



15th Annual Transamerica Retirement Survey

*Influences of Race and Ethnicity on
Retirement Preparation*

TRANSAMERICA CENTER
FOR RETIREMENT STUDIES®

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About the Transamerica Center for Retirement Studies®

- The Transamerica Center for Retirement Studies® (TCRS) is a division of Transamerica InstituteSM (The Institute), a nonprofit, private foundation. TCRS is dedicated to educating the public on emerging trends surrounding retirement security in the United States. Its research emphasizes employer-sponsored retirement plans, including companies and their employees, unemployed and underemployed workers, and the implications of legislative and regulatory changes. For more information about TCRS, please refer to www.transamericacenter.org.
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About the Survey

- Since 1998, the Transamerica Center for Retirement Studies® has conducted national surveys of U.S. business employers and workers regarding their attitudes toward retirement. The overall goals for the study are to illuminate emerging trends, promote awareness, and help educate the public.
- Nielsen and the Harris Poll were commissioned to conduct the 15th Annual Retirement Survey for Transamerica Center for Retirement Studies. Transamerica Center for Retirement Studies is not affiliated with Nielsen.
- About Nielsen & The Harris Poll: On February 3, 2014, Nielsen acquired Harris Interactive and The Harris Poll. Nielsen Holdings N.V. (NYSE: NLSN) is a global information and measurement company with leading market positions in marketing and consumer information, television and other media measurement, online intelligence and mobile measurement. Nielsen has a presence in approximately 100 countries, with headquarters in New York, USA and Diemen, the Netherlands. For more information, visit www.nielsen.com.

Worker Survey Methodology

- A 22-minute, online survey was conducted between February 21 – March 17, 2014 among a nationally representative sample of 4,143 workers using the Harris Poll. Respondents met the following criteria:
 - U.S. residents, age 18 or older
 - Full-time or part-time workers in a for-profit company employing 10 or more people
- Data were weighted as follows:
 - Census data were referenced for education, age by gender, race/ethnicity, region, household income, and number of employees by company size. Results were weighted where necessary to bring them into line with the population of US residents age 18+, employed full time in a for-profit company with 10+ employees or employed part time in a for profit company.
 - The weighting also adjusts for attitudinal and behavioral differences between those who are online versus those who are not, those who join online panels versus those who do not, and those who responded to this survey versus those who did not.
- Percentages are rounded to the nearest whole percent. Differences in the sums of combined categories/answers are due to rounding.
- This report focuses on full-time and part-time workers combined.

Terminology

This report uses the following terminology:

Generation

- *Millennial:* Born 1979 - 1996
- *Generation X:* Born 1965 - 1978
- *Baby Boomer:* Born 1946 - 1964

