

UK Cost of Living Crisis Continues Survey Shows

UK Cost of Living Crisis Drives 118% Increase in Prepaid Card Use, With 1 in 4 Users Using Them To Avoid Debt

Amsterdam/ London, 16 May 2024 -Despite Britain announcing last week that it is officially out of recession, Brits are increasingly turning to prepaid cards and adjusting their spending habits to manage the ongoing cost of living crisis and to avoid debt, according to a our recent survey.

The survey of 2,000 UK adults (18+) reveals that 1 in 5 Brits (11.4 million) use prepaid cards, a 118% increase since the cost of living crisis began. 34% of users (3.9 million) said they use prepaid cards to stay in control of their finances, while 26% (3 million) use them to avoid going into debt.

More than half (56%) of prepaid card users are aged 18 to 34. Additionally, the survey revealed that men are 53% more likely to use prepaid cards compared to women (26% compared to 17% respectively).

Here's a summary of the key trends:

- **Fear of debt driving Brits to use prepaid cards:**

- Over 21% of Brits (11.4 million) now use prepaid cards, reflecting a 118% increase since the cost of living crisis began.
- Debt Avoidance: 26% of prepaid card users (3 million) use them to avoid going into debt.
- Financial Control: 34% of prepaid card users (3.9 million) aim to stay in control of their finances through prepaid cards.

- **Men and Londoners Lead UK Surge in Prepaid Card Usage:**

- Demographics: UK men (26%) are 53% more likely to use prepaid cards than women (17%); Londoners (61%) are 144% more likely to use prepaid cards than any other UK region (next is 25%).

▪ UK Under 35s and Men use Prepaid Cards to Fight Fraud:

- Online Protection: UK 18 to 34s using prepaid cards (35%) are 75% more likely to use prepaid cards for financial information protection than 35-54 year olds using them (20%). UK males using prepaid cards (31%) are 55% more likely than female users (20%) to use prepaid cards to protect against fraud.

Günther Vogelpoel, CEO of Recharge, said: "The cost of living crisis has changed spending habits, driving Brits to seek alternative ways to ensure they are in control of their spending. Prepaid payment products are just one of the ways they are doing this. Our research highlights the importance of financial security and control. Recharge is all about putting the consumer in charge and providing them with the options to spend their way whilst continuing to meet their evolving needs."

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This Research was conducted by [Opinion Research](#) on behalf of Recharge, among a nationally representative sample of 2,000 UK adults. For further details on the survey results please contact press@recharge.com.

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About Recharge

Recharge is a B2C prepaid payments platform building digital storefronts. With its mission to 'Make Prepaid Easy,' the company offers over 16,000 digital vouchers and prepaid products, for large prepaid categories such as e-gift, shopping, and gaming cards, prepaid money cards, and international mobile and cross-border top ups. Founded in 2010, today they operate in over 180 markets whilst headquartered in Amsterdam. The company is backed by Prime Ventures, Smartfin, Committed Capital and BlackRock. For more information visit company.recharge.com.

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