Summary of Findings:
Learning and Key Events for Age 35+

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Introduction

- This report presents the results of two related studies designed to assess how individuals learn in an online environment, especially how they learn what they need to know about retirement. The work is geared to learning about retirement planning at different points in the life cycle from age 35 onwards, namely: Having a retirement plan; Setting a date for retirement; and Retiring. Studies were carried out between September-November 2009.

- Individuals in the bottom quintile (20%) of income are excluded from the study, since they are typically unable to save or invest. The qualifying questions showed that among those who have not retired or set a retirement date, 56% did not have any kind of financial plan to help figure out how to save for retirement.

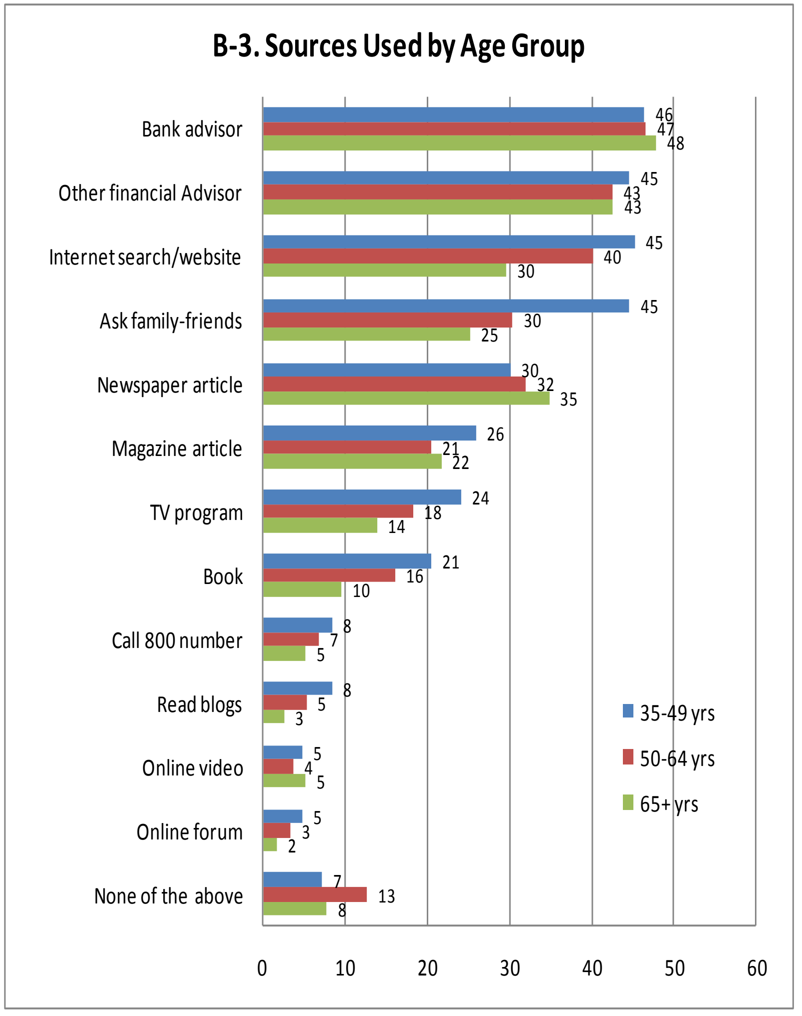
General Learning Practices

- With some thirteen potential choices for where people get information they need (see B-3), the typical respondent in all three groups prefer advisors (whether bank advisors or from other financial institutions) as the preferred source of information about financial matters.

- Only 40% of the internet panel group (~30% of the general population) used internet searches as a source of financial information versus 90% in the age 20-34 group. The proportions then declines with age.

- Search skills and strategies are not "subject dependent". People will use same methods for research regardless of topic and interest level. Users compare information from online sources with information received from their advisors (or vice versa) to cross-validate information and gauge credibility.

