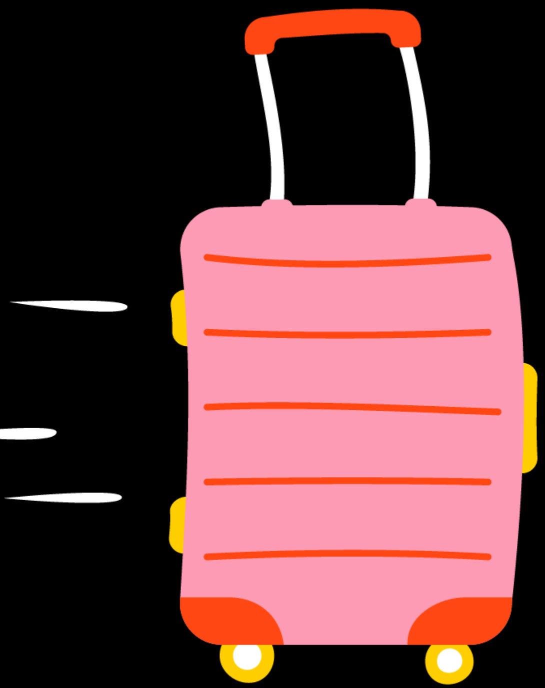
BlackRock®

A decade of data. One destination.



2025 BlackRock
Read on Retirement®

10 years of insights

About the survey

The 2025 BlackRock Read on Retirement® survey provides a decade of insights from an annual research study of workplace savers and retirees in the United States which was conducted between April 10 and May 19, 2025. Over 450 plan sponsors were also surveyed between February 2 and March 19, 2025. The survey is executed by Escalent, an independent research company, with all respondents interviewed using an online questionnaire.

BlackRock.com/ReadonRetirement

459
Plan sponsors

Plans had at least $300 million in assets, with 30% of respondents serving in benefits or HR roles, and the rest in finance, investment or business management for their organizations.

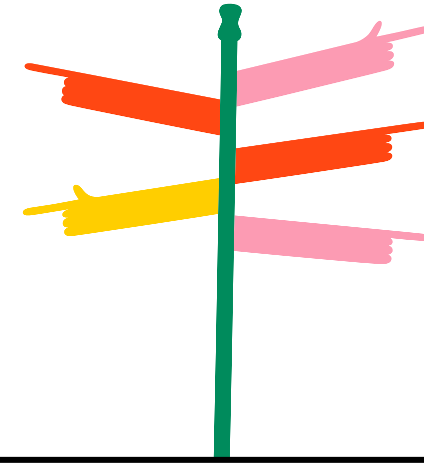
1,300
Workplace savers

Workplace savers (participants) were employed full—time and participating in their employer's 401(k) or 403(b) plan, with at least $5,000 in assets in their current account. The sample is 52% male and 48% female. 16% are Gen Z, 32% Millennials, 36% Gen X, and 16% working Boomers.

300
Retirees

Retirees were retired at least 10 years. Many previously enrolled in a 401(k) or 403(b) plan, and over half of those with access have stayed in plan after retirement. 49% report having access to a defined benefit/pension plan for income in retirement.

Where's retirement going?



Ten years ago, we set out to understand how American workplace savers feel about retirement–confident, anxious, prepared or simply hopeful?

Now, with a decade of data in hand, we're not just looking at snapshots but seeing the bigger picture. Some fears haven't budged. Other behaviors have shifted dramatically. And some trends are quietly reshaping the future of retirement.

In this year's Read on Retirement® report, we don't just reflect — we mobilize. With ten years of insights behind us, the next ten demand bold steps forward.

We've drawn a map.
Now it's all of our work to lead the way.

Chapter 1

Topline

Retirement confidence is fragile & divided

Over the past decade, long-term market growth and enhancements to the retirement system have boosted saver confidence. In fact, savers today are more confident than their generational peers were 10 years ago. Still, concerns from plan sponsors and a persistent gender gap highlight areas of tension.

There's more work to do.

