



The Vibe-~~re~~cession is here

Financial Wellness Report 2024

Insights from more than 1,300 Australians



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A critical time for many Australians

There's no doubt about it: the Vibe-cession is here.

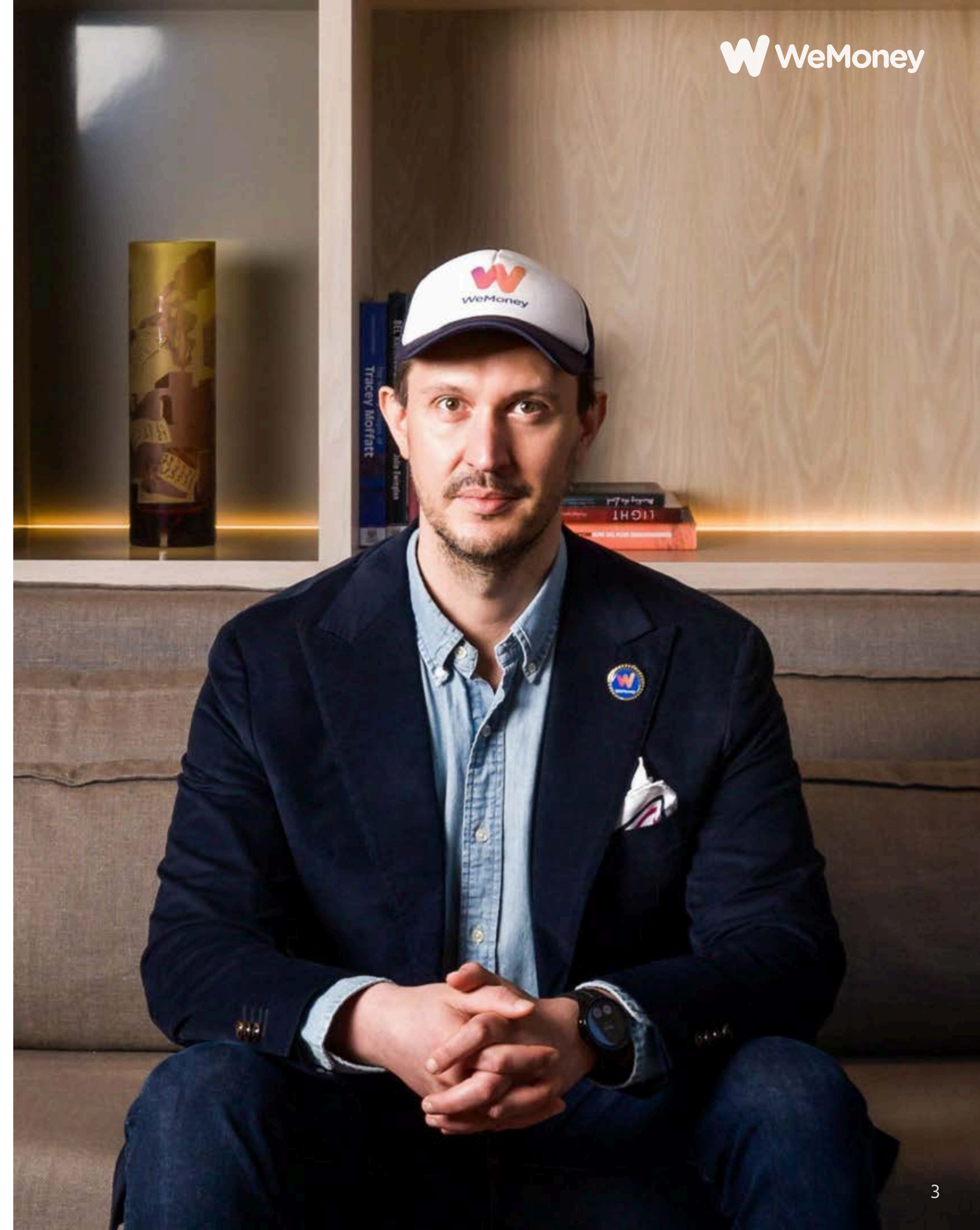
In this year's WeMoney Financial Wellness Survey, we present the hard facts and real stories of how our members are navigating their finances, uncovering critical trends about the cost of living, savings, debt, and their overall financial outlook.

We are committed to helping every Aussie improve their financial health, not just in 2024, but for the years to come.

Read on to learn more.

- **Dan Jovevski**

Founder & CEO, WeMoney



Methodology

WeMoney, Australia’s leading social financial wellness platform, surveyed 1,317 Australians to understand their thoughts and feelings towards finances, debt, savings, housing, money habits, and the economy. Our research, broken down by demographic cohorts, reveals the ‘hidden insights’ driving everyday attitudes and actions towards money and debt. Key findings include a lack of awareness among consumers about getting the best deals on financial products, especially for lower-income households. Australians are increasingly living paycheque to paycheque, feeling stressed about their finances, and pessimistic about the economy, with many believing we are in a recession.

We believe Australians deserve better. To address these issues, it's crucial to provide Aussies a better solutions. This will enable better access to tailored financial products, fostering greater competition and transparency. Enhancing financial literacy and support systems can help individuals manage their money more effectively, reduce stress, and build savings. Providing clear and reliable economic information will empower Australians to navigate financial uncertainties, making informed decisions even in challenging economic times.

1,300+ Survey participants

88 video responses

Industry research

AI sentiment analysis

Key findings

The now

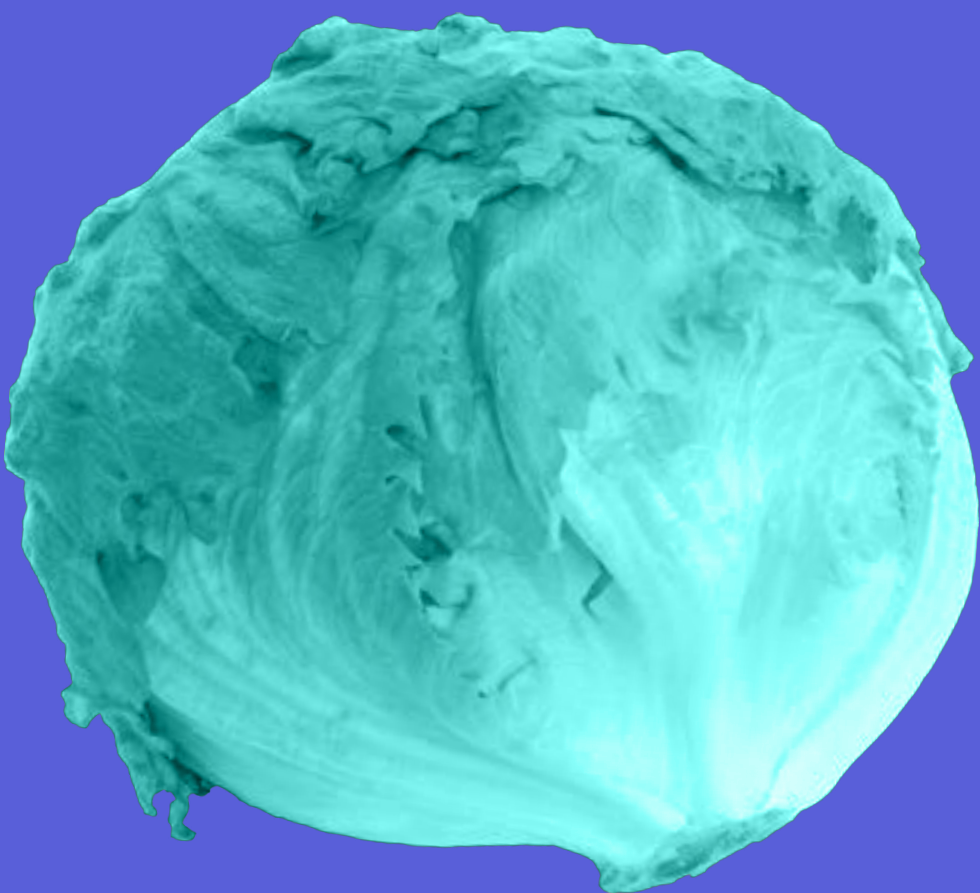
The Vibe-recession is here	Hard yakka, Aussies are doing it tough	Turning to debt, I need a dollar	CDR, a rate cut without one	AI: hello Siri, help me refinance
				
<p>59% think the country is in a recession</p> <p>58% expect inflation & prices to increase</p> <p>55% have a very or somewhat negative economic outlook</p>	<p>40% are 'just surviving' financially</p> <p>43% live paycheque to paycheque</p> <p>28% spend at least 1/2 of their pay on mortgage or rent monthly</p>	<p>54% have gone into debt to make ends meet</p> <p>55% plus feel they're overpaying on financial products</p> <p>71% feel school didn't prepare them to manage their finances</p>	<p>78% are unaware of the Consumer Data Right</p> <p>58% are likely to switch financial service providers if the process was easier</p> <p>48% said it took between 2 weeks to greater than 2 months to refinance</p>	<p>20% are already using AI tools for their finances</p> <p>78% think AI will have a greater role in managing their finances in the future</p> <p>55% have a 'negative' sentiment towards their financial wellbeing</p>
				
<p>Ben</p> <p>"I do earn a good amount of money, but I still can't really seem to save that much."</p>	<p>Lianna</p> <p>"My rent has gone up twice in the last year and my wage hasn't gone up at all."</p>	<p>Ian</p> <p>"We're really just focusing on paying the mortgage down."</p>	<p>Jessica</p> <p>"If I can refinance and get them all into one kind of thing... it is something I am looking at, at the moment"</p>	<p>Bruce</p> <p>"We have been using the WeMoney app to actually track our finances a little bit better"</p>

Theme 1

Vibe-recession

noun

- 1. when it feels & looks like a recession but isn't technically a recession.



Australia's been in a 'Per Capita Recession' since March 2023

-1.3%
GDP per capita March '23 to March '24



More than
half
think the country
is in a recession

QUESTION

Do you think Australia is currently in a recession at the moment?

Yes 59%

No 41%



Ben

28 yo Victoria

... I still can't really seem to save that much. It is affected by cost of living. **Every time I buy groceries, I'm amazed at how much they cost and how little I get.**



Industry talk

“Life in 2023 certainly felt recession-like as Australians faced more interest rate hikes, a rising tax bill and a still-increasing cost of living that again outpaced wage growth.”

— ABC, Rachel Pupazzoni • [Source](#) • Dec 2023

58%

expect inflation & prices to increase over the next 12 months



I'm constantly checking if I have enough in my outgoing transaction account to pay off all the bills that are coming out of it.

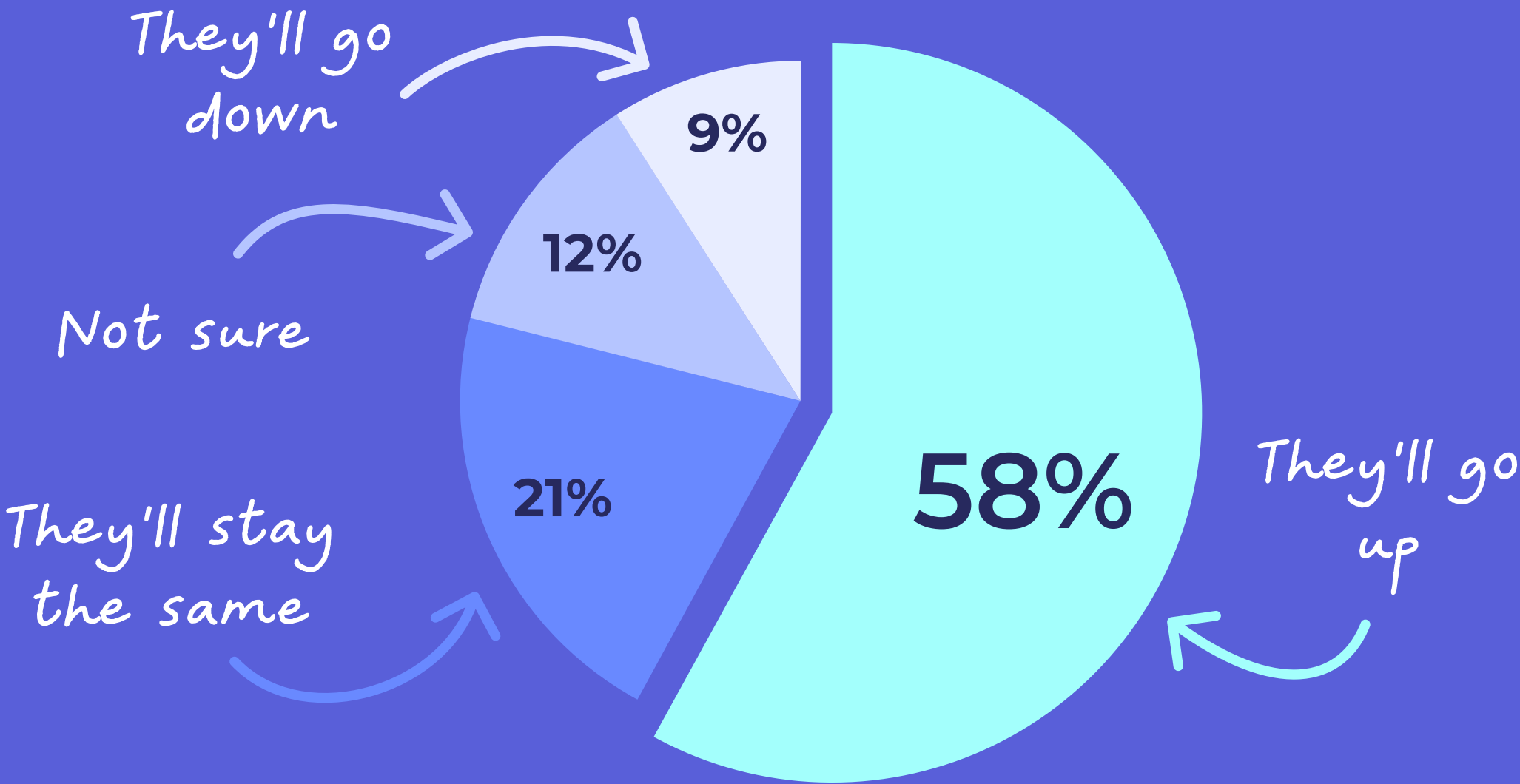
Ausrine

33 yo Victoria



Question

How do you expect inflation & prices to change over the next 12 months?



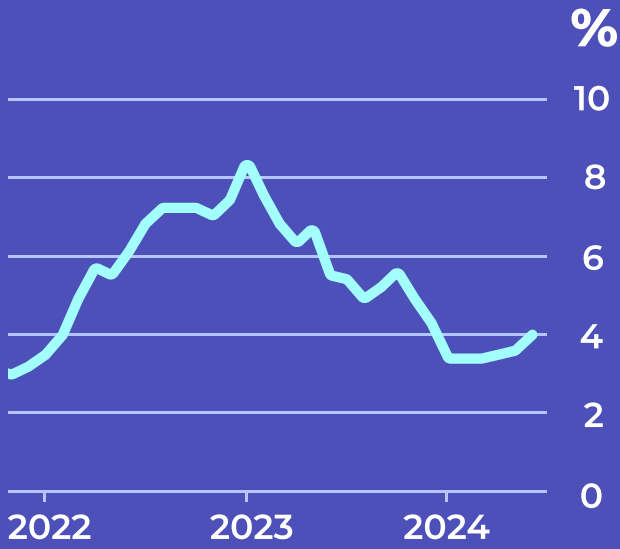
Economic data

Change in CPI over the twelve months to the March 2024 Quarter

+3.6%

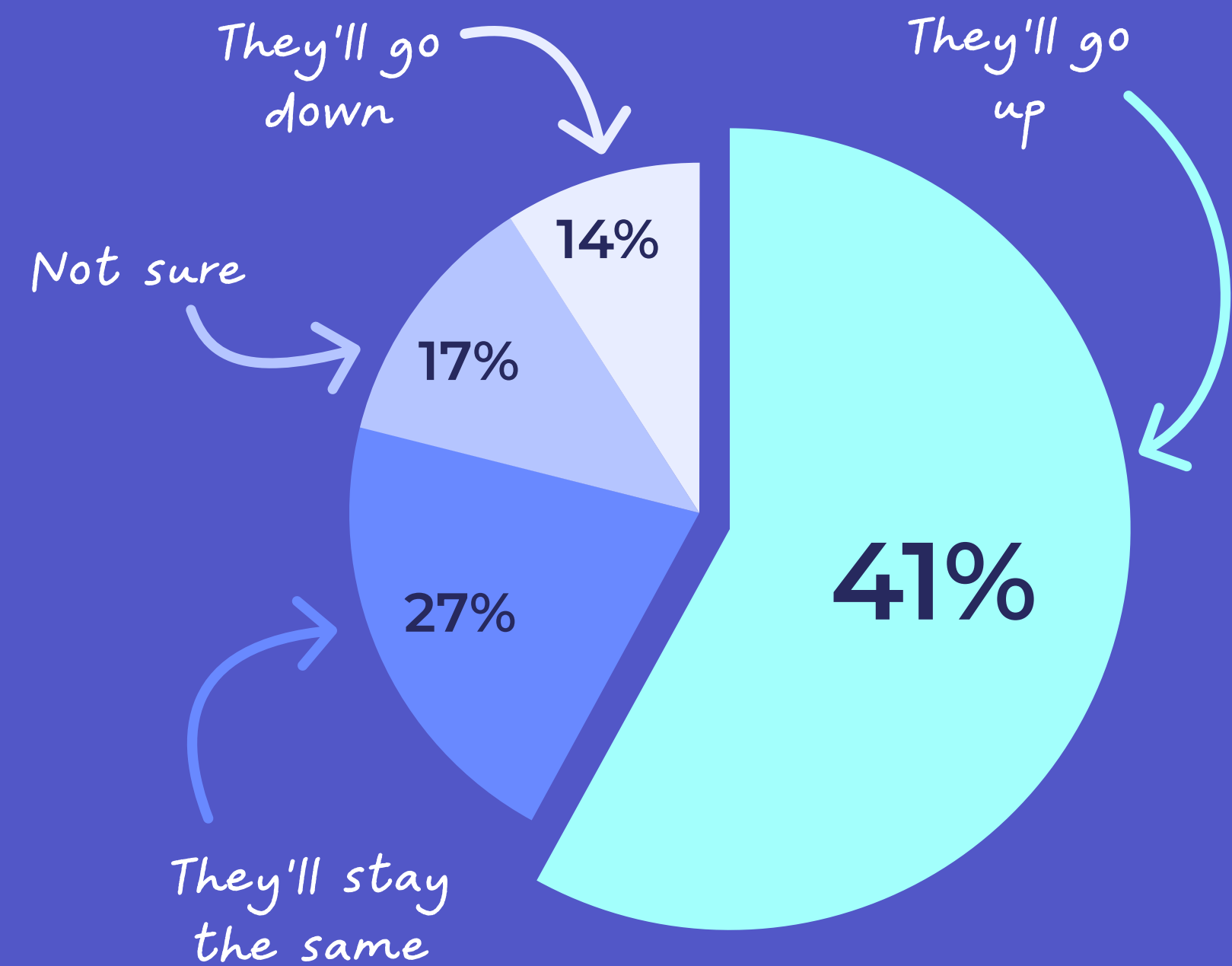
Inflation May 2024 monthly CPI indicator

+4.0 %



Question

What is your expectation regarding interest rate changes in the next year?



