Group 4- Survey Project Report

Lockdown savings and spending

Research topic and background

With Covid-19 outbreak taking over the world, the UK has been one of the many countries shutting down for a months-long quarantine as a response. The overall effect of the virus on the UK economy; erased around a quarter of GDP in 2020 Q2 [PWC, 2020]. Millions had to stay indoors after the declaration of a public health emergency by WHO. The results from both policy and consumers' changes in behaviour, have had major impacts on consumer spending patterns.

In a national survey (Institute of Fiscal Studies), economists explored the spending and saving during the Covid-19 crisis. Findings include a 'forced savings' era meaning spending declined while spending on groceries rose during lockdown. The World Economic Forum also conducted research on how Covid-19 has changed consumer spending. Their findings show that spending is down across all industries, as lockdown measures are restricting.

This report covers a range of options on how people have saved or spent during the Lockdown (23rd March 2020 and 23rd April 2020). (Results in appendices).

Tables included in the text of this report highlight selected relevant survey findings and are expressed in percentages. The base for each table is all respondents (n=1,500) unless otherwise noted. In reading this data, when the percent sign (%) appears at the top of a column, the numbers add vertically; when the % appears at the left of a row, the numbers add horizontally. An asterisk (*) indicates less than one percent; a double hyphen (--) indicates zero.

All figures have been rounded, so tables may not add to 100%. This is due to weighting, rounding, omission of "don't know," or "refused," and other responses, or, in the case of multiple response questions, percentages add to more than 100%.

Our domain concepts were based on whether participants saved more money or spent more money during the UK government lockdown. The UK government lockdown rules were requiring people to stay at home, except for very limited purposes, closing certain businesses and venues. This was to explore how participants handled their money and what areas they either saved or spent that money.

Our survey:

Group 4 – Lockdown Spending and Savings

Thank you for taking our survey :)

We want to investigate how much people have spent and saved on average- between 23rd March 2020 - 23rd April 2020 (Lockdown). During these tough times we want to see if people's financial state has worsened or improved during Lockdown.

All responses are anonymous. This survey should not take more than 5 minutes to complete.

*Required

Information about you

Age *

○ Under 18

○ 18 - 24

○ 25 - 34

○ 35 - 44

○ 45+

○ Other: _____

Figure 1

Gender *

○ Female

○ Male

○ Prefer not to say

○ Other: _____

Online Shopping
We want to investigate how much you spent and saved in terms of Online Shopping during Lockdown 23rd March to 23rd April 2020

Definition of "Online Shopping": the action or activity of buying goods or services over the internet.

How much did you spend between 23rd March to 23rd April on Online Shopping?
*

Average spending- 23rd March to 23rd April 2020 (during Lockdown)

○ £0 - £20

○ £20.01 - £40

○ £40.01 - £60

○ 60.01 - £80

○ £80.01+

Figure 2

How much did you save between 23rd March to 23rd April from not Shopping Online? (not purchasing items online) *

Average saving- 23rd March to 23rd April 2020 (during Lockdown)

○ £0 - £20

○ £20.01 - £40

○ £40.01 - £60

○ 60.01 - £80

○ £80.01+

Hospitality
We want to investigate how much you spent and saved in terms of Hospitality during Lockdown- 23rd March to 23rd April 2020

Definition of "Hospitality": the generous reception and entertainment of guests, visitors, or strangers. (Examples: restaurants, bars and pubs)

How much did you spend between 23rd March to 23rd April on Hospitality? *

Average spending- 23rd March to 23rd April 2020 (during Lockdown)

○ £0 - £20

○ £20.01 - £40

○ £40.01 - £60

○ 60.01 - £80

○ £80.01+

Figure 3

How much did you save between 23rd March to 23rd April on no Hospitality? (not hosting guests or parties) *

Average saving- 23rd March to 23rd April 2020 (during Lockdown)

- ○ £0 - £20
- ○ £20.01 - £40
- ○ £40.01 - £60
- ○ 60.01 - £80
- ○ £80.01+

Transport

We want to investigate how much you spent and saved in terms of Transport during Lockdown- 23rd March to 23rd April 2020

Definition of "Transport": go from one place to another by means of a vehicle, aircraft, or ship.

How much did you spend between 23rd March to 23rd April on Transport? *

Average spending- 23rd March to 23rd April 2020 (during Lockdown)

- ○ £0 - £20
- ○ £20.01 - £40
- ○ £40.01 - £60
- ○ 60.01 - £80
- ○ £80.01+

Figure 4

How much did you save between 23rd March to 23rd April by not using Transport? (not using forms of transport or public transport eg: trains or cars) *

Average saving- 23rd March to 23rd April 2020 (during Lockdown)

○ £0 - £20

○ £20.01 - £40

○ £40.01 - £60

○ 60.01 - £80

○ £80.01+

Leisure

We want to investigate how much you spent and saved in terms of Leisure during Lockdown- 23rd March to 23rd April 2020

Definition of "Leisure": when one is not working or occupied; free time; use of free time for enjoyment. (Examples: sports, music, cinema, galleries)

How much did you spend between 23rd March to 23rd April on Leisure Activities?
*

Average spending- 23rd March to 23rd April 2020 (during Lockdown)

○ £0 - £20

○ £20.01 - £40

○ £40.01 - £60

○ 60.01 - £80

○ £80.01+

Figure 5

How much did you save between 23rd March to 23rd April by not doing Leisure Activities? (not taking part in leisure activities eg: sports and clubs) *

Average saving- 23rd March to 23rd April 2020 (during Lockdown)

○ £0 - £20

○ £20.01 - £40

○ £40.01 - £60

○ 60.01 - £80

○ £80.01+

Other

We want to investigate how much you spent and saved during Lockdown- 23rd March to 23rd April 2020

Other areas could include- rent, income etc

What were other areas you spent money on- between 23rd March to 23rd April 2020? *

Your answer

Figure 6

How much did you spend on these areas- between 23rd March to 23rd April 2020? *

Average spending- 23rd March to 23rd April 2020 (during Lockdown)

○ £0 - £20

○ £20.01 - £40

○ £40.01 - £60

○ 60.01 - £80

○ £80.01+

What were other areas you saved money on- between 23rd March to 23rd April 2020? *

Your answer

How much did you save on these areas- between 23rd March to 23rd April 2020? *

Average savings- 23rd March to 23rd April 2020 (during Lockdown)

○ £0 - £20

○ £20.01 - £40

○ £40.01 - £60

○ 60.01 - £80

○ £80.01+

Figure 7

Survey design

To start, we described the areas we wanted to investigate and that the responses are anonymous to allow for more honest answers and avoid participant bias.

First section "information about you" (figure 1 and 2); aims to get more information about the participant to allow us to see the financial habits in different demographics. We listed options for the age groups (figure 1) and genders (figure 2) as some participants may not feel comfortable to give their exact age and the "other" option was to allow users to type in their answer.

First area of research was on "online shopping" (figure 2 and 3). Started this section with a description; finding out the amount of spending and savings on online shopping with the specific dates. We also included the Dictionary Definition of what online shopping means and entitles. This is so participants can answer as accurately as possible based on what online shopping is.

Our remaining areas were "hospitality" (figure 3 and 4), "transport" (figure 4 and 5) and ``leisure" (figure 5 and 6) . We included the Dictionary Definition of what they mean and examples.

Our first question in "online shopping" (figure 2), "hospitality" (figure 3), "transport" (figure 4), "leisure" (figure 5) was on the spending on these areas during lockdown. We included the dates in the question and in the description to ensure users were thinking about the amount in that specific month (which could alter their answer). We added multiple options that the participant could choose from. We wanted to have numeric ranges to allow us to get data we could analyse numerically and allow the user to be accurate and avoid anomalous results inputted. Our next question in "online shopping" (figure 3), "hospitality" (figure 4), "transport" (figure 5), "leisure" (figure 6) was on the savings during lockdown. We used the same options as the first questions.

Our last section is "other" (figure 6 and 7). We started this section with why we want to investigate other areas and we mentioned some areas that participants could talk and think about (like rent or income).

The first question and third question in this section (figure 6 and 7) asks users to enter areas that they spent or saved money on. This allows users to type their answer. We did this to allow users to share other areas that we may not have investigated or thought of and it gives us greater representation.

Second and last question in this section (figure 7) asks users to select the amount of spending and savings in the areas they mentioned. We used the same options from the previous sections to allow us to still have numeric data to analyse.