10 years of insights

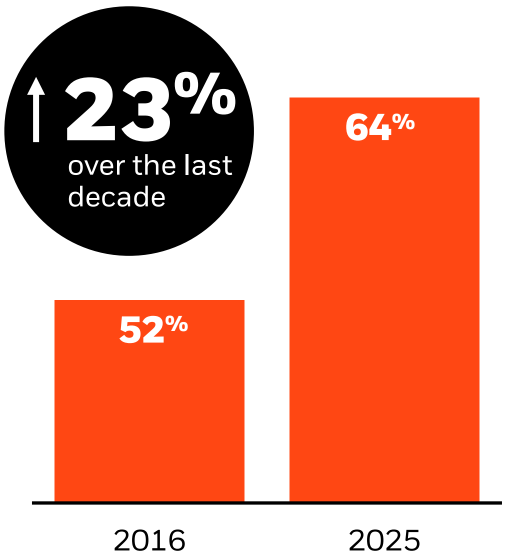
Only 38% of employers believe at least 60% of their employees are on track for retirement – a record low.

Retirement readiness is up, but fragile

Confidence is climbing — up 23% over the last decade — as savers grow surer of their retirement readiness. But when markets shake, so does sentiment.

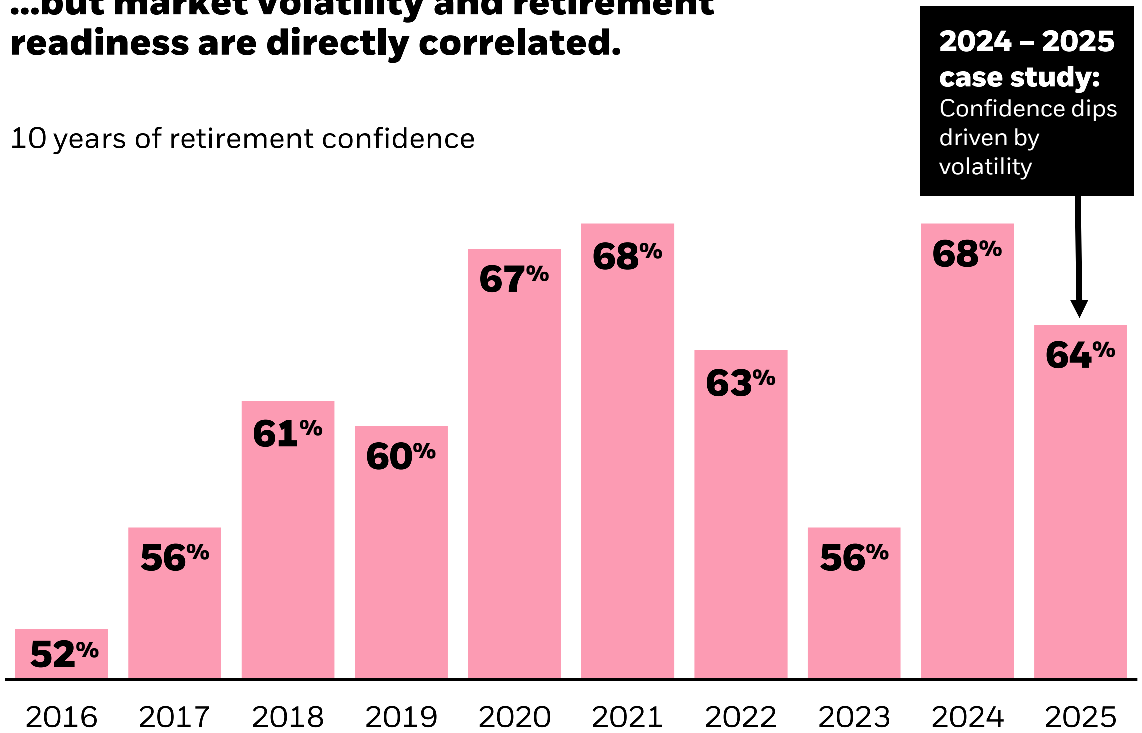
Savers feel optimistic...

2016 vs. 2025 saver confidence



...but market volatility and retirement readiness are directly correlated.

10 years of retirement confidence



The mission? Help savers feel more secure not just in the calm, but through the storm.

Today's saver is more confident

What's fueling the 23% rise in retirement confidence over the past decade? Younger generations. Today's savers are more optimistic than those who came before them — at the same age and stage.

