

February sees 4.6% uplift in spending with a twist in Valentine's day habits

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Sydney, Australia – Consumer spending increased 4.6% month-on-month this February, according to insights from Beforepay's Cost of Living Index. New data shows daily average spending rose to \$60.78 in February, up from \$58.12 in January. This increase reflects the seasonal post-holiday recovery seen in previous years, although the month-on-month increase was higher this year in comparison to the 2.5% rise between January and February 2023.

Spending on entertainment and leisure was the largest driver of the month-on-month increase, up 37.3% from \$3.19 to \$4.38 as Australians celebrated Valentine's Day.

Additional data, based on insights from 163,000 registered Beforepay users who recorded spending across entertainment, shopping and food and drink on the day, reveals an average Valentine's Day spend of \$78, down from \$101 in 2023. This may be an indicator of a shift in spending priorities amidst economic pressures, as daily average spending on food and drink dropped 6% to \$9.90 from \$10.53 in January. Conversely, shopping increased a considerable 10.3% month-on-month to \$7.50 from \$6.80.

Other notable increases include utilities, up 10.5% to \$6.74 from \$6.10, possibly in response to the changing seasons, and fitness and health, up 18.4% to \$2.90 from \$2.45, likely driven by New Year's resolutions. Durable shopping also increased 4.1% month-on-month to \$2.90 from \$2.49, while petrol and auto saw a slight increase of 2% to \$7.68 from \$7.53.

Groceries saw the least amount of change month-on-month, dipping just 0.7% to \$15.07 from \$15.17.

"The February Cost of Living Index offers valuable insights into how Australians navigate their financial priorities amidst seasonal and societal influences. This Valentine's Day, while traditional spending on romantic gestures saw a decrease, the overall increase in February's spending signals a broader confidence and willingness to invest in personal well-being and leisure. It's a reminder of the dynamic nature of consumer behaviour and the importance of financial flexibility," said Jamie Twiss, CEO of Beforepay.

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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. As of June 2023, the average annual individual Beforepay customer gross income was \$60,469 (counting only the main source of income) 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 the Beforepay website:

<https://blog.beforepay.com.au/tag/cost-of-living-index>

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About Beforepay

Beforepay Group is an ethical-lending fintech founded in 2019 to create safe and affordable lending products.

Beforepay Group operates two business lines: Carrington Labs, which builds and deploys AI-powered loan-decisioning systems and high-efficiency lending platforms, and Beforepay, the Company's direct-to-consumer business.

Beforepay's flagship pay advance product is a safe and affordable way for customers to access a portion of their pay, on demand, for a single fixed fee to help them through short-term cash-flow challenges.

The Beforepay app also includes free budgeting tools and spending insights.

For more information visit: www.beforepay.com.au