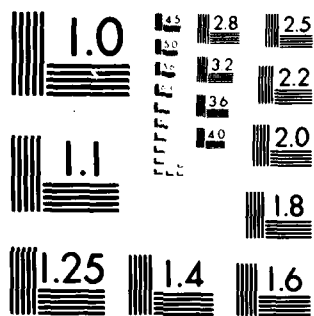
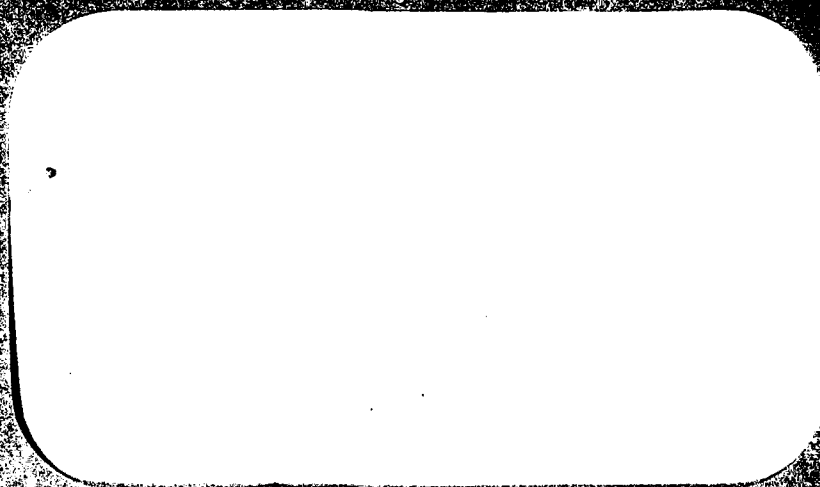




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① LEVEL II

CONSULTING REPORT

U. S. SAVINGS BOND SURVEY,
FORT BENNING, GEORGIA

by

John C. Nicholas

August 1972

(HumRRO CR-D4-72-5)

This Consulting Report has been prepared to provide information to the requesting agency on the results of Technical Advisory Service. It does not necessarily represent official opinion or policy of either the Human Resources Research Organization or the Department of the Army.

HumRRO Division No. 4
Fort Benning, Georgia

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FOREWORD

The Savings Bond survey discussed in this report was requested by the Comptroller, United States Army Infantry Center, Fort Benning, Georgia. Technical advice was provided by Dr. J. A. Olmstead, Human Resources Research Organization (HumRRO), Division No. 4.

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SUMMARY AND CONCLUSIONS

In order to determine why the military population at Fort Benning buy or do not buy U.S. Savings Bonds, how much individuals know about Savings Bonds, and the attitudes of individuals toward savings in general, a questionnaire concerning Savings Bonds was distributed during April 1972 to a 5% sample of military personnel at Fort Benning. The results of this questionnaire will be used to assist the Comptroller, U.S. Army Infantry Center, in planning future Bond campaigns with the overall goal of increasing Fort Benning's Bond sales.

The 5% sample who answered the questionnaire consisted of only permanent-party military personnel at Fort Benning from the six major commands (197th Infantry Brigade, U.S. Army Infantry School, Headquarters Command USAIC, 931st Engineer Group, MEDDAC, and USAIC Aviation Command). In order to insure that the sample was somewhat randomized, all personnel who answered the questionnaire were people whose Social Security number (last four digits) fell between 3000 and 5000. A total of 679 individuals answered the questionnaire (207 E1-E4, 303 E5-E9, 9 WO, 132 O1-O3, and 28 O4-above). Of the 679, 218 were considered single and 461 were considered married.

The results indicate that the percentage of people who have a regular savings or investment program increases as rank increases (from 48.8% of E1-E4 to 100% of O4-above). Also, 77.7% of the married group saves or invests regularly while only 57.3% of the single group saves regularly.

The most popular means of saving money is the passbook savings account, followed closely by U.S. Savings Bonds. Bond sales are the lowest for the ranks of E1-E4. Also, a surprisingly large percentage of the E1-E4 group (32.8%) cannot afford to save. While 10.9% of married individuals cannot afford to save, 25.7% of single individuals cannot afford to save.

Of all the people who do buy Bonds, the most popular reason that they buy them is because Bonds are a systematic means of saving money. Considering the entire sample, 36% of the people who buy Bonds buy them because they are a systematic means of saving, whereas only 4.9% buy them because the interest rate is competitive with that offered by commercial savings institutions. Also, only 0.4% buy Bonds for the tax benefits.

The major reasons that people do not buy U.S. Savings Bonds vary. For example, from the E1-E4 rank group, 36.8% do not buy Bonds because they cannot afford to save, whereas from the O1-O3 rank group, 53.6% do not buy Bonds because they feel that the interest rate is too low.

Only 27.7% of the entire sample know that the interest rate given on U.S. Savings Bonds is $5\frac{1}{2}\%$. Married individuals know more about U.S. Savings Bond "facts" than single individuals. For example, 31.7% of the married group knew that the Bond interest rate is $5\frac{1}{2}\%$, while only 19.3% of the single group knew the correct answer. The E1-E4 rank group is the most ignorant as far as Savings Bond "facts" are concerned.

