



2019 super saver survey results

Methodology

Information for this report was collected from surveys completed May 22 and June 5, 2019. In order to participate, Principal retirement plan participants met the following criteria:

Generation: Gen Z (born 1996-2015), Gen Y (1978-1995) or Gen X (1965-1977).

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Working for an organization that has Principal® as the recordkeeper for their retirement plan

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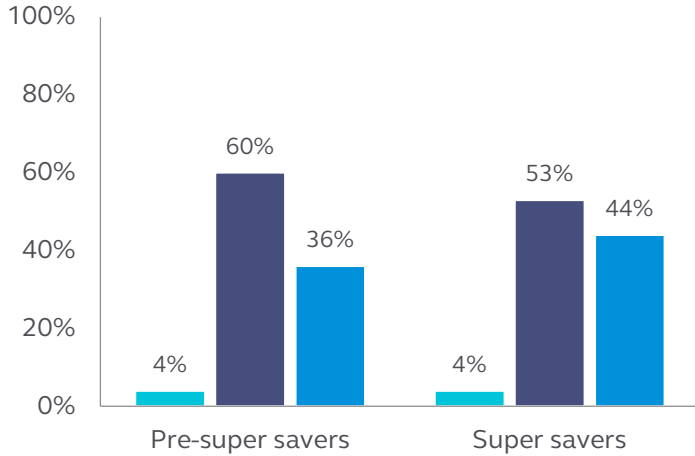
Retirement savings behavior as one of the following:

- Super savers: saved the 90% to 100% of the 402(g) IRS max contributions or have a deferral percentage of 15% or higher in 2018¹.
- Pre-super savers: saved 70-89% of the 402(g) max contribution or a deferral rate of 13-14.99% in 2018¹.

¹ Based on 2018 IRS elective deferral limits to defined contribution plans

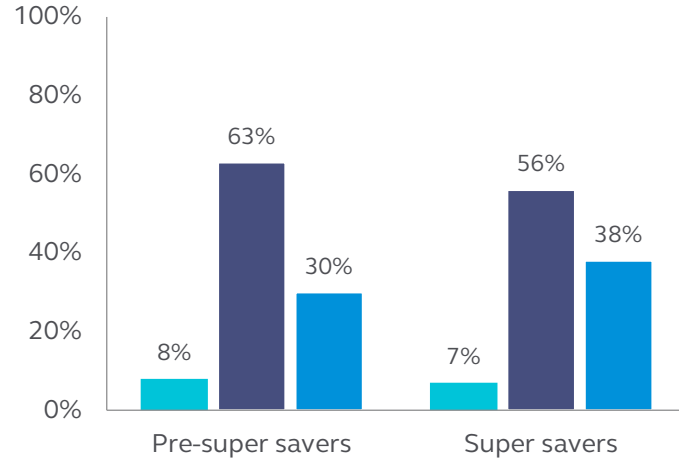
Who are super savers?

My financial situation today



Please rate your level of comfort with the following:
Base: Super savers: 1,112; Pre-super savers: 906

