

BlackRock

Advisor outlook

2024 BlackRock

**Read on
Retirement**

Real people. Real insights.



Retirement. It's deeply personal. And nobody knows this better than the retirement plan advisors working first-hand with sponsors to understand and address the challenges faced by their savers.

That's why this year we surveyed over 300 advisors as part of our annual Read on Retirement[®] research to better understand the steps and solutions they're taking to enhance outcomes and grow their practice.

About the survey

The BlackRock Read on Retirement® survey provides insights from a research study of retirement plan advisors, large defined contribution plan sponsors, and savers in the U.S. executed by Escalent, Inc., an independent research company. All respondents were interviewed using an online survey fielded January 29-March 5, 2024.



305

Plan advisors

Retirement plan advisors had their own book of business with at least \$10 million in defined contribution assets under management.

453

Plan sponsors

Plans had at least \$300 million in assets, with 37% of respondents serving in benefits or HR roles, and the rest in finance, investment or business management for their organizations.

1,308

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 53% male and 47% female. 24% are Gen Z, 30% Millennials, 33% Gen X, and 13% working Boomers.

301

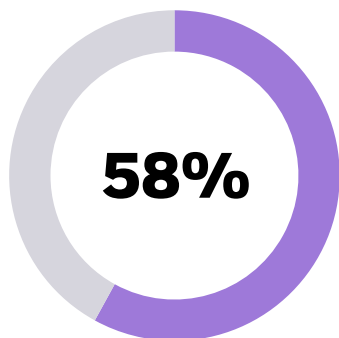
Retirees

Retirees were retired at least 10 years. Many previously enrolled in a 401(k) or 403(b) plan, and some have stayed in plan after retirement. 56% also had access to a defined benefit/pension plan through an employer.

Driving solutions

Leading the conversation

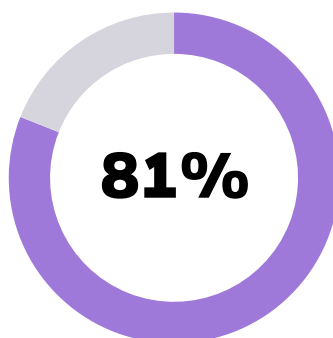
Retirement plan advisors rally around retirement income as a solution to help employees invest for the long-term.



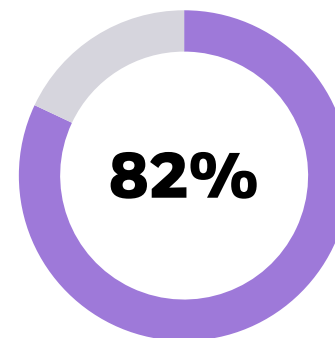
of plan sponsors believe participants are on track with their retirement savings



Down from 64% in 2023



of plan advisors report discussing retirement income with their defined contribution clients



currently recommend a retirement income solution or are likely to in the next 12 months

Navigating a new world

Adoption of retirement income solutions is growing, and retirement plan advisors are on the frontlines of educating clients and their participants.

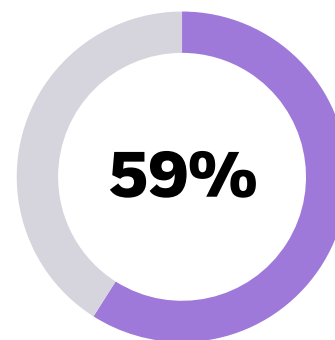
Top barriers to adoption cited by plan advisors:

#1

Communicating a clear benefit in terms of improved outcomes
(44%)

#2

Providing clear participant education and communication
(42%)

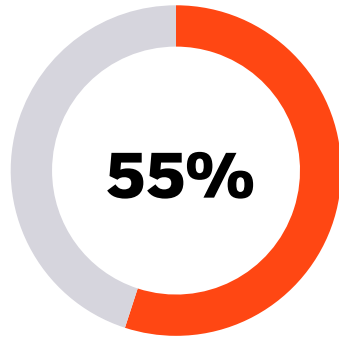


59% mention their defined contribution clients reach out to them for providing participant education and communication on retirement income

Active strategies

An underutilized tool

Plan advisors agree that active solutions provide a range of benefits amid changing market conditions, but lag their plan sponsor clients in conviction.



of plan advisors believe active managers can consistently outperform the market

short of the 79% of plan sponsors that believe the same

Top three most common ways plan advisors say active strategies add value:

Access to more investments (59%)

Protection against loss (47%)

Sector choices (44%)

Tried and tested

Retirement plan advisors aren't just recommending active solutions on a whim. Efficiency, diversification and manager expertise are in focus.

71%



of retirement plan advisors say that access to a cost-effective strategy is important when evaluating active solutions, the most commonly cited criteria

66%



mention diversification as the second most common criteria they evaluate when looking at active solutions

60%



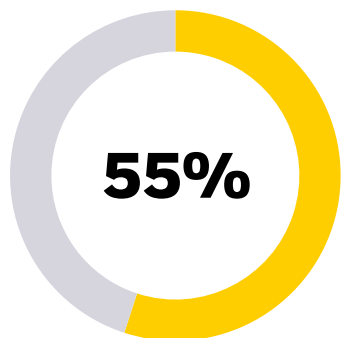
consider manager expertise as important to evaluate as part of diligence, rounding out the top three

Growing their practice

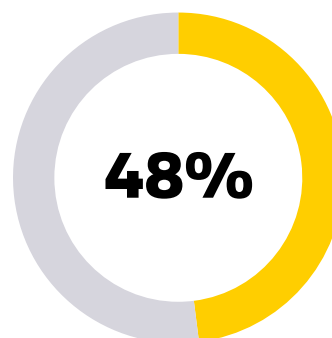
Practice management

Creating value for plan sponsor clients

Retirement plan advisors say meeting their clients' participant education needs is important to their growth.



55% mention they differentiate their practice through their expertise in meeting participant needs and education (including advice and retirement readiness)



48% are currently offering financial wellness plans for their clients

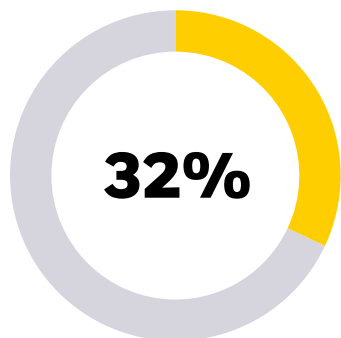
30% plan to add assistance with participant communications in the next year



Practice management

Tackling multitasking with tech

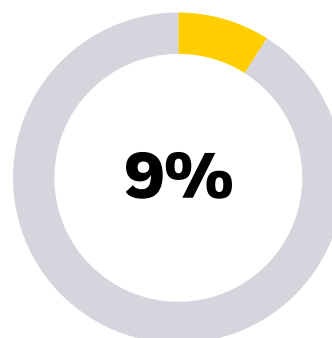
To streamline their practice, retirement plan advisors indicate more adoption of AI tools soon.



of time is spent on client servicing, the most time-intensive activity



Providing participant support follows as the second most time-intensive activity



report they are currently using AI-powered tools in their practice



53% say they are likely to use them in the next year

Important notes

Investing involves risk, including possible loss of principal.

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