



RealSense

RealSense Participant Survey – Report #7 What's In Your Financial Future?

*Day-of-Class and Six-Month Follow-Up Surveys, March 2010 – December 2015
Presented July 7, 2016*



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Background and Method

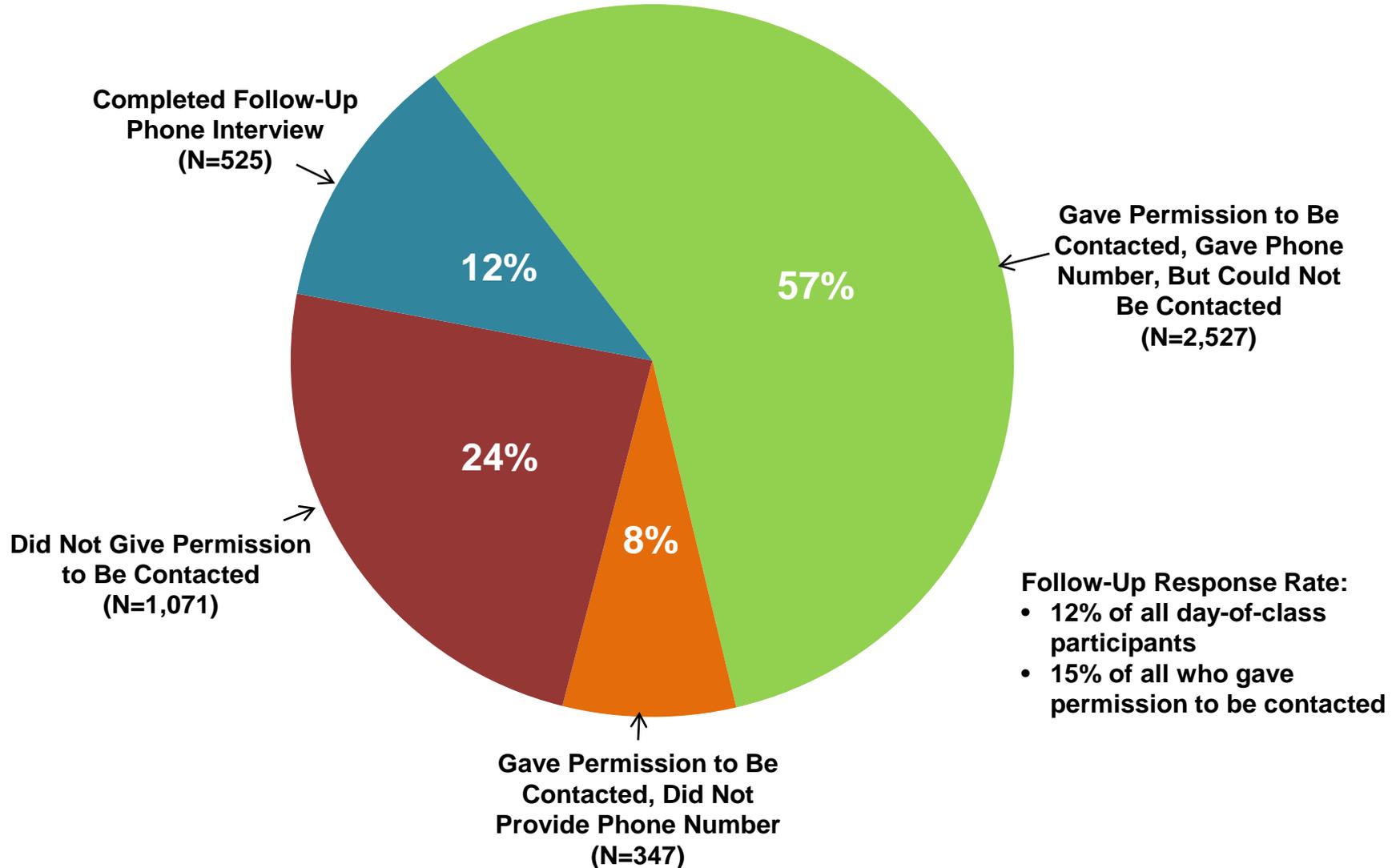
- This report is the seventh in our annual series of follow-up evaluations for the RealSense Prosperity Campaign. The research program started in early 2010, when RealSense asked Ulrich Research Services to conduct follow-up surveys among participants in financial education workshops to determine whether they were “better off” after completing a RealSense workshop. All participants have been asked to complete a “day of class” survey that measures 11 basic financial behaviors and attitudes. The survey asks if they would be willing to participate in a follow-up survey 6 months later. Interviewers from Ulrich Research Services call those who agree and provide their contact information. In the past 6 years, 4,470 participants have completed day of class surveys and 525 have completed follow-up surveys. Individuals who completed classes after December 2015 were not yet eligible for the follow-up survey and are not included in this report.
- 76% of the day of class participants have given their permission to be contacted, but most of them could not be reached 6 months later. Some gave permission but did not provide contact information, some refused when we called them, and most simply did not answer their phone or were not available. If we could not reach them after three attempts we abandoned the effort. The 525 follow-up respondents in this report represent 12% of all participants in RealSense workshops since March of 2010.
- Report #7 includes data on several questions that were added to the day of class and follow-up questionnaires in October 2014. We now ask the respondent’s zip code in addition to their age, gender, household size, and household income. We also ask if they have used any of 6 alternative banking services in the previous 30 days in a place other than a bank or credit union: cashing a check, purchasing a money order, sending money to a friend or relative, obtaining a payday loan, using a pawn shop, or using a rent-to-own store.

Summary of Findings

- Report #7 in our series of “Better Off Measures” surveys found statistically significant improvements on 9 measures. The percentage of respondents that . . .
 - Have a checking account increased from 53% to 78%.
 - Incurred overdraft fees dropped from 30% to 16%.
 - Have a savings account increased from 52% to 75%.
 - Have a written budget increased from 32% to 65%.
 - Checked their credit report increased from 46% to 59%.
 - Paid all of their bills on time increased from 21% to 36%.
 - Felt satisfied with their financial condition increased from an average of 3.6 to 4.8 on a 10-point scale.
 - Felt confident in their ability to manage their finances increased from an average of 6.5 to 7.4 on a 10-point scale.
 - The percentage who said their total debt had increased during the previous six months dropped from 36% to 25%, and the percentage who said their total debt had decreased during the previous six months increased from 17% to 33%.
- 62% of the follow-up survey respondents reported improvements on at least 3 of the 9 measures.
- The percentage of follow-up survey respondents who had purchased a money order within the previous 30 days dropped from 60% to 38%, and the percentage who cashed a check at a place other than a bank or credit union dropped from 23% to 9%. Both changes were statistically significant.

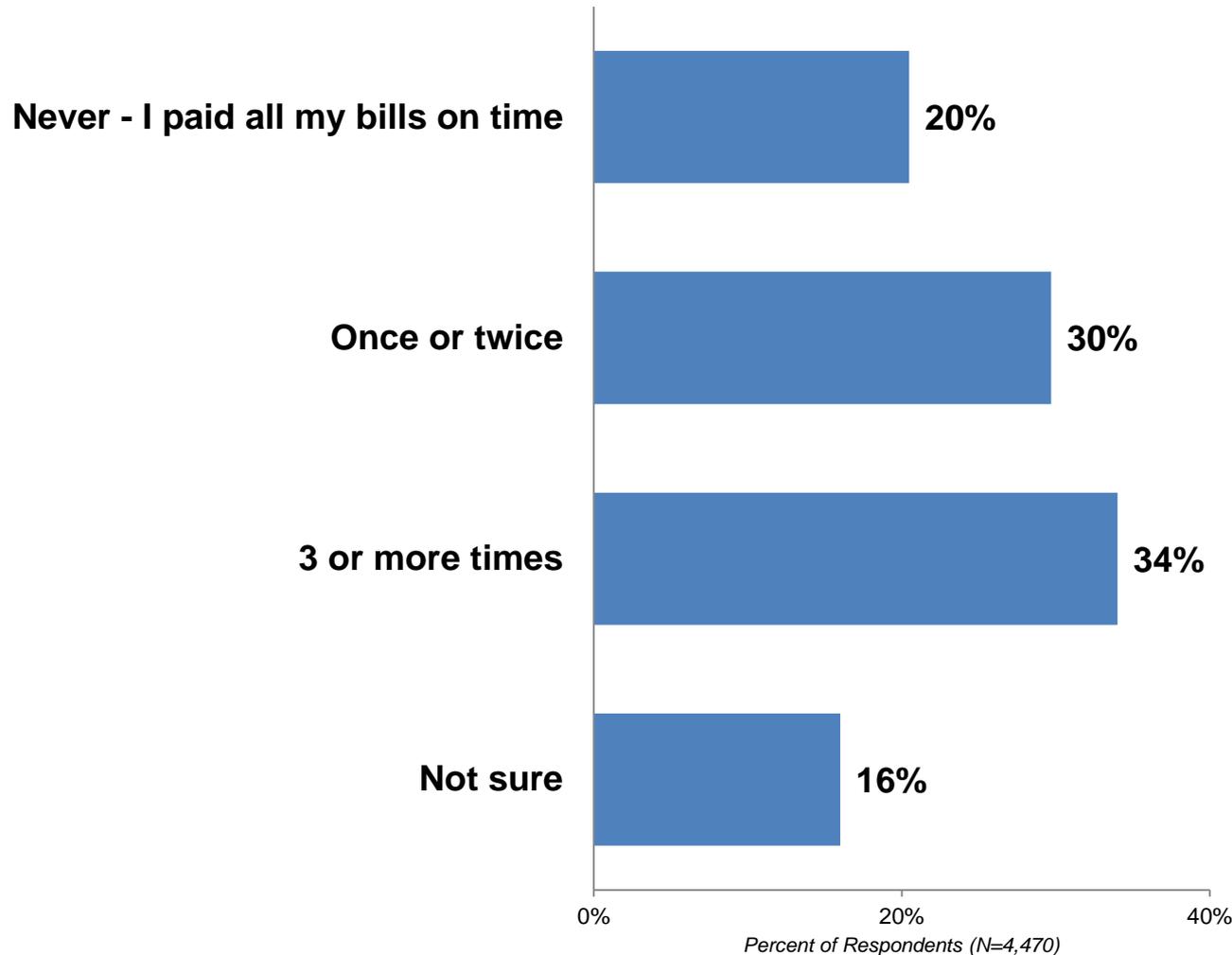
525 Follow-Ups Completed Out of 4,470 Participants From March 2010 to December 2015

4,470 Day-of-class survey respondents had been eligible for the follow-up survey as of June 30, 2016.



