice.”

“Unfortunately, younger women may not be responding to their mothers’ advice, nor emulating their behavior,” said Cindy Hounsell, J.D., president of WISER. “The older women, whose financial experiences are very much tied to the Great Depression and post-Depression living, have a conservative outlook toward saving and spending. Daughters report having consumer debt and may not have sufficient pensions and investments to retire with the recommended 80% to 100% of pre-retirement income. Women heading toward retirement should be reexamining their financial practices.”

The study also found the following:

**Daughters Will Work Longer...or Forever** – Three quarters of mothers retired before the traditional retirement age of 65, yet only 37% of their daughters predict they will retire before then. 17% of daughters say they will be age 70 or older and 6% say they may never retire. Married women in both age groups are more likely to retire earlier than unmarried women.

**Daughters Believe their Retirement will be Better and More Interesting** – Two thirds of mothers (65%) believe the quality of their retirement has been excellent or very good, while only 46% of daughters say that about their mothers. More than half of daughters (56%) believe their own retirement will be better than their mothers’ and four in ten mothers (41%) agree. Mothers and daughters agree that daughters are more likely to spend their retirement time on active pursuits and less time relaxing and “doing nothing.”

**Daughters are More Likely to Face Financial Adjustments** – More than a third (34%) of daughters say their biggest financial adjustment at retirement will be living on a reduced income or budget, a concern shared by 28% of mothers. More than a quarter of mothers say they did not have to make any financial adjustment when they retired (29%).

**Daughters Expect Different Sources of Retirement Income** – Nearly nine in ten mothers (90%), but just three in four daughters (75%) report Social Security as a current or future source of retirement income. By contrast, 77% of daughters, compared with 46% of mothers, indicate their retirement will be funded by an employer-sponsored retirement plan.

**Home Equity May Save Daughters** – 46% of daughters and 45% of mothers will use their home as a source of retirement income, either through selling the home or tapping into equity. Among those who report that they expect to use their homes as a source of retirement income, daughters (61%) are more likely than mothers (43%) to say they will move to a less expensive home.

#### **Husbands and Wives Play Equal Financial Roles**

Nearly half of married women say they share responsibility for retirement planning (daughters, 47%) or managing finances (mothers 43%). Mothers believe their married daughters take more responsibility than they did for retirement planning.

**Mothers and Daughters May Not Be Communicating on Retirement** – Half of mothers (51%) say they spend some or a great deal of time discussing retirement and/or retirement planning with their daughters. Unfortunately, daughters may not be listening. Less than one third of daughters report having those conversations with their mothers (32%). Likewise, daughters say they speak with their mothers more often than mothers report speaking with their daughters.

Information for the study was gathered through 17-minute telephone conversations in February 2007 with 1267 women from across the United States, evenly divided among Generation X (b. 1965-1977), late Baby Boomers (b. 1956-1964), early Baby Boomers (b. 1946-1955), the Silent Generation (b.1933-1945) and the World War II Generation (b. 1926-1932). All had a household income greater than \$40,000 (\$20,000 for the two older

groups). The margin of error for the study is +/-3%. Respondents were weighted to reflect the make-up of U.S. women by age, household income, financial assets and marital status.

The Women's Institute for a Secure Retirement (WISER) works to provide low and moderate income women (aged 18 to 65) with basic financial information aimed at helping them take financial control over their lives and to increase awareness of the structural barriers that prevent women's adequate participation in the nation's retirement systems.

Mathew Greenwald & Associates, Inc. is a full service market research company with an expertise in financial services research. Founded in 1985, Greenwald & Associates has conducted public opinion and customer-oriented research for more than 100 organizations, including many of the nation's largest companies and foremost associations.

The MetLife Mature Market Institute is MetLife's information and policy center on issues related to aging, retirement, long-term care and the mature market. Staffed by gerontologists, the Institute provides research, training and education, consultation and information to support MetLife, its corporate customers and business partners. MetLife is a subsidiary of MetLife, Inc. (NYSE: MET), a leading provider of insurance and financial services with operations throughout the U.S. and the Latin America, Europe and Asia Pacific regions.

The full study, *It's Not Your Mother's Retirement, the MetLife Study of Women and Generational Differences*, is available free to the public by calling 203-221-6580, via e-mail to [maturemarketinstitute@metlife.com](mailto:maturemarketinstitute@metlife.com), or by download at [www.maturemarketinstitute.com](http://www.maturemarketinstitute.com) under 'What's New.' A companion publication, produced by the MetLife Mature Market Institute and WISER, *What Today's Woman Needs to Know: A Retirement Journey*, is also available.

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