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**NEW STUDY DEBUNKS OLD MYTH; COPING WITH CHANGE EASES WITH AGE...  
BOOMERS CONFIDENT THEY CAN HANDLE RETIREMENT TRANSITION**

**-- Uncovers Key Driver Differentiating Pre-Retirees into Four Segments; Venturers, Adapters, Anchoreds and Pursuers --**

**ST PAUL, MINN. – March 12, 2008** – The majority (65%) of working Americans aged 50+ are becoming more comfortable with change and uncertainty as they grow older according to a national study released today by SecurePath<sup>SM</sup> by Transamerica, a service of Transamerica Retirement Management, Inc. In fact, half (50%) say they are at their best during times of change and many say that change is exciting (50%). The study further finds that attitudes towards change in general can serve as a way of differentiating pre-retirees and identifies four key segments based on their “change profiles,” Venturers, Adapters, Anchoreds and Pursuers.

The new retirement study was commissioned by SecurePath by Transamerica and was conducted by GfK Roper Public Affairs & Media. The study explores the views of working Americans in their 50s about change, uncertainty, risk and retirement expectations as they prepare for and enter the next stage of their life.

“The study certainly contradicts many long-held beliefs that as we grow older, we become more reluctant to change,” said Will Prest, chief marketing officer of Transamerica Retirement Management, Inc. “The findings are encouraging particularly in an uncertain economic environment as they indicate that many pre-retirees are confident in their ability to cope even in challenging times.”

**Not Daunted by Retirement Uncertainty, But Not Expecting Too Much**

Nearly three-quarters (73%) of pre-retirees say they will handle the change and uncertainty associated with growing older well and two-thirds (66%) are confident that even with the uncertainty associated with retirement, everything will work out.

The study suggests they are not only comfortable with the uncertainty; they also may be more realistic than commonly thought about their next life stage. When asked their retirement goals, most pointed to financial needs (having a steady monthly income – 90%, having good health insurance – 88%, and having enough money to pay for medical bills if they become sick – 85%) as opposed to traveling frequently (50%), affording to buy a house/apartment (34%) or leaving something for their children when they are gone (39%). In fact, 68% plan to be working in some capacity as they age.

### **Gap Remains Between Personal Optimism and Financial Realism**

Overall, pre-retirees had a positive and excited view of their future, as 63% look forward to retirement and 56% feel this transition will be easier than other life changing experiences. While they are psychologically prepared for retirement, the same is not the case from a financial perspective. Contrary to widespread warning in the mainstream media about the future of Social Security, 61% cite it as their main source of expected income during retirement.

Additionally, while a majority reports being satisfied with their lifestyle (66%) and job (60%), only 33% report being satisfied with their retirement savings.

### **Risk More Attractive In Theory Than Practice ... Prefer To Avoid It If They Can**

When asked about their personal philosophy when it comes to finances and money, more than half (58%) can relate to the notion of "Nothing ventured, nothing gained," and 48% agree with "No risk, no reward."

At the same time, when asked where they actually prefer to keep most of their savings as they age, 54% opt for guaranteed, safe investments even if they don't earn high returns. However, when the risk trade-off necessary to achieve higher returns is made clear slightly fewer choose the safer route. When given the choice to select between an investment with higher risk but a potentially higher return, or a low risk/lower return option, 36% prefer the low-risk path and 28% choose the high-risk option with the rest falling somewhere in between. Separately, a third (34%) acknowledge they need some riskier investments in order to achieve their retirement goals.

"Pre-retirees may be worried about risk in their overall retirement plan but also acknowledge its role," Prest said. "Understanding their change profiles will help them to bridge the chasm between fear and need as they determine the appropriate level of risk for their assets, based on their current financial reality."

### **"Change Profiles" Reveal New Way to Understand Pre-Retiree Attitudes**

Respondents were segmented into four groups based on their overall "change profile" and following is a snapshot of each segment highlighting how they differ with respect to their preference for change or consistency, sense of control and confidence in themselves and their future.

#### **Venturers: Relish Change, In Control and Looking Forward**

Venturers are exhilarated by change. Nearly all agree they are at their best during times of change and feel they are in control of their lives. This sense of control transfers into a high level of confidence about investing and retirement. While Venturers' overall attitudes about their pending retirement are positive, they need to be careful not to be overconfident about their level of preparedness.

