

Research report on retirement

Between responsibility and restfulness: Retirement challenges and new horizons for sandwich generation



HSBC Life

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About this report



“Between responsibility and restfulness: Retirement challenges and new horizons for the sandwich generation” is a study sponsored by HSBC Life. It explores the challenges and opportunities faced by the sandwich generation on their retirement planning journey. At the same time, it also sheds light on how and why retiring away from one’s home city has emerged as an increasingly popular choice.

Quantitative research was conducted between December 2024 and January 2025 to broadly examine the retirement planning process and the key concerns shared by individuals in Hong Kong and Macau. A total of 1,003 respondents – 802 from Hong Kong and 201 from Macau – were interviewed. Pre-retirees aged 40-59 who are planning their retirement account for approximately half of the sample in each city (400 from Hong Kong and 100 from Macau), while retirees aged 60-70 make up the remaining half. All figures presented have been rounded to the nearest percentage point or the nearest hundred dollars.

For the qualitative phase of the study, one-on-one interviews were conducted with 10 respondents in February 2025 to review their firsthand experiences, and identify their pain points and solutions for managing family obligations after retirement. These in-depth interviews also serve to reveal the key drivers behind the decision-making process for choosing Hong Kong/Macau or one of the other popular retirement destinations, notably the mainland cities of the Greater Bay Area (“GBA”). Both the quantitative research and the qualitative research were conducted by NuanceTree Ltd., an independent market research agency.

Foreword



Living in today's world requires us to face a variety of challenges, one of which is longevity. Consequently, achieving an ideal, financially stress-free retirement has become even more difficult. For many, particularly members of the sandwich generation, juggling the priorities of caring for ageing parents and supporting young children while planning a desirable retirement for themselves often presents quite daunting challenges. The result is a heightened desire for security across both financial and non-financial dimensions.

In this study, we examine a variety of experiences that will be relatable to pre-retirees as well as retirees. A majority of these individuals are actively seeking ways to effectively care for their dependants without compromising their pursuit of fulfillment in their golden years. One of the notable observations offered by the report is a growing interest in retiring away from home. In that regard, a number of neighbouring cities in the Greater Bay Area have been steadily gaining in popularity. These insights can serve as clear signposts on the road to better retirement planning. At HSBC Life, we recognise the expectations and challenges that make retirement planning the complex undertaking that it is, and stand ready to be your trusted partner on this important journey.

Daisy Tsang

Chief Executive Officer, HSBC Life Hong Kong and Macau

At a glance

Retirement planning

Average planned/actual retirement age
61 years old

Average life expectancy* in
86 years old HK
83 years old Macau

>20 years of retirement life

Only 39% pre-retirees are confident that they are well-prepared

* Worldometer: Life expectancy of the world population

Retirement dilemma

40%

of pre-retirees/retirees are the sandwich generation and allocate 36% (HKD8,300) of their post-retirement monthly budget to their families



93%

worry about the responsibility could affect their own retirement planning

Major responsibilities



Elderly parents

Medical needs
Daily living support
Eldercare support



Younger generation

Education
Property purchase
Intergenerational wealth

Retirement trends

Retirement away from home gains popularity



36% have plans

Popular destinations



Key considerations



Living environment



Cost of living



Healthcare quality

1 in 2 respondents

agrees that embracing the mainland cities of the GBA helps address retirement concerns

Retirement communities

78% are interested in quality senior living communities

Growing appeal of retirement communities in the mainland cities of the GBA



High accessibility to medical services and Chinese medical clinic



Close to nature



Good wellness facilities



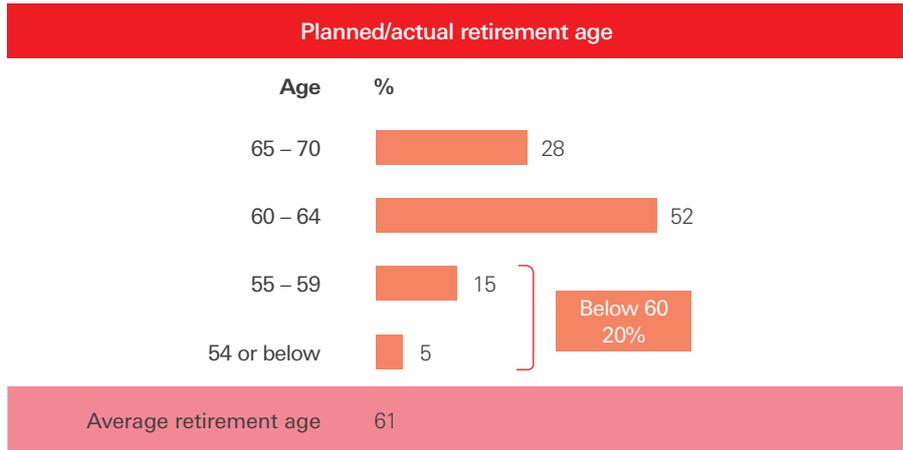
Professional daily care support

Sandwich generation who are more keen to retire in the mainland cities of the GBA show strong interest.

Retirement readiness: Are we truly prepared?

When people plan for retirement

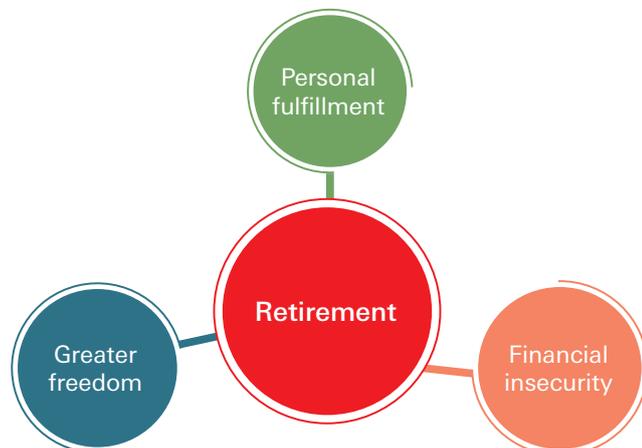
Approximately half of the 1,003 pre-retirees/retirees from Hong Kong and Macau (52%) plan to/have already retired between aged 60-64, while 20% plan to/have already done so before age 60, and 28% plan to/have already postponed their retirement until after age 65. On average, their planned/actual retirement age is 61.



Base: All respondents 1,003
At what age do you plan to retire/did you retire?

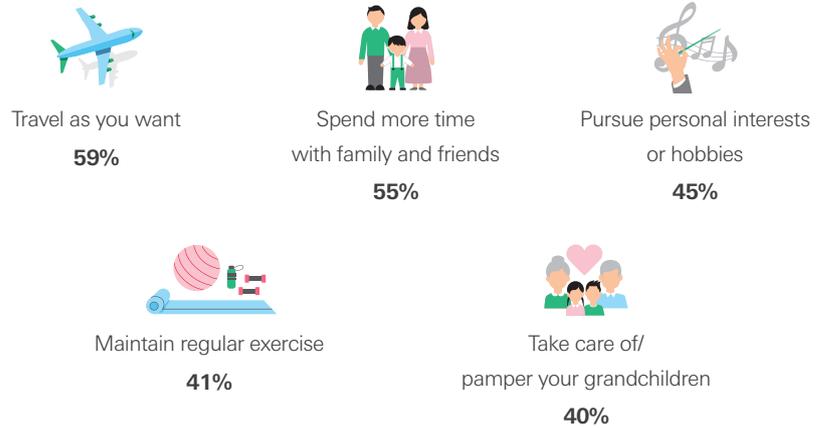
The average life expectancy in Hong Kong and Macau is 86 and 83 years respectively*, and the average retirement age is 61. That means retirement in the two cities will typically last for more than 20 years.

For most people, retirement is the time when decades of hard work are finally rewarded with personal fulfillment and greater freedom. In terms of what goes into the ideal retirement lifestyle, travelling (59%), socialising with loved ones (55%) and pursuing interests/hobbies (45%) are what people look forward to the most. Enjoying retirement is all about living in a way that aligns with personal aspirations. Yet, retirement also often means financial insecurity, and some might question whether they are truly ready for this major transition.