Have Respondents Been Unable to Pay Any of Their Bills? – Day-of-Class Survey

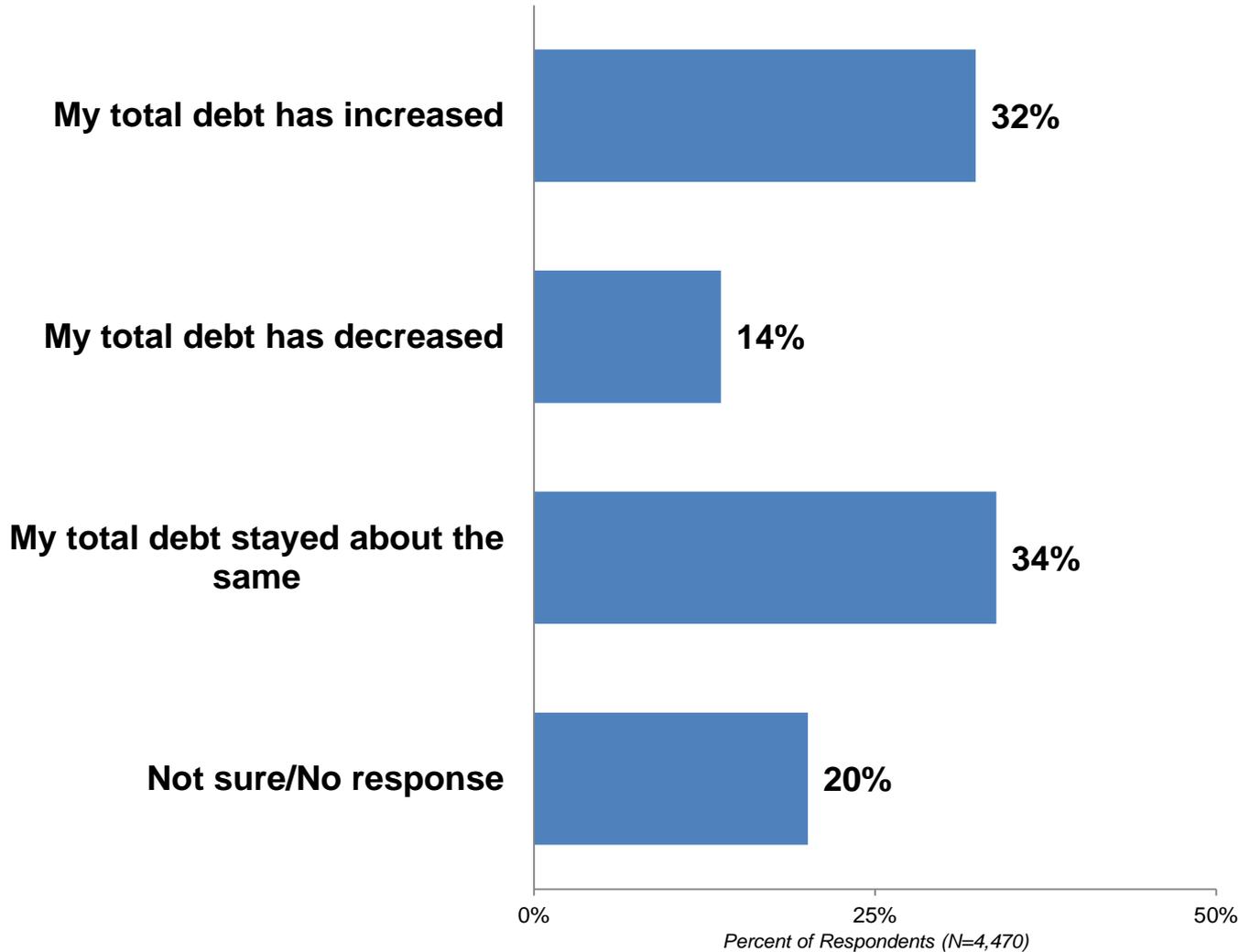
"As far as you remember, how many times have you been unable to pay any of your bills by their due date during the past 6 months?"



- 20% of the respondents to the day-of-class survey reported that they had paid all of their bills on time during the previous 6 months.
- 64% had been unable to pay their bills at least once, including 30% who were unable to pay "once or twice" and 34% who had been unable to pay "3 or more times."

Have Respondent Debts Increased in the Past Six Months? – Day-of-Class Survey

"Compared to six months ago, would you say that the total amount of money you owe in debts has increased, decreased, or stayed about the same?"

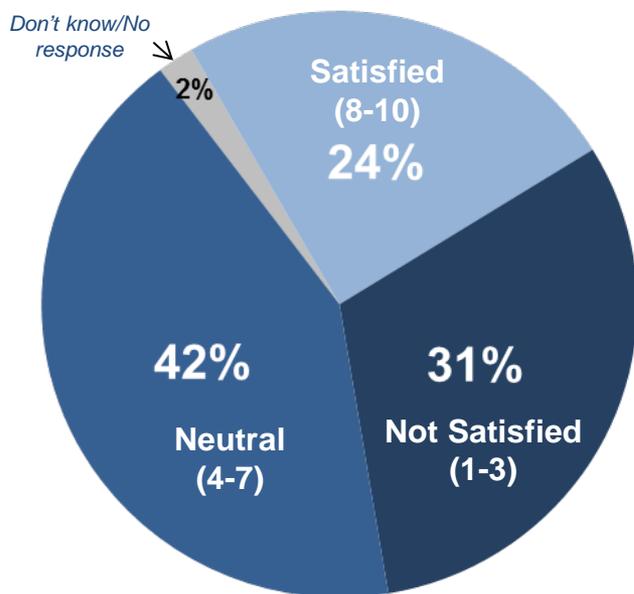


- 32% of the respondents to the day-of-class survey reported that their total debt had increased in the previous 6 months, while 14% said their debt had decreased.

Satisfaction With Current Financial Condition – Day-of-Class Survey

FINRA National Survey, 2012

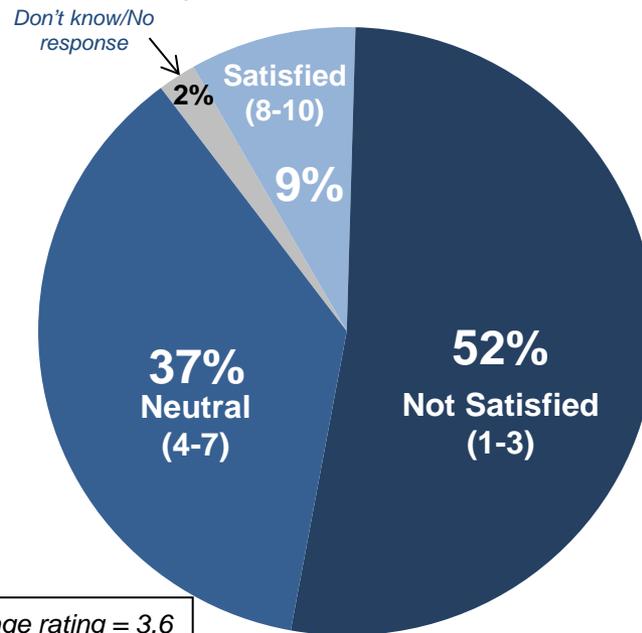
“Overall, thinking of your assets, debts, and savings, how satisfied are you with your current personal financial condition? Please use a 10-point scale, where 1 means “Not at all satisfied” and 10 means “Extremely satisfied.”



Source: FINRA Investor Education Foundation, 2012 National Survey: “Financial Capability in the United States” (N=25,509). An average rating was not available in the survey because the findings were reported as grouped data.

RealSense Participant Survey

“Overall, thinking of your assets, debts, and savings, how satisfied are you with your current personal financial condition? Circle the number from 1 to 10 that represents your level of satisfaction.”



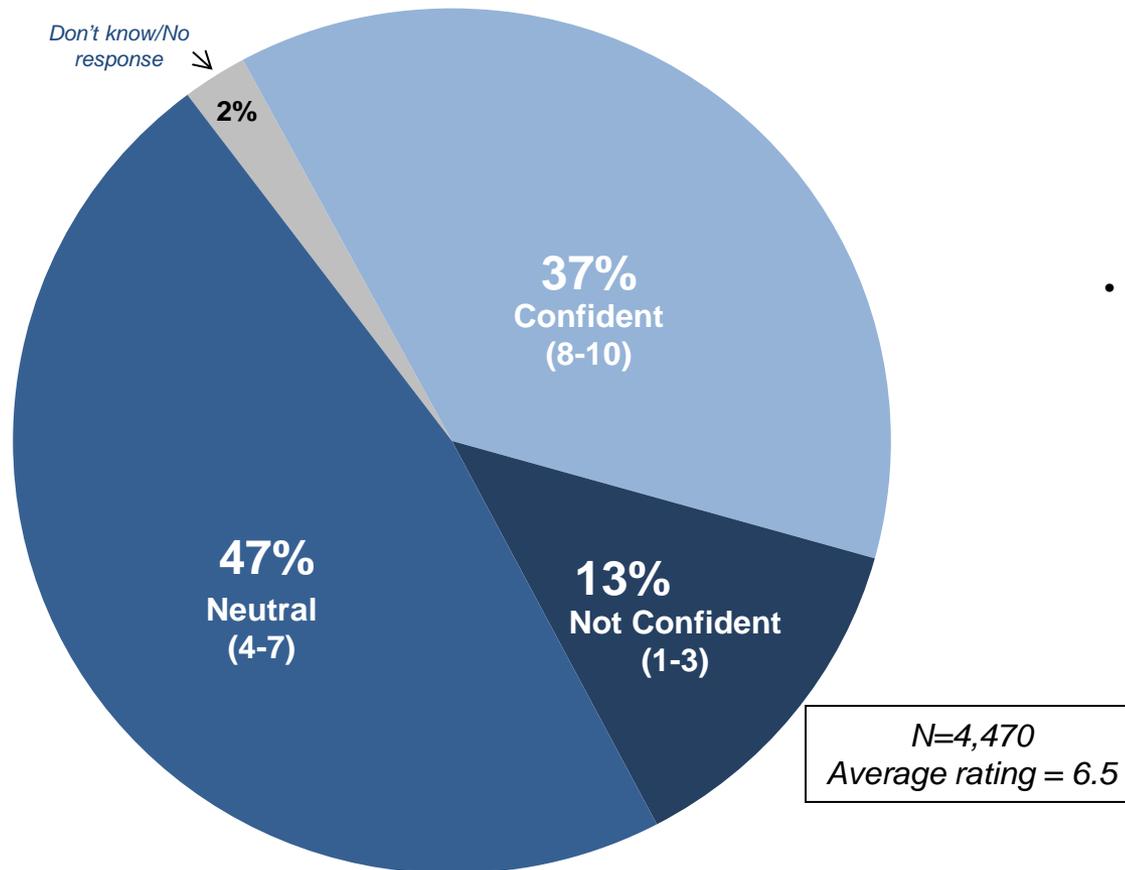
Source: RealSense Participant Survey, Report #7 (N=4,470)

- Participants in RealSense classes were more likely to be dissatisfied with their current financial condition than respondents to the FINRA National Financial Capability Survey.