The major conclusions that can be drawn from the results of this questionnaire are as follows:

- (1) The main reason that people buy Bonds is that they are seen as a systematic means of saving money.
- (2) The major reasons that people do not buy Bonds are:
 - (a) Because they believe they cannot afford to save.
 - (b) Because they feel the Bond interest rate is too low.
- (3) The most popular means of saving money is the passbook savings account, followed closely by U.S. Savings Bonds.
- (4) The entire population at Fort Benning needs to be educated on U.S. Savings Bond "facts."

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INTRODUCTION

The following report summarizes the results of a questionnaire composed by the U.S. Army Infantry Human Research Unit concerning U.S. Savings Bonds. The questionnaire (see Appendix A) was designed to answer four major questions asked by the Comptroller, U.S. Army Infantry Center, Fort Benning, Georgia:

- (1) Why do individuals purchase Savings Bonds?
- (2) Why don't individuals purchase Savings Bonds?
- (3) How much do people know about Bonds?
- (4) What are the attitudes of individuals toward savings in general?

The Bond questionnaire was distributed to a 5% sample of military personnel at Fort Benning. The results will be used to assist the Comptroller in planning future Bond campaigns with the overall goal of increasing Fort Benning's Bond sales.

STATEMENT OF THE PROBLEM

The questions to be answered are:

- (1) Why people buy Bonds.
- (2) Why people do not buy Bonds.
- (3) How much people know about Bonds.
- (4) What the attitudes are toward savings in general.

Also, the questionnaire should determine if there is a difference in the responses of married individuals as compared to single individuals. Responses will also be compared between five different rank groupings (i.e.,

E1-E4, E5-E9, all WO, 01-03, and 04-above). The overall sample will be considered representative of the post-wide opinion toward savings and U.S. Savings Bonds.

METHOD

The questionnaire was distributed during April 1972 based on Fort Benning's Consolidated Strength Report of March 1972. The sample considered only permanent-party military personnel from the six major commands. These are as follows:

- (1) 197th Infantry Brigade.
- (2) U.S. Army Infantry School (including the Infantry Officer Advanced Course personnel).
- (3) Headquarters Command USAIC.
- (4) 931st Engineer Group.
- (5) MEDDAC.
- (6) USAIC Aviation Command.

Within each major command, the number of personnel was totaled for each of the rank groupings (See Table 1). The number of personnel requested to answer the questionnaire was determined by taking 5% of the total troop strength (See Table 2). Each of the six major commands was requested to supply the given number of personnel to answer the questionnaire according to Table 2.

In order to insure that the sample was somewhat randomized, the major commands were instructed to choose the individuals from a 20% block of Social Security numbers. The last four digits were used. All personnel

TABLE 1

Approximate Troop Strength as of
31 March 1972

Command	Rank Grouping				
	E1-E4	E5-E9	ALL WO	01-03	04-Above
197th	1713	1180	23	203	23
USAIS*	536	1753	23	1764*	239*
HQ	395	628	19	91	80
931st	1284	1185	52	202	26
MEDDAC	304	450	19	266	125
Aviation	269	421	93	49	5

* Includes Infantry Officers Advance
Course Personnel (934 01-03 and 6 04-Above).

TABLE 2

Number of Personnel Requested to Answer the Questionnaire
(Approximately 5% of the Total Troop Strength, 5% of Table 1)

Command	Rank Grouping				
	E1-E4	E5-E9	ALL WO	01-03	04-Above
197th	86	.	1	10	1
USAIS	27	88	1	88	12
HQ	20	31	1	5	4
931st	64	59	3	10	1
MEDDAC	15	23	1	13	6
Aviation	13	21	5	3	0

that answered the questionnaire should have been people whose Social Security number (last four digits) fell between 3000 and 5000. This represents 2000 numbers out of a possible 10,000, or 20%. Since the questionnaire was anonymous, a roster of people answering the questionnaire, name and Social Security number, was also requested for each command.

RESULTS

The number of questionnaires returned by the six major commands varied slightly from the number of personnel requested to answer the questionnaire (see Table 3). The largest error occurred with the 931st Engineers. The 931st did not supply enough E1-E4s (18 short), while they supplied 13 too many E5-E9s.

The personal data section of the questionnaire is summarized for the entire sample in Table 4. From Table 4, for the entire sample, it was shown that approximately 66% are married, 53% are between the ages of 21 to 30, 97% are male personnel, and 86% have a high school education or better.

Question 8 (see questionnaire, Appendix A) concerns home ownership. While this does not directly concern U.S. Savings Bonds, owning a home is definitely an investment. Question 9 was designed to determine how many people save or invest regularly. The responses to these questions are summarized in Table 5. Table 5 is constructed in three parts. The first section concerns the five rank groups. The entire sample was separated into five rank groups so that each group could be compared with each other.

