

'Information Age' Bills Keep Piling Up
What Americans Pay For – and How

FOR IMMEDIATE RELEASE

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A Social Trends Report

What Americans Pay For - and How

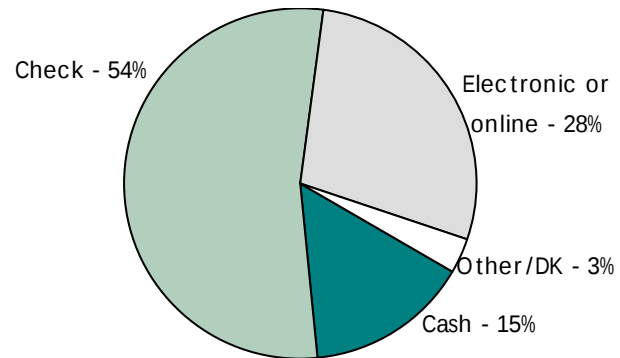
Paying the monthly bills is a different experience for Americans now than it was a generation ago, a new Pew Research Center survey has found. A sizable minority of adults do most of their transactions online. A sizable *majority* pays for one or more of the “big three” information age consumer staples each month—internet connection, cell phone service and cable or satellite television service. And at the same time that they are carrying the cost of these new technologies, Americans are also paying off record levels of credit card debt each month.

The Pew survey finds that nearly three-in-ten adults (28%) say the most common way they take care of their regular monthly bills is by an online or electronic payment. A bare majority (54%) mostly uses checks, and a small minority (15%) mostly uses cash.

The survey also finds that at or near the top of the public’s list of regular expenses are cable or satellite television service (78% of adults say they pay such bills every month); cell phone service (74%) and internet connections (65%). These information age staples either didn’t exist or were in their infancy a generation ago. When survey respondents were

Click, Check or Cash?

How do you pay your bills each month?

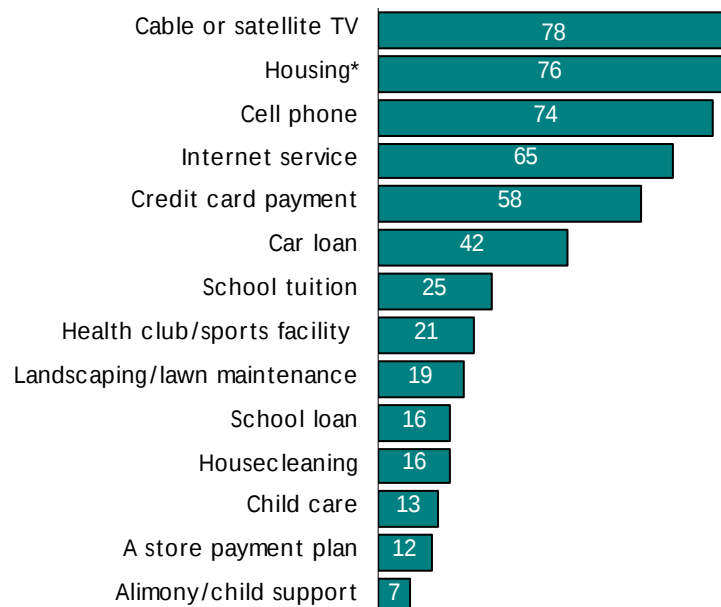


Notes: Online payments includes those who make “electronic or online payments” and those who use credit cards to make an “automatic or electronic” payment.

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What’s in Your Bill Pile?

Percent saying each is a regular household expense



Notes: *Housing expense consists of those who report paying a mortgage or condo/homeowners association fees or rent as a regular expense.

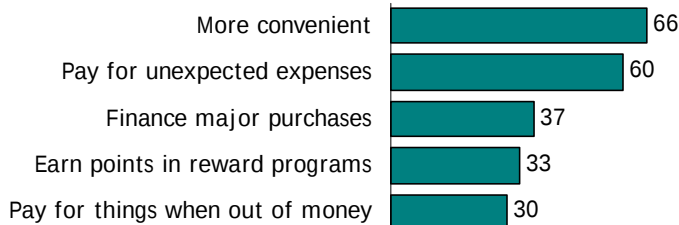
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given a list of common household expenses, the only one they cited as often as these three was housing (76%).

Another regular expense for most Americans is credit card bills. Among the 58% of adults who say they have a credit card as a regular household expense, about four-in-ten (41%) report that they generally pay their credit card bills in full each month while a 53% majority says that they usually make a payment. Credit card usage and debt have grown dramatically over the past generation, according to government and industry reports.¹

Reasons for Credit Card Use

Percent saying each is a reason they use credit cards



Notes: Based on 1,222 respondents who have a credit card payment as a regular expense.

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The Pew survey finds that convenience and short-term financing are at the top of the list of reasons people give for using credit cards. But the reasons vary by income levels. People with high incomes are more likely to cite convenience and rewards programs; people with lower incomes are more likely to cite unexpected expenses or the need to pay for things when they run out of money.

This telephone survey of America's bill-paying, budgeting and credit card practices was conducted from October 18 through November 9, 2006 among a nationally representative sample of 2,000 adults; it has a margin of sampling error of plus or minus 2.5 percentage points.

Among the survey's other key findings:

To Budget or Not to Budget? Americans are evenly divided about having some sort of formal budget to help them manage their household expenses – 48% say they use one, 51% say they don't. There is virtually no difference on this question by gender, by income level or by race. People who are paying off a lot of loans are more prone to use a budget, as are people who at some point in their lives have had a problem with debt.

“Major Expenses” Vary by Income level. People with high incomes are more than twice as likely as those with low incomes to describe dining out and vacation travel as “major expenses” in their lives. Conversely,

Who Writes the Checks?

	Married Men	Married Women
	%	%
Who spends MORE time paying the bills each month?		
Wife	51	63
Husband	39	25
Both equally (Vol.)	10	12
Don't know	*	*
	100	100

Number of respondents 544 571

Notes: Based on those who are married.

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¹ See for example Table 703, Federal Reserve System, Flow of Funds Accounts of the United States for the Household and Nonprofit Sector. Statistical Abstract of the United States: 2007. Also see, Federal Reserve statistical release, G.19, Consumer Credit.

those with low incomes are much more likely to describe medical or dental bills as a major expense.