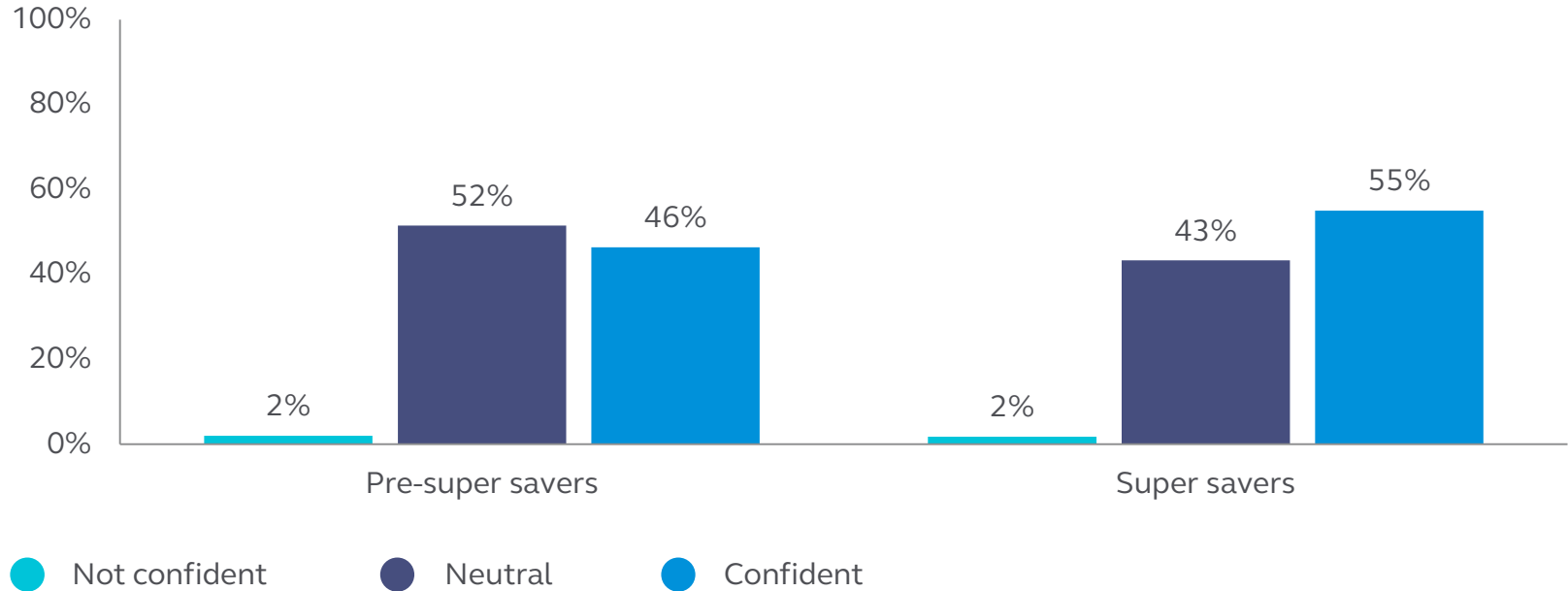
Spending money



Please rate your level of comfort with the following:
Base: Super savers: 1,111; Pre-super savers: 902

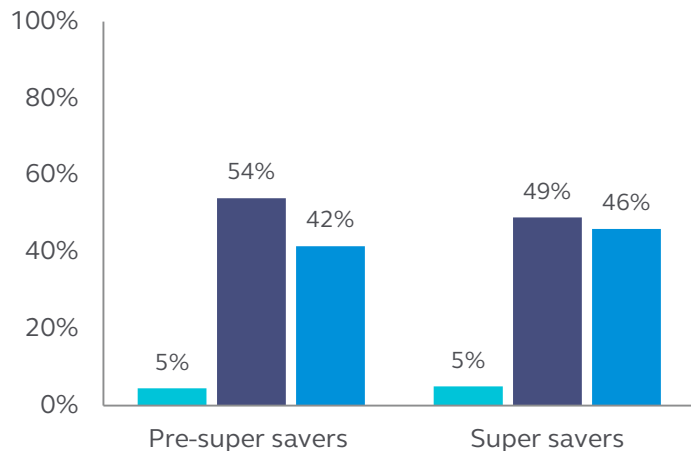
● Not at all comfortable ● Somewhat comfortable ● Very comfortable

Financial future



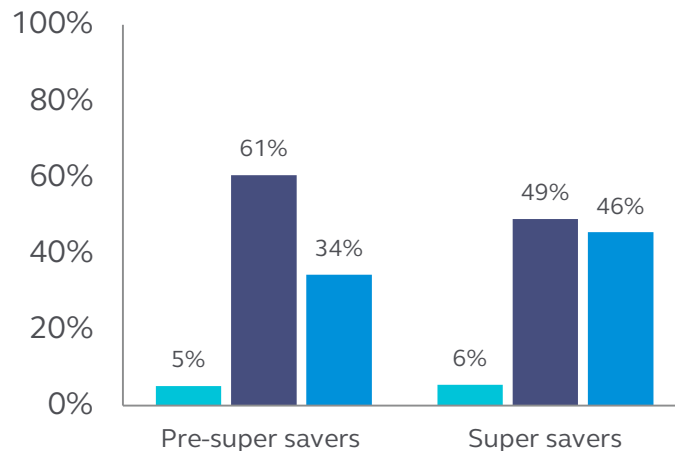
How confident are you in your financial future? 1-10 survey scale
Base: Super savers: 1,100; Pre-super savers: 899

Confidence making financial decisions



Please rate your level of agreement with the following:
Base: Super savers: 1,040; Pre-super savers: 850

Feeling financially secure due to savings habits



Please rate your level of agreement with the following:
Base: Super savers: 1,041; Pre-super savers: 851

● Strongly disagree ● Somewhat agree ● Strongly agree

Motivation for saving

	Super savers	Pre-super savers		Super savers	Pre-super savers
I want to feel financially secure.	62%	58%	I have enough income to put more into my retirement savings.	32%	33%
I want to have a good lifestyle during retirement.	57%	57%	I have watched others financially struggle in retirement, and it has influenced me to not end up like them.	22%	24%
I want to be prepared for the unexpected.	43%	40%	I want to be more financially sound than my parents were.	21%	21%
I want to save enough for retirement.	42%	45%	No inheritance to count on.	21%	25%
I want to travel in retirement.	42%	39%	I want to provide for family members or other dependents.	19%	20%
I want to retire at an early age.	41%	31%	I want to leave an inheritance to my loved ones.	16%	16%
I want to have disposable income in retirement to pursue my passions.	40%	38%	I was behind on my retirement savings goal and I am trying to catch up.	15%	16%
I have the income to do so.	39%	36%	I have set a specific goal for how much I want to have saved for retirement.	15%	15%
Losing faith in Social Security.	34%	33%	Other	2%	2%
I want to attain financial independence as soon as possible.	33%	26%	I want/wanted to get off parents' payroll.	1%	0%

