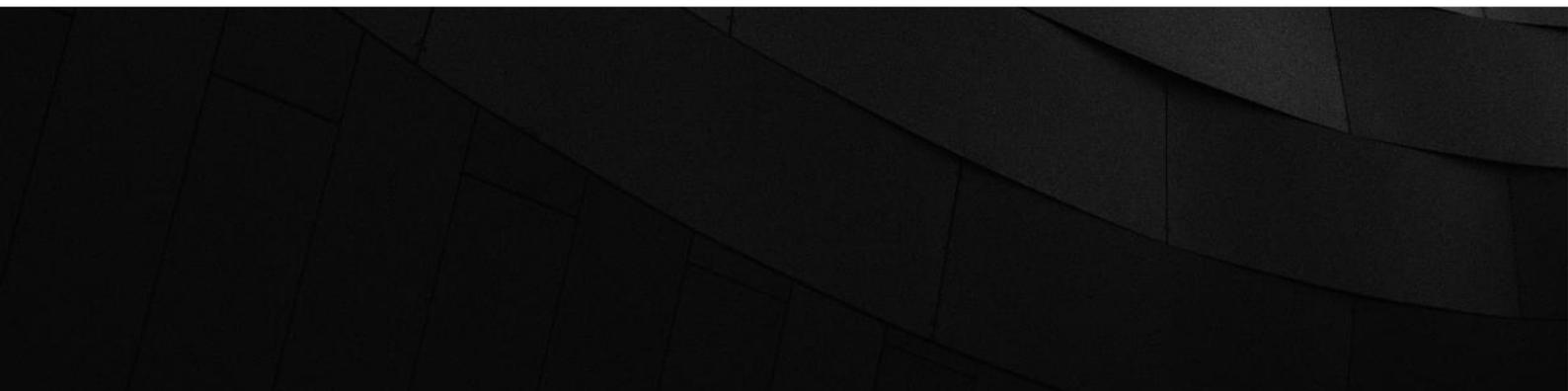


CHOOSI

Alternative Payments Report

MAY 2018



KEY FINDINGS

Australians are becoming more blasé about their spending as alternative payment methods rise

- The majority of Australians use alternative payment methods in making everyday purchases
- The use of these methods and the amount spent with these methods have increased throughout the years, as the majority of Australians think these methods make it easier to spend money they would not spend otherwise
- The majority of Australians who use alternative payment methods do not think that these methods are making them more aware or more blasé of their spending
- Interestingly however, the majority believe that alternative payment methods are making their fellow Australians more blasé of their spending
- There are quite strong views on the impact of alternative payment methods on society. Although they are widely seen as making lives easier, they are also seen as making it easier for people to spend without thinking or lose track of spending

So much so that Australians have tried to limit themselves

- Some Australians feel they spend too much using alternative payment methods and try to limit their spending made using these methods, including by carrying small amounts of cash or leaving their cards at home

Overspending in social events is costing Australians

- Many Australians admit to overspending at social events, including by buying rounds of drinks and ordering more expensive items
- Overspending is most commonly attributed to a desire to have a good time, although some believe their use of alternative payment methods makes them more likely to overspend
- As a result, many have opted to host social events at home to avoid unnecessary spending, although some have had negative experiences such as guests turning up without anything

So is splitting the bill and other habits

- Most Australians have experienced splitting the bill with others despite having ordered less at social events, with many admitting they were reluctant but ended up splitting the bill anyway
- Those who were reluctant to split the bill most commonly did it anyway as they did not want to make a fuss, although unsurprisingly, they ended up regretting their decision and say they are unlikely to go to social events with whom they split the bill with
- Looking back at the last 12 months, many Australians have also shouted a round of drinks that was not reciprocated, bought a piece of clothing they did not wear but failed to return it or let a gift card pass its 'used by' date without spending the balance
- However, the majority would put a stop to their behaviour if they had a better understanding of how much these habits are actually costing them

Money in a social setting is just plain awkward

- Most Australians believe it is a good idea to always just pay for one's share at social events and that people should just enjoy social events without worrying about financial etiquette

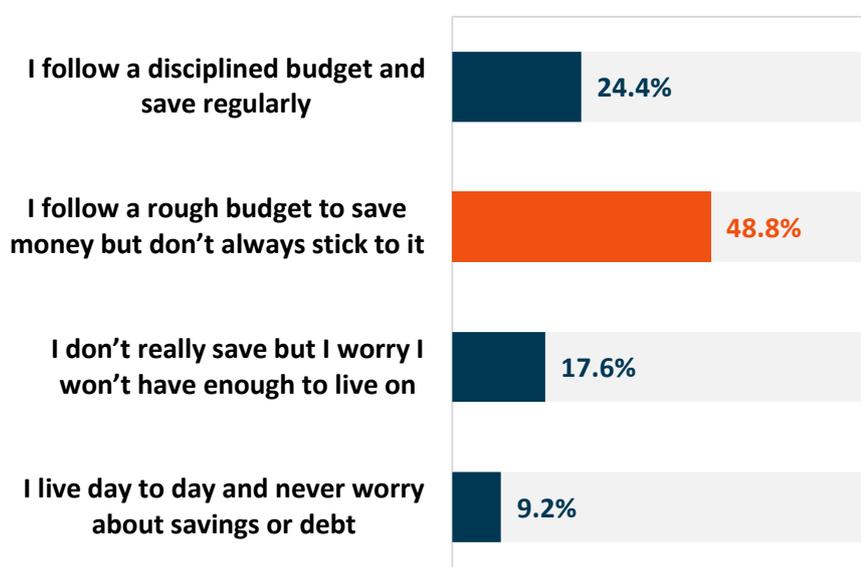
- However, these do not stop some Australians from feeling awkward in certain situations such as sharing a ride with friends, going to expensive restaurants with friends, exchanging expensive birthday gifts with friends and socialising with work colleagues
- The awkwardness can be a particular problem for many, who admit that their enjoyment of social events has been negatively impacted by it, with some even avoiding social events to dodge awkwardness about 'financial etiquette'
- Some Australians have also experienced disagreements with friends over money, with some leading to lost friendships
- Some have also been made to feel responsible for lending money to family, leaving them feeling annoyed and stressed

MAIN FINDINGS

MANAGING FINANCES

- The majority of Australians feel they have a good handle on their spending and follow some sort of budget when it comes to managing their finances
- However, they do not think they are better or worse than their parents at keeping track of their spending when their parents were their age
- The majority of Australians have at least one credit card and are religiously making their monthly payments

Which of the following best describes your style of managing finances?



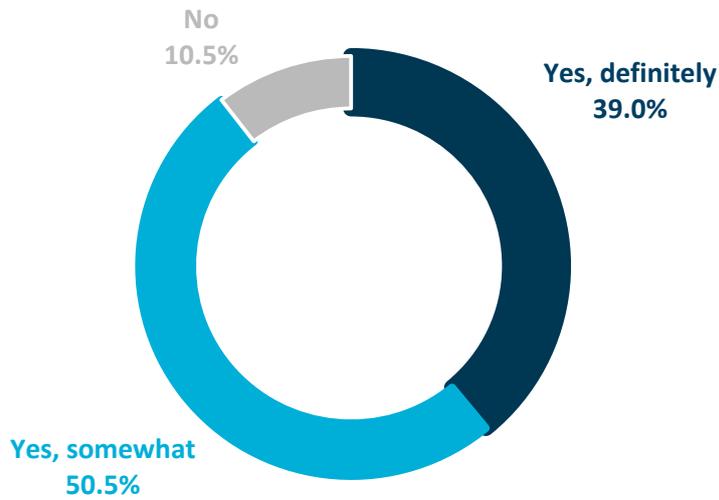
Source: CoreData Passive Payments Survey (May 2018)

Question: Which of the following best describes your style of managing finances?

The majority of respondents say they follow a budget when it comes to managing their finances, with close to a quarter (24.4%) sticking to a disciplined budget and saving regularly and close to half (48.8%) following a rough budget, although they do not regularly stick to it.

However, close to one in five (17.6%) say they do not really save but worry they would not have enough to live on.

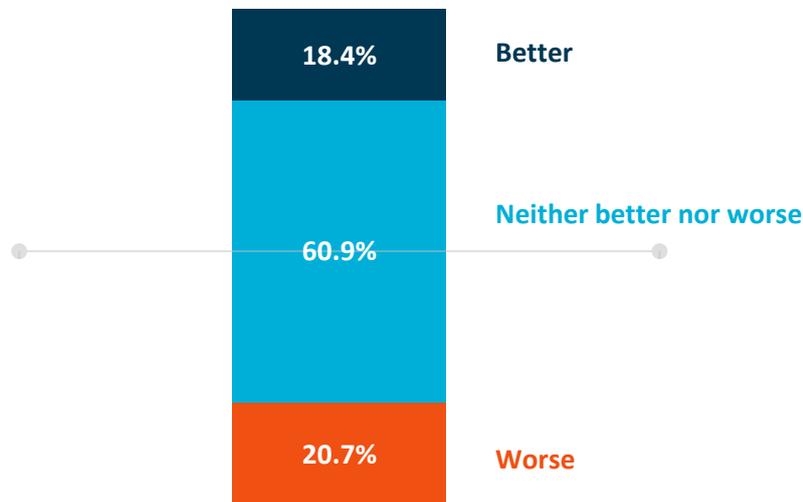
Overall, do you feel you have a good handle on your spending?



Source: CoreData Passive Payments Survey (May 2018)
 Question: Overall, do you feel you have a good handle on your spending?

The vast majority (89.5%) of respondents feel they have a good handle on their overall spending.

Overall, do you think you are better or worse at keeping track of your spending compared to your parents when they were your age?



Source: CoreData Passive Payments Survey (May 2018)
 Question: Overall, do you think you are better or worse at keeping track of your spending compared to your parents when they were your age?

Although most respondents think they are neither better nor worse at keeping track of their spending compared to their parents when they were their age, similar proportions feel they are worse (20.7%) or better (18.4%).

Why do you think that is?

Better

"My parents were raising 7 children so saving money was not really possible on one wage. I think it influenced me very strongly to try and save because we struggled when I was young." (Female, 56 years old, NSW)

"I think the difference between wages and costs are far greater these days than they were them. You seem to get charged and or taxed on just about everything." (Male, 58 years old, SA)

"I don't think my mum (as a single mum) ever really had a budget or was able to stick within it. Always living to the edge of her means, but only because she always gave so much to others." (Female, 34 years old, QLD)

"I always pay my bills before I go out food shopping. I know exactly how much I have to spend on food. The small amount of money over goes into savings." (Female, 67 years old, WA)

"It is easy to use a computer to record and manage all income and expenditure compared to the long hand required by my parents. I also have more money." (Male, 74 years old, WA)

Worse

"At this age my parents were married with children and a mortgage. I don't currently have any financial responsibilities that require me to be forced to save and be sensible." (Female, 31 years old, NSW)

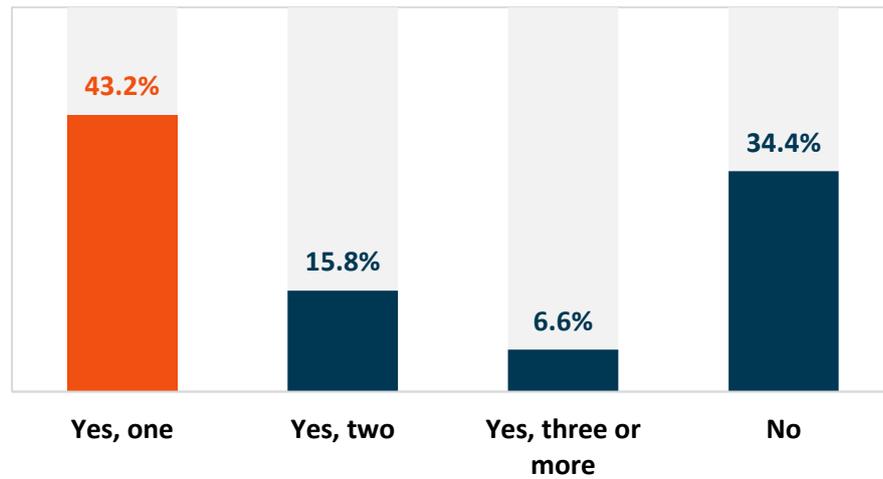
"They got married a lot younger, bought a house and had a child around my age where as I am far from that. Priorities were very different at this age!" (Female, 25 years old, NSW)

"I think in my parents' day they would have seemed stricter on money as they probably didn't earn as much as I earn now in my part time job." (Female, 18 years old, VIC)

"They had a better sense of what was important and needed. Whereas I have more "need" to spend, I want to spend all the time. I don't think too much about the future." (Female, 31 years old, WA)

"It's easier to spend now. They didn't have credit cards, internet and social media, less shops and all the other temptations. Prices were more relevant to incomes back then." (Female, 71 years old, VIC)

Do you have a credit card?

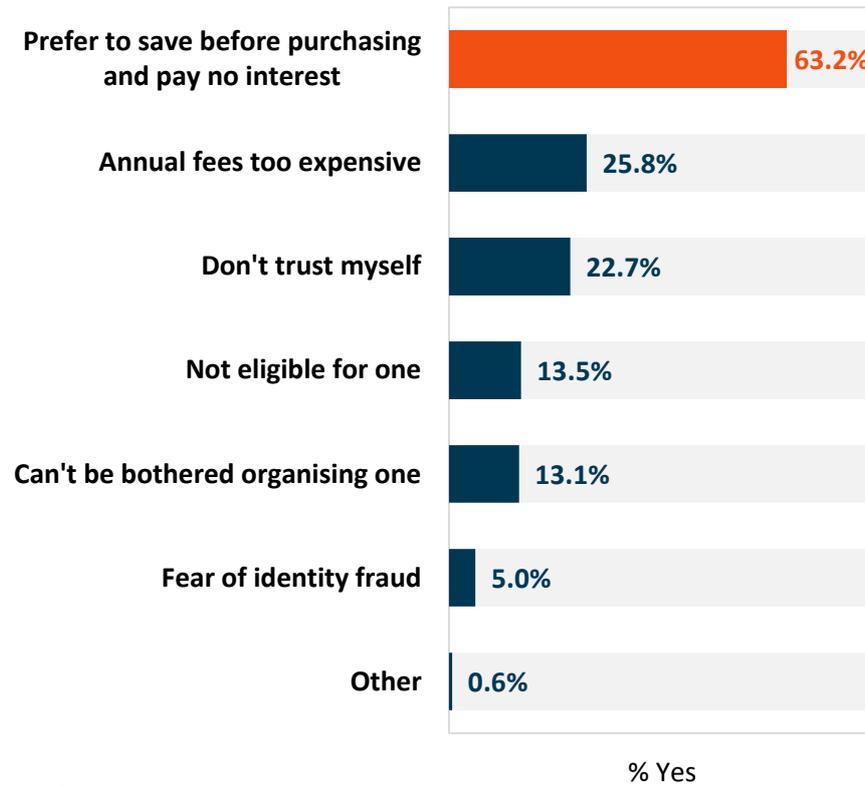


Source: CoreData Passive Payments Survey (May 2018)

Question: Do you have a credit card?

The majority (65.6%) of respondents have at least one credit card, with more than one in five (22.4%) having two or more.

What are the key reasons you do not have a credit card?



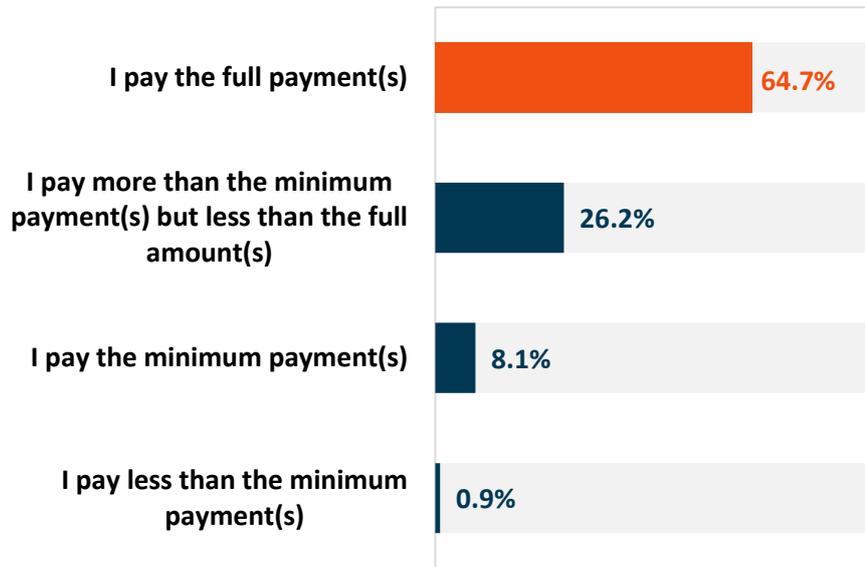
*Multiple answers allowed

Source: CoreData Passive Payments Survey (May 2018)

Question: What are the key reasons you do not have credit card?

Among those who do not have a credit card, the majority (63.2%) prefer to save before purchasing and not pay any interest. Other key reasons for not having a credit card include expensive annual fees (25.8%) and not trusting themselves with a credit card (22.7%).

Which of the following best describes how you typically pay off your credit card(s) every month?

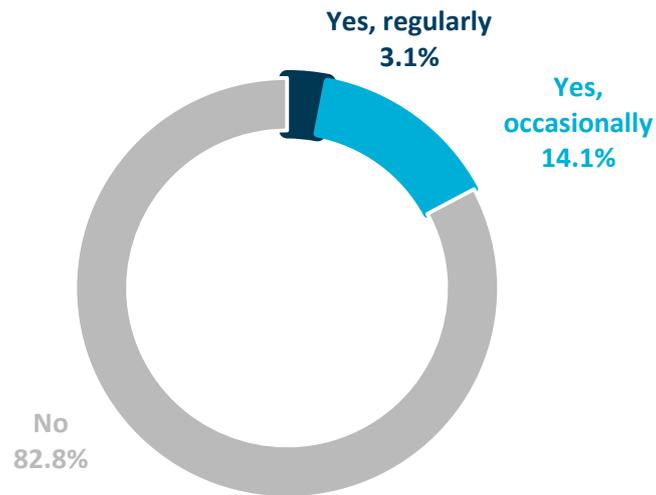


Source: CoreData Passive Payments Survey (May 2018)

Question: Which of the following best describes how you typically pay off your credit card(s) every month?

