

# 2017 401(k) Participation Survey

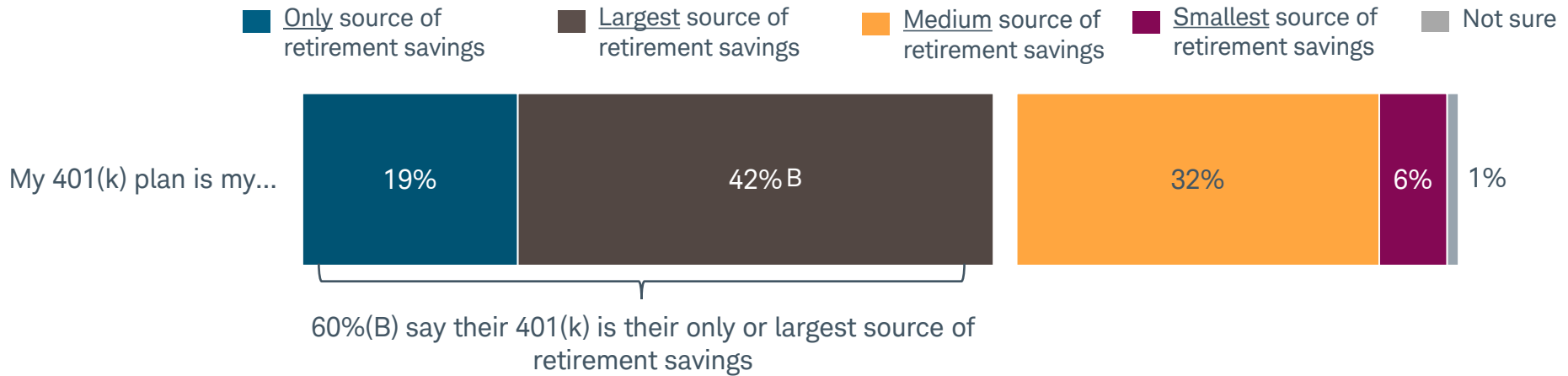
August 2017

*charles*  
SCHWAB

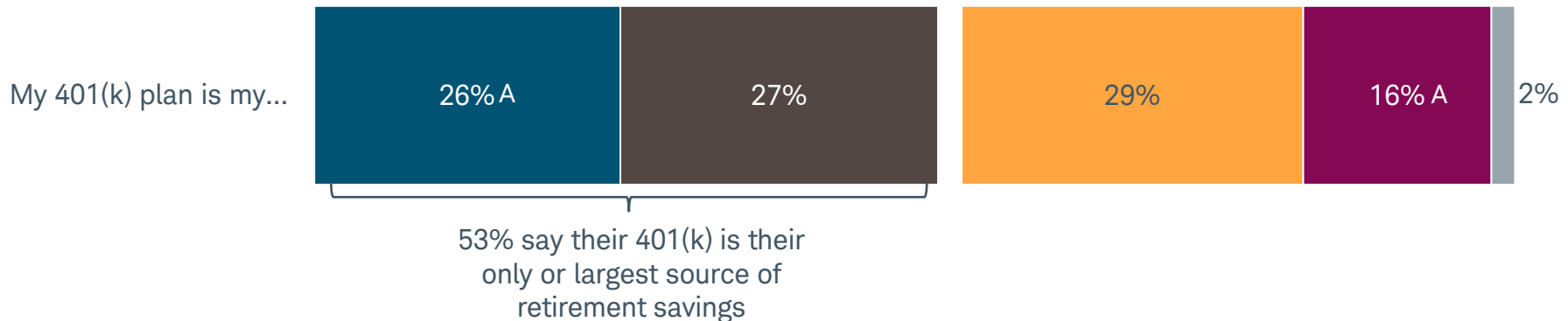
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# Six in ten Savers and over half of Non-savers enrolled in a plan say a 401(k) is their only or largest source of retirement savings

## 401(k) as part of retirement savings Total Savers



## Total Non-savers who are enrolled

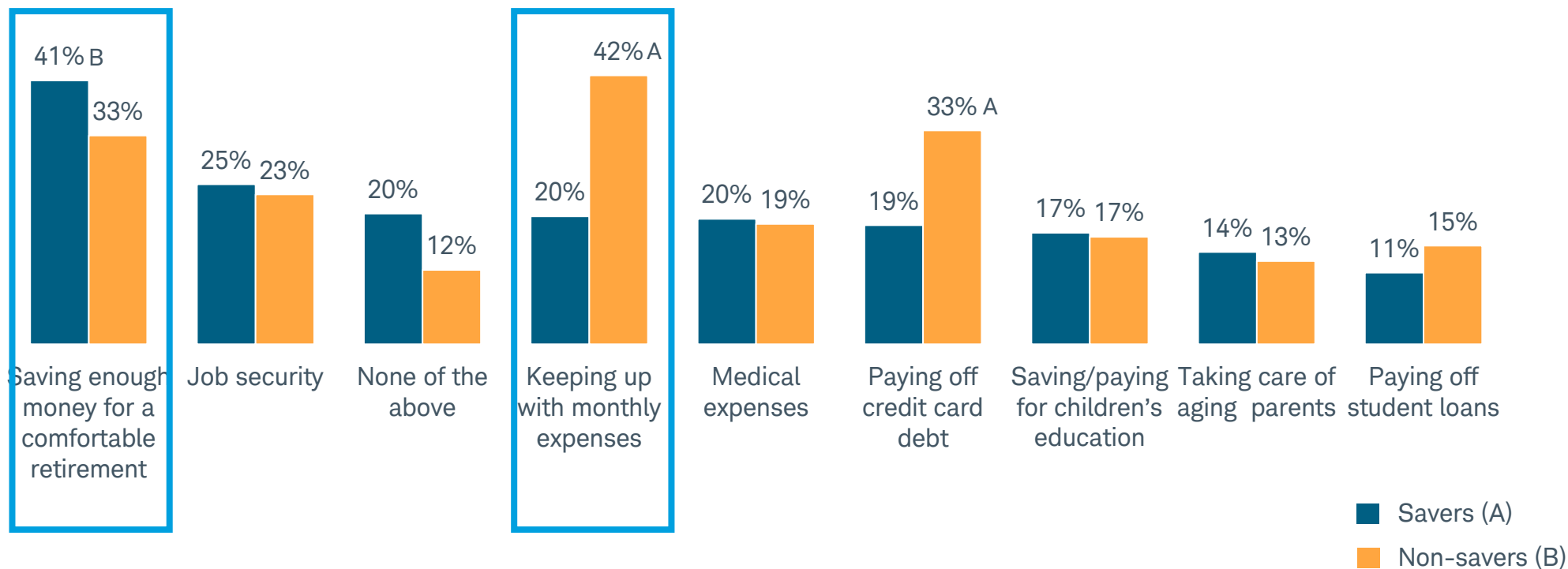


Letters indicate significant difference at the 95% confidence level

Q: How would you complete this sentence? My 401(k) plan is... (Base: Total Savers=500; Non-savers who are enrolled in a 401(k) plan=279)

# Savers are most stressed about saving enough for retirement; Non-savers stress about monthly expenses

## Significant sources of financial stress Total Savers and Non-savers



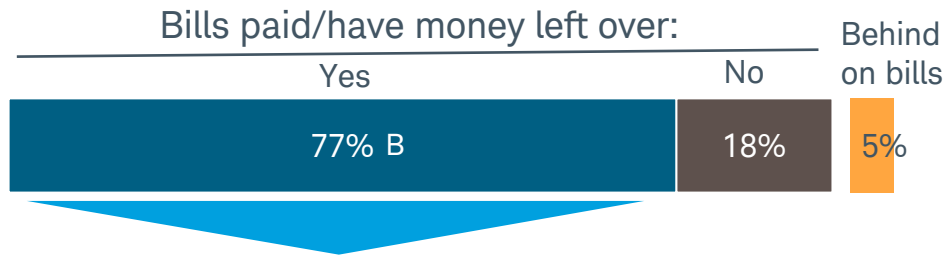
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Q: Which of these would you say are a significant source of stress in your life today, if any? (Base: Total Savers=500; Total Non-savers=500)