Sacrifices to save

	Super savers	Pre-super savers		Super savers	Pre-super savers
Driving older vehicles.	43%	42%	Delaying having a family.	12%	12%
Owning a modest home.	41%	42%	Not saving enough for my children's future college expenses.	9%	14%
Not traveling as much as I prefer.	41%	44%	Working two jobs.	8%	7%
Doing DIY projects instead of hiring outside help.	40%	41%	Renting vs. purchasing home.	9%	8%
No housecleaner.	37%	39%	Living with parents longer than I hoped.	7%	4%
High levels of work-related stress.	30%	35%	Not starting my own business.	7%	9%
Opting for secondhand goods instead of purchasing new.	26%	22%	Having roommates.	6%	6%
Working more so taking time away from my family.	21%	24%	None	6%	4%
Working more so taking time away from my social life.	21%	26%	Walking, biking or using public transit instead of driving.	5%	4%
Telling my friends and/or family "no" to common expenditures.	15%	13%	Other	5%	3%
Furnishing living spaces with bare bone essentials.	15%	14%			

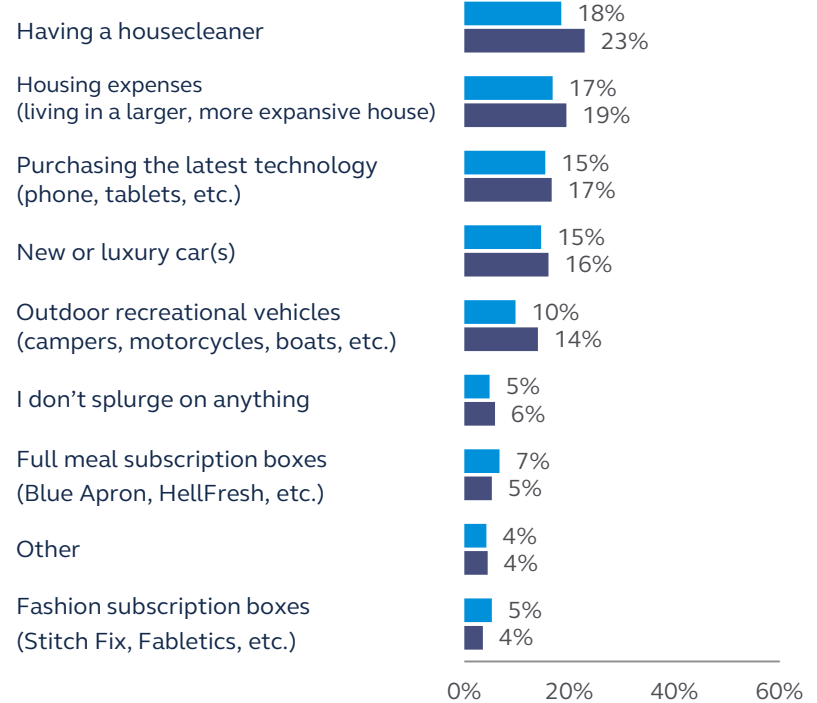
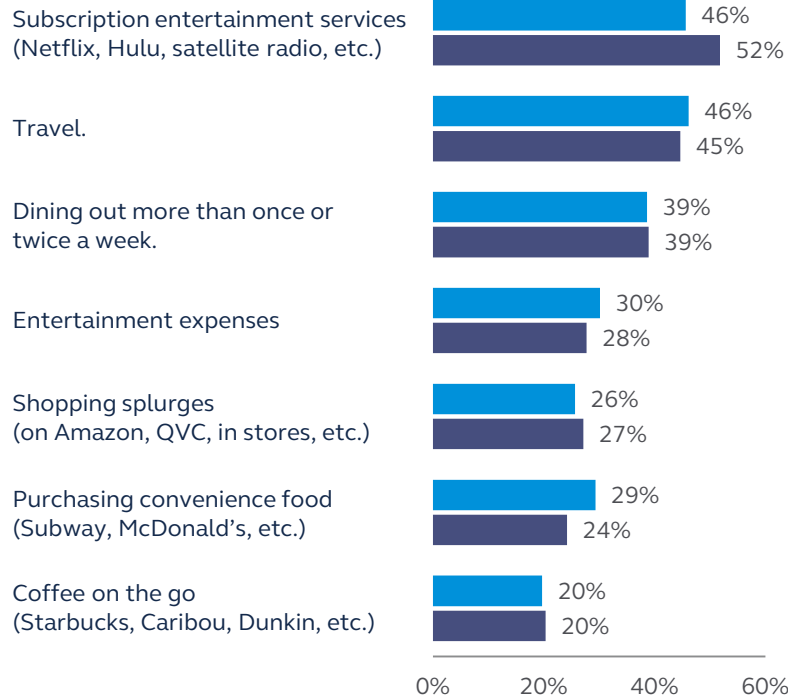
What sacrifices have you made in order to save for retirement? Select all that apply.

Base: Super savers: 1,011; Pre-super savers: 829



Splurges

● Super savers ● Pre-super savers

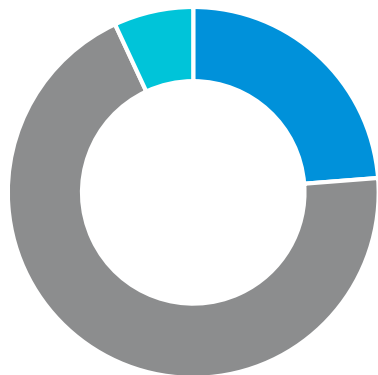


You listed sacrifices you are making in order to save for retirement. Now lets take a look at what you splurge on. Which of the following indulgences do you currently spend money on? Select all that apply

Base: Super savers: 1,006; Pre-super savers: 826



Super savers spending and saving habits



24%

Super saver

70%

In the middle

7%

Spender

Thinking about your spending and saving habits, how would you categorize yourself?