Among those who have at least one credit card, close to two-thirds (64.7%) make the full payment every month, while more than a quarter (26.2%) pay more than the minimum amount but less than the full amount.

Have you missed any of your credit card payments in the last 12 months?

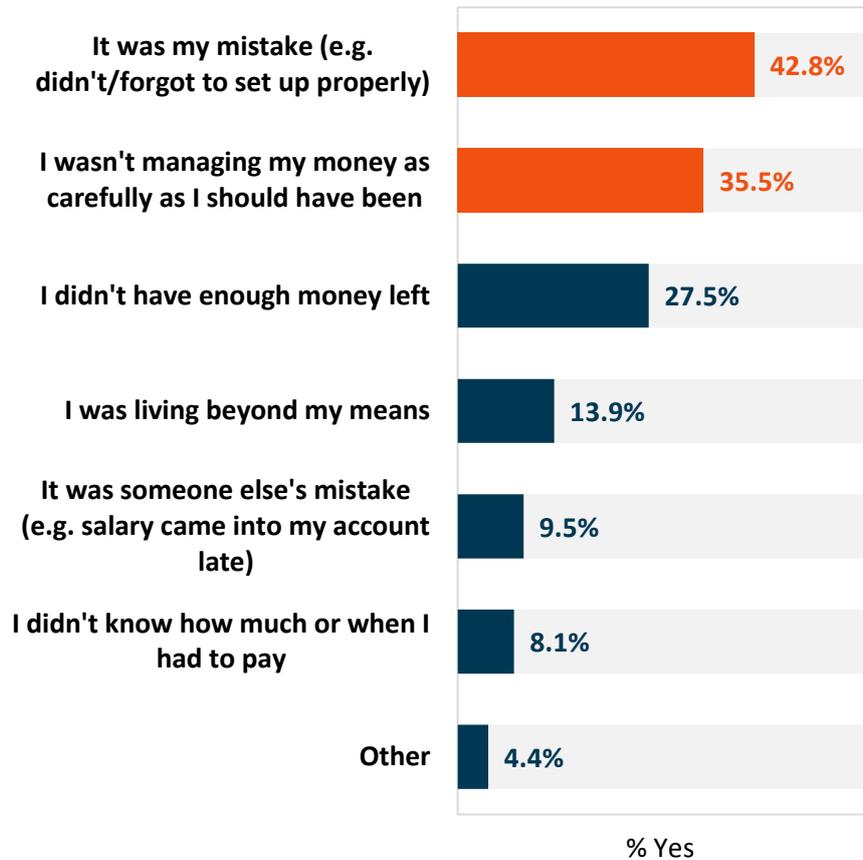


Source: CoreData Passive Payments Survey (May 2018)

Question: Have you missed any of your credit card payments in the last 12 months?

The vast majority of those who have at least one credit card may not have missed any of their payments in the last 12 months. However, more than one in six (17.2%) admit that they have missed payments at least occasionally.

Which of the following do you feel led to the missed payments?



*Multiple answers allowed

Source: CoreData Passive Payments Survey (May 2018)

Question: Which of the following do you feel led to the missed payments?

Those who have missed credit card payments in the last 12 months most commonly attribute this to their mistake of forgetting to set up payments properly (42.8%) and not managing their money as carefully as they should have been (35.5%).

USE OF ALTERNATIVE PAYMENT METHODS

- Respondents spend an average of \$220 on everyday purchases such as food, groceries and petrol in a typical week or \$ 212,701,438,006 Australia-wide yearly
- The majority of Australians use alternative payment methods in making everyday purchases
- Those who use alternative payment methods estimate using these for an average of 61.9% of their spend on everyday purchases (or \$90 in dollar terms or across Australia, this translates to \$86,969,215,107 annually)
- The use of these methods and the amount spent with these methods have increased throughout the years, as the majority of Australians think these methods make it easier to spend money they would not spend otherwise
- With this in mind, many users keep track of everyday purchases under \$50 that are made using alternative payment methods.
- Although only a minority of Australians use new or emerging payments, it is interesting to note that some are using these methods several times per day to at least once a week

In a typical week, how much do you spend on everyday purchases (such as food, groceries and petrol)?

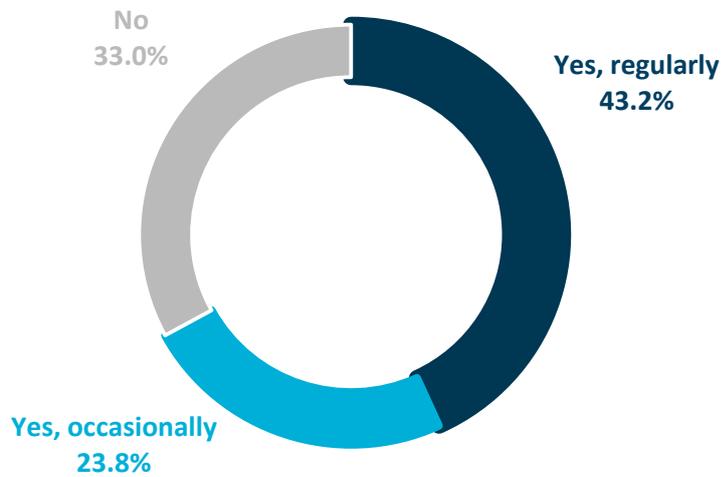


Source: CoreData Passive Payments Survey (May 2018)

Question: In a typical week, how much do you spend on everyday purchases (such as food, groceries and petrol)?

Respondents spend an average of \$220 on everyday purchases such as food, groceries and petrol in a typical week. This translates to \$ 212,701,438,006 Australia-wide yearly.

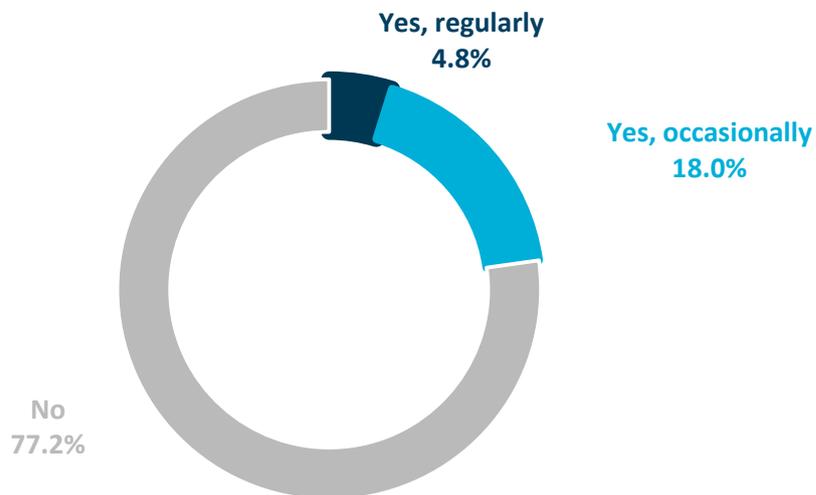
Do you use alternative payment technology (such as tap-and-go payments, Apple Pay and Google Pay) for making everyday purchases?



Source: CoreData Passive Payments Survey (May 2018)
 Question: Do you use alternative payment technology (such as tap-and-go payments, Apple Pay and Google Pay) for making everyday purchases?

More than two thirds (67.0%) of respondents use alternative payment technology for making everyday purchases.

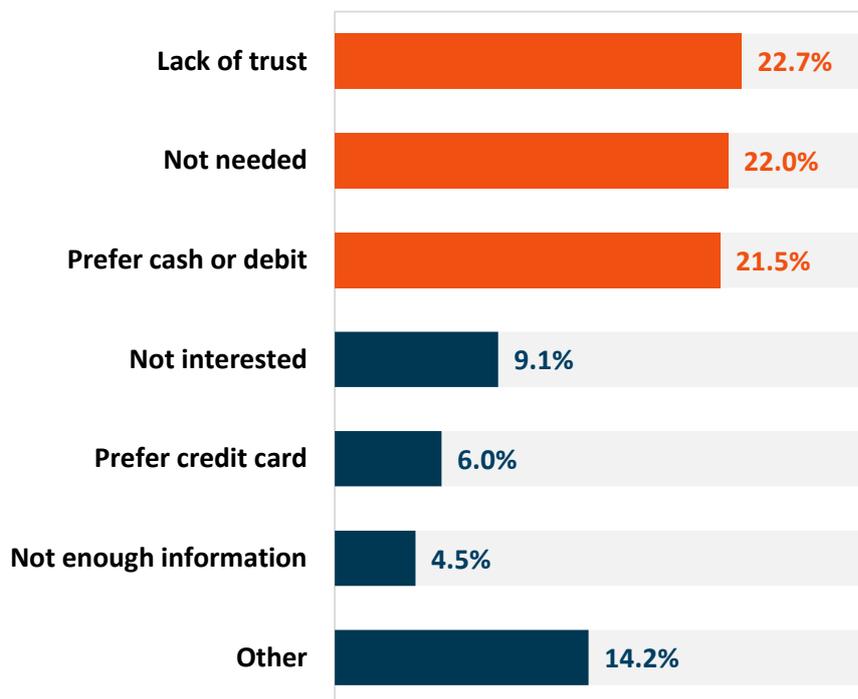
Do you ever forget your PIN when asked?



Source: CoreData Passive Payments Survey (May 2018)
 Question: Do you ever forget your PIN when asked?

Close to a quarter (22.8%) of those who regularly use alternative payment methods admit to have forgotten their PIN when asked at least occasionally.

Why don't you use alternative payment technology for making everyday purchases?



Source: CoreData Passive Payments Survey (May 2018)
 Question: Why don't you use alternative payment technology for making everyday purchases?

"Could not be bothered getting bogged down in the technology. I just use a Debit card for all my stuff and of course the magic stuff called CASH!!" (Male, 73 years old, QLD)

"Don't trust apple or google pay from falling into the wrong hands and the hassle then on contacting banks for reversals." (Female, 50 years old, SA)

"I see no need to use alternative payment tech when my existing payment methods are working fine." (Female, 21 years old, NSW)

"I haven't used them and they work much like a credit card. They can get away from you quickly. If I can't afford it I simply don't buy it." (Female, 28 years old, QLD)

"I don't really need to. I just have my car which has tap enabled and that's all I really need." (Female, 33 years old, NSW)

"Well I like to pay with cash that way I know what I have spent, but I do use some electronic payment methods when it suits me." (Male, 57 years old, SA)

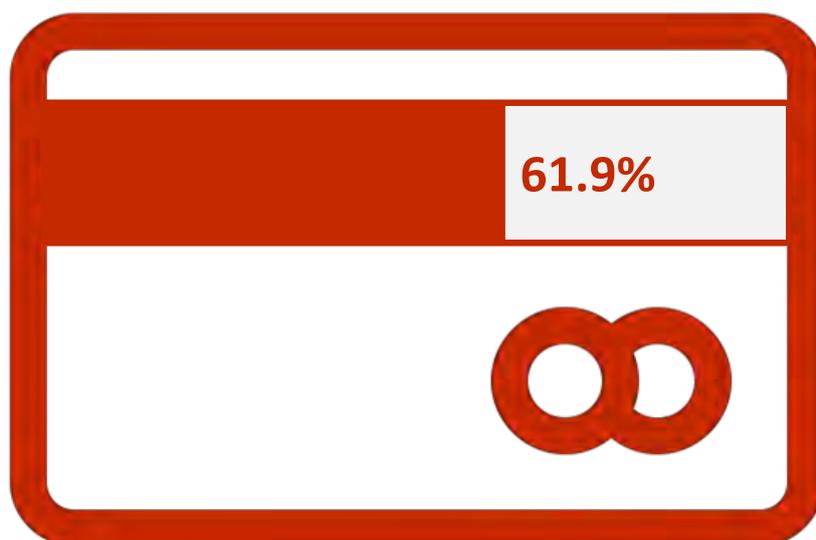
"I am not a fan of adopting this technology for the time being. I feel it is not trustworthy enough for my liking." (Female, 52 years old, NSW)

"My phone is too unreliable - not enough space and too slow, happy with current methods at the moment." (Female, 27 years old, WA)

"Because the amount doesn't always come out straight away and I like to know exactly how much is in our accounts." (Female, 33 years old, VIC)

"Don't like the 'too easy' tap-and-go. I usually have some cash on me and otherwise use a debit card linked to my bank account." (Female, 72 years old, VIC)

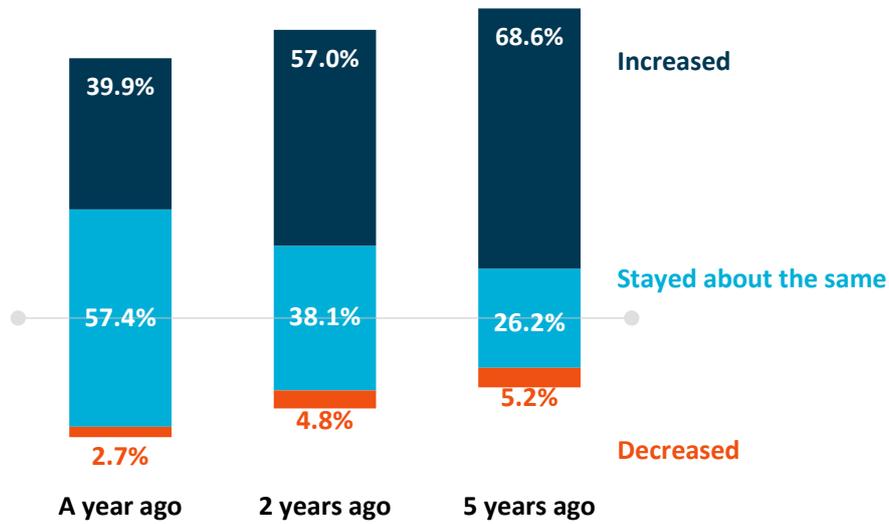
Approximately what proportion of your spend on everyday purchases is made using alternative payment methods?



Source: CoreData Passive Payments Survey (May 2018)
Question: Approximately what proportion of your spend on everyday purchases is made using alternative payment methods?

Those who use alternative payment methods estimate using these for an average of 61.9% of their spend on everyday purchases (or \$90 in dollar terms). Across Australia, this translates to \$86,969,215,107 annually.

Has this proportion increased or decreased compared to:

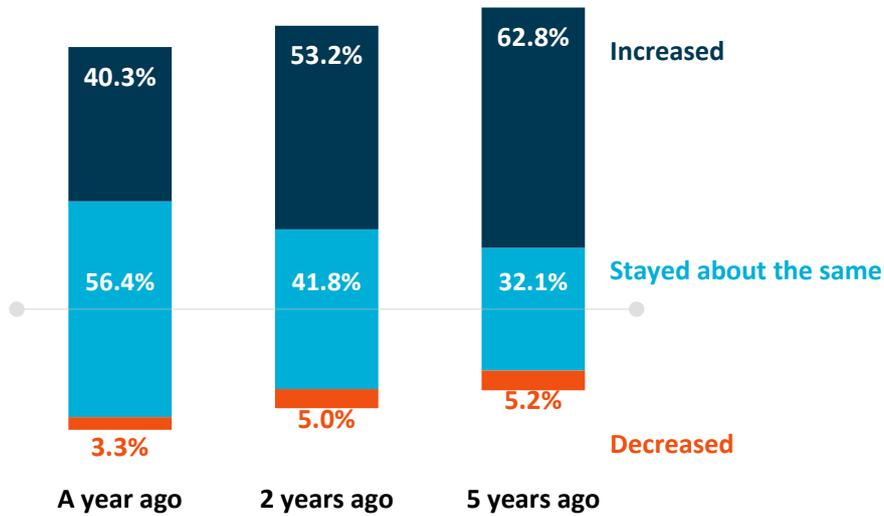


Source: CoreData Passive Payments Survey (May 2018)

Question: Has this proportion increased or decreased compared to:

The proportion of everyday purchases made using alternative payment methods has risen steadily throughout the years, with two in five (39.9%) users saying this has increased compared to a year ago. This proportion rises to 57.0% when compared to two years ago and 68.6% when compared to five years ago.

Has the amount you spent via alternative payments increased or decreased compared to:

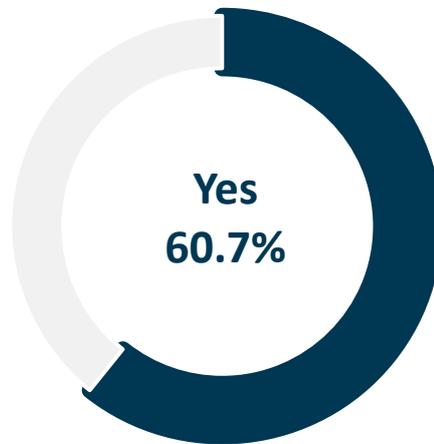


Source: CoreData Passive Payments Survey (May 2018)

Question: Has the amount you spent via alternative payments increased or decreased compared to:

The amount respondents spend via alternative payment methods has also increased as the years pass by. Compared to a year ago, two in five (40.3%) users say this amount has increased. More than half (53.2%) say this has increased compared to two years ago, while more than three in five (62.8%) say the same thing compared to five years ago.