Cash Is a Lesser King: When it comes to paying for everyday expenses (as opposed to monthly bills), cash is no longer king - or at least not a fully sovereign king. Just 37% of Americans say they mainly use cash for their everyday purchases, while 31% say they use debit cards, 16% say they use credit cards and 15% say they use checks.

Money and Marriage: In the annals of human history, money has been known to cause a marital spat or two. The Pew survey finds that spousal disagreements about money extend even to the seemingly straightforward question of which partner spends more time each month paying the bills.

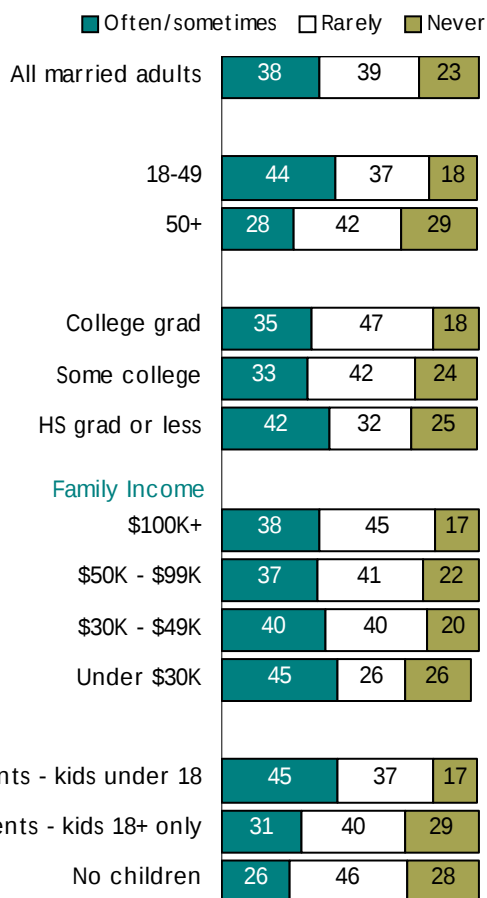
Most wives say they do. Most husbands agree that their wives do. So far, so good. But upon further inspection, a spousal gap emerges. Fully 63% of all wives say they pay the bills, while just 51% of all husbands say their wives pay the bills. People, can we talk?

Meantime, spouses also have what are presumably more substantive disagreements about financial matters. Nearly four-in-ten married adults say they and their spouse often (13%) or sometimes (25%) disagree about money. Another 39% say they rarely disagree with their spouse over money, and 23% say they never disagree.

Couples more likely to have disagreements about money include those with lower incomes; those with children under age 18; those who are younger; and those who have less education.

Marital Discord and Money Matters

How often do you and your spouse disagree about money?



Notes: Don't know responses not shown.

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I. Monthly Expenses

Not surprisingly, housing is near the top of the public's list of regular expenses. This is true both for the 68% of Americans who own their home and the 27% who rent. Among homeowners, about a third (32%) report that they have no mortgage, while two-thirds report that they pay at least one mortgage bill each month. Also, a fifth of all homeowners regularly pay some kind of maintenance fee to a condo or homeowner's association. Among renters, virtually all (97%) include rent among their regular bills. Altogether, 76% of Americans have regular housing expenses from either mortgage, rent or a maintenance fee for a condo or homeowner's association.

Among the list of 13 other common household expenses asked about in this survey, cable and satellite TV service was most frequently cited as a regular household expense (78%), followed by cell phones (74%) and internet service (65%). By contrast, just four-in-ten adults (42%) say they make a car payment and just one-in-four say they make a school tuition payment.

There's a sharp age skew to who's most likely to be paying regularly for "information age" services. Older adults (ages 65 and over) are less likely than both the young and middle-aged to have cell phones (54% compared with 74% among those ages 50 to 64) and internet services (34% compared with 71% among those ages 50 to 64) in their household bill pile.

The age variances extend to other expenses as well. As

expected, the youngest group of adults (ages 18 to 29) are more likely than their elders to be paying for education; 37% of this group is paying for school tuition (for themselves or their children) compared with 29% among those ages 30 to 49 and 22% among those ages 50 to 64. Similarly, 27% of the younger age group is

What's in Your Bill Pile, by Age

Percent saying this is a regular household expense

	All Adults	Adults 18-29	Adults 30-49	Adults 50-64	Adults 65+
	%	%	%	%	%
Cable or satellite television	78	70	80	83	76
Housing*	76	77	90	76	43
Cell phone	74	76	81	74	54
Internet service	65	62	76	71	34
Credit card payment	58	50	64	64	50
Car loan	42	44	54	41	14
School tuition	25	37	29	22	3
Health club or sports facility	21	20	26	17	15
Landscaping or lawn maintenance	19	14	16	23	28
School loan	16	27	21	10	2
Housecleaning	16	16	14	16	20
Child care	13	18	20	4	1
A store payment plan	12	19	13	7	4
Alimony or child support	7	13	9	4	2
Number of respondents	2,000	248	661	573	470

Notes: *Housing expense consists of those who report paying a mortgage or condo/homeowners association fees or rent as a regular expense.

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paying off a school loan, compared with 21% among those ages 30 to 49 and just 10% among those ages 50 to 64.

The list of regular expenses also varies by income levels. Those with family incomes of at least \$100,000 are more likely than the less affluent to have regular expenses for a number of these items, including cell phones, internet services, lawn and landscaping service and housecleaning.

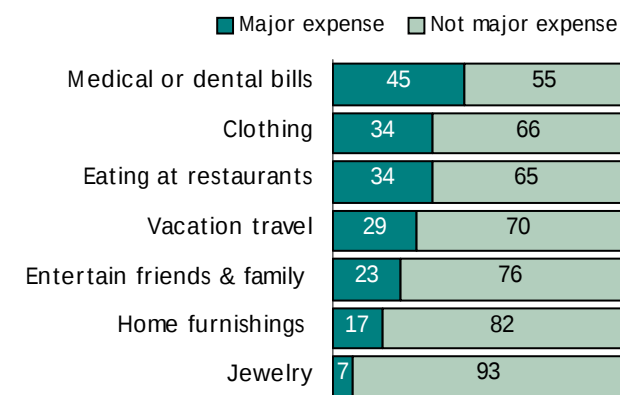
Regardless of means, people think of their expenses in different ways. When asked to consider which among a series of expenditures they considered to be a “major expense” for them, survey respondents most often cited health-related costs (45%), followed by clothing (34%) and restaurant dining (34%).

