

# **April Consumer Spending and Saving**

A research report prepared for:



*April 12, 2011*

echo

GLOBAL RESEARCH PROTECTING BRANDS AND REPUTATION



# Research Method

- **This research was completed online among a random sample of consumers aged 18+. A total of 2,020 interviews were completed.**
- **In addition to a general population sample, two sub-groups – Affluents, and Young Professionals were targeted and balanced by the general population.**
  - **n= 515: Affluents – defined as having a minimum annual household income of \$100,000**
  - **n= 517: Young Professionals – defined as less than 30 years of age, having a college degree, and a minimum annual household income of \$50,000**
- **Interviewing was conducted by Echo Research between March 24- 28, 2011.**
- **Overall the results have a margin of error of +/- 2.2 (or 4.2 among Affluents, and 4.3 among Young Professionals) percentage points at the 95% level of confidence.**





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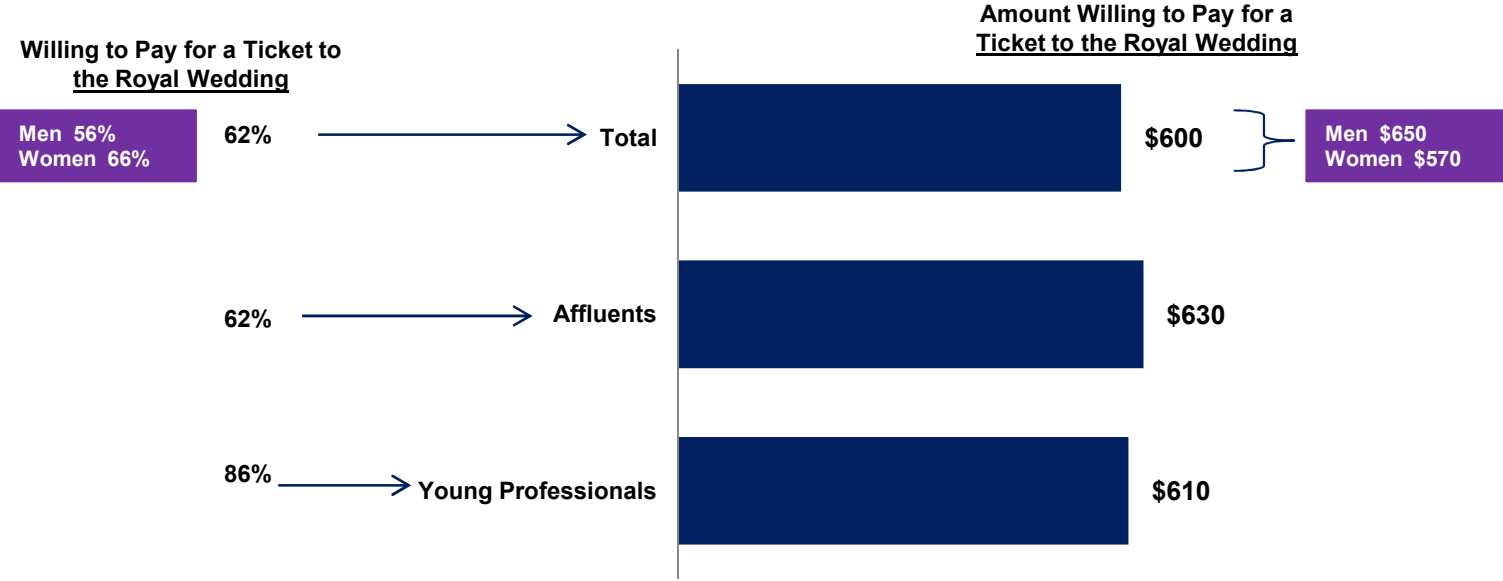
# SPENDING ON WEDDINGS

# How much are you willing to pay for a ticket to attend the Royal Wedding?



**More than three in five Americans are willing to purchase a ticket to the Royal Wedding and would spend an average of \$600 to attend.**

- Nearly nine in ten Young Professionals are willing to pay \$610 for a ticket to the Royal Wedding; in contrast, more than three in five Affluents are willing to spend an average of \$630.
- Two thirds of women are willing to spend an average of \$570 to attend the Royal Wedding, while more than one half of their male counterparts are willing to spend \$650 to attend.



Average rounded to the nearest ten.

R9a If you were able to purchase tickets to any of the following, how much would you be willing to pay per ticket? Base: Total respondents



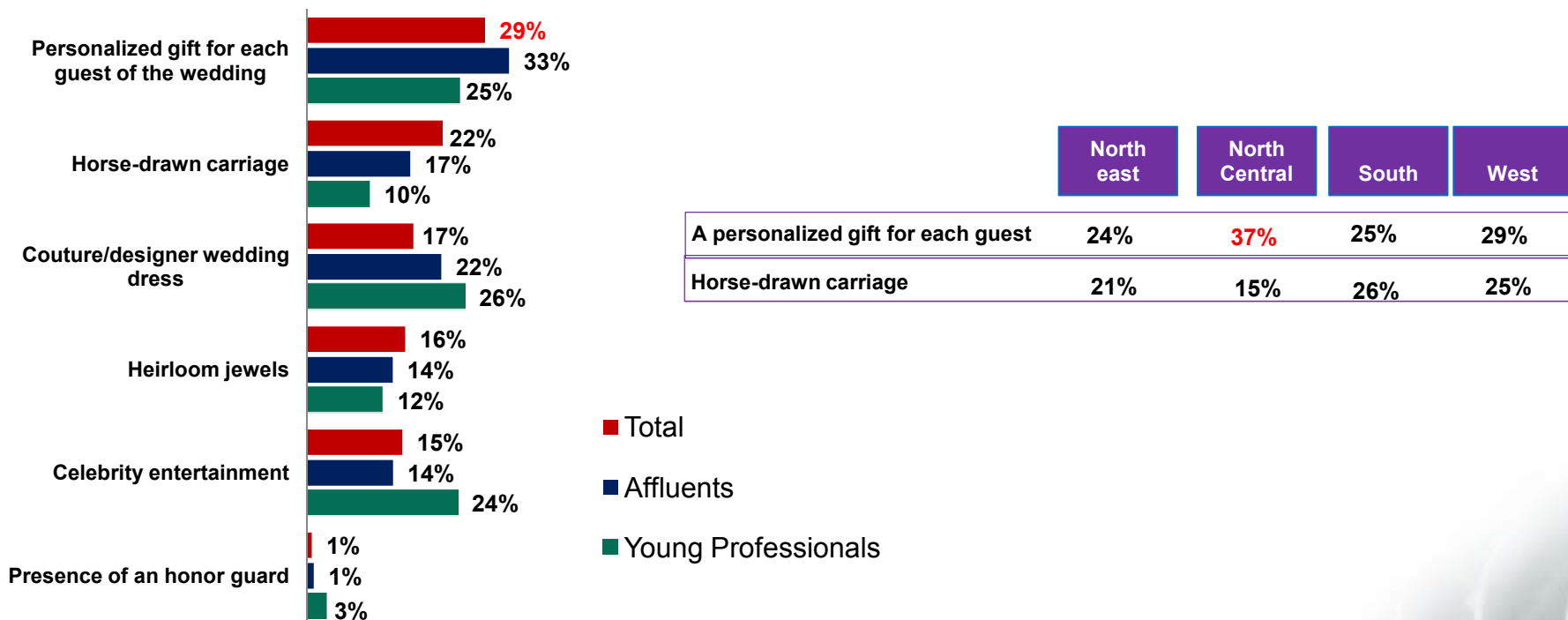
# Most Desired Royal Wedding Luxury, If Money Were No Object



When women were asked which Royal Wedding luxury they would most want to incorporate into their special day (or someone close to them) – a personalized gift for each guest was at the top of the list (29%).

More than one in five women would choose a horse-drawn carriage (22%), if money was no object.

- More women in the North Central region would choose a personalized gift for each guest (37% vs. 29% overall).



