



RETIREMENT PLAN SERVICES

Consumer Opinions on In-Plan Guaranteed Income Investment Options

Results from Lincoln Financial COVID-19
Sentiment Tracking Study

Sept. 2020

Summary and Key Findings

Results from Lincoln Financial COVID-19 Sentiment Tracking Study

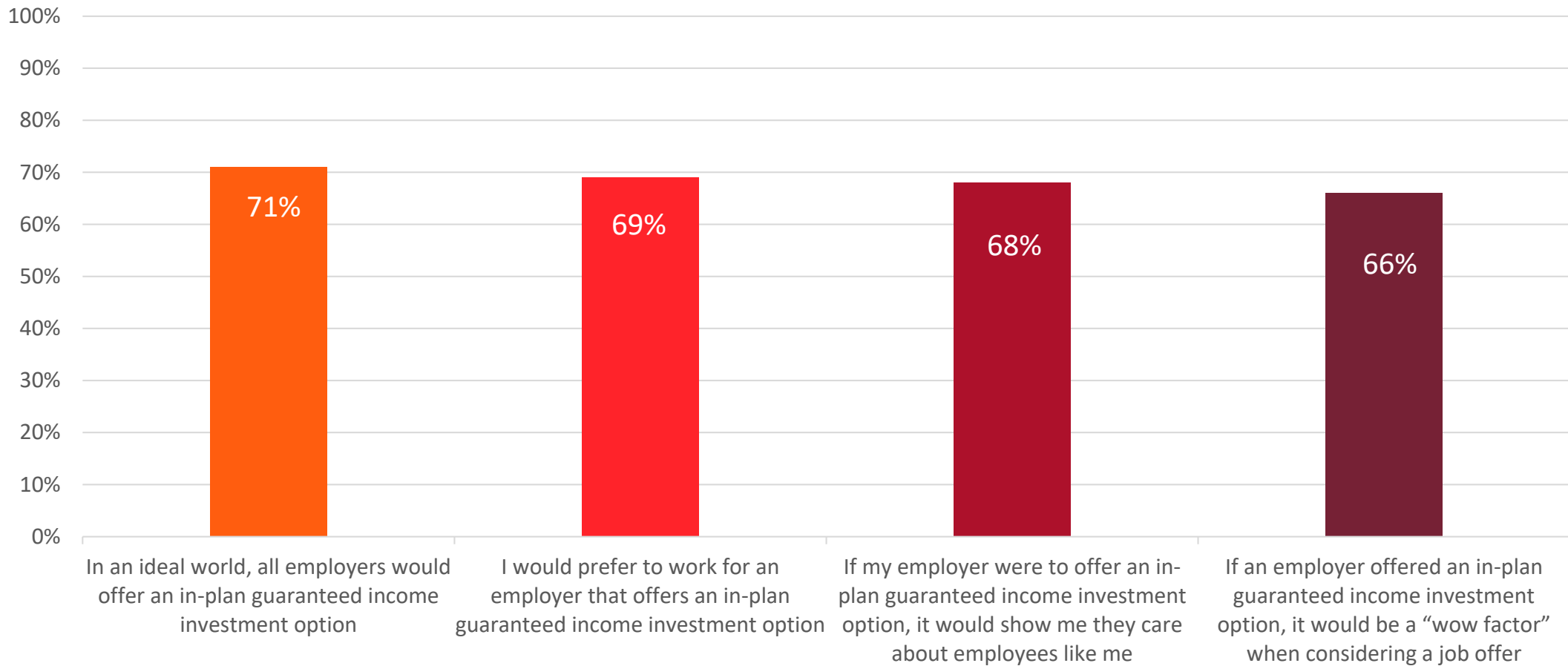
Following the passage of the SECURE Act in December 2019, it is now easier for plan sponsors to offer a plan design that includes the option for participants to generate guaranteed retirement income. Prior to this legislation passing, however, the number of plans offering in-plan income investment options was declining.

In light of the market volatility of the last year and the potential for these types of solutions to be offered more broadly, Lincoln Financial surveyed working U.S. adults to gauge their interest in in-plan guaranteed income.

