

2021 401(k) Participant Study – Gen Z Focus

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Media contact:
Mike Peterson
330-908-4334
mike.peterson@schwab.com

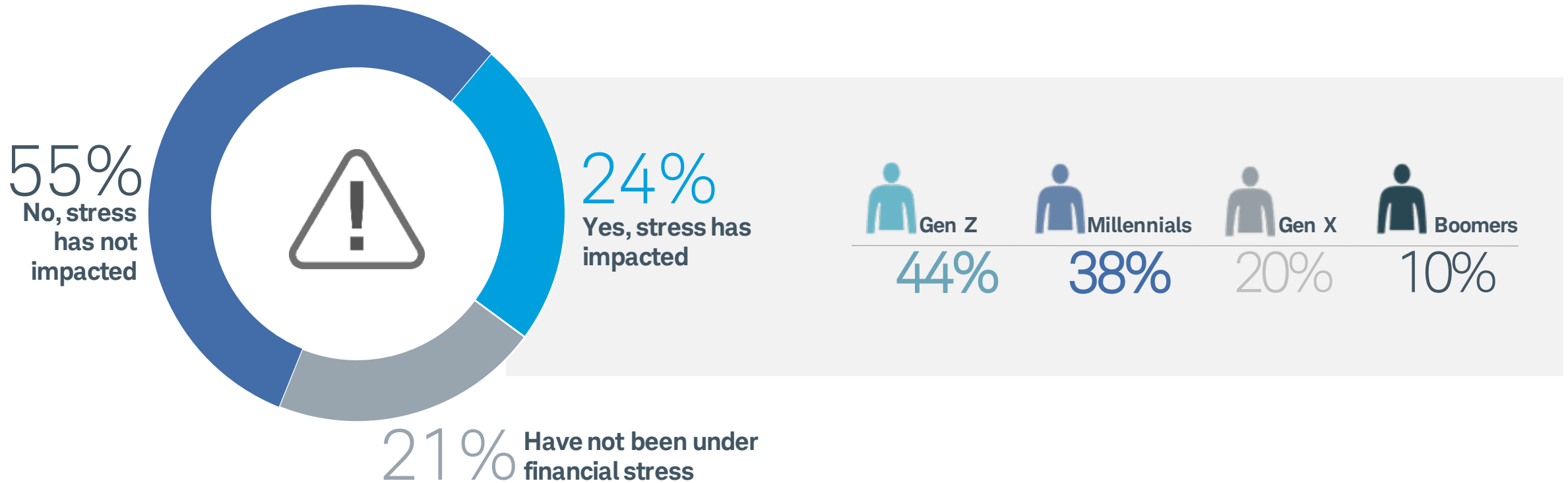
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Own your tomorrow.

Impact of COVID-19

Stress about finances has had an outsized impact on the ability of Gen Z and Millennials to do their jobs during the pandemic

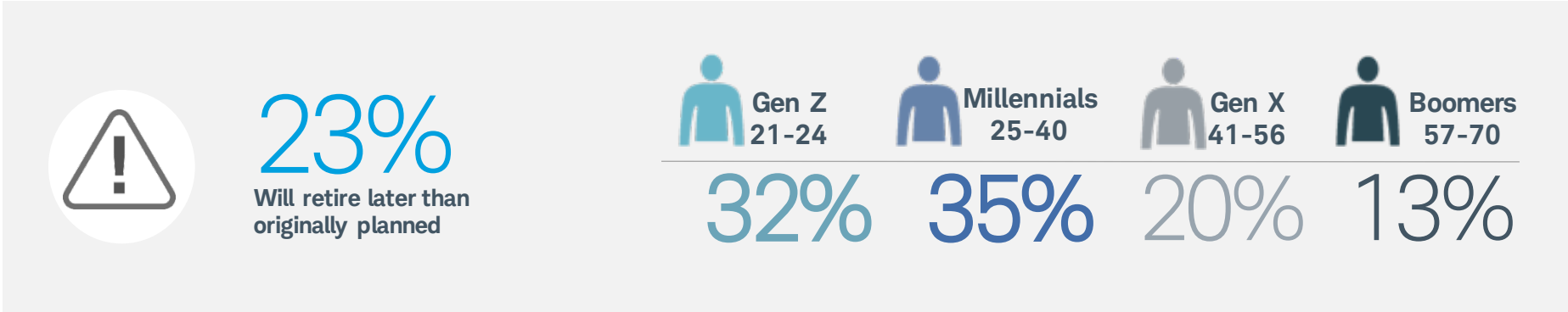
Stress' impact on ability to do job



Has stress about your financial situation impacted your ability to do your job over the last 12 months? (Base: Gen Z = 140; Millennials = 299; Gen X = 375; Boomers = 286)