Confidence when entering the workforce

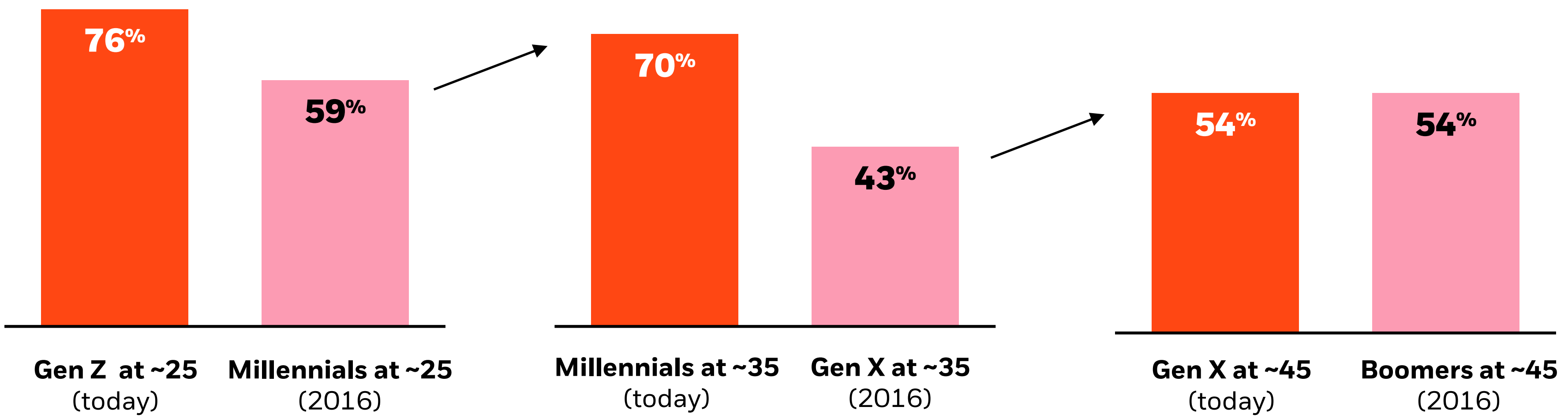
Confidence at around 25

Confidence during prime earning years

Confidence at around 35

Confidence closer to retirement

Confidence at around 45



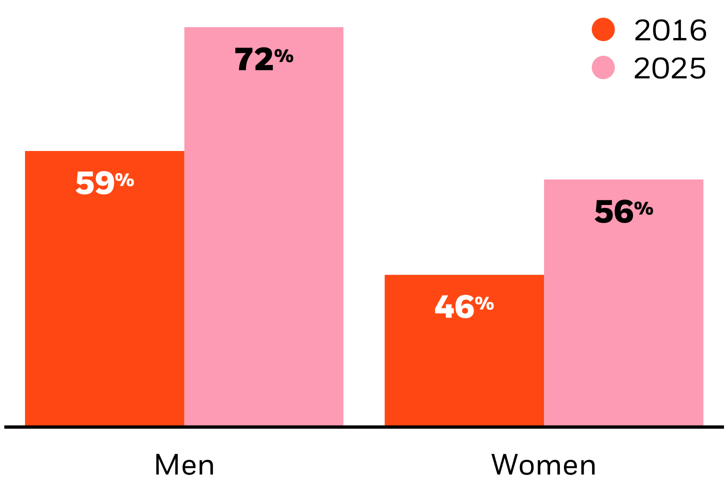
We've made great progress in building more confident savers – especially younger participants who are outpacing their peers thanks to plan enhancements. But we must continue helping those closest to retirement feel more secure.

A persistent gender gap

Men remain more confident about retirement, but we see encouraging signs as women's retirement confidence has grown in step with men's over the last decade.

Retirement confidence by gender

Confidence has increased evenly by 22% across both genders since 2016.



Understanding the divide

84% of men are confident they'll have enough savings to last through retirement.

vs.

73% of women who feel the same way.

The gender gap persists, even with the strong strides women have made over the past decade. Still, more work must be done to address the heightened longevity concerns women face.

Retirement readiness is divided

While savers feel increasingly confident, employers — who see the numbers and understand long-term needs — are concerned.

