



BPD New Product Quantitative Survey – General Savings and Retirement Products
DRAFT
October 13, 2011

Objective

Identify consumer interest in a new general savings product and a new retirement savings product and determine most desirable options for the products including length of maturity and liquidity options.

Method

This study will be conducted online using the Research Now panel. A total of 2000 interviews will be completed in the US among adults age 21-55 working at least one full or part time job or who are self-employed. The survey instrument will be about 15 minutes in length.

Survey Outline

- **Section A- Screener:** This section is designed to identify the appropriate individuals to include in the study. Key demographic characteristics for monitoring quotas are also included here.
- **Section B- Savings products and habits:** This section is meant to provide context for the focus on the new products. Important sub-groups will be defined by past savings behavior and by prior access to saving programs.
- **Section C- Assessment of new product concepts:** This portion of the survey instrument collects measures of interest in the general savings and the retirement savings products. Any given respondent will assess only one of the two (either general savings or retirement) in order to capture detailed information on that product. We expect to have two variants of the savings product concept and two versions of the retirement savings product concept. Each respondent will view only one of these versions.
- **Section D- Assessment of concepts relative to competitive savings and retirement options:** This section will provide an external comparison designed to assist in the development of an uptake estimate.
- **Section E- Employer details** This section has detail on payroll, company size, type of position as well as interest/intent in 401(k) programs that will be used to identify and analyze subgroups.

make sense.

SECTION A: SCREENER

INTRO LANGUAGE: *Welcome to our survey. We greatly appreciate your willingness to provide your time and honest feedback to our questions. First we'd like to ask you a few questions just for classification purposes.*

1. What is your age?

DROP DOWN MENU, **TERMINATE IF LESS THAN 21 OR OVER AGE 55**

2. What is your gender?

- a. Male
- b. Female

3. In which state do you reside? _____ (drop down a list of states)
(MUST RESIDE IN THE US TO CONTINUE)

4. Are you of Hispanic or Latino origin?

- a. Yes
- b. No

5. Which of the following describe your race? (Select all that apply.)

- a. American Indian or Alaska Native
- b. Asian
- c. Black or African American
- d. Native Hawaiian or other Pacific Islander
- e. White

6. What is the highest level of education you completed or the highest degree you received?

- a. Less than high school
- b. Completed some high school
- c. High school graduate or equivalent (e.g., GED)
- d. Completed some college, but no degree
- e. Associate's degree
- f. College graduate (Bachelor's degree)
- g. Completed some graduate school, but no degree
- h. Completed graduate school (e.g., M.S., M.D., Ph.D.)

6a. What is your marital status?

- a. Married
- b. Living with partner
- c. Single, never married
- d. Divorced
- e. Widowed

6b. Please indicate whether you have any children in the following age groups. (Select all that apply.)

- a. Under 6 years old

- b. 6 to 12 years old
- c. 13 to 17 years old
- d. 18 and over
- e. No children (if selected A to D cannot be selected)

7. What was your total household income for 2010 (before taxes)?

- a. Under \$15,000
- b. \$15,000 to \$29,999
- c. \$30,000 to \$39,999
- d. \$40,000 to \$49,999
- e. \$50,000 to \$59,999
- f. \$60,000 to \$74,999
- g. \$75,000 to \$99,999
- h. 100,000 to \$149,999
- i. \$150,000 to \$199,999
- j. \$200,000 or more
- k. Don't know / Prefer not to say

8. Which one of the following best describes your current employment status?

- a. Employed full time
- b. Employed part time
- c. Self-employed
- d. Not employed, but looking for work **[TERMINATE]**
- e. Not employed, and not looking for work **[TERMINATE]**
- f. Retired **[TERMINATE]**

9. Which of the following best describes how financial decisions are made in your household?

- a. I make all the financial decisions alone.
- b. I am involved equally in financial decisions with my spouse/partner.
- c. I am slightly involved in the financial decisions in my household.
- d. I am not involved in the financial decisions in my household. **[TERMINATE]**

SECTION B: SAVINGS PRODUCTS AND HABITS

INTRO LANGUAGE: We are now interested in learning about some of your saving and investment activities.