Impact of COVID-19

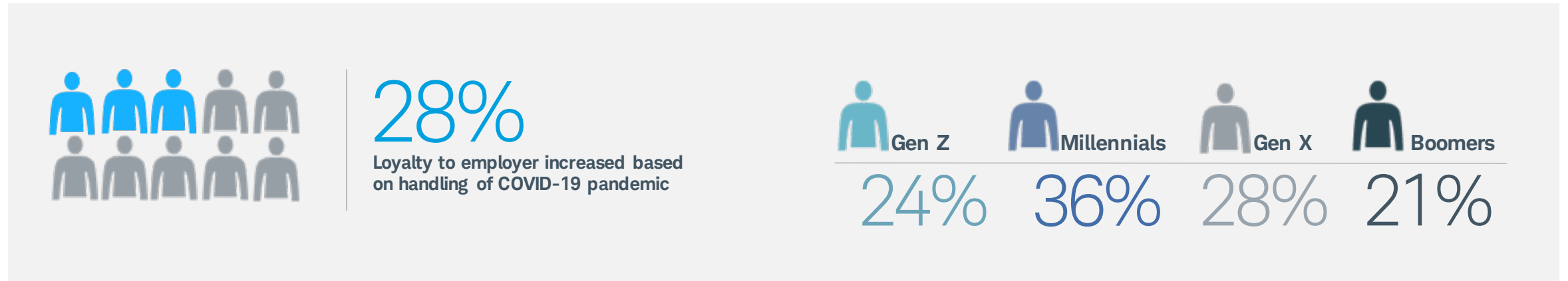
About one third of younger 401(k) plan participants predict that their retirement will be delayed because of COVID-19



Is this later than you originally planned as a result of the coronavirus pandemic? (Base: Gen Z = 140; Millennials = 299; Gen X = 375; Boomers = 286)

Impact of COVID-19

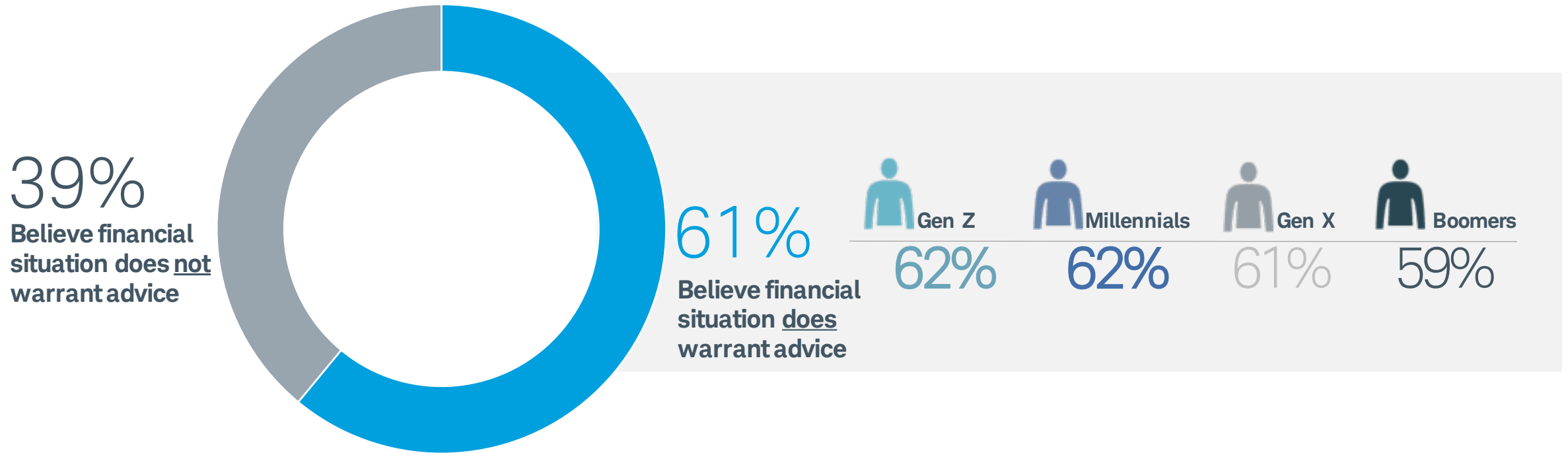
About one quarter of Gen Z workers and one third of Millennials say their loyalty to their employer has increased because of how their employer managed COVID-19



Based on how your employer handled the COVID-19 pandemic, has your loyalty to your employer...? (Base: Gen Z = 140; Millennials = 299; Gen X = 375; Boomers = 286)

Advice

Almost two thirds of Gen Z participants say their financial situation warrants advice from a professional



Do you think your current financial situation warrants financial advice from a professional? (Base: Gen Z = 140; Millennials = 299; Gen X = 375; Boomers = 286)