2 in 3
expect interest rates to
remain the same or rise
next year

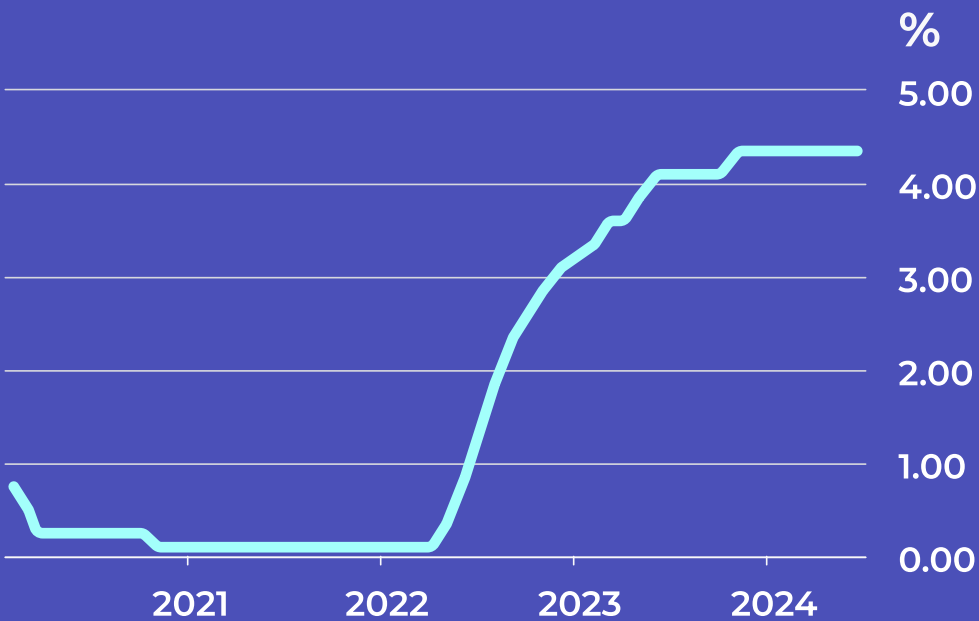
“
My main issue is definitely interest rates. That's probably my biggest expense by far. It would be the repayments on my interest rate that's the biggest detractor to my financial situation being better.”

Survey respondent
30 yo 📍 South Australia

Bar chart Economic data

Cash Rate since November 2023

4.35%



RBA data

55%

Have a **very** or **somewhat** **negative** economic outlook



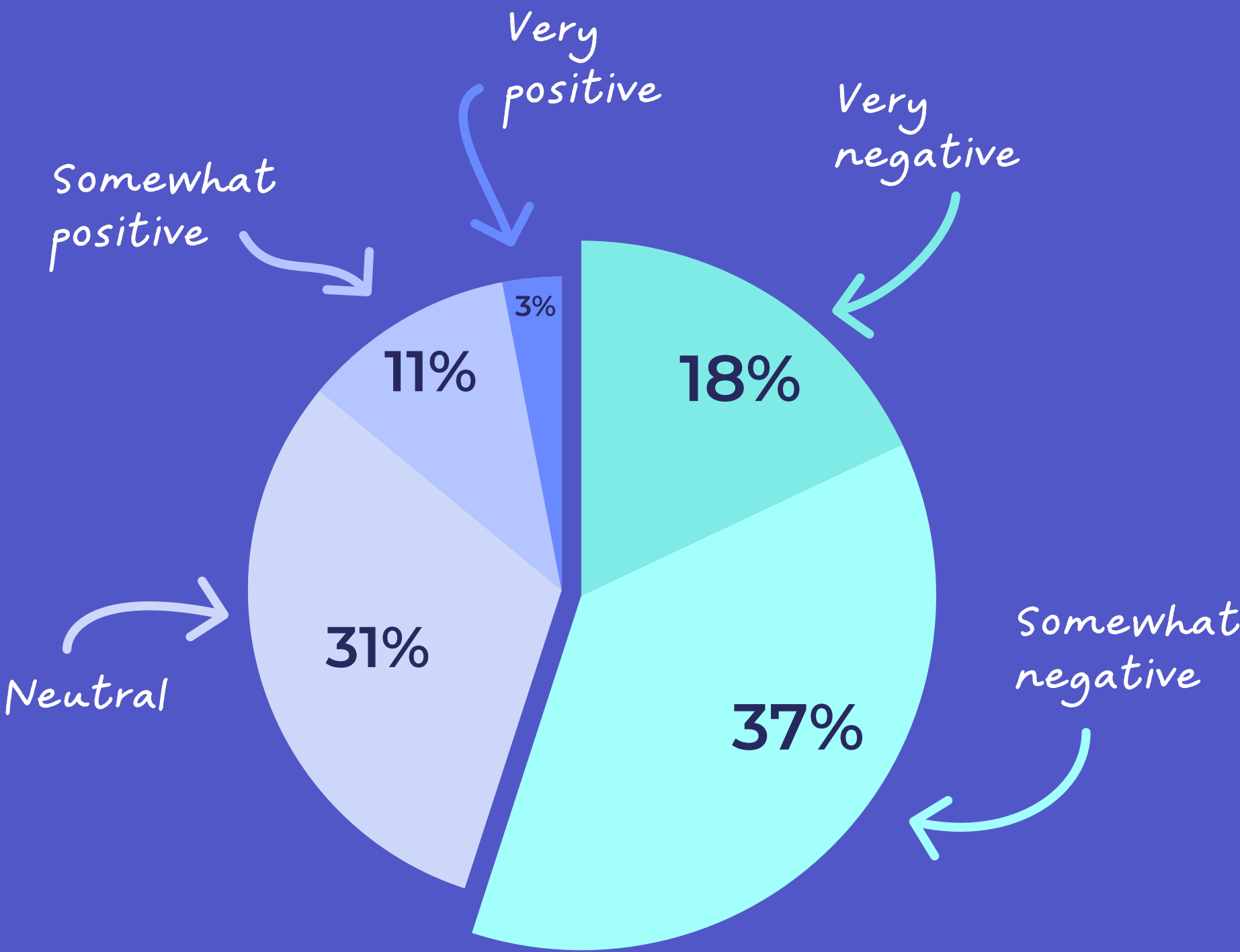
We are falling behind on all the bills. I have payment plans with all my utilities and I use [all the Buy Now, Pay Later because I can't afford to buy anything straight up. Can't see much changing in the near future.

Teliah

45 yo 📍 Western Australia

QUESTION

How do you feel about the economic outlook for the next 12 months?



Theme 2

Hard yakka

Aussies are doing it tough



I've got a few debts I'm trying to get on top of. **I think the cost of living is getting harder and harder and...I'm getting further and further behind.** Most weeks I have trouble buying food.

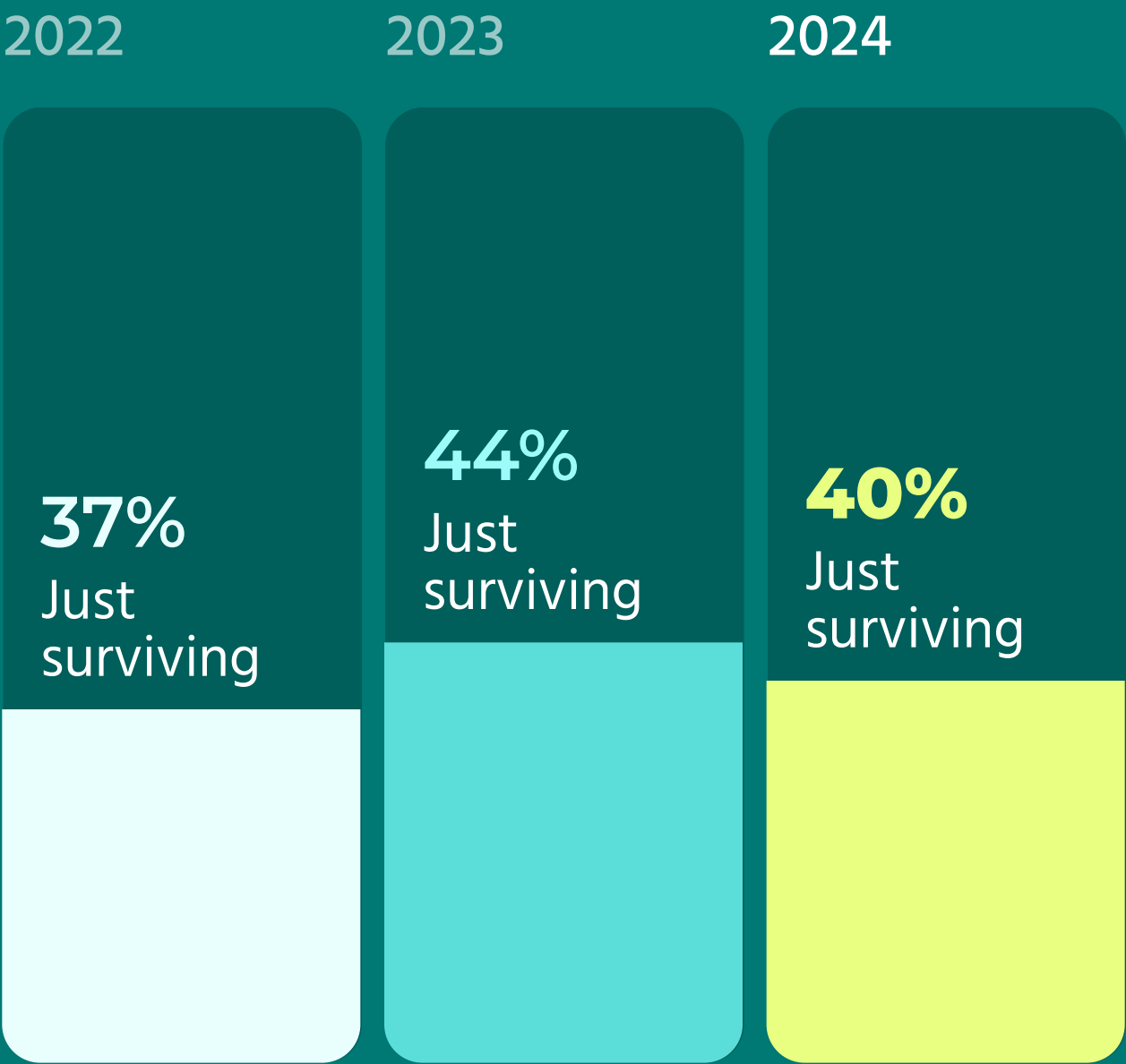
Darren

43 yo  Victoria

Aussies are struggling more and more...

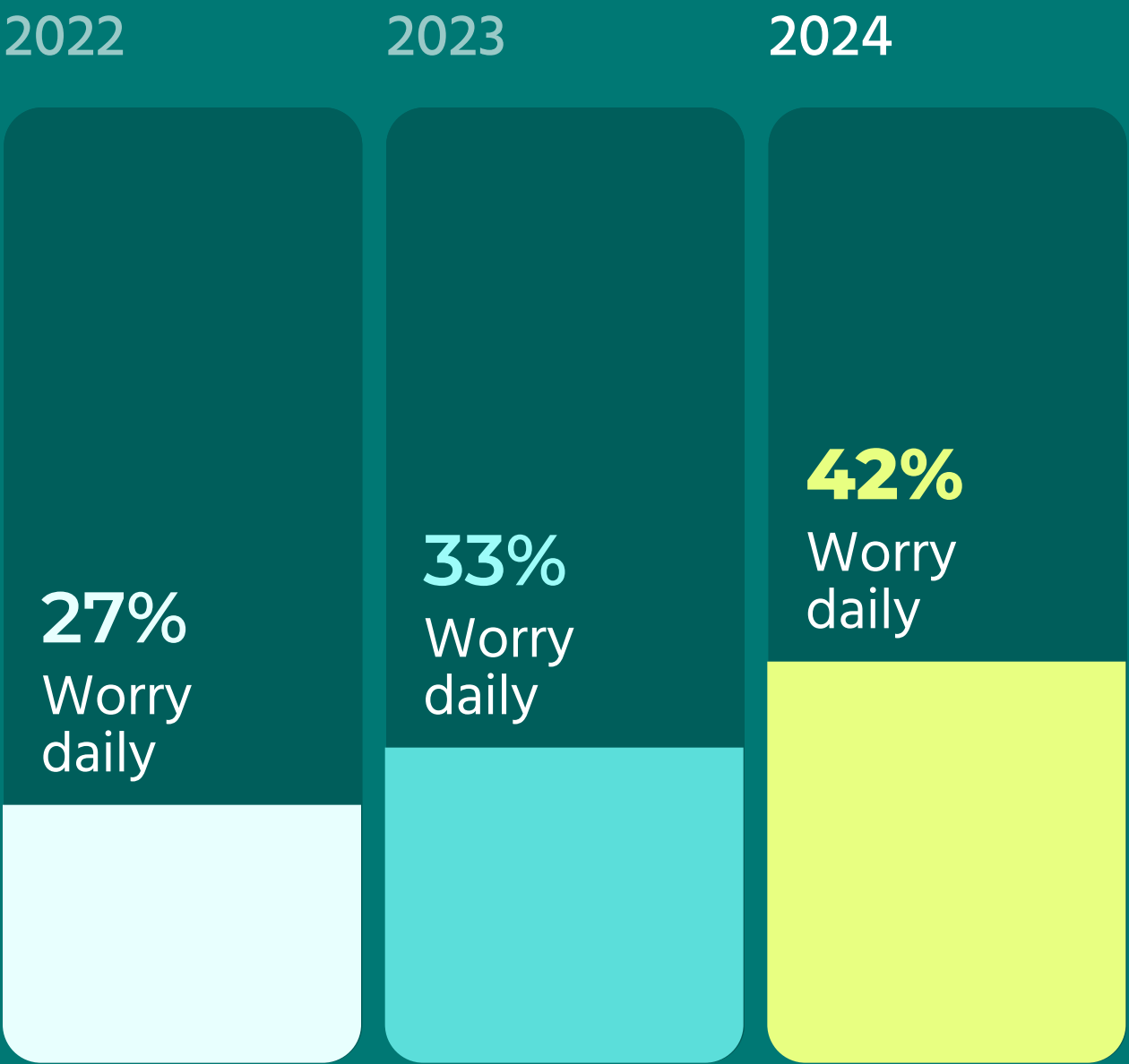
40% are 'just surviving'

Question
What best describes your current financial situation?



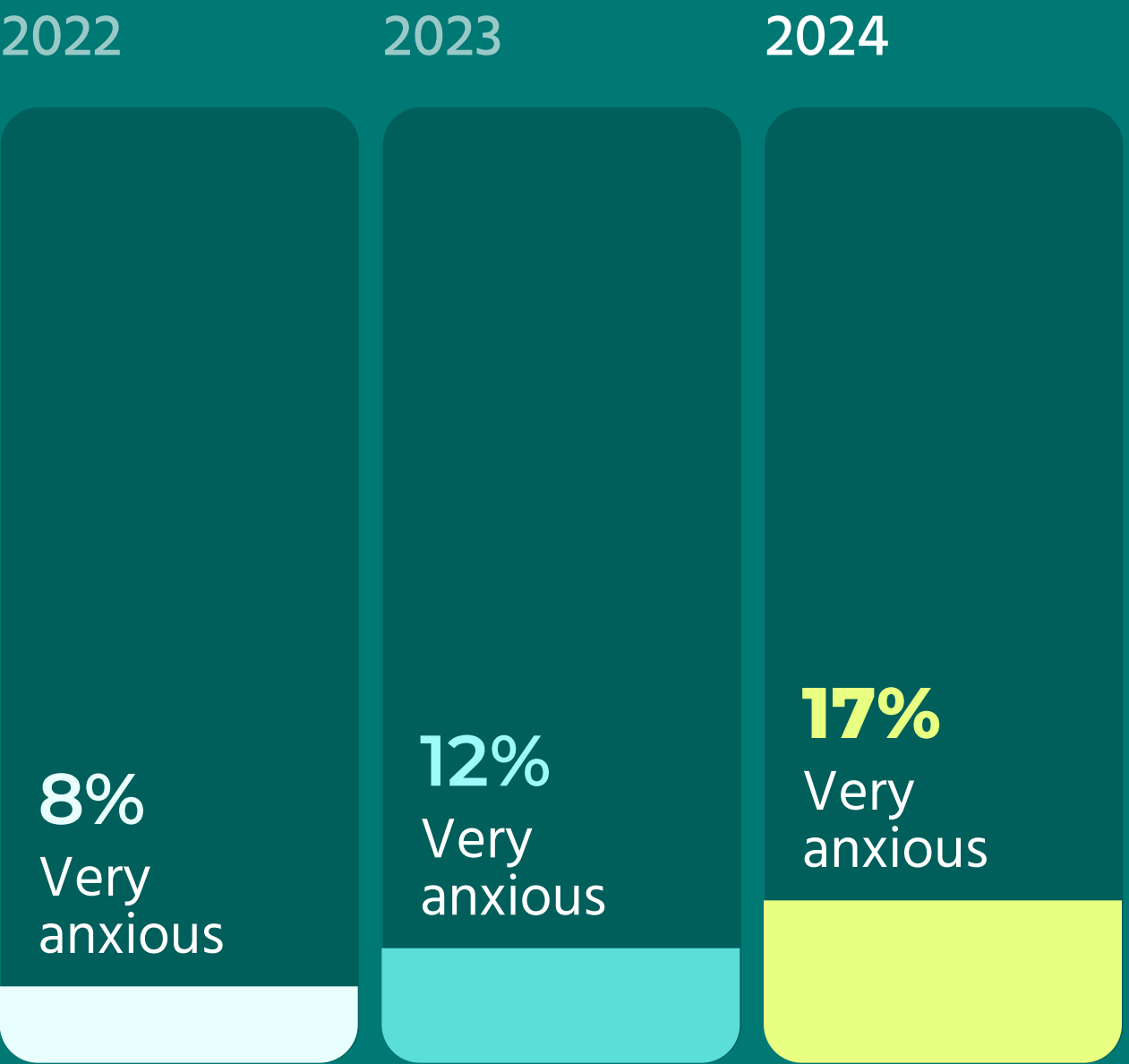
42% worry about debt daily

Question
How often do you feel worried, anxious, or stressed about your finances?