10. For each of the following financial products, please indicate whether you personally have one now, had in the past or never had. (DO NOT RANDOMIZE)

HORIZONTAL SCALE:

- 1. Have now
- 2. Had in the past but don't have now
- 3. Never had
- 4. Don't know

- a. Bank checking account
- b. Bank savings account
- c. Money market account or certificate of deposit (CD)
- d. Mutual funds
- e. Fixed or variable annuities
- f. Employer sponsored retirement account (401(k) or similar)
- g. Non-employer sponsored retirement account (IRA, Roth IRA or similar)
- h. Stocks or bonds of individual companies
- i. Municipal bonds or municipal bond funds
- j. College savings or tuition plan (529 or similar)
- k. Paper U.S. Savings Bonds
- l. Electronic U.S. Savings Bonds
- m. Treasury bills (T-bills), notes, bonds, or TIPS (Treasury Inflation-Protected Securities)
- n. None of these (if selected, a-m cannot be selected)

[IF “DON’T KNOW” IS SELECTED FOR EVERY PRODUCT, TERMINATE]

IF SELECTED HAD IN THE PAST, NEVER HAD, OR DON’T KNOW IN Q10, ASK:

11. Please indicate whether you plan to obtain each of the following in the next year, the next two to five years, more than five years in the future or never.

HORIZONTAL SCALE

- 1. Next year
- 2. Next two to five years
- 3. More than five years in future
- 4. Never
- 5. Don’t know

- a. Employer-sponsored 401(k) savings plan or similar payroll deduction savings plan
- b. Non-employer sponsored retirement account (IRA, Roth IRA or similar)
- c. Paper U.S. Savings Bonds
- d. Electronic U.S. Savings Bonds
- e. Treasury bills (T-bills), notes, bonds or TIPS (Treasury Inflation-Protected Securities)
- f. Money market account or certificate of deposit (CD)

12. How familiar are you with Roth IRAs?

- a. Very familiar
- b. Somewhat familiar
- c. Not familiar at all

13. What percent of your total income do you set aside for savings on a regular basis (in any type of savings vehicle)?

- a) ENTER NUMBER FROM 0 TO 100% or Don’t know

SKIP Q14 IF “Don’t Know” in Q13

Q14 INTRO: Many people save their money with certain objectives in mind. Some of these are short-term objectives (vacations, appliances, furniture, etc.) and some are long-term objectives (retirement, college savings, etc.).

14. You said you set (INSERT ANSWER FROM Q14)% of your income aside for savings on a regular basis. If you had to separate this into short-term versus long-term savings, how would you divide this savings?
- short-term savings = X%
 - long-term savings = X%
 - Don't know

TOTAL=(% FROM Q13)

PROGRAMMER: MUST ADD TO TOTAL FROM Q13; DISPLAY ERROR MESSAGE IF NOT EQUAL TO % FROM Q13

15. Thinking of all the savings and investments you have, including retirement savings in a 401(k), 403B or similar employer sponsored retirement account, what would you estimate as the total amount of your household savings? Please do not include the value of your home in this estimate.
- No savings at all
 - Less than \$1,000
 - \$1,000 to less than \$5,000
 - \$5,000 to less than \$10,000
 - \$10,000 to less than \$25,000
 - \$25,000 to less than \$100,000
 - \$100,000 to less than \$200,000
 - \$200,000 or more
 - Don't know / Prefer not to say

SECTION C: ASSESSMENT OF NEW PRODUCT CONCEPTS

[HALF OF THE SAMPLE (RANDOMLY SELECTED) WILL ANSWER Q16-25a ON THE TREASURY RETIREMENT SAVINGS PLAN AND THE OTHER HALF WILL ANSWER Q26-38a ON THE TREASURY GENERAL SAVINGS PLAN. THERE WILL BE TWO CONCEPT VERSIONS WITHIN EACH PLAN TYPE BUT RESPONDENTS WILL ONLY RATE ONE VERSION]

INTRO LANGUAGE: Please read through this description of a new retirement savings plan the U.S. Treasury may offer.

(INSERT RETIREMENT SAVINGS PLAN CONCEPT DESCRIPTION; CONCEPT VERSIONS A/B TO BE ROTATED)

16. Based on this description, how likely would you be to invest in the Treasury retirement savings plan in the next two years?
- Very unlikely to invest
 - Somewhat unlikely to invest
 - Somewhat likely to invest
 - Very likely to invest
 - Don't know

17. **If Q16=a or b ASK Q17a:** What is the main reason you would not invest in the plan?