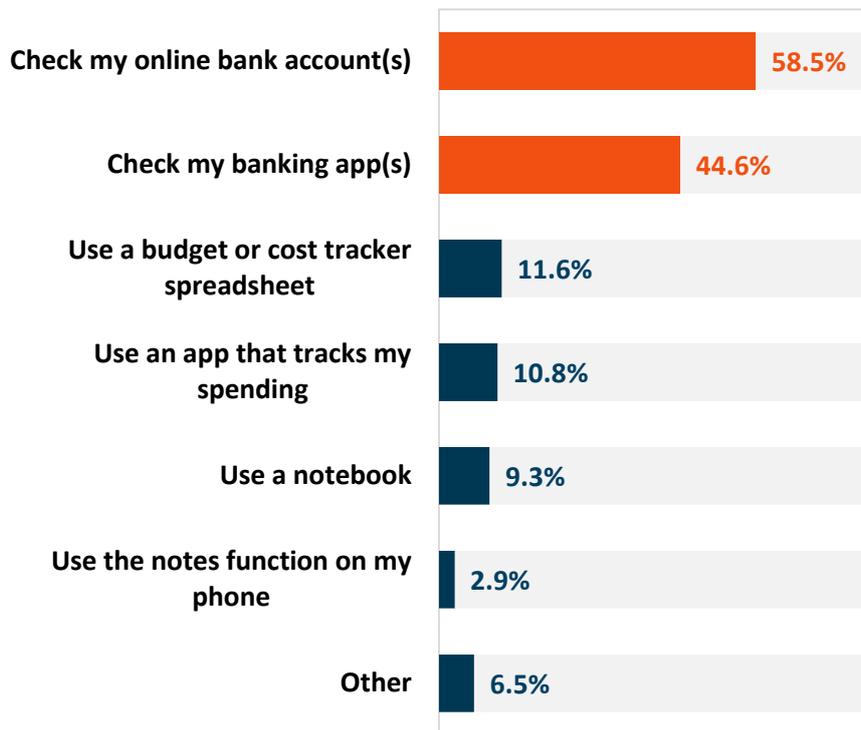
Do you keep track of everyday purchases under \$50 that you make using alternative payment methods?



Source: CoreData Passive Payments Survey (May 2018)
Question: Do you keep track of everyday purchases under \$50 that you make using alternative payment methods?

Three in five (60.7%) respondents who use alternative payment methods keep track of their everyday spend under \$50 made using these methods.

How do you keep track of everyday purchases that you make using alternative payment methods?



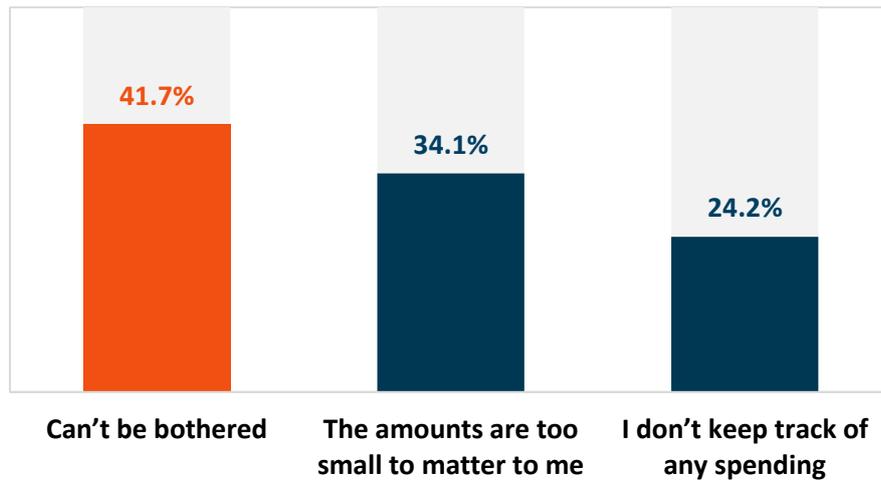
*Multiple answers allowed

Source: CoreData Passive Payments Survey (May 2018)

Question: How do you keep track of everyday purchases that you make using alternative payment methods?

Those who keep track of everyday purchases made using alternative payment methods most commonly do this by checking their online bank accounts (58.5%) and banking apps (44.6%).

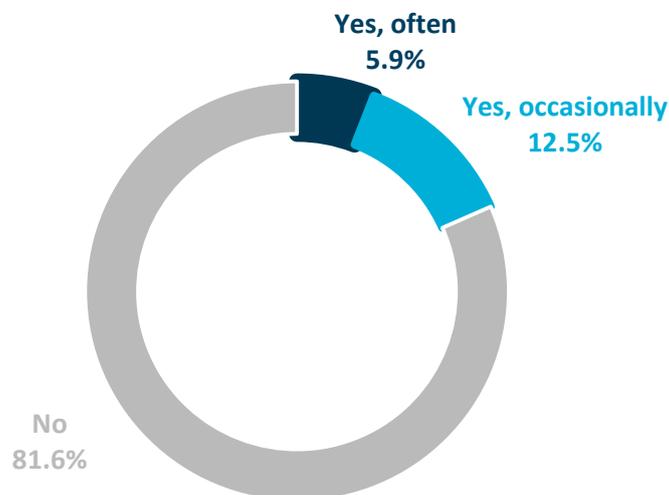
Why don't you keep track of these purchases?



Source: CoreData Passive Payments Survey (May 2018)
 Question: Why don't you keep track of these purchases?

Among those who do not keep track of everyday purchases made using alternative payment methods, two in five (41.7%) cannot be bothered, while more than a third (34.1%) think the amounts are too small to matter to them. Almost a quarter (24.2%) admit to not keeping track of any spending.

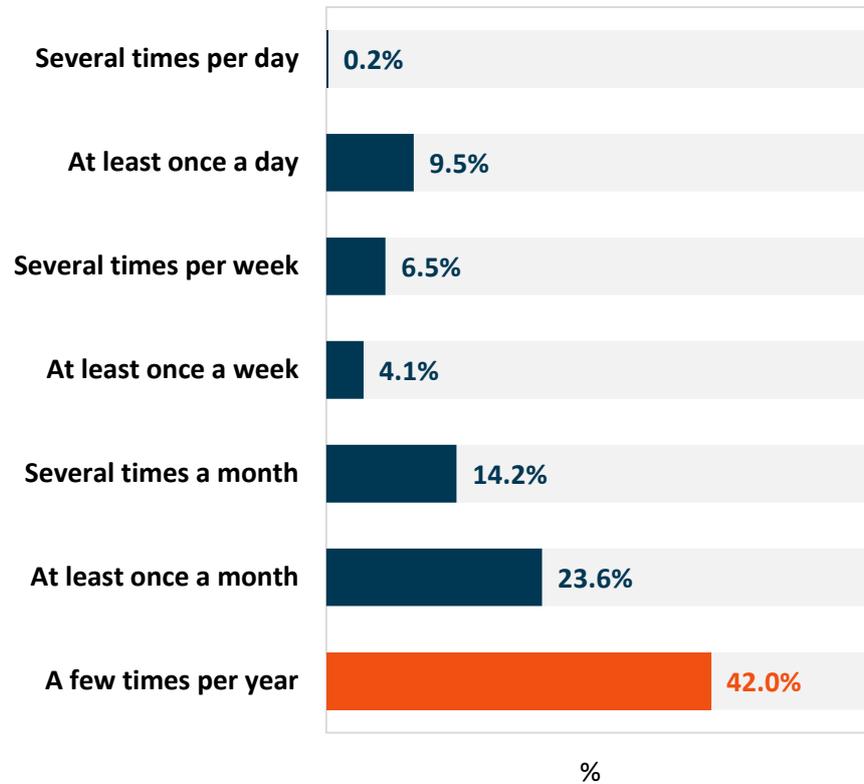
Do you use new/emerging payments (e.g. AfterPay, ZipMoney)?



Source: CoreData Passive Payments Survey (May 2018)
 Question: Do you use new/emerging payments (e.g. AfterPay, ZipMoney)?

Close to one in five (18.4%) respondents use new/emerging payments such as AfterPay and ZipMoney.

How often do you typically use these?

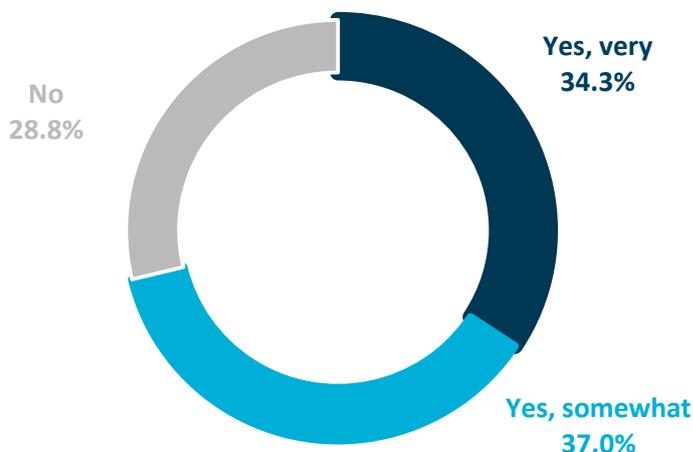


Source: CoreData Passive Payments Survey (May 2018)
 Question: How often do you typically use these?

Among those who use new or emerging payments, more than two in five (42.0%) use them a few times a year, while almost a quarter (23.6%) say they use these methods at least once a month.

Interestingly, one in five (20.3%) are using these payments several times per day to at least once a week.

Do you think these alternative payments make it easier to spend money you wouldn't otherwise?



Source: CoreData Passive Payments Survey (May 2018)
 Question: Do you think these alternative payments make it easier to spend money you wouldn't otherwise?

More than seven in 10 (71.3%) respondents think alternative payment methods make it easier to spend money they would not spend otherwise.

Why do you like/dislike these emerging payment options?

- "I have never used them and don't have any need to use them. If I don't have the money I shouldn't get the item." (Female, 24 years old, NSW)*
- "Makes it easier to factor the smaller incremental payments into my budget so it's all balanced each week instead of having one big payment all at once." (Female, 23 years old, QLD)*
- "Don't know how they work, where I can transact and am happy with my existing payment methods. What benefit?" (Male, 62 years old, TAS)*
- "Not much point using alternative payment methods when you already have a credit card which offers just that." (Male, 32 years old, QLD)*
- "I'm of the thought if you can't afford it you don't buy it, I will use layby but not interested in the new payment systems it would be too easy to get in deep debt." (Female, 64 years old, SA)*
- "I like to pay in cash or by internet payments if it is an account to be paid from a well-known source." (Male, 67 years old, WA)*
- "These payment options make it too easy to spend without thought or consequence. You don't have to consider much if you can pay 25% for the item & walk away." (Female, 43 years old, VIC)*
- "Like the convenience, dislike that you can tap and not keep that instant track of what funds are leaving you if you were to pull cash out of your wallet." (Male, 39 years old, NSW)*

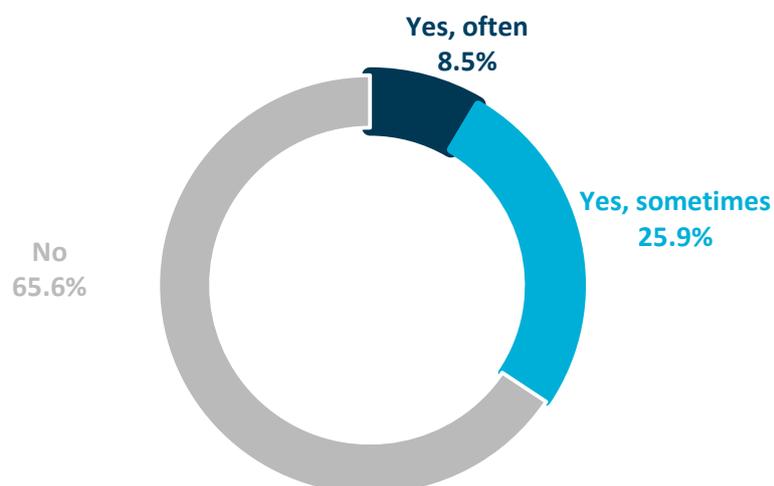
"I like it if I need to pay for a necessity item. I dislike them because it's too easy to just buy something and then think that I have weeks to find the money." (Female, 51 years old, SA)

"They have a lot of interest and charge people for very simple purchases they should be paying for with savings." (Female, 31 years old, WA)

LIMITING ALTERNATIVE SPENDING

- Some Australians feel they spend too much using alternative payment methods and try to limit their spending made using these methods, including by carrying small amounts of cash or leaving their cards at home

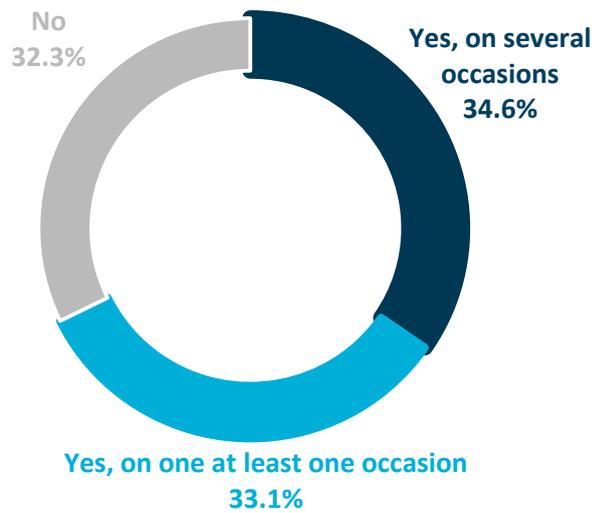
Do you ever feel you spend too much using alternative payment methods?



Source: CoreData Passive Payments Survey (May 2018)
Question: Do you ever feel you spend too much using alternative payment methods?

More than a third (34.4%) of those who use alternative payment methods feel they spend too much using these methods.

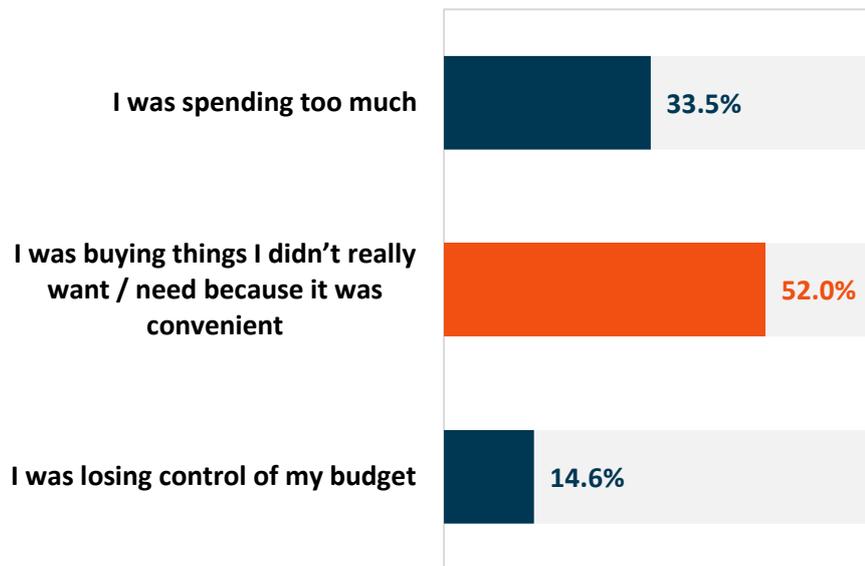
Have you ever tried to limit your spending using alternative payment methods?



Source: CoreData Passive Payments Survey (May 2018)
Question: Have you ever tried to limit your spending using alternative payment methods?

Among those who feel they spend too much using alternative payment methods, more than two-thirds (67.7%) admit that they have tried to limit their spending.

Why have you tried to limit your spending using alternative payment methods?

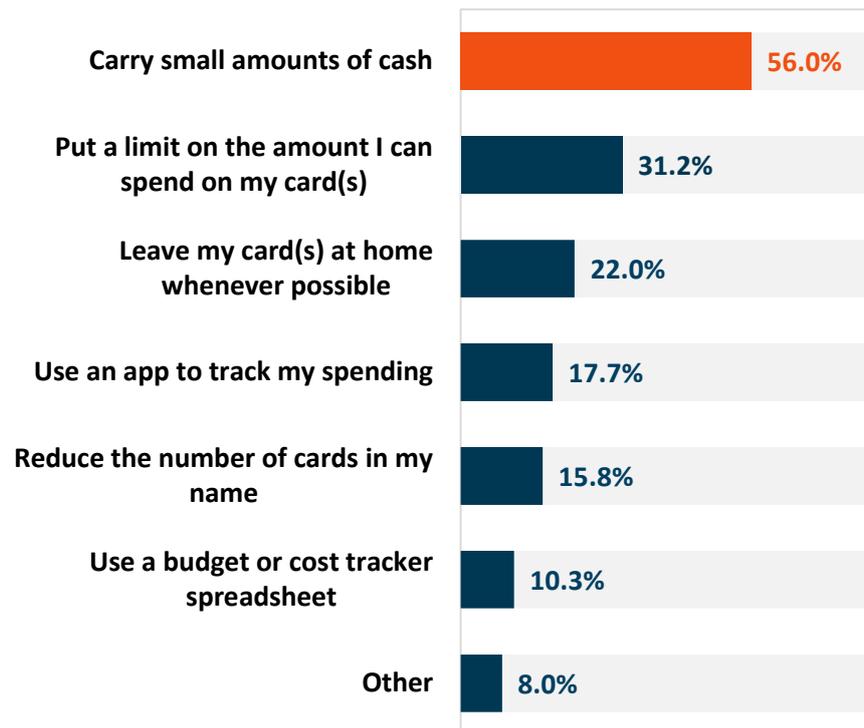


Source: CoreData Passive Payments Survey (May 2018)

Question: Why have you tried to limit your spending using alternative payment methods?

More than half (52.0%) of respondents have tried to limit their spending using alternative payment methods because they were buying things they did not really want or need due to convenience. One in three (33.5%) have tried to do so because they felt they were spending too much, while one in seven (14.6%) felt they were losing control of their budget.

Which of the following have you done to limit your spending using alternative payment methods?