17% are 'very anxious' about their current financial situation

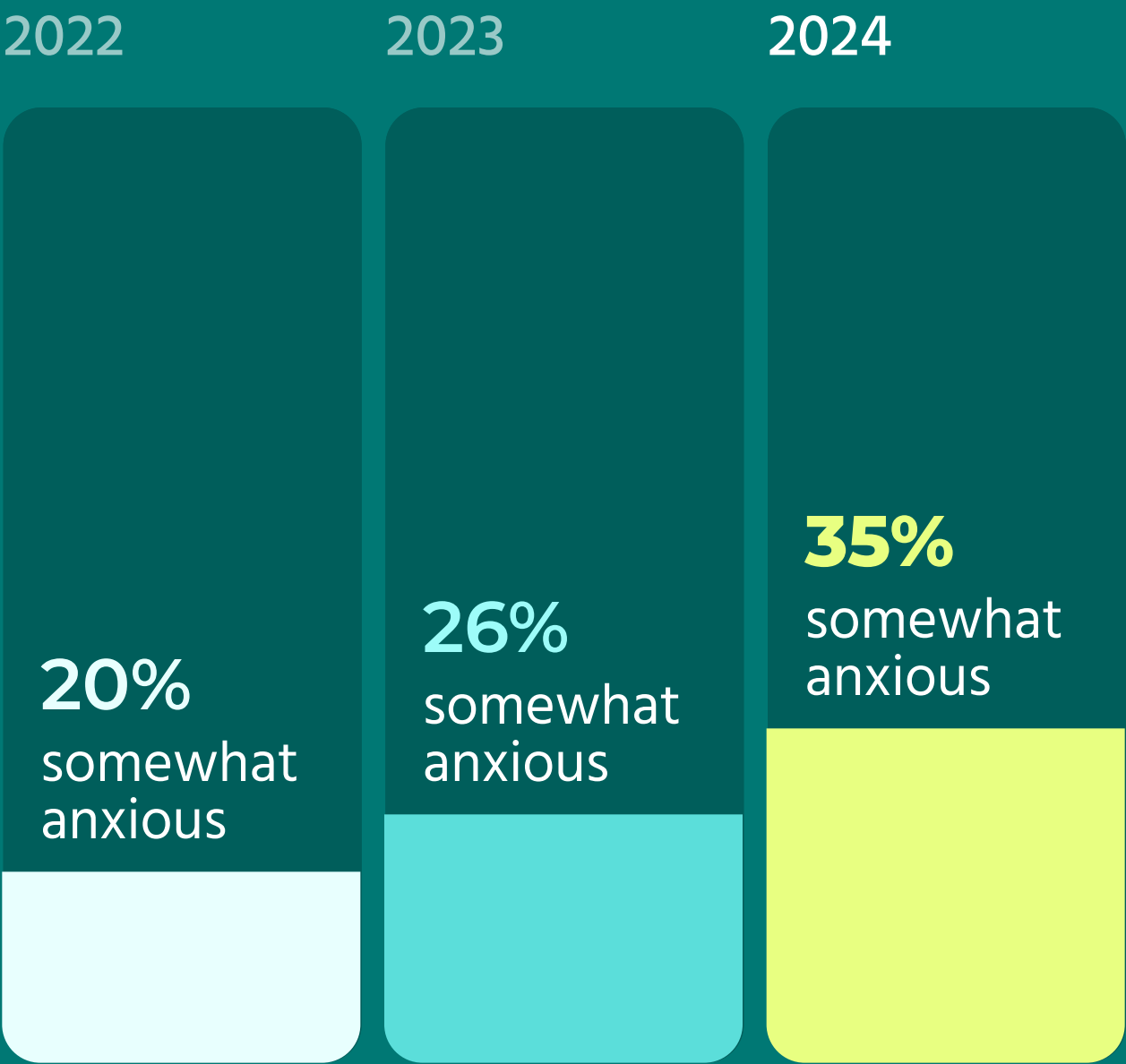
Question
Do you feel stressed or anxious about your current mortgage or rent payments?



And more...

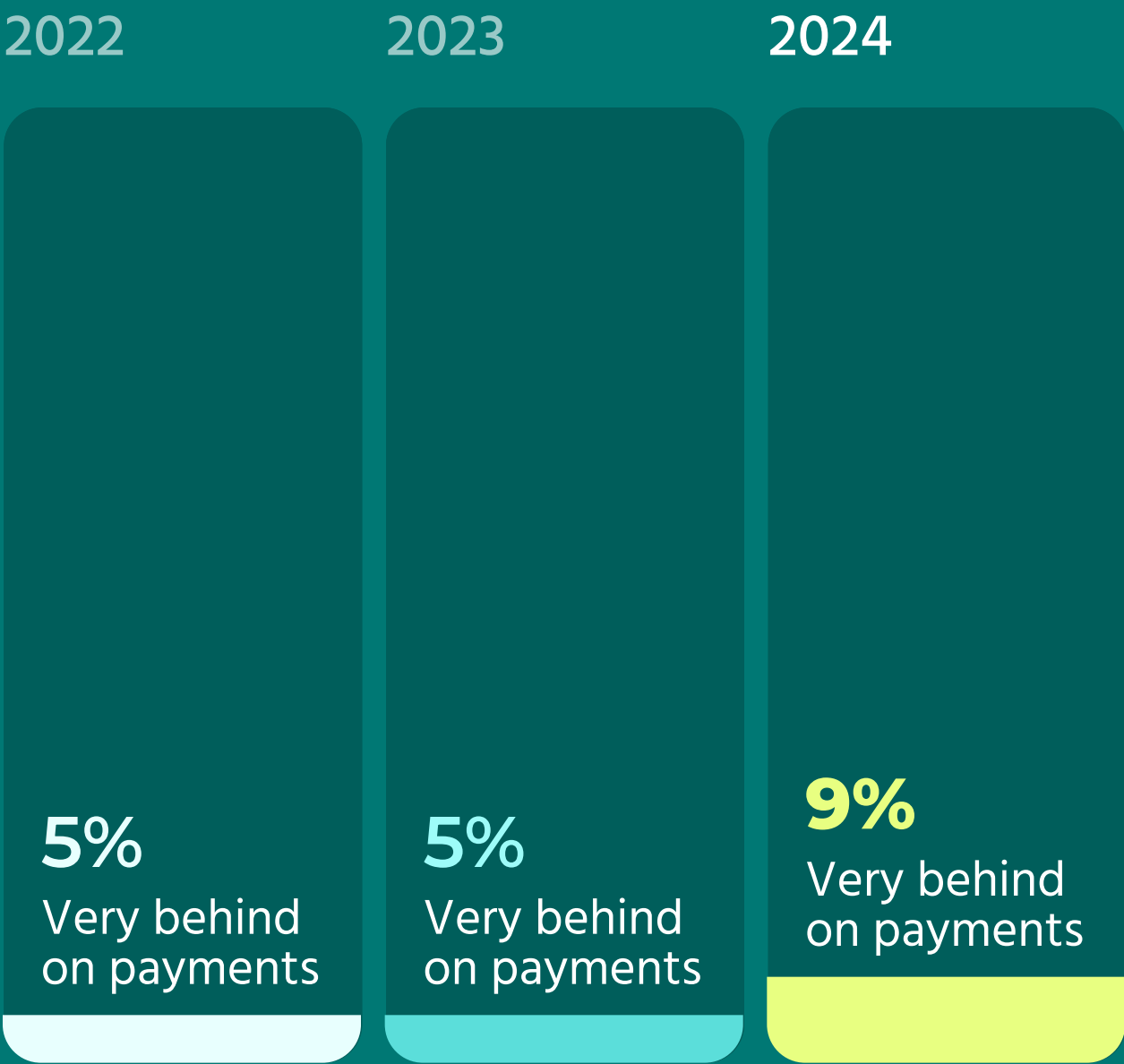
35% are “somewhat anxious” about their current financial situation.

Question
How do you feel about your current financial situation?



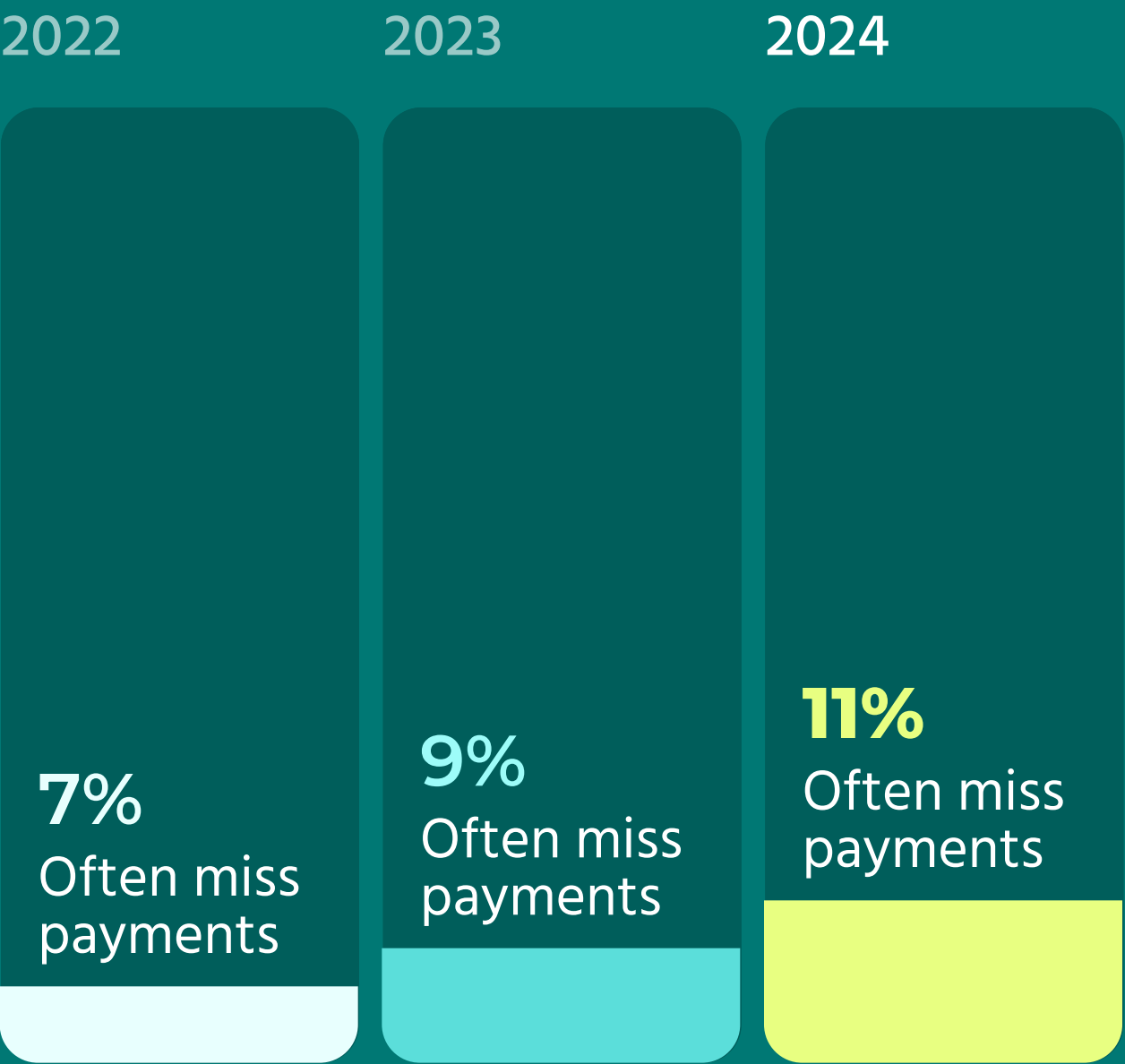
9% are very behind on payments

Question
Have you missed any repayments on any credit products or bills in the last 12 months?



11% often miss repayments

Question
Have you missed any repayments on any credit products) or bills) in the last 12 months?



WeMoney Financial Wellness Index

We asked respondents to rate their overall financial well-being on a scale from 1 to 10, with 1 being the lowest and 10 being the highest. **The results show a year-on-year decline in average financial wellbeing.**

Question: On a rating of 1 to 10, how would you rate your overall financial wellbeing?



40%

'just surviving'
financially

“

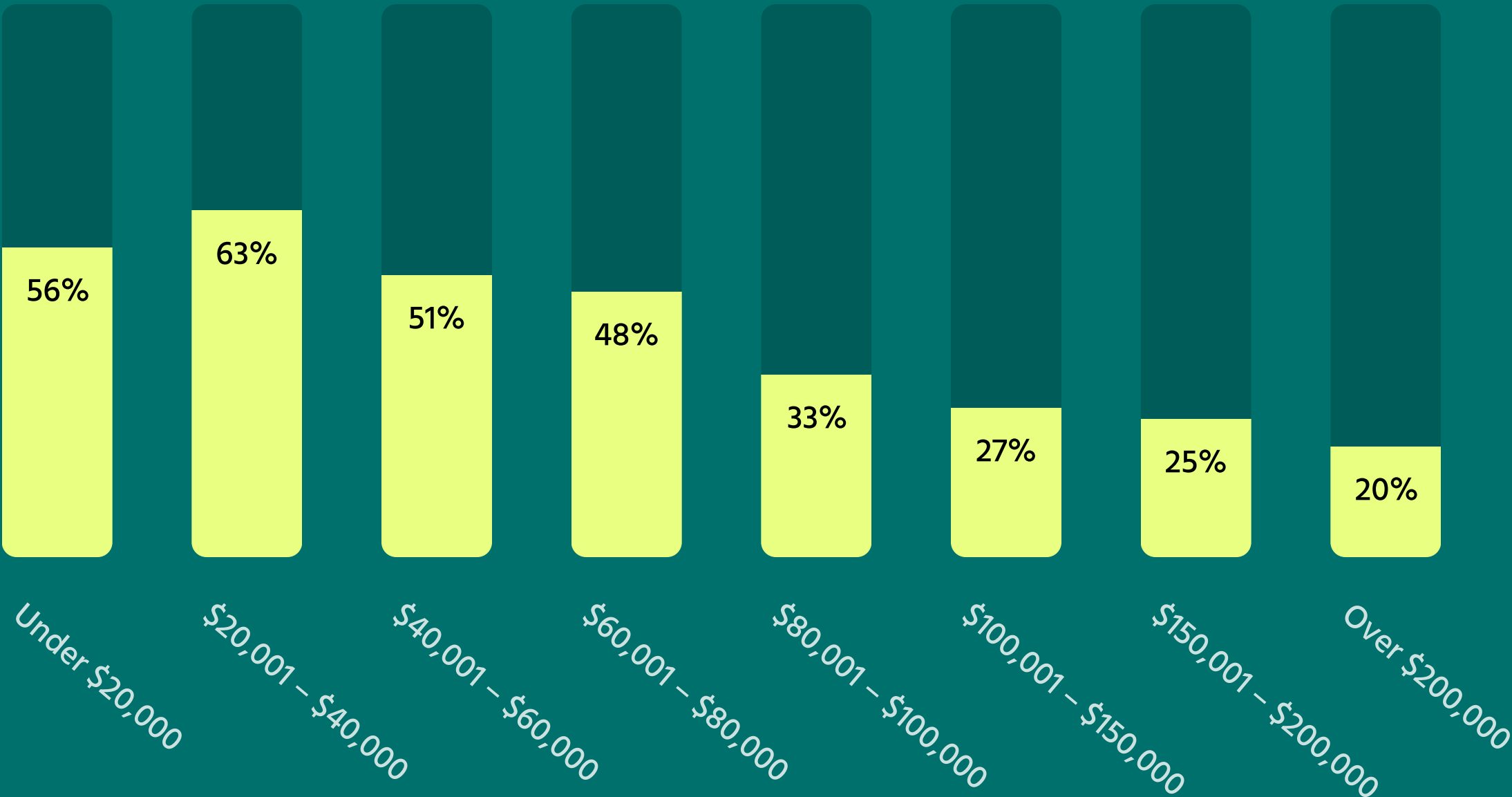
I would describe my financial situation as pretty bad. Struggling week to week. I can't really save. It's not really looking too good.

Survey respondent

30 yo  Victoria

The percentage of respondents who say they're 'just surviving', broken down by income bracket.

Question: What best describes your current financial situation?



 Industry talk

“Lower income borrowers – defined as those in the bottom quartile of mortgage incomes, with up to around \$78,000 in household disposable income – tend to be more affected by higher interest rates as they already had less spare income before interest rates began to increase in May 2022. Consistent with this, lower income borrowers make up a larger share of borrowers with insufficient income compared with their essential costs and scheduled mortgage payments.”

