

2023 401(k) Participant Study

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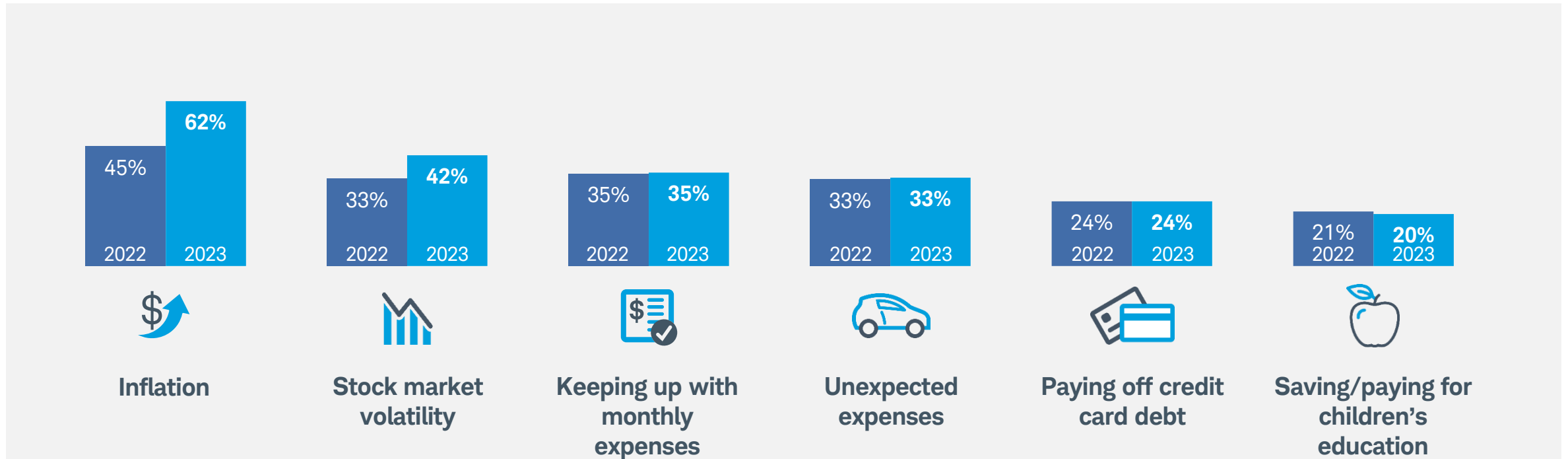
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Own your tomorrow.

Retirement obstacles

Inflation is becoming a bigger obstacle to saving for a comfortable retirement, compounded by stock market volatility

