Consumers scrape by to afford bills but still indulge in luxury purchases

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- **Nation of scrimpers:** Almost half of UK adults are unable to save (44 per cent) and one in four are merely scraping by (25 per cent)
- **Can't resist:** Despite consumers struggling to pay the bills, 40 per cent buy luxury items – 25 per cent of which can't afford them
- **Rising cost of essentials to blame:** Increasing cost of bills and groceries prevent the majority of UK adults from having financial leeway

A new year brings new resolutions and for many the aim will be to get their finances in order and save money this year. However, according to new findings from VoucherCodes.co.uk, consumers' good intentions may be short lived due to the soaring cost of essentials coupled with their penchant for high-end purchases.

New research* reveals almost half of UK adults are unable to save money (44 per cent) and one in four is merely scraping by (25 per cent). An additional 14 per cent of UK adults are able to live fairly comfortably but still find it impossible to save.

Financial concerns are paramount at this time of year. Nine out of ten** UK adults (90 per cent) worry about how much money they have, with the majority blaming the soaring cost of essential bills such as utilities and groceries for the lack of monetary wiggle room.

However, despite struggling to make ends meet, two fifths of consumers are still purchasing luxury items such as designer clothing or big ticket technology goods (40 per cent), even though only a quarter feel they can actually afford them (25 per cent). When asked why they make their purchases, one in ten admitted it was to keep up with their friends and colleagues who did the same (10 per cent).

This lack of restraint is higher in men, with 16 per cent buying luxury items when they cannot afford it, compared to just 11 per cent of women. Interesting though, women worry more about getting into severe financial trouble (58 per cent), than men (50 per cent).

Anita Naik, lifestyle editor of VoucherCodes.co.uk comments:"Despite a slightly rosier outlook for the UK economy, as living costs continue to soar, most consumers are finding they're struggling to afford the bare necessities, let alone to splash out on designer purchases. However its clear many hard working consumers still feel splashing out occasionally is important in maintaining a good quality of life.

"Juggling smart budgeting with the occasional splurge is generally manageable, but it does mean consumers have to be smarter about how they're spending. Making a small change to the way they shop can make a huge difference and by simply checking online for a voucher before making any purchases, big or small, shoppers can rack up instant savings with the nation's biggest brands. It's all about balance and for those consumers that want to keep spending on the things they love, shopping smarter can help them feel more financially secure without having to cut back in other areas."

Notes to editors:
*Research conducted amongst 1,000 adults by One Poll between 24th and 27th December 2013
**Research conducted amongst 1,000 adults by One Poll between 21st and 26th September 2013