R10 Thinking about the Royal Wedding - Prince William and Kate Middleton's wedding will include many elements that are not included in the average person wedding. If money were no object, which of the following would you want MOST want for your wedding or someone close to you getting married? Base: Total female respondents

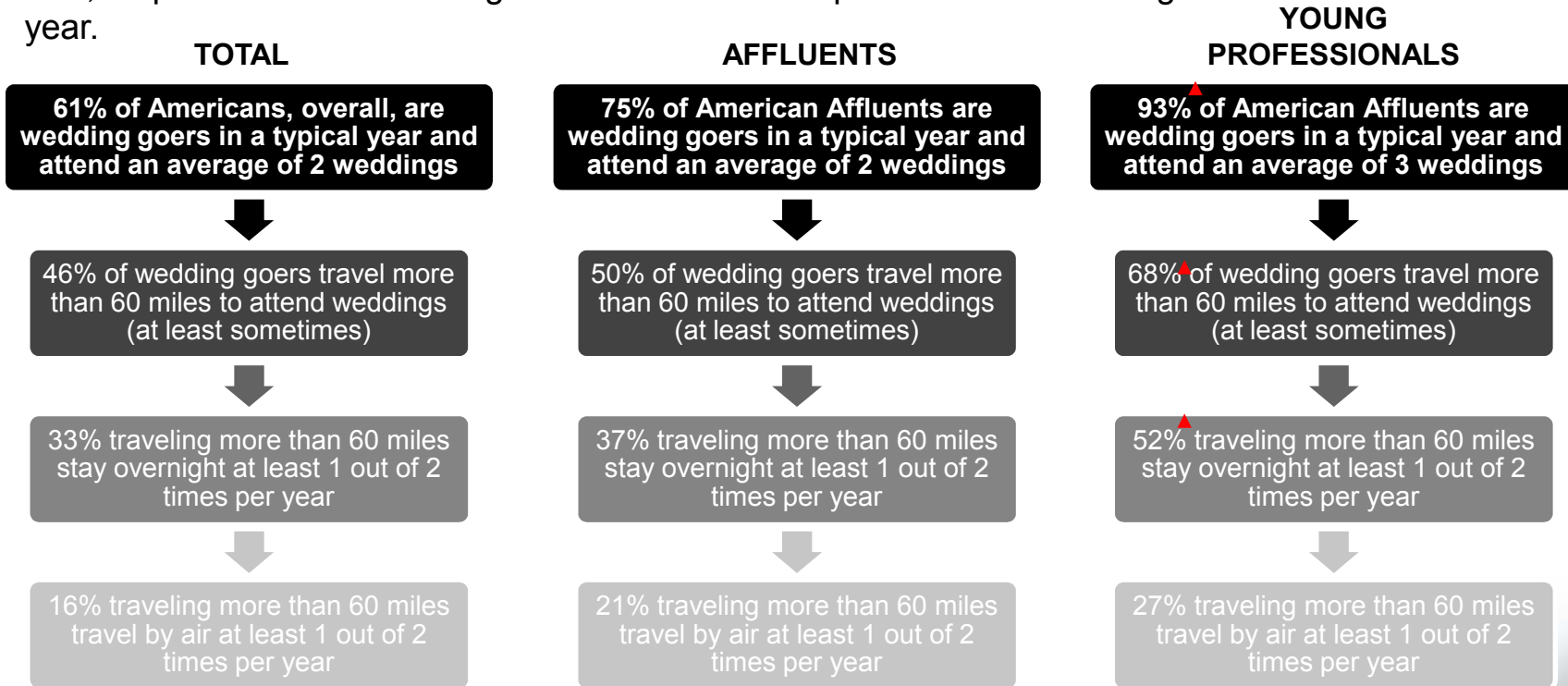


# Wedding Attendance Per Year, On Average



**More than three in five Americans, overall, attend an average of two weddings per year.**

- More than nine in ten Young Professionals are wedding goers and attend an average of 3 weddings per year.
- Over two thirds of the weddings attended by these Young Professionals are more than 60 miles away, and more than one half (52%) are overnight stays, at least 1 out of 2 times per year.
- And, 27 percent of those Young Professionals take a plane to such weddings at least 1 out of 2 times per year.



R1 Have you ever declined going to a wedding due to anticipated costs involved? R2 About how many weddings do you usually attend a year? Base: Total respondents  
 R3 How often do you have to travel (more than 60 miles each way) for weddings per year? BASE: Total usually attend at least 1 wedding per year  
 R4a How often do you have to stay overnight to a wedding? R4b How often do you have to fly to a wedding? Base: Ever traveled more than 60 miles for weddings

▲ Significantly higher than (Affluent/Young Professional) segment at the 95% confidence level



# Type Of Wedding Gift Prefer To Receive Versus Give

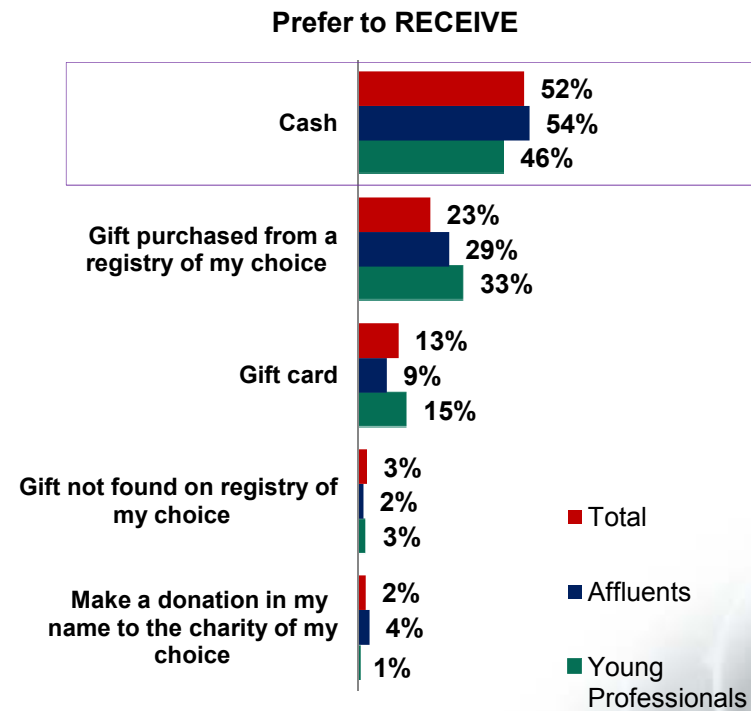
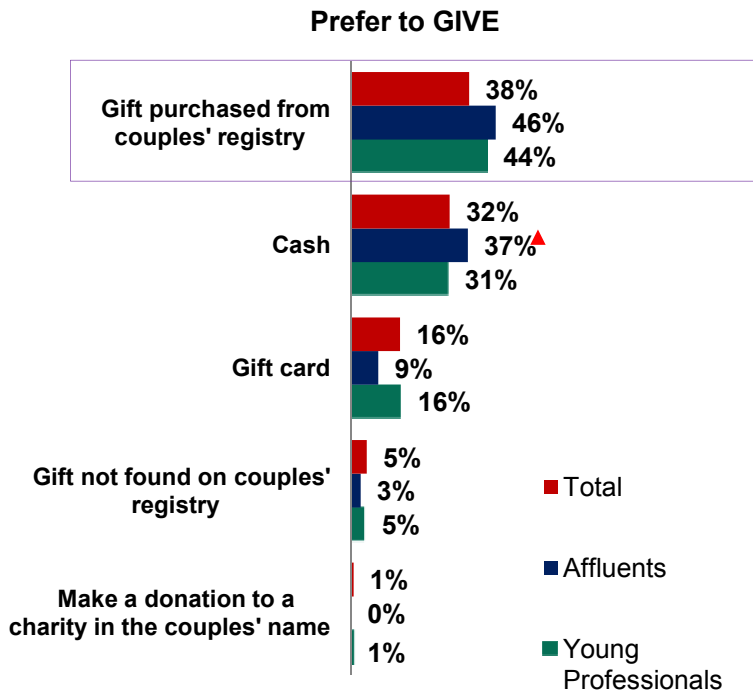


**Most consumers prefer to receive cash, but not as many prefer to give cash.**

More than 50 percent of consumers said they would prefer to receive cash as a gift, followed by gifts purchased from gift registries (23 percent).

However, while most consumers said they would prefer to receive cash, not as many prefer to give cash (32 percent); instead, many (38 percent) said that when giving a gift, they would prefer to give from the couples' registry.

Only two percent of respondents indicated donation to a charity as a gift they would prefer to receive.



R5a Which of these do you prefer giving as a wedding gift?  
 R5b Which of these would you prefer receiving as a wedding gift if you were getting married? Base: total respondents

▲ Significantly higher than (Affluent/Young Professional) segment at the 95% confidence level



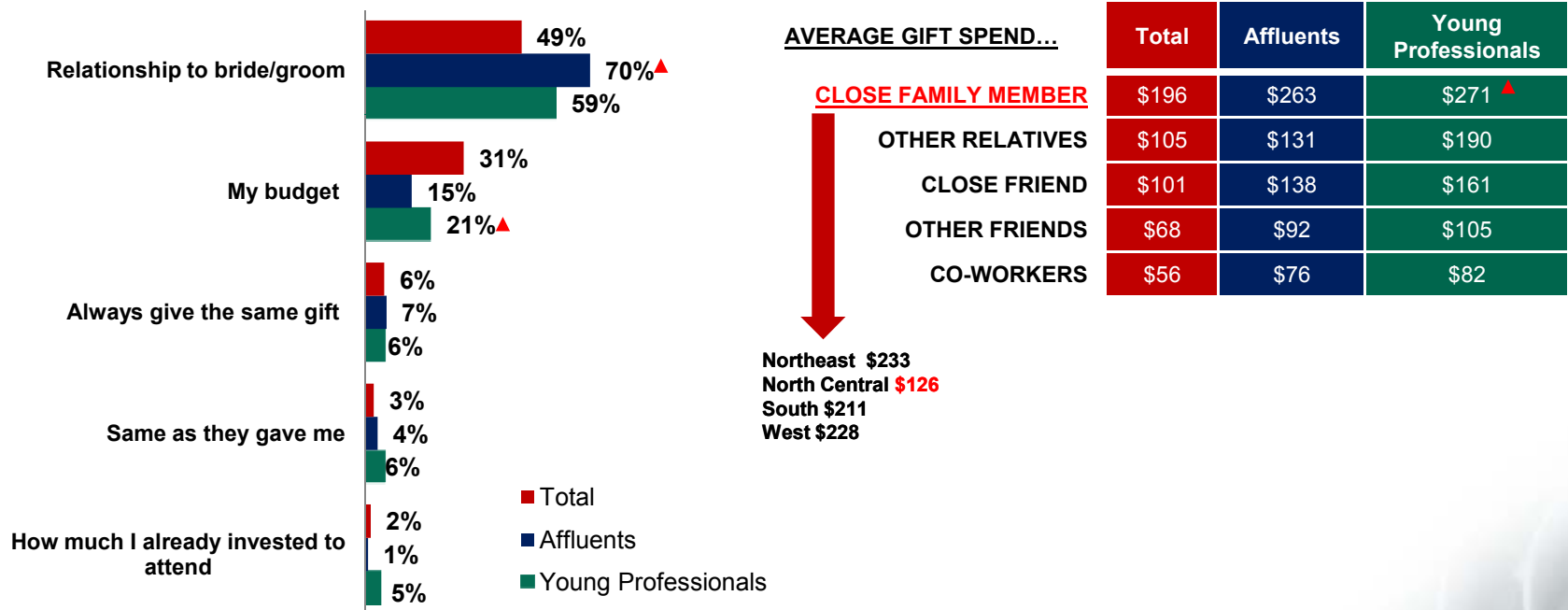
# Relationship To The Couple Is Most Influential Factor In How Much To Give



