

Luxury or Necessity? The Public Makes a U-Turn

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A Social & Demographic Trends Report

Luxury or Necessity?

The Public Makes a U-Turn

By Rich Morin and Paul Taylor, Pew Research Center

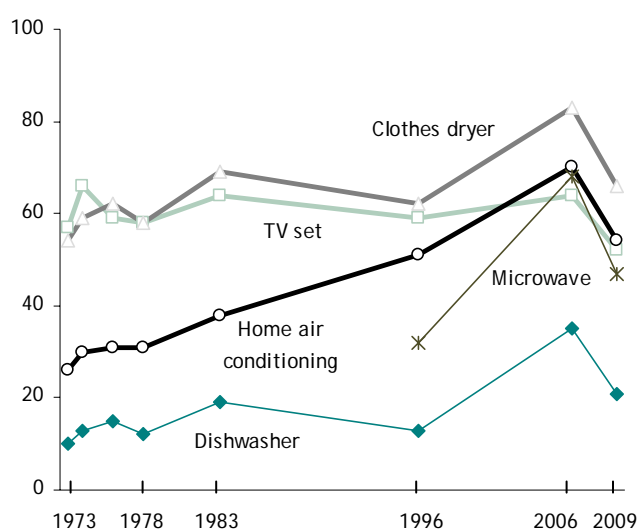
From the kitchen to the laundry room to the home entertainment center, Americans are paring down the list of familiar household appliances they say they can't live without, according to a new national survey by the Pew Research Center's Social & Demographic Trends project.

No longer do substantial majorities of the public say a microwave oven, a television set or even home air conditioning is a necessity. Instead, nearly half or more now see each of these items as a luxury. Similarly, the proportion that considers a dishwasher or a clothes dryer to be essential has dropped sharply since 2006.

These recession-era reevaluations are all the more striking because the public's luxury-versus-necessity perceptual boundaries had been moving in the other direction for the previous decade. For example, the share of adults who consider a microwave a necessity was just 32% in 1996. By 2006, it had shot up to 68%. But it has now retreated to 47%. Similarly, just 52% of the public in the latest poll say a television set is a necessity—down 12 percentage points from 2006 and the smallest share to call a TV a necessity since this question was first asked more than 35 years ago.

Along with a new creed of thrift, there's another factor—technology adoption—that appears to be shaping public judgments about some of these items. Take cell phones. A relative newcomer in the everyday lives of most Americans, the cell phone is among a handful of newer gadgets that have held their own on the necessity scale from 2006 to 2009. Moreover, it may have contributed to a drop in necessity ratings for the older-era appliance it has partially supplanted. The survey finds that people who consider a cell phone a necessity—some 49% of the public, including a disproportionate share of young adults—are less inclined than others to feel the same way about a landline phone.

From Luxury to Necessity—and Back Again
Percent rating each item as a necessity



Question wording: Do you pretty much think of this as a necessity or pretty much think of this as a luxury you could do without?
Source: 1973 to 1983 surveys by Roper; 1996 survey by Washington Post/Kaiser/Harvard; 2006 and 2009 surveys by Pew Research Center.

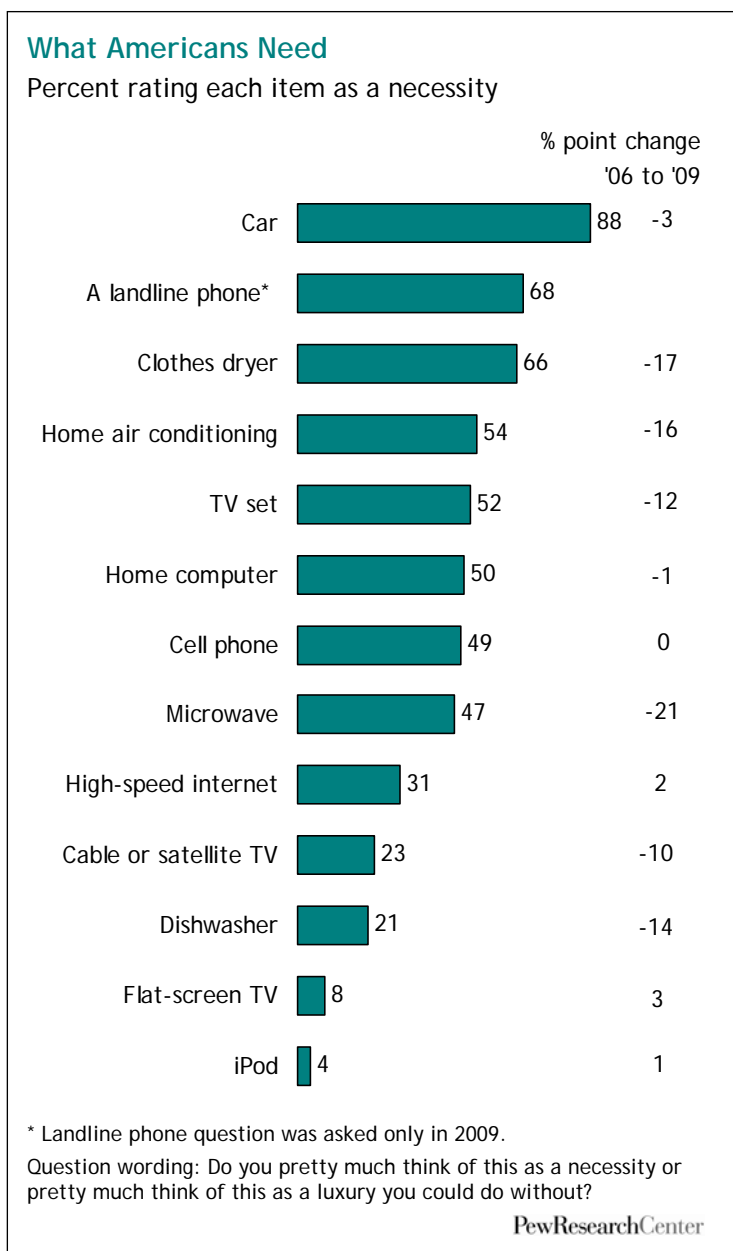
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In addition to exploring these shifts in consumer perceptions, the Pew Research survey asked respondents about a range of belt-tightening strategies and behaviors triggered by the recession, which officially began in December 2007.

It finds that eight-in-ten adults have taken specific steps of one kind or another to economize during these bad times. Almost six-in-ten say they are shopping more in discount stores or are passing up name brands in favor of less expensive varieties. Nearly three-in-ten adults say they've cut back spending on alcohol or cigarettes. About one-in-four say they've reduced spending on their cable or satellite television service or canceled the service altogether. About one-in-five say they've gone with a less expensive cell phone plan, or canceled service. One-in-five say they've started mowing their own lawn or doing home repairs rather than pay others for the service. And about one-in-five adults say they are following the example of first lady Michelle Obama and are making plans to plant a vegetable garden to save money on food.