Advice

Compared to older generations, Gen Z is more willing to follow computer generated and human advice

Professional vs. computer-generated advice



Very Likely to follow computer-generated recommendations for financial advice



Gen Z

33%



All others

25%



Very Likely to follow human professional recommendations for financial advice



Gen Z

60%



All others

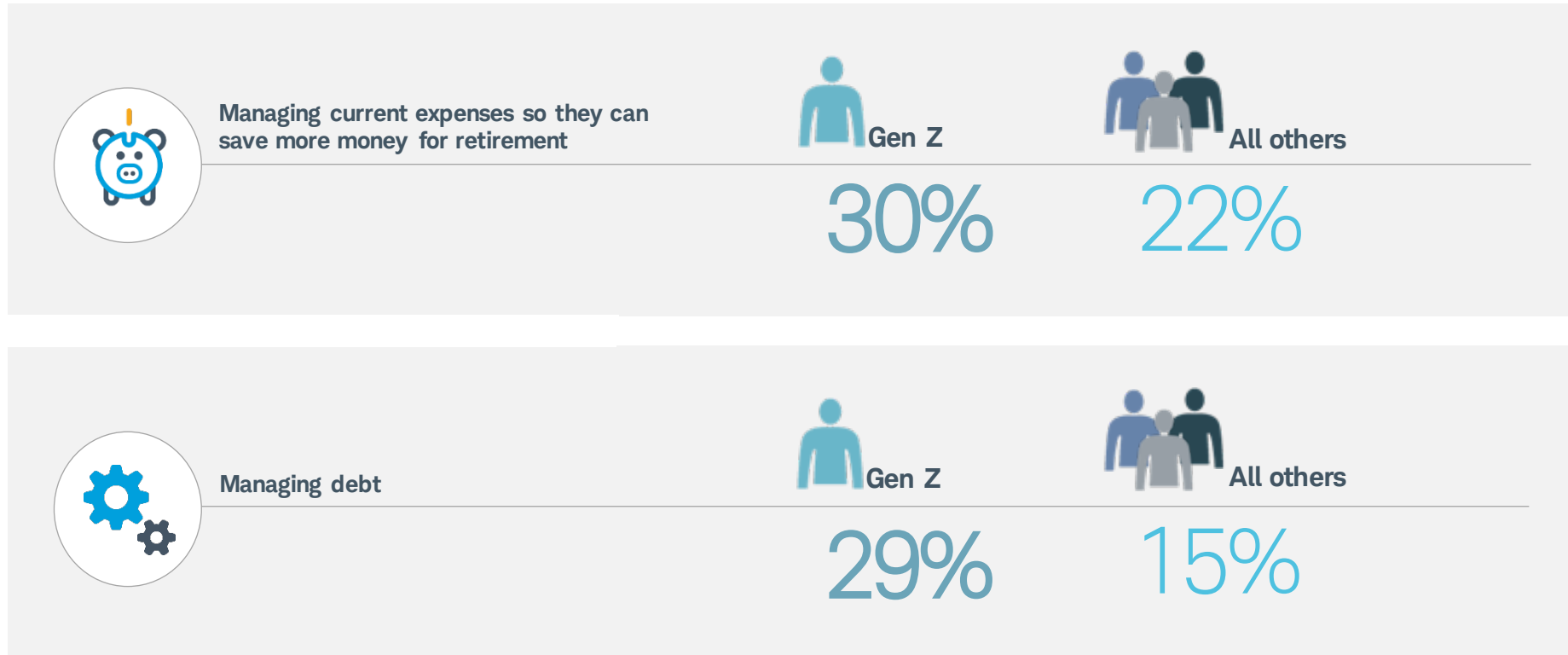
54%

If you received the following types of financial advice, how likely are you to follow it? (Base: Gen Z = 140; All others = 960)

Advice

Gen Z workers are looking for help to manage their financial lives today

Help wanted for...