Top Retirement Obstacles

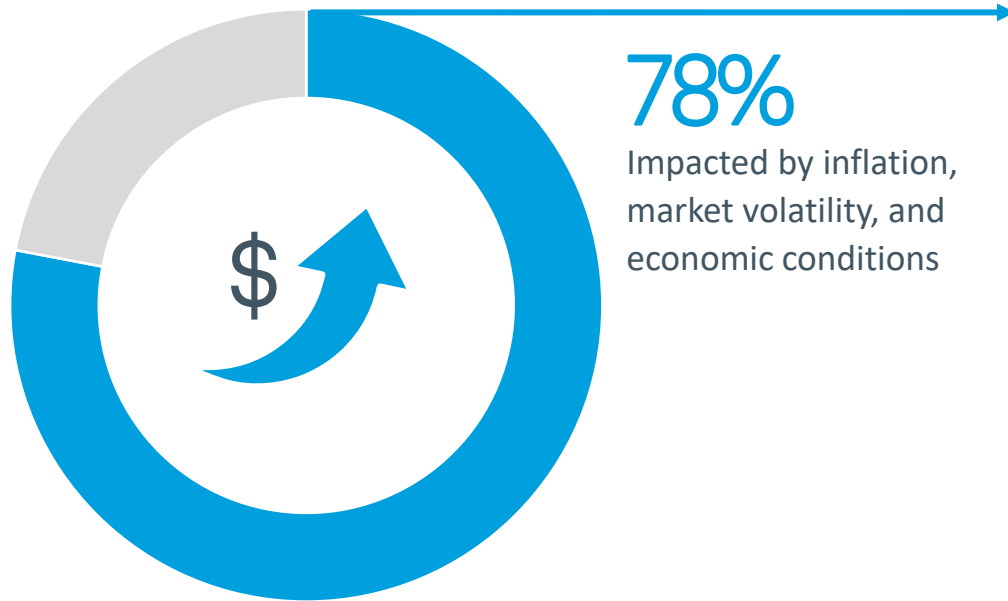


Thinking about your own efforts to save for a comfortable retirement, which of the following are obstacles you face, if any? (Base: Total = 1,000)

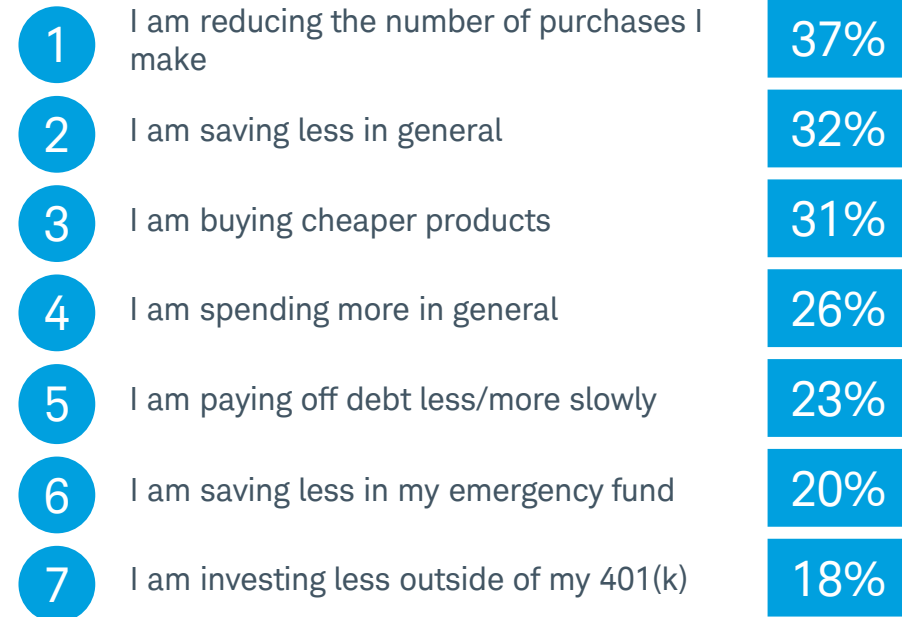
Inflation and market volatility impact

Inflation, market volatility, and current economic conditions are impacting workers' spending and saving habits

Impact of Market Volatility, Inflation and Economic Conditions on Spending and Saving



