

# **MOTIVATORS AND BARRIERS TO PLANNING FOR LATER LIFE**

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## **Introduction**

The Office of Seniors Interests wished to gain an in-depth understanding of the needs, aspirations and motives of people in the 40-65 age category and how these factors influence people to plan,(or not plan), for their retired years. The overall aim of this project was to provide a detailed understanding of the decision processes that underlie how people plan for their later life, and to identify the key motivators and barriers that influence these decision processes.

The specific objectives are listed under the following three headings:

1. Anticipating One's Future
2. Planning Behaviour
3. Sources of Information/Assistance

## **Research Methodology**

The research design can be summarised as follows:

### **a) Phase 1 : Familiarisation**

- With previous conducted research;
- Literature overview

### **b) Phase 2 : Qualitative Research**

- Six focus groups with 40-65 year olds.

### **c) Phase 3 : Quantitative Research**

- Telephone survey of 405 Western Australia people, (303 metropolitan area, 102 rural);
- Data post weighted to ensure total sample was representative of WA population of 40-65 year olds.

## KEY RESULTS AND IMPLICATIONS

### Fears and Aspirations about Ageing

- By far the **greatest fear** about 'later life' was the deterioration of physical health and physical well being.
- The most **positive aspect** of one's later years was having **more time**:
  - more leisure time to enjoy hobbies and interests;
  - more time to travel;
  - more time with family (children and grandchildren).
- 40-65 year olds generally have a fairly favourable attitude towards their later years (ie. Being aged over 70 ):
  - 52% feel positive (24% very positive);
  - 75% of those aged 60-65 feel positive.

### Overall Salience of Thinking About/Preparing for Later Years

- Around 20% of 40-65 year olds think about their later years fairly often; however, 45% rarely, if ever thought about it.
- Propensity to think about one's later years increased markedly after the age of 50, which appears to be something of a 'watershed' in terms of the salience of these issues. Whilst it may not be turning 50 per se that is the catalyst, but rather specific life events that tend to occur around that time, the results of this research suggest that those over 50 exhibit different attitudes and behaviours, in relation to preparation for ageing, than do those aged 40-50.

### Triggers and Barriers to Preparing for Later Years

- Only around one third of 40-65 year olds feel they have done 'a fair amount' of preparation for their later years:
  - **40% of 40-65 year olds have done little or no preparation.**
- Propensity to do some preparation increases sharply after the age of 50:
  - over 40% of 50+ year olds have done 'a fair amount' of preparation in comparison with around 25% of 40-50 year olds.

- The main triggers for starting to prepare are various 'life events':
  - **career-related** – retirement; being made redundant;
  - **health** – health scare or death of significant other;
  - **social** – remarriage/divorce;
  - **financial**– paying off the mortgage.
- The most common motivator by far was the desire for **financial comfort / security**.
- Paying off the family home, a health scare / deterioration (self, spouse or parents) and the death of a parent or friend are cited as the major triggers that influence preparation for ageing.
- The main reasons for not preparing for later years were;
  - Too busy to think about the future;
  - Circumstances, can't afford it;
  - Too young to worry about it;
  - Wanting to live for today;
  - Just haven't thought about it (in general);
  - Have done financial planning and that's enough;
  - Don't think they'll live that long.
- The reason 'too busy to think about the future', was mentioned more frequently by females. Respondents from rural areas and those aged over fifty were more likely to state that they couldn't afford to prepare. Rural respondents were also more likely to state that they had done 'financial planning and that was enough'.

### Perceived Importance of Various 'Life Areas'

- Interestingly, **relationships with significant others** and **health and well being** (physical and psychological) were rated as the most important aspects of life in one's later years:
  - notably, financial security was rated as less important than personal relationships and personal well being.
- The subgroup differences for the level of preparedness in various life areas were;
  - Financial security; more likely have been addressed by males and metropolitan respondents.
  - Living arrangements; males and those aged over 50 years were more likely to have 'done more than think about it'.
  - Hobbies and interests; those older than 50 years were more likely to have 'done more than think about it'.
  - Mental alertness; Females and those aged over 50 were more likely to have 'done more than think about it'.

- Social relationships; more likely to have been acted upon by those aged over 55 years and those without children in the home.
- Community involvement; those aged over 50 years and those living in rural areas were more likely to have 'done more than think about it'.

## Perceptions of Ageing

- The mean age for when people perceived someone is 'old' was **74 years** and for 'very old' was **87 years**. These results are comparable to those found in previous research.
- Females, older persons, those without children living with them and people who felt more positively towards ageing defined 'old' as a higher age than their respective comparison groups. A similar pattern was demonstrated for the perceived age at which someone became very old, however only the gender and attitude toward ageing subgroups achieved statistical significance.
- Males, country people and those without children in the home, reported thinking about what their life would be like in their later years more frequently than their comparison groups.
- Country respondents and those with no children in the home were significantly more likely to be very positive about being aged over 70.
- Those aged in the 40-44 year age group were less likely than any other age group to say they felt very positive about being aged over 70.
- Perhaps not surprisingly, the oldest age segment (ie 60-65 year olds) were by far the most positive about turning 70. Almost 40% of this segment said they felt 'very positive' about becoming aged over 70.

## Level of Preparation in Various Areas

- The extent of preparation respondents had done in a variety of 'areas of life' included the following results for those who had "done more than think about it";
  - Financial security – 78%
  - Physical well-being – 63%
  - Living arrangements – 54%
  - Ability to learn new things – 54%
  - Hobbies and interests – 53%
  - Mental alertness – 50%
  - Social relationships – 36%
  - Community involvement – 32%
  
- Conversely, the 'life areas' which 40-65 years olds feel they have done least preparation for are:
  - Nurturing their social relationships; and
  - Developing their involvement and connection with their community.
  
- The most common activity to prepare for physical well being was to **increase exercise** (61% 'done').
  - Increased exercise was more common amongst those aged over 45 years.
  - Females were more likely than males to read books or articles (59% vs. 42% respectively) or get information from TV or radio (51% vs. 41%).
  - Those aged 50 and over were more likely to seek professional medical advice (ie. over 50% had done so, vs. 30% -35% of those aged 40-50).
  
- Pursuing hobbies and interests (undertaken by 57% of respondents) and reading (50%) were the two most common initiatives to help prepare for continued mental alertness.
  - Those aged over 50 were most likely to have engaged in hobbies and interests.
  - Females were more likely than males to seek advice from friends.
  
- The most common activity to prepare for financial security was to invest in superannuation (76%). The next most common form of financial preparation was to start an investment account (62%).
  - Males were more common than females to have invested in superannuation, have started an investment account, or to have bought an investment property.
  - Respondents aged over 55 years were more likely to have attended an investment seminar.

- The most common activity to prepare for living arrangements was gaining information from TV or radio (29%), followed by reading articles/books. (26%).
  - Those without children in the home were more likely to have sought information from TV or radio or read articles/books.
  - Those aged 55 and over were more likely to have undertaken home alterations.
  - Those aged over 50 were more likely to have looked at alternative types of accommodation and those aged over 60 were most likely to have looked at a retirement village or unit.
  
- Just over one-half (53%) of respondents reported having used community facilities, while around one-third had spent time with neighbours, taken part in volunteer work or joined a community group.
  - Females were more likely than males to have used community facilities.
  - Females were only slightly more likely than males to have done volunteer work in the community.
  - Those aged over 50 were more likely to have joined a community group, than those aged 40-50 or to have done volunteer work.