Respondent Confidence in Ability to Manage Personal Finances – Day-of-Class Survey

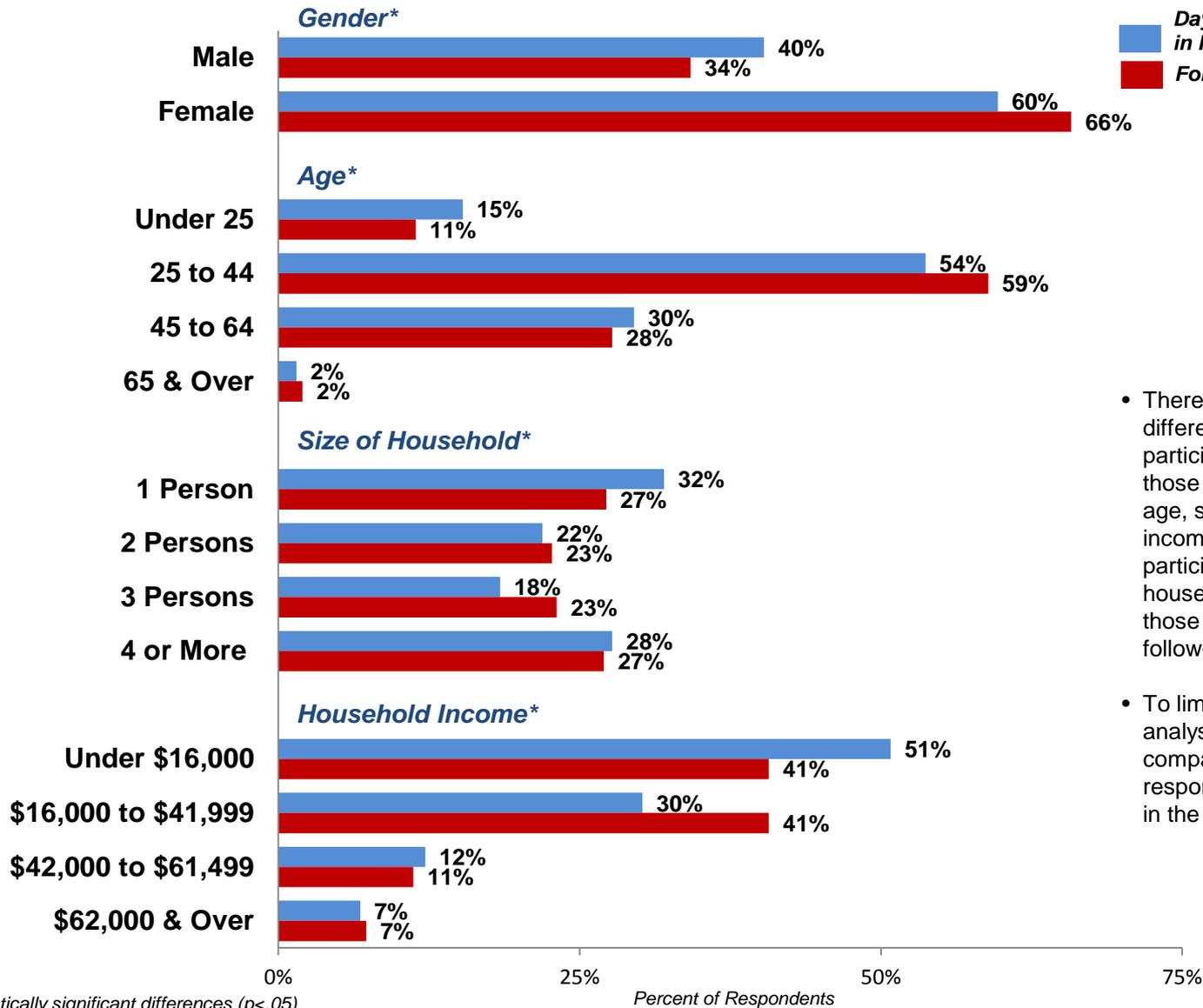
"Overall, how confident are you in your ability to manage your personal finances?"

1 = "Not at all confident," 10 = "Extremely confident"



- 13% of the class participants were "not confident" with their ability to manage their finances (based on FINRA's scale), while 47% were "neutral" and 37% were "confident."

Demographic Profile – Follow-Up Survey Respondents Compared to Non-Respondents



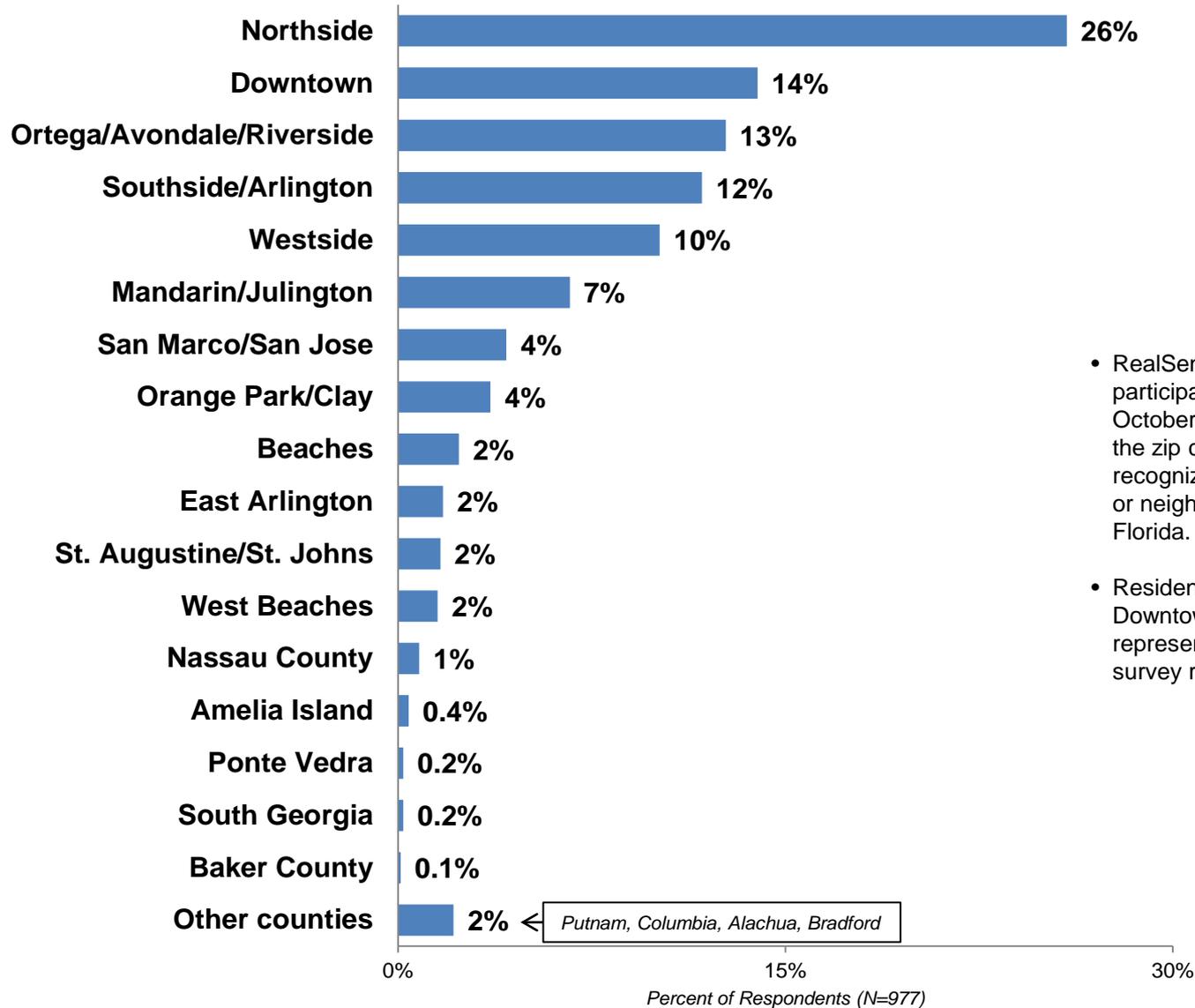
Day of Class Respondents – Not in Follow-Up Survey (N=3,706)
 Follow-Up Respondents (N=525)

- There were statistically significant differences between those who participated in the follow-up survey and those who did not on the basis of gender, age, size of household, and household income. For example, follow-up participants were less likely to have household incomes below \$16,000 than those who did not participate in the follow-up survey.
- To limit the “pre and post” workshop analysis to comparable groups, we compare the follow-up survey respondents only to their own responses in the day-of-class survey.