By the numbers

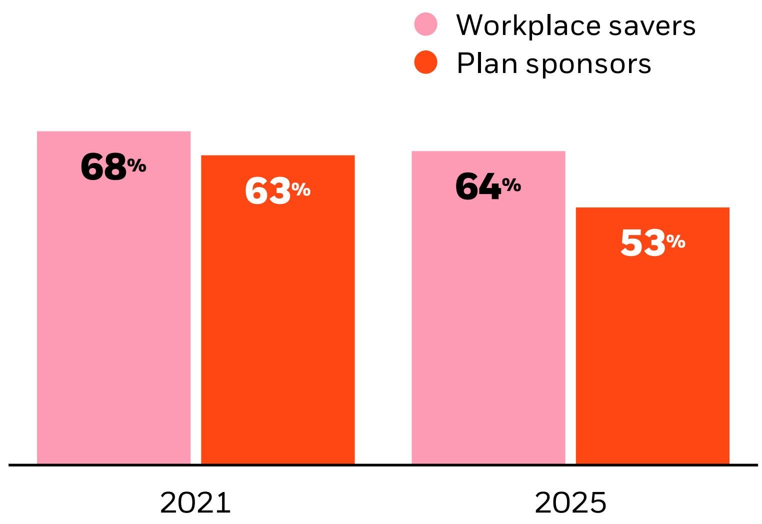
38% of employers believe at least 60% of their employees are on track — a record low and down from 55% in 2024.

vs.

64% of all workplace savers feel on track with their retirement savings.

A growing divergence in confidence

Over the past five years, plan sponsor confidence split from workplace saver outlooks and the gap only continues to widen.



This gap is a call to action. Together, we can help employers unlock solutions that build employee confidence and support longer, more secure retirements.

Chapter 2

How we got here

A saving culture

While market volatility can shake short-term sentiment, long-term reforms have laid a more resilient foundation for saver confidence. The moment may matter — but the system matters more. Innovations like target date funds (TDFs) and automatic enrollment have helped savers feel better equipped to navigate their retirement journey.

But there's more work to do.

10 years of insights

Savers are asking their employers more and more for help with retirement planning.

Milestones that created the modern saver

Over the last 20 years, the challenge of helping Americans grow retirement savings has largely been solved. Several key policy reforms paved the way.

1990s

Defined contribution (DC) plans surpassed defined benefit (DB) plans in total assets

While DB plans offered guaranteed income, DC plans shifted the responsibility of saving to individuals. This shift introduced uncertainty.

2006

The Pension Protection Act (PPA)

The PPA legitimized default investment options and nudged participants into saving behaviors that mimic the discipline of DB plans. TDFs and auto features became standard tools to support savers.

2010

TDFs widely adopted as default investment across DC plans

Their appeal lies in their simplicity and automation — features that align closely with what today's savers want: hands-off, professionally managed solutions that evolve over time.

2019

SECURE Act

Signals a shift in mindset, from saving for retirement to living in retirement through encouraging plan designs that support lifetime income.

Automatic for the people

Workplace savers have embraced auto features over time.

78%

of savers want to be auto-enrolled — up from 65% in 2019.

72%

want their savings rate to auto-increase each year — up from 57% in 2019.

Plan sponsors agree: automation works

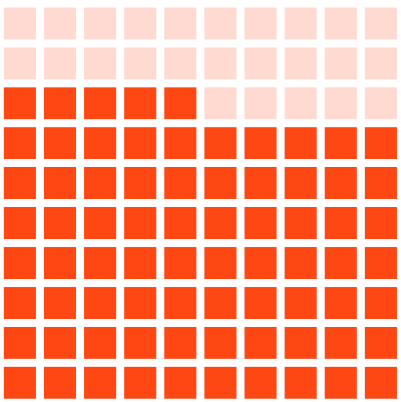
75% agree auto-escalation is helpful

79% agree auto-enrollment is helpful

Millennials are most likely to find auto-escalation helpful.

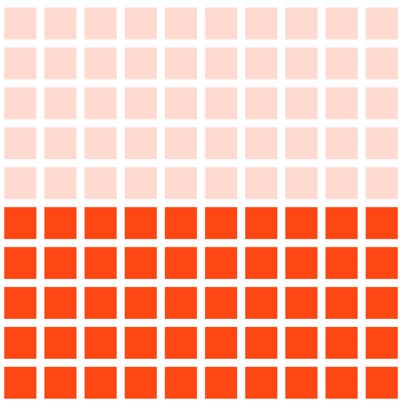
"Do it for me" is in demand

The target date fund, which BlackRock pioneered more than 30 years ago, is now the most — used investment in retirement plans. It's easy to see why:



75%

of savers say it would be helpful if their plan automatically reallocated their assets based on age — like a TDF would — up from 65% in 2019.

