



FINANCIAL RESOLUTIONS, MISTAKES, AND ACCOMPLISHMENTS

April 2019



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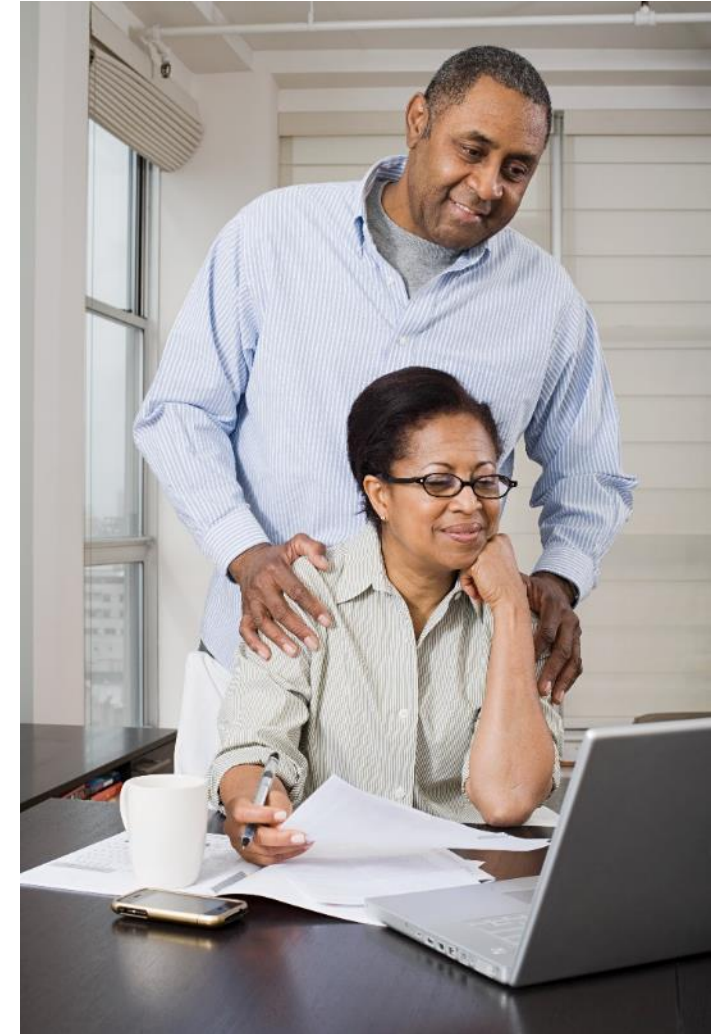
KEY FINDINGS

Key Findings

Six in ten (60%) adults ages 35+ **made a resolution or goal for 2019 related to saving money.**

- The three most common savings resolutions for 2019 reflect a mix of longer-term and shorter-term goals, including **building up an emergency fund** (45% of those who made a 2019 savings resolutions), **saving for a vacation** (41%), and **paying off debt** (37%). **Saving for retirement** is the fourth most common savings resolution, cited by 35% of those who made a savings resolution for 2019.
- More than four in ten (43%) of those who made a savings resolution for 2019 are **already at risk of not meeting their goal**, with many attributing their difficulty to **unexpected expenses, basic expenses, or a drop in income.**

Buying a house is the most frequently mentioned “**biggest financial accomplishment,**” identified by nearly one in four (23%) adults ages 35+.



Key Findings (continued)

- The **most common financial mistake relates to not saving enough** (not saving in general, not saving enough, or not saving earlier), cited by one in five adults ages 35+ as their “biggest financial mistake.”
- **Saving and debt** are the money issues that lead to the **most regrets**.
 - Three in ten (29%) adults ages 35+ have **“a lot of regrets”** about **saving for retirement**, nearly as many (27%) feel this way about **saving in general**, and one in five (20%) have a lot of regrets related to **how they have managed their debt**.
- Nearly six in ten (59%) say that they are only somewhat likely or less to have **enough money throughout retirement if relying only on savings, investments, and Social Security**.
 - Among those who are unsure if they will have enough money in retirement, over four in ten attribute their doubts to **uncertainty about Social Security** and **to not making enough to save** (each cited by 43%). Many (35%) also express **uncertainty about how much money they will need in retirement or how much to save**.

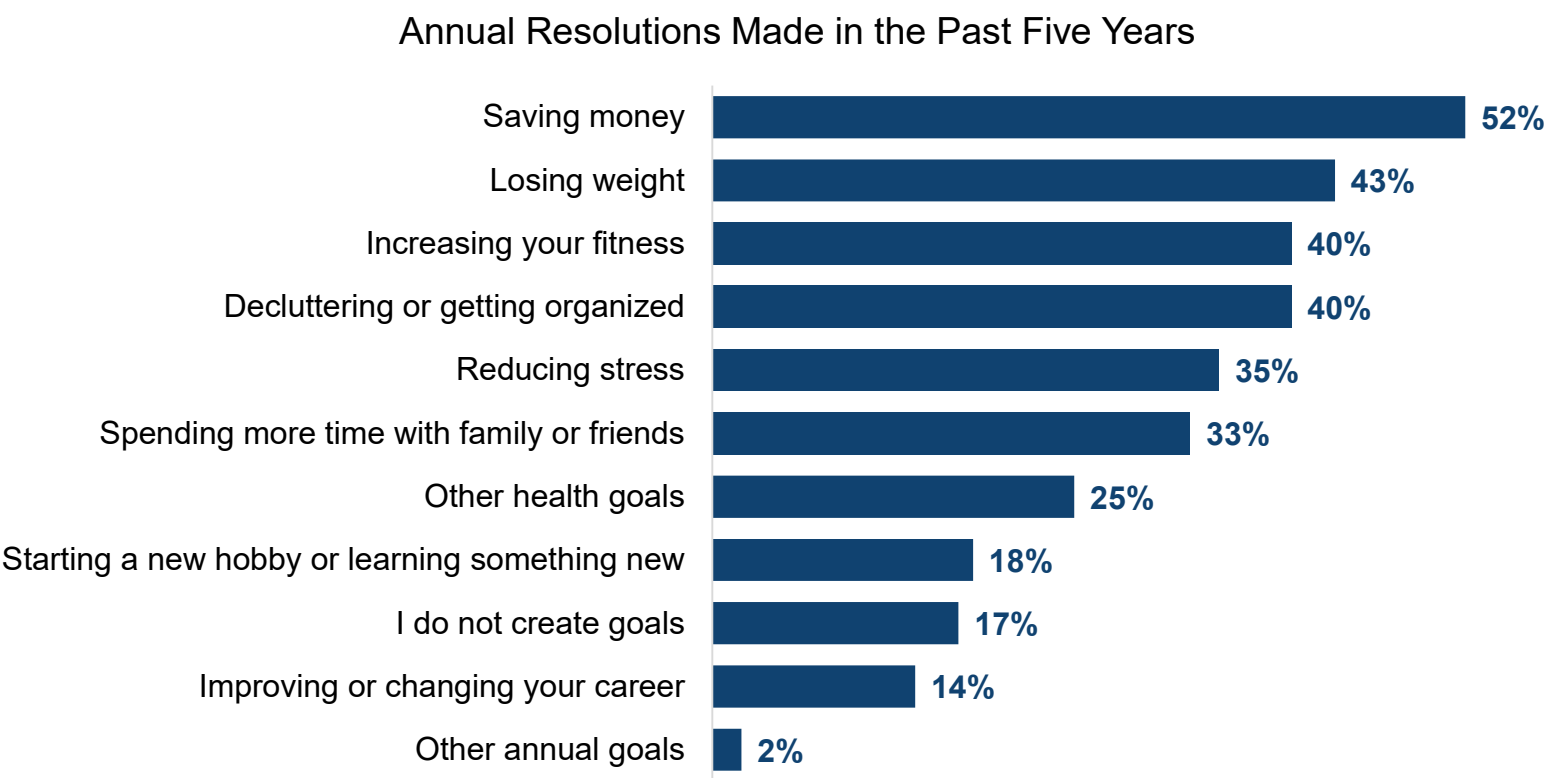


The background of the slide is a vibrant green surface covered with numerous white piggy banks. The piggy banks are of various sizes and are scattered across the frame, some facing forward and others in profile. They have a glossy finish and a small slot on their backs for inserting coins. The lighting creates soft shadows beneath each piggy bank, giving them a three-dimensional appearance.

RESOLUTIONS AND GOALS

More than eight in ten (83%) have made a resolution or goal within the past five years.

The most common resolution made within the past five years relates to saving money, cited by just over half of adults ages 35+. The next most common resolutions relate to losing weight (43%), increasing your fitness (40%), and decluttering or getting organized (40%).



1. Within the past 5 years, have you created any annual resolutions or goals for any of the following areas of your life? Check all that apply.

Women are more likely than men to have created a resolution related to losing weight or decluttering/getting organized.

Men and women are equally likely to have created a resolution or goal related to saving money within the past five years (53% of men and 51% of women). Nearly half (46%) of women have made a resolution related to losing weight or decluttering, compared to just 39% and 33% of men, respectively.

