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401(k) PARTICIPANTS' AWARENESS AND UNDERSTANDING OF FEES

February 2011



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Woelfel Research, Inc. of Dunn Loring, VA collected data for this study. Thanks go to the following AARP staff members who provided input for this study: Michael Herndon, Jay Sternberg, and Alejandra Owens. The report was reviewed by Jeff Love, AARP Strategic Issues Research. The report was written by Lona Choi-Allum, AARP Strategic Issues Research. For additional information, contact Lona Choi-Allum at (202) 434-6333.

TABLE OF CONTENTS

Executive Summary and Implications.....	1
Background and Methodology.....	3
Detailed Findings	4
Appendix: Annotated Questionnaire.....	10

INTRODUCTION

401(k) plans are the primary way most Americans save for retirement. But successfully using a 401(k) plan to prepare for retirement requires knowledge of investment opportunities, types of plans and their mix of investments, knowledge of risk, and awareness of the costs associated with maintaining a plan.

Despite the need for knowledge, seven in ten (71%) are not aware that they pay fees to their 401(k) plan provider to maintain their account. When told of these fees, six in ten (62%) are not aware of the amount they pay in fees to maintain their account.

Specifically, lack of knowledge of what an investor pays in 401(k) fees could add up to significant costs over the life of a 401(k) plan. For example, for an employee who has been working for 35 years and contributes an estimated \$5,000 per year to his/her 401(k) plan, with an annual return of seven percent and no fees, would earn about \$469,000 over the 35 year period. However, with an annual fee of 1.5 percent of the account balance, the employee would earn only \$345,000 in a 35-year period.¹

Key Findings

- When plan participants were asked whether they pay fees for their 401(k) plan, seven in ten (71%) reported that they did not pay any fees while less than a quarter (23%) said that they do pay fees. Less than one in ten (6%) stated that they did not know whether or not they pay any fees.
- 401(k) participants may not have a clear understanding that there are fees associated with their plans. About three in five (62%) are unaware of how much they are paying in fees for their plans, and almost one-third (32%) report that they do not feel knowledgeable about the impact that fees could have on their retirement savings. However, about four in five (81%) believe that the fees charged for investments are *very important* or *somewhat important* in decisions about their 401(k) investments.
- While most plan participants (63%) say that have contributed money to their 401(k) plan, about one-fifth (22%) have withdrawn money or received payments from their 401(k) plan.
- Almost two-thirds (64%) stated that they prefer to make their own decisions about saving and investing. Some respondents reveal that they have taken steps to learn more about their investments such as using the summary information or prospectuses about mutual funds or consulting with a personal financial advisor.

¹ AARP Public Policy Institute. *Determining Whether 401(k) Fees are Reasonable: Are Disclosure Requirements Adequate?* (September 2008).

- When respondents were asked how confident they are about having enough money to live comfortably throughout their retirement years, almost three-quarters (74%) stated that they are *very confident* or *somewhat confident*. Not surprising since most respondents (64%) report that they have tried to calculate how much money they will need to have saved by the time they decide to retire so that they may live comfortably in retirement. However, when respondents were asked how knowledgeable they feel about the impact that fees could have on their total retirement savings, almost one-third (32%) said that they do not feel knowledgeable.

Implications

Although 401(k) participants seem to be taking initiative in making their own decisions related to their 401(k) plans, they are unaware of some of the basics related to their plans. Since most read the summary information about mutual funds or their plan's prospectuses, it's important that the information about fees is clear and easy to understand. In addition, for those who consult with a financial advisor, questions about fees related to 401(k) plans should be on a list of "important questions to ask." "AARP recommends that fee information be presented in a chart or graph that depicts the effect that the total annual fees and expenses can have on a participant's account balance in a year as well as over the long term."²

If plan participants are unaware of the impact that fees could have on their retirement savings, they could be in for a surprise once they decide to retire. Plan participants need to understand that fees should be considered when making calculations related to how much money they will need by the time they decide to retire so that they may live comfortably in retirement.

² AARP, *401(k) Participants' Awareness and Understanding of Fees* (July 2007).

II. BACKGROUND AND METHODOLOGY

In recent years, 401(k) retirement savings plans and other defined contribution plans have become increasingly common. According to a recent study, the number of participants in 401(k) plans grew from under 8 million in the mid-1980s to approximately 49 million by 2009, with the amount invested in these plans up to \$2.8 trillion by end of 2009.³ According to the GAO (2009), 401(k) plans are on the rise, encompassing over 85 percent of defined contribution plan participants. In addition, 401(k) participants are relying more on their 401(k) plans as their primary source for retirement savings.⁴

In December 2010, AARP commissioned a national survey of 803 401(k) plan participants ages 25 and older in order to gauge awareness and knowledge of fees and expenses charged by 401(k) plan providers. The survey was fielded from December 14 through December 30, 2010 by Woelfel Research, Inc. of Dunn Loring, Virginia, through an RDD sample of U.S. residents ages 25 and over living in telephone households. Respondents were screened to insure they currently held a 401(k) plan.

³ Investment Company Institute, "401(k) Plan Asset Allocation, Account Balances, and Loan Activity in 2009," *Research Perspective*, vol. 16, no. 3 (2010).

