
The 2011 Consumer Financial Literacy Survey

Prepared For:

The National Foundation for Credit Counseling

Prepared By:

**Harris Interactive Inc.
Public Relations Research**

Survey Methodology

The 2011 Financial Literacy survey was conducted by telephone within the United States by Harris Interactive on behalf of the NFCC (National Foundation for Credit Counseling) between March 4 and March 7, 2011 among 1,010 adults ages 18+. Results were weighted for age, sex, geographic region, and race where necessary to align them with their actual proportions in the population.

All sample surveys and polls, whether or not they use probability sampling, are subject to multiple sources of error which are most often not possible to quantify or estimate, including sampling error, coverage error, error associated with nonresponse, error associated with question wording and response options, and post-survey weighting and adjustments. Therefore, Harris Interactive avoids the words “margin of error” as they are misleading. All that can be calculated are different possible sampling errors with different probabilities for pure, unweighted, random samples with 100% response rates. These are only theoretical because no published polls come close to this ideal.

Significance Testing

When results from sub-groups of a sample appear in the detailed tabulations, an indicator of statistically significant differences is added to the tables run on our standard demographic banners. Significance testing is done to the 95% confidence level, and the test is performed on percentages as well as mean values. Each sub-sample is assigned a letter. When the percentage of one sub-sample is significantly different from the percentage of another sub-sample, the letter representing one of the two samples appears next to the percentage (or mean) of the other sample.

For instance, the percentage of males answering yes to a particular question may be compared to the percentage of females answering yes to the same question. In the example below, the male sample is assigned the letter B, and the female sample is assigned the letter C. Here, respondents were asked whether a certain business practice is acceptable. 67% of women said that it was -- a proportion significantly greater than the 57% of males who believe that the practice is acceptable. To indicate that women are significantly more likely to find the practice acceptable than are men, the letter B -- the letter assigned to the male sub-sample -- appears next to the “67%” in the female column. Similarly, the 37% of men that find the practice unacceptable is significantly greater than the 29% of women who do so and, therefore, the letter C -- the letter assigned to the female sub-sample -- appears next to the “37%” in the male column.

	Total (A)	Sex	
		Male (B)	Fe- male (C)
Unweighted Total	977	488	489
Weighted Total	967	464	503
Acceptable	611 63%	274 57%	337 67%B
Not Acceptable	319 33%	171 37%C	148 29%
Don't Know	37 4%	18 4%	19 4%

Region Breaks in the Data Tables

The continental United States are divided into four (4) regions as follows:

Northeast: ME, NH, VT, MA, RI, CT, NY, NJ, PA

Midwest: OH, IN, IL, MI, WI, MN, IA, MO, ND, SD, NE, KS

South: DE, MD, DC, VA, WV, NC, SC, GA, FL, KY, TN, AL, MS, AR, LA, OK, TX

West: MT, ID, WY, CO, NM, AZ, UT, NV, WA, OR, CA

“Metro” vs. “Non-metro” breakdown is across all 4 regions as follows:

Metro: in center city of metropolitan area; outside center city, inside center city county; inside suburban county of metropolitan area; in metropolitan area with no center city

Non-metro: in non-metropolitan area

Posted Topline Data

Q1 (R1)	Total 2011 %	Total 2010 %	Total 2009 %	Total 2008 %	Total 2007 %
Which of the following best describes how you manage your money?	Base: Adults 18+				
	(n= 1,010)	(n= 2,028)	(n= 1,000)	(n= 1,001)	(n= 1,003)
	A	B	C	D	E
You have a budget and keep close track of how much you spend on such things as food, housing and entertainment	43	43 E	42	42	39
Don't have a budget (Net)	56	56	57	N/A	N/A
You have a somewhat good idea about how much you spend on such things as food, housing and entertainment, but you don't keep strict track of your spending on these things	34	37	39 A	35	36
You don't have a good idea how much you spend on such things as food, housing and entertainment, but you keep track of your overall spending and try to stay within certain limits that you've set for yourself	15 CD	14 C	11	12	15 CD
You don't have a good idea how much you spend on such things as food, housing and entertainment, and you often don't keep track of your overall spending	7 B	5	7 B	7 B	7 B
Don't know	1	1	1	2 B	2 B
Refused	*	*	*	2 ABC	1

