

ALLIANZ CENTER FOR THE FUTURE OF RETIREMENT™

How Americans feel about retirement in 2025

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Where they stand – and where they need the most support

Retirement confidence is slipping – and Americans are feeling the pressure. The 2025 Annual Retirement Study from the Allianz Center for the Future of Retirement™ reveals growing concern about inflation, market volatility, and the risk of outliving savings.

As uncertainty rises, so does the need for guidance. This presents a critical opportunity for financial professionals to help Americans turn concern into clarity with strategies that manage risk, adapt to change, and support long-term retirement goals.

“A strong retirement strategy will go beyond a dollar amount in the bank. It will also address how to create a reliable income stream and incorporate risk management strategies ... [and] may include an additional source of consistent, reliable – and possibly the opportunity for increasing – income. Long-term financial security can be achievable as long as it’s part of a retirement strategy.”

-Kelly LaVigne, VP of Consumer Insights, Allianz Life

Key insights from the 2025 Annual Retirement Study

Allianz Center for the Future of Retirement™ conducted an online survey, the 2025 Annual Retirement Study, in January/February 2025 with a nationally representative sample of 1,000 respondents age 25+ in the contiguous U.S. with an annual household income of \$50K+ (single)/\$75K+ (married/partnered) OR investable assets of \$150K+. The study also included an additional sample of respondents who identified as Black/African American (400 responses); Hispanic (404 responses); Asian/Asian American (364 responses).

The Allianz Center for the Future of Retirement™ produces insights and research as a part of Allianz Life Insurance Company of North America (Allianz Life).

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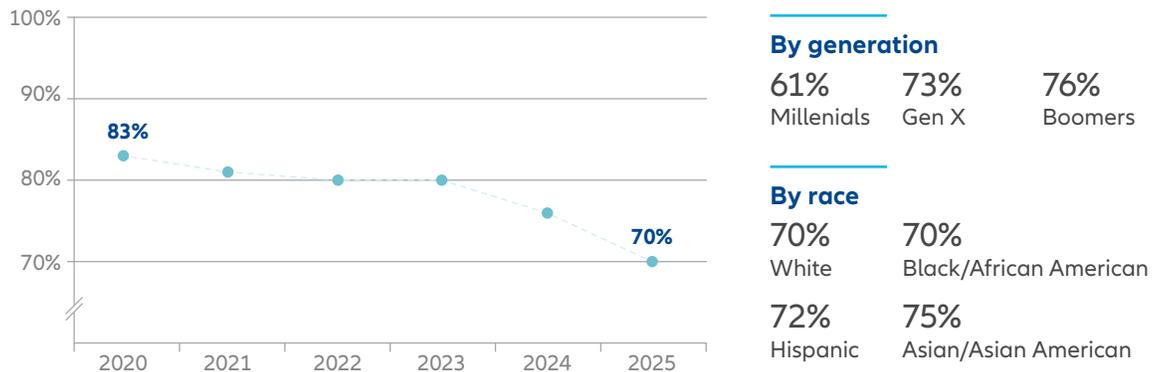
The confidence recession is here

Americans' confidence in their financial future is fading – and fast

Over the past five years, Americans' confidence in their ability to financially support all the things they want to do in life has dropped significantly – falling 13 percentage points since 2020. At the same time, concerns about inflation, market volatility, rising health care costs, and the future of Social Security are surging.

This growing disconnect suggests a widening preparation gap – one that financial professionals are uniquely positioned to help close. The good news? Even amid uncertainty, Americans continue to view retirement planning as a top financial priority.

Right now, how confident do you feel about being able to financially support all the things you want to do in life?



What's shaking the retirement outlook?

When asked about their financial future, Americans expressed deep concern across a range of issues that could derail their retirement plans. These concerns underscore the importance of building strategies that not only grow wealth but help protect it over time.

When you think about your financial future, how worried are you about the following?



Clients are navigating more uncertainty than ever. Reinforcing products that offer levels of downside protection, guaranteed income, or inflation-adjusted options can provide greater financial reassurance and long-term resilience.