% Yes

*Multiple answers allowed

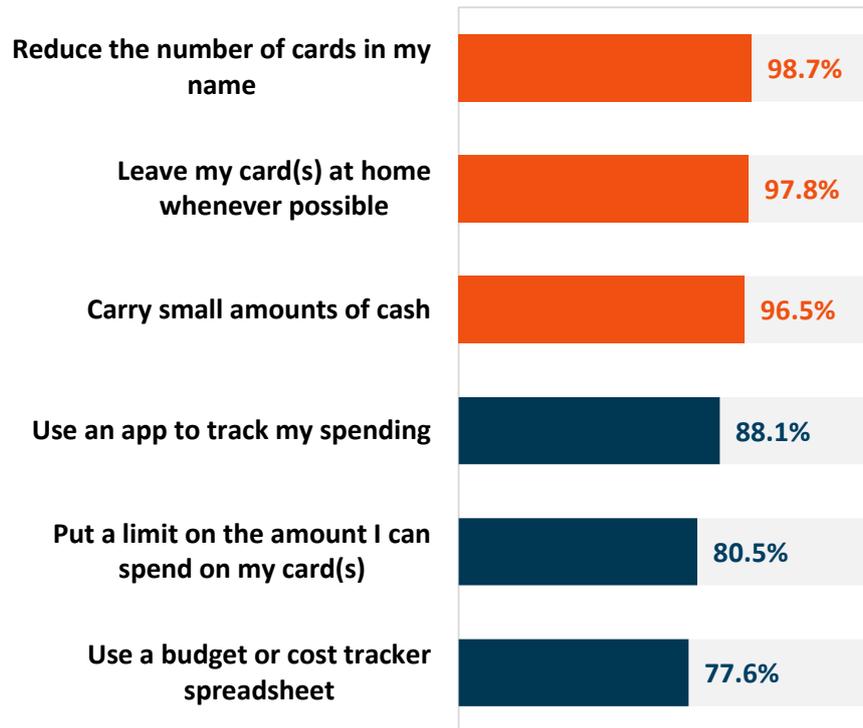
Source: CoreData Passive Payments Survey (May 2018)

Question: Which of the following have you done to limit your spending using alternative payment methods?

Among those who feel they spend too much using alternative payment methods and tried to limit their spending, close to three in five (56.0%) have taken to carrying small amounts of cash, while more than one in five (22.0%) leave their cards at home whenever possible.

Similar proportions are using an app to track their spending (17.7%) or reducing the number of cards in their name (15.8%).

Are you still doing the following to limit your spending made using alternative payment methods?



% Yes

*Multiple answers allowed

Source: CoreData Passive Payments Survey (May 2018)

Question: Which of the following have you done to limit your spending using alternative payment methods?

How long did you attempt to limit your spending made using alternative payment methods?

Carry small amounts of cash



Leave my card(s) at home whenever possible



Put a limit on the amount I can spend on my card(s)



Reduce the number of cards in my name



Use an app to track my spending



Use a budget or cost tracker spreadsheet



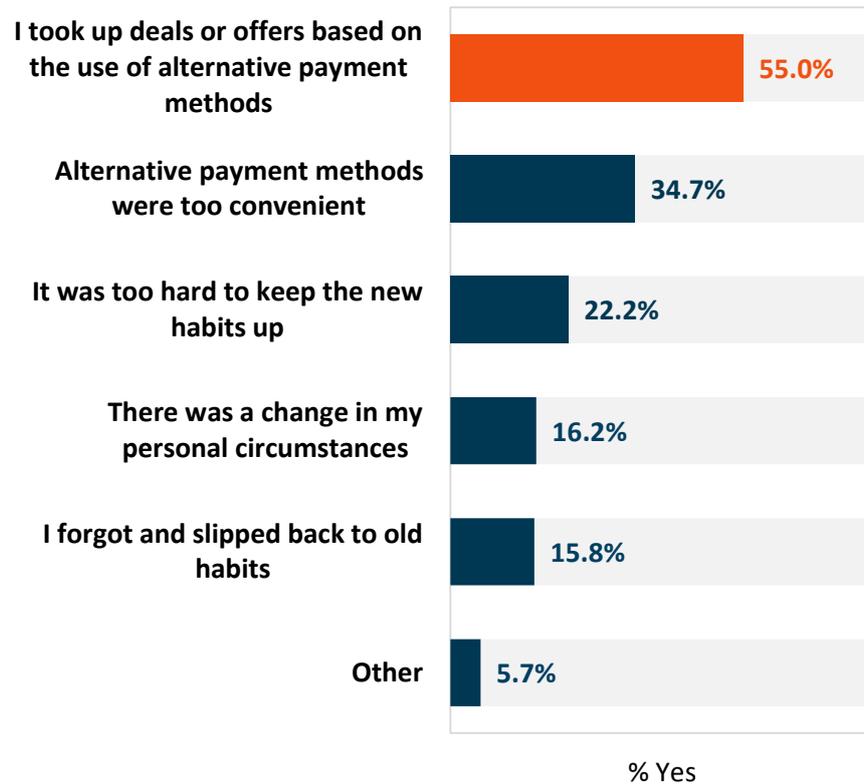
*Sample size is low, results are indicative only

Source: CoreData Passive Payments Survey (May 2018)

Question: How long did you attempt to limit your spending made using alternative payment methods?

The majority of respondents claim that they are still doing a number of things to limit their spending made using alternative payment methods.

Why did you stop trying to limit your spending made using alternative payment methods?



*Multiple answers allowed

**Sample size is low, results are indicative only

Source: CoreData Passive Payments Survey (May 2018)

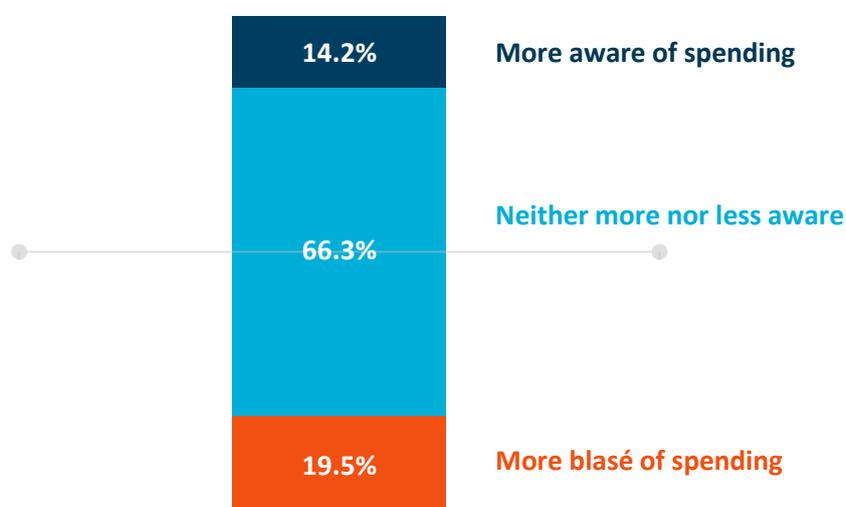
Question: Why did you stop trying to limit your spending made using alternative payment methods?

Among the minority of respondents who stopped doing things to limit their spending made using alternative payment methods, many admitted to taking up deals or offers based on their usage of these methods.

IMPACT OF ALTERNATIVE PAYMENT METHODS

- The majority of Australians who use alternative payment methods do not think that these methods are making them more aware or more blasé of their spending
- Interestingly however, the majority believe that alternative payment methods are making their fellow Australians more blasé of their spending
- There are quite strong views on the impact of alternative payment methods on society. Although they are widely seen as making lives easier, they are also seen as making it easier for people to spend without thinking or lose track of spending

Do you think alternative payment methods are making you more aware or less aware of your spending habits?



Source: CoreData Passive Payments Survey (May 2018)

Question: Do you think alternative payment methods are making you more aware or less aware of your spending habits?

While the majority of respondents who use alternative payment methods think these are making them neither more nor less aware of their spending habits, almost one in five (19.5%) say these are making them less aware, while one in seven (14.2%) claim these are making them more aware.

More aware of spending

"I think it's making me aware of other options to spend my money which in turn makes me more aware of how much I'm spending." (Female, 26 years old, NSW)

"There are many more ways to spend money than ever before. I make a conscious decision to be aware of my spending, no matter what the method as I don't want to over spend." (Female, 44 years old, WA)

"I only use them for larger purchases that will make a difference to our quality of life that I can manage to pay back in instalments before interest will be added." (Female, 44 years old, VIC)

"I have all the apps on my phone to check regularly. As well as this, they send me text messages when I have a payment coming up." (Female, 22 years old, TAS)

"Because I can usually see my accounts immediately and know exactly what is being spent, it's sobering to look back on your purchases and see all the little things add up." (Male, 24 years old, VIC)

More blasé of spending

"A small repayment is too tempting then your balance increases as you repay, I see people drowning in debt this way." (Female, 29 years old, QLD)

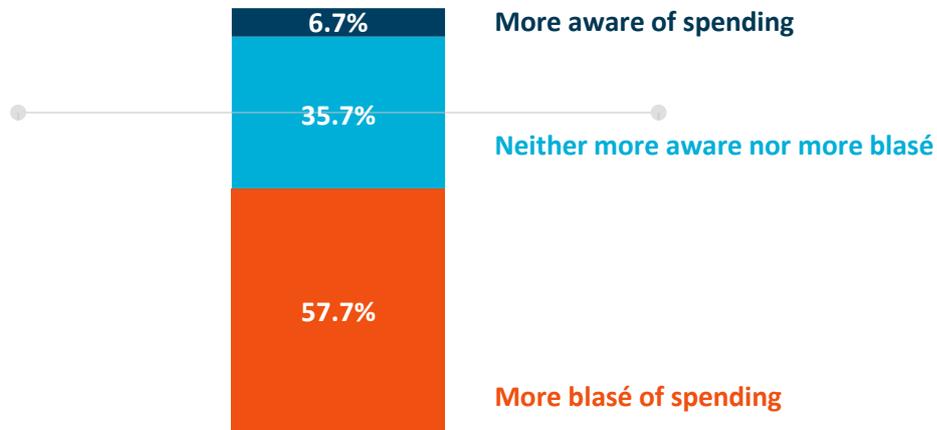
"Probably because physical money is never actually used, so it happens and you are less aware of where it's coming from." (Female, 35 years old, NSW)

"It feels so easy, when I tap I can no longer be bothered waiting for a receipt because it's so fast which makes it harder to reconcile your spending." (Female, 41 years old, VIC)

"There's no physical exchange of cash, simply getting an item after tapping a card and 3 days later being overdrawn." (Female, 24 years old, QLD)

"Sometimes they come out in small increments you forget you owe money. Also sometimes they don't actually come out of you bank straight away." (Female, 33 years old, QLD)

Do you think alternative payment methods are making Australians in general more aware or more blasé of their spending?

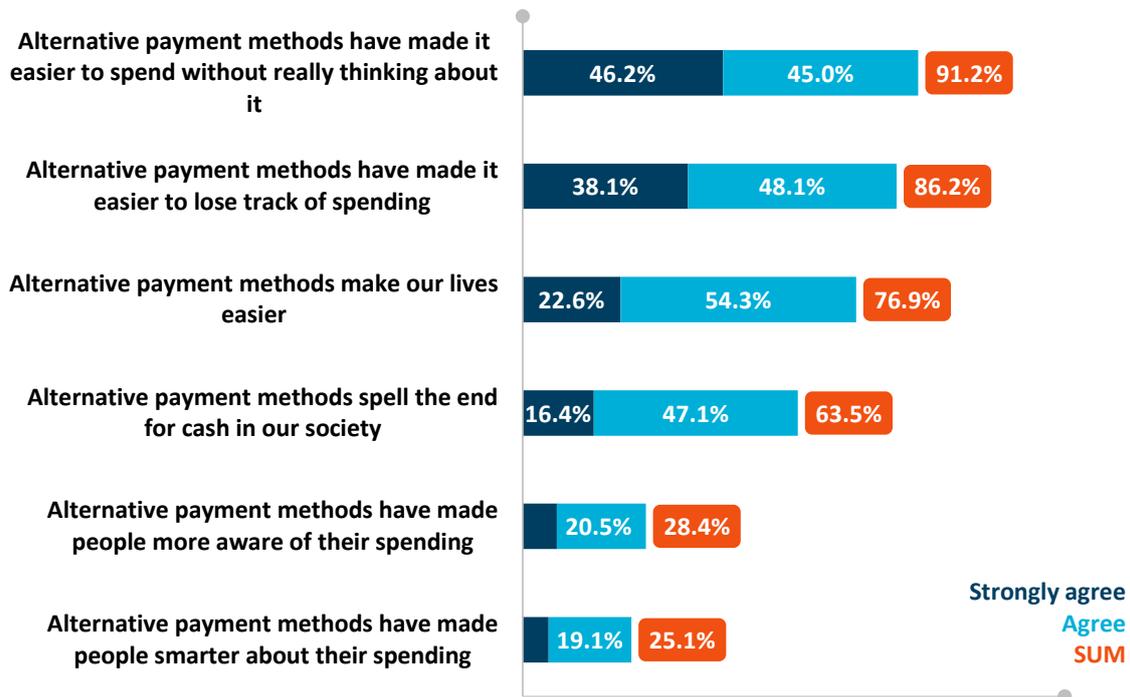


Source: CoreData Passive Payments Survey (May 2018)

Question: Do you think alternative payment methods are making Australians in general more aware or more blasé of their spending?

Interestingly, close to three in five (57.7%) respondents think alternative payment methods are making Australians in general more blasé of their spending.

How much do you agree with the following statements on the overall impact of alternative payment methods on society?



Source: CoreData Passive Payments Survey (May 2018)

Question: How much do you agree with the following statements on the overall impact of alternative payment methods on society?

There are quite strong views on the overall impact of alternative payment methods on society, with nearly all respondents believing alternative payment methods have made it easier to spend without really thinking (91.2%) or to lose track of spending (86.2%).

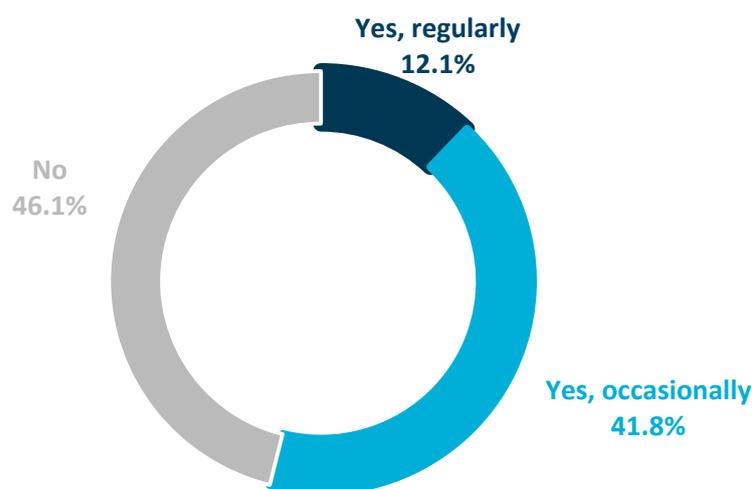
They also believe that alternative payment methods make everyone’s lives easier (76.9%) and spell the end for cash in society (63.5%).

Only a minority believe that alternative payment methods have made people more aware of or smarter about their spending (28.4% and 25.1% respectively).

SPENDING AT SOCIAL EVENTS

- Many Australians admit to overspending at social events, including by buying rounds of drinks and ordering more expensive items
- Overspending is most commonly attributed to a desire to have a good time, although some believe their use of alternative payment methods makes them more likely to overspend
- As a result, many Australians have opted to host social events at home to avoid unnecessary spending, although some have had negative experiences such as guests turning up without anything

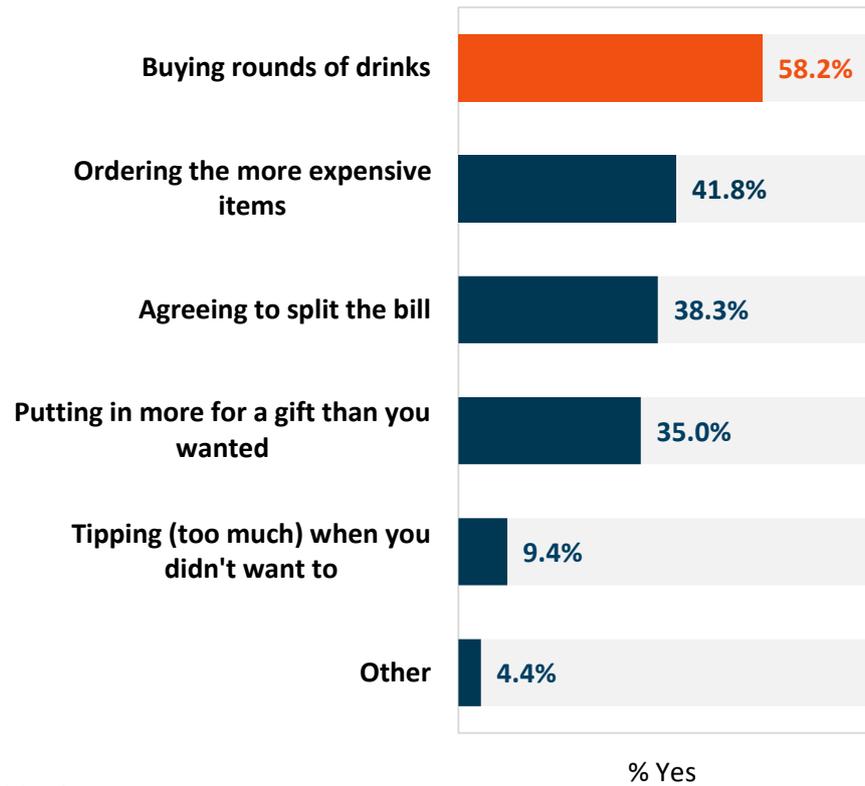
Do you ever end up overspending at social events (e.g. drinks or meals out with friends)?