*Statistically significant differences ($p < .05$)

Demographic Profile – Zip Code Area of Day-of-Class Respondents

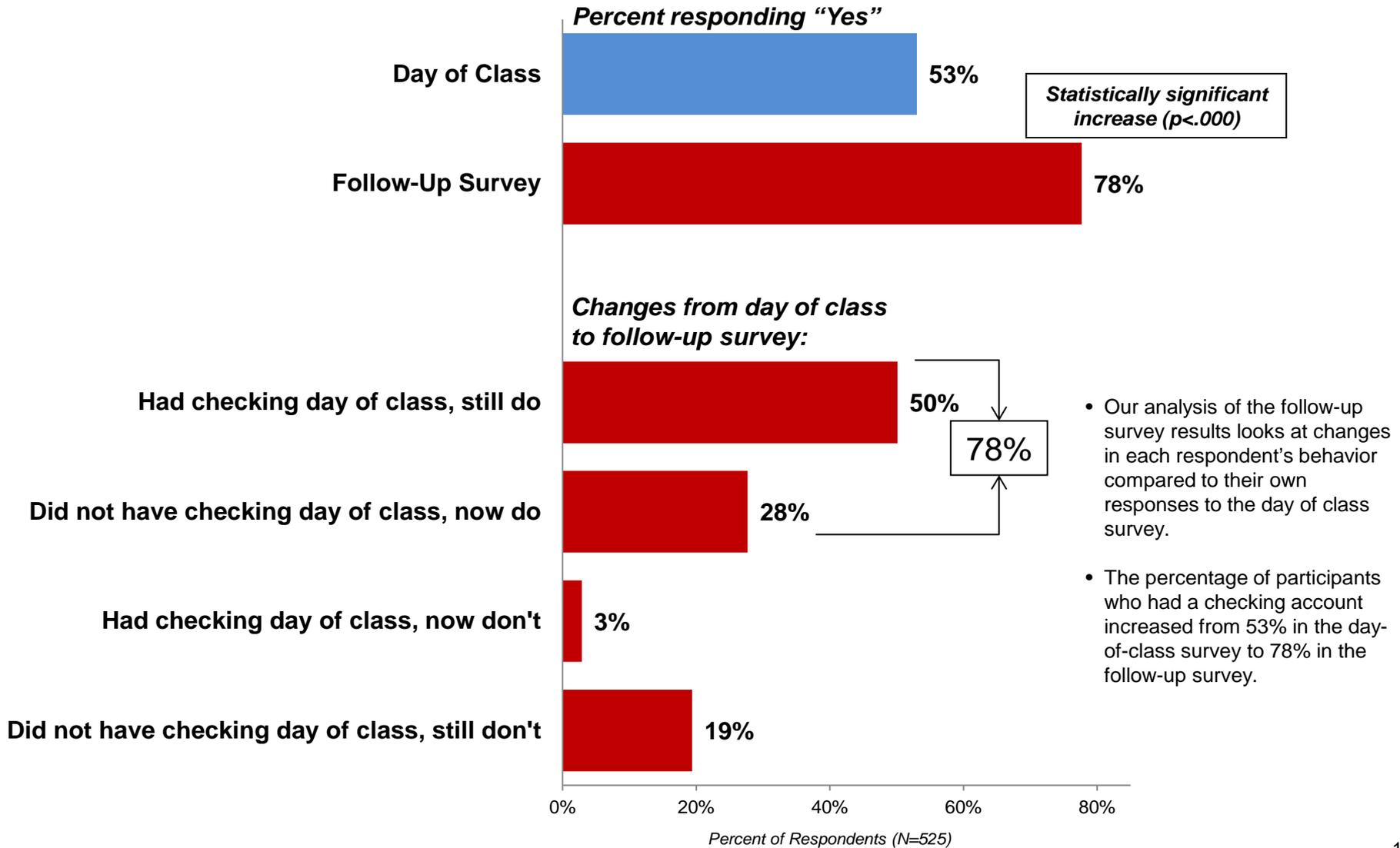
Based on the respondent's zip code.



- RealSense began asking workshop participants for their zip code in October of 2014. We have grouped the zip codes into areas commonly recognized as distinct communities or neighborhoods in Northeast Florida.
- Residents of the Northside and Downtown areas of Duval County represented 40% of the day of class survey respondents.

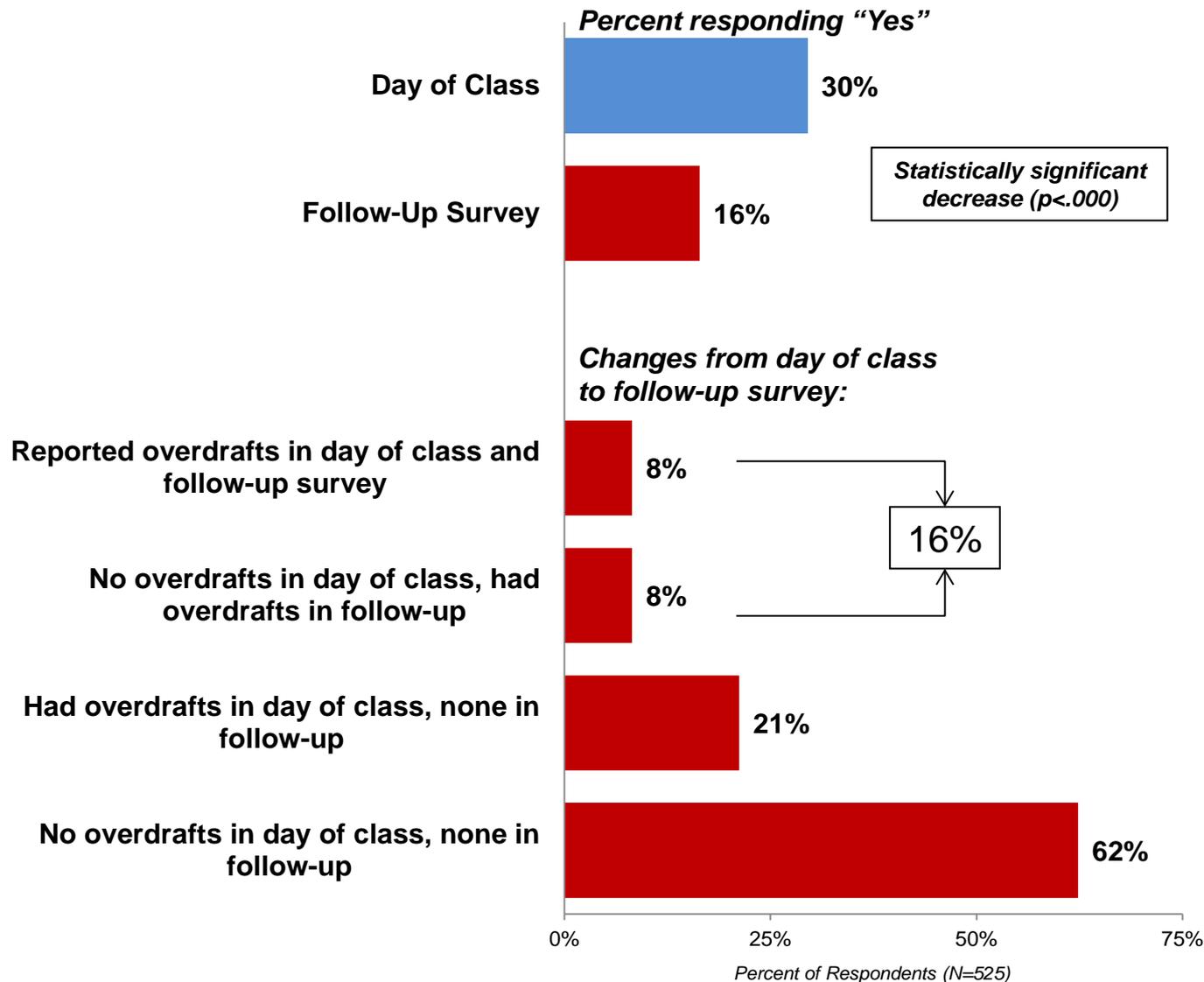
Follow-Up Survey: Do You Have a Checking Account?

“Do you have a checking account?”



Follow-Up Survey: Incidence of Overdrafts

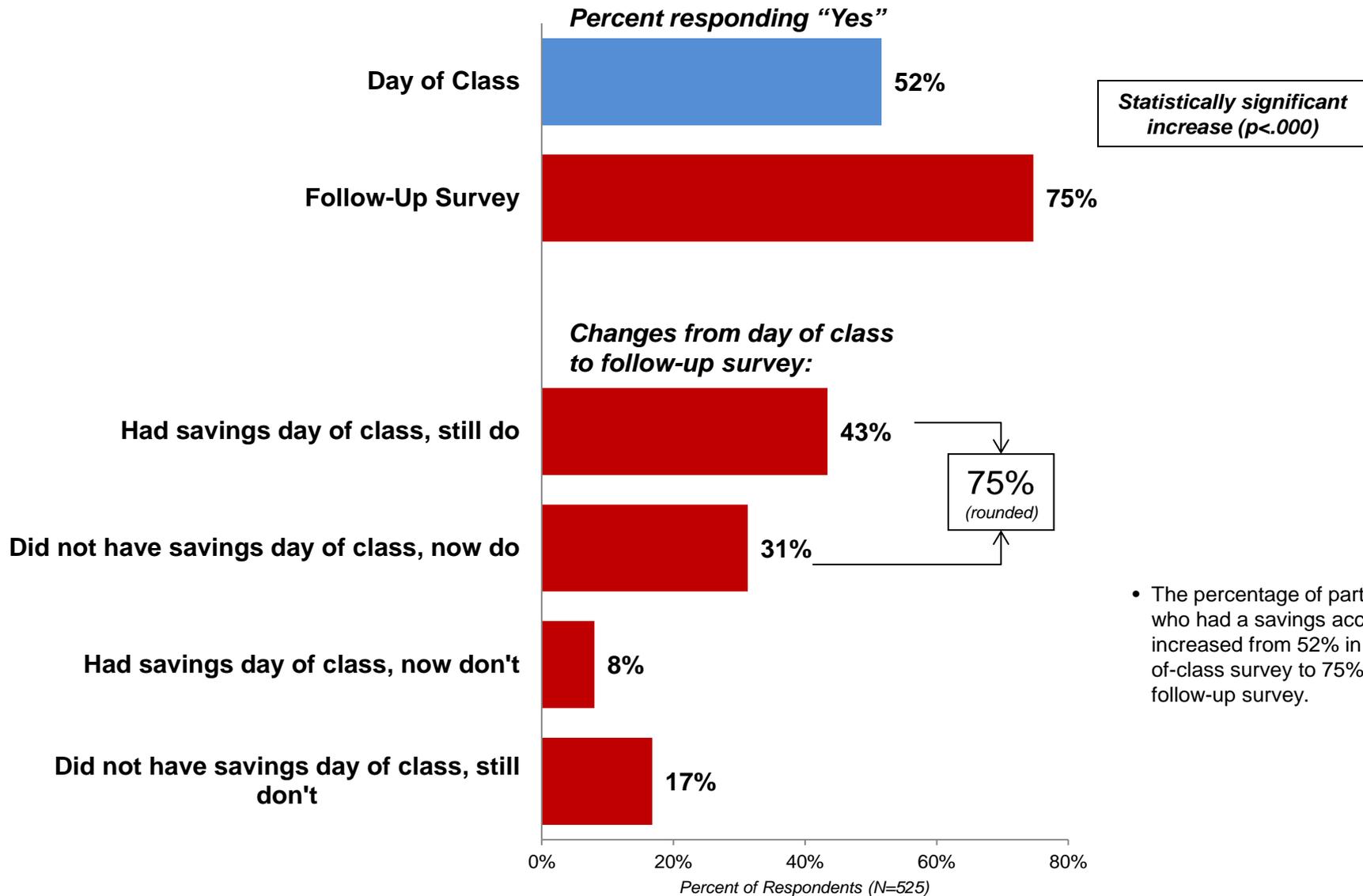
“During the past 6 months, have you paid any fees because you overdraw your checking account?”