TABLE 3

Questionnaires Received Compared to the Number
of Personnel Requested to Answer the Questionnaire

Command	Rank Grouping				
	E1-E4	E5-E9	ALL WO	01-03	04-Above
197th	97 (86)*	63 (59)	1 (1)	10 (10)	1 (1)
USAIS	24 (27)	88 (88)	1 (1)	86 (88)	14 (12)
HQ	16 (20)	28 (31)	0 (1)	6 (5)	5 (4)
931st	46 (64)	72 (59)	1 (3)	13 (10)	1 (1)
MEDDAC	19 (15)	26 (23)	1 (1)	14 (13)	7 (6)
Aviation	5 (13)	26 (21)	5 (5)	3 (3)	0 (0)

* Number on left is questionnaires received. Number on right, in parenthesis, is the number of personnel requested to answer the questionnaire.

TABLE 4

Personal Data - Entire Sample, n = 679

Rank	Freq	%	Unit	Freq	%
E1-E4	207	30.5	197th	172	25.3
E5-E9	303	44.6	USAIS	213	31.4
ALL WO	9	1.3	HQ	55	8.1
01-03	132	19.4	931st	133	19.6
04-Above	28	4.1	MEDDAC	67	9.9
			Aviation	39	5.7

Marital Status	Freq	%	Number of dependents	Freq	%
Single	208	30.6	None	226	33.3
Married	447	65.8	1 or 2	258	38.0
Divorced	15	2.2	3 or 4	151	22.2
Separated	9	1.3	5 or more	44	6.5

Age	Freq	%	Sex	Freq	%
Under 20	179	26.4	Male	661	97.3
21-30	358	52.7	Female	18	2.6
31-40	96	14.1			
Over 40	46	6.8			

Education Level	Freq	%
Less than 12 years of school	96	14.1
High school graduate	309	45.5
2 years of college	105	15.5
College graduate or above	169	24.9

TABLE 5
Questions 8 and 9

Question and Response	Rank Group					Marital Status		Entire Sample
	E1-E4	E5-E9	ALL WO	01-03	04-Above	Married	Single	
	n=207*	n=303	n=9	n=132	n=28	n=461	n=218	n=679
8. Do you own a home?	%	%	%	%	%	%	%	%
1. Yes	9.2**	32.3	44.4	17.4	35.7	30.2	6.9	22.7
2. No	71.0	51.5	33.3	59.8	46.4	47.1	83.0	58.6
3. No, but I plan to	19.8	16.2	22.2	22.7	17.8	22.8	10.1	18.7
9. Do you have a regular savings or investment program?								
1. Yes	48.8	75.2	88.9	89.4	100	77.7	57.3	71.1
2. No	51.2	24.8	11.1	10.6	0	22.3	42.7	28.9

* These numbers are the number of people in each group.

** These numbers are percentages. In this case, 9.2% of the 207 E1-E4 answered question 8 "yes."

The second section is broken down into two groups, married and single. Again, the entire sample was separated into these two groups and the data totaled within each group. The divorced and separated personnel were placed with either the married or the single group according to the number of their dependents. If they indicated no dependents, they were considered in the single group. If they indicated one or more dependents, they were considered in the married group. There were 461 in the married group and 218 in the single group. The third part of Table 5 contains the data from the entire sample. To summarize, the data were compiled three times. First, the data were tabulated after all the questionnaires were separated into the five rank groups. Second, the data were tabulated after all of the questionnaires were separated into the married and the single groups. Finally, the data were compiled for all of the questionnaires considered as one entire group. All of the tables that follow are constructed in this manner.

From Table 5, the percentage of people who have a regular savings or investment program (Question 9) increases as rank increases (from 48.8% of E1-E4 to 100% of O4-Above). Also, 77.7% of the married group saves or invests regularly, while only 57.3% of the single group saves regularly.

Questions 10 and 19 concern how much individuals save and how much individuals think they should save. The responses to these two questions are given in Table 6.

From Table 6, Question 10, the number of people who do not save on a monthly basis, decreases as rank increases (from 35.7% of E1-E4 to 7.1% of O4-Above).

TABLE 6
Questions 10 and 19

Question and Response	Rank Group					Marital Status		Entire Sample
	E1-E4	E5-E9	ALL WO	01-03	04-Above	Married	Single	
	n=207	n=303	n=9	n=132	n=28	n=461	n=218	n=679
0. How much do you save each month?	%	%	%	%	%	%	%	%
1. Not on a monthly basis	35.7	21.8	22.2	12.9	7.1	20.0	31.7	23.7
2. Under \$10	11.1	5.6	0	1.5	0	5.6	7.3	6.2
3. \$10-\$50	28.0	31.4	44.4	18.9	0	27.5	25.2	26.8
4. \$50-\$100	13.5	25.7	11.1	27.3	10.7	23.9	16.5	21.5
5. \$100-over	11.6	15.5	22.2	39.4	82.1	23.0	19.3	21.8
19. How much do you think you should save each month?								
1. Not on a monthly basis	8.7	5.9	0	3.8	0	4.8	8.7	6.0
2. Under \$10	4.8	.7	0	0	0	.6	4.1	1.8
3. \$10-\$50	32.8	23.4	11.1	8.3	0	23.0	20.6	22.2
4. \$50-\$100	35.3	46.2	44.4	26.5	10.7	36.9	39.0	37.6
5. \$100-over	18.4	23.8	44.4	61.4	89.3	34.7	27.5	32.4

Question 11 was designed to determine which method of saving money is the most popular. This question is the only question throughout the questionnaire where the individual may check more than one answer. The responses to Question 11 are given in Table 7.

