

**MINISTRY FOR FAMILY, CHILDREN'S RIGHTS
& SOCIAL SOLIDARITY**

**A STUDY ON
SPENDING HABITS: THE CHRISTMAS EXPERIENCE
(Christmas 2019 vs. Christmas 2018)**

A Synopsis of Research Findings

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Agenda

- A** *Research Objectives*
- B** *Research Methodology*
- C** *Conclusions & Key Learnings*

Research Objectives

Salient Research Objectives

(Both Christmas 2019 and Christmas 2018 Studies)

- Setting a Christmas shopping budget
- Most used methods of payment
- Hosting family/friends on Christmas day/New Year's Day
- Use of well-being services and purchase of new clothes
- Christmas spending (presents, parties, clothes).

Research Methodology

The Research Plan

- **Two research studies were conducted:** one for Christmas period 2019 and one for Christmas period 2018
- Both studies were carried out by **CATI (computer-assisted telephone interviews)**
- **The same structured research instrument** (English and Maltese) was used for both studies
- CATI fieldwork was carried out in **Jan – Feb 2020 (Christmas 2019) and Feb – March 2019 (Christmas 2018).**

Research Methodology

Sample Frame

501 (Christmas 2018) and 503 (Christmas 2019) completed interviews were conducted with Maltese residents:

- Aged 18 – 79 years old
- Hailing from Malta's 6 geographical regions (NSO, 2019)
- Quota sample obtained a proportionate representation of the population of Malta and Gozo, by age, gender and hometown
- Only Maltese residents who **purchased Christmas presents during the Christmas period** were asked to participate in both studies
- The findings of both studies ensured a statistical significance of a **+/- 4.37 confidence interval (margin of error) at a 95% confidence level.**

Comparative Findings - with Financial Literacy Study 2018

An analysis of some comparative findings will be made between Christmas Spending Habits (2019 & 2018 studies) and Financial Literacy in Malta.

- A 1000-count national study on financial literacy was carried out with Maltese residents in Q3-2018, also commissioned by MFCS.
- This study formed part of an OECD/INFE* international study, carried out across 30 countries. The OECD/INFE research instrument was used for this study, which was tweaked to reflect the realities of Malta's financial literacy situation.

***OECD/INFE:** Organisation for Economic Co-operation and Development/ International Network on Financial Education

Comparative Findings - with Financial Literacy Study 2018

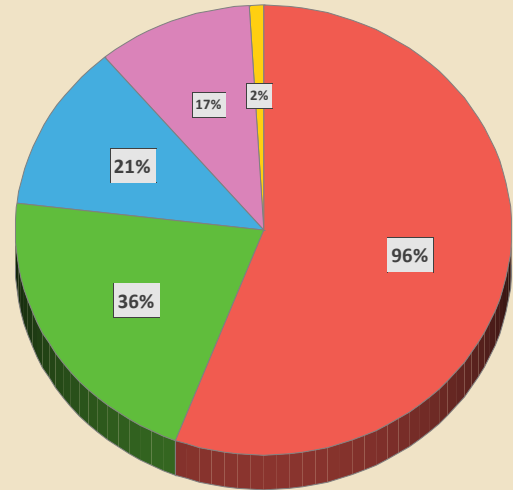
- OECD defines **'financial literacy'** as:
“A combination of awareness, knowledge, skill, attitude and behaviour necessary to make sound financial decisions and ultimately achieve individual financial wellbeing.”
Source: <https://www.oecd.org/finance/financial-education/49319977.pdf>

Conclusions & Key Learnings - I

Setting a Christmas Shopping Budget (Christmas 2019 vs. Christmas 2018)

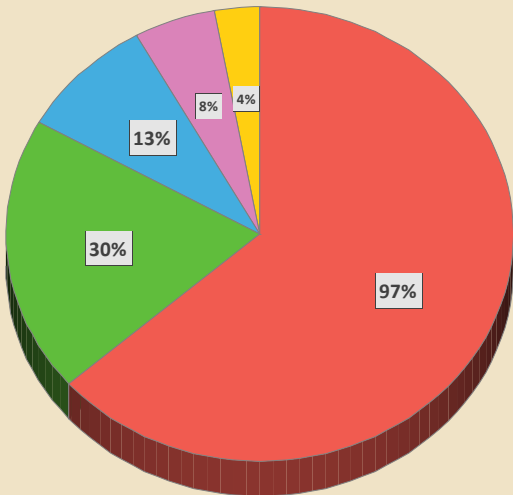
Christmas Presents

*The persons for whom Christmas presents were purchased (Q8)
(Prompted replies) (Multiple-response Q) (No of Respondents, not responses)*



Christmas 2019
(n=503)

- Immediate family members
- Close friends
- Relatives (uncles, aunts, cousins etc.)
- Work Colleagues
- Other



Christmas 2018
(n=501)

- Immediate family members
- Close friends
- Relatives (uncles, aunts, cousins etc.)
- Work Colleagues
- Other

- Most Christmas presents are purchased for immediate family members. This finding prevails across all ages and gender.
- 1 in 3 purchase presents for their close friends. This finding largely emerged among young adults and adults, across both genders.

Comparison: 2019 vs. 2018

2019 (n=503)

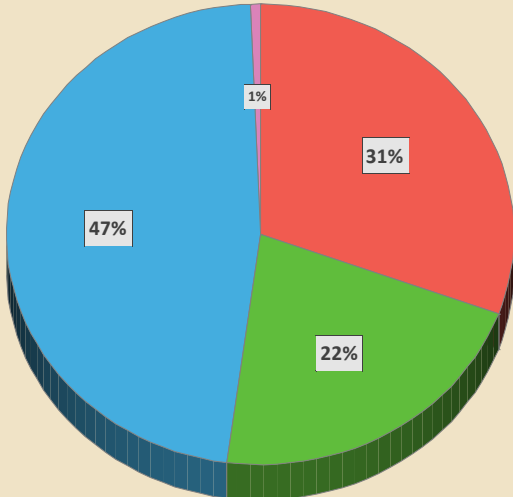
Immediate family members: 96% (-1%)
 Close friends: 36% (+6%)
 Relatives: 21% (+8%)
 Work colleagues: 17% (+9%)

2018 (n=501)

Immediate family members: 97%
 Close friends: 30%
 Relatives: 13%
 Work colleagues: 8%

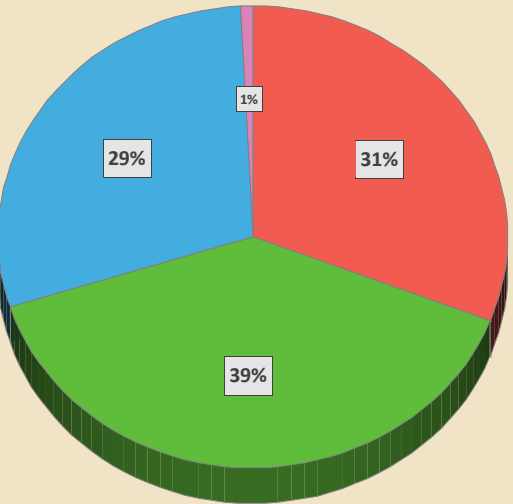
Setting a Budget

Setting a specific budget prior to shopping for presents (Q9) (Prompted replies)



Christmas 2019
(n=503)

- Yes – I set a specific budget for each present
- Yes – I set an overall budget for all presents
- No - I did not set a specific budget
- Refused/Don't remember



Christmas 2018
(n=501)

- Yes – I set a specific budget for each present
- Yes – I set an overall budget for all presents
- No - I did not set a specific budget
- Refused/Don't remember

Comparison: 2019 vs. 2018

2019 (n=503)

Yes – I set a specific budget for each present: 31% (=)
 Yes – I set a specific budget for all presents: 22% (-17%)
 No, I did not set a specific budget: 47% (+18%)