* Worldometer: Life expectancy of the world population

Top 5 things to look forward to upon retirement



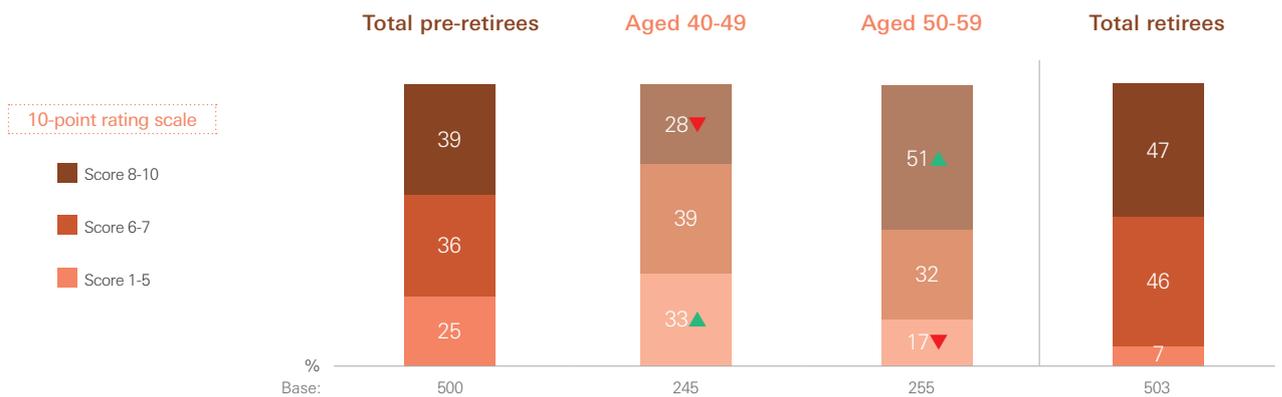
Base: All respondents 1,003
What do you look forward to upon retirement?



Retirement readiness

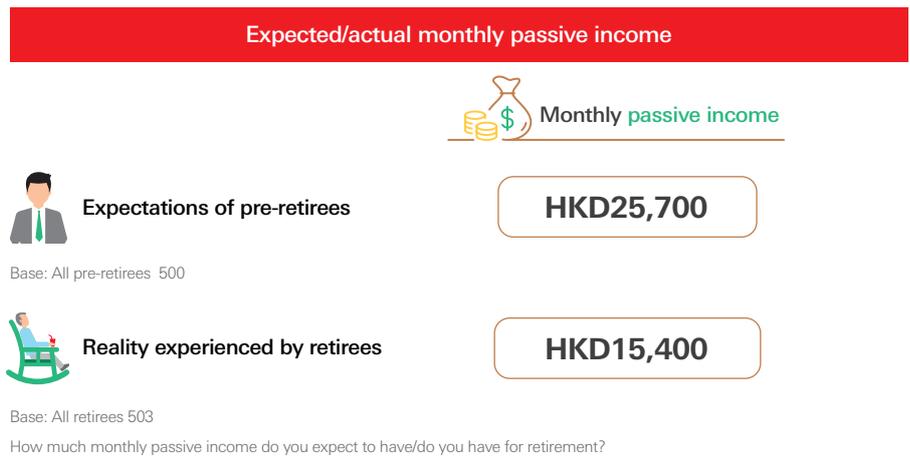
Overall, **only around 2 in 5 pre-retirees aged 40-59 are confident that they are ready for retirement** (score 8-10 on a 10-point scale). The proportion is even lower among younger pre-retirees aged 40-49. Only slightly over a quarter of them feel they are ready, possibly owing to insufficient retirement planning. On the other hand, only nearly half of the retirees report being content with their retirement life.

Retirement readiness and satisfaction



On a scale of 1 to 10, how prepared do you feel for retirement/satisfied are you with your retirement life? (Ratings are based on a 10-point scale).
 - For pre-retirees, where 1 represents "Not ready at all" and 10 represents "Completely ready".
 - For retirees, where 1 represents "Very dissatisfied" and 10 represents "Very satisfied".
 ▲ denotes significantly higher sub-group findings than the total, while ▼ denotes significantly lower sub-group findings than the total at 95% confidence level.

To better understand the respondents’ financial capability upon retirement, the study gauges their monthly passive income. Compared to retirees, pre-retirees expect to have much more passive income (Mean: HKD25,700 vs. HKD15,400). This suggests a potential gap between expectations and reality, and failure to meet those expectations may leave them well short of the quality of retirement life they desire.



As a matter of fact, some pre-retirees point out that retirement planning is often overshadowed by unexpectedness, that is, they are all too aware that any unexpected adversity around the corner could quickly deplete their savings. That is further compounded by the sobering realisation that they are already past their prime and thus becoming less financially capable. The result is that planning “well” for retirement has become infeasible, as there is no way to guarantee the longevity of savings and the ability to stay financially resilient throughout their retirement.



“Even though I’m still healthy, I could find out I have cancer or some other health problem tomorrow. Can’t really predict how long my savings will last.”
(Female, pre-retiree, aged 45-49, Hong Kong)



“You might have a serious illness suddenly. You never know. So my savings might all be used up at once.”
(Female, pre-retiree, aged 40-44, Hong Kong)

Sandwich generation's point of view: Retirement is not just about myself but also my family

Prevalence of the sandwich generation

While financial preparations shape retirement readiness and satisfaction, another important factor that influences individuals' ability to retire with confidence is their responsibility towards family, especially in financial terms. In Chinese culture, where family values run deep, retirement is not just about personal well-being but also about ensuring the well-being of your ageing parents and/or young children. Those who have this dual responsibility are often referred to as the **sandwich generation** – individuals who have parents and/or children to support financially.

This phenomenon is, in fact, quite common in Hong Kong and Macau. About 40% of the 1,003 pre-retirees/retirees in our survey **bear the financial responsibility of looking after their parents/parents-in-law or children after retirement**. Across different segments, it is more prevalent among pre-retirees and the better-off (i.e. monthly personal income of HKD40,000 or above), with 53% of pre-retirees and 50% of the better-off either having their parents/parents-in-law or children as dependants, which is a rising concern among more affluent individuals nowadays.

If family members of the same generation are taken into account (i.e. their partner and siblings), as many as 58% of the respondents have a financial commitment to either their parents/parents-in-law, partner, siblings or children after retirement. Likewise, pre-retirees and the better-off (i.e. monthly personal income of HKD40,000 or above) are much more inclined to take care of these family members financially upon retirement, with 75% of each group doing so. Individually, 32% of parents and 30% of married people need to assume the responsibility of providing for their children/grandchildren and partners respectively. At the same time, 21% do so for their parents/parents-in-law, and 5% for their siblings.

Perceived dependants upon retirement (by compositions)			Perceived dependants upon retirement (by types)	
	Total	Pre-retiree	Monthly personal income \geq HKD40K	%
Sandwich generation  OR 	40%	53% ▲	50% ▲	 My children/grandchildren (among those with children) 32
Any dependants    	58%	75% ▲	75% ▲	 My partner (among those who married) 30
				 My elder parents/parents-in-law 21
				 My siblings 5

Base: All respondents 1,003

Pre-retiree 500, Monthly personal income \geq HKD40K 321

Who do you think will be your dependant(s) upon your retirement/are your dependant(s) currently?

▲ denotes significantly higher sub-group findings than the total, while ▼ denotes significantly lower sub-group findings than the total at 95% confidence level.

Base: All respondents

Those who are married

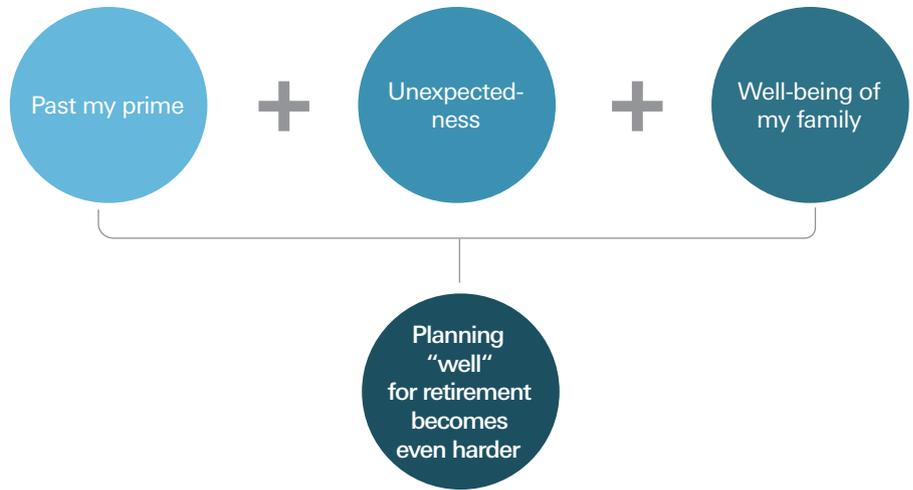
Those with children

1,003

907

830

Stressful retirement planning for the sandwich generation



Planning your own retirement is challenging enough, but family responsibilities will make it even more so. The commitment **to giving your loved ones the best you can** is one of the cornerstones of the Chinese value system. It is no wonder that some respondents find retirement planning stressful – no matter how many preparations you have made, there’s always more you can do to secure your family’s future.



“My mother was very healthy, but one day she suddenly fainted and had a stroke. She has become a significant burden for us. We all need to provide financial support, and we don’t know what will happen to her. Even though she’s getting on in years, I still want her quality of life to be better.”

