

Excess Spending

We all do it. We all have something that we habitually (or non-habitually) break down and buy whether it be that \$4.15 Starbucks latte, \$5.00 beer after work, \$10.50 movie ticket, \$8.00 cocktail, \$6.12 pack of cigarettes, \$1.79 bottle of soda, \$22.99 new shirt... The list can go on and on. The point is that people who have extra to spend, always spend extra. It is one of the perks of being in a comfortable financial state. However, small and medium purchases are often overlooked because of the minimal dollars spent at one time, hurried purchases, and social outings. This creates an unawareness of total expenditures. All of these “little” purchases tend to add up without the buyer realizing because each purchase always seems so “little” at the time. Consider getting a Starbucks latte one day. It is only \$4.15 right? Wow, less than five dollars. Now, consider buying a latte six times a week: \$24.90, per month: \$99.60, and per year: \$1,294.80. That is a significant amount of dough for that less-than-five-dollar latte. This leads to the question, where am I actually spending my extra money, what exactly am I spending it on, and how much am I spending on certain items? These questions need to be answered and reflected upon in order to allow us to really use our hard-earned money in the way that we actually want to in more long-term and planned-out way.



Figure 1
Buying a latte 6 times
a week could lead to
spending almost
\$1,300 per year

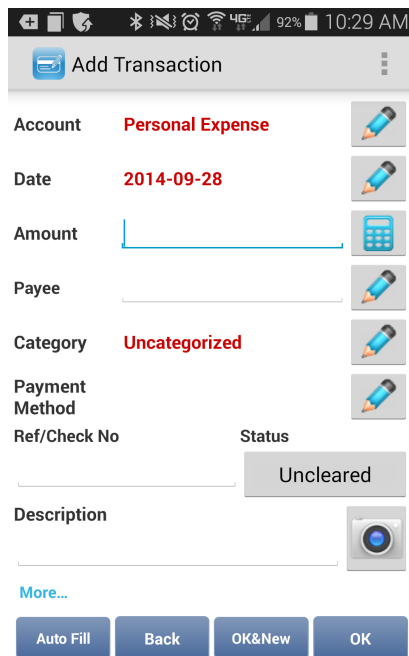
A screenshot of the Expense Manager Android application. The screen is titled "Add Transaction". It has several input fields: "Account" (set to "Personal Expense"), "Date" (set to "2014-09-28"), "Amount" (empty), "Payee" (empty), "Category" (set to "Uncategorized"), "Payment Method" (empty), "Ref/Check No" (empty), and "Status" (set to "Uncleared"). There is also a "Description" field at the bottom. At the very bottom, there are four buttons: "Auto Fill", "Back", "OK&New", and "OK". The top of the screen shows a status bar with various icons and the time "10:29 AM".

Figure 2
Adding an expense on Expense
Manager Android Application

There are many money management programs and applications that allow the user to keep track of expenses as well as income. Bank statements are a good start. They give a good overall picture of total funds and transactions. However bank statements do not tell you what items you are actually spending your money on. Which lines in your bank statement are excess spending, and which are necessities? It is hard to tell. Then there is the world of money management apps. Many allow the user to insert custom expenses and income, but lack user-friendly UIs and tend to create a tedious experience for the user. For example, Figure 2 shows a screenshot of adding an expense on Expense Manager, a popular expense tracker available for Android devices. There are many distracting buttons and many fields to fill out. A busy user will not want to fill this out every single time they want to track a single item or expense, but may be able to use this for larger expenses that would need to be tracked less often. Needless to say, there are already great tools out there to help budget, but there is room for a different kind of money management system, one that allows you to track what your money is actually going to in an easy, non-tedious, user-friendly way: a money management system that will allow the user to not waste their time inputting expenses, allow them to analyze and reflect upon their spending,

and adjust their money management based on the real data. It is not that we want to get rid of those delicious lattes or beers out with friends, but we need to be able to gain awareness and take charge of our money spending habits rather than let those habits be in charge of us. We live in a world of technology, there has to be an easier way.