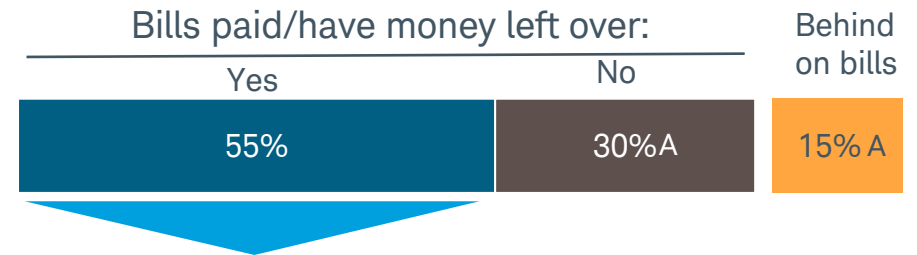
# Savers, more than Non-savers, are caught up with bills and have money left over at the end of the month

## End-of-month description of personal finances

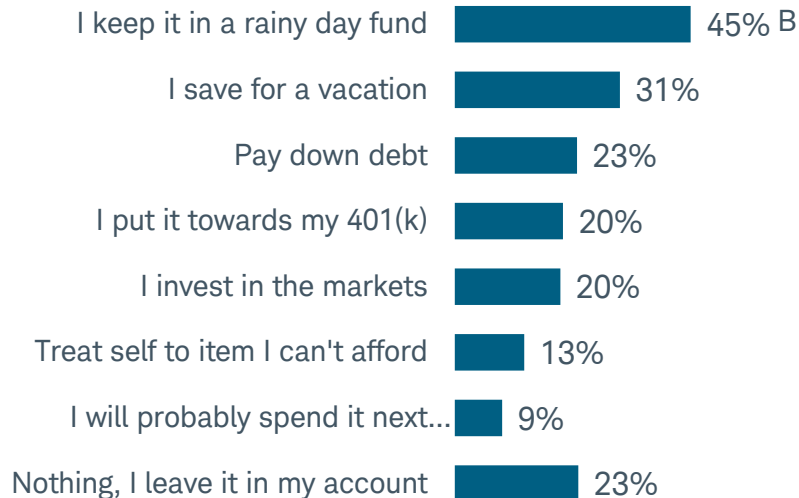
### Total Savers (A)



### Total Non-savers (B)



### How leftover money used If money left over



### How leftover money used If money left over



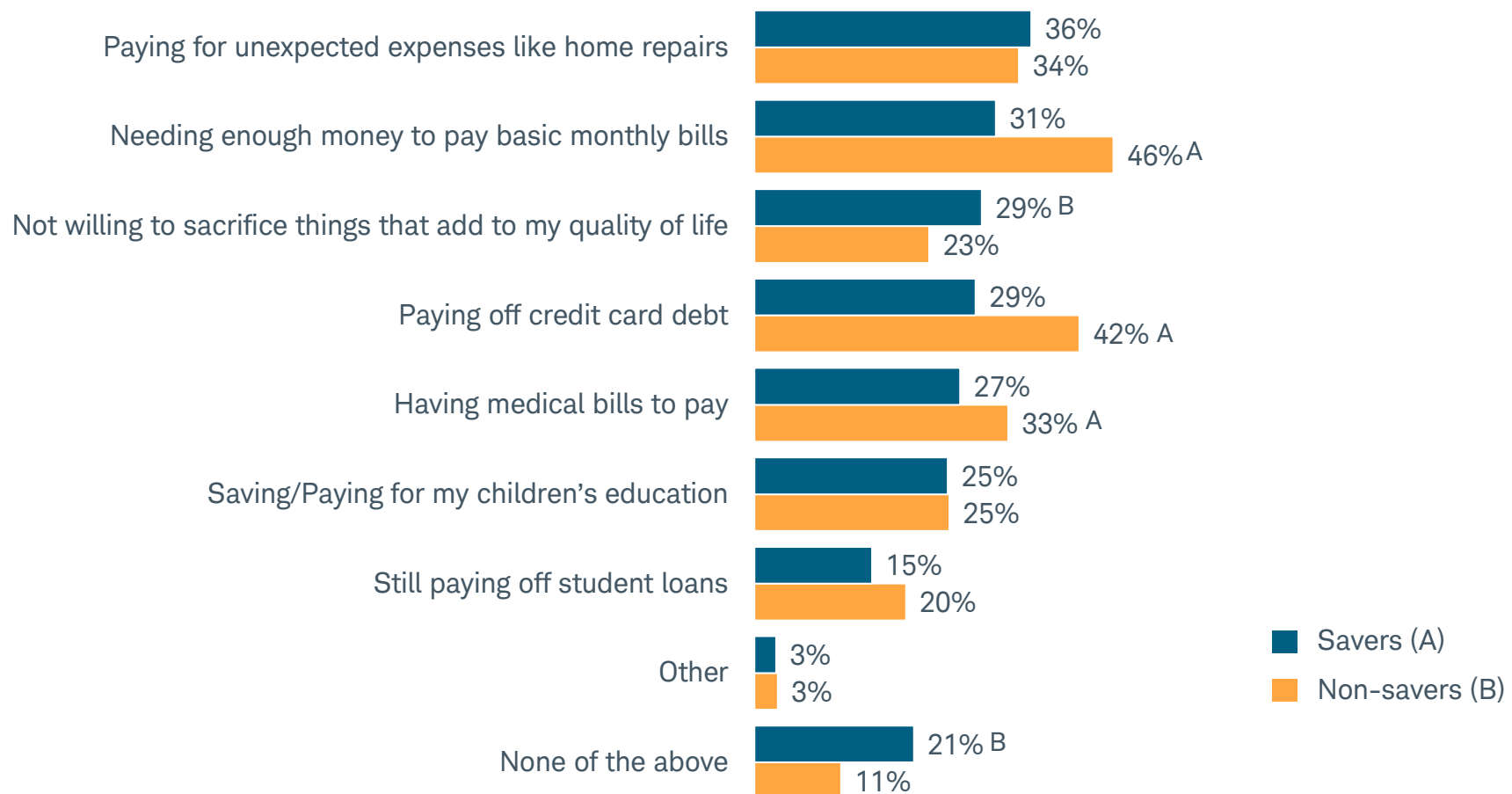
Letters indicate significant difference at the 95% confidence level

Q: Which statement best describes how you feel about your personal finances at the end of each month? (Base: Total Savers=500; Total Non-savers=500)

Q: What do you do with the money you have left over or don't need for expenses? (Base: Have money left over - Savers=382; Non-savers=273)

