



Survey Finds Consumers Still Feeling Impact of Recession, But Most Believe the Tide Has Turned and Things are Improving

- *Forty-four percent believe things are getting better but we still have a long way to go*
- *One in five have cut back spending on essentials*
- *Ten percent of men who were negatively impacted by the recession report problems in their sex lives*
- *Women more likely than men to feel recession's effects, change behavior*

BOSTON, MA – July 14, 2010 – Even as economists consider the possibility of a double-dip recession, consumers are generally positive about the economy's future, according to survey results released today by [PerkStreet FinancialSM](#), the progressive online financial services company with the best [checking account rewards](#) in the United States. The survey, conducted online from June 11-15, 2010 by Harris Interactive®, looked at consumers' attitudes toward the recession and how consumer behavior has changed due to the financial crisis.

Forty-four percent of adults believe the economy is improving, though there is a long way to go, as illustrated by survey findings showing significant effects of the recession. One in five Americans (20 percent) have reduced their spending on essentials like food and medication, and 8 percent of those personally affected by the recession report a negative impact on their sex lives. Of those personally impacted by the recession, men were more likely than women to report the recession has negatively affected their sex lives, while more women than men say the recession has caused more arguments in their household regarding money. Women are more likely to feel the recession's effects than men and change their actions accordingly, and are also more likely than men to say the recession has made them more open when discussing money with friends (19 percent vs. 12 percent).

Eighty-three percent of adults have taken action because of the recession. For many this includes making strides toward controlling their spending, with 41 percent of adults spending more time shopping for the best deals and 40 percent reporting increased use of coupons. Fifty-seven percent of adults who have taken action because of the recession made changes in their overall spending habits, and 61 percent said they have cut back on entertainment expenses like dining out or travel.

"The recession has affected every aspect of our lives, from our bank accounts to our bedrooms," said PerkStreet CEO Dan O'Malley, "and it's forced most of us to reevaluate our financial habits. With many Americans forced to cut back even on essentials, making every dollar count has become more important than ever. Coupons, comparison shopping and cutting back on discretionary spending are a great start, but it's also important to look for savings in places you might not initially think about—like considering whether your bank is investing wisely in the things that matter to you."

Additional survey results include:

Relationships

Some people reported that the recession has impacted their relationships with spouses and other family members. While some reported increased friction in their households, others grew closer to their loved ones as they navigated the financial crisis together.

- Among adults who said the recession had impacted them personally, one in five (20 percent) said it had increased the number of arguments in their households regarding money.

- Eight percent of people affected by the recession reported a negative impact on their sex lives. Men were more likely than women to say the recession had affected their sex lives (10 percent of men compared to 6 percent of women).
- In contrast, of those who said the recession impacted them personally, 23 percent of married people said the recession has brought them closer to their spouse as they managed financial challenges together.

Gender Differences

Women have been hit especially hard by the recession, but have also taken the most action to improve their financial situations. Women are more likely to say the recession has increased household disagreements about money (20 percent vs. 12 percent).

- Women (84 percent) are more likely than men (76 percent) to feel personally impacted by the recession, and are also more likely to have taken action because of the recession (86 percent of women compared to 80 percent of men).
- Among adults who have been impacted personally by the recession, 31 percent of women said the recession made them realize they had been spending frivolously, compared to 25 percent of men.
- One in five of those who felt personally impacted by the recession said it has made it more acceptable to discuss money and finances with friends. Young women were more likely to feel this shift, at 28 percent of women ages 18 to 34, compared to 17 percent of men in the same age group.
- Among adults who have been personally impacted by the recession, women (24 percent) were more likely than men (16 percent) to say there have been more arguments caused by money in their households.

Parents and Children

Those with a child under 18 living in their household have been faced with decisions about what to tell them about the recession and its impact on their family's finances.

- Nearly one-quarter (24 percent) of adults with children under 18 in their household who were impacted by the recession said they have been forced to be more open with their children about the household's financial situation. Nearly one-third (31 percent) of adults with teens (13 to 17 years old) in their household reported discussing household finances more openly with their children.
- Among adults who have taken action because of the recession, 15 percent of those with children under 18 in their household have increased the amount of time they spend educating their children on money management.
- Adults with children under 18 in their household were twice as likely as those without children in their household to say the recession has increased the number of arguments about money in their households (24 percent vs. 12 percent).