Analysis

We received 56 responses. Our key variables are age (numeric), gender (closed question and 1 option to type answer), spending and savings on online shopping, hospitality, transport and leisure (numeric data), other areas people saved and spent (open question), the amounts they saved and spent on those other areas (numeric data).

54.5% of our demographics were between the ages of 18 to 24 years old and females (60%). Results show that most of our participants (45.5%) spent over £80.01 and saved less than £20 (47.3%). A greater proportion of our participants spent less on hospitality (60%) £0-£20 however (49.1%) saved £0 - £20 on hospitality. On transport participants (61.8 %) spent £0-£20 however (32.7%) saved £80.01+. A huge majority (83.6%) spent £0 - £20 on leisure activities but only (25.5%) saved £80.01+.

58.2% of our participants spent over £80.01:

1. Bills
2. Crafts
3. Furniture
4. PPE
5. Rent
6. Mortgage

43.6% of our participants saved less than £20 on:

1. Eating out
2. Shopping for clothes
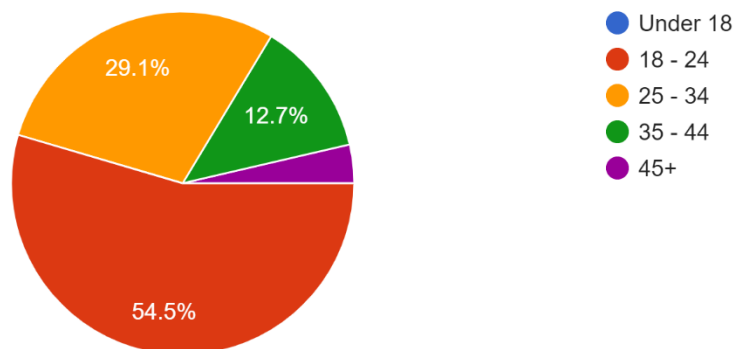3. Home
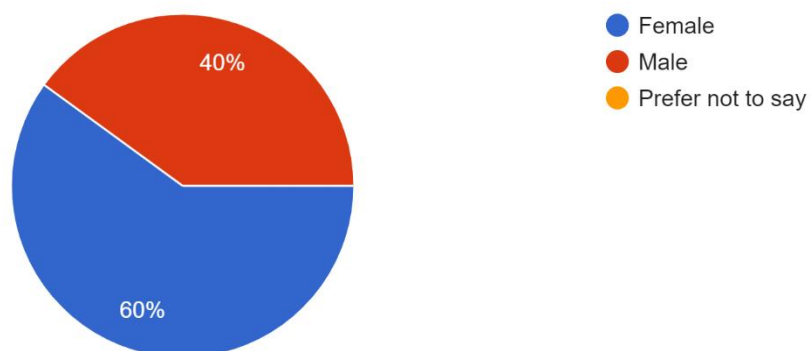4. Office lunches

Age
55 responses

Legend:
- Under 18
- 18 - 24
- 25 - 34
- 35 - 44
- 45+

29.1%
12.7%
54.5%

Figure 8

Gender
55 responses

Legend:
- Female
- Male
- Prefer not to say

40%
60%

Figure 9

How much did you spend between 23rd March to 23rd April on Online Shopping?
55 responses

Legend:
- £0 - £20
- £20.01 - £40
- £40.01 - £60
- 60.01 - £80
- £80.01+

45.5%
16.4%
9.1%
14.5%
14.5%
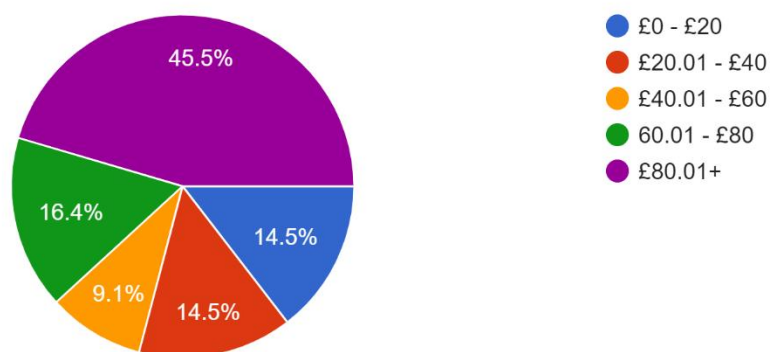
Figure 10

How much did you save between 23rd March to 23rd April from not Shopping Online? (not purchasing items online)

55 responses

Legend:
- £0 - £20
- £20.01 - £40
- £40.01 - £60
- 60.01 - £80
- £80.01+

47.3%, 18.2%, 23.6%
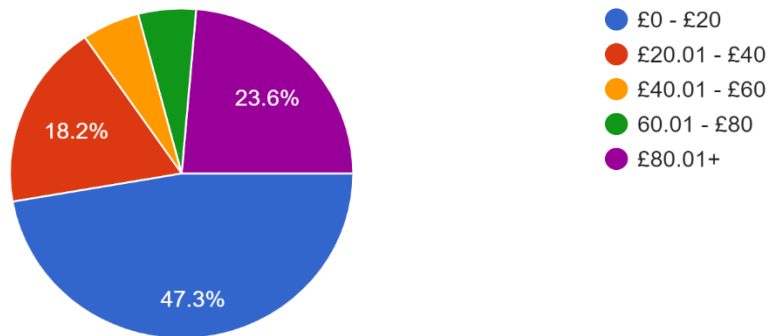
Figure 11

How much did you spend between 23rd March to 23rd April on Hospitality?

55 responses

Legend:
- £0 - £20
- £20.01 - £40
- £40.01 - £60
- 60.01 - £80
- £80.01+

60%, 20%, 7.3%
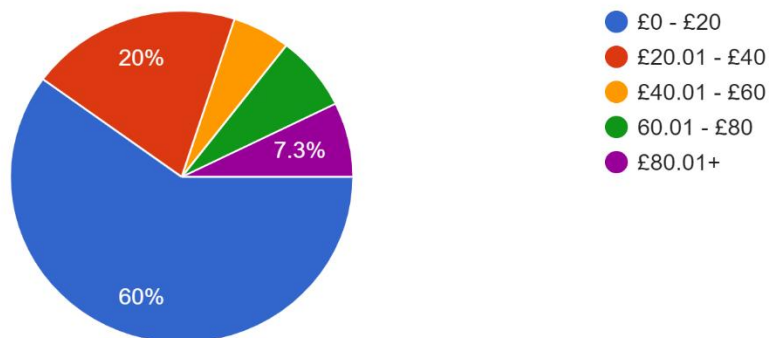
Figure 12

How much did you save between 23rd March to 23rd April on no Hospitality? (not hosting guests or parties)

55 responses

Legend:
- £0 - £20
- £20.01 - £40
- £40.01 - £60
- 60.01 - £80
- £80.01+

49.1%, 12.7%, 10.9%, 21.8%
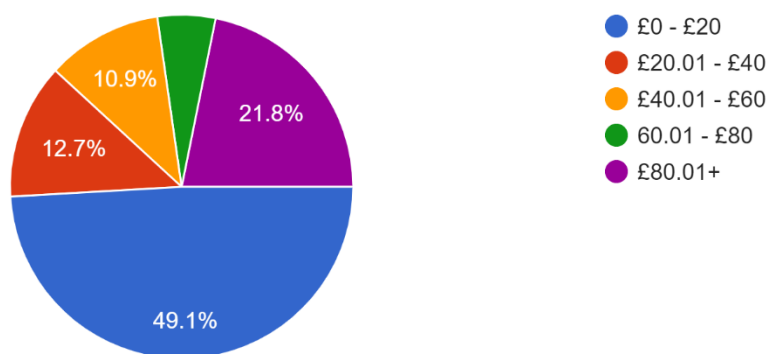
Figure 13

How much did you spend between 23rd March to 23rd April on Transport?

