

Earning in retirement: The new norm?

Can you afford to retire? Will you have to carry on working until you 'drop'? The results of the latest ING International Survey suggest it's a real worry for nearly two-thirds of people across Europe, the US and Australia, and notably in Spain, France and Poland. [Download the full report here](#)



'Don't touch my pension' reads the placard at a pensioners' protest in Paris, 2018

Saving woes stretch retirement outlook

People in Europe, the USA and Australia could be sleepwalking into long-term saving and spending problems. That's the message from the latest ING International Survey which indicates that many of us are really worried about retirement, not least because we're having trouble making ends meet right now and finding extra cash to put aside for later is difficult for many.

[Download the full IIS report here](#)

Planning for retirement is no longer , saving now to live later. Our expectations of continuing to earn in retirement point to a new view of life after full-time work. We tend to focus on the present meaning that planning for the future can take a backseat, particularly for something as far in the distance as retirement. Future needs are less salient than others. But that is not the whole story. Many , don't earn enough to save. Here is where we stand today and how we might clarify retirement challenges by tapping into our sometimes quirky relationship with money.

Future obstacles

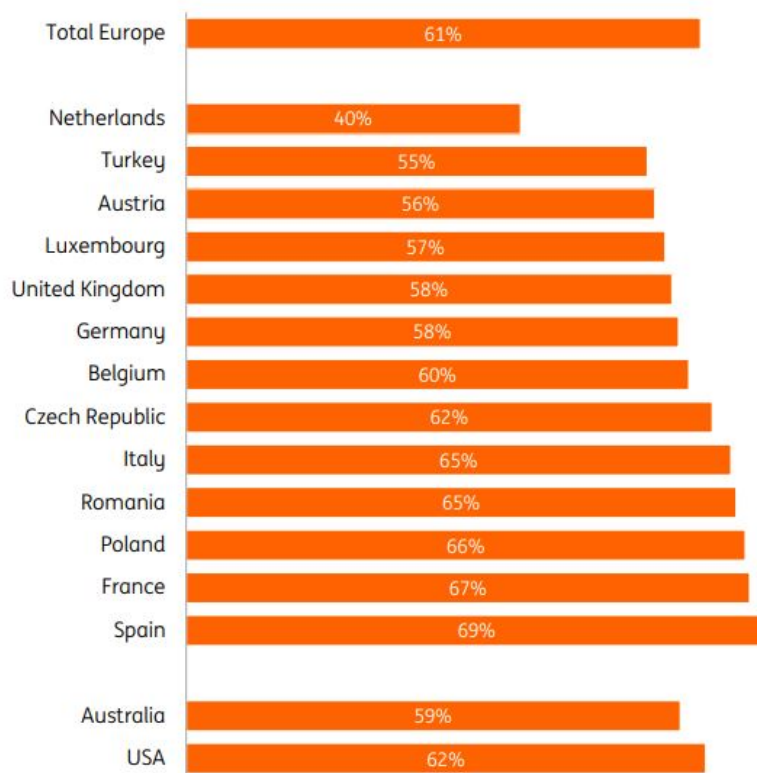
Many people say that they worry about having enough money in retirement. In fact, two in every three people agree with this statement. Retirement can be a challenging concept to plan for.

For the young, retirement can feel like an incredibly long way off, making prioritising and planning less of a focus. Yet by the time we get to retirement, it's often too late to make any big changes that will drastically improve our weekly budget. And because , isn't necessarily an immediate issue, it can be forgotten in the short term. There isn't an obvious time to sit down and do the sums on retirement.

Worrying about money

"I worry about whether I will have enough money in retirement."

Shares of the not yet retired who reply "agree" or "strongly agree". Other possible answers were "neither agree nor disagree", "disagree", "strongly disagree" or "I don't know".



Sample size: 11,948

My retirement will be.....

But just 26 percent of those in Europe who aren't retired, expect to have the same standard of living post full-time work. Even though 47 percent of us don't know how much goes into our retirement savings each year and 36 percent don't contribute in addition to what's put aside by employers or the state.

Because people feel uncertain about their retirement and there is a general feeling of 'not having enough money', many assume they'll need to keep earning. More than half of these expect to do this through working in the gig economy or temporary positions.