- The percentage of participants who had paid overdraft fees in the previous 6 months declined from 30% in the day-of-class survey to 16% in the follow-up survey.

Follow-Up Survey: Do You Have a Savings Account?

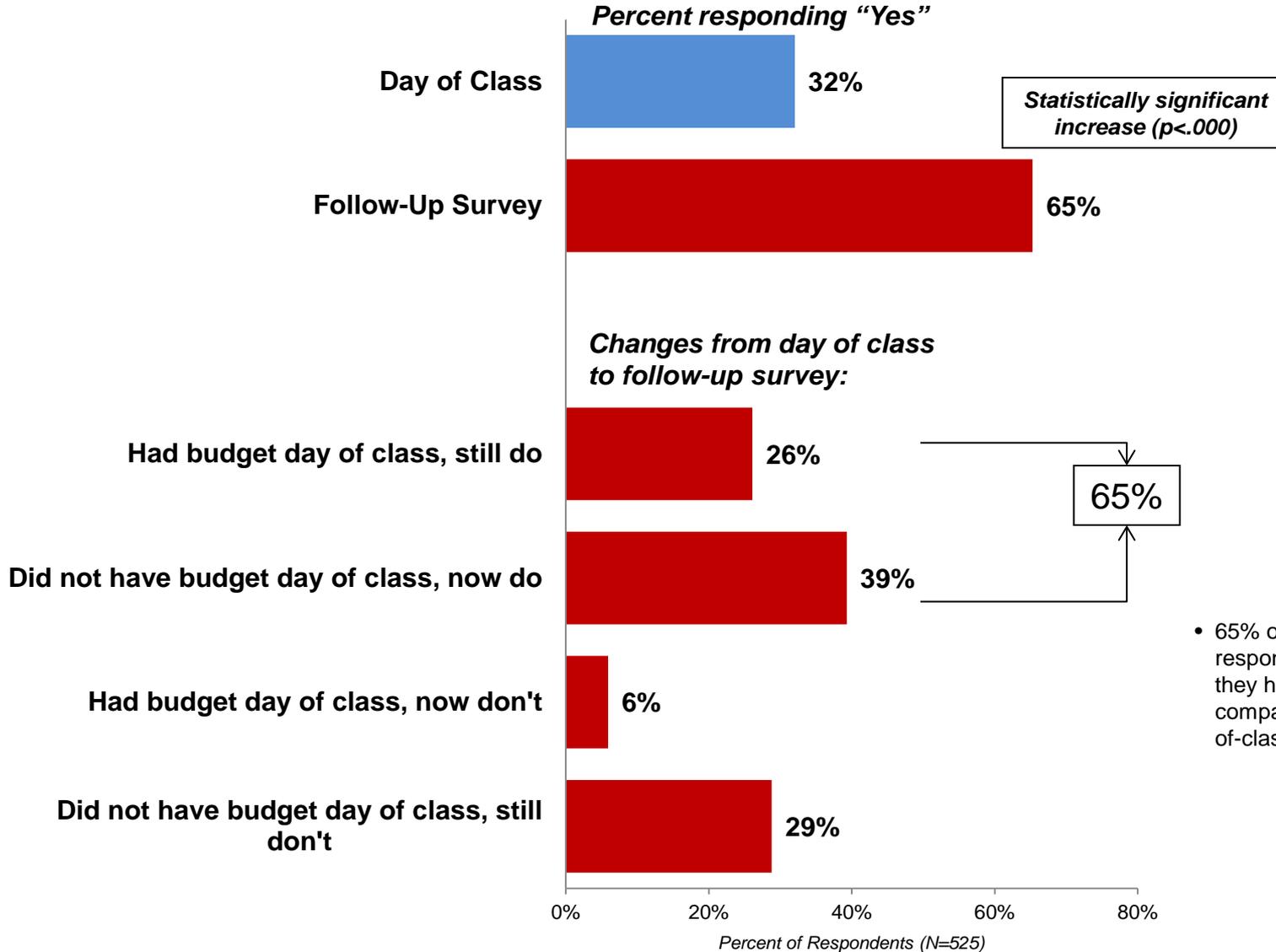
“Do you have any kind of savings account?”



- The percentage of participants who had a savings account increased from 52% in the day-of-class survey to 75% in the follow-up survey.

Follow-Up Survey: Do You Have a Written Budget?

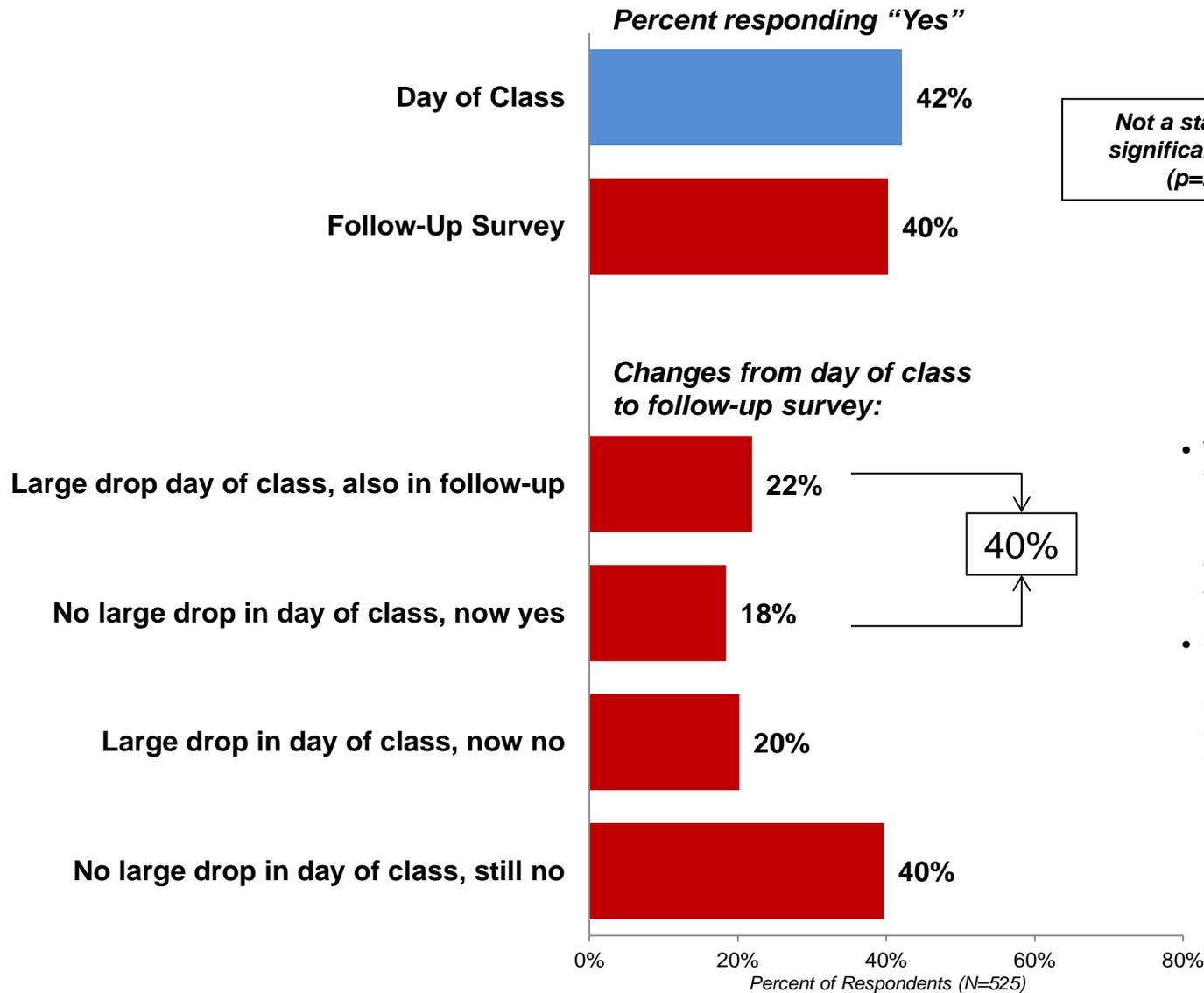
“Do you have a written budget for your personal or household expenses?”



- 65% of the follow-up survey respondents reported that they had a written budget, compared to 32% in the day-of-class survey.

Follow-Up Survey: Have You Experienced a Large Drop in Income?