55 responses

Legend:
- £0 - £20
- £20.01 - £40
- £40.01 - £60
- 60.01 - £80
- £80.01+

Pie chart values: 61.8%, 16.4%, 9.1%
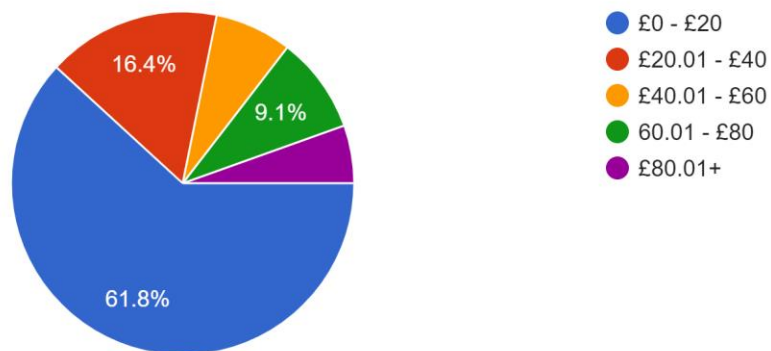
Figure 14

How much did you save between 23rd March to 23rd April by not using Transport? (not using forms of transport or public transport eg: trains or cars)

55 responses

Legend:
- £0 - £20
- £20.01 - £40
- £40.01 - £60
- 60.01 - £80
- £80.01+

Pie chart values: 32.7%, 36.4%, 20%, 9.1%
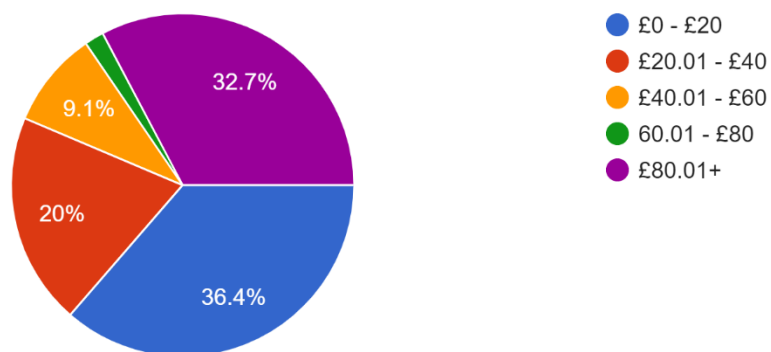
Figure 15

How much did you spend between 23rd March to 23rd April on Leisure Activities?

55 responses

Legend:
- £0 - £20
- £20.01 - £40
- £40.01 - £60
- 60.01 - £80
- £80.01+

Pie chart values: 83.6%
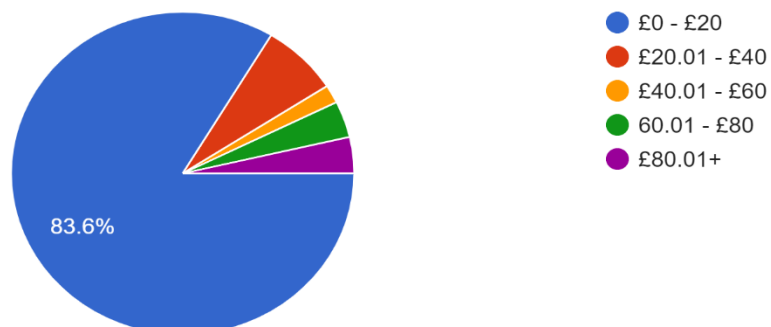
Figure 16

How much did you save between 23rd March to 23rd April by not doing Leisure Activities? (not taking part in leisure activities eg: sports and clubs)

55 responses

Legend:
- £0 - £20
- £20.01 - £40
- £40.01 - £60
- 60.01 - £80
- £80.01+

Pie chart values: 40%, 18.2%, 14.5%, 25.5%
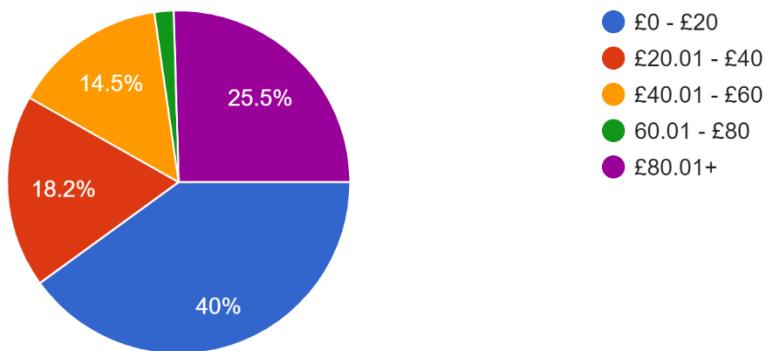
Figure 17

What were other areas you spent money on- between 23rd March to 23rd April 2020?

55 responses

Categories (x-axis): Bills, takeout | Crafts | Food | Furniture | Groceries and h… | Masks and Sanit… | Non | Online home sh… | PPE | Shopping | food | rent, mont…

Labels: 2 (3.6%), 2 (3.6%), 2 (3.6%) (3.6%), 2 (3.6%) 2 (3.6%) (3.6%), 1 (1.8%)
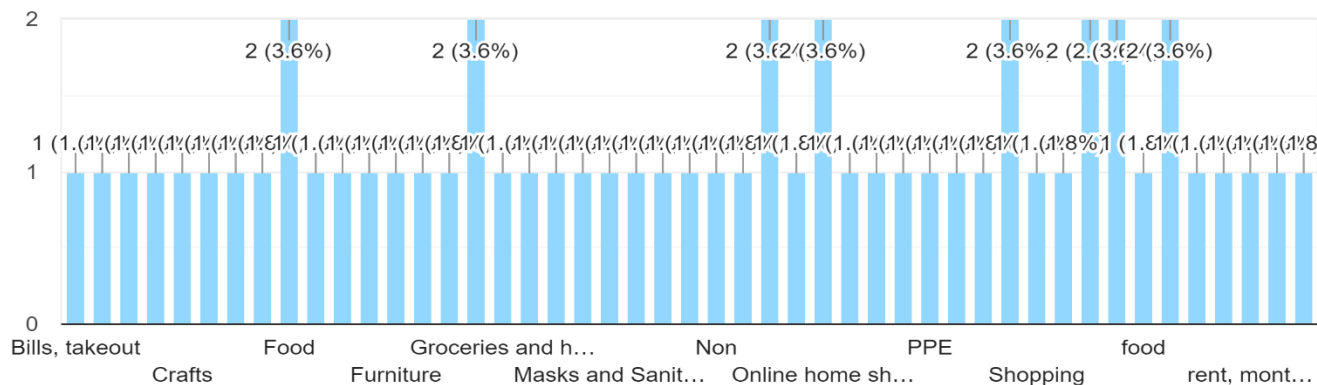
Figure 18

How much did you spend on these areas- between 23rd March to 23rd April 2020?

55 responses

Legend:
- £0 - £20
- £20.01 - £40
- £40.01 - £60
- 60.01 - £80
- £80.01+

Pie chart values: 58.2%, 16.4%, 10.9%, 10.9%
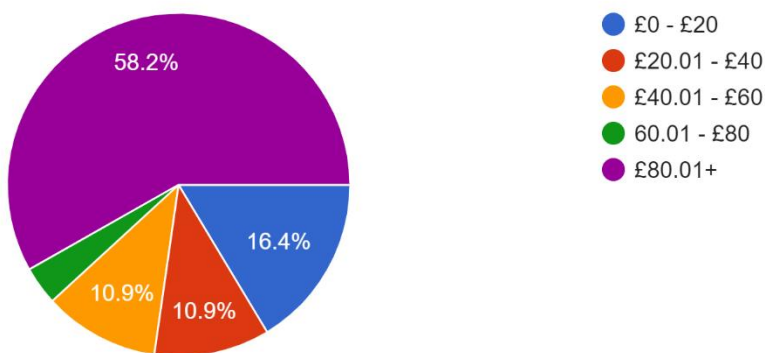
Figure 19

What were other areas you saved money on- between 23rd March to 23rd April 2020?
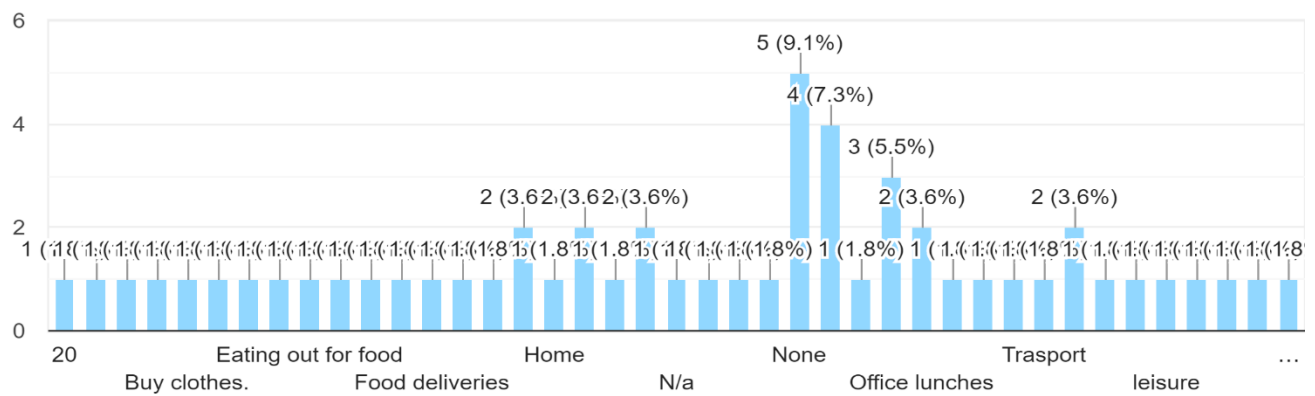
55 responses

Figure 20

How much did you save on these areas- between 23rd March to 23rd April 2020?

