



## **MEDIA RELEASE**

### **The \$25 billion cost of takeaway food and trash mags**

**22 June 2006** – Takeaway food, trashy magazines and other daily luxuries are blowing an annual \$25 billion dollar hole in our collective pockets, according to new Virgin Money research into the nation's spending habits.

The Virgin Money Wallet Watch survey (conducted by Galaxy Research) reveals that men are the nation's most careless spenders, frittering away an average of \$3,395 every year on little luxuries such as takeaway food and drink, lottery tickets, taxis and magazines.

Women are slightly better at keeping their day-to-day spending in check. On average they're forking out \$2,314 each year on daily incidentals – almost one third less than men.

And it's not just high income earners who are careless with their cash. Those earning below \$40,000 a year spend almost as much day-to-day as those earning \$70,000 or more.

Virgin Money spokeswoman, Kirsty Lamont, said, "We often complain that we don't know where our money goes, but few of us actually keep track of our day-to-day spending.

"With three in four Australians admitting to wasting money on things they don't really need, it's not surprising that many of us are finding it tricky to balance household budgets and save for the big things in life."

Two in three Australians (65%) told researchers for Virgin Money that they would like to save more money but never seem to be able to. Nearly one in two (48%) believe that no matter how much they earn, they are always short of cash.

With many households juggling overstretched budgets, three in five Australians say they are actively trying to cut back their spending. However, less than a third (28%) nominate day-to-day expenditure as an area for cost cutting.

Putting off big ticket purchases such as TVs tops the list of spending cutbacks, followed by using the car less to save on petrol and spending less on entertainment.

Ms Lamont said, "There's no need to resort to drastic measures to save money. Our advice is to watch all of your spending, no matter how insignificant it seems.

"A few simple changes to your daily spending routine can make a big difference to your finances, and free up your cash for the important things in life."

#### **Virgin Money's Wallet Watching Tips:**

1. Work out where your money is going by writing down all your purchases, no matter how small, for a week.
2. Give yourself a weekly cash allowance to pay for incidentals and stick to it. When the money is gone, it's gone.
3. Form a magazine club with work colleagues or friends to keep up with the latest celebrity gossip for a fraction of the cost.

4. Ration the junk food and buy fruit to snack on instead – it's cheaper and healthier.
5. Get your colleagues together to chip in for an espresso machine at work.

#### Where Our Money Goes:

	<b>MEN Average Yearly Spend</b>	<b>WOMEN Average Yearly Spend</b>	<b>TOTAL National Yearly Spend</b>
Takeaway hot and cold drinks, takeaway food and snacks	\$2,168	\$1,539	\$16.53 billion
Magazines, lottery tickets and other daily diversions	\$598	\$458	\$4.72 billion
Little luxuries like taxis and dry cleaning	\$629	\$317	\$4.23 billion
<b>TOTAL</b>	<b>\$3,395</b>	<b>\$2,314</b>	<b>\$25.47 billion</b>

#### How We're Trying to Save Money:

<b>Area</b>	<b>% of those cutting spending</b>
Cutting back on big ticket purchases such as TVs	33%
Using the car less to save on petrol	30%
Spending less on entertainment	29%
Reducing day-to-day spending	28%
Having less expensive holidays	23%

- ENDS -

#### For interviews, copies of the report or case studies:

Kirsty Lamont, Virgin Money  
(02) 8249 8028 / 0400 411 148  
[kirsty.lamont@virginmoney.com.au](mailto:kirsty.lamont@virginmoney.com.au)

or

Deahne Falk, Virgin Money  
(02) 8249 8044 / 0421 047 031  
[deahne.falk@virginmoney.com.au](mailto:deahne.falk@virginmoney.com.au)

#### Notes to editors:

Virgin Money commissioned Galaxy Research to conduct a national telephone survey of 600 Australians aged 18-49 in May 2006.

#### About Virgin Money:

Virgin Money is the financial services arm of Sir Richard Branson's Virgin Group. We launched in Australia in May 2003 to do one thing – shake up the financial services industry. Today, we are well on our way to achieving that goal with award-winning products spanning credit cards, home loans and superannuation. Virgin Money products are simple, great value and transparent, and they're backed up by our world-famous Virgin customer service. There's no funny stuff, just money stuff.

<http://virginmoney.com.au>