MIT AGELAB Life Tomorrow PLAN Preparing for Longevity Advisory Network

Issue Brief: How Advisors Address Social Connection with Clients

Longevity planning is about more than money. Our "social portfolio" can matter just as much for wellbeing in retirement as financial resources. This brief highlights results from a survey fielded to the PLAN panel on how advisors are addressing social connection with clients.

Data includes 105 panel participants who reported working in direct advisory roles with clients and who completed the questionnaire in November and December of 2024.

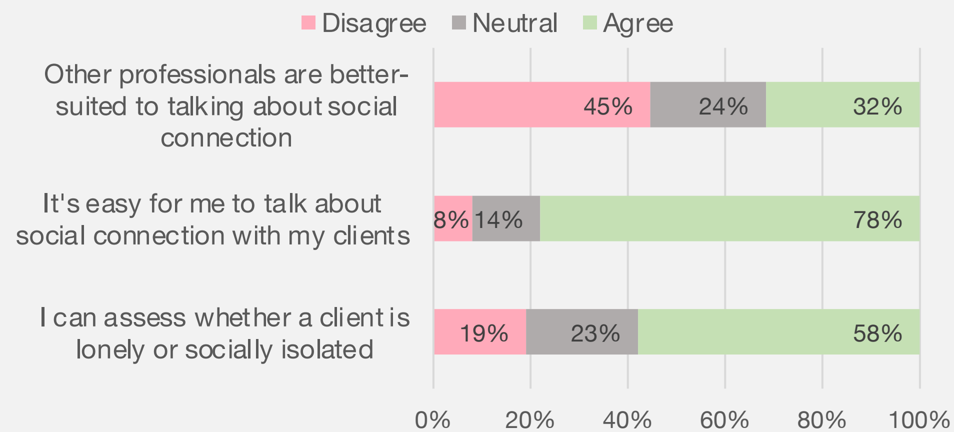
- *29 U.S. states, 4 countries represented*
- *33.3% female, 66.7% male*
- *Age range: 36-84 years (mean: 59.5 years)*

Q4 2024

Advisors acknowledge the importance of social connection for retirement preparedness. And they agree that advisors should discuss social connection with clients.

- 97% of respondents somewhat or strongly agreed that "being connected with a community is an important part of retirement preparedness"
- 82% of respondents agreed that "a financial advisor's role involves talking with clients about their social connection"

However, advisors' confidence in their ability to raise the topic in practice was more mixed.



- 72% of respondents agreed that "If I think a client is lonely or socially isolated, I ask them about it"
- 50% are leveraging client events to connect clients with each other
- 69% have recommended community groups, volunteer opportunities, or other social outlets to clients
- 46% put social connection on their clients' retirement planning agenda
- 77% talk to clients about their social connection

Across the board, advisors expressed a desire for more information.

- Just under half (49%) of respondents have encountered educational materials for advisors related to clients' social connection
- 86% of respondents agreed that "I could use more training and education to talk about social connection with my clients"

"Social connection is a very important "non-financial" part of life that can impact financial outcomes, so it should be addressed in financial planning."

"It is important for clients to [envision] their retirement future. If they do not prepare their worlds can shrink and [their] happiness suffer because of that."

"I know several investment advisors that stay away from those deeper discussions around community and loneliness as they feel uncomfortable and not equipped to give advice in that area. Also, many feel it's not their area of expertise so they avoid it."

"I think it's important to train on how to have these conversations."

"I welcome the opportunity to learn more about how to integrate social connections conversation into my practice."

"[I] would like to build practice around creating more activities and introducing people."

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In advisors' words

"If you ever bring up social connection with your clients, how do you like to bring up the topic? What language do you like to use to frame it as a retirement planning issue?"

Advisors shared questions they ask clients about their everyday life to help open up a broader conversation about social connections.

- Is your family close by?
- Who are your best friends?
- Who do you hang out with, or go out to dinner or vacation with?
- What social groups do you belong to?
- What organizations do you associate with?
- How are you staying connected to people now that you are not seeing coworkers everyday?
- How are you keeping busy these days? What are you doing for fun?
- How do you spend your time? What are your favorite activities?
- Would you enjoy getting to know more people?
- Who do you reach out to when seeking advice or wanting to talk to someone?

Advisors shared forward-looking framing and questions that provoke pre-retirement clients to think about and discuss their ideal life in retirement.

- "*Paint me a picture* of what life looks like after retirement. What are you doing, where are you going and who are you with? Who are your favorite people to hangout with?"
- "I generally ask clients to describe what their image of a retirement life and day might be as a way of *assessing how they are thinking about connecting.* I then often will suggest ways they might consider to broaden and strengthen their social network once they leave the workplace."
- "Normally discuss the 'what are your plans in retirement,' and many will say 'I don't know' ... *that will open the door to deeper discussions* and often *a referral into a network or charities* I'm involved with, if that is something they are interested in."

Advisors shared how they frame up the discussion to demonstrate the importance of strong social connections.

- "I talk a lot about the concept of engagement as a key ingredient of a 'rich and enriched retirement.' *I share stories that illustrate clients who have ranges of net worth and ranges of engagement.* I then illustrate the low correlation between financial wealth and engagement and then ask clients to share how they are staying engaged."
- "I just stress how important it is to HAVE a plan to stay engaged with friends and family when entering retirement. I encourage them to be as interactive as possible, and that *isolation can dramatically affect longevity.*"
- "*Social connections that exist in the workplace oftentimes disappear* as soon as someone retires, so it is important to plan for a continued social network before this happens."
- "Having a rich life; as part of my healthy retirement model including *purpose and play and brain health* (prevent dementia) as well as financial matters."