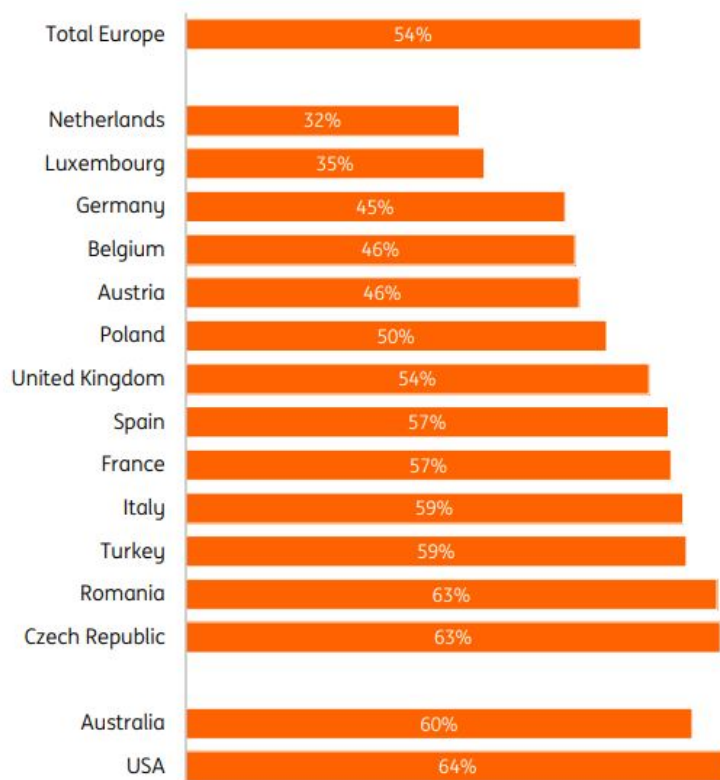
Worry seeps into plans for continuing to earn in retirement but is not necessarily enough to convince us to sit down to calculate how much extra we could be putting away into retirement each week. Retirement can be considered a 'future problem', putting money away is a loss now.

People also have very wide-ranging predictions for how much they will need to live in retirement. In our European sample of those aged 25-34 years, 18 percent predicted they would need between 100 and 500 thousand euros if they never had to work again, while 19 percent predicted they would need between 1 million and 3 million euros. A quarter thought they would need more than this to never need to work. A natural aversion to calculating and a preference for round numbers means that if asked, many will pick a number that sounds reasonable to them.

Keep on working?

"I expect I'll need to keep earning some money in retirement."

Shares of non-retirees who reply "strongly agree" or "agree". Other possible answers include "neither agree nor disagree", "disagree", "strongly disagree" or "I don't know".



Sample size: 11,948

Managing what we have

Taking the hit now to put away for later feels like a loss. If we don't feel we have to, it can be easy

to question why we should do it right now. But it's not just loss aversion or challenges planning for the future at play here. Many don't have the option to put more aside for retirement.

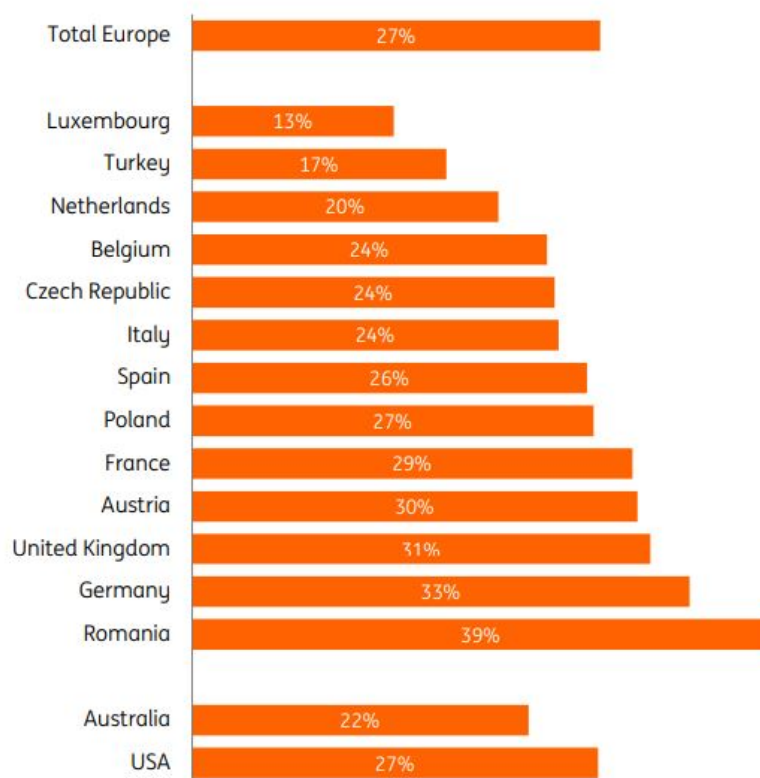
Of the quarter of us across Europe who have no savings, 66 percent say that they don't earn enough to save. Half of us also say we sometimes run out of money at the end of the pay period. And while most of us can reduce spending in order to manage until the next pay comes in, three in ten say that they turn to credit cards and one in five borrow money from friends or family. While credit card debt comes with the risk of interest charges eating further into our limited saving capacity, introducing money into relationships also comes with risks. Strained relationships add to the stress of running out of money before the next pay cycle.

