



News Release

Athene explores consumer biases in retirement savings through new online video series

West Des Moines, Iowa – [March 20, 2019] – Athene USA (“Athene”), a leading provider of retirement savings products, announced the launch of a four-part video series created in partnership with Wall Street Journal Custom Content examining common behavioral biases that hinder retirement planning.

Retirement planning and behavior disconnect

Today’s retirees are facing unique financial challenges compared to previous generations, particularly increased life expectancy and the risk of outliving savings. While ensuring guaranteed lifetime income has arguably never been more important, comparatively few consumers purchase annuities as a means to achieve that security.

“A recent survey indicates that 84 percent of respondents said receiving a monthly paycheck during retirement was important to them, yet only 14 percent of working-aged Americans have purchased an annuity,” said Grant Kvalheim, Chief Executive Officer at Athene. “Since annuities are one of the best ways to guarantee lifetime income, we wanted to understand why that disparity exists and raise awareness about solutions that can help consumers.”

Addressing uncertainty biases

To understand the disconnect, Athene commissioned a review of research conducted by consumer investment behavior experts from UCLA Anderson School of Management. *Solving the Annuity Puzzle: A Behavioral Analysis*¹ examines why annuity contracts are purchased less often than other types of insurance vehicles.

The study defines 10 biases that keep consumers from purchasing annuities – including unrealistic optimism about the future and misguided assumptions about risk. Paired with the biases are solutions retirees can use to help overcome them.

“Our goal was to make these biases easy to understand and show why addressing them is crucial to long-term financial security,” said Kvalheim.

Leveraging insights from the study, the animated videos bring to life four of these biases:

- **Don’t Discount the Future: Present Bias** – The choice between immediate gratification and future rewards.

- **Building Confidence:** *Fluency Bias* – Electing the option that is more simply described, even if it's riskier.
- **History vs. Recency:** *Availability Bias* – Look to history for investment decisions rather than recent events.
- **Countering Overconfidence:** *Overconfidence Bias* – Naïve positivity can cloud judgment, especially when planning for the future.

Watch the videos and learn more

Athene's four-part video series was produced in partnership with Wall Street Journal Custom Content. To view the video series, visit <https://partners.wsj.com/athene/debunking-retirement-planning-myths/>

To learn more about Athene, visit athene.com.

To download the whitepaper, financial professionals may visit <http://more.athene.com/whitepaper>.

¹Hershfield, Hal E. and Craig R. Fox. "Solving the Annuity Puzzle: A Behavioral Analysis." UCLA Anderson School of Management. 2018.

About Athene USA

Athene USA is an Iowa-domiciled corporation that serves as the U.S. holding company for Athene's annuity operations in the United States. Headquartered in West Des Moines, Iowa, Athene USA serves customers in all 50 states, and through its predecessor companies, has been serving American consumers for more than 100 years. Further information about our companies can be found at athene.com.

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