As expected, the survey also finds that people who have taken the biggest economic hits during this recession are the ones most inclined to have tightened their belts. So, for example, if a respondent or someone in that person's household lost a job in the past year, had trouble paying the mortgage or rent, or lost more than 20% in a retirement account or other investments, the respondent is more likely than others surveyed to have economized in a variety of ways.

However, this distinction *doesn't* apply to changing perceptions about what's a luxury and what's a necessity. These shifts have occurred across-the-board, among adults in all income groups and economic circumstances — perhaps suggesting that consumer reaction to the recession is being driven by specific personal economic hardships as well as by a more pervasive new creed of thrift that has taken hold both among those who've been personally affected and those who haven't.



The survey does find that the recession has touched the lives of most Americans in one way or another. About one-in-four respondents say they or a member of their household has lost a job in the past year. Nearly half say they or another household member has lost more than 20% in a retirement account or other investments. About one-in-five say they or another member of their household has had problems making mortgage or rent payments. Taken together, about two-in-three American families have faced at least one of these problems in the past year—with young adults, women and the less affluent more likely than others in the population to have been affected.

The Pew Research Center's Social & Demographic Trends survey on the effects of the recession was conducted by

landline and cell phone April 2-8, 2009, among a nationally representative sample of 1,003 adults ages 18 or older.

The remainder of the report is organized as follows:

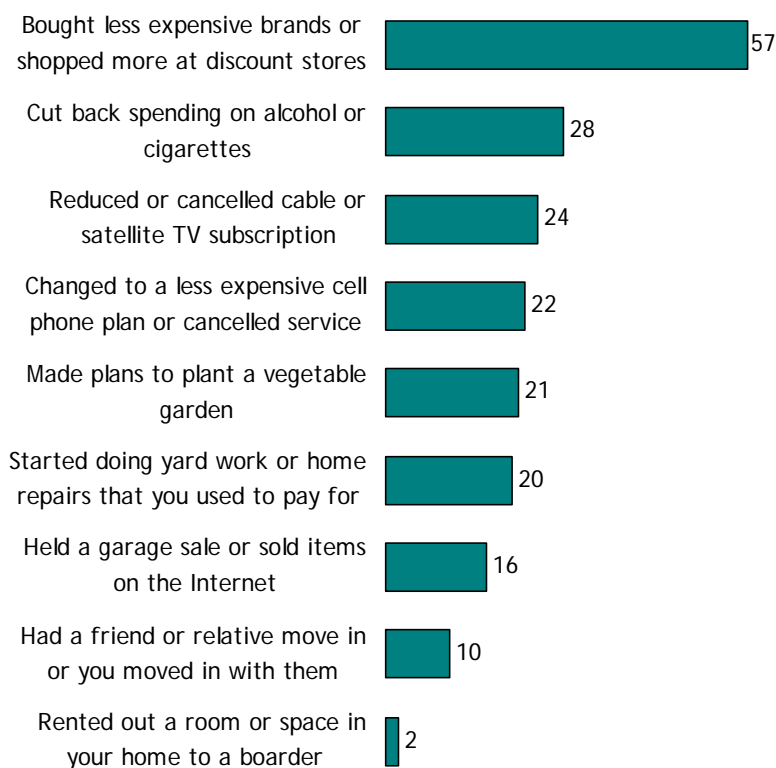
Section I: Yesterday's Necessities Become Today's Luxuries

Section II: Belt-Tightening in Bad Times

Section III: Who's Been Hardest Hit by the Recession?

Belt-Tightening in Bad Times

Percent saying they have done ... because of the recession



Question wording: I am going to read you a list of things that some people have done because of the economic recession but other people have not done. For each of the following, please tell me if you personally have done this, or not. Have you ...?

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About the Survey

Results for this survey are based on telephone interviews conducted with a nationally representative sample of 1,003 adults living in the continental United States. A combination of landline and cellular random digit dial (RDD) samples was used to represent all adults in the continental United States who have access to either a landline or cellular telephone. A total of 752 interviews were completed with respondents contacted by landline phone and 251 with those contacted on their cell phone. The data are weighted to produce a final sample that is representative of the general population of adults in the continental United States.

- Interviews conducted April 2-8, 2009
- 1,003 interviews
- Margin of sampling error is plus or minus 3.6 percentage points for results based on the total sample at the 95% confidence level.
- Note on terminology: “Whites” refer to non-Hispanic whites. “Blacks” refer to non-Hispanic blacks. Hispanics are of any race.

Survey interviews conducted under the direction of Princeton Survey Research Associates International.

I. Yesterday's Necessities Become Today's Luxuries

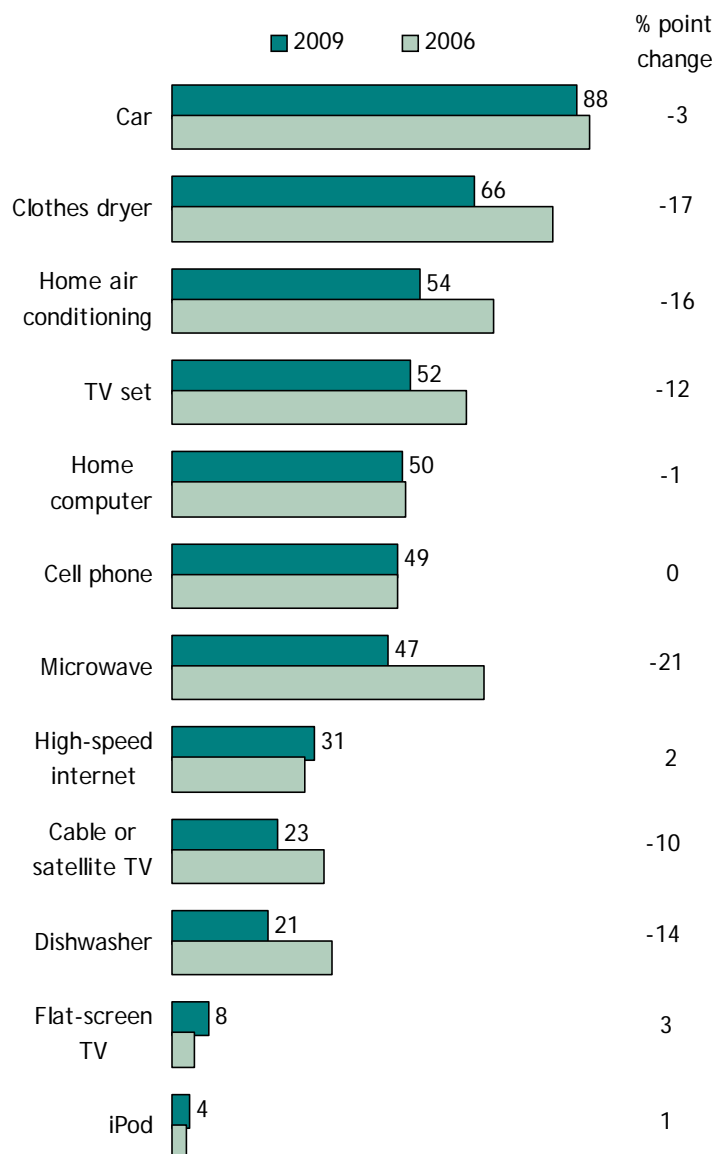
In hard times, the Pew Research survey finds that many Americans are changing their minds about which everyday goods and services they consider essential and which ones they could live without. The survey also shows that “old-tech” household appliances have fared the worst in the public’s reassessment of the line between luxury and necessity in their daily lives.

