

PayPal Finds Minding Ps & Qs Sees Brits Forfeit £100 Each Year

Who says manners cost you nothing?

We all know us Brits are famous for our manners. But what you may not know is that all those Ps and Qs are hitting us in our wallet. According to PayPal's latest research, many of us risk forking out more than £100 every year simply by using cash to pay back small debts to friends and family.

Over a quarter of the people we surveyed (29%) say they round up cash repayments by an average of 69p each time just to avoid the awkwardness of handing over small change. And with the average Brit making 150 of these payments per year, that politeness adds up to an extra £30^[i] annually.

On top of that, most of us tend to carry less than £20 in cash with us, meaning we often have to visit an ATM before repaying a debt in notes or coins. Those paying to withdraw cash incurred fees averaging £78^[ii] per year, bringing our annual out of pocket total to £108.

Yet, before we all make a belated new year's resolution to be ruder to our loved ones, the research also reveals there's a way to avoid this politeness tax without being... well... impolite.

In fact, for around 10 million Brits, the penny has already dropped. Literally. These are the people who say they no longer carry cash, preferring to transfer money digitally rather than physically. Not only does this tend to be faster and more convenient, it comes with the added bonus of being able to pay back the exact amount owed, however small, without the fear of appearing rude or tight-fisted.

As PayPal UK's Senior Director, Lisa Scott, puts it: "In this case, time really does mean money as digital transfers allow you to pay someone back the precise amount you owe them in a matter of minutes."

So, yes, maybe your mum and dad were wrong when they told you manners cost us nothing. But by choosing to use your digital wallet instead of your leather one, you could find yourself being polite to your friends, family and bank account all at the same time.

^[i]80% of the UK population aged 18+ say they use cash during the average year to pay people back, with an average of 150 cash P2P transactions made per person in a year. If 29% of these people say they often round up transactions by an average of 69p, this could be costing the nation £1,257,833,922.66. For each person that uses cash (1822947714 people) this equals £30.01 a person.

^[ii]The average member of the UK population aged 18+ makes 150 P2P transactions in cash annually, withdrawing cash from ATMs charging 52p on average for each withdrawal

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