

Scale Items

(NOTE: these items involve skip logic. So, for example, if a person says “Yes” to 1.1, they move on to 1.2. If they say “Yes” to 1.2, they respond to item 1.2a, and if “no,” they respond to item 1.2b.)

5 U.S.C. 552a(e)(3)

The information you provide through your responses to 2M Research will assist the study sponsor, the Consumer Financial Protection Bureau (“CFPB”), in evaluating decisions people make about money.

2M Research will obtain or access personally identifiable information such as your name and demographic data. Additionally, 2M Research will use eye-tracking technology during the study. Only aggregated and de-identified data will be shared with the CFPB.

Information collected on behalf of the CFPB by 2M Research will be treated in accordance with the System of Records Notice (“SORN”), CFPB.022, Market and Consumer Research Records. Although the Bureau does not anticipate further disclosing the information provided, it may be disclosed as indicated in the Routine Uses described in the SORN. Direct identifying information will only be used by 2M Research to facilitate the interviews and will be kept private except as required by law.

This collection of information is authorized by Pub. L. No. 111-203, Title X, Sections 1013 and 1022, codified at 12 U.S.C. §§ 5493 and 5512.

Participation in this study is voluntary, you are not required to participate or share any identifying information with 2M Research. You may withdraw participation at any time.

Paperwork Reduction Act

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 3170-0048 it expires on XX/XX/XXXX . The time required to complete this information collection is estimated to average 15 minutes per response. Comments regarding this collection of information, including the estimated response time, suggestions for improving the usefulness of the information, or suggestions for reducing the burden to respond to this collection should be submitted to the Bureau of Consumer Financial Protection (Attention: PRA Office), 1700 G Street NW, Washington, DC 20552, or by email to PRA_Comments@cfpb.gov.

INSTRUCTIONS:

In this survey, you will be asked about whether or not you've taken some action (for example, do you bring your own lunch to work?). Then you'll be asked whether you took that action for a particular reason (for example, do you do this *mainly* because it is cheaper than buying lunch out?). We are interested in whether that reason is the *main* or *biggest* reason you took that action.

For example, you might bring your lunch because it's cheaper than buying your lunch, but you may also do so because the options where you work are limited, or because you eat a healthier lunch if you pack it yourself, or because someone gives you a lunch to take to work. If your main reason for bringing your own lunch to work is because you have limited options, then if we ask "is the main reason you bring your own lunch because it is the cheaper?" you would select "No".

On the next few screens, you'll complete a practice question, to give you a sense of what we mean.

Ready?

- 1.1 Do you have any social media apps on your phone (Twitter, Facebook, Instagram, etc.)? (Y/N)

- 1.2 (N) Do you choose *not* to put social media apps on your phone? (Y/N)
 - a. (Y) Do you choose *not* to put social media apps on your phone *mainly* because you know you would spend too much time on social media if you did? (Y/N)

Tip: Thinking that one might spend too much time on social media is just ONE reason that a person might not put social media apps on their phone. You may have other reasons. If the *main* or *biggest* reason you choose not to put social media apps on your phone is to avoid spending too much time on social media, please say "yes," But if this is not the *main* or *biggest* reason, please say "no."

- b. (N) Do you spend 2 hours or more a day on social media? (Y/N)
- 1.3 (Y) Have you ever deleted a social media app from your phone? (Y/N)
 - a. (Y) Did you delete the app *mainly* because you were spending too much time on social media? (Y/N)

Tip: Thinking that one might spend too much time on social media is just ONE reason that a person might delete the app. You may have another reason for doing this. If the *main* or *biggest* reason you deleted the app was to avoid spending too much time on social media, please select "yes," But if this is not the *main* or *biggest* reason, please select "no."

- b. (N) Do you spend 2 hours or more a day on social media? (Y/N)

Now that you've practiced, let's begin. There are no right or wrong answers.

1.0

- 1.1 Do you have any savings or investment accounts? Do **not** include retirement accounts. (Y/N)
- 1.2 (Y) Did you set up automatic deposits into one or more of those accounts in the last few years? (Y/N)
 - a. (Y) Did you set it up *mainly* because without it, you think you would not save money before it's spent on other things? (Y/N)
 - b. (N) Do you tend to spend your entire paycheck without getting to save anything? (Y/N)

2.0 .

- 2.1 Did you get cash from an ATM or cash back from a store at least once in the last 7 days? (Y/N)
- 2.2 (N) Did you try to limit the cash you had on hand in the last 7 days? (Y/N)
 - a. (Y) Was limiting how much cash you had *mainly* to avoid spending more than you think you should? (Y/N)
 - b. (N) Did you spend more than you think you should have in the last 7 days? (Y/N)
- 2.3 (Y) Did you use cash for most of your purchases in the last 7 days?
 - a. (Y) Is using cash for most of your purchases *mainly* to limit your spending? (Y/N)
 - b. (N) Did you spend more than you think you should have in the last 7 days? (Y/N)

3.0 .