- 93% find change exciting and 62% seek out change over consistency
- During times of change or uncertainty, 95% feel they are at their best instead of their worst
- 99% believe how their lives turn out is pretty much within their control and depends mostly on what they do or don't do, and 85% believe this about their future lives in retirement
- 53% describe themselves as experienced investors
- 69% are confident they will have money to get by in retirement, and 66% are confident they will have enough money to live the lives they want when they retire

### **Adapters: “Take It Or Leave It” Attitude About Change, But Ready to Handle Whatever Comes**

Adapters tend to shy away from change finding it stressful but also exciting. However, this does not affect their confidence in themselves and their retirement. Many feel they will be in control of their retirement, are confident they will handle the transition well, and believe everything will work out. However, their tendency toward consistency coupled with their confidence makes them less likely to proactively plan for the future or seek out opportunities to maximize retirement savings.

- They find change stressful (53%) yet exciting (54%) and 46% look for consistency in their lives rather than seek change
- 99% believe how their lives turn out is pretty much within their control and depends mostly on what they do or don't do, and 77% believe the same about their forthcoming retirement
- 83% feel they will handle the transition to retirement well and 78% are confident that everything will work out when they transition to retirement
- 63% are confident they will have money to get by in retirement, and 56% are confident that they will have the financial resources to live the lives they want during retirement

### **Anchored: Striving for Consistency and Worried About Security**

The Anchored look for consistency in their lives rather than seek change. Clinging to consistency may be why they feel in control, and to a certain degree, this approach works for them. However, they often shy away from monetary risks or chances and feel they are at their worst when undergoing periods of change. This apprehension towards change negatively affects their confidence in their retirement savings and their investing and may lead them to be less prepared for retirement.

- 83% look for consistency in their lives rather than seek change
- 62% believe that how their lives turn out is pretty much within their control and depends mostly on what they do or don't do
- Six in 10 report feeling at their worst during times of change (62%)
- 64% say they are not really the kind of person that takes monetary risks or chances and 58% describe themselves as having little experience in investing
- 45% are *not* confident they will have money to get by in retirement, and 49% are *not* confident that they will have the financial resources to live the lives they want during retirement

### **Pursuers: Crave Change, But Not Confident In Their Future**

The Pursuers prefer change and find it exciting; however, they don't always feel they handle it well. They also have mixed feelings about control; sometimes feeling they control their lives and other times feeling life controls them. Their mixed feelings about change and experiences with change create a lack of confidence in their abilities to handle investing or retirement. In fact, as a group they are the most likely to say they will continue working instead of retiring. Their desire for change coupled with their lack of confidence leaves them open to retirement planning ideas but also with a need for reassurance in order to execute.

- 42% seek change in their lives rather than consistency and half (52%) find change exciting
- 33% believe how their lives turn out is pretty much within their control and depends mostly on what they do or don't do, while 25% feel that it is beyond their control and depends mostly on outside forces which they have no control over (42% are undecided).
- 55% describe themselves as investors with little experience
- Many (46%) are not planning to retire
- 43% are *not* confident they will have enough money to get by in retirement and 46% are *not* confident they will be able to live the lives the way they would like in retirement

“The goal of the change profiles is to help consumers understand and overcome their natural inclinations in order to maximize their retirement planning,” explains Prest. “Each segment faces its own unique hurdles and is poised to react differently as the economy softens. Pursuers, for example, need help finding and sticking to the right retirement planning approach. Venturers, who seem to be in an ideal position, need to be cautious about overconfidence in their level of preparedness. While being financially ready is the obvious end goal, it can’t happen without understanding the psychological barriers to getting there.”

#### **About the C.U.R.E. Retirement Survey**

The findings presented are the results of an online study conducted in the fall of 2007 by GfK Roper Public Affairs & Media among a sample of 2,015 working Americans ages 50 or older. Data was weighted to the online population by age, sex and region. The segmentation was created with a two-step clustering technique. For more information about this study, visit [www.securepathbytransamerica.com](http://www.securepathbytransamerica.com).

#### **About GfK Roper Public Affairs & Media**

GfK Roper Public Affairs & Media is a division of GfK Custom Research North America. The division specializes in customized public opinion polling, media and communications research, and corporate reputation measurement – in the US and globally. In addition to delivering a broad range of customized research studies, GfK Roper Public Affairs & Media draws from GfK’s syndicated consumer tracking services, GfK Roper Reports® US and GfK Roper Reports® Worldwide, which monitor consumer values, beliefs, attitudes and behaviors in the United States and more than 25 other countries.

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