# Non-savers are more hindered by monthly bills and credit card debt when trying to save for retirement

## Obstacles faced when trying to save for retirement Total Savers and Non-savers



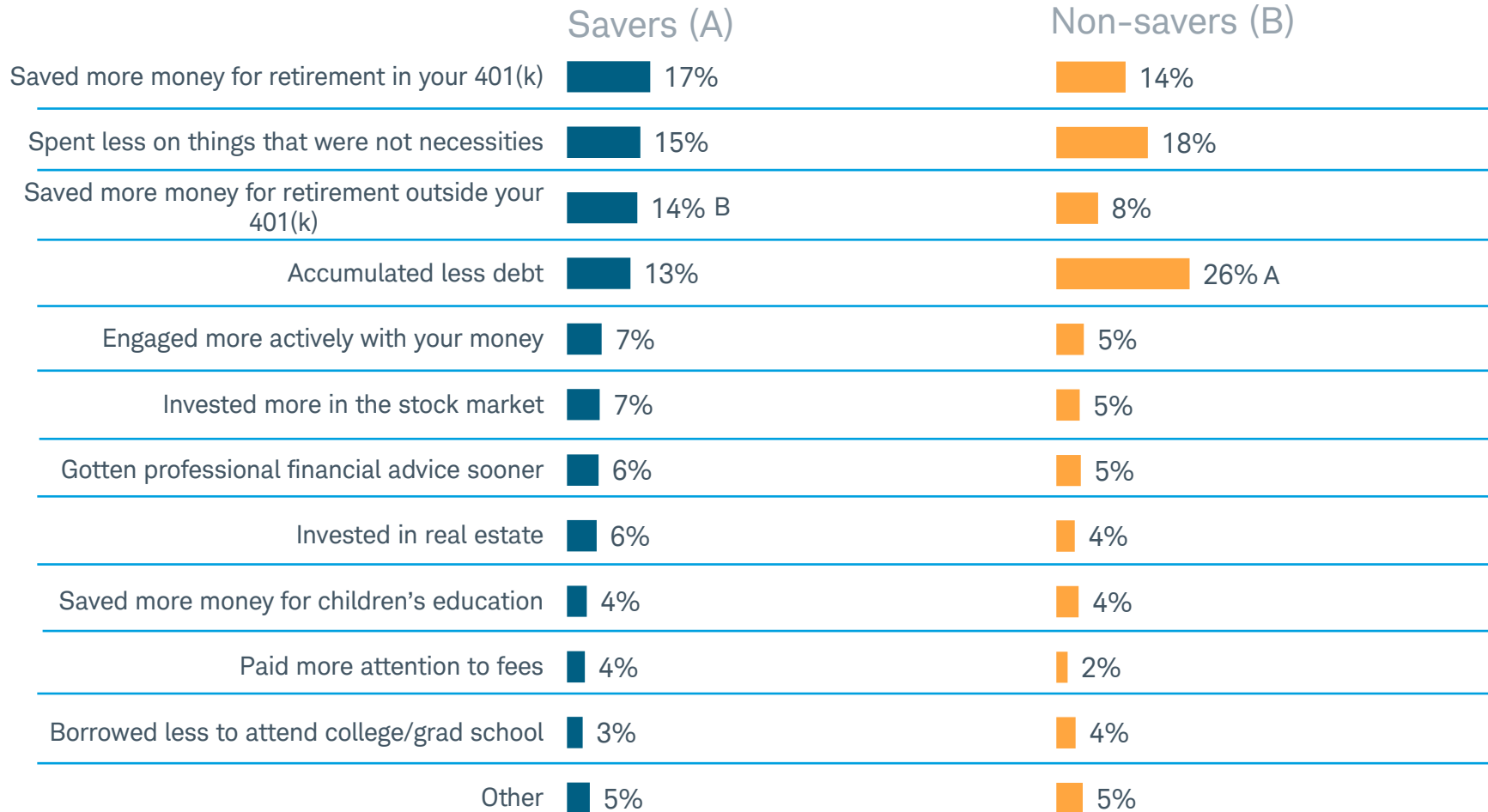
Letters indicate significant difference at the 95% confidence level

Q: Thinking about your own efforts to save for a comfortable retirement, which of the following are obstacles you face, if any? (Base: Total Savers=500; Total Non-savers=500)

# Non-savers wish they had less debt and spent less on non-necessities

Savers wish they had saved more for retirement and spent less on things that were not necessities

## One thing would change about past financial management

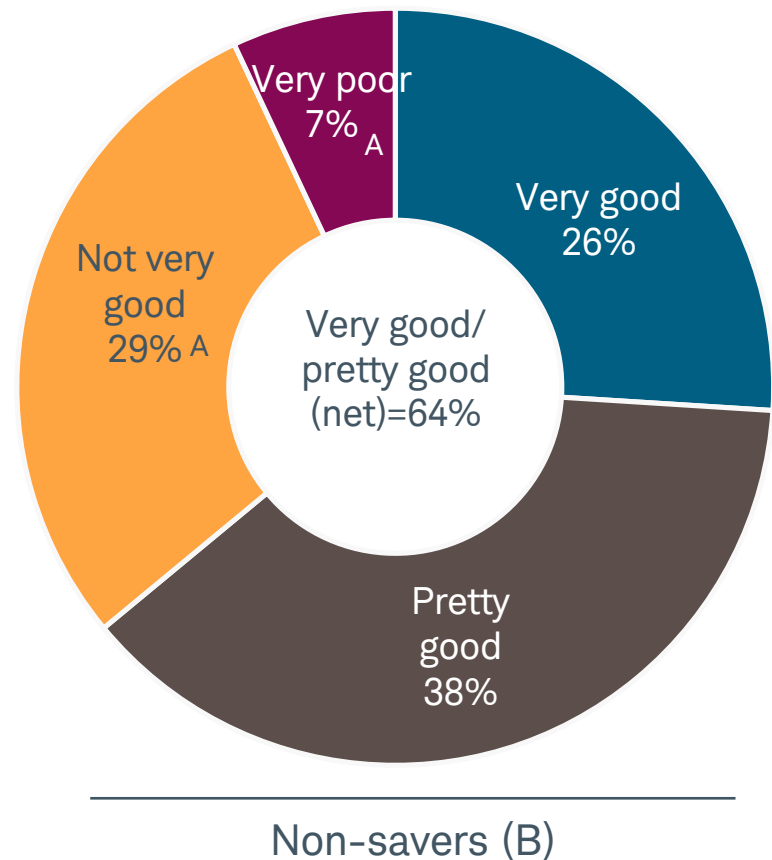
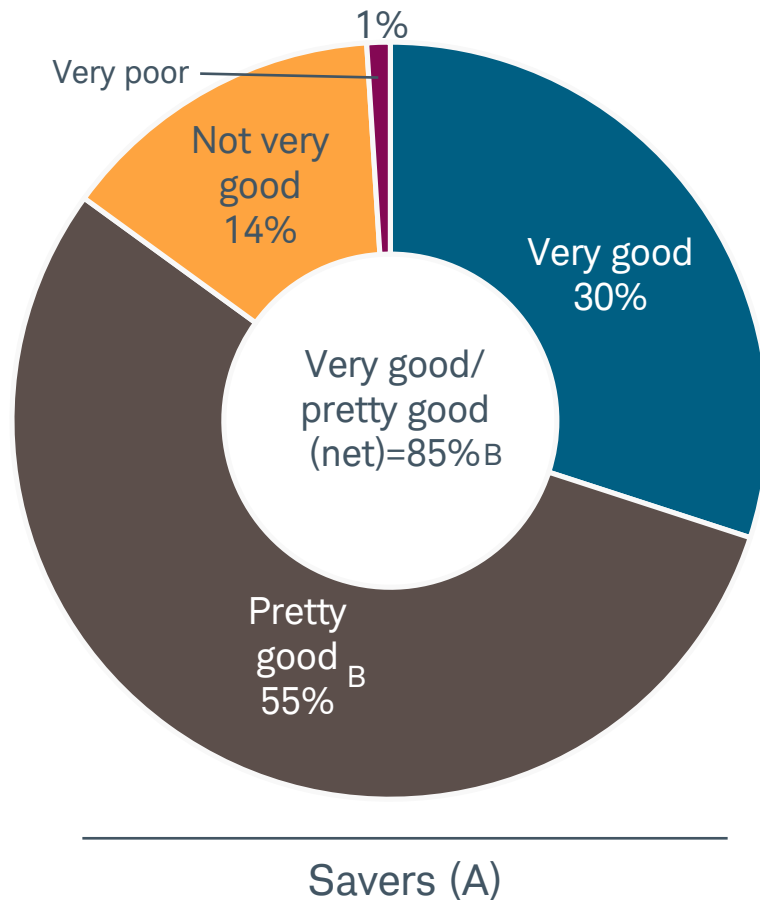


Letters indicate significant difference at the 95% confidence level

Q: If you could change one thing about the way you have managed your finances in the past, what would it be? (Base: Total Savers=500; Total Non-savers=500)