Top Ways Impacted

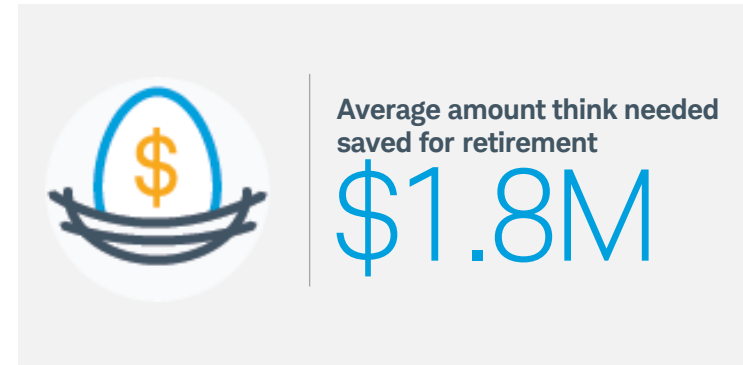
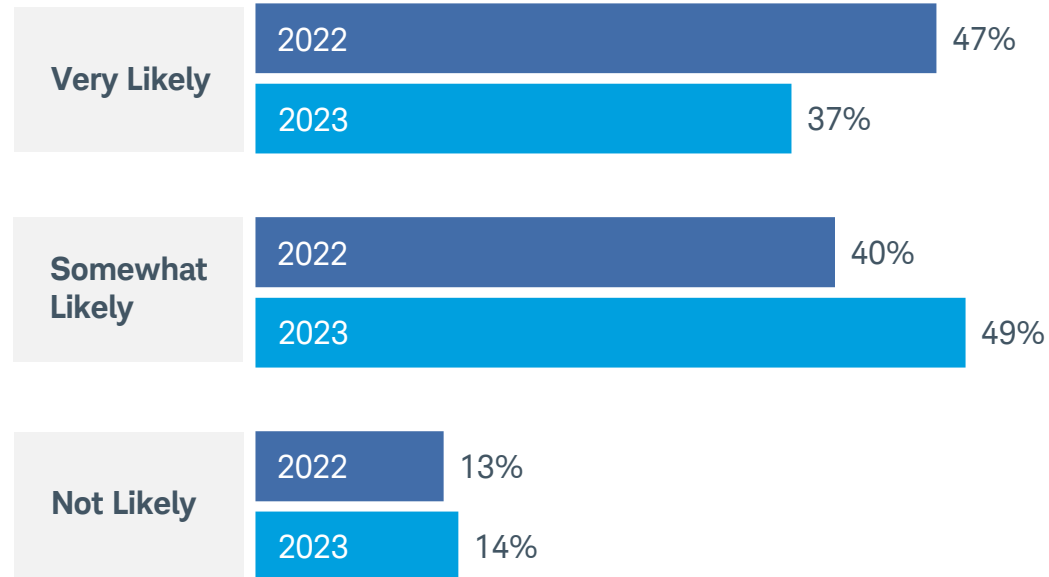


How are market volatility, inflation and economic conditions currently impacting your saving and spending habits, if at all? (Base: Total = 1,000)

Retirement goals

Workers are less certain they will reach their retirement savings goals this year. On average, workers think they need \$1.8 million saved for retirement