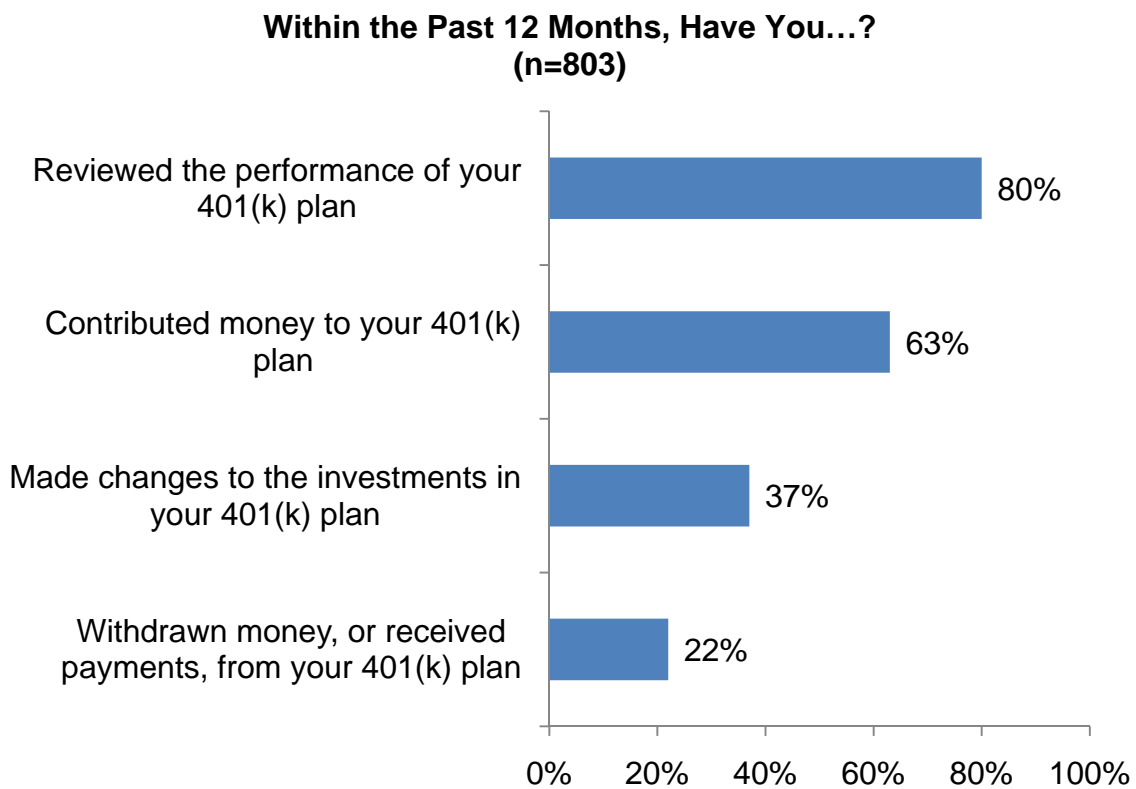
⁴ Government Accountability Office, *401(k) Plans: Several Factors Can Diminish Retirement Savings, but Automatic Enrollment Shows Promise for Increasing Participation and Savings* (October 2009).

III. DETAILED FINDINGS

401(k) Plan Participants' Activities within the Past 12 Months

A majority of plan participants (80%) report that they have reviewed the performance of their 401(k) plan. Those ages 50+ (83%) are more likely than respondents ages 25-49 (74%) to say that they reviewed the status of their 401(k) plan.

About three in five (63%) say that have contributed money to their 401(k) plan. And over one-third (37%) have made changes to the investments in their 401(k) plan. Only about one-fifth (22%) of plan participants say that they have withdrawn money or received payments from their 401(k) plan.



How Do 401(k) Plan Participants Make Decisions About Saving and Investing?

