THE PANDEMIC SPENDING REPORT 2021
- BY BUXFER

PURPOSE OF THE REPORT

Hard lockdowns and social distancing due to COVID–19, have forced US consumers to think, act and shop differently. Swapping corporate offices for home offices, instore for online shopping, belt-tightening, and reprioritizing essential items.

The report compares the spending habits of **US consumers** prior to and during the pandemic. Data was extracted and analyzed from a personal finance/budgeting app, Buxfer, for the period **January 2019 to August 2021**. The data presented **fifty-five categories** that fall within services, essential goods, and leisure goods.

For the purpose of this report, **only four** of fifty-five categories were analyzed: **Food, Shopping, Restaurants** and **Travel,** representing the most significant changes in spending patterns. In addition to tracking total spending per month, granulated data on the average spend per user was extracted, revealing some interesting trends.

Data was based on the actual number of US users transacting at the time in the 4 mentioned categories, which ranged between 1,000 – 2,500 in 2019, 1,000 – 4,500 in 2020, and 700 – 2,400 in 2021.

Please note the actual number of users transacting across all categories fluctuates.

EXECUTIVE SUMMARY

According to the data, in 2019, before the COVID-19 pandemic, app users in the **United States spent a total of $158,8 million** on a plethora of services, essentials, and leisure goods for the year. Spending **increased** to $177,7 million for 2020. For January - August 2021, consumers have collectively spent $108,6 million.

The hallmarks of daily life were eroded overnight, and citizens had to adapt and reengineer their homes and lives. Economic activity slowed and personal spending habits quickly changed as revealed by the data. Interestingly, in some categories, although the number of **transactions per consumer increased**, the **transaction value per person decreased** considerably.

Essentially, more people were purchasing but spending **less money** per shopping trip, in certain categories.

As the vaccine roll-out continues at a brisk pace, expectations are that citizens will cautiously edge back somewhat to the pre-pandemic way of life. Spending patterns in some of the categories are showing an uptick for 2021.

CATEGORIES ANALYZED

FOOD

RESTAURANTS

SHOPPING

TRAVEL

FINDINGS: WHAT DID THE DATA REVEAL?

The numbers reflected in the analysis below represent an average **per month** spent **per user.**

FOOD

The **highest average** monthly spend was in **January 2020** when spending rose sharply to **$2,329** on average per user compared to $931 in January 2019, pre-pandemic. In **January 2021**, the average spend per user on food was **$1,134**.
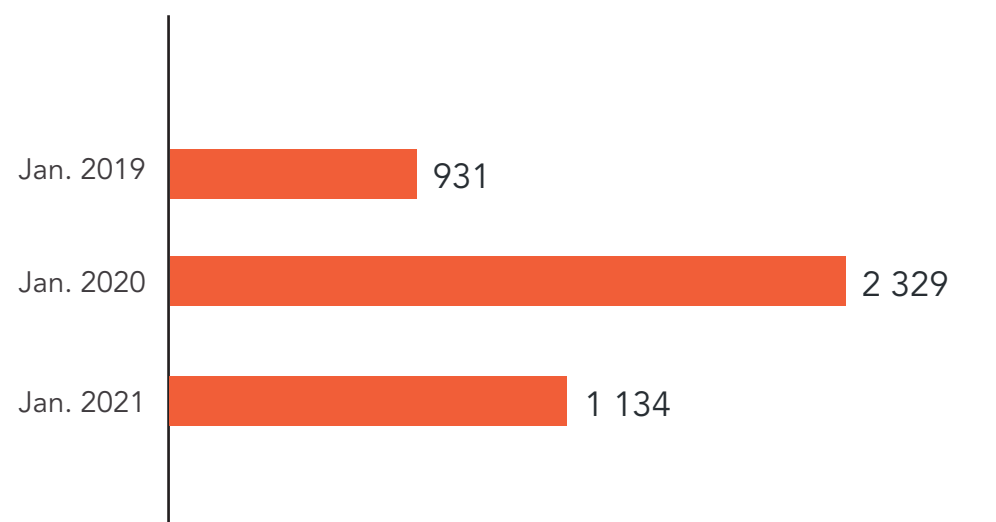
*Overall, the average spend per year decreased by 26.56% from 2019 to 2020.