Likelihood to achieve retirement savings goals

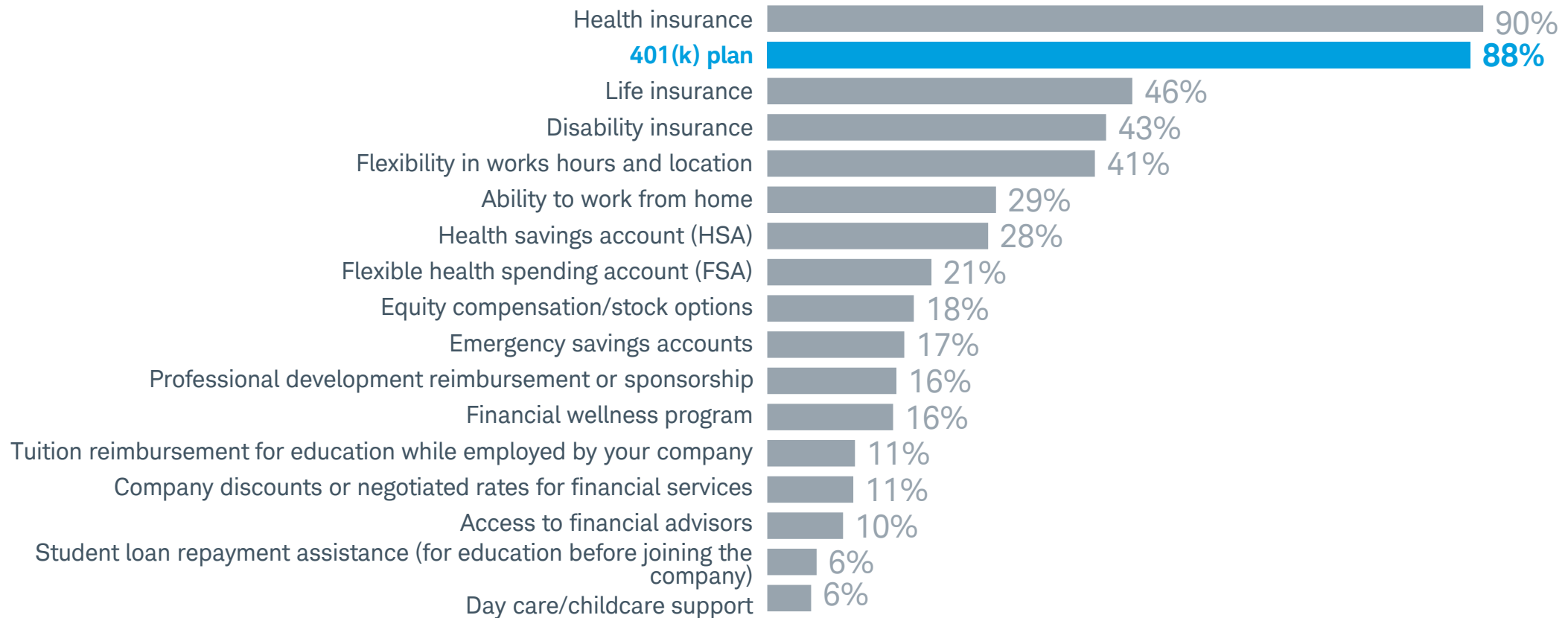


How likely do you think you are to achieve your retirement savings goals? (Base: Total = 1,000)
How much do you think you need to have saved for retirement? (Base: Total = 1,000)

401(k) a must-have benefit

A 401(k) plan and health insurance are considered must-have benefits for more workers this year

Considered a *Must Have* Benefit When Looking for New Job



If you were looking for a new job, which benefits or work options would you see as “must haves,” “nice to haves” and which don’t you care about? (Base: Total = 1,000)

Retirement income

More workers are expecting their primary source of retirement income to be their 401(k), followed by Social Security benefits

60%

of retirement income expected to come from multiple other sources besides 401(k)

Social Security	20%
Savings and investments	15%
Pension/defined benefit plan	11%
Part-time work	4%
Annuities/insurance	3%
Real estate income	3%
Inheritance	3%
Other	1%

Retirement Income Sources



40%

of retirement income expected to come from 401(k)

Own 401(k)	32%
Partner's 401(k)	8%


In 2022, 401(k) was 37% of retirement income

Thinking about the different sources of income for your retirement, what percentage do you expect to come from each source listed? (Base: Total = 1,000)