Annual Resolutions or Goals Within the Past Five Years

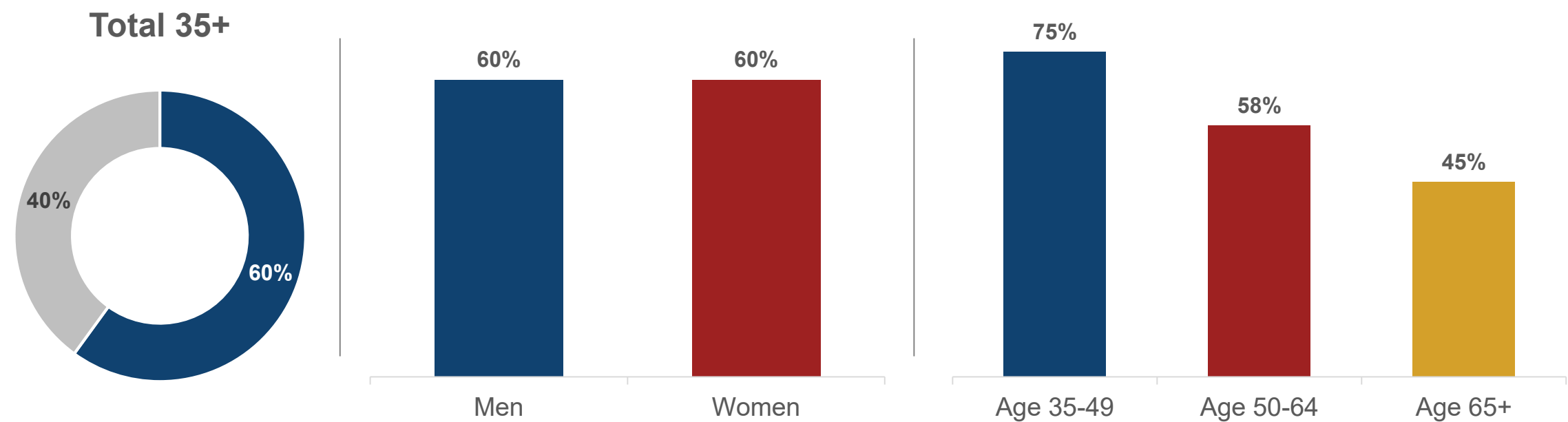
	Men (n=750)	Women (n=750)
Saving money	53%	51%
Losing weight	39%	46%
Increasing your fitness	39%	42%
Decluttering or getting organized	33%	46%
Reducing stress	32%	37%
Spending more time with family or friends	31%	34%
Other health goals	23%	26%
Starting a new hobby or learning something new	16%	19%
I do not create goals	18%	17%
Improving or changing your career	15%	14%
Other annual goals (Please specify)	2%	2%



1. Within the past 5 years, have you created any annual resolutions or goals for any of the following areas of your life? Check all that apply.

When asked specifically about 2019, most say that they made a resolution related to saving money in 2019.

Women and men (60% of each) are equally likely to say that they have made a resolution related to saving money in 2019. Adults ages 35-49 (75%) are more likely to have done this, compared to adults ages 50-64 (58%) and those ages 65+ (45%).



2. Did you create any resolutions or goals related to saving money for 2019, such as saving money for a particular purpose or saving more money generally? Base: All respondents. (Unweighted ns: 1500 total, 750 men, 750 women, 525 ages 35-49, 540 ages 50-64, and 435 ages 65+.)

Savings resolution for 2019 include a mix of short-term and long-term goals.

Among those who made a savings resolution for 2019, the most common is to build up an emergency fund (45%). Other common objectives include saving for vacation/travel (41%), paying off a significant debt (37%) and building up a retirement fund (35%).



3. What was the objective of your savings resolutions or savings goals for 2019? Check all that apply.
Base: Made a savings resolution for 2019 (Q2=Yes; n=883)

Among adults ages 35-64, building up an emergency fund is a more common savings resolution than building up a retirement fund.

Adults ages 35-49 are more likely than older adults to have named many savings objectives including vacation/travel, paying off debt, building a retirement fund, buying a car, saving for college expenses and buying a home. Adults ages 65+, most of whom are already retired, are less likely than adults ages 35-64 to say that they are building up a retirement fund. Men who made a savings resolution for 2019 are more likely than women to identify buying a car as their savings objective (22% of men vs. 15% of women).

Objective of 2019 Savings Resolution					
<i>Base: Made a savings resolution for 2019</i>	Men (n=439)	Women (n=444)	35-49 (n=386)	50-64 (n=302)	65+ (n=195)
Building up my emergency fund	43%	47%	44%	49%	41%
Vacation/travel	43%	40%	49%	33%	39%
Paying off a significant debt, such as a credit card, student loan, or a mortgage	35%	39%	44%	33%	28%
Building up my retirement fund	38%	33%	34%	44%	24%
Home repairs/improvements	30%	31%	34%	27%	30%
Buying a car	22%	15%	25%	16%	10%
Saving for or paying for children's college expenses	15%	14%	24%	11%	2%
Paying off medical debt for myself or family	12%	12%	15%	9%	10%
Buying a home	11%	11%	16%	7%	5%
Other (please specify)	3%	5%	3%	3%	7%

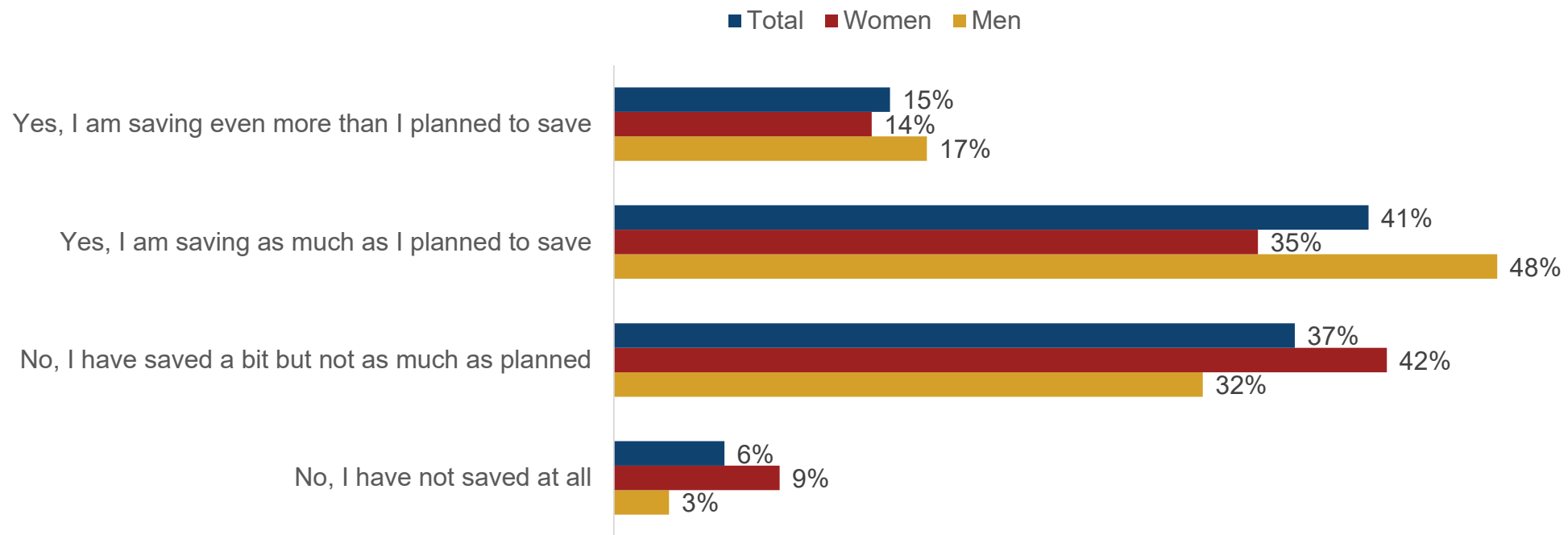


3. What was the objective of your savings resolutions or savings goals for 2019? Check all that apply. Base: Made a savings resolution for 2019 (Q2=Yes)

Half (51%) of women who made savings resolutions for 2019 are already saving less than planned or not at all.

Of women who made savings resolutions for 2019, 42% have saved less than planned and 9% haven't saved at all for a total of 51% who are at risk of not meeting their goal. This compares to just 35% of men who are at risk of not meeting their goal. Findings varied little by age.

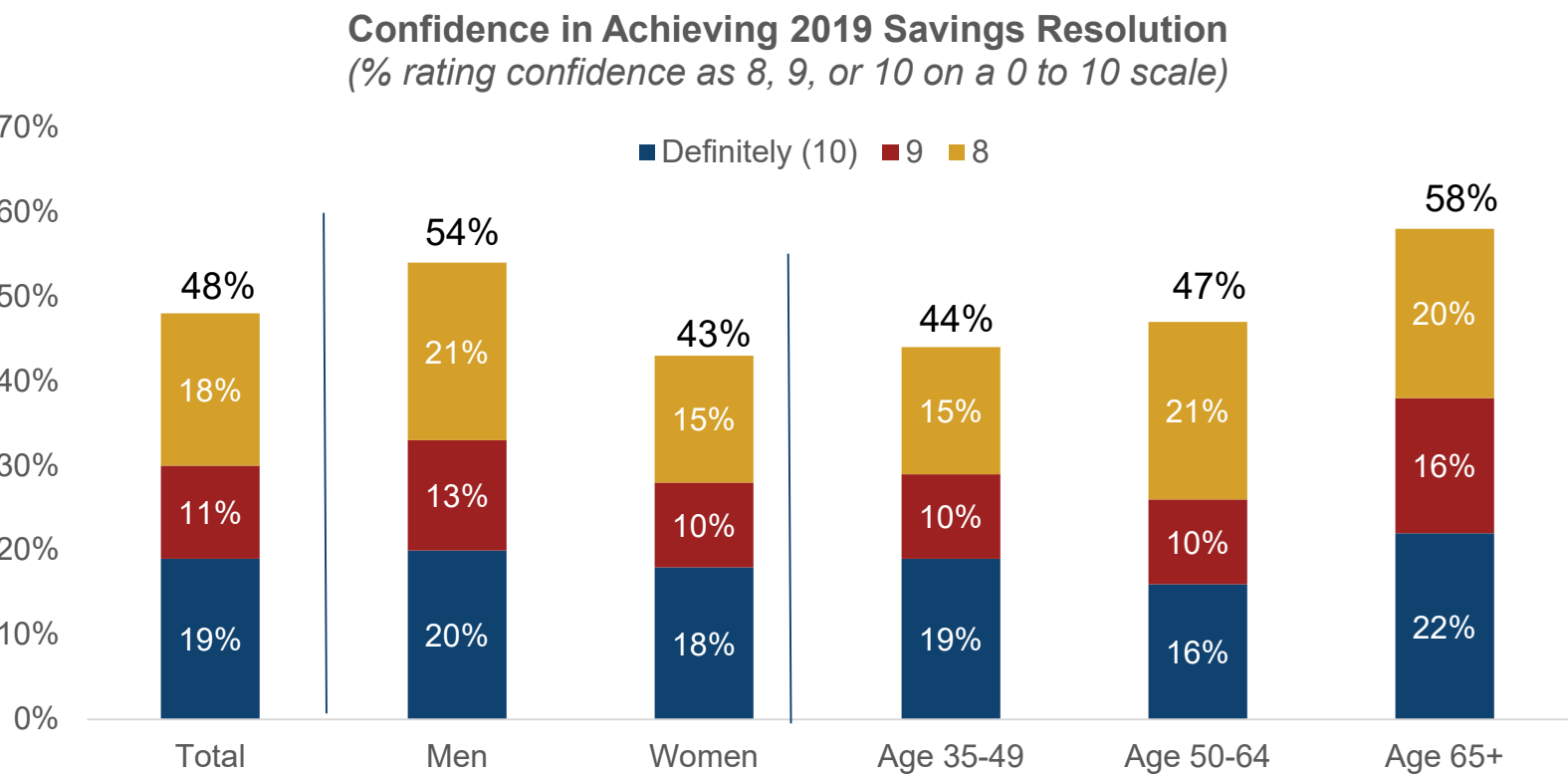
Are you on track to reach your savings resolution or goals for 2019?
(Base: Made a savings resolution for 2019)



