

## **National Survey Reveals Gay and Heterosexual Personal Financial Decisions May Differ**

*Witeck-Combs Communications/Harris Interactive Survey Suggests Gays More Likely to Reinvest Assets and Remain More Wary of Financial Institutions*

**ROCHESTER, N.Y. – June 13, 2005** – According to a recent nationwide online survey, gay, lesbian and bisexual (GLB) adults may differ from heterosexuals when considering their personal financial needs – especially decisions on investing, spending and working with financial institutions.<sup>1</sup> For example, when U.S. adults are asked how they likely would use some or part of \$100,000 they earned due to investing, approximately eight out of 10 (82%) gays and 73 percent of heterosexuals say they would reinvest the money into tax-free accounts.

Similarly, eight out of ten (80%) gays say they would reinvest the \$100,000 in checking, savings or money market accounts (vs. 68% of non-gays). Not surprisingly, given the higher incidence of children in non-gay households, heterosexual adults (68%) are more likely than gays (24%) to say that they would put money aside for children or grandchildren.

In addition, if reaping windfall earnings such as \$100,000, over half of GLB respondents (55%) say they would be somewhat or very likely to treat themselves to “a luxury item” such as jewelry, clothes or a car, compared to 44 percent of heterosexual adults.

The new survey also asked both GLB and non-gay respondents whether they agree or disagree with a number of statements about their financial health and the financial institutions that serve them. Trusting and welcoming institutions remain a far higher priority to GLB adults than to non-gay respondents. Seven out of ten (71%) GLB adults and 59 percent of non-gay respondents say, “It is important to me to know that a financial institution does not discriminate.” Only three out of ten (30%) gays also say they “trust financial institutions to respect customers like me” (vs. 36% of non-gays). And GLB respondents (34%) say they are dissatisfied with the assistance provided by their financial institutions (vs. 24% of heterosexuals).

These are a few highlights of a nationwide survey of 2,322 U.S. adults, of whom seven percent (158) identified themselves as gay, lesbian or bisexual. The survey was conducted online between May 4 and 10, 2005 by Harris Interactive® in conjunction with Witeck-Combs Communications, Inc., a strategic public relations and marketing communications firm with special expertise in the gay, lesbian, bisexual and transgender market.

Perhaps underscoring how gays believe trust plays a role in choosing a financial vendor, if there is little difference on price, quality and function of a product or a service, gays (48%) would prefer to bundle their financial services

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<sup>1</sup> Please note that base size for the GLB sample is very low, so caution should be used when considering comparisons to heterosexuals or adults overall.

and products from one financial institution or broker/representative while one in four (25%) gay adults say they prefer different financial institutions for each financial product (such as insurance, investing, general banking, etc.)

“Managing, protecting and growing financial assets are important to everyone. It is growing clearer however that gays and lesbians share these concerns but have different attitudes toward investing and toward forming trusted relationships with financial institutions,” said Jake Stafford, senior communications strategist at Witeck-Combs Communications. “These data provide many insights financial institutions may use to successfully reach out to their current and prospective gay customers in a direct manner that meets their needs as individuals and families.”

**TABLE 1  
LIKELY INVESTMENT DECISIONS WITH \$100,000**

“If you were to make \$100,000 due to investing, how likely would you be to use some part of that money for each of the following?

(Percentages of those who say very or somewhat likely)

Base: All Adults

	<u>Total</u>	<u>GLB</u>	<u>Heterosexual</u>
	%	%	%
Traveling for pleasure	75	80	75
Reinvest the money into tax-free accounts (such as retirement accounts/bonds)	73	82	73
Improving your home, or buying a vacation or retirement home	69	67	70
Reinvest the money in checking, savings, or money market accounts	68	80	68
Putting money aside for your children or grandchildren	64	24	68
Making substantial contributions to charities, institutions, or causes you agree with	61	57	62
Reinvest in the stock market	53	59	53
Treating yourself to a luxury item such as expensive jewelry, clothes, or a car	45	55	44
Early retirement	39	48	39
Starting your own business	26	31	26

**TABLE 2**  
**AGREE WITH STATEMENTS ABOUT FINANCIAL HEALTH**  
 “Please tell us how strongly you agree or disagree with the following statements.”  
 (% Very/Somewhat agree)