Q2 (R2)	<u>Total 2011</u> %	<u>Total 2010</u> %	<u>Total 2009</u> %	<u>Total 2008</u> %
Which of the following best describes your financial situation?	Base: Adults 18+			
	(n= 1,010)	(n= 2,028)	(n= 1,000)	(n= 1,001)
	A	B	C	D
You pay all of your bills on time and have no debts in collection	68	69	70	69
Do not pay all bills on time (Net)	28	28	26	N/A
You sometimes miss a payment but have no debts in collection	14 CD	13 C	10	11
You struggle to pay your bills every month but have no debts in collection	8	9	10	9
You are getting calls from collectors and struggle to pay your bills every month	4	4	4	5
You are seriously considering filing for bankruptcy or have filed for bankruptcy in the past three years	2	2	2	2
I am not involved at all in any financial decisions including how money is spent in our household	1	2 AC	1	2
Don't know	2 B	1	1	2 B
Refused	1	1	1	1
Special Net: No debts in collection	89	91	91	N/A
Special Net: Debts in collection	7	6	6	N/A

Q3 (R2A)	<u>Total 2011</u> %
Which of the following, if any, are you currently concerned about when it comes to your financial situation? *	Base: Adults 18+ (n= 1,010)
Any (Net)	73
Not having enough retirement savings	48
Not having enough "rainy day" or emergency savings	45
Paying day-to-day living expenses such as groceries and utilities	28
Your total amount of debt	25
Losing your job	17
Being able to consistently pay your mortgage	16
Your poor credit rating	15
Receiving collection calls and letters	10
Continually missing debt payments	10
Something else	13
None of these	27
Don't know	-
Refused	*

*Multiple responses were allowed.

Q4 (R3)	<u>Total 2011</u> %	<u>Total 2010</u> %	<u>Total 2009</u> %	<u>Total 2008</u> %
Do you have any savings, excluding retirement savings?	Base: Adults 18+			
	(n= 1,010)	(n= 2,028)	(n= 1,000)	(n= 1,001)
	A	B	C	D
Yes	64	67 D	65	63
No	33	30	32	36 B
Don't know	1	1	*	*
Refused	2	2 D	2	1

Q5 (R5)	<u>Total 2011</u> %	<u>Total 2010</u> %	<u>Total 2009</u> %	<u>Total 2008</u> %
On average, what percentage of your household's income do you save every year for retirement?	Base: Adults 18+			
	(n= 1,010)	(n= 2,028)	(n= 1,000)	(n= 1,001)
	A	B	C	D
0% or nothing	32	33 D	33 D	28
Any (Net)	61 C	59	56	N/A
1% to 10%	35	35	34	33
11% to 20%	17	17	16	16
More than 20%	9 C	7	6	8
Already retired (VOL)	N/A	N/A	N/A	8
Don't know	4	5	8 AB	6 A
Refused	3	3	2	2

Q6 (R5A)	<u>Total 2011</u> %		
How do you plan to support yourself when you retire, or do you not plan on retiring?/How are you currently supporting yourself in retirement? *	Base: Adults 18+ (n= 1,010)	Base: Not retired (n= 665)	Base: Retired (n= 345)
Retired/Plan on Retiring (Net)	82	77	99
Social Security	55	49	80
Savings you've put away specifically for retirement	53	54	51
Your retirement plan at work	47	47	49
Your pension plan at work	40	37	51
Independent investments	37	37	35
A part-time job	34	41	8
An inheritance	13	15	6
Financial assistance from your family	10	11	5
Some other way	13	13	12
I do not plan on retiring (VOL)	16	20	-
Don't know	2	2	*
Refused	*	*	1

*Multiple responses were allowed.

Q7 (R6)	<u>Total 2011</u> %	<u>Total 2010</u> %	<u>Total 2009</u> %	<u>Total 2008</u> %
Do you currently have a home mortgage of any type?	Base: Adults 18+			
	(n= 1,010)	(n= 2,028)	(n= 1,000)	(n= 1,001)
	A	B	C	D
Yes	41	44	42	45
No	58	55	57	54
Paid off within the last 12 months (VOL)	N/A	N/A	N/A	1
Don't know	1	*	*	*
Refused	1	1	1	*

Q7 (R6)	Total 2011 %	Total 2010 %	Total 2009 %	Total 2008 %	Total 2007 %
Do you currently have a home mortgage of any type?	Base: Homeowners				
	(n= 782)	(n= 1,547)	(n= 753)	(n= 752)	(n= 753)
	A	B	C	D	E
Yes	58 DE	61 DE	59 DE	45	53 D
No	41	38	40	54 ABCE	46 ABC
Paid off within the last 12 months (VOL)	N/A	N/A	N/A	1	-
Don't know	*	*	*	*	*
Refused	1	*	1	*	1

