



NEWS RELEASE

# New Schwab Data: Pandemic Reveals Demand for Virtual and Self-Serve 401(k) Education

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Workers prefer holistic personal finance help over plan-specific topics

WESTLAKE, Texas--(BUSINESS WIRE)-- New data from Schwab Retirement Plan Services reveals worker preferences in retirement education that can help employers more effectively support their employees' financial health in post-pandemic times.

Workers flocked to online retirement education in 2020 and were less likely to cancel attendance and more likely to choose on-demand sessions than in 2019. One third of all participants in Schwab's 2020 education sessions chose to view virtual material at a time of their choosing rather than attending live online sessions, representing a 207% increase in attendance at on-demand sessions compared to 2019.

The popularity of virtual sessions was clear even before the pandemic. "In 2019, we had three times higher attendance in virtual sessions than in-person on-site sessions, with the added flexibility for attendees to join the sessions either live online or later through an on-demand recording," said Nathan Voris, Senior Managing Director, Business Strategy at Schwab Workplace Financial Services. "And of course, those trends accelerated sharply in 2020 when the pandemic drove nearly all participant education into a virtual environment."

Employers see value in virtual education as well, with the versatile online approach greatly simplifying delivery to the workforce. "In-person sessions often require clients to set up multiple conference rooms and juggle peak workloads across different teams. The virtual environment eliminates those challenges, and all the time and effort that comes with them," Voris added. In another sign that employers benefited from the increased convenience of virtual sessions, meeting day cancellations and reschedules among Schwab plan sponsor clients declined 57% in



2020 compared with 2019.

“Even when more people begin returning to their workplaces, we believe many will continue to prefer accessing financial education at their desks, at home or on their mobile devices, whether for a scheduled live event or an on-demand session.”

Compared with 2019, the number of on-site meeting days in 2020 dropped almost 88% as a result of the pandemic, and attendance at virtual education sessions increased 53%. “On-site education meetings seem unlikely to return to pre-pandemic levels,” added Voris. “In 2020, we saw a significant acceleration in the trend towards virtual delivery but the number of employees making this choice has been growing since at least 2018.”

## Workers want holistic help

Workers have also increasingly shown they want information beyond plan-specific features. Last year Schwab saw a 54% increase in attendance for virtual sessions on holistic personal finance topics versus a 37% increase in attendance for virtual sessions on plan-specific topics compared to 2019.

In 2020 Schwab offered a variety of online content with practical approaches designed to improve workers’ financial know-how. These included live panel discussions on timely personal finance and investing questions; informal, 10-minute “coffee talks” on trending topics such as managing finances during uncertainty; and live, interactive webcasts with in-depth discussions on how to save, invest, and manage expenses. As part of the webcast series, Schwab added new workshops that addressed market volatility, and transitioned in-person, plan-specific learning to virtual sessions.

“It’s clear that the outlook for retirement education includes more focus on overall financial fitness and more options to let workers choose when and how they receive that education,” Voris said.

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