For many, the income equation isn't adding up

Short-term shocks and long-term pressures are putting retirement income at risk

Americans face growing uncertainty about whether their retirement income will go the distance. When asked about the biggest threats to their financial security in retirement, these five concerns rose to the top:



Everyday expenses
becoming
unaffordable



A market drop
wiping out retirement
savings



**Rising health
care costs** in
retirement



Outliving
their money



A recession
derailing their
ability to save



Now's the time to reinforce holistic retirement strategies that account for risks like inflation and longevity. Financial professionals can help clients by recommending products that can protect income and build flexibility into their retirement strategy.

What's really keeping Americans up at night?

Hint: It's not death

For many Americans, the biggest concern about the future isn't mortality – it's money.



64% worry more about running out of money than death itself.



Financial professionals can help ease worries of outliving retirement savings by offering products that generate dependable income, address inflation, and offer built-in levels of protection against risk. The goal? Replace anxiety with a strategy that lasts – and adapts.

What's fueling this concern?



High
inflation



Social Security not
providing enough
support



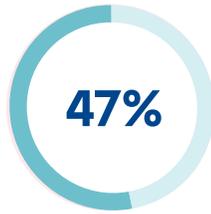
High
taxes

Minding the plan gap



A lack of planning doesn't mean a lack of potential – it's an open door for guidance. Financial professionals can help close the income planning gap with personalized strategies that turn scattered savings into a clear, sustainable income path – one that's built to last through retirement and beyond.

Many Americans are saving for retirement – but few have a real plan

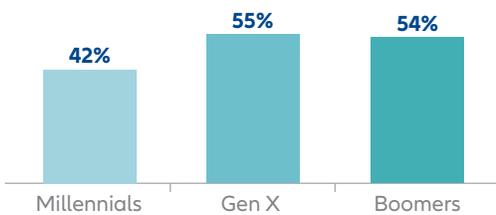


Nearly half of Americans (47%) don't have a written financial plan.

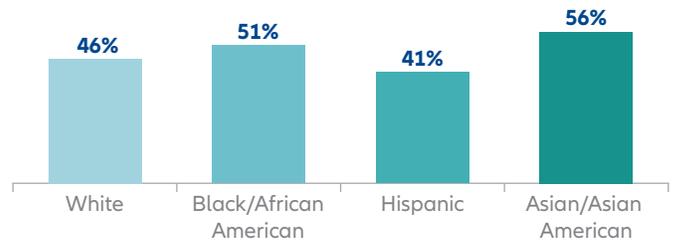
A written strategy, built with the help of a qualified financial professional, can serve as a powerful guide, helping clients navigate risk, generate income through tax-efficient withdrawals, and plan for the unexpected. But for many, that roadmap doesn't exist.

Planning gaps at a glance:

No written financial plan by generation



No written financial plan by race



Even among those actively contributing to 401(k)s and IRAs, many are unclear on what comes next.



Only 45% say they know how they'll turn their savings into income in retirement.



53% believe that simply having a retirement account – like a 401(k), 403(b), or IRA – will be enough.



Beyond those contributions, **a striking 59%** of Americans admit they don't know what else they should be doing to prepare for retirement.

By generation



By race



The three-million-dollar question

Some Americans have retirement savings goals – but most aren't sure how to reach them

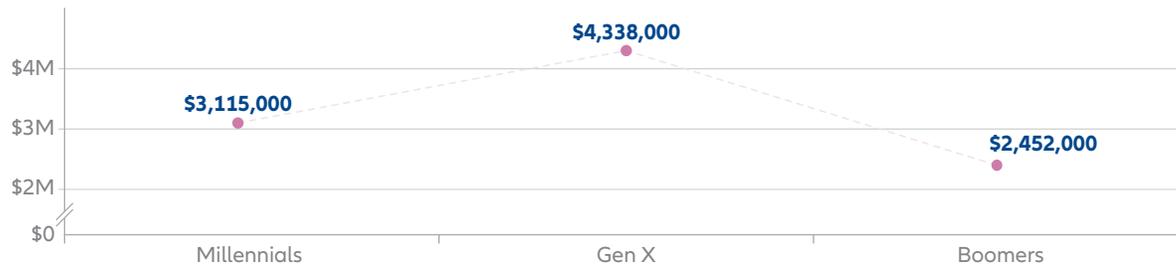
On average, Americans who know how much they want to save say they need \$3,327,000 to retire comfortably. Even so, 45% have no idea how much money they want to save, let alone how they'll turn those savings into sustainable income.

