

Thursday, 11 October 2018

Gen Z most likely to ask for advice about retirement planning

Younger Australians in Generation Z are more likely to ask friends/family for advice about retirement planning than older Australians while Baby Boomers are the most likely generation to be asked by friends/family for advice about retirement planning.

Nearly a third of Generation Z (30%) are 'Info Seekers' when it comes to asking friends/family for advice about retirement planning – nearly twice as high as for any other generation. Just under a fifth of Millennials (18%) ask friends/family for advice about retirement planning.

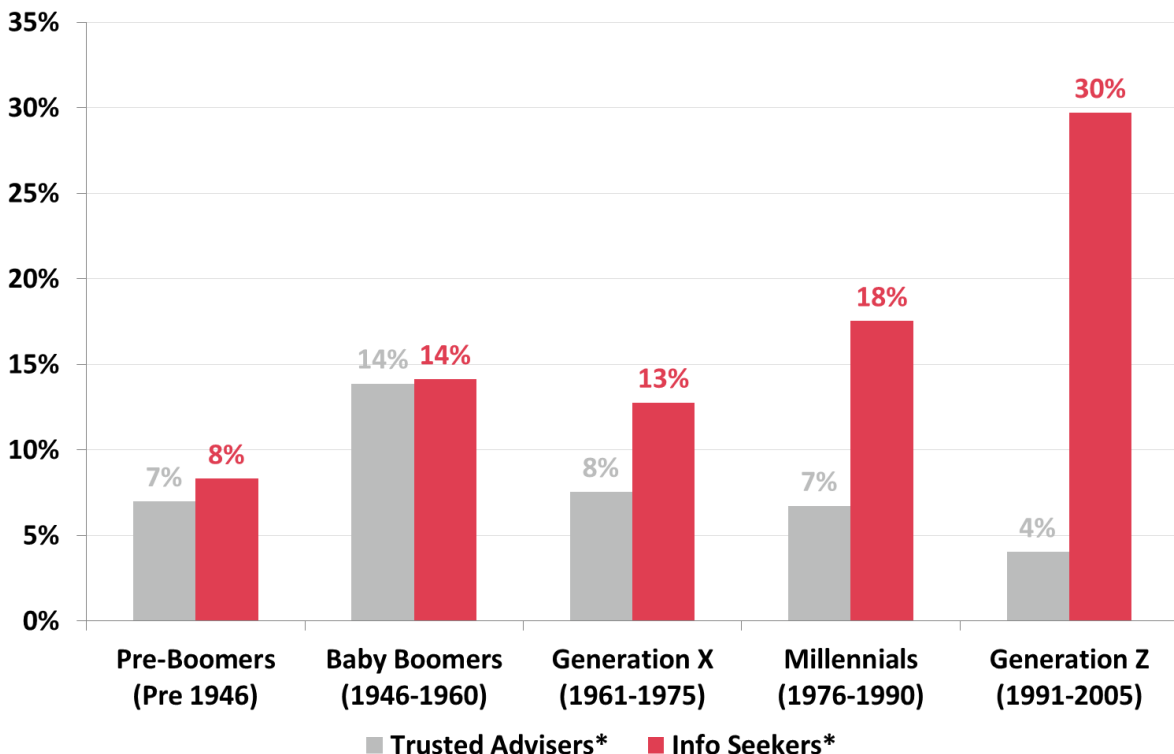
While Generation Z are early in their working life, or still studying, most Millennials are now in their late 20s and 30s and form the largest cohort of the Australian workforce.

In contrast 13% of those in Generation X and 14% of near retirement Baby Boomers ask friends/family for advice about retirement planning. Only 8% of Pre-Boomers, who are largely already retired, ask friends/family for advice.

However, 14% of Baby Boomers are asked for advice by friends/family about retirement planning making the generation now aged largely in their 60s the leading 'Trusted Advisers' for the issue ahead of all other generations.

Only 8% of Generation X, 7% of Pre-Boomers and Millennials and just 4% of those in Generation Z are considered 'Trusted Advisers' to ask for advice by friends/family about retirement planning.

Retirement planning 'Trusted Advisers' and 'Info Seekers' – June quarter 2018



Source: Roy Morgan Single Source Australia, April 2018 – June 2018. n=3,850. **Base:** Australians aged 14+.
*Trusted Advisers – Friends/family ask my advice about retirement planning. Info Seekers – I ask friends/family for advice about retirement planning.

FOR IMMEDIATE RELEASE

Michele Levine, CEO Roy Morgan, says retirement planning is an important consideration for Australian workers looking to get the most out of their post-work stage of life:

“The Morrison Government announced in September that Australia’s pension age will be set at 67 from July 1, 2023 and not continue increasing to 70 as originally envisaged. The original plan called for the pension age to be raised to 70 by the year 2035 meaning anyone born from 1965 onwards encompassing Generation X, Millennials and Generation Z would have to work until 70 years of age before being able to claim the aged pension.

“The change in policy means Australians can now plan for a (hoped for) longer retirement and increases the importance of putting the time in to find the best plan for one’s own unique circumstances.

“When it comes to seeking advice about planning for retirement it is those entering the workforce, Generation Z, who are easily the most likely to be ‘Info Seekers’ – willing to ask friends and family for advice as a first option. Nearly a third of Generation Z (30%) ask friends/family for advice about retirement planning indicating that it’s never too early to start structuring one’s working life to maximise the benefits at the other end.

“Although the aggregate banking and financial assets of Generation Z of around \$120 billion are significantly lower than older generations such as Millennials (\$900 billion) or Generation X and Baby Boomers (each over \$1.5 trillion), these results show that banking and finance companies looking for new customers need to target younger Australians as they enter the workforce rather than wait until these workers settle into working life and build their wealth.

“Even their slightly older cohorts known as Millennials – and now mainly aged in their 30s with another 30 years in the workforce ahead of them – are significantly less likely to be asking friends/family for advice about retirement planning. Only 18% of Millennials say they ask friends/family for advice about retirement planning.

“Unsurprisingly it is Baby Boomers who are considered the ‘Trusted Advisers’ to ask for advice about retirement planning by friends and family. Around 14% of Baby Boomers have been asked for retirement advice by friends and family – almost twice the rate of any other generation.

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About Roy Morgan

Roy Morgan is the largest independent Australian research company, with offices in each state of Australia, as well as in the United States and the United Kingdom. A full service research organisation specialising in omnibus and syndicated data, Roy Morgan has over 75 years’ experience in collecting objective, independent information on consumers.

Margin of Error

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
10,000	±1.0	±0.9	±0.6	±0.4
50,000	±0.4	±0.4	±0.3	±0.2