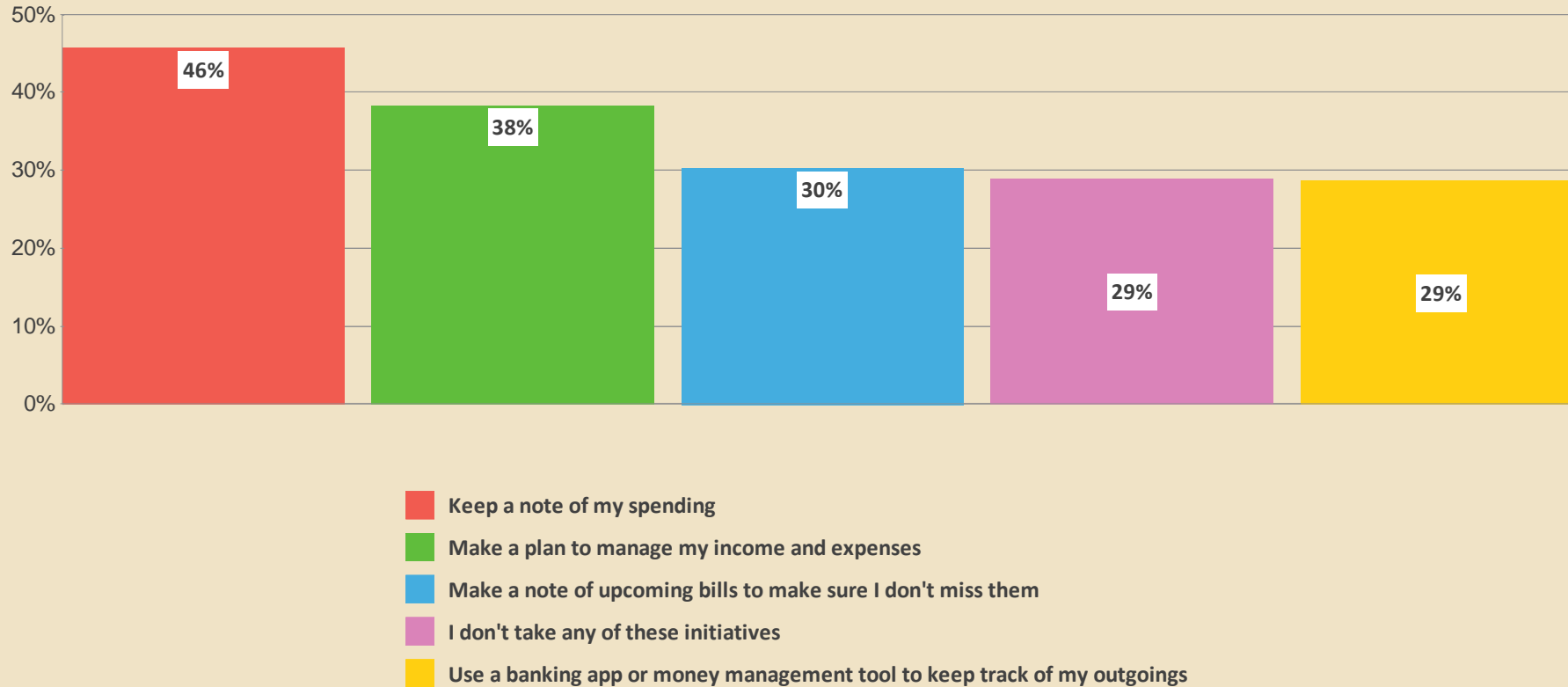
2018 (n=501)

Yes – I set a specific budget for each present: 31%
 Yes – I set a specific budget for all presents: 39%
 No, I did not set a specific budget: 29%

- Across gender, females budget better than males: In 2019, only 36% of females, against 58% of males, did not set a specific budget.
- Individuals aged 60–79 yrs also budgeted better than individuals aged 18–59 yrs.

Initiatives Taken to Track Finances (Financial Literacy Study 2018)

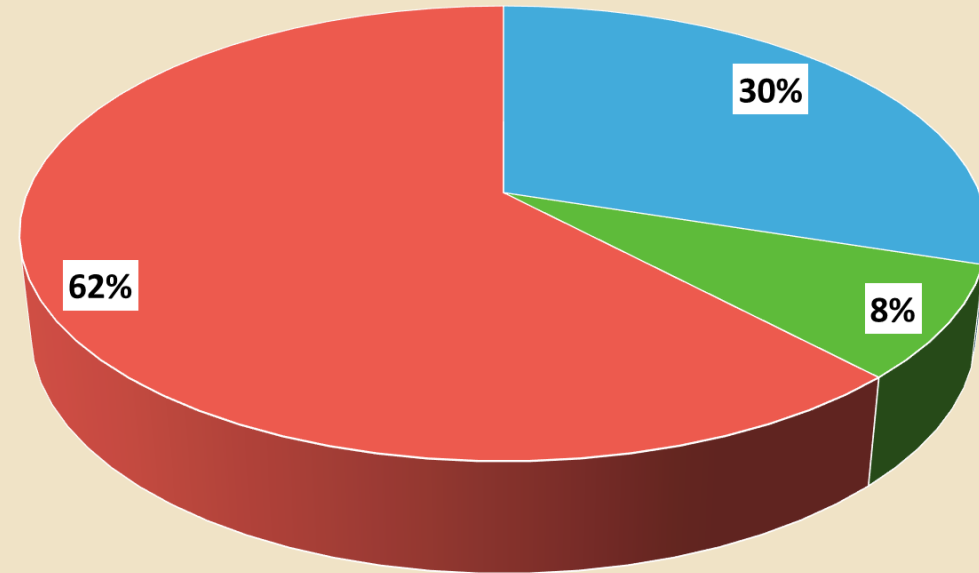
*Initiatives taken by adults to keep track of their own and household's finances (QF2)
(Multiple Response Q)*



1 in 3 (29%) do not take any initiatives to manage their finances

Financial Attitudes (Financial Literacy Study 2018)

Financial Attitude: “I keep a close personal watch on my financial affairs” (QS1.2)

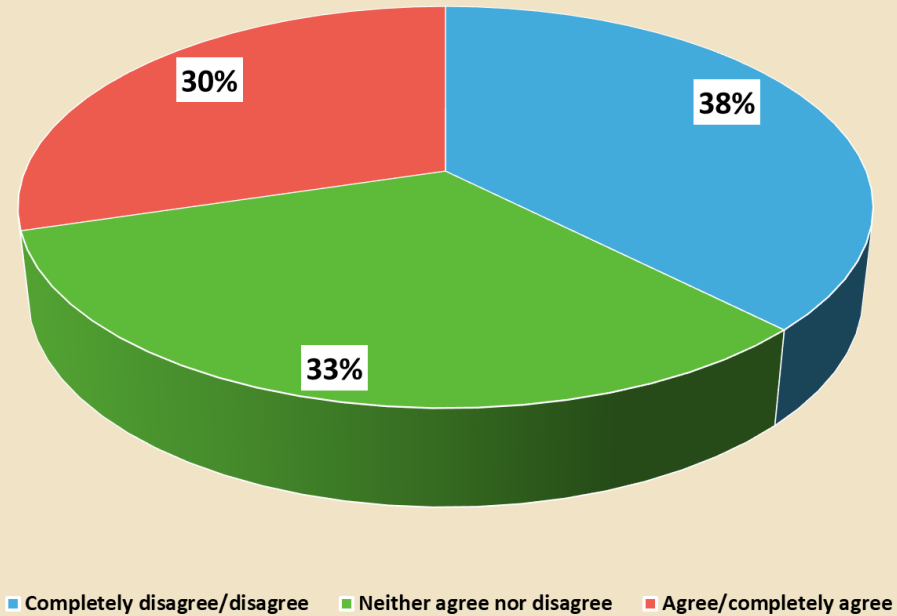


■ Completely disagree/disagree ■ Neither agree nor disagree ■ Agree/completely agree

1 in 3 do not keep a close personal watch on their financial affairs

Financial Attitudes (Financial Literacy Study 2018)

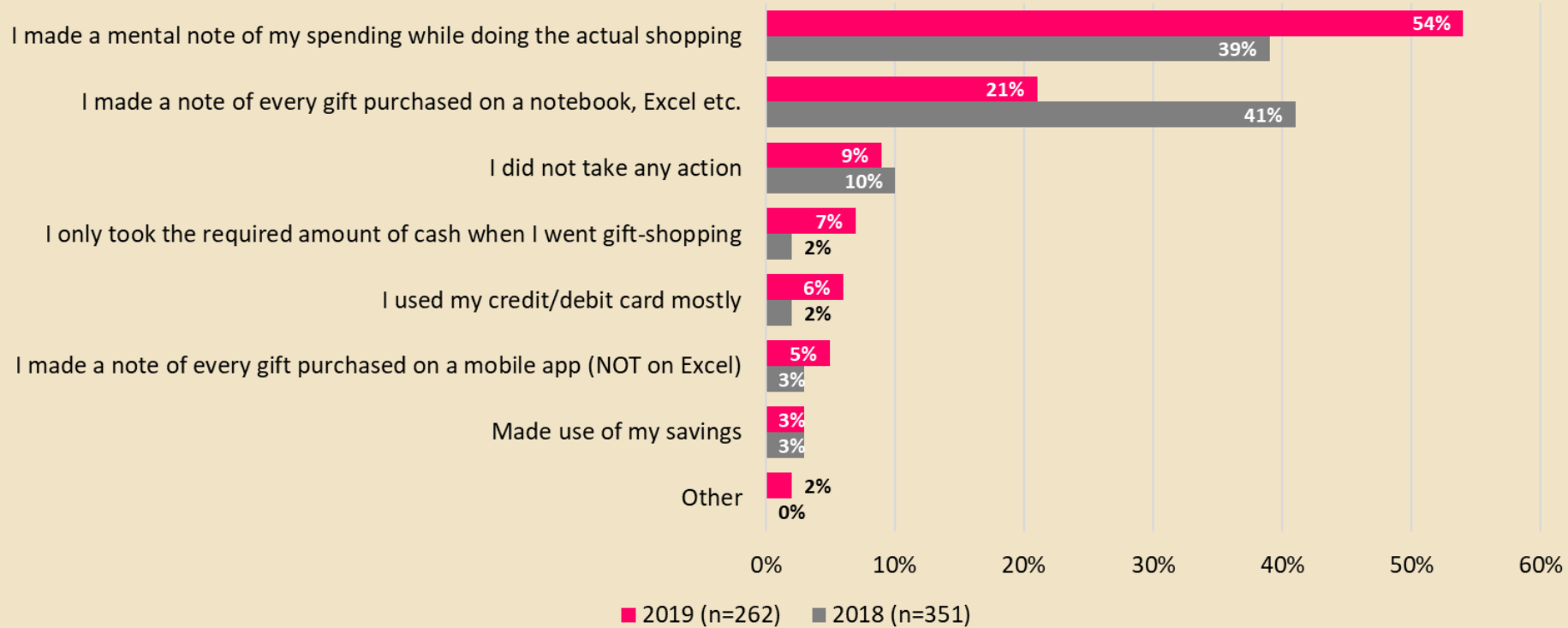
Financial Attitude: “I find it more satisfying to spend money than to save it for the long term” (QS1.4)



1 in 3 find it more satisfying to spend money than to save it for the long term

Setting a Budget

Action/s taken to keep to the set budget (Q10) (Multiple-response Q)



Most individuals who kept to a set budget....