A savings goal is a helpful benchmark – but it's not a financial strategy. True retirement readiness comes from understanding how those savings will generate income, adapt to life's changes, and support long-term security. That's where financial professionals play a vital role – helping turn lofty numbers into actionable strategies.

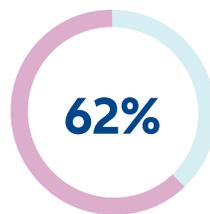


Americans want to save – but everyday financial pressures and uncertainty about the future are keeping them from doing so. Financial professionals have a unique opportunity to help clients set realistic goals, stay on track, and turn a number into a strategy.

On average, how much are Americans hoping to save?



Yet **only 55%** say they're currently saving enough to meet their long-term financial goals.



62% of Americans say they aren't saving as much for retirement as they'd like.

By generation

48% Millennials 59% Gen X 74% Boomers

By generation

63% Millennials 65% Gen X 54% Boomers

What's getting in the way?



Day-to-day expenses taking priority



Credit card debt



Mortgage or rent obligations



Uncertainty about **what retirement will actually require**



Expenses toward **non-essentials**

Too many goals, too little clarity

Americans are overwhelmed – and retirement often takes a backseat

With competing financial priorities, many Americans don't know where to begin. Between covering daily expenses, building an emergency fund, and preparing for retirement, it's easy to feel stretched thin – and even easier to lose focus.



When everything feels like a priority, nothing gets the attention it deserves. Financial professionals can help clients cut through the noise – clarifying goals, creating structure, and building a strategy that balances today's needs with tomorrow's aspirations.

Top financial goals for the next five years:



Save enough and plan for a comfortable retirement



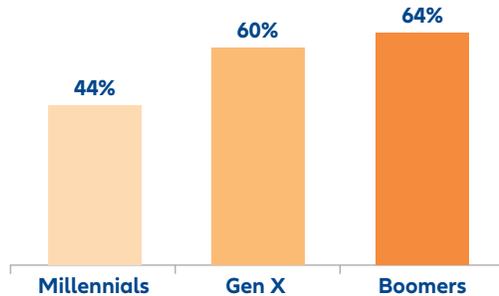
Build an emergency fund



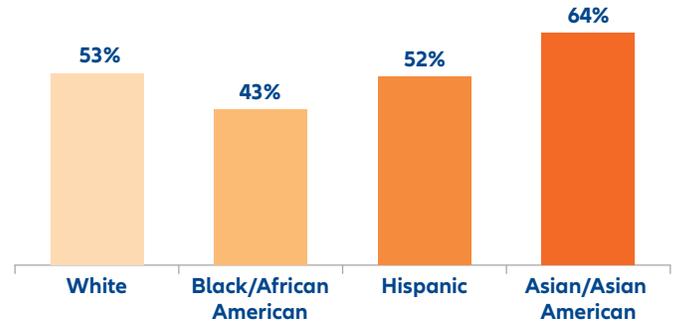
Cover daily expenses for family

Saving for a comfortable retirement by group:

By generation



By race



Being pulled in every direction



62% say they're juggling so many financial goals, it's hard to focus or prioritize.

By generation

67% Millennials 63% Gen X 38% Boomers

By race

63% White 57% Black/African American 65% Hispanic 60% Asian/Asian American

Rethinking what retirement really means

Today's retirees are trading hard stops for gradual shifts

The traditional notion of retirement as a single, final workday is quickly becoming outdated. Instead, Americans are embracing a more flexible, phased approach – easing out of full-time work over time rather than exiting all at once.

Once they do retire, they're looking to minimize financial stress and make room for new experiences and personal fulfillment. Retirement is no longer the finish line – it's a new beginning.

How Americans envision their retirement:



Top aspirations for retirement:



54%
Pursue new hobbies



51%
Find new adventures



50%
Deepen existing relationships with family and friends



38%
Realign how I spend my time to match my values



Retirement today is more than just an end to working years – it's a chance to reshape priorities, pursue passions, and leave a legacy. Financial professionals can help structure withdrawal strategies and explore retirement income options – helping to ensure clients are financially prepared for whatever retirement looks like to them.