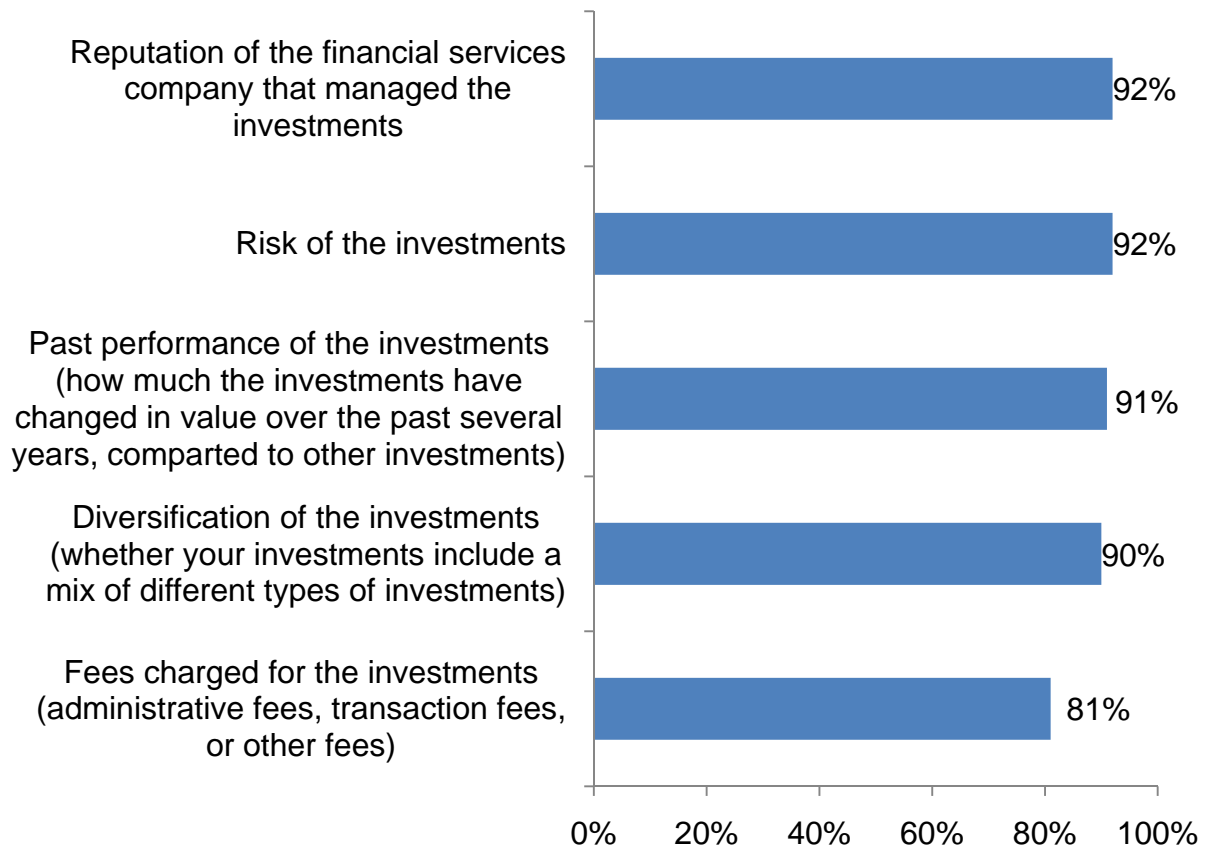
When respondents were asked about their preferred approach to making decisions about saving and investing, almost two-thirds (64%) stated that they like to make decisions on their own. Among those who make decisions on their own, about one-quarter (23%) reported that they made decisions without any suggestions from a professional. Over one-third (35%) said that they prefer suggestions from a professional, and most often use their recommendations or prefer to rely solely on the professional to manage their investments.

Important Factors in Making Decisions About 401(k) Plan Investments

When asked about the specific factors important to their investment decisions, the majority of respondents indicated that the reputation of the financial services company, the risk of investments, and past investment performance were very or somewhat important.

Eight in ten (81%) believed that the fees charged for investments were *very important* or *somewhat important* to their 401(k) investment decisions. Respondents ages 25-49 (85%) were more likely than those ages 50+ (80%) to state that the fees are *very important* or *somewhat important* in their decision-making.

How Important is Each of the Following Factors to You When Making Decisions About the Investments for Your 401(k) Plan? (Percentage of Respondents Who Said *Very Important* or *Somewhat Important*) (n=803)



Sources of Information and Advice

Respondents who indicated that the “fees charged for investments” were at least *somewhat important*, were asked where they obtain information about fees. About three in five (61%) report that they use the summary information about the mutual funds or the plan’s other investment choices. Almost half of respondents (49%) state that they use prospectuses for the mutual funds or a personal financial advisor not provided by their employer. Others find information through an employer provided financial advisor (46%), the Internet (43%), or financial magazine articles (32%).

Differences Found by Age

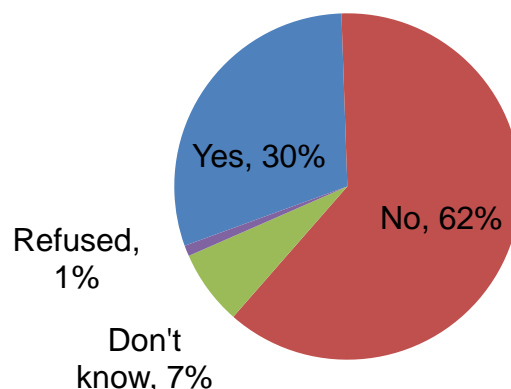
- Respondents ages 25-49 (53%) were more likely than those ages 50+ (37%) to find information about fees through the Internet.
- Respondents ages 50+ (55%) were more likely than those ages 25-49 (38%) to turn to a personal financial advisor (not provided through their employer) for advice on fees. However, those ages 25-49 (59%) were more likely than those ages 50+ (38%) to turn to a financial advisor provided by their employer.

Knowledge of Fees

When plan participants were asked whether they pay fees for their 401(k) plan, seven in ten (71%) reported that they did not pay any fees while less than a quarter (23%) said that they do pay fees. Less than one in ten (6%) stated that they did not know whether or not they pay any fees.