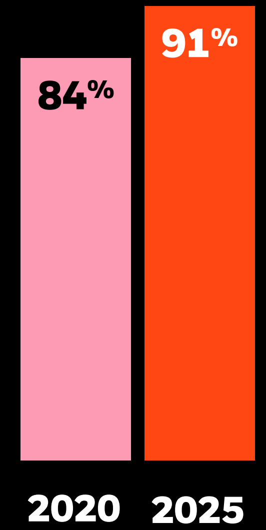


Half

of savers prefer to have their investments managed for them — up from 36% in 2017.

Retirees reflect

% of retirees that find TDFs appealing — revealing they wish they had access.



Chapter 3

Spending down

Savers want security

The passage of the SECURE Act in 2019 made it easier for innovation and adoption of guaranteed retirement income solutions, which couldn't have come at a more critical time. Access to pensions continues to decline, and with it, a paycheck for life.

But there's more work to do.

10 years of insights

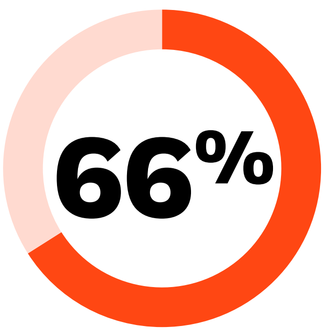
Guaranteed income is gaining traction: 86% of workplace savers now want it, a steady rise from 80% in 2019.

Too afraid to spend

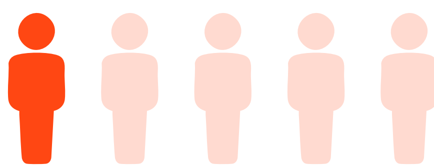
Fear of outliving savings has surged, and savers are craving certainty. Retirees confirm that guaranteed lifetime income can boost confidence.

"How much will I be able to spend each year in my retirement?"

The top question savers want the answer to when planning for retirement.



of savers worry they'll run out of money in retirement — higher than last year (60% — a 10% increase).



1 in 5 strongly agree that they plan to live off interest and dividends alone, while preserving their savings balance — even if it means cutting back. That's up from just 7% in 2018.

Retirees reflect

27%

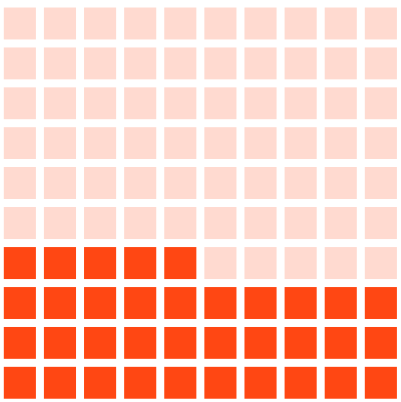
of retirees feel very confident they have enough to last through their entire retirement.

91%

of retirees looking back believe employers should provide guaranteed income options in the plan.

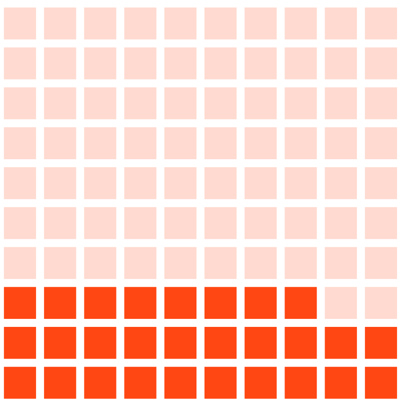
Retirees want more reliability

Retirees reveal they're lacking security — and that's affecting some of their golden year goals.



35%

say market volatility has negatively impacted their confidence — up from 30% last year.



28%

are worried about their ability to maintain a steady monthly income – up from 16% in 2020.

Without stable income, retirees struggle

18%

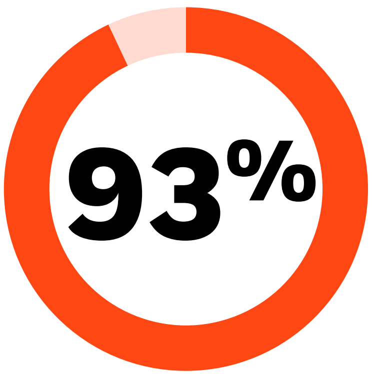
of retirees say they struggle with paying debt from credit cards and other loans.