Source: CoreData Passive Payments Survey (May 2018)
Question: Do you ever end up overspending at social events (e.g. drinks or meals out with friends)?

More than half (53.9%) of respondents end up overspending at social events like drinks or meals out with friends.

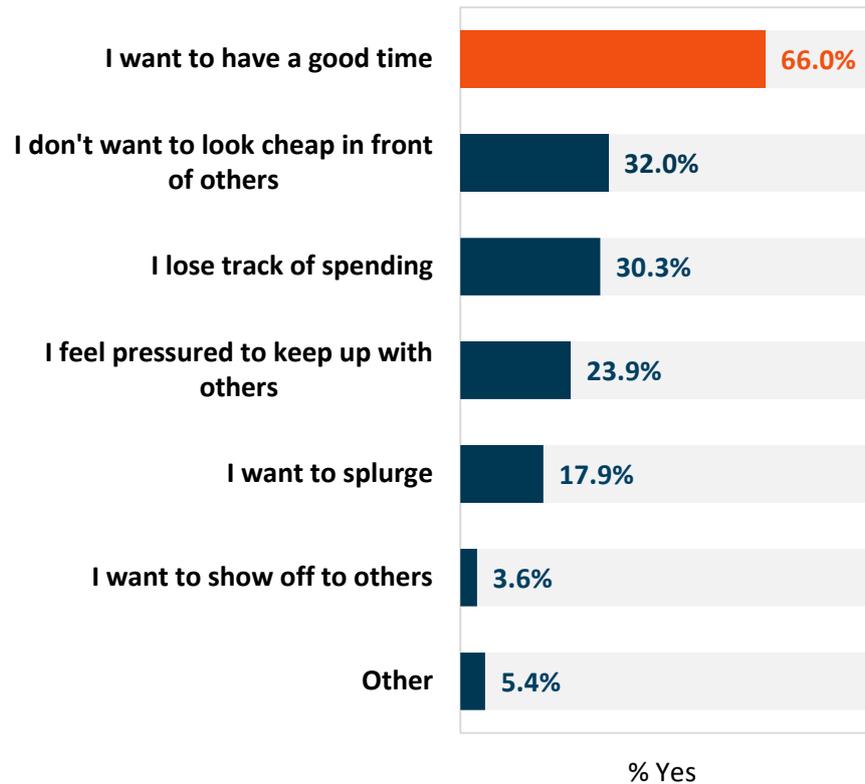
In what ways do you overspend?



*Multiple answers allowed
 Source: CoreData Passive Payments Survey (May 2018)
 Question: In what ways do you overspend?

The most common ways of overspending at social events are buying rounds of drinks (58.2%), ordering the more expensive items (41.8%) and agreeing to split the bill (38.3%).

Why do you think you end up overspending at social events?



*Multiple answers allowed

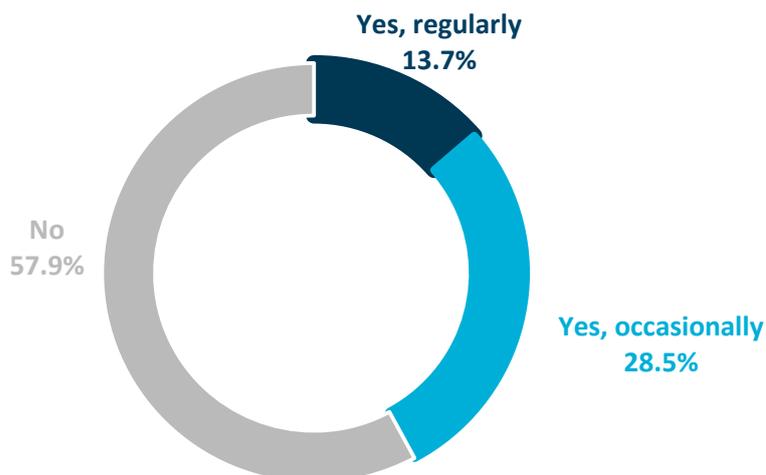
Source: CoreData Passive Payments Survey (May 2018)

Question: Why do you think you end up overspending at social events?

Among those who overspend at social events, two thirds (66.0%) cite a desire to have a good time, while similar proportions say they do not want to look cheap in front of others (32.0%) or say they lose track of their spending (30.3%).

Close to one in four (23.9%) feel pressured to keep up with others, while close to one in five (17.9%) just want to splurge.

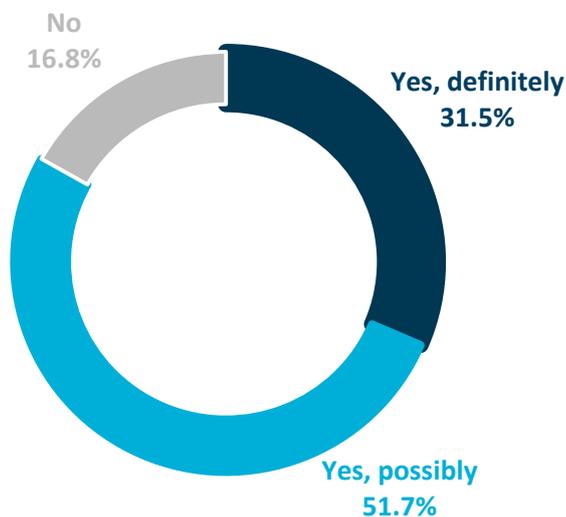
Do you use alternative payment methods for spending at social events?



Source: CoreData Passive Payments Survey (May 2018)
 Question: Do you use alternative payment methods for spending at social events?

More than two in five (42.2%) respondents use alternative payment methods for spending at social events.

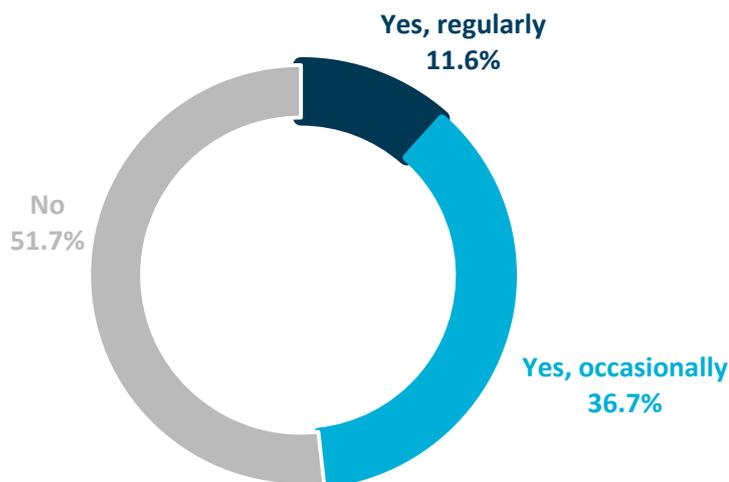
Do you think your use of alternative payment methods makes you more likely to overspend at social events?



Source: CoreData Passive Payments Survey (May 2018)
 Question: Do you think your use of alternative payment methods makes you more likely to overspend at social events?

Among those who use alternative payment methods at social events and tend to overspend, the vast majority (83.2%) think their use of alternative payment methods makes them more likely to overspend.

Have you ever hosted social events at home to avoid unnecessary spending?



Source: CoreData Passive Payments Survey (May 2018)
 Question: Have you ever hosted social events at home to avoid unnecessary spending?

Close to half (48.3%) respondents have hosted social events at home to avoid unnecessary spending.

Have you ever experienced any of the following while hosting social events at home?

Guests turning up without anything when others brought an item (i.e. a plate)



Awkwardness deciding who should bring what



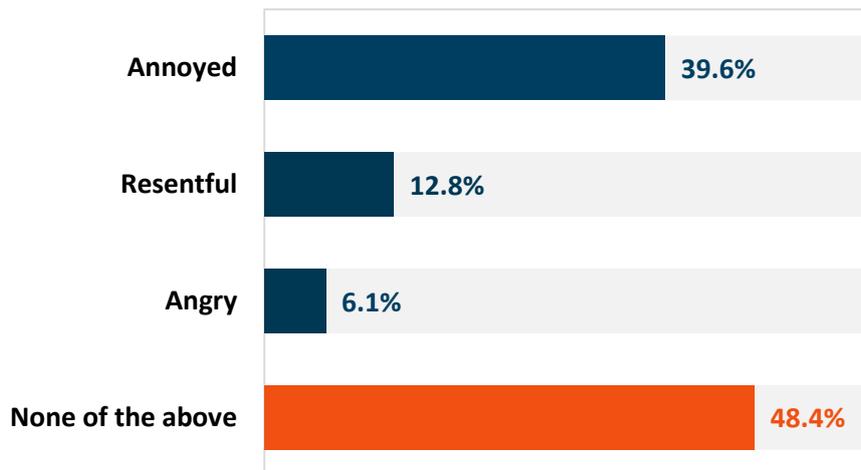
Awkwardness around asking people to bring a plate



Source: CoreData Passive Payments Survey (May 2018)
 Question: Have you ever experienced any of the following while hosting social events at home?

Among those who have hosted social events at home to avoid unnecessary spending, more than three in five (61.8%) have experienced guests turning up without anything when others brought an item. Some have also experienced awkwardness in deciding who should bring what (40.6%) or asking people to bring a plate (34.2%).

How do you typically feel when you see guests turning up without anything when others brought an item (i.e. a plate)?



*Multiple answers allowed

% Yes

Source: CoreData Passive Payments Survey (May 2018)

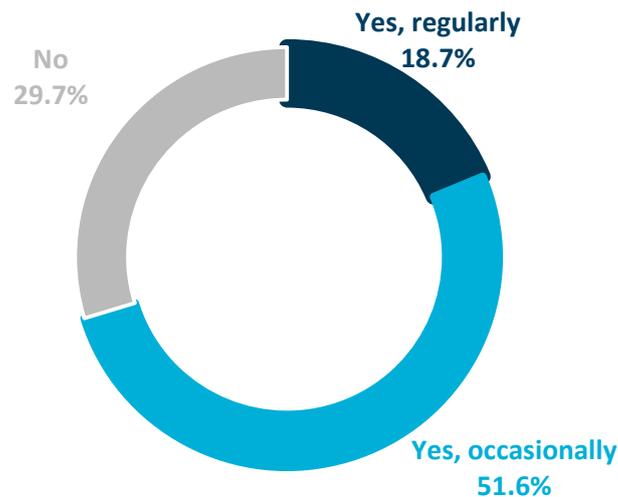
Question: How do you typically feel when you see guests turning up without anything when others brought an item (i.e. a plate)?

Among those who have hosted social events at home to avoid unnecessary spending and had negative experiences, close to two in five (39.6%) typically felt annoyed, while one in eight (12.8%) typically felt resentful. However, almost half (48.4%) did not have any of these negative feelings.

SPLITTING THE BILL

- Most Australians have experienced splitting the bill with others despite having ordered less at social events, with many admitting they were reluctant but ended up splitting the bill anyway
- Those who were reluctant to split the bill most commonly did it anyway as they did not want to make a fuss, although unsurprisingly, they ended up regretting their decision and say they are unlikely to go to social events with whom they split the bill with

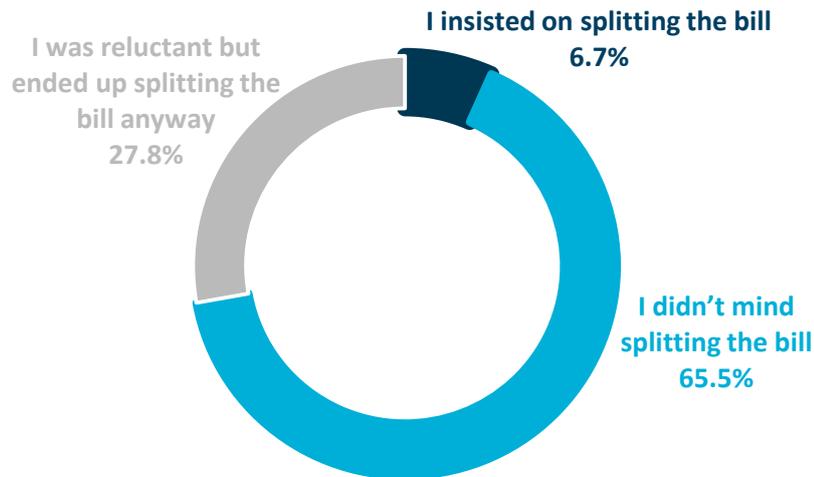
Have you ever split the bill with others despite having ordered less than others at social events (e.g. drinks or meals out with friends)?



Source: CoreData Passive Payments Survey (May 2018)
Question: Have you ever split the bill with others despite having ordered less than others at social events (e.g. drinks or meals out with friends)?

Seven in 10 (70.3%) respondents have split the bill with other people despite having ordered less than others at social events.

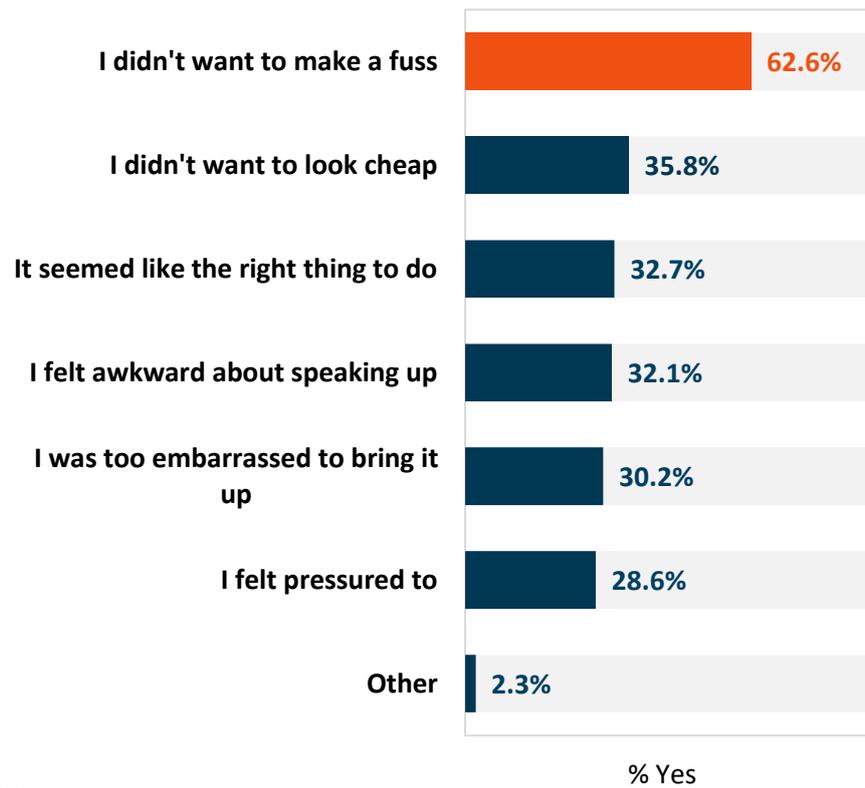
Thinking about the last time it happened, which of the following best describes the situation you were in?



*Source: CoreData Passive Payments Survey (May 2018)
Question: Thinking about the last time it happened, which of the following best describes the situation you were in?*

Although the majority (65.5%) of those who have split bills with others didn't mind splitting it the last time it happened, close to three in 10 (27.8%) admit they were reluctant but ended up splitting it anyway.

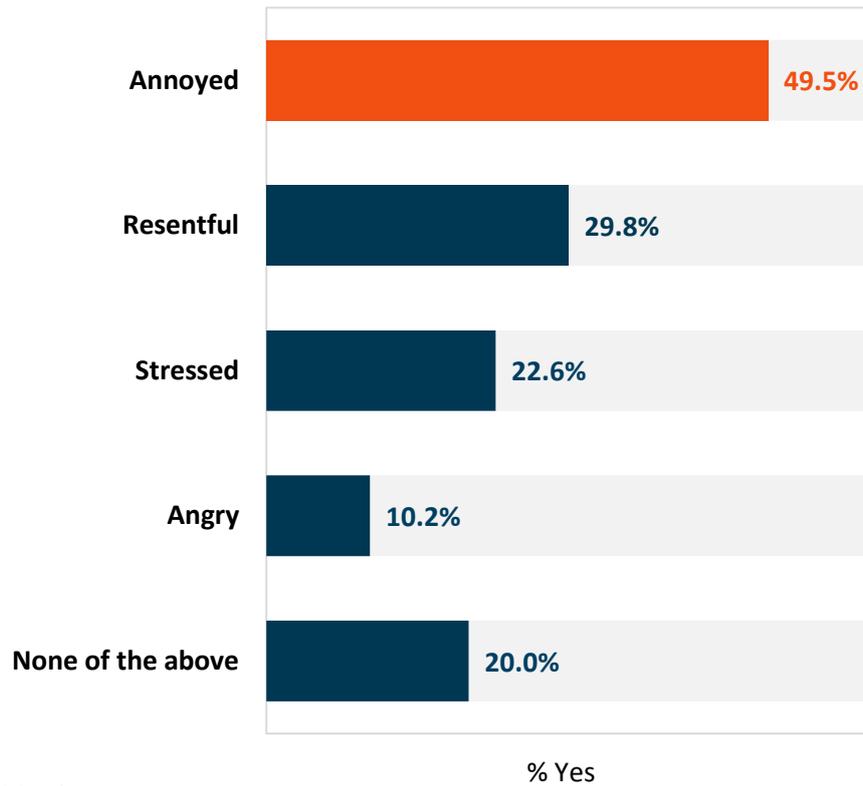
Why did you end up deciding to split the bill?



*Multiple answers allowed
 Source: CoreData Passive Payments Survey (May 2018)
 Question: Why did you end up deciding to split the bill?

Those who were reluctant to split the bill but ended up doing it anyway most commonly cite not wanting to make a fuss (62.6%). Around one in three didn't want to look cheap (35.8%), thought it was the right thing to do (32.7%) or felt awkward about speaking up (32.1%).

