

FACT BRIEFING: Boomer Money Attitudes Across Generations

Selected Findings from the Ameriprise Financial *Money Across Generations*[®] study.

The study looks across three generations—parents of baby boomers, boomers themselves, and boomers' adult children—to gain a deeper understanding of how each generation perceives, talks about and deals with money and finances.

Boomer Money Attitudes Compared With Older and Younger Generations

- > Compared with their children's and parent's generations, boomers are the least debt averse, least frugal and less risk averse than their parents. They are also least likely to think they need help making financial decisions.
- > Boomers also are the least likely to think that the more money people have, the more comfortable they are talking about money. Only 43 percent of boomers believe this compared with more than half of adult children and aging parents.
- > The children of boomers are more likely than other generations to see their parents, the boomers, as "live for the day" types. One in four adult children of boomers see *their* parents' money management style this way, while only 15 percent of boomers view *their* parents this way.
- > Only 39 percent of boomers are very optimistic about their financial future, compared with just under half of the children of boomers (46 percent) and one in four (28 percent) parents of boomers.

Boomers and Retirement

- > Not surprisingly, more boomers are presently trying to grow their savings and put away money for the future when compared to both their children's and parent's generations.
- > Boomers rank having enough money to continue their lifestyle after they retire as their most important financial goal to attain over time (36 percent), while the children of boomers rank assuring a financially secure life the highest (39 percent), followed by being able to substantially help their children fund education (29 percent), which they also ranked more highly than boomers.
- > Boomers are only slightly more confident in their ability to meet their financial goals than their parent's generation. Half of boomers are very confident they will be able to assure a financially secure life, while 44 percent also are very confident they will have enough money to continue their lifestyle in retirement, 39 percent think they'll be able to help their children or grandchildren fund education, and one in three believe they'll be able to provide financial security for their aging parents, leave money to a charitable cause or provide an inheritance to their children.
- > While boomers rank themselves somewhat more confidently than their parents, the adult children of boomers are more confident when it comes meeting the goals of helping fund their children's or grandchildren's education, giving to a charity or leaving an inheritance.

About Boomers

- > The term "baby boomer" describes the generation of Americans born between the years 1946 to 1964. The U.S. Census Bureau estimates that over 78 million boomers are alive today.
- > In 2006 the U.S. Census Bureau estimated that boomers will turn 60 at the rate of over 7,900 every day and 330 every hour. In 2030, there is projected to be over 57 million boomers between the ages of 66 to 84.
- > Reflecting the rising age of the boomers, the Bureau of Labor Statistics reports that by the year 2014 the number of people in the labor force ages 55 to 64 will increase by seven million. The number of people in the labor force age 65 and older will increase seven times as fast as the total labor force due, in part, to workers postponing retirement.

Copies of the study report are available at ameriprise.com/presscenter

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