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ANNUAL SAVINGS SURVEY REVEALS ACROSS-THE-BOARD IMPROVEMENT IN PAST YEAR

**Americans Who Report Saving at Least 5% of Their Income Increased from 47% to
52%**

Nearly 1,700 Organizations Participate in 9th Annual America Saves Week

Washington, DC – In the past year, an increasing number of Americans reported some improvement on nearly a dozen savings indicators, according to the 8th annual America Saves Week survey. But only two-fifths of respondents indicated “good” or “excellent” progress meeting their savings needs.

“Our survey findings are consistent with both continued economic recovery and the persistence of inequality,” noted Stephen Brobeck, executive director of the Consumer Federation of America and a founder of America Saves. “Americans are saving a little more effectively today than a year ago, but only a minority are doing so very successfully,” he added.

The survey findings were released on the first day of the 9th annual America Saves Week. Nearly 1,700 nonprofit, government, and business organizations at the national, state, and local levels have joined to promote personal savings. America Saves, managed by the Consumer Federation of America (CFA), and the American Savings Education Council (ASEC), managed by the Employee Benefit Research Institute (EBRI), coordinate the Week, including the savings survey, which again was undertaken by ORC International. This research firm interviewed a representative sample of 1,009 adult Americans on January 29-February 1, 2015 by landline and cell phone. The margin of error is plus or minus three percentage points.

Small, Across-the-Board Improvement in Savings Indicators

The America Saves-ASEC survey revealed small improvements in numerous savings indicators, as the appended table shows. Significantly, those who said they are spending less than their income and saving the difference increased from 68 percent to 71 percent in the past year. Those who said they are saving at least 5 percent of their income grew from 47 percent to 52 percent.

A large and increasing majority of respondents also reported improvements in their consumer indebtedness. In the past year, the portion who said they had no consumer debt, or were reducing their consumer debt, rose from 76 percent to 78 percent. And respondents who said they had “sufficient emergency savings to pay for unexpected expenses like car repairs or a doctor visit” rose from 64 percent to 66 percent.

Yet Only a Minority Report Good Savings Progress

In the past year, there was also an increase in the portion of respondents who said they were making good or excellent savings progress – from 35 percent in 2014 to 40 percent in 2015. This latter figure was close to the percentage who reported knowing their net worth (43%), have a spending plan to meet savings goals (42%), and are saving automatically outside of work (43%).

Almost half of respondents said they were “saving enough for a retirement” with “a desirable standard of living” (55%), save at least 10 percent of their income (52%), and, among the non-retired, save at work (49%).

Those With a Plan Save More Successfully

As the table below shows, those with a “savings plan with specific goals” save more successfully than those without a plan.

	Plan	No Plan
Making good/excellent progress meeting savings needs	57%	22%
Spending less than income, saving the difference	90	50
Sufficient emergency savings	82	48
Saving enough for retirement	65	31

Income can account for some but not all of these differences. For example, for those who spend less than their income and save the difference, there is only a twelve percentage point gap between moderate and high income groups – 75 percent for those with incomes between \$25,000 and \$50,000, and 87 percent for those with incomes of at least \$100,000. (Only 54 percent of those with incomes below \$25,000 save this difference.)

“Making a savings plan focuses one’s attention on how one spends and saves their income,” noted Dallas Salisbury, president and CEO of the Employee Benefit Research Institute, and founding director of the American Savings Education Council. “Those with a savings plan tend to be more careful spending money, less willing to borrow unwisely, and more likely to save conscientiously,” he added.

Nearly 1,700 National, State, and Local Organizations Join 9th Annual America Saves Week to Encourage and Assist Personal Saving

America Saves Week, in conjunction with Military Saves Week, is an annual opportunity for organizations – nonprofits, government agencies, financial institutions, and employers – to join together to encourage individuals and families to take financial action. “The first step toward financial action is setting a goal, and our first ever #imsavingfor contest provides an incentive to do just that. We’re asking Savers and followers – old, new, and prospective – to submit a photo of themselves and their savings goal on their social media platform of choice using #imsavingfor for a chance to win

\$500,” said Nancy Register, America Saves Director and CFA Associate Director. “The second step toward financial action, making a plan, is key to successful saving, as the results of our annual saving survey demonstrate.”

Also new this year, America Saves is recognizing banks and credit unions that go above and beyond to encourage people to save money during the week with the America Saves Designation of Excellence. The designation acknowledges exceptional financial institutions that succeed in promoting savings or other wealth building accounts and have high levels of accounts opened or added to during America Saves Week. In a further effort to help more people save successfully, America Saves has launched new Spanish-language resources at www.americasaves.org/for-savers/hispanic-america-saves-en-espanol.

“Whether we call them goals or not, we all have something we need or want to save for,” said Kathy Stokes, Director of the American Saving Education Council. “By identifying a goal, whether it’s saving for education, a vacation, a home or retirement, we’re taking an important step. America Saves Week is a great time to establish a goal, and take the next step in putting money aside to achieve it.”