Methods for saving

Workers are diversifying their methods of saving and investing for retirement

Top Methods for Investing/Savings for Retirement

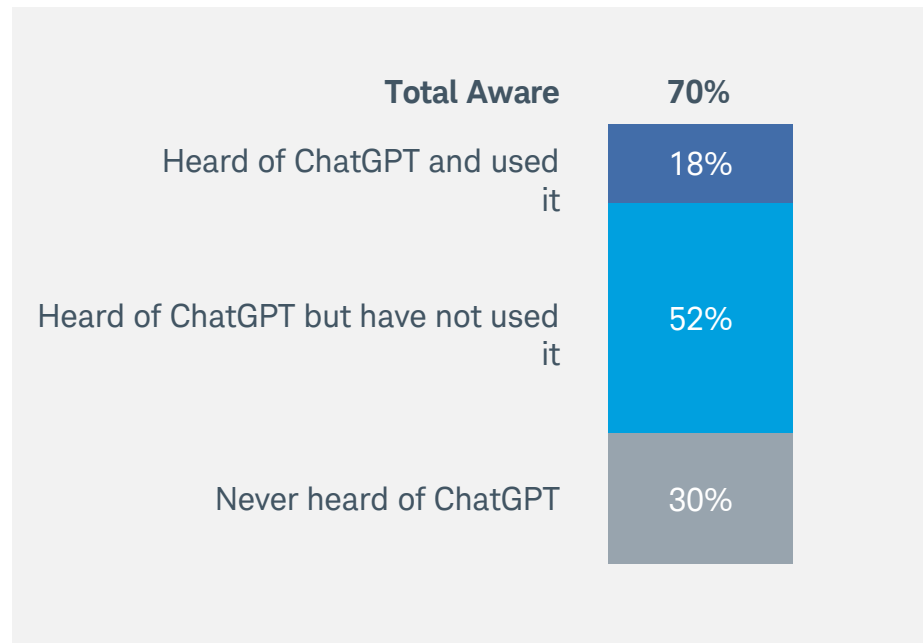
		2022	2023	
 <p>Methods</p>	1	Saving in savings account	61%	68%
	2	Investing in an IRA	33%	47%
	3	Investing in a brokerage account	29%	38%
	4	Saving in an HSA	44%	36%
	5	Investing in cryptocurrency	25%	14%

Which of the following methods are you using to save or invest for retirement? (Base: Total = 1,000)

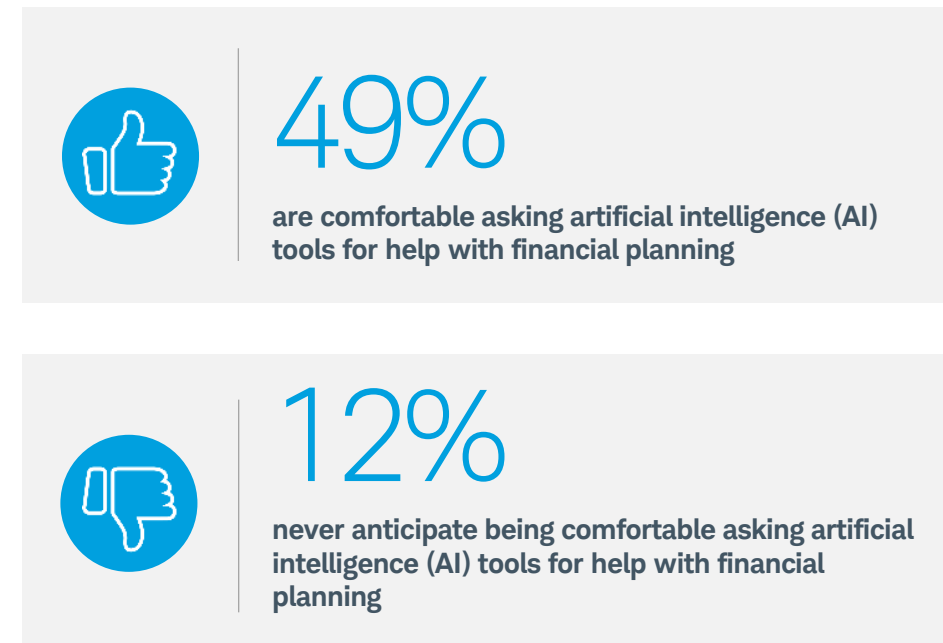
Emerging tech and financial advice

Half of workers would feel comfortable asking artificial intelligence tools like ChatGPT for help with financial planning, but for now, adoption is low

ChatGPT Awareness and Usage



Comfort with AI Financial Planning



How comfortable are you today asking artificial intelligence tools (e.g., an AI-based digital tool like ChatGPT) for help with financial planning? (Base: Total = 1,000)

When do you anticipate being comfortable asking artificial intelligence tools (e.g., AI-based digital tools like ChatGPT) for help with financial planning? (Base: Total = 1,000)

Workers prefer the human touch

Workers are more likely to follow financial advice from a human than computer-generated advice

Likely to Follow...