— Reserve Bank of Australia (Financial Stability Review) • [Source](#) • Oct 2023

43% live paycheque to paycheque

60% don't save more than 10% of their income monthly



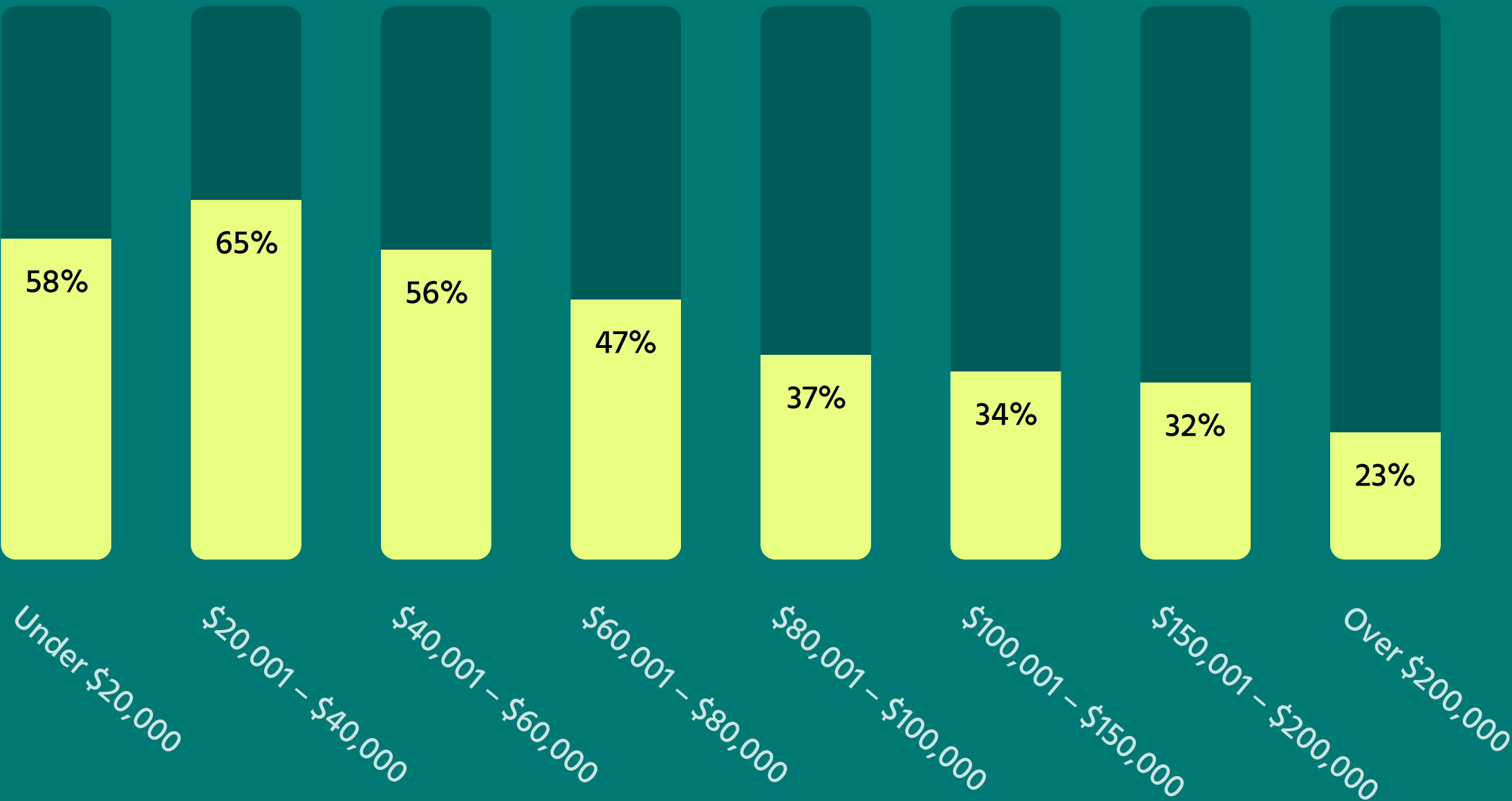
“

I struggle fortnight to fortnight to pay. I've eaten through all my savings to try and live. The rising cost of living is scary because I don't see my wage going up in the near future yet everything else is going up.

Lianna
36 yo Victoria

The percentage of respondents who answered 'None, I live paycheque to paycheque', broken down by income bracket.

Question: How much of your income do you approximately save each month?



Industry talk

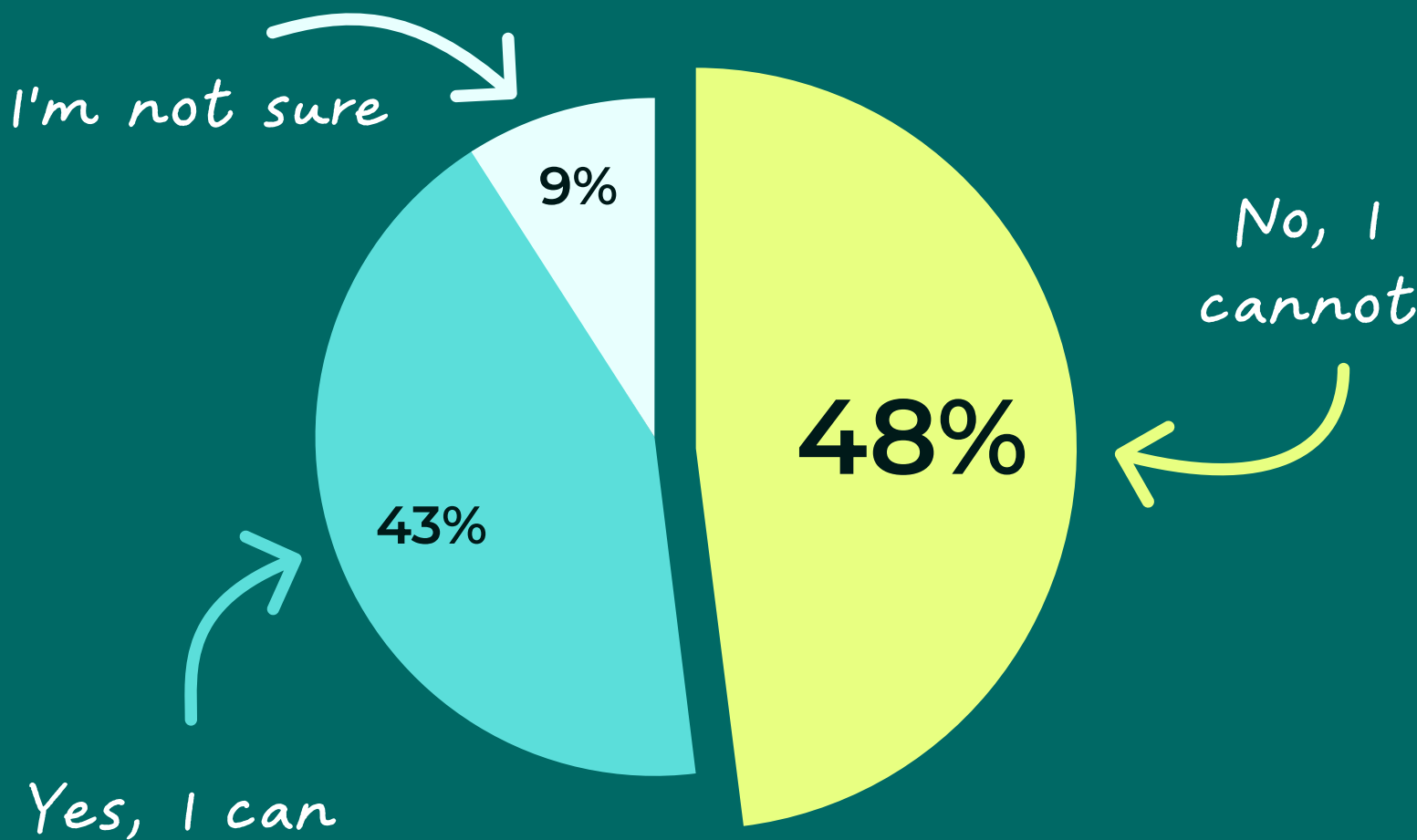
“Many households continue to face a squeeze on their budgets as high inflation and the increase in interest rates over the past 18 months have reduced available income after essential expenses and housing costs.”

— Reserve Bank of Australia (Financial Stability Review) • Source • Oct 2023

Almost 1 in 2 do not have \$1,000 today to deal with an emergency

Question

Would you be able to come up with \$1,000 today to deal with an emergency?



The current economic situation has really impacted my ability to save. My savings is fairly non-existent and **if I had to come up with \$1,000 due to an emergency, I would really struggle.**

Alexander

42 yo 📍 New South Wales

💬 Industry talk

“In Australia, many of us are not prepared for negative or emergency events. CommBank research found: one in three Australians say they couldn’t come up with \$500 in an emergency, One in three Australians say they couldn’t handle a major unexpected expense, One in two Australians say they wouldn’t have enough to handle a temporary loss of income.”

— Commbank, Why don't we put money away for emergencies • [Source](#)

68% find it difficult to obtain affordable housing in their area



“

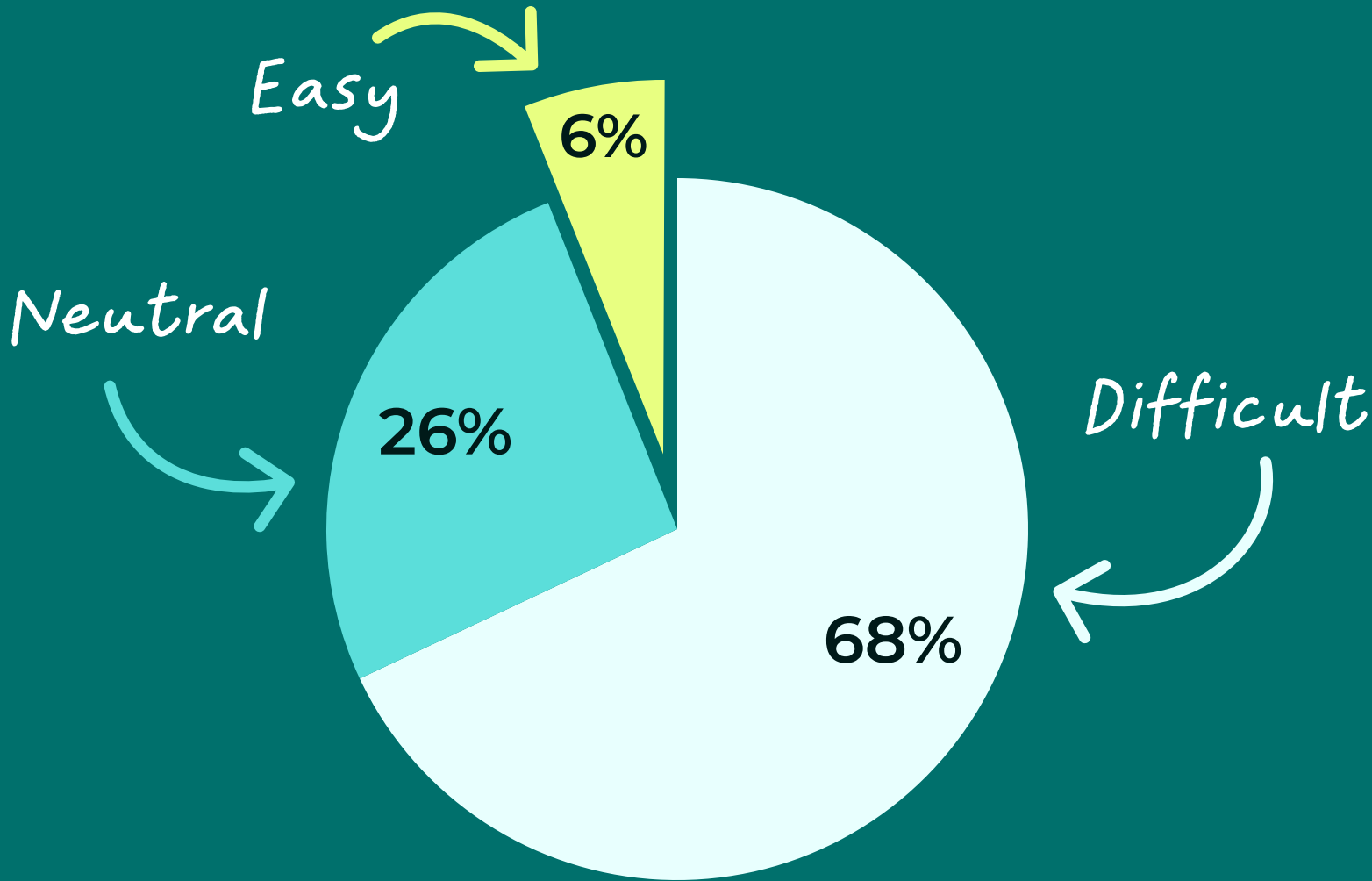
I feel like the situation with housing is getting out of my grasp, despite my best efforts.

Khao

23 yo Victoria

Question

In your view, how easy or difficult is it for one to obtain affordable housing in your area?



Percentage of respondents who found it difficult to obtain affordable housing by state

NSW	WA	QLD	VIC	SA	TAS	NT
73%	68%	67%	65%	65%	63%	53%

Industry talk

“Overall, that means prices are still much higher than they were pre-pandemic. That has made it even harder for people to get on the housing ladder, with new research finding 90% of aspiring first-home buyers are unable to purchase a property.”

Forbes Advisor, Prashant Mehra • Source • Oct 2023

Nearly
3 in 10
spend **50% or more of their income on mortgage or rent payments each month**

“

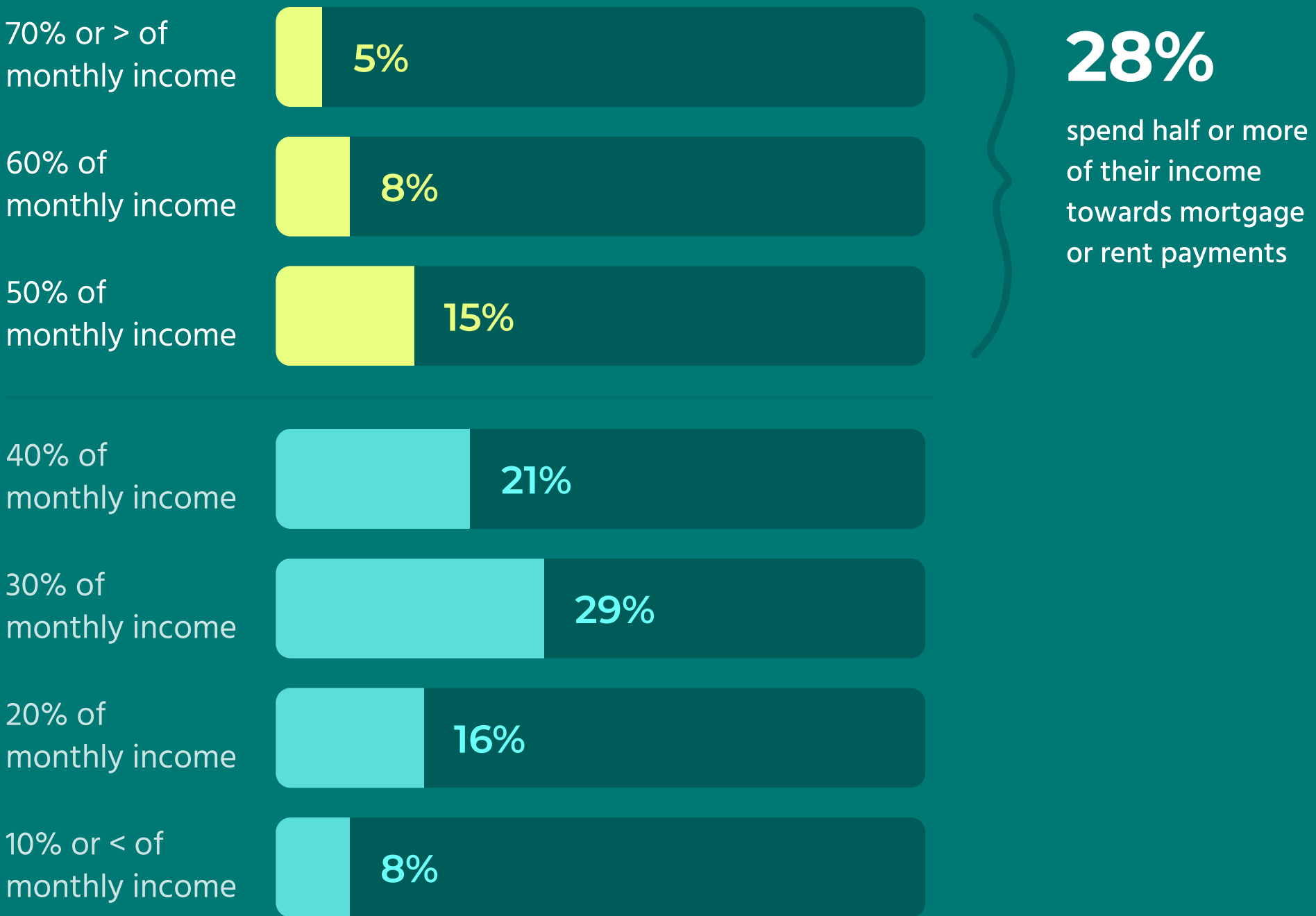
My current financial situation is fairly grim. It has become a lot worse in the last year or two with the rising cost of rent. My main issue now is my rent. It takes up more than 70% of my paycheck.

Alex

41 yo 📍 New South Wales

Question

Approximately what percentage of your monthly income is allocated towards your mortgage or rent payment?



Industry talk

“Nationally... the average household is now spending 47.7% of their income on mortgage repayments.”

— Real Estate Institute of Australia (REIA) • [Source](#) • March 2024

Theme 3

I need a dollar

Turning to debt

211%

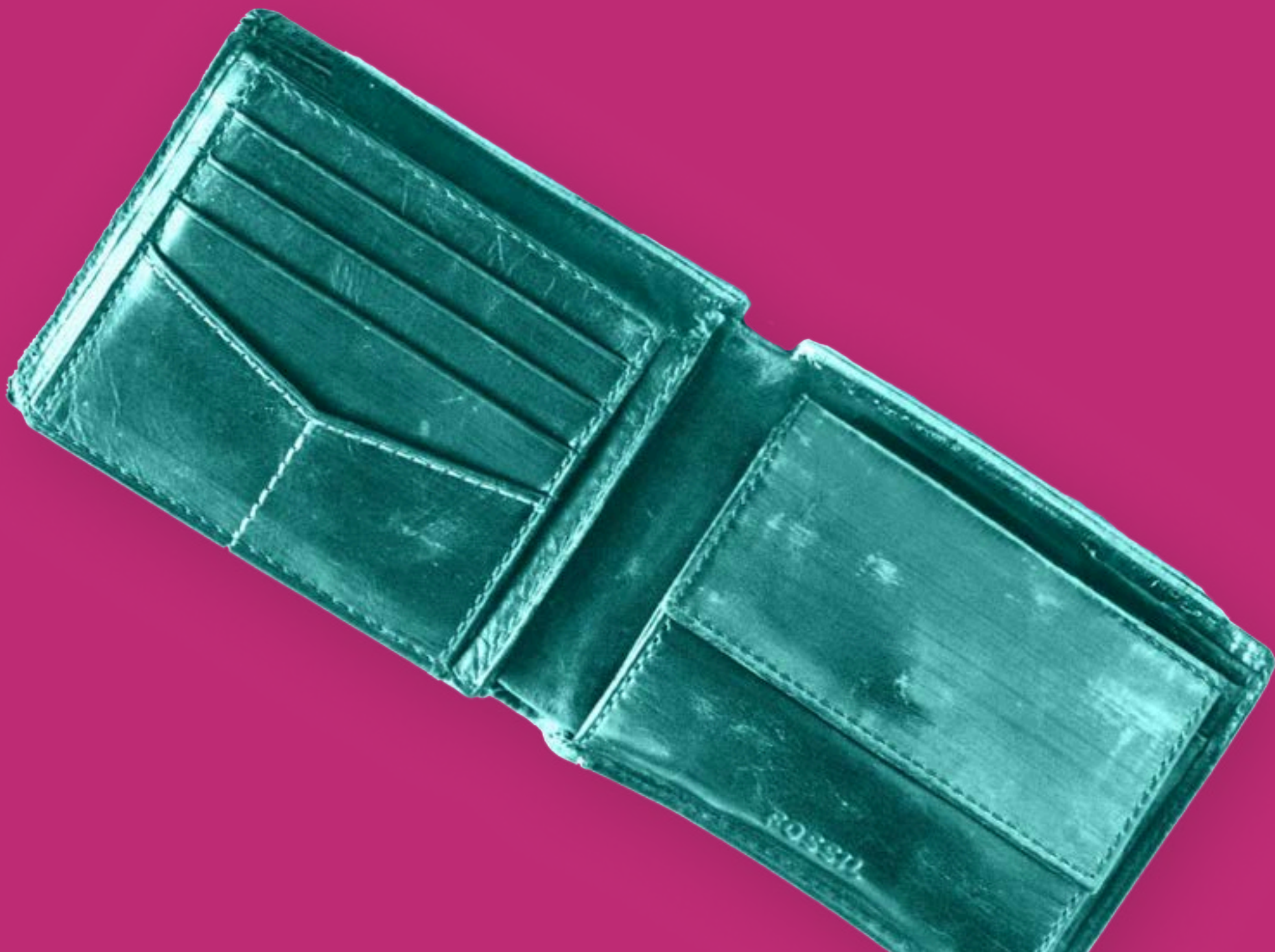
Household debt as a percentage of net disposable income
- OECD 2022

“

I'm also in debt on a credit card and I have no way to repay it and there's no way my wages can cover all my essential costs at the moment.