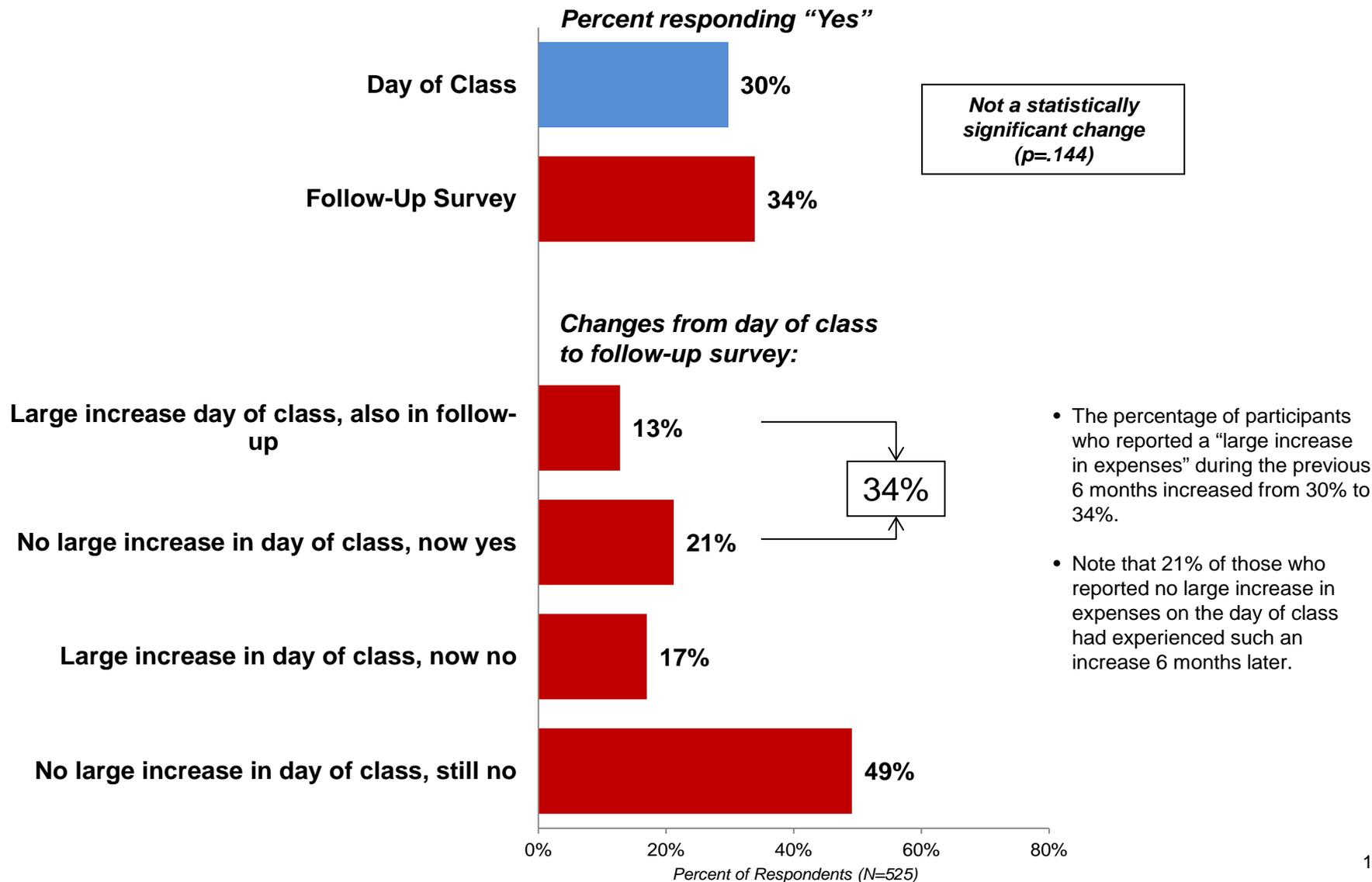
“In the past 6 months, have you experienced a large drop in household income which you did not expect?”



- The percentage of participants who reported a “large drop in income” during the previous 6 months changed very little, from 42% in the day-of-class survey to 40% in the follow-up survey.
- Only 22%, however, reported a large drop in income in the day-of-class survey and in the follow-up survey. This illustrates the changing financial status of the participants during the six-month period.

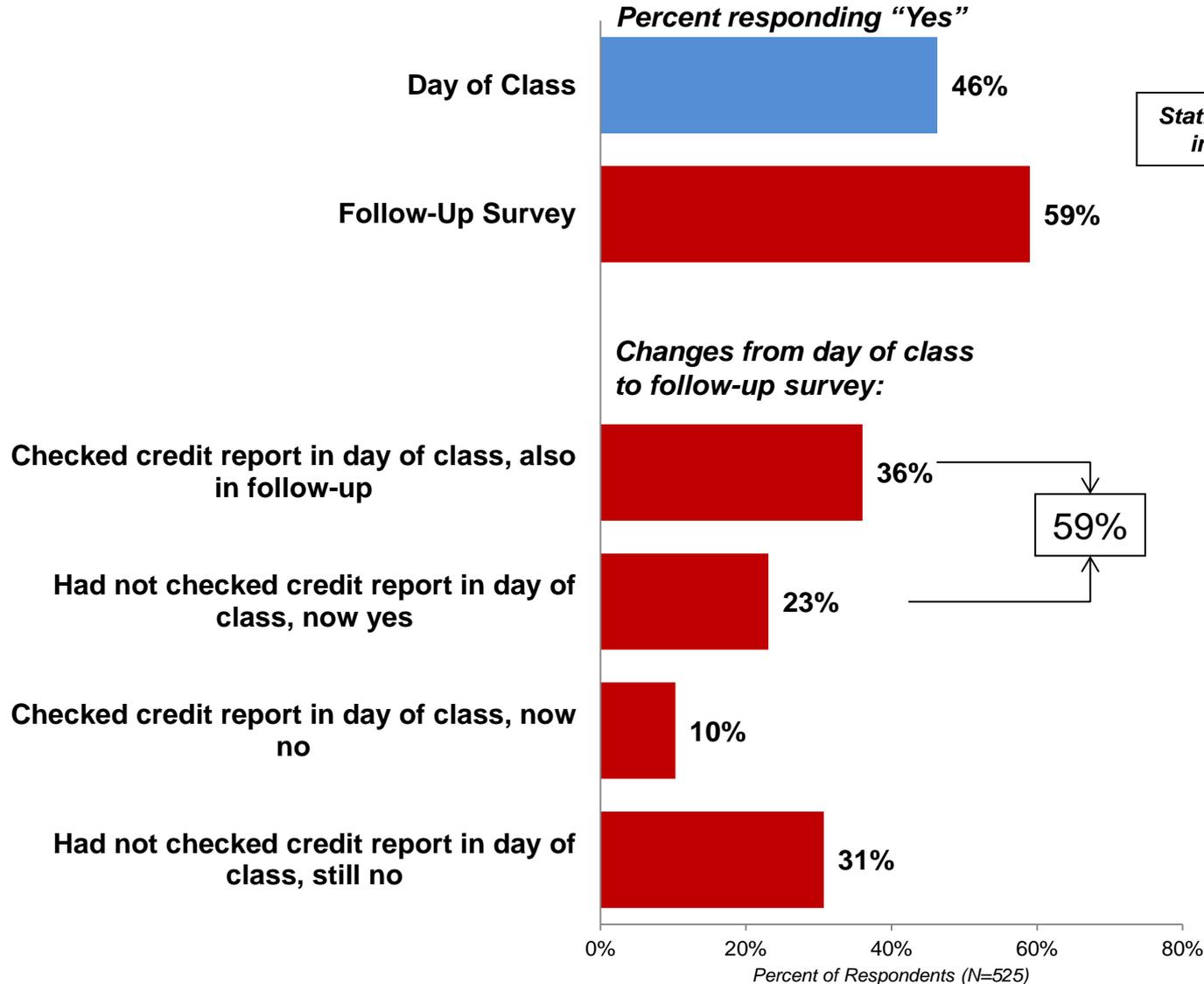
Follow-Up Survey: Have You Experienced a Large Increase in Expenses?

“In the past 6 months, have you experienced a large increase in expenses which you did not expect?”



Follow-Up Survey: Have You Checked Your Credit Report?

“In the past 12 months, have you checked your credit report?”

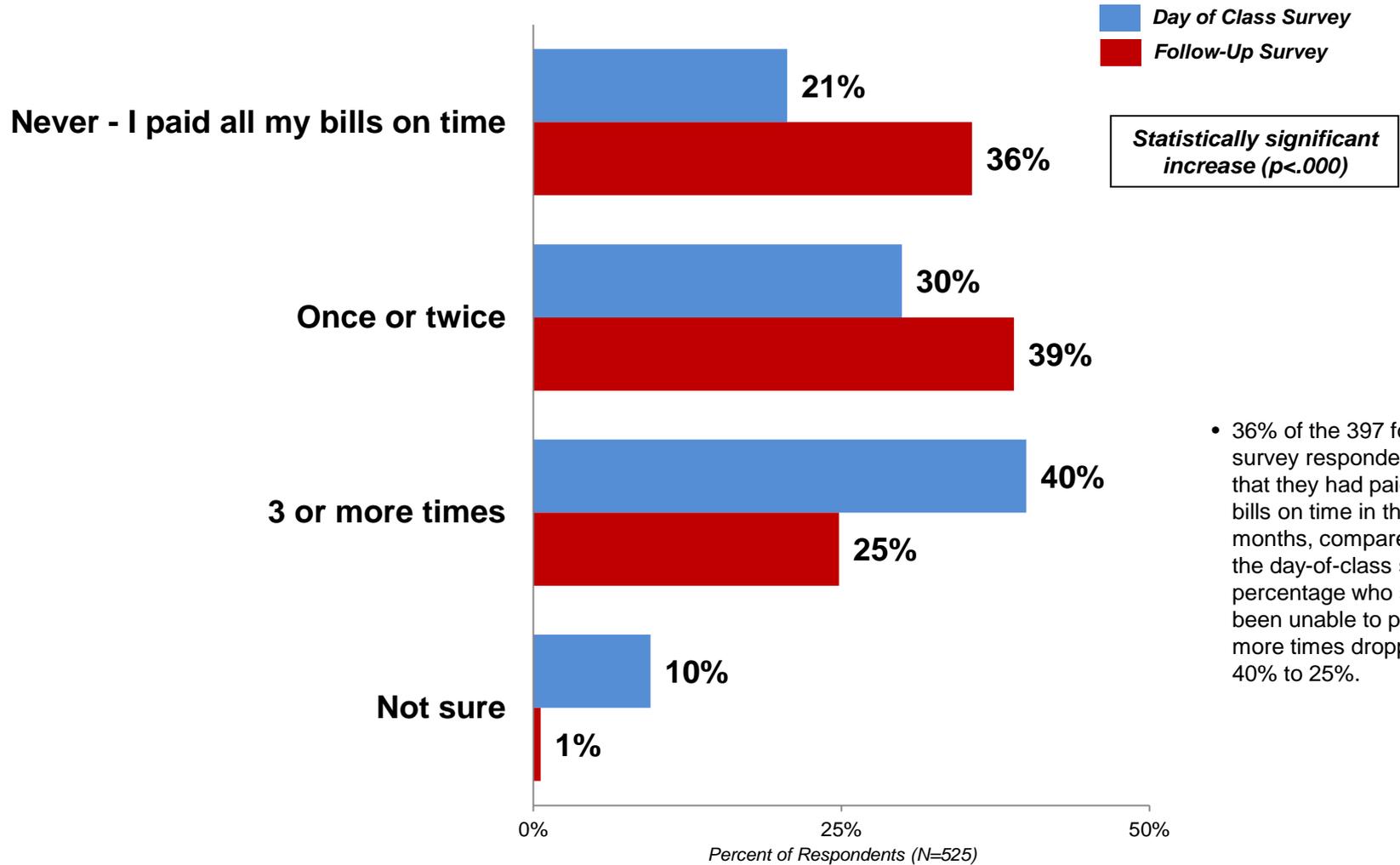


Statistically significant increase ($p < .000$)

- The percentage of participants who said they had checked their credit report in the previous 12 months increased from 46% in the day-of-class survey to 59% in the follow-up survey.