Regional Differences

Region has a clear effect on people's attitudes about the recent financial crisis and their specific financial situations.

- Those in the Midwest are more likely to blame Wall Street and big banks for the financial crisis (48 percent), compared to those in the West (39 percent).
- Adults in the Northeast have been impacted more by the recession (84 percent) than those in the Midwest (77 percent).

Age Differences

The effects of the recession vary by generation, as do responses to the crisis.

- Twenty-one percent of Americans believe the worst of the recession is still to come. Older adults are less upbeat about the economy, with 29 percent of adults ages 55 and older believing the worst is still to come compared to only 12 percent of those 18-34. Men ages 55 and above are more pessimistic than men ages 18-34, with nearly one-third (31 percent) saying the worst is yet to come compared to 13 percent.

- The recession has caused younger adults to consider the future, with 48 percent of those ages 18 to 34 reporting it has made them think more about financial planning.

More Change Still Needed

Despite the majority of adults being impacted by the financial crisis, only 23 percent say the recession has forever changed the way they think about and spend money.

- While 71 percent of adults have a savings account only 17 percent report increasing the amount they save each month.
- Seventy percent of adults have a major credit card, yet only 34 percent of adults are using their credit cards less as a result of the recession.
- Few people call themselves excellent money managers (26 percent), yet only 13 percent are increasing the time and effort they spend educating themselves on how to better manage and invest their money as a result of the recession.
- Twenty-seven percent of those that have a debit card in their own name would rather pay a \$30 overdraft fee than have their debit card declined in front of others.

“There are innovative companies out there giving people what they want and encouraging them to make smart choices,” O’Malley said. “Sixty-four percent of those with a debit card in their own name use it more than their credit cards, according to the survey, and PerkStreet is rewarding those people with 50 times the perks offered by our competitors.”

PerkStreet customers earn 2 percent cash back on all non-PIN debit card purchases when they have a daily opening balance of at least \$5,000 in their checking account, and 1 percent cash back on all non-PIN debit card purchases even when their account balance is less than \$5,000. Frequent bonus categories also give PerkStreet customers up to 5 percent cash back on seasonal purchases at selected retailers. The typical American family can earn more than \$600 annually for their everyday spending, without having to pay membership fees or jump through hoops to earn the rewards.

Survey Methodology

This survey was conducted online within the United States by Harris Interactive on behalf of PerkStreet Financial from June 11-15, 2010 among 2,174 adults ages 18 and older. This online survey is not based on a probability sample and therefore no estimate of theoretical sampling error can be calculated. For complete survey methodology, including weighting variables, please contact Katherine Madariaga at Atomic PR, Katherine@atomicpr.com.

About PerkStreet Financial

PerkStreet Financial is the progressive online financial services company that offers the most valuable online checking account and debit card rewards combination in the U.S. PerkStreet sets itself apart from other online banks by taking the \$80 billion that the big branch banks spend on building and maintaining branches every year and passing that savings on to their customers in the form of better rewards. PerkStreet offers the most fully featured FREE checking account in the U.S., a debit card with the most rewards and access to the largest network of FREE ATMs in the country. For more information about PerkStreet Financial, visit <http://www.perkstreet.com/>.

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About Harris Interactive

Harris Interactive is one of the world’s leading custom market research firms, leveraging research, technology, and business acumen to transform relevant insight into actionable foresight. Known widely for the Harris Poll and for pioneering innovative research methodologies, Harris offers expertise in a wide range of industries including healthcare, technology, public affairs, energy, telecommunications, financial services, insurance, media, retail, restaurant, and consumer package goods. Serving clients in over 215 countries and territories through our North American, European, and Asian offices and a network of independent market research firms, Harris specializes in delivering research solutions that help us – and our clients – stay ahead of what’s next. For more information, please visit www.harrisinteractive.com.

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