55 responses
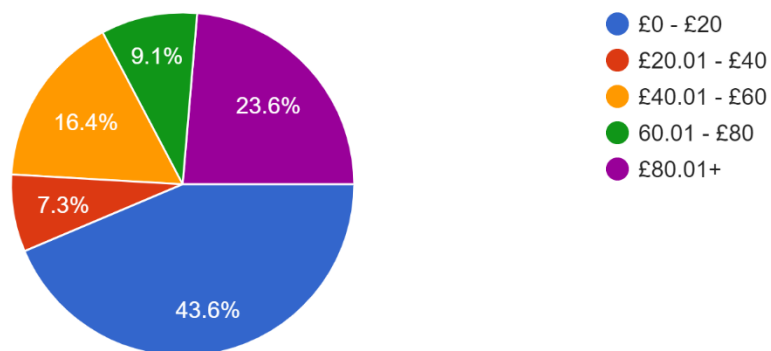
Figure 21

Shopping savings and expenses
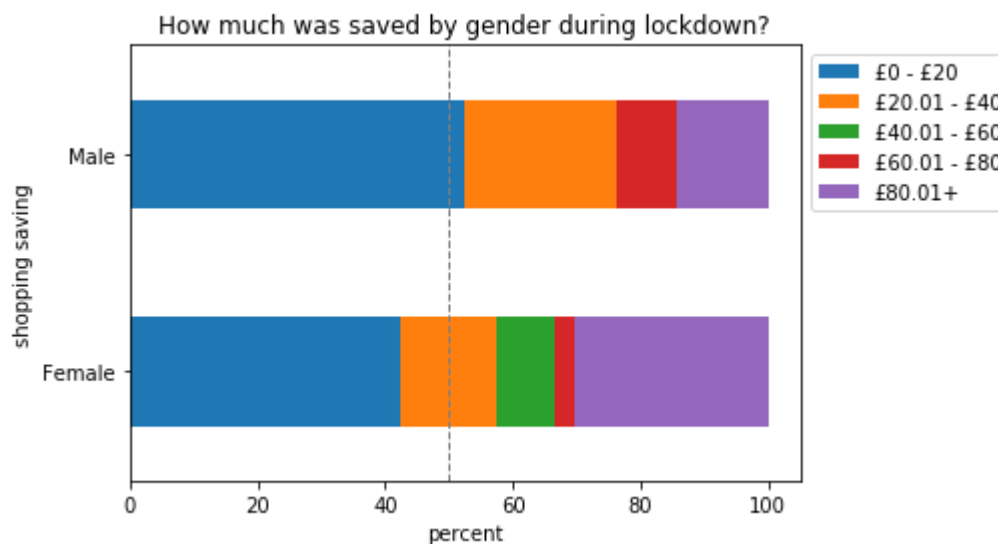
Figure 22
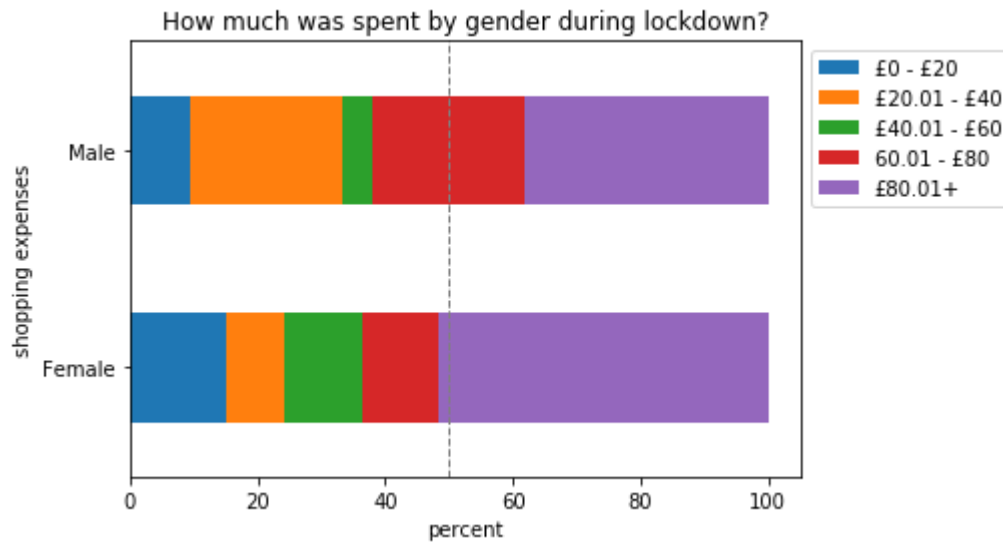
Figure 23

Here we can see male and female participants spent more during lockdown then saved with shopping. This is shown by the largest bar in savings is category £0-£20, whereas expenses largest bar is category £80.01+.Male participants saved more in the £0 - £20 category then females and female participants saved more in the £80.01+ category.
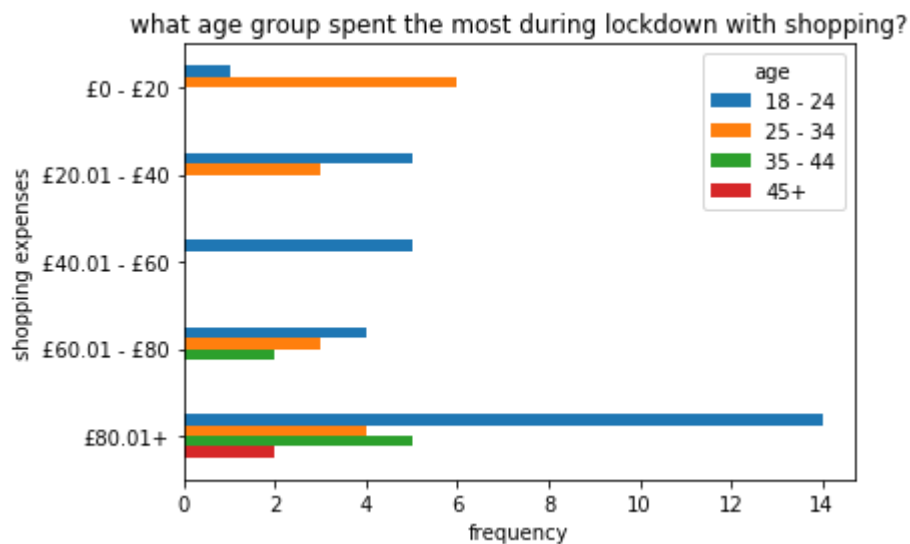
Figure 24
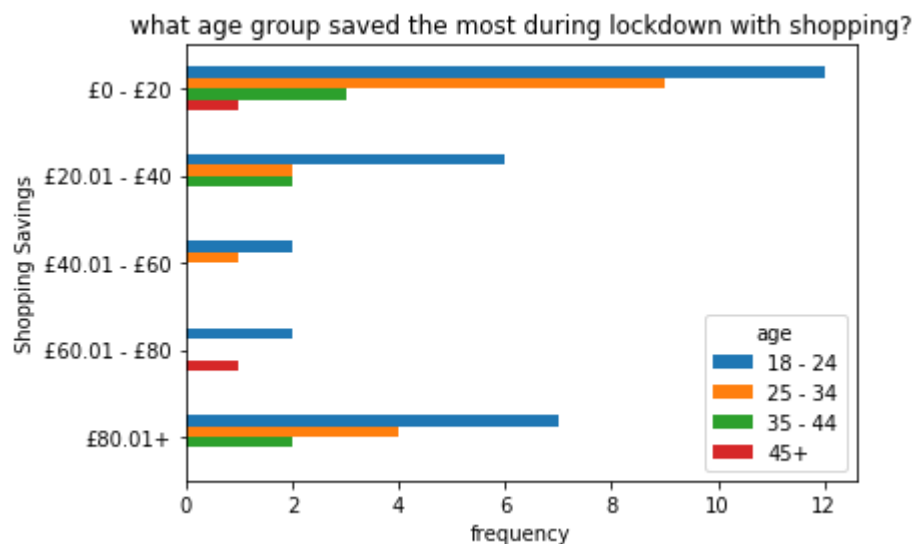
Figure 25

With age and shopping we can see age groups 18-24 spent more in shopping expenses but they are also the highest groups in savings across all saving categories. Age group 25-34 spent roughly the same across all expenses categories and saved the second highest in the categories £0-£20 and £80.01+.

