

Lowest Earners Spend Disproportionately on Lottery Tickets, Other Financial Vices

Millennials and Men spend the most

NEW YORK – December 12, 2019 – U.S. adults who earn under \$30,000 per year* and admit to spending on lottery tickets, alcohol, tobacco, and/or gambling, are paying a disproportionate amount of their annual income on most of those financial vices, according to a new study by Bankrate.com. Excluding those who don't spend at all, the lowest earners are expending 13% of their annual income on lottery tickets, 13% on tobacco or e-cigarette products, and 11% on alcohol, the largest percentages across all income brackets. For more information, click here:

<https://www.bankrate.com/surveys/financial-vices-december-2019/>

Percent of annual income spent/wagered by those who engage in these vices:

	Under \$30,000	\$30,000 to \$49,999	\$50,000 to \$79,999	\$80,000 and over
Lottery Tickets	13%	3%	1%	1%
Alcohol	11%	7%	3%	1%
Tobacco or e-cigarette products	13%	6%	4%	1%
Gambling	4%	3%	5%	2%

Age and gender are strong indicators of who will spend more when it comes to people who misspend on financial vices. Among those who spend on each "vice"*, Millennials (ages 23-38) spend more annually on lottery tickets (\$976), alcohol (\$1,741) and tobacco (\$2,498) than both Generation X (ages 39-54) and baby boomers (ages 55-73). Conversely, baby boomer gamblers spend more than any other age group (\$2,913).

Overall, millennials* spend an average of \$2,995 annually on these four categories combined (including non-spenders), over \$1,000 more than Gen Xers (\$1,885) and baby boomers (\$1,950).

Among those who spend on each*, men spend twice the amount women do for both lottery tickets (\$1,431 vs. \$590) and gambling (\$2,642 vs. \$1,399). Alcohol is also a more expensive vice for men (\$2,128 vs. \$1,176), albeit to a lesser degree. Women who smoke or vape, on the other hand, are inclined to spend more on tobacco or e-cigarette products (\$1,979 vs. \$1,836).

Overall, men* spend more than double on average than women on these four financial vices combined (\$3,205 vs. \$1,670).

"It's important for all adults, not just lower earners, to take stock of their spending habits and make sure that their priorities are in the right place," said Amanda Dixon, an analyst at Bankrate.com. "Get in the

routine of monitoring your finances each month, so that you can catch bad habits early and stay on track. A little discipline can go a long way when you're trying to achieve financial success."

Methodology:

Bankrate.com commissioned [YouGov Plc](#) to conduct a consumer survey. Total sample size was 3,829 adults (2,377 who opted to share their household income). Fieldwork was undertaken on October 3-8, 2019. The survey was carried out online and meets rigorous quality standards. It employed a non-probability-based sample using both quotas upfront during collection and then a weighting scheme on the back end designed and proven to provide nationally representative results.

** Of respondents who reported their annual income.*

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