4. Are you on track with your savings resolutions or goals for 2019 so far? Please select the statement that best represents your current progress.
Base: Made a savings resolution for 2019; Q2=Yes. (Unweighted ns: 883 total, 439 men, 444 women, 386 35-49, 302 50-64, 195 65+)

Less than half (48%) of those who made a savings resolution for 2019 are confident that they will achieve it by the end of the year.

Just over half (54%) of men who have made a savings resolution for 2019 are confident, compared to just 43 percent of women. Adults ages 65+ (58%) are more confident than their younger counterparts.

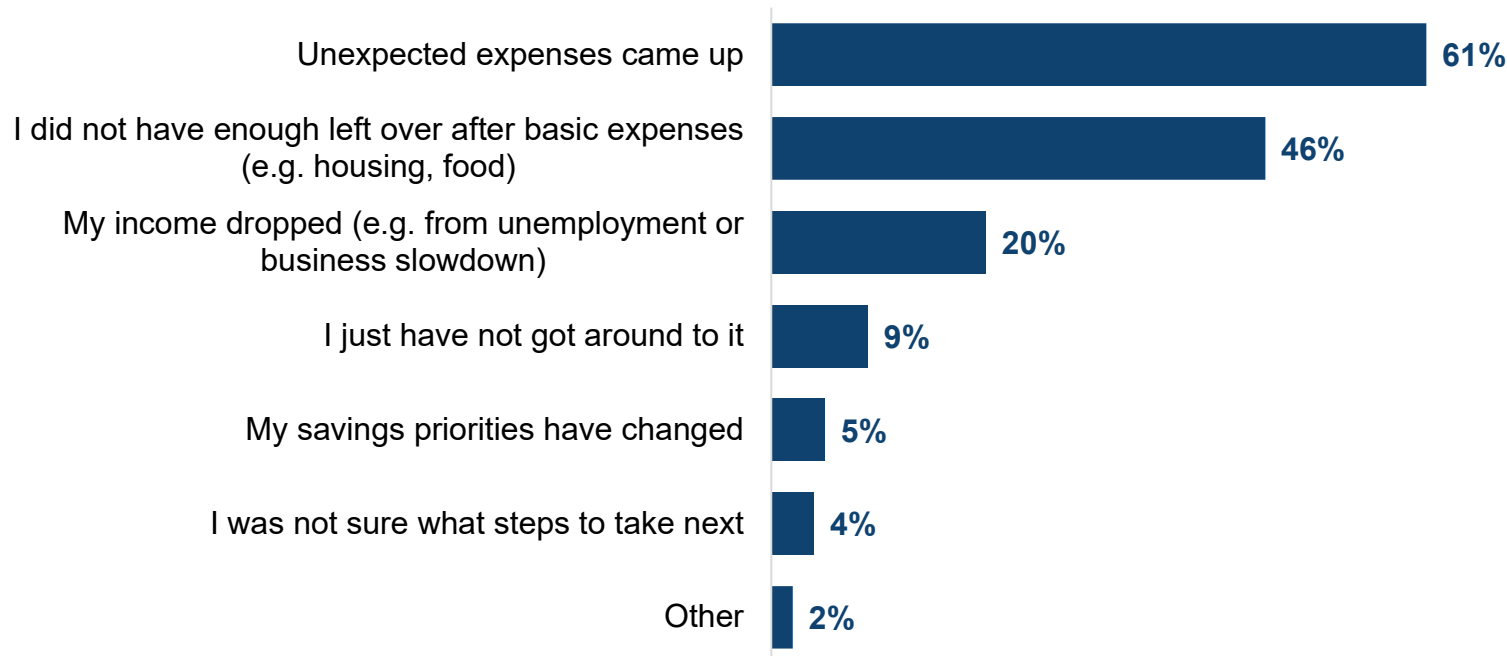


5. How confident are you that you'll meet your 2019 savings resolution or goal by the end of the year? (11-point scale: 0=not at all confident, 10=will definitely meet my goal) Base: Made a savings resolution for 2019; Q2=Yes. (Unweighted ns: 883 total, 439 men, 444 women, 386 35-49, 302 50-64, 195 65+)

Among those who are saving less than planned or not at all, unexpected expenses are the top obstacle to achieving savings resolutions.

Not having enough left over after basic expenses is the next most common challenge, cited by nearly half (46%) of those who made a savings resolution in 2019 but are saving less than planned.

Obstacles to Achieving Savings Resolution for 2019
(Base: Made a savings resolution but have saved less than planned.)



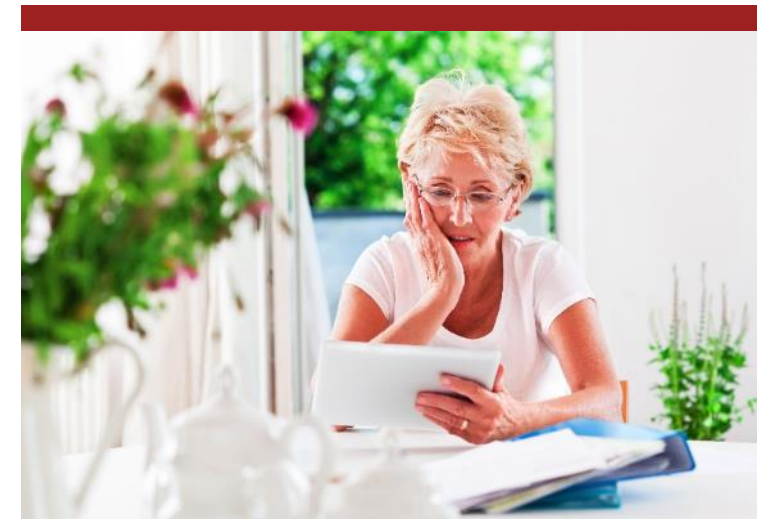
6. What has prevented you from saving as much as you planned so far in 2019? Check all that apply.
Base: Q4= saved not as much as planned or haven't saved at all. (Unweighted ns: 397 total)

Unexpected expenses is the most common barrier to achieving savings resolutions regardless of gender and age.

Half of women who are behind on their 2019 savings resolutions (51%) cite basic expenses as a barrier to saving, compared to just four in ten (39%) men. Obstacles varied little by age except for the fact that adults ages 35-49 (9%) are more likely than adults ages 50+ (less than 1%) to state that they are unsure of the steps to take.

<i>Obstacles to Achieving 2019 Savings Resolution</i>				
<i>Base: Made a savings resolution for 2019 but have saved less than planned.</i>	<i>Men (n=159)</i>	<i>Women (n=238)</i>	<i>35-49 (n=176)</i>	<i>50+ (n=221)</i>
Unexpected expenses came up	59%	61%	56%	65%
I did not have enough left over after basic expenses (e.g. housing, food)	39%	51%	44%	48%
My income dropped (e.g. from unemployment or business slowdown)	22%	19%	22%	18%
I just have not got around to it	9%	9%	10%	8%
My savings priorities have changed	7%	4%	6%	5%
I was not sure what steps to take next	3%	5%	9%	---
Other	1%	3%	3%	2%

--- = Less than .05 percent.