(Female, retiree, aged 60-64, Hong Kong)

“I have concerns about whether my children will be independent financially. If they can’t find a job, I will do whatever I can to support them, so I need to push myself to save money... Saving more money gives you more security, but it is never enough.”

(Female, pre-retiree, aged 40-44, Hong Kong)



Among the members of the sandwich generation in our survey who bear the financial responsibility of their parents/parents-in-law or children after retirement, expected/actual post-retirement monthly spending is HKD23,100 on average. It is, however, important to bear in mind that these respondents will need to allocate 36% of their monthly spending (approx. HKD8,300) to their families, leaving 64% (approx. HKD14,800) for themselves each month. As these figures show, many members of the sandwich generation make substantial quality-of-life sacrifices for the sake of their families' well-being.

Monthly expected/actual passive income and spending for retirement



Monthly passive income

HKD24,500



Monthly spending

HKD23,100



36% of their spending is for their families on average at HKD8,300

64% of their spending is for themselves on average at HKD14,800

Base: Sandwich generation 399

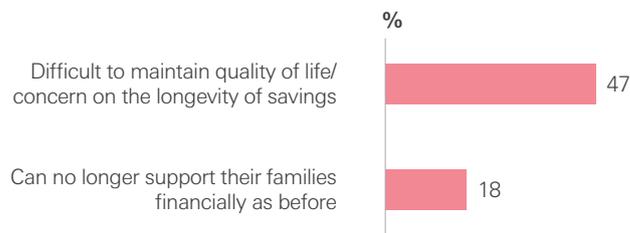
How much monthly passive income do you expect to have/do you have for retirement?

How much monthly spending do you expect/have you had on average since retirement? Please include your financial support to any of your family members (e.g. parents/parents-in-law, children).

Approximately how much are you preparing for your family members (e.g. parents/ parents-in-law, children) in percentage? If you haven't prepared for them, please insert 0.

93% of the sandwich generation in our survey worry about this financial commitment could affect their own retirement planning and 47% find it difficult to sustain their own quality of life or the longevity of their savings. 18% are also worried, or even feel guilty, about not being able to provide their families with as much financial support as they did before. Clearly, the stress they have to cope with is considerable.

Concerns expected/experienced upon retirement



Base: Sandwich generation 399

What concerns or challenges would you expect to have upon retirement/have you had since retirement?

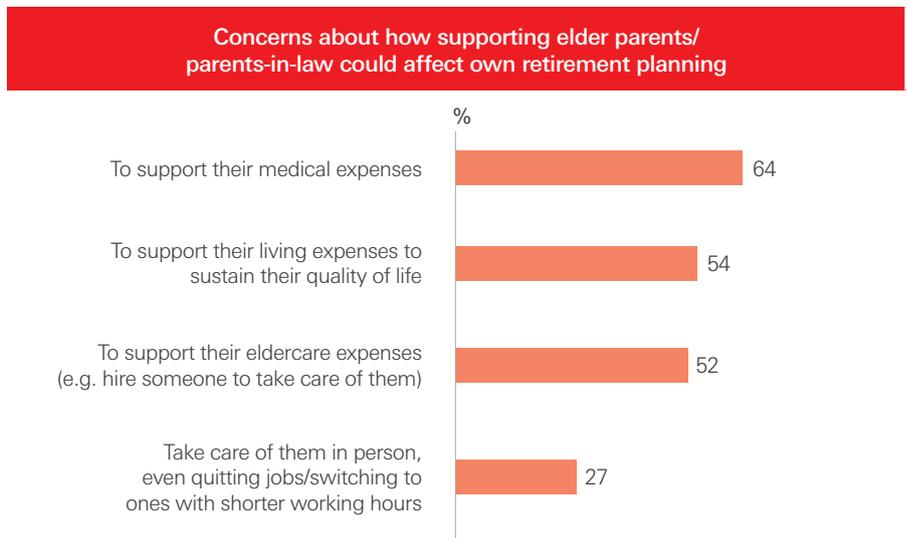
Older generation as dependants

In traditional Chinese culture, children are expected to take care of their parents in their old age. Beyond duty and obligation, individuals genuinely care about their parents out of love and gratitude. After all, most parents have devoted much of their lives to a single goal – enable their children to “win at the starting line”, or at least ensure they are as well-equipped as possible for the race to come.

However, the responsibility for supporting one’s parents could last a long time. Among those who have family elders as dependants, half are supporting parents/parents-in-law who are still in their 60s or 70s. The life expectancy in Hong Kong and Macau being 86 years and 83 years respectively*, these elders are likely to have many more years ahead of them.

To better cope with the challenge, among the sandwich generation respondents with parents/parents-in-law as dependants, 86% have made preparations. Nonetheless, **88% are still worried that this financial responsibility would negatively impact their own retirement planning.** In particular, their parents’ medical (64%), daily living (54%) and eldercare needs (52%) are the biggest concerns.

The strong demand for medical and eldercare services is understandable, as 90% of these respondents’ parents/parents-in-law currently have physical health conditions, while 62% have cognitive problems.



Base: Those with parents/parents-in-law as dependants 214
When preparing for your elder parents’/or parents-in-law’s retirement, are you worried that the following items might affect your own retirement planning?

* Worldometer: Life expectancy of the world population

Even though unforgiving medical bills and a lifelong commitment to taking care of parents could lead to major financial pressure, some respondents feel that making compromises on their quality of life or even postponing their own retirement are the least they could do apart from purchasing insurance.



“If my parents really do have cancer, I’ve heard that it could cost hundreds of thousands or even over one million dollars... I need to save money, stop buying so many clothes and eat out less. I don’t have the financial capacity to support my daily expenses after retirement, so there’s really no choice but to go back to work.”

(Female pre-retiree, aged 40-44, Hong Kong)

Being responsible for someone’s well-being, of course, takes much more than money. Support has to be emotional and social as well as financial. The investment in time and effort it requires is therefore considerable. It’s worth noting that **a quarter of the respondents have even considered quitting their jobs or switching to more flexible ones** in order to better care for their parents, which would no doubt impact their own retirement plans.

“If my parents’ health deteriorates, I’ll see what they want to do, move back in with me, hire a domestic helper, or live in a nursing home. If they want to live with me again, that means renovations, and I also must consider how to manage my children. Living together might cause issues and conflicts, but the hardest part is still money.”



(Female pre-retiree, aged 40-44, Hong Kong)

Among these individuals, purchasing insurance is by far the most widely adopted solution. In fact, 2 out of 3 individuals who have parents/parents-in-law as dependants have done so. Medical/critical illness policies are the most popular type of protection; close to half of them have purchased it for their parents. In terms of financial arrangements, they are more interested in insurance products that could help ease their financial burden by allowing them to “share the coverage with their parents, which would enable the sharing of a combined annual benefit limit” or “transfer part of the coverage to their parents/parents-in-law.”

Younger generation as dependants instead of providers

Interestingly, there is a completely different mindset regarding how retirees should be accountable for their parents' well-being. While most pre-retirees and retirees are prepared to take care of their parents in their old age, they **do not expect the same from their younger children** as they recognise that it would be too much of a burden. In any case, increasing economic and competitive pressures mean that children nowadays tend to stay dependant on their parents longer than in the past. Self-sufficiency is therefore crucial as parents know they only have themselves to count on when trying to build a good retirement.



"I don't expect my only son to support me much; I don't want to put too much pressure on him. My son says he can't save money, and his friends say making him pay for household expenses is cruel. I tell my son these expenses are not for me; he's just paying for his own living expenses... So, to be frank, if I need to rely on him in the future, I think I'm in big trouble."

(Female, retiree, aged 65-70, Hong Kong)

"I don't want my daughter to feel financially responsible for us, as it might prevent her from doing what she wants."

(Female, retiree, aged 60-64, Hong Kong)



In Hong Kong and Macau, a high cost of living, competitive labour markets and expensive housing prices are all major obstacles faced by young adults on the road to financial independence, making their parents' financial assistance critical as they try to stand on their own feet. From our survey, 32% of pre-retirees and retirees continue to support their children financially, which is no less challenging than taking care of their own parents.

61% children of pre-retirees/retirees are aged 21 or below and attending school; for their parents, the financial responsibility will not end anytime soon. It is therefore hardly surprising that almost everyone (97%) has made prior preparations. Like those who are supporting the older generation, people who have children to raise overwhelmingly favour buying insurance as a viable long-term financial planning solution. In fact, 4 out of 5 individuals who have dependant children have done so already. Among all the different types of insurance products, savings plans are the most popular.

As they become more affluent, parents tend to feel responsible for looking after their children at every stage of their lives and enabling them to pursue their dreams with more financial support than was feasible in the past. Indeed, being able to give your children the advantages you never had is often seen as the biggest reward of achieving affluence. It is also the strongest, most fulfilling expression of parental love.