Of 12 items tested,¹ six dropped significantly in the necessity rankings from 2006 to 2009, while the other six basically held their own. All of the “old-tech” household appliances on the list dropped in their necessity ratings. For example, the proportion of people who rate a clothes dryer as a necessity fell by 17 percentage points in the past three years. There are similar declines for the home air conditioner (16 points), the dishwasher (14 points) and the television set (12 points).

A few of the “middle-aged” household appliances and services also declined. The microwave, a kitchen staple since the late 1980s, is currently viewed as a necessity by less than half the public, a 21-point drop in the past three years. The proportion who rate cable and satellite television service as a necessity fell 10 percentage points since 2006, nearly matching the declining value of a television set.

What Americans Need: 2006-2009

Percent rating each item as a necessity



Question wording: Do you pretty much think of this as a necessity or pretty much think of this as a luxury you could do without?

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¹ A 13th item on the survey, landline phone, has not been included in the chart or analysis on this page because there is no trend data to measure change over time in the public’s necessity evaluations.

In contrast, none of the newer information-era gadgets and services has fallen in Americans' assessment of what they absolutely need to have. Cell phones and home computers continue to be seen as a necessity by half of the public, unchanged from three years ago. High-speed Internet access is seen as a necessity by about three-in-ten adults, also unchanged from 2006. Two items that came onto the consumer scene in this decade—iPods and flat-screen TVs—are still seen as a necessity by a very small share of the public, but that share hasn't declined during the recession.

Finally, there's the automobile—the ultimate survivor. It's been around for nearly a century, but in good times or bad, it retains its pride of place at the top of America's list of everyday necessities.

Back to the Past

The question testing whether Americans judge specific consumer goods to be luxuries or necessities has been asked over many years by different polling organizations, beginning with the Roper Organization in 1973. A review of the results over time shows a noteworthy pattern: On many of the items tested, the public's current "necessity" judgments have retreated to levels not seen for a decade or more. And on virtually every item for which a trend is available, the 2006 results represented a high-water mark in the necessity rankings. (Perhaps not coincidentally, 2006 was also the year before the recession set in and marked the outer limits of America's housing bubble.)

For example, two-thirds (66%) of respondents in the latest survey consider a clothes dryer a necessity. That's down from 83% in 2006 but nearly identical to the 69% who said in a 1983 Roper survey that a clothes dryer was a necessity. Similarly, about one-in-five rated a dishwasher as a necessity in the latest survey (21%) and in 1983 (19%)—a double-digit decline from the 35% who said three years ago that a dishwasher was essential.

Despite the recession and roller-coaster gas prices, the trend data confirm that Americans' dependence on the family car remains strong. Nearly nine-in-ten adults (88%) rate an automobile as a necessity. That's virtually identical to the 90% who said the same in the 1973 Roper survey, and this proportion has hardly wavered in surveys conducted throughout the 1980s and 1990s.

Demographics of the 'Necessity' Reevaluations

Who has changed their minds about the need for a clothes dryer, a dishwasher, a television set or a microwave oven? A wide range of different groups, the survey finds. Regardless of age, gender, education and other social or economic characteristics, the change in attitudes toward these consumer goods has occurred quickly and broadly throughout the population.

| Different Gadgets, Different Impacts | |
|--|-----------------------------|
| Percent change in necessity ratings | % point change 2006-2009 |
| <i>"Old-tech" and "middle-aged" items take a hit</i> | |
| Microwave | -21 |
| Clothes dryer | -17 |
| Home air conditioning | -16 |
| Dishwasher | -14 |
| TV set | -12 |
| Cable or satellite TV | -10 |
| <i>"New-tech" items hold their own</i> | |
| Flat-screen TV | +3 |
| High-speed Internet | +2 |
| iPod | +1 |
| Cell phone | 0 |
| Home computer | -1 |
| <i>And the car keeps chugging along</i> | |
| Car | -3 |

For example, the proportion who consider a clothes dryer to be a necessity dropped 20 percentage points among men and 14 points among women; by 16 points among those younger than 50 years old and by a similar proportion of those 50 and older; by 16 points among those with a high school education or less and by 18 points among college graduates.

Double-digit declines also were recorded in perceptions of a microwave, home air conditioning and dishwashers as a necessity, regardless of respondents' gender, age or levels of education. For example, in the past three years the proportion of the public that views a microwave as essential dropped by more than 20 percentage points among both the wealthiest respondents—those earning \$100,000 or more—and those with incomes under \$30,000.

That's not to say that every core demographic group sees each of these items in the same way. Women are more likely than men to say an air conditioner is a necessity (59% vs. 49%), and this gender gap has grown from 3 percentage points in 2006 to 10 points in the latest poll. Women also are somewhat more likely than men to view a clothes dryer as a necessity (69% vs. 63%); three years ago, 83% of each gender said it was a must-have item.

While men and women may differ over whether air conditioners or clothes dryers are necessities, the gender gap on other consumer products has narrowed since 2006. Today, 20% of men and 22% of women say a dishwasher is a necessity; three years ago, more men (39%) than women (32%) considered it to be a household essential.

Similarly, in 2006, men were more likely than women to say that a microwave was a necessity (71% vs. 65%); in the latest poll, slightly less than half (47%) of both genders agree, with a larger proportion of men again changing their minds.

As for income differences, even though the declines in necessity ratings from 2006 to 2009 have taken place among all income brackets, higher-income adults—as in previous surveys—are more likely than lower-income adults to rate more of the items tested in the survey as necessities.

High Tech and Recession-Proof—So Far

The survey also finds that some consumer products, including some high-tech devices that have entered the marketplace relatively recently, appear so far to be “recession-proof.” About half of respondents in the current survey (49%) and a similar proportion in 2006 consider a cellular telephone to be a necessity. That overall finding obscures a considerable generation gap: Currently 60% of adults under the age of 30 say a cell phone is a necessity, compared with 38% of those 65 years old or older. But this generation gap is not significantly larger today than it was three years ago; in fact, views on the need for a cell phone have not changed significantly among any age group since 2006.

An equally dramatic generation gap opens when Americans are asked whether landline telephone service—the familiar home phone—is a luxury or a necessity. But this gap runs in the opposite direction. More than eight-in-ten (84%) adults ages 65 and above say a landline phone is a necessity, while only 49% of those younger than 30 agree. And younger adults are nearly four times as likely as older adults to say an in-home phone is a luxury (51% vs. 14%).