Hospitality savings and expenses
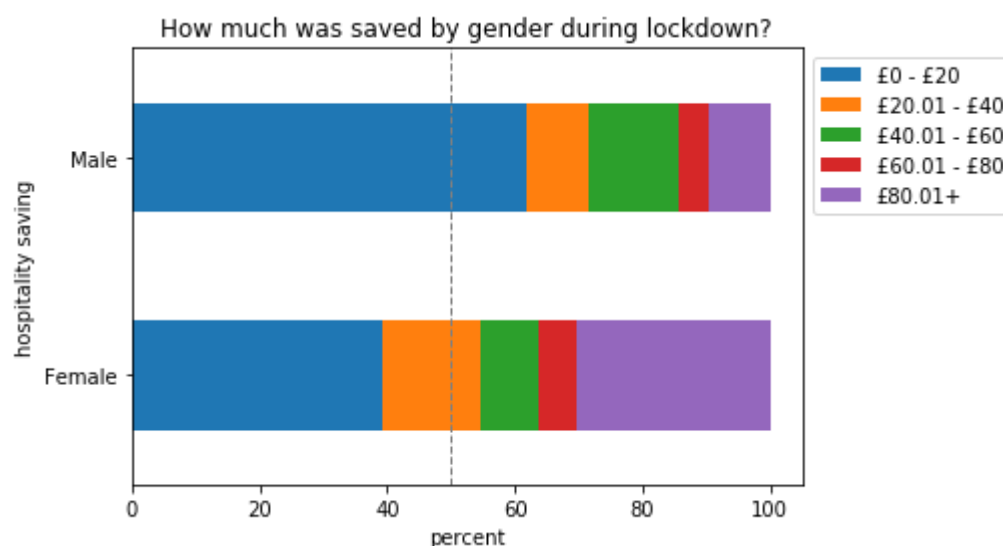
Figure 26
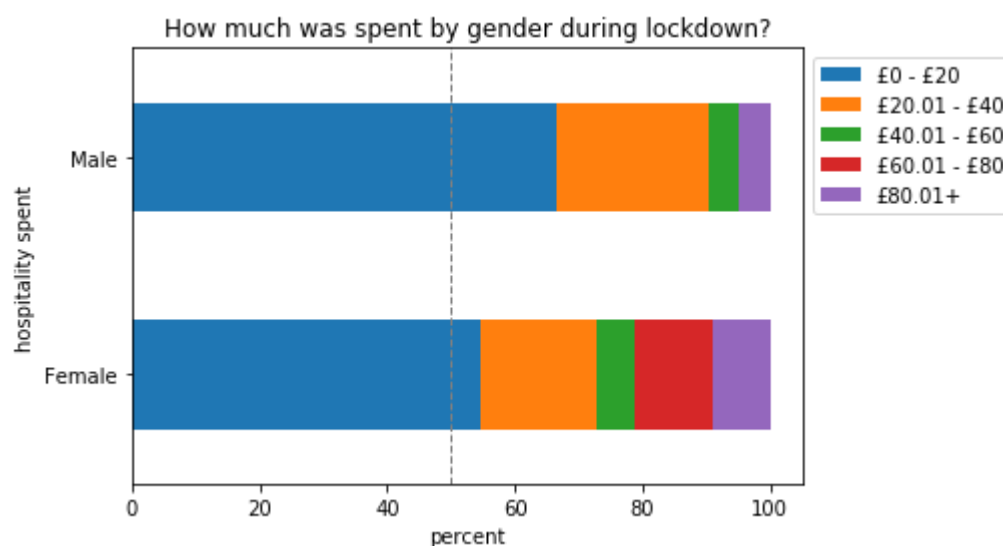
Figure 27

With hospitality we can see a roughly similar comparison between spending and saving. Both male and female spent and saved in the £0-£20 category, with male participants saving 60% in the £0-£20 category. Female participants saving 25% in the £80.01+ category. Both male and female spent over 50% in the £0-£20 category.
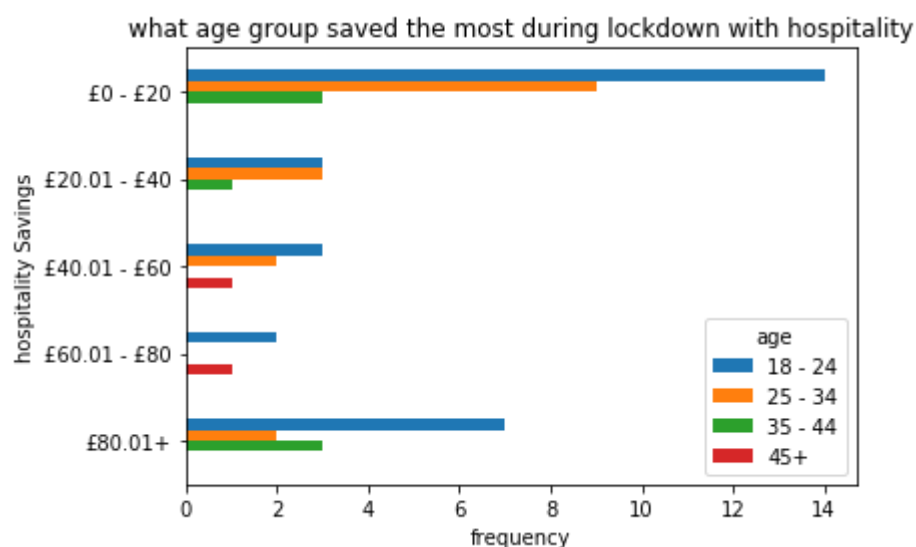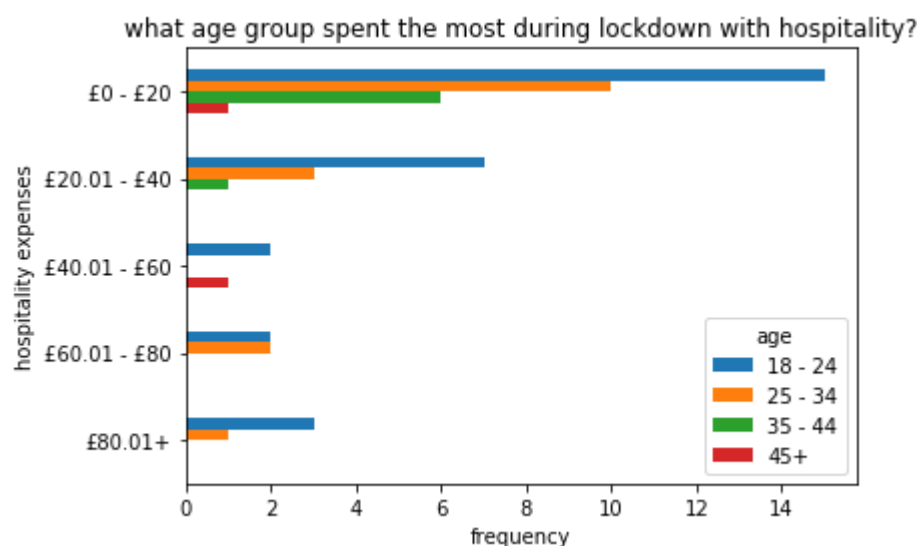

Figure 28

Figure 29

Like the previous charts in hospitality, people across age groups saved a lot more than they spent during lockdown. Age group 18-24 and 25-34 spent and saved an equal amount in the category £0-£20. Age group 18-24 saved the most in the £80.01+ category and compared to the spending chart, participants saved a lot more than they spent during lockdown.