26%

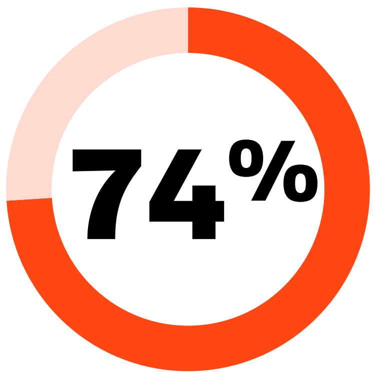
feel they don't have enough money to pay for an annual vacation – the top goal current savers tell us they have for retirement.

Employers are listening

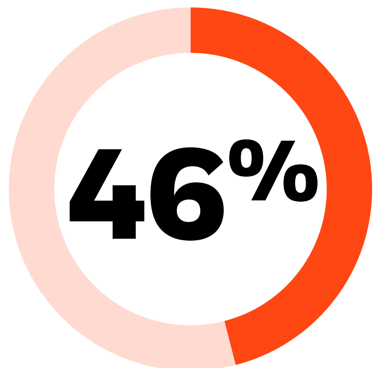
While employers can't directly control the markets, they can control access to the tools that can help savers invest better to live better.



of savers are interested in owning a product designed specifically to generate income in retirement.



would save more if their plan had an option for guaranteed income — up from 65% in 2019.



strongly agree the possibility of having guaranteed income in retirement would have a positive impact on their current well being — up from 35% in 2019.

Employers agree:

This is the first year 100% feel responsible for helping participants generate and manage income, especially in today's economic climate.

Chapter 4

What's next

Closing the savings gap

Today's savers face a tough road: economic uncertainty, rising longevity and portfolios that aren't keeping pace.

They are saving less, while the cost of retirement keeps climbing. They tell us they're worried about their future well-being.

We have work to do.

10 years of insights

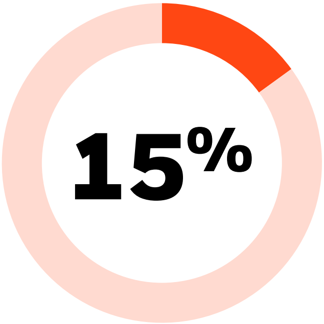
Savers are thinking more and more about how to make their investments work harder.

Savers are stretched thin

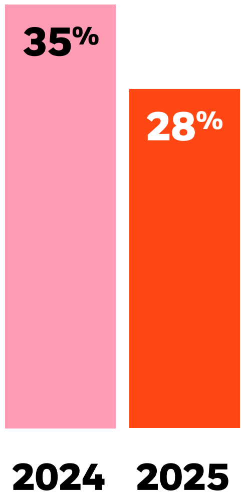
Savers need their money to work harder — and plan sponsors are feeling the pressure to deliver. The good news? The tools are already here. Now it's time to use them.

Median savings rates have decreased the past few years:

10% today — down from 12% in 2022



Median savings rate that savers believe they need in order to live the lifestyle they want in retirement.



Just 28% of eligible savers are making catch-up contributions, down from 35% last year.

Gen X is especially feeling the pressure

54%

say they are on track, the least of any generation. Over half cite that they should be saving more as a reason why.

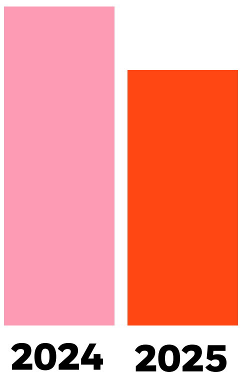
Gen Z is also facing saving pressure

47%

report they are saving less for retirement due to student loan debt.

Emergency savings are shrinking

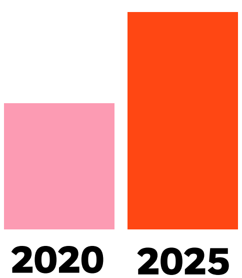
What used to be a safeguard for long-term savings is starting to dwindle, an alarming trend which may signal additional retirement pressure on the horizon.



Emergency savings are starting to dwindle

76%

of savers report having a fund, down from 81% last year.



