

CFPB | PLANNING FOR RETIREMENT: BEFORE YOU CLAIM

A shift in perception helps consumers avoid leaving money on the table.

Role: Research and discovery, user experience, design, and content strategy

PROBLEM

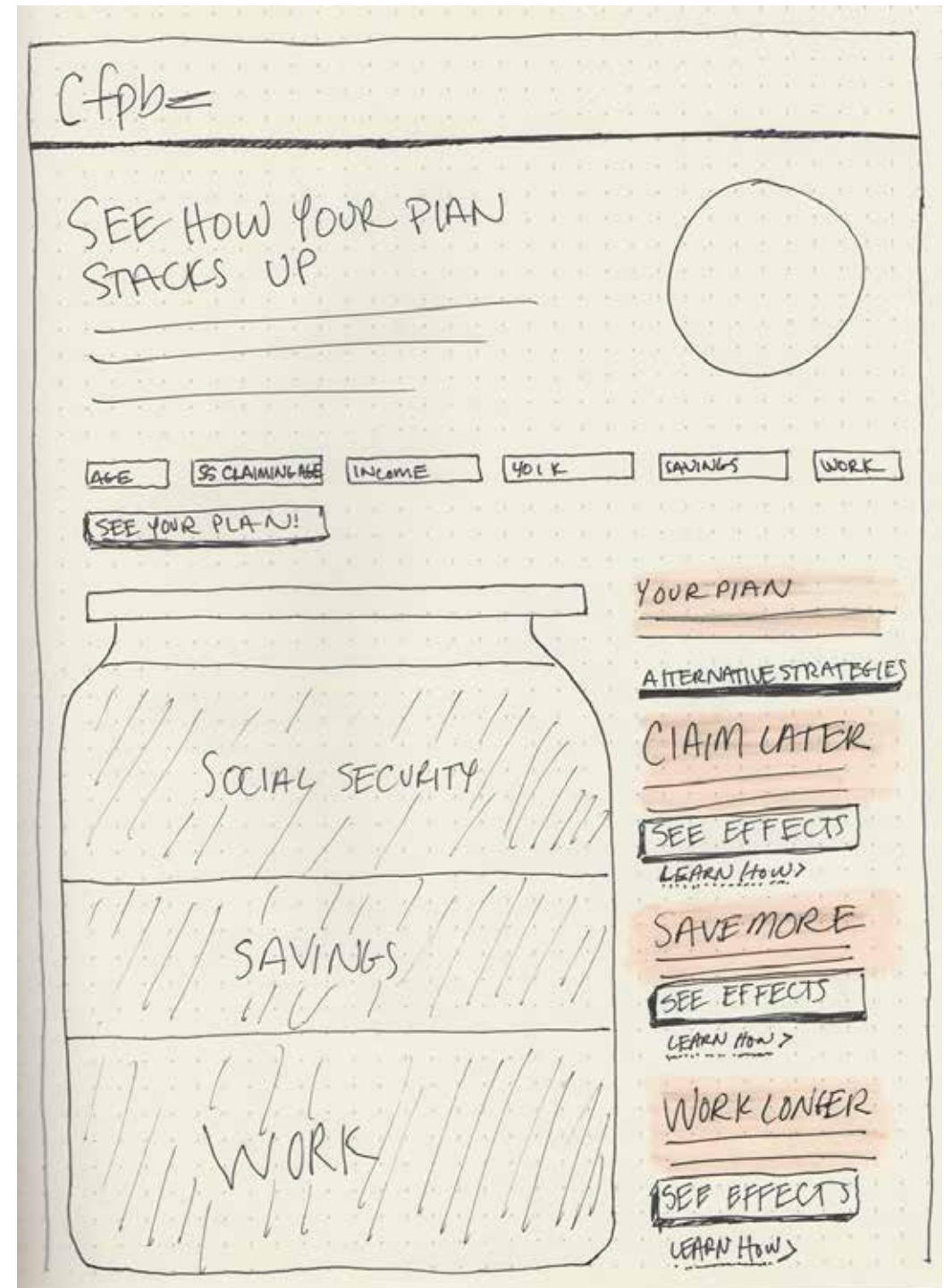
The age Americans claim Social Security affects their lifetime income. Many claim their benefits before their full retirement age, meaning they take lower benefits for the rest of their lives in exchange for getting a Social Security check sooner. While not possible for all Americans, it's objectively a positive choice to claim benefits later, to increase benefits and create a larger safety net later in life.

SOLUTION

The Consumer Financial Protection Bureau built a tool that highlights a user's full retirement age, illustrates the impacts of claiming benefits earlier or later, and asks lifestyle questions to help inform and dispel common retirement misconceptions, in order to help consumers think through this complex decision.