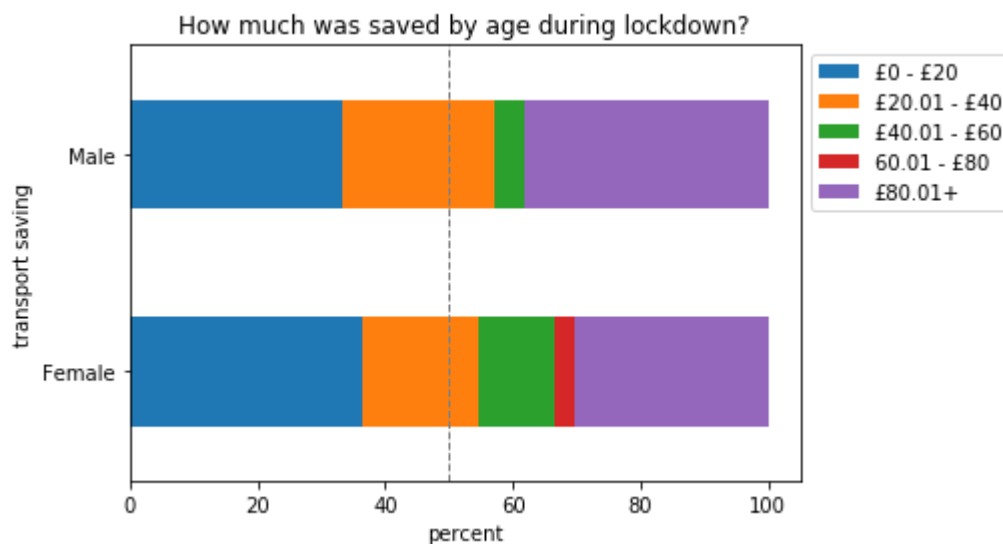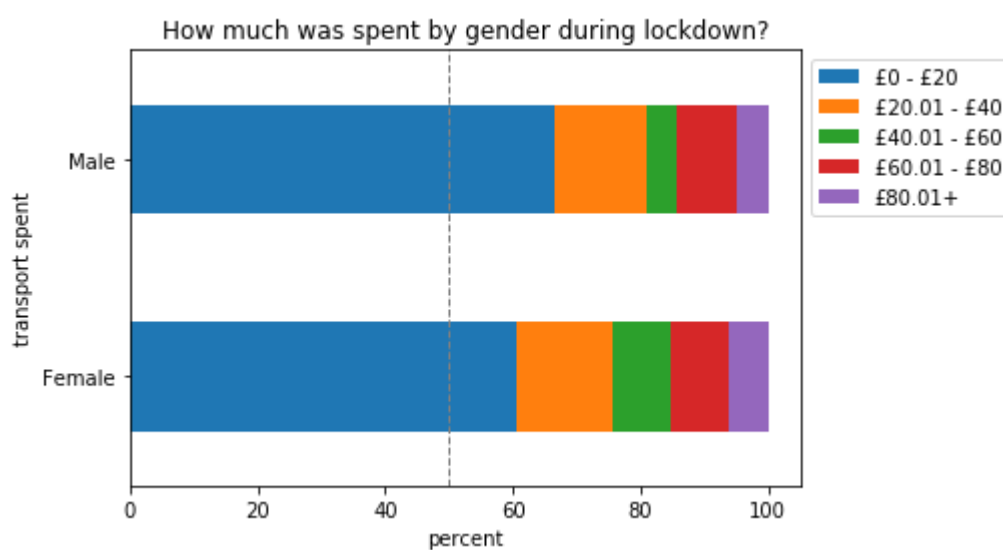**Transport savings and expenses**

Figure 30

Figure 31

Both male and female participants saved more than they spent. Both male and female spent over 50% in the category £0-£20 and saved overall the highest compared to the other questions.
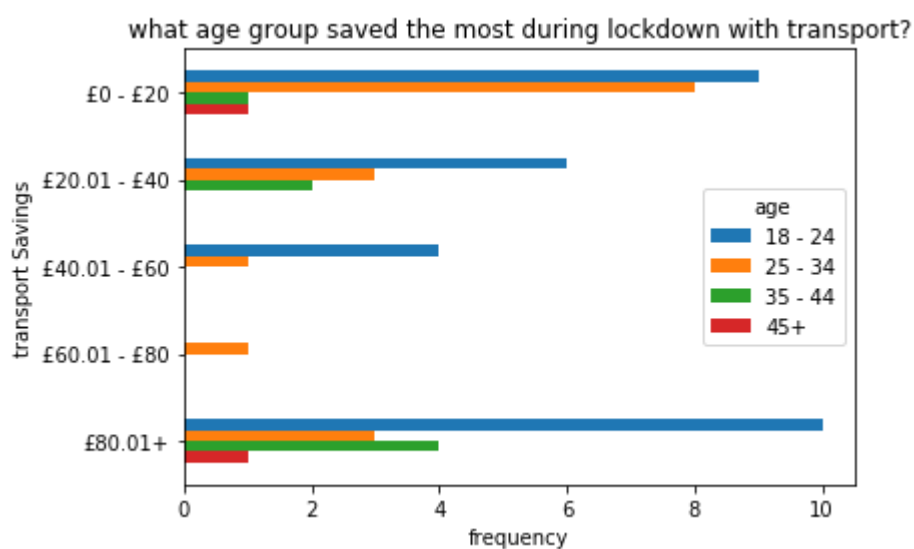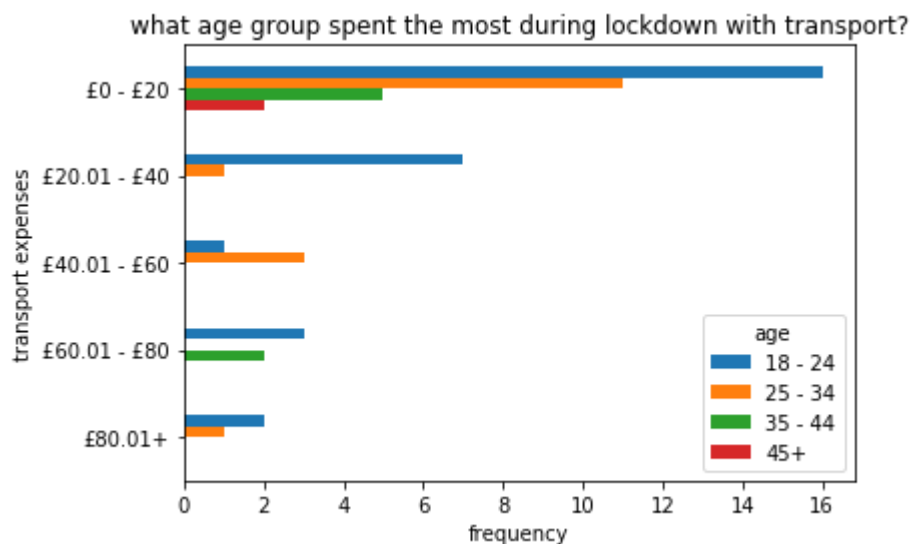