Beck

33 yo 📍 Victoria



54%

have gone into debt just to make ends meet

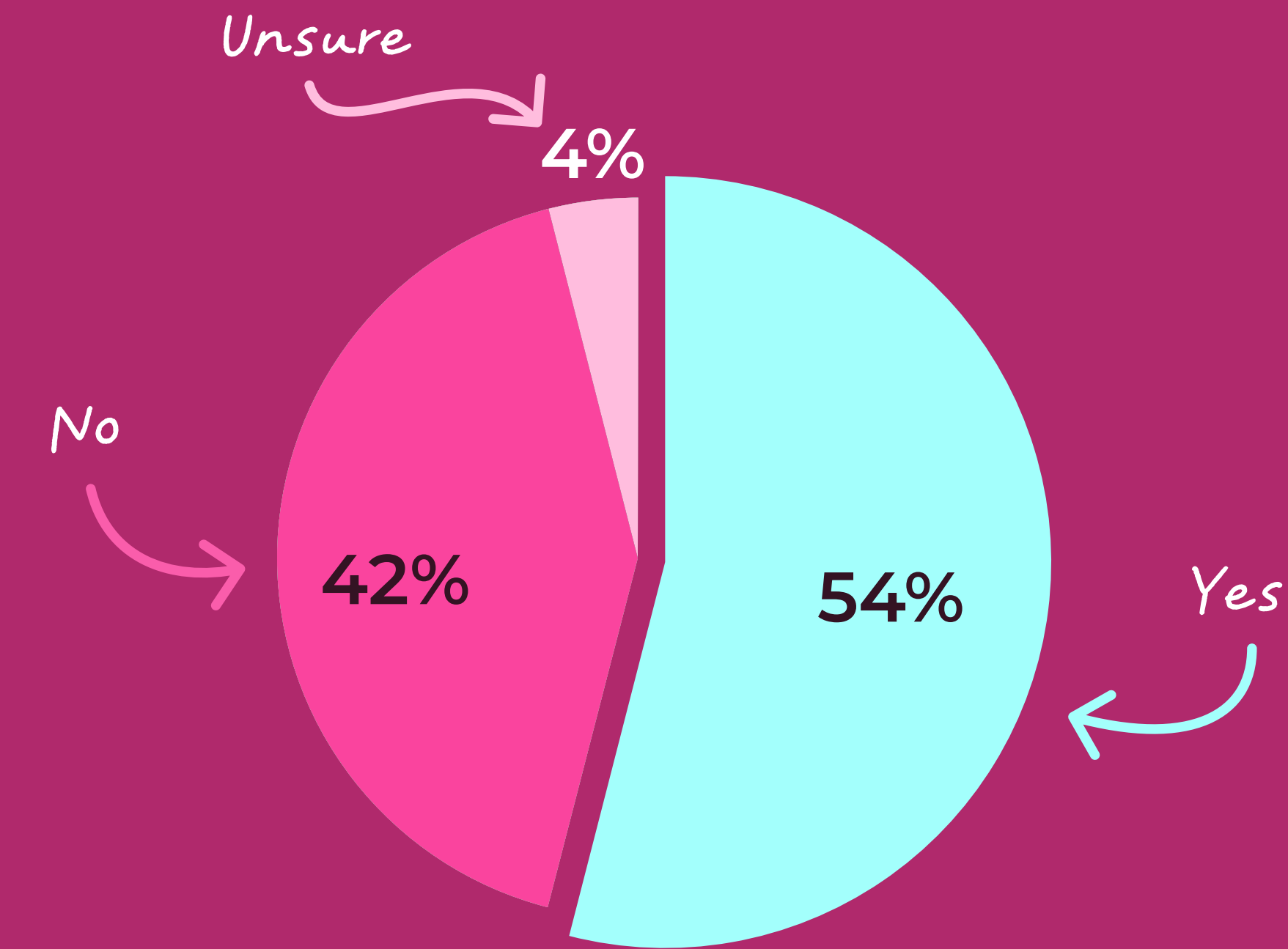
“I'm using Afterpay a lot more, particularly for things like going to the supermarket. It's about \$200 a week, and that's a lot.

Andy

33 yo  Victoria

Question

Have you gone into debt to make ends meet?



 Industry talk

“According to the Reserve Bank of Australia, there are 13.5 million active credit card accounts in Australia as of September 2023... Australians are increasingly relying on borrowing money simply to get by and make ends meet.”

— The Sydney Morning Herald, Victoria Devine • [Source](#) • June 2024

Over 55% feel they're overpaying on financial services and products



Jessica

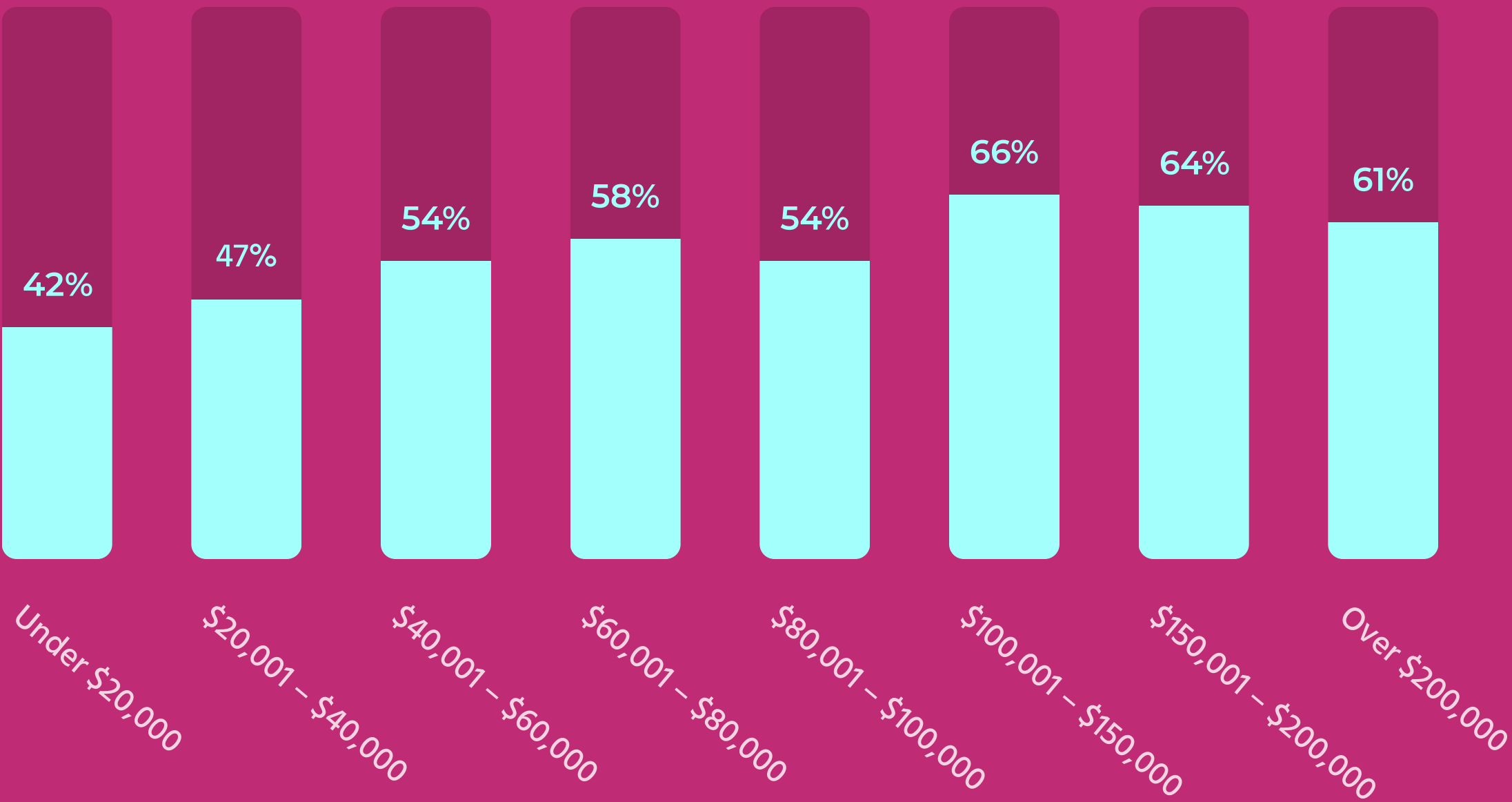
31 yo Queensland

“

...Credit card, Afterpay, Zip Pay. If I can refinance and get them all into one kind of thing; probably free up a little bit of money. So it is something I am looking at at the moment

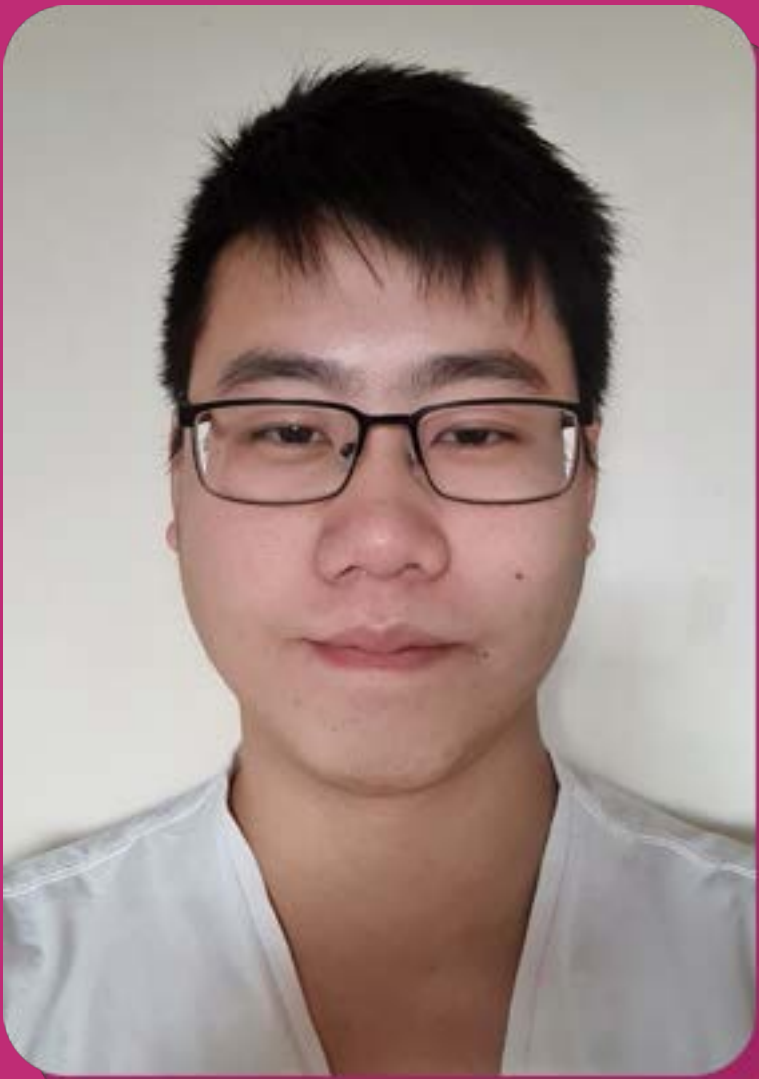
The percentage of respondents who feel they're overpaying, broken down by income bracket.

Question: Do you feel that you're overpaying for your financial services/products?



37%

haven't checked if they have the best interest rate for their debt products



“

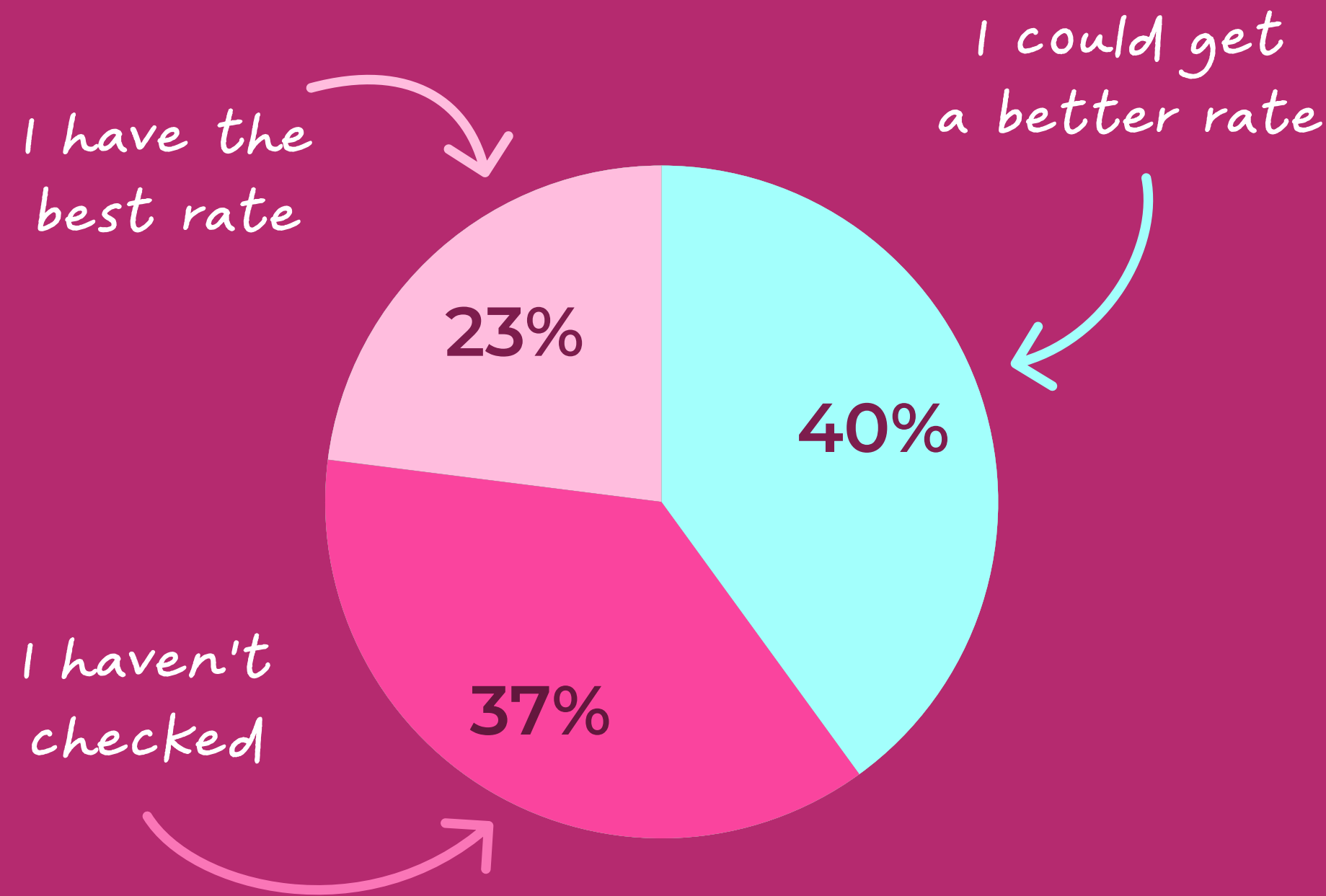
We haven't done any refinancing recently. We would consider it if a bank came up with a very nice offer, but at this stage, nothing yet.

Ian

28 yo 📍 Queensland

Question

Do you feel you're on the most competitive interest rate for any debt products you hold?*



*Excludes those who answered "I don't have any debt products"

45%
of those who make
under \$100,000 haven't
checked if they have
the best possible rate

The percentage of respondents who haven't checked if they're on the best rate, broken down by income bracket.

Question: Do you feel you're on the most competitive interest rate for any debt products you hold?*



Industry talk

“Australians on lower incomes end up paying more for essentials in the long run compared to those more advantaged and ultimately face higher living costs...most have to rely on payday loans with higher interest rates than standard credit loans.”