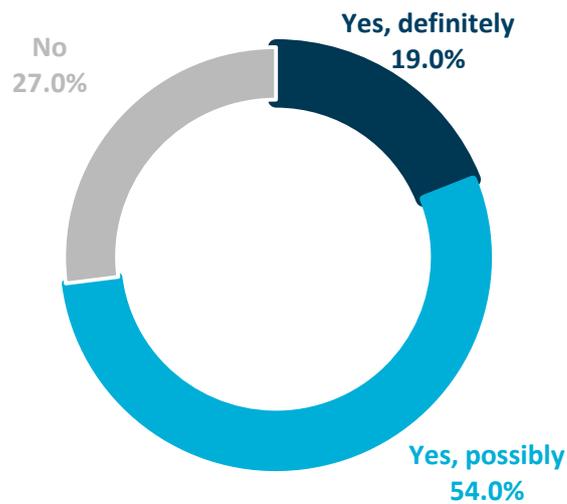
How did you feel about having to split the bill?



*Multiple answers allowed
 Source: CoreData Passive Payments Survey (May 2018)
 Question: How did you feel about having to split the bill?

The most prevalent feeling among those who were reluctant to split the bill was annoyance (49.5%), followed by resentment (29.8%) and stress (22.6%).

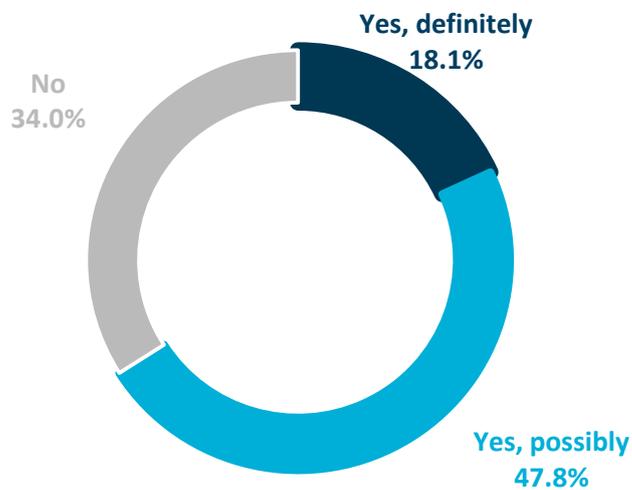
Did you regret your decision to split the bill?



Source: CoreData Passive Payments Survey (May 2018)
 Question: Did you regret your decision to split the bill?

The large majority (73.0%) of those who were reluctant to split the bill but ended up doing it anyway regret their decision to ultimately split the bill.

Would you be less likely to go to social events with those whom you had to split the bill with?



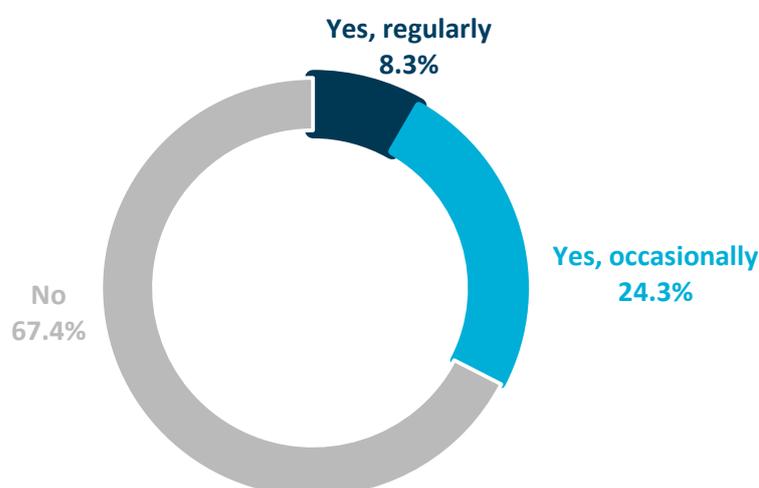
Source: CoreData Passive Payments Survey (May 2018)
 Question: Would you be less likely to go to social events with those whom you had to split the bill with?

Close to two thirds (65.9%) of those who were reluctant to split the bill but ended up doing it anyway say they are less likely to go to social events with the people they split the bill with.

FINANCIAL AWKWARDNESS

- Most Australians believe it is a good idea to always just pay for one's share at social events and that people should just enjoy social events without worrying about financial etiquette
- However, these do not stop some Australians from feeling awkward in certain situations such as sharing a ride with friends, going to expensive restaurants with friends, exchanging expensive birthday gifts with friends and socialising with work colleagues
- The awkwardness can be a particular problem for many, who admit that their enjoyment of social events has been negatively impacted by it, with some even avoiding social events to dodge awkwardness about 'financial etiquette'
- Some Australians have also experienced disagreements with friends over money, with some leading to lost friendships
- Some have also been made to feel responsible for lending money to family, leaving them feeling annoyed and stressed

Have you ever shared a taxi or ride sharing car (e.g. Uber) with friends and been landed with the bill?

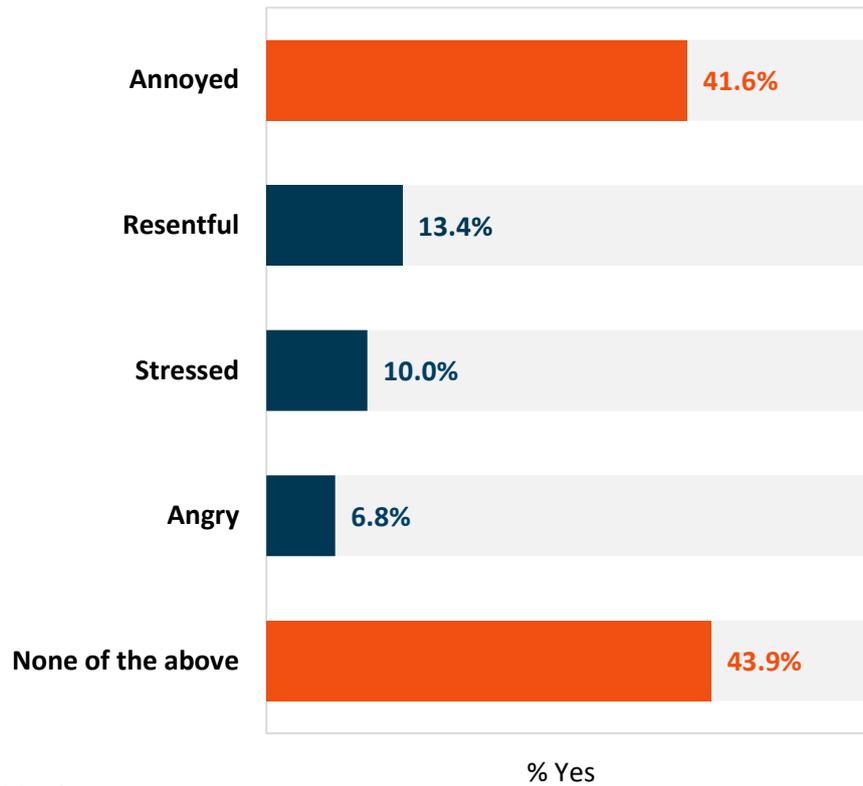


Source: CoreData Passive Payments Survey (May 2018)

Question: Have you ever shared a taxi or ride sharing car (e.g. Uber) with friends and been landed with the bill?

Almost a third (32.6%) of respondents have shared a taxi or ride sharing car with friends and been landed with the bill.

How do you typically feel when you are landed with the bill for a shared ride?



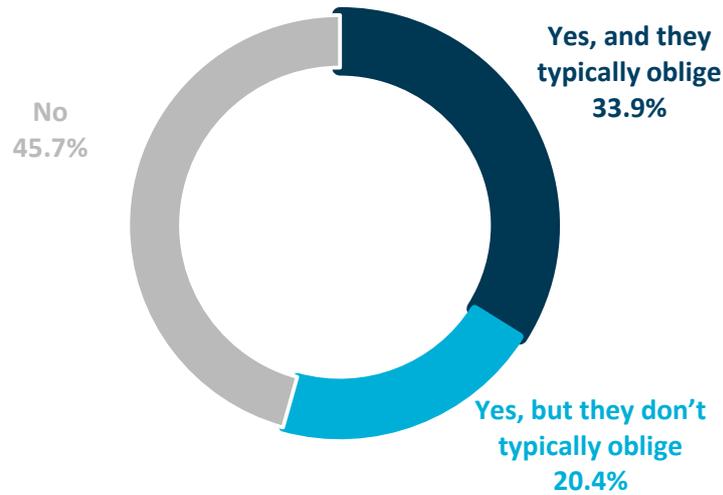
*Multiple answers allowed

Source: CoreData Passive Payments Survey (May 2018)

Question: How do you typically feel when you are landed with the bill for a shared ride?

Among respondents who have shared rides with friends and been landed with the bill, many (41.6%) typically feel annoyed, while others feel resentful or stressed (13.4% and 10.0% respectively).

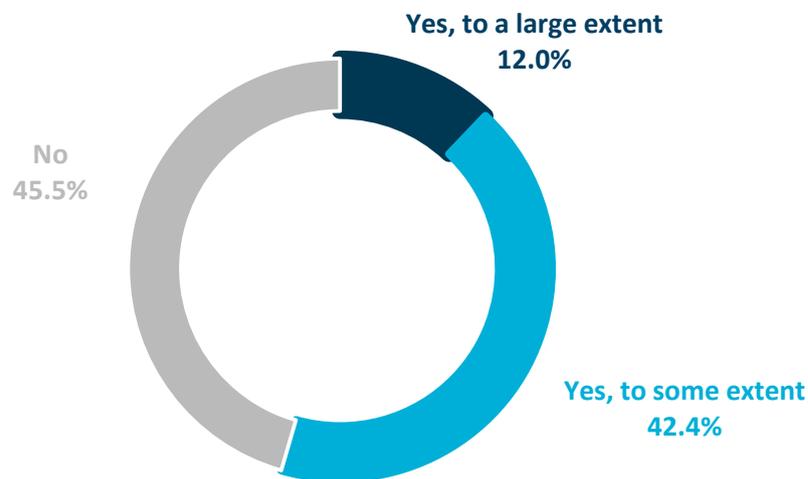
Do you typically ask your friends to split the payment after the ride?



Source: CoreData Passive Payments Survey (May 2018)
 Question: Do you typically ask your friends to split the payment after the ride?

Close to half (45.7%) of respondents who have shared rides with friends and been landed with the bill do not typically ask their friends to split the payment after the ride. However, a third (33.9%) typically do this and fortunately, their friends tend to oblige. One in five (20.4%) typically do this as well although their friends do not tend to oblige.

Do you typically feel awkward about asking your friends to split the payment?



Source: CoreData Passive Payments Survey (May 2018)
 Question: Do you typically feel awkward about asking your friends to split the payment?

More than half (54.4%) of those who typically ask their friends to split the payment after the ride typically feel awkward about asking their friends to split the payment.

Do you typically feel awkward about 'financial etiquette' in the following situations?

Going to expensive restaurants with friends



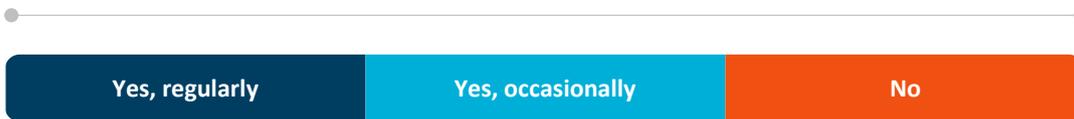
Receiving and reciprocally giving expensive birthday gifts with friends



Buying a round of drinks for friends



Attending major events with friends

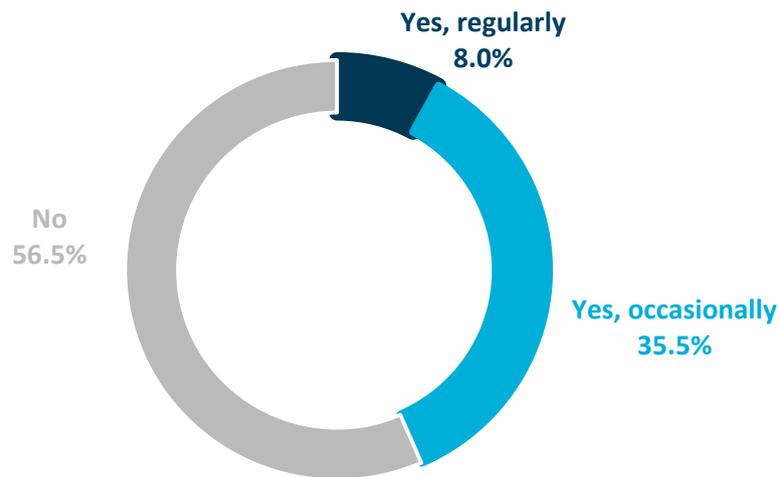


Source: CoreData Passive Payments Survey (May 2018)

Question: Do you typically feel awkward about 'financial etiquette' in the following situations?

In various situations, many respondents typically feel awkward about 'financial etiquette'. Similar proportions feel this way when they go to expensive restaurants (54.8%) or receive and give expensive birthday gifts with friends (53.5%). More than two in five also feel awkward when they buy a round of drinks for friends (45.0%) or attend major events with friends (41.9%).

Have you ever avoided going to a social event to avoid awkwardness about 'financial etiquette'?

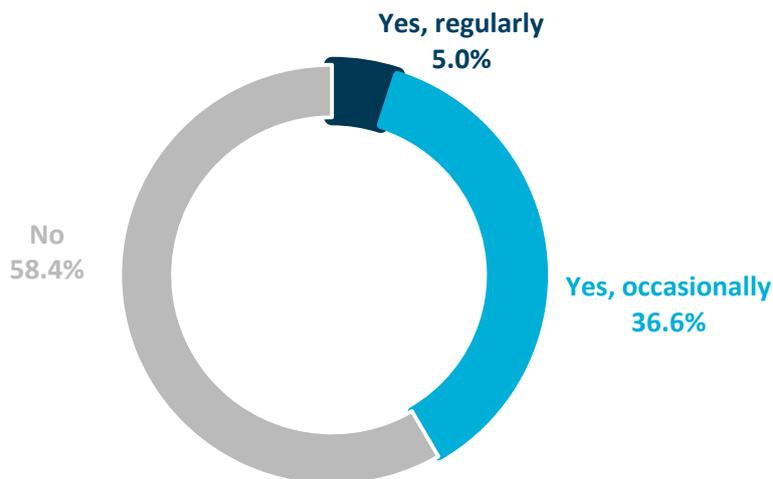


Source: CoreData Passive Payments Survey (May 2018)

Question: Have you ever avoided going to a social event to avoid awkwardness about 'financial etiquette'?

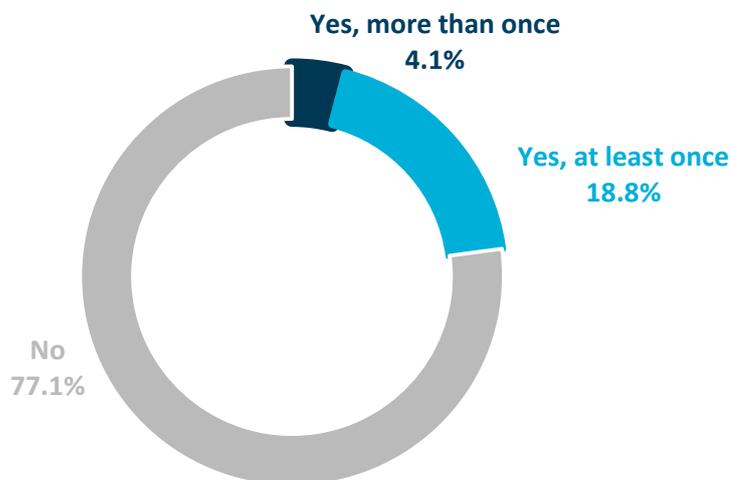
More than two in five (43.5%) respondents admit to avoiding going to a social event to dodge awkwardness about 'financial etiquette'.

Has awkwardness about 'financial etiquette' around a social event ever negatively impacted your enjoyment of it?



Source: CoreData Passive Payments Survey (May 2018)
 Question: Has awkwardness about 'financial etiquette' around a social event ever negatively impacted your enjoyment of it?

Has awkwardness about 'financial etiquette' at a social event ever negatively impacted any of your friendships?

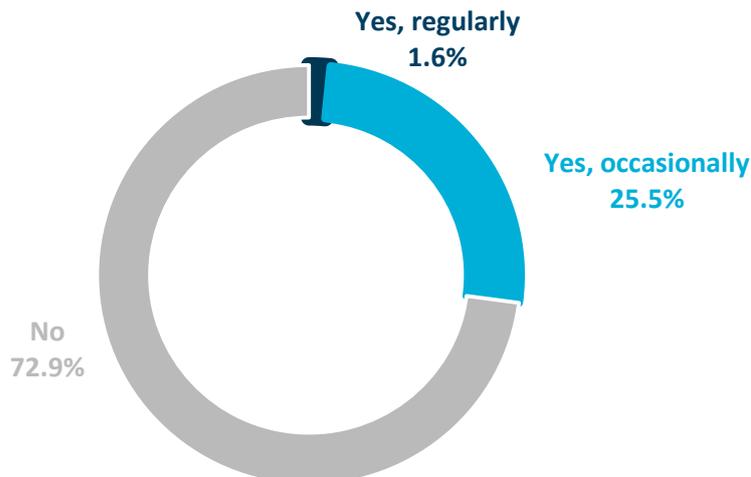


Source: CoreData Passive Payments Survey (May 2018)
 Question: Has awkwardness about 'financial etiquette' at a social event ever negatively impacted any of your friendships?

Similarly, two in five (41.6%) respondents say awkwardness about 'financial etiquette' around a social event negatively impacted their enjoyment of the said event.