TABLE 7
Question 11

Question and Response	Rank Group					Marital Status		Entire Sample
	E1-E4	E5-E9	ALL WD	01-03	04-Above	Married	Single	
	n=207	n=303	n=9	n=132	n=28	n=461	n=218	n=679
11. I save in the following way or ways.	%	%	%	%	%	%	%	%
1. Cannot afford to save	32.8	11.6	0	2.3	0	10.9	25.7	15.6
2. Stock market	3.4	5.0	0	25.0	53.6	12.4	6.0	10.3
3. Savings account	38.6	61.7	77.8	74.2	75.0	62.7	47.7	57.9
4. Real estate	2.9	8.3	11.1	18.2	42.8	12.8	4.1	10.1
5. U.S. Savings Bonds	37.2	52.8	88.9	65.9	71.4	58.6	37.2	51.8
6. Long-term savings	3.9	5.9	0	18.2	39.3	11.1	4.6	9.0
7. Other	10.1	5.9	0	15.9	10.7	8.2	11.5	9.3

As shown in Table 7, the most popular means of saving money is the pass-book savings account, followed closely by U.S. Savings Bonds. Bond sales are the lowest for the ranks of E1-E4. Also, a surprisingly large percentage of the E1-E4 group (32.8%) cannot afford to save. While 10.9% of married individuals are not able to save, 25.7% of single individuals cannot afford to save.

Question 12 concerns stock market investments and Question 15 deals with separate savings for child education. These results are given in Table 8.

TABLE 8
Questions 12 and 15

Question and Response	Rank Group					Marital Status		Entire Sample
	E1-E4	E5-E9	ALL WO	01-03	04-Above	Married	Single	
	n=207	n=303	n=9	n=132	n=28	n=461	n=218	n=679
12. In current or recent investments in the stock market, I have	%	%	%	%	%	%	%	%
1. Do not invest	93.7	89.8	100	59.8	39.3	79.8	90.4	83.2
2. Made money	3.4	5.9	0	27.3	35.7	12.4	6.4	10.4
3. Broken even	1.4	2.0	0	8.3	10.7	4.1	1.8	3.4
4. Lost money	1.4	2.3	0	4.5	14.3	3.7	1.4	2.9
15. Do you have a separate savings for your child's education?								
1. Do not have children	54.6	30.0	33.3	25.0	0	16.9	74.3	35.3
2. Yes	9.7	24.8	33.3	29.4	64.3	33.0	1.4	22.8
3. No	30.9	34.3	33.3	33.3	28.6	37.3	22.9	32.8
4. No, but plan on starting	4.8	11.0	0	12.1	7.1	12.8	1.4	9.0

Questions 13 and 14 concern savings accounts. Table 9 summarizes the responses to these two questions.

TABLE 9
Questions 13 and 14

Question and Response	Rank Group					Marital Status		Entire Sample
	E1-E4	E5-E9	ALL WO	01-03	04-Above	Married	Single	
	n=207	n=303	n=9	n=132	n=28	n=461	n=218	n=679
13. How much interest do you receive from your savings account?	%	%	%	%	%	%	%	%
1. I do not have an account	40.1	21.1	11.1	11.4	14.3	19.5	35.3	24.6
2. 3%-4%	11.1	9.6	22.2	12.9	3.6	10.2	11.5	10.6
3. 4½%-5%	21.7	40.6	33.3	44.7	28.6	37.7	29.4	35.0
4. 5½%-6%	9.2	19.1	22.2	24.2	50.0	22.3	10.1	18.4
5. Over 6%	1.4	2.0	0	1.5	3.6	2.2	.9	1.8
6. Do not know	16.4	7.6	11.1	5.3	0	8.0	12.8	9.6
14. Does your savings account yield a guaranteed interest?								
1. I do not have an account	37.7	22.8	11.1	12.9	14.3	21.3	32.6	24.9
2. Yes	43.0	63.7	77.8	68.2	75.0	62.9	50.4	58.9
3. No	6.3	3.0	11.1	11.4	10.7	5.6	6.9	6.0
4. Some do/ some do not	2.4	2.6	0	5.3	0	3.5	1.8	2.9
5. Do not know	10.6	7.9	0	2.3	0	6.7	8.2	7.2

Questions 16 and 18 were designed to determine the reasons people buy Bonds. Although both questions appear to be very similar, there is an important difference. Question 16 asks only those people who do buy Bonds why they buy them. Question 18 asks everyone, including those individuals who do not buy bonds, what is, in their opinion, the best advantage of buying Bonds. Refer to the questionnaire, Appendix A, for correct wording

of Questions 16 and 18. The responses to Question 16 are given in Table 10. The responses to Question 18 are given in Table 11.