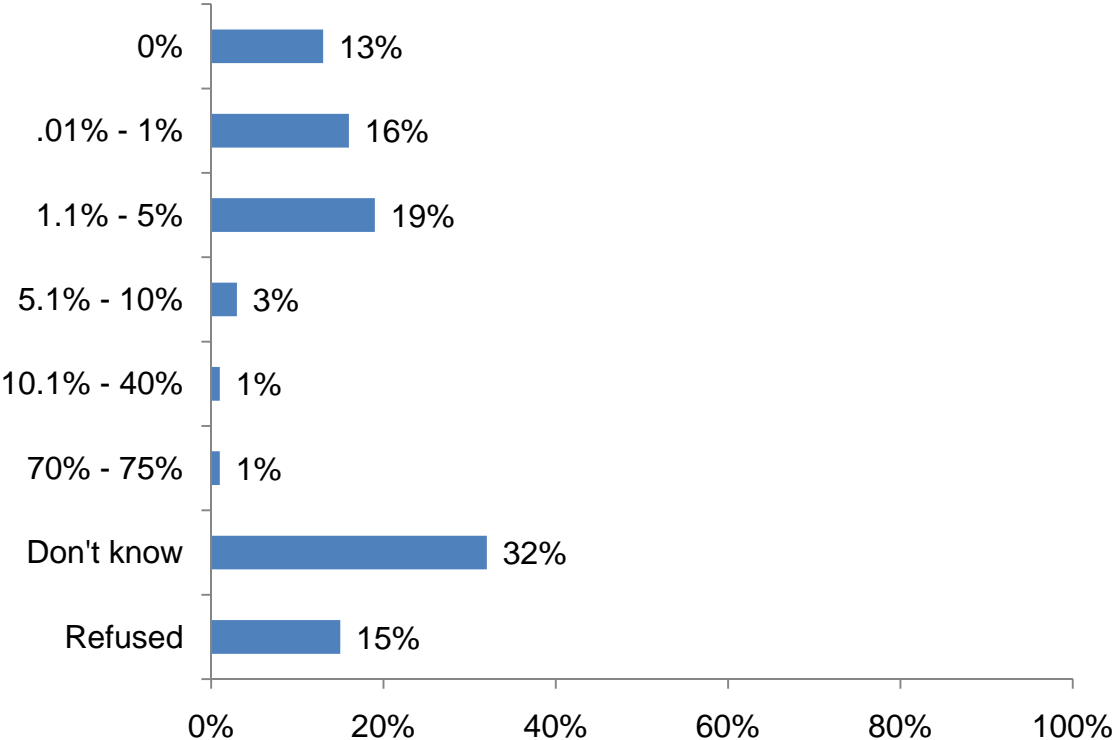
When respondents were told that financial services companies that manage 401(k) plans charge fees for administering and managing those plans, and that the fees are paid by the employer and/or the employees that participate in the plan, about three in five (62%) reported that they did not know how much they were paying in fees and expenses for their 401(k) plan. In fact, those ages 25-49 (68%) were more likely than those ages 50+ (59%) to report that they are unaware of how much they are paying in fees.

Do You Know How Much in Fees and Expenses You are Paying for Your 401(k) Plan? (n=803)



Results show that three in ten (30%) plan participants are aware of how much they are paying in fees and expenses for their 401(k) plan. Among these plan participants who are aware of the fees, about one in eight (13%) state that they are not paying any fees associated with their 401(k) plan. Over one in ten (16%) estimate that they are paying one percent or less of their account balance in fees. Almost one in five (19%) report paying between 1.1 percent and five percent in fees. Almost one-third (32%) say that they do not know the percentage of how much they are paying in fees.

**How Much in Fees and Expenses do You Pay Per Year?
(Based on Percentage of 401(k) balance)
(n=240)**



Base: Respondents who reported that they know how much in fees and expenses they pay for their 401(k) plan.

Also, when respondents were asked how knowledgeable they feel about the impact that fees could have on their total retirement savings, almost one-third (32%) said that they do not feel knowledgeable. Those ages 25-49 (39%) were more likely than those ages 50+ (27%) to report that they lack the knowledge to understand the impact of fees on their retirement savings.

Taking Steps to Change Fees

Respondents were asked if they could compare fees that they and others pay for administering and managing their 401(k) plan, what would they do if they found that the fees they paid were higher than the average for a specific type of investment. Over half (54%) report that they would speak to the company that provides the funds to lower the fees. About half say they would change their investments to lower fees (51%) or speak to their employer about trying to lower the fees (48%).

