

# Don't watch your dollars fly away: Better spending habits for today and tomorrow

With today's technology and fast-paced lifestyle, it has gotten easier to spend money, even before it reaches your wallet.

Whether you're on your phone or standing in line at the grocery store, buying what you need – and don't need- has become as easy as a click on your latest device.

Learning and practicing better spending habits are more important now more than ever.

Here are some tips to help you keep your spending in check any time of year:

- 1) **Learn how you currently spend your money.** Take a week and write down everything you buy and every bill you pay during that time. Like to grab some coffee on your way to work? Write it down. Curb those cravings by stopping at a nearby vending machine? Write it down. Gotten used to buying a new pair of jeans from your phone right after lunch? Jot it in a notebook. Everything that causes money to leave your account or your pocket is worth writing down. Chances are, you're spending tons of money on little purchases that add up to a mountain of dollars spent.
- 2) **Make a budget.** From your spending list, you'll get an idea of how you spend your money. Make a budget that you can stick to, following the spending patterns you want to keep from your list. List your bills first, then move on to the spending that it is helpful. But be realistic. If getting an afternoon snack from the vending machine is vital for you to be productive, list it in your budget. But if it's cheaper for you to make your coffee at home and bring a mug of it with you to work, cut the daily coffee runs out.
- 3) **Don't buy anything while you're in line.** Many people tend to buy things when they're bored. Standing in line counts as one of those times. Resist the urge to spend, especially if you have children who like to grab anything they see and throw them in the cart. Truth is, you don't need whatever you – or your kids – are thinking of buying while you're standing in line.
- 4) **Pay with cash.** This is essential if you are trying to cut down on your credit card debt. Also, using cash gives you a better sense of how much money you *really* spend. Cards of all kinds can often feel like play money, until the bill comes the next month. Use cash and save the cards for emergencies or for expenses you know you can pay off month to month like gas for the car.

- 5) ***Bring a list to the store.*** With a list – written before you go to the store – you can stay focused on what you need as opposed to trying to *remember* why you came to the store in the first place. Use the list and when you have everything, get out of the store. No need to dally around when you already have what you need.
- 6) ***Don't spend more money on fast food and restaurants than you do on groceries.*** Not only is going out to eat bad for your heart, given the higher sodium levels, it's also bad for your wallet. Between paying for the service and drinks – and tips, if in a restaurant – it's incredibly easy to spend money that could have been spent on meals for the week. This is not to say going out to eat is a bad thing. But when it's more than you spend on groceries, you're wasting money on food, which would be less if you prepared the meals at home.
- 7) ***Paying monthly fees for services and products you never use.*** You meant to go to the gym, that's why you bought the monthly membership. In fact, you hoped *paying* for the membership would get you into the gym. But it didn't. If you're not going, the gym – and the monthly fee – aren't for you. Same is true for magazine subscriptions (Did you have time to read the November and December issues?) and your manicures. If you're not using it, get rid of it.

Americans are known for spending money on things we can show to other people, especially if its bug and shiny.

But if it means increasing your debt, not having enough money to pay bills or for groceries, it's not so fun.

Watching how you spend your money is vital if you hope to have some in the future, especially for savings or for retirement. Sure, those aren't big and shiny items, but they will keep you comfortable before long.

Learning how to improve spending habits is the first step toward a debt-free future, one that could maybe be fun for you and your family.

*For information on how to improve your spending and saving habits, contact Fair Credit at 1-800-351-4195 or visit their website at [www.faircredit.org](http://www.faircredit.org)*

Information from *The Wall Street Journal*, *U.S. News & World Report*, AARP, *Women's Day* and CNN Money.