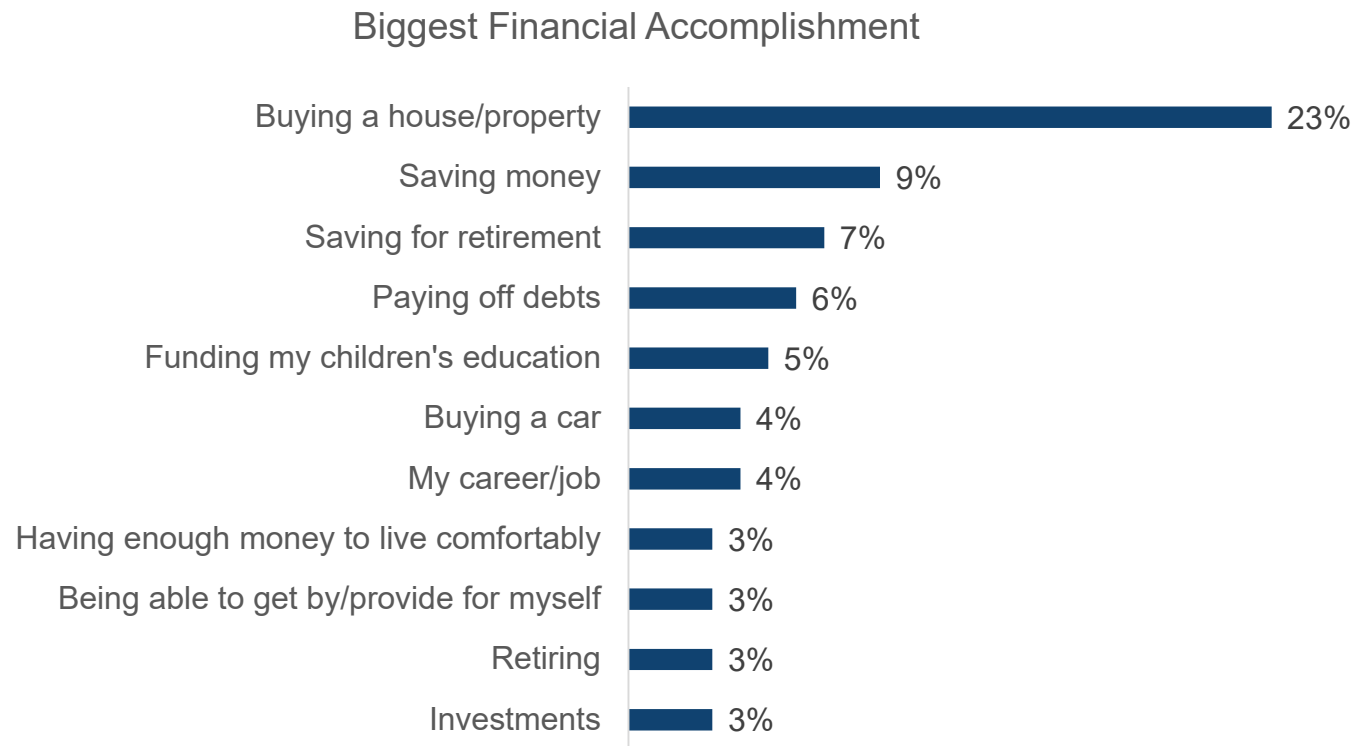
6. What has prevented you from saving as much as you planned so far in 2019? Check all that apply. Base: Q4= saved not as much as planned or haven't saved at all.



**BIGGEST FINANCIAL
ACCOMPLISHMENT**

Buying a house is the most common “biggest financial accomplishment.”

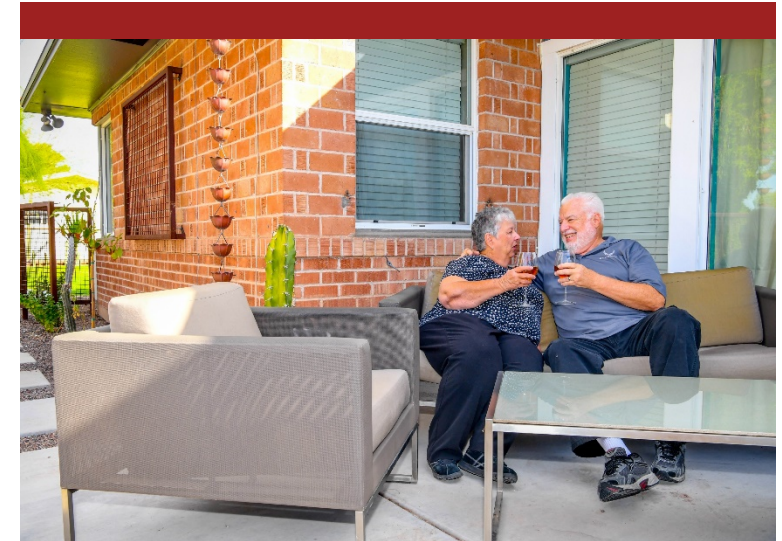
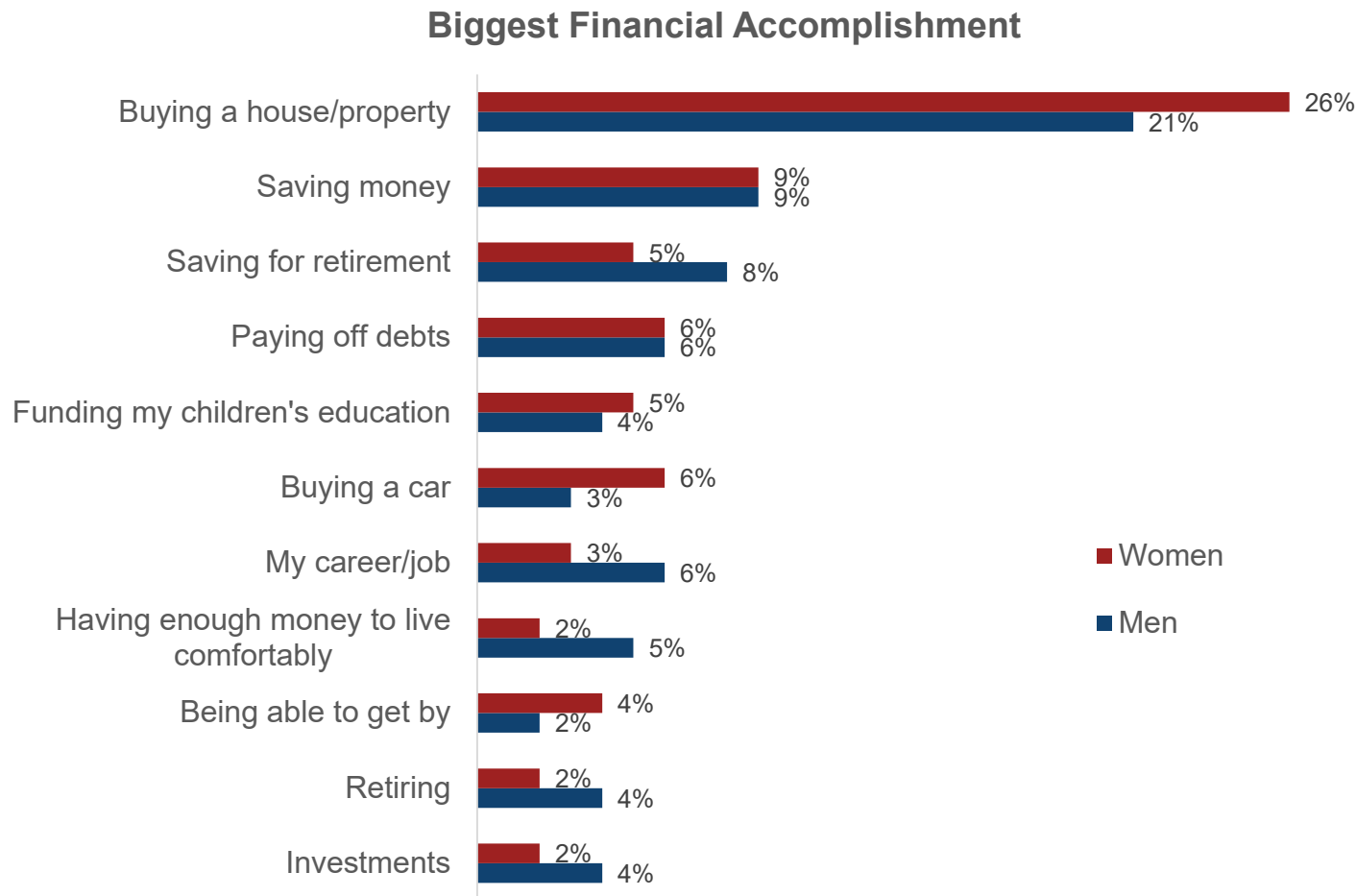
Saving money is the next most commonly named financial accomplishment—15% name either saving money generally (9%) or saving for retirement (7%). One in ten (10%) named an accomplishment related to paying off debt, such as paying off debt generally (6%), paying off credit card debt (2%), paying off mortgage (1%), and paying off student loan debt (1%).*



15. Thinking back over your life, what would you say has been your biggest financial accomplishment? (Open-Ended.) Base: All respondents. *Chart displays responses provided by at least 3% of respondents.

Buying a home is by far the most commonly identified biggest financial accomplishment for both men and women.

Men are more likely than women to name saving for retirement, their career/job, having enough money to live comfortably, retiring, and investments as their biggest financial accomplishment.



15. Thinking back over your life, what would you say has been your biggest financial accomplishment? (Open-Ended.) Base: All respondents. Unweighted ns: 750 men, 750 women.

*Chart displays responses provided by at least 3% of respondents.

Buying a home is the top financial accomplishment across all ages.

Adults ages 35-49 are more likely than older adults to say that their biggest financial accomplishment is saving money generally. Compared to younger adults, those ages 65+ are more likely to identify retiring, having enough money to live comfortably, and investments.

<i>Biggest Financial Accomplishment</i>			
Base: All Respondents	35-49 (n=525)	50-64 (n=540)	65+ (n=435)
Buying a house/property	26%	23%	21%
Saving money	12%	6%	8%
Saving for retirement	5%	7%	9%
Paying off debts	6%	7%	6%
Funding my children's education	3%	5%	6%
Buying a car	5%	5%	4%
My career/job	6%	4%	4%
Having enough money to live comfortably	2%	3%	5%
Being able to get by	3%	4%	3%
Retiring	--	2%	6%
Investments	2%	2%	4%



15. Thinking back over your life, what would you say has been your biggest financial accomplishment? (Open-Ended) (Base: All Respondents.) Table displays answers provided by at least 3% of respondents.