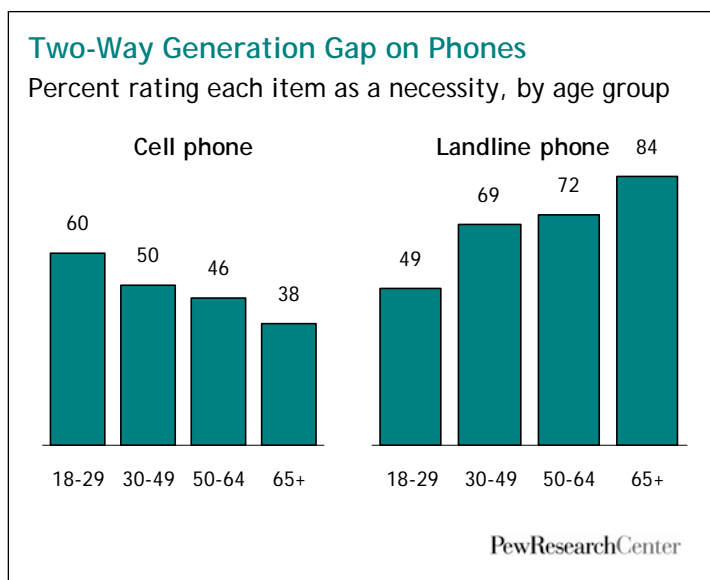
Are Americans Falling Out of Love with Their Televisions?

Clear majorities in polls conducted since 1973 have said that their TV set is something they couldn't do without. Yet the latest Pew Research Center survey suggests Americans' long love affair with their TV sets may be cooling.

Whether prompted by the recession or by the lure of new computers and other devices that can display TV programs as well as other kinds of streaming video, barely half (52%) of the public now say a television is a necessary part of their lives. That's a decline of 12 percentage points since 2006 and the lowest proportion since 1973 to view a television as essential—even lower than the 57% who said a TV set was a necessity when the question was first asked in 1973.

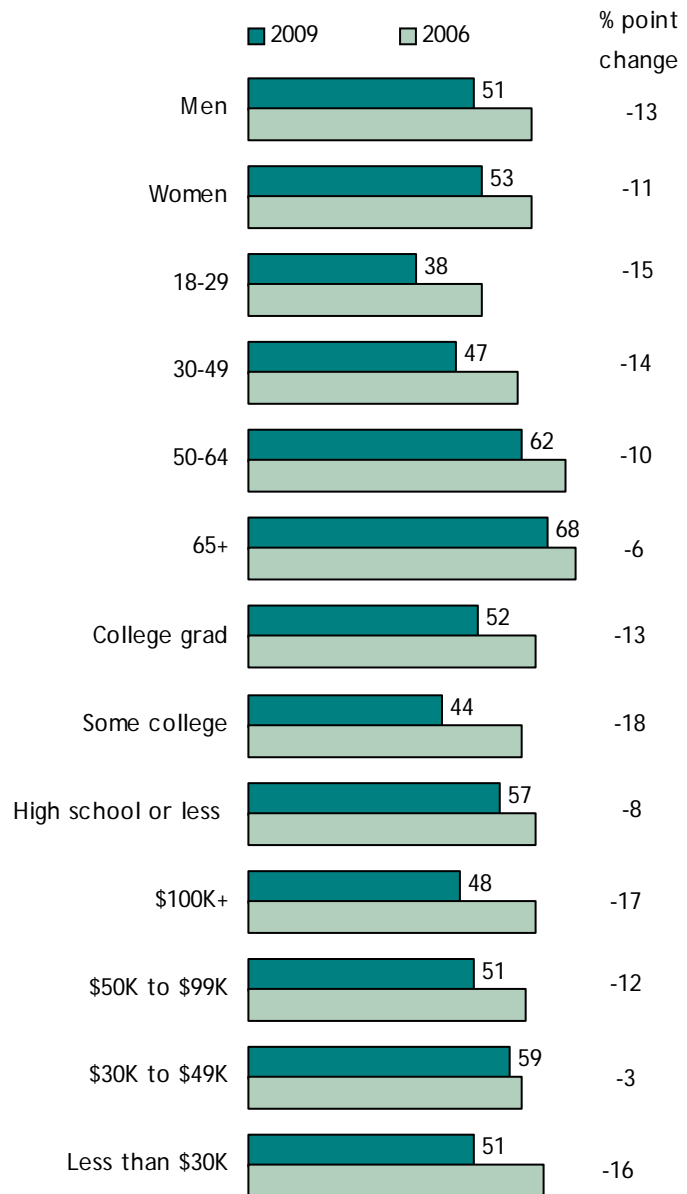
Young adults have led the march away from the TV screen: Only 38% of those 30 or younger say a TV is a necessity, a 15-point decline since 2006. In contrast, perceptions of a television set as a necessity declined by just 6 points to 68% among respondents 65 or older.

A similar decline occurred in the past three years in attitudes toward cable and satellite television service. Today, less than a quarter (23%) of the public say such service is essential, down 10 points from 2006. But unlike attitudes toward television, views on cable and satellite service have declined more uniformly by age; if anything, it's those 65 or older who are more likely to have changed their minds about it (a 13-point decline among those 65 or older, compared with an 11-point decline among those under 30).



TV: 2006-2009

Percent rating a television set as a necessity



Question wording: Do you pretty much think of this as a necessity or pretty much think of this as a luxury you could do without?

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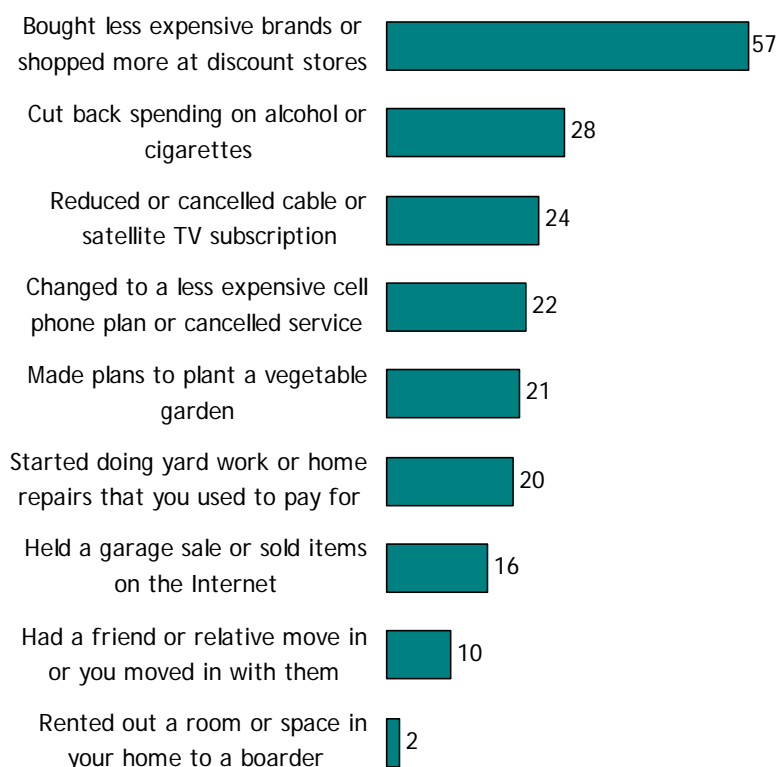
II. Belt-Tightening in Bad Times

To measure the various ways Americans are coping with the ailing economy, the survey asked respondents if they had done any of nine specific things to economize “because of the economic recession.” The items covered a range of cost-cutting measures, including buying less expensive brands or doing more shopping at discount stores, moving in with a friend or relative, holding a garage sale, and switching to a less expensive cable or satellite television service. Respondents were even asked if they planned to follow the lead of first lady Michelle Obama by growing a vegetable garden to save money on food. Finally, the survey asked if respondents had done anything else to cut costs beyond the nine specific actions tested in the survey.