Nearly 1,700 organizations have signed up to participate in America Saves Week, 1,100, and Military Saves Week, 575, including the Social Security Administration, USAA, St. Louis Saves, Department of Defense, TIAA-CREF, and the United States Department of Agriculture/National Institute of Food and Agriculture.

“America Saves Week is the perfect opportunity for Americans to assess their savings and plan for retirement,” said Maria Artista-Cuchna, Acting Associate Commissioner, Office of External Affairs, Social Security. “Our website, socialsecurity.gov, is a great place to get started with planning for the financial future. We encourage everyone to visit our website and create an online *my* Social Security account today. With an online account, individuals can view their Social Security Statement, which is a valuable financial planning tool.” Over the next few months, Social Security will continue to partner with America Saves and promote the importance of saving and planning for retirement.

“We think that it’s important for military members to create an actionable savings plan. Learning to save is the first step in avoiding debt and securing one’s future, so we’re excited to support the noble goals of Military Saves,” stated Bob Winzenried, retired Army Command Sgt. Maj. and USAA Military Affairs Relationship Director (Army). “At USAA, we want to help our military members achieve long-term financial security as they provide security for our nation. That’s why we’re encouraging our members and our employees to take the pledge to start saving during this year’s Military Saves campaign.”

“St. Louis Saves has teamed up with the St. Louis Regional Unbanked Taskforce, the United Way of Greater St. Louis, and the Urban League of Metropolitan St. Louis to spearhead the St. Louis Saves Designation of Excellence Challenge, an initiative challenging local banks and credit unions to promote savings and wealth-building,” said St. Louis Treasurer Tishaura Jones. “We have about 19-20 banks and credit unions participating this year. They have creative freedom to get people to save more and take the pledge to save.”

This is the ninth year that the Department of Defense has had an active role in America Saves Week, or Military Saves Week, as it is known in the military community. Since 2007 more than 180-thousand servicemembers have taken the Military Saves pledge. "This year, we are supporting the goal of 50-thousand pledges," said Barbara Thompson, Director, Family Policy, Children/Youth and Special Needs, Office of the Secretary of Defense. "We're challenging the Army, Navy, Air Force and Marines to each get ten-thousand service members and family members to take the Military Saves pledge, and we're challenging the Coast Guard, National Guard and reserves to reach a combined total of ten-thousand pledges."

TIAA-CREF is partnering with employers to bring the America Saves Week campaign to employees in the nonprofit community as another great resource to encourage savings by providing a toolkit they can use to encourage employees to plan for a successful future. "Employees value the education and advice that their employers provide through workplace retirement plans," said Sue Fulshaw, Managing Director, Retirement Plan Product Management, TIAA-CREF. "Events such as America Saves Week help elevate awareness of the important need to save for the future and to create lifetime income. TIAA-CREF encourages retirement plan sponsors to take advantage of this opportunity to support and engage plan participants. Together, they can lay the foundation for lifetime financial well-being."

Cooperative Extension educators reach individuals and families in more than 3,000 counties across the country, "To kick off America Saves Week, we are launching the five-week America Saves Financial Challenge, an opportunity for potential savers to take financial action by saving \$250," said Susan S. Shockley, National Program Leader, Family and Consumer Economics, National Institute of Food and Agriculture /USDA. "In addition, throughout the week educators are holding Twitter Chats, face-to-face programs for consumers, and webinars to empower Americans to make wise decisions regarding their personal finances."

Learn more at americasavesweek.org

Download an infographic of the survey:

http://americasavesweek.org/images/2015-art/ASW2015_Infographic.png

Visit America Saves En Espanol:

www.americasaves.org/for-savers/hispanic-america-saves-en-espanol

America Saves, a campaign managed by the nonprofit Consumer Federation of America, uses the principles of behavioral economics and social marketing to motivate, encourage, and support low- to moderate-income households to save money, reduce debt, and build wealth. America Saves encourages individuals and families to take the America Saves pledge and organizations to promote savings year-round and during America Saves Week. Learn more at americasaves.org and americasavesweek.org.

American Savings Education Council (ASEC), managed by the Employee Benefit Research Institute (EBRI), is a nonprofit national coalition of public- and private-sector organizations undertaking initiatives to raise public awareness about what is needed to ensure long-term personal financial independence.

www.choosetosave.org/asec/

APPENDIX: Savings Survey Responses

	2014	2015
Know net worth	40%	43%
Savings plan with goals	51	51
Spending plan to achieve savings goals	40	42
No or reducing consumer debt	76	78
Spending less than income, saving the difference	68	71
Saving at least 5% of income	47	52
Saving at least 10% of income	26	28
Sufficient emergency savings	64	66
Saving enough for retirement*	54	55
Saving for retirement at work*	48	49
Automatic saving outside of work	42	43
Own or building equity in home	55	55
Making progress meeting savings needs	70	70
Good/excellent progress	35	40

*Among those not retired.

Source: ORC International survey, Jan. 29-Feb. 1, 2015