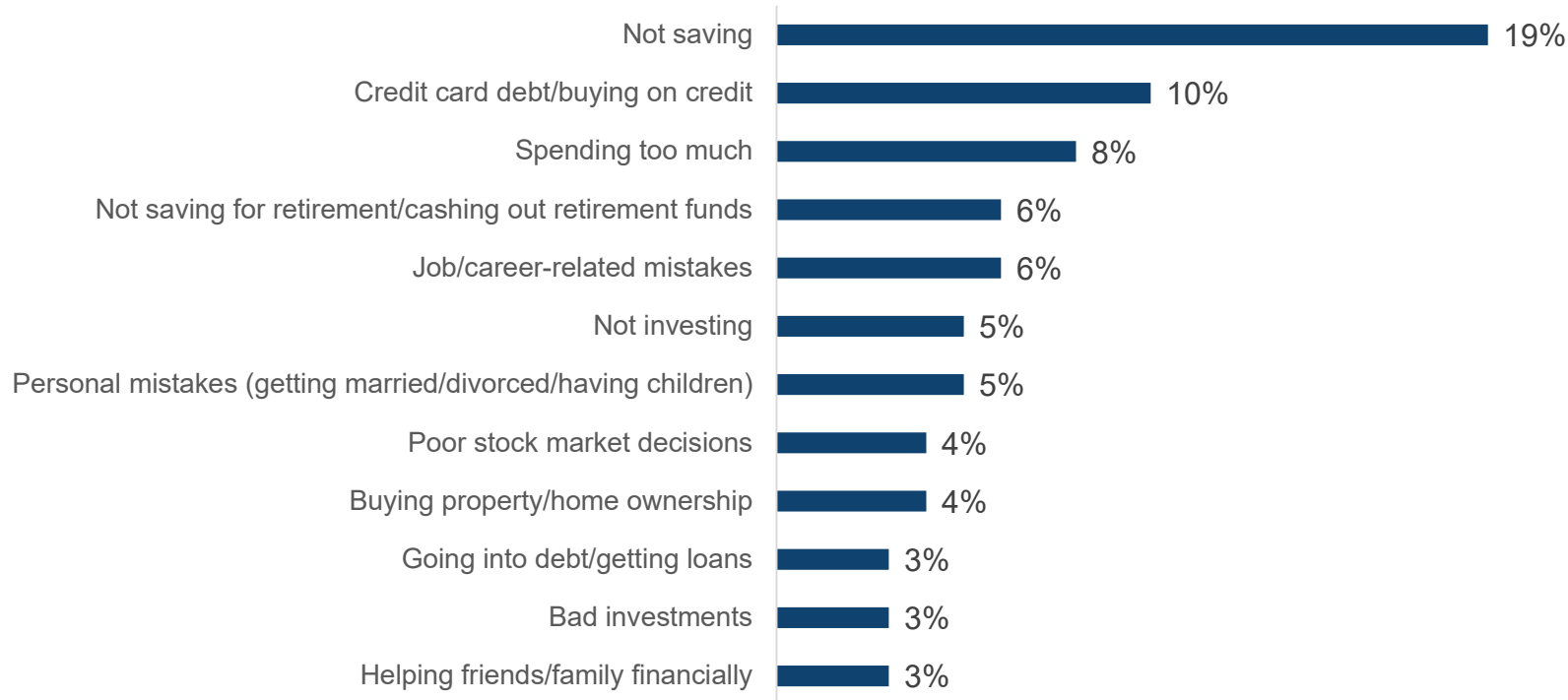


FINANCIAL MISTAKES AND REGRETS

The most common financial mistake relates to not saving.

Buying on credit/accumulating too much credit card debt is the next most commonly named mistake, followed closely by spending too much. In all, 25% say that their biggest financial mistake relates to saving (not saving in general and/or not saving enough for retirement), and 15% say that their biggest financial mistake relates to debt (credit cards, general debt/loans, student loans, etc.).

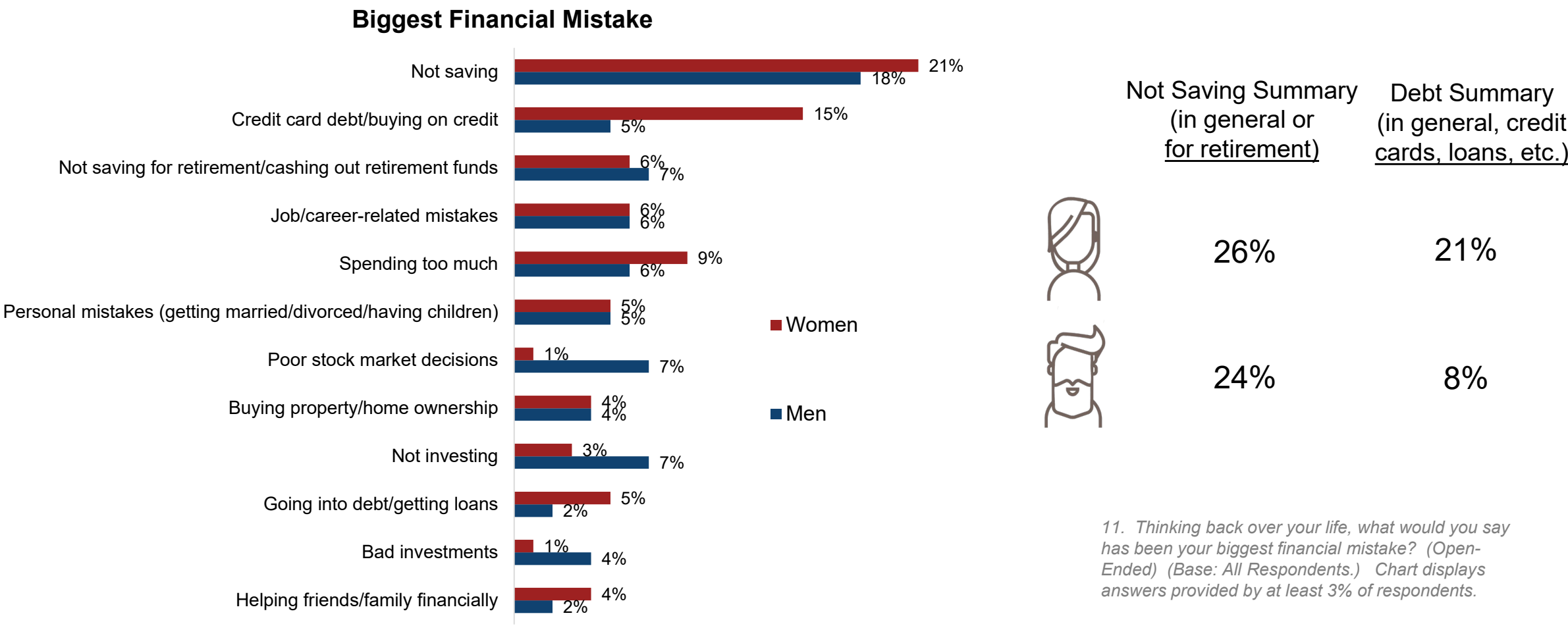
Biggest Financial Mistake



11. Thinking back over your life, what would you say has been your biggest financial mistake? (Open-Ended) (Base: All Respondents.) Chart displays answers provided by at least 3% of respondents.

Not saving tops the list of mistakes for both men and women.

Compared to men, women are especially likely to name mistakes related to debt (including credit cards and loans). Men are more likely than women to point to mistakes related to investing (including poor stock market decisions, bad investments, and not investing).



Not saving is the top mistake for adults 50 and older, but tied with credit card debt for 35- to 49-year-olds.

Adults ages 65+ are less likely than younger adults to point to credit card use and spending as their biggest financial mistake. Compared to younger adults, those ages 65+ are more likely to point to poor stock market decisions and bad investments.

	<i>Biggest Financial Mistake</i>		
<i>Base: All Respondents</i>	35-49 (n=525)	50-64 (n=540)	65+ (n=435)
Not saving (not saving, not saving enough, not saving earlier)	16%	21%	21%
Credit card debt/buying on credit	16%	9%	5%
Not saving for retirement/cashing retirement funds	5%	7%	7%
Job/career-related mistakes	5%	8%	4%
Spending (too much) money	9%	9%	5%
Personal mistakes (getting married, divorced, kids)	3%	6%	5%
Poor stock market decisions	2%	4%	7%
Buying a house/property	4%	3%	3%
Not investing	4%	4%	6%
Going into debt/getting loans	5%	3%	2%
Bad investments	2%	1%	5%
Helping friends/family financially	3%	3%	4%

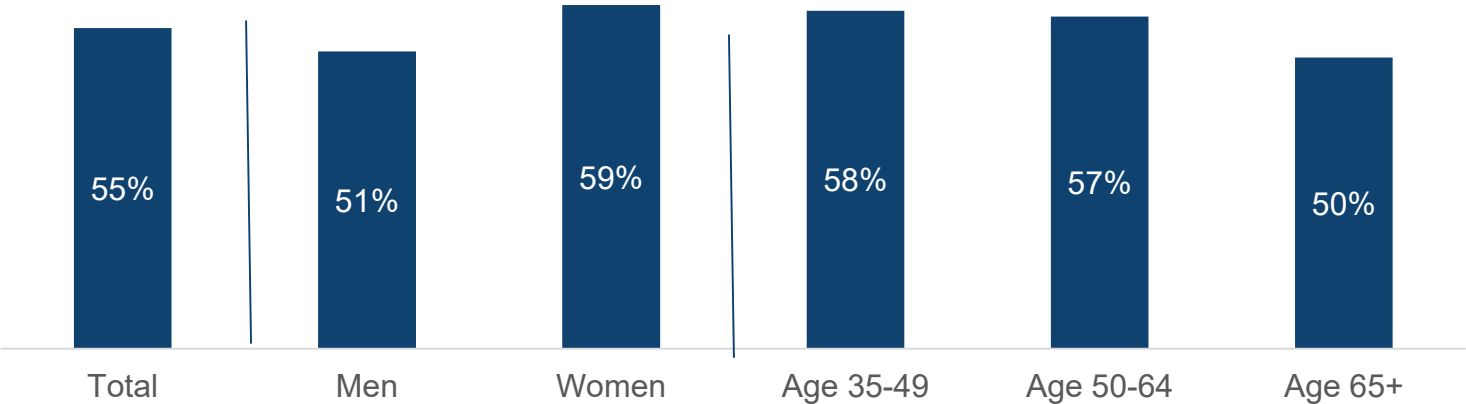


11. Thinking back over your life, what would you say has been your biggest financial mistake? (Open-Ended) (Base: All Respondents.) Table displays answers provided by at least 3% of respondents.