- ...in Christmas 2019 managed to do so by making a mental note of their spending while doing the actual shopping (1 in 2).
- ...in Christmas 2018 managed to do so by making a note of every gift purchased (2 in 5).
- 1 in 10 individuals did not take any action.

Setting a Budget

Having purchased an expensive gift which exceeded the budget (Q11a)

Christmas 2019 (n=503)

Counts Break % Respondents	Total	Age							Gender	
		18-19	20-29	30-39	40-49	50-59	60-69	70-79	Male	Female
Total	503	16	89	86	79	92	88	53	250	253
No	373 74.2%	13 81.3%	52 58.4%	52 60.5%	62 78.5%	64 69.6%	78 88.6%	52 98.1%	186 74.4%	187 73.9%
Yes	129 25.6%	3 18.8%	37 41.6%	34 39.5%	17 21.5%	28 30.4%	9 10.2%	1 1.9%	63 25.2%	66 26.1%
Refused	1 0.2%	- -	- -	- -	- -	- -	1 1.1%	- -	1 0.4%	- -

Comparison: 2019 vs. 2018

2019 (n=503)

No: 74% (+2%)

Yes: 26% (-3%)

2018 (n=501)

No: 72%

Yes: 29%

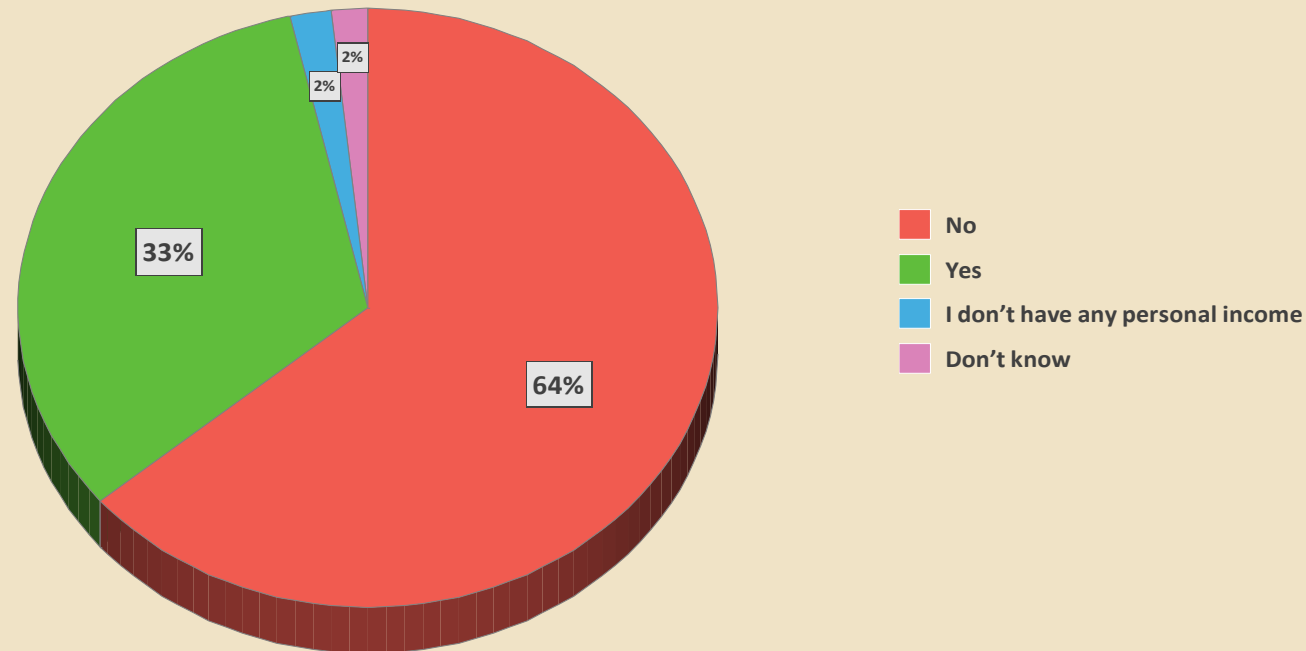
Christmas 2018 (n=501)

Counts Break % Respondents	Total	Age							Gender	
		18-19	20-29	30-39	40-49	50-59	60-69	70-79	Male	Female
Total	501	22	92	91	81	84	82	49	247	254
No	358 71.5%	13 59.1%	50 54.3%	55 60.4%	53 65.4%	68 81.0%	74 90.2%	45 91.8%	186 75.3%	172 67.7%
Yes	143 28.5%	9 40.9%	42 45.7%	36 39.6%	28 34.6%	16 19.0%	8 9.8%	4 8.2%	61 24.7%	82 32.3%

When asked on what action was taken to obtain the difference after exceeding their budget, more than 80% said that they had to increase their budget.

Expenses exceeding income (Financial Literacy Study 2018)

Adults experiencing situations where their income did not cover their expenses in the last 12 months (QF11)

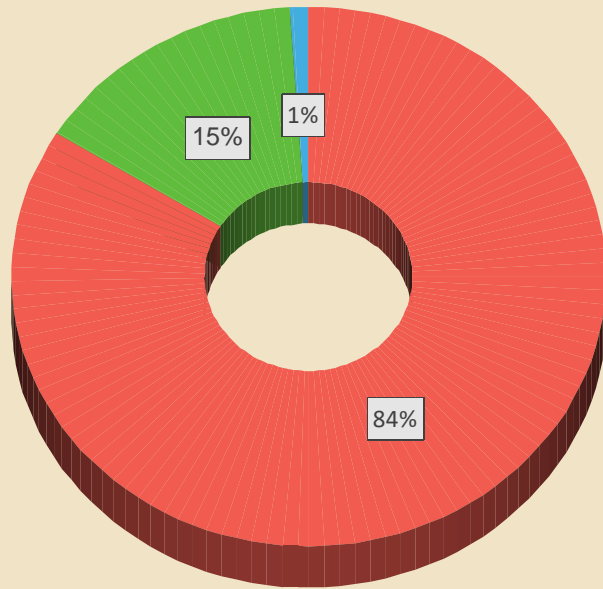


1 in 3 experience situations where their income does not cover their expenses

Black Friday Sale

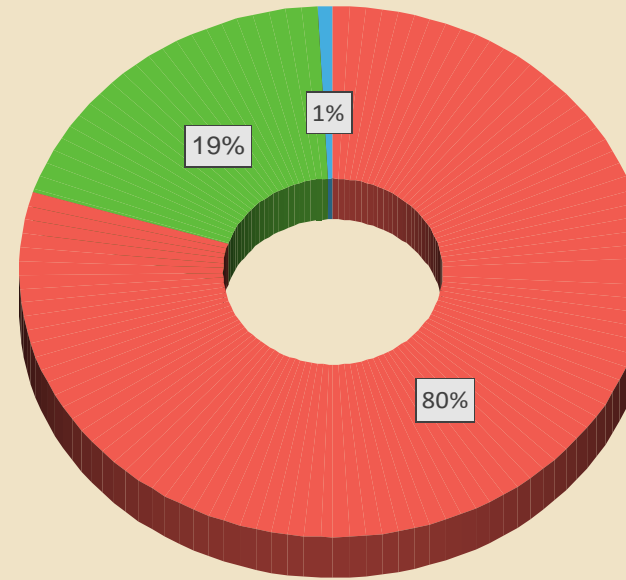
Taking advantage of the Black Friday sale for purchasing Christmas presents (Q12)

Christmas 2019 (n=503)



■ No ■ Yes ■ Don't remember

Christmas 2018 (n=501)



■ No ■ Yes ■ Don't remember

Comparison: 2019 vs. 2018

2019 (n=503)
No: 84% (+4%)
Yes: 15% (-4%)