Figure 32

Figure 33

Like the gender charts, age groups saved very high in the transport saving group, with age group 18-24 saving the highest. Age groups 18-24 and 25-34 were still spending very high across all the spending categories with some participants still spending between £20-40 and £80.01+.
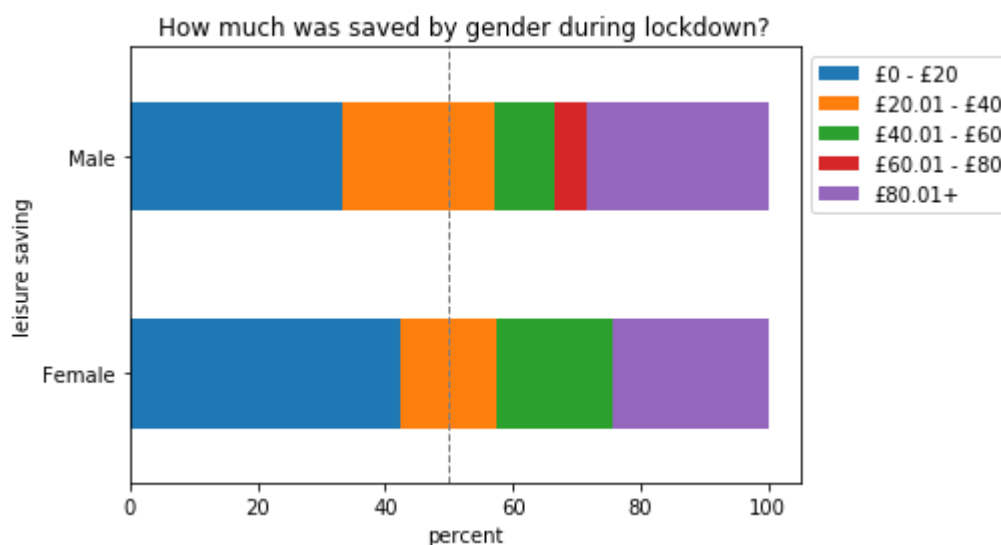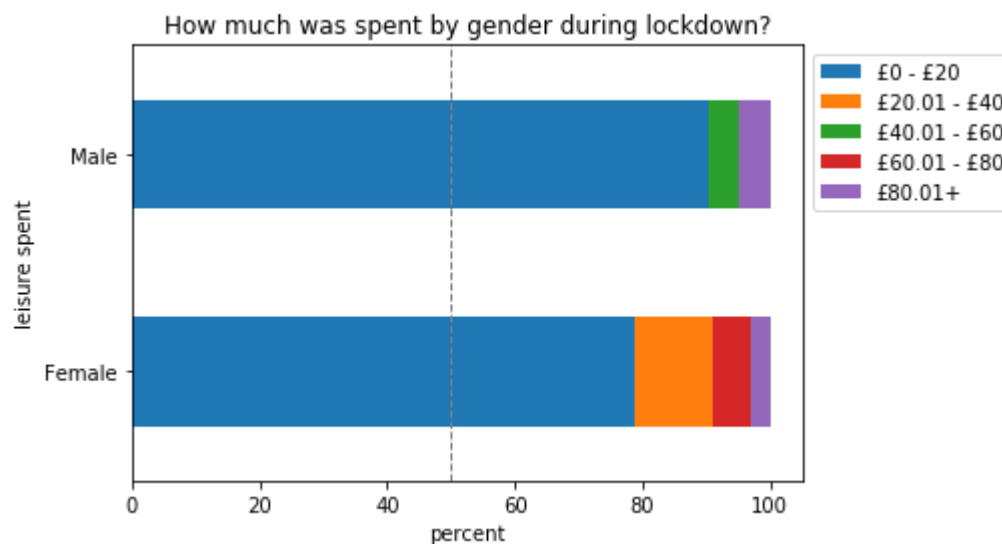
Leisure savings and expenses

Figure 34

Figure 35

Leisure like hospitality, participants saved a lot more than they spent during lockdown. Savings for both male and female participants were high including high savings in the £80.01+ categories. Spending among participants was very low, with both male and females spending over 70% in the category £0-£20.
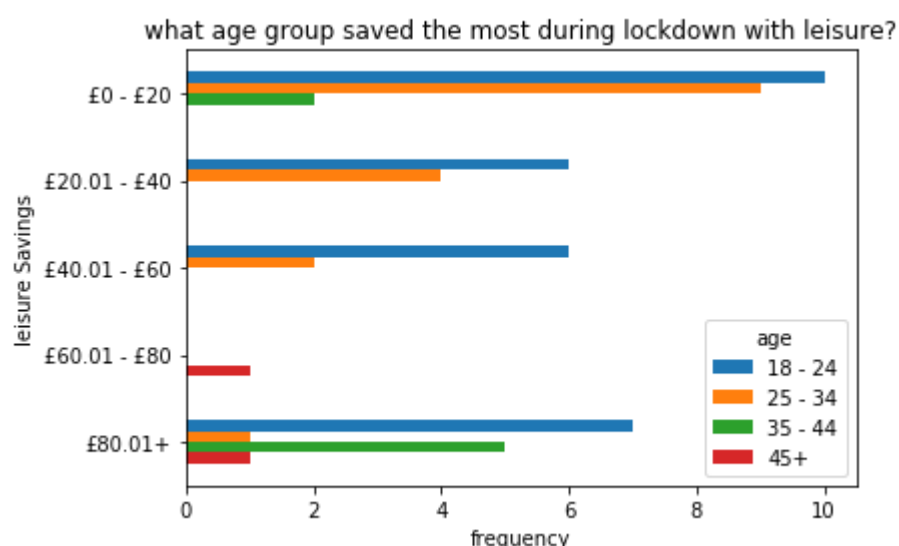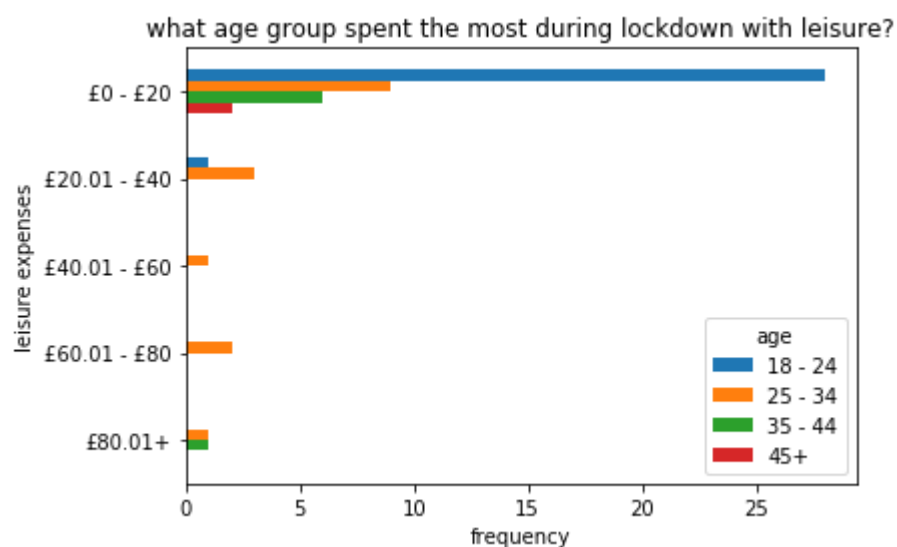

