

Daily spending down 1.8% in March as Australians cut back on spending

4 April 2023

Sydney, Australia – The average daily spend for Australians dropped 1.8% to \$57.17 in March 2023, down from \$58.23 in February, according to new data from the Beforepay Cost of Living Index. The latest figures show reduced spending across 7 key categories, including groceries, utilities and fitness and health, as consumers adjust their habits to keep up with the cost of living. The number is also down year-on-year, reflecting a 7.3% decrease from the average daily spend of \$61.68 in March 2022.

The data, derived from more than 350,000 Australians, reveals households are cutting back on non-discretionary expenses. The average daily spend for entertainment and leisure dropped 3.2% month-on-month to \$3.00 in March 2023, down from \$3.10 in February 2023. Spending in this category also saw the largest year-on-year decrease, down 18.5% from \$3.68 in March 2022.

Expenses for durable shopping and fitness and health also saw similar relative month-on-month reductions. Spending for durable shopping in March 2023 dropped 5.6% to \$6.21, compared to \$6.58 in February 2023. Meanwhile fitness and health expenses were down 5.7% to \$2.34 in March 2023 from \$2.48 in February 2023.

As households continue to navigate rising living expenses, spending on necessities slightly decreased, on average, by 1% in March 2023.

Grocery spending dropped by 1.4% from a daily average of \$15.27 in February 2023 to \$15.06 in March 2023. Petrol and auto expenses also saw a 1% decrease from \$7.95 in February 2023 to \$7.87 in March 2023.

"With this change in spending behaviour, it's clear that consumers are adjusting their spending patterns in response to the current economic climate," says Jamie Twiss, Beforepay CEO.

"We see Australians starting to make active and conscious choices around how and where they spend their money. Although this suggests Australians are now feeling the impact of inflation, it's positive to see more households turning towards budgeting and smart spending to reduce the pressures of surging prices and manage their financial wellbeing."

The Beforepay Cost of Living Index includes various household expenses such as utilities, groceries, food and drink, shopping, petrol, and fitness and health, providing a comprehensive overview of consumer spending.

March 2023

Beforepay Cost of Living Index

The Beforepay Cost of Living Index tracks the Australian average daily spend across key spending categories including shopping, petrol, utilities, and groceries.

\$ 57.17

March 2023

∨ **1.8%**
m/m

∨ **7.3%**
y/y

\$ 58.23

February 2023

\$ 61.68

March 2022

Cost of Living Index March 2023 Update

	Mar 2022	Apr 2022	May 2022	Jun 2022	Jul 2022	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023
Cost Of Living Index	\$61.68	\$59.35	\$57.36	\$56.24	\$66.46	\$83.27	\$58.81	\$59.78	\$60.48	\$62.02	\$56.83	\$58.23	\$57.17
Sub Categories													
Groceries	\$15.38	\$14.82	\$14.74	\$14.41	\$15.96	\$18.89	\$15.20	\$15.54	\$15.48	\$15.33	\$15.27	\$15.27	\$15.06
Food & Drink	\$11.49	\$11.27	\$10.67	\$10.55	\$12.58	\$14.55	\$11.15	\$10.87	\$10.74	\$10.66	\$10.22	\$10.08	\$10.15
Petrol And Auto	\$8.76	\$8.14	\$8.10	\$8.08	\$8.71	\$10.63	\$7.91	\$8.10	\$8.34	\$7.97	\$7.60	\$7.95	\$7.87
Shopping	\$7.78	\$7.49	\$7.17	\$7.06	\$9.39	\$10.55	\$7.13	\$7.24	\$7.74	\$9.73	\$6.44	\$6.59	\$6.53
Utilities	\$5.33	\$5.02	\$5.15	\$5.15	\$5.83	\$8.02	\$5.32	\$5.81	\$5.82	\$5.63	\$5.80	\$6.18	\$6.01
Entertainment & Leisure	\$3.68	\$3.52	\$3.10	\$2.57	\$3.17	\$4.25	\$3.13	\$3.25	\$3.20	\$3.31	\$3.07	\$3.10	\$3.00
Durable Shopping	\$7.08	\$6.88	\$6.26	\$6.25	\$8.28	\$12.53	\$6.62	\$6.55	\$6.73	\$6.84	\$6.08	\$6.58	\$6.21
Fitness & Health	\$2.18	\$2.21	\$2.17	\$2.17	\$2.54	\$3.85	\$2.35	\$2.42	\$2.43	\$2.55	\$2.35	\$2.48	\$2.34

Note: Data is derived from Beforepay data, not adjusted for seasonality. It is provided for general info only and shouldn't be relied on. See full disclaimer at blog.beforepay.com.au/the-beforepay-cost-of-living-index-march-2023

About the Beforepay Cost of Living Index

The Beforepay Cost of Living Index shows the average daily spend of Beforepay registered users across multiple household expense categories. The average income of customers in the sample is approximately \$56,000 and the average age is 33, with a broadly representative geographic and gender breakdown. The data may vary depending on the main bank account linked with Beforepay. To the maximum extent permitted by law, Beforepay and its related bodies corporate, make no representation or warranty, express or implied, as to the accuracy, completeness, timeliness or reliability of the contents of this article and do not accept any liability for any loss whatsoever arising from the use of this article or its contents or otherwise arising in connection with it.

For more information about the Cost of Living Index visit:

<https://blog.beforepay.com.au/the-beforepay-cost-of-living-index-march-2023>

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About Beforepay

- Beforepay was founded in 2019 to support working Australians who have not been well-served by the traditional financial-services industry.
- Beforepay is an ethical, customer-friendly way to help people manage temporary cash- flow challenges.
- We've created a simple, transparent and inexpensive fee model that gives our customers total control. Importantly, unlike traditional products like credit cards, we charge only a small transaction fee, zero interest and no late fees.
- We take our commitment to providing funds responsibly very seriously, and that includes only providing funds to people who meet our strict safeguards.
- Our app also includes free budgeting tools and spending insights. For more information visit: www.beforepay.com.au