Base: Super savers: 1,003

Pre-super savers spending and savings habits



17%

Super saver

72%

In the middle

11%

Spender

Thinking about your spending and saving habits, how would you categorize yourself?

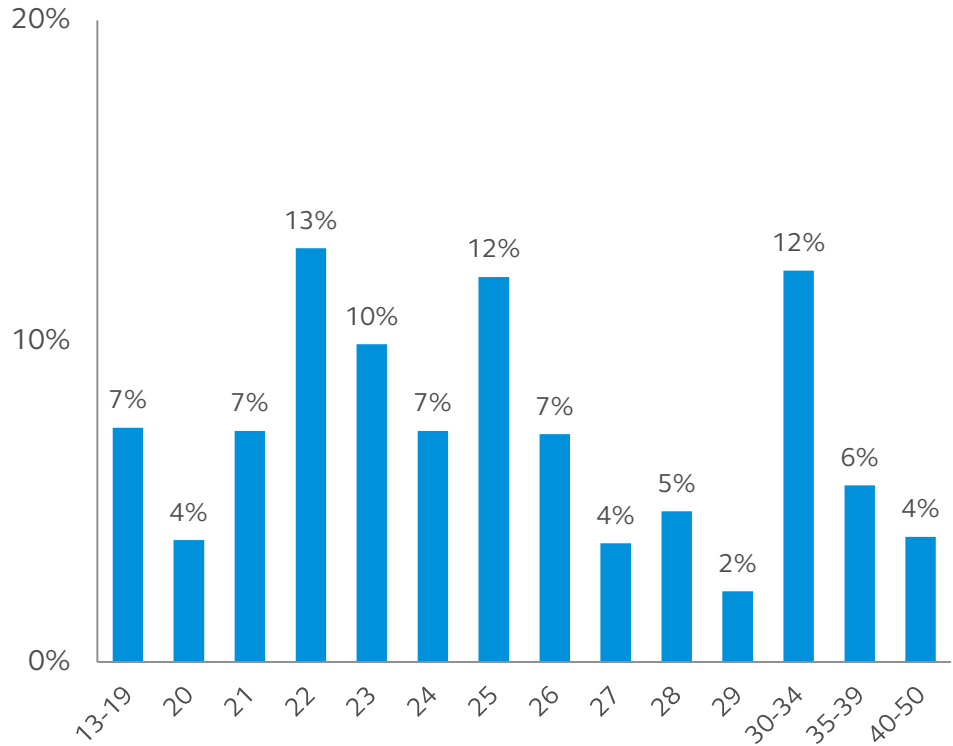
Base: Pre-super savers: 823

71%

of super savers started saving for retirement when they were in their 20's.

Median age:

Gen Y: 24 | Gen X: 25



What age did you start saving for retirement?

Base: Super savers: 936;



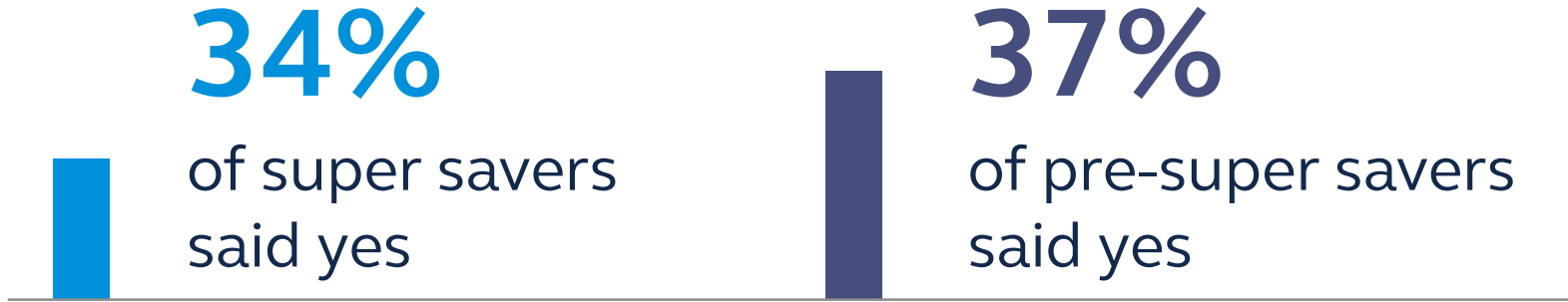
Planned Retirement Age

	Before 45	45-49	50-54	55-59	60-64	65-70	70+	I don't plan to retire
Super savers	2%	2%	5%	18%	31%	38%	3%	2%
Pre-super savers	1%	1%	5%	12%	32%	43%	4%	3%

At what age do you plan to retire?