— Rashida Yosufzai • [Source](#) • September 2023

71%

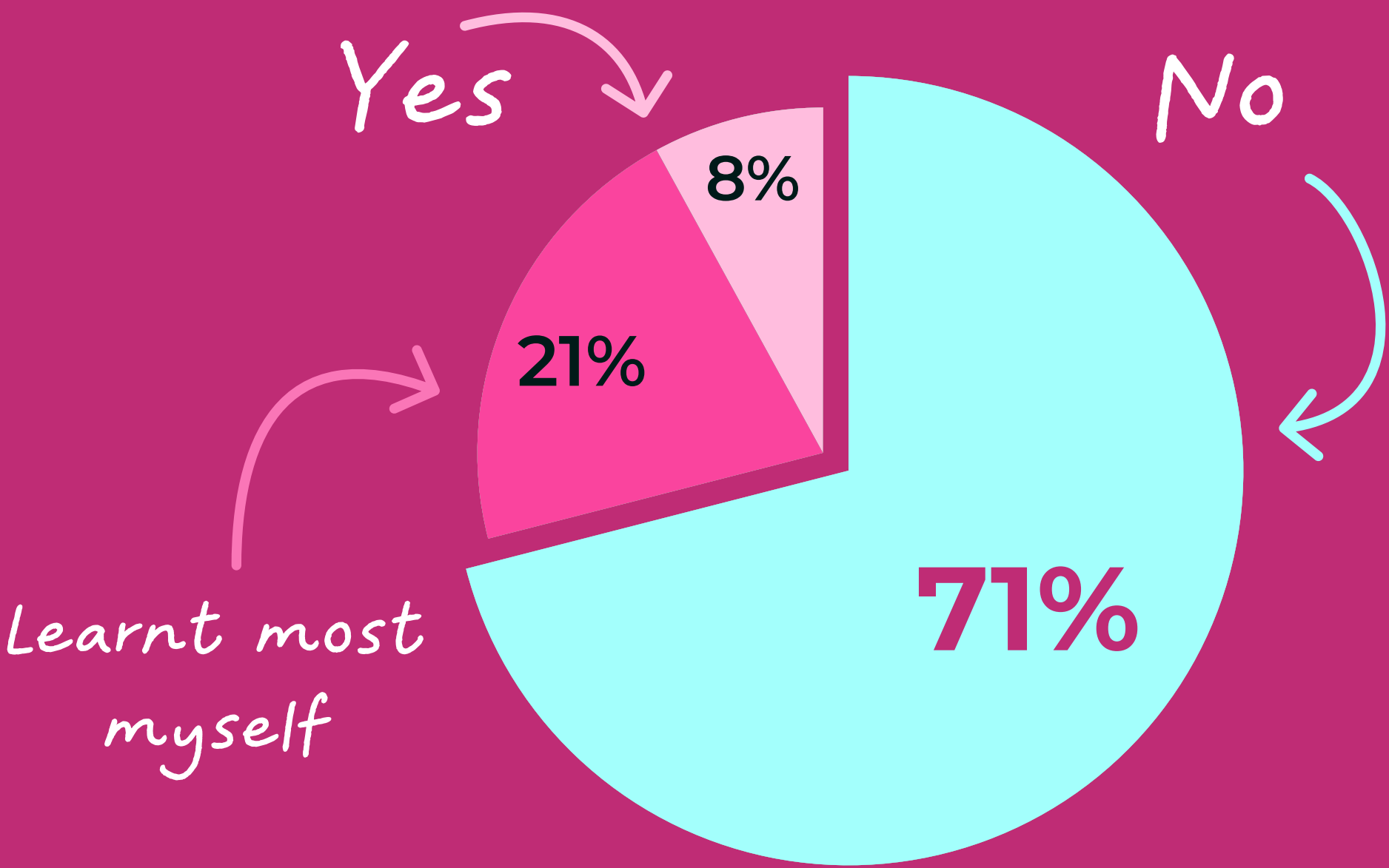
feel they weren't prepared to manage their finances at school

Only 8%

said their school provided useful financial knowledge

Question

Recalling your time in primary and high school, do you feel you were adequately prepared to manage your finances as an adult?



Industry talk

"When you tell people, you teach them financial literacy, they learn and they remember. But do people execute? Not so much. The improvement is about 3% or 4%"

— Dan Ariely • [Source](#) • June 2019

Theme 4

A rate cut, without one

Consumer Data Right

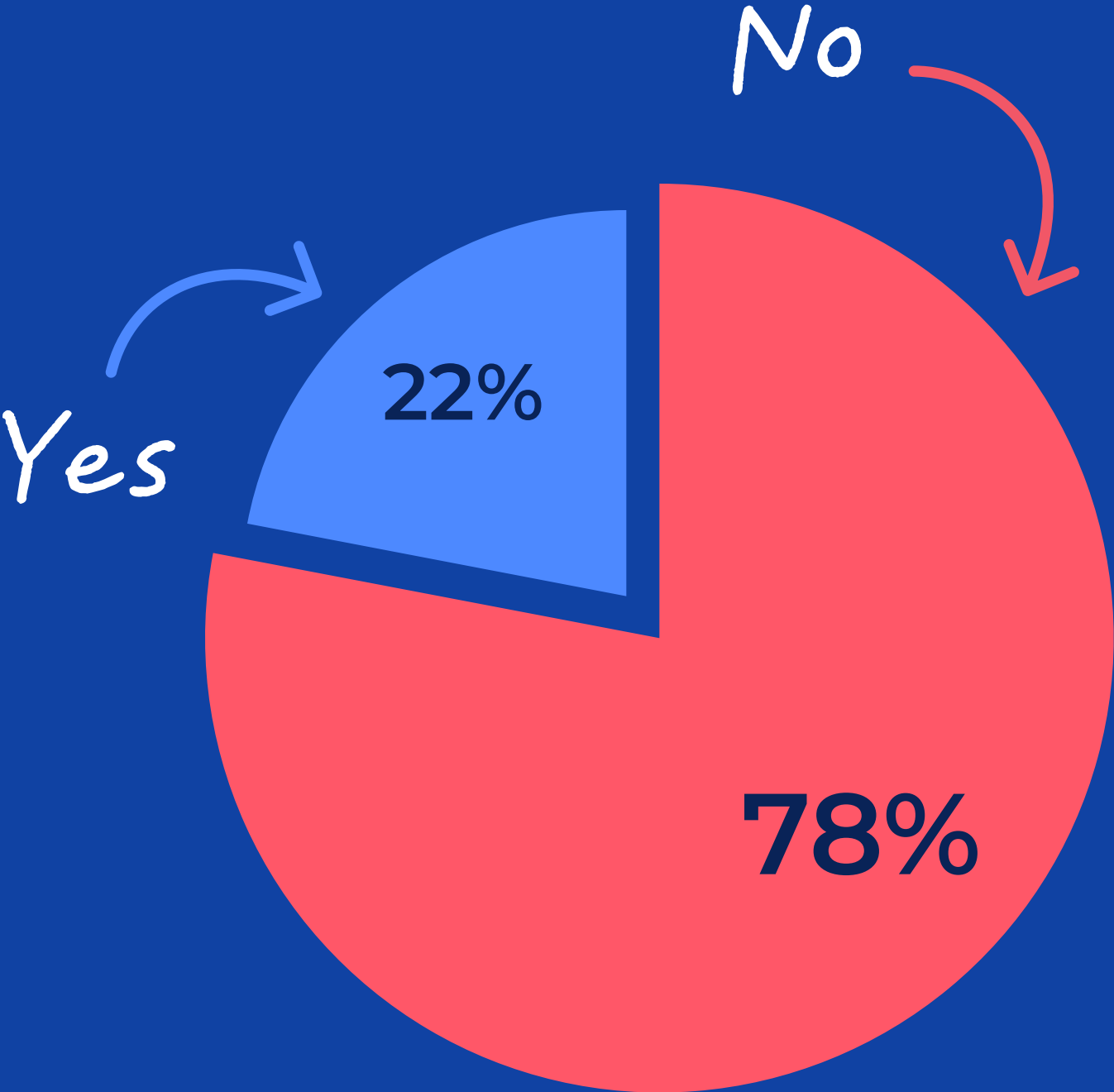


Consumer
Data Right



Question

Have you heard of the Consumer Data Right, sometimes called “Open Banking” before?



Nearly 80%
are unaware of the
Consumer Data Right
(Open Banking)

Industry talk

“A majority of people in all generations are still not aware of the term, or the concept of, ‘open banking’. Awareness was highest among Millennials (Gen Y) and post-Millennials (Gen Z). These are also the groups that are more willing to share information in exchange for benefits.”

— Deloitte: Open banking: switch or stick? • [Source](#) Oct 2019

What is the Consumer Data Right

Australia’s Consumer Data Right gives you more control over your data, enabling you to access and share your data with accredited third parties to access better deals on everyday products and services.

The CDR can make it easier for you to:

- compare products and services
- access better value and improved services
- assist financial and cashflow management



Banking



Energy



Non-bank lending



Telco


















Insurance



Superannuation

Potential annual savings shopping for cheaper alternatives

<div><div>Savings account</div><div>\$328</div><div></div><div><p>ACCC - "[F]or one bank's bonus interest account, a customer who starts with \$5,000 and adds \$200 per month could earn around \$328 of interest over a 12-month period if they met the bonus conditions each month and received the headline rate of 5.25% pa. However, this drops to only \$18 if they failed to meet the bonus conditions throughout." - Source</p></div></div>	<div><div>Mortgage refinance</div><div>\$1,908</div><div></div><div><p>PEXA - Australians who refinance their mortgage with a new lender save ≈\$1,908 p/a on average, compared to an estimated average saving of \$384 p/a for homeowners that refinanced with their existing lender. - Source</p><div> 20 days to discharge ¹</div></div></div>	<div><div>Mobile</div><div>\$63 - \$142</div><div></div><div><p>Mozo Research - Mozo research shows mobile phone users can save between \$63-\$142 a year by switching from an average cost plan to one of their award-winning plans.</p><div>- Source</div><div>- Source</div></div></div>	<div><div>Home & contents</div><div>\$1,010 - 4,665</div><div></div><div><p>Choice - "Shopping around can save you thousands of dollars. The difference between the cheapest and most expensive quotes for the same scenario, range from \$1010 in South Australia to \$4665 in NSW." - Source</p><div> 6.5% switched from another company (June 2023) ²</div></div></div>	<div><div>Health insurance</div><div>\$810 - \$1,870</div><div></div><div><p>Choice - "People with Gold policies could save up to \$1870* a year by moving to a cheaper policy." - Source</p><div> 1.5% of those insured switch ³</div></div></div>
<div><div>Gas</div><div>\$120 - \$221</div><div></div><div><p>ABC - "AER chair Clare Savage says many consumers on old or uncompetitive plans can save between \$120-\$221 per year by switching." - Source</p></div></div>	<div><div>Electricity</div><div>\$950</div><div></div><div><p>AFR - "According to Vinnies, a typical NSW household could save up to \$950 a year by switching from the incumbent retailer to the best market offer" - Source</p><div> 6% switched ⁴</div></div></div>	<div><div>Credit card</div><div>\$200</div><div></div><div><p>The Treasury - "Similarly, consumers who switch credit cards could realise savings of \$200 a year, however only 17 per cent of credit card holders switch credit cards over a 5 year period." - Source</p><div> RBA: \$18.3b balances on credit cards accruing interest (May 2024) ⁵</div></div></div>	<div><div>Car insurance</div><div>\$652 - \$1,171</div><div></div><div><p>Choice - "When consumer advocacy group Choice compared quotes for adult drivers, the difference between the highest and lower quotes was \$652-\$1,171 per year depending on the state or territory." - Source</p><div>- Source</div></div></div>	<div><div>Broadband</div><div>\$72 - \$495</div><div></div><div><p>Mozo Research - Mozo research shows broadband users could save between \$72 - \$495 a year. - Source</p><div>- Source</div></div></div>



The CDR can make it easier in the future for consumers to switch & find savings



“The ability to easily share data paves the way for new products and services. It also makes it easier for individuals and small businesses to compare products, which could give them an incentive to switch providers or talk to their current provider to access a better-value deal. In turn, this encourages more competition in the marketplace and lower prices.” - <https://www.cdr.gov.au/about>

1. "As the AFR reported last year, data from Lendi shows that the big four banks are still taking around 20 days to complete the discharge process." - <https://www.accc.gov.au/about-us/news/speeches/keynote-address-at-afr-banking-summit-2024>

2. <https://www.roymorgan.com/findings/9337-general-insurance-policy-switching-october-2023>

3. "only around 1.5% of all insured people switch insurers each quarter" <https://theconversation.com/how-to-switch-health-insurers-if-youre-worried-about-cybersecurity-costs-or-claims-194248> linked out to <https://www.apra.gov.au/quarterly-private-health-insurance-statistics>

4. "Just 6% of people changed their electricity provider in the last six months, and a huge 67% of people don't plan to" - <https://www.choice.com.au/shopping/shopping-for-services/utilities/articles/how-hard-is-it-to-switch-power-companies>

5. <https://www.rba.gov.au/statistics/frequency/retail-payments/2024/retail-payments-0524.html>

Switching is hard

Even if big cost savings are available

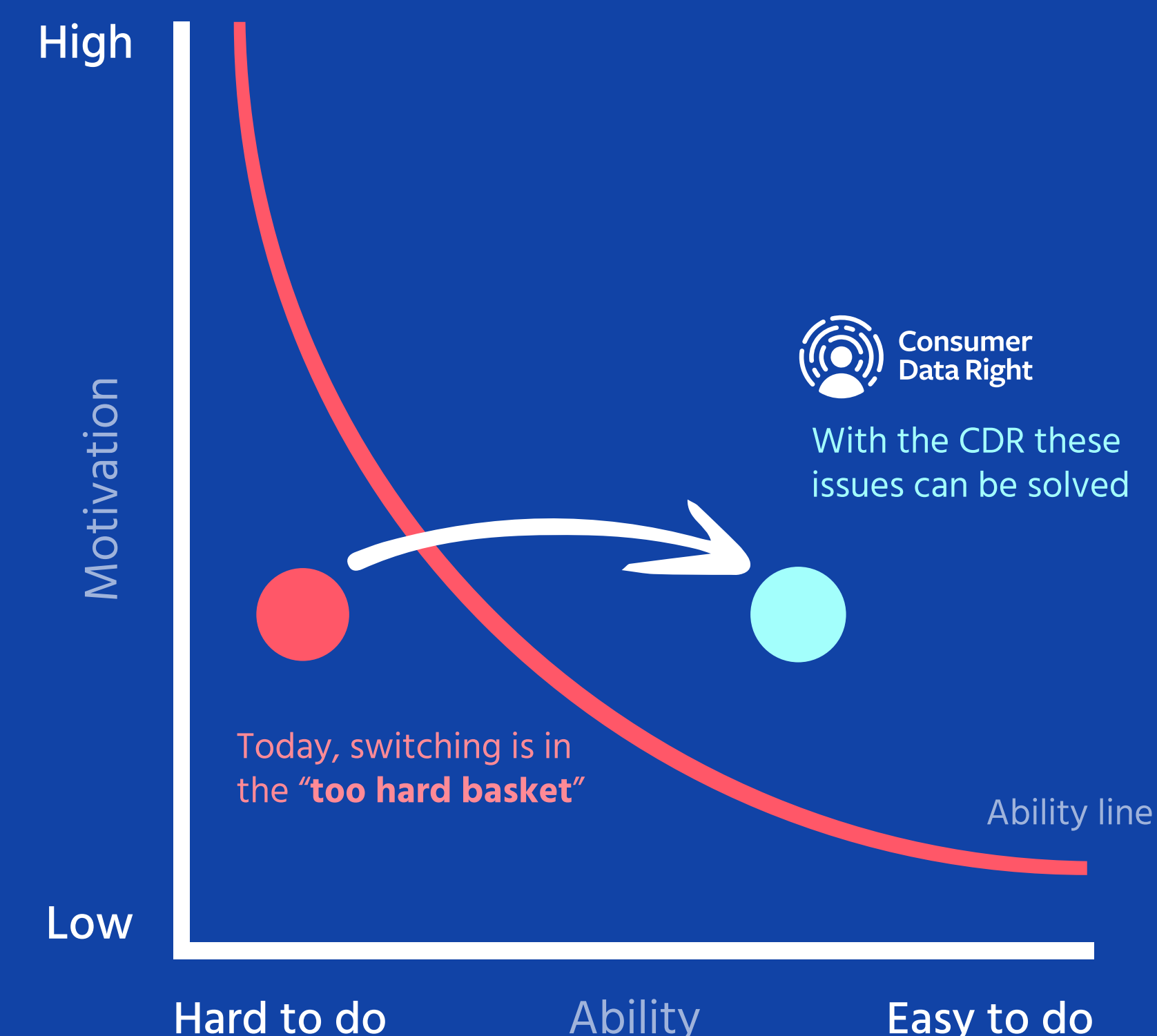
Understanding why consumers hesitate to switch financial service providers despite big potential savings is crucial.

The Fogg Behaviour Model highlights that behaviour hinges on **motivation, ability, and a prompt**.

The Consumer Data Right (CDR) increases the ability to switch by raising awareness of better options and enabling simplified, automated processes.

By leveraging the CDR, financial service providers can empower consumers to find the best deals for themselves **leading to immediate savings and long-term financial wellbeing**.

Fogg Behaviour Model



BJ Fogg is a research psychologist and director of the Behaviour Design Lab at Stanford University, where he completed his studies. His work has been widely recognised and cited in fields of psychology, health and technology.

58%

are likely to switch financial service providers if the process was more convenient

Industry talk

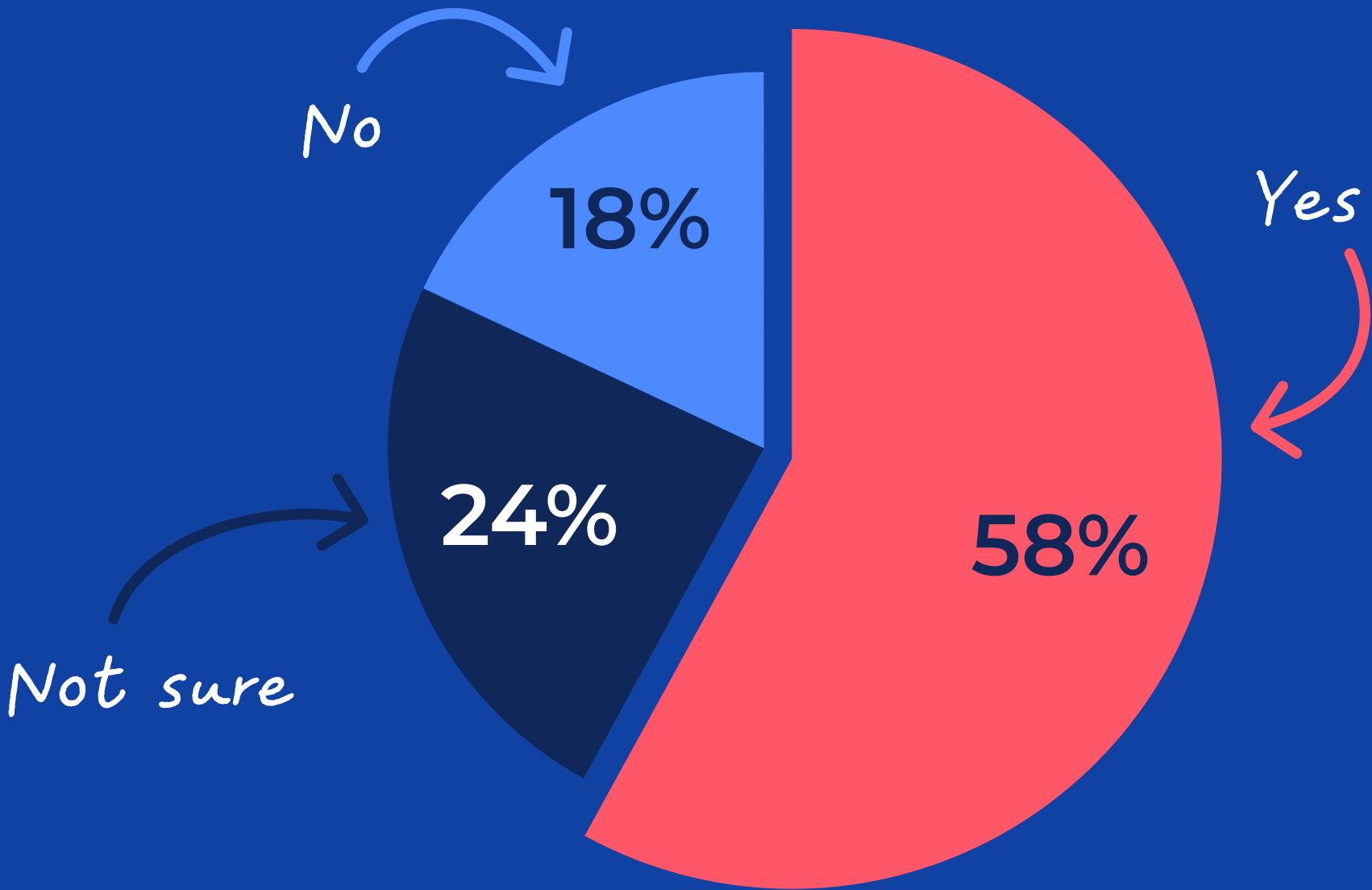
“We want the ability for a confident consumer to make a choice and get a better deal and for this to be seamless and not sticky, so people can decide to switch.”