Consumers splurge the most on wedding gifts for close family members (an average of \$196).

- Those living in the Northeast and West are the most generous with their wedding gift purchases to close family members, spending an average of \$233 and \$228 respectively, followed by Southerners, who spend \$211 on average per gift. Comparatively, those in the North Central region are the least generous – only doling out \$126 per gift.

About one half (49%) say the relationship they have with the bride and/or groom is the most influencing factor in determining the gift value to give, followed by their budget (31%).



Top 5 reasons shown above.  
 R6 When determining the value of your gift, which factor influences you the most?  
 R7a-e How much do you estimate you spend on the average wedding gift for the following recipients? Base: total respondents

▲ Significantly higher than (Affluent/Young Professional) segment at the 95% confidence level





# Typical Costs To Attend A Wedding



Consumers spend an average of \$490 to attend a wedding as a guest or \$539 when in the wedding.

	Total	Affluents	Young Professionals
<b>Average Wedding Expenses</b>			
• Dressing up for the wedding			
<input type="checkbox"/> When a guest	\$113	\$159	\$169
<input type="checkbox"/> When in the wedding	\$64	\$74	\$97
• Hotel stay	\$106	\$143	\$142
• Transportation	\$96	\$137	\$117
• Dining out	\$70	\$94	\$106
• Pre-wedding party - i.e. Bachelor/Bachelorette party	\$56	\$64	\$109
• Jewelry	\$47	\$30	\$92
• Arrangements for children, pets (i.e., baby sitter, pet sitter, etc)	\$26	\$29	\$55
• Other expense	\$24	\$15	\$14
<b>Total wedding costs when guest at wedding</b>	<b>\$490</b>	<b>\$586</b>	<b>\$738</b>
<b>Total wedding costs when in the wedding party</b>	<b>\$539</b>	<b>\$674</b>	<b>\$807</b>

R8a-i(2) Other than the wedding gift, how much do you estimate the typical wedding costs you to attend (clothes, travel and other wedding related expenses)? Base: total respondents





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# COUPLES AND MONEY



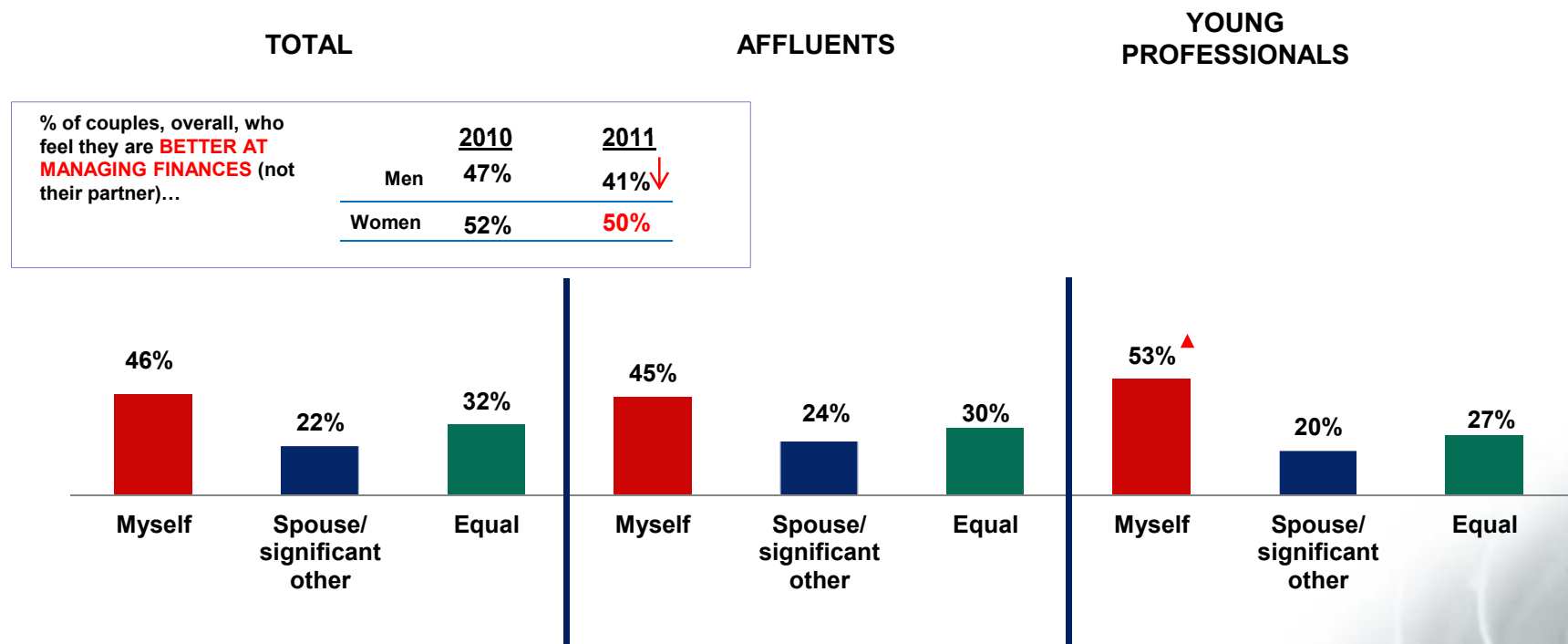
# Who is better at managing household finances?



## More couples among the general population pat their own back as the better financier.

Nearly one half of couples, overall, take the credit for being better than their partner at managing household finances (46%), although about one third give equal financial management capabilities (32%) and more than one in five (22%) credit their partner.

- Most Young Professional couples surveyed say they are better at managing finances than their partner (53%).
- More women than men couples feel they are better at managing household finances (50% vs. 41%).



V2. Who is better at managing household finances – you or your spouse/ significant other?  
 Base: Total married or single, living with a partner

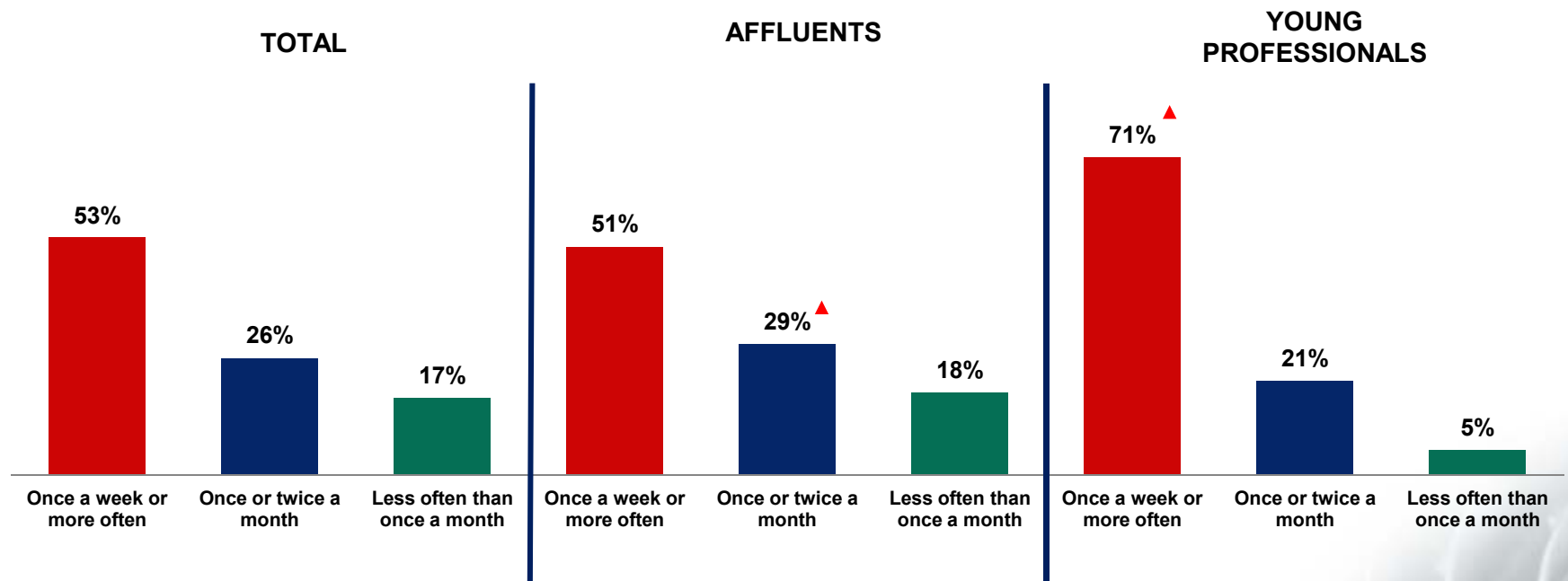
↑↓ Significantly higher or lower in 2011 versus 2010.  
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# How often do couples discuss household finances?