Over half (55%) of those who named a financial mistake say that that mistake is still affecting their financial situation.

Among women who named a financial mistake, nearly six in ten (59%) say that the mistake is still affecting them. Among men, this figure is lower – at 51%.

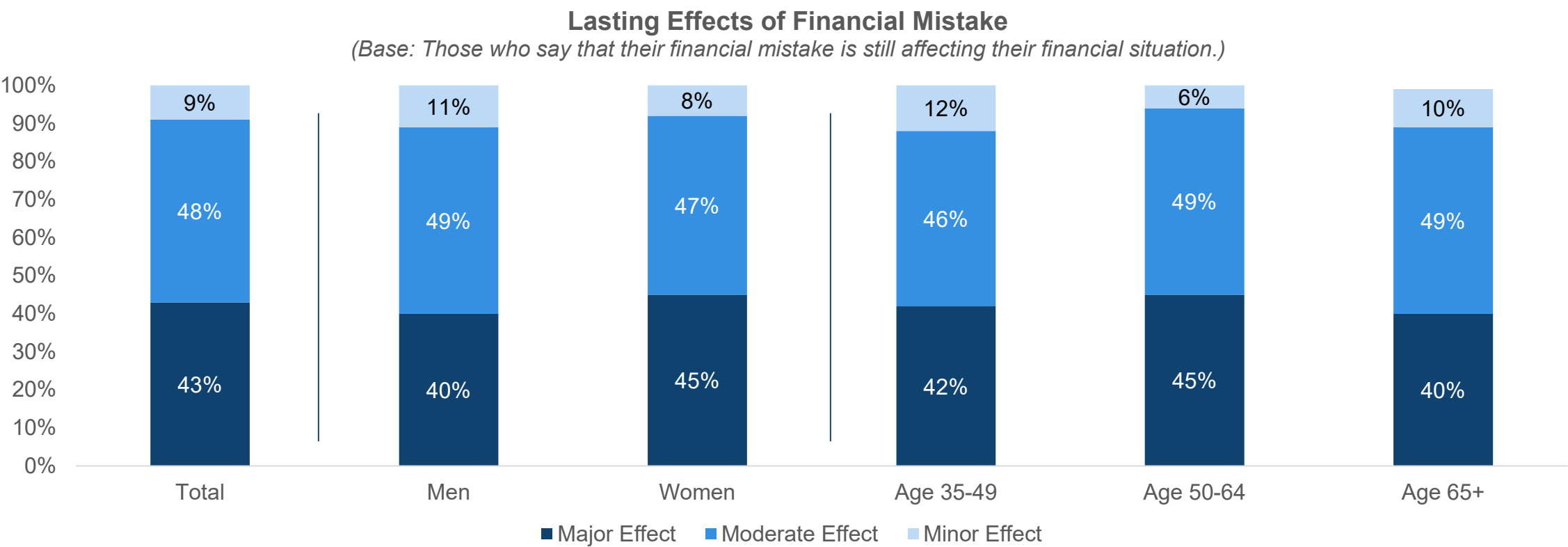
Financial Mistake is Still Affecting My Financial Situation



12. Which of the following best describes the impact of this mistake on your financial situation? Chart shows those who say mistake is “still affecting” their situation. (Base displayed in chart: Those who identified a financial mistake in Q11. Unweighted ns: 1,337 total, 662 men, 675 women, 466 35-49, 492 50-64, 379 65+). Differences by age are not statistically significant.

Many say that their financial mistake is still having a major or moderate impact on their financial situation.

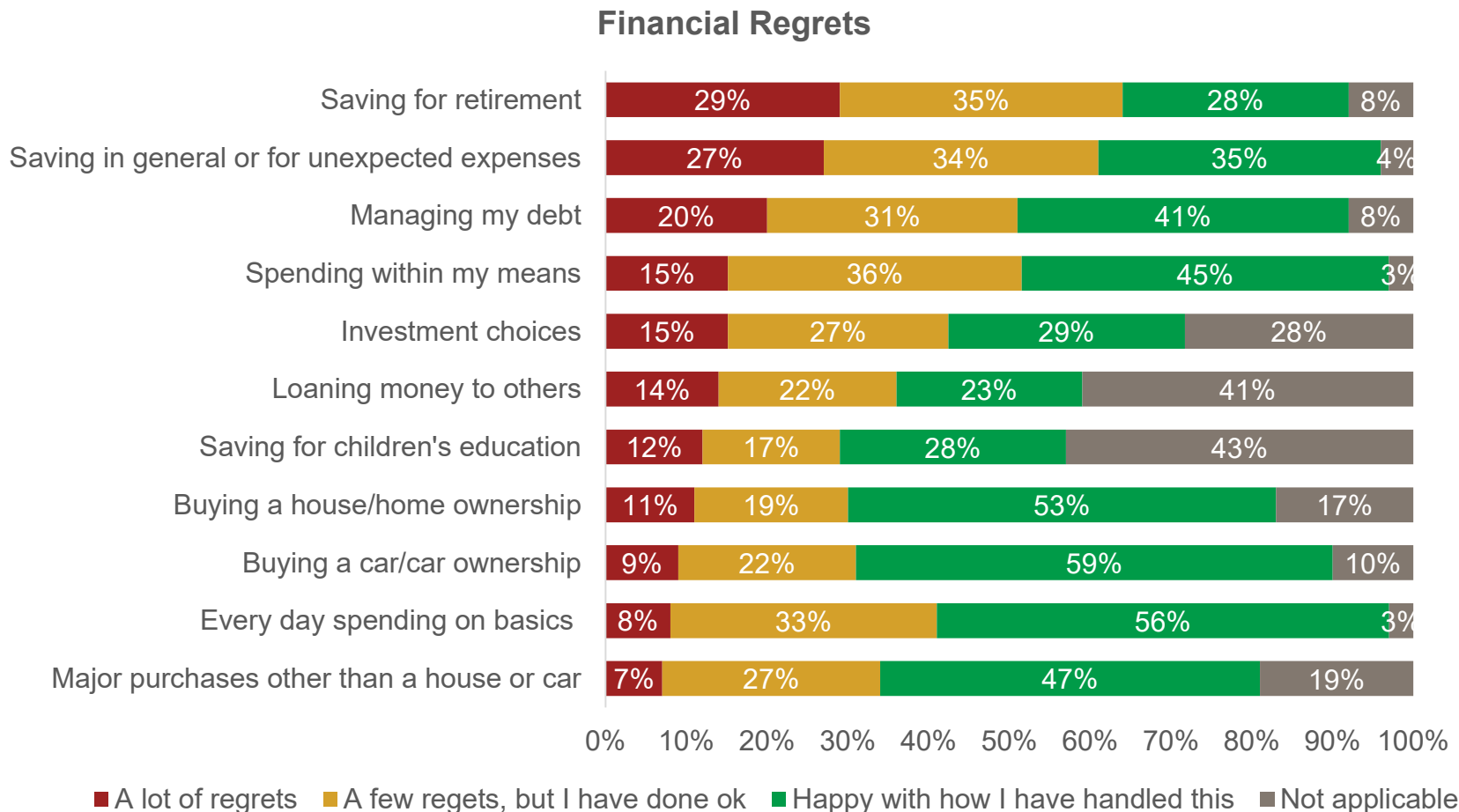
Among those who say that their financial mistake is still affecting them, nine in ten (91%) say that it has had a “major” or “moderate” impact. Adults ages 35-49 (12%) are more likely than adults ages 50-64 (6%) to describe the impact as “minor.”



13. How big of an impact has it had or is it having on your financial situation? (Base: Those who identified a financial mistake in Q11 and say that the mistake is still affecting their financial situation. Unweighted ns: 754 total, 339 men, 415 women, 280 35-49, 277 50-64, 197 65+)

Saving and debt are the money issues about which people are most likely to have a lot of regrets.

Three in ten (29%) adults ages 35+ have “a lot of regrets” about saving for retirement, nearly as many (27%) feel similarly about saving in general, and one in five (20%) have a lot of regrets related to debt management.

