

Retirement confidence and COVID-19 in 2021

Optimism levels, expectations, and intended behaviors



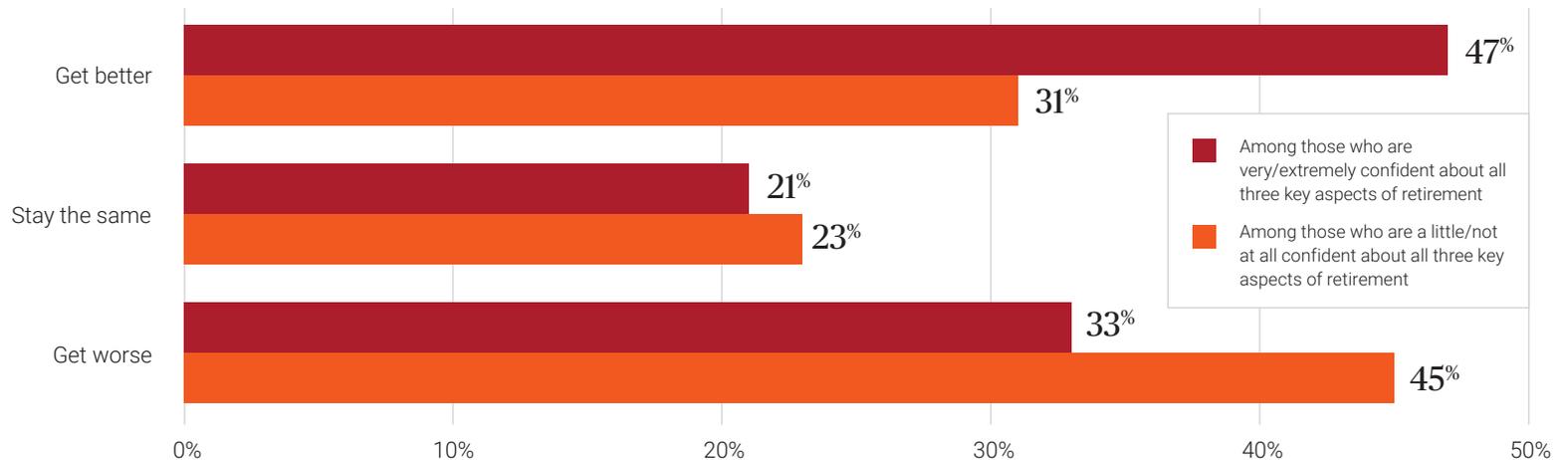
Consumer Retirement Index research explored the link between 2021 consumer expectations and retirement confidence. In general, people who are less optimistic about this year are more likely to lack confidence in their retirement savings.¹

Expectations for the economy, stock market, and employment

Americans faced significant financial hardships from COVID-19 in 2020. Those who are most concerned about the impact of the coronavirus on the U.S. economy are most likely to be a little/not at all confident about their retirement — possibly because the continued impact would hamper their ability to save and limit the return on their investments.¹

Individuals with a little/no confidence in their retirement savings are 12% more likely to believe that the economy will get worse in the next six months, while retirement confident individuals are 1.5x more likely to think the economy will get better in the coming months.¹

Do you think the economy will get better, stay the same, or get worse in the next 6 months?



Not surprisingly, those who are a little/not at all confident are 16% less likely to feel optimistic about the stock market and most likely to lack confidence in the job market.¹