- 3.1 In the last 7 days, did you browse any online stores without a specific purchase in mind? (Y/N)
- 3.2 (N) In the last 7 days, did you actively avoid browsing any online stores?
 - a. (Y) Did you avoid browsing online *mainly* so you wouldn't feel the urge to buy things you hadn't planned on buying? (Y/N)
 - b. (N) Do you feel the urge to buy things when you browse online stores without a specific purchase in mind? (Y/N)
- 3.3 (Y) After you started browsing, did you stop yourself?
 - a. (Y) Did you stop yourself from browsing *mainly* so you wouldn't feel the urge to buy things you hadn't planned on buying? (Y/N)
 - b. (N) Did you buy something you hadn't planned on buying? (Y/N)

4.0 .

- 4.1 In the last few years, have you had any credit cards? (Y/N)
- 4.2 (Y) In the last few years, have you hidden, destroyed, closed, or thrown away a credit card?
 - a. (Y) Was getting rid of the card *mainly* to avoid spending too much on it? (Y/N)
 - b. (N) Did you spend too much on your credit card(s) in the last month? (Y/N)

5.0 .

- 5.1 In the last 12 months did you receive any emails with coupons or special offers? (Y/N)
- 5.2 (Y) In the last 12 months, did you unsubscribe (or similar action) from any emails with coupons or special offers?
- a. (Y) Was unsubscribing (or similar) *mainly* so you would not be tempted to shop when you see these kinds of emails? (Y/N)
 - b. (N) Did a recent email with a coupon or special offer lead you to buy something you hadn't planned on buying? (Y/N)

6.0 .

- 6.1 In the last 7 days, did you go shopping for your household? (Y/N)
- 6.2 (Y) Did you take a list with you when you went shopping?
- a. (Y) Was the list *mainly* so that you wouldn't buy things you didn't need? (Y/N)
 - b. (N) Did you buy things that you didn't need? (Y/N)

7.0 .

- 7.1 In the last 12 months, did you make a budget? A budget is a plan for how your income is spent across different categories, like food, housing, transportation, and entertainment. (Y/N)
- 7.2 (Y) Did you follow your budget pretty closely?
- a. (Y) Did you follow your budget *mainly* so that you didn't spend more than you thought you should? (Y/N)
 - b. (N) In the last few months, did you consistently spend more than you thought you should? (Y/N)

8.0 .

- 8.1 Did you look for a place to rent in the last few years (either by yourself or with others)? (Y/N)
- 8.2 (Y) When you looked for a place to rent, did you set a price limit?
- a. (Y) Was setting a price limit *mainly* to avoid being tempted to choose an option that would strain your finances? (Y/N)
 - b. (N) Were you tempted to choose an option that would have strained your finances? (Y/N)

9.0 .

- 9.1 Do you have both a credit card and a debit card? (Y/N)
- 9.2 (Y) In the last 7 days, did you make a purchase with your debit card?
- a. (Y) Did you choose to use your debit card *mainly* to avoid accumulating credit card debt? (Y/N)
 - b. (N) Did you spend more than you should on your credit card in the last 7 days? (Y/N)

10.0

- 10.1 In the last 12 months, were you eligible for a credit limit increase? (Y/N)
- 10.2 (Y) Did you refuse the credit limit increase?
 - a. (Y) Was refusing additional credit *mainly* to prevent spending more on your credit card? (Y/N)
 - b. (N) Do you ever spend up to your credit card limit? (Y/N)

11.0 .

- 11.1 Do you have a checking account? (Y/N)
- 11.2 (N) Have you purchased a pre-paid card in the last 12 months?
 - a. (Y) Is using a pre-paid card *mainly* to avoid overdraft and non-sufficient funds (NSF) fees on a checking account? (Y/N)
 - b. (N) Have you had a checking account closed by a bank or credit union in the last few years? (Y/N)
- 11.3 (Y) Have you used a pre-paid card in the last 12 months?
 - a. (Y) Was using a pre-paid card *mainly* to avoid overdraft and non-sufficient funds (NSF) fees on a checking account? (Y/N)
 - b. (N) Did you overdraw your checking account in the last 30 days? (Y/N)

12.0 .

- 12.1 Have you shopped for a car in the last few years? (Y/N)
- 12.2 (Y) When you shopped for a car, did you set a price limit?
 - a. (Y) Did you set a price limit *mainly* so you would not be tempted by options that would strain your finances? (Y/N)
 - b. (N) Did you buy a car that strained your finances? (Y/N)

13.0 .

