

To budget or not to budget in a social setting

Summary report, prepared for:

The Money Advice Service



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Background



The UK as a nation love to socialise with friends and family, though it can be a costly affair

The main objective of this discussion was to gather insight on members attitude towards socialising in relation to their budget and their finances

Other insight objectives included :

- Assessing attitudes towards the cost of socialising
- Determining if members feel pressure to spend in a social setting
- Ascertaining whether people have open discussions on budgeting and bill sharing / splitting in a social setting
- Understanding how budgets change when socialising


A discussion, complemented by a poll was held on the Tell MA community:
54 members took part in the discussion
Leaving a total of 91 comments
37 took part in the poll




Screen grab of discussion



■ To budget or not to budget in a social setting? 2 weeks 5 days ago #9419

 **AmyH**
Administrator Posts: 407 Thank you received: 9
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NOW ONLINE



I am starting to get the hang of budgeting. During the week I am sensible and savvy with my sandwiches prepared at home and I've really cut back on my café bought coffee but as soon as the weekend hits and I head out with friends, all that goes out of the window with expensive rounds of drinks and dinners out.

For this latest topic we really want to know....

- *Do you ever feel the pressure to spend money when socialising with friends?*
- *How do you tend to socialise with your friends?*
- *How does your attitude to budgeting change when you are in a social setting?*
- *Do you make conscious decisions or have discussions with friends to keep costs down when socialising? How?*
- *Where there is a bill involved how does it get paid? (I.e. is it split, are you in rounds, something else?)*

CLICK ON REPLY TO RESPOND

Insights

Most Tell MA members claimed they did not feel pressure to spend money whilst socialising...



I'm not ashamed to say to someone, 'I'm so sorry I would have loved to have come but unfortunately I just cannot afford it at the moment.

(Female, 35-44)

I never feel pressure to spend when out with friends. I think it is about having the confidence to know what you want to do and the amount you choose to spend

(Female, 55-64)

Why should people feel pressurised to do something they don't want to? You have

choice, use it!

(Male, 25-34)

I don't ever feel under pressure to spend money with friends.

(Female, 16-24)

No, I never feel pressure to spend more, in fact I'd be first to recommend a

cheaper option.

(Female, 35-44)



...This was mainly due to an understanding amongst friendship groups



*I would never feel pressured. I guess that **comes down to how understanding a group of friends you have** really.*
(Male, 35-44)

***No peer pressure at all, understanding goes both ways** as it rightfully should, so when out with friends they comprehend the importance of that*
(Male, 25-34)

*I used to but not so much now. I guess **I just stopped hanging out with the friends who I felt that kind of pressure from** and the friends I socialise with now are all pretty laid back .*
(Female, 45-54)



***They are all aware of my financial situation** and so if I tell them I just want to go for a drink instead of having a meal out, **they understand. Many of them are in the same situation** as me, moving out and saving for weddings and things.*
(Female, 16-24)

There was no need for a conversation about budgeting – there seemed to be a common understanding that costs should be kept to a minimum



*Friends would know if some of the group have more money than others and good friends **would not suggest a place out of people's reach or budget.***
(Female, 45-54)

*It's not really discussed, although we are usually **aware of which friends need to be careful with spending and act accordingly***
(Male, 35-44)

***We just share a common understanding** that no-one has cash to throw around.*
(Female, 35-34)

*No discussion, **most people I know prefer to keep costs down** by staying in and not going out, so that suits me.*
(Female, 35-44)



A few did state they had felt pressured to spend money in a social setting



*I always feel the pressure to spend money with friends. We are the first of our friends to have kids so **they all have expendable income - which we do not!***
(Female, 16-24)

***Yes I do feel pressured to spend money** even if it's just to buy a round.*
(Female 25-34)



I do feel under pressure to spend** when I do go out, to **pay my way.
(Male 25-34)

***You never want to look stingy,** so normally I just spend about the same amount as friends.*
(Male 25-34)

Although most have some sort of social budget in place, for some it can quickly be forgotten