Company Size

- *Small Company:* 10 to 499 employees
- *Large Company:* 500 or more employees

All Workers

- Refers to all workers age 18 and older

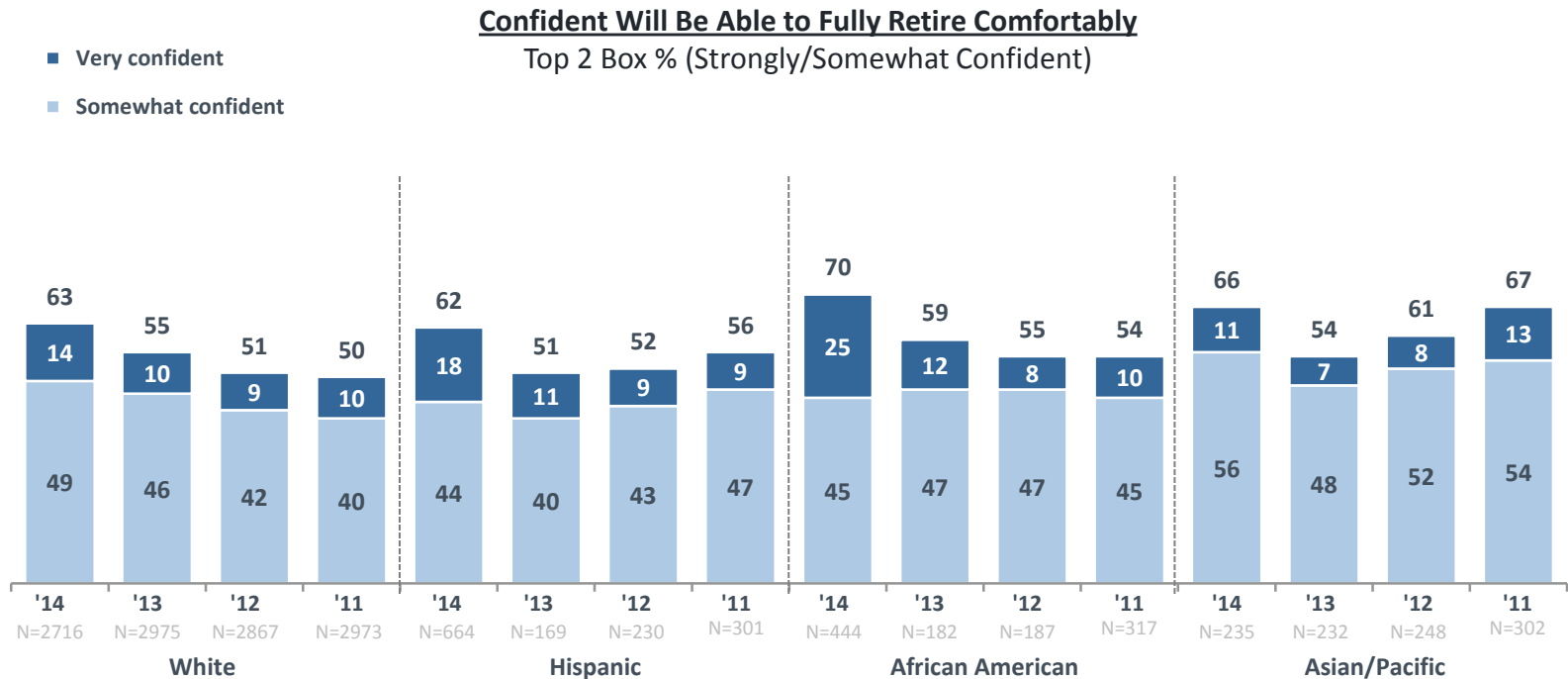


Influences of Race and Ethnicity on Retirement Preparation

Detailed Findings

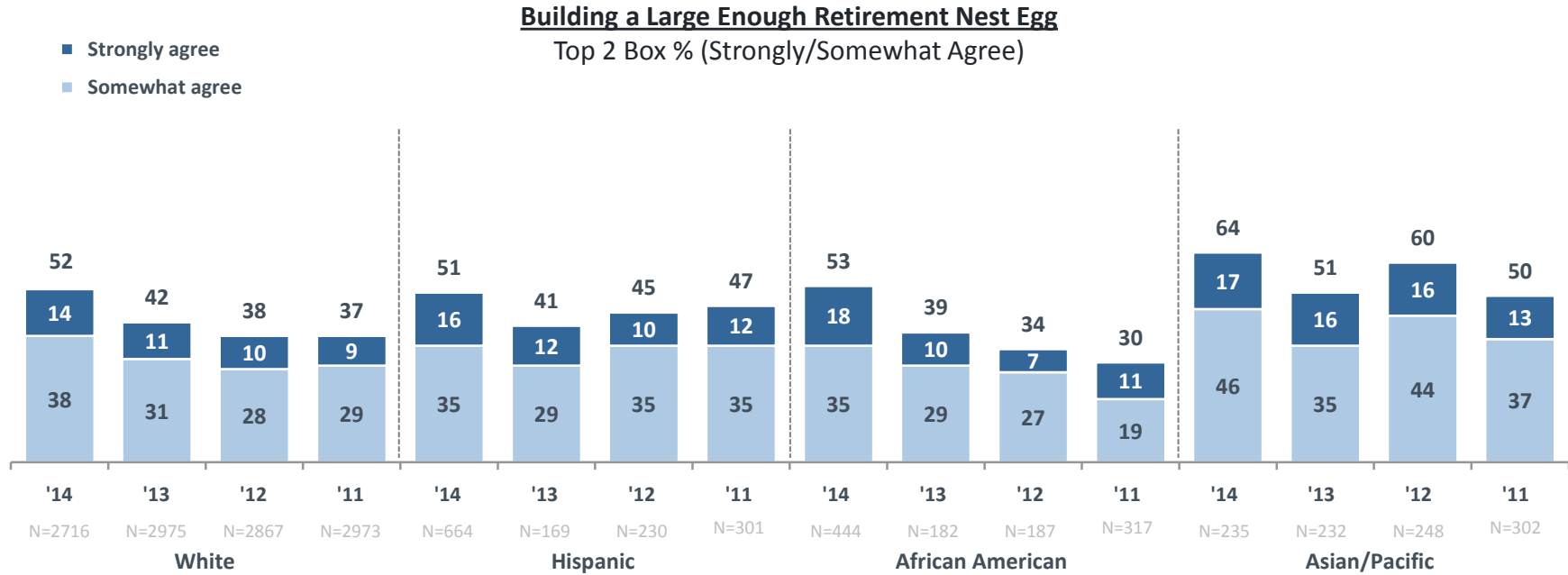
Confidence in Retiring Comfortably

Retirement confidence is relatively consistent among ethnicities. In 2014, African American workers were most likely to be “very confident” (25 percent).



Building a Large Enough Nest Egg

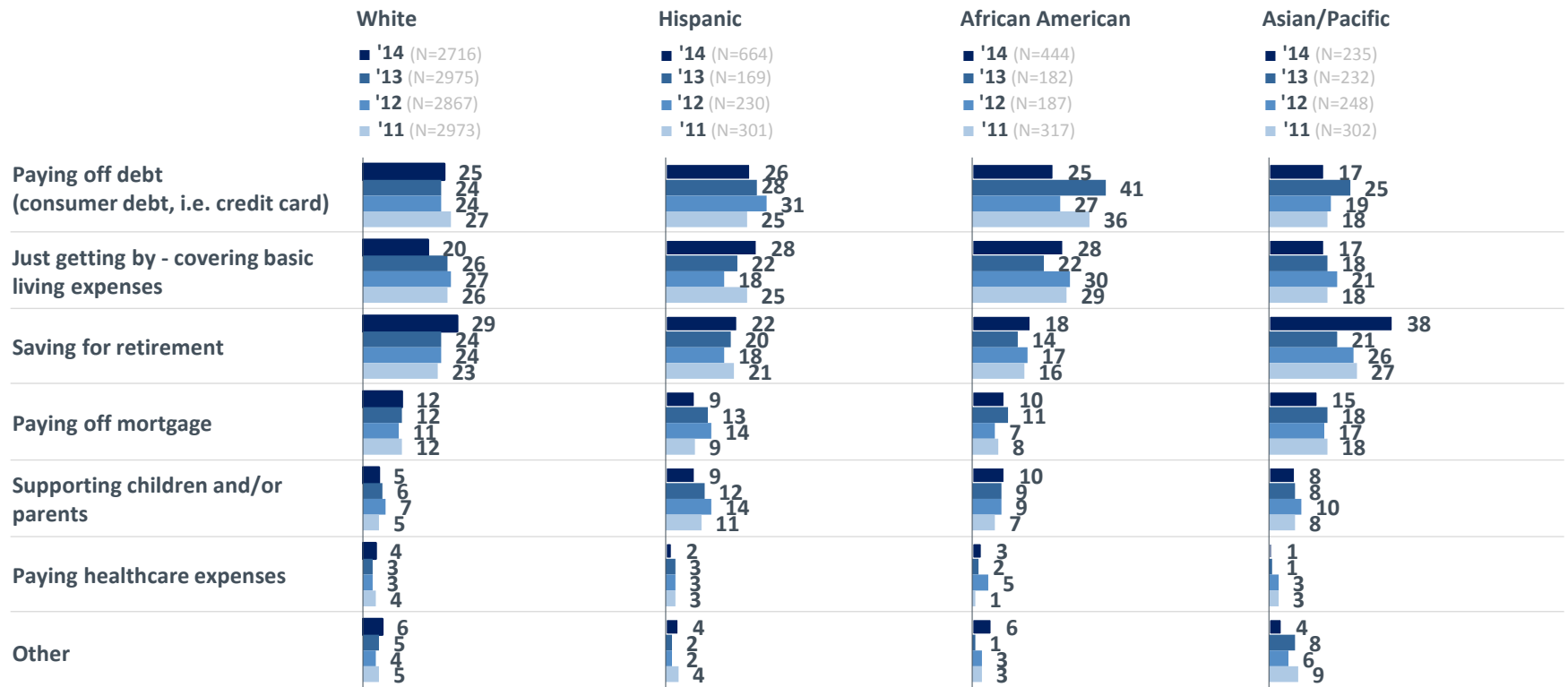
Confidence levels in building a large enough nest egg increased across all ethnic groups. Asian workers are most likely to feel they are doing so. White, Hispanic, and African American workers share similar confidence levels.



BASE: Full and Part-time Q800. How much do you agree or disagree that you are currently building a large enough retirement nest egg?