Not surprisingly, this line up of major expenses also varies by income. About half of those with family incomes of \$100,000 and above consider vacation travel (49%) and dining out (48%) to be a major expense. Nearly six-in-ten (58%) of those with family incomes under \$30,000 consider medical bills a major expense.

These assessments also vary somewhat by age and gender. Older women (ages 50 and older) are more likely than their male counterparts or than younger adults to classify medical expenses as a major expense. Younger women (those ages 18

to 49) are more inclined to consider clothing as a major household expense while younger men are more likely to say the same about eating out.

Is this a MAJOR expense for you, or not?



Notes: Don't know responses not shown.

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Major Expense, by Income Levels

Percent saying this is a major expense

	All Adults	-----Family Income-----			
		Under \$30K	\$30K-\$49K	\$50K-\$99K	\$100K & over
	%	%	%	%	%
Medical or dental bills	45	58	49	36	32
Clothing	34	41	34	28	36
Eating at restaurants	34	24	34	40	48
Vacation travel	29	20	22	34	49
Entertain friends & family	23	19	23	22	32
Home furnishings	17	21	16	15	23
Jewelry	7	8	6	5	8
Number of respondents	2,000	481	359	478	313

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II. Consumer Credit

Nearly six-in-ten (58%) adults report having a credit card bill as part of their regular line-up of expenses while 41% do not.

About three-in-ten (31%) Americans say they generally make a payment on their credit card bills each month, while 24% generally pay off the balance in full.

Buy Now, Pay Later?

	-----Family Income-----				
	All Adults	Under \$30K	\$30K-\$49K	\$50K-\$99K	\$100K & over
	%	%	%	%	%
Have credit card as a regular expense	58	46	59	69	74
Pay in full	24	14	21	28	39
Make a payment	31	29	37	36	31
Depends (vol.)/Don't know	3	3	1	5	4
No credit card as a regular expense	41	54	40	31	25
Don't know	1	*	1	*	1
	100	100	100	100	100
Number of respondents	2,000	481	359	478	313

Notes: Have credit card denotes those who say they have a credit card payment as a regular expense.

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These patterns vary by income. Those with lower family incomes (under \$30,000 annually) are less likely than those with higher incomes to have a credit card as a regular household expense. Among those who do have a credit card as a regular expense, those with higher family incomes are more likely than those with lower incomes to report paying the bill in full each month.

Americans have other consumer debt not reflected in their credit card payments. About one-in-ten (12%) adults say they have a store payment plan for home furnishings or electronics as one of their household's regular expenses.

Convenience (66%) and short-term financing (60%) are the most common reasons people give for using credit cards.

Other reasons (in response to a set of five questions) include financing major purchases (37%), the perks of credit card reward programs (33%) and paying for

Reasons for Credit Card Use, by Income

Percent saying each is a reason they use credit cards

	-----Family Income-----				
	All*	Under \$30K	\$30K-\$49K	\$50K-\$99K	\$100K & over
	%	%	%	%	%
More convenient	66	55	60	66	79
Pay for unexpected expenses	60	69	68	54	54
Finance major purchases	37	40	40	38	35
Earn points in reward programs	33	22	25	35	52
Pay for things when out of money	30	48	34	26	18
Number of respondents	1,222	236	224	340	233

Notes: *Based on those who have a credit card payment as a regular expense.

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things when they run out of funds at the end of a pay period (30%).

Those with annual incomes of at least \$100,000 are more likely than other income groups to say the convenience of cards and the reward points are reasons they use credit cards for some of their purchases. Not surprisingly, those with family incomes under \$30,000 annually are more likely to report using credit cards when they run out of money at the end of a pay period.

III. Debt Problems

About one-in-seven Americans (14%) report that at some point in their lives they experienced debt problems serious enough to have caused them to file for bankruptcy or to use a credit consolidator.

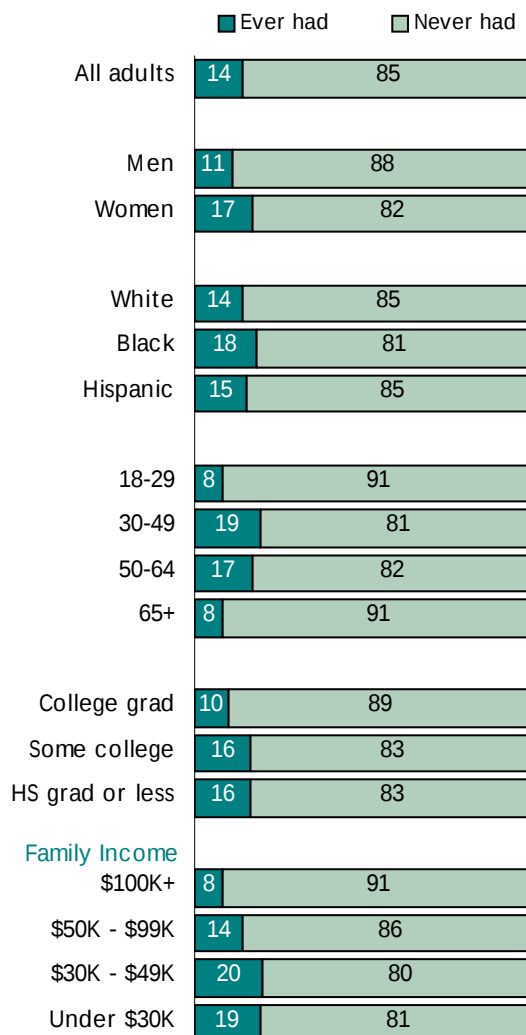
Those with annual family incomes of \$100,000 or more are less likely than other income groups to have experience with these kinds of debt problems.

People who make payments on their credit card bills are more likely to have had a problem with debt than are those who don't use credits cards and those who pay their credit card bills in full each month.

Similarly, homeowners who have one or more loans (for example, car loans, mortgages and second mortgages) are more likely than homeowners with no loans to have had a problem with debt.