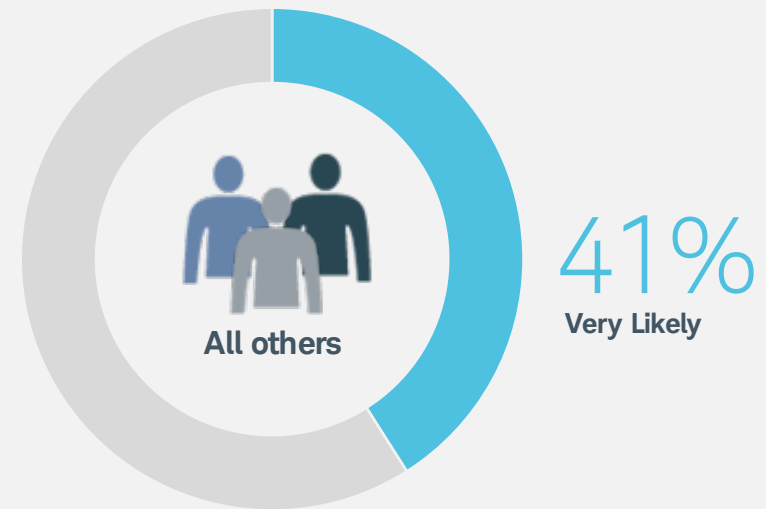
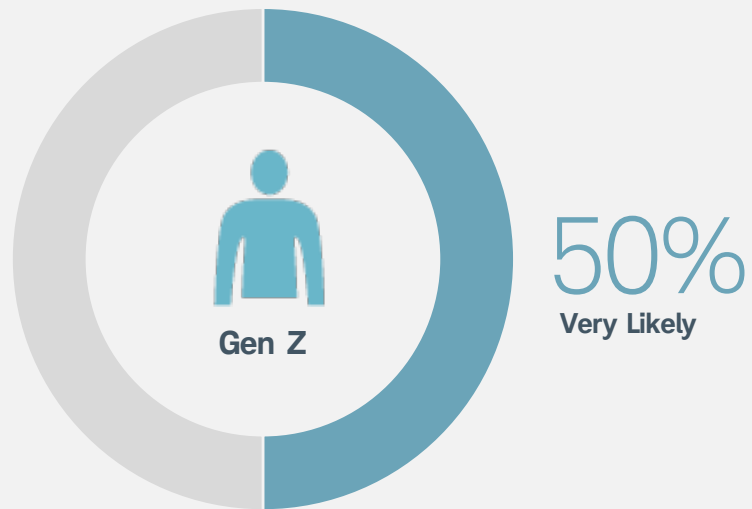


If you could get help with retirement planning, what would you like help with? (Base: Gen Z = 140; All others = 960)

Advice

About half of Gen Z participants welcome online assessment tools that can give them an overall financial picture and action plan

Use an online tool to give overall financial picture and action plan

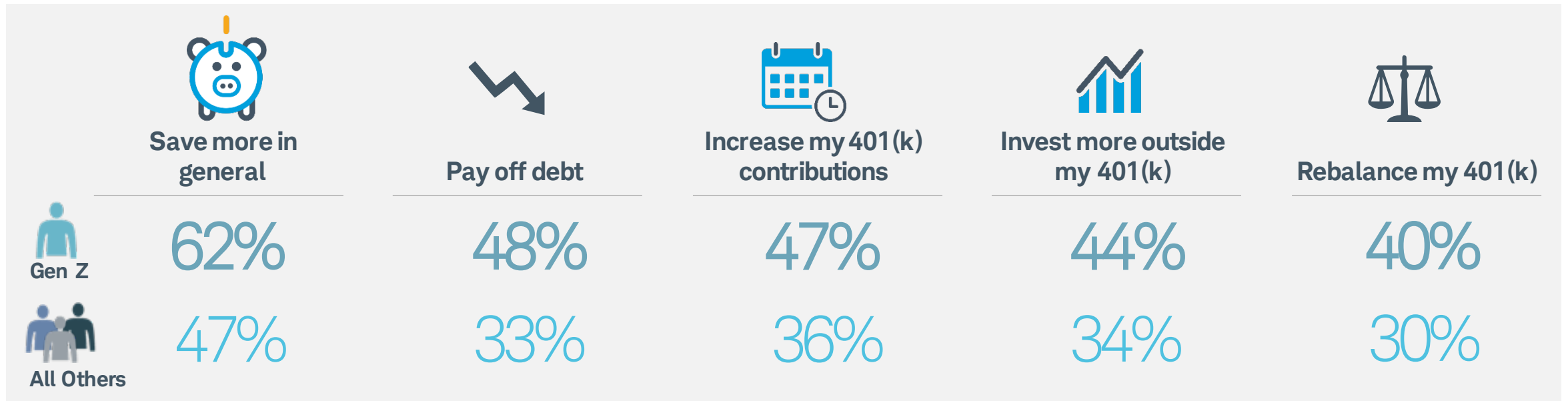


How likely would you be to use the following financial wellness tools or resources, if offered to you by your employer? (Base: Gen Z = 140; All others = 960)

Savings and debt behaviors

Looking ahead to a post-pandemic world, Gen Z is more optimistic than other generations about adopting positive financial behaviors

Top behaviors going forward: Will more likely...

