

Entropy*

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1 Introduction

Literature:

Muggleton et al. (2020) find that consumption entropy over categories correlates with financial distress.

Davenport et al. (2020) study the impact of COVID-19 on the spending and savings behaviour of MDB users.

Baker and Kueng (2021) summarises literature that uses mass financial transaction data to study household financial behaviour.

Becker (2017) finds that access to a fintech money management app increases first-time savings and savings account balances among 65,000 customers of a large European bank but that update is negatively correlated with financial sophistication.

Paper:

Independent variable: entropy over categories and others

Outcome variables: first-time saving, average monthly savings

2 Data

Table 1: Sample selection

	Users	Accounts	Transactions	Value (£M)
Raw sample	1,000	395	1,000	0.1

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References

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