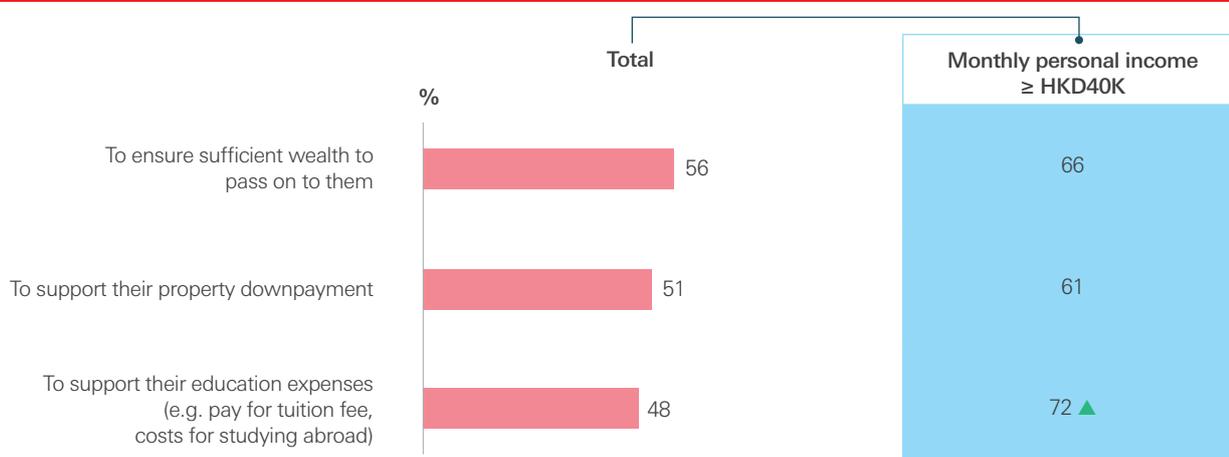


“I will retire in ten years and want to leave some money for my daughter. She wants to study abroad, and I need to have about HKD2,000,000. I want to enable her to explore more opportunities – I don’t know what the future has in store for her. She might want to continue studying instead of working, her income might not be enough, or she might want to start a business... I love her, and I’ll need to support her no matter how.”

(Male, pre-retiree, aged 50-54, Hong Kong)

From our survey, among the sandwich generation respondents with children/grandchildren as dependants, **88% worry that supporting their children may affect their own retirement plans** worry that supporting their children may affect their own retirement plans – 48% have this concern because of the cost of providing a good education, and 51% because they might have to help their children buy their first property. Ironically, people in the better-off segment (i.e. monthly personal income of HKD40,000 or above) feel even greater pressure, probably because the more affluent you are, the more you want to do for the next generation. In addition, driven by the desire to ensure their children will have a good life, **56% are also worried that the need to leave a legacy of financial security for their children would affect their own retirement prospects**. Again, greater affluence brings higher expectations – 66% of the better-off share this concern.

Concerns about how supporting children could affect own retirement planning



Base: Those with children/grandchildren as dependants 262

Base: Monthly personal income ≥ HKD40K 115

When preparing for your elder parents'/or parents-in-law's retirement, are you worried that the following items might affect your own retirement planning?

▲ denotes significantly higher sub-group findings than the total, while ▼ denotes significantly lower sub-group findings than the total at 95% confidence level.

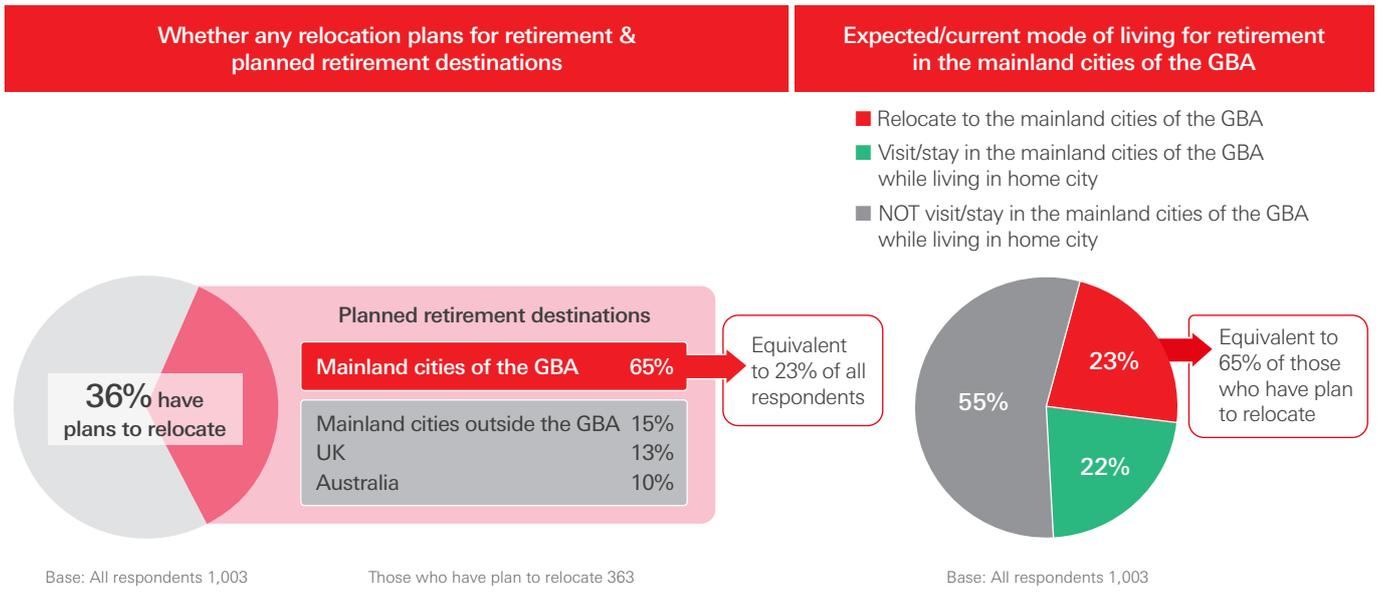
Retire and relocate: Exploring the options away from home

Retirement away from home is not a compromise but a choice

As individuals become more financially vulnerable after retirement and as they continue to support their families as well, maintaining financial security becomes a top priority. If inflation and higher living costs are already eroding their purchasing power, any uncertainty in their lives is likely to make them further tighten their wallets. Every penny counts in retirement planning – it is critical to use money wisely in order to protect yourself against longevity risk. This is especially important for the sandwich generation. To a retiree, any solution that can help strengthen financial resilience, sustain a good quality of life and manage ongoing family obligations is highly welcomed. With all that in mind, retiring away from one’s home city can be a viable, or even desirable option.

Not surprisingly, 36% of the respondents in the survey are planning to retire to a different location. Among them, 65% have chosen the mainland cities of the GBA as their planned retirement destinations, according to our survey.

In fact, the cities in the GBA are the most preferred destinations, leading mainland cities outside the GBA (15%), the UK (13%) and Australia (10%) by a wide margin.



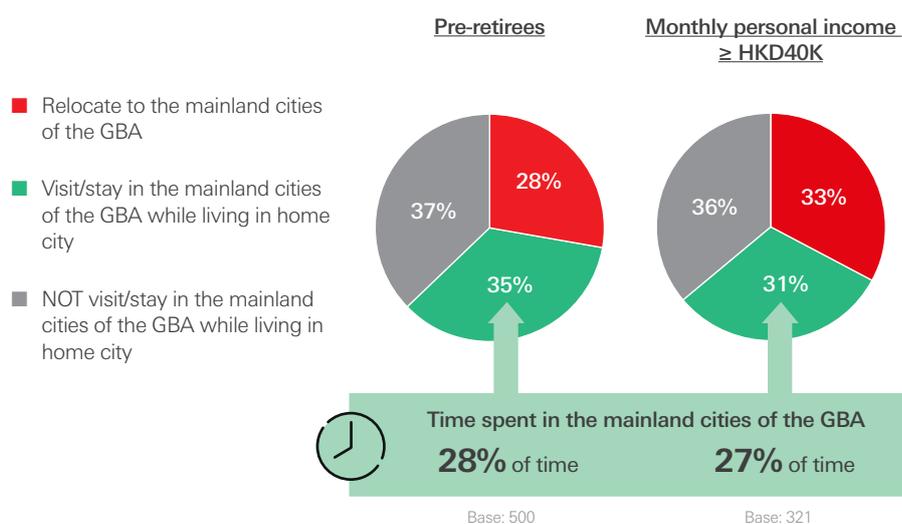
Do you plan to live in places outside your home city after retirement?
 Which place(s) would you consider living in after retirement?
 Which of the following best describes your expectations on mode of living upon retirement/your current mode of living?