If Q16=c or d, ASK Q17b: What is the main reason you would invest in the plan? _____

18. Overall, how appealing is this plan?

Not at all appealing 1	2	3	4	Extremely appealing 5
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19. How different is this plan compared to other retirement savings plans?

Not at all different 1	2	3	4	Extremely different 5
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20. Now, please consider the specific features of this Treasury retirement savings plan. Please rate each of the individual components listed below in terms of how appealing each is to you.

Not at all appealing 1	2	3	4	Extremely appealing 5
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- a. The plan is offered through the U.S. Treasury.
- b. You manage the plan electronically like an online bank account.
- c. You pay no fees.
- d. You can begin with as little as \$25.
- e. You can contribute automatically each payday—from one or more employers.
- f. If you change jobs, your plan goes with you.
- g. You will earn the same interest rate federal employees earn in their retirement plans.
- h. You can contribute to your child's plan if he or she is employed.
- i. You can participate if you're a single person with annual income less than \$122,000, or a married couple with annual income less than \$179,000.
- j. You can contribute as much as \$5,000 each year if you're 50 or younger, or \$6,000 each year if you're over 50.
- k. You can withdraw your contributions (not the interest) at any time with no cost.
- l. Interest you earn is tax-free unless you withdraw it before age 59 1/2.

21. Did you find the anything about this plan confusing or difficult to understand?

- a. Yes
- b. No

IF YES IN Q21, ASK 21a

21a. Please select the items you found confusing or difficult to understand from the list below.

- a. The plan is offered through the U.S. Treasury.
- b. You manage the plan electronically like an online bank account.
- c. You pay no fees.
- d. You can begin with as little as \$25.

- e. You can contribute automatically each payday—from one or more employers.
- f. If you change jobs, your plan goes with you.
- g. You will earn the same interest rate federal employees earn in their retirement plans.
- h. You can contribute to your child's plan if he or she is employed.
- i. You can participate if you're a single person with annual income less than \$122,000, or a married couple with annual income less than \$179,000.
- j. You can contribute as much as \$5,000 each year if you're 50 or younger, or \$6,000 each year if you're over 50.
- k. You can withdraw your contributions (not the interest) at any time with no cost.
- l. Interest you earn is tax-free unless you withdraw it before age 59 1/2.

22. Now, please rate each of the individual components of this plan on a 1-5 scale in terms of how important each is when considering whether this plan is right for you.

Not at all important in considering whether plan is right for me 1	2	3	4	Extremely important when considering whether plan is right for me 5
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- a. The plan is offered through the U.S. Treasury.
- b. You manage the plan electronically like an online bank account.
- c. You pay no fees.
- d. You can begin with as little as \$25.
- e. You can contribute automatically each payday—from one or more employers.
- f. If you change jobs, your plan goes with you.
- g. You will earn the same interest rate federal employees earn in their retirement plans.
- h. You can contribute to your child's plan if he or she is employed.
- i. You can participate if you're a single person with annual income less than \$122,000, or a married couple with annual income less than \$179,000.
- j. You can contribute as much as \$5,000 each year if you're 50 or younger, or \$6,000 each year if you're over 50.
- k. You can withdraw your contributions (not the interest) at any time with no cost.
- l. Interest you earn is tax-free unless you withdraw it before age 59 1/2.

IF <2 ITEMS ARE RATED A "4" OR "5" IN Q22, SKIP TO Q24

23. Which ONE of these features is most important in deciding whether the plan is right for you?
LIST ALL FEATURES RATED A "4" or "5" in Q22

IF <2 ITEMS LEFT SKIP TO Q24

23a. Which feature is the NEXT most important in deciding whether the plan is right for you?
LIST ITEMS FROM Q23 EXCEPT ITEM CHOSEN AS MOST IMPORTANT

IF Q16=a/b/e, SKIP TO Q39, IF Q16=c or d, ASK Q24:

24. Assuming this Treasury retirement savings plan is offered, how do you see yourself using this plan?
[ROTATE OPTIONS "a" AND "b"]
- a. As a primary retirement savings plan [CANNOT SELECT "b" IF SELECT "a"]
 - b. As a supplemental retirement savings plan [CANNOT SELECT "a" IF SELECT "b"]