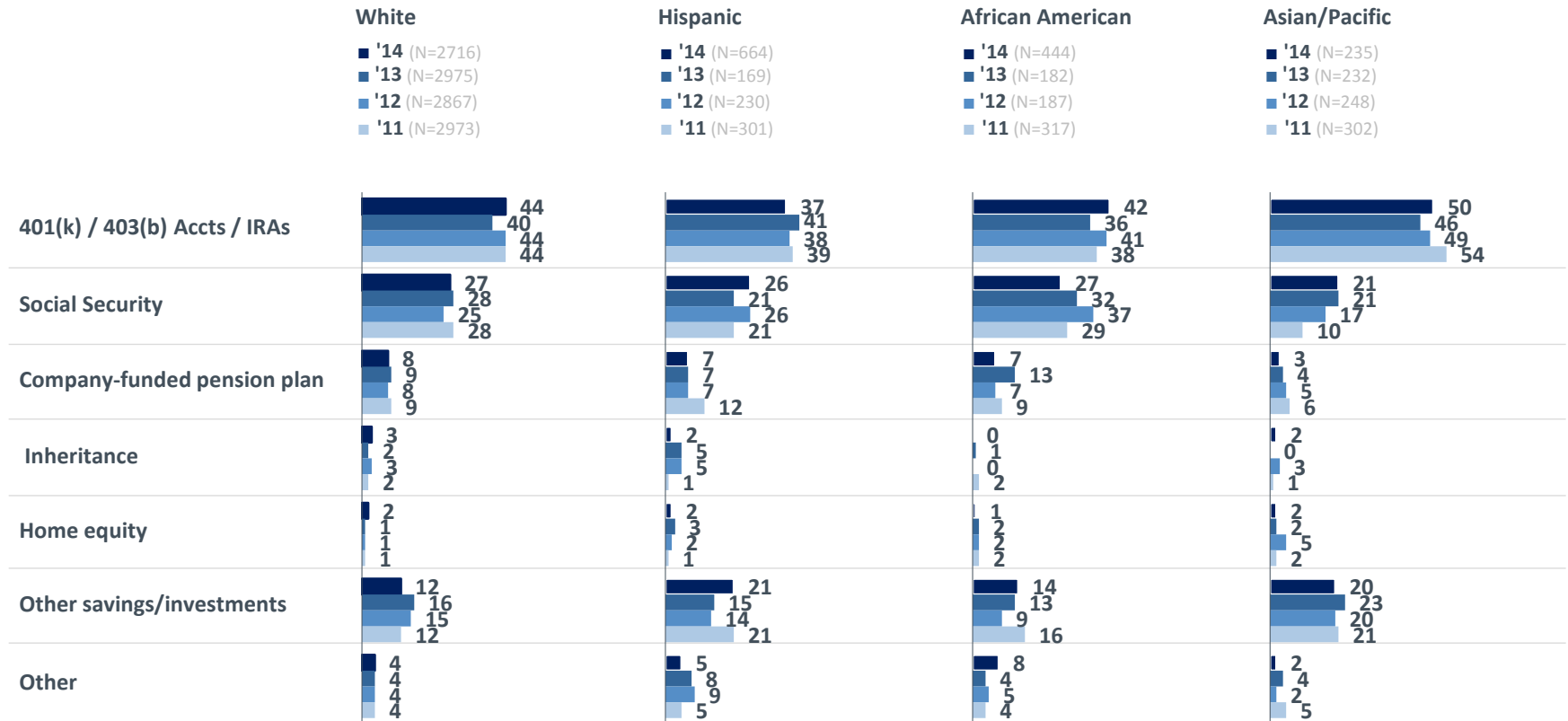
Greatest Financial Priority

“Paying off debt” and “just getting by” are the two most frequently cited top financial priorities among ethnic groups. Asian and White workers cited “saving for retirement” as their greatest priority, while African American workers were least likely to say that saving for retirement is their top priority.



Primary Source of Retirement Income

Workers across all ethnic groups continue to share similar expectations for retirement income – 401(k)s or similar accounts. Asian workers are most likely to rely on 401(k)s or similar accounts as their primary source of retirement income. African American, Hispanic and White workers all show similar anticipated reliance on Social Security.



