

Highlights of the MetLife Study of Boomers: Ready to Launch

The “Average” 62-Year Old Boomer
(Born January 1, 1946 - December 31, 1946)



MetLife®

To profile the average 62-year-old boomer is to study the contrasts between popular imagery and private lifestyle. In the past decade, especially, the baby boomer demographic has fired up the imaginations of marketers and the media with its huge numbers (almost 77 million total), and the social fabric both rendered and created during its turbulent youth. The truth and the imagery may be at odds, however.

In reality, it is impossible to accurately describe such a huge group of individuals spread over a birth horizon of almost two decades with only broad generalizations and convenient characterizations. There are subtleties within both larger sub-cohorts like the “leading-edge,” “middle” and “trailing-edge” boomers, and in these individuals now well into middle age who were born at the cusp between the old guard and the new order of the mid-twentieth century.

The MetLife Mature Market Institute undertook a nationally representative snapshot of the “leading edge of the leading edge” boomers, the oldest of whom were born in the immediate aftermath of the World War II. On January 1, 1946 the first few births eventually exploded into more than three million boomer babies that year.

They – and their parents – drove a historically vibrant economy for decades. “The boomers” earliest representatives began to redefine popular culture, music, social mores, political sensibility, and technology; they certainly defined the advance of social and individual freedoms of the late 20th Century. Their legacy continues today, although we often forget the dramatic events of the 1950s and 1960s that were their impetus - everything from Hula-Hoops to Hawaiian statehood; from the Beatles to the Birmingham Freedom March; from Disneyland to Dylan; from the Summer of Love to AARP; from Leave it to Beaver to “America- Love it or Leave It”!

Those born in 1946 are the first of an often studied, and just as often stereotyped group of Americans who have set

the stage for the 21st century. For one thing, they are considerably more conventional in their late middle age than they were represented as being in their youth. Our survey finds what may generate both surprise and admiration as much for their intentions as for their accomplishments.

RELATIONSHIPS

The average 62-year-old American...

...is married to the same spouse, who is 60 years old.

...has 2.4 children over the age of 18, who are not living at home.

...has two grandchildren, also not living at their home.

Neither parent is alive, so they are truly empty-nesters.

HEALTH

They...

... are in good to very good health.

...have not experienced any major health problem in the past 12 months.

...feel that they have done a good job of maintaining their health.

...feel that their own health status and the age at death of their parents and grandparents most influences their own life expectancy.

EDUCATION

They have at least some college education.

EMPLOYMENT

They work full-time for an employer, who provides a defined benefit pension plan and health benefits.

FINANCES

The average member of the 1946 birth group...

...has an annual income of \$71,400.

...has a household net worth, excluding home value, of \$257,800.

...has an average of six financial products/plans including 401(k)/403(b), IRA, health insurance, life insurance and CD/savings accounts.

If they do not already have investments such as stocks, bonds, annuities, or long-term care insurance they have few plans to purchase these in the next 12 months.

They have received or expect to receive some inheritance from their parents – typically in the range of \$113,000 to \$210,000.

Their home is currently worth \$297,900.

They are aware that at age 62 they are eligible for a reverse mortgage, but typically are not planning to use a reverse mortgage for funding in their retirement. Should they use a reverse mortgage they would use the money to support their own aging and long-term care needs and pay down debt.

They do not have a professional financial advisor.

HOUSING

They own their home.

They do not plan to move from their current residence, although a sizable portion of their friends say they might at some point in the future.

IDENTITY

They did not attend the Woodstock music festival in 1969.

They like the term “baby boomer” to describe themselves.

They feel they have done a good job of providing for their own basic needs, their spouse’s and children’s needs, as well as their parents’ needs.

They feel they have done a good job of contributing to their community and to society.

They feel they have done a good job of ensuring a steady stream of income for their future, and in planning to live their early retirement years to the fullest.

At the same time, they feel that they have done only a poor to fair job of saving and investing for their own future, saving and investing for their children’s future, and ensuring coverage for their own long-term care costs.

They do not view themselves as being “old” until they are age 77 years and 10 months.

They were politically conservative in their 20s and remain so today. In fact, a good number of their formerly liberal friends admit to becoming more politically conservative as they’ve aged. Some of their conservative friends admit the opposite, becoming more liberal as they’ve gotten older.

The words that describe the worst thing about turning 62 are “getting older” and having “more health problems.”

The words that describe the best thing about turning 62 are “freedom,” “retirement,” and “not having to work.”

RETIREMENT

They’ve decided to take their Social Security benefits earlier than full benefit eligibility and certainly by age 65. They are doing so primarily for financial reasons like providing immediate income for retirement, along with some skepticism about the viability of the Social Security system thrown in for good measure. A sizable portion of their friends will be applying for benefits as early as age 62.

They plan to be fully retired by age 66 years and 4 months.

They feel that having a personal financial arrangement that guarantees a steady source of income for life is more important than spending more during their early retirement years and potentially not meeting their future financial needs.

They like the word “retirement” to define their next life transition.

METHODOLOGY

Boomers Ready to Launch was conducted by GFK Custom Research North America on behalf of the MetLife Mature Market Institute during November 2007. The study consisted of a 15-minute telephone survey of 1,000 participants, from multiple survey panels, who were age 61 in 2007. The survey results were weighted to be representative of the population of 61 year olds in the United States. The margin of error was +/- 3%.



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