

AMERICANS WANT ANNUITIES BUT THEY MIGHT NOT REALIZE IT

Jackson® and the Insured Retirement Institute (IRI) conducted a study of advisors and consumers to gauge how Americans evaluate their financial preparedness for retirement. Four hundred advisors were surveyed, along with 1,300 consumers screened according to age and a minimum threshold of retirement savings. The survey found that although many consumers say they want the features annuities provide, many are unaware that annuities provide these benefits.

The New Retirement Reality



8 in 10 people believe **SOCIAL SECURITY WILL NOT PROVIDE** sufficient income in retirement.

MORE THAN HALF

of advisors believe at least some of their clients who don't own annuities **will run out of money** during retirement.

NEARLY 1/3 OF ADVISORS

report having had

3 OR MORE clients **exhaust** their investable assets.

50%
of consumers!

PLAN TO WITHDRAW SAVINGS

as needed in retirement, rather than opt for systematic withdrawals or annuitized lifetime income.

People Want What Annuities Provide



MORE THAN 90%

of people are very or somewhat interested in an investment product that offers **LIFETIME INCOME**.*

3 IN 4 PEOPLE

age 35–44 say they'd be very or somewhat interested in a financial product providing a **greater amount of lifetime income** than a non-guaranteed alternative—even if they were unable to access the principal investment.

Despite relatively high awareness of annuities,

ONLY 1/3

of people age 25–34 understand that an **annuity can provide lifetime income**.

Examining the Disconnect



80%

of people say they'd purchase an investment product providing guaranteed** lifetime income, **even if it cost more than an alternative**.

BUT

ALMOST HALF of advisors believe their clients perceive annuities to be **TOO EXPENSIVE**.

When told that **guaranteed lifetime income** is a feature of annuities,

>> MORE THAN 90% of people believe it's an appealing characteristic of the product.

Variable annuities are long-term, tax-deferred investments designed for retirement, involve investment risks, and may lose value. Earnings are taxable as ordinary income when distributed and may be subject to a 10% additional tax if withdrawn before age 59½.

Source: Insured Retirement Institute and Jackson, "The Language of Retirement," June 2017.

* Optional benefits are available for an extra charge in addition to the ongoing fees and expenses of the variable annuity.

** Guarantees are backed by the claims-paying ability of the issuing insurance company.