Footnote:
The data is based on the actual number of users ranging between 1,400 and 4,300. In January 2019, 1,431 users performed 34,787 transactions, increasing significantly to 2,604 users and 51,786 transactions in January 2020. 2,465 users completed 46,465 transactions, in January 2021.

*This report was completed in August 2021, therefore percentage increase or decrease from 2020 to 2021 is not available.

Avg $ spent per person*

Month	Value
Jan. 2019	931
Jan. 2020	2 329
Jan. 2021	1 134

* Data was extracted and analyzed of US consumers from a personal finance/budgeting app, Buxfer.

OVERVIEW SHOPPING
Shopping includes **online and in-store.**

The **highest average** monthly spend was in **July 2019** when spending rose to **$3,971** on average per user compared to **$433** in **July 2020**, during the pandemic. In **July 2021**, the average spend per user on shopping was **$1,904**.

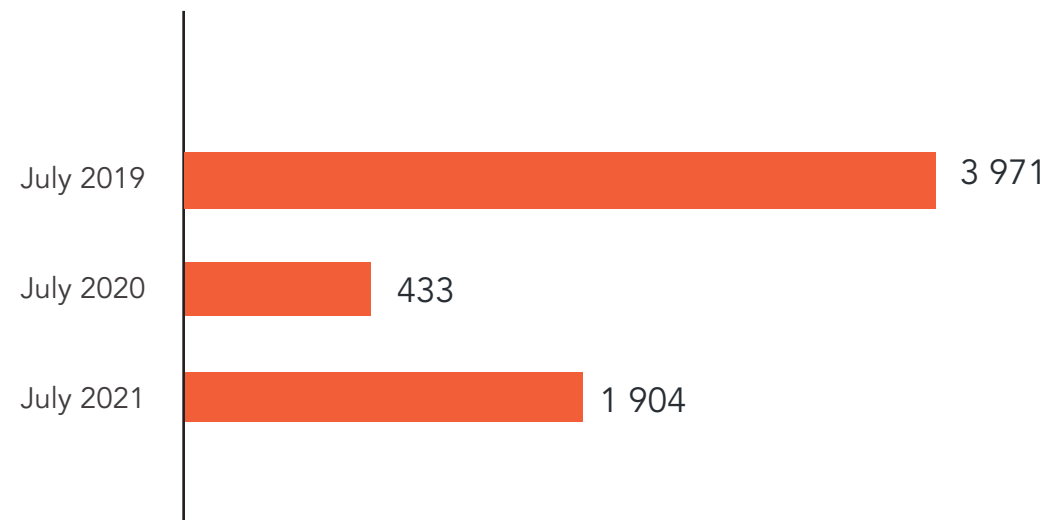*Overall, the average spend per year decreased by 68.19% from 2019 to 2020.

Footnote:
The data is based on the actual number of users ranging between 1,200 and 4,000.

1,375 Users performed 15,381 transactions in July 2019, which increased significantly to 33,243 transactions completed by 3,505 users. The numbers decreased substantially in July 2021 to 3,674 transactions performed by 763 users.

*This report was completed in August 2021, therefore percentage increase or decrease from 2020 to 2021 is not available.

Avg $ spent per person*

July 2019	3 971
July 2020	433
July 2021	1 904

* Data was extracted and analyzed of US consumers from a personal finance/budgeting app, Buxfer.

The **highest average** monthly spend per user was four times greater in **January 2020** than **January 2021**. In **January 2020**, the average per user was **$2,136** compared to **$462** in **January 2019**, pre-pandemic. In **January 2021**, the average spent per user at restaurants **fell** to **$421**.

*Overall, the average spend per year decreased by 21.82% from 2019 to 2020.