Follow-Up Survey: Have You Been Unable to Pay Any of Your Bills?

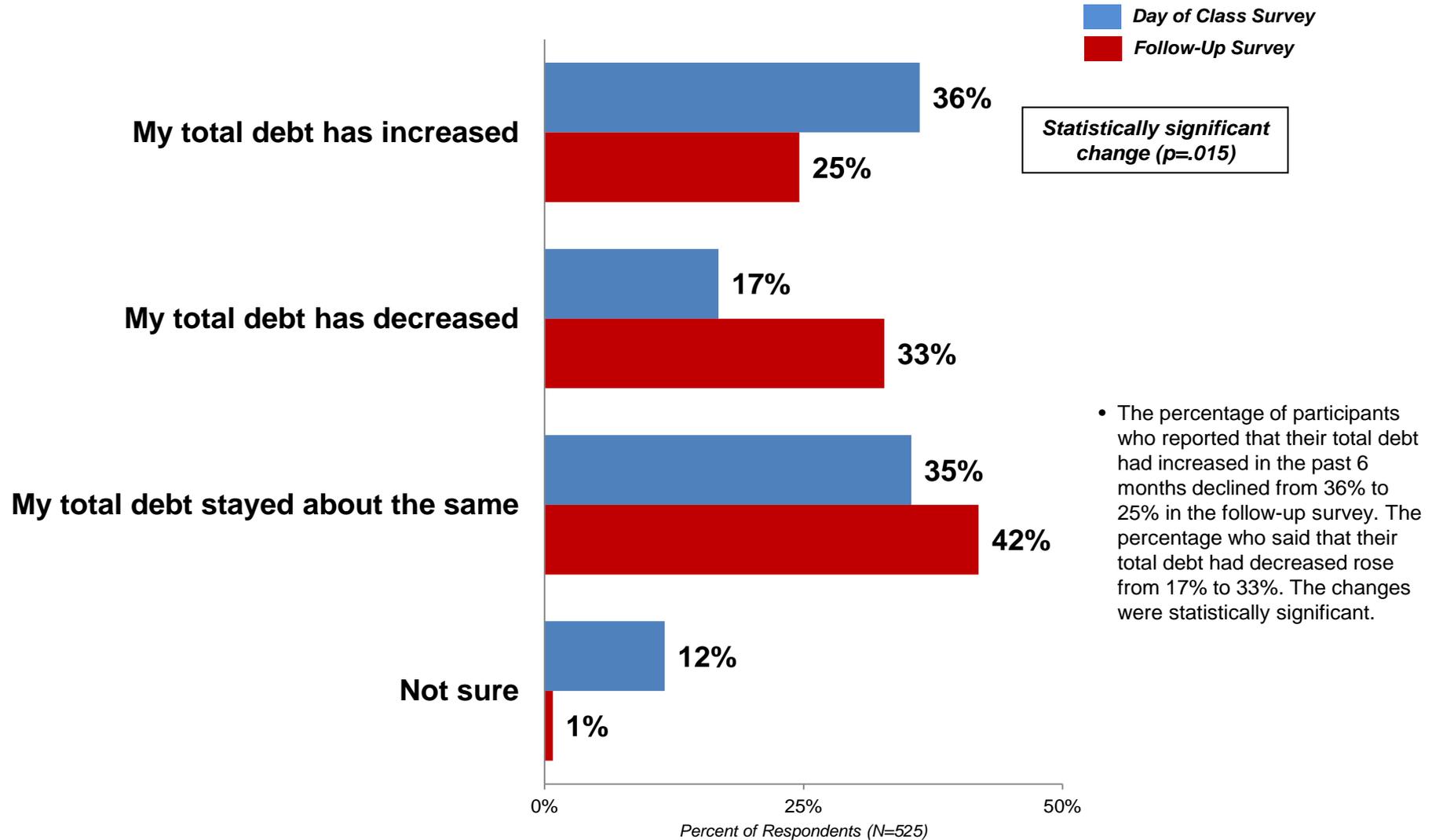
“As far as you remember, how many times have you been unable to pay any of your bills by their due date during the past 6 months?”



- 36% of the 397 follow-up survey respondents reported that they had paid all of their bills on time in the previous 6 months, compared to 21% in the day-of-class survey. The percentage who said they had been unable to pay bills 3 or more times dropped from 40% to 25%.

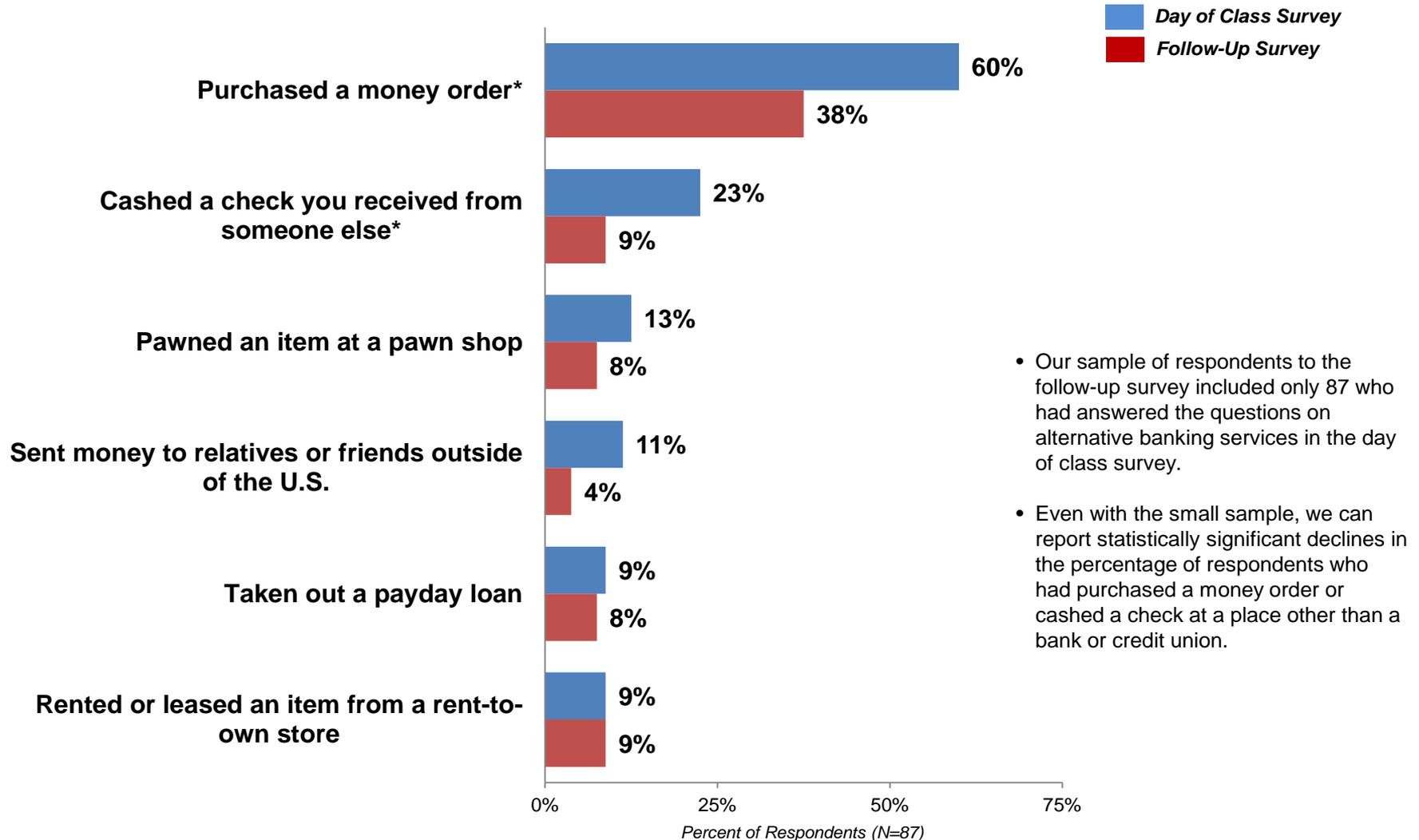
Follow-Up Survey: Has Your Total Debt Increased, Decreased, or Stayed the Same?

“Compared to 6 months ago, would you say that the total amount of money you owe in debts has increased, decreased, or stayed about the same?”



Follow-Up Survey: Usage of Alternative Banking Services

“During the past 30 days, have you gone to a place other than a bank or credit union to obtain any of the following services?”

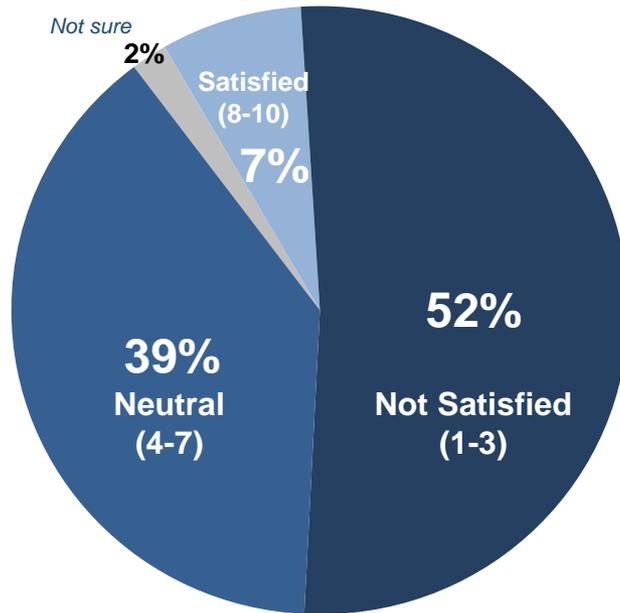


*Statistically significant differences ($p < .05$).