An overwhelming majority of Americans say they are doing more with less—or doing without altogether. Specifically, nearly six-in-ten adults say they are shopping more at discount stores. Nearly three-in-ten have cut back spending on alcohol or cigarettes, while about a quarter have reduced spending on cable or satellite TV or canceled their service entirely. About one-in-five changed or canceled their cell phone service. An equal proportion have started doing yardwork or home repairs themselves, and about the same share are making plans to plant a “recession garden.” Somewhat fewer have held a garage sale or sold items on the Internet to raise needed cash, while fewer still report they have moved in with a friend or relative or have rented space to someone in their home.

How People are Weathering the Economic Storm

Percent saying they have done ... because of the recession



Question wording: I am going to read you a list of things that some people have done because of the economic recession but other people have not done. For each of the following, please tell me if you personally have done this, or not. Have you...?

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One important caveat: These figures are based on the full sample, and as a result in some instances understate the relevant share that has changed behaviors. For example, the percentage of people who say they have reduced spending on alcohol and tobacco is based on all adults, including those who neither drink nor smoke; thus, it no doubt understates the change among smokers and adults who drink alcohol. Similarly, changes in spending on

cell phone service or cable television subscriptions are based on a sample that includes people who never have had cell phones or a cable subscription.

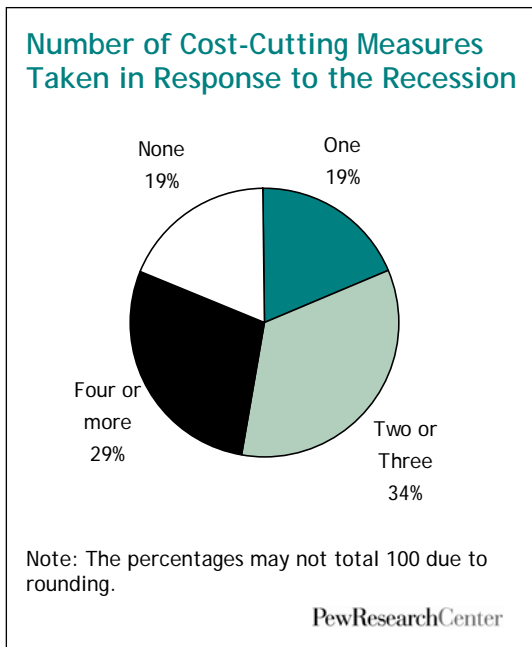
All together, fully eight-in-ten adults say that in response to the recession they have taken at least one specific step to trim expenses, while nearly three-in-ten have done at least four. Not surprisingly, those with lowest incomes report they are doing the most to cut expenses. For example, slightly more than eight-in-ten families with household incomes under \$30,000 have done something to cut expenses in response to the recession. But even many relatively affluent Americans are pinching pennies. About three-quarters of all adults with family incomes of \$100,000 or more have done at least one thing to economize.

One group that is underrepresented among those who have tightened their belt during the recession: older Americans. Adults 65 or older are significantly less likely than younger adults to report they have taken steps to cut costs. The survey did not ask a broad enough range of questions to fully explain this finding, but it is well known that senior citizens tend to downsize their lifestyles and expenses, so this group may not feel as compelled as younger adults to take special measures in response to the economic downturn.

Here's a summary of who is doing what to cut spending:

Bought less expensive brands or shopped more at discount stores. Some 57% of the public report they are hunting for bargains these days. Women, who do the bulk of the household shopping, are particularly adept at stretching their family's dollars: 63% of women—but just 51% of men—say they are buying less costly brands or shopping more at discount stores. Families with children under 18 also are more likely to be scouring the stores for lower cost items: More than six-in-ten adults with younger children say they're cutting shopping expenses, compared with 54% of families with older children and 53% of adults without children. Northeasterners, too, are more likely to be bargain-hunting these days.

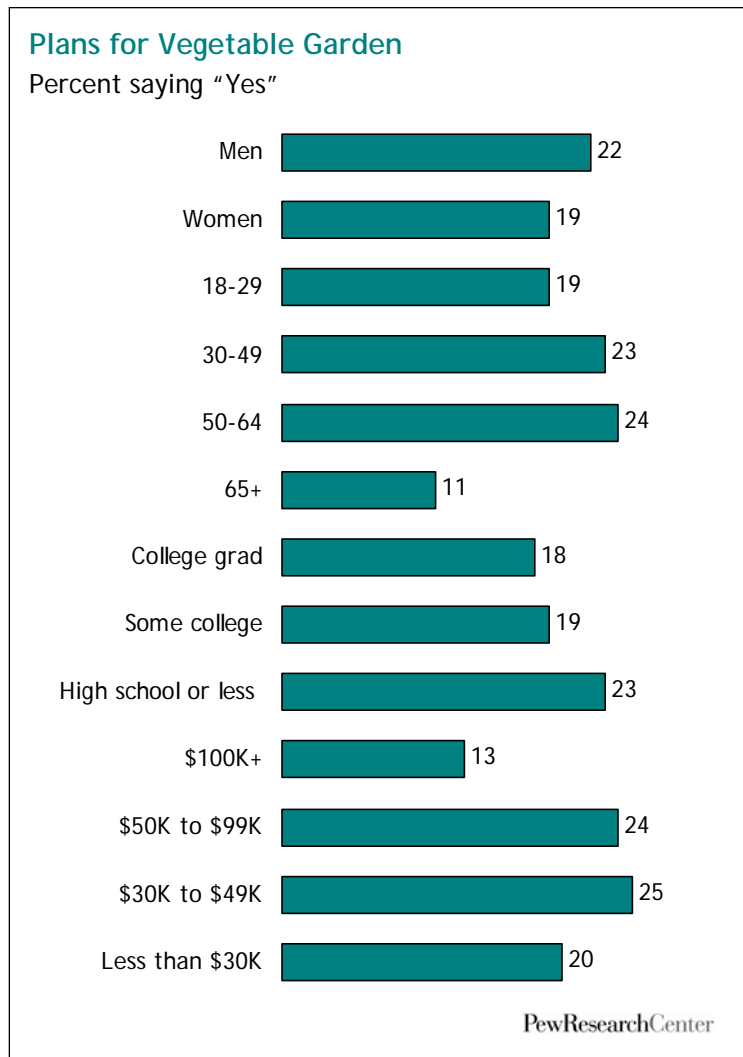
Cut back on spending on alcohol or cigarettes. America's bars and clubs may be a bit less crowded these days as a disproportionately large share of young adults are cutting back on what they spend on alcohol or cigarettes. Overall, nearly three-in-ten adults (28%) report they have cut back in these areas. That proportion increases to 39% among those under the age of 30, but falls to 12% among older Americans. Nearly two-thirds (65%) of adults living in the Northeast say they have reduced their liquor or cigarette bills, compared with barely half in the South (53%) or West (52%) and 61% in the Midwest. Democrats, too, say they're sipping or puffing less: More than a third of all Democrats (35%) are spending less on cigarettes or alcohol, compared with 23% of all Republicans and 24% of political independents, a finding mitigated somewhat by the fact that Democrats as a group are somewhat more likely to drink alcohol or smoke in the first place than are Republicans or independents.