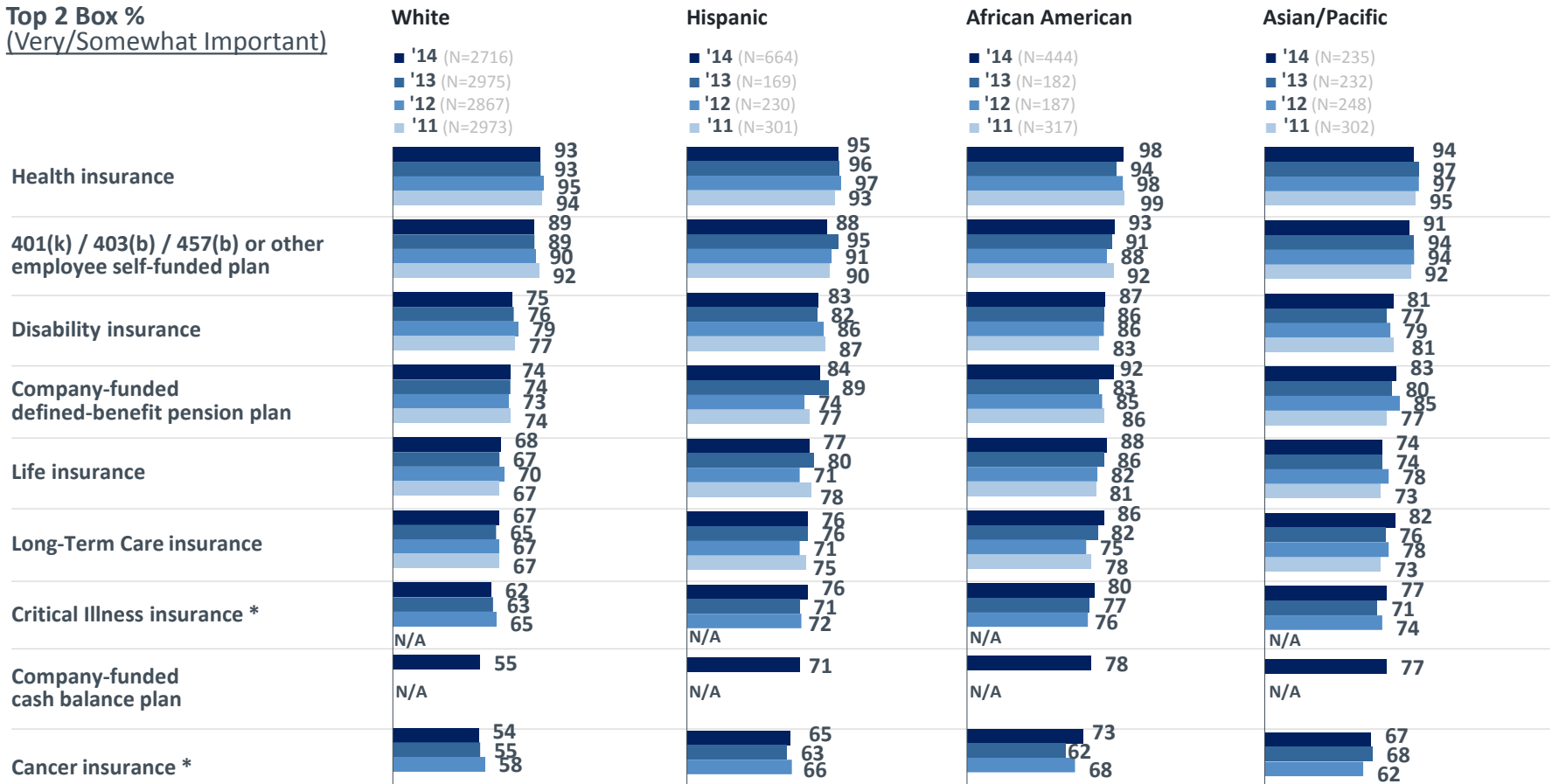
BASE: Full and Part-time

Q1150. Which one of the following do you expect to be your primary source of income to cover your living expenses after you retire?

Retirement Benefits: Importance Compared to Other Benefits

Workers in all ethnic groups view employee-funded retirement plans as second only to health insurance in importance.

Top 2 Box % (Very/Somewhat Important)



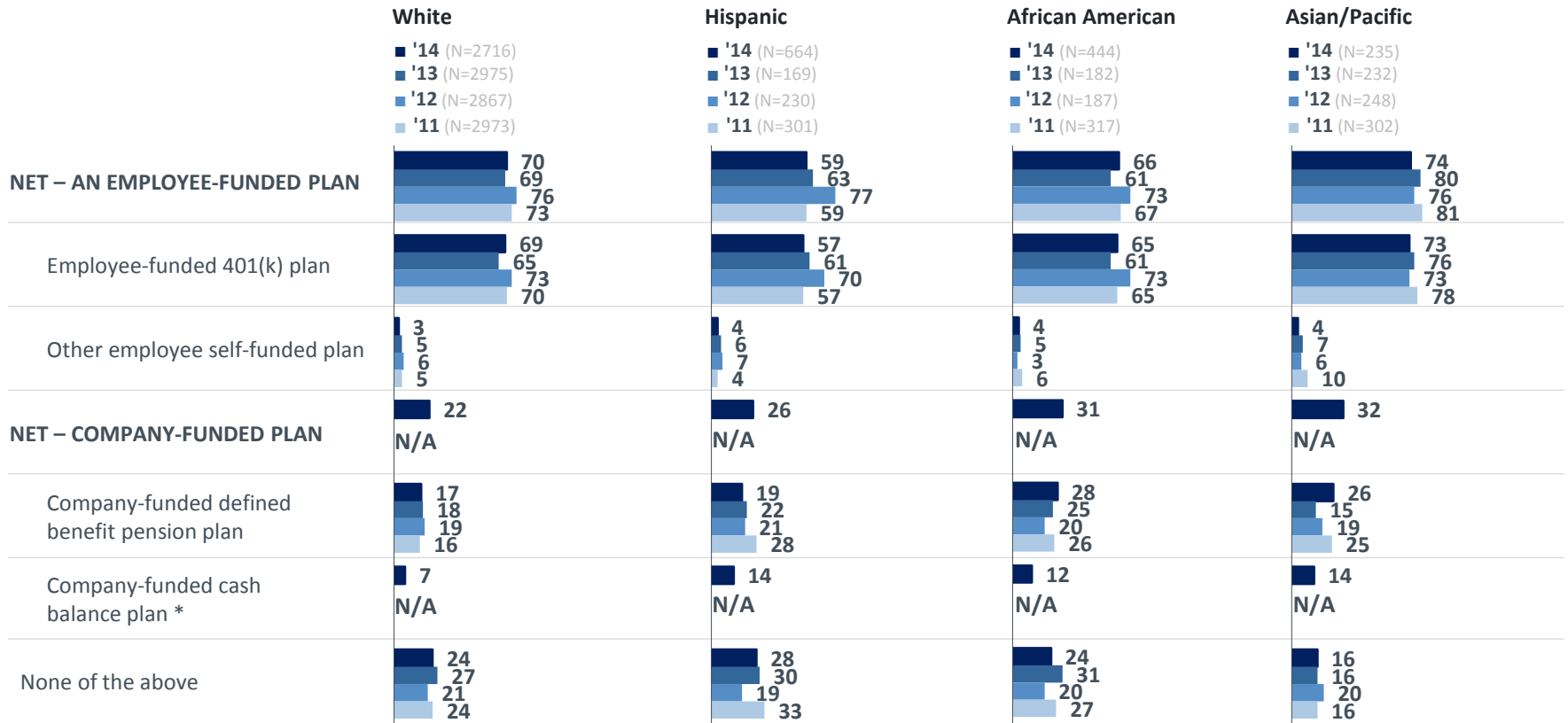
*Note: Choices added in '12 Wave

BASE: Full and Part-time

Q1171. Businesses typically offer a number of different benefits for their workers. For each of the following, please tell us how important that benefit is to you, personally.

Retirement Benefits Currently Offered

Asian workers are the most likely to have an employee-funded plan offered to them, while Hispanic workers are the least likely.