- c. As a retirement savings plan for my employed child
- d. I don't see myself using this plan [EXCLUSIVE, **SKIP TO Q39**]

25. Starting off, how much would you contribute to the plan each pay period?
 ENTER ANY WHOLE DOLLAR AMOUNT FROM \$5 TO \$500

\$ _____

OFFER OPTION: Don't know

FOR ALL ENTERING \$ AMOUNT IN Q25, ASK Q25a:

25a. Is your pay period...(SELECT ONE)

- a. Each week
- b. Every 2 weeks
- c. Twice a month
- d. Monthly

THOSE ANSWERING THE RETIREMENT PLAN QUESTIONS (16-25a) NOW SKIP TO Q39

TREASURY GENERAL SAVINGS PLAN:

INTRO LANGUAGE: Please read through this description of a new general savings plan the U.S. Treasury may offer.

(INSERT TREASURY GENERAL SAVINGS PLAN CONCEPT DESCRIPTION; CONCEPT VERSIONS A/B TO BE ROTATED)

26. Based on this description, how likely would you be to invest in the Treasury general savings plan in the next two years?

- a. Very unlikely to invest
- b. Somewhat unlikely to invest
- c. Somewhat likely to invest
- d. Very likely to invest
- e. Don't know

27. **If Q26=a or b ASK Q27a:** What is the main reason you would not invest in the plan?

If Q26=c or d, ASK Q27b: What is the main reason you would invest in the plan? _____

28. Overall, how appealing is this plan?

Not at all appealing 1	2	3	4	Extremely appealing 5
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29. How different is this plan compared to other savings plans?

Not at all different 1	2	3	4	Extremely different 5
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30. Now, please consider the specific features of this Treasury general savings plan. Please rate each of the individual components listed below in terms of how appealing each is to you.

Not at all appealing 1	2	3	4	Extremely appealing 5
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- a. You manage the plan electronically like an online bank account.
- b. You pay no fees.
- c. You can begin with as little as \$25.
- d. You can contribute automatically each payday—from \$5 to \$500 per month.
- e. Each calendar year, all of your contributions are invested in a Treasury savings product/security that earns interest for ten years.
- f. You can make withdrawals during the 10-year life of the security, but doing so will reduce the interest you earn. The number of early withdrawals you can make will be limited.

31. Did you find the anything about this plan confusing or difficult to understand?

- a. Yes
- b. No

IF YES IN Q21, ASK 21a

21a. Please select the items you found confusing or difficult to understand from the list below.

- a. You manage the plan electronically like an online bank account.
- b. You pay no fees.
- c. You can begin with as little as \$25.
- d. You can contribute automatically each payday—from \$5 to \$500 per month.
- e. Each calendar year, all of your contributions are invested in a Treasury savings product/security that earns interest for ten years.
- f. You can make withdrawals during the 10-year life of the security, but doing so will reduce the interest you earn. The number of early withdrawals you can make will be limited.

32. Now, please rate each of the individual components of this plan on a 1-5 scale in terms of how important each is when considering whether this plan is right for you.

Not at all important in considering whether plan is right for me	2	3	4	Extremely important when considering whether plan is right for me
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1				5
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- a. You manage the plan electronically like an online bank account.
- b. You pay no fees.
- c. You can begin with as little as \$25.
- d. You can contribute automatically each payday—from \$5 to \$500 per month.
- e. Each calendar year, all of your contributions are invested in a Treasury savings product/security that earns interest for ten years.
- f. You can make withdrawals during the 10-year life of the security, but doing so will reduce the interest you earn. The number of early withdrawals you can make will be limited.

IF <2 ITEMS ARE RATED A “4” OR “5”, SKIP TO INTRO FOR Q34

33. Which ONE of these features is most important in deciding whether the plan is right for you?
LIST FEATURES RATED “4” OR “5” in Q32

IF <2 ITEMS LEFT SKIP TO INTRO FOR Q34

33a. Which feature is the NEXT most important in deciding whether the plan is right for you?
LIST ITEMS FROM IN Q33 EXCEPT ITEM CHOSEN AS MOST IMPORTANT

Q34-36 INTRO: The next three questions present other options the U.S. Treasury is considering for the new Treasury general savings plan. Please look at these and indicate how appealing these options are to you.