Changed to a less expensive cable or satellite TV subscription, or canceled service. About a quarter of all adults (24%) say they've taken steps to save on their cable bill or have done away with the service altogether. Women are somewhat more likely than men to have switched cable plans or given up service because of the recession (27% vs. 21%). And young people, too, have taken steps to reduce their cable bill: 30% of adults under 30 but only 17% of those 50 or older have changed or cut service. Families with minor children also are trying to save money this way. About three-in-ten adults with children under the age of 18 say they have switched or canceled cable or satellite TV service, compared with two-in-ten families with older children. Again, Democrats are more likely than Republicans or independents to be trimming the amount their families spend on cable plans.

Changed to a less expensive cell phone plan, or canceled service. About one-in-five (22%) adults are saving money on their cell phone bills. Young adults, the group that is the most likely to use cell phones, are the most likely to have taken this step: 30% of respondents under the age of 30 but 20% of other adults have changed cell plans or dropped service because of the recession. Less affluent adults also cut their cell phone spending. Three-in-ten adults with family incomes below \$30,000 have changed or cut their cell service, compared with only 13% of those making \$100,000 or more.

Made plans to plant a vegetable garden. About a fifth of the country (21%) is following the first family's lead and making plans to plant a vegetable garden in response to the recession. Married people are more likely than singles to be planning to plant a garden (26% vs. 15%). Middle-income adults also are significantly more likely to be making garden plans than the more affluent (25% among those with family incomes between \$30,000 and \$99,999, compared with 13% among those earning \$100,000 or more). While in Washington, D.C., the political debate rages on about how best to end the recession, there's no ideological or partisan divide over gardening. Exactly the same proportion of political liberals and conservatives say they plan to grow a vegetable garden (20% of both groups). Republicans (18%) are about as likely as Democrats (23%) or independents (18%) to say they're planning to grow a vegetable garden this spring.



Started doing yardwork or home repairs that you used to pay others to do. Goodbye, lawn services and handymen: Americans are doing more household chores themselves. Some 20% of all adults say they're doing more work in and around their homes. This recession-motivated, do-it-yourself movement is broadly based, the survey found. Roughly equal proportions of men and women as well as the relatively wealthy and the relatively poor are doing more chores at home that they once paid others to do.

Smaller proportions of Americans are taking other steps to make or save money in response to economic hard times. One-in-six have held a garage sale or sold something over the Internet. One-in-ten have moved in with a friend or relative or had a friend or relative move in with them. When asked in a follow-up question if they had done anything else to economize, about one-in-ten report they are dining out less often and a similar proportion say they are saving money on gas by cutting back on their driving.

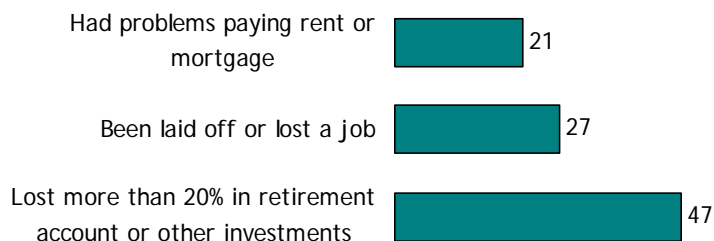
III. Who's Been Hardest Hit by the Recession?

The survey documents a range of ways the recession has affected the economic lives of different groups of Americans. When asked about three major recession-related problems, nearly half (47%) of respondents report they or someone in their household has lost more than 20% in a retirement account or other investments in the past 12 months. Fully a quarter (27%) report they or someone in the household has been laid off or lost a job.

And 21% say they or someone in the household has had trouble paying the rent or mortgage.

The Recession Hits Home

Percent saying that in the past year they or someone in their household ...



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When these responses are analyzed together, the full impact of the economic downturn comes into focus:

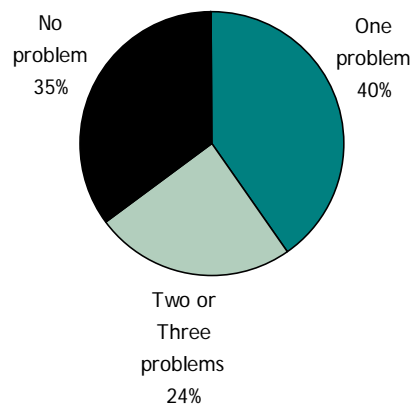
Overall, about two-thirds of all American households have faced at least one of these three recession-related problems in the past year. Four-in-ten experienced one problem, while nearly one-in-five faced two, and 6% report their household faced all three of the problems tested in the survey.

The survey also finds that the recession has affected different demographic groups in different ways, with young people, women and the less affluent more likely than older adults, men or wealthier households to experience job loss or have problems paying their mortgage or rent. By contrast, middle-aged adults as well as more affluent families are more likely than other groups to say they or a member of their household has lost substantial portions of their investment portfolios.

Those hurt most by the recession also are the most likely to have taken specific steps to cut back on spending. But

economic hard times had no impact on ratings of individual items as luxuries or necessities: Those who had experienced the three recession-related problems tested in the survey were no more likely than those who have not yet faced these financial shocks to say that a microwave, clothes dryer, air conditioning or TV were luxuries rather than necessities.

Economic Problems Faced in the Past Year



Note: The percentages may not total 100 due to rounding.