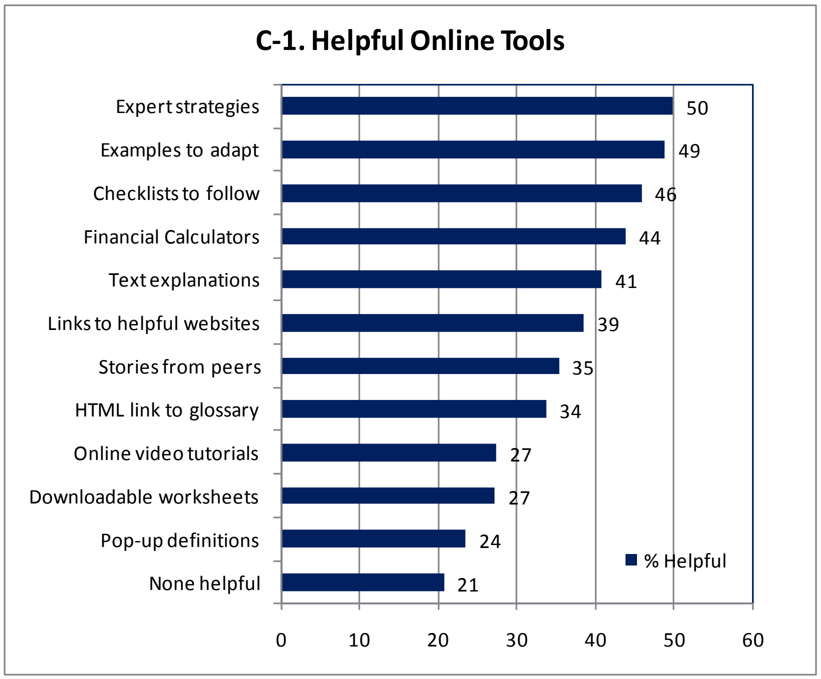
- Excluding transmittal of information via advisors and the internet, newspapers (32%) are the best place to reach the over 35 group.



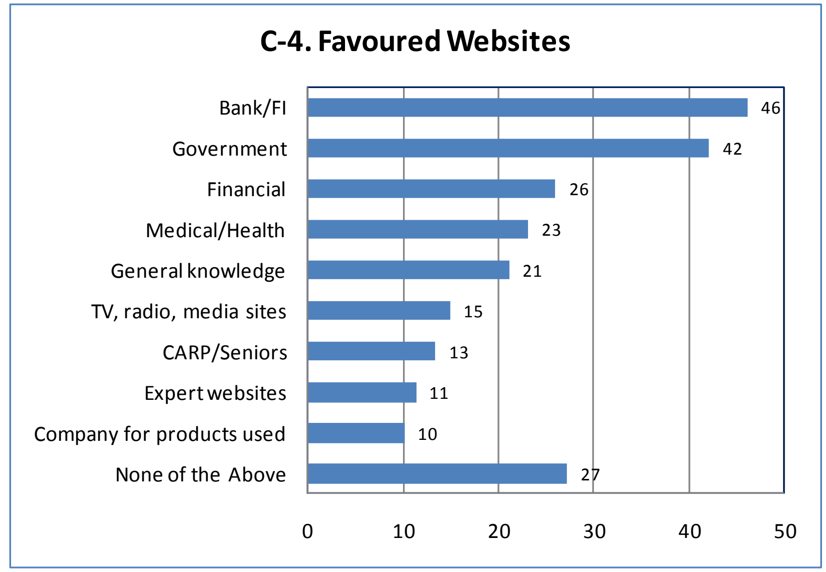
Online Learning for Financial Matters

- This section deals with online learning for financial matters. We first look at the online tools that are most helpful. Then we look at the key questions asked by each event group and where they typically go to seek out online information.

- Experts discussing strategies (50%) is the most helpful online tool, followed by examples that can be adapted (49%), checklists to follow (46%), financial calculators (44%) and text pages that give full explanations (41%). All types of information become less popular with age, but especially financial calculators (58% for age 35-49, 25% for age 65+).



