

# Poor money saving linked to general impulsiveness

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Financial imprudence is linked to other impulsive behaviour such as overeating, smoking and infidelity, according to a new study led by UCL researchers, published in the journal *Personality and Individual Differences*.

The study, conducted through the BBC website with over 40,000 participants, measured people's financial impulsivity by asking whether they would they prefer to receive £45 in three days or £70 in three months. The survey asked a related series of questions about other behaviours. Nearly half of those who responded preferred the smaller-sooner sum of money, and these people were more likely to show a raft of other impulsive behaviours.

Dr Stian Reimers, ESRC Centre for Economic Learning and [Social Evolution](#) at UCL, says: "One of the big questions about people's financial planning is whether decisions to spend or save come from personal knowledge and experience of money matters or whether they reflect someone's personality more generally.

"Our research shows that people with an impulsive money-today attitude ignore the future in other ways. For example, they are more likely to smoke and more likely to be overweight, which may reflect a preference for immediate pleasure of nicotine and food over long-term good health. People who chose to take the smaller-sooner amount of money were also more likely to admit to having had an affair in recent years, suggesting another manifestation of desire for immediate gratification."

The study controlled for age, education and income, and found that those most likely to make impulsive financial choices were young, poorly educated, and on lower incomes.

Dr Reimers continues: "Given that those who decline £70 in three months in favour of £45 in three days are essentially turning down an interest rate that's hundreds of times what they'd get on the high street, this may begin to explain why some people are reluctant or unable to save [money](#)."

"Learning to make decisions that lead to long-term happiness, not just instantaneous gratification, could benefit us all. Simple techniques can help reduce impulsivity: like imagining how you'd feel about your decision in a year's time, or trying to avoid making decisions in the heat of the moment."

More information: 'Associations between a one-shot delay discounting measure and age, income, education and real-world impulsive behaviour' by Stian Reimers, Elizabeth Maylor, Neil Stewart and Nick Chater is published in the journal *Personality and Individual Differences*, [doi:10.1016/j.paid.2009.07.026](https://doi.org/10.1016/j.paid.2009.07.026)

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