The age group most likely to report having had a problem with debt are those in a broad range of middle years – from ages 30 through 64. Adults both younger and older than that are less than half as likely to report having had a problem with debt.

Debt Problems: Ever Been There?



Notes: Debt problem consists of people who have used a credit consolidator or declared bankruptcy in the past. Whites include only non-Hispanic whites. Blacks include only non-Hispanic blacks. Hispanics are of any race. Don't know responses are not shown.

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IV. Bill-Paying Practices

About half (51%) of all adults surveyed say they don't rely on a formal budget to guide household expenses. There are no significant differences between men and women; or among income groups. And, there are only modest differences by education and along racial and ethnic lines.

There is some variance in the use of a budget by age. Adults on the younger side (ages 18-64) are more likely than those ages 65 and older to rely on a budget.

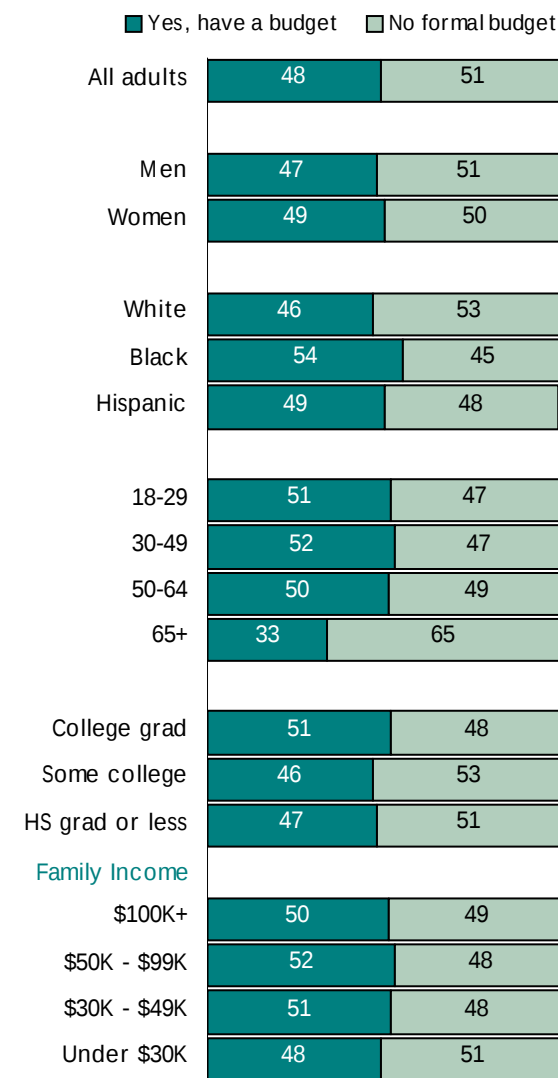
Significant differences surface by marital status. Married people are more likely to rely on a budget (51%) than are the unmarried (44%). Parents of minor age children (54%) are more likely than non-parents and those with adult age children (44% each) to say they use a budget to guide household expenses.

Employment status is also important. Workers are more likely than retirees or non-retirees who are not employed to rely on a budget.

More than half (55%) of those who have had a debt problem (those who have used a credit consolidator or declared bankruptcy in the past) say they rely on a formal budget. Similarly, those with credit card debt that exceeds their ability to pay in full each month are a bit more likely to have a budget for household expenses.

Those who use a budget are more likely than those who don't to regularly review their household expenses. Among the former group, nearly two-thirds (64%) say they review their expense at least once a month to see how well they are doing or to make changes in their spending habits; among those in the latter group, just 40% say they engage in this sort of monthly review.

Some Use Budget, Others Don't



Notes: Whites include only non-Hispanic whites. Blacks include only non-Hispanic blacks. Hispanics are of any race. Don't know responses not shown. Question wording: Do you have a budget to guide your household expenses or don't you rely on a formal budget?

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V. Cash, Check, Debit or Credit?

Consumers have more choice than ever before when it comes to how to make a transaction for goods and services – the old standbys of cash and checks are now side-by-side with debit and credit card options for many goods and services. While some have speculated that we are moving towards a cashless – or at least a checkless – society, that verdict seems premature. When it comes to both everyday living purchases and monthly bill-paying, the Pew survey finds that both the old and new payment modes have their following.

For everyday purchases, about four-in-ten (37%) report they rely on cash, while 31% rely on debit cards and about half as many use either checks (15%) or credit cards (16%).

Those with lower incomes rely mostly on cash for everyday living expenses; 54% of those with incomes under \$30,000 do so compared with 24% among those with incomes of at least \$100,000 annually.

Paying for Everyday Living Purchases

	Cash	Checks	Debit	Credit	Don't Know	N
	%	%	%	%	%	
All adults	37	15	31	16	1=100	2,000
Gender						
Men	42	13	27	17	1=100	900
Women	33	17	34	15	1=100	1,100
Race/Ethnicity						
White	30	17	33	18	2=100	1538
Black	57	11	24	7	1=100	221
Hispanic	64	7	24	4	1=100	143
Age						
18-29	52	5	37	6	0=100	248
30-49	33	12	40	14	1=100	661
50-64	33	19	25	22	1=100	573
65+	36	28	12	21	3=100	470
Education						
College grad	19	10	39	30	2=100	635
Some college	30	15	40	14	1=100	523
High school or less	50	17	22	9	2=100	830
Family Income						
\$100K+	24	11	34	30	1=100	313
\$50K-\$99K	26	13	40	21	*=100	478
\$30K-\$49K	34	19	35	11	1=100	359
Less than \$30K	54	16	22	6	2=100	481

Notes: Whites include only non-Hispanic whites. Blacks include only non-Hispanic blacks. Hispanics are of any race.

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For monthly bill-paying, more than half (54%) of adults say that they mostly use checks, while 28% say they mostly make electronic or online payments and 15% say they mostly use cash.

A majority of every age group save one – adults under age 30 – relies on checks for most of their bill-paying. Among adults ages 65 and older 71% mostly use checks to pay their bills; this figure drops to 63% among those ages 50 to 64 and 51% among those ages 30 to 49. Among adults under age 30 about a third (35%) use checks for most of their bill-paying while three-in-ten use cash and 32% pay bills electronically.