Figure 36

Figure 37

Age group 18-24 having the highest savings across all saving categories for leisure. Age group 25-34 did the most spending during lockdown, with them spending high in every spending category. All age groups saved more than they spent during lockdown.
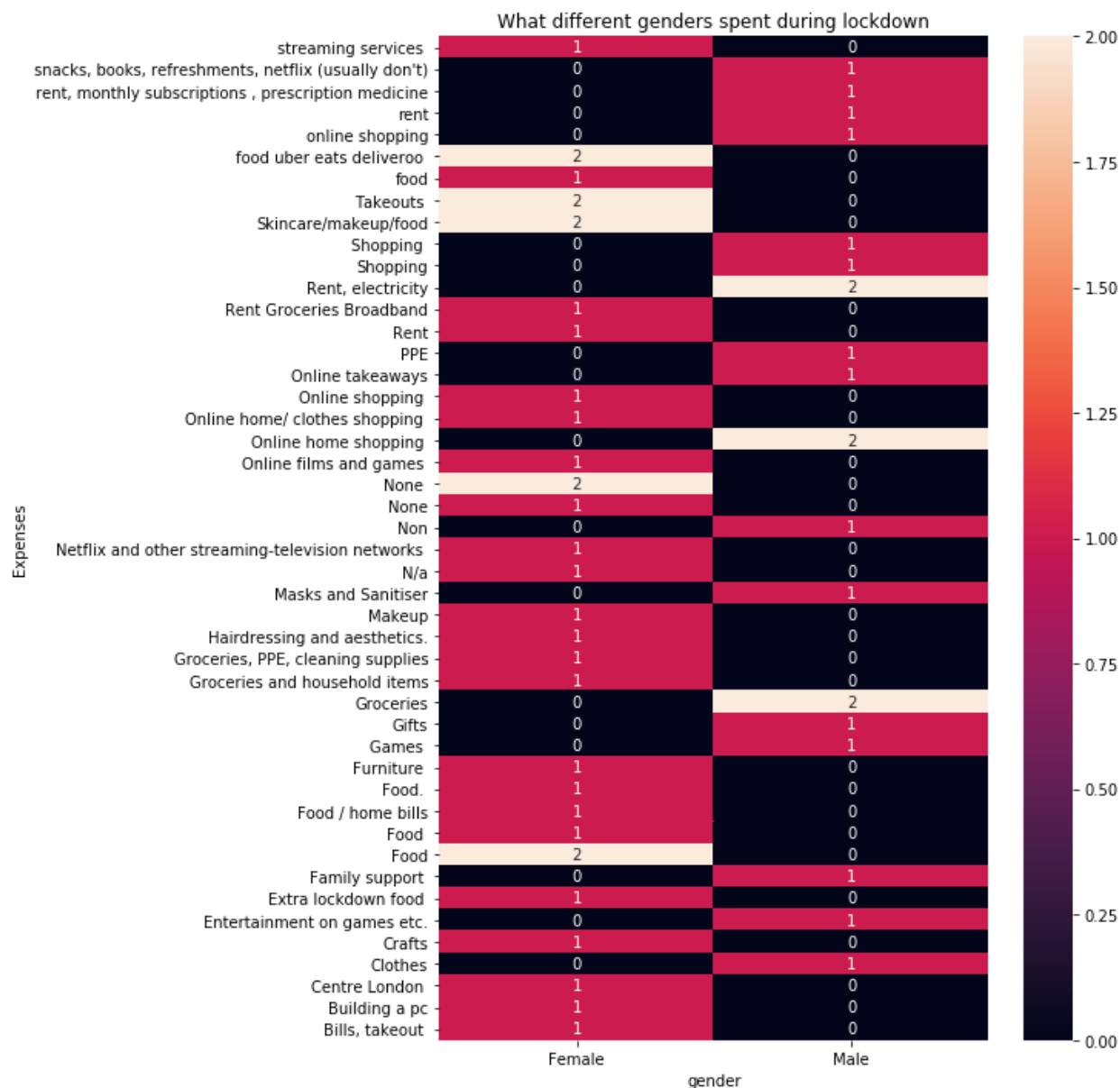
What were other expenses?

Figure 38

In this heatmap we can see what different genders spent other than the options we gave them. We allowed participants to submit their own answer. In the heatmap we can see food, takeaway, skincare/makeup, groceries, online home shopping and rent were the highest among participants. From the heatmap, females spent more on different items then males.
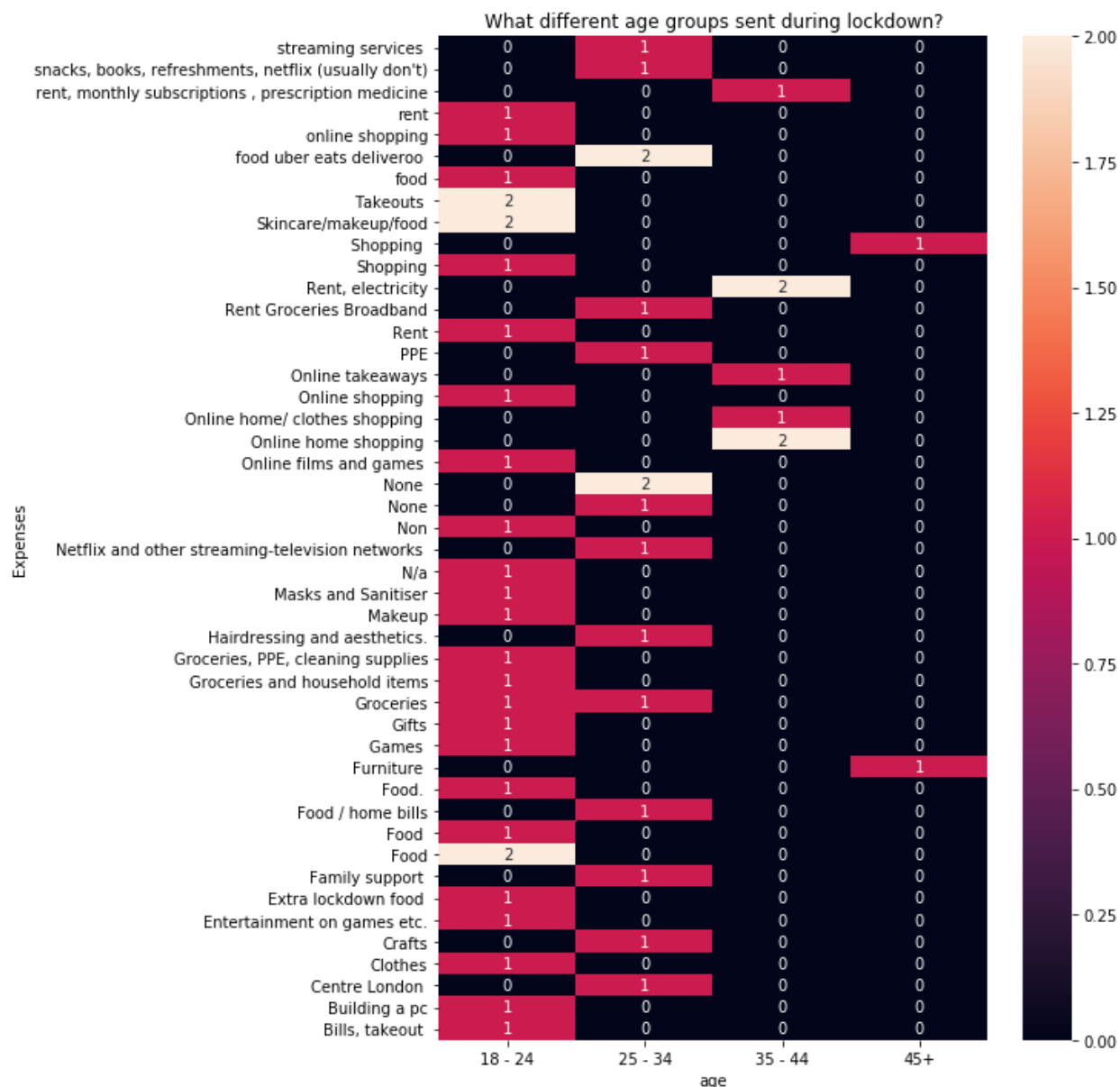
Figure 39

When looking at the heatmap with age groups, groups 18-24,25-34 and 35-44 all have high doubles on item that were purchased.

Conclusion and discussion

In this survey, we wanted to investigate and collect data on average lockdown spending and savings during Lockdown. We have a summary of key findings answering our hypothesis of whether people's financial state has worsened or improved during Lockdown.

From 56 responses, this survey has found that 58.2 percent say they have spent over £80.01 during lockdown. Of these, food and grocery shopping were the most people spent money on - 3.6 percent each. During the lockdown, people spent the least (saved) on Leisure Activities with 83.6 percent spending £0 - £20, and on Hospitality with 60 percent spending £0 - £20. Shopping is most common for females as 60 percent, and 54.5 percent between ages 18 - 24. 45.5 percent of people say they have spent over £80 shopping online during the Lockdown. When asked what the areas where people saved the most money on, the highest number of comments claim they saved most on Nothing (9.1 percent). However, comments also include transport, buying clothes, office lunches and leisure.

Overall, we have collected the relevant data to have an idea on average spending and savings. However, one aspect to improve in future research is finding out who spending is the most common for in terms of gender, income and age. At the same time, researching the same variables for who have saved more. This is to have an idea of the relevant type of customers for each factor where money is spent and saved. Another pointer for future research can

be the frequency in which people spend money in terms of how many times a week they order food or shop online etc.

Appendices

PWC. UK Economic Update. September 2020. https://www.pwc.co.uk/premium/covid-19/uk-economic-update-covid-19.pdf

https://www.ifs.org.uk/publications/15146

https://www.weforum.org/agenda/2020/05/coronavirus-covid19-consumers-shopping-goods-economics-industry

Report results:

Beginning with a summary of research questions, domain concepts and survey design followed survey analysis based on visualisation and graphing of the analysis data:

- The level of cash flow and spending there has been in the UK;
- The level of savings people has accumulated during Lockdown in the UK;
- The most spent area was during the Lockdown; and

The most saved are during the Lockdown.