Confidence in Retirement Savings

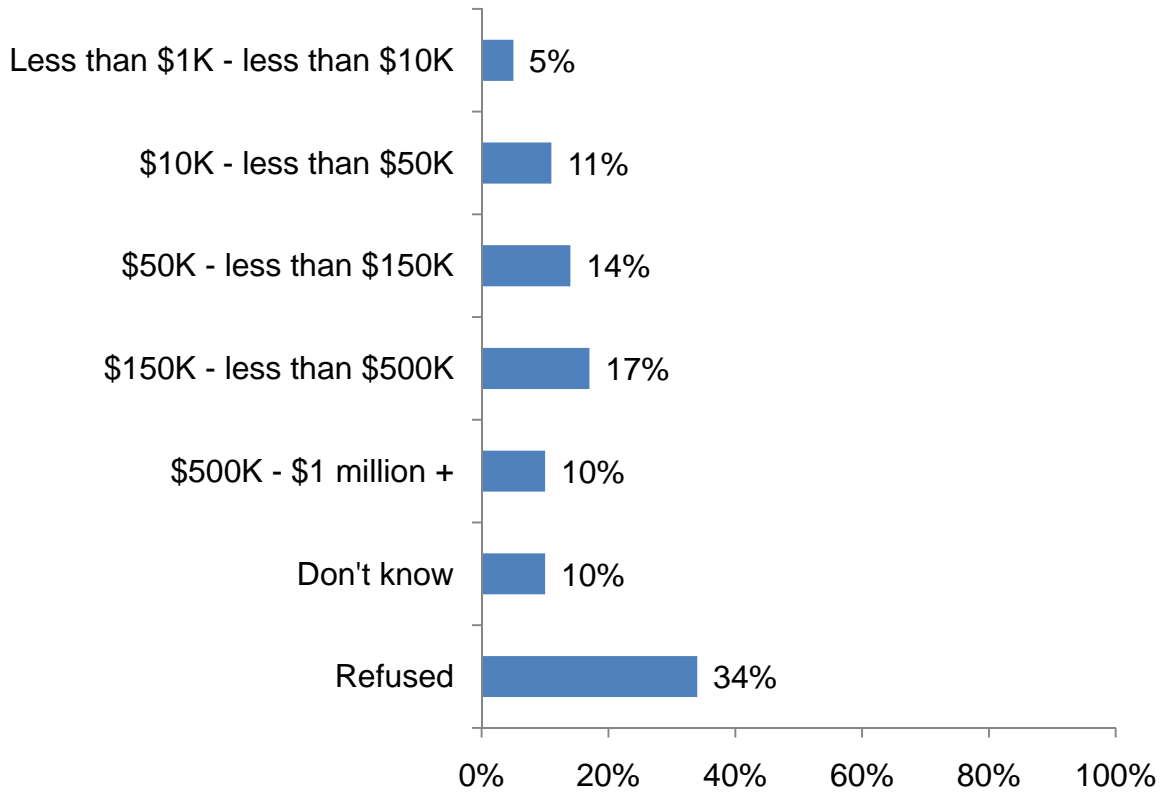
When respondents were asked how confident they are about having enough money to live comfortably throughout their retirement years, almost three-quarters (74%) stated that they are *very confident* or *somewhat confident* while one quarter (25%) report that they are *not too confident* or *not at all confident*.

Over three in five (64%) reported that they have tried to calculate how much money they will need to have saved by the time they decide to retire so that they may live comfortably in retirement.

Value of Current Savings and Investments

Respondents were asked to estimate how much money they currently had in savings and investments, not including the value of their primary residence. They were asked to include savings, certificates of deposits, stocks, bonds, mutual funds, employer-sponsored retirement savings plans, and other investments, but not to include the value of defined benefit plans. Over one in ten respondents (16%) have an estimated savings and investments worth up to \$50K. One in ten (10%) have savings and investments over \$500K. A small percentage (10%) are unaware of how much they currently have in savings and investments.

**Amount of Savings and Investments Among 401(k) Plan Participants
(n=803)**



Other Retirement Investments

Besides a 401(k) plan, respondents noted other types of retirement investments they currently have. Over half (53%) report having an individual retirement account or IRA. About two in five say they have a defined benefit plan (45%) or retirement savings invested outside of an IRA or employer-sponsored retirement savings plan (41%).

APPENDIX: ANNOTATED QUESTIONNAIRE

Field period: December 14 – December 30, 2010
N interviews (unweighted): 803

The study was conducted for AARP via telephone by Woelfel Research, Inc. through RDD. The interviews were conducted from December 14 – December 30, 2011 among a random sample of 803 adults, ages 25 and older. The sample was screened based on whether they have a 401(k) plan. The margin of error for the sample is $\pm 3.5\%$.

For each survey question, this annotated questionnaire shows the responses of all respondents, respondents ages 25-49, and respondents ages 50+. The responses are displayed as percentages and reflect the percentage of respondents who qualified for each survey question.

Unless otherwise noted, for each survey question, the base for all qualified respondents is 803. The bases shown reflect the actual number of respondents who qualified for each question.

New 401(k) fees survey
December 10, 2010
(Total N=803, sampling error = ±3.5%)

Sample for Survey:

--401(k) plan participants ages 25+ (including those who currently have a 401(k) plan in their name, regardless of whether they are currently working or retired)

Hello, this is _____ calling from Woelfel Research, a national opinion research company. We are not telemarketers and are not trying to sell you anything. We would like to find out your opinions on an important issue. Your views are important and we would greatly appreciate your participation. All of your responses will be kept entirely confidential.

PREQ1. (Warmup) In general, do you think things in the nation are headed in the right direction, or have they gotten off on the wrong track?