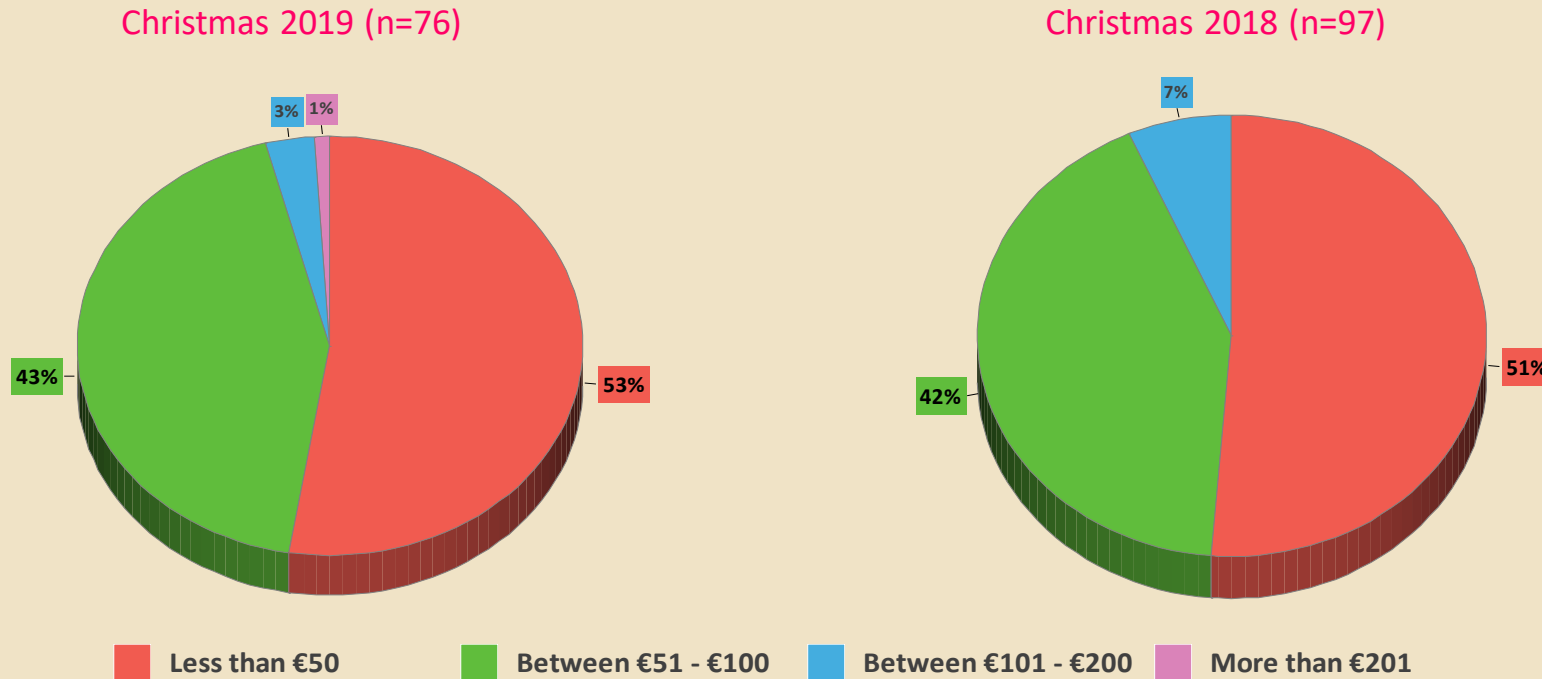
2018 (n=501)
No: 80%
Yes: 19%

- Overall, some 1 in 6 took advantage of the Black Friday sales to purchase Christmas presents.
- The young adult cohort took most advantage of these sales – in 2018, 59% of individuals who took advantage of these sales were aged 18 – 39 yrs; while in 2019, 43% were aged 18 – 39 yrs.
- Females also took more advantage of these sales than males – in 2019, 65% were female and 34% were male.

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Black Friday Sale

The estimated amount of money saved on Christmas presents from the Black Friday sale (Q13)



Comparison: 2019 vs. 2018

2019 (n=76)

Less than €50: 53% (+2%)
€50 - €100: 43% (-1%)
€101 - €200: 3% (-4%)

2018 (n=97)

Less than €50: 51%
€50 - €100: 42%
€101 - €200: 7%

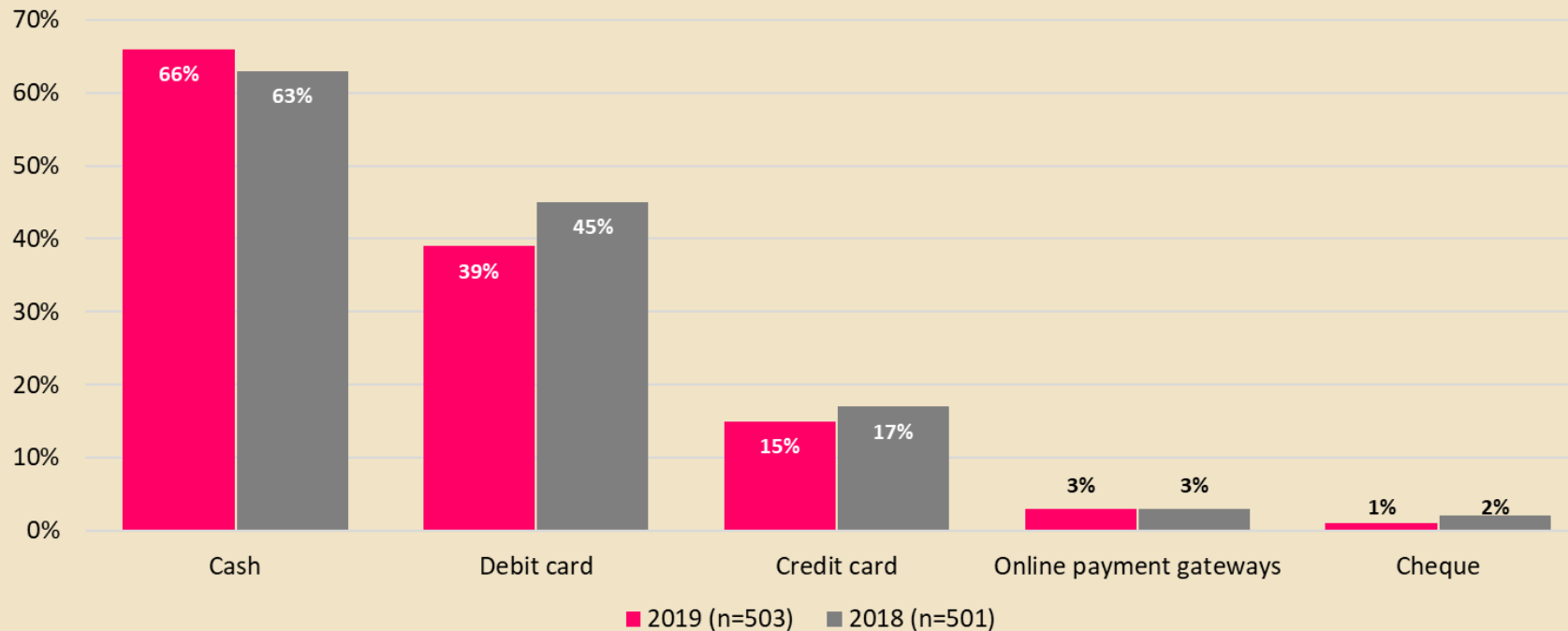
Some half of the individuals who took advantage of the Black Friday sales managed to save up to €50, whilst 43% saved between €51-€100 on their Christmas purchases.

Conclusions & Key Learnings - II

Paying Methods ***(Christmas 2019 vs. Christmas 2018)***

Paying Methods

*Most used payment method/s while doing Christmas shopping (Q14)
(Multiple-response Q) (No of Respondents, not responses)*



Comparison: 2019 vs. 2018

2019 (n=503)

Cash : 66% (+3%)

Debit Card : 39% (-6%)

Credit Card: 15% (+2%)

2018 (n=501)

Cash : 63%

Debit Card : 45%

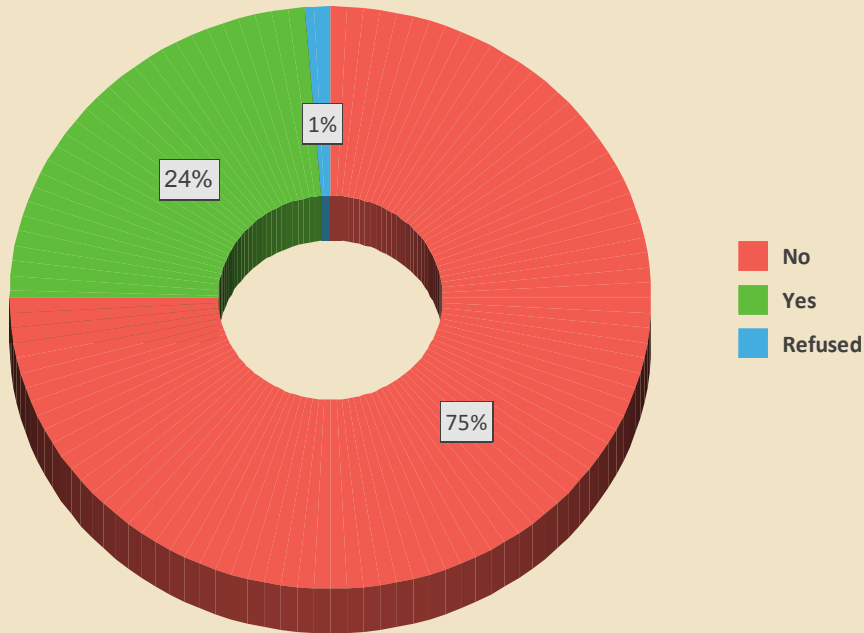
Credit Card: 17%

- Most individuals use cash and debit cards when doing their Christmas shopping.
- The highest credit card users are:
 - '30-49 year old' cohort
 - Of 'tertiary education'
 - 'employed' cohort.