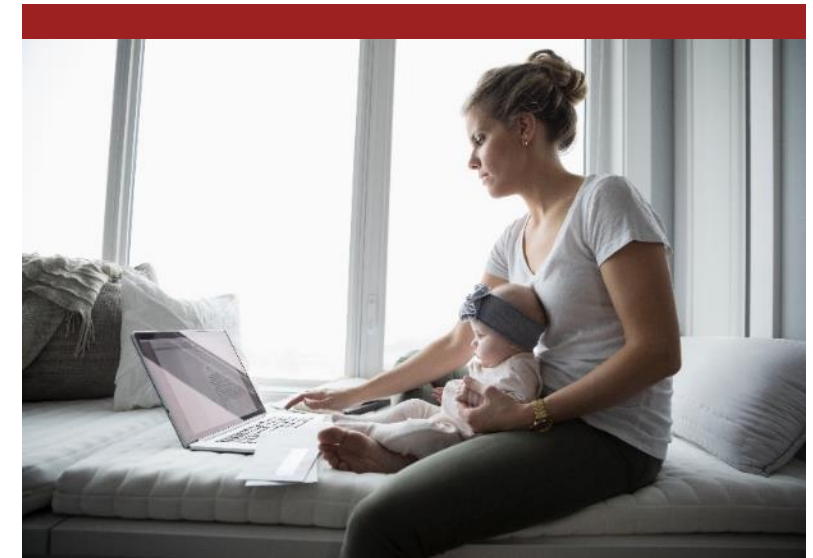


14. How much, if at all, do you regret how you have handled your finances in each of the following areas?
Base: All respondents

Women are more likely than men to have a lot of regrets about managing debt, saving in general, and saving for a child's education

Adults ages 35-49 (30%) and adults ages 50-64 (35%) are more likely than those ages 65+ (23%) to have a lot of regrets about saving for retirement. In general, adults ages 35-49 are especially likely to have “a lot of regrets” about many of these financial issues.

% Who Have “A Lot of Regrets” About Each Financial Area					
Base: All respondents	Men (n=750)	Women (n=750)	35-49 (n=525)	50-64 (n=540)	65+ (n=435)
Saving for retirement	27%	32%	30%	35%	23%
Saving in general or for unexpected expenses	20%	33%	31%	29%	20%
Managing my debt	16%	24%	27%	19%	15%
Spending within my means	13%	17%	22%	11%	12%
Investment choices	16%	14%	17%	14%	14%
Loaning money to others	13%	15%	19%	13%	10%
Saving for children's education	9%	15%	19%	9%	7%
Buying a house/home ownership	10%	11%	14%	11%	7%
Buying a car/car ownership	9%	9%	14%	7%	4%
Everyday spending on basics	6%	9%	11%	7%	5%
Major purchases other than a house or car	6%	8%	9%	7%	5%

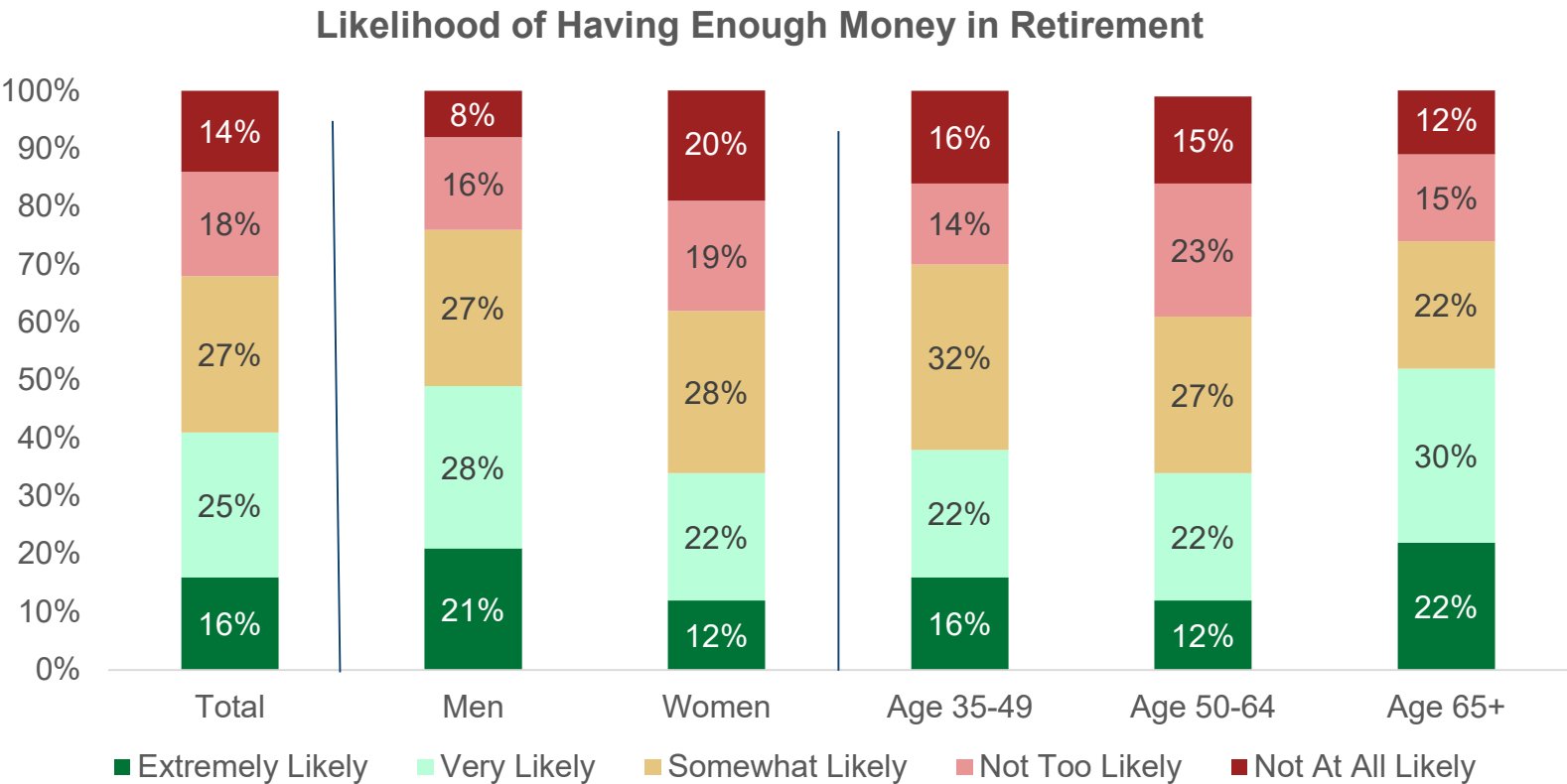


14. How much, if at all, do you regret how you have handled your finances in each of the following areas? Base: All respondents



Six in ten (59%) say that they are only somewhat likely or less to have enough money in retirement if relying only on savings, investments, and Social Security.

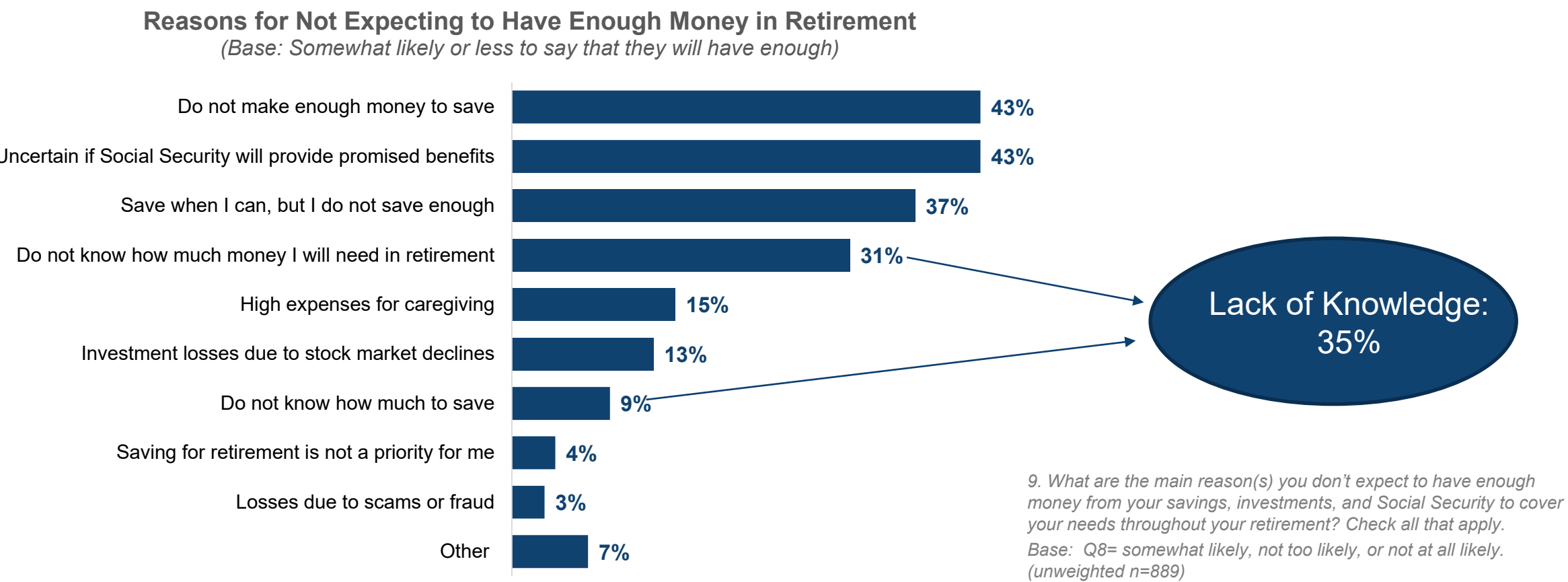
Half of men (51%) say that they are somewhat likely or less to have enough money to cover their needs, compared to two in three (67%) women. Adults ages 65+ (49%) are less likely than those ages 35-49 (62%) and those ages 50-64 (65%) to express doubts that they will be able to cover their needs.



8. How likely are you to have enough money to cover your needs throughout your retirement if you (and your spouse) had to rely only on your savings, investments, and Social Security and were not able to work?