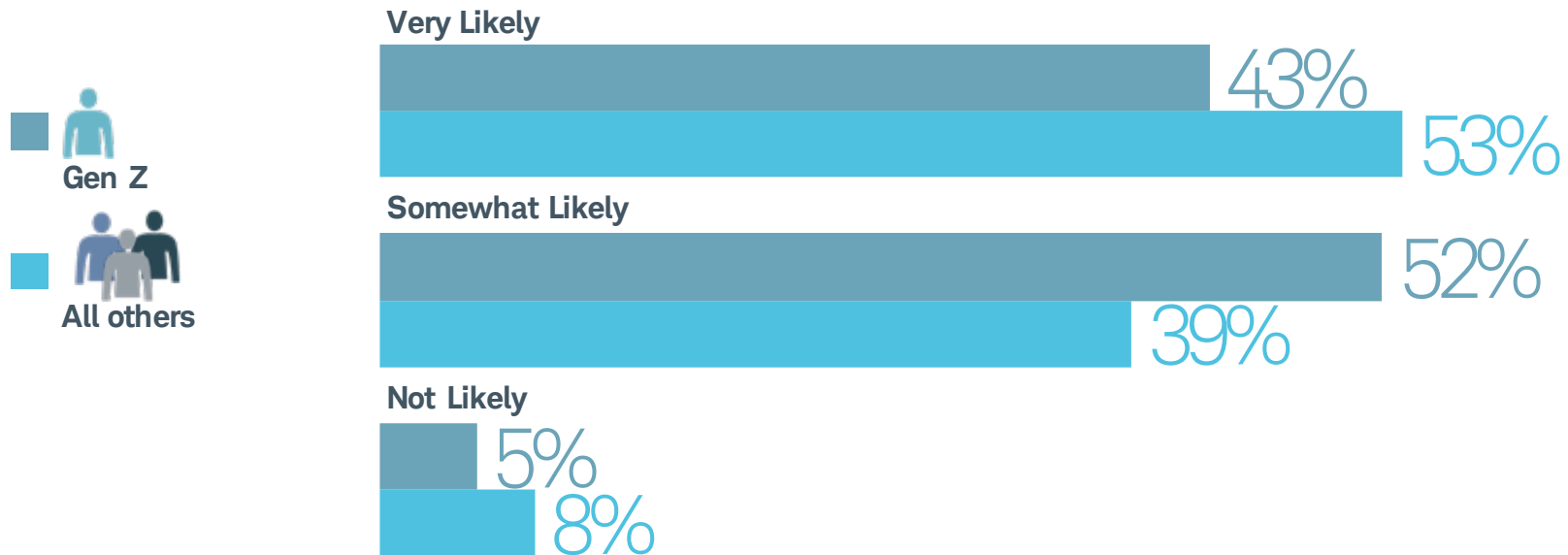


Now please think about how your behaviors have changed, if at all, due to COVID-19. Going forward are you more or less likely to ...? (Base: Gen Z = 140; All others = 960)

Retirement

Gen Z is less optimistic about reaching their retirement goals

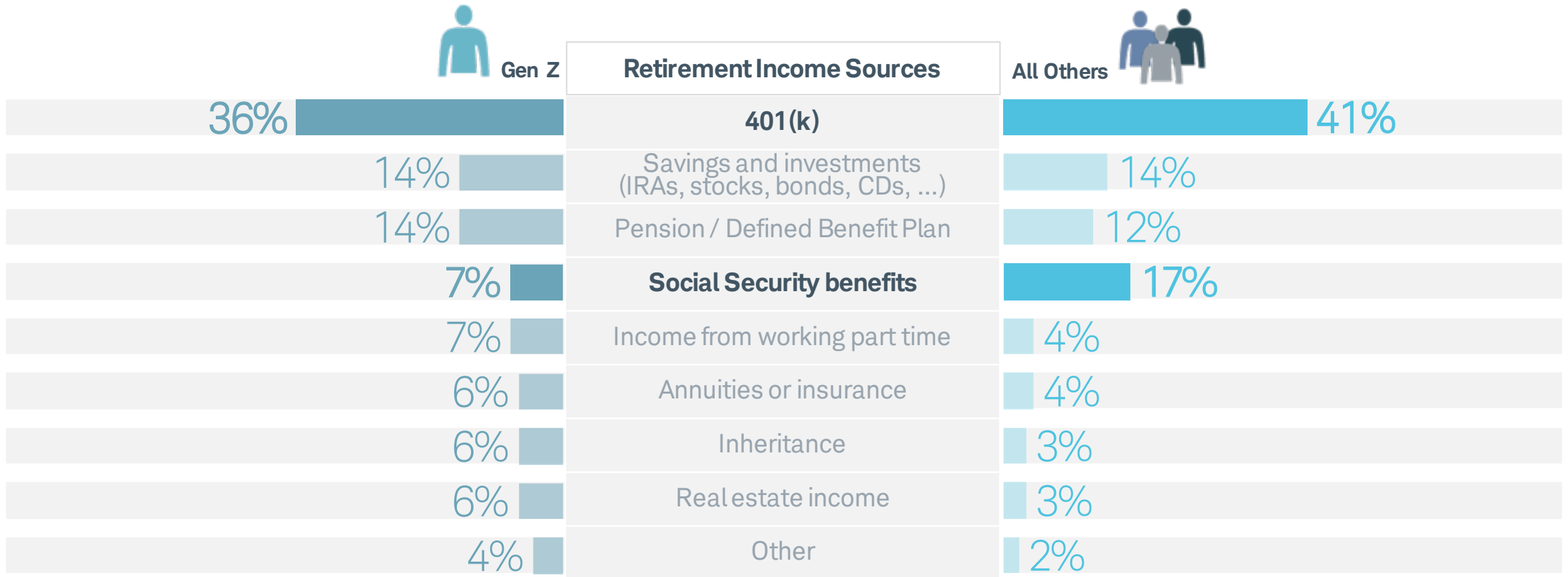
Likelihood to achieve retirement savings goals