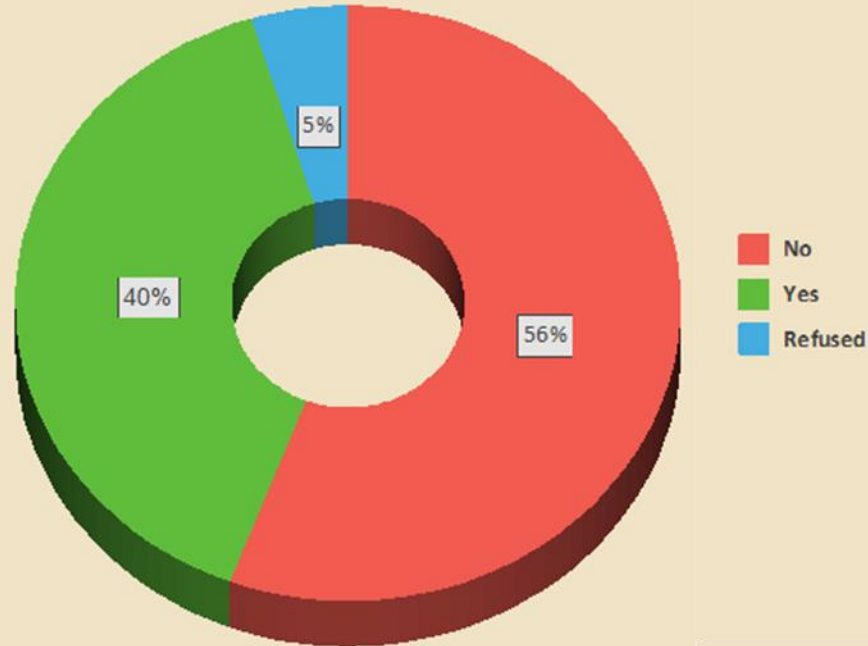
Paying Method

Individuals' consideration of the applicable credit card interest rates in the event of being unable to pay their January credit card bill on time (Q15c)

Christmas 2019 (n=76)



Christmas 2018 (n=86)



Comparison: 2019 vs. 2018

2019 (n=76)

No : 75% (+19%)

Yes: 24% (-16%)

2018 (n=86)

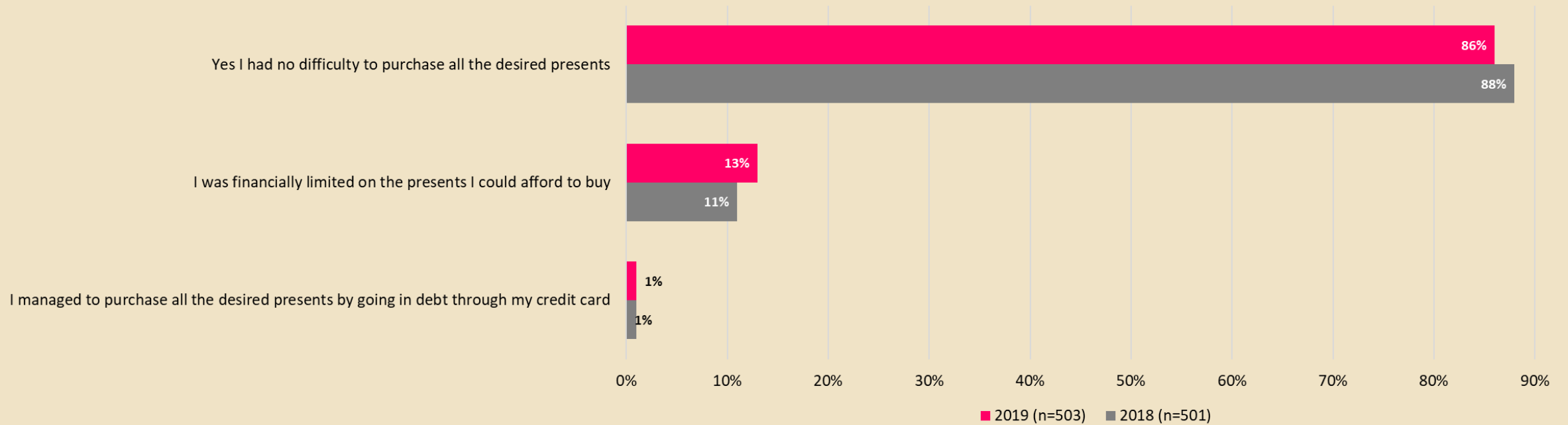
No : 56%

Yes: 40%

- In Christmas 2019, 3 in 4 of credit card users did not consider the applicable interest rates if they are unable to pay their January credit card bill on time.
- In Christmas 2018, almost 3 in 5 of credit card users did not consider the applicable interest rates.

Christmas Presents

Individuals' having enough money to purchase all the desired Christmas presents (Q16)



- Almost 9 in 10 individuals did not encounter difficulties to purchase all the desired presents.
- 1 in 10 did encounter difficulties.
- Individuals aged 18 – 19 years encountered most difficulties to purchase all the desired presents.

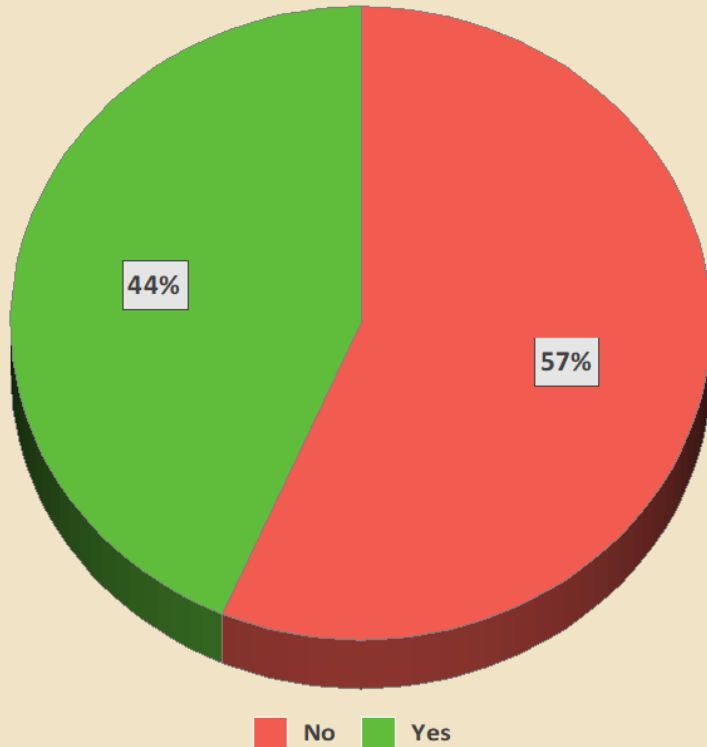
Conclusions & Key Learnings - III

Hosting Family/Friends on Christmas day/New Year's Day (Christmas 2019 vs. Christmas 2018)

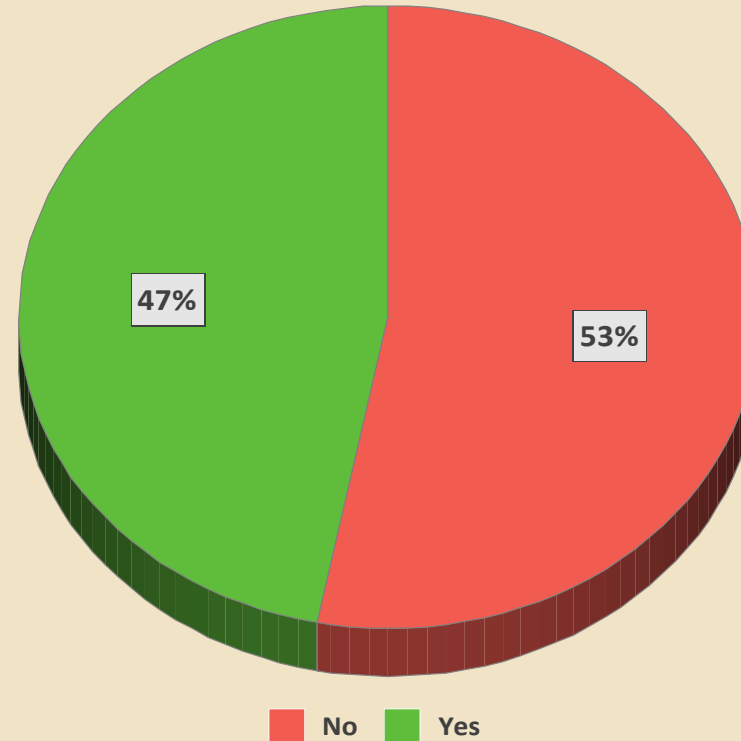
Entertaining in Christmas

Individuals' having hosted family/friends on Christmas Day/New Year's Day (Q17)