Footnote:
This data is based on the actual number of users ranging between 1,200 and 4,000.

In January 2019, 1,254 users performed 19,321 transactions, increasing quite significantly to 2,281 users performing 29,276 transactions in January 2020. There has been a slight decline in January 2021 to 2,148 users performing 22,714 transactions.

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Avg $ spent per person*

Jan. 2019	462
Jan. 2020	2 136
Jan. 2021	421
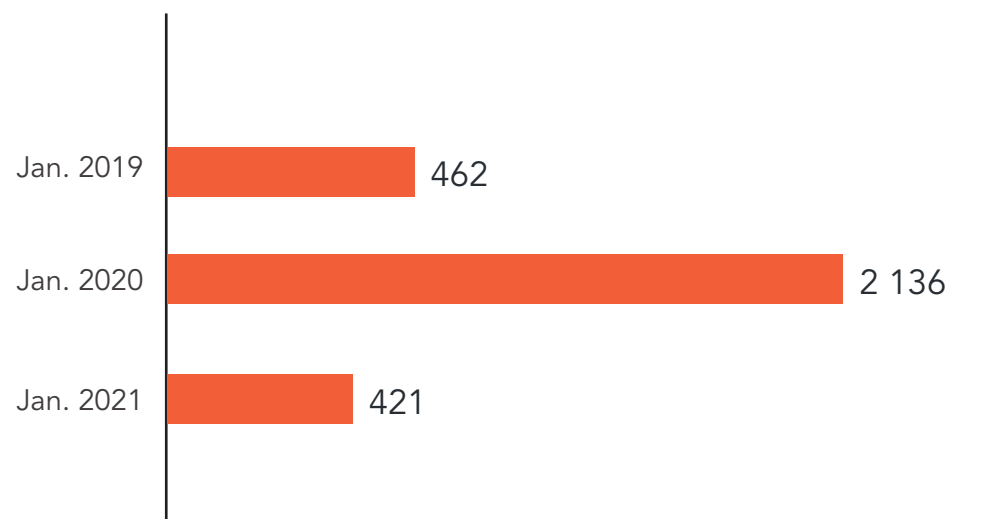
* Data was extracted and analyzed of US consumers from a personal finance/budgeting app, Buxfer.

OVERVIEW TRAVEL

Travel includes **road, rail,** and **waterways**.
The downward trend in these **3 categories** was in keeping with the events at the time.

The **highest average** monthly spend per user was in **May 2019** at **$1,166** compared to **$145** in May **2020**. In **May 2021**, the average spend per user increased to **$781**.

*Overall, the average spend per year decreased by 64.65% from 2019 to 2020.

Footnote:
The data is based on the actual number of users ranging between 800 and 1,800.
In May 2019, 931 users performed 6,115 transactions. There was a slight increase in May 2020, 1,018 users performed 3,392 transactions.
601 Users completed 3,149 transactions in May 2021.

This report was completed in August 2021, therefore percentage increase or decrease from 2020 to 2021 is not available.

