

Title:

Five Budget Tips to Help You Save

Word Count:

545

Summary:

Saving money is much easier than earning it from scratch. But it is also much harder than it is to spend money, and as a result, most of us spend what we would rather save. In order to begin saving money, we need to have a plan, and the more automatic the plan works, the better.

Keywords:

loans

Article Body:

Saving money is much easier than earning it from scratch. But it is also much harder than it is to spend money, and as a result, most of us spend what we would rather save. In order to begin saving money, we need to have a plan, and the more automatic the plan works, the better. When we are confronted with the choice between spending money and saving it, we run the risk that we will give in to the temptation to choose instant gratification. So taking the choice out of the equation is one of the first steps to a steady savings program.

Here are five tips for budgeting and saving money, the automatic way:

- 1) Set up an automatic withdrawal program with your bank, so that every time you make a deposit, a percentage of the money you deposit is automatically transferred to a savings account that is harder for you to access. One way to do this is to have your bank use an automatic deposit system to put a set amount of money - for example, \$100 - into your savings account each month.
- 2) Save your loose change and small bills. Put a piggybank in your kitchen and every time you come home, empty the change from your pockets and put it in the piggybank. Toss in a few one-dollar donations from time to time. Although it sounds juvenile, you will be surprised how much you can save with this old fashioned method. And it is so much fun to break the bank when it won't hold another cent.
- 3) Write down everything - and that means no exceptions - you buy. Keep a log of every single purchase you make. Write down what you bought and how much

it cost. If you left a tip, write that down too. Be diligent about keeping your log book, and if you do it well, you can just do it for a month and gather enough information to help you save even without the log book. Most people find hidden expenses, like \$10 per day for coffee or \$50 per month for a gym membership that is never used, and then they can easily adjust their budget to save money immediately.

4) Spend less at holidays. And entertain at home. Instead of giving expensive gifts at Christmas, give handcrafted items, poems, or pledges to do errands or barter with friends. One fellow we know agreed to shovel his friends' sidewalks during one snow season. His friends got a great gift, and he saved some cash to spend once the snow and ice thawed. Instead of going out to eat in restaurants, cook at home or invite friends for a potluck dinner. Rent DVD's instead of going to the movies.

5) Don't shop hungry. Scientific studies show that people who have a strong appetite will not only eat more, but they will consume more of everything else, too. Many of us know that if we go grocery shopping while hungry, we will buy more than we need. So don't do it. Eat first, then shop. But since studies show that it applies to all sorts of shopping, always have a satisfying snack before going to the mall, the clothing boutique, or the sports store. You'll spend less, and save more.