	25-49	50+	Total
Base: Total respondents	N=292	N=508	N=803
	%	%	%
Right direction	30	28	28
Wrong track	62	61	61
Unsure (Volunteered)	6	10	9
Refused (Volunteered)	2	1	2

1. **For this survey, we are looking for the opinions of certain types of people. Can you tell me your age? _____ {Get actual age. TERMINATE IF YOUNGER THAN 25}***

ASK 50 {ASK IF RESPONDENT REFUSED ACTUAL AGE, BUT SAYS THEY ARE 25 OR OLDER}

Could you tell me into which of the following categories your age falls into? {READ LIST}

	25-49	50+	Total
Base: Total respondents	N=292	N=508	N=803
	%	%	%
25 – 49	100	-	36
50 +	-	100	63
{DO NOT READ} REFUSED	-	-	<0.5

{RECORD GENDER}

	25-49	50+	Total
Base: Total respondents	N=292	N=508	N=803
	%	%	%
Male	46	43	44
Female	54	57	56

* Although the total number of respondents who completed interviews is 803, only 800 respondents specified their age for Question 1. Three respondents refused to answer this question

2. **Do you currently have money saved for retirement in a ...** (Check one for each.)
 {TERMINATE IF “No” or “Don’t Know” or “Refused” to 401(k) plan}

Base: Total respondents	25-49 N=292	50+ N=508	Total N=803
“401 (k) plan”			
Yes	100	100	100
No	-	-	-
Don’t know	-	-	-
Refused	-	-	-
“Individual Retirement Account (IRA)”			
Yes	51	63	59
No	48	36	40
Don’t know	1	1	1
Refused	-	-	-
“Other type of retirement plan”			
Yes	21	33	29
No	76	61	67
Don’t know	2	5	4
Refused	-	-	-

3. **Which of the following best describes your employment status?**

Base: Total respondents	25-49 N=292	50+ N=508	Total N=803
	%	%	%
Employed full-time (not yet retired)	78	40	54
Employed part-time (not yet retired)	9	8	8
Unemployed & looking for work (not yet retired)	5	4	4
Retired and not working	-	36	23
Retired, but still employed full-time	-	2	1
Retired, but still employed part-time	-	6	4
Other	8	5	6
Dk/Refused	<0.5	-	<0.5

4. **Within the past 12 months, have you ...** (Yes, No, Don’t Know, Refused for each)

Base: Total respondents	25-49 N=292	50+ N=508	Total N=803
“Contributed money to your 401 (k) plan”			
	%	%	%
Yes	80	54	63
No	20	45	36
Don’t know	<0.5	1	1
Refused	-	1	<0.5

	25-49 N=292 %	50+ N=508 %	Total N=803 %
<i>“Reviewed the performance of your 401(k) plan”</i>			
Yes	74	83	80
No	25	16	19
Don't know	1	1	1
Refused	<0.5	1	1
<i>“Made changes to the investments in your 401(k) plan”</i>			
Yes	34	38	37
No	65	60	62
Don't know	<0.5	1	1
Refused	<0.5	1	1
<i>“Withdrawn money, or received payments, from your 401(k) plan?”</i>			
Yes	9	30	22
No	91	69	77
Don't know	-	<0.5	<0.5
Refused	<0.5	1	1

5. Do you pay any fees for your 401(k) plan? (Select one.)

	25-49 N=292 %	50+ N=508 %	Total N=803 %
Base: Total respondents			
Yes	16	27	23
No	77	68	71
Don't know	7	5	6
Refused	<0.5	<0.5	1

6. Which of the following statements best describes your preferred approach to making decisions about saving and investing? [READ LIST.]

	25-49 N=292 %	50+ N=508 %	Total N=803 %
Base: Total respondents			
a. You would prefer to look into investments on your own and make your own decisions	20	24	23
b. You would prefer suggestions from a professional, but often make your own decisions	44	39	41
c. You would prefer suggestions from a professional, and most of the time use their recommendations	24	22	22
d. You would prefer a professional to manage your investments for you	12	14	13
Don't know	<0.5	2	1
Refused	<0.5	<0.5	<0.5

7. **How important is each of the following factors to you when making decisions about the investments for your 401(k) plan?** (ROTATE options) Base: Total respondents

	25-49 N=292	50+ N=508	Total N=803
	%	%	%
<i>“Fees charged for the investments (administrative fees, transaction fees, or other fees)”</i>			
Very Important	56	49	51
Somewhat important	29	31	30
Not too important	7	8	8
Not at all important	5	8	7
Don’t know	3	4	4
Refused	<0.5	1	1
<i>“Risk of the investments”</i>			
Very Important	60	69	66
Somewhat important	32	22	26
Not too important	3	4	4
Not at all important	2	3	3
Don’t know	2	1	2
Refused	<0.5	<0.5	<0.5
<i>“Past performance of the investments (how much the investments have changed in value over the past several years, compared to other investments)”</i>			
Very Important	57	60	59
Somewhat important	35	31	32
Not too important	4	4	4
Not at all important	2	2	2
Don’t know	2	2	2
Refused	<0.5	<0.5	<0.5
<i>“Diversification of the investments (whether your investments include a mix of different types of investments)”</i>			
Very Important	59	62	61
Somewhat important	33	26	29
Not too important	3	5	4
Not at all important	2	3	3
Don’t know	3	3	3
Refused	<0.5	1	1
<i>“Reputation of the financial services company that manages the investments”</i>			
Very Important	71	75	73
Somewhat important	20	18	19
Not too important	4	3	3
Not at all important	2	2	2
Don’t know	3	2	2
Refused	1	1	1

8. {If Fees at least somewhat important:} You indicated that fees are important to you when making decisions about the investments for your 401(k) plan. Where do you get information about fees? (Check all; Rotate) {Yes, No, Don't know, Refused}