**Most couples discuss household finances at least once a week (53%) with their partner.**

- An even greater percentage of Young Professional couples discuss household finances with their partner at least once a week (71%), in contrast to one half of Affluent couples (51%).



Q.V6 How often do you and your spouse/significant other discuss household finances?  
Base: Total married or single, living with a partner

▲ Significantly higher than (Affluent/Young Professional) segment at the 95% confidence level

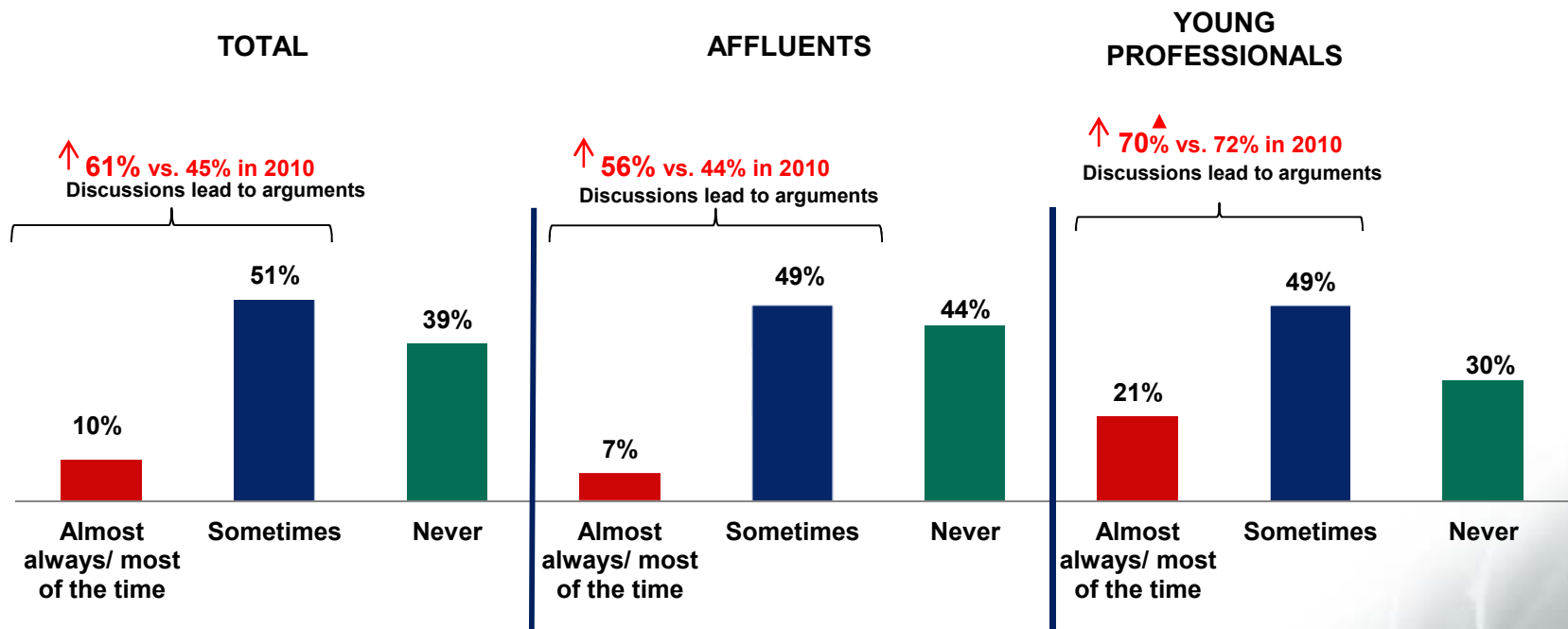
# Household Finance Discussions Lead To Arguments



**Most couples say discussions of household finances lead to arguments.**

The percentage of discussions turning to arguments is significantly higher from one year ago (61% vs. 45%).

- More Young Professional couples admit their discussions lead to arguments (70%).
- Most Affluent discussions also lead to arguments (56% - up from 44% 2010).



↑ ↓ Significantly higher or lower in 2011 versus 2010.  
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V7 How often do your discussions on household finances lead to arguments? BASE: Total discuss household finances with spouse/significant other

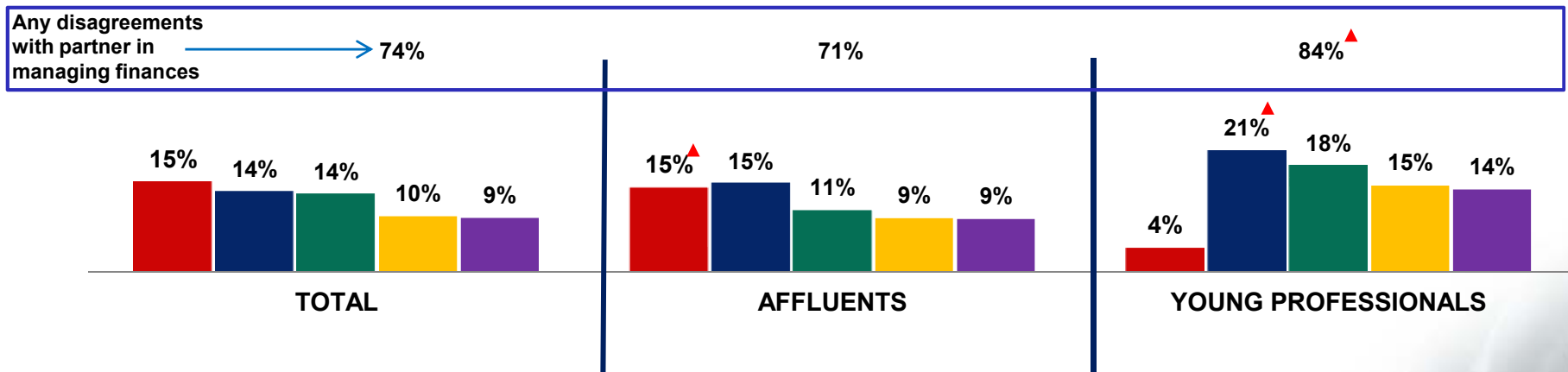
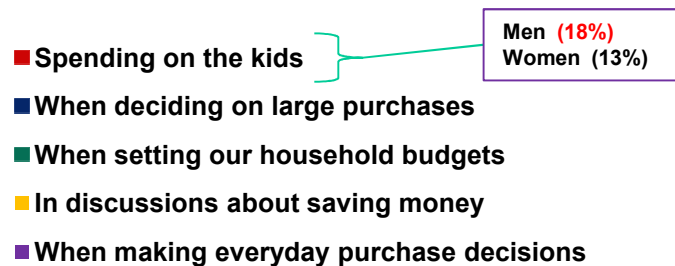


# Financial Situations That Most Often Lead To Disagreement



Top financial situations that lead to disagreements are spending on the kids, large purchase decisions, and household budgets.

- More Young Professional couples argue about large purchase decisions (21% vs. 14% overall).
- More men than women argue about spending on the kids (18% vs. 13%).



Top 5 responses shown

V8 When it comes to managing personal finances, in which of these situations do you and your spouse/significant other most often disagree? Base: Total married or single, living with a partner

▲ Significantly higher than (Affluent/Young Professional) segment at the 95% confidence level