*added in 2014

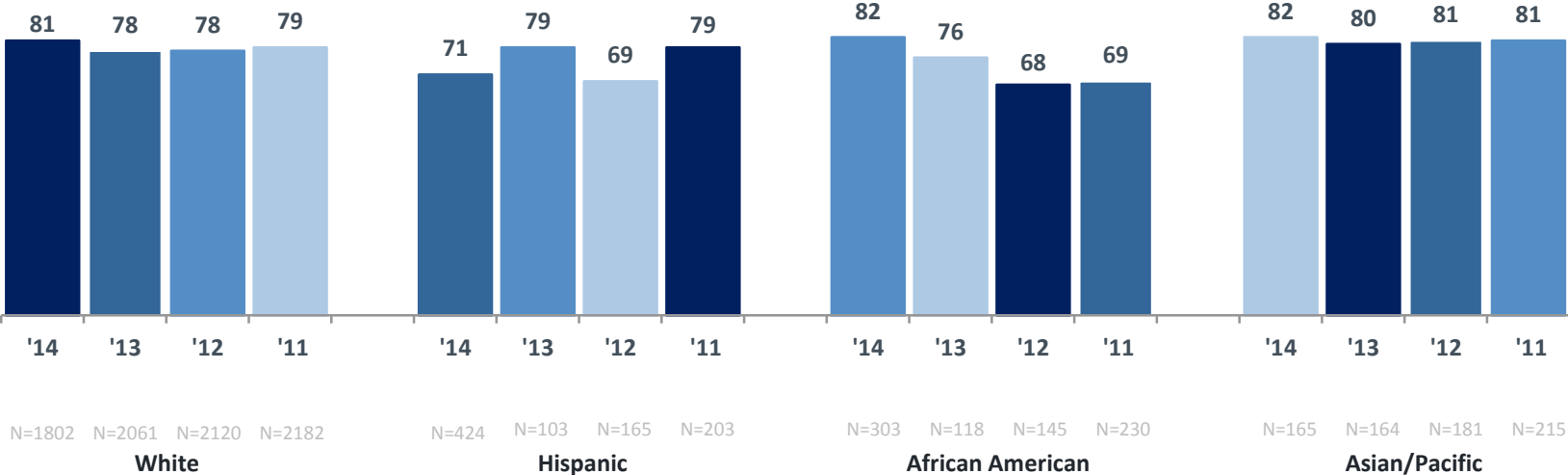
BASE: Full and Part-time

Q1180. Which of the following retirement benefits does your company currently offer to you, personally? Select all that apply.

Retirement Plan Participation Rates

When offered, participation rates in a company employee-funded retirement plan is high across all ethnic groups. In 2014, the participation rate among Hispanic workers is lower than other ethnicities.

Participation in Company's Employee-funded Retirement Savings Plan,
% Indicate "Yes"

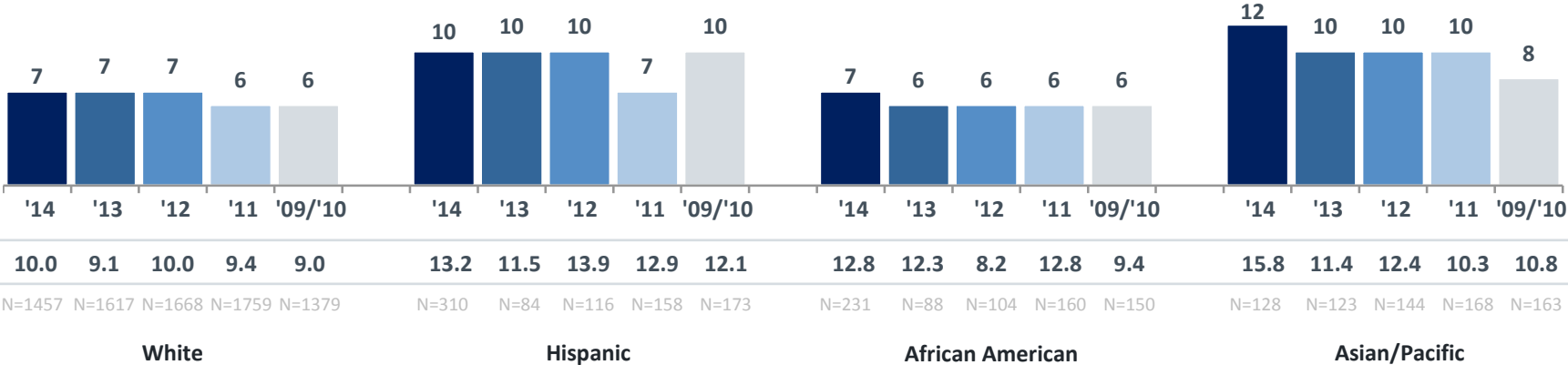


BASE: Full and Part-time; Those With Qualified Plans Currently Offered To Them
Q1190. Do you currently participate in, or have money invested in your company's employee-funded retirement savings plan?

Plan Contribution Rates

Of workers who currently participate in an employee-funded retirement plan, contribution rates are highest among Asian and Hispanic workers with median rates of 12 percent and 10 percent, respectively.

Contribution Rate, Median %



BASE: Full and Part-time; Those Participating In Company's Employee-funded Retirement Plan
 Q601. What percentage of your salary are you saving for retirement through your company-sponsored plan this year?

Estimated Retirement Savings Needs

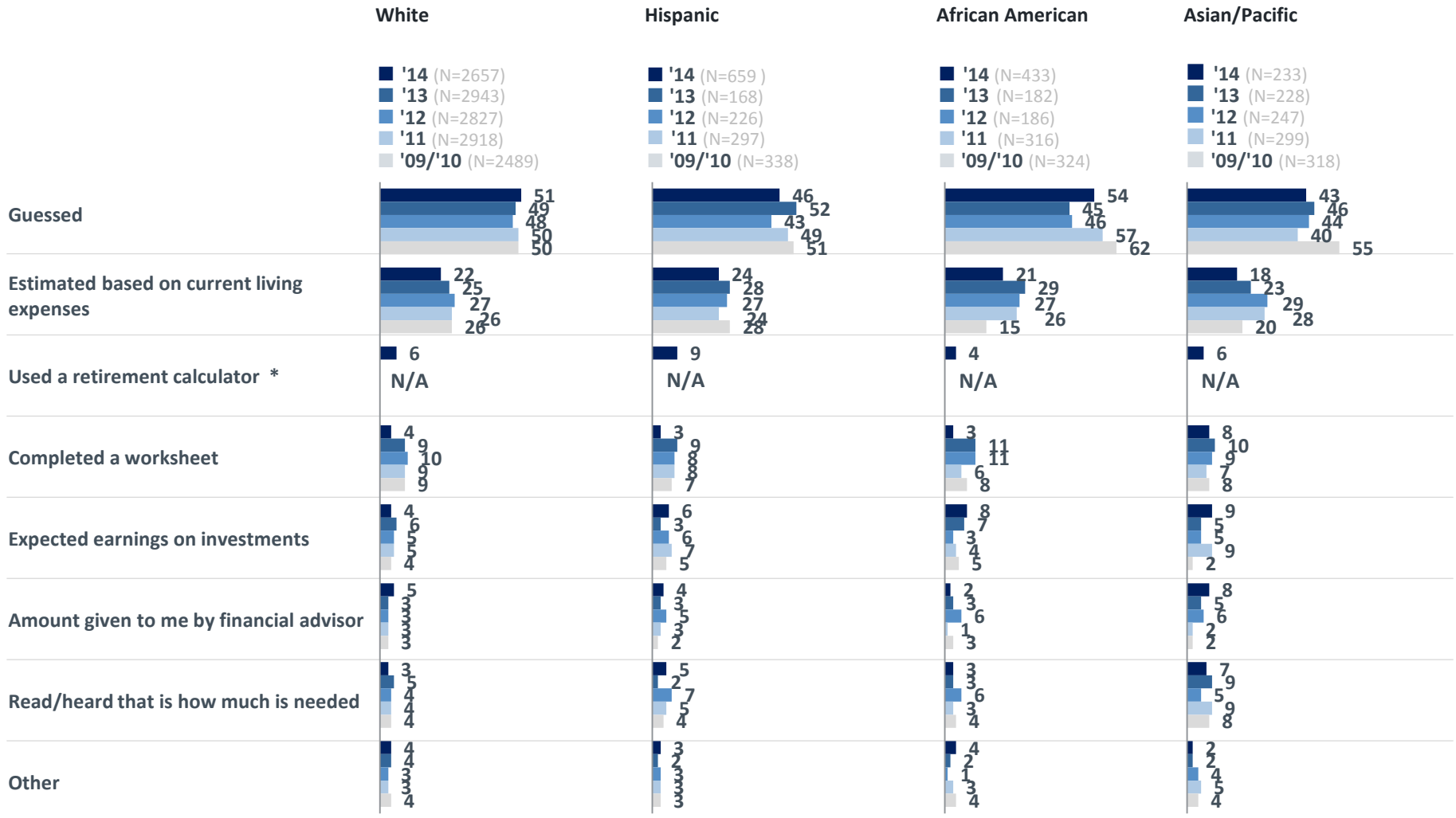
White and Asian workers estimate they will need to have saved \$1 million by the time they retire in order to feel financially secure. Hispanic and African American workers estimate they will need \$650,000 and \$500,000 (medians), respectively.