34. The U.S. Treasury is considering similar savings plans with different terms for growing your savings. ("Term" refers to the full length of time your Treasury savings product/security earns interest.) Please look at these alternatives and tell us which is MOST APPEALING and which is LEAST APPEALING to you.
- a. **10-year product/security:** A long term investment. Earns a higher interest rate than a 5-year or 2-year security.
 - b. **5-year product/security:** A medium term investment. Earns a higher interest rate than a 2-year security and a lower rate than a 10-year security.
 - c. **2-year product/security:** A short term investment. Earns a lower interest rate than a 10-year or 5-year security.

35. When your Treasury savings product/security reaches the end of its term, there are several ways your money (contributions plus interest) can be distributed. Please look at three alternatives and tell us which is MOST APPEALING and which is LEAST APPEALING to you.

- a. Your money stays in your plan (but no longer earns interest) until you withdraw it.
- b. Your money is automatically transferred to your bank account.
- c. Your money is automatically reinvested in a new Treasury savings security.

36. People sometimes need to use savings to meet planned or emergency expenses. While early withdrawals reduce the interest earned in a Treasury general savings plan, there are various options for flexible withdrawals that could be offered. Please look at three alternatives and tell us which is MOST APPEALING and which is LEAST APPEALING to you.

- a. **Unlimited Withdrawals Allowed:** Each of your early withdrawals will be subject to a penalty—a loss of 1 to 3 months interest, for example.
- b. **Unlimited Withdrawals Allowed:** You'll earn a slightly lower rate of interest; however, you'll receive a bonus payment at maturity—the less money you withdraw, the bigger your bonus.
- c. **Single Withdrawal Allowed:** There is no interest penalty on a single early withdrawal.

IF Q26=a/b/e, SKIP TO Q41, IF Q26=c or d, ASK Q37:

Assuming this Treasury general savings program is offered...

37. How would you see yourself using this program?

- a. As a supplement to other savings accounts you already have
- b. As an alternative or replacement for another savings account
- c. Do not see myself using this program in any way [EXCLUSIVE, SKIP TO Q41]

37a. What would you expect to save with this account ? [RANDOMIZE a-e]

- a. Emergency or "rainy day" funds
- b. Saving for education
- c. Saving for retirement
- d. Saving for a down payment on a home
- e. Saving for a car
- f. Other (SPECIFY _____)

38. Starting off, how much would you contribute to the plan each pay period?

ENTER ANY WHOLE DOLLAR AMOUNT FROM \$5 TO \$500

\$ _____

OFFER OPTION: Don't know

FOR ALL ENTERING \$ AMOUNT IN Q38, ASK 38a:

38a. Is your pay period...(SELECT ONE)

- a. Each week
- b. Every 2 weeks
- c. Twice a month
- d. Monthly

THOSE ANSWERING THE TREASURY GENERAL SAVINGS PLAN QUESTIONS (Q26-38a) NOW SKIP TO Q41

SECTION D: ASSESSMENT OF CONCEPTS RELATIVE TO COMPETITIVE SAVINGS AND RETIREMENT OPTIONS

ASK Q39/40 ONLY AMONG THOSE WHO ASSESSED THE TREASURY RETIREMENT SAVINGS PLAN - (ROTATE ORDER OF Q39/40)

Q.39-40 Intro: Now, please compare this potential Treasury retirement savings plan to other retirement plans and let us know if you are MORE interested, EQUALLY interested, or LESS interested.

39. When compared to an **employer sponsored retirement account [401(k) or similar]**, I am...

- a. More interested in Treasury's retirement savings plan
- b. Equally interested in Treasury's retirement savings plan
- c. Less interested in Treasury's retirement savings plan
- d. Unable to compare **[SKIP TO Q40]**

39a. What is the main reason you are [INSERT Q39 = a, b, or c RESPONSE]?

40. When compared to an **non-employer sponsored retirement account (IRA or similar)**, I am...

- a. More interested in Treasury's retirement savings plan
- b. Equally interested in Treasury's retirement savings plan
- c. Less interested in Treasury's retirement savings plan
- d. Unable to compare **[SKIP TO [Q41-Q45](#)]**

40a. What is the main reason you are [INSERT Q40 = a, b, or c RESPONSE]?