Base: Super savers: 923; Pre-super savers: 741

Includes estimated Social Security benefit planning



Do you include your estimated Social Security benefit in your retirement planning?
Base: Super savers: 953; Pre-super savers: 767

Methods used to verify if on track for retirement goals

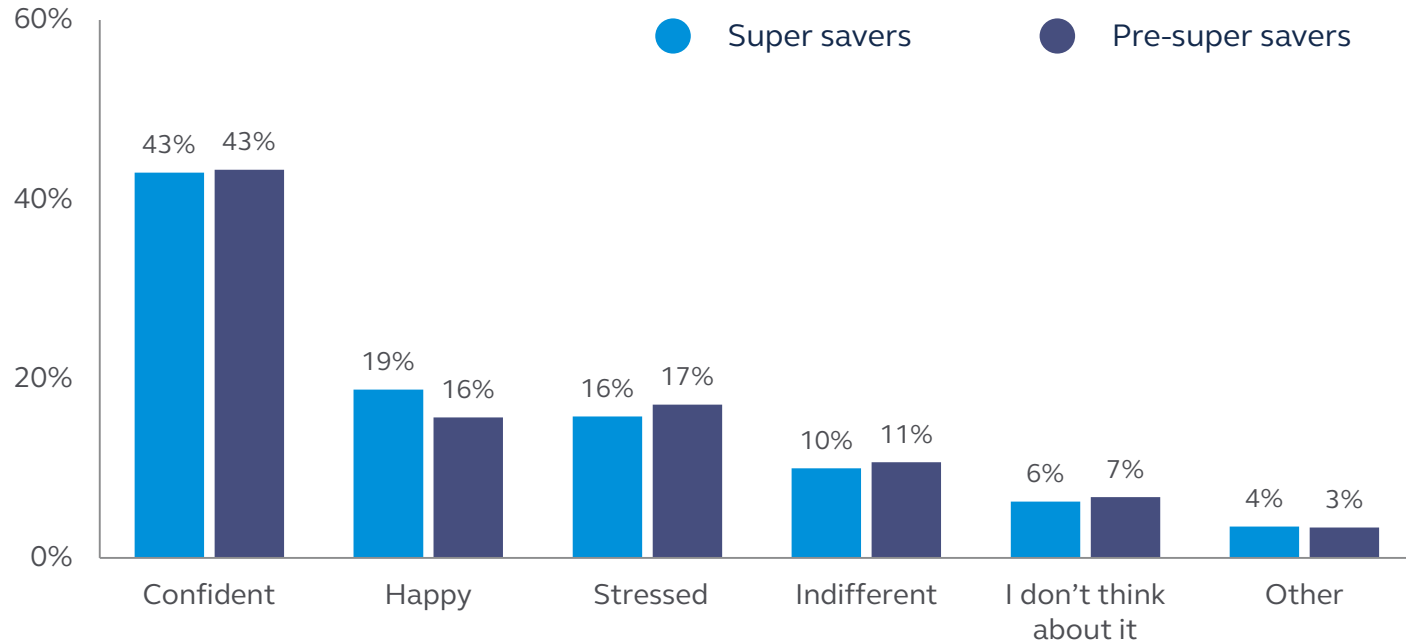
	Super savers	Pre-super savers
I use online tools to verify if I am on track.	65%	69%
I compare my information to information available from my financial advisor	27%	29%
It's a gut feeling	14%	12%
I don't measure if I am on track to meet my goal	11%	10%
I compare myself to friends and others	9%	8%
Other	8%	5%
I don't have a retirement savings goal.	8%	8%

How do you measure if you're on track to meet your retirement savings goal? Select all that apply.

Base: Super savers: 957; Pre-super savers: 776



Feelings about saving for retirement



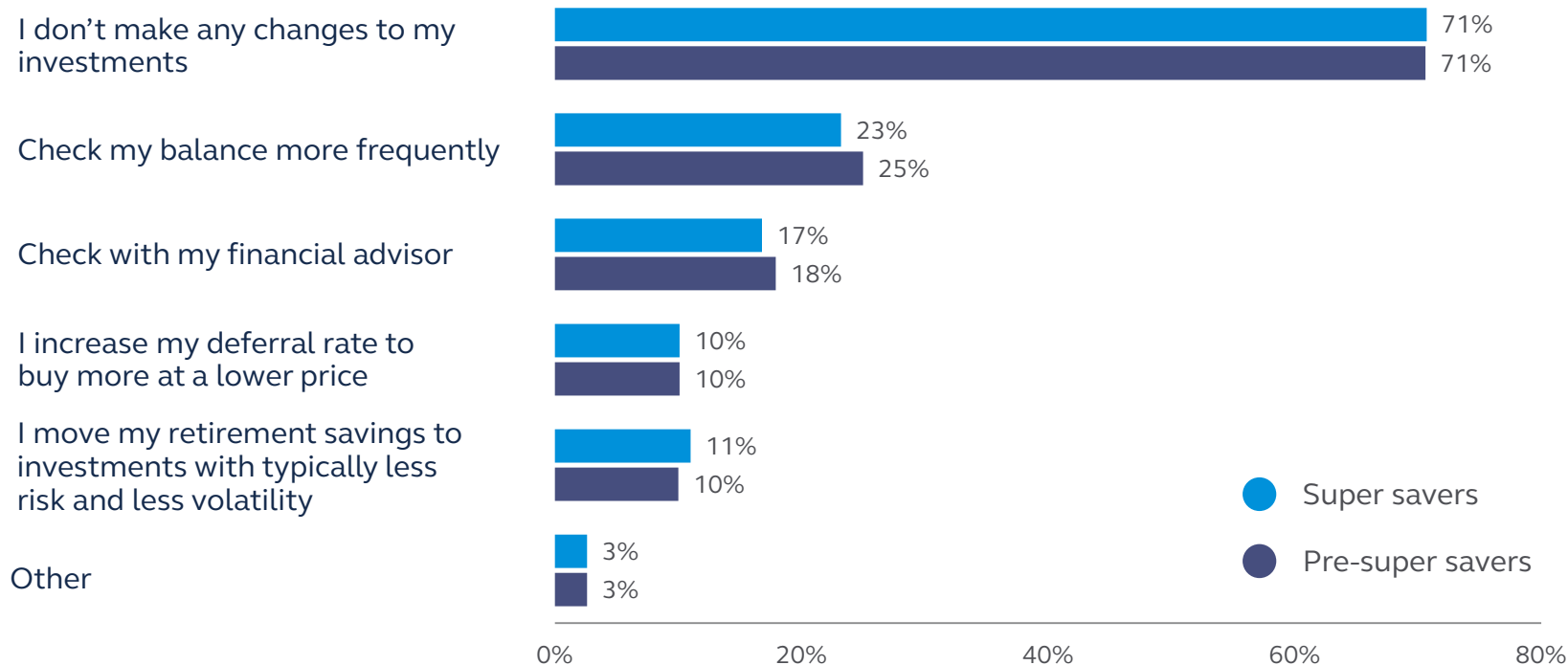
How do you feel about saving for retirement?
Base: Super savers: 948; Pre-super savers: 765