When I'm socialising I have a budget but I am a little flexible with it.
(Male, 35-44)

*If I do go over my budget I never feel regrets or sadness as **life is too short to worry about it.***
(Male, 45-54)

When I'm out with my mates watching the football, I can tend to overspend if the cracks good.
(Male, 45-54)

In a social setting it's better to be a bit more relaxed with money as you'll have more fun.
(Female 35-44)

I sometimes get carried away when I'm enjoying myself and buy extra drinks.
(Male, 45-54)

Budgeting tends to go out of the window. I look on it as an occasion to treat myself.
(Female, 35-44)

Others will stick to their budgets whatever the situation



*I take x number of money out with me. I know how much I can spend and usually stick with it. **I do not take money out that I cannot afford to spend.***

(Male, 45-54)

*I usually take a certain amount of money with me before I set off **so I know how much I can spend for the night out.***

(Male, 25-34)

*I **budget several meals out into my monthly budget**, so that I can cover this and it never becomes an issue.*

(Female 45-54)

*It is good to have a **budget guide** even in a social setting.*

(Female, 45-54)

*I bring a **set amount** and never go over it.*

(Female 35-44)



Tell MA members shared many inexpensive ways in which they socialise (1)



Many entertain at home or visit friends houses, this was the most cited way to keep socialising costs to a minimum

*My best friend comes to my house, **so it's cheap and no one worries about money!***
(Female, 35-44)

*With friends, all we care about is having a laugh together and **we can do that just as easily in the house** - in fact much more so.*
(Male, 35-44)



*Summer is coming, which means BBQs, which we love and **they are inexpensive to go to**. We just take a bottle or two with us and I will make a side dish.*
(Female 35-44)

*We tend to go out for a cuppa rather than go out for drinks and we cook for other people rather than go out to dinner. **We have a girly evening in with a bottle of wine and some nibbles rather than go to the pub, as it is much cheaper.***
(Female 35-44)

*We tend to **go round our friends houses for a few drinks, as so much cheaper** and relaxed.*
(Female, 45-54)

More inexpensive ways in which they socialise (2)



Picnics

*It's usually to meet up at a local park for a chat with friends and then **we all bring a little food and drink** and we make a picnic of it. **It is possible to have fun without spending a lot of money***
(Female 35-44)

Choose cheaper restaurants

*Due to finances, **I have downgraded from the "fine dining"** with friends and family, to tapas or noodle bars.*
(Male, 45-54)

Take home made gifts



*If we are going to friends houses, **we always take a gift** but **I no longer feel I should take a bottle of wine**. **If funds are tight, I would take a nicely wrapped home made preserve** or some home made biscuits or fudge instead.*
(Female, 45-54)

More inexpensive ways in which they socialise (3)



Buy soft drinks / drink free tap water when out



*If we go to a pub we just have soft drinks to keep the cost down
(Female 45-54)*

*Usually with a meal in a restaurant I'll just have tap water to drink.
(Female, 35-44)*

Use vouchers

*I regularly use vouchers that are available on Moneysavingexpert, such as 25% off at Bella Italia. I also use Living Social now and again if they have any good offers on.
(Female, 35-44)*

*I definitely look out for discount vouchers when going out for a meal.
(Female, 35-44)*



When eating out, most will split a bill equally



We normally just split it between us, **no matter who has had what.**

(Male 25-34)

If we've had a meal, then **we simply divide the end bill by all of us**, regardless of what was ordered.

(Female 35-44)

Whenever we go out for a meal with friends **we always split the bill equally.** I find it easier rather than saying well your meal cost this, your meal cost that.

(Male 35-44)

No one questions it. If there is a group of us, we would just split the bill, it's all a bit swings and roundabouts and **usually works out in the end.**

(Female 35-44)



Sometimes paying the bill can cause issues



This can lead to some preferring to pay for exactly what they have ordered.



