

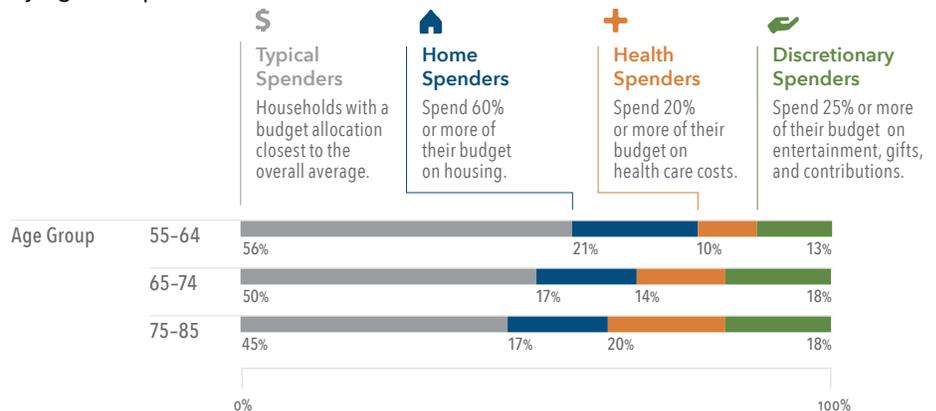
At a Glance | January 21, 2021

# Characteristics of Four Different Spending Types Among Older Households

## SPENDING PROFILES

We identified four mutually exclusive spending profiles by analyzing the estimated total spending and spending allocations for individual categories. We also observed how spending profiles changed as individuals aged.

## Share of Each Spending Profile By Age Group



## PROFILE CHARACTERISTICS

Discretionary Spenders had the highest total income across all age groups.

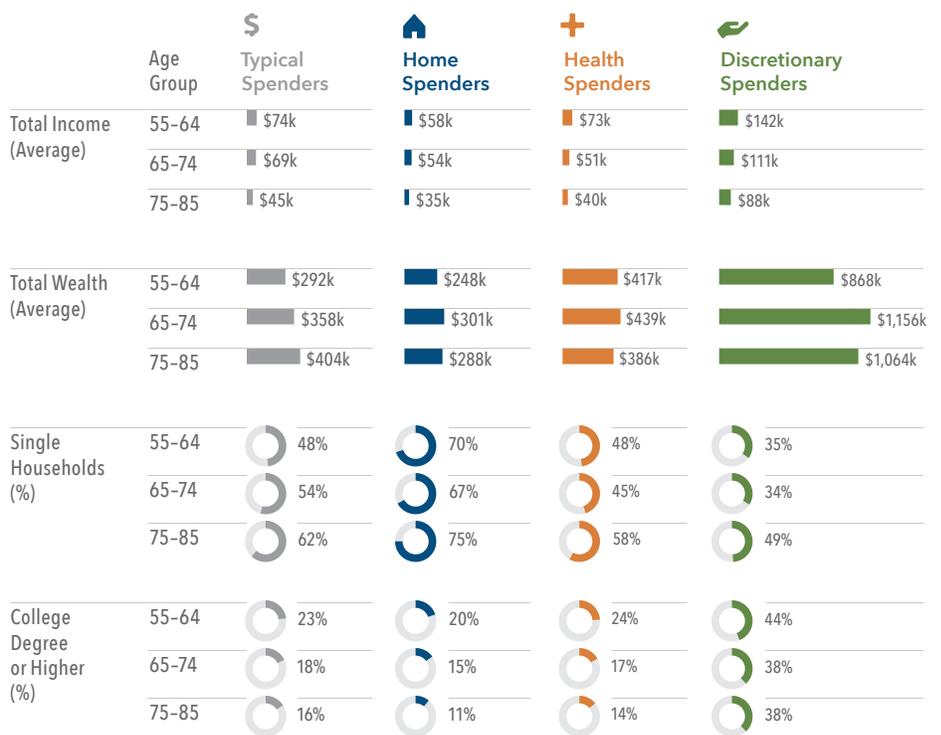
Home Spenders tended to have the lowest average wealth.

Discretionary Spenders were most likely to report being in a coupled household rather than a single household.

Home Spenders were also the least likely to hold a college degree.

## Socio-Economic Characteristics of Four Spending Profiles

Household Expenditure Distribution by Category in 2016 Dollars



**Note:** All dollar amounts are in 2016 dollars. Based on data from the Health and Retirement Study and the Consumption and Activities Mail Survey.

**SOURCE:** Zahra Ebrahimi, "Older Americans' Spending Profiles: One Size Does Not Fit All," *EBRI Issue Brief*, no. 520 (Employee Benefit Research Institute, December 10, 2020).

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