Retirement at mainland cities of the GBA is getting popular

As is well known, the mainland cities of the GBA have become a retirement hotspot in recent years for people from Hong Kong and Macau. In fact, the survey finds that 23% of respondents plan to relocate to the mainland cities of the GBA for their retirement. The preference is even stronger among pre-retirees (28%) and the better-off (i.e. monthly personal income of HKD40,000 or above) (33%). This signifies the rise of the GBA not only as a regional hub but as one of the preeminent options for affluent pre-retirees and those with family responsibilities.

While not everyone is planning to move to the mainland cities of the GBA permanently, another 22% of the respondents are planning to/have already spent about a quarter of their time there since retirement, while continuing to live in their home city. It is even more popular among pre-retirees (35%) and the better-off (31%). These individuals visit or stay in the mainland cities mostly for shopping (for daily necessities, window shopping and more), casual dining, sightseeing and local healthcare services.

Expected/current mode of living for retirement in the mainland cities of the GBA & Share of time spent in these cities

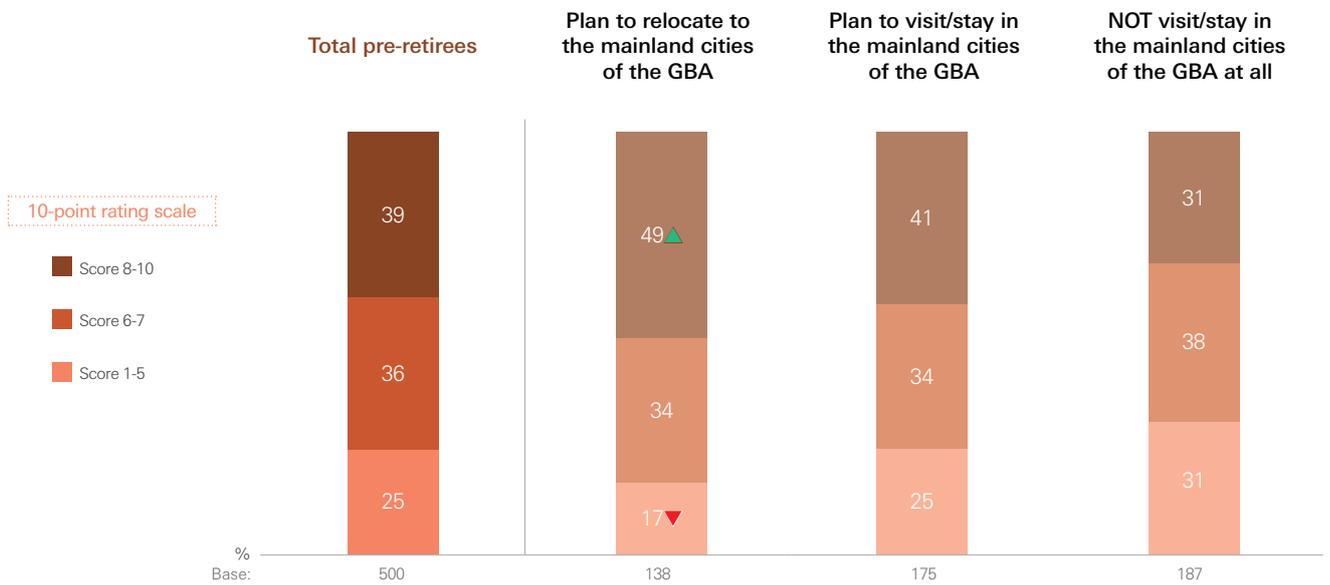


Do you plan to live in places outside your home city after retirement?
 Which place(s) would you consider living in after retirement?
 Which of the following best describes your expectations on your mode of living upon retirement/your current mode of living?
 Excluding international travels, approximately how much time do you expect to spend staying upon retirement/do you stay in any mainland cities of the GBA currently?

Retirement readiness with the mainland cities of the GBA as options

Among the pre-retirees aged 40-59, 39% are confident that they are ready for retirement (Score 8-10 on a 10-point scale). The percentage grows to 49% among those with relocation plans to the mainland cities of the GBA, and to 41% among those planning to visit or stay in these cities from time to time after retirement. To many pre-retirees, leveraging the more affordable cost of living is the key to elevating their quality of life.

Retirement readiness (among pre-retirees)



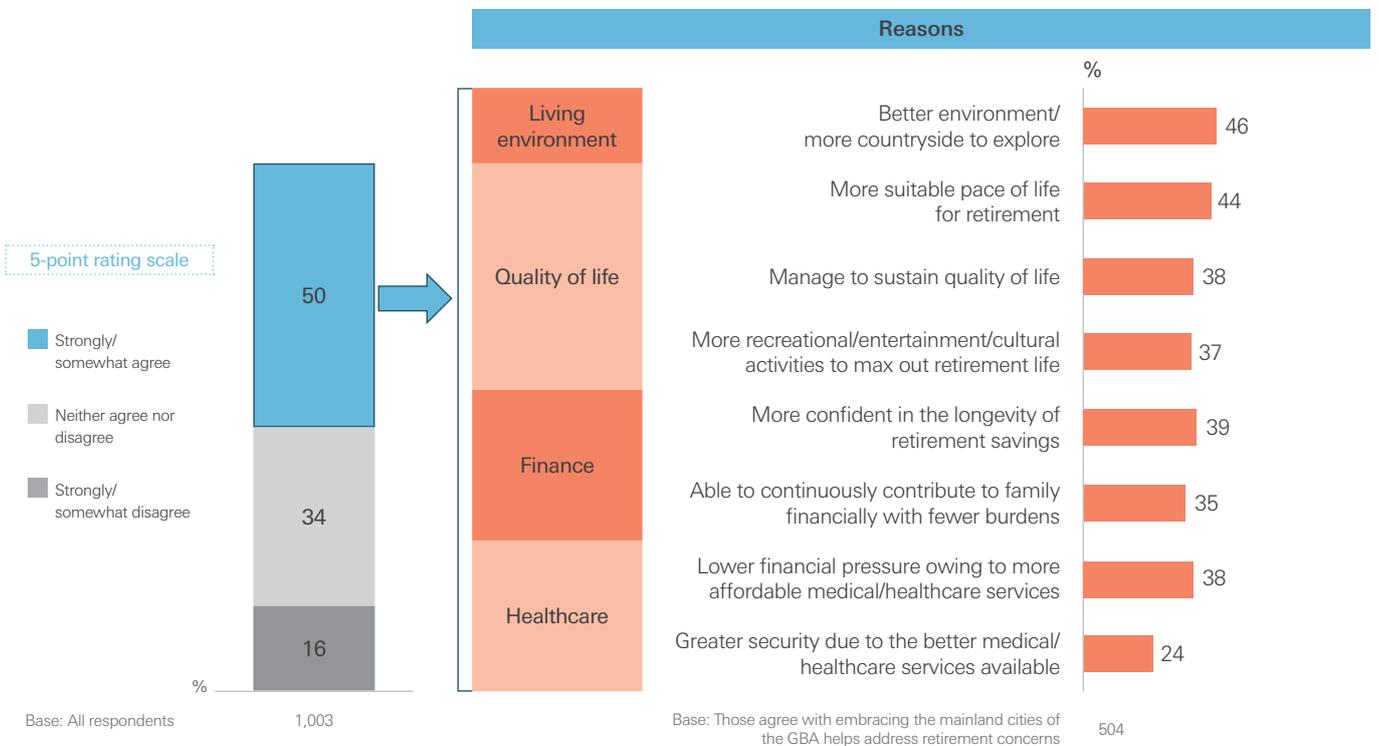
On a scale of 1 to 10, how prepared do you feel for retirement, with 1 being 'Not ready at all' and 10 'Being completely ready?'
 ▲ denotes significantly higher sub-group findings than the total, while ▼ denotes significantly lower sub-group findings than the total at 95% confidence level.



Half of the pre-retirees/retirees in the study agree that “Embracing the mainland cities of the GBA helps address retirement concerns” (Score 4-5 on a 5-point scale).

Key enablers include better environment/countryside to explore (46%), suitable pace of life (44%), sustainable quality of life (38%), stronger confidence in the longevity of savings (39%), ability to support families financially with lower stress (35%), and more affordable healthcare options (38%).