*I prefer to share bills by splitting them with friends but I go out when I can afford to, so **it is annoying when a friend doesn't pay their way**. Usually they're not invited out again!
(Female 35-44)*

*I would prefer to buy meals individually rather than splitting the bill between everyone. Otherwise **it can lead to resentment** when someone in the group is choosing very expensive items.
(Female 55-64)*

*A meal out cost me more than I would have paid because some of them had chosen more expensive meals like steak. **If I had known that was how we were paying, I would have probably chosen more expensively too!**
(Female 45-54)*

Most were happy to buy rounds



Overall members were more comfortable buying rounds than splitting bills, however there were still some incidents where it can become an issue



***Rounds are a good social thing** so I like doing that
(Male 35-44)*

***We pay for a round each, no one abuses it.** We all have similar drinks.
(Female 45-54)*

***Normally we buy rounds** but during times where I had a lack of funds I would say to the rest of the group right at the start of the night, **'look guys I can't afford to buy rounds tonight'**
(Male 35-44)*

***I do buy rounds.** I don't drink, so if my friends are being full on with the drinks and shots etc. **I will duck out of the rounds and buy my own soft drinks!**
(Male 35-44)*

Summary

Food for thought (1)



- **The majority of Tell MA members didn't feel pressure to spend in a social setting:**
 - Many were happy to relax the budget whilst socialising
 - Or were not phased by others spending, managing to stick to their own budget
 - Others had understanding friendship groups, with similar social budgets in mind and some stated there was no need as people know their friends financial situation and respect each other
- **Most do have a budget in mind when socialising. Many stick to it, for others they become more relaxed – for most this wasn't an issue, the occasion was worth it and costs can be clawed back throughout the month**
- **Many prefer to keep socialising costs to a minimum and there were numerous cost-cutting activities mentioned. With most stating they prefer to invite friends over or visit friends houses.**

Case Studies

Case study 1 – No need for excuses – family comes before socialising with friends



I do feel like I am missing out sometimes, recently one of my friends turned 40 and a whole group went to Tenerife for a long weekend. I of course never went because there was no way I could afford this and I did see all their photos on Facebook and feel a bit sad but to be honest If I had that sort of money spare I think I would rather have a lovely family holiday. I'm so used to putting my family before a social occasion, it just feels normal now, plus I'm not the only one, some of my friends are in the same position so we are all used to it and do different things with different friends. I'm not ashamed to say to someone "I'm so sorry I would have loved to have come but unfortunately I just cannot afford it at the moment but I hope you have a fabulous time and I look forward to seeing your photos." I'd much rather be upfront, than make up an excuse or tell a lie.

Case study 2 – It is easier to ‘go with the flow’ when socialising



You never want to look stingy, so normally I just spend about the same amount as friends, we either go out for a drink or a meal, or go to watch the football. I don't worry about budgeting as much when it gets to socialising. I tend to just go with the flow and we normally just split a bill between us, no matter who has had what. Sometimes I'd rather stay in but sometimes you have to do things you don't really want to do and generally, I must say, I do enjoy myself. Now and then I do think, can I afford to do this but then I always seem to get to the next pay day ok.

Case study 3 – A strict social budgeter, who loves a deal!



I never feel pressure to spend more, in fact I'd be first to recommend a cheaper option, unlike my eldest daughter. I go out for drinks or meals with family only and only go where I think I am getting good value and drinks at a reasonable price. Then I'll stick with a cup of tea, as it's always the cheapest option! I will buy more expensive drinks for others but I'll make a point of telling them how much more it costs! My attitude does not change when I am out. It's nice to go out for a treat, meal or drinks but I will not waste money on this, if I think it's not worth it. I am known to leave somewhere if they have menu prices I will not pay! My kids hate that. I buy the cheaper meals, or two for £7 type of deals. I buy the meal deals with drink included or just go to where I know is good value, you just know which places are not in your preferred price range after a while and stick to the good value places you do like. If someone suggested an expensive cafe, I'd just refuse. Even better if we're going somewhere like Toby where you can print out a voucher!

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