Christmas 2019 (n=503)



Christmas 2018 (n=501)



Comparison: 2019 vs. 2018

2019 (n=503)

No : 57% (+4%)

Yes: 44% (-3%)

2018 (n=501)

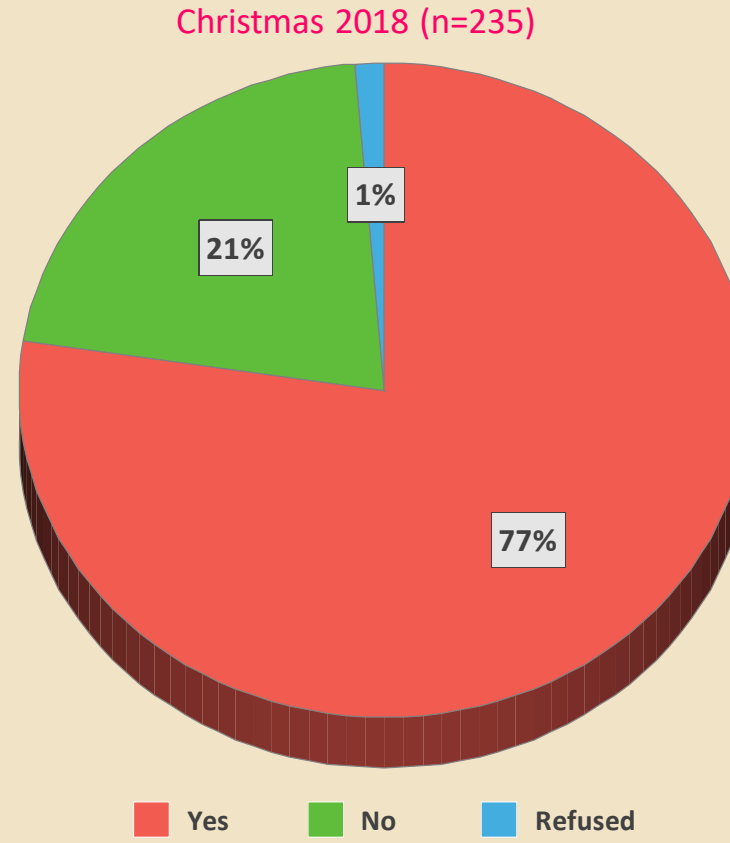
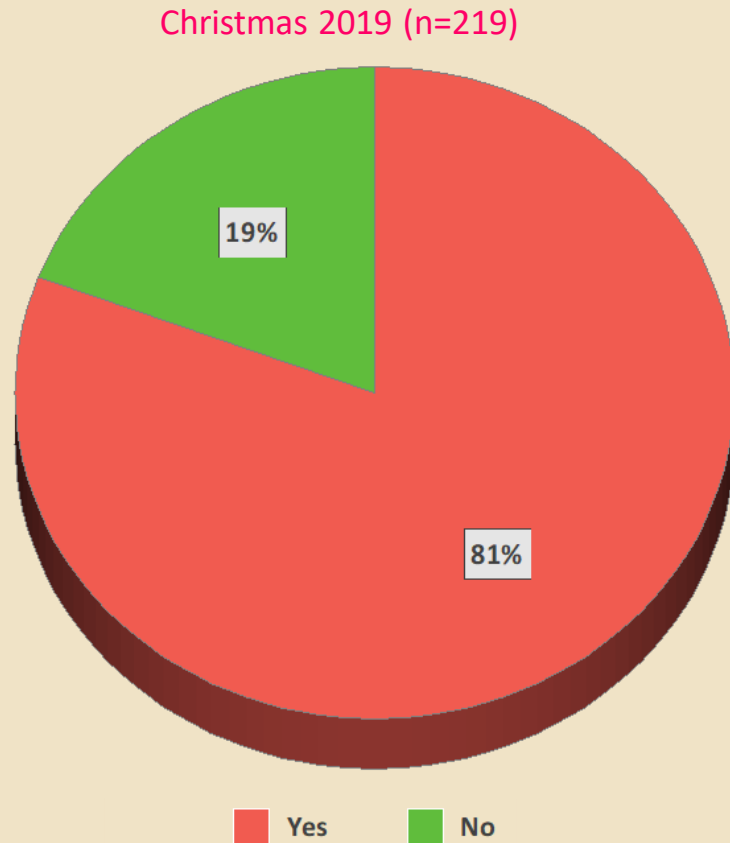
No : 53%

Yes: 47%

- Almost 1 in 2 host family/ friends on Christmas Day/NYD.
- The younger age cohorts (18-29 yrs) are the least who host family/friends.

Entertaining in Christmas

Having any leftover food/items from hosting guests (Q18)



Comparison: 2019 vs. 2018

2019 (n=219)

Yes : 81% (+4%)

No: 19% (-2%)

2018 (n=235)

Yes : 77%

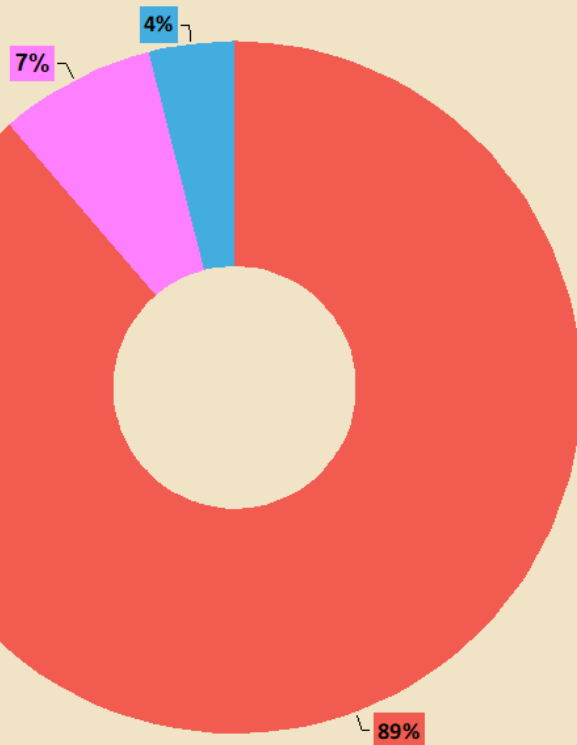
No: 21%

Most individuals (8 in 10) **do have** leftover food/items from hosting guests

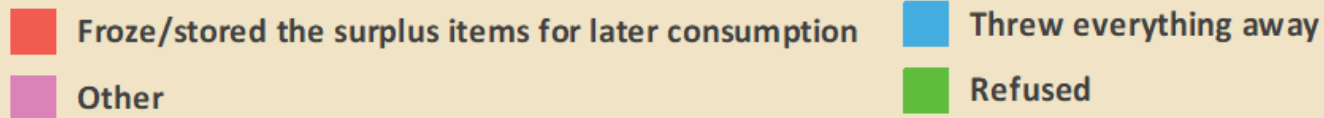
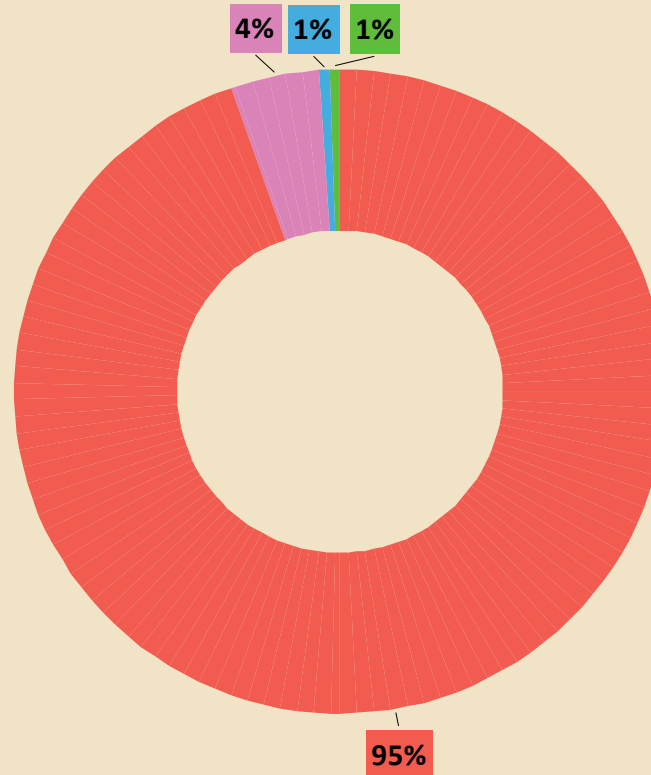
Entertaining in Christmas