— ACCC chairwoman Gina Cass-Gottlieb • [Australian Financial Review](#) • Dec 2023

Question

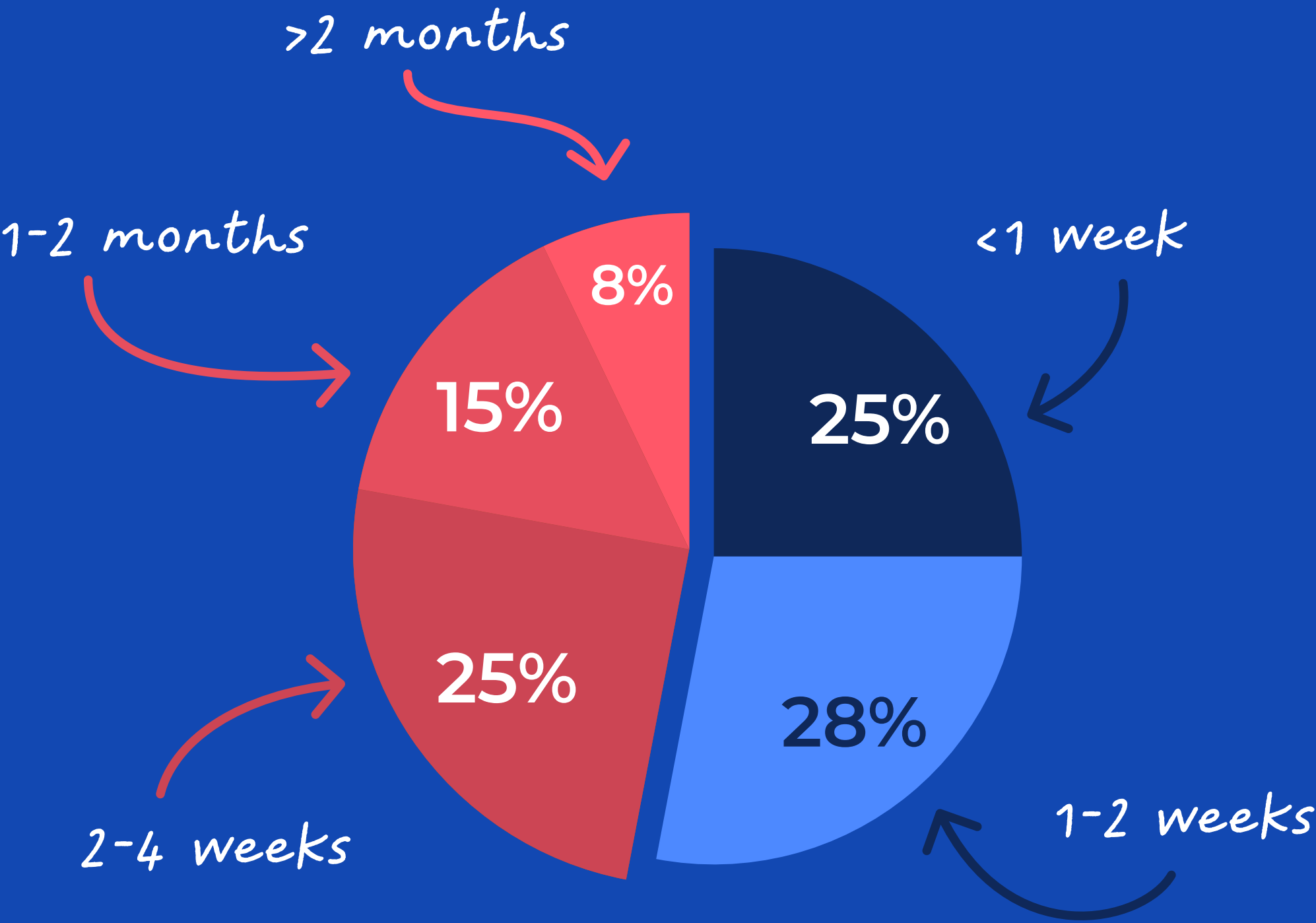
Would you be more likely to switch your financial service providers (e.g. banks, insurers, lenders) if the switching process was more convenient?

If switching your financial service provider were as easy as changing your mobile service provider (i.e. almost instantly), would you be more likely to do it?



Question

How long did it take you to refinance or consolidate your debt?



48%
said it took between
2 weeks to greater
than 2 months

“
I've recently refinanced to reduce interest rates and extra fees. I definitely am glad that I did do that because it has reduced my repayments.

Survey respondent
29 yo 📍 South Australia

36%

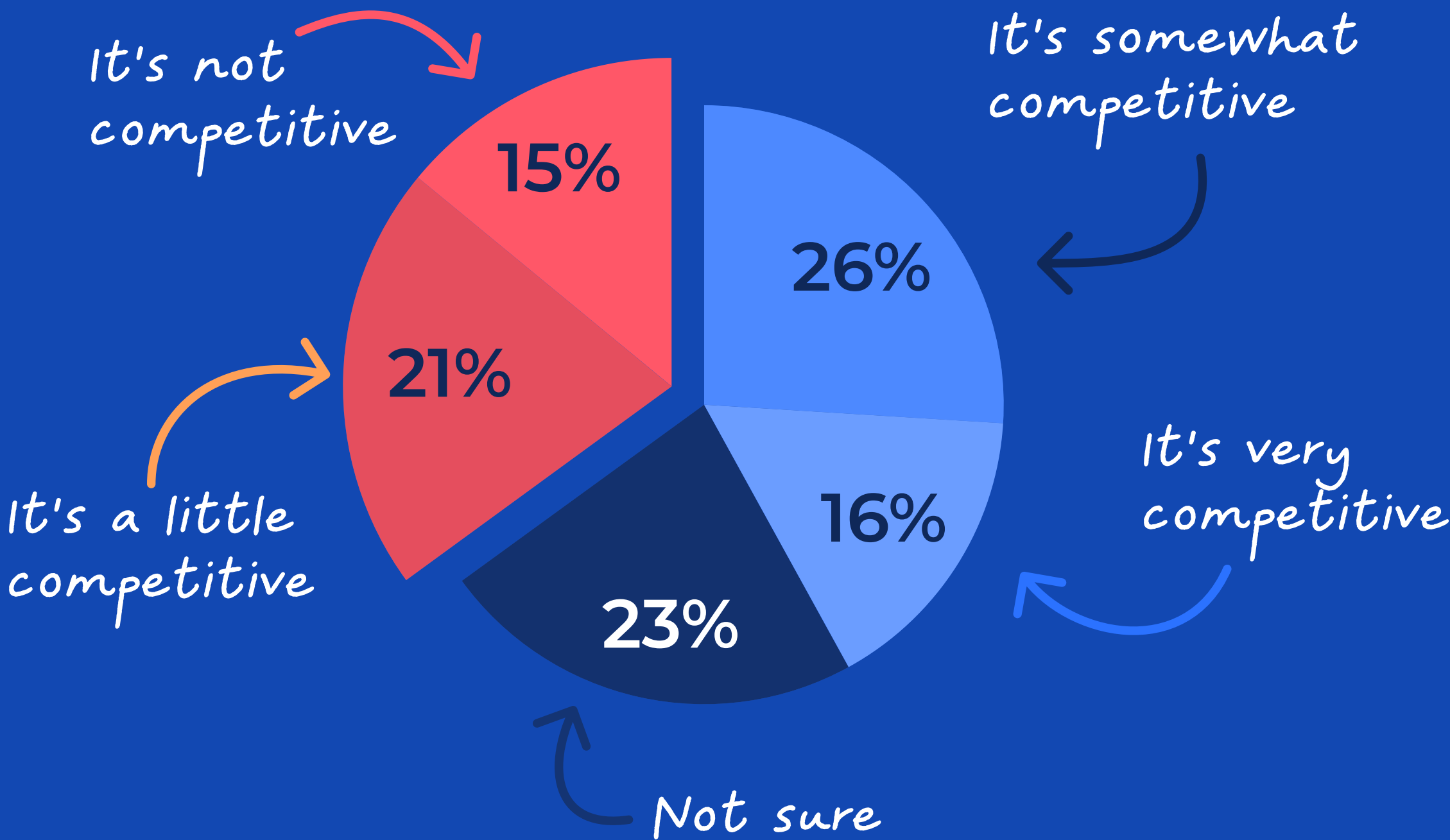
think there's **little** to **no** **competition** in financial services

Only 42%

think it's **very** or **somewhat** competitive

Question

Do you feel like there is enough competition in the financial services sector (e.g. banking, insurance, lending)?



Theme 5

Hey Siri, help me refinance

Artificial Intelligence



20%
are already using AI
tools for education &
tips on finances

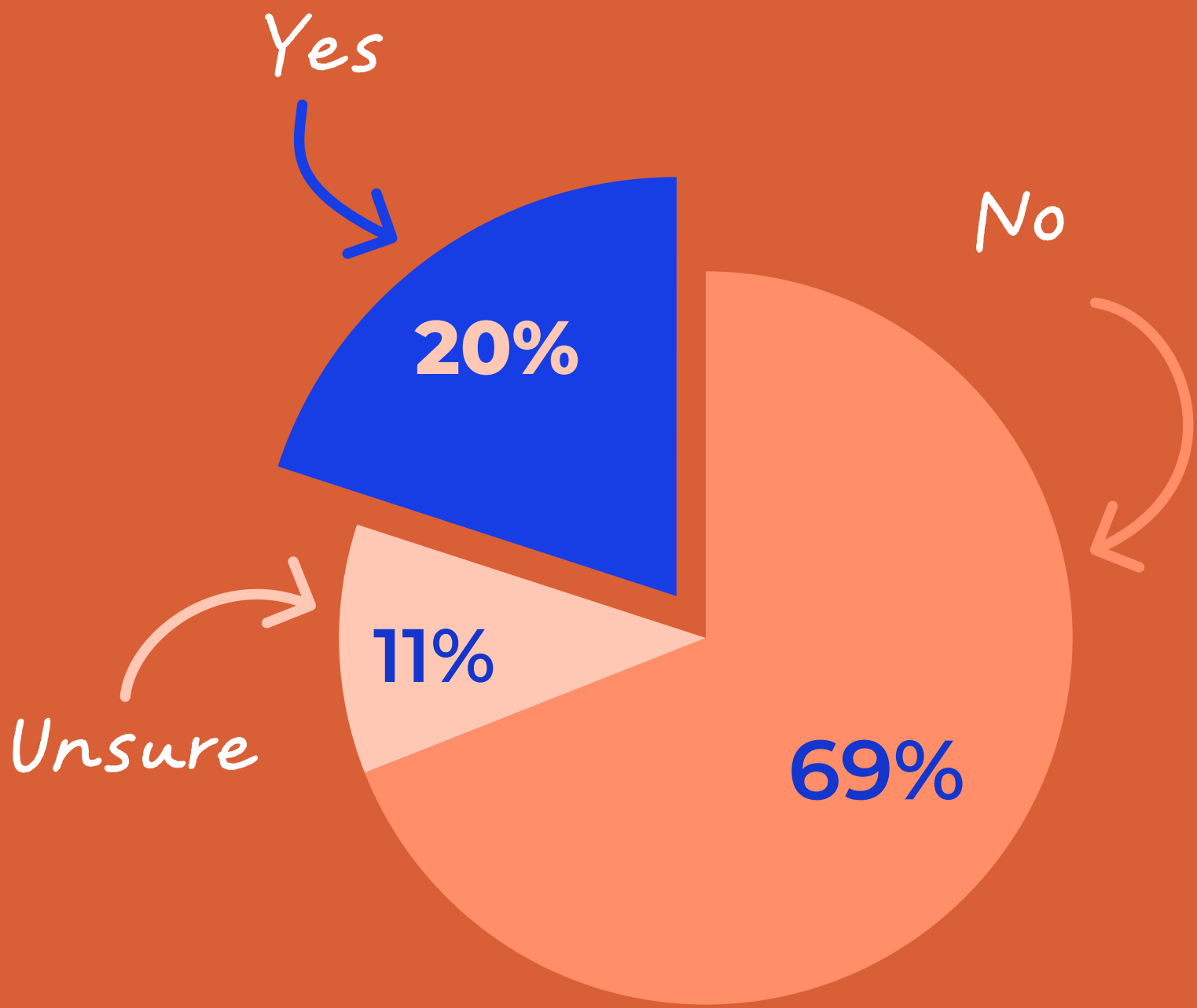
Industry talk

“Thanks to generative AI... 'self-driving money' finally has a chance to achieve its potential. Imagine a platform that can move your money to optimise your balance sheet. In the past, this wasn't possible from a technical standpoint, as products were stuck in 'read only' mode. They could generate information or analysis, but couldn't take action on your behalf—which is arguably the most important step.”

— Money on Autopilot: The Future of AI x Personal Finance • [a16z](#) • July 2023

Question

Have you used any AI tools (e.g. ChatGPT, Gemini) for education and tips on your finances?



78%

think **AI will have a greater role in managing their finances** in the future

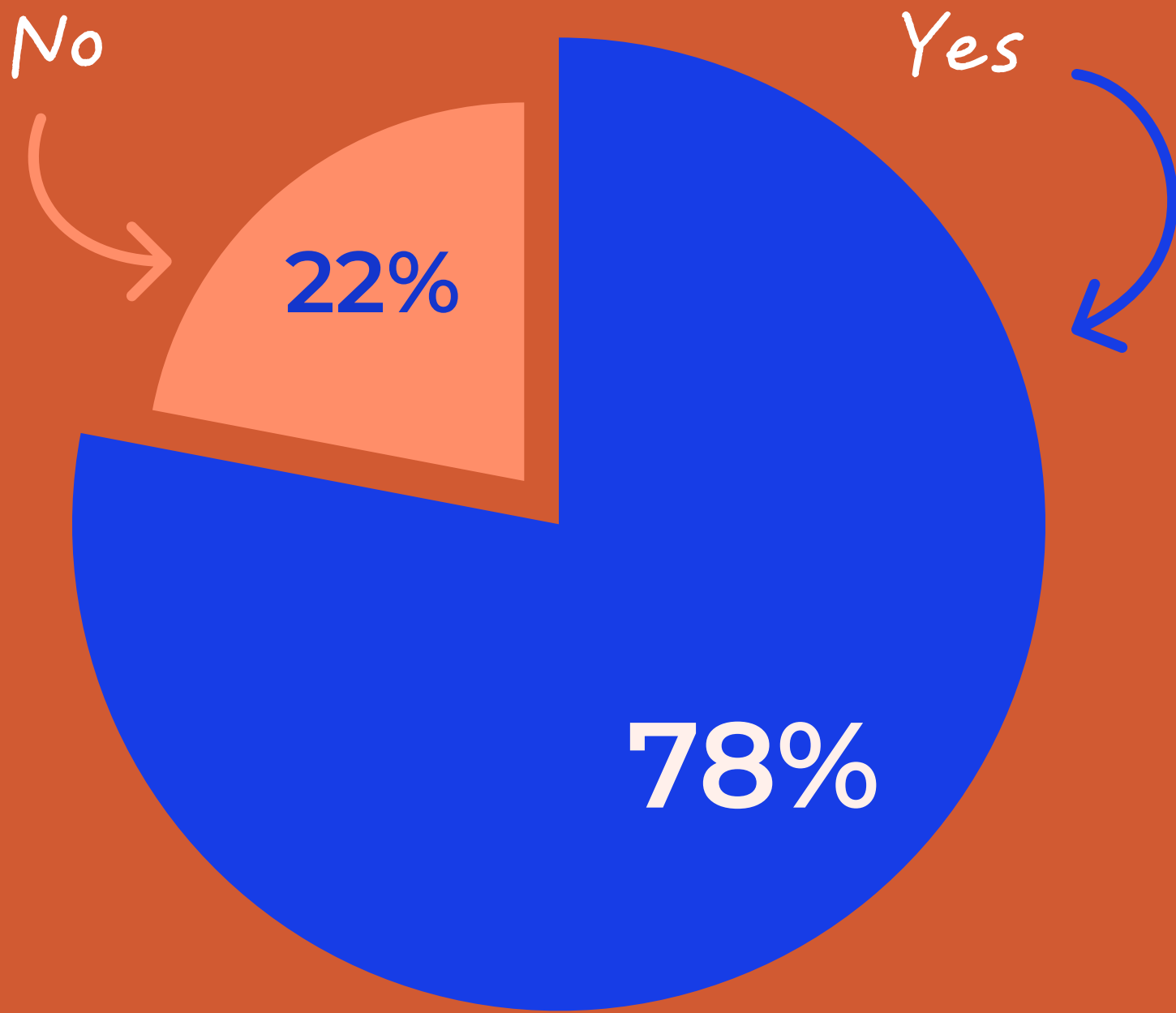
Industry talk

“86% of consumers are interested in using generative AI for financial planning and advising, and 42% are already doing so. Among Gen Z’ers, interest spikes to 92%”

— Oliver Wyman Forum • [Source](#) • April 2024

Question

Thinking of the future, do you think AI will have a greater role in managing more of your finances?

