



71% of Recipients Say Stimulus Money Important to Near-Term Financial Situation, But Relief Won't Last Long

More than half think stimulus checks won't sustain them for a month

NEW YORK – January 19, 2021 – As long-awaited stimulus checks are being delivered to Americans across the country, a new Bankrate.com report finds that more than half (53%) of those who have already received, or anticipate receiving a check do not believe the money is enough to sustain their financial well-being for one month. This includes more than 1 in 6 (18%) who do not think the money is enough to make any impact on their financial well-being at all. Additionally, 44% who anticipate receiving, or have already received stimulus money say it is very important to their near-term financial situation, and 27% say it is somewhat important. Click here for more information:

<https://www.bankrate.com/banking/savings/stimulus-check-survey-2021/>

Fewer are optimistic about the longer-term effects of the stimulus money. About 1 in 6 (16%) recipients believes the influx will help them sustain their financial well-being for one month to less than three months, 5% think it will help for three months to less than five months, and another 10% think it will support them for at least five months. Another 12% don't know and 5% opted not to answer.

Baby boomers (ages 57-75) are more likely (57%) than Gen Xers (ages 41-56, 53%) and Millennials (ages 25-40, 51%) to believe the stimulus money will not be enough to sustain their financial well-being for one month. Those in the middle class are also less hopeful about the impacts; 56% of those earning between \$30,000 – \$49,999 and 57% earning \$50,000 – \$79,999 annually believe the money won't help them sustain their financial well-being for a month, compared to 49% earning under \$30,000 and 52% making \$80,000+.

More than 7 in 10 (71%) U.S. adults who have received/anticipate receiving stimulus money consider it at least somewhat important to their financial situation in the near future. Fifteen percent believe it to be not very important, just 10% see it as not at all important, and 4% don't know.

Those more likely to consider the money very important include women (50% vs. 39% of men), lower earners (57% earning \$49,999 or less vs. 32% making more than that), and those without a four-year college degree (51% vs. 30% with at least a four-year degree).

Further emphasizing the significance of this monetary aid, just 8% plan to use at least some of the money for discretionary/non-essential spending (e.g., booking a vacation, buying concert or sports tickets for later this year, etc.). Many more plan to use the money towards monthly bills (42%), day-to-day essentials (32%), and to pay down debt (25%). Another 30% will add at least some of it to savings, and 6% plan to invest it. Eight percent said something else, and 5% don't know.

“Ten months into the pandemic and more than 70% of those receiving stimulus payments say it is somewhat or very important to their near-term financial situation,” said Bankrate.com chief financial analyst Greg McBride, CFA. “Americans receiving stimulus payments overwhelmingly say this money is needed just to keep up or to batten down the hatches. Paying monthly bills, using for day-to-day essentials, putting in savings and paying down debt were the most commonly cited intentions. Just 1 in 12 indicate they’ll use any of this money for non-essential spending.”

The lowest earners (under \$30,000 annually) are more likely than the highest earners (\$80,000+) to use the money to pay monthly bills (49% vs. 33%) or day-to-day essentials (38% vs. 27%), while the highest earners are more inclined to save it (39% vs. 23%) or use it for discretionary spending (16% vs. 6%).

Women are more likely than men to use the money towards paying monthly bills (45% vs. 38% of men) or day-to-day essentials (37% vs. 27% of men), while men are more likely to invest it (9% vs. 3%).

Millennials are more than three times as likely as Gen Xers and baby boomers to use at least some of the money for discretionary spending (16% vs. 5% of both Gen Xers and baby boomers).

Methodology:

Bankrate.com commissioned YouGov Plc to conduct the survey. All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 1,203 adults, including 838 who have received/anticipate receiving a stimulus check. Fieldwork was undertaken January 5 – 6, 2021. The survey was carried out online and meets rigorous quality standards. It employed a non-probability-based sample using both quotas upfront during collection and then a weighting scheme on the back end designed and proven to provide nationally representative results.

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