# Issues That Cause The Most Stress Or Anxiety

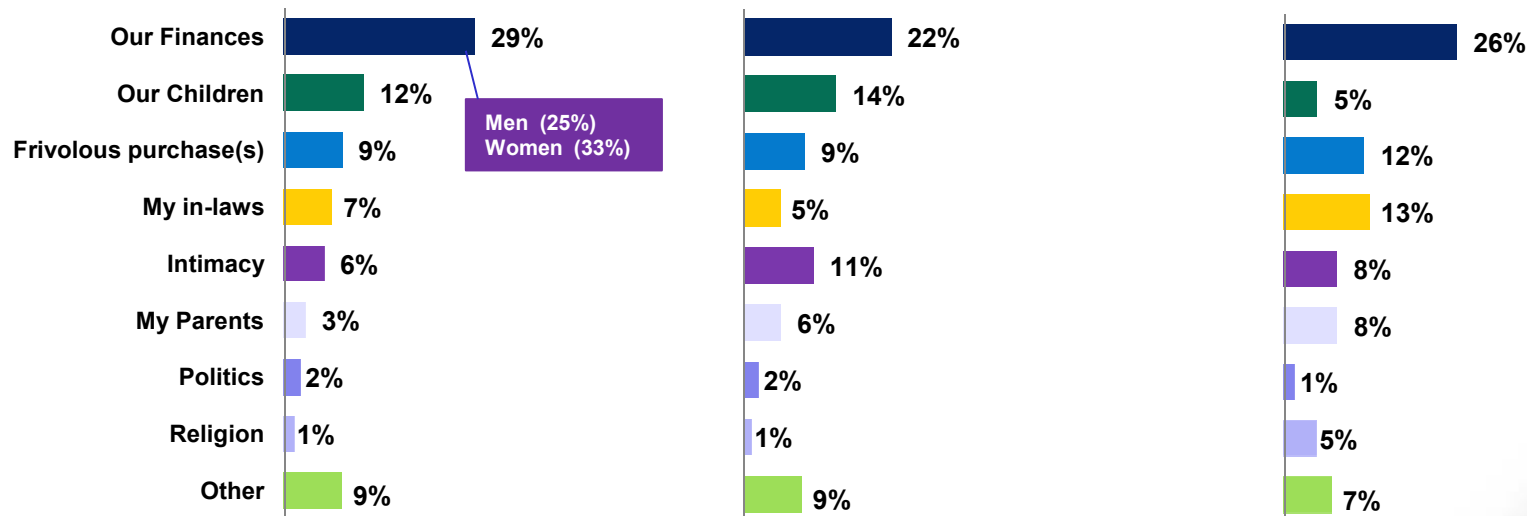


**Most couples admit they get stressed or experience anxiety over such things as finances, children, frivolous purchases, etc. (78%).**

The top stress factor cited among couples is finances (29%), followed by children (12%).

- More women couples than their male counterparts admit feelings of stress or anxiety (82% vs. 74%), and finances is at the top (33% vs. 25%, respectively) of the list of stresses.

	TOTAL		AFFLUENTS		YOUNG PROFESSIONALS	
Any stress or anxiety caused	2010	2011	2010	2011	2010	2011
	66%	78% <sup>↑</sup>	69%	79% <sup>↑</sup>	82%	85% <sup>▲</sup>



<sup>↑↓</sup> Significantly higher or lower in 2011 versus 2010.  
<sup>▲</sup> Significantly higher than (Affluent/Young Professional) segment at the 95% confidence level

Top 3 responses shown  
 V4 What issue causes the most stress or anxiety between you and your spouse/significant other? Base: Total married or single, living with a partner



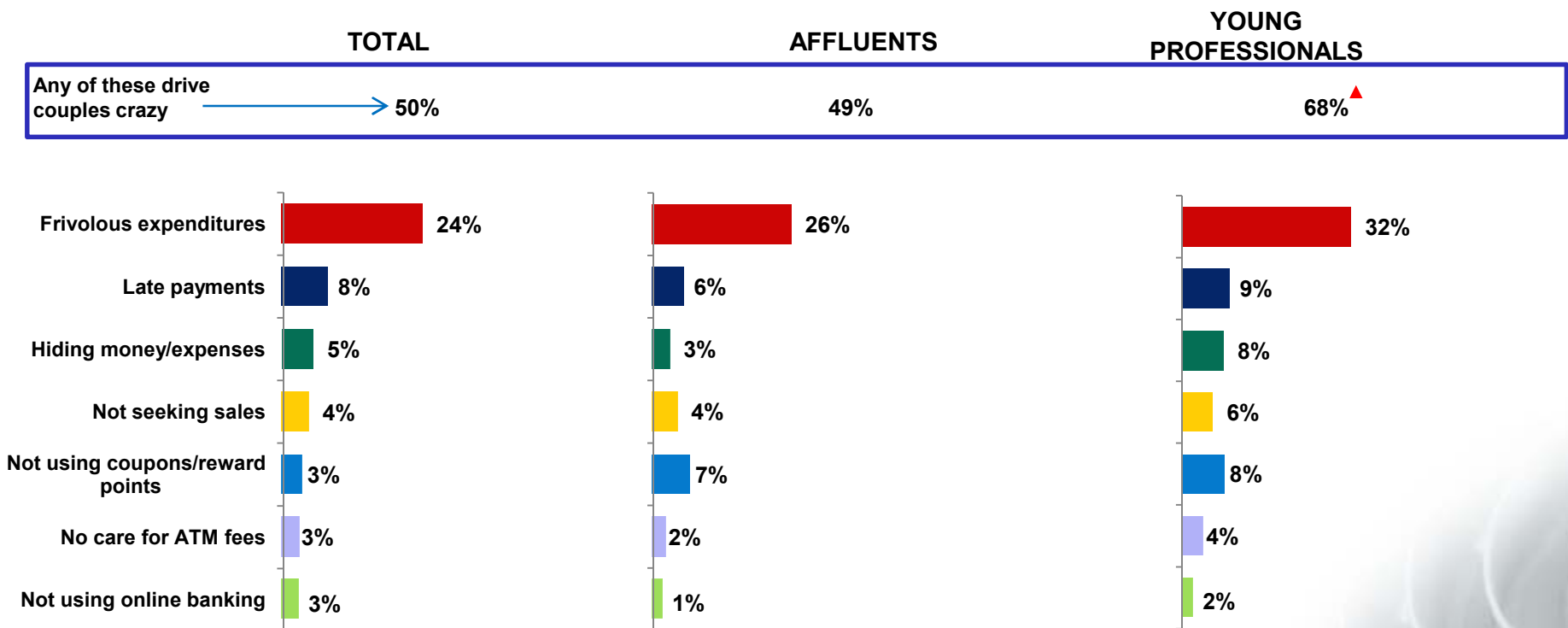
# Top Financial Habits To Most Drive Couples Crazy



**One out of two couples indicate financial habits of their partner that drive them crazy.**

About one in four couples among the general population say frivolous spending most drives them crazy (24%).

- More than two thirds of Young Professionals cite financial habits of their partner that drives them crazy (68%), in contrast to about one in two of their Affluent counterparts (49%).
- More Young professional couples say frivolous spending drives them crazy (32% vs. 24% overall).



V5 Which of the following financial habits does your spouse/significant other have that MOST drives you crazy? Base: Total married or single, living with a partner

▲ Significantly higher than (Affluent/Young Professional) segment at the 95% confidence level







# Financial Secrets Among Couples

Three out of four couples have financial secrets they keep from their partner (75%), such as buying something their partner didn't agree with purchasing (57%).

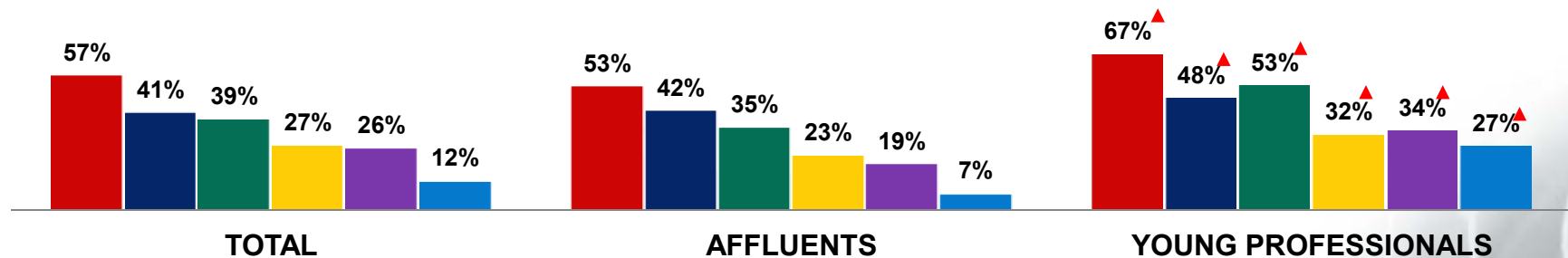
Young Professional couples are most likely to make purchases without the consent of their partner (67%), followed by those who misrepresent the amount of the purchase (53%), and nearly one half of these couples hide purchases from their partner (48%).

- Among couples, more women than men have financial secrets they keep from their partner (77% vs. 72%), such as hiding purchases (44% vs. 39%), and misrepresenting the amount of a purchase (42% vs. 35%).