Retirement that gives back

Retirement isn't just about enjoying the fruits of one's labor – it's also about leaving something meaningful behind.



More than half of Americans (51%) say they'd prefer to leave a financial legacy to loved ones or causes they care about, rather than spend down their savings entirely.

By generation

55%	46%	42%
Millennials	Gen X	Boomers

By race

50%	59%	54%	56%
White	Black/African American	Hispanic	Asian/Asian American



Splitting up, falling behind

Divorce is rarely part of the plan – but its impact can be lasting. Financial professionals can help clients build retirement strategies that account for unexpected changes, including separation, by offering guidance on asset division, retirement account adjustments, and rebuilding a financial foundation after a split.

Gray divorce is rising – and it’s putting retirement at risk

While national divorce rates are trending downward overall, separations among Americans age 65 and older – often called “gray divorce” – are increasing.¹ Whether it’s the end of a long-term partnership or a late-in-life fresh start, the financial fallout can be significant.

Shared assets, joint retirement strategies, and fewer working years to rebuild make gray divorce uniquely disruptive. For many, it’s not just an emotional shift – it can be a major financial detour.

Among those who’ve gone through a divorce:

40% say it derailed their retirement strategy

42% feel more financially stressed out post-divorce

42% struggle to keep up with expenses

34% say divorce set their retirement plans back



And even for those still married, **56%** believe a divorce would seriously impact their ability to retire as planned.

Sandwich generation financially squeezed



Supporting two generations often means putting your own financial goals on pause. Financial professionals can step in with flexible strategies that account for caregiving demands – helping clients protect their retirement strategies without sacrificing the needs of their loved ones.

Juggling kids, parents – and financial pressure from both sides

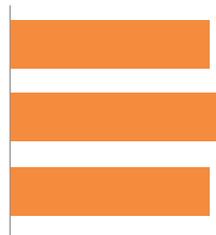
While many Americans are balancing competing financial priorities, the pressure is especially intense for those caring for both children and aging parents. Members of the “sandwich generation” are feeling the squeeze. Many say that supporting both generations has had a direct negative impact on their long-term financial outlook.

The cost of caregiving, by the numbers:

70% say this dual responsibility has significantly impacted their retirement plans

75% struggle to balance all their financial needs and goals

70% report feeling extreme financial pressure from caring for both generations



78% of Americans with children under 18 and at least one living parent or parent-in-law **provide financial, emotional, or physical support to their parents**



59% have reduced or stopped contributing to retirement savings due to these responsibilities



65% worry they won’t have enough money to retire because of it

¹ The Graying of Divorce: A Half Century of Change, The Journal of Gerontology, 2022.

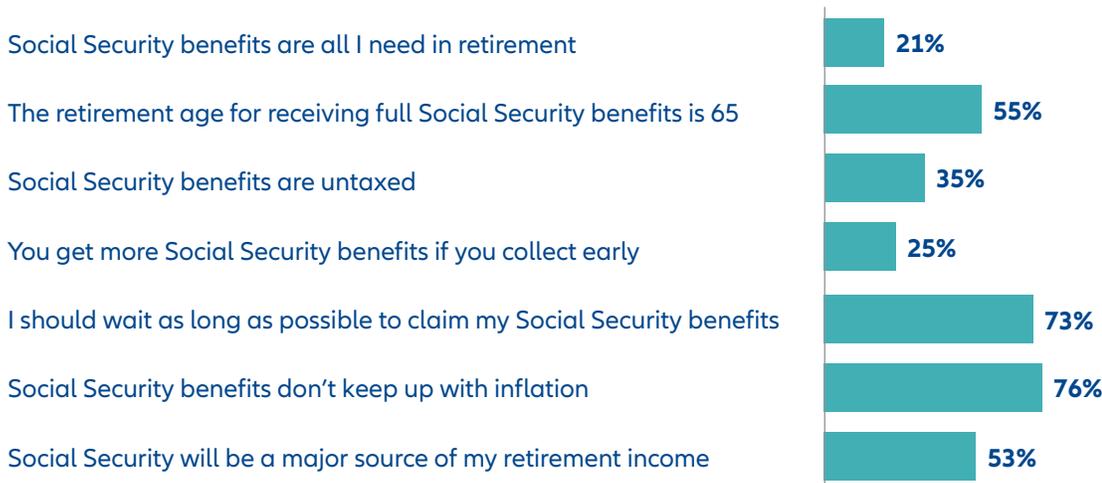
Social Security: misunderstood and under pressure

