

The New Retirement Mindscape[®]

A groundbreaking study on the
five emotional stages of Retirement

As advertised in *Money* magazine



Ameriprise[®]
Financial



Retirement Beyond the Numbers:

Mapping the Emotional Stages of Retirement

As Americans live longer, retirement is changing. We know that people in their 40s and 50s today will not approach retirement the way their parents did. But just what they will do has yet to be seen. That's why Ameriprise Financial commissioned

this unique study to map out the mindset of retirement: from years before retirement, to years after and everything in between.

“What differentiates the *New Retirement Mindscape*® from other studies is that it focuses on the emotional and lifestyle, not just the financial, aspects of retirement,” says Ken Dychtwald, Ph.D., a leading authority on Baby Boomer lifestyles, attitudes and behaviors; and a collaborator on the study.

The study found that retirement is not a single event. Rather, it is a series of stages that people migrate through, each with its own complexion of emotions and needs. The most



important and practical finding of the study is that the key to retirement happiness is not money alone. A retirement well-lived is as much a result of having those things money can't buy: engagement, purpose and living one's dreams.

“We're looking to begin a whole new life when we reach our fifties and sixties. Having a positive outlook and understanding that life's next chapter is just that — not the beginning of the end of life — are vital to making it fun and fulfilling.”

Ken Dychtwald, Ph.D.

The study asked two thousand people at different points on their way to and through retirement to share the emotions they were experiencing. The result is a comprehensive picture of the joys and surprises of retirement. As you read the findings, you may gain new insight into what the future could hold for you and, more importantly, what you can do to make your own retirement experience everything you want it to be.

FACTS ABOUT THE STUDY:

- The survey was conducted among 2,000 people in the United States.
- Respondents were between the ages of 40 and 75 — with a sample of those within a year or two of Retirement Day — in order to thoroughly understand the concerns, attitudes and behaviors in the midst of the retirement transition.
- The survey was administered by Harris Interactive® via telephone in August 2005.
- A parallel study among 400 financial advisors was conducted simultaneously.
- The study was developed in collaboration with Ken Dychtwald, Ph.D., one of the nation's leading authorities on Baby Boomers and aging.

Dictionary's definition of retirement: “to disappear... to go away... to withdraw.”
The new definition of retirement: “to be connected... to reinvent... freedom.”



Ken Dychtwald, Ph.D., founder of Age Wave; co-author of *The Power Years: A User's Guide to the Rest of Your Life*.

The **5** Emotional Stages of Retirement



1. Imagination

In the six to 15 years leading up to retirement, people start to prepare mentally by dreaming. How will they spend their retirement years? This can be a time of great optimism. Of course, those who already have substantial savings can get more excited. And, for others, retirement may be far from their minds as they are still so busy with kids in school, careers, and life in general.

2. Anticipation

The second stage is Anticipation, typically the five years leading up to retirement. The reality of making a life change is starting to set in. While there is excitement about actually achieving retirement ambitions, this is also a time when people begin to worry about how it will all work out.



3. Liberation

The third stage usually lasts from “Retirement Day” for about a year. It’s a “honeymoon” phase of excitement, relief and hopefulness. The study found that the most important gift of retirement is “control over time.” New retirees reconnect with spouses, hobbies, traveling and starting new businesses.

4. Reorientation



After the initial “honeymoon” phase, many retirees in the study found they needed to adjust their expectations and plans. It’s a case of reality setting in. The study found that the loss of social connections at work is nearly twice the hardship pre-retirees expected. Just 13% of pre-retirees think this will be the hardest thing to deal with, compared to 22% of those actually in retirement.

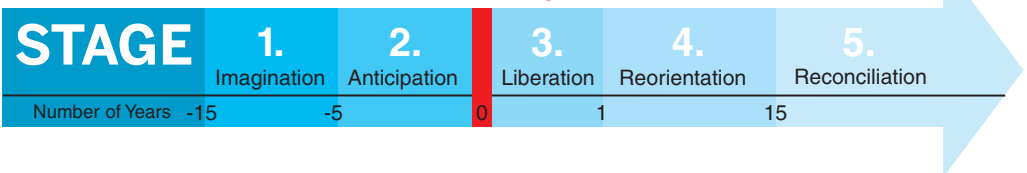
The good news is that many people come through this phase with a new sense of self. Those who do it best are called “Empowered Reinventors.” They are doing work they enjoy, even in retirement. They are continually learning, through formal education and new careers. They’ve also done more advanced planning and preparation, which helps them to reinvent themselves, overcome obstacles and reorient to a fulfilling retirement.