- 13.1 Have you ever heard of financial products that have a penalty for withdrawing money early, such as a U.S. Treasury bond, Christmas club, or CD (Certificate of Deposit)? (Y/N)
- 13.2 (Y) Did you use this kind of product this year?
 - a. (Y) Did you use this kind of product *mainly* because the penalty for withdrawing money early prevents you from taking money out? (Y/N)
 - b. (N) Do you struggle to keep money in savings? (Y/N)

14.0 .

In the last month, have you gone shopping with another person, such as a friend or family member? (Y/N)

- 14.1 (Y) When you went shopping, did you have this person weigh in on the cost of the potential purchases?
 - a. (Y) Did you ask this person to weigh in *mainly* so that you wouldn't make purchases that strain your finances? (Y/N)

b. (N) Did you make any purchases that strained your finances? (Y/N)

15.0 .

15.1 Have you made a large purchase in the last 12 months? (Y/N)

15.2 (Y) Did you wait a while before making your final decision about whether to buy the item?

a. (Y) Did you wait to make your decision *mainly* so that you were sure it was worth the cost? (Y/N)

b. (N) Thinking of the large purchase you made, do you think it was worth the cost? (Y/N)*

16.0

16.1 In the last 7 days, have you seen something you wanted to buy that you didn't need? (Y/N)

16.2 (Y) Did you try to talk yourself out buying it?

a. (Y) Did you try to talk yourself out of it *mainly* so that you wouldn't buy things you don't need? (Y/N)

b. (N) Did you buy the item you didn't need? (Y/N)

Validation Items

Notes: When developing a new scale, validation items are used to examine whether the scale has external reliability. External reliability involves making sure that the scale is sufficiently different from other scales measuring similar constructs, but also sufficiently correlated with constructs that share underlying variance. Other types of validation items are used to ensure the scale predicts taking actions consistent with the underlying construct.

Best practices dictate employing a wide variety of validation measures to test whether the new scale is performing consistent with expectations, flag potential problems, and in general serve as diagnostics of the overall validity and accuracy of the scale. We anticipate using different measures across 4 (four) rounds of data collection. No single participant will respond to all items in this document.

1. Partial Scale (one item) *from* Dew, J. and Xiao, J.J., (2011). The financial management behavior scale: Development and validation. *Journal of Financial Counseling and Planning*, 22(1), p.43.
2. Partial Scale (one item) *from* Dholakia, U., Tam, L., Yoon, S., & Wong, N. (2016). The ant and the grasshopper: understanding personal saving orientation of consumers. *Journal of Consumer Research*, 43(1), 134-155.
3. Scale (7 items) *from* Serido, J., Shim, S., Xiao, J.J., Tang, C. and Card, N.A., (2014). Financial adaptation among college students: Helping students cope with financial strain. *Journal of College Student Development*, 55(3), pp.310-316.
4. Planning time horizon (one question) *from* Federal Reserve Board Survey of Consumer Finances
5. Savings automation (two questions) *from* University of Wisconsin-Madison Center for Financial Security, Financial Capability Study
6. Scale (time parameters – up to 15 questions) *from* Toubia, O., Johnson, E., Evgeniou, T., & Delquié, P. (2013). Dynamic experiments for estimating preferences: An adaptive method of eliciting time and risk parameters. *Management Science*, 59(3), 613-640.
7. Scale (ten items) *from* Consumer Financial Protection Bureau (2017). *CFPB Financial Well-Being Scale: Scale Development Technical Report*.

8. Connectedness (one question) *from* Consumer Financial Protection Bureau National Survey of Financial Well-Being
9. Making ends meet (one question) *from* FINRA Investor Education Foundation National Financial Capability Study
10. Applying for credit (one question) *from* Federal Reserve Board Survey of Household Economics and Decisionmaking
11. Risk preferences (one question) *from* Consumer Financial Protection Bureau Making Ends Meet Survey
12. Scale (three questions) *from* McNaughton, C. D., Cavanaugh, K. L., Kripalani, S., Rothman, R. L., & Wallston, K. A. (2015). Validation of a Short, 3-Item Version of the Subjective Numeracy Scale. *Medical Decision Making : An International Journal of the Society for Medical Decision Making*, 35(8), 932–936.
13. Scale (twenty items) *from* Tangney, J.P., Baumeister, R.F. and Boone, A.L., (2004). High self-control predicts good adjustment, less pathology, better grades, and interpersonal success. *Journal of Personality*, 72(2), pp.271-324.
14. Scale (twelve items) *from* Petrocelli, J. V. (2003). Factor validation of the consideration of future consequences scale: Evidence for a short version. *The Journal of Social Psychology*, 143(4), 405-413.
15. Scale (six items) *from* Lynch, John G., et al. (2010). "A generalizable scale of propensity to plan: the long and the short of planning for time and for money." *Journal of Consumer Research* 37.1: 108-128.
16. Scale (eighteen items) *from* Cacioppo, J. T., Petty, R. E., & Feng Kao, C. (1984). The efficient assessment of need for cognition. *Journal of Personality Assessment*, 48(3), 306-307.
17. Scale (six items from World Health Organization's scale of impatience) *from* Burks, S., Carpenter, J., Götte, L., & Rustichini, A. (2012). Which measures of time preference best predict outcomes: Evidence from a large-scale field experiment. *Journal of Economic Behavior & Organization*, 84(1), 308-320.

