

Apps can have a harmful effect on personal finances

Nearly one in three Brits say apps encourage them to spend more and lose track of their outgoings

Apps are having a negative impact on personal finances for nearly one in three Brits, as they enable 'out of hours' spending.

New research from Financial Services Compensation Scheme (FSCS), the people who protect your money, shows that the average person has 10 apps on their electronic devices that help them to spend money.

Apps enable consumers to make purchases at times when they wouldn't ordinarily. The majority of spending through apps is done while in bed — either at the end (38%) or beginning (18%) of the day — but as many as one in seven (15%) do this while at work.

When compared to women, men are twice as likely to make impulsive purchases while out with friends or at the pub having drinksⁱ. Men also tend to spend more than women on apps for socialising, music and entertainment, travelling and gambling, whereas women favour using apps for food and general shoppingⁱⁱ.

The majority (61%) of those interviewed say apps make it easier to part with cash, with nearly one in three (31%) explaining apps have a negative impact on their finances — either meaning they spend more or lose track of outgoings.

Less than one in five (18%) respondents who have electronic devices have an app that helps them to save or manage their money better. Londoners are the most likely to have one of these, while those living in Wales are the least likely. [See table 2 for further regional breakdown.]

Those surveyed said they would be more likely to save if it were easier to set money aside (23%), if a savings tools could show them how much they could or should save (21%) or if they were given regular reminders to do so (16%).

Commenting on the findings, **Mark Oakes, Head of Communications at FSCS**, said: “Being able to make purchases at the touch of a button removes the thinking time you would usually have if you were in a shop. It requires discipline to stay in control of your money — not only spending but also saving — but it’s worth doing. Setting aside just a little a month can add up to a big sum; we are here to make sure your money is protected.”

For help on how to save, visit the Financial Service Compensation Scheme (FSCS) [website](#), where you can find, a range of tips and a savings tool that shows you how setting aside a little each month can add up over time.

Notes to editors:

Table 1. Gender comparison of monthly spending through apps, in no particular order

Type of app	Male spending (average per month)	Female spending (average per month)
Essential food (e.g. Tesco, Asda, Sainsburys, Waitrose etc.)	£26.62	£41.31
Non-essential food (e.g. Deliveroo, Hungry House, Just Eat)	£11.57	£15.27
Pampering/treatments (e.g. Treatwell)	£4.19	£5.08
General shopping (e.g. Amazon, Paypal)	£32.99	£41.16
Socialising (e.g. Yplan)	£4.18	£3.06
Music (e.g. Spotify, iTunes store)	£6.43	£4.58
Entertainment (e.g. Netflix, Amazon video)	£9.09	£6.07
Travel (e.g. Uber, Hailo, Lyft, Addison Lee)	£7.56	£7.26
Gambling (e.g. BetFred, PaddyPower)	£10.05	£5.32
Other	£2.72	£2.18
Total	£115.39	£131.00

Table 2. Regional comparison

Rank	Region	Average amount spent (£) per month	Average number of apps that help them spend	% who have an app that helps them save/budget
1	London	£173.78	12.57	28.80%
2	East	£112.07	9.92	21.60%
3	Midlands	£103.50	10.11	20.10%
4	Yorkshire	£95.71	8.16	17.60%
5	South East	£110.48	8.46	17.30%
6	Northern Ireland	£140.61	10.05	17.20%
7	South West	£115.23	8.22	15.90%
8	North East	£99.88	8.00	14.80%
9	North West	£93.26	8.15	14.30%
10	Scotland	£102.06	11.02	11.90%
11	Wales	£125.59	9.27	10.70%

Unless stated otherwise, all research referenced within the release was conducted by Censuswide among a nationally representative sample of 2,027 UK adults (18+). The research was conducted in March 2017.

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What is FSCS?

FSCS protects consumers when financial services firms go bust. It's the compensation scheme for customers of UK authorised financial services firms. It can compensate customers if a firm has stopped trading. The service is free and the Scheme is independent. It protects deposits (savings and current accounts up to £85k limit), investment business, home finance (mortgage) advice, insurance policies and insurance broking.

What is Money Means?

Money Means is a news and information series written by independent financial and consumer journalists and experts. FSCS launched Money Means in May 2016 to help give people clear and useful information about personal finance, to

increase their understanding and confidence when dealing with money. Sign up to Money Means at <https://protected.fscs.org.uk>

ⁱ Source: Censuswide. 8% of men make purchases through apps while out with friends (compared to 5% of women) — and 7% of men make purchases through apps while at the pub for drinks (compared to 3% of women).

ⁱⁱ Source: Censuswide. See table 1 for further details.