

## Seven Retirement Surprises Millennials, Gen X'ers, and Boomers Learned During 2020



By Joseph Coughlin, Ph.D, Director of the MIT AgeLab

“Do you think this color is nicer than that one?” I look around and realize that the young woman standing next to me in the home-improvement store checkout line is looking at me and pointing to a paint chip in her hand.

I reply, “I like the deeper pink.”

Chuckling under her mask, she nods, and replies, “This is the third room I’ve painted this year. I’m running out of rooms to paint.”

I ask, “New home?”

Her reply was swift. “No, Covid.”

More than a year ago, I described the Covid-19 quarantine as a retirement fire drill. It’s been far more than a fire drill—it turned out to be a full, multigenerational simulation of many of the assumptions people of all ages have about their retirement future. Information and images from vacation and retirement brochures often litter our brains, leading us to believe that retirement is about leisure alone and not everyday life.

### 2020 Gave Us a Retirement Preview

Many Millennials, Gen X’ers, and younger Boomers are surprised by what they learned from living at home for an extended period; much like retirement, many of life’s activities are more difficult or impossible. Here are seven of those surprises.

### 1. Home-improvement projects take less time than you think

How often have we heard, or even uttered to ourselves, “I can’t wait for retirement. There are so many things around the house to fix up and projects that I’ve been putting off.”

During Covid, home-improvement store sales certainly increased. However, unless you have a working farm, you’re likely to run out of projects sooner than you planned. Just how many rooms can you paint in a retirement that’s likely to be 20 or 25-plus years?

### 2. Leisure activities and hobbies don’t keep you as busy as you thought

A common assumption about retirement is that it’s the big payoff—a life stage of earned leisure in return for a lifetime of work.

Perhaps.

Unfortunately, even before the pandemic, many people found that spending one-third of your adult life on the golf course, on the tennis court, or seated in front of an artist’s easel did not completely, nor happily, fill time in retirement.

### 3. Your home is smaller than you thought

Many Millennials and Gen X’ers learned their home was smaller than they thought—especially for those who have children and must compete with their significant other for a quiet corner and WiFi.

Couples of all ages, however, learned something else—that the constant presence of the love of their life can sometimes become a bit much. Long before Covid, younger Boomers and retirees, particularly women, have found it more than a little disconcerting that “he’s always there.” Working from home demonstrated that quality time together may have its limits.

#### **4. Being able to go where, when, and how you want is even more important than when you were a teen**

Our mobility was limited in 2020, either because we were told to stay home or there was nowhere to go. While transportation is the second-largest expense in retirement, few people plan for maintaining their mobility. Until it’s limited, we don’t fully appreciate how important seamless, unfettered movement is to everyday life—even in retirement.

#### **5. Technology is more than just cool and convenient**

On-demand living was once just for the cool kids. However, even the Millennials found that life-by-app became less about convenience. Instead, it was a vital way to remain connected to everyone and everything.

Likewise, Gen X’ers and younger Boomers found that home delivery, telemedicine, and other applications that were once niceties became necessities in their lives in 2020. Now all generations realize that tech-enabled living will be a requirement for quality retirement living.

#### **6. Friends, family, even your in-laws, are your real social security**

The pain of social isolation became evident to everyone during 2020. Regardless of age, the loss of quality human contact affected young and old. An ongoing study of

public attitudes and behaviors by my colleagues at the MIT AgeLab has shown that younger people reported greater concern about social isolation than older cohorts.

Living during 2020 sparked heightened awareness across the generations that preparing for retirement requires an assessment of your social capital as much as your financial capital. Living where friends, family, and even an annoying cousin or two, are in easy reach must be a priority in retirement—even for those who think that fun and sun alone are key ingredients to retirement living.

#### **7. Work provides hidden benefits**

Working online ‘worked’ for many, but it did not entirely satisfy the social element of the workplace. Retirees are often surprised to discover just how much of their life they spend with their work colleagues compared to their families.

It’s not until they retire that they realize that during a normal week most of the time spent with family is when we sleep. Moreover, other than our first cup of coffee, work provides a compelling reason to get up in the morning, adding structure and purpose to the day in a way that few alternatives can provide.

2020 was a brutal teacher—sadly, more brutal to some than others. However, it’s forcing a real-time, year-plus teachable moment about retirement living. While quarantine was certainly not entirely like retirement, there are more than a few similarities. The friction and complexities it added to daily life are enough for many to question brochure-based thinking of what retirement might be like. Retirement is likely to last a long time and require far more preparedness than plans to spend time with grandchildren, a to-do list of home improvement projects, or dream vacation destinations.



**Joseph F. Coughlin, Ph.D.** is Director of the MIT AgeLab. His research examines how the disruptive demographics of an aging society, social trends, and technology will shape future innovations in business and government. Dr. Coughlin teaches in MIT’s Department of Urban Studies and Planning as well as Sloan School of Management Advanced Management Program. Dr. Coughlin advises a wide variety of global firms in financial services, healthcare, leisure and travel, luxury goods, real estate, retail, technology, and transportation. He’s also a Senior Contributor to Forbes and writes regularly for MarketWatch and the Wall Street Journal.

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