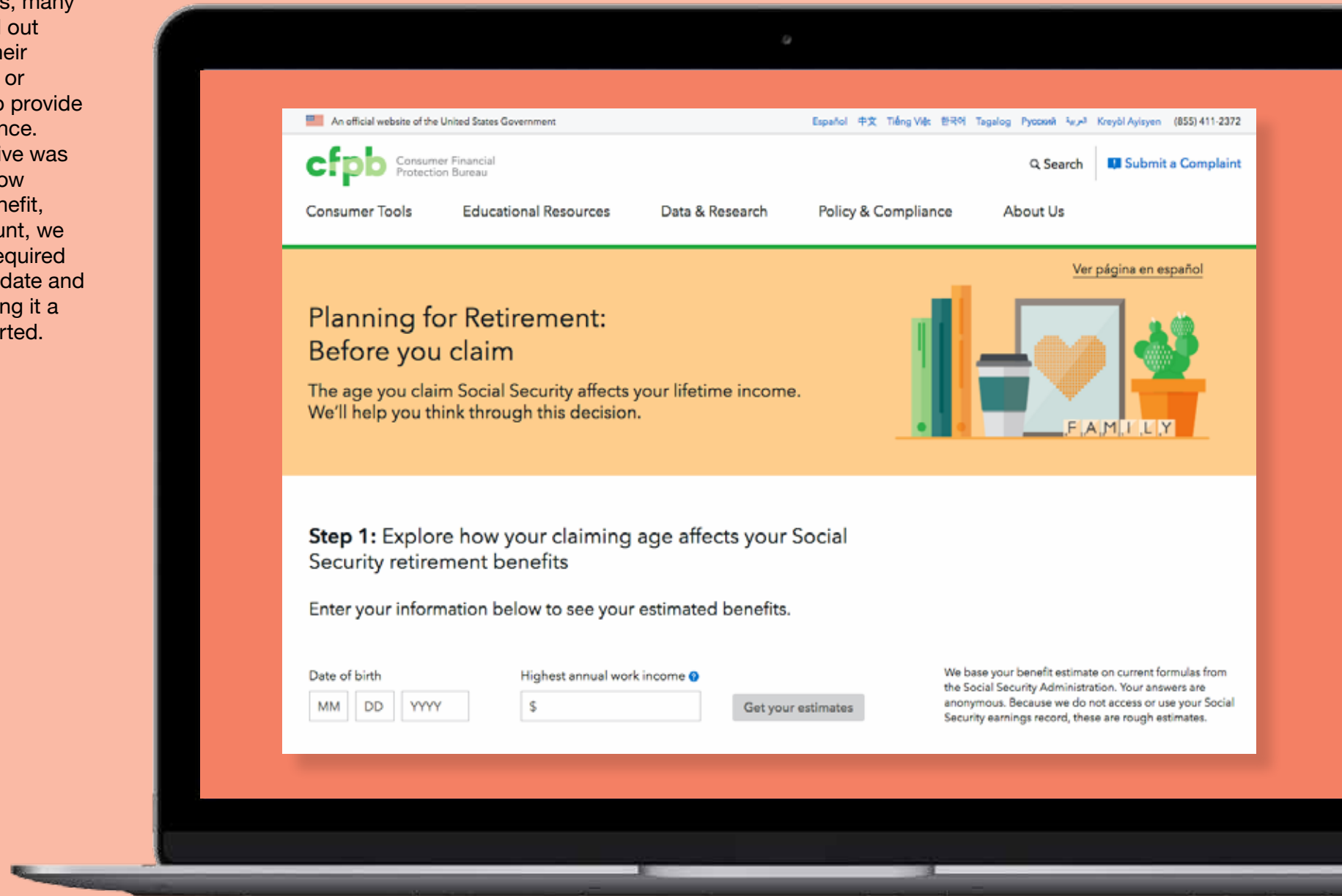
SKETCHES VISUALIZE THE PLAN

Research shows that the more accurately someone is able to visualize a future plan, the more capable they are in preparing for it. For this reason, preliminary sketches included concepts that aimed to help users visualize how various sources of income stacked up to meet their projected needs. The intent was also to highlight possible gaps and provide tips to fill those gaps, including part time work or claiming benefits later.



FEWER INPUTS SIMPLIFY THE PROCESS

After researching similar tools, many of which required users to fill out large amounts of data, like their income for the past 30 years or more, we knew we wanted to provide a less overwhelming experience. Considering our main objective was to help people understand how claiming age affects their benefit, not to provide an exact amount, we were able to pair down the required data to only two inputs, birthdate and highest annual income, making it a lot easier for users to get started.