5. Reconciliation

Slowing down in later years often results in greater reflection. It’s only natural that people at this point have figured out what brings them contentment and have a heightened interest in personal reflection, leaving a legacy and enjoying time with family and favorite hobbies.



Retirement Day



Will You Be An Empowered Reinventor?

The main difference between Empowered Reinventors and other retirees is that they put more time and thought into preparing for retirement — not just in terms of saving but also in terms of envisioning what they will do to stay active and engaged in their retirement years. As millions of Baby Boomers enter their retirement years over the next decade, many will likely choose this path, reinventing themselves with new careers, hobbies and adventures. Interestingly, Empowered Reinventors are more likely to have a written financial plan than other retirees.



Fact:

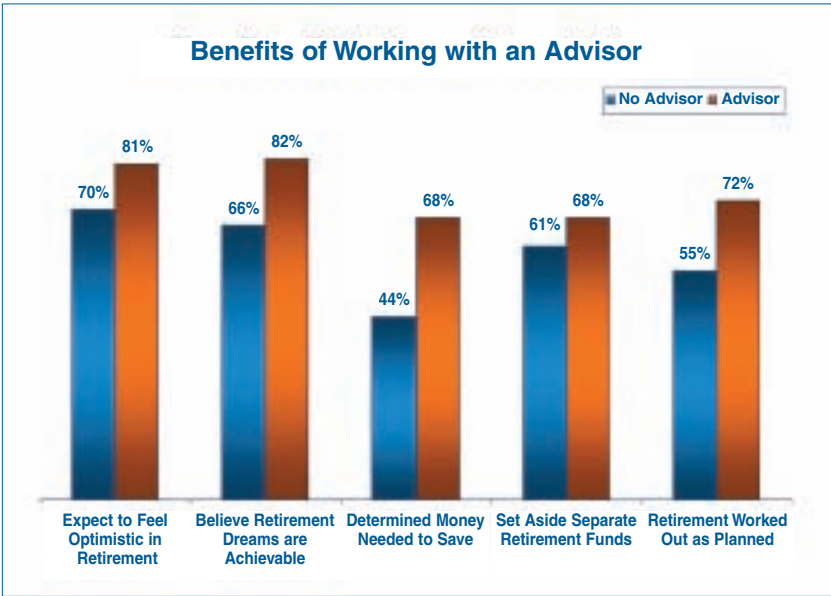
Vision and planning are as important as money in achieving retirement fulfillment.

You might think that gaining financial independence would be the leading factor in retiring successfully. But the following were also cited as key contributors to an enjoyable retirement:

- Working by choice, not by necessity.
- Having a vision for retirement that they worked hard to achieve.
- Having a myriad of interests to pursue (volunteering, hobbies, travel, family time).
- Relying on the support of a spouse/partner in retirement planning.
- Starting to prepare more than 10 years before retiring.
- Having a financial advisor.

The study found that those who worked with a financial advisor were:

- Over twice as likely to feel “very prepared” financially for retirement.
- One and a half times more likely to feel “on track in preparing for retirement.”
- Nearly one and a half times more likely to feel retirement has worked out as planned.
- Feeling more optimistic, enthusiastic, hopeful, empowered and liberated.



To achieve your dreams, you need to plan.

Financial planning is simply the process of laying out your financial goals and then preparing to reach them. And the right relationship with a financial advisor will help you get there.* When you have a plan, an advisor helps you:

- Envision your retirement goals and determine your income needs.
- Pursue your dreams with confidence.
- Feel more prepared about your financial future.
- Live your life more spontaneously.

* Working with a financial advisor does not guarantee investment success.

Dreams don't retire.SM

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Retirement is not a rocking chair you surrender to. No way. Retirement is about second acts. Third acts, too. Whether your dream is to catch the perfect wave or write the Great American novel, your generation is redefining retirement. That's why we're redefining retirement planning with our *Dream > Plan > Track >*[®] approach, which begins with your dreams, not numbers. *Dream > Plan > Track >* is an ongoing process where, together, you and your Ameriprise financial advisor will define your dream, develop your plan and track your progress — making sure your dreams and your retirement plans are one and the same.

Get started today by calling **1-800-Ameriprise** to set up a one-to-one, face-to-face appointment with one of our personal advisors or visit ameriprise.com.

Get to What's next.[®]

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