Agreement on “Embracing the mainland cities of the GBA helps address retirement concerns”



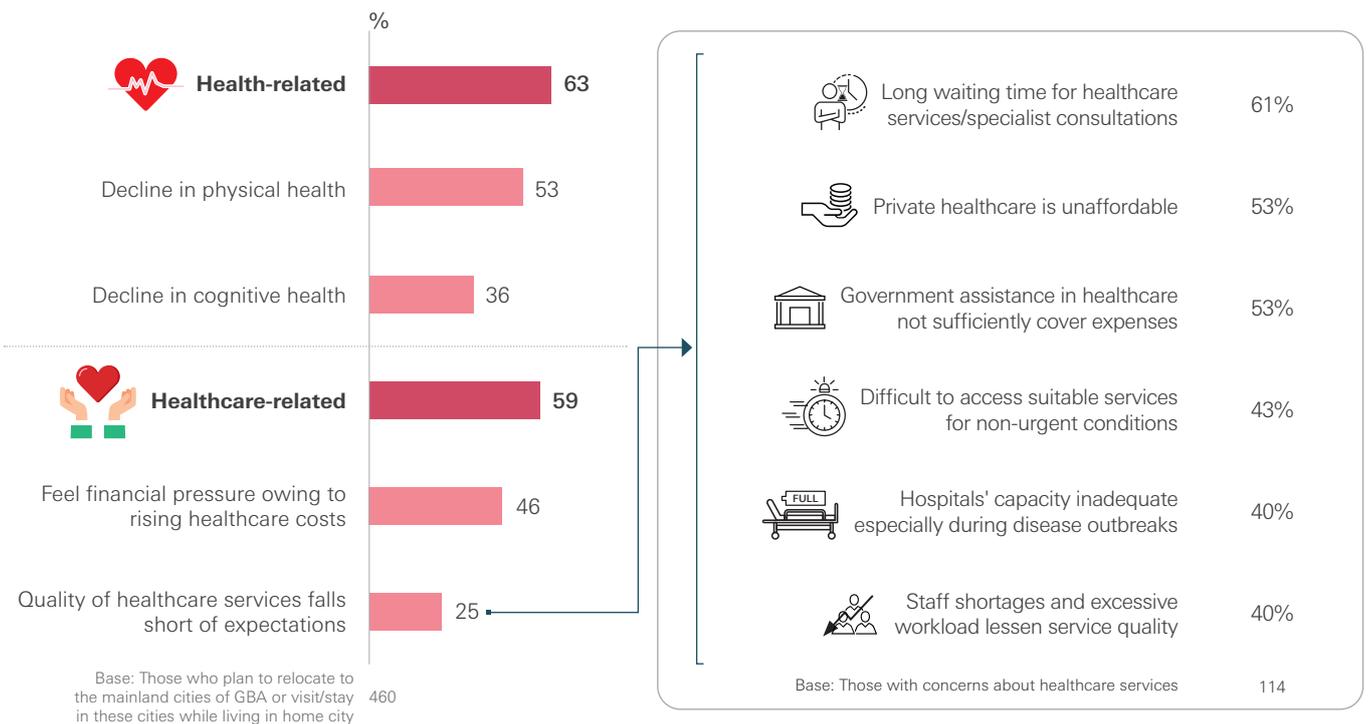
To what extent do you agree that embracing the mainland cities of the GBA can help address the concerns about retirement that you just mentioned, with 1 being 'Strongly disagree' and 5 being 'Strongly agree'?

Why do you think that embracing the mainland cities of the GBA in retirement planning helps alleviate your concerns effectively?

Retiring to the mainland cities of the GBA: factors driving the decision

Among those who plan to relocate to the mainland cities of the GBA or visit/stay in these cities regularly upon retirement, 3 in 5 consider access to quality healthcare as one of the key concerns, along with mental, physical and financial well-being. Specifically, nearly half of them cite rising healthcare costs as the main cause of financial pressure. Approximately 25% are also concerned about the availability of healthcare services, including such factors as **waiting time, unaffordable private healthcare, inadequate government subsidies, accessibility for non-urgent conditions, and hospitals' capacity during disease outbreaks.** The shortage/excessive workload of healthcare professionals in Hong Kong and Macau are also common pain points, which leads to long waiting times and stress on the public healthcare system. At the same time, private healthcare remains prohibitively expensive, making it an unviable option for many retirees.

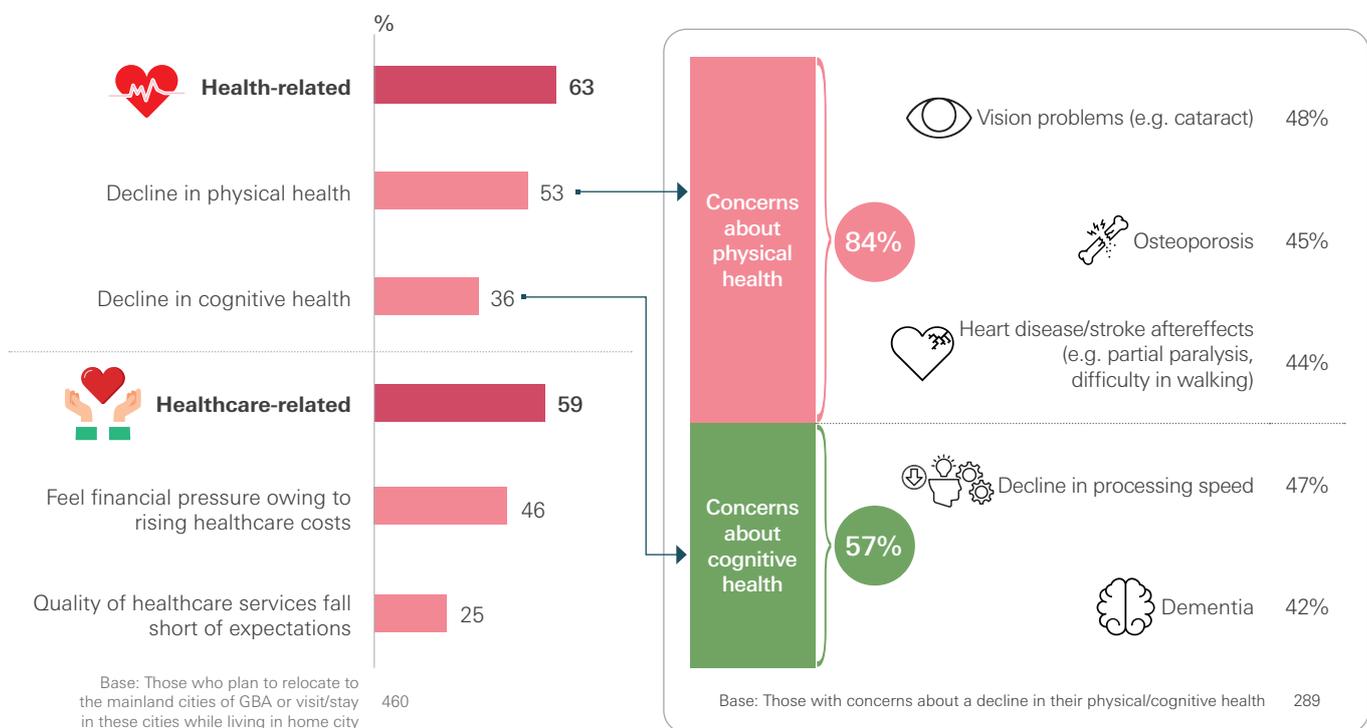
Expected/actual concerns upon retirement



What concerns or challenges would you expect to have upon retirement?/What concerns or challenges have you faced since retirement?
 You mentioned that you have worries about the quality of healthcare services fall short of your expectations/healthcare service not being sufficient. Why do you think so?

These individuals are typically keen on maintaining their health, both physical and cognitive, with almost two-thirds citing declining health as a major retirement concern. Among this group, 84% and 57% worry about having physical (e.g. vision problems, osteoporosis, heart disease or stroke aftereffects, etc.) and cognitive health problems (e.g. decline in processing speed, dementia, etc.) respectively. That explains their focus on the quality, accessibility and affordability of healthcare services in their retirement.

Expected/actual concerns upon retirement



What concerns or challenges would you expect to have upon retirement?/What concerns or challenges have you faced since retirement?
 Which of the following cognitive/ physical health conditions are you concerned about having upon retirement?

For people choosing where to retire, spaciousness/quality of living environment (64%), cost of living (58%) and price/quality of healthcare services (52%) are the key criteria. Unsurprisingly, for those who decide on the mainland cities of the GBA, the triggers include more spacious/better environment (67%), affordable cost of living (56%) and proximity to their loved ones (47%). Despite the almost overriding importance of healthcare to pre-retirees/retirees, relatively few choose to retire to the mainland cities of the GBA for its healthcare services (28%).

Consideration factors for retirement destination			Reasons for choosing the mainland cities of the GBA for retirement		
		%	%		
Living environment	Spaciousness of living area/quality of environment	64	67	More spacious living area/better environment	Living environment
	Climate	39	29	Favourable climate/weather conditions	
	Pace of life	38	36	Slower pace of life	
Financial wellbeing	Cost of living	58	56	Affordable cost of living	Financial wellbeing
Societal/cultural	Safety	47	29	Safe and secure	Societal/cultural
	Economy	41	27	Economically sound	
Healthcare/eldercare	Price/quality of healthcare services	52	28	Access to healthcare services with good value for money	Healthcare/eldercare
Convenience	Proximity to family/friends	40	47	Proximity to family/friends	Convenience
	Transportation	35	37	Well-established transportation network	
Quality of life	Availability of recreational entertainment/cultural activities	39	40	More recreational/entertainment/cultural activities	Quality of life

Base: Those who plan to relocate for retirement 363

Base: Those who plan to relocate to the mainland cities of the GBA for retirement 235

What are your consideration factors for choosing a place outside your home city for retirement?