Saving and investing are sensitive subjects, particularly in relation to the relatively overwhelming topic of preparing for retirement. And this is not helped by the fact that we often feel uncomfortable talking about our finances. Because of this we tend to shy away from asking questions that could provide useful advice in navigating financial challenges. It would be an important step forward to open up these conversations in a way that responds to our natural disposition to avoid this potentially prickly topic. This can help bring the future into the present and integrate retirement saving into every-day thinking.

More than a quarter of Europeans have no savings

Does your household have any savings?

Shares who reply "no". Sample excludes the share who reply "prefer not to answer" to the question.



Sample size: 14,009

Can technology help us save for the long-term?

Another way we can integrate future-focused planning into the more manageable context of day-to-day is the myriad of personal finance apps that are entering the market. What our results suggest, however, is that Fintech is not having a large impact on personal investing which can support longer-term saving. Instead, most mobile bankers are using apps for spending and transferring money.

Planning in advance, such as for retirement, comes with unique challenges. While our financial position is influenced by multiple factors outside of our control, such as low wages or unexpected expenses, our habits and behaviours directly contribute to our long-term financial wellbeing. It will pay to know the basics of what your retirement years might look like, even if you don't feel you can save any more right now. Knowledge is a powerful thing.

Read the entire ING international Survey report [here](#)

Author

Amrita Naik Nimbalkar

Junior Economist, Global Macro

amrita.naik.nimbalkar@ing.com

Alissa Lefebre

Economist

alissa.lefebvre@ing.com

Deepali Bhargava

Regional Head of Research, Asia-Pacific

Deepali.Bhargava@ing.com

Ruben Dewitte

Economist

+32495364780

ruben.dewitte@ing.com

Kinga Havasi

Economic research trainee

kinga.havasi@ing.com

Marten van Garderen

Consumer Economist, Netherlands

marten.van.garderen@ing.com

David Havrlant

Chief Economist, Czech Republic

420 770 321 486

david.havrlant@ing.com

Sander Burgers

Senior Economist, Dutch Housing
sander.burgers@ing.com

Lynn Song
Chief Economist, Greater China
lynn.song@asia.ing.com

Michiel Tukker
Senior European Rates Strategist
michiel.tukker@ing.com

Michal Rubaszek
Senior Economist, Poland
michal.rubaszek@ing.pl

This is a test author

Stefan Posea
Economist, Romania
tiberiu-stefan.posea@ing.com

Marine Leleux
Sector Strategist, Financials
marine.leleux2@ing.com

Jesse Norcross
Senior Sector Strategist, Real Estate
jesse.norcross@ing.com

Teise Stellema
Research Assistant, Energy Transition
teise.stellema@ing.com

Diederik Stadig
Sector Economist, TMT & Healthcare
diederik.stadig@ing.com

Diogo Gouveia
Sector Economist
diogo.duarte.vieira.de.gouveia@ing.com

Marine Leleux
Sector Strategist, Financials
marine.leleux2@ing.com

Ewa Manthey
Commodities Strategist

ewa.manthey@ing.com

ING Analysts

James Wilson

EM Sovereign Strategist

James.wilson@ing.com

Sophie Smith

Digital Editor

sophie.smith@ing.com

Frantisek Taborsky

EMEA FX & FI Strategist

frantisek.taborsky@ing.com

Adam Antoniak

Senior Economist, Poland

adam.antoniak@ing.pl

Min Joo Kang

Senior Economist, South Korea and Japan

min.joo.kang@asia.ing.com

Coco Zhang

ESG Research

coco.zhang@ing.com

Jan Frederik Slijkerman

Senior Sector Strategist, TMT

jan.frederik.slijkerman@ing.com

Katinka Jongkind

Senior Economist, Services and Leisure

Katinka.Jongkind@ing.com

Marina Le Blanc

Sector Strategist, Financials

Marina.Le.Blanc@ing.com

Samuel Abettan

Junior Economist

samuel.abettan@ing.com

Franziska Biehl

Senior Economist, Germany

Franziska.Marie.Biehl@ing.de

Rebecca Byrne

Senior Editor and Supervisory Analyst

rebecca.byrne@ing.com

Mirjam Bani

Sector Economist, Commercial Real Estate & Public Sector (Netherlands)