# More Savers than Non-savers say they are financially healthy

## Description of personal financial health Total Savers and Non-savers

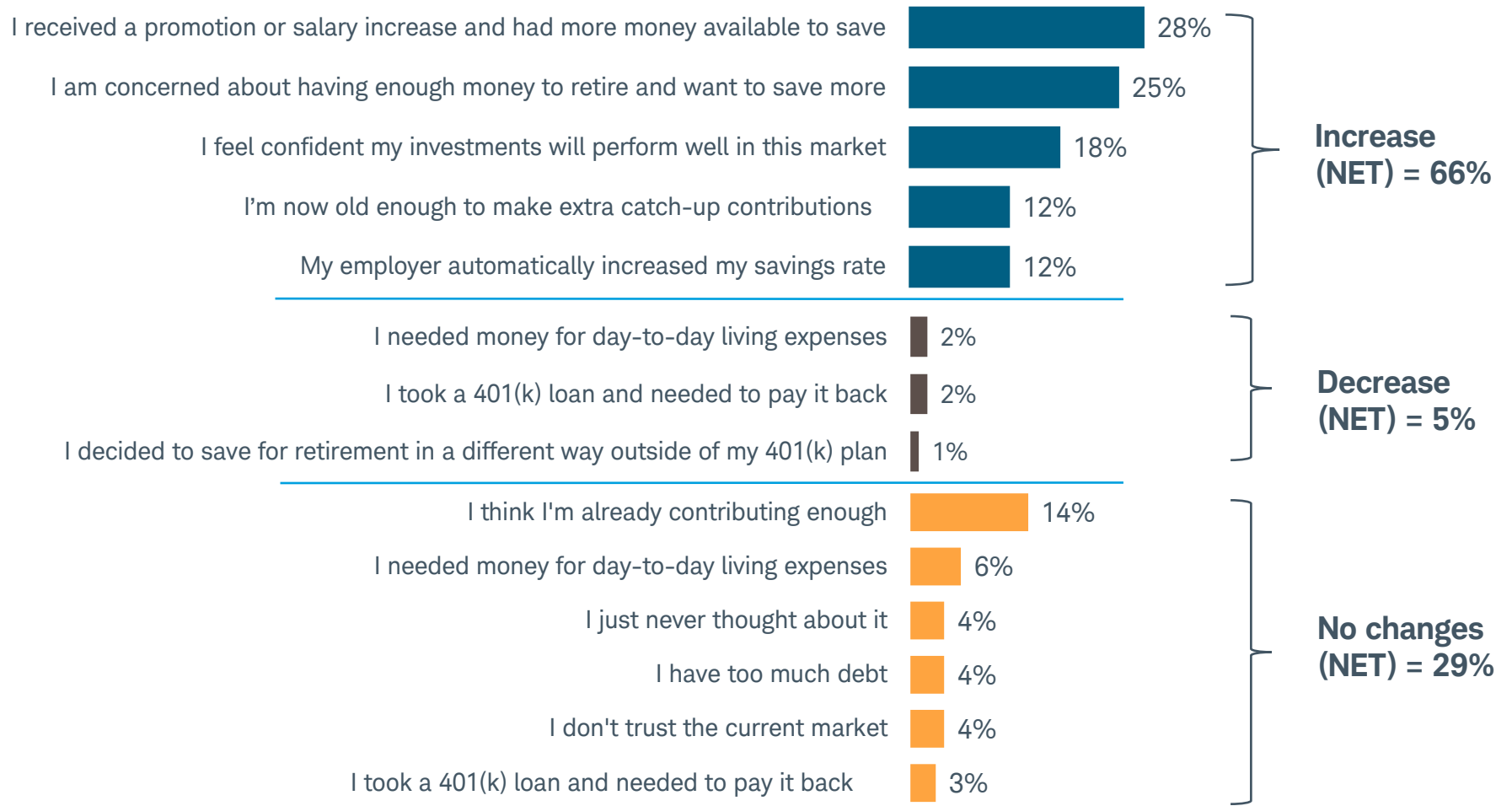


Letters indicate significant difference at the 95% confidence level

Q: How would you describe your personal financial health right now? (Base: Total Savers=500; Total Non-savers=500)

# Two out of three Savers have increased their 401(k) contributions in the past two years

## Change in 401(k) contribution Total Savers

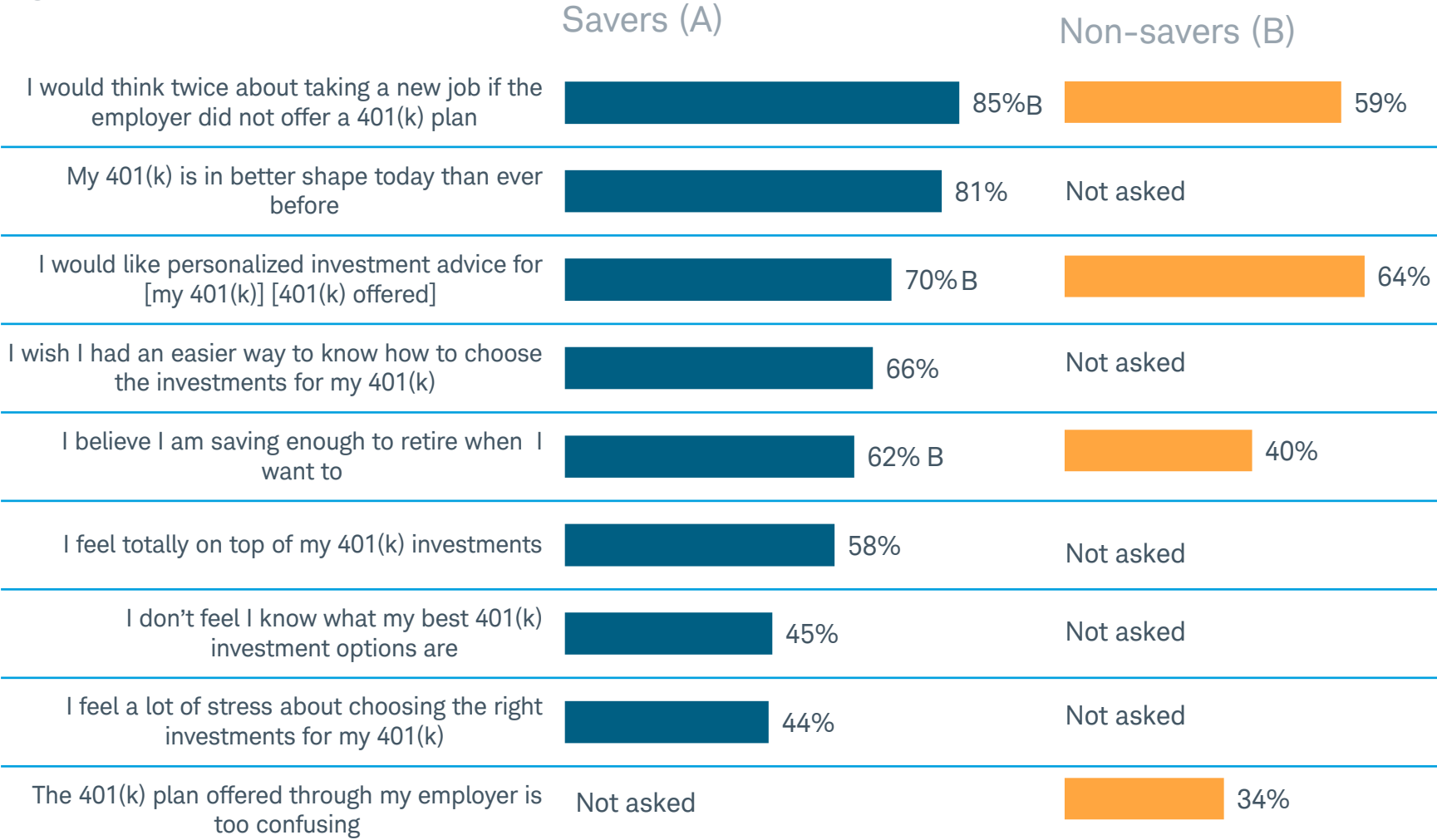


Q: Which of the following describes what you have done in your 401(k) plan in the past two years? (Base: Total Savers = 500)