- Bought something partner didn't agree with
- Hid purchases
- Misrepresented the amount of a purchase
- Kept a separate account (savings/money) or card
- Did not disclose debt
- Wasn't forthcoming about credit score

	Men	Women
Any financial secrets	72%	77%
Hid purchases	39%	44%
Misrepresented the amount of a purchase	35%	42%

Any financial secrets among couples	2010	2011	2010	2011	2010	2011
TOTAL	57%	75%↑	61%	71%↑	61%	78%↑



V9a-f Which of the following have you or your spouse/significant other done at one time or another? Base: Total married or single, living with a partner

↑↓ Significantly higher or lower in 2011 versus 2010.  
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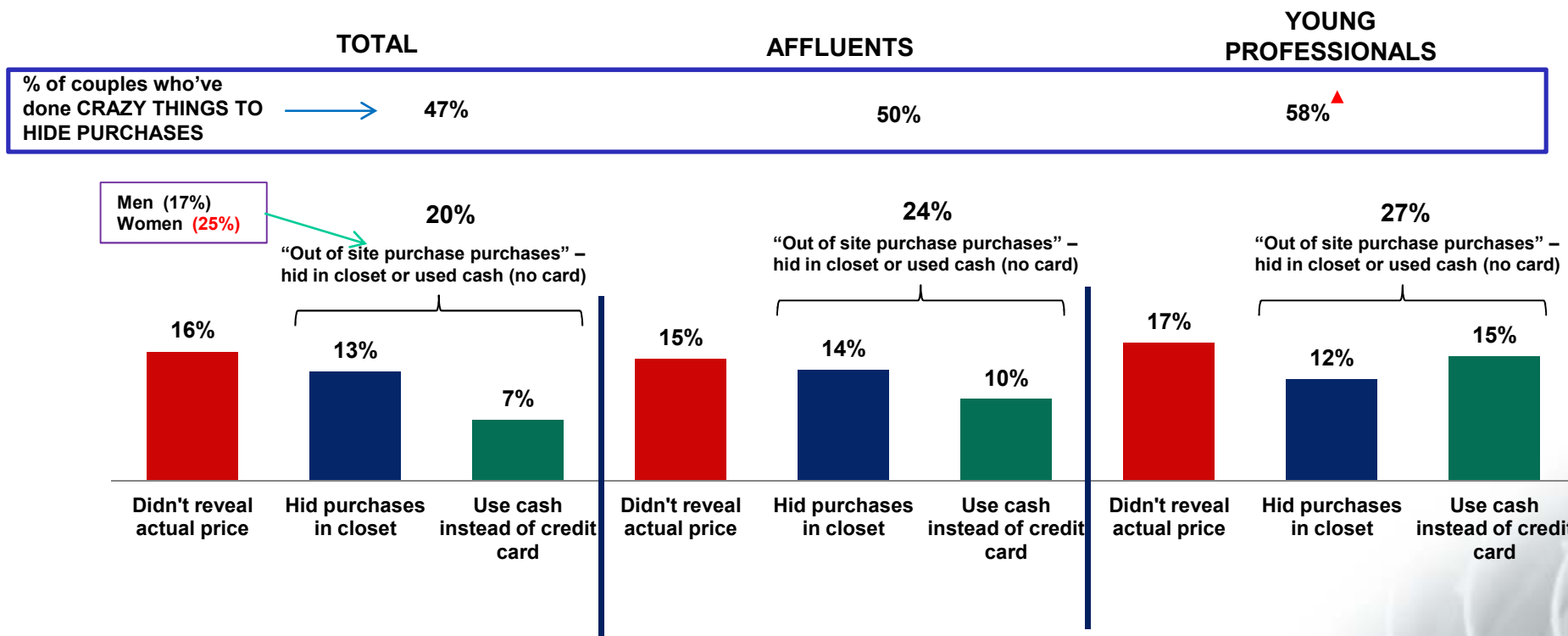
# Craziest Thing Couples Have Ever Done To Hide A Purchase From Spouse / Significant Other



Nearly half of couples have done crazy things to hide purchases from their partner.

One in five keep the purchases out of site from their partner (20%) by hiding purchases in their closet (13%) or using cash instead of credit card (7%).

- Among couples, more women than men have kept purchases out of site (25% vs. 17%).



Top 3 responses shown  
 V10 What is the craziest thing you have ever done to hide a purchase from your spouse/significant other?  
 Base: Total married or single, living with a partner

▲ Significantly higher than (Affluent/Young Professional) segment at the 95% confidence level



# Biggest Financial Mistake

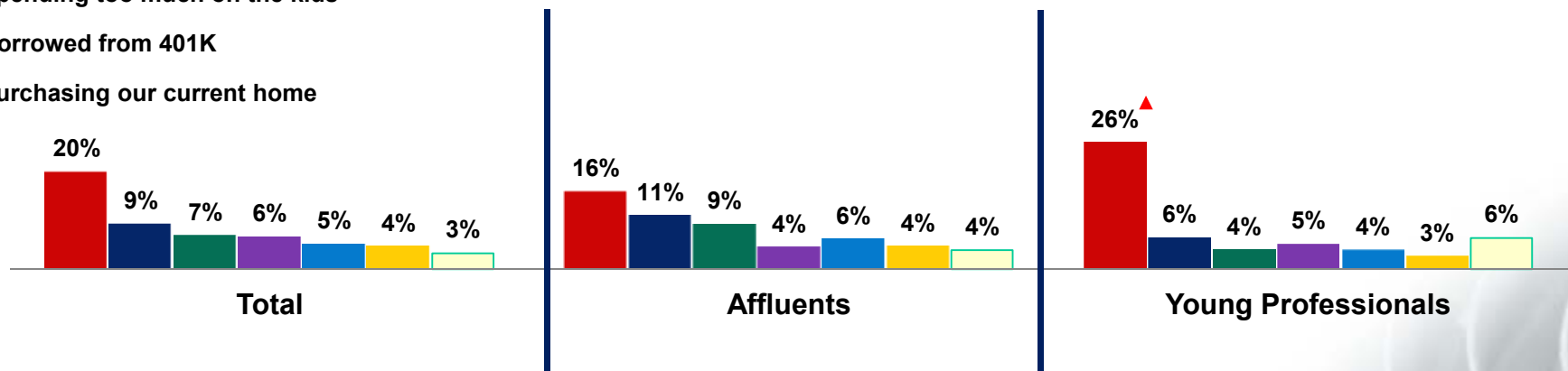


About three in four couples cite financial mistakes (74), and 'not paying off debt when they could' is at the top of the list of mistakes (20%).

Financial mistakes have grown from one year ago (74% vs. 56%).

- Not paying off debt when we could
- Bad stock market investments
- Not selling our home when market was good
- Changed jobs/career - lost seniority
- Spending too much on the kids
- Borrowed from 401K
- Purchasing our current home

<b>ANY Financial Mistakes</b>	<u>2010</u>	<u>2011</u>
Total	56%	74% ↑
Affluents	64%	76% ↑
Young Professionals	59%	75% ▲



Top 7 responses shown  
 V12 Please describe the biggest financial mistake you have made as a couple and what you would do differently? Base: Total married or single, living with a partner

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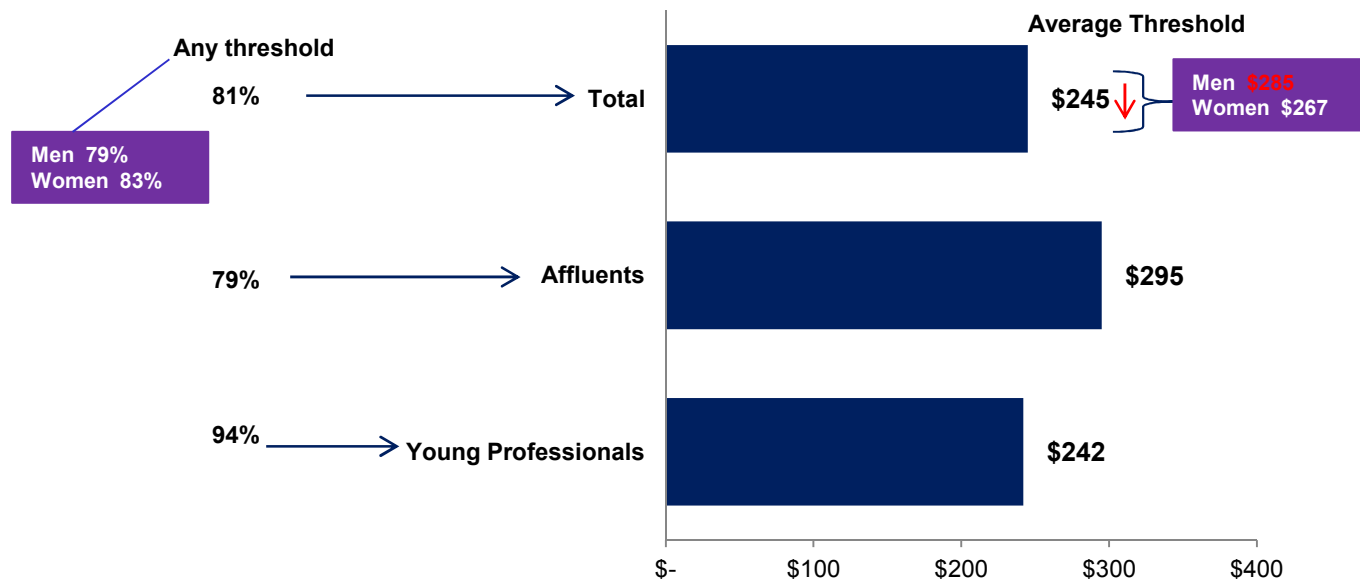
# Average Dollar Threshold in Consulting with Partner on Purchase Decisions



An average of \$245 is the dollar threshold at which more than eight in ten (81%) couples feel the need to consult with their partner (down from \$275 in 2010).

The average threshold is significantly higher among Affluent couples than Young Professional couples (\$295 vs. \$242).

- Women couples cite a lower threshold than their male counterparts (\$267 vs. \$285).



2010	
Any threshold	Average Threshold
73%	\$275
75%	\$395
88%	\$249

↑↓ Significantly higher or lower in 2011 versus 2010.

V11 What is the dollar threshold at which you feel the need to consult with your spouse/significant other on a purchase?