mirjam.bani@ing.com

Timothy Rahill

Credit Strategist

timothy.rahill@ing.com

Leszek Kasek

Senior Economist, Poland

leszek.kasek@ing.pl

Oleksiy Soroka, CFA

Senior High Yield Credit Strategist

oleksiy.soroka@ing.com

Antoine Bouvet

Head of European Rates Strategy

antoine.bouvet@ing.com

Jeroen van den Broek

Global Head of Sector Research

jeroen.van.den.broek@ing.com

Edse Dantuma

Senior Sector Economist, Industry and Healthcare

edse.dantuma@ing.com

Francesco Pesole

FX Strategist

francesco.pesole@ing.com

Rico Luman

Senior Sector Economist, Transport and Logistics

Rico.Luman@ing.com

Jurjen Witteveen

Sector Economist

jurjen.witteveen@ing.com

Dmitry Dolgin

Chief Economist, CIS

dmitry.dolgin@ing.de

Nicholas Mapa

Senior Economist, Philippines

nicholas.antonio.mapa@asia.ing.com

Egor Fedorov

Senior Credit Analyst

egor.fedorov@ing.com

Sebastian Franke

Consumer Economist

sebastian.franke@ing.de

Gerben Hieminga

Senior Sector Economist, Energy

gerben.hieminga@ing.com

Nadège Tillier

Head of Corporates Sector Strategy

nadege.tillier@ing.com

Charlotte de Montpellier

Senior Economist, France and Switzerland

charlotte.de.montpellier@ing.com

Laura Straeter

Behavioural Scientist

+31(0)611172684

laura.Straeter@ing.com

Valentin Tataru

Chief Economist, Romania

valentin.tataru@ing.com

James Smith

Developed Markets Economist, UK

james.smith@ing.com

Suvi Platerink Kosonen

Senior Sector Strategist, Financials

suvi.platerink-kosonen@ing.com

Thijs Geijer

Senior Sector Economist, Food & Agri

thijs.geijer@ing.com

Maurice van Sante

Senior Economist Construction & Team Lead Sectors

maurice.van.sante@ing.com

Marcel Klok

Senior Economist, Netherlands

marcel.klok@ing.com

Piotr Poplawski

Senior Economist, Poland

piotr.poplawski@ing.pl

Paolo Pizzoli

Senior Economist, Italy, Greece

paolo.pizzoli@ing.com

Marieke Blom

Chief Economist and Global Head of Research

marieke.blom@ing.com

Raoul Leering

Senior Macro Economist

raoul.leering@ing.com

Maarten Leen

Head of Global IFRS9 ME Scenarios

maarten.leen@ing.com

Maureen Schuller

Head of Financials Sector Strategy

Maureen.Schuller@ing.com

Warren Patterson

Head of Commodities Strategy

Warren.Patterson@asia.ing.com

Rafal Benecki

Chief Economist, Poland

rafal.benecki@ing.pl

Philippe Ledent

Senior Economist, Belgium, Luxembourg

philippe.ledent@ing.com

Peter Virovacz

Senior Economist, Hungary

peter.virovacz@ing.com

Inga Fechner

Senior Economist, Germany, Global Trade

inga.fechner@ing.de

Dimitry Fleming

Senior Data Analyst, Netherlands

Dimitry.Fleming@ing.com

Ciprian Dascalu

Chief Economist, Romania

+40 31 406 8990

ciprian.dascalu@ing.com

Muhammet Mercan

Chief Economist, Turkey

muhammet.mercan@ingbank.com.tr

Iris Pang

Chief Economist, Greater China

iris.pang@asia.ing.com

Sophie Freeman

Writer, Group Research

+44 20 7767 6209

Sophie.Freeman@uk.ing.com

Padhraic Garvey, CFA

Regional Head of Research, Americas

padhraic.garvey@ing.com

James Knightley

Chief International Economist, US

james.knightley@ing.com

Tim Condon

Asia Chief Economist

+65 6232-6020

Martin van Vliet

Senior Interest Rate Strategist

+31 20 563 8801

martin.van.vliet@ing.com

Karol Pogorzelski

Senior Economist, Poland

Karol.Pogorzelski@ing.pl

Carsten Brzeski

Global Head of Macro

carsten.brzeski@ing.de

Viraj Patel

Foreign Exchange Strategist

+44 20 7767 6405

viraj.patel@ing.com

Owen Thomas

Global Head of Editorial Content

+44 (0) 207 767 5331

owen.thomas@ing.com

Bert Colijn

Chief Economist, Netherlands

bert.colijn@ing.com

Peter Vanden Houte

Chief Economist, Belgium, Luxembourg, Eurozone

peter.vandenhoute@ing.com

Benjamin Schroeder

Senior Rates Strategist

benjamin.schroeder@ing.com

Chris Turner

Global Head of Markets and Regional Head of Research for UK & CEE

chris.turner@ing.com

Gustavo Rangel

Chief Economist, LATAM

+1 646 424 6464

gustavo.rangel@ing.com

Carlo Cocuzzo

Economist, Digital Finance

+44 20 7767 5306

carlo.cocuzzo@ing.com