	White				Hispanic				African American				Asian/Pacific			
	'14 N=2716	'13 N=2975	'12 N=2867	'11 N=2973	'14 N=664	'13 N=169	'12 N=230	'11 N=301	'14 N=444	'13 N=182	'12 N=187	'11 N=317	'14 N=235	'13 N=232	'12 N=248	'11 N=302
\$2m or more	27	16	17	19	24	17	17	12	27	11	9	14	39	27	29	27
\$1m to less than \$2m	23	22	23	23	18	16	22	17	14	10	14	15	35	29	23	25
\$500k to less than \$1m	22	23	23	24	19	27	19	21	19	25	17	20	10	15	18	17
\$100k to less than \$500k	18	26	27	24	26	26	21	29	23	31	34	30	9	20	15	15
Less than \$100k	9	13	10	8	12	15	20	19	17	23	26	21	7	10	14	15
Not sure	0	0	0	2	0	0	0	1	0	0	0	0	0	0	0	1
Median	\$1m	\$500k	\$500k	\$700k	\$650k	\$500k	\$500k	\$500k	\$500k	\$300k	\$250k	\$400k	\$1m	\$1m	\$1m	\$1m

Note: The median is estimated based on the approximate midpoint of the range of each response category. Non-responses are excluded from the estimate.

Basis of Estimated Retirement Savings Needs

Among those who provided an estimate of their retirement savings needs, White and African American workers are more likely to have guessed at what that number should be. Hispanic workers are most likely to have used a retirement calculator.



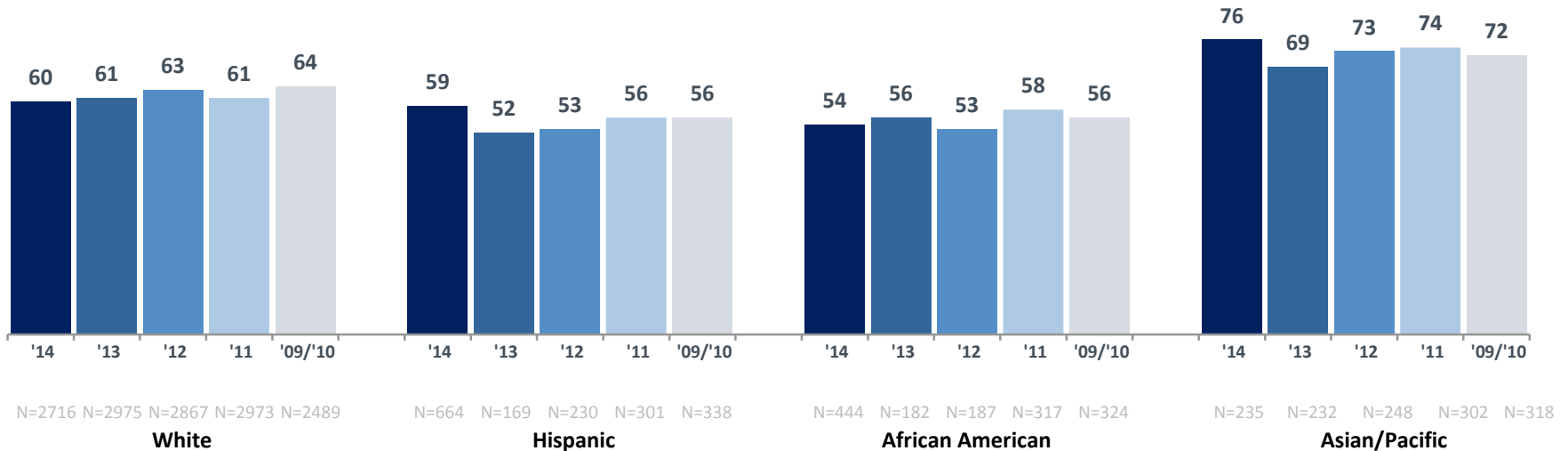
*added in 2014

BASE: Full and Part-time; Provided Estimate of Money Needed
Q900. How did you arrive at that number?

Saving For Retirement Outside of Workplace

A majority of all ethnic groups save for retirement outside of work. Asian workers are the most likely to do so, while African American workers are the least likely ethnic group to save for retirement outside of work.

Currently Saving Outside of Work,
% Indicate "Yes"