TABLE 10
Question 16

Question and Response	Rank Group					Marital Status		Entire Sample
	E1-E4	E5-E9	ALL WO	01-03	04-Above	Married	Single	
	n=207	n=303	n=9	n=132	n=28	n=461	n=218	n=679
16.* I buy Bonds because:	%	%	%	%	%	%	%	%
1. I do not buy Bonds	51.2	29.7	11.1	18.2	28.6	27.3	47.2	33.7
2. Convenient to buy	16.8**	17.8	50.0	17.6	20.0	17.3	20.9	18.2
3. Systematic means of saving	38.6	33.8	12.5	38.9	40.0	37.0	33.0	36.0
4. If destroyed, will be replaced	5.0	5.2	0	3.7	0	3.6	7.0	4.4
5. Interest rate is competitive	6.9	6.1	0	1.8	0	5.1	4.3	4.9
6. Tax benefits	2.0	0	0	0	0	0	1.7	.4
7. Pressured into buying them	15.8	13.6	12.5	22.2	25.0	16.7	16.5	16.7
8. Investment in country	14.8	23.5	25.0	15.7	15.0	20.3	16.5	19.3

* See questionnaire, Appendix A, for correct wording of question and responses.

** For responses 2-8, the percentages were calculated based on only the people who do buy Bonds. In this case, 16.8% of the people who buy Bonds buy them because they are convenient to buy.

For Question 16, responses 2 through 8, the percentages were calculated based on only those people who do buy Bonds. Everyone who does not buy Bonds (everyone answering response 1 to Question 16) was excluded from these percentage calculations.

TABLE 11
Question 18

Question and Response	Rank Group					Marital Status		Entire Sample
	E1-E4	E5-E9	ALL WO	01-03	04-Above	Married	Single	
	n=207	n=303	n=9	n=132	n=28	n=461	n=218	n=679
18.* What is the best advantage of buying Bonds?	%	%	%	%	%	%	%	%
1. Convenient to buy	16.9	14.2	0	18.9	7.1	15.4	15.6	15.5
2. Systematic means of saving	40.1	43.9	55.5	48.5	60.7	43.2	47.2	44.5
3. If destroyed, will be re-placed	15.0	13.3	11.1	6.8	0	11.5	12.8	11.9
4. Interest rate is competitive	7.7	6.6	0	3.0	3.6	6.1	6.0	6.0
5. Tax benefits	2.4	2.0	11.1	3.8	3.6	2.6	2.8	2.6
6. Investment in country	17.9	20.1	22.2	18.9	25.0	21.3	15.6	19.4

See questionnaire, Appendix A, for correct wording of question and responses.

From Table 10, Question 16, of the people who do buy Bonds, the most popular reason that they buy them is because Bonds are a systematic means of saving money. Considering the entire sample, 36% of the people who buy Bonds buy them because they are a systematic means of saving, whereas only 4.9% buy them because the interest rate is competitive with that offered by commercial savings institutions. Also, only 0.4% buy Bonds for the tax benefits.

As can be seen from Table 11, Question 18 indicates that of the entire sample, 44.5% of everyone who answered the questionnaire feel that the best

advantage of buying Savings Bonds is that they are a systematic means of saving money. The least popular advantage of buying Bonds is buying them for tax benefits, where only 2.6% of the people chose response 5 for their answer.

Question 17 is probably the most important question on the questionnaire. It was designed to determine why individuals do not buy Bonds. The results of Question 17 are indicated in Table 12.

TABLE 12

Question 17

Question and Response	Rank Group					Marital Status		Entire Sample
	E1-E4	E5-E9	ALL W0	01-03	04-Above	Married	Single	
	n=207	n=303	n=9	n=132	n=28	n=461	n=218	n=679
17. I do not buy Bonds because:	%	%	%	%	%	%	%	%
1. I do buy Bonds	58.0	69.6	88.8	78.8	71.4	72.0	60.1	68.2
2. Interest rate too low	25.3*	29.3	0	53.6	50.0	32.6	29.9	31.5
3. Inconvenient to cash in	14.9	23.9	0	17.8	25.0	21.7	16.1	19.4
4. Do not want to mess up pay	17.2	14.1	100	17.8	12.5	14.7	18.4	16.2
5. Cannot spare money	36.8	28.3	0	3.6	12.5	27.1	28.7	27.8
6. Investment in country and I do not want to	5.7	4.3	0	7.1	0	3.9	6.9	5.1

* For response 2 through 6, the percentages were calculated based on only the people who do not buy Bonds. In this case, 25.3% of the people do not buy them because the interest rate is too low.

For responses 2 through 6, the percentages were calculated based on only those people who do not buy Bonds. Everyone who buys Bonds (everyone answering response 1 to Question 17) was excluded from these percentage calculations.

As shown by Table 12, of the people who do not buy Bonds, the major reason for not buying them varies. For example, from the E1-E4 rank group, 36.8% do not buy Bonds because they cannot afford to save, whereas from the O1-O3 rank group, 53.6% do not buy Bonds because they feel that the interest rate is too low. For the entire sample, of those individuals who do not buy Bonds, 31.5% do not buy them because the interest rate is too low, 27.8% do not buy them because they cannot afford to save, 19.4% because Bonds are inconvenient to cash in, 16.2% because they "do not want to mess up their pay," and 5.1% because Bonds are an investment in the country.

