



## **LIMRA Proposed Consortia Study – Financial Challenges of the “Sandwich Generation” Background, Objective, Methodology, and Deliverables**

### **Background**

The sandwich generation refers to middle-aged individuals who are pressured to support both aging parents and growing children. The sandwich generation is named so because they are effectively "sandwiched" between the obligation to care for their aging parents—who may be ill, unable to perform various tasks, or in need of financial support—and children, who require financial, physical, and/or emotional support.

What are the financial challenges sandwich generation adults face in 2022? What can the financial services industry do to alleviate some of these challenges and support these consumers?

According to a 2022 study conducted by Savings.com, over 50 percent of parents with an adult child provide some financial support. Further, 26 percent of these parents admitted that they’ve had to provide more support since the start of the pandemic. On the flip side, 32 percent of midlife adults ages 40–64 provided regular financial support to their parents in the past year, and four in ten midlife adults expect to be doing so in the future, according to a 2020 AARP survey. Most often the money is going towards basic living expenses.

In 2015, LIMRA conducted a consortia study that examined economic, social and cultural differences in how members of the sandwich generation manage their financial wellbeing. This study also examined Hispanic and Asian households.

### **Objective**

Results from this year’s survey will be compared to the 2015 findings, which will give us the ability to compare differences over time and also a look at pre and post pandemic responses.

To fill the gap, this project will explore the sandwich generations financial:

- Profile including an assessment of their assets, liabilities, and product ownership.
- Concerns and sources of assistance to manage those concerns.
- Priorities including their aspirations for the future.
- Retirement planning activities and preparedness.

### **Methodology**

Survey participants will be drawn from a nationwide consumer panel. We will collect data from 1,500 adults age 40-59, with at least one living parent 65 or older and a dependent child. Quotas will be established for certain ethnic groups and income levels to ensure appropriate representation. Guided by previous research, LIMRA will draft a questionnaire, which will be shared with sponsors. The study will begin with a start-up meeting.

### **Anticipated Deliverables**

- Result presentation via WebEx
- Participant Report
- A banner book of the survey data.

**Anticipated Time Line:** Four months from start-up meeting to completion of study.

**Cost** \$12,300 per sponsor.