95%

Human professional
recommendations
for financial advice



74%

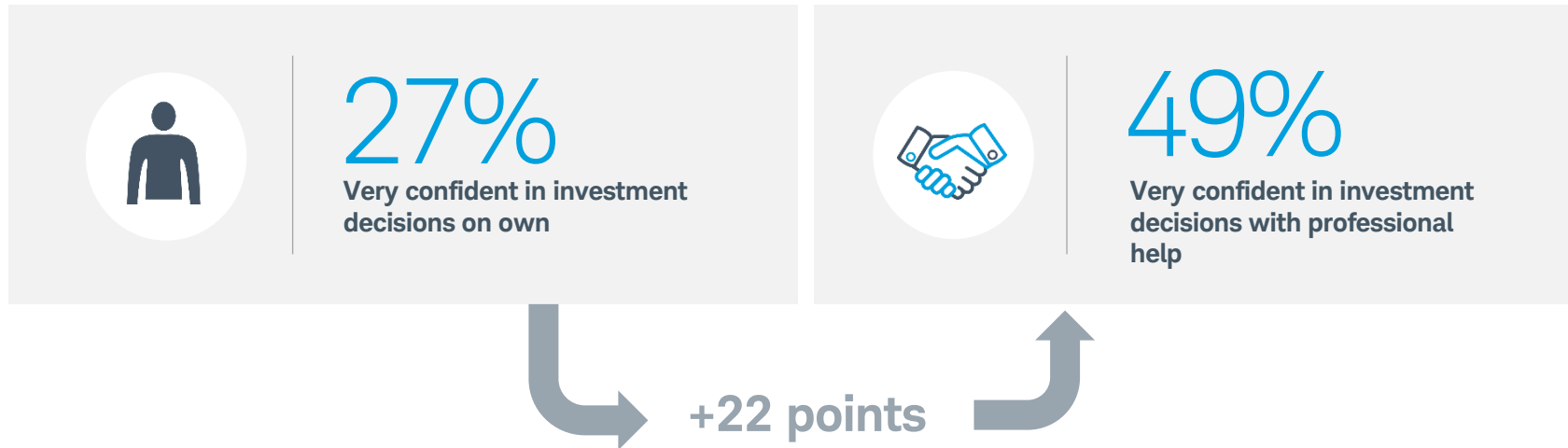
Computer-generated
recommendations for
financial advice

If you received the following types of financial advice, how likely are you to follow it? (Base: Total = 1,000)

Advice and confidence

Confidence in workers' ability to make 401(k) investment decisions increases with the help of a financial professional

Confidence in Investment Decisions



How confident are you in your ability to make the right 401(k) investment decisions on your own? (Base: Total = 1,000)

How confident would you be in your ability to make the right 401(k) investment decisions if you had the help of a financial professional? (Base: Total = 1,000)

Personalized advice

Almost three quarters of workers would like personalized investment advice, and over half want investments in their 401(k) to reflect their personal values

Personalization



73%

I would like personalized investment advice for my 401(k)