Q8 (R7)	Total 2011 %	Total 2010 %	Total 2009 %
In which of the following ways, if any, did the terms of your mortgage turn out to be different than what you initially expected? *	Base: Have a home mortgage		
	(n= 443)	(n= 899)	(n=411)
	A	B	C
Any (Net)	29	33	28
The amount of your monthly payment	16	14	14
The interest rate	12	12	13
The new dollar amount of your mortgage after it reset	10	11	8
The private mortgage insurance, or PMI, that you had to pay in addition to your monthly mortgage payment	8	9	9
How long the initial rate lasted	8	9	10
Other	7 C	7 C	*
None of these	69	64	68
Don't know	1	2	3 A
Refused	1	1	*

*Multiple responses were allowed.

Q9 (R9)	<u>Total 2011</u> %	<u>Total 2010</u> %
Under what circumstances, if any, would you consider it justifiable for someone to default on a mortgage? *	Base: Adults 18+	
	(n= 1,010)	(n= 2,028)
	A	B
Any (Net)	82	80
The borrower was misled about the terms of the loan	54 B	49
The borrower could no longer afford the monthly payment	49	46
The lender would not work with the borrower to modify the mortgage	43	43
The emotional stress of trying to meet the payment each month is overwhelming	34 B	30
The property is now worth less than what is owed on it	29 B	23
The borrower needs to relocate	26	26
The property is not the borrower's primary residence	17	16
The property is an investment property only	16	14
Other	24 B	18
None	16	15
Don't know	2	4 A
Refused	*	1

* Multiple responses were allowed.

Q10 (R10)	<u>Total 2011</u> %	<u>Total 2010</u> %	<u>Total 2009</u> %	<u>Total 2008</u> %
Have you ordered a copy of your credit report in the past 12 months?	Base: Adults 18+			
	(n= 1,010)	(n= 2,028)	(n= 1,000)	(n= 1,001)
	A	B	C	D
Yes	34	34	34	37
No	65	65	64	62
Don't know	*	1	1	1
Refused	*	*	1	*

Q11 (R10A)	<u>Total 2011</u> %
Why haven't you ordered a copy of your credit report in the past 12 months? *	Base: Have not ordered a copy of credit report in past 12 months (n= 634)
Any (Net)	90
Didn't think it would be useful to you	43
Don't plan to apply for any new credit or loans	43
Reviewed your credit report more than 12 months ago	35
Don't think you have any credit history to review	22
Didn't know you could get it for free	18
Didn't know how to order a copy of your credit report	17
Didn't know you could order a copy of your credit report	16
Didn't think you would understand the contents of the credit report	14
Don't know what a credit report is	14
Some other reason	17
None of these	8
Don't know	2
Refused	*

**Multiple responses were allowed.*

Q12 (R10B)	<u>Total 2011</u> %
Have you ordered or received your credit score in the past 12 months?	Base: Adults 18+ (n= 1,010)
Yes	37
No	63
Don't know	*
Refused	*

Q13 (R12)	<u>Total 2011</u> %	<u>Total 2010</u> %	<u>Total 2009</u> %
Roughly how much credit card debt, if any, does your household carry from month to month?	Base: Adults 18+		
	(n= 1,010)	(n= 2,028)	(n= 1,000)
	A	B	C
Any (Net)	40	41	44
Less than \$2,500 (Subnet)	28	25	28
\$1 to \$499	14 C	13	11
\$500 to \$999	6	5	7 B
\$1,000 to \$2,499	8	8	10
\$2,500 or more (Subnet)	12	16 A	16 A
\$2,500 to \$4,999	4	5	5
\$5,000 to \$9,999	3	5 A	5 A
\$10,000 or more	4	5	6 A
None	50	48	46
Don't know	5	7 A	6
Refused	6 BC	4	4

Q14 (R13)	<u>Total 2011</u> %	<u>Total 2010</u> %	<u>Total 2009</u> %
In the last 12 months, have you...? *	Base: Adults 18+		
	(n= 1,010)	(n= 2,028)	(n= 1,000)
	A	B	C
Any (Net)	30	40 A	40 A
Cancelled a credit card	12	17 A	15 A
Been late making a credit card payment	9	12 A	15 AB
Applied for a new credit card	10	12	11
Missed a credit card payment	5	8 A	8 A
Transferred the balance from one credit card to another	5	6	7
Been rejected for a new credit card	4	5	6 A
Made a payment that was less than the minimum payment required	4	5	7 AB
Obtained a cash advance from your credit card company	4	4	4
Consolidated your credit card debt into a personal bill consolidation loan	2	2	2
None of these	69 BC	59	58
Don't know	*	*	*
Refused	1	1	1

* Multiple responses were allowed.