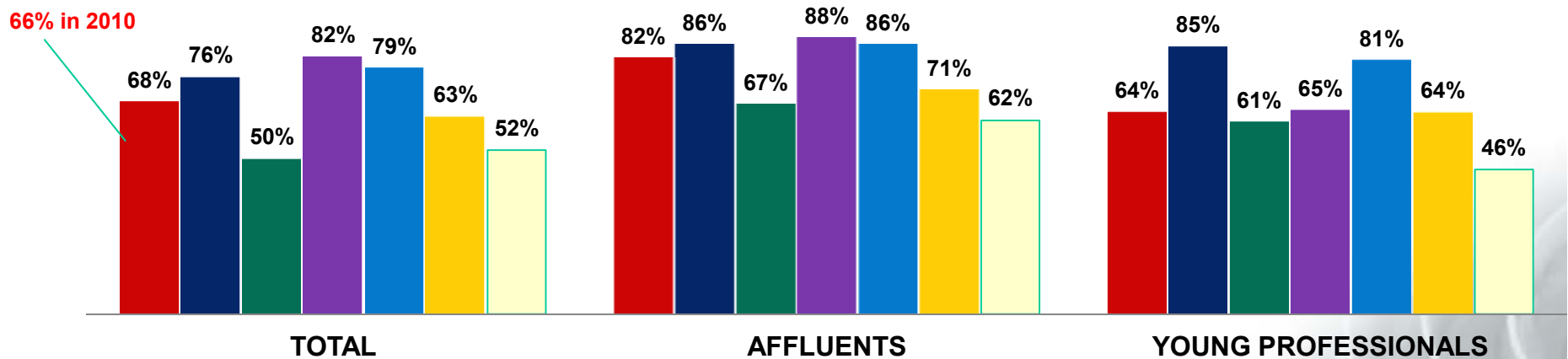


# What Couples Know About Their Partner



Most couples are aware of their partner's finances – such as the amount in their 401K, retirement, savings, checking (68%), but even more are aware of non-financial aspects, such as their partner's weight (79%).

- Amount in financial accounts (i.e., 401K, retirement, savings, checking)
- Salary
- Credit score
- Social Security Number
- Weight
- Computer/E-mail Password
- Blood type



V13 Which of the following do you know about your spouse/significant other? Base: Total married or single, living with a partner





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# RECOLLECTIONS AMONG MARRIED COUPLES

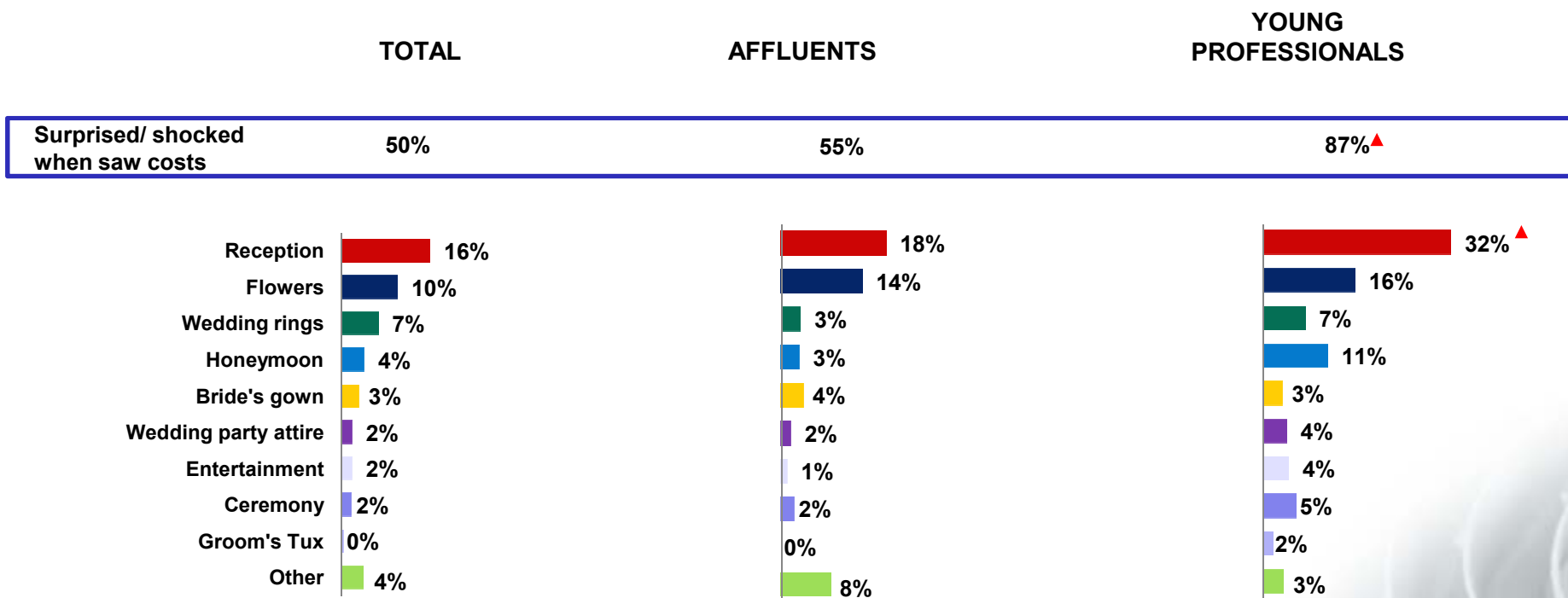


# Thinking back to when you got married, what expense was most shocking?



As married couples think back to when they tied the knot with their spouse, one out of two say they were surprised at various components of their wedding, with the reception at the top of the list (16%).

- Nearly nine in ten Young Professional married couples were surprised about one or more of their wedding expenses (87%), and most were surprised about the reception costs (32%).



P1 Thinking back to when you got married, which of these wedding expenses MOST surprised/shocked you or made you cringe when you saw the cost?

Base: total married respondents

P2 Do you regret spending on this item but at the time you justified the expense? Base: total surprised

▲ Significantly higher than (Affluent/Young Professional) segment at the 95% confidence level



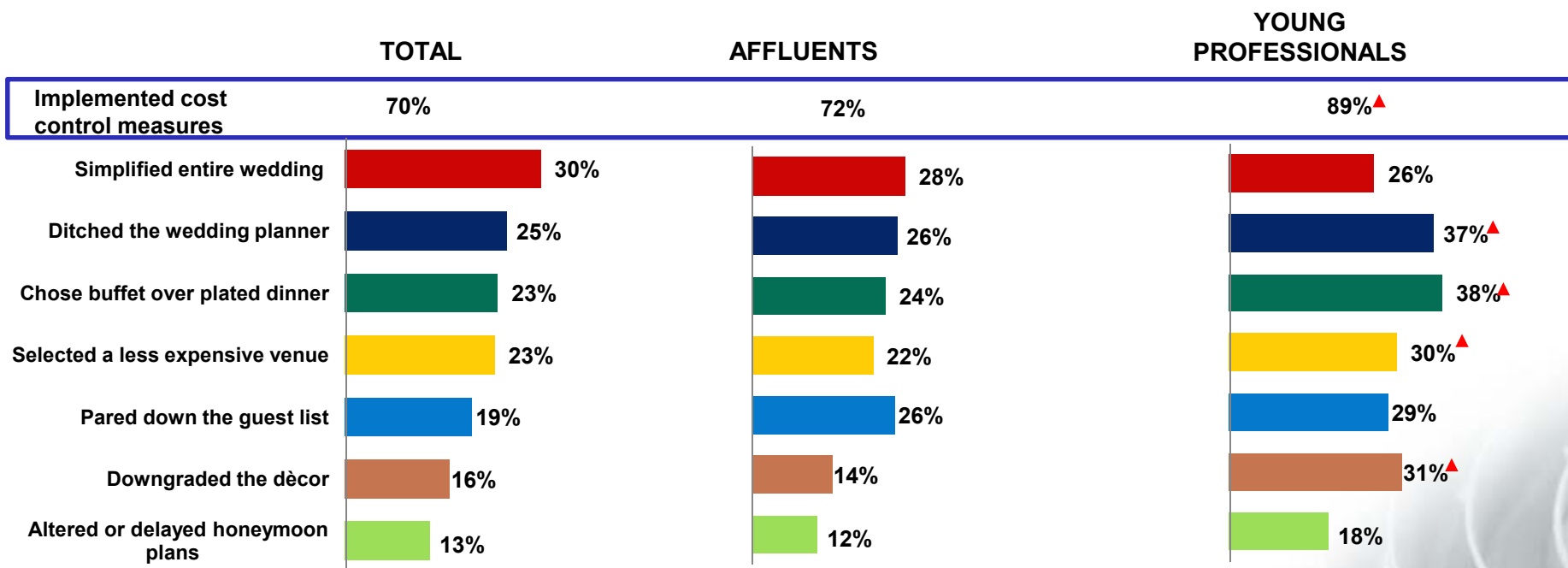
# Thinking back to when you got married, what did you do to keep costs under control?



**Most married couples implemented cost control measures for their wedding (70%), especially the Young Professional couples (89%).**

The leading cost control measures married couples had implemented when they got married were – a simplified wedding- went to courthouse, held an intimate ceremony/ reception (30%), ditched the wedding planner (25%), and chose a buffet over a plated dinner or a less expensive venue (each 23%).