The remaining six questions were designed to determine how much people know about U.S. Savings Bonds. The responses to these questions (Questions 20 through 25) are given in Tables 13, 14, and 15. Please refer to the questionnaire, Appendix A, for the correct and complete wording of all questions and responses.

From Table 13, Question 20, only 27.7% of the entire sample know that the interest rate given on U.S. Savings Bonds is 5½%. As rank increases, the percentage of people who answered Question 20 correctly increases from 15.9% of E1-E4s to 53.6% of O4-Above. This is the case for all questions given in Tables 13, 14, and 15. Also, for all questions in Tables 13, 14, and 15, a larger percentage of married individuals answered the questions correctly when compared to single individuals. For example, again from

Table 13, Question 20, 31.7% of the married group knew that the Bond interest rate is 5½%, while only 19.3% of the single group knew the correct answer.

TABLE 13
Questions 20 and 21

Questions and Responses	Rank Group					Marital Status		Entire Sample
	E1-E4	E5-E9	ALL W0	01-03	04-Above	Married	Single	
	n=207	n=303	n=9	n=132	n=28	n=461	n=218	n=679
20. What is the Bond interest rate?								
1. 4½%	10.6	12.2	11.1	15.2	14.3	13.4	10.1	12.4
2. 5%	6.8	8.6	22.2	15.9	3.6	9.3	9.6	9.4
* 3. 5½%	15.9	30.4	33.3	34.1	53.6	31.7	19.3	27.7
4. 6%	2.4	3.3	0	.8	0	2.4	2.3	2.4
5. Do not know	64.2	45.5	33.3	34.1	28.6	43.2	58.7	48.2
21. What is the Bond maturity period?								
1. It depends on the amount	10.1	9.2	0	5.3	14.3	7.8	11.0	8.8
* 2. 5 years, 10 months	27.5	30.7	55.5	37.9	32.1	33.8	26.6	31.5
3. 7 years, 2 months	15.9	31.4	22.2	37.1	10.7	31.5	17.0	26.8
4. 10 years	2.4	2.0	0	1.5	10.7	2.4	2.3	2.4
5. Do not know	44.0	26.7	22.2	18.2	32.1	24.5	43.1	30.5

* Correct answer

TABLE 14
Questions 22 and 23

Questions and Responses	Rank Group					Marital Status		Entire Sample
	E1-E4	E5-E9	ALL WO	01-03	04-Above	Married	Single	
	n=207	n=303	n=9	n=132	n=28	n=461	n=218	n=679
22. If you buy a \$25 Bond for \$18.75, even if you keep it for 60 years, you will only get \$25 when you cash it in.								
1. True	28.0	29.0	33.3	19.7	0	27.8	21.6	25.8
* 2. False	37.2	49.2	66.7	64.4	92.8	54.0	43.1	50.5
3. Do not know	34.8	21.8	0	15.9	7.1	18.2	35.3	23.7
23. If you buy a Bond at 5½%, the interest may decrease to 5% or 4%.								
1. True	9.7	8.9	11.1	11.4	21.4	11.3	7.8	10.2
* 2. False	34.8	47.2	44.4	65.9	50.0	49.9	41.3	47.1
3. Do not know	55.6	43.9	44.4	22.7	28.6	38.8	50.9	42.7

* Correct answer

TABLE 15
Questions 24 and 25

Questions and Responses	Rank Group					Marital Status		Entire Sample
	E1-E4	E5-E9	ALL WO	01-03	04-Above	Married	Single	
	n=207	n=303	n=9	n=132	n=28	n=461	n=218	n=679
24. You pay Federal income tax on Bond interest:								
1. Not at all	24.6	20.5	11.1	9.8	17.8	19.5	19.3	19.4
2. Every year	5.8	5.6	0	3.8	7.1	6.0	3.7	5.3
* 3. The year you cash them in	15.4	33.0	77.8	64.4	64.3	39.7	27.1	35.6
4. Do not know	54.1	40.9	11.1	22.0	10.7	34.7	50.0	39.6
25. You do not have to pay state income tax on Bonds.								
* 1. True	26.1	32.3	33.3	46.2	25.0	34.7	28.9	32.8
2. False	15.9	18.8	22.2	19.7	46.4	21.3	15.1	19.3
3. Do not know	58.0	48.8	44.4	34.1	28.6	44.0	56.0	47.9

* Correct answer

DISCUSSION

Some of the more interesting results centered around comparing the married group to the single group. For example, from Table 7 it can be seen that 25.7% of the single group cannot afford to save, while only 10.9% of the married group cannot afford to save. This is somewhat surprising since single people should have less financial responsibility and more money to save or invest. Apparently, married individuals are more saving conscious than single individuals.

Married individuals know more about U.S. Savings Bonds than single individuals. From Tables 13, 14, and 15, for Questions 20 through 25, it can be seen that the married group had a higher percentage of correct answers compared with the single group.