Q15 (R13A)	<u>Total 2011</u> %
Which of the following financial services, if any, have you used within the past 12 months? *	Base: Adults 18+ (n= 1,010)
Any (Net)	24
Overdraft protection on your checking account	17
Check cashing facilities	7
Rent-to-own outlets	4
Pawn shops	3
"Easy loan" companies	2
Payday loans	2
Car title loan companies	1
"Tote-the-note" vehicle dealerships	1
None of these	75
Don't know	*
Refused	*

**Multiple responses were allowed.*

Q16 (R13B)	<u>Total 2011</u> %
Why did you rely on these services? *	Base: Used any listed financial services in past 12 months (n= 195)
Any (Net)	96
These services are quick and convenient for you	77
You trust the businesses you used because you have an ongoing relationship with them	71
You have credit cards, but chose not to use them	42
You don't have credit cards	33
You felt that these services were your only option	29
Your friends and family recommended these services	23
Couldn't get a loan (Sub-Net)	18
You tried, but could not get a loan through a bank or credit union	15
You did not try to get a loan from a bank or credit union because you have previously been turned down	10
You do not have a checking or savings account with a bank or credit union	15
You have credit cards, but have used up your available credit limit	7
Some other reason	22
None of these	4
Don't know	*
Refused	-

**Multiple responses were allowed.*

Q17 (R14)	<u>Total 2011</u> %	<u>Total 2010</u> %	<u>Total 2009</u> %
Compared to one year ago, how has the current economic climate affected your spending? Are you now spending...?	Base: Adults 18+		
	(n= 1,010)	(n= 2,028)	(n= 1,000)
	A	B	C
More (Net)	26 BC	18	18
A lot more than last year	9	8	7
A little more than last year	17 BC	10	10
The same as last year	31 C	31 C	24
Less (Net)	42	51 A	57 AB
A little less than last year	23	28 A	30 A
A lot less than last year	19	23 A	27 AB
Don't know	1	1	*
Refused	*	*	1

Q18 (R15)	<u>Total 2011</u> %	<u>Total 2010</u> %	<u>Total 2009</u> %
If your financial situation were to improve within the next year, would you be more likely to...?	Base: Adults 18+ who are now spending less than last year because of the current economic climate		
	(n= 420)	(n= 1,022)	(n= 571)
	A	B	C
Continue spending less	45	49	52 A
Resume spending as much as last year	25	27	45 AB
Spend more than you did last year	28 B	21	N/A
Don't know	2	2	3
Refused	*	*	*

Q19 (R16)	<u>Total 2011</u> %	<u>Total 2010</u> %	<u>Total 2009</u> %
Compared to one year ago, how has the current economic climate affected your saving habits? Are you now saving...?	Base: Adults 18+		
	(n= 1,010)	(n= 2,028)	(n= 1,000)
	A	B	C
More (Net)	22	24	23
A lot more than last year	7	8	9
A little more than last year	14	17 A	15
The same as last year	41	38	39
Less (Net)	36	36	35
A little less than last year	19 C	18 C	15
A lot less than last year	18	17	20 B
Don't know	1	1	1
Refused	*	1	2 AB

Q20 (R17)	<u>Total 2011</u> %
If your financial situation were to improve within the next year, would you be more likely to...?	Base: Adults 18+ who are now saving more than last year because of the current economic climate (n= 203)
Continue to save more	79
Resume saving as much as last year	17
Save less than you did last year	4
Don't know	1
Refused	*

Q21 (R18)	<u>Total 2011</u> %	<u>Total 2010</u> %
Compared to how you used to pay for most purchases one year ago, which of the following statements best describes how you pay for most purchases now?	Base: Adults 18+	
	(n= 1,010)	(n= 2,028)
	A	B
Pay with credit (Net)	21	24
You pay for most purchases with a credit card, as you did in the past	17	18
You pay for most purchases with a credit card, but you used to pay for most purchases with cash or a debit card	4	6 A
Pay with cash/debit (Net)	68	67
You pay for most purchases with cash or a debit card, but you used to pay for most purchases with a credit card	8	13 A
You pay for most purchases with cash or a debit card, as you did in the past	59 B	54
Other	10 B	7
Don't know	*	1
Refused	1	1