Americans are confused about how it works – and worry it won't be there when they need it

Social Security is a cornerstone of many retirement strategies. It offers guaranteed lifetime income, adjusts for inflation, and comes with key tax advantages. But despite its importance, many Americans don't fully understand how it works – or how to make the most of it.

This lack of clarity can lead to costly mistakes in timing, taxation, and expectations.

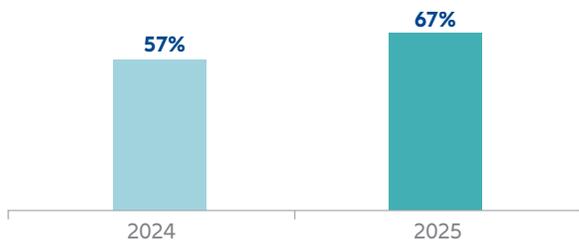
Would you say the following statements are true or false? (Percent who said each statement is true)



Financial professionals are key to helping cut through confusion about how Social Security works – and what it can realistically provide. And with trust in the system declining, it's equally important to explore alternative income strategies that can help add security if benefits fall short.

Confidence in the system is slipping

Confusion is only part of the story. Concern about the future of Social Security is rising. Americans are not just confused – they're increasingly concerned.



In 2025, **67% say they worry** the program won't last through their full retirement, **up from 57% in 2024**. That growing lack of trust could drive poor planning decisions if left unaddressed.

A smoother ride to retirement



Americans want less turbulence, more traction – and income they can count on

With market volatility, rising costs, and longevity risk top of mind, Americans are rethinking their approach to retirement. Rather than chasing high returns, many are prioritizing consistency, protection, and predictability. In fact, 46% say they're not managing their portfolio closely enough and worry they're missing chances to potentially lock in gains or help limit losses.

As clients seek more control and confidence in retirement, financial professionals can lead with potential solutions that offer benefits such as guaranteed income, built-in levels of protection, and flexible features that adapt to life's possibilities. It's not about giving up growth – it's about building a smoother journey to and through retirement.



It's no surprise, then, that **74%** would rather have financial products that protect against major losses – even if it means giving up bigger gains.

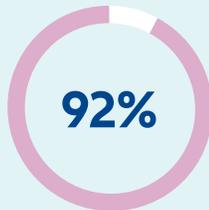
By generation

66%	76%	83%
Millennials	Gen X	Boomers

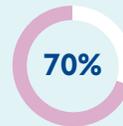
By race

75%	73%	69%	72%
White	Black/African American	Hispanic	Asian/Asian American

The demand for guaranteed outcomes is growing



92% say a product that offers guaranteed income in retirement would help them financially support the life they want



70% prefer to “set it and forget it” with automatic withdrawals from retirement savings



64% would be interested in a financial product that provides additional liquidity benefits for financial emergencies

Financial professionals: trusted, yet untapped



The gap between perceived value and actual engagement is a chance to build meaningful connections.

Americans aren't just seeking financial guidance – they want someone who listens, understands their situation, and offers recommendations that reflect their real life. Financial professionals who meet clients where they are can help bridge that gap and turn interest into action.

Americans see the value of financial guidance – but many still go it alone

Despite identifying financial professionals as their top source for financial guidance, most Americans aren't currently meeting with one. In fact, the number of people working with a financial professional has declined steadily in recent years – even as retirement planning strategies grow more complex.

What do clients want most from a financial professional?