Close to one in four (22.9%) of this figure admit that awkwardness about 'financial etiquette' has negatively impacted some of their friendships.

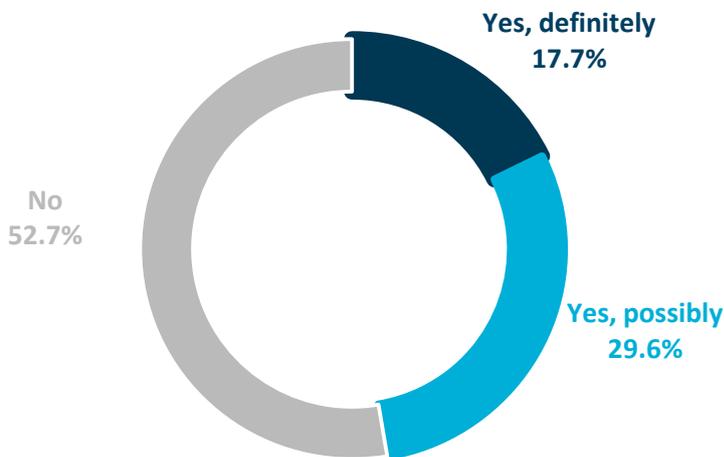
Have you ever had disagreements with friends over money?



Source: CoreData Passive Payments Survey (May 2018)
 Question: Have you ever had disagreements with friends over money?

More than a quarter (27.1%) of respondents have experienced disagreements with friends over money.

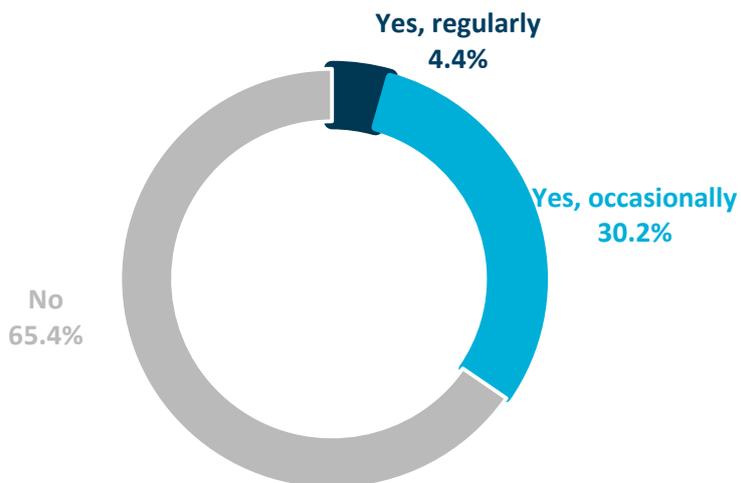
Have these disagreements resulted in lost friendships?



Source: CoreData Passive Payments Survey (May 2018)
 Question: Have these disagreements resulted in lost friendships?

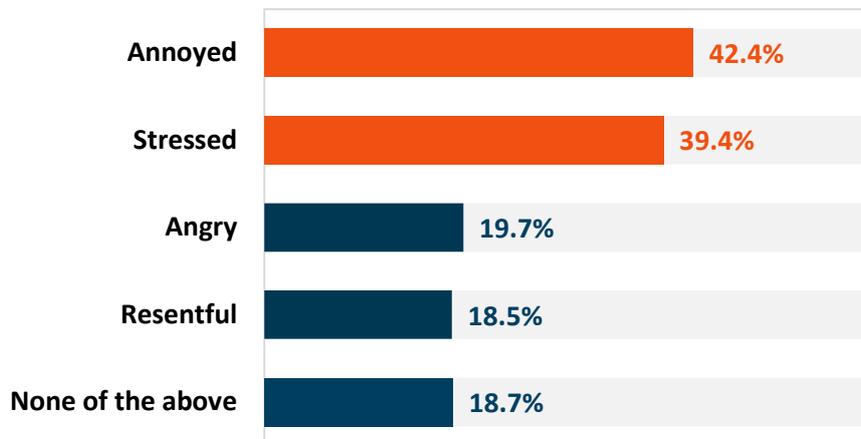
Among respondents who have had disagreements with friends over money, close to half (47.3%) admit to these resulting in lost friendships.

Have you ever been pressured to or made to feel responsible for lending money to family?



Source: CoreData Passive Payments Survey (May 2018)
 Question: Have you ever been pressured to or made to feel responsible for lending money to family?

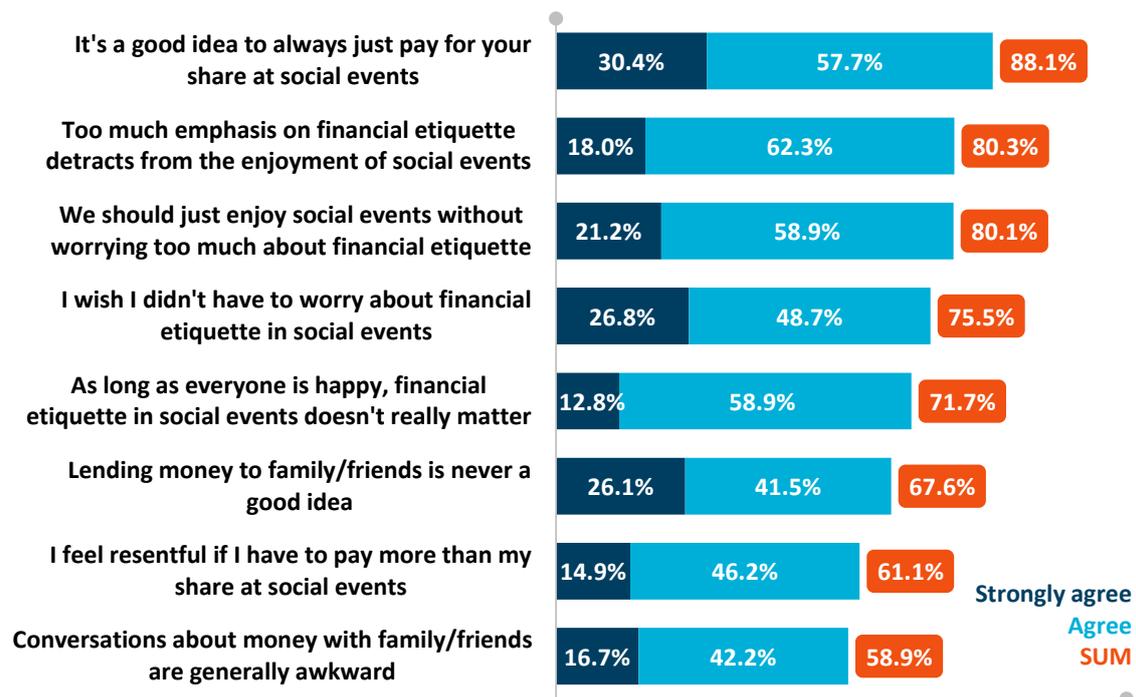
Thinking about the last time it happened, how did this make you feel?



*Multiple answers allowed % Yes
 Source: CoreData Passive Payments Survey (May 2018)
 Question: Thinking about the last time it happened, how did this make you feel?

More than a third (34.6%) of respondents have been pressured or made to feel responsible for lending money to family. Among them, similar proportions say this made them feel annoyed (42.4%) or stressed (39.4%).

How much do you agree with the following statements about financial etiquette?

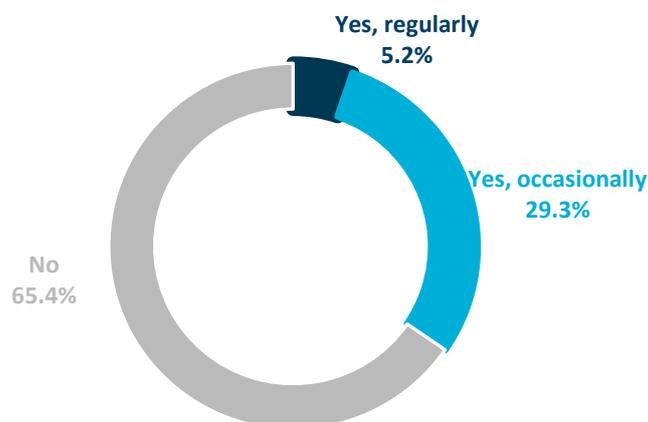


Source: CoreData Passive Payments Survey (May 2018)

Question: How much do you agree with the following statements about financial etiquette?

The vast majority of respondents believe that it is a good idea to always just pay for one's share at social events (88.1%), that too much financial etiquette detracts from the enjoyment of such events (80.3%) or that people should just enjoy social events without worrying about financial etiquette (80.1%). Furthermore, three in four wish they did not have to worry about financial etiquette in social events (75.5%). The majority also feel resentful if they have to pay more than their share at social events (61.1%).

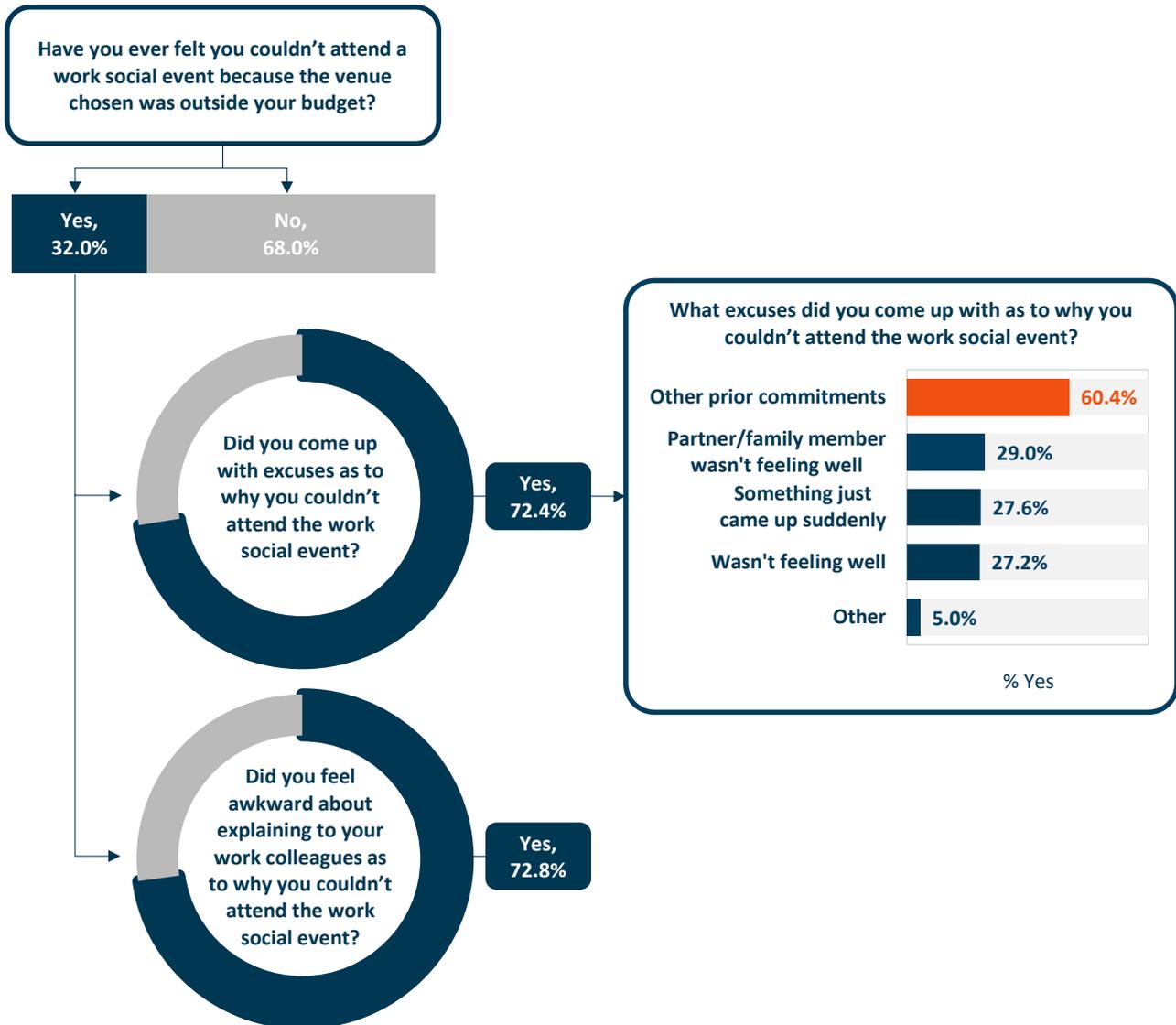
Do you typically feel awkward about splitting payments while socialising with work colleagues?



Source: CoreData Passive Payments Survey (May 2018)

Question: Do you typically feel awkward about splitting payments while socialising with work colleagues?

Have you ever felt you couldn't attend a work social event because the venue chosen was outside your budget? Did you come up with excuses as to why you couldn't attend the work social event? What excuses did you come up with as to why you couldn't attend the work social event? Did you feel awkward about explaining to your work colleagues as to why you couldn't attend the work social event?



Source: CoreData Passive Payments Survey (May 2018)

Questions: Have you ever felt you couldn't attend a work social event because the venue chosen was outside your budget? Did you come up with excuses as to why you couldn't attend the work social event? What excuses did you come up with as to why you couldn't attend the work social event? Did you feel awkward about explaining to your work colleagues as to why you couldn't attend the work social event?

More than a third (34.5%) of employed respondents feel awkward about splitting payments while socialising with their work colleagues.

A similar proportion admit to feeling they could not attend a work social event due to the chosen venue being outside of their budget (32.0%). Among them, the large majority admit to feeling awkward about explaining to their colleagues as to why they could not attend (72.8%) or have come up with excuses as to why they could not attend (72.4%), with the most common excuses being other prior commitments (60.4%) and partners or family members were not feeling well (29.0%).

COSTLY HABITS

- Looking back at the last 12 months, many Australians have shouted a round of drinks that was not reciprocated, bought a piece of clothing they did not wear but failed to return it or let a gift card pass its 'used by' date without spending the balance
- However, the majority would put a stop to their behaviour if they had a better understanding of how much these habits are actually costing them
- Among respondents who admit to doing the following in the last 12 months, they spent an average of \$125 on shouting a round of drinks without reciprocation and \$120 on pieces of clothing they did not wear but did not return. They also estimate foregoing an average of \$76 in unused gift cards. In total, these translate to \$2,273,439,813 across Australia annually.

Have you done any of the following in the last 12 months?

Shouted a round of drinks that wasn't reciprocated



Bought a piece of clothing I didn't wear, but didn't return it



Let a gift card pass its used-by date without spending the balance



Source: CoreData Passive Payments Survey (May 2018)
 Question: Have you done any of the following in the last 12 months?

Looking back at the last 12 months, many respondents have shouted a round of drinks that was not reciprocated (45.8%) or have bought a piece of clothing they did not wear but failed to return (43.3%). A quarter (25.1%) have let a gift card pass its 'used by' date without spending the balance.

Approximately how much would you say these behaviour(s) cost you in the last 12 months?



**Shouted a round of drinks that
wasn't reciprocated**



**Bought a piece of clothing I didn't
wear, but didn't return it**



**Let a gift card pass its used-by date
without spending the balance**

Source: CoreData Passive Payments Survey (May 2018)

Question: Approximately how much would you say these behaviour(s) cost you in the last 12 months?

Among respondents who admit to doing the following in the last 12 months, they spent an average of \$125 on shouting a round of drinks without reciprocation and \$120 on pieces of clothing they did not wear but did not return. They also estimate foregoing an average of \$76 in unused gift cards. In total, these translate to \$2,273,439,813 across Australia annually.

If you had a better understanding of how much these behaviour(s) are actually costing you, would you stop?

Letting a gift card pass its used-by date without spending the balance



Buying a piece of clothing I don't wear, but don't return it



Shouting a round of drinks that isn't reciprocated

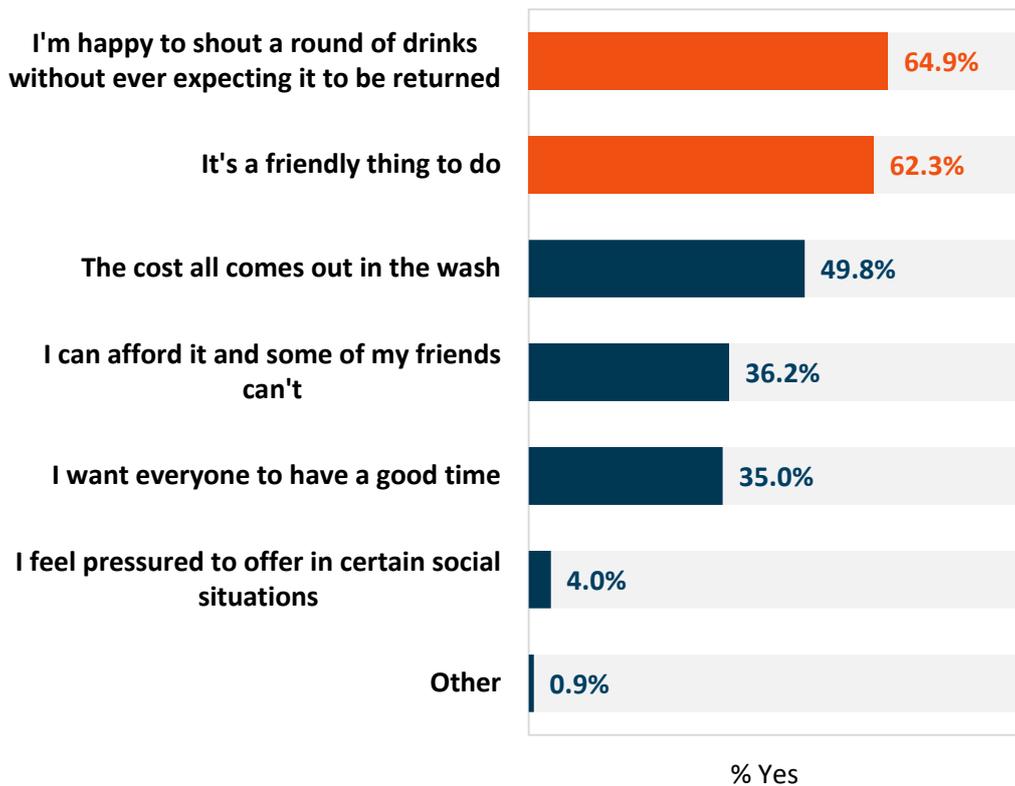


Source: CoreData Passive Payments Survey (May 2018)

Question: If you had a better understanding of how much these behaviour(s) are actually costing you, would you stop?

