

Insights from *Retirement & More* Advisory Board 401(k) Plan Perceptions

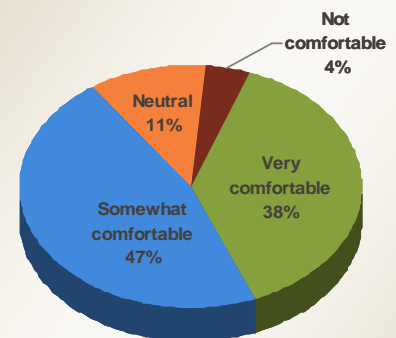
Objectives:

- How satisfied are online community members with the ease of opening and managing their 401(k)?
- What are online community members' perceptions of their employers' financial education?
- What financial topics do online community members perceive to be top priorities?

Key Findings:

- Enrolling in their 401(k) was easy for online community members, as most (92%) did not have any problems. The enrollment methods that online community members consider easiest are:
 - Automatic enrollment
 - Online enrollment with “help” screens
 - One-click, opt-in enrollment
- Knowing how to manage the 401(k) is more difficult – only one-third of online community members are “very comfortable” with their knowledge of 401(k) investing.
- Online community members would like employers' educational efforts to address a variety of topics to help them optimize their investments.
 - 95% interested in retirement planning
 - 91% interested in financial planning
 - 89% interested in 401(k) investing
 - 84% interested in advanced investing
 - 71% interested in investing basics
 - 67% interested in IRA information (Traditional & Roth)
 - Other topics of interest include retirement income planning, insurance planning, taxes, smart borrowing and savings prioritization
- One-on-one interactions are the delivery method that online community members find most conducive to learning and those receiving such education from their employers are very satisfied.
 - One-on-one sessions with a financial planner have the highest appeal (82% are interested).
 - Free financial planning phone consultations once a year are strongly desired.
 - Online webinars are considered most appealing when there are “live” moderated interactions.
 - Written materials are appealing to some, but are the least preferred delivery method overall.

Level of Comfort with Current Knowledge of 401(k) Investing



“I don't know how best to leverage my investments. How much risk should I take and where I should put my money? I think it would be good to have more investment seminars available at work.”

These findings were revealed via qualitative research in an online community of ~400 retirement plan participants, hosted by Communispace. Qualitative research is best suited for providing directional insights into behavior and attitudes. Data findings, quotes or anecdotes provided here should be viewed as exploratory and directional in nature and are not necessarily projectable to a larger population.

- IRAs are the top-ranked financial product online community members would consider opening if made available through the workplace.

Potential Applications:

- Employees are most interested in financial education that is presented in a personal fashion – in-person seminars or workshops in which employees can interact and ask questions.
- Customized or tiered financial education is appealing. Advanced investors want education that goes “beyond the basics” and novice investors need education that isn’t over their heads.
- Online community members consider financial firms’ websites and representatives to be highly credible sources of financial information. Employers may be able to enhance benefit programs by providing employees with access to additional personal finance resources through the workplace.

These findings were revealed via qualitative research in an online community of ~400 retirement plan participants, hosted by Communispace. Qualitative research is best suited for providing directional insights into behavior and attitudes. Data findings, quotes or anecdotes provided here should be viewed as exploratory and directional in nature and are not necessarily projectable to a larger population.