



Living Well with Inflation

Webinar Series

DISCOVERING SPENDING LEAKS AND WAYS TO STOP THEM

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No more normal \$\$\$

Covid-19 threw normal supply chains and spending habits out the window. According to recent studies:

20% of consumers plan to switch to cheaper brands and use more coupons

48% - 74% planned to reduce spending in areas like:

- Bars, restaurants, & takeout
- Travel
- Gifts and holiday food
- Apparel
- Electronics



Inflation=expensive



In this period of inflation we are experiencing, everything has become more expensive, so it may be time to look a little more closer at spending and where we can plug those leaks.

Tracking spending is one way to identify those drips and adjust your spending habits. Even spending an extra \$10 - \$25 per week can make a difference on your bottom line.

Do you . . .

- Shop Your House First?
- Always use a shopping list?
- Only use credit when absolutely necessary?
- Compare price and quality of item?
- Remember to return items you aren't satisfied with?



Did you no to any of these questions? . . .

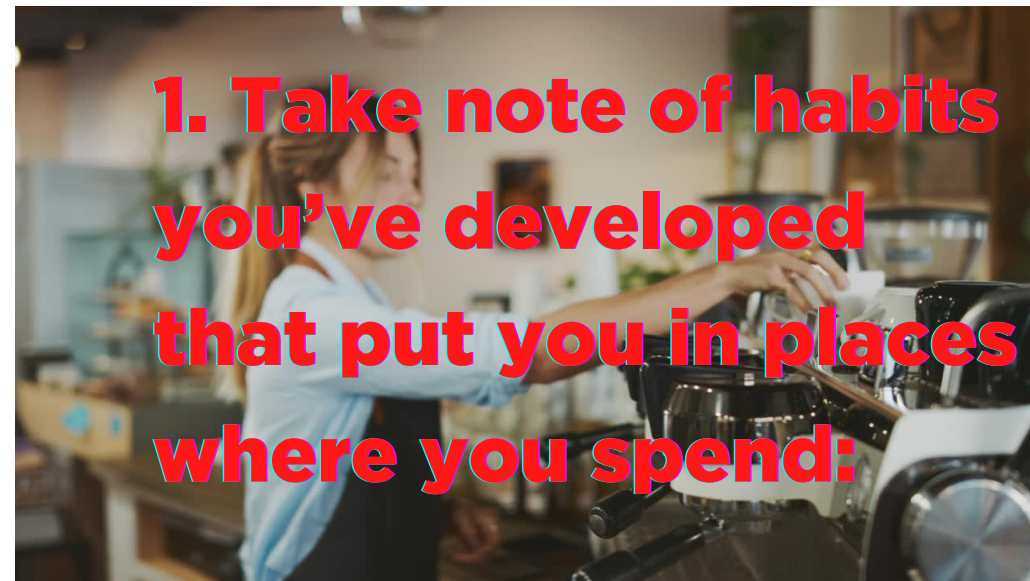
Reasons for leaks



- Impulse buying
- Bargain hunting
- Self-esteem
- Reward
- Love to Give
- Retaliation
- Control
- Stress
- Tunnel Vision



What to Do? Be aware if you see yourself in any of these descriptions



1. Take note of habits you've developed that put you in places where you spend:

- a. Yard sales or flea markets
- b. go to grocery for one needed item and come home with three additional unnecessary items
- c. Eat out every Friday
- d. Buy a coffee



2. Recognize your "triggers", those items or reasons that tempt you:

- a. Social media
- b. Store displays
- c. Certain friends
- d. Emotional response
- e. Hunger



3. Ask yourself "Can I" questions:

- a. "Can I" do without?
- b. "Can I" use what I have?
- c. "Can I" make it for less money?
- d. "Can I" borrow or rent it?
- e. "Can I" use a less expensive alternative?

BUY NOW

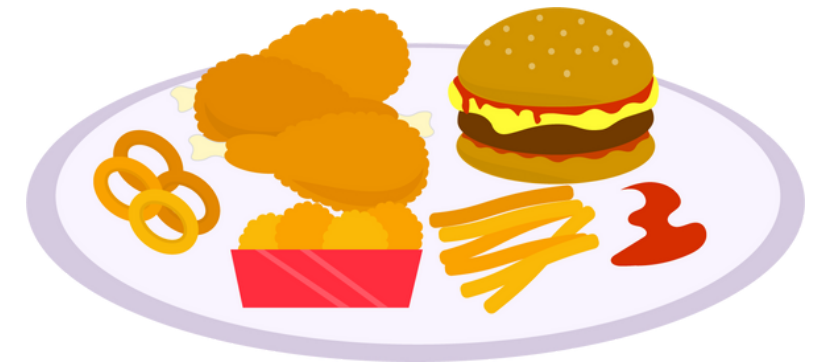


Prioritize

- Say NO to desires rather than needs and items that are too expensive for your budget.
- Don't be persuaded by others or pressured into buying. If you feel this response, walk away and re-think the purchase. Take a deep breath to clear your thinking.
- For larger expenses discuss with those who will be involved in or with the purchase. Do research and set spending limits.
- Keep credit card purchases to a minimum.