Make sure my money lasts as long as I do



Maximize return on investments



Provide a personalized, comprehensive financial plan

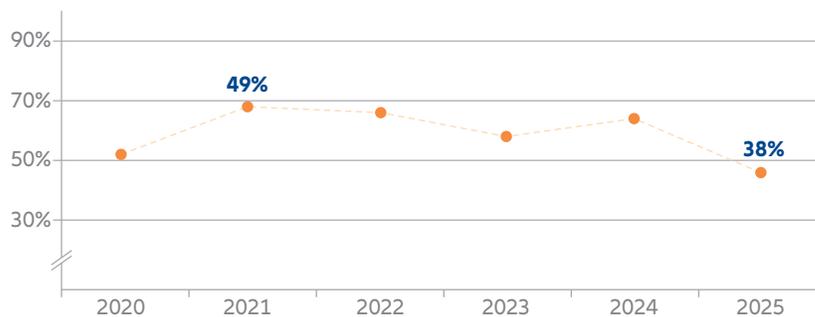


Help protect my savings from market loss

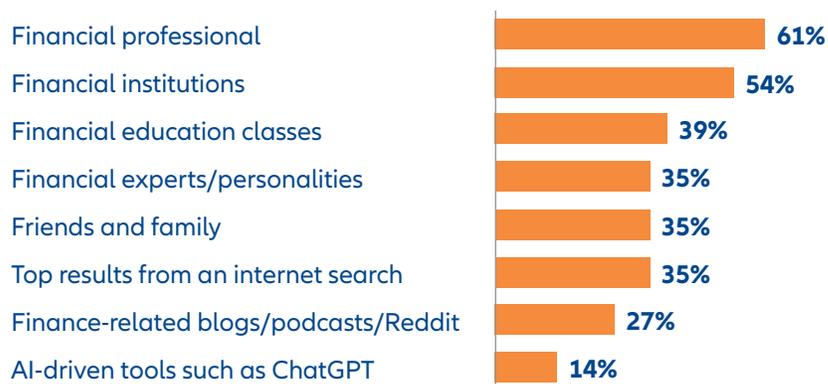


Develop a plan to minimize my tax burden

Do you currently have a financial professional?



Top sources for financial guidance



What tips the scale when choosing one?



37% want a financial professional with a skill set in a particular area, like retirement or budgeting

37% want their values and beliefs to be considered in planning

37% want to feel known as a person with real worries and values – not just a portfolio

What it all adds up to

From fading confidence and planning gaps to growing legacy goals and caregiving pressures, the 2025 Annual Retirement Study paints a clear picture: **Retirement isn't getting simpler. But with the right strategies, it can be stronger.**

Americans are seeking guidance on how to turn uncertainty into action. They want strategies that balance present pressures with future goals. They want protection, predictability, and purpose. Most of all, they want someone in their corner to help them get there.

That's where financial professionals come in – and Allianz is here to help.

Get the insights to guide what's next

Access knowledge and tools to lead the way with confidence

Addressing the complex challenges of retirement strategies requires innovative thinking, grounded in data and insights. The Allianz Center for the Future of Retirement™ (part of Allianz) delivers actionable insights, backed by 125+ years of experience in risk management and innovation across annuities, life insurance, and ETFs (Allianz Investment Management LLC is the adviser to the AllianzIM ETFs).¹

Whether you're helping clients navigate guaranteed income, market volatility, or legacy planning strategies, **the Center's signature research and specialized analysis can help you stay ahead of what's next in retirement.**

→ EXPLORE THE LATEST INSIGHTS AT
www.allianzlife.com/allianz-center-for-the-future-of-retirement

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¹AllianzIM ETFs are not a product of Allianz Life Insurance Company of North America.

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Annuities can help meet long-term retirement goals by offering tax-deferred growth potential, a death benefit during the accumulation phase, and a guaranteed stream of income at retirement.

Registered index-linked annuities (RILAs) are subject to investment risk, including possible loss of principal. Investment returns and principal value will fluctuate with market conditions so that contract value, upon distribution, may be worth more or less than the original cost.

All annuity withdrawals are subject to ordinary income tax and, if taken prior to age 59½, may be subject to a 10% federal additional tax.

Insurance and annuity guarantees are backed by the financial strength and claims-paying ability of the issuing insurance company. Registered index-linked annuity guarantees do not apply to the performance of the variable subaccounts, which will fluctuate with market conditions.

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