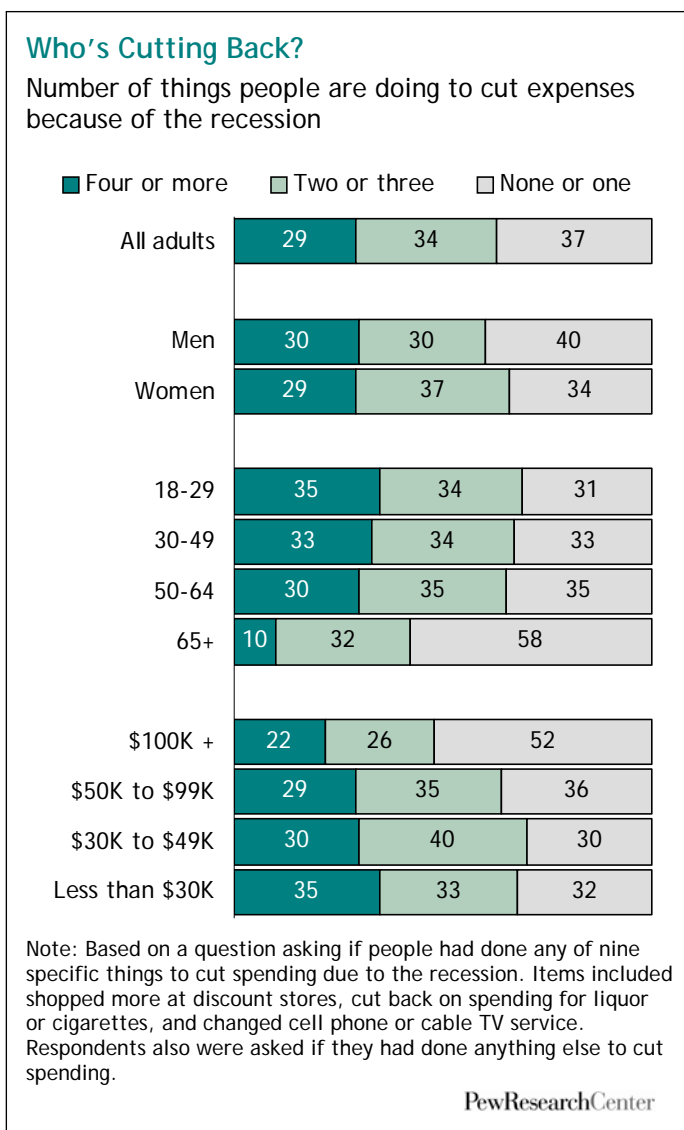
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Those Hurt by Recession Most Likely to Cut Back

To measure how the recession has affected attitudes and behaviors related to spending and thrift, two scales were created and then analyzed together. The first scale was based on responses to the questions asking people if they or a household member had lost more than 20% of their retirement or investment holdings; had difficulty paying their mortgage or rent; or had lost their job or were laid off. A second scale was based on the series of questions that measured how many things people were doing to save money as a result of the recession. The cost-cutting steps ranged from shopping more at discount stores to doing their own home repairs to growing a vegetable garden. Fully 29% of all adults had cut expenses in four or more of the ten ways measured in the survey, while 34% had cut back in two or three ways and 38% had saved money in none or just one.

Not surprisingly, those most affected by the recession have done the most to save money. Overall, about half of those who reported they or someone in their households faced two or all three of the financial problems in the past year cut back in at least four areas. That's more than double the proportion among those who experienced none of the problems (51% vs. 20%).

For example, three-quarters of those who reported their household faced at least two of the tested problems say they are shopping more at discount stores or buying less expensive brands. That compares with less than half (47%) of those who had experienced none of the three problems in the past 12 months. Those facing multiple recession-related difficulties also are three times as likely to say they have moved in with someone or had someone move in with them than are respondents who faced none of the problems (22% vs. 7%). Similarly, those who have had to deal with multiple problems are twice as likely to say they held a garage sale or sold items on the Internet (28% vs. 12%).



However, experience with recession-related problems has little or no correlation with public perceptions of common consumer goods as necessities or luxuries. For example, virtually identical proportions of respondents rated a microwave as a necessity, regardless of whether respondents report their households had experienced none of the three problems (46%) or at least two of the problems (48%). Similarly, 65% of those who have experienced none of the tested problems and 66% of those who have faced at least two rate a clothes dryer as a necessity.

Households Hardest Hit by Recession Are Biggest Bargain Hunters

% in each group who are shopping more in discount stores/buying less expensive brands

| | |
|---|----|
| Faced no financial problems in past year* | 47 |
| One financial problem | 54 |
| Two or three financial problems | 75 |

*The three financial problems tested were that the respondent or a household member had trouble paying rent or mortgage; was laid off or lost a job; and lost more than 20% in retirement or investment holdings.

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PEW SOCIAL & DEMOGRAPHIC TRENDS
TOPLINE FOR SELECTED QUESTIONS
 April 2-8, 2009 LUXURY/NECESSITY UPDATE SURVEY
 TOTAL N=1,003

NOTE: ALL NUMBERS ARE PERCENTAGES. THE PERCENTAGES GREATER THAN ZERO BUT LESS THAN .5 % ARE REPLACED BY AN ASTERISK (*). COLUMNS/ROWS MAY NOT TOTAL 100% DUE TO ROUNDING. ALL TRENDS REFERENCE SURVEYS FROM SOCIAL & DEMOGRAPHIC TRENDS AND THE PEW RESEARCH CENTER FOR THE PEOPLE & THE PRESS UNLESS OTHERWISE NOTED.

ASK ALL:

Q.20 I'm going to read you a list of things. For each one, please tell me whether you pretty much think of it as a necessity or pretty much think of it as a luxury you could do without. First, **[INSERT ITEM; RANDOMIZE – ITEM m. SHOULD ALWAYS COME AFTER ITEM i.]**

READ IF NECESSARY: Do you think of this as a necessity or think of this as a luxury you could do without?

| | | <u>Necessity</u> | <u>Luxury</u> | <u>DK/Ref</u> (VOL.) |
|----|---|------------------|---------------|--------------------------------|
| a. | A car ² | | | |
| | April 2009 | 88 | 12 | * |
| | Oct 2006 | 91 | 8 | 1 |
| | July 1996 <i>Washington Post/Kaiser/Harvard</i> | 93 | 7 | * |
| | Dec 1983 <i>Roper</i> | 91 | 9 | 0 |
| | Dec 1978 <i>Roper</i> | 87 | 12 | 1 |
| | Dec 1976 <i>Roper</i> | 90 | 10 | 1 |
| | Dec 1974 <i>Roper</i> | 90 | 9 | 1 |
| | Dec 1973 <i>Roper</i> | 90 | 9 | 1 |
| b. | A TV set | | | |
| | April 2009 | 52 | 47 | 1 |
| | Oct 2006 | 64 | 35 | 1 |
| | July 1996 <i>Washington Post/Kaiser/Harvard</i> | 59 | 41 | 0 |
| | Dec 1983 <i>Roper</i> | 64 | 36 | 0 |
| | Dec 1978 <i>Roper</i> | 58 | 41 | 1 |
| | Dec 1976 <i>Roper</i> | 59 | 40 | 1 |
| | Dec 1974 <i>Roper</i> | 66 | 33 | 1 |
| | Dec 1973 <i>Roper</i> | 57 | 42 | 1 |
| c. | A clothes dryer | | | |
| | April 2009 | 66 | 33 | 1 |
| | Oct 2006 | 83 | 16 | 1 |
| | July 1996 <i>Washington Post/Kaiser/Harvard</i> | 62 | 38 | 0 |
| | Dec 1983 <i>Roper</i> | 69 | 31 | 1 |
| | Dec 1978 <i>Roper</i> | 58 | 42 | 1 |
| | Dec 1976 <i>Roper</i> | 62 | 37 | 1 |
| | Dec 1974 <i>Roper</i> | 59 | 39 | 2 |
| | Dec 1973 <i>Roper</i> | 54 | 44 | 2 |

² For the Washington Post/Kaiser/Harvard and Roper surveys, the item was listed as “an automobile.”