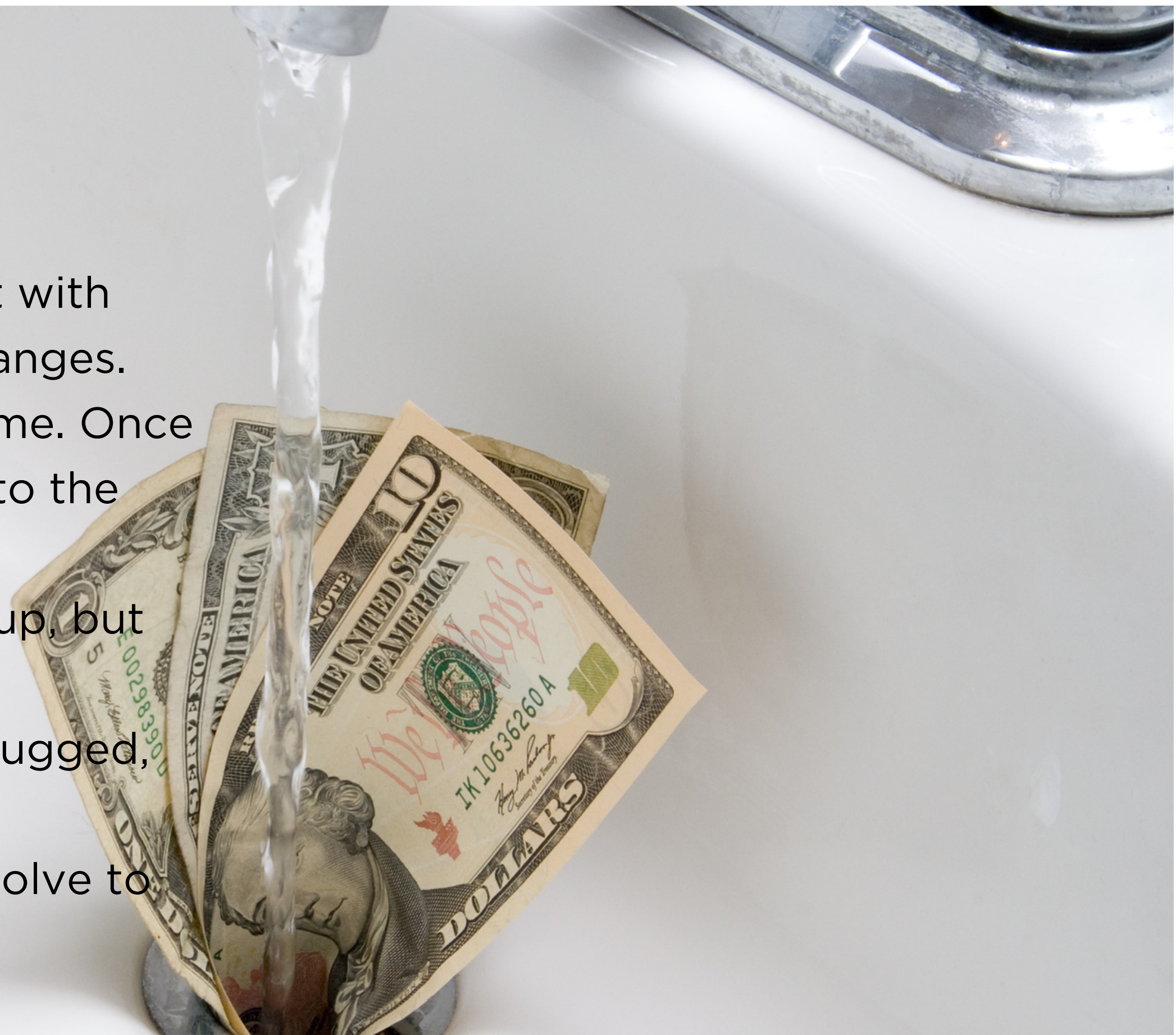
Reduce waste:

- Lack of cost-effective maintenance can lead to expensive future repairs
- Excessive use of phone data, water, lights, and gas
- Buying convenience foods and individual sized portions
- Gym memberships that aren't used regularly
- Kitchen gadgets
- Repair broken items rather than throwing them away when possible
- Feel good that you are being kinder to yourself and the planet!
- Cut down trips to the grocery to once per week



Limit Leaks

- Changing habits is tough, be patient with yourself. Make small incremental changes. Work with one spending leak at a time. Once you conquer that change, move on to the next.
- If you slip back, don't beat yourself up, but do resolve to work on it.
- When you get one spending leak plugged, move on to the next one
- Don't put it off or make excuses, resolve to make that next change.



Log Your Leaks



A GREAT WAY TO MAKE SPENDING CHANGES STICK IS TO LOG YOUR SPENDING HABITS:

HABIT	COST	NUMBER OF PURCHASES PER WEEK	COST PER WEEK	COST PER YEAR
Starbucks Latte - Grande	\$3.65 + (\$0.29 tax)	4	\$15.76	\$819.00



Plan to Plug Spending Leaks

for each member of the household

A habit I want to change is:

I am most tempted to spend this money when:

- 1)
- 2)
- 3)

Ways I can keep from spending this money include:

- 1)
- 2)
- 3)

Barriers (people, places, or things) that will make it difficult to change this habit are:

- 1)
- 2)
- 3)

Continued . . .

I can overcome these barriers by:

- 1)
- 2)
- 3)

Things that worked:

Week 1:

Week 2:

Week 3:

Week 4:

Things I will try next time . . .

Week 1:

Week 2:

Week 3:

Week 4

How I did and money I saved:

**“Beware of little expenses;
a small leak will sink a
great ship.”**

— Benjamin Franklin



Don't be too hard on yourself. If you have been sticking to the budget and pluggin spending leaks it's okay to enjoy yourself with a measured reward here and there.

Instead of another Saturday night frozen pizza and movie at home, have a fresh pizza and maybe enjoy a night out at the movies (but avoid the snacks at the movies, they're expensive)! :)

Little by little, you will feel the difference in your wallet and more easily fathom these rough inflationary waters.

*Thank
you*

References

Manage Your Money, Lesson 3: Spending Leaks, Family and Consumer Sciences Department, The Ohio State University

Inside the Psychology of Overspending and How to Stop, by Emma Kerr, U.S. News, article, Aug 9, 2022



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