18. Subscales (four subscales) from Bruine de Bruin, W., Parker, A.M., & Fischhoff, B. (2007). Individual differences in Adult Decision-Making Competence. *Journal of Personality and Social Psychology*, 92, 938-956.

19. Next you'll be asked to think about some financial products you might buy.

- a. Imagine that you were choosing between two prepaid cards. Prepaid cards allow you to load funds that can later be spent. Prepaid cards also allow you to withdraw cash from ATMs. They're different from gift cards or debit cards linked to a checking account.

You planned to set up a direct deposit from your paycheck to the card, and to use it for your everyday spending. You do not plan to use ATMs or to load cash onto the card. Which card would you prefer: Card A, or Card B?

Card A

Monthly fee	\$2.99
ATM withdrawal fee	\$2.99
Cash reload fee	\$1.99
Activation fee	\$8.99

Card B

Monthly fee	\$4.99
ATM withdrawal fee	\$1.99
Cash reload fee	\$2.99
Activation fee	\$2.99

- b. Imagine that you were choosing between two credit cards. You have a large expense coming up (several thousand dollars) that you plan to put on the new credit card and pay off over the next few years. Which card would you prefer: Card A, or Card B?

Card A

Interest rate on purchases	18.99%
Late payment fee	\$25
Interest rate on cash advances	24.99%
Annual fee	\$99
Credit limit	\$5,000

Card B

Interest rate on purchases	\$21.99%
Late payment fee	\$30
Interest rate on cash advances	26.99%
Annual fee	\$29
Credit limit	\$5,000

- c. Imagine that you were planning to open a new checking account at your bank or credit union. They provide several types of accounts and offer an account opening bonus that will be deposited into the account in the first month. You plan to use this as your primary checking account. Which account would you prefer: Account A, or Account B?

Account A

Account opening bonus	\$100
Monthly fee	\$5.99
ATM withdrawal fee	\$3
Overdraft fee	\$34

Account B

Account opening bonus	\$125
Monthly fee	\$7.99
ATM withdrawal fee	\$3
Overdraft fee	\$35

- d. If you were going to get a [financial product varies], and had to choose between [options vary], which would you choose?

20. In the last 12 months, have you...

- Opened a prepaid card Yes/No
- Opened a checking account Yes/No
- Applied for a new credit card Yes/No

21. Do you often carry a balance on your credit card?

22. Do you think the way you have managed finances has changed over time?

- Not at all
- Only a little
- Somewhat
- Very much

23. Think about a strategy that you currently use to manage your money. This could be one of the strategies we asked you about earlier, or something else. Which of the following best describes how you started using this strategy?

- I often try out new strategies to find one that works for me
- I made some mistakes and this strategy has helped me avoid repeating them
- I've always done this, since I first began managing my finances

Demographics

Notes: Demographic information enables analysis to ensure the scale is reliable for different consumers.

1. What is your sex?

- Male
- Female

2. What is your age?

- Younger than 25
- 25–34
- 35–44

- d. 45–54
 - e. 55–61
 - f. 62 and older
3. What is your highest level of education?
- a. Less than high school degree
 - b. High school degree or GED
 - c. Some college, no degree
 - d. Associate’s degree or technical/vocational degree
 - e. Bachelor’s degree
 - f. Graduate or Professional degree (for example, MA, MSW, MD, JD, PhD)
4. Are you of Hispanic, Latino, or Spanish origin?
- a. Yes
 - b. No
5. What is your race? *Mark all that apply*
- a. White
 - b. Black or African American
 - c. American Indian or Alaska Native
 - d. Asian
 - e. Native Hawaiian or other Pacific Islander
6. Is English your preferred language?
- a. Yes
 - b. No
7. Do you have a spouse or partner you share finances with?
- a. Yes
 - b. No
8. Which of the following best describes your current work status?
- a. Work full time
 - b. Work part time
 - c. Retired
 - d. Unemployed, temporarily laid off ,or on leave
 - e. Not working for pay for some other reason (homemaker, student, disabled, etc.)

9. What is your annual household income?

- a. Less than \$25,000
- b. \$25,000 to \$44,999
- c. \$45,000 to \$74,999
- d. \$75,000 to \$124,999
- e. \$125,000 or more

10. Do you currently have a checking account at a bank or credit union?

- a. Yes
- b. No

11. Do you work in the financial industry?

- a. Yes
- b. No