More married individuals buy Bonds than single individuals. From Table 7, response 5, it is shown that 58.6% of the married group buy Bonds, as compared to 37.2% of the single group. Table 12, response 1, indicates that 72.0% of the married group buys Bonds, as compared to 60.1% of the single group. The discrepancies in these percentages probably indicate that the questionnaire was a little too difficult or confusing. Table 7 contains results from Question 11. This question was the only question in the entire questionnaire where people were instructed to choose more than one answer, if applicable. Apparently, not everyone who answered the questionnaire read the instructions for this question. Since response 5 to Question 11 is U.S Savings Bonds, it is conceivable that some individuals who answered responses 1, 2, 3, or 4 did not answer 5 thinking that they were to answer only once.

For this reason, the results to Question 17 (Table 12) seem to be more reliable (72.0% of the married group and 60.1% of the single group buys Bonds).

From Tables 13, 14, and 15, the most poorly educated rank group, as far as Bonds are concerned, is the E1-E4 group. For example, only 15.9% of the E1-E4s know that the Bond interest rate is $5\frac{1}{2}\%$, 27.5% know what the Bond maturity period is, and only 15.4% of the E1-E4s know when Federal income tax is paid on U.S. Savings Bonds.

While the E1-E4 rank group had the lowest percentages of correct answers for Questions 20 through 25, the other rank groups did not do much better. From Table 5, 100% of the O4s and above have a regular savings or investment program (Question 9, response 1). However, 46.4% of the O4s and above do not know that the Bond interest rate is $5\frac{1}{2}\%$.

Considering each of the six "Bond Facts" questions (Questions 20 through 25), Question 22 had the highest percentage of correct responses. For the entire sample, only 50.5% knew that if a U.S. Savings Bond is kept beyond the maturity period that it still accumulates interest.

From these results, it is fairly evident that the military population at Fort Benning has, at best, a limited knowledge concerning Savings Bond "facts." The overall goal of this questionnaire is to increase Bond sales at Fort Benning. Educating the post population on U.S. Savings Bonds should be one way of achieving this goal.

As shown by Table 10, Question 16, only .4% of the entire sample who buy Bonds buy them for the tax benefits. This low percentage might indicate that individuals are not aware of the tax benefits of U.S. Savings Bonds. However, people might buy Bonds with the tax benefits being a secondary advantage, while other reasons are their primary considerations. For example, someone who buys

Bonds because the 5½% interest rate is as high or higher than what the Banks offer. Even though this individual knows and likes the tax benefits, he would answer response 5 to Question 16 indicating that the Bond interest rate is competitive with that offered by commercial savings institutions.

It is clear that there are many other different groupings that may be compared. For example, separating the questionnaires into different educational level groups or different age groups. The rank and marital status groups were used here because they were considered to yield the more interesting and useful results.

There are also other interesting questions that may be answered by this questionnaire. For example, how many individuals who do not buy Bonds because the interest rate is too low actually know what the interest rate is?

The major conclusions that can be drawn from the results of the questionnaire are as follows:

- (1) The main reason that people buy Bonds is that they are seen as a systematic means of saving money.
- (2) The major reasons that people do not buy Bonds are:
 - (a) Because they believe they cannot afford to save.
 - (b) Because they feel the Bond interest rate is too low.
- (3) The most popular means of saving money is the passbook savings account, followed closely by U.S. Savings Bonds.
- (4) The entire population at Fort Benning needs to be educated on U.S. Savings Bond "facts."

APPENDIX A

PURPOSE:

The purpose of this Questionnaire is to gather information on how military personnel feel about saving money. This information will be used in developing programs to assist military personnel in their financial affairs.

INSTRUCTIONS:

Check the correct, most appropriate answer to each question. All answers are anonymous. Please do not write your name anywhere on the Questionnaire.

1) What is your rank? (Check one)

- ☐ 1. E1-E4.
- ☐ 2. E5-E9.
- ☐ 3. W01-W04.
- ☐ 4. O1-O3.
- ☐ 5. O4 and over.

2) What major unit are you assigned to? (Check one)

- ☐ 1. 197th Infantry Brigade.
- ☐ 2. USAIS.
- ☐ 3. Headquarters Command USAIC.
- ☐ 4. 931st Engineer Group.
- ☐ 5. MEDDAC.
- ☐ 6. USAIC Aviation Command.

3) What is your marital status? (Check one)

- ☐ 1. Single.
- ☐ 2. Married.
- ☐ 3. Divorced.
- ☐ 4. Separated.

4) Number of dependents: (Do not include yourself)

- ☐ 1. None.
- ☐ 2. One or two.
- ☐ 3. Three or four.
- ☐ 4. Five or more.

5) Age: (Check one)

- ☐ 1. Under 20.
- ☐ 2. 21-30.
- ☐ 3. 31-40.
- ☐ 4. Over 40.

6) What is your sex?

- ☐ 1. Male.
- ☐ 2. Female.

7) What level of education have you completed? (Check one)

- ☐ 1. Less than 12 years of school.
- ☐ 2. High school graduate.
- ☐ 3. Up to two years of college.
- ☐ 4. College graduate or above.

8) Do you own a home? (Check one)

- ☐ 1. Yes.
- ☐ 2. No.
- ☐ 3. No, but I plan on buying one in the future.

9) Do you have a regular savings or investment program?

- ☐ 1. Yes.
- ☐ 2. No.