Step 1: Explore how your claiming age affects your Social Security retirement benefits

Enter your information below to see your estimated benefits.

Date of birth: 8 / 20 / 1960
 Highest annual work income: \$60,000
[Get your estimates](#)

We base your benefit estimate on current formulas from the Social Security Administration. Your answers are anonymous. Because we do not access or use your Social Security earnings record, these are rough estimates.

Your estimated benefits:
 Select claiming ages on the graph to see how your estimated benefit changes.

Age 67 is your full benefit claiming age.

View estimated benefits as: monthly income annual income

By age 85, an average lifespan, your total benefits will be **\$388,584** (in today's dollars)

About your full benefit claiming age:

- It is based on the year you were born.
- At this age, you will receive your full benefit with no reductions.

Remember, claiming age here refers only to your Social Security retirement benefit, and not when you decide to stop working or apply for Medicare.

[Where do these numbers come from?](#)

Claiming age	Estimated benefits (monthly)
62	~\$1,500
63	~\$1,550
64	~\$1,600
65	~\$1,650
66	~\$1,700
67	\$1,799
68	~\$1,850
69	~\$1,900
70	~\$1,950

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Your estimated benefits:
 Select claiming ages on the graph to see how your estimated benefit changes.

Claiming at age 65 **reduces** your monthly benefit by 13%
Compared to claiming at your full benefit claiming age

View estimated benefits as: monthly income annual income

By age 85, an average lifespan, your total benefits will be **\$374,160** (in today's dollars)

About your early benefit claiming age:

- Earliest age you can claim your benefit is 62.
- If you claim your benefit before your full claiming age, it will be reduced.

Remember, claiming age here refers only to your Social Security retirement benefit, and not when you decide to stop working or apply for Medicare.

[Where do these numbers come from?](#)

Claiming age	Estimated benefits (monthly)
62	~\$1,500
63	~\$1,550
64	~\$1,600
65	\$1,559
66	~\$1,650
67	\$1,799
68	~\$1,850
69	~\$1,900
70	~\$1,950

SLIDING GRAPH SHIFTS PERCEPTIONS OF “NORMAL”

Research shows that most people currently cite an age from 62-65 as their “normal” or full retirement age, when it’s usually later than that. The graph was designed to change that perception by showing the user’s full benefit as default. This is additionally reinforced by colored bars and showing the percentage of increase or decrease of each claiming year, hopefully avoiding leaving money on the table.

PERSONALIZED CONTENT INCREASES ENGAGEMENT

During testing, users gravitated towards concepts that included lifestyle aspects and to content they felt applied to their unique situation. For this reason, the team included interactive lifestyle questions that provided different content based on a user's response, increasing engagement and providing more relevant information. Additionally, the layout allowed users to pick and choose items of interest, reading what is important to them, versus showing an overwhelming body of content that would likely go unread.

Step 2: Learn tips specific to your situation

Picture your life in retirement to receive claiming tips.



Are you married?

Yes No Widowed

Do you plan to continue working in your 60s?

Yes No Not Sure

Will your expenses decrease after you retire?

Yes No Not Sure

Many people find retirement is more expensive than expected.

Future expenses are difficult to predict. Some regular expenses like out-of-pocket health care costs will likely increase as you get older. You can protect your retirement lifestyle by reducing your largest expenses. Consider downsizing or paying off your mortgage before you retire. You can also increase your regular income by claiming at your full Social Security benefit age or later. If you claim earlier, your monthly benefit could be reduced by as much as 30 percent.



Do you expect to have additional sources of retirement income beyond Social Security?

Yes No Not Sure

Do you expect to live a long life?

Yes No Not Sure

Step 3: Learn your next steps

Select the age you plan to claim your Social Security retirement benefits.

(This will not affect your Social Security account or begin an application.)

You've chosen age 68, which is later than your Social Security full retirement claiming age.

This means you will get an increase in your monthly benefits! Here are steps to help you in the next few years.

- 1 Create a [my Social Security account](#) to review your expected benefits based on your actual Social Security record. You will also find additional information about your eligibility and other benefits including disability and survivor benefits.
- 2 While you let your benefits continue to grow, you can keep working if you want. You can also stop working and use a portion of your savings to cover your needs. [Learn the rules about withdrawing money](#) from your retirement accounts.
- 3 If your income, employment, or marital status changes, you may need to reconsider your claiming age. Visit us again!

MAKING A COMMITMENT IMPROVES PREPARATION

Hopefully armed with a better understanding of claiming Social Security benefits, the tool's last step asks users the year they intend to claim. Research shows that committing to a claiming age actually impacts behavior, in that people are more likely to think about and prepare for their life in retirement after doing so. This question also provided an opportunity to give users next steps specific to their age and intended claiming year.