

Money Saving Tips

Almost everyone can find ways to save money with these 20 money-saving tips.

Daily Spending

Your everyday spending decisions can add up in ways you may not expect. Common behaviors that can waste money include:

1. **Convenience Eating** - Everyone needs food, but do we need to buy it from restaurants or coffee shops?

Buying food from any place other than a supermarket is a convenience and is priced accordingly. Bringing food from home each day can save hundreds of dollars per month. Keep in mind that buying prepared food at the supermarket can be just as expensive as a restaurant.

2. **Smoking and Alcohol** - Neither is a true need, and the costs associated with each of these habits are steep.
3. **Spending on Credit** - Besides the fact that using credit or debit cards can lead to high interest debt or excessive fees, spending money with cards is convenient... too convenient. In fact, studies have shown that people spend less in general when they spend cash. Try giving yourself a certain amount of cash for daily spending rather than relying on plastic.
4. **Not Comparison Shopping** - A must when considering a large purchase, comparison shopping can also yield huge savings when used every day.

While buying food in a supermarket is almost always going to be cheaper than buying prepared food in a restaurant, prices can vary substantially between supermarkets and between items at the same supermarket. And don't forget that the generic versions of food items can be just as good as name brands. The same rule goes for clothes – prices can vary widely on very similar items depending on the store.



5. **“Saving” with a Sale** - A common reason people spend unexpectedly is because something is on sale. Even if an item is 50% off, by buying it you didn't really save anything – you spent money that you probably would not have spent otherwise.

Financial Services

A bank or credit union should be a place to save money, not lose it. To save money on financial services, consider these tips:

6. **Use free checking accounts** - Spending \$10 or \$20 per month on checking account fees can cost hundreds per year. Many institutions offer student or basic checking accounts for no fee, but be careful of accounts that require a minimum balance or offer a small number of transactions per month.
7. **Consider Automatic Savings** - Many banks or credit unions allow you to automatically transfer a set amount of money from your checking to your savings account each month. Making savings automatic is a proven strategy for meeting savings goals.
8. **Ask for a Rate Reduction** - Carrying a credit card balance? You may be able to get an interest rate reduction by calling your company and telling them you are

looking for options for cutting your interest rate (including switching to another credit card company). As long as you do not have a history of missed payments, they may be willing to reduce your rate.

9. **Pay Bills on Time** - Late fees, penalty finance charges, fees to reestablish connection if your phone or electricity service is disconnected, plus potential damage to your credit report means that it's never a good idea to skip payments.
10. **Avoid Alternative Lenders** - Check cashing services, "fast" income tax refunds, payday loans, and rent-to-own stores are almost always a bad deal.

Other Ideas

Here are a few other ideas for making the most of your money:

11. **Make Holiday and Other Gifts** - Even if you don't have a way to make a gift yourself, you could still provide a "gift certificate" for services you could render – babysitting, lawn care, or other chores.
12. **Save Windfalls** - Gifts, tax refunds, bonuses or any other unexpected source of cash could either be saved or used to pay down high interest-rate debt.
13. **Cancel Recurring Charges** - From unused gym memberships to unwanted magazine subscriptions, many people can save hundreds of dollars per year by getting rid of services they no longer need.
14. **Personal Care** - Expensive shampoos or trips to the salon are expenses that can often be reduced.
15. **Entertainment** - Everyone deserves to have some fun, but some forms of entertainment can have financial side effects that are no fun at all. Consider renting or downloading a movie rather than going to the theater, or order water

instead of an alcoholic beverage when out on the town.

16. **Cancel your Cable Television Service and Telephone Land Line** - Many popular shows are available online or over the air. If you have a cell phone, you can likely find a plan that will give you all the talk minutes you need without paying for a land line. Together, cancelling these services could save \$100 per month.
17. **Resist Peer Pressure** - Keep in mind that different people have different sources of income. Some of your friends may be heavily subsidized by their parents, for example. If you feel pressured to spend more than you can afford, consider talking with friends about your situation or suggest alternate activities.
18. **Reduce the use of Your Car** - Carpooling or taking public transportation is often a way to realize significant savings on fuel, parking, and car maintenance. If you can reduce your mileage to around 5,000 miles per year or less, you may qualify for an insurance rate reduction.
19. **Save your Change** - Give yourself a tip by creating your own change jar at home. You'll be surprised at how much you can save over a month or two. Many supermarkets have automated change counters that can make cashing in your savings easier than ever.
20. **Negotiate Anything** - Cell phone contracts, car repairs, purchases at mom and pop stores, salon expenses, medical or dental procedures, professional services – almost anything can be negotiated.

Remember, it doesn't hurt to ask for discounts or to say that a price is more than you can afford. Some stores may also offer a discount if you pay with cash rather than credit. Just be sure to negotiate before you receive an item or service.