

Stop Being a Victim

Think back. Have there been any times when you have spent money on something that you really shouldn't have? Have you ever spent money on something silly that really should have gone to pay a bill or into your savings? We want to help you to resist that urge to spend. We want you to be able to look squarely in the face of marketers and then walk away with a full wallet. Today we will give you some advice that will help you get there. Not everything works for everyone, but following just some of this advice will help you resist the urge to give your money to others for things you don't need.

Realize the Truth about Marketing

THIS is a key to fighting impulse spending. Realize that you are being manipulated to give away what you have earned. They will try to manipulate your thoughts to see your life as incomplete or lacking in some way without their product. They can manipulate people with marketing, so realize what is happening and stop yourself from being a victim. If you are starting to think of buying something that you may not need, stop and think, "Am I being manipulated?" "Should I really give in to these guys, or should I do what is best for me and my family?" Look through the fog of marketing and know that YOU are in control of what you spend your money on, and not these people who are being paid to take it away from you.

The Real Cost

It is also vital to know the real cost of anything you purchase. The real cost is based on how long it took you to earn the money to pay for it, and the cost of what you are NOT spending your money on. First, it is important to calculate how much you actually make in an hour. If you are paid \$15 an hour, you don't actually make that much. First, you have taxes that are taken out of your pay. Then you have to consider costs to keep the job. You have gas and car expenses just to get you to work. You may also have to buy lunch if you don't pack one, and that adds up really fast. And, of course, if you are paying for child care, that is a huge expense. It isn't hard to see how someone who "makes" \$15/hour can actually bring home only a small part of that. Every dollar you earn is costing you part of your life. You should treat your time as valuable. When you are looking at buying something, stop and think about how much of your life you want to spend for something you may not even need.

Practical Tips

WAIT! You were able to live through all of yesterday without the item you want. You will probably survive a whole day more without it. In fact, the bigger the purchase, the longer you should wait. Make a limit, or a threshold, at which point you choose to wait. For example, make a household rule that if a single item is more than \$50, you will wait two days before buying it, or if it is \$100, you will wait five days. Your numbers may be different, but the idea will be the same. Put some time between wanting and buying—it will help you reduce those impulse purchases dramatically.

Use cash. Seriously, credit cards should never go shopping with you! If you are having trouble spending too much money, then credit cards are going to make your life miserable. When you bring cash, you have to use your own real—and limited—funds. Divide your money into where it needs to be spent for the month, and then only take the cash that is left over. If there isn't any left, then your shopping trip should become a nice trip to the park.

Avoid temptation. If you are receiving daily deals through email, text, or apps, unsubscribe! Having these is like being an alcoholic trying to quit while living in a bar. If you really want to stop impulse spending, stop the temptations. Stay away from the mall and toss store catalogs before you open them. No one needs more temptation in their lives, so take this action today.

Don't shop hungry—or while emotional. EVERYONE knows you shouldn't go to the grocery store hungry. That is a great way to end up with two shopping carts full of junk food. The same thing applies to emotionally vulnerable states. If you are having a hard day, week, or month, it is a great idea to stay out of the mall. Buying for emotional comfort causes you to buy things you don't need and can't afford. Recognize when you are emotionally vulnerable, and then go do something that is both free and comforting like talking with a friend or watching a sappy TV show.

You don't deserve it. Okay, I don't really know if you deserve it or not, but if the words, "I deserve it" ever cross your mind when deciding to purchase an item, then it is time to run away! Using this as your reason is a sure sign that you are spending money you shouldn't. It really isn't a question of whether you deserve it or not; it is a question of whether you have the money to spend on something you don't need. If you want to do something you really do deserve, spend some time just for you, drinking home-brewed tea and reading a book from the library.

Get rid of needy wants. Many people, including myself, have a hard time determining the difference between a need and a want. Truthfully, the vast majority of our purchases are things we want, not things we need. For example, orange juice is a want. Paying your water bill so you have water to drink is a need. Car washes are a want. Gas for your car so you can get to work is a need. Correctly label your purchases. Soda, snacks, electronics, alcohol, fancy hair products, new kitchen gadgets, movies, and video games are ALL wants. Basic food, transportation, and shelter are what you need. If you are having trouble with impulse purchases, make a rule to stick to needs when on shopping trips to avoid all of those pesky wants.

Make a list and stick to it. Many shopping trips have a not-so-fun surprise at the end. SURPRISE! Your total amount due is \$200! This is simply no fun. Instead, make a list and buy only what is on it. Keep your NEEDS on your list and when those WANTS jump up from all the marketing you encounter, avoid them! They are not on your list; they are not allowed to get into your basket.

Save for things you LOVE over things you LIKE. Think of all of the awesome things you could do if you avoided impulse purchases. For example, if you buy an energy drink and a few snacks to keep you going through the day, you could easily be spending \$1500 a year on these impulse items. Do you love traveling? You could go to Europe with that—every year! Do you love visiting family? You could visit them every year with that! Look at those impulse purchases and realize that most of them are for things you like, but not the things you LOVE. Then get rid of those LIKES and replace them with LOVES.

Resources:

1. Cohen, J. (2016, Jan 05). 16 Savvy Ways To Save Money Every Month. Retrieved November 26, 2020, from <https://www.forbes.com/sites/jennifercohen/2016/01/05/16-savvy-ways-to-save-money-every-month/>
2. Peterson, B. (2019, July 15). Credit Card Spending Studies (2018 Report): Why You Spend More When You Pay With a Credit Card. Retrieved November 26, 2020, from <https://www.valuepenguin.com/credit-cards/credit-card-spending-studies>
3. Ramsey, D. (2020, Sept 30). 12 Reasons People Stay in Debt. Retrieved November 26, 2020, from <https://www.daveramsey.com/blog/why-do-people-stay-in-debt>