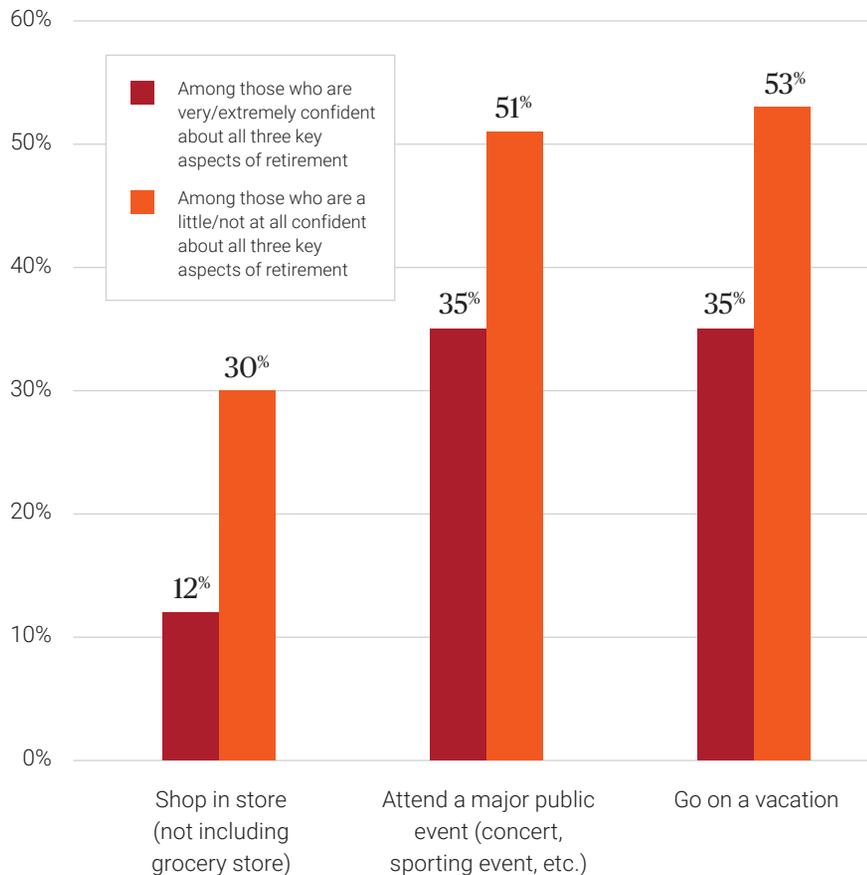
¹ Lincoln Financial & CivicScience, Consumer Retirement Index. Data gathered by CivicScience: 11/17/2020 – 2/8/2021.

Consumer behavior expectations

The belief that COVID-19 will continue to have an impact across many areas of life may be contributing to a general sense that the future is uncertain, which could in turn have a negative impact on retirement confidence.

In general, those who lack retirement confidence are much more likely to think it will take six or more months for them to travel, attend a major public event, or go shopping in a store for something other than groceries.¹

Percentage of people who say they'll be comfortable to do these activities in 6+ months



Individuals who aren't confident in their retirement savings are nearly 20% more likely to not feel comfortable traveling and/or going on vacation for six or more months, but 65% of retirement confident adults say they'd feel comfortable traveling and/or going on vacation in five or fewer months.¹

Help participants take charge of change

You can help participants navigate this evolving situation and stay on track for the retirements they envision. Share these targeted resources to help employees face uncertain times with confidence:



For early/mid-career employees:

[Take charge of uncertainty: Weathering the storm](#)



For employees approaching retirement:

[Take charge of retirement: Staying on track for your goals](#)



For financially-impacted employees who are looking for relief:

[Understanding hardship withdrawals](#) and [Understanding your retirement plan loan](#)

¹Lincoln Financial & CivicScience, Consumer Retirement Index. Data gathered by CivicScience: 11/17/2020 – 2/8/2021.

About the Consumer Retirement Index

Lincoln Financial Group and CivicScience team up to bring you the Consumer Retirement Index, calculated from monthly tracking questions that assess consumer sentiment about saving for retirement. The index is based on three questions, each of which measures an aspect of consumer confidence about retirement. It represents the percentage of U.S. adults ages 18-64 who feel “very” or “extremely” confident about all three of these measures:

- Being able to accumulate enough money so they can retire when they want
- Being able to convert their savings when they retire into income that will last the rest of their lives
- Having enough money to maintain the lifestyles they want in retirement

About CivicScience

CivicScience provides strategic insight services to decision-makers at the largest brands, media companies, and investment firms in the world while giving consumers a trusted, convenient way to affect change. Through a proprietary polling and analytics platform, CivicScience studies consumers and markets across thousands of dimensions, from macro forces to brand-specific trends, and how they relate. For more information, visit [CivicScience.com](https://www.civicscience.com).

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