Among Internet users, a 53% majority reports paying most bills by check while 35% pay electronically and 10% pay in cash.

Monthly Bill Paying

	Cash	Checks	Online*	Other/ DK	N
	%	%	%	%	
All adults	15	54	28	3=100	2,000
Internet Use					
User	10	53	35	2=100	1470
Non-user	28	59	8	5=100	525
Internet Use by Age					
18-49 User	12	47	39	2=100	783
18-49 Non-user	48	36	13	3=100	126
50-64 User	5	63	29	3=100	460
50-64 Non-user	25	65	5	5=100	113
65+ User	7	66	24	3=100	193
65+ Non-user	14	74	6	6=100	273
Credit Card					
Have card as regular expense	6	58	34	2=100	1222
No card as regular expense	27	48	21	4=100	770

Notes:*Online payments include those who make “electronic or online payments” and those who use credit cards to make an “automatic or electronic” payment.

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About the Pew Social Trends Reports

The Pew social trends reports explore the behaviors and attitudes of Americans in key realms of their lives – family, community, health, finance, work and leisure. Reports analyze changes over time in social behaviors and probe for differences and similarities between key sub-groups in the population.

The surveys are conducted by the Pew Research Center, a nonpartisan “fact tank” that provides information on the issues, attitudes and trends shaping America and the world.

Survey reports are the result of the collaborative effort of the social trends staff, which consists of:

Paul Taylor, Executive Vice President
Cary Funk, Senior Researcher
April Clark, Research Associate

About the Survey

Results for this survey are based on telephone interviews conducted with a nationally representative sample of adults, ages 18 years and older, living in continental U.S. telephone households.

- Interviews conducted Oct. 18 – Nov. 9, 2006
- 2,000 interviews
- Margin of sampling error is plus or minus 2.5 percentage points for results based on the total sample at the 95% confidence level. The margin of sampling error is higher for results based on subgroups of respondents.

Survey interviews conducted under the direction of Princeton Survey Research Associates International. Interviews were conducted in English and Spanish.

Bear in mind that question wording and practical difficulties in conducting surveys can introduce error or bias in the findings of opinion polls.

Related Reports from the Pew Research Center

We Try Hard. We Fall Short. Americans Assess Their Savings Habits. January 2007. Pew Research Center.
<http://pewresearch.org/pubs/325/we-try-hard-we-fall-short-americans-assess-their-saving-habits>

Most Americans Moderately Upbeat About Family Finances 2007. January 2007. Pew Research Center.
<http://pewresearch.org/pubs/324/most-americans-moderately-upbeat-about-family-finances-in-2007>

Luxury or Necessity?: Things We Can't Live Without: The List Has Grown in the Past Decade. December 2006. Pew Research Center. <http://pewresearch.org/pubs/323/luxury-or-necessity>

As Home Prices Cool Down, Homeowners Temper Their Optimism. December 2006. Pew Research Center.
<http://pewresearch.org/pubs/322/as-home-prices-cool-down-homeowners-temper-their-optimism>

Online Banking 2006: Surfing to the Bank. June 2006. Pew Internet & American Life Project.
http://www.pewinternet.org/pdfs/PIP_Online_Banking_2006.pdf

Bills for Shelter	
	%
Homeowners	
All with mortgage	67
One mortgage	47
2 mortgages	20
No mortgage	32
Other/Don't know	<u>1</u>
	100
Homeowners	
Pay maintenance fee	20
No fee	79
Don't know	<u>1</u>
	100
Number of respondents	1,500
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What's in Your Bill Pile?			
	Yes	No	Does not apply (Vol.)/DK
	%	%	%
Is this a regular expense for your household?			
Cable or satellite TV	78	22	*=100
Housing*	76	19	5=100
Cell phone	74	26	*=100
Internet service	65	35	*=100
Credit card payment	58	41	1=100
Car loan	42	57	1=100
School tuition	25	75	*=100
Health club or sports facility	21	79	*=100
Landscaping			
or lawn maintenance	19	81	*=100
School loan	16	84	*=100
Housecleaning	16	83	1=100
Child care	13	86	1=100
A store payment plan	12	87	1=100
Alimony or child support	7	92	1=100
Notes: *Housing expense consists of those who report paying a mortgage or condo/homeowners association fees or rent as a regular expense.			
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What's in Your Bill Pile, by Income

Percent saying this is a regular household expense

	All Adults	-----Family Income-----			
		Under \$30K	\$30K- \$49K	\$50K- \$99K	\$100K & over
	%	%	%	%	%
Cable or satellite television	78	69	79	84	88
Housing*	76	71	80	82	84
Cell phone	74	51	78	86	94
Internet service	65	37	66	83	91
Credit card payment	58	46	59	68	74
Car loan	42	28	46	53	59
School tuition	25	17	22	29	39
Health club or sports facility	21	11	13	24	46
Landscaping or lawn maintenance	19	13	15	22	32
School loan	16	14	18	23	18
Housecleaning	16	13	11	10	34
Child care	13	12	14	13	14
A store payment plan	12	12	13	12	11
Alimony or child support	7	11	8	5	4
Number of respondents	2,000	481	359	478	313

Notes: *Housing expense consists of those who report paying a mortgage or condo/homeowners association fees or rent as a regular expense.

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Major Expense, by Gender and Age

Percent saying this is a major expense

	All Adults	Men 18-49	Women 18-49	Men 50+	Women 50+
	%	%	%	%	%
Medical or dental bills	45	42	46	39	51
Clothing	34	34	49	20	25
Eating at restaurants	34	44	36	30	22
Vacation travel	29	31	31	29	25
Entertain friends & family	23	29	24	17	17
Home furnishings	17	22	20	12	9
Jewelry	7	7	8	7	5
Number of respondents	2,000	427	482	455	588

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Reasons for Credit Card Use, by Age

