The Income-ing Age

The economics of retirement distributions

Overview

Why do successful “accumulators” outlive their money? Because the investment rules change in retirement. Dr. Moshe Milevsky, Executive Director of The Individual Finance and Insurance Decision (IFID) Centre, studied the critical factors that lead to the success or failure in retirement and distilled them down to three factors. Invesco Consulting then partnered with Dr. Milevsky, simplified the research, and created simple, persuasive communication tools designed for financial advisors to use with investors.

Program toolbox: from principles to practice

- Presentation *Designed to outline the macro challenges to retirement income and should precede a product presentation on variable annuities. 25 minutes, optimal audience: 30 or more*
- The 1976 Sears Catalog brochure *Created by Invesco Consulting and designed to illustrate the impact and uncertainty of long-term inflation*
- The Tale of Two Accounts *A flyer designed to help distinguish finite income from lifetime income*
- The Office Presentation *Designed to help financial advisors communicate the information to clients*

Skills to be developed from the presentation

*Attendees will be shown:*

- Three potential threats to retirement income
- Perceptions, principles and practices designed to help understand and better communicate the financial challenges in retirement
- Access to the variable annuity innoVAtive sales tools

Research highlights

- In nearly half of all couples age 65, at least one will survive to age 90.\(^1\)
- In distribution, market volatility creates a substantial gap between an “average rate of return” and “actual rate of return.”\(^2\)
- The inflation rate for seniors can be different from the Consumer Price Index.\(^3\)

\(^1\)Source: “High-Age Implications of Postretirement Risks” by Anna M. Rappaport, F.S.A. and Monica Dragut, presented at the Living to 100 and Beyond symposium sponsored by the Society of Actuaries in Orlando, Florida, January 12-14 2005.

\(^2\)Source: IFID Centre, 2006.


Contributor

Helping select financial professionals with skeptical clients get, keep and grow business with never-before-seen ideas

Leaders in helping advisors, worldwide

Founded in 1998, I•C is a team of 14 specialists with over 25 programs and 15 books that is seen by over 40,000 advisors each year. *as of 12/17

Proprietary, relevant and actionable research

I•C presentations are based on extensive research, streamlined into actionable steps and implementable with I•C Studios follow-up.

The complete advisor experience

Each presentation is complemented by online video reviews and toolboxes designed to help advisors easily apply the research findings into their businesses.

I•C programs, designed to help advisors with...

- Presentation development and delivery
- Value propositions shown to resonate with investors
- Public seminars that fill rooms
- Communication skills
- Retirement strategies... simplified
- Proven referral strategies
- Strategies for gathering assets

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