Base: Fees at least somewhat important <i>"Prospectuses for the mutual funds or the other investment choices"</i>	25-49 N=248 %	50+ N=404 %	Total N=653 %
Yes	46	51	49
No	46	45	46
Don't know	7	4	5
Refused	<0.5	<0.5	<0.5
<i>"Summary information about the mutual funds or the other investment choices"</i>			
Yes	63	60	61
No	33	38	36
Don't know	4	2	3
Refused	<0.5	<0.5	<0.5
<i>"Internet"</i>			
Yes	53	37	43
No	46	62	56
Don't know	<0.5	1	1
Refused	<0.5	<0.5	<0.5
<i>"Financial magazine articles"</i>			
Yes	31	33	32
No	68	66	67
Don't know	1	<0.5	1
Refused	<0.5	<0.5	<0.5
<i>"Books about investing"</i>			
Yes	23	24	23
No	76	76	76
Don't know	1	<0.5	1
Refused	<0.5	<0.5	<0.5
<i>"Financial shows on TV"</i>			
Yes	20	24	22
No	79	76	77
Don't know	<0.5	-	<0.5
Refused	<0.5	<0.5	<0.5
<i>"Research analyst"</i>			
Yes	20	23	22
No	78	75	76
Don't know	2	2	2
Refused	<0.5	<0.5	<0.5

Base: Fees at least somewhat important “Personal financial advisor (not through your employer)”	25-49 N=248 %	50+ N=404 %	Total N=653 %
Yes	38	55	49
No	60	44	50
Don't know	2	1	1
Refused	<0.5	<0.5	<0.5
“Financial advisor provided through your employer”			
Yes	59	38	46
No	39	62	53
Don't know	2	1	1
Refused	<0.5	<0.5	<0.5
“Other”			
Yes	6	8	7
No	94	92	92
Don't know	<0.5	1	1
Refused	<0.5	<0.5	<0.5
Base: Fees at least somewhat important and didn't get information about fees (volunteered)			
	25-49 N=7 %	50+ N=10 %	Total N=17 %
“Don't get information about fees”			
Yes	29	40	35
No	71	60	65
Don't know	-	-	-
Refused	-	-	-

9. Financial services companies that manage 401(k) plans charge fees for administering and managing those plans. The fees are paid by the employer and/or the employees that participate in the plan. Often, the 401(k) plan management company simply deducts the fees from each participant's 401(k) plan balance, so you rarely receive a bill for the fees.

Do you know how much in fees and expenses you are paying for your 401(k) plan?

Base: Total respondents	25-49 N=292 %	50+ N=508 %	Total N=803 %
Yes	25	33	30
No	68	59	62
Don't know	6	8	7
Refused	1	1	1

10. {If Yes:} **How much in fees and expenses do you pay per year? Please answer as a percentage of your total 401(k) account balance.** (INTERVIEWER NOTE: If their 401(k) account balance is invested in more than one fund or investment, ask them to estimate the average percentage of your total 401(k) account balance that you pay to cover fees and expenses for all of your 401(k) investments.)

_____ percent {Note: Only allow entries from 0 to 100. Allow percentages out to two decimal places. XX.XX} 101=Don't know, 102=Refused

Base: Know fees and expenses for your 401(k) plan	25-49 N=73 %	50+ N=166 %	Total N=240 %
0%	12	13	13
.01% - 1%	23	13	16
1.1% - 5%	15	20	19
5.1% - 10%	3	2	3
10.1% - 40%	-	2	1
70% - 75%	1	1	1
Don't know	27	34	32
Refused	18	14	15

11. **If you could compare fees you and others pay for administering and managing your 401(k) plan, and found that the fees you pay for your funds are higher than average for that type of investment, would you.....(Yes, No, Don't know, Refused for each)**

Base: Total respondents	25-49 N=292 %	50+ N=508 %	Total N=803 %
<i>"Change your investments to funds with lower fees"</i>			
Yes	58	47	51
No	26	33	30
Don't know	16	19	18
Refused	<0.5	2	1
<i>"Speak to your employer about trying to lower the fees you pay"</i>			
Yes	60	42	48
No	33	47	42
Don't know	7	8	8
Refused	<0.5	3	2
<i>"Speak to the company that provides the funds you invest in about lowering the fees you pay"</i>			
Yes	56	52	54
No	36	39	38
Don't know	7	7	7
Refused	1	2	1

12. How knowledgeable do you feel about the impact that fees can have on your total retirement savings?

	25-49	50+	Total
Base: Total respondents	N=292	N=508	N=803
	%	%	%
Very knowledgeable	13	21	18
Somewhat knowledgeable	47	50	49
Not too knowledgeable	25	18	21
Not at all knowledgeable	14	9	11
Don't know	<0.5	1	1
Refused	1	1	1

13. Overall, how confident are you that you (and your spouse) will have enough money to live comfortably throughout your retirement years? Are you...?

	25-49	50+	Total
Base: Total respondents	N=292	N=508	N=803
	%	%	%
Very confident	20	34	29
Somewhat confident	48	44	45
Not too confident	21	13	16
Not at all confident	9	9	9
Don't know	2	1	1
Refused	1	-	<0.5

14. Have you (or your spouse) tried to figure out how much money you will need to have saved by the time you retire so that you can live comfortably in retirement?