What are your reasons for choosing GBA for retirement?

 Retirement consideration which can be satisfied by relocating to the mainland cities of the GBA

 Retirement consideration which is yet to be satisfied by relocating to the mainland cities of the GBA

As a matter of fact, there are both pull and push factors behind the decision to relocate to the mainland cities of the GBA. Some of the pull factors are:



“I’ve worked in Zhaoqing for many years and plan to move there in the future, because there’s more greenery and a relaxed pace of life, which is better for my health. This also helps ease the next generation’s pressure.”

(Male, pre-retiree, aged 55-59, Hong Kong)

“I think it will cost me at least HKD15,000 a month to retire in Hong Kong. But if I choose to retire in the mainland cities of the GBA, I’d only need around HKD5,000 a month.”

(Male, pre-retiree, aged 55-59, Hong Kong)



And according to some respondents, the push factors include the unaffordable cost of living and inaccessible healthcare services in the home city:



“I’m not very confident about retiring in Hong Kong. The cost of living is so high. By our calculations, the two of us together would need around HKD10,000 – HKD20,000 each month, plus money for travel. And that’s a conservative estimate. Also, the older you get, the more medical expenses you will have. I’ve seen it firsthand -- just one session of physiotherapy for my mom costs over HKD1,000!”

(Female, retiree, aged 60-64, Hong Kong)

“In Hong Kong, I have to wait several months for medical treatment. It’s better to stay in mainland China, where you have more space and parks.”

(Male, retiree, aged 65-70, Hong Kong)



Retiring in the mainland cities of the GBA - perspectives and concerns on healthcare services

By looking at their key considerations more closely, we can also identify concerns that go beyond the quality of the healthcare services. Among those with relocation plans to the mainland cities of the GBA, 50% have the perception that making **cross-border health insurance claims is difficult, or that expenses incurred in the mainland cities of the GBA are not claimable** at all under local policies. Since many of them are likely to travel back to nearby Hong Kong/Macau for healthcare services, 41% are also worried about **the lack of synchronisation of their medical records** across different locations. Addressing these pain points would bring the mainland cities of the GBA closer to meeting the unmet considerations surrounding healthcare service.



“I’m not sure if my critical illness insurance and medical insurance cover mainland China or not, so I need to talk to my insurance agent again. If not, I might have to buy insurance in mainland China.”

(Male, pre-retiree, aged 50-54, Hong Kong)

Concerns about relocating to the mainland cities of the GBA for retirement



Difficulty in making cross-border health insurance claims/limited acceptance of local medical insurance
50%



Lack of synchronisation of medical records
41%



Quality/standards of healthcare services in hospitals/clinics
33%

Base: Those plan to relocate to the mainland cities of the GBA for retirement 235

You mentioned that you plan to relocate to the mainland cities of the GBA for retirement. What are your concerns about retiring in these cities?

By the time you relocated to the mainland cities of the GBA for retirement, what were your concerns at that time?

Despite the administrative disadvantages mentioned above, opinion on the healthcare and medical services accessible in the mainland cities of the GBA are fairly positive, in terms of value, personalisation and specialisation. Respondents also acknowledge the good value for money (63%), positive word of mouth (48%), seamless follow-ups/customised services (46%). In addition, 43% perceive that these cities in the GBA can provide specialised treatments that might not be available in their home city.

These are exactly the benefits that, in their perception, are missing in Hong Kong and Macau, where cost and availability issues are more pronounced. In particular, the better-off (i.e. monthly personal income of HKD40,000 or above), who tend to demand higher standards, are even more impressed by the attentive/customised follow-ups (60%) and one-stop solutions (54%) available in the mainland cities of the GBA. Given such perceived advantages, the healthcare services available in these mainland cities represent as an ideal solution for the better-off, who are more likely to opt for local private healthcare but find it unaffordable, or that quality is deteriorating due to shortage/excessive workload of healthcare professionals.



“I was desperate because I had been getting treatments for a problem with my right hand for several years. It was seriously affecting my daily life. I couldn’t even brush my teeth, chop meat, or wring out a towel. Finally, I went to Zhongshan to try small needle-knife therapy, a traditional Chinese medicine procedure, at a friend’s recommendation. And it was very effective! After so long, I’m so thrilled that my hand has recovered.”

(Female, retiree, aged 60-64, Hong Kong)

“In mainland China, there are many different specialties in Chinese medicine that are not available here in Hong Kong.”

(Female, pre-retiree, aged 50-55, Hong Kong)



Reasons for preferring medical/healthcare services in the mainland cities of the GBA after retirement



Good value for money (63%)

Monthly personal income \geq HKD40K 55%



Recommended by friends/relatives (48%)

Monthly personal income \geq HKD40K 38%



Seamless follow-up care/
more customised services (46%)

Monthly personal income \geq HKD40K 60%▲



With one-stop healthcare solution/
specialised treatment or service (43%)

Monthly personal income \geq HKD40K 54%

Base: Those who plan to relocate to the mainland cities of the GBA or visit/stay in these cities and using its medical/healthcare services

Total 208, Monthly personal income \geq HKD40K 97

Why do you plan to use medical/healthcare services in the mainland cities of the GBA upon retirement?

Why do you use medical/healthcare services in the mainland cities of the GBA after retirement?

▲ denotes significantly higher sub-group findings than the total, while ▼ denotes significantly lower sub-group findings than the total at 95% confidence level.

Retiring to the mainland cities of the GBA: hurdles and challenges

Not everyone has the mainland cities of the GBA on their shortlist. For those who hesitate to consider these cities as a retirement destination, the main perceived drawbacks include differences in culture/lifestyle/language (63%) and concerns about safety/security (43%). Almost half of them (48%) express a desire to remain close to their loved ones, and therefore do not plan to relocate, even to nearby mainland cities. Relatively speaking, the perceived lower living standards (24%) and absence of high-quality healthcare services in the mainland cities (26%) are less of a barrier.



“I’m more familiar with everything in Hong Kong. As for the mainland cities of the GBA, I still feel it’s under development. I’m also concerned about air quality, and the food might not suit my taste. The social dynamics can be different compared to Hong Kong.”

(Female, pre-retiree, aged 45-49, Hong Kong)