# Savers are bullish on their 401(k)s, but they still have a lot of doubts and stress

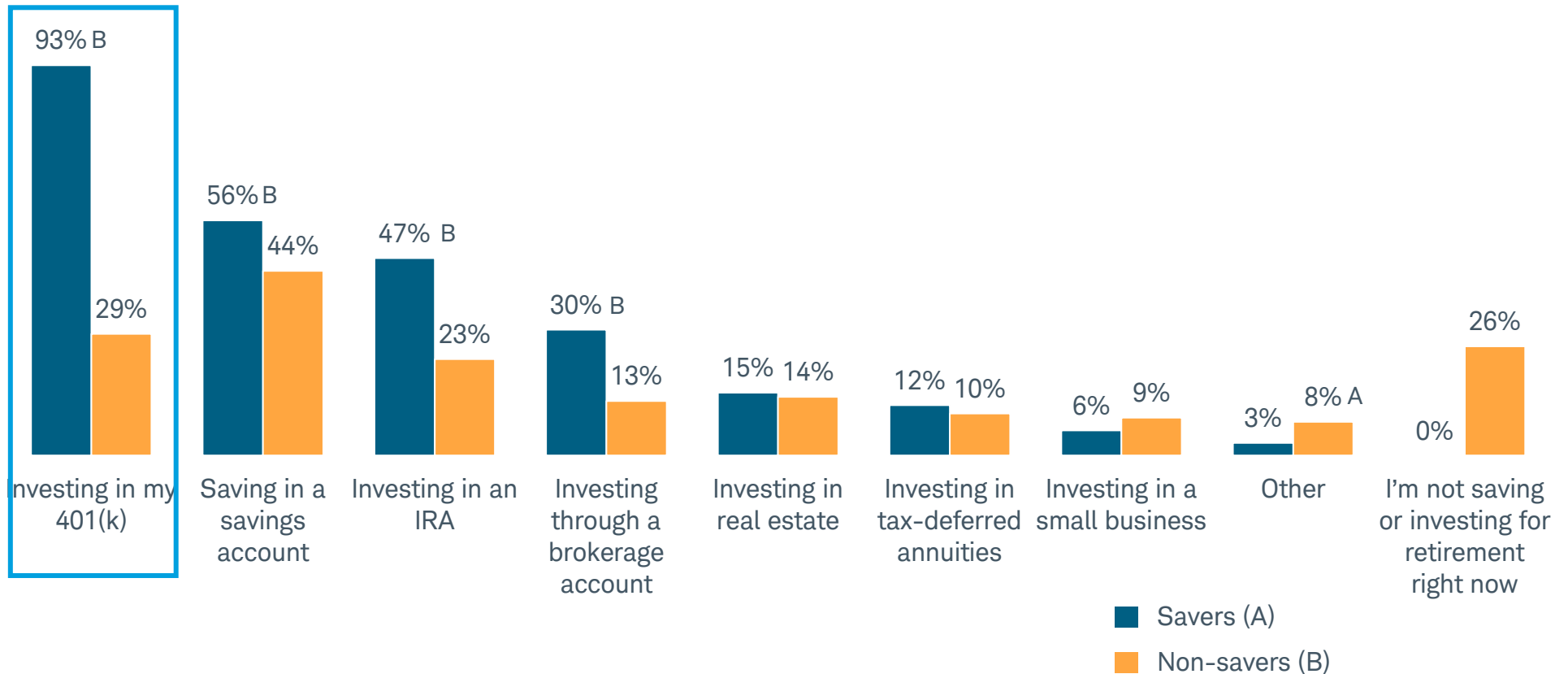
## Agreement with statements



Letters indicate significant difference at the 95% confidence level  
 Q: For each of the statements below, please indicate whether you agree or disagree. (Base: Total Savers=500; Total Non-savers=500)

# A quarter of Non-savers are not saving or investing for retirement at all right now

## Methods used for saving/investing for retirement Total Savers and Non-savers

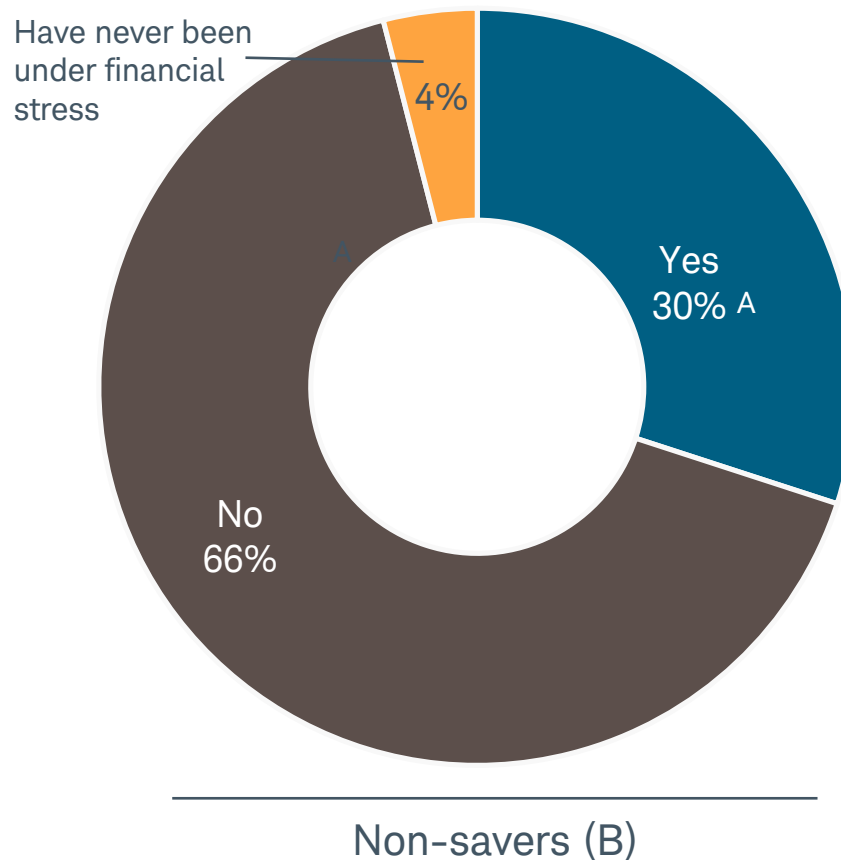
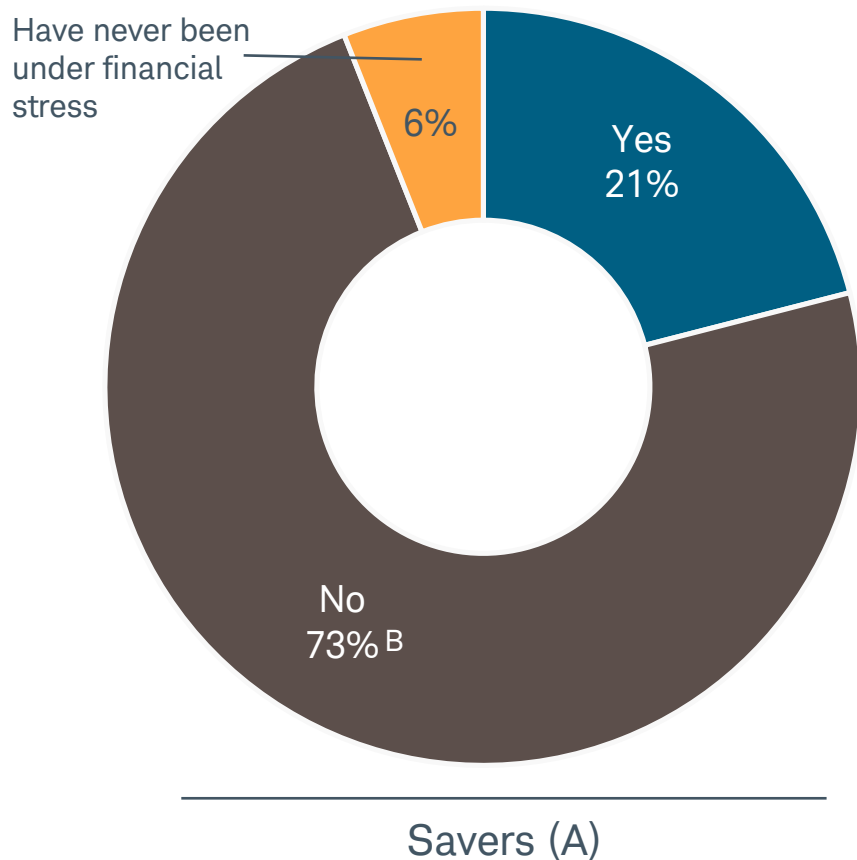


Letters indicate significant difference at the 95% confidence level

Q: Which of the following methods are you using to save or invest for retirement? (Base: Total Savers=500; Total Non-savers=500)

