

Decoding the investor mindset

Insights and strategies to help close the retirement savings gap.

The character of today's investor is changing. When you understand how perceptions shape behavior, you can boost retirement readiness.

THE RESEARCH: In partnership with The Center for Generational Kinetics (CGK), Broadridge surveyed 1,003 U.S. respondents, aged 22 to 59. We asked questions designed to reveal how investors save for retirement and how expectations shape behavior.

The retirement savings gap exists—but why?

MANY INVESTORS ARE SKEPTICAL OF THE STOCK MARKET

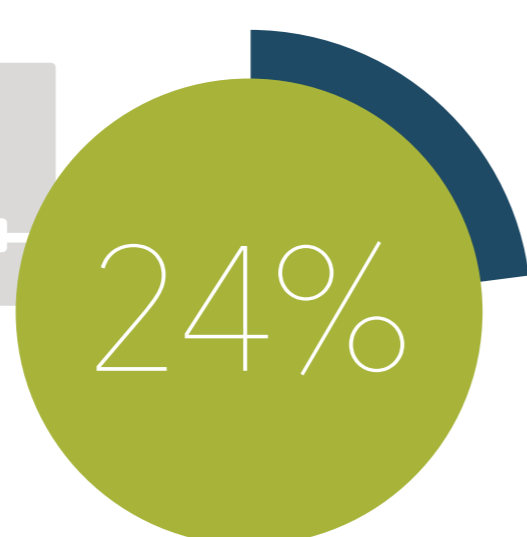


Nearly 25% say that it's likely or certain they will face another market crash like we saw in 2008.

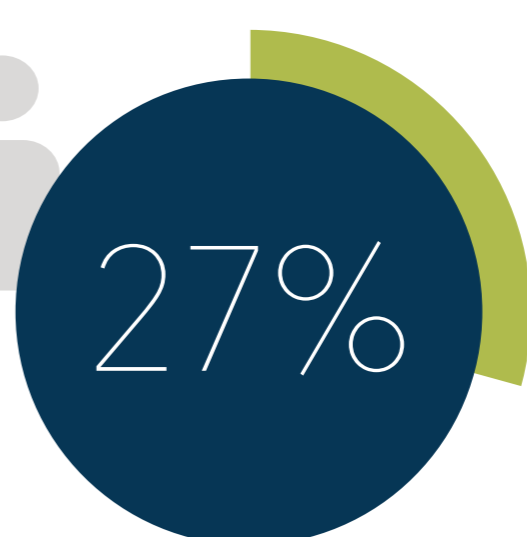


20% say the stock market is a rigged game they cannot win.

INVESTORS DON'T ALWAYS SEEK PROFESSIONAL ADVICE, PREFERRED FRIENDS AND FAMILY OVER FINANCIAL ADVISORS



seek financial advice from a professional advisor



seek financial advice from friends and family

MILLENNIALS ARE MORE CONFIDENT INVESTING IN A LOW-YIELD SAVINGS ACCOUNT THAN MORE TRADITIONAL RETIREMENT INVESTMENT OPTIONS

Confidence in methods of investing:

■ Millennials ■ Boomers



MANY INVESTORS DON'T TAKE ADVANTAGE OF TAX-FRIENDLY INVESTMENT OPPORTUNITIES

70% don't make regular contributions to a Health Savings Account (HSA)

40% aren't even familiar with HSA plans

Four strategies to help close the retirement savings gap

1. Focus on education.

Retirement providers must find ways to help investors learn about, understand and evaluate various investment opportunities such as HSA plans, and the risk to long-term savings that comes from using low-yield savings vehicles.



3. Consider the benefits of behavioral finance.

Positive behavior doesn't always follow sound advice. Consider tools like auto-enrollment, auto-escalation and increased default contribution to help promote healthier savings habits.



2. Provide holistic, goal-oriented financial planning and advice.

Encouraging participants to exercise better financial habits to improve overall financial health can go a long way to boosting participation and contributions. Understanding the balance of paying off debt and the tax-advantaged benefits many plans offer can improve the whole picture.



4. Deliver personalized, differentiated communications.

There's a big difference between a Boomer playing catch-up and a Millennial with student debt. Implement tools that help you ensure your messaging is tailored to the unique needs of investors at different stages on the journey toward a stable retirement.



Want more?

Download our recent white paper, [Retirement 2020](#), for additional insight into ways new technologies and innovations are transforming the retirement industry.