Work with a financial advisor

	Super savers	Pre-super savers
Yes	41%	42%
No, I don't want to work with one currently but plan to in the future	21%	20%
No, I am not sure if I will work with a financial advisor in the future	19%	20%
No and I don't plan to work with one in the future	19%	18%

Do you currently work with a financial advisor?
Base: Super savers: 948; Pre-Super savers: 764

Retirement savings during market volatility

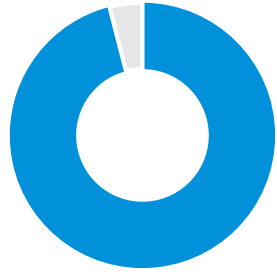


What do you tend to do with your retirement savings during market volatility. Select all that apply.

Base: Super savers: 997; Pre-super savers: 823

96% of super savers have an emergency fund.

Do you have an emergency fund?



96%
Yes

How many months' expenses will your emergency fund cover?

	Super savers	Pre-super savers
<1 month	4%	6%
1-3 months	19%	23%
4-6 months	26%	27%
7-9 months	8%	9%
10-12 months	10%	8%
>12 months	25%	21%
No idea	4%	4%
No emergency fund	4%	2%

Do you have an emergency fund? How many months' expenses will your emergency fund cover?

Base: Super savers: 940; Pre-super savers: 751

The role of family

Influence on saving habits

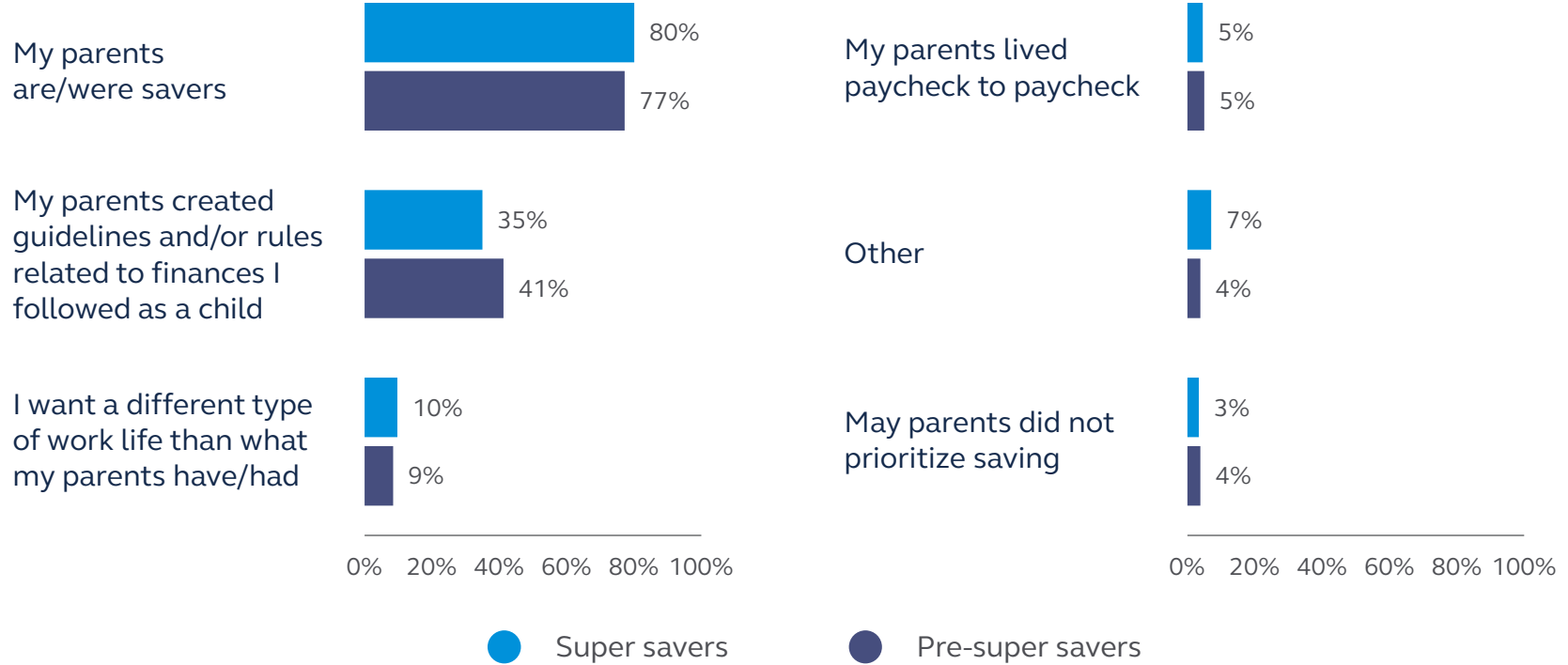
	Super savers	Pre-super savers		Super savers	Pre-super savers
Parent	34%	34%	Financial advisor	2%	2%
Internal motivations	12%	13%	Information, tools, or website provided as part of my workplace retirement plan	2%	2%
Spouse	12%	11%	To be a role model for my children	2%	3%
Watching people struggle with their finances	7%	9%	Friend	2%	1%
Another family member	4%	4%	Stories on the internet	1%	1%
Life events	8%	9%	A boss at work or co-workers	1%	1%
Book I read	4%	4%	The "Great Recession" and/or the market drop of '08/'09	1%	1%
Financial experts like Dave Ramsey, Suze Orman	3%	3%	Teacher (k-12)	0%	0%
Other	4%	2%	College professor	0%	0%