Q.20 CONTINUED...

| | | <u>Necessity</u> | <u>Luxury</u> | DK/Ref <u>(VOL.)</u> |
|----|--|------------------|---------------|-------------------------|
| d. | Air conditioning for your home | | | |
| | April 2009 | 54 | 45 | 1 |
| | Oct 2006 | 70 | 29 | 1 |
| | July 1996 <i>Washington Post/Kaiser/Harvard</i> ³ | 51 | 49 | * |
| | Dec 1983 <i>Roper</i> | 38 | 61 | 1 |
| | Dec 1978 <i>Roper</i> | 31 | 69 | 1 |
| | Dec 1976 <i>Roper</i> | 31 | 68 | 1 |
| | Dec 1974 <i>Roper</i> | 30 | 69 | 1 |
| | Dec 1973 <i>Roper</i> | 26 | 72 | 2 |
| e. | A dishwasher | | | |
| | April 2009 | 21 | 78 | 1 |
| | Oct 2006 | 35 | 63 | 2 |
| | July 1996 <i>Washington Post/Kaiser/Harvard</i> | 13 | 86 | 0 |
| | Dec 1983 <i>Roper</i> | 19 | 80 | 1 |
| | Dec 1978 <i>Roper</i> | 12 | 87 | 1 |
| | Dec 1976 <i>Roper</i> | 15 | 83 | 1 |
| | Dec 1974 <i>Roper</i> | 13 | 85 | 2 |
| | Dec 1973 <i>Roper</i> | 10 | 89 | 1 |
| f. | A computer for home use | | | |
| | April 2009 | 50 | 50 | 1 |
| | Oct 2006 | 51 | 47 | 2 |
| | July 1996 <i>Washington Post/Kaiser/Harvard</i> | 26 | 74 | * |
| | Dec 1983 <i>Roper</i> | 4 | 94 | 2 |
| g. | A microwave | | | |
| | April 2009 | 47 | 53 | * |
| | Oct 2006 | 68 | 31 | 1 |
| | July 1996 <i>Washington Post/Kaiser/Harvard</i> | 32 | 68 | 0 |
| h. | Cable or satellite television service | | | |
| | April 2009 | 23 | 75 | 1 |
| | Oct 2006 | 33 | 66 | 1 |
| | July 1996 <i>Washington Post/Kaiser/Harvard</i> ⁴ | 17 | 83 | 0 |
| i. | A cell phone | | | |
| | April 2009 | 49 | 50 | 1 |
| | Oct 2006 | 49 | 49 | 2 |
| j. | High-speed internet access | | | |
| | April 2009 | 31 | 67 | 2 |
| | Oct 2006 | 29 | 67 | 4 |
| k. | An iPod | | | |
| | April 2009 | 4 | 93 | 3 |
| | Oct 2006 | 3 | 88 | 9 |

³ For the Washington Post/Kaiser/Harvard and Roper surveys, the item was listed as "Air conditioners for your home."

⁴ The item for Washington Post/Kaiser/Harvard was worded "basic cable television."

Q.20 CONTINUED...

| | <u>Necessity</u> | <u>Luxury</u> | DK/Ref (VOL.) |
|---|------------------|---------------|-------------------------|
| 1. A flat screen or high-definition TV ⁵ | | | |
| April 2009 | 8 | 91 | 1 |
| Oct 2006 | 5 | 93 | 2 |
| 1. A landline or regular home phone | | | |
| April 2009 | 68 | 31 | 1 |

Q.23 I am going to read you a list of things that some people have done because of the economic recession but other people have not done. For each of the following, please tell me if you personally have done this, or not. Have you **(INSERT ITEM, RANDOMIZE)** because of the recession, or not? **(READ AS NECESSARY)** Have you **(INSERT ITEM, RANDOMIZE)** because of the recession or not?

| | <u>Yes</u> | <u>No</u> | Yes, but not because of recession (VOL.) | Not applicable (VOL.) | DK/Ref (VOL.) |
|--|------------|-----------|--|------------------------------------|-------------------------|
| a. Held a garage sale or sold items on the internet | 16 | 82 | 2 | * | * |
| b. Made plans to plant a vegetable garden | 21 | 69 | 9 | 1 | 1 |
| c. Had a friend or relative move in with you or you moved in with a friend or relative | 10 | 89 | 1 | * | * |
| d. Rented out a room or space in your home to a boarder who was not a friend or relative | 2 | 98 | * | * | * |
| e. Started doing yard work or home repairs that you used to pay others to do | 20 | 68 | 5 | 6 | 1 |
| f. Changed to a less expensive cable or satellite TV subscription, or cancelled service | 24 | 70 | 1 | 5 | * |
| g. Changed to a less expensive cell phone plan, or cancelled service | 22 | 72 | 1 | 4 | 1 |
| h. Cut back spending on alcohol or cigarettes | 28 | 41 | 1 | 30 | 1 |
| i. Bought less expensive brands or shopped more at discount stores | 57 | 35 | 6 | 1 | 1 |

5

In October 2006 the item was worded "A flat screen, plasma, or high definition TV."

Q.23open

Is there anything else that you have done to save money during the recession? (**OPEN-END. ACCEPT UP TO THREE RESPONSES; IF RESPONDENT ANSWERS 'YES,' ASK: What have you done?**)

| | |
|-----------|--|
| 50 | (NET) HAVE DONE SOMETHING |
| 11 | Reduced driving/Eliminated unnecessary car trips |
| 10 | Cut back on restaurants/eating out |
| 9 | Cut back spending (general) |
| 6 | Cut back spending for food, clothing, medicine |
| 4 | Better managing personal finances |
| 4 | Cut back/cancelled vacation or other travel plans |
| 4 | Started saving on energy, electricity or utilities |
| 3 | Cut back on entertainment expenses (movies, sporting events, etc.) |
| 1 | Took a second job, part-time job or side jobs |
| 8 | Other |
| 48 | No, haven't done anything/Nothing |
| 2 | Don't know/Refused |

Q. 24 For each of the following, please tell me whether or not it is something that happened to you or someone in your household in the past year....Have you or has someone in your household **[RANDOMIZE]**?

| | <u>Yes</u> | <u>No</u> | DK/Ref (VOL.) |
|---|------------|-----------|-------------------------|
| a. Had problems paying rent or mortgage | 21 | 79 | * |
| b. Been laid off or lost a job | 27 | 73 | * |
| c. Lost more than 20 percent in a retirement account or other investments | 47 | 49 | 4 |