ASK Q41/42/43/44 ONLY AMONG THOSE WHO ASSESSED THE TREASURY GENERAL SAVINGS PLAN (ROTATE ORDER OF Q41/42/43/44)

Q.41-44 Intro: Now, please compare this potential Treasury general savings plan to other savings plans and let us know if you are MORE interested, EQUALLY interested, or LESS interested.

41. When compared to a **bank savings account**, I am...

- a. More interested in Treasury's general savings plan
- b. Equally interested in Treasury's general savings plan
- c. Less interested in Treasury's general savings plan
- d. Unable to compare **[SKIP TO Q42]**

41a. What is the main reason you are [INSERT Q41 = a, b, or c RESPONSE]?

42. When compared to a **money market account or certificate of deposit (CD)**, I am...

- a. More interested in Treasury's general savings plan
- b. Equally interested in Treasury's general savings plan
- c. Less interested in Treasury's general savings plan
- d. Unable to compare **[SKIP TO Q43]**

42a. What is the main reason you are [INSERT Q42 = a, b, or c RESPONSE]?

43. When compared to a **U.S. Savings Bond**, I am...

- a. More interested in Treasury's general savings plan
- b. Equally interested in Treasury's general savings plan
- c. Less interested in Treasury's general savings plan
- d. Unable to compare **[SKIP TO Q44]**

43a. What is the main reason you are [INSERT Q43 = a, b, or c RESPONSE]?

44. When compared to a **mutual fund**, I am...

- a. More interested in Treasury's general savings plan
- b. Equally interested in Treasury's general savings plan
- c. Less interested in Treasury's general savings plan
- d. Unable to compare **[SKIP TO Q45]**

44a. What is the main reason you are [INSERT Q44 = a, b, or c RESPONSE]?

SECTION E: EMPLOYER DETAILS

INTRODUCTION: We have several questions about your line of work we would like you to answer to help guide the final development of this plan.

45. Which of the following best describes the **size** of the company or business where you work?

- a. Less than 10 employees
- b. 10 to less than 50 employees
- c. 50 to less than 100 employees
- d. 100 employees or more

46. Which of the following best describes your work?

RANDOMIZE a-j

- a. Construction trades
- b. Manufacturing
- c. Transportation
- d. Retail service
- e. Restaurant or hotel service
- f. Entertainment/performance
- g. Teaching
- h. Office clerical or other support
- i. Office professional or managerial
- j. Executive or administrative
- k. Other (Specify) _____

47. How do you receive your pay?

- a. Direct deposit to a bank account
- b. Check
- c. Cash
- d. Payroll (debit) card
- e. Other (Specify) _____

48. Are taxes and other items withheld from your pay on your behalf?
- a. Yes
 - b. No
 - c. Don't know

IF Q45 is b, c, d or e ASK Q47:

49. Does your employer offer direct deposit of your pay electronically to your bank account?
- a. Yes
 - b. No
 - c. Don't know

ASK Q50 ONLY IF Q8=a or b (Employed full or part time) AND Q10f (Employer sponsored retirement account [401(k) or similar]) = 2, 3, or 4

50. Does your employer offer a 401(k) savings plan or similar payroll deduction savings plan?
- a. Yes
 - b. No
 - c. Don't know

IF "No" or "Don't know" IN Q50, ASK:

51. How likely would you be to enroll if your employer were to offer you a 401(k) savings plan or similar payroll deductions savings plan?
- a. Very unlikely to enroll
 - b. Somewhat unlikely to enroll
 - c. Somewhat likely to enroll
 - d. Very likely to enroll
 - e. Don't know

IF "Yes" in Q50, ASK:

52. Which of the following best describes why you are not participating in your employer's 401(k) savings plan or similar payroll deductions savings plan? (Select only one response)
- a. I am not eligible for the plan.
 - b. The plan offered is not as good as other retirement options, so I invest in other plans not offered by my employer.
 - c. I don't feel the need to do this at this time.
 - d. I don't have enough money to participate right now.
 - e. Other (specify)

Thank you very much for participating in our survey.