How likely do you think you are to achieve your retirement savings goals? (Base: Gen Z = 140; All others = 960)

Retirement

Gen Z workers expect more of their retirement income to come from 401(k) savings and less from Social Security than other generations

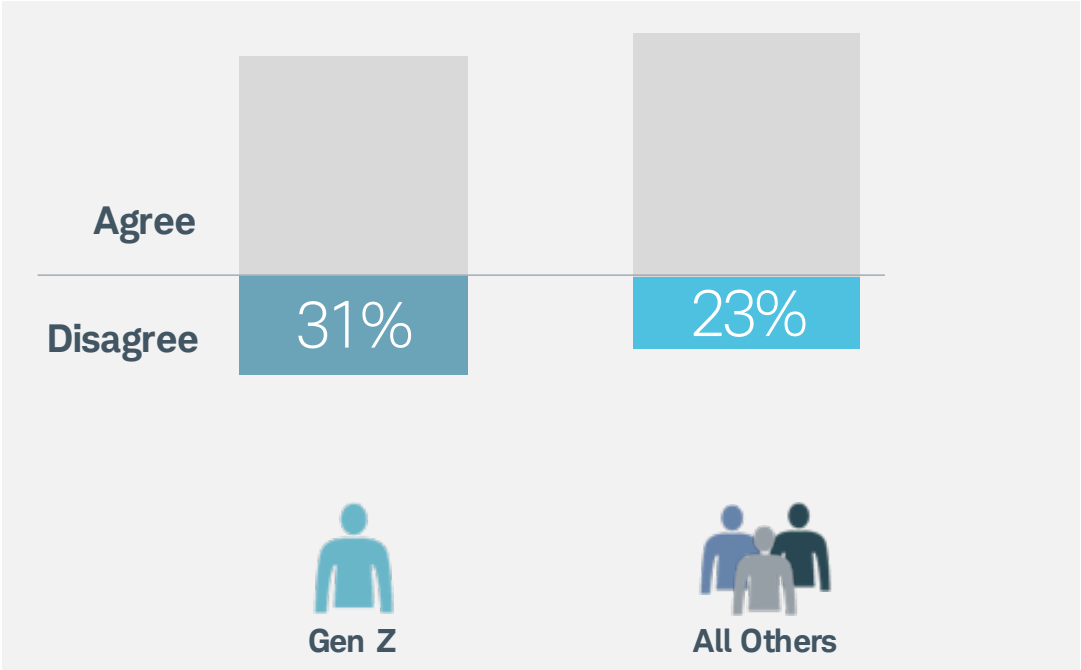


Thinking about the different sources of income for your retirement, what percentage do you expect to come from each source listed? (Base: Gen Z = 140; All others = 960)