Who or what had the greatest influence on your saving habits?

Base: Super savers: 944; Pre-super savers: 770



Parents influencing saving habits



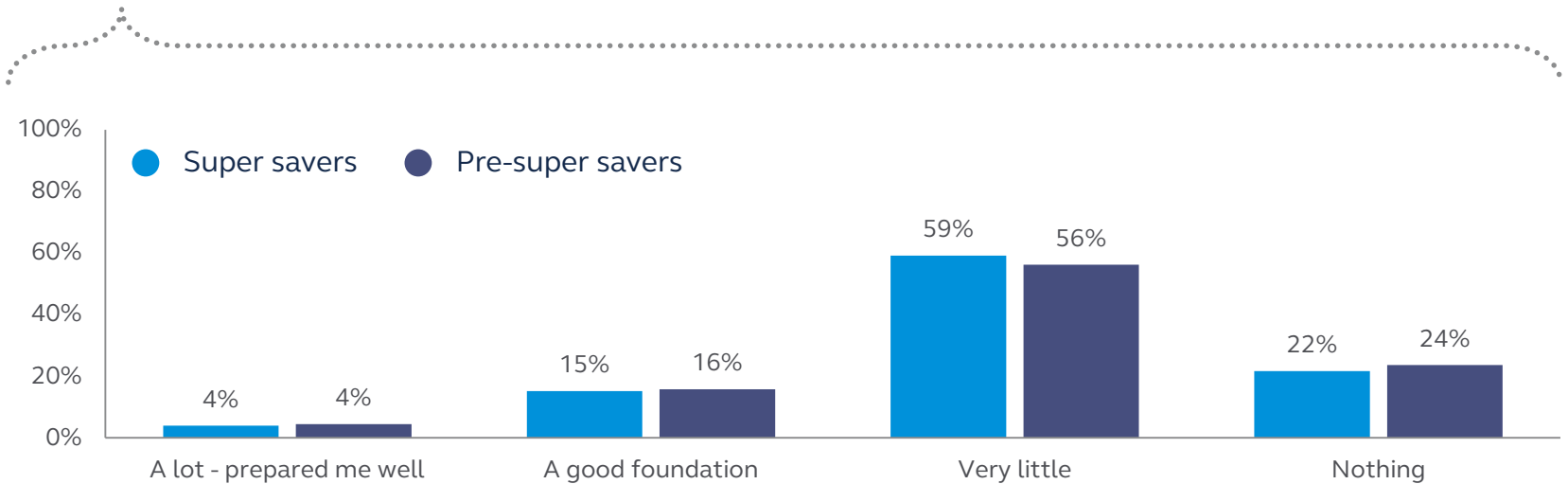
How did your parents influence your savings habits? Select all that apply.
Base: Super savers: 944; Pre-super savers: 770