Key Takeaways

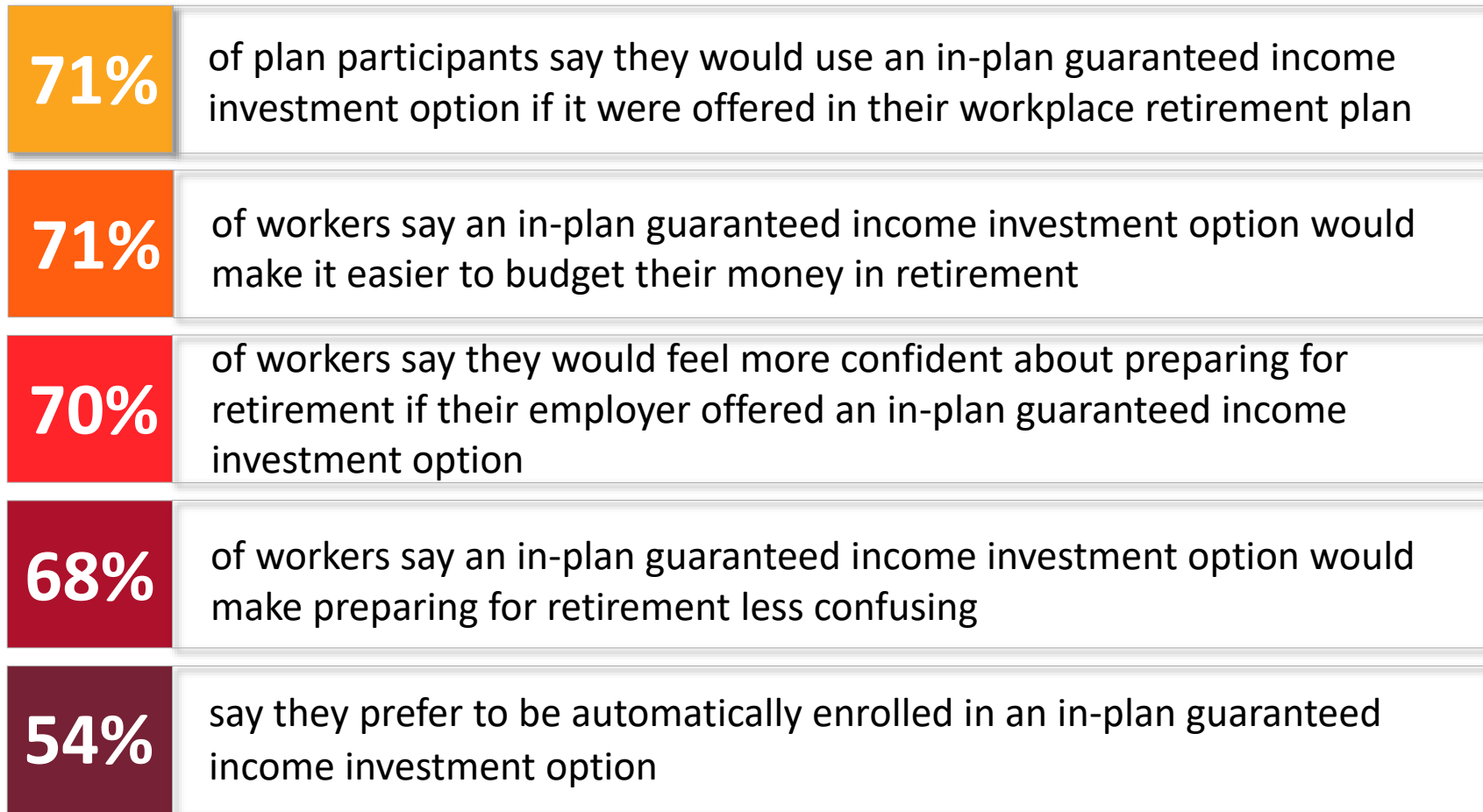
- Workers indicate a strong preference for employers that offer guaranteed income in retirement and nearly two-thirds would see retirement income offerings as a “wow factor.”
- Workers see a great deal of value in products that provide guaranteed income in retirement, and more than 7 in 10 would use it if offered.
- Employees would like to be automatically enrolled in an in-plan guaranteed income investment option.

Preferences for employers providing guaranteed income investment solutions



Respondents were shown a short description of an in-plan guaranteed lifetime income investment option and then asked whether they agree or disagree with this series of statements.

Perceptions on value, use and benefits of guaranteed income investment options



Respondents were shown a short description of an in-plan guaranteed lifetime income investment option and then asked whether they agree or disagree with a series of statements.

Concerns about managing finances in retirement

60%



I am worried about running out of money in retirement

63%



I think it will be more difficult to manage my finances in retirement if I'm not receiving a monthly paycheck

67%



I am worried about the impact of market volatility on my retirement savings

66%



I am worried about covering medical expenses in retirement



63%

I expect I will work for pay even after I am officially retired – either to supplement my income or to stay busy

Source:

Lincoln Financial, COVID-19 Sentiment Tracking Study, 9/3/2020 – 9/14/2020

Methodology:

The goal of this research is to gauge consumer sentiment on financial topics related to the COVID-19. Responses are gathered from 9/3/2020 – 9/14/2020 using the Qualtrics survey platform. Responses were collected from a total of 1043 U.S. Adults, including 533 who are full-time or part-time employed, 177 who are retired, and 231 who are currently participating in their employer-sponsored retirement plan. The sample included quotas to be representative of the total U.S. adult population.