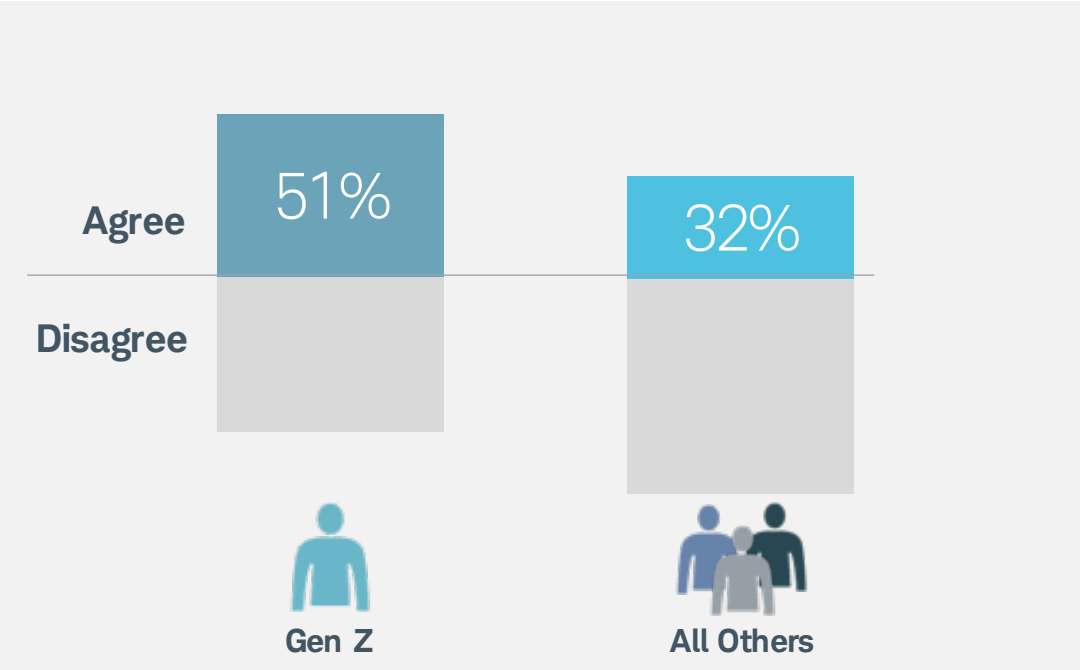
401(k) behaviors

More Gen Z participants feel they are not on top of their 401(k) and agree they don't know what investments to choose for their 401(k)

I'm on top of my 401(k) investments



I don't know what 401(k) investments to choose to have enough to retire

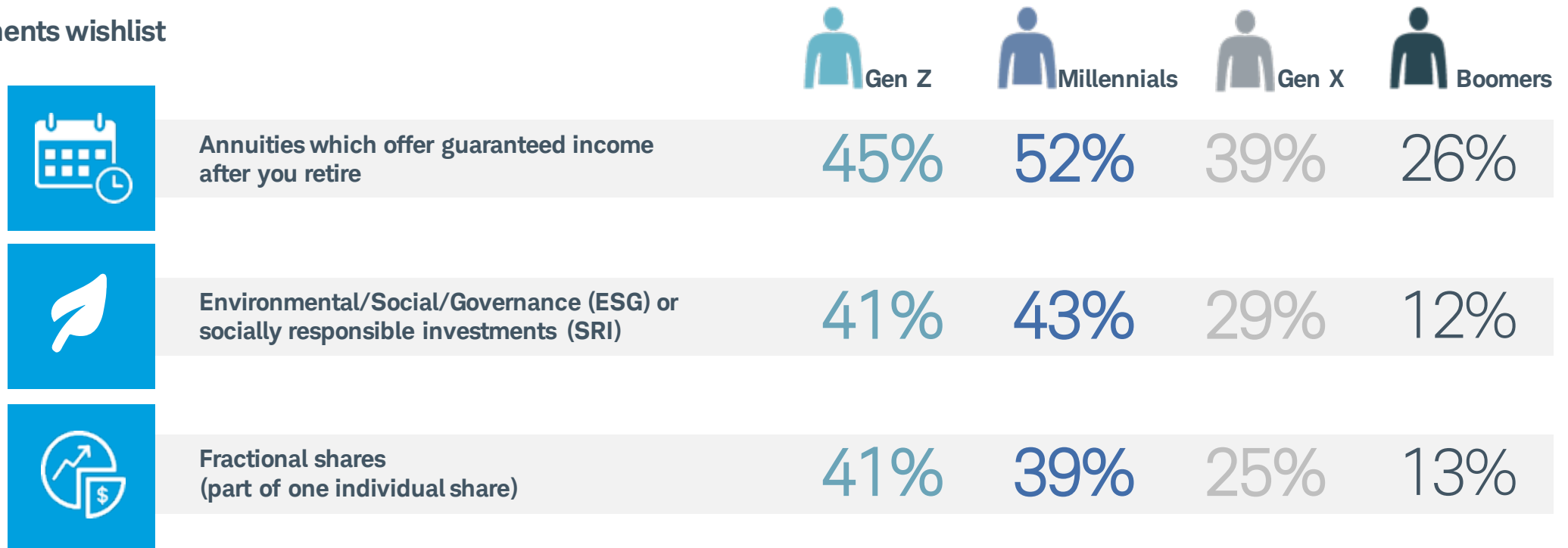


For each of the statements below, please indicate whether you agree or disagree.. (Base: Gen Z = 140; All others = 960)

401(k) behaviors

Many Gen Z participants do know they want more investment options in their retirement plans, a desire they share with Millennials