55%

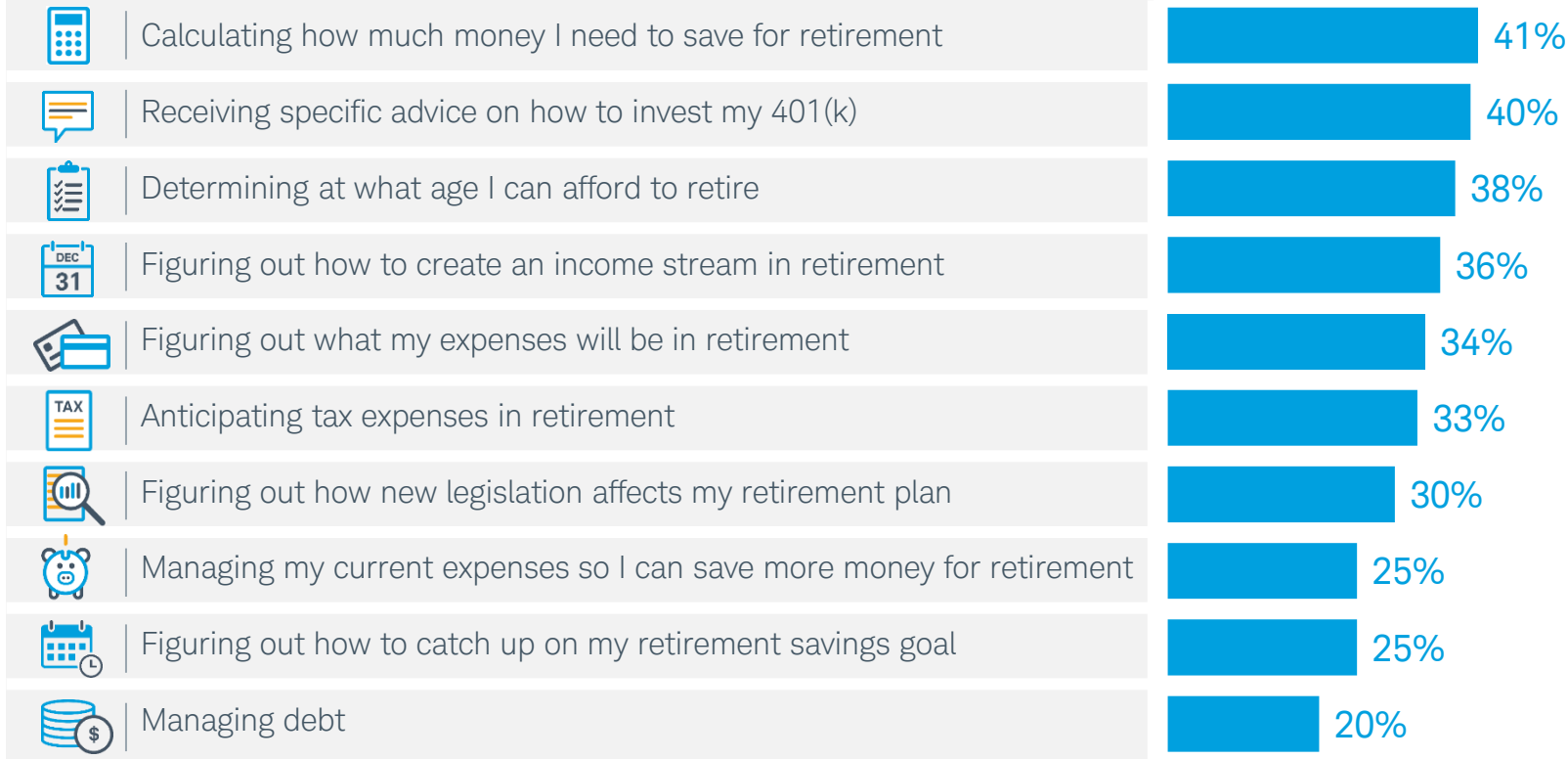
It is important that my investments in my 401(k) reflect my personal values

For each of the statements below, please indicate whether you agree or disagree. (Base: Total = 1,000)

Where workers need help

Workers need the most help determining their retirement savings goal and optimizing their 401(k) investments