The action taken with the leftover food/items (Q19) (Prompted replies)

Christmas 2019 (n=177)



Christmas 2018 (n=182)



Comparison: 2019 vs. 2018

2019 (n=177)

Froze/stored items : 89% (-6%)
Threw everything away: 4% (+3%)

2018 (n=182)

Froze/stored items : 95%
Threw everything away: 1%

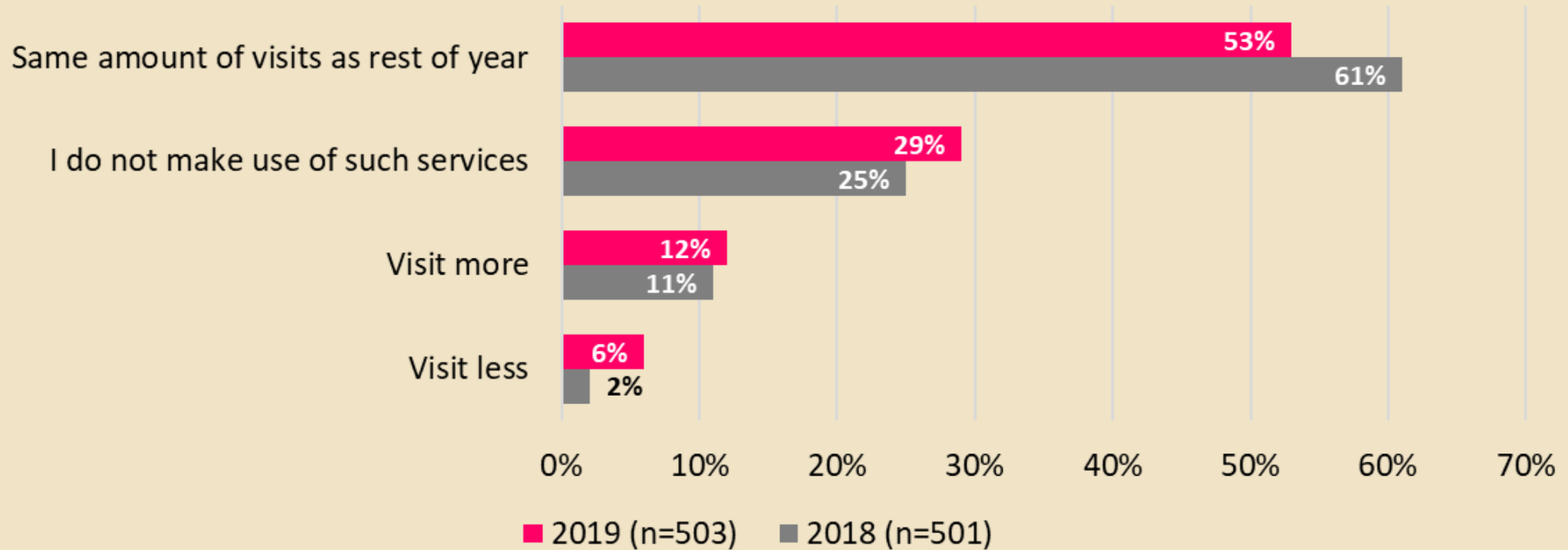
- Most individuals freeze/ store surplus items for later consumption.
- This finding emerged across all ages and gender.

Conclusions & Key Learnings - IV

Use of Well-Being Services & Purchase of New Clothes during Christmas (Christmas 2019 vs. Christmas 2018)

Use of Well-Being Services

Use of well-being services during Christmas period (Q20) (Prompted replies)

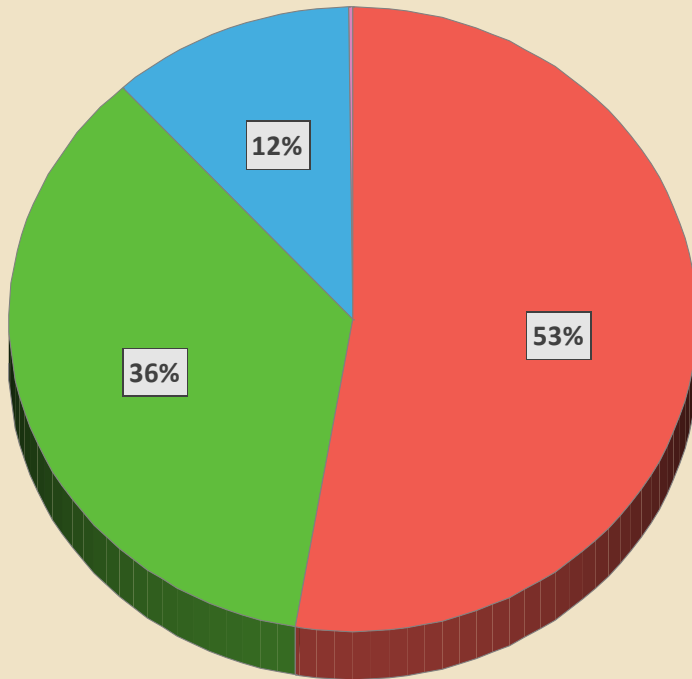


- Only 1 in 10 make more use of well-being services in Christmas.
- This is more notable among the younger age cohorts (18-29 yrs).

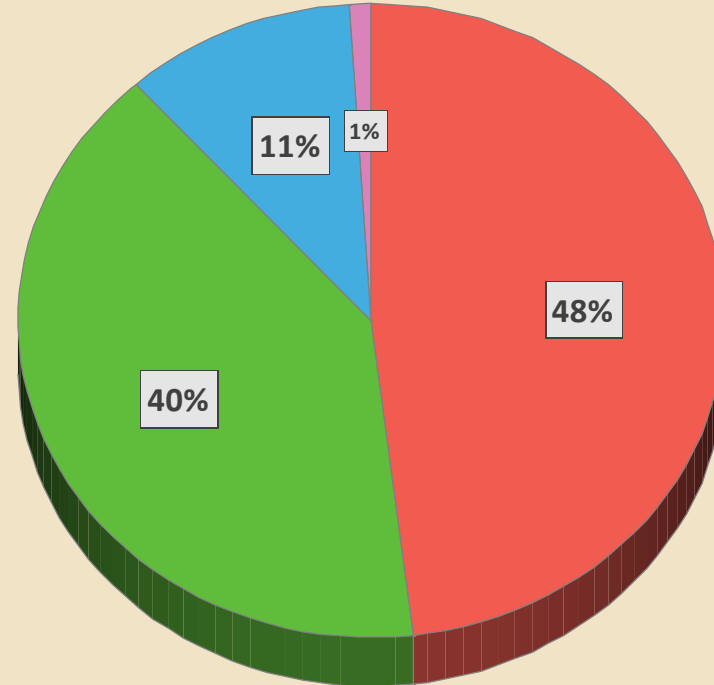
Purchase of new clothes

Purchasing of new clothes for social events/parties (Q21) (Prompted replies)

Christmas 2019 (n=503)



Christmas 2018 (n=182)



■ Purchased new clothes ■ I did not attend any special events/parties this Christmas
■ Did not purchase new clothes ■ Refused/DK

Comparison: 2019 vs. 2018

2019 (n=503)

Purchased new clothes : 53% (+5%)
 Did not purchase new clothes: 36% (-4%)
 Did not attend any events : 12% (+1%)

2018 (n=501)

Purchased new clothes : 48%
 Did not purchase new clothes: 40%
 Did not attend any events : 11%