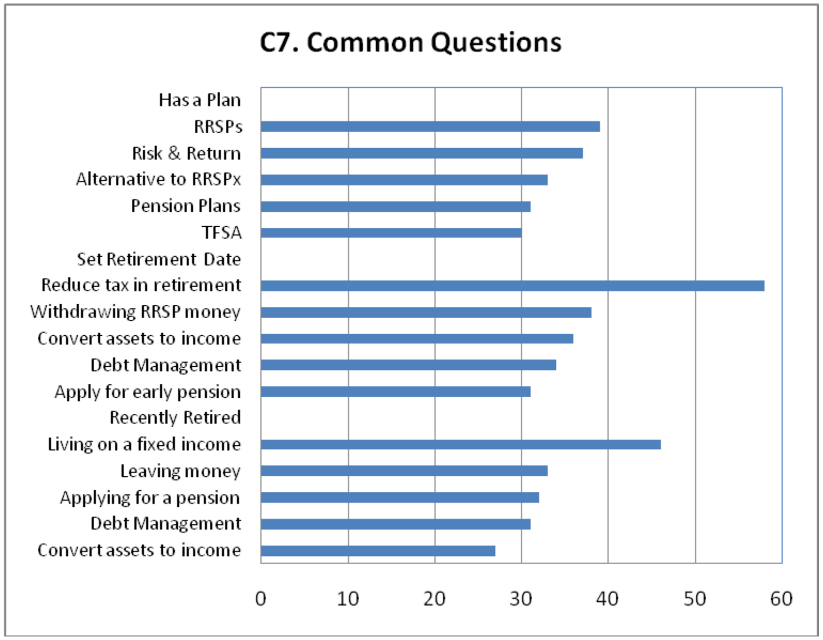
- **Bank/FI (46%) and government (42%) websites are by far the most favoured sources for financial information** *(see C-4)*. Only 15% consider media websites one of their top choices with the Globe & Mail website a choice for more than half of this group.



- While there is overall alignment about how 35+ learn about financial information, where they go and who they talk to, the top three topics that people want to know about are different for each group.

- Exhibit C-7 shows the topics of greatest interest of each group. The labels on each topic are severely truncated forms of the actual topics shown on the survey. The top questions for each group are:

- Has A Plan (33-39%): RRSPs; Investment risks and returns; Pension Plans.
- Set Retirement Date (36-58%): How to reduce taxes in retirement; Withdrawing RRSP money; Converting savings and investment into a steady income.
- Recently Retired (31-46%): Strategies for living on a fixed income; Will & Estate Planning; Appying for a pension.



Barriers To Action

- The qualitative portion of the study explored in-depth what stands in people's way from acting on good information when they find it. **Time, Money and unforeseen events are the main barriers to making informed decisions.** Even when good financial information is found, there can be barriers that stand in the way of acting on the information. The barriers for the 35+age group are time—in terms of both:
  - time to build capital; and
  - time to find the right information and learn it.

- Other major barriers to action include the following:
  - State of the economy. Unpredictability of the market.
  - Competing demands on money and any available funds, especially in the planning to retire group. Competing demands include RESP contributions; mortgages; everyday cost of living, juggling debt and savings.
  - Among self-employed, lack of regular predictable income is a barrier.
  - Unplanned life events (e.g., disability, divorce) impact retirement planning.
  - Recent Job Loss/unemployment affect retirement planning.

Psychographic Segments

- **Attitude statements allowed us to define three psychographic segments in the 35+ market:**
  - People concerned with retirement income;
  - Those focused on taking control of their finances;
  - Risk-takers.

- Roughly 36% of respondents show strong income concern. Low and medium income concern are each about 32% of respondents. Controllers are 45|% of respondents – comparable to the group in the 20-34 age range. Only 7% are low control in this age. Risk-takers are only 14% of respondents and 61% are low risk.

What does Retirement Mean?

- At a very early stage in the qualitative work, it became apparent that the meaning of retirement is changing. We added the question "what does retirement mean to you" during the online and face-to-face focus groups. There was a sense that the concept of retirement is changing with "financial freedom" giving way to a more primary concern about "financial security".

- Getting laid off, divorce and disability have the biggest negative impact on savings for retirement. Inheriting money and kids leaving home have the biggest positive impact.

- Part time work is very likely for many in retirement – some as a temporary measure if needed, others as a means to keep busy and productive.