10) How much do you save or invest each month? (Check one)

- ☐ 1. Not on a monthly basis.
- ☐ 2. Under \$10 every month.
- ☐ 3. Between \$10 and \$50 every month.
- ☐ 4. Between \$50 and \$100 every month.
- ☐ 5. Over \$100 every month.

11) I save or invest my money in the following way or ways: (Check more than one if applicable)

- ☐ 1. I cannot afford to save.
- ☐ 2. Stock market.
- ☐ 3. Savings Account in Bank or Credit Union.
- ☐ 4. Real Estate
- ☐ 5. Buy Savings Bonds.
- ☐ 6. Long-term saving plans, i.e., Bank Certificates of Deposit.
- ☐ 7. Other _____.

12) In current or recent investments in the stock market, I have: (Check one)

- ☐ 1. I do not invest in the stock market.
- ☐ 2. Made money.
- ☐ 3. Broken even.
- ☐ 4. Lost money.

13) How much interest do you receive from your savings account at a bank or credit union? (Check one)

- ☐ 1. I do not have a bank account and do not belong to a credit union.
- ☐ 2. 3% to 4%.
- ☐ 3. 4½% to 5%.
- ☐ 4. 5½% to 6%.
- ☐ 5. Over 6%.
- ☐ 6. Do not know.

14) Do your savings with a bank or credit union yield a guaranteed interest? (Check one)

- ☐ 1. I do not have a savings account with a bank or credit union.
- ☐ 2. Yes.
- ☐ 3. No.
- ☐ 4. Some do/some do not.
- ☐ 5. Do not know.

15) Do you have a separate savings to pay for your children's education? (Check one)

- ☐ 1. I do not have children.
- ☐ 2. Yes.
- ☐ 3. No.
- ☐ 4. No, but I plan on starting to save for this purpose.

16) I buy U.S. Savings Bonds through the Payroll Savings Plan because: (Check only one, the most important reason)

- ☐ 1. I do not buy U.S. Savings Bonds.
- ☐ 2. They are convenient to buy.
- ☐ 3. They are a systematic means of saving.
- ☐ 4. If they are destroyed, the government will replace them.
- ☐ 5. Their interest rate is very competitive with that offered by commercial savings institutions.
- ☐ 6. I receive a tax benefit.
- ☐ 7. I was pressured into buying them.
- ☐ 8. Buying bonds is an investment in the country.

17) I do not buy U.S. Savings Bonds through the Payroll Savings Plan because: (Check only one, the most important reason)

- ☐ 1. I do buy U.S. Savings Bonds.
- ☐ 2. Their interest rate is too low.
- ☐ 3. They are inconvenient to cash in.
- ☐ 4. I do not want to mess up my pay.
- ☐ 5. I cannot spare the money to save.
- ☐ 6. I feel that buying Bonds is an investment in the country and I do not wish to do so.

18) In your opinion, what is the best advantage of buying U.S. Savings Bonds?
(Check one)

- ☐ 1. They are convenient to buy.
- ☐ 2. They are a systematic means of saving.
- ☐ 3. If they are destroyed, the government will replace them.
- ☐ 4. Their interest rate is very competitive with that offered by commercial savings institutions.
- ☐ 5. They have tax benefits.
- ☐ 6. Buying bonds is an investment in the country.

19) How much do you think you should save every month? (Check one)

- ☐ 1. Not on a monthly basis.
- ☐ 2. Under \$10.
- ☐ 3. Between \$10 and \$50.
- ☐ 4. Between \$50 and \$100.
- ☐ 5. Over \$100 every month.

20) What interest rate is given on the current series of U.S. Savings Bonds?
(Check one)

- ☐ 1. $4\frac{1}{2}\%$.
- ☐ 2. 5%.
- ☐ 3. $5\frac{1}{2}\%$.
- ☐ 4. 6%.
- ☐ 5. Do not know.

21) What is the maturity period of the current series of U.S. Savings Bonds?
(Check one)

- ☐ 1. It depends on the amount of the bond.
- ☐ 2. 5 years, 10 months.
- ☐ 3. 7 years, 2 months.
- ☐ 4. 10 years.
- ☐ 5. Do not know.

22) If you buy a \$25.00 savings bond for \$18.75, even if you keep it for 60 years, you will only get \$25.00 when you cash it in. (Check one)

- ☐ 1. True.
- ☐ 2. False.
- ☐ 3. Do not know.

23) If you buy a U.S. Savings Bond at $5\frac{1}{2}\%$ interest, the interest on that bond may decrease to 5% or $4\frac{1}{2}\%$ if so desired by the Federal government.
(Check one)

- ☐ 1. True.
- ☐ 2. False.
- ☐ 3. Do not know.

24) You pay Federal income tax on the interest from U.S. Savings Bonds:
(Check one)

- ☐ 1. Not at all.
- ☐ 2. Every year.
- ☐ 3. The year you cash them in.
- ☐ 4. Do not know.

25) You do not have to pay state income tax on the interest received from
U.S. Savings Bonds. (Check one)

- ☐ 1. True.
- ☐ 2. False.
- ☐ 3. Do not know.

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