- More Young Professional married couples chose a buffet dinner (38%), ditched the wedding planner (37%), downgraded the décor (31%), and selected a less expensive venue (30%).



P3 What did you do to keep costs under control for your wedding?  
Base: total married respondents

▲ Significantly higher than (Affluent/Young Professional) segment at the 95% confidence level



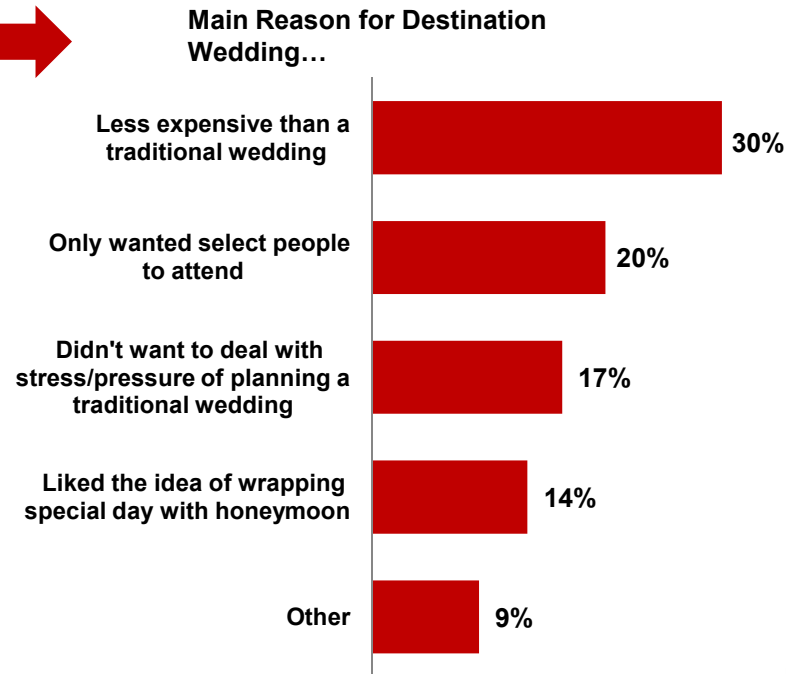




# Was your wedding a “destination wedding”?

More than one in ten married couples had destination wedding (13%) when they tied the knot with their spouse, and the main reason was due to the less expensive costs versus having a traditional wedding (30%).

13% of married couples chose a Destination Wedding	
Total	13%
Affluents	10%
Young Professionals	26% ▲



Sample size too small to shown reasons for destination wedding by segments.

P4 Was your wedding a "destination wedding" - that is, your ceremony and reception was the same destination as your honeymoon, and where your guests were invited to attend? Base: total married respondents

P5 Which of the following describes the MAIN reason you chose a destination wedding? BASE: Total chose a destination wedding

▲ Significantly higher than (Affluent/Young Professional) segment at the 95% confidence level

# When did money and finance discussions commence between you and your spouse?

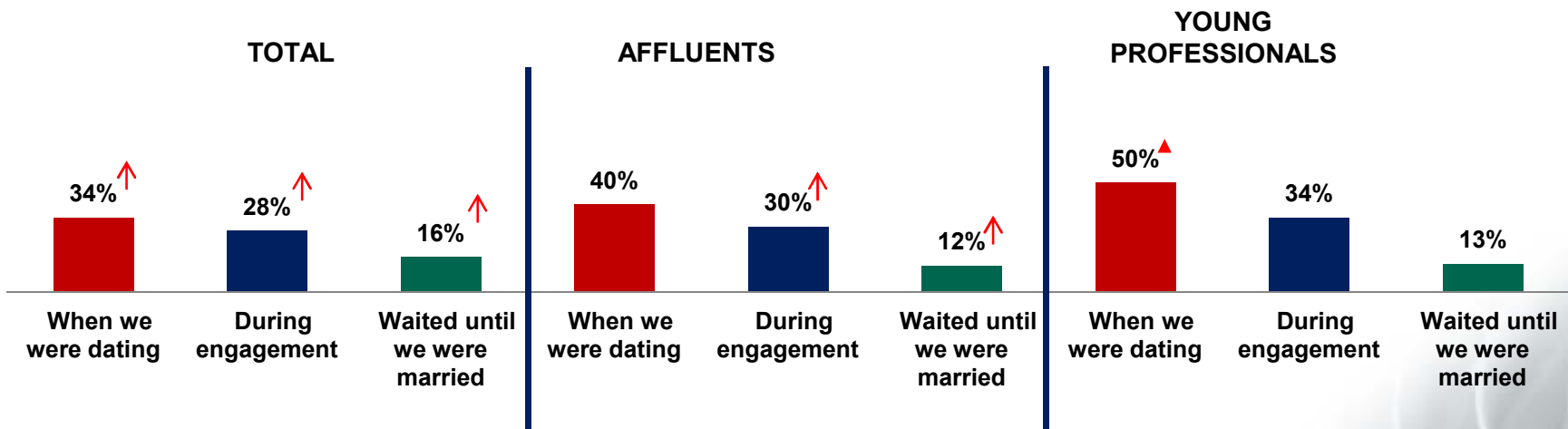


Most married couples among the general population say they discussed finances with their partner before they were married (61% - up from 43% in 2010).

More than one third of married couples (34%) said they discussed finances when they were dating.

- More Young Professional couples continue to discuss finances before marriage (83% vs. 81% in 2010).
- Nearly two thirds of women say they discussed finances before marriage (63%).

% of couples, overall, who discussed money and finances <b>BEFORE MARRIAGE</b>		2010	2011	Men 59%	Women 63%
		<b>Total</b>	43%		
<b>Affluents</b>		56%	70% ↑		
<b>Young Professionals</b>		81%	83%		



Not shown – don't recall or never  
 V1B Thinking back, when you met your spouse - at what point in this relationship did you begin discussions of money and finances? Base: Total married

↑↓ Significantly higher or lower in 2011 versus 2010.  
 ▲ Significantly higher than (Affluent/Young Professional) segment at the 95% confidence level



# Thinking back, what would you do different?

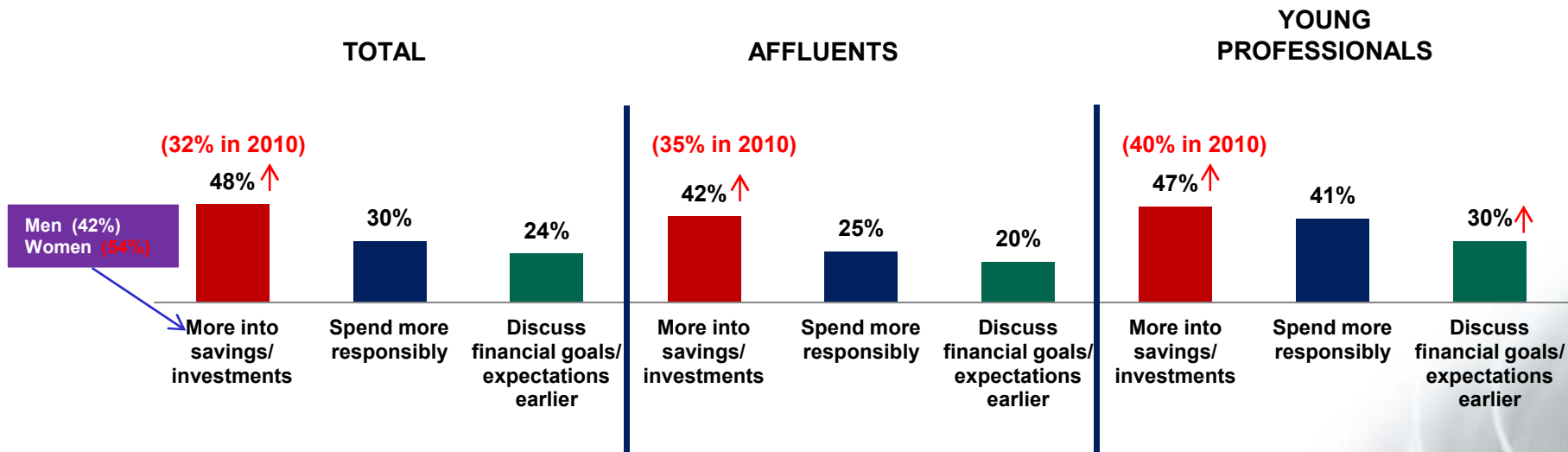


**Most couples among the general population would do something different to manage their financial situation. More couples feel this way today than they did one year ago (73% vs. 50%).**

The biggest change cited among couples is to put more into savings and investments (48%, up from 32% in 2010).

- Among couples, more women than men would do something different with their finances (78% vs. 67%), such as more money into savings and investments (54% vs. 42%).

Would do something different, as a couple, to manage financial situation	Total	2010	2011	Men	Women
		%	%		
		50%	73% ↑	67%	78%
Affluents		49%	64% ↑		
Young Professionals		67%	82% ↑		



Top 3 responses shown  
 V3 Again, thinking back to an earlier point in your relationship - what would you do differently, as a couple, to manage your financial situation?  
 Base: Total married or single, living with a partner

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