	25-49	50+	Total
Base: Total respondents	N=292	N=508	N=803
	%	%	%
Yes	58	67	64
No	40	28	32
Don't know	2	3	3
Refused	<0.5	2	2

15. In total, about how much money would you say you (and your spouse) currently have in savings and investments, not including the value of your primary residence? Please include savings, certificates of deposits, stocks, bonds, mutual funds, employer-sponsored retirement savings plans, and other investments, but do not include the value of defined benefit plans. Again, stop me when I reach the right category. [READ LIST.]

	25-49 N=292	50+ N=508	Total N=803
Base: Total respondents			
	%	%	%
Less than \$1,000	4	<0.5	2
\$1,000 to less than \$10,000	6	2	3
\$10,000 to less than \$25,000	9	3	5
\$25,000 to less than \$50,000	8	4	6
\$50,000 to less than \$100,000	8	6	7
\$100,000 to less than \$150,000	8	7	7
\$150,000 to less than \$250,000	7	6	7
\$250,000 to less than \$500,000	8	11	10
\$500,000 to less than \$1 million, or	5	6	6
\$1 million or more	3	5	4
Don't know	10	11	10
Refused	25	39	34

16. We have been talking about money you have invested in a 401(k) plan. Do you (and/or your spouse) currently have other retirement investments such as... [RANDOMIZE AND READ LIST]

	25-49 N=292	50+ N=508	Total N=803
Base: Total respondents			
<i>"An individual retirement account or IRA"</i>	%	%	%
Yes	45	57	53
No	50	39	43
Don't know	3	2	3
Refused	2	2	2
<i>"Retirement savings invested outside of an IRA or employer-sponsored retirement savings plan"</i>			
Yes	32	45	41
No	64	49	54
Don't know	3	4	4
Refused	1	2	2
<i>"A defined benefit plan, often referred to as a traditional pension plan, with a current or previous employer"</i>			
Yes	36	50	45
No	60	45	50
Don't know	2	3	3
Refused	2	2	2

17. When you shop for items that you need or want, do you....

Base: Total respondents	25-49 N=292	50+ N=508	Total N=803
	%	%	%
Compare prices and choose the best item for the price you are willing to pay	75	73	74
Buy the items that are the cheapest	11	10	10
Buy the items you want regardless of price	10	12	11
Don't know	3	4	4
Refused	<0.5	1	1

DEMOGRAPHICS

READ: And finally we have just a few questions to help classify your answers...

18. What is the highest level of education that you completed?

(READ LIST; ENTER ONE ONLY)	25-49 N=292	50+ N=508	Total N=803
Base: Total respondents	%	%	%
0 through 12 th grade (no diploma)	2	2	2
High school graduate (or equivalent)	13	21	18
Post high school vocational or technical training	5	5	5
Some college (no degree)	13	16	15
College graduate (2 year degree)	8	12	11
College graduate (4 year degree)	29	22	25
Post-graduate study	9	6	7
Graduate or professional degree(s)	18	13	15
Don't know	<0.5	<0.5	<0.5
Refused	2	1	2

19. What is your current marital status? Are you...?

(READ LIST; ENTER ONE ONLY)	25-49 N=292	50+ N=508	Total N=803
Base: Total respondents	%	%	%
Now married/living with partner	77	70	73
Widowed	1	10	7
Divorced	6	13	11
Separated	1	1	1
Never married	14	4	8
Don't know	-	<0.5	<0.5
Refused	1	1	1

(INSERT OR YOUR SPOUSE OR PARTNER IF Q19=1)

20. Are you (or your spouse or partner) currently a member of AARP?

	25-49	50+	Total
Base: Total respondents	N=292	N=508	N=803
	%	%	%
Yes	7	48	33
No	90	49	64
Don't know	1	1	1
Refused	1	2	2

21. Are you Hispanic, of Spanish descent, or Latino?

	25-49	50+	Total
Base: Total respondents	N=292	N=508	N=803
	%	%	%
Yes	8	3	5
No	91	94	93
Don't know	-	1	1
Refused	1	2	2

22. What best describes your race? Would you say you are...?

(READ LIST; ENTER ONE ONLY)	25-49	50+	Total
Base: Total respondents	N=292	N=508	N=803
	%	%	%
White or Caucasian	75	85	82
Black or African American	8	6	7
Asian American	3	<0.5	1
Native American	2	2	2
Other	10	3	6
Don't know	<0.5	<0.5	<0.5
Refused	2	3	3

23. Households are sometimes grouped according to income. Please indicate which group best estimates your annual household income before taxes.

(READ LIST; ENTER ONE ONLY)	25-49	50+	Total
Base: Total respondents	N=292	N=508	N=803
	%	%	%
Less than \$10,000	2	1	2
\$10,000 to \$19,999	2	3	2
\$20,000 to \$29,999	4	9	7
\$30,000 to \$39,999	8	8	8
\$40,000 to \$49,999	4	9	7
\$50,000 to \$74,999	15	16	15
\$75,000 or more	52	32	39
Don't know	1	4	3
Refused	12	20	17

Thank you for your participation! Have a pleasant day/evening.