# Financial stress can affect job performance, especially for Non-savers

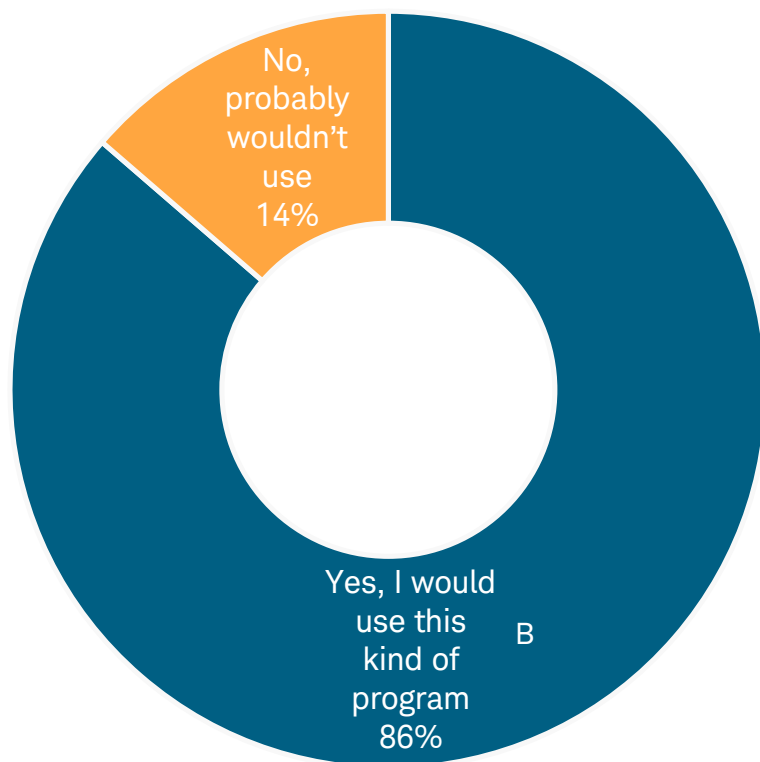
## Financial stress affecting job performance Total Savers and Non-savers



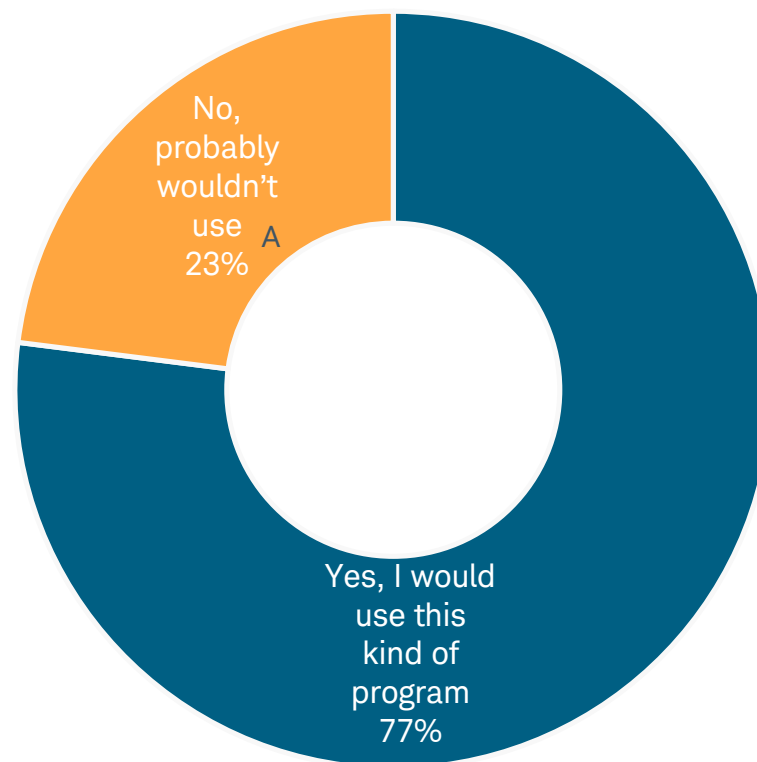
Letters indicate significant difference at the 95% confidence level  
Q: Has being under financial stress ever affected your ability to do your job? (Base: Total Savers=500; Total Non-savers=500)

# Non-savers are less likely to use a financial wellness program

Interest in using a financial wellness program  
Total Savers and Non-savers



Savers (A)



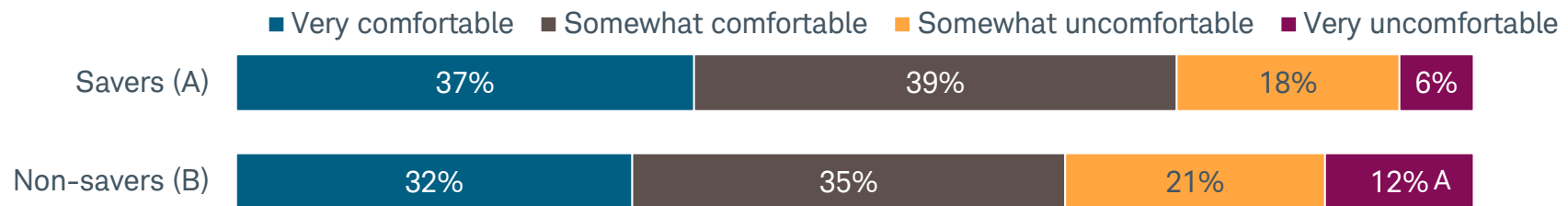
Non-savers (B)

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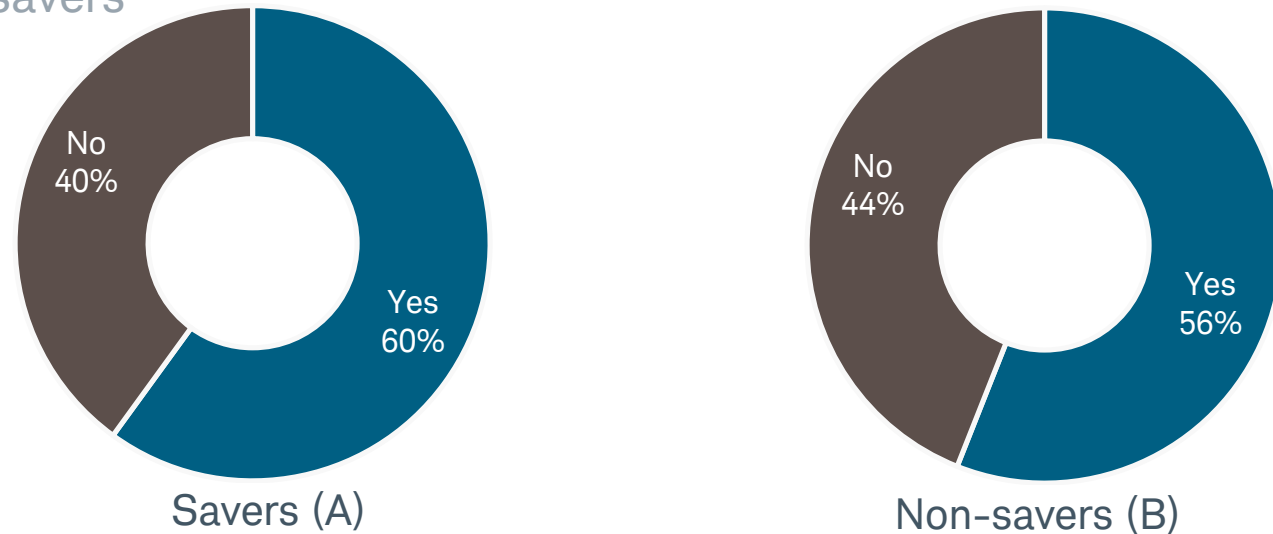
Q: If your employer offered a financial wellness program that provided you with education, tools and resources to help you with your overall financial health, would you be interested in participating in such a program? (Base: Total Savers=500; Total Non-savers=500)