Difficulty saving and uncertainty regarding Social Security are the chief reasons for not expecting to have enough money in retirement.

Lack of knowledge is another common obstacle. Over one in three (35%) of those who are uncertain whether they will have enough money attribute their doubts to either not knowing how much money they will need in retirement (31%) or not knowing how much to save (9%).



Women are especially likely to say that they don't make enough money to save and to express uncertainty regarding Social Security.

Nearly half of women who don't expect to have enough money in retirement attribute their predicament to not making enough to save (47%) and uncertainty regarding Social Security (46%), while fewer than four in ten men identify these two issues (37% of men identify each). Adults ages 35-49 are particularly likely to cite uncertainty regarding Social Security, while adults ages 50+ are especially apt to say that they do not make enough to save.

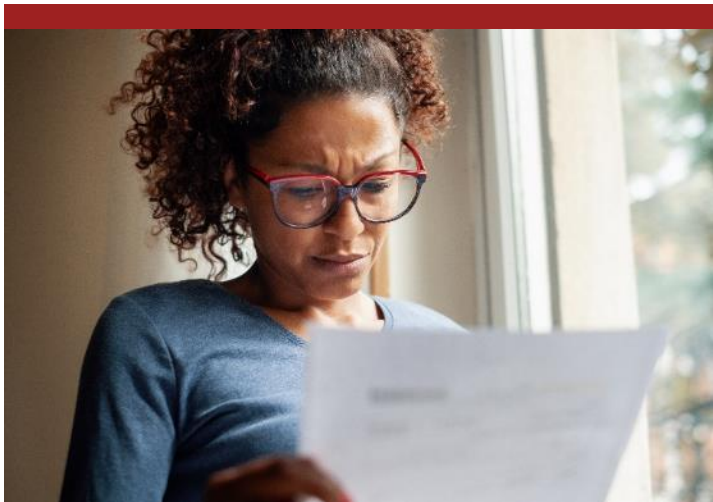
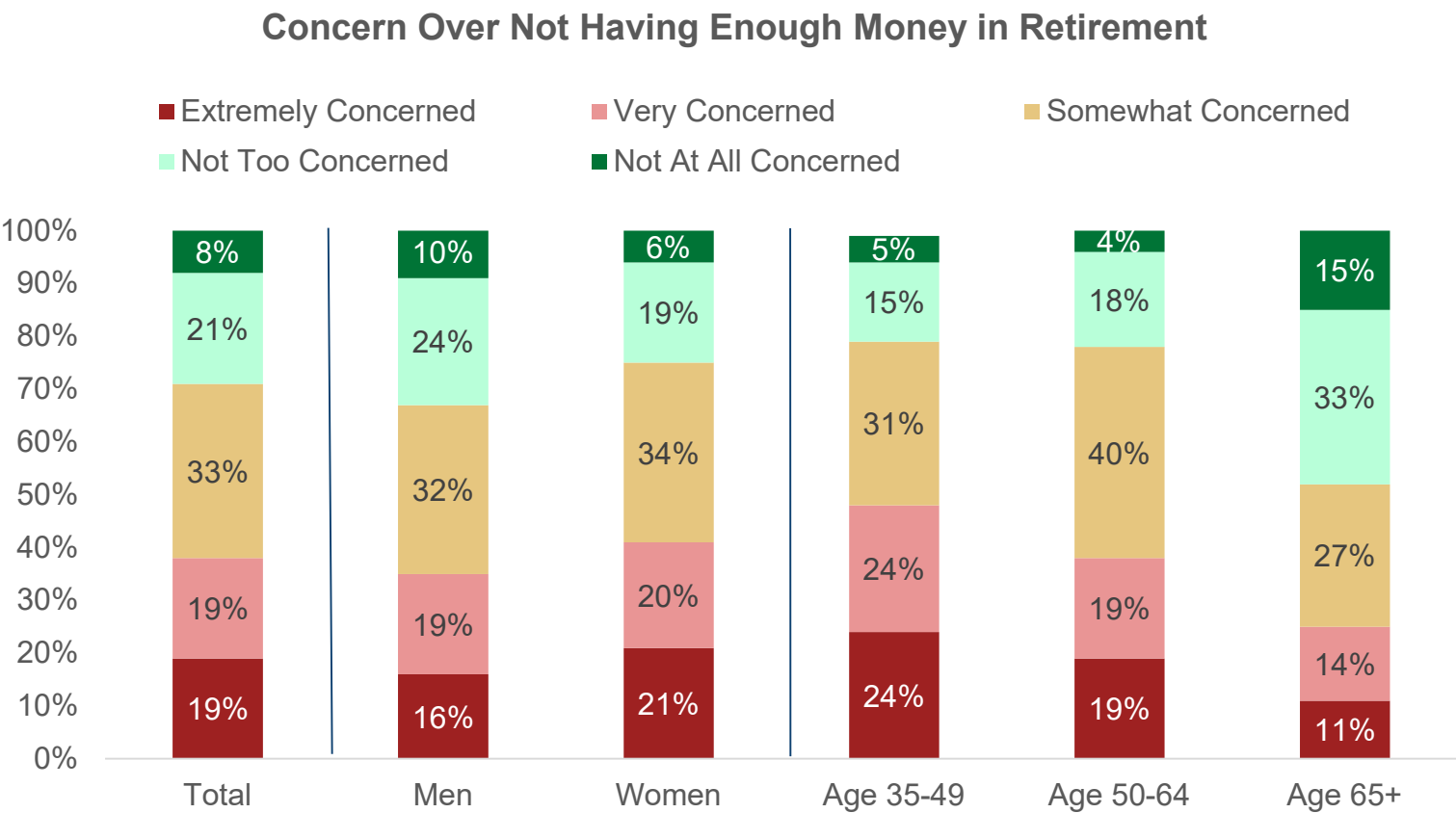
<i>Reasons for not expecting to have enough money in retirement</i>					
<i>Base: Somewhat likely or less to say that they will have enough</i>	<i>Men (n=383)</i>	<i>Women (n=506)</i>	<i>35-49 (n=319)</i>	<i>50-64 (n=356)</i>	<i>65+ (n=214)</i>
Do not make enough money to save	37%	47%	34%	50%	44%
Uncertain if Social Security will provide promised benefits	37%	46%	52%	44%	26%
Save when I can, but I do not save enough	38%	37%	39%	39%	31%
Do not know how much money I will need in retirement	33%	30%	35%	34%	20%
High expenses for caregiving	17%	13%	15%	14%	15%
Investment losses due to stock market declines	16%	11%	12%	11%	17%
Do not know how much to save	7%	11%	14%	9%	4%
Saving for retirement is not a priority for me	4%	4%	5%	4%	3%
Losses due to scams or fraud	4%	2%	4%	1%	3%
Other	6%	8%	3%	6%	14%



9. What are the main reason(s) you don't expect to have enough money from your savings, investments, and Social Security to cover your needs throughout your retirement? Check all that apply. Base: Q8= somewhat likely, not too likely, or not at all likely.

Nearly four in ten adults ages 35+ are extremely or very concerned about not having enough money in retirement.

Women (41%) are more likely than men (35%) to say that they are extremely or very concerned. Nearly half of adults ages 35-49 (48%) are concerned, compared to just 38 percent of those ages 50-64 and only 25 percent of those ages 65+.



10. How concerned are you about not having enough money from your savings, investments, and Social Security to cover your needs throughout your retirement? (Base: All respondents. Unweighted ns: 1500 total; 750 men; 750 women; 525 ages 35-49, 540 ages 50-64, 435 ages 65+.



IMPLICATIONS

Implications

The majority of adults ages 35+ are actively trying to save money and many are making headway. However, many struggle with the competing priorities of the here-and-now versus saving for the longer term. Financial shocks (such as unexpected expenses or a drop in income) and even basic expenses can create significant barriers to achieving savings goals. Since women in particular cite high basic expenses as a barrier to saving, this may suggest that women may benefit from tools that help them build savings in very small increments on a regular basis.

The fact that the majority of adults ages 35+ express doubts about their likelihood of having enough money in retirement, with many attributing their doubts to a lack of knowledge, suggests that many people could benefit from education about simple steps that they can take to save more money or even automated tools that enable them to automatically and regularly build their retirement savings.

The relatively large share of adults who describe their “biggest financial mistake” as related to either saving inadequately or to debt (especially credit cards) is a testament to the need for easily accessible resources that help people build their savings and make informed decisions related to debt and credit cards. Such resources are critical since financial mistakes can have lasting effects.





METHODOLOGY

Methodology

- **Objectives:** To examine experiences with savings resolutions, gauge perceptions of retirement preparedness, and explore biggest financial mistakes and accomplishments.
- **Methodology:** Online survey via AARP's proprietary online panel, with sample targeting panelists age 35 or older. Quotas were set on age, gender, region and income to represent the age 35+ U.S. population
- **Interviewing Dates:** March 8-15, 2019
- **Weighting:** The data is weighted to the 35+ population by age, gender, race/ethnicity, education, marital status, region, work status, and income using benchmarks from the Current Population Survey.
- **Questionnaire length:** 5 minutes (median)



About AARP

AARP is the nation's largest nonprofit, nonpartisan organization dedicated to empowering Americans 50 and older to choose how they live as they age. With nearly 38 million members and offices in every state, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands, AARP works to strengthen communities and advocate for what matters most to families with a focus on health security, financial stability and personal fulfillment. AARP also works for individuals in the marketplace by sparking new solutions and allowing carefully chosen, high-quality products and services to carry the AARP name. As a trusted source for news and information, AARP produces the nation's largest circulation publications, AARP The Magazine and AARP Bulletin. To learn more, visit www.aarp.org or follow @AARP and @AARPadvocates on social media.



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