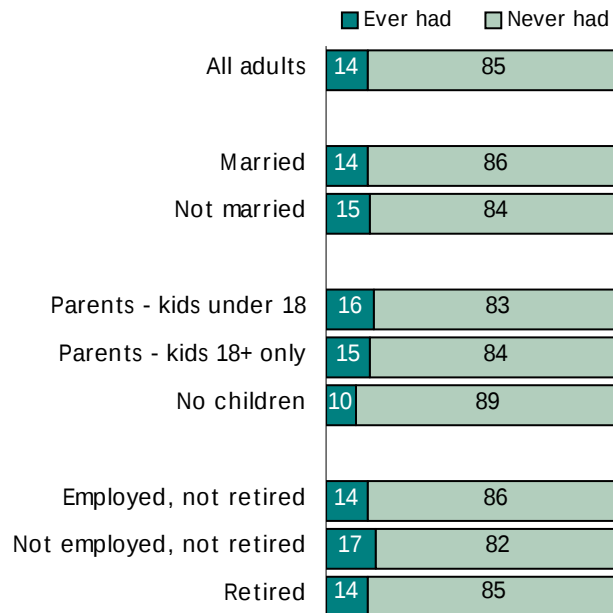
Percent saying each is a reason they use credit cards

	All*	Adults 18-29	Adults 30-49	Adults 50-64	Adults 65+
	%	%	%	%	%
More convenient	66	57	59	74	81
Pay for unexpected expenses	60	58	67	55	52
Finance major purchases	37	42	41	31	35
Earn points in reward programs	33	36	32	36	29
Pay for things when out of money	30	36	34	23	24
Number of respondents	1,222	124	433	381	259

Notes: *Based on those who have a credit card payment as a regular expense.

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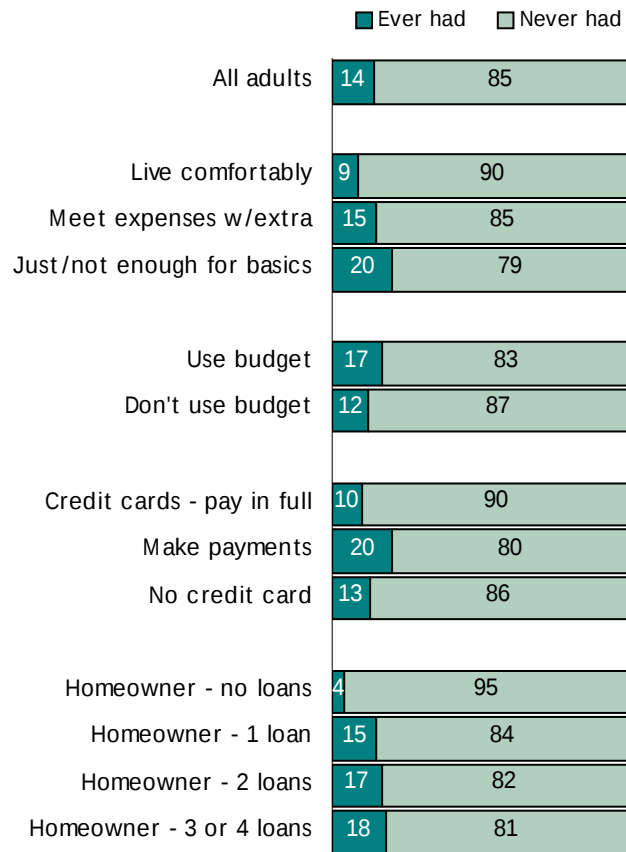
Debt Problems: Ever Been There?



Notes: Debt problem consists of people who have used a credit consolidator or declared bankruptcy in the past. Don't know responses are not shown.

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Debt Problems: Ever Been There?

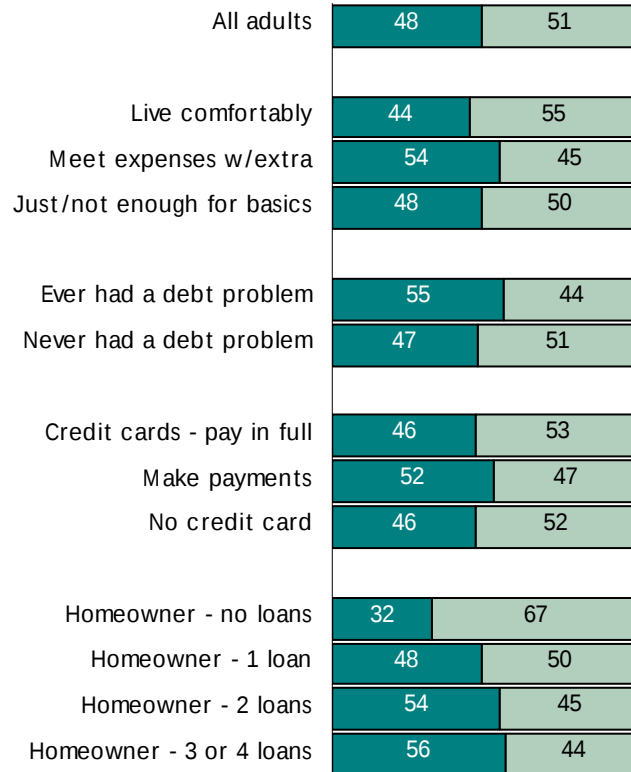


Notes: Debt problem consists of people who have used a credit consolidator or declared bankruptcy in the past. The number of loans consists of homeowners who say they have any of the following monthly expenses: mortgage, second mortgage, car loan or school loan. No credit card denotes those who say they do not have a credit card as a regular expense. Don't know responses are not shown.

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Some Use Budget, Others Don't

■ Yes, have a budget ■ No formal budget

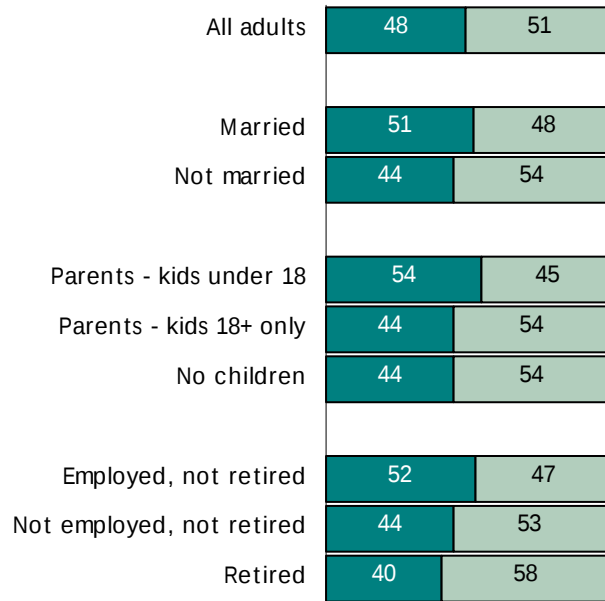


Notes: Debt problem consists of people who have used a credit consolidator or declared bankruptcy in the past. The number of loans consists of homeowners who say they have any of the following monthly expenses: mortgage, second mortgage, car loan or school loan. No credit card denotes those who say they do not have a credit card as a regular expense. Don't know responses are not shown. Question wording: Do you have a budget to guide your household expenses or don't you rely on a formal budget?