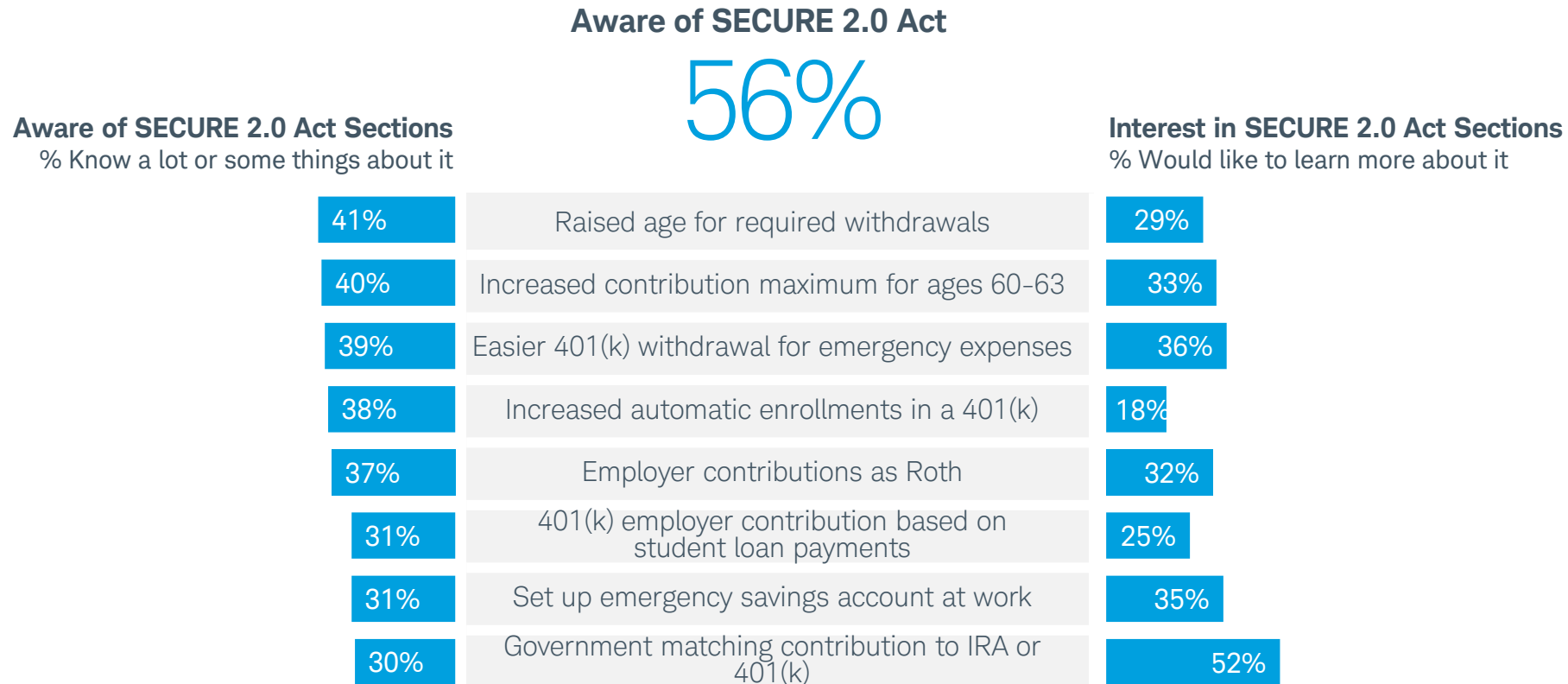
Areas Would Like Help with Retirement Planning



If you could get help with retirement planning, what would you like help with? (Base: Total = 1,000)

SECURE 2.0

Just over half of participants have heard of the SECURE 2.0 Act and most are familiar with sections that are related to required minimum distributions and increased catch-up contributions



How familiar are you with the SECURE 2.0 Act? (Base: Total = 1,000)

Methodology

- The 2023 401(k) Participant study is an online study conducted by Logica Research.
- The study was conducted from April 19 through May 2, 2023.
- 1,000 401(k) plan participants completed the survey.
 - Ages 21-70
 - Work for companies with 25+ employees that have 401(k) plans
 - Currently contribute to their companies' 401(k) plans
- Survey respondents include participants served by approximately 15 different retirement plan providers.
- The typical (median) survey length was 10 minutes.

Disclosures

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