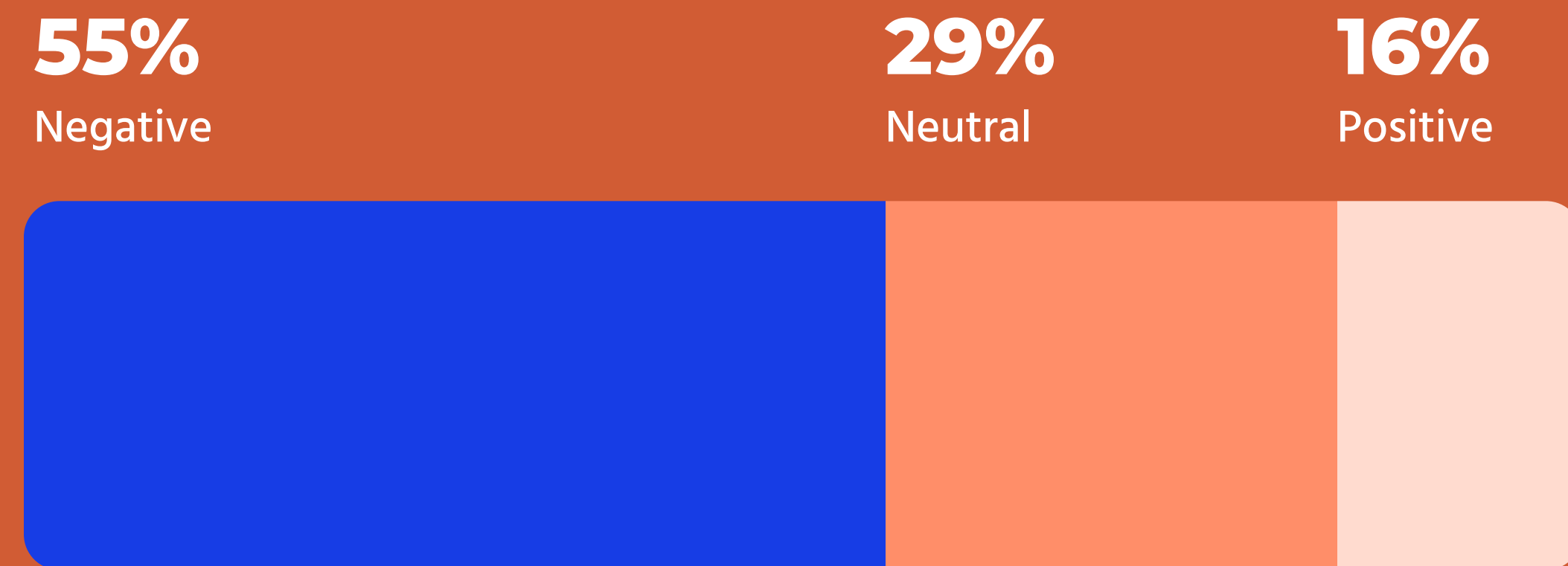


AI Sentiment Analysis

Our AI sentiment analysis uses Natural Language Processing (NLP) and Machine Learning (ML) techniques to rapidly identify customer trends and insights from video and text content.

Percentage of Responses Categorised by Sentiment

Question: In your own words, how would you *describe* your overall financial wellbeing?



Tips & resources

to own your finances



Bruce
47 yo 📍 New South Wales

“We have been using the WeMoney app to actually track our finances a little bit better; to work out where we were actually able to find a way of cutting back or adding things in that would actually assist us. It has actually also showed us that we have got options in terms of products where they are actually able to reduce the amount we're actually paying

Reduce spending

Cancel unnecessary subscriptions and identify areas of overspending.

Get budgeting

Track and monitor spending so you can improve your finances over time.

Talk to experts

Seek additional support where required from financial experts.

Set financial goals

Write down your goals regularly and update your budgeting as you go.

Build your credit score

Know your credit score and credit reputation.

Grow your savings

Build your safety net fund with a cash buffer of 2-3 months.

Refinance debts

Look for better interest rates, interest free periods and reduced fees.

Avoid bad debt

Avoid the use of debt products for discretionary spending.

Feeling the vibe-recession and need support?

➤ **MoneySmart Website** • moneysmart.gov.au
Moneysmart is a Federal Government website that helps you take steps to improve your personal finances.

➤ **National Debt Hotline** • [1800 007 007](tel:1800007007)
National Debt Helpline is a not-for-profit service that helps people tackle their debt problems.

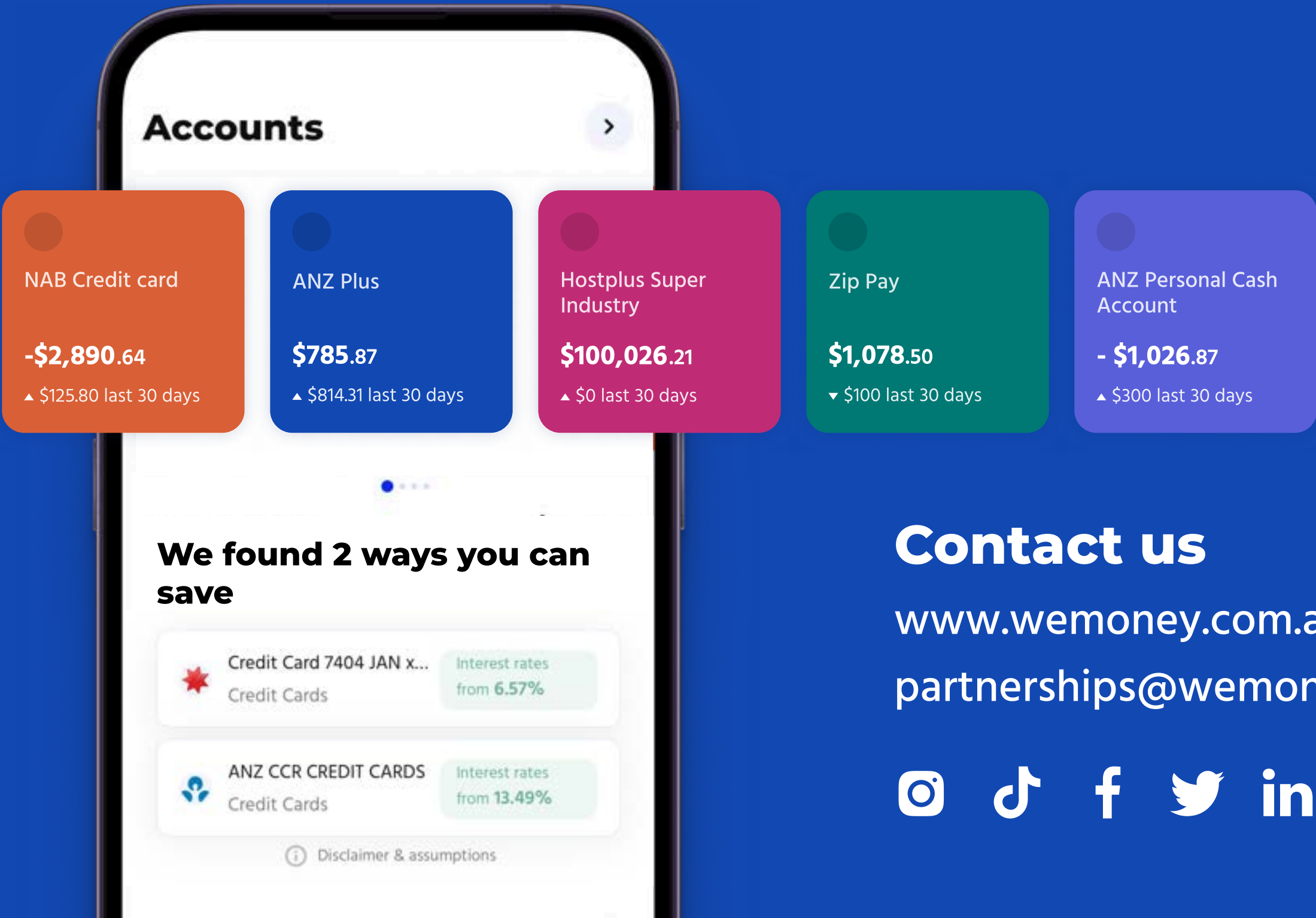
➤ **Lifeline** • [13 11 14](tel:131114)
Lifeline provides access to 24 hour crisis support and suicide prevention services.

➤ **Financial Counselors** • financialcounsellingaustralia.org.au
Get support from qualified professionals.

➤ **CreditSmart Australia** • creditsmart.org.au
CreditSmart helps consumers understand how credit reporting operates in Australia.



Empowering Aussies to own their financial future



Get WeMoney

The social financial wellness app that helps you track and crush debt—for free.



Contact us

www.wemoney.com.au
partnerships@wemoney.com.au



About WeMoney

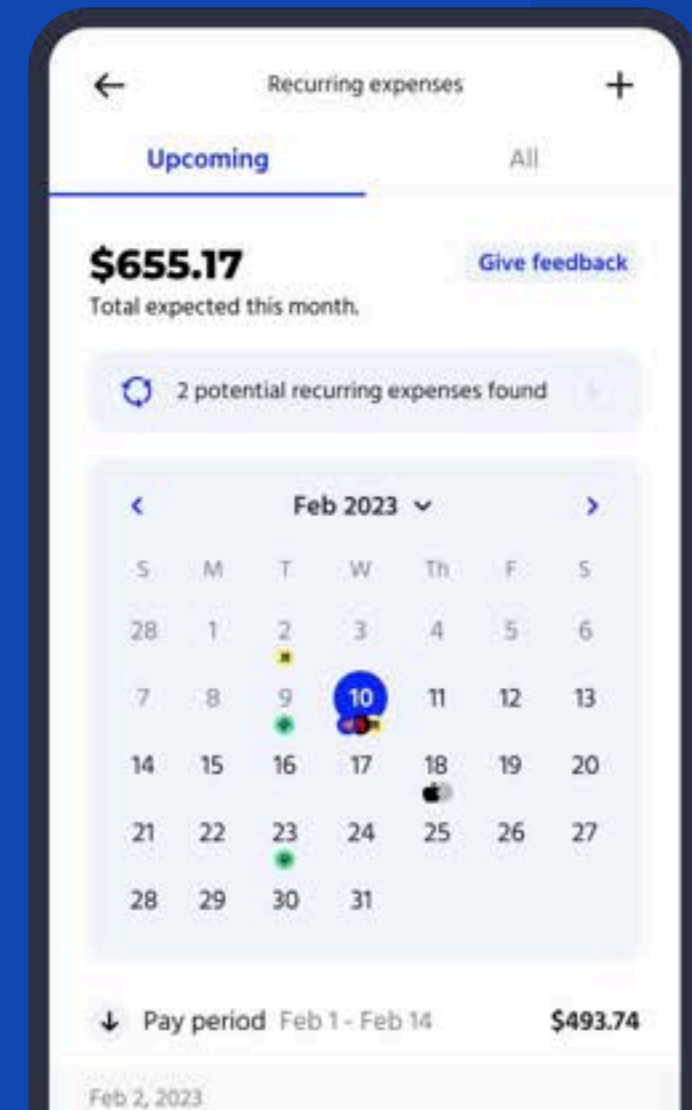
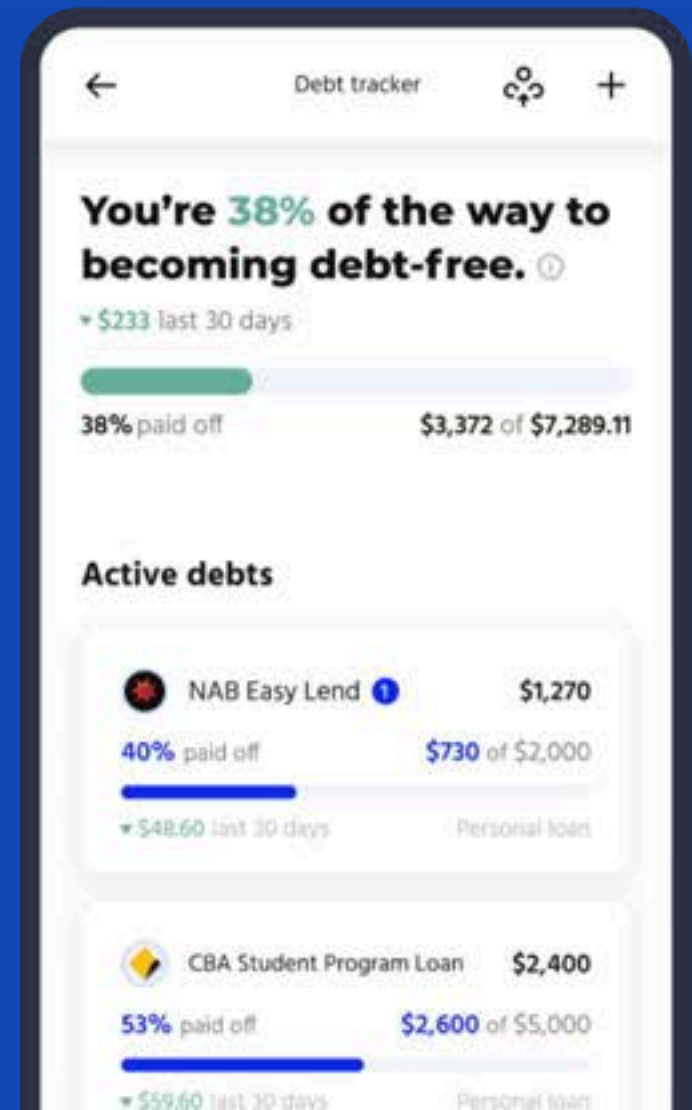
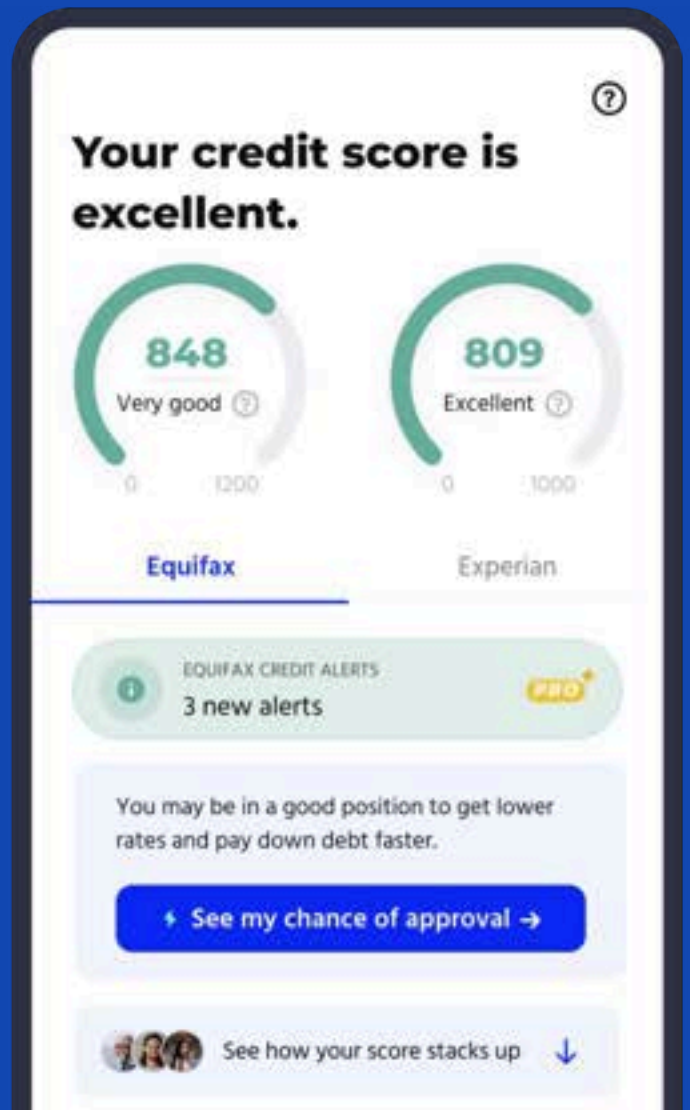
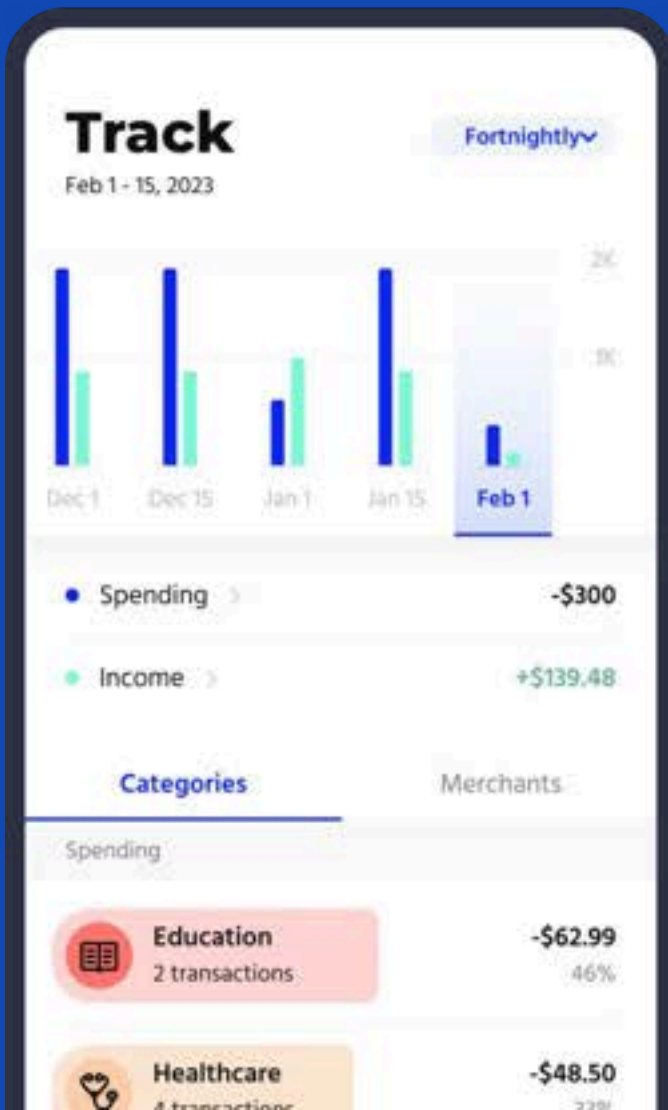
WeMoney is a social financial wellness app that helps you track and crush debt—for free. It's a smart money management platform that connects all your financial accounts in one place and tracks your overall financial health.



750k Downloads

CDR accreditation - Feb 2022

 Mastercard Start Path Program



Industry Awards



- 2024 Fintech Australia Awards
- Fintech Organisation of the Year
 - Excellence in Open Data (Open Banking)
 - Excellence in Wealth Management



2024 Australian Fintech - Best Fintech &/Or Bank App



COMPANY OF THE YEAR
  2023
WINNER



Licences & Professional Memberships

Australian Credit Licence (ASIC), Authorised Data Recipient (Unrestricted) - Consumer Data Right (ACCC), Australian Retail Credit Association (ARCA), Australian Financial Complaints Authority (AFCA), Fintech Australia (Peak Industry Body)

Media coverage

