

DO NOT

DON'T GET RIPPED OFF.

With businesses focused on increasing profits, it's an everyday battle to hold onto your hard-earned dollars.

Consider these facts:

- Banks, thrifts and credit unions take in billions each year on fees. In 2006, they took in \$36 billion, up from \$24.4 billion in 2000.
- In 2003, credit card companies made \$20.7 billion in credit card fees.
- The value of unused gift cards was estimated to be \$8 billion in 2006.
- A recent study by Consumer Reports found that 25 percent of rebates are never claimed.
- Approximately 78 percent of cell phone minutes paid for remain unused.

FIGHT BACK and keep your money.

Research your purchases and know the true cost of ownership:

SHOP AROUND

The Internet is a great place to make sure you're getting the best price, and there are a number of online sites you can use to search and compare services *before* you go to the store. If you decide to purchase something on the Internet, check several websites and make sure you deal with reputable merchants.

Some great sites include:
www.pricegrabber.com
www.shopping.com

Consider reliability and warranties when comparison shopping. A high-quality product with a good warranty may be worth paying a little more for up front. Consumer guides can be worth the cost if it leads to the right decision, and back issues can be found at the library.

Read the fine print before you buy. Look out for hidden fees, usage charges and costs for additional services. Always ask about refund and return policies.

Scrutinize special offers, promotions and bundled packages:

EXERCISE DUE DILIGENCE

Before you decide to purchase any kind of insurance, or phone, cable or Internet service, compare the bundled cost with the price for each service separately. Select the company that offers the best *overall* plan at the best rate.

While bundle and bargain offers can promise significant discounts, carefully consider the purchase of additional merchandise or services. If you don't really want or need the extras, it's not a good deal.

Often, special offers are temporary price reductions on a longer-term contract. Make sure you calculate the annual cost of each option for an accurate comparison.



Don't be afraid to negotiate and ask for discounts:

NEGOTIATE THE BEST DEAL

Always ask for fees to be waived; sometimes they will be, but if you don't ask, they definitely won't be waived.

Here are effective negotiation tips:

- Research prices and store policies, and bring evidence of better deals, such as Web printouts, flyers and ads.
- Be patient and pleasant.
- Ask a manager—the person helping you may not have the authority to offer a discount.
- Be willing to walk. The most persuasive tactic you have is the ability to spend your money someplace else.
- Call your service providers periodically and ask for a rate reduction; competition is high and the mention that you are shopping around is usually enough to get a vendor to compete for your business.

12

Twelve Tactics to Become a Savvy Saver

Spend Less:

- Wait 30 days before buying anything you don't absolutely need; chances are the urge to buy it will pass if you wait, and if not, you may find the item on sale.
- Avoid temptation by opting out of catalogs or e-mail announcements from companies trying to sell you things you don't really need.
- Purchase birthday and holiday gifts throughout the year and keep them in a designated box or closet; making a list of everyone's special occasion needs will make it easy to take advantage of sales.
- Try frugal gift-giving, like giving the gift of spending time with someone, giving something you baked or made yourself or helping them out with a project; it doesn't have to cost a lot to be a generous gift.
- Create a sleeve for your credit card(s) with pictures of things you really care about to remind you of what you are saving for ... or the debt you're paying off.
- Exchange your books, DVDs, CDs, video games and other items with friends and family, or use an online service to swap or sell.

Spend Smart:

- Prevent unnecessary or poor-quality home and auto repairs by finding skilled, honest professionals from a trusted source.
- Evaluate your cell phone plan options regularly to make sure they match your needs; check to see if another plan would save you money. Also get rid of the excess channels on your cable package that you rarely watch; it's cheaper to rent a movie once in a while.
- Start shopping for airline tickets about four months before departure; look for trends and use technology like e-mail alerts to help you see when your destination has the cheapest airfare.
- Use flexible spending accounts to pay certain medical, dental and child care expenses using pre-tax dollars; check with your HR department for more information.
- Save on your insurance premiums by paying them annually or semi-annually instead of monthly or quarterly.
- Consider buying pre-owned; you can buy almost anything in a resale environment locally or online at a great price.

Earn Happiness

Studies have shown that experiences provide more long-lasting happiness than possessions. Try some of these free experiences to brighten your day:

- Check out the community calendar on your town's website or stop by city hall to find a list of events going on in the community, many of which are free.
- Find out if any local museums or zoos have any free public exhibits or if they offer free admission on certain days or free passes upon request.
- Volunteer your time; there are countless volunteer opportunities out there that require nothing more than your time.
- Attend a free class, like a cooking class at a local food store, a home repair class at a hardware store or a yoga class at a local community college.
- Visit the library to check out magazines, books, DVDs and CDs for free.
- Mingle with your neighbors; they can become not just your friends but also a valuable resource as a friendly pair of eyes on your property when you're away or a helpful set of hands when you're trying to complete a challenging task. Offer to help them as well.