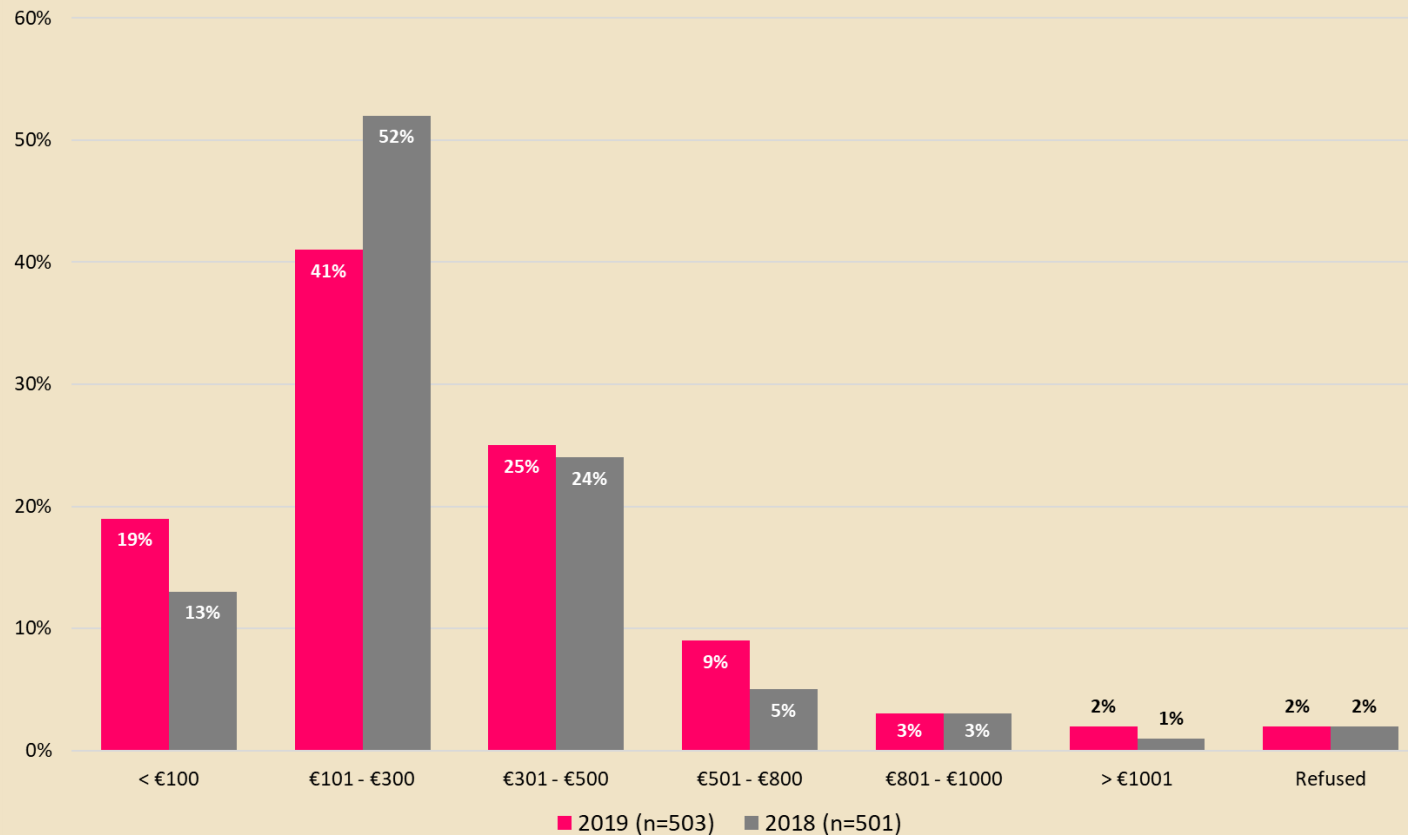
Young adults (18 – 29 years) were the most to purchase new clothes for social events/parties

Conclusions & Key Learnings - V

Christmas Spending ***(Christmas 2019 vs. Christmas 2018)***

Presents Spend

Average spend on Christmas presents (Q22)



Comparison: 2019 vs. 2018

2019 (n=503)

<€100 : 19% (+6%)
€101-€300 : 41% (-11%)
€301-€500 : 25% (+1%)
€501-€800 : 9% (+4%)

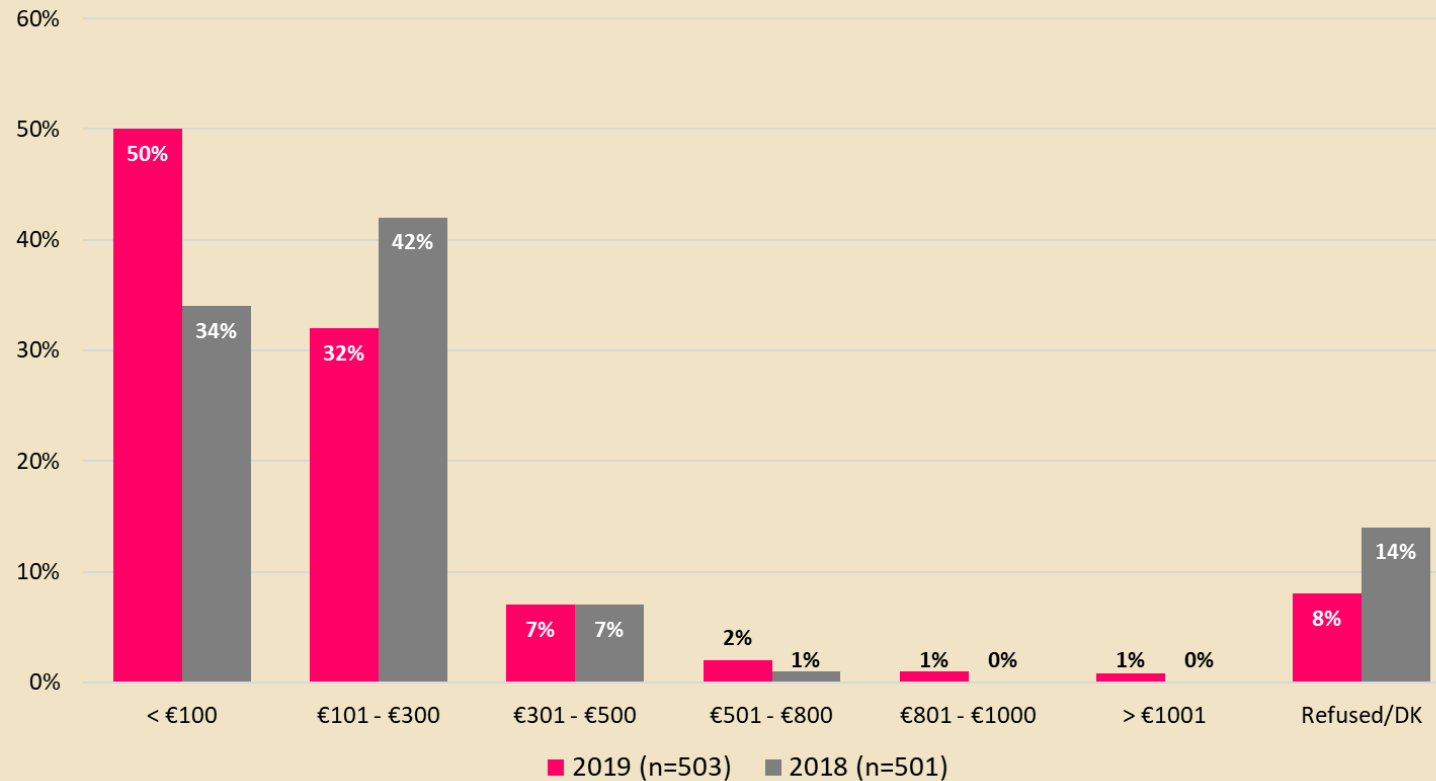
2018 (n=501)

<€100 : 13%
€101-€300 : 52%
€301-€500 : 24%
€501-€800 : 5%

- Some 1 in 2 spend €101-€300 on Christmas presents.
- 1 in 4 spend €301- €500.
- These findings emerge across all age cohorts, household income and gender.

Entertainment Spend

Average spend on entertainment during Christmas (Q23)



Comparison: 2019 vs. 2018

2019 (n=503)

<€100 : 50% (+16%)
€101-€300 : 32% (+10%)
€301-€500 : 7% (=)

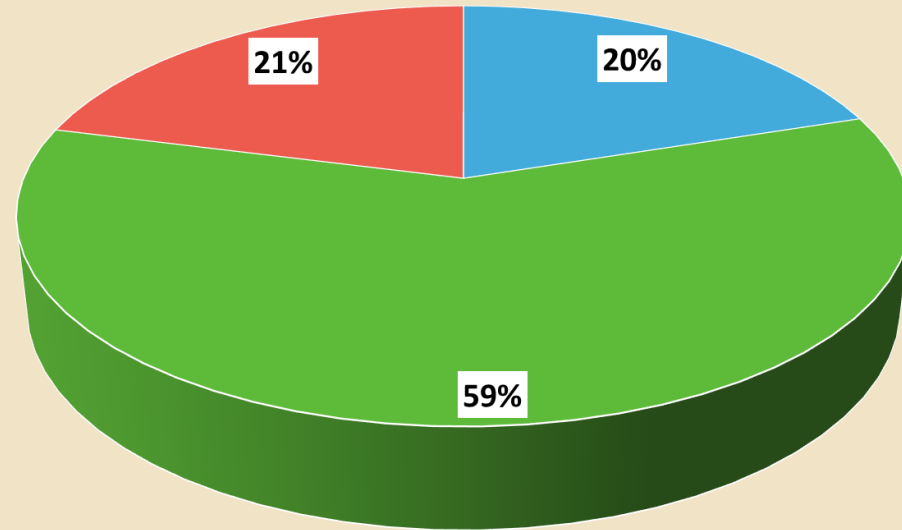
2018 (n=501)

<€100 : 34%
€101-€300: 42%
€301-€500 : 7%

- Individuals aged 18 – 19 yrs & 60 – 79 yrs spent the least money on entertainment.
- Those earning 26k-50k spent the most money on entertainment: 1 in 2 spent between €101 -€300.

Financial Attitudes (Financial Literacy Study 2018)

Financial Attitude: “Money is there to be spent” (QS1.6)



■ Completely disagree/disagree ■ Neither agree nor disagree ■ Agree/completely agree

- 21% (1 in 5) believe that money is there to be spent.
- Whilst some 60% do not have an opinion on this financial attitude.

Spending Habits: The Christmas Experience

Thank you for your attention!