57%

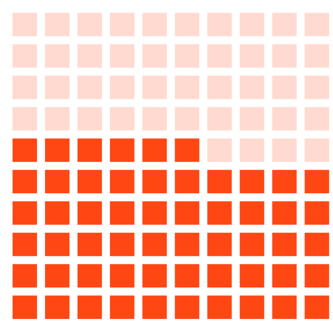
are now willing to take money from their plan in an emergency – up from 33% in 2020.

2024 median balance **$25,000**

–$5,000

2025 median balance **$20,000**

Balances have decreased as well, with a median of $20k compared to $25k last year.



56%

would save less for retirement if an emergency like a health issue or car accident arises.

Savers are serious about growth

Workplace savers anchor on growth as an investment objective but may not be aware of the strategies available to help meet their savings goals.

80%

would be interested in using an actively managed fund for their retirement savings.

24%

say selecting the lowest cost product is very important, **indicating savers prioritize other goals.**

15%

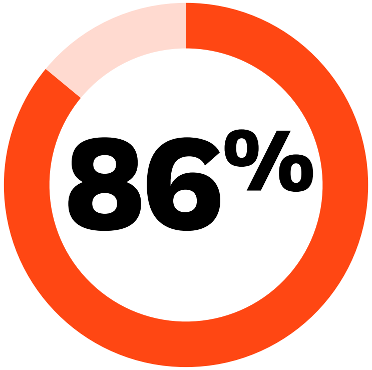
of savers are extremely familiar with active investing strategies, **indicating they need more education.**

81%

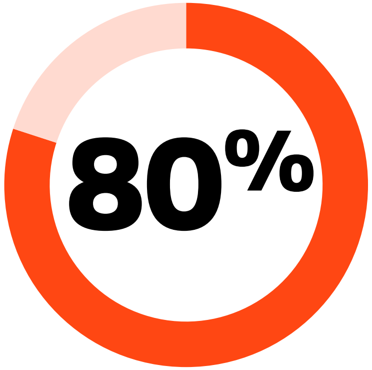
say it would be helpful to receive specific education around the investment options available to them.

Lean into active management

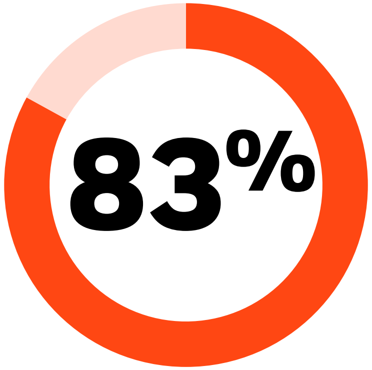
In a market where passive strategies may fall short of delivering the returns needed, active approaches can help uncover value, manage risk and adapt to changing conditions.



of sponsors agree that an actively managed target date fund could generate incremental returns for participants.



believe active managers can consistently outperform the market.



agree that an actively managed target date fund could reduce the impact of volatility for participants.

Unlock the full power of capital markets

Plan sponsors see a place for private market assets in retirement plans.

Alternative assets

24%

of plan sponsors said they are **considering adding alternative assets to their plan.**

Fund performance

Expected market volatility

The top two reasons plan sponsors are looking to make changes to their investment line-up are fund performance (28%) and expected market volatility (27%).

When asked how they would add alternative assets in their plan,

1st a target date fund

was the top choice (39%).

DID YOU KNOW?

15%

The potential increase in their 401(k) savings balance participants could see over 40 years with thoughtfully integrated private assets in target date solutions.[1]

1 | BlackRock, The power of private markets: Unlocking the benefits of private assets in defined contribution plans, June 2025.

We've come a long way

but we're not done yet.

This year's findings reveal a striking confidence gap. While nearly two-thirds (64%) of workplace savers feel on track, only 38% of plan sponsors agree that the majority of their employees are truly prepared. That disconnect isn't just a data point — it's a wake-up call.

Plan sponsors have powerful tools at their fingertips: active management, private markets and guaranteed income solutions that meet savers where they are. The opportunity now is to turn concern into confidence — and potential into progress.

The next decade of retirement will be built through bold action, smarter design and a system that works harder. For everyone.

It's all of our work to lead the way.

Important notes

Investing involves risks, including possible loss of principal.

Asset allocation models and diversification do not promise any level of performance or guarantee against loss of principal. Investment in the funds is subject to the risks of the underlying funds. The principal value of the funds is not guaranteed at any time, including at and after the target date.

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