Learning about personal finances in school

81%

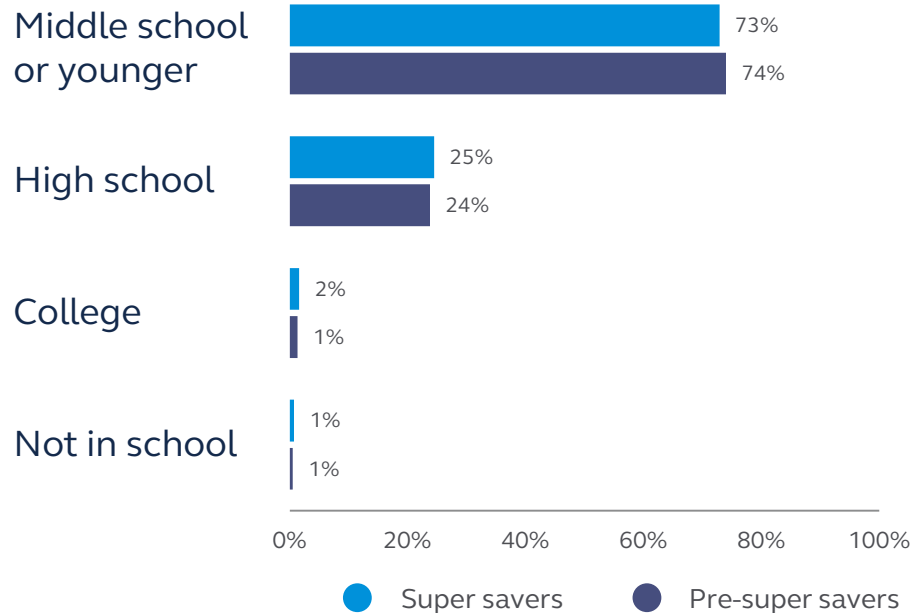
learned very little to nothing about personal finance



How much did you learn in school about personal finances?

Base: Super savers: 1,056; Pre-super savers: 861

Learning about personal finance topics



98%

believe students should learn about personal finance before they graduate high school.

Do you think children or young adults should learn about personal finance topics?

Base: Super savers: 1,056; Pre-super savers: 862

Encouraging others to become a super saver

Do you teach/encourage others how to become 'supersaver'?



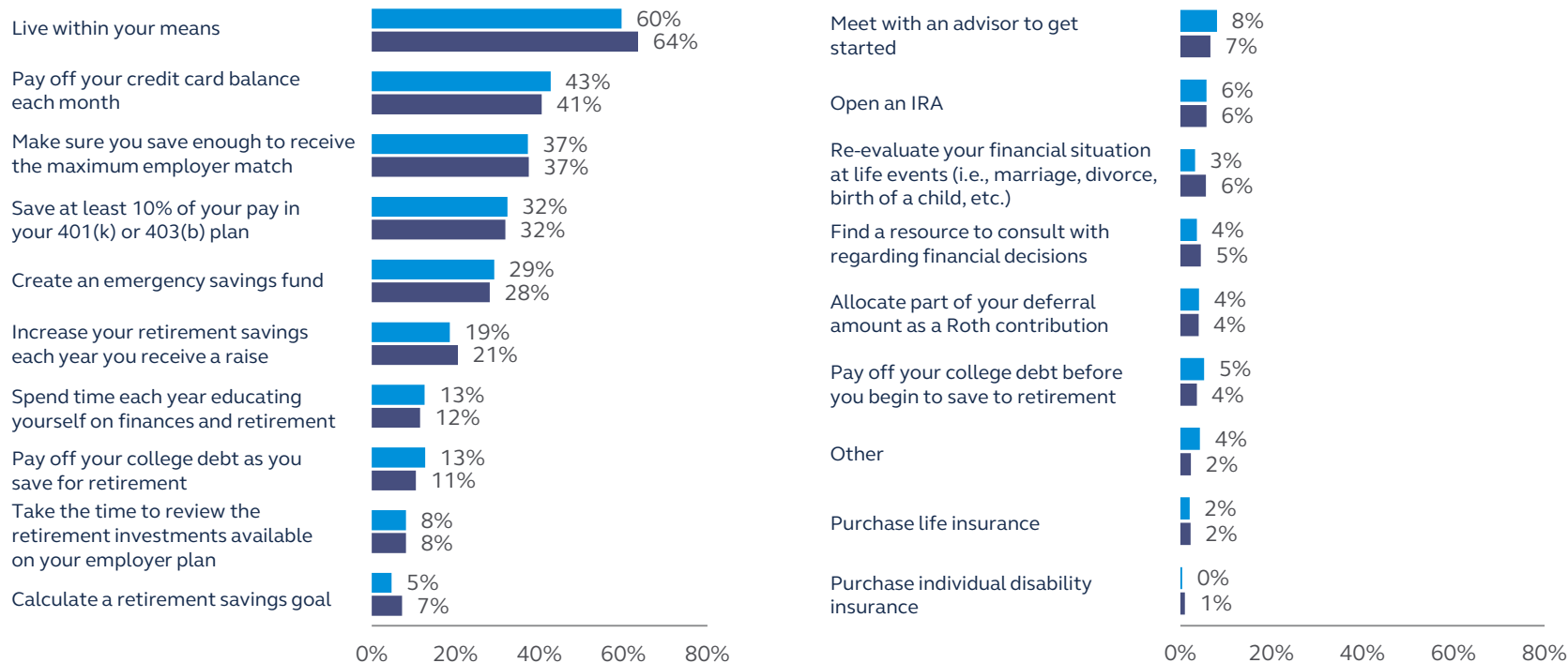
51% of super savers
said yes



47% of pre-super
savers said yes

Do you teach/encourage others how to become 'supersaver'?
Base: Super savers: 943; Base: Pre-super savers: 751

Financial Advice for Gen Z workers



There is a new generation just entering in the workforce, Gen Z. What are the top three items you tell a new Gen Z employee reviewing their employee benefits and personal finances?

Base: Super savers: 868; Pre-super savers: 697

● Super savers ● Pre-super savers





Thank you.

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