# Many Savers and Non-savers feel their current financial situation does not warrant professional advice

## Comfort level asking for financial help from a professional Total Savers and Non-savers



## Whether current financial situation warrants professional financial advice Total Savers and Non-savers



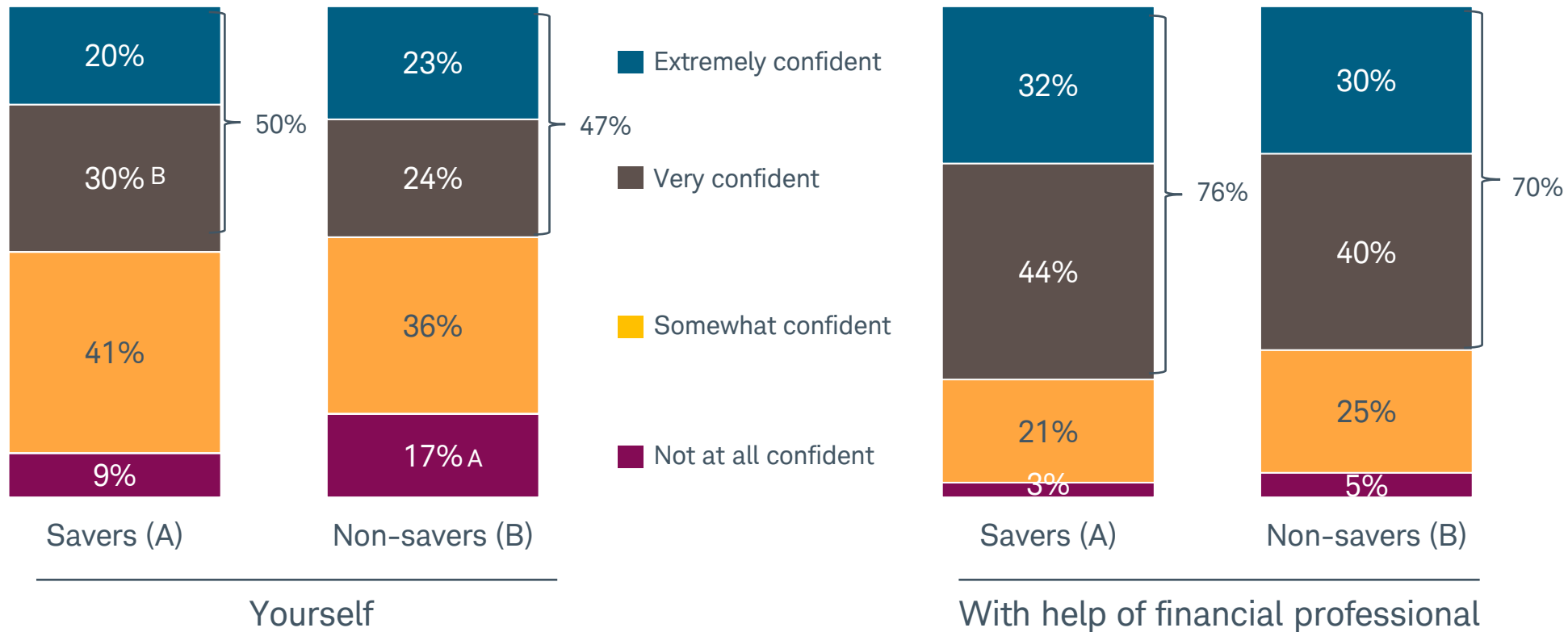
Letters indicate significant difference at the 95% confidence level

Q: How comfortable are you asking for financial help from a professional?

Q: Do you think your current financial situation warrants financial advice from a professional? (Base: Total Savers=500; Total Non-savers=500)

# Investment confidence soars when a financial professional is involved

Confidence in ability to make the right investment decisions  
Total Savers and Non-savers



Letters indicate significant difference at the 95% confidence level

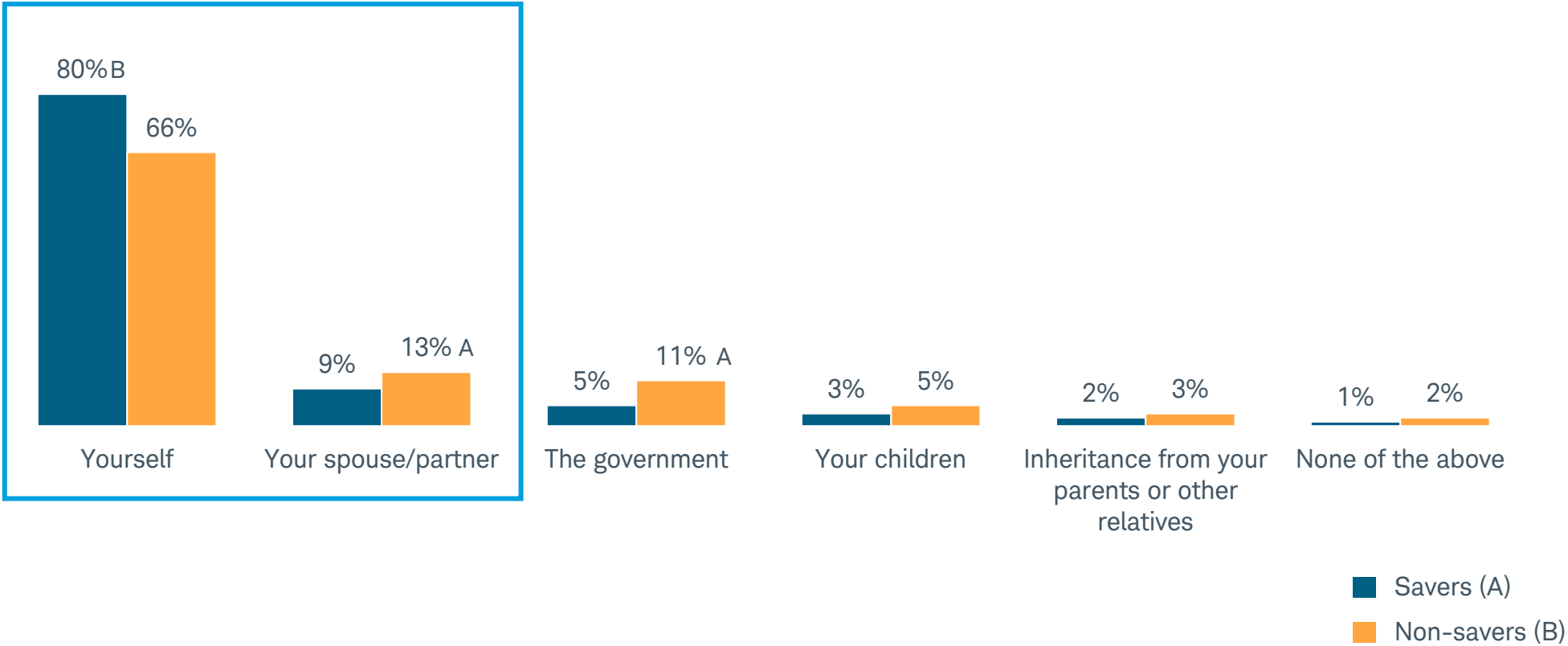
Q: How confident are you in your ability to make the right investment decisions for yourself?

Q: How confident would you be in your ability to make the right investment decisions if you had the help of a financial professional?

(Base: Total Savers=500; Total Non-savers=500)

# Savers and Non-savers believe they have to rely on themselves to provide money for their retirement

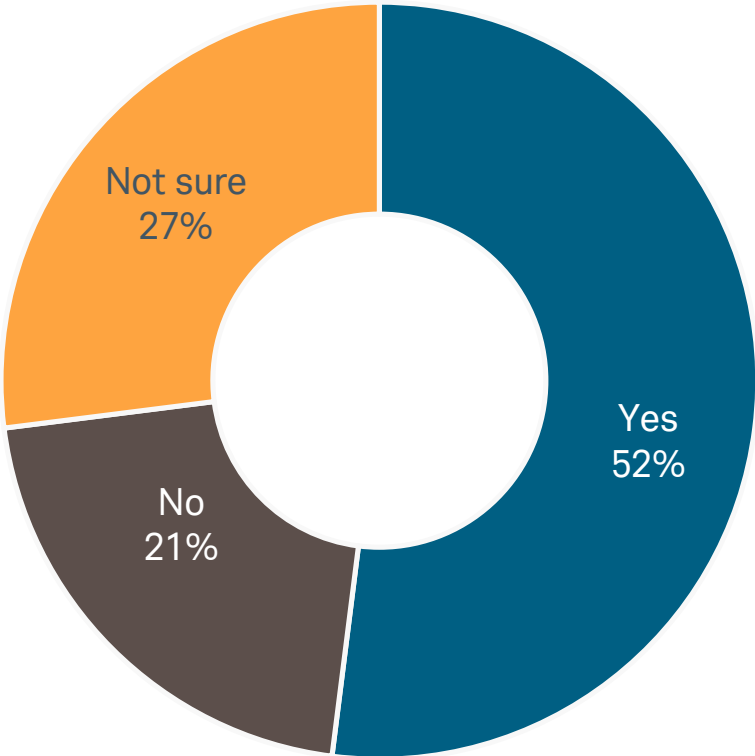
Expect to rely on most for income in retirement  
Total Savers and Non-savers