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Some Use Budget, Others Don't

■ Yes, have a budget ■ No formal budget



Notes: Don't know responses not shown. Question wording: Do you have a budget to guide your household expenses or don't you rely on a formal budget?

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How Often Do You Review Your Spending?

	Have budget	No formal budget
	%	%
How often do you review budget/expenses?		
At least once a month	64	40
Once every few months	20	20
About once a year	10	12
Less often than that	5	23
Don't know	<u>1</u>	<u>5</u>
	100	100
Number of respondents	910	1067

Notes: Question wording: How often do you review your (budget/household expenses) to see how well you are doing or to make changes in your spending habits?

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Paying for Everyday Living Purchases

	Cash	Checks	Debit	Credit	Don't Know	N
	%	%	%	%	%	
All adults	37	15	31	16	1=100	2,000
Internet Use						
User	31	12	38	18	1=100	1,470
Non-user	58	23	9	8	2=100	525
Internet Use by Age						
18-49 User	33	9	44	13	1=100	783
18-49 Non-user	74	12	10	3	1=100	126
50-64 User	25	18	29	26	2=100	460
50-64 Non-user	61	21	10	8	*=100	113
65+ User	24	17	20	37	2=100	193
65+ Non-user	43	33	8	12	4=100	273
Credit Card						
Have card as regular expense	26	15	37	21	1=100	1,222
No card as regular expense	54	14	22	8	2=100	770

Notes: Have credit card denotes those who say they have a credit card payment as a regular expense.

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Monthly Bill Paying

	Cash	Checks	Online*	Other/ DK	N
	%	%	%	%	
All adults	15	54	28	3=100	2,000
Gender					
Men	16	52	29	3=100	900
Women	13	57	27	3=100	1100
Race/Ethnicity					
White	8	61	28	3=100	1538
Black	34	40	23	3=100	221
Hispanic	40	36	21	3=100	143
Age					
18-29	30	35	32	3=100	248
30-49	11	51	36	2=100	661
50-64	10	63	24	3=100	573
65+	12	71	13	4=100	470
Education					
College graduate	3	50	44	3=100	635
Some college	11	54	33	2=100	523
H.S. or less	22	57	18	3=100	830
Family Income					
\$100K+	4	50	43	3=100	313
\$50K-\$99K	4	58	36	2=100	478
\$30K-\$49K	11	59	28	2=100	359
Less than \$30K	33	49	15	3=100	481

Notes:*Online payments include those who make "electronic or online payments" and those who use credit cards to make an "automatic or electronic" payment. Whites include only non-Hispanic whites. Blacks include only non-Hispanic blacks. Hispanics are of any race.

PewResearchCenter

**PEW SOCIAL TRENDS
FINAL TOPLINE
OCTOBER 18 - NOVEMBER 9, 2006
N=2,000**

QUESTIONS 1 THROUGH 3 IN PREVIOUS RELEASE OR HELD FOR FUTURE RELEASE

On a different topic

Q.4 How would you describe your own personal financial situation? Would you say you **(READ)**

- 38 Live comfortably
- 28 Meet your expenses with a little left over for extras
- 23 Just meet your basic living expenses
- 9 Don't even have enough to meet expenses
- 2 Don't know/Refused **(VOL.)**
- 100

QUESTIONS 5 THROUGH 17 IN PREVIOUS RELEASE

ASK ALL:

OWNRENT Do you own or rent your home?

		<u>June 2006</u>	<u>Feb 2006</u>	<u>Oct 2005</u>
68	Own	68	68	68
27	Rent	27	27	26
5	Other arrangement (VOL.)	4	4	6
<u>*</u>	Don't know/Refused (VOL.)	<u>1</u>	<u>1</u>	<u>*</u>
100		100	100	100

Q.18 For this survey we'd like to know what people regularly spend money on. As I read each item, tell me if this is one of your household's regular expenses, or not. First, **[INSERT ITEM; DO NOT RANDOMIZE]**
READ IF NECESSARY: Is this one of your household's regular expenses, or not?
(FOR Q18F: IF R SAYS "PAY IN FULL" PROBE TO CLARIFY)

	Yes	No	Does not apply (VOL.)	DK/Ref
ASK IF OWNRENT=1				
BASED ON HOMEOWNERS [N=1500]:				
a. Mortgage	67	32	1	*=100
ASK IF Q18A=1				
BASED ON THOSE WHO REGULARLY PAY A MORTGAGE [N=948]:				
b1. Do you also pay for a second mortgage or for a home equity loan, or not?	30	70	0	*=100
ASK IF OWNRENT=1				
BASED ON HOMEOWNERS [N=1500]:				
b2. Maintenance fees for a condo or homeowner's association	20	79	*	1=100
ASK IF OWNRENT=2				
BASED ON RENTERS [N=423]:				
c. Rent	97	3	0	0=100

Q.18 CONTINUED...

	Yes	No	Does not apply (VOL.)	DK/Ref
ASK ALL:				
d. A car loan	42	57	*	1=100
e. A store payment plan for home furnishings or electronics	12	87	*	1=100
f. A credit card payment	58	41	*	1=100
g. Alimony or child support	7	92	1	*=100
h. Child care	13	86	1	*=100
i. School tuition	25	75	*	*=100
j. A school loan	16	84	*	*=100
k. Cable or satellite television	78	22	*	*=100
l. Cell phone	74	26	*	*=100
m. Internet service	65	35	*	*=100
n. Health club or other sports facility	21	79	*	*=100
o. Landscaping or lawn maintenance	19	81	*	*=100
p. Housecleaning	16	83	*	1=100

Q.19 When it comes to other spending that you do, which of the following are MAJOR expenses for you? First, **[INSERT ITEM; RANDOMIZE]** READ IF NECESSARY: Is this a MAJOR expense for you, or not?