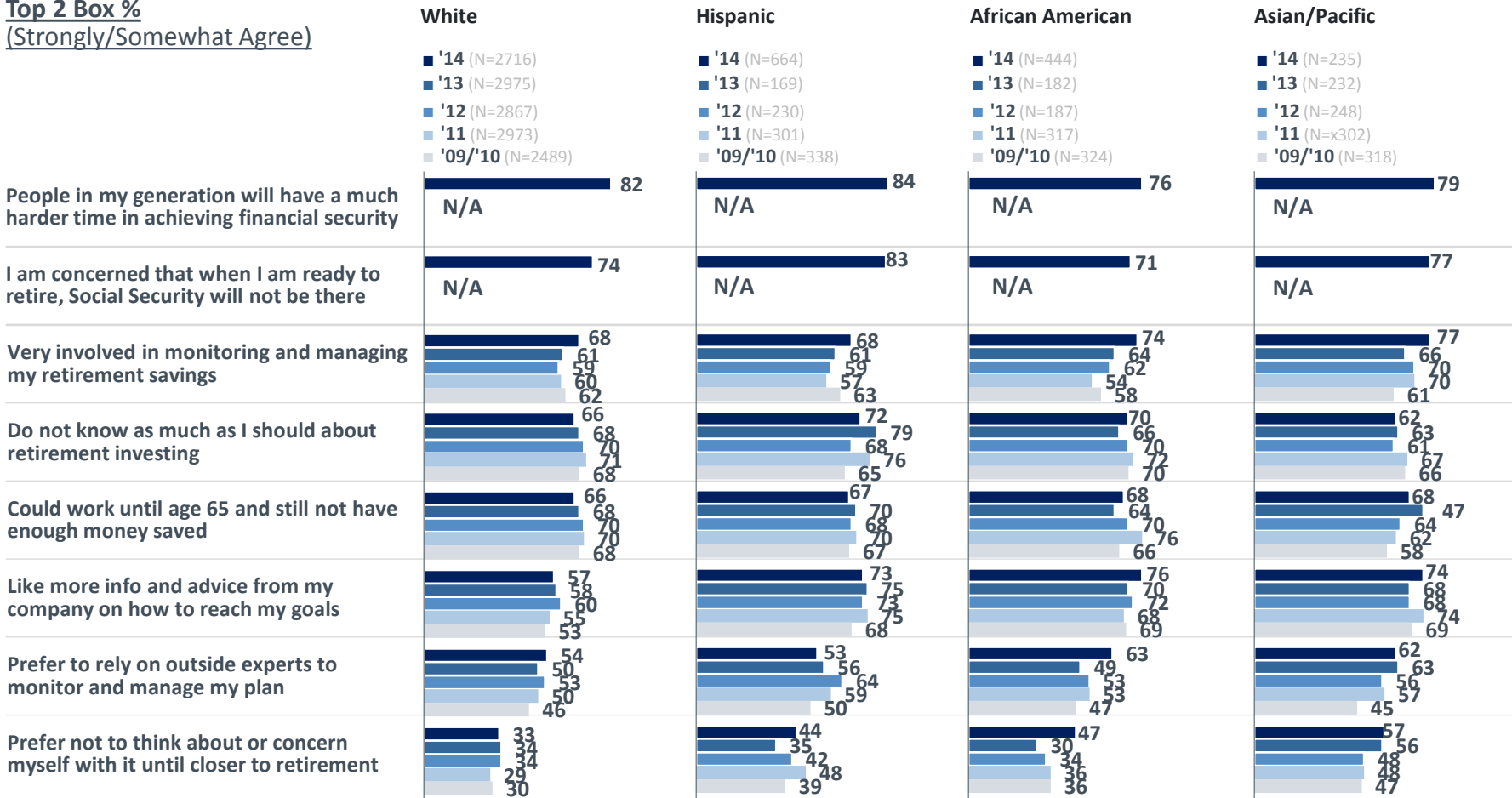


Retirement Preparation and Involvement

Hispanic, African American, and Asian workers are more likely than White workers to agree that they would like more information and advice from their company on how to reach their retirement goals.

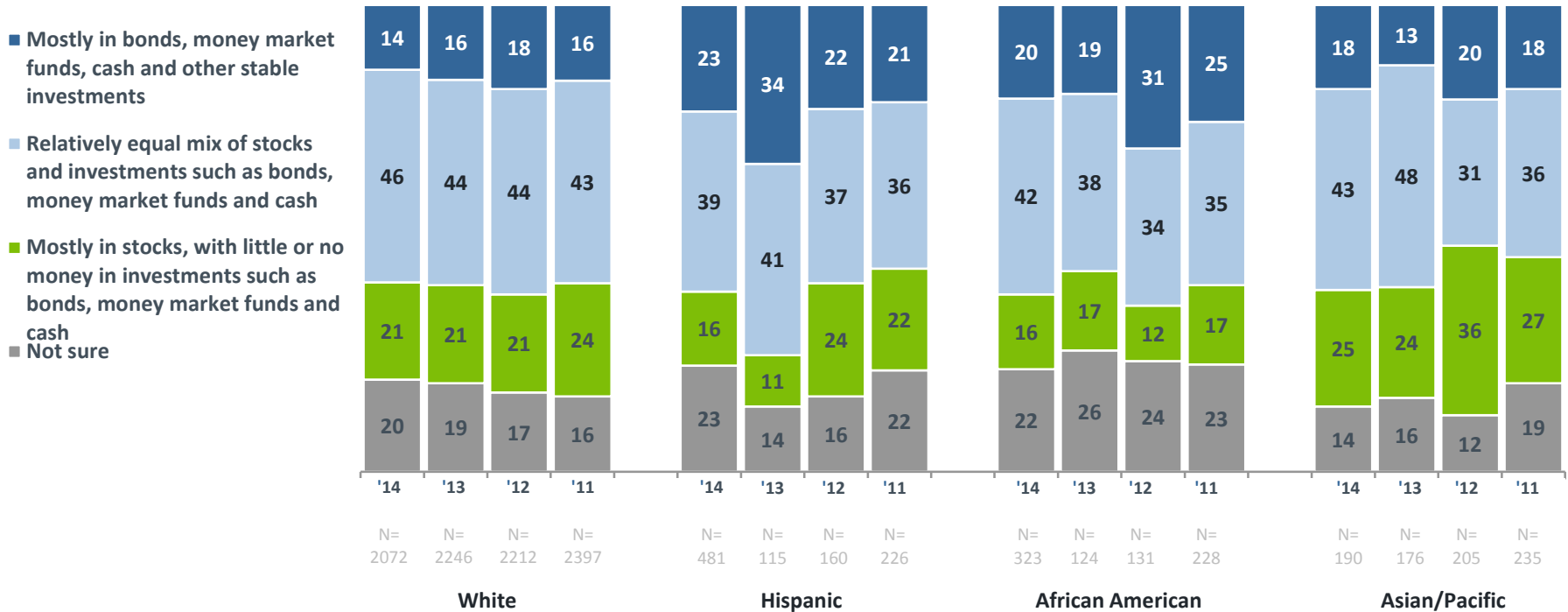
Top 2 Box %

(Strongly/Somewhat Agree)



Asset Allocation

Hispanic and African American workers are more likely than White workers to invest their retirement savings mostly in bonds, money market funds, cash and other stable investments. Across the ethnicities, one in five are “not sure” how their retirement savings are invested.



*Note: Small base size; interpret with caution

Most Influential Info Source for Retirement Planning & Investing

Financial planners continue to be the most influential for White workers, while Hispanic, African American, and Asian workers are more likely to be most influenced by financial websites and online newspapers, magazines, and blogs.