Avg $ spent per person*

May 2019	1 166
May 2020	145
May 2021	781
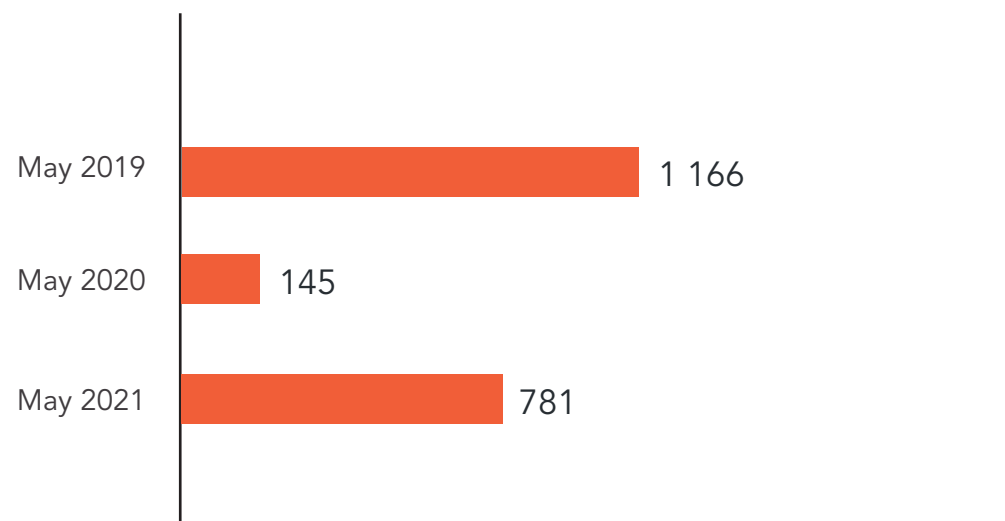
* Data was extracted and analyzed of US consumers from a personal finance/budgeting app, Buxfer.

TREND ANALYSES

There were notable differences in spending patterns in the 4 analyzed categories pre-pandemic, during the pandemic, and current stage of the pandemic January-August 2021.

FOOD

In 2019, the average number of users 1,638 performed 42,673 transactions. In 2021 it increased to an average of 3,559 users performing 61,550 transactions in 2020. Spending on food has been steadily declining since January 2021 from 2,465 users and 46,465 transactions to 937 users and 20,397 transactions in August 2021.

SHOPPING

A similar trend in this category. In 2019 the average number of users 1,454 performed 15,346 transactions. This increased substantially to 3,172 users performing 30,108 transactions during 2020. The number of users and transactions has been decreasing in 2021 from 2,258 transacting 20,613 times in January to 651 users transacting 2,460 times in August.

RESTAURANTS

have experienced a similar trend. In 2019 an average of 24,572 transactions were performed by 1,457 users. The numbers increased significantly in 2020 with an average of 3,121 users performing 33,696 transactions. Since January 2021 the number of users dropped from 2,148 and 25,375 transactions to 744 users and 7,229 transactions in August.

TRAVEL

The travel trend has been in keeping with the events at the time. However, there has been a significant spike in the number of transactions in June and July 2021, 18,081 and 15,707 respectively.

CONCLUSION: WHAT DID THE DATA REVEAL?

There is a distinct trend in the app users' spending patterns that aligns with the broader US consumer spending behaviour pre-pandemic, during the pandemic and current stage of the pandemic. While the pandemic accelerated phenomenal change in consumer spending behavior, at this stage it is uncertain if spending habits will return to pre-pandemic patterns.

With the US economy slowly recovering, spending is expected to get a welcome shot in the arm as consumers resume spending on activities that had ground to a halt during the COVID-19 pandemic.

The data extracted from Buxfer is well aligned with other reports and studies undertaken to assess consumer spending pre, during, and current stage of the pandemic.

SAFETY FEATURES, PRIVACY & PROTECTION OF PERSONAL DATA

The app follows industry standard encryption [techniques and best practices](#) (Buxfer, 2021). Daily scans and audits are undertaken by independent, reputed security firms.

The infrastructure is compliant with industry standards such as PCI and SOC3. High-grade 256-bit encryption is used to store sensitive information, and secure communication with a user's computer to prevent a third party from eavesdropping.

Buxfer is a **flexible, powerful** and **money management App** on a mission to help people take **control** of their **financial future**. The App is not just for individuals, it's ideal for **small businesses** and **solo entrepreneurs** to help **balance the books**, at a fraction of the cost of budgeting software. The App is loaded with added features for Forecasting, Investments, and Retirement Planning. Everything needed to be in control of your finances in one secure place.

We believe that each user has unique needs and there is no one-size-fits-all solution to managing money. Therefore, Buxfer is flexible and easy to use, adapting to individual user needs. It has been rated the **Best Free Finance Web App**.

References

Buxfer Inc. (2021, September 03). Security. https://www.buxfer.com/help/security