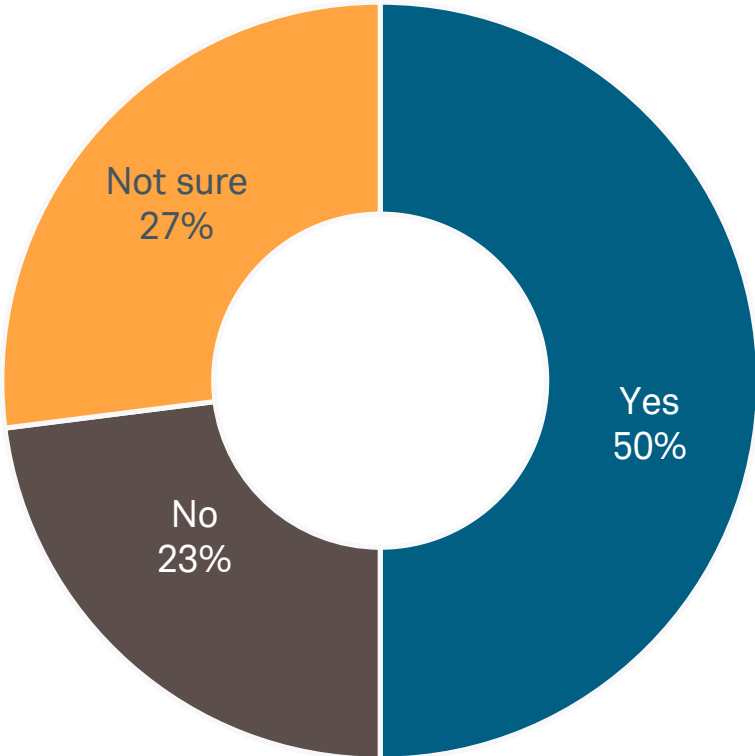
Letters indicate significant difference at the 95% confidence level  
Q: As you consider retirement, whom will you rely on most for providing the money you will need for retirement or when you cut back on your working hours? (Base: Total Savers=500; Total Non-savers=500)

# Social Security is not believed to be a sure thing – just half of Savers and Non-savers believe they will receive benefits

Whether will receive anticipated Social Security benefits in retirement  
Total Savers and Non-savers



Savers



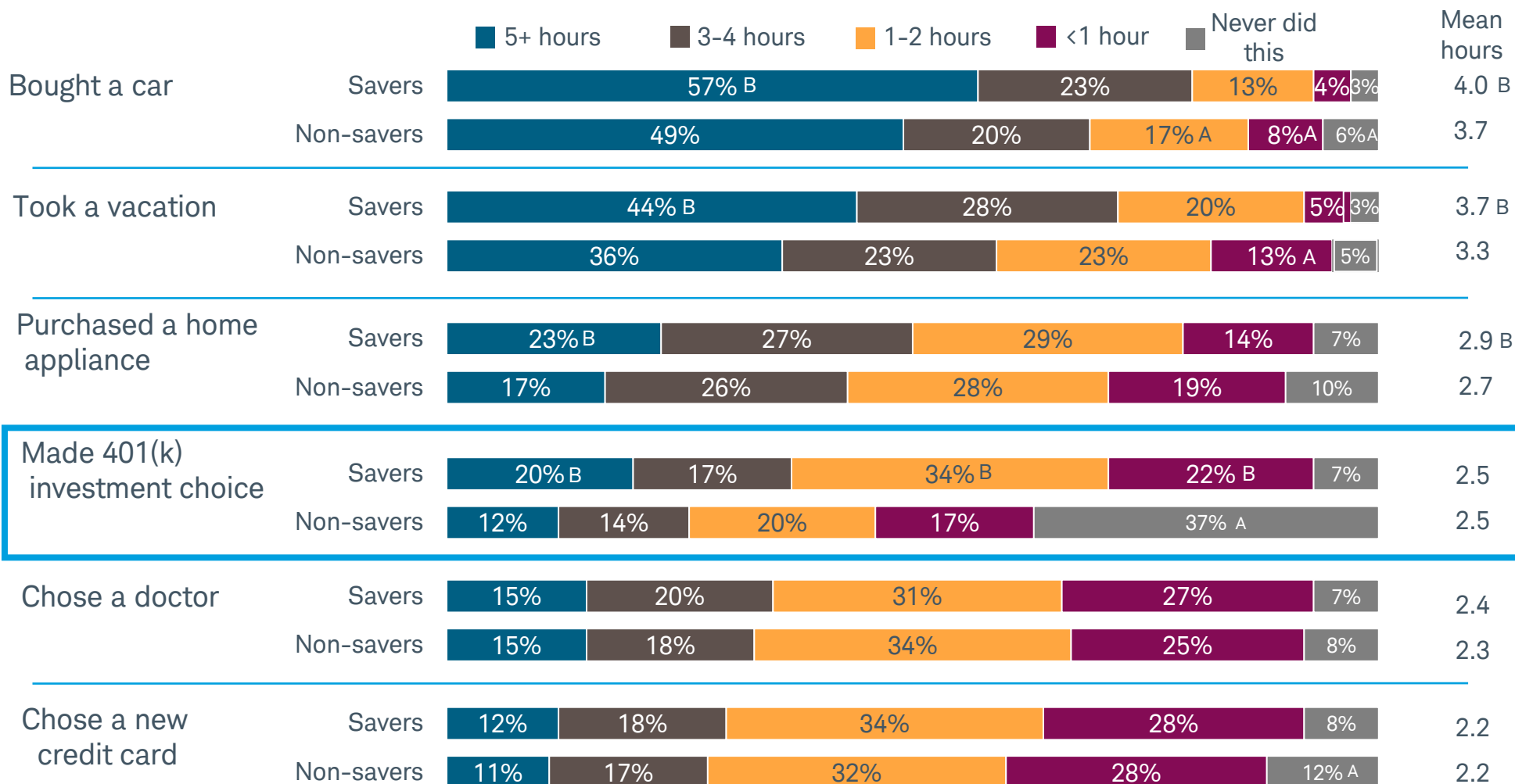
Non-savers

Q: Do you think you'll get your anticipated benefit from Social Security when you retire? (Base: Total Savers=500; Total Non-savers=500)



# Both Savers and Non-savers spent an average of 2.5 hours researching 401(k) investments

## Time spent researching options Total Savers and Non-savers



Letters indicate significant difference at the 95% confidence level

Q: How much time did you spend researching your options the last time you did each of the following? (Base: Total Savers=500; Total Non-savers=500)

# Fees are less likely to influence 401(k) decisions than choosing a credit card or where to shop online

## Influence of fees on decision making Total Savers and Non-savers

■ A lot    ■ Somewhat    ■ A little    ■ None

### Choosing a credit card



### Where to shop online (e.g., shipping fees)



### Which ATM to use



### Which airline to fly



### Choosing investments for my 401(k)



\* Among Non-savers enrolled in a 401(k) but not contributing (n=194)

Letters indicate significant difference at the 95% confidence level

Q: How much do fees influence your decisions about each of the following? (Base: Total Savers=500; Total Non-savers=500)

# Study Scope and Method

<b>What</b>	<ul style="list-style-type: none"><li>• This study of 401(k) participants is an online study conducted for Schwab Retirement Plan Services, Inc. by Koski Research</li><li>• Koski Research is neither affiliated with, nor employed by, Schwab Retirement Plan Services, Inc.</li><li>• The sampling error is +/- 3 percentage points at the 95% confidence level</li></ul>
<b>When</b>	<ul style="list-style-type: none"><li>• The study was conducted online from June 2<sup>nd</sup> through June 18<sup>th</sup>, 2017</li><li>• The survey took participants 17 minutes to complete on average</li></ul>
<b>Who</b>	<ul style="list-style-type: none"><li>• 500 Savers: 401(k) participants who meet the following criteria:<ul style="list-style-type: none"><li>• Ages 25-70</li><li>• Work for companies with 25+ employees that have 401(k) plans</li><li>• Currently contribute to their 401(k) plans</li></ul></li><li>• 500 Non-savers: Offered a 401(k) plan at work but do not contribute<ul style="list-style-type: none"><li>• Ages 25-70</li><li>• Work for companies with 25+ employees that have 401(k) plans</li><li>• Do not currently contribute to their 401(k) plans, or have never enrolled in their 401(k) plan</li></ul></li></ul>

# Disclosures

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