Among respondents who admit to doing the following in the last 12 months, nearly all say they would stop letting a gift card pass its used-by date without spending the balance (93.8%) or letting unworn clothes being unreturned (91.2%) if they had a better understanding of how much these are actually costing them. More than three in five (61.8%) would stop shouting a round of drinks that is not reciprocated if they knew how much this is actually costing them.

Why do you think you wouldn't stop shouting a round of drinks that isn't reciprocated?



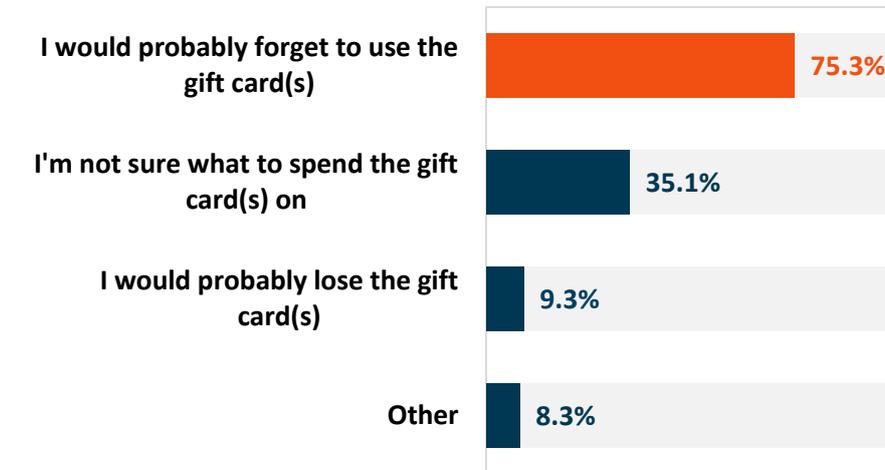
*Multiple answers allowed

Source: CoreData Passive Payments Survey (May 2018)

Question: Why do you think you wouldn't stop shouting a round of drinks that isn't reciprocated?

Among those who would not stop shouting a round of drinks that is not reciprocated, similar proportions say they are happy to shout a round without expecting it to be returned (64.9%) or think it is a friendly thing to do (62.3%).

Why do you think you wouldn't stop letting a gift card pass its used-by date without spending the balance?



*Multiple answers allowed

% Yes

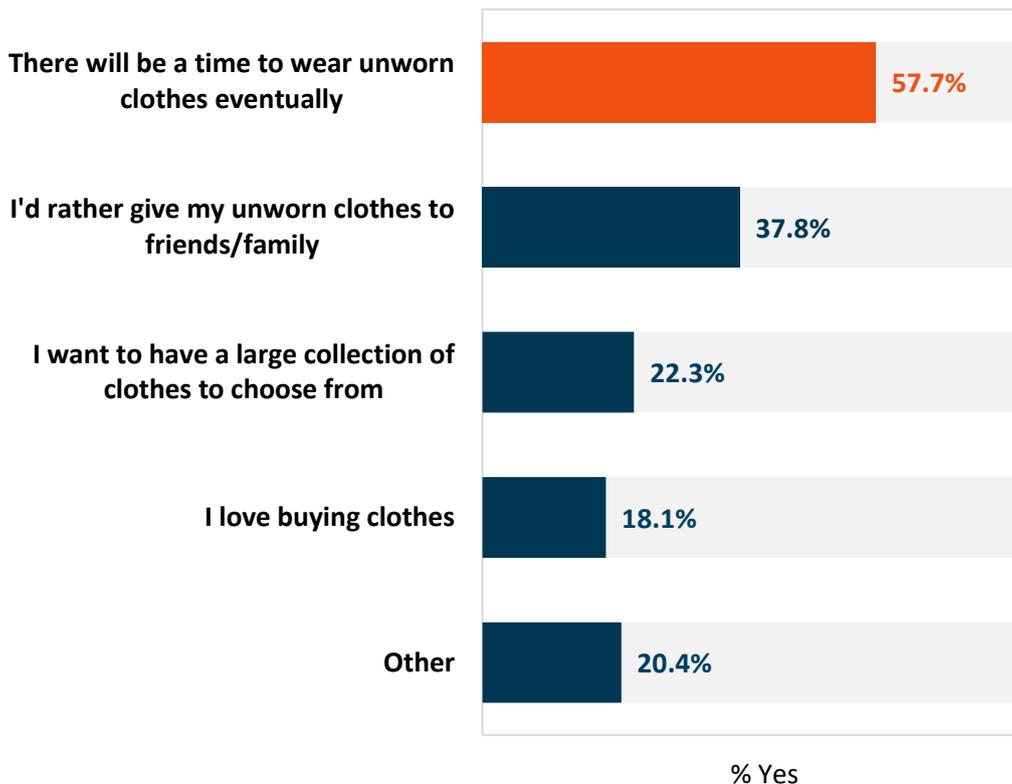
**Sample size is low, results are indicative only

Source: CoreData Passive Payments Survey (May 2018)

Question: Why do you think you wouldn't stop letting a gift card pass its used-by date without spending the balance?

Among those who would not stop letting a gift card pass its used-by date without spending the balance, the large majority admit they would probably just forget to use the gift cards (75.3%).

Why do you think you wouldn't stop buying a piece of clothing you don't wear, but don't return it?



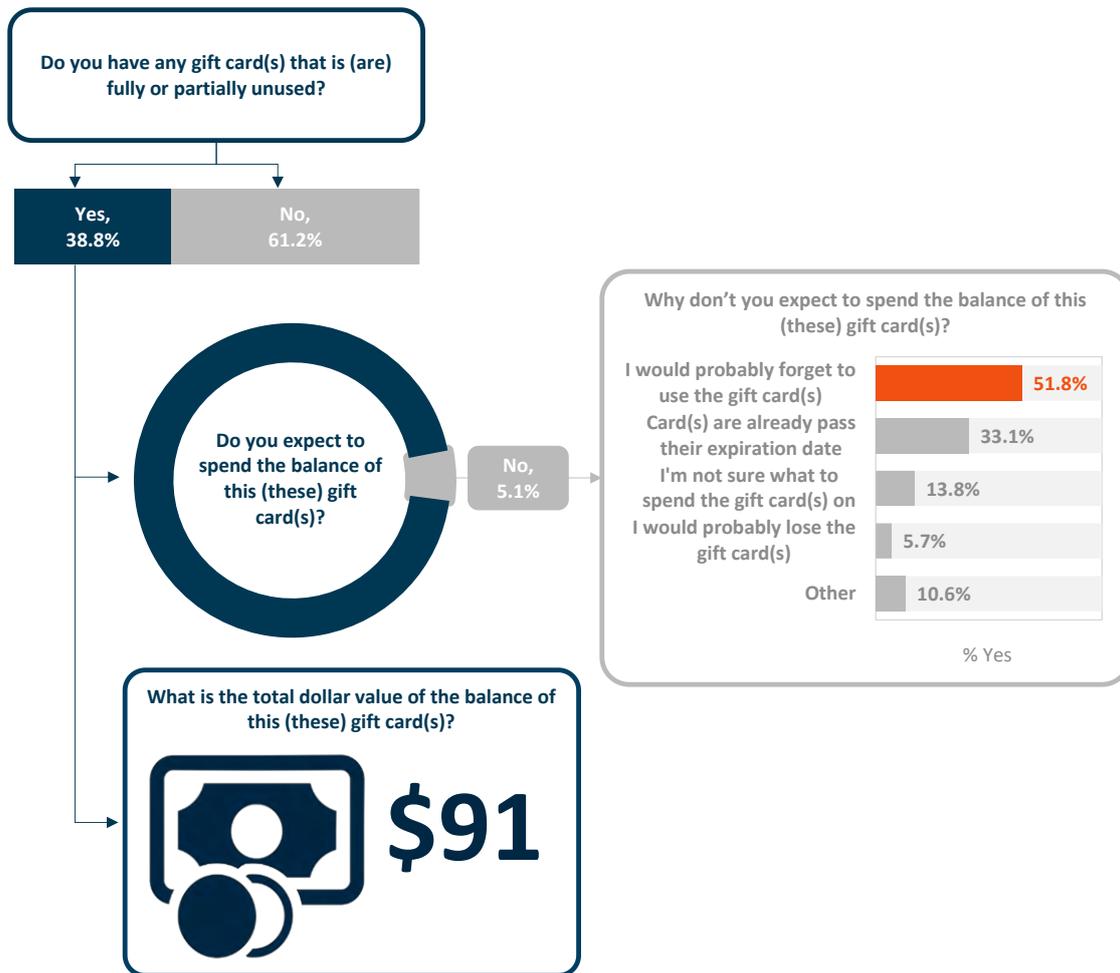
*Multiple answers allowed

Source: CoreData Passive Payments Survey (May 2018)

Question: Why do you think you wouldn't stop buying a piece of clothing you don't wear, but don't return it?

Among those who would not return unworn clothes, close to three in five (57.7%) say there will be a time to wear them eventually, while almost two in five (37.8%) would rather give them to family or friends.

Do you have any gift card(s) that is (are) fully or partially unused? Do you expect to spend the balance of this (these) gift card(s)? Why don't you expect to spend the balance of this (these) gift card(s)? What is the total dollar value of the balance of this (these) gift card(s)?



Source: CoreData Passive Payments Survey (May 2018)
 Questions: Do you have any gift card(s) that is (are) fully or partially unused? Do you expect to spend the balance of this (these) gift card(s)?
 Why don't you expect to spend the balance of this (these) gift card(s)? What is the total dollar value of the balance of this (these) gift card(s)?

Close to two in five (38.8%) respondents have fully or partially unused gift cards, with an average total dollar balance of \$91. Across Australia, this translate to \$658,342,739 yearly.

Nearly all respondents who have fully or partially unused gift cards expect to spend the balance of these gift cards. Those who do not expect to spend the balance most commonly say that they would probably forget to use them (51.8%).

DEMOGRAPHICS

| Gender | |
|--------------|---------------|
| Female | 52.3% |
| Male | 47.7% |
| TOTAL | 100.0% |

| Age Banded | |
|----------------------|---------------|
| 29 years old & below | 20.1% |
| 30 - 39 years old | 18.7% |
| 40 - 49 years old | 17.2% |
| 50 - 59 years old | 16.6% |
| 60 years old & above | 27.4% |
| TOTAL | 100.0% |

| Age Generation | |
|----------------|---------------|
| Generation Y | 35.9% |
| Generation X | 24.7% |
| Baby Boomers | 32.4% |
| Pre-Boomers | 7.0% |
| TOTAL | 100.0% |

| Marital Status | |
|-----------------------------|---------------|
| Single | 28.6% |
| Living with partner/married | 54.9% |
| Separated/divorced/widowed | 15.5% |
| Other | 1.0% |
| TOTAL | 100.0% |

| Living Arrangements | |
|--|---------------|
| Living alone (never had children) | 13.0% |
| Living with flatmate(s) (never had children) | 6.9% |
| Living with parents/siblings (never had children) | 7.4% |
| Living with partner only (never had children) | 15.5% |
| Living with your children (under 18 years) at home | 21.0% |
| Living with your children (over 18 years) at home | 5.7% |
| Living with your children (both over and under 18 years) at home | 4.3% |
| Children have all left home | 25.6% |
| Other | 0.6% |
| TOTAL | 100.0% |

| Household Income | |
|------------------------|---------------|
| \$50,000 or less | 39.6% |
| \$50,001 to \$75,000 | 17.0% |
| \$75,001 to \$100,000 | 13.7% |
| \$100,001 to \$125,000 | 10.4% |
| \$125,001 to \$150,000 | 6.8% |
| \$150,001 to \$200,000 | 7.6% |
| \$200,001 to \$250,000 | 3.0% |
| \$250,001 to \$350,000 | 1.2% |
| \$350,001 or more | 0.6% |
| TOTAL | 100.0% |

| Investment Portfolio | |
|--------------------------------------|---------------|
| I have no investments | 44.3% |
| \$50,000 or less | 19.1% |
| \$50,001 to \$150,000 | 9.2% |
| \$150,001 to \$250,000 | 8.3% |
| \$250,001 to \$350,000 | 4.5% |
| \$350,001 to \$450,000 | 2.2% |
| \$450,001 to \$550,000 | 3.5% |
| \$550,001 to \$650,000 | 3.0% |
| \$650,001 to \$750,000 | 1.7% |
| \$750,001 to \$1 million | 1.9% |
| More than \$1 million to \$3 million | 2.2% |
| More than \$3 million to \$5 million | 0.2% |
| More than \$5 million | 0.0% |
| TOTAL | 100.0% |

| State | |
|--------------|---------------|
| ACT | 2.5% |
| NSW | 18.8% |
| NT | 0.2% |
| QLD | 20.9% |
| SA | 13.9% |
| TAS | 4.0% |
| VIC | 21.1% |
| WA | 18.5% |
| TOTAL | 100.0% |

| Area | |
|--|---------------|
| The capital city of my state/territory | 63.7% |
| A regional centre | 25.8% |
| A rural area | 10.5% |
| TOTAL | 100.0% |

| Educational Attainment | |
|--------------------------------------|---------------|
| Primary | 0.7% |
| Part of high school | 11.2% |
| Completed high school | 21.5% |
| Diploma or certificate qualification | 34.5% |
| Degree qualification | 20.2% |
| Postgraduate qualification | 11.9% |
| TOTAL | 100.0% |

| Work Status | |
|-------------------------------|---------------|
| Self-employed | 5.4% |
| Employed full-time | 33.1% |
| Employed part-time | 9.8% |
| Employed casually | 7.4% |
| Engaged mainly in home duties | 6.1% |
| Retired | 23.2% |
| Not employed at present | 8.1% |
| Student | 3.9% |
| Other | 3.0% |
| TOTAL | 100.0% |

| Personal Income | |
|------------------------|---------------|
| \$20,000 or less | 22.6% |
| \$20,001 to \$30,000 | 21.3% |
| \$30,001 to \$40,000 | 11.1% |
| \$40,001 to \$50,000 | 8.8% |
| \$50,001 to \$60,000 | 6.8% |
| \$60,001 to \$70,000 | 7.3% |
| \$70,001 to \$80,000 | 5.4% |
| \$80,001 to \$90,000 | 2.8% |
| \$90,001 to \$100,000 | 4.2% |
| \$100,001 to \$125,000 | 5.7% |
| \$125,001 to \$150,000 | 1.8% |
| \$150,001 to \$200,000 | 1.5% |
| More than \$200,000 | 0.6% |
| TOTAL | 100.0% |

| Wealth Segment | |
|----------------|---------------|
| Mass Market | 59.7% |
| Mass Affluent | 30.1% |
| Core Affluent | 7.7% |
| HNW | 2.6% |
| TOTAL | 100.0% |

ABOUT COREDATA

CoreData Research is a global specialist financial services research and strategy consultancy. CoreData Research understands the boundaries of research are limitless and with a thirst for new research capabilities and driven by client demand; the group has expanded over the past few years into the Americas, Africa, Asia, and Europe.

CoreData Group has operations in Australia, the United Kingdom, the United States of America, Brazil, Singapore, South Africa and the Philippines. The group's expansion means CoreData Research has the capabilities and expertise to conduct syndicated and bespoke research projects on six different continents, while still maintaining the high level of technical insight and professionalism our repeat clients demand.

With a primary focus on financial services CoreData Research provides clients with both bespoke and syndicated research services through a variety of data collection strategies and methodologies, along with consulting and research database hosting and outsourcing services.

CoreData Research provides both business-to-business and business to- consumer research, while the group's offering includes market intelligence, guidance on strategic positioning, methods for developing new business, advice on operational marketing and other consulting services.

The team is a complimentary blend of experienced financial services, research, marketing and media professionals, who together combine their years of industry experience with primary research to bring perspective to existing market conditions and evolving trends.

CoreData Research has developed a number of syndicated benchmark proprietary indexes across a broad range of business areas within the financial services industry.

- Experts in financial services research
- Deep understanding of industry issues and business trends
- In-house proprietary industry benchmark data
- Industry leading research methodologies
- Rolling benchmarks

The team understands the demand and service aspects of the financial services market. It is continuously in the market through a mixture of constant researching, polling and mystery shopping and provides in-depth research at low cost and rapid execution. The group builds a picture of a client's market from hard data which allows them to make efficient decisions which will have the biggest impact for the least spend.



AUSTRALIA

SYDNEY

CoreData Pty Limited
Suite 7, Level 9, 66 Hunter St
Sydney, NSW, 2000

T: +61 2 9376 9600

E: sydney@coredata.com.au

PERTH

CoreData Pty Limited
191 St Georges Terrace,
Perth WA 6000

T: +61 8 6500 3216

E: perth@coredata.com.au

PHILIPPINES

CoreData Research Services Inc.
Unit E-1608 Philippine Stock
Exchange Centre,
Exchange Rd, Ortigas, Pasig City,
1605

T: +63 2 667 3996

E: info_ph@coredataresearch.com

UK

CoreData Research Ltd
6 Foster Lane,
London ECV 6HH
United Kingdom

T: +44 (0) 207 600 5555

E: info_uk@coredataresearch.com

US

CoreData Research LLC
15 Court Square, #450
Boston, 02108

T: +1 (857) 239 8398

E: info_us@coredataresearch.com