Q22 (R19)	<u>Total 2011</u> %	<u>Total 2010</u> %
You mentioned that you pay for most purchases with cash or a debit card. Why? Is it because...? *	Base: Adults 18+ who pay for most purchases with cash or a debit card	
	(n= 624)	(n= 1,276)
	A	B
You want to avoid paying high interest rates on your purchases	69	72
You do not want to do business with credit card issuers	43	43
You tend to overspend when using credit cards	23	23
You elected to close your accounts	18	19
You no longer have access to additional credit	9	8
Your credit card issuers have closed your accounts	8	6
Other	26	22
Don't know	3	2
Refused	1	1

* Multiple responses were allowed.

Q23 (R20)	<u>Total 2011</u> %	<u>Total 2010</u> %	<u>Total 2009</u> %	<u>Total 2008</u> %
Thinking now about what you have learned about personal finance, where do you think that you learned the most?	Base: Adults 18+			
	(n= 1,010)	(n= 2,028)	(n= 1,000)	(n= 1,001)
	A	B	C	D
Any (Net)	84	86	86	N/A
From your parents or at home	42 C	41 C	37	40
From school	9 B	6	9 B	7
From self-help books or media	8	15 AD	15 AD	9
From a financial professional	8	8	12 AB	10
At work	7 BC	5	4	6 C
From friends	6	6	6	5
From the Internet	4	4	4	N/A
Spouse or partner (VOL)	N/A	N/A	N/A	2
Learned on own/myself (VOL)	N/A	N/A	N/A	15
None of these	15 C	13	12	N/A
Don't know	1	1	1	4
Refused	*	*	1	2

Q24 (R21)	<u>Total 2011</u> %	<u>Total 2010</u> %	<u>Total 2009</u> %
On a scale from A to F, what grade would you give yourself in terms of your knowledge about personal finance?	Base: Adults 18+		
	(n= 1,010)	(n= 2,028)	(n= 1,000)
	A	B	C
A/B (Net)	57	65 AC	58
A	21	22 C	18
B	37	42 A	40
C	30 B	26	29
D/F (Net)	11 B	8	12 B
D	7	7	9
F	5 BC	2	3
Don't know	1	1	1
Refused	*	*	1

Q25 (R21A)	<u>Total 2011</u> %
If you were having financial problems related to debt, which of the following, if any, would you turn to for help first?	Base: Adults 18+ (n= 1,010)
Any (Net)	92
Your friends and family	24
A financial professional such as a Certified Public Accountant (CPA) or financial planner	18
A do-it-yourself tool to help you pay down debt yourself	15
The lender or credit card company to see what solutions they could offer	8
The lender or credit card company specifically about settling the debt for less than the balance owed	7
A professional non-profit credit counseling agency	7
A debt settlement company to settle the debt for less than the balance owed	3
A bankruptcy attorney	2
Some other person or place	10
None of these	5
Don't know	2
Refused	*

Q26 (R22)	<u>Total 2011</u> %	<u>Total 2010</u> %	<u>Total 2009</u> %
How strongly do you agree or disagree with the following statement?	Base: Adults 18+		
<i>Considering what you already know about personal finance, you could still benefit from some advice and answers to everyday financial questions from a professional.</i>	(n= 1,010)	(n= 2,028)	(n= 1,000)
	A	B	C
Agree (Net)	76	78	80 A
Strongly agree	28	31	35 AB
Somewhat agree	48	46	45
Disagree (Net)	23 C	21	19
Somewhat disagree	12	10	10
Strongly disagree	11 C	12 C	8
Don't know	1	1	1
Refused	*	*	*

Q27 (R23)	<u>Total 2011</u> %	<u>Total 2010</u> %	<u>Total 2009</u> %	<u>Total 2008</u> %	<u>Total 2007</u> %
How familiar, if at all, are you with the National Foundation for Credit Counseling, also known as NFCC?	Base: Adults 18+				
	(n= 1,010)	(n= 2,028)	(n= 1,000)	(n= 1,001)	(n= 1,003)
	A	B	C	D	E
Familiar (Net)	15	18 A	17	N/A	N/A
Very familiar	2	2	2	2	3
Somewhat familiar	13	16 AE	15 E	15 E	12
Not familiar (Net)	85 B	82	82	N/A	N/A
Not too familiar	20 DE	20 DE	22 DE	14	16
Not familiar at all	65 C	62	60	65 C	68 BC
Don't know	-	*	*	2	2
Refused	*	*	*	1	*