	Yes, major expense	No, not major expense	Does not apply (VOL.)	DK/Ref
a. Clothing	34	66	*	*=100
b. Jewelry	7	93	*	*=100
c. Eating at restaurants	34	65	*	1=100
d. Entertaining friends and family	23	76	*	1=100
e. Vacation travel	29	70	1	*=100
f. Home furnishings	17	82	*	1=100
g. Medical or dental bills	45	55	*	*=100

QUESTIONS 20 THROUGH 24 IN PREVIOUS RELEASE OR HELD FOR FUTURE RELEASE

ASK ALL:

Q.25 Do you have a budget to guide your household expenses or don't you rely on a formal budget?

- 48 Yes, have a budget
 51 No, don't rely on a formal budget
1 Don't know/Refused (VOL.)
 100

ASK IF USE BUDGET (Q25=1) :

Q.26a How often do you review your budget to see how well you are doing or to make changes in your spending habits?
 (READ)

ASK IF DON'T USE BUDGET (Q25=2):

Q.26b How often do you review your household expenses to see how well you are doing or to make changes in your spending habits? (READ)

<u>Q26a/b</u>		<u>Q26a</u>	<u>Q26b</u>
51	At least once a month	64	40
20	Once every few months	20	20
11	About once a year	10	12
14	Less often than that	5	23
<u>4</u>	Don't know/Refused (VOL.)	<u>1</u>	<u>5</u>
100		100	100
(N=2000)		(N=910)	(N=1067)

MARITAL Are you currently married, living with a partner, divorced, separated, widowed, or have you never been married? (IF R SAYS "SINGLE," PROBE TO DETERMINE WHICH CATEGORY IS APPROPRIATE)

	<u>June 2006</u>	<u>Feb 2006</u>	<u>Oct 2005</u>
53 Married	51	52	55
6 Living with a partner	7	8	6
10 Divorced	11	10	9
3 Separated	2	3	2
9 Widowed	9	8	8
19 Never been married	20	18	18
<u>*</u> Don't know/Refused (VOL.)	<u>*</u>	<u>1</u>	<u>2</u>
100	100	100	100

ASK IF MARITAL=1:

Q.27 How often do you and your (IF SEX=2: husband/IF SEX=1: wife) disagree about money? (READ)

BASED ON THOSE WHO ARE MARRIED [N=1115]:

- 13 Often
 25 Sometimes
 39 Rarely
 23 Never
* Don't know/Refused (VOL.)
 100

QUESTION 28 IN PREVIOUS RELEASE

Q.29 Which of you spends MORE time paying the bills each month: you or your (**IF SEX=2**: husband/**IF SEX=1**: wife)?

BASED ON THOSE WHO ARE MARRIED [N=1115]:

		Married <u>Men</u>	Married <u>Women</u>
51	You	39	63
38	Husband/wife	51	25
11	Both equally (VOL.)	10	12
*	Don't know/Refused (VOL.)	*	*
100		100	100
		(N=544)	(N=571)

TREND FOR COMPARISON

New York Times June 1989:

Who keeps track of writing checks and paying most of the bills – you or your spouse?

All <u>Married</u>	Married <u>Men</u>	Married <u>Women</u>	
49	39	57	Respondent
34	45	24	Spouse
1	1	1	Someone else (VOL.)
17	16	18	Both equally (VOL.)
*	*	0	Don't know/Refused (VOL.)
101	101	100	

QUESTIONS 30 THROUGH 32 IN PREVIOUS RELEASE

Q.33 As you make purchases for everyday living each month, do you mostly use (**READ**)?
IF MORE THAN ONE PROBE: Which do you MOSTLY use?

37	Cash
15	Checks
31	Debit cards
16	Credit cards
1	Don't know/Refused (VOL.)
100	

Q.34 When you pay your bills each month, do you mostly (**READ**)?
IF MORE THAN ONE PROBE: Which do you MOSTLY use?

ASK IF CREDIT (Q34=4):

Q.35 When paying your bills by credit card, do you mostly use an automatic or electronic payment, OR some other way?

15	Use cash
54	Write checks
26	Make electronic or online payments
3	Use credit cards
2	Yes, automatic or electronic payment
1	No, some other way
*	Don't know/Refused (VOL.)
2	Don't know/Refused (VOL.)
100	

NO QUESTION 36

ASK IF (Q18F=1) CREDIT CARD A REGULAR EXPENSE:

Thinking about how you use your credit cards

Q.37 Generally, do you pay your credit card bills in full each month or do you make a payment?

BASED ON THOSE WHO HAVE A CREDIT CARD AS A REGULAR EXPENSE [N=1222]:

41 Pay in full
 53 Make a payment
 4 Depends **(VOL.)**
 2 Don't know /Refused **(VOL.)**
 100

Q.38 As I read each of the following, tell me if this is a reason why you use a credit card for some of the things you buy, or not. First, **[INSERT ITEM; RANDOMIZE]**

READ IF NECESSARY: Is this a reason why you use a credit card for some of the things you buy, or not?**BASED ON THOSE WHO HAVE A CREDIT CARD AS A REGULAR EXPENSE [N=1222]:**

	Yes, reason	No, not a reason	DK/Ref
a. It's more convenient than other forms of payment.	66	33	1=100
b. I need it to finance major purchases.	37	62	1=100
c. I need it to pay for unexpected expenses.	60	39	1=100
d. I use it to earn points in reward programs.	33	66	1=100
e. I need it to pay for things when I run out of money at the end of a pay period.	30	69	1=100

QUESTIONS 39 THROUGH 52 IN PREVIOUS RELEASE

Q.53 Have you ever used a credit consolidator to help pay off your debt, or not?

7 Yes
 92 No
 1 Don't know /Refused **(VOL.)**
 100

BANK Have you ever had to declare bankruptcy, or hasn't this happened to you?

	<u>May 2005</u>
9 Yes	10
91 No	89
* Don't know /Refused (VOL.)	1
100	100