



## NEWS RELEASE

### T. ROWE PRICE: MOST 401(K) SAVERS EXPRESS INTEREST IN KEEPING ASSETS IN PLAN

*Over 83% of Participants Would Choose to Keep Savings in Employer Plan*

Baltimore, MD. June 24, 2020 -- A recent survey conducted by T. Rowe Price found that over 83% of 401(k) participants expressed interest in keeping their savings in their employer plan upon retirement. Of the 83%, 30% of participants said they currently have plans to keep their savings with their employer, and 53% said they would consider keeping their saving in their employer plan if it offered solutions to help generate income. The [survey](#), which focused on financial attitudes and behaviors, found that the preference to keep assets in plan is true across all generations, the strongest with millennials at 88%, followed by Generation X (83%), and baby boomers (77%).

Meanwhile, 61% of participants say their employers have not communicated the advantages of leaving the money in the plan and many are confused or unaware of their options:

- Eight in 10 participants have a goal to manage a plan that converts their assets into an income stream in retirement, but when asked what type of retirement income products they would use to do so, they are unsure.
- One in four participants were not sure if they should invest in a managed payout, an immediate annuity, deferred annuity, or if they should manage their money on their own.

“Creating more awareness around retirement income products and strategies has become increasingly critical as more and more defined contribution savers approach retirement, and especially in recent months, while many individuals faced financial hardships caused by the global pandemic,” said Kevin Collins, head of retirement plan services at T. Rowe Price. “When it comes to retirement income, there is no simple, one-size-fits-all solution -- and determining the appropriate strategy can be a complicated task for many individuals, educating participants on the types of products that are available as well as providing them with tools and support can help them make informed choices that best fit their specific needs and preferences.”

Editor’s Note: T. Rowe Price conducted a separate body of research in 2018 focused on plan sponsors and found that the majority of employers prioritize keeping retiring participants in-plan. The white paper addressing this research can be found [here](#).

#### ABOUT THE STUDY

The findings are based on a national study of 3,016 retirement plan participants, 250 eligible non-plan participants, and 603 individuals without access to workplace savings plans. T. Rowe Price worked with NMG Consulting to conduct the survey online from June 13, 2019 to June 25, 2019. This is the fifth edition of the study, following the [2014](#), [2015](#), [2017](#), and 2018 installments. The first phase of the 2018 study focused on [financial advice](#), the second phase focused on [retirees](#), and the third phase focused on [gender](#). The first phase of the 2019 study can be found [here](#). Data from prior studies is used in this report for comparison purposes.



For more information about the study please contact Sudipto Banerjee at [Sudipto.Banerjee@troweprice.com](mailto:Sudipto.Banerjee@troweprice.com) or 410-577-5758 or 443- 204-0662 (c).

#### ABOUT T. ROWE PRICE

Founded in 1937, T. Rowe Price (NASDAQ-GS: TROW) is an independent global asset management company with \$1.19 trillion in assets under management as of May 31, 2020. The organization is focused on delivering investment excellence and retirement services for institutional and individual investors. Our strategic investing approach, driven by independent thinking and guided by rigorous research, helps clients feel confident in pursuing financial goals. T. Rowe Price Retirement Plan Services has been a leading retirement solutions provider for more than 30 years, serving 2.2 million retirement plan participants. [troweprice.com](http://troweprice.com), [Twitter](#), [YouTube](#), [LinkedIn](#), [Instagram](#), or [Facebook](#).

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