Investments wishlist

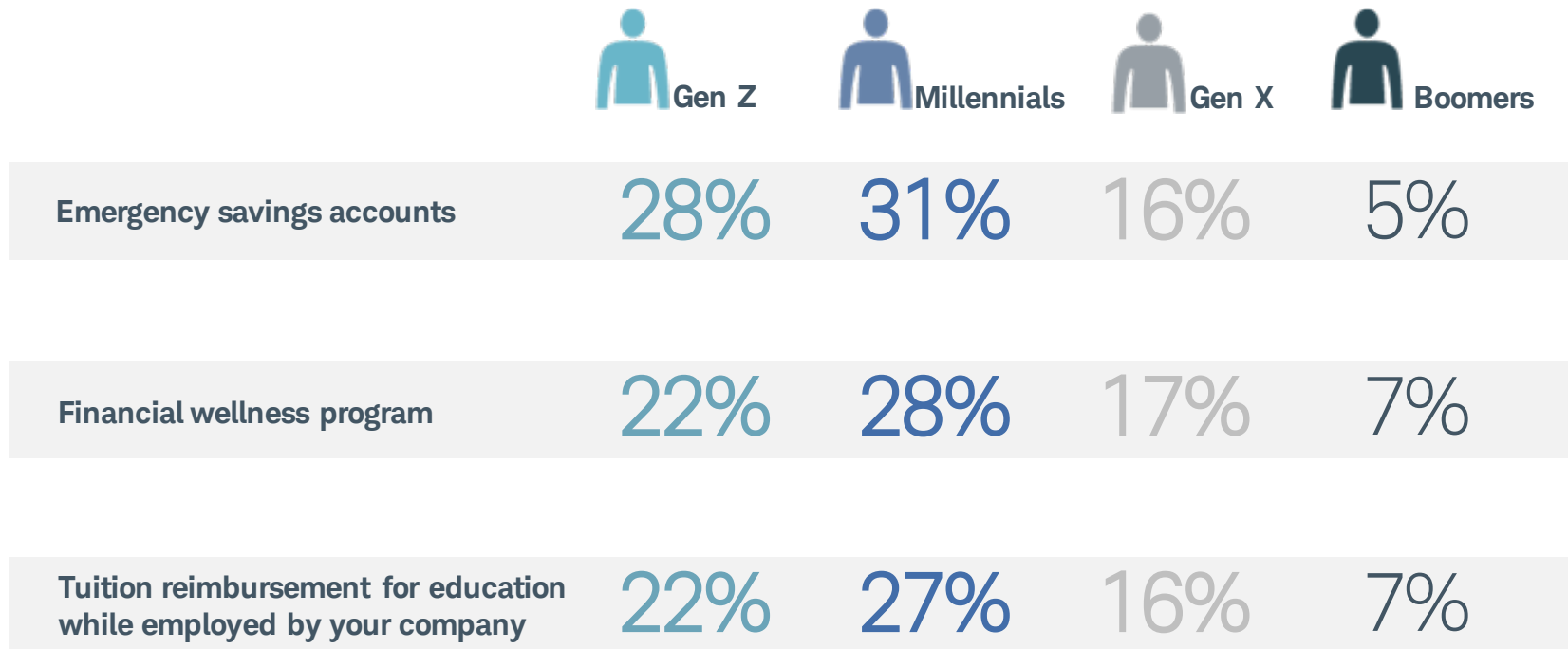


When looking at your current 401(k) investment choices, do you wish you could invest in any of the following? (Base: Gen Z = 140; Millennials = 299; Gen X = 375; Boomers = 286)

Must-have benefits

Gen Z and their Millennial colleagues have a higher degree of interest than Gen X or Boomers in benefits beyond the 401(k)

Considered a *Must Have* Benefit When Looking for New Job (Selected items)



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: Gen Z = 140; Millennials = 299; Gen X = 375; Boomers = 286)

Methodology

- The 401(k) Participant study is an online study conducted for Schwab Retirement Plan Services, Inc. by Logica Research.
- Logica Research is neither affiliated with, nor employed by, Schwab Retirement Plan Services, Inc.
- The study was conducted from April 1 through April 15, 2021.
- 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
- 100 additional Gen Z plan participants completed the survey.
- Generational definitions:
 - Gen Z: 2000-1997 (21-24)
 - Millennials: 1981-1996 (25-40)
 - Gen X: 1965-1980 (41-56)
 - Boomers: 1951-1964 (57-70)
- Survey respondents were not asked to indicate whether they had 401(k) accounts with Schwab Retirement Plan Services, Inc.
- The typical (median) survey length was 11 minutes.

Disclosures

Schwab Retirement Plan Services, Inc. provides recordkeeping and related services with respect to retirement plans.

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