The Scottish Widows study, Mindful Retirement, is part of its annual Retirement Report research and provides a unique illustration of the nation’s psychological and financial preparedness for later life. To tie in with Mental Health Awareness Week, Scottish Widows wanted to build on the existing body of research around mental health and finance by exploring stress levels and retirement. To do so, it conducted the Mindful Retirement study, drawing on national survey data polled by YouGov and commissioning a psychological experiment to gauge people’s stress levels about their savings after being confronted with positive and negative retirement outcomes.

Overall there was a clear response from the participants when asked to consider two different retirement scenarios. Across pulse rate, facial and body language signals and written responses, there was a stress response to the negative scenario and desire to change behaviour as a result. Our national data also reveals high stress levels regarding saving levels: nearly one-third (30%) of people get stressed just thinking about their savings for retirement.

**METHODOLOGY**

Mindful Retirement included a clinical experiment, which observed a group of 54 men and women aged between 35 and 45 from across the UK as they watched films illustrating two opposing retirement situations. The first film painted a happy picture of retirement while the second film drove home the financial hardship and unhappiness of poverty in later life. Wired up to oximeters that measured their pulse rates, the scientists monitored signs of relaxation and stress, including facial movements and body language. The group was then asked to share their feelings and whether the videos would make them revisit how much they were saving towards retirement.
BRITS FEEL STRESSED ABOUT SAVING ENOUGH FOR RETIREMENT – THOUGH OVER HALF FAIL TO SAVE PROPERLY

- 1 IN 6 BRITS have suffered mental health issues as a direct result of money concerns
- 44% of Brits are not saving adequately for retirement*
- 3 IN 10 (29%) people over 65 have no pension
- 22% of respondents worry they won’t have enough money to do things they enjoy
- 13% of Brits worry they will be bored in retirement
- 10% worry about the cost of long-term care
- 8% of Brits worry they’ll be lonely in their old age
- 49% Nearly half of Brits say financial worries regularly impact their relationships
- Nearly one-third (30%) of people get stressed just thinking about their finances for retirement
- 54% of us have difficulty sleeping due to financial worries
- 14% One in ten (14%) of 18-29 year olds have had mental health issues related to their finances
- One in ten (14%) of 18-29 year olds have had mental health issues related to their finances
- 9% of over-50s who feel pressure to save into a pension have only just started thinking about retirement

Data from the Scottish Widows Pensions Index 2016, as included in the 2016 Scottish Widows UK Retirement Report
The link between every day money worries and mental health is well known. What’s clear is that when people are forced to consider the reality of retirement they do recognise the need to be more prepared and are willing to put more money aside. This study shows that more needs to be done to help raise awareness of the importance of saving enough for retirement. We all have a part to play in encouraging each other to take control of our money and save as much as we can, as early as we can.”

David Holton, retirement expert at Scottish Widows

MINDFUL RETIREMENT CLINICAL EXPERIMENT RESULTS

Just 3.5 minutes of footage made 90% of participants reconsider their retirement savings

An overwhelming majority of participants demonstrated clear signs of stress while watching the film about poverty in later life

78% said that the video had made them worried about how much they were saving towards retirement and their own financial prospects later in life

2%-5% The average amount participants pledged to increase their monthly pensions contribution after the experiment

Men (20%) are less inclined to show outward signs of stress than women (45%)

Those saving nothing for their retirement showed the least stressed responses

“Denial of a situation that feels too distant in the future can create a false sense of security that prevents people taking action to resolve it. This is certainly true of retirement planning. The purpose of putting money away for a distant older life can feel too abstract and unreal in younger life and can therefore be ignored. But this study shows that the smallest injection of reality, in this case a short video, can change people’s priorities and mind-set.”

Jo Hemmings, behavioural psychologist

RETIREMENT STRESS BY GENDER

Stressed thinking about their financial situation in retirement

- Men: 26%
- Women: 33%

Lose sleep worrying about money

- Men: 49%
- Women: 59%

Additional monthly savings beyond pension contributions

- Men: £185.55
- Women: £104.92
ABOUT THE RESEARCH

YouGov Plc. conducted polling for the Scottish Widows annual retirement report. Total sample size was 5,314 adults. Fieldwork was undertaken between March 31st, 2017 and April 11th, 2017. The survey was carried out online. The figures have been weighted and are representative of all UK adults (aged 18+).

The clinical experiment, run by behavioural psychologist Jo Hemmings, observed a group of 54 men and women aged between 35 and 45 from across the UK as they watched films illustrating two opposing retirement situations. Scientists used oximeters to measure their pulse rates, and monitored signs of relaxation and stress, including facial movements and body language. The group was then asked to share their feelings and whether the videos would make them revise their retirement savings.