Single Most Influential Source (%)

	White				Hispanic				African American				Asian/Pacific			
	'14 N=1369	'13 N=2975	'12 N=2867	'11 N=2973	'14 N=407	'13 N=169	'12 N=230	'11 N=301	'14 N=249	'13 N=182	'12 N=187	'11 N=317	'14 N=142	'13 N=232	'12 N=248	'11 N=302
Financial planner/broker	23	23	21	22	14	12	13	13	14	16	19	9	13	16	11	15
Friends/Family	14	15	16	15	17	17	17	26	15	13	8	14	16	24	21	22
Financial websites	9	7	8	13	14	13	9	16	10	13	7	8	21	14	19	18
Retirement plan provider website	7	8	7	10	6	5	4	7	9	9	7	14	5	3	5	6
Online newspapers, magazines, and blogs *	3	3	4	N/A	6	11	6	N/A	8	4	5	N/A	8	13	5	N/A
Financial-related tv shows	3	2	2	2	3	2	6	4	4	5	6	2	2	2	4	3
Retirement calculators	3	2	3	3	2	1	6	5	2	4	2	5	2	2	2	1
Accountant	3	3	3	2	3	4	2	2	2	3	0	2	1	4	0	2
Employer	4	3	5	3	7	8	4	3	6	7	9	12	2	1	7	5
Print newspapers/magazines	3	3	3	4	2	3	5	4	2	1	3	4	4	6	3	9
Plan provider printed material	2	4	2	4	1	1	3	1	2	2	2	5	0	0	1	3
Insurance agent	1	1	1	1	3	2	2	1	1	2	0	0	1	2	1	0
Lawyer	0	0	1	0	1	0	1	0	1	0	0	0	1	0	0	1
Social media *	0	0	0	N/A	1	1	0	N/A	0	0	0	N/A	0	1	4	N/A
Other	4	4	3	4	3	2	4	2	4	3	5	4	4	3	2	2
None	24	22	21	19	17	17	16	16	19	18	26	20	19	11	15	13

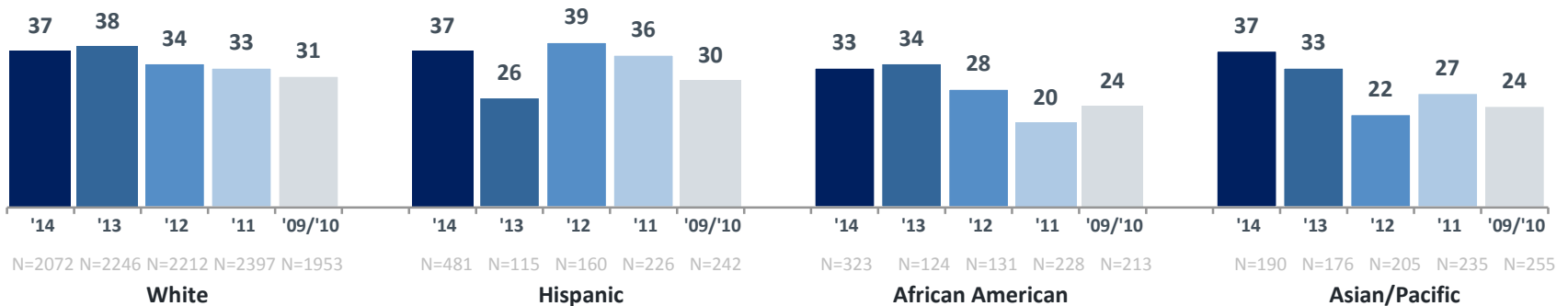
*Choices added in '12 Wave

BASE: Full and Part-time
Q826. Of these sources, which one influences your decisions the most?

Use a Professional Financial Advisor

Regardless of race/ethnicity, a similar level of workers currently saving for retirement use a professional financial advisor to help them manage their retirement savings or investments.

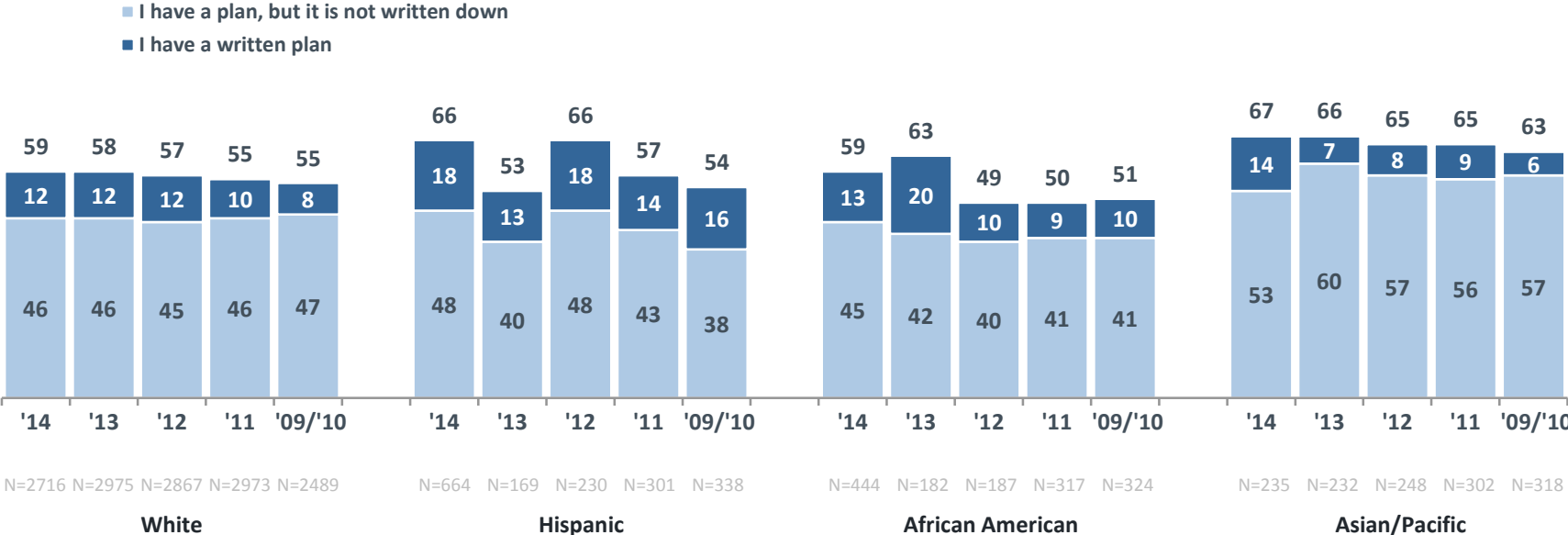
Use a Professional Financial Advisor,
% Indicate “Yes”



Retirement Strategy: Written Plans

The number of Hispanic workers who have a plan for retirement has increased significantly since last year while the number of African American workers who have a written plan has dropped significantly since last year.

% Indicate "Have Plan"



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