Follow-Up Survey: Satisfaction with Personal Financial Condition

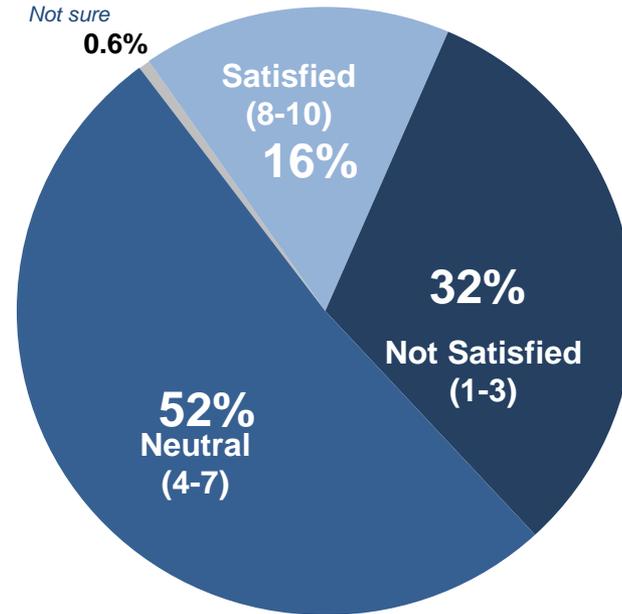
“Overall, thinking of your assets, debts, and savings, how satisfied are you with your current personal financial condition?
Circle the number from 1 to 10 that represents your level of satisfaction.”

Day-of-Class Survey



N=525
Average rating = 3.6

Follow-Up Survey



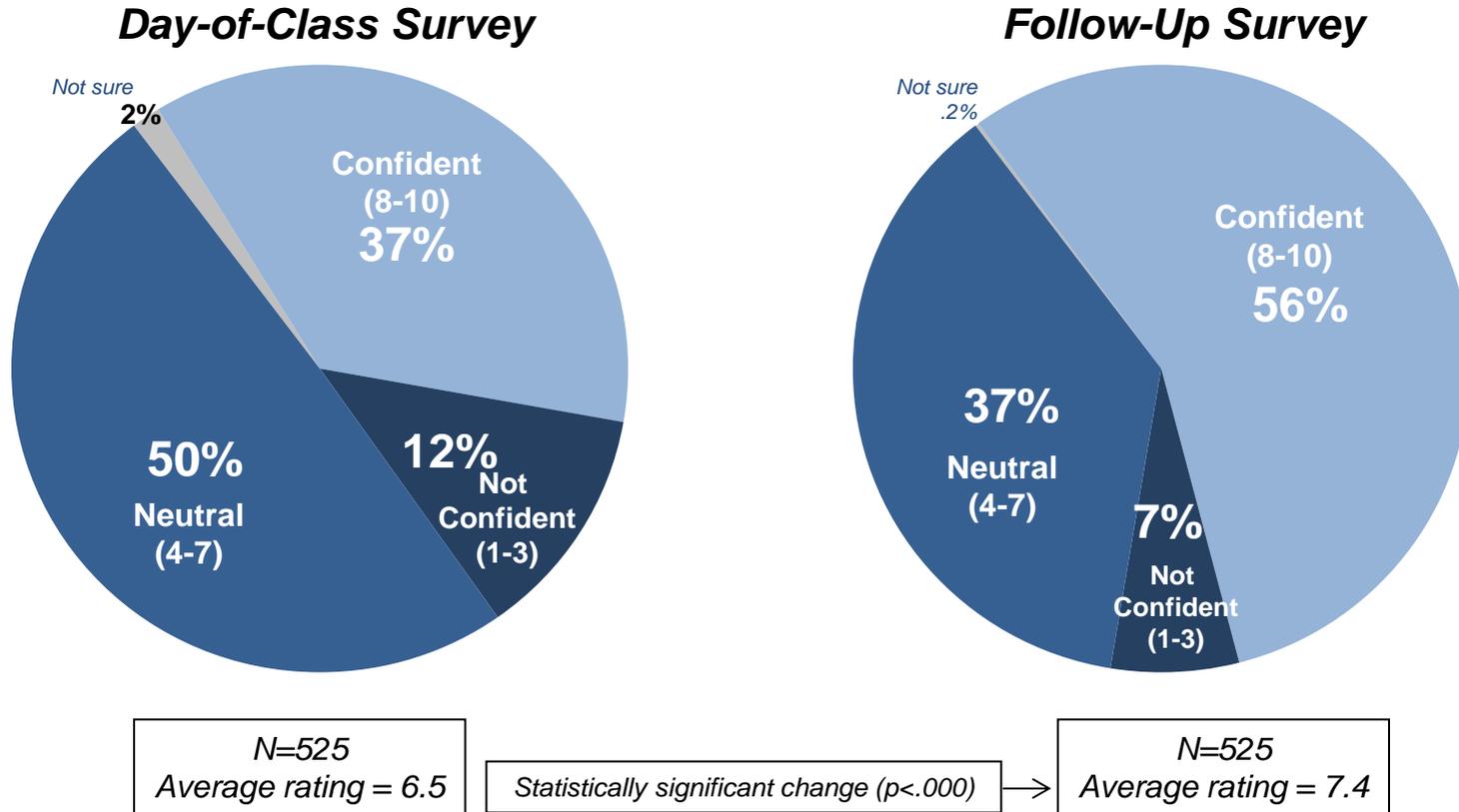
N=525
Average rating = 4.8

Statistically significant change ($p < .000$) →

- The percentage of participants who could be described as “satisfied” with their current financial condition rose from 7% in the day-of-class survey to 16% in the follow-up survey. The percentage who were “not satisfied” dropped from 52% to 32%.

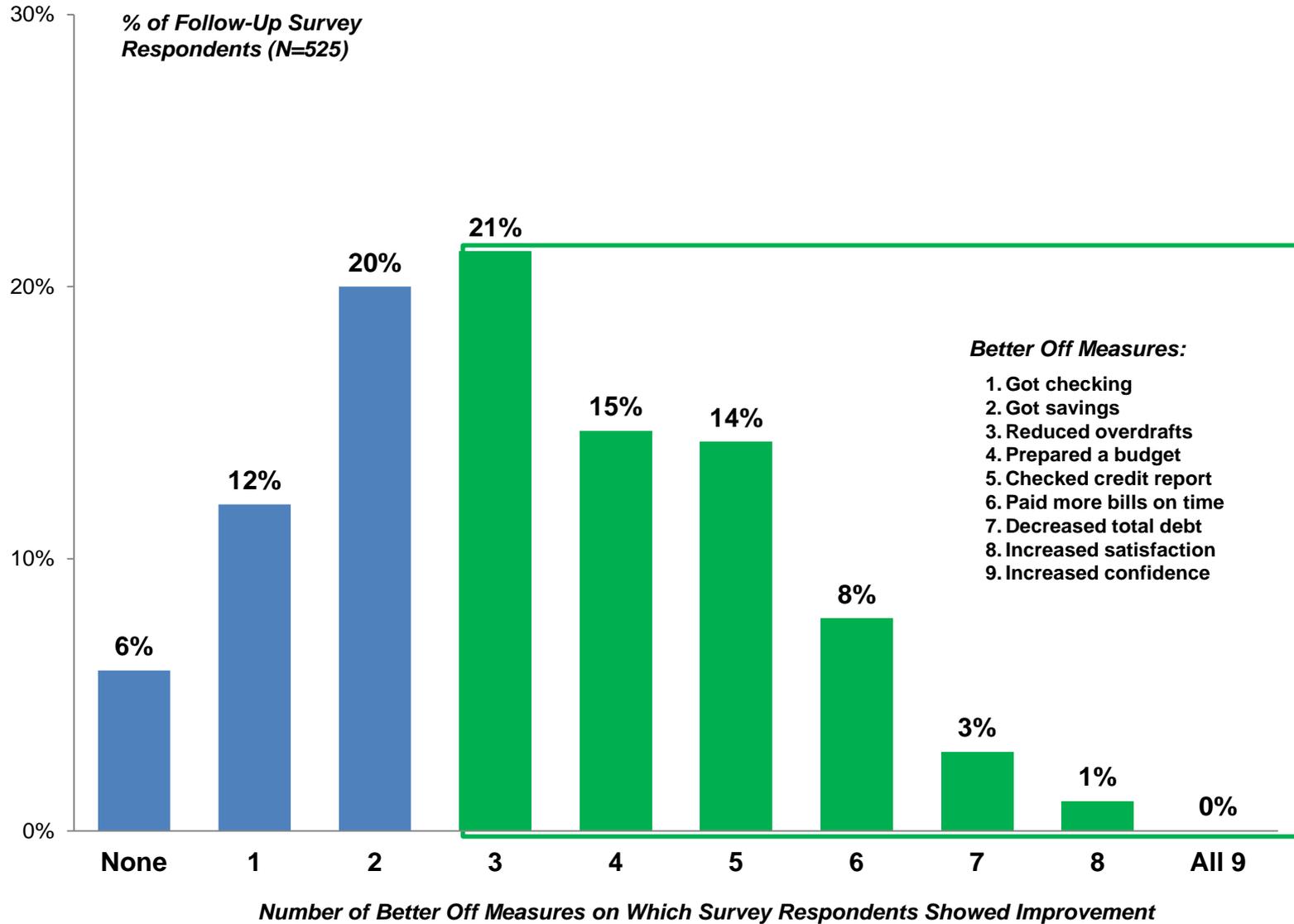
Follow-Up Survey: Confidence in Ability to Manage Personal Finances

“Overall, how confident are you in your ability to manage your personal finances?
Circle the number from 1 to 10 that represents your level of confidence.”



- The percentage of participants who could be described as “confident” in their ability to manage their finances rose from 37% in the day-of-class survey to 56% in the follow-up survey. The percentage who were “not confident” dropped from 12% to 7%.

62% Were Better Off on at Least 3 Out of 9 Measures



Trend in Improvement on at Least Three Measures by Year of Class