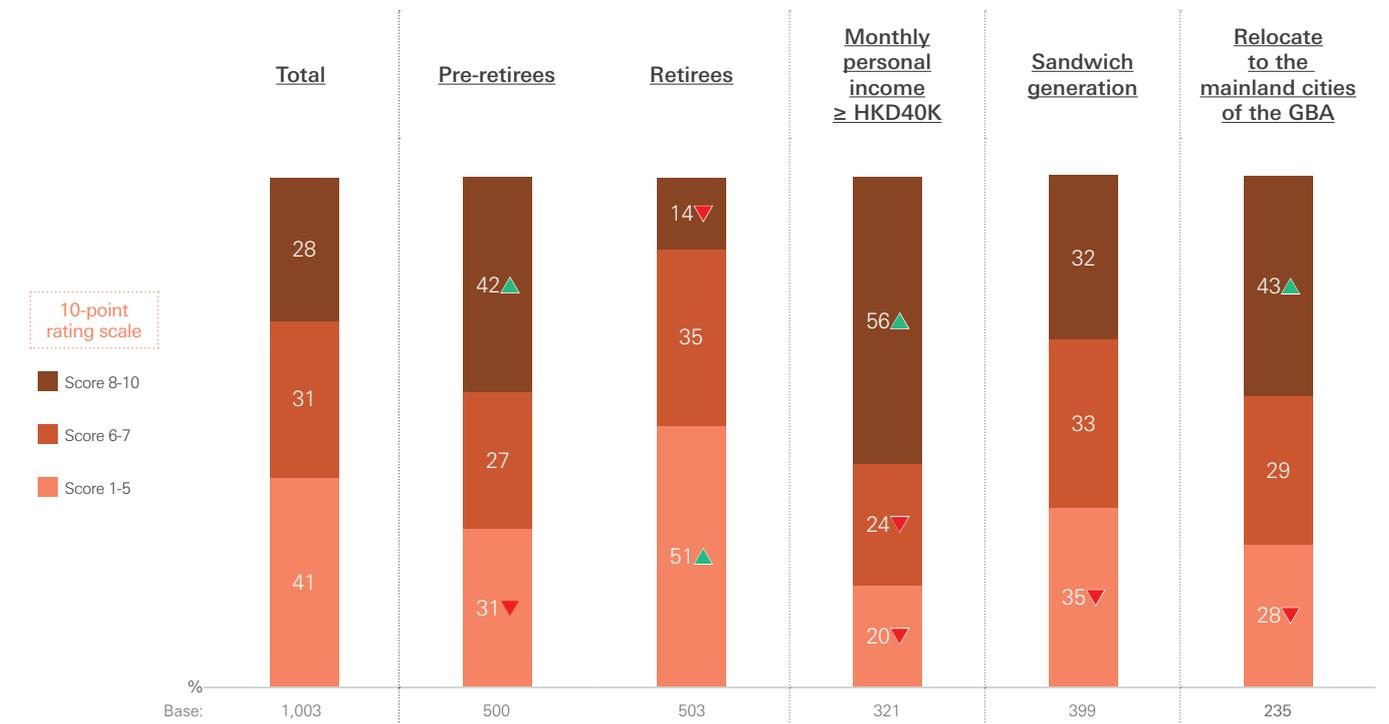
Retirement communities

Receptiveness to retirement communities

As life expectancy rises and healthcare services improve, people are increasingly turning their attention to environments that support both their practical needs and lifestyle preferences after retirement. Nowadays, retirement communities are not just places to live. For the most part, they are designed to enable quality ageing by cultivating personal well-being, providing healthcare access and promoting a socially engaged lifestyle. Besides, many pre-retirees/retirees have become more open-minded about not living with the younger generation under one roof, as they don't want to be a burden to their children or inconvenience their lives. Such a shift is an indication of the changing attitudes towards retirement and independence.

Over a quarter of pre-retirees/retirees are highly familiar with the concept of the quality retirement community, while another one-third are mildly familiar. Among pre-retirees and the better-off (i.e. monthly personal income of HKD40,000 or above), the percentages of those who know the concept well are even higher, at 42% and 56% respectively.

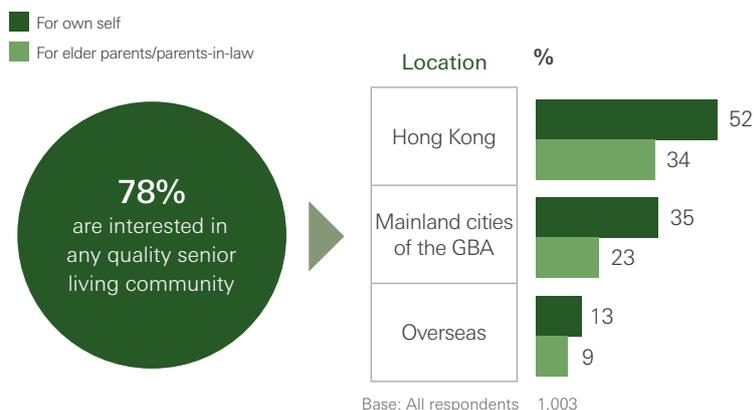
Familiarity with the concept of quality retirement community



Please read the following concept about quality retirement community. How familiar are you with this concept, with 1 being 'Not familiar at all' and 10 being 'Very familiar'?
 ▲ denotes significantly higher sub-group findings than the total, while ▼ denotes significantly lower sub-group findings than the total at 95% confidence level.

Among all the respondents, 78% are interested in the quality senior living communities – in particular, offers for **quality retirement communities in both Hong Kong and the mainland cities of the GBA** are more well-received, whereas interest in overseas ones tends to be lukewarm. Also, individuals are leaning towards living in these retirement communities themselves, rather than encouraging their parents/parents-in-law to do so. Apart from those already planning to relocate to the mainland cities of the GBA, members of the sandwich generation, who are keen to consider these cities as their retirement destinations, are also more drawn to such offers in the region. The clear benefits of living in the mainland cities of the GBA, including an improved environment and affordability, explain the growing appeal.

Interest in quality retirement community at respective location



Which of the following senior living and daily care offers from Retirement Partner are you interested in?
 For yourself/your elderly parents/parents-in-law, which of the following locations of quality retirement community you're interested in?

For a significant number of respondents, retirement communities in the mainland cities of the GBA have many merits, including top-notch, modern facilities, on-hand and caring services, abundant leisure activities for a fruitful retirement life, affordability and close proximity to Hong Kong.



“The facilities at an elderly home in the mainland cities of the GBA might be better. Also, the caregivers can push wheelchairs, and there’s a garden where you can sit and relax.”
 (Male, retiree, aged 65-70, Hong Kong)

“In mainland China, the elderly care homes seem very modern, almost like residential buildings, with doctors on-site and community facilities, like a retirement paradise. They have soft meals in the restaurant, ramps at the entrances and exits, and shuttle buses for transportation.”
 (Male, pre-retiree, aged 50-54, Hong Kong)



Among those interested in retirement communities not just in the Hong Kong and the mainland cities of the GBA; but elsewhere, being able to access medical services/Chinese medicine clinics (77%) easily matters the most, as this helps ensure timely medical attention without the hassle of travelling far. At the same time, Chinese medicine, which often emphasises preventive care, balance and long-term wellness, may better align with the elderly’s healthcare needs. Being close to nature with fresh air and open spaces (65%), good wellness facilities (65%) and having others to take care of them (65%) are other important drivers.

Factors driving the perception of a quality retirement community as a good place for retirement



Base: Those interested in quality retirement community in any places 782
Which of the following factors make you perceive quality retirement community as a good place for retirement?

By contrast, having no friends/relatives around and being far away from home are common disadvantages associated with retirement communities, whether the mainland cities of the GBA or overseas.

Low accessibility is one of the key hurdles. In that regard, one-fifth of those who are not interested in retirement communities in the mainland cities of the GBA say they would become very interested if they can live **close to a high-speed rail station that makes it possible to travel to Hong Kong in just 0.5 to 2 hours**. That means the percentage of individuals interested in such communities for themselves/their parents will grow from 47% to 57%, an increment of 10 percentage points. Being able to travel back to their home city anytime is a key driver that can help lower the psychological barriers to relocation.

Another barrier is having no friends/relatives around. Again, one-fifth of those who are not interested in retirement communities in the mainland cities of the GBA will become very interested if a **flexible living arrangement (i.e. living in the community only some of the time)** can be made. As a result, the percentage of individuals interested in such communities will grow from 47% to 57%, while 65% would want to spend more than 50% of their time in such a community and occasionally commute to their home city. With this hybrid approach, people can embrace the lifestyle they want while staying connected to families/friends.



Base: Those who find "senior living & daily care" attractive 875
 Which of the following senior living and daily care offers from Retirement Partner are you interested in? For you and For your elder parents/parents-in-law,
 If such quality retirement community in the mainland cities of the GBA is very close to the high-speed rail station, making the commute time to Hong Kong 0.5 to 2 hours, would you be interested?
 If such quality retirement community in the mainland cities of the GBA/overseas offers different programmes for you to live partially (like 20-80% of you time there), would you be interested?



Base: Those who are/have become interested in quality retirement community in the mainland cities of the GBA 647
 When starting to live in such a quality retirement community in the mainland cities of the GBA/overseas, how much time would you prefer to spend there?

As quality retirement communities in the mainland cities of the GBA continue to gain momentum, two distinct living styles have emerged. Some individuals plan to reside there predominantly, while some intend to treat it as a second home, spending part of their retirement in mainland cities of the GBA while maintaining ties with their home city.

Conclusion

In Hong Kong and Macau, retirement remains a life event for which many respondents are underprepared. In a significant number of cases, retirement readiness is undermined by the uncertainty caused by personal circumstances. In particular, many members of the sandwich generation are held back on their retirement planning journeys by responsibilities towards both parents and/or children.

Pre-retirees are therefore increasingly looking beyond their home cities for a location that can support a financially sustainable retirement, one that would allow them to reduce the burden on the next generation without accepting trade-offs in terms of their own quality of life.

In recent years, many pre-retirees have expanded their shortlists to include a wider variety of locations. The mainland cities of the Greater Bay Area, for instance, has become one of the more popular options for its combination of a lower cost of living, spacious environment, comprehensive healthcare and eldercare services, as well as close proximity to Hong Kong and Macau.

In the past, it was customary for people to rely on the next generation for support in their old age. As that cultural norm gives way to a strong emphasis on building a comfortable, self-sufficient retirement, the search for a viable solution has acquired a new urgency.

Retirement represents the start of the long-awaited “second half”, the key milestone that promises freedom and fulfillment. Whether we can embrace it with open arms depends entirely on how well we have prepared for it.

It is therefore crucial that we develop a thorough understanding of what our suitable retirement lifestyle entails – financially, geographically, socially – as well as the alternatives that might interest us. After all, retirement is most rewarding to those who started planning for it years, even decades, in advance.