Base: All Adults

	<u>Total</u>	<u>GLB</u>	<u>Heterosexual</u>
	%	%	%
I am in control of my finances.	59	56	60
It’s important to me to know that a financial institution does not discriminate.	59	71	59
I am not very knowledgeable about the stock market.	46	45	47
I feel confident enough to make sensible investment decisions.	44	49	44
I worry about my individual privacy when dealing with financial institutions.	39	40	39
I enjoy learning about investing and talking with friends and family about it.	33	36	33
I don’t trust financial institutions to respect customers like me.	27	36	26
I am dissatisfied with the assistance that has been provided to me by financial institutions.	24	34	24
I worry about bad investment decisions I have made in the past.	24	24	25
In my case, investment decisions are about luck, not skill.	19	19	19
Investing is something I feel obligated to do, but I don’t enjoy doing it.	18	15	18

**TABLE 3**  
**BUNDLED OR UNBUNDLED SERVICES**

“If there is little difference on price, quality and function of a product or a service, would you prefer to bundle your financial services and products from one financial institution or broker/representative, or use different financial institutions for each financial product (such as insurance, investing, general banking, etc.)?”

All Adults

	<u>Total</u>	<u>GLB</u>	<u>Heterosexual</u>
	%	%	%
Bundled products managed by one representative or company	39	48	39
Multiple vendors for financial services	30	25	30
Neither of these	10	7	11
Does not matter	20	20	20

## **Methodology**

Harris Interactive® conducted the study online within the United States between May 4 and 10, 2005, among a nationwide cross section of 2,322 adults (aged 18 and over), of whom 158 self-identified as gay, lesbian, or bisexual (GLB). Figures for age, sex, race, education, region and income were weighted where necessary to bring them into line with their actual proportions in the population. Propensity score weighting was also used to adjust for respondents' propensity to be online.

In theory, with a probability sample of this size, one can say with 95 percent certainty that the results for the overall sample have a sampling error of plus or minus 2 percentage points. Sampling error for the GLB sample results is plus or minus 8 percentage points. There are several other possible sources of error in all polls or surveys that are probably more serious than theoretical calculations of sampling error. They include refusals to be interviewed (non-response), question wording and question order and weighting. It is impossible to quantify the errors that may result from these factors. This online sample is not a probability sample.

***These statements conform to the principles of disclosure of the National Council on Public Polls.***

**Additional Note:** Previous research conducted by Harris Interactive in conjunction with Witeck-Combs Communications, Inc. queried gay, lesbian, bisexual and transgendered (GLBT) self-identified respondents. Although we remain interested in the consumer attitudes and characteristics of transgendered individuals, for accuracy and consistency we distinguish sexual orientation from gender identity. In addition, given the low incidence of response from transgendered individuals, it is extremely difficult to draw conclusions from the data captured.

### **About Witeck-Combs Communications, Inc.**

Witeck-Combs Communications, Inc. ([www.witeckcombs.com](http://www.witeckcombs.com)) is the nation's premier strategic marketing communications firm, specializing in reaching the gay and lesbian consumer market. With over nine years experience in this unique market, Witeck-Combs Communications has developed respected relationships throughout the community and serves as a bridge between corporate America and gay and lesbian consumers. In April 2003, American Demographics magazine identified Bob Witeck and Wes Combs as two of 25 experts over the last 25 years who have made significant contributions to the fields of demographics, market research, media and trendspotting for their pathbreaking work on the gay and lesbian market.

### **About Harris Interactive®**

Harris Interactive Inc. ([www.harrisinteractive.com](http://www.harrisinteractive.com)), the 15<sup>th</sup> largest and fastest-growing market research firm in the world, is a Rochester, NY-based global research company that blends premier strategic consulting with innovative and efficient methods of investigation, analysis and application. Known for *The Harris Poll*® and for pioneering Internet-based research methods, Harris Interactive conducts proprietary and public research to help its clients achieve clear, material and enduring results.

Harris Interactive combines its intellectual capital, databases and technology to advance market leadership through its U.S. offices and wholly owned subsidiaries, HI Europe in London ([www.hieurope.com](http://www.hieurope.com)), Novatris in Paris ([www.novatris.com](http://www.novatris.com)), and through an independent global network of affiliate market research companies. EOE M/F/D/V.

To become a member of the Harris Poll Online<sup>SM</sup> and be invited to participate in future online surveys, [www.harrispollonline.com](http://www.harrispollonline.com).

**Press Contacts:**

Nancy Wong  
Harris Interactive  
585-214-7316

Kelly Gullo  
Harris Interactive  
585-214-7172

Bob Witeck  
Witeck-Combs Communications  
202-887-0500 ext. 19  
[bwiteck@witeckcombs.com](mailto:bwiteck@witeckcombs.com)