

More For Your Money

Getting More from Life



www.aliventures.com

A "Getting more from life" publication, by Ali Hale of [Aliventures](#).

This is a free ebook – you're absolutely welcome to share it with all your friends!

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You Don't Need More Money

The title of this ebook might have grabbed you. We all want *more*. Coupons, special offers, one-time discounts, bundled extras ... we're always looking for ways to get a bit *more* for our money. And however much money we make each month, we want that figure to be just a bit higher.

But will having more money really make you happy?

In the pursuit of riches and more stuff, people often:

- Stay in jobs that they hate
- Get into debt
- Buy stuff that advertisers hype ... but which doesn't make them happy
- Waste money on "get rich quick" schemes

“Once someone is lifted out of abject poverty, there is almost zero link between wealth and happiness.”

(Tim Brownson and John P Strelecky, [How to be Rich and Happy](#))

In a lot of cases, *you already have enough* to go for your dreams, or to simply live a happier life on a day-to-day basis.

You just need to know how to make the most of your money. And that's what the next section of this ebook is going to teach you.

Note: This is *not* a frugality manual, and there's no coupon-clipping or homemade laundry detergent in here!

Where's Your Money Going?

We all spend money on stuff we don't need. **That's fine, and healthy.** It's when we spend money on stuff we don't even *want* that we start running into problems.

The first step is to figure out where your money is actually going. On the next page, there's a spending tracker. For at least a week, write down *everything* that you spend. Whether it's a coffee or an iPhone, jot it down.

It can be a shock to realise that **you're spending money on things you don't even care about.** Maybe it's that so-so sandwich that you buy every day, because you didn't have time to make lunch. Maybe it's a coffee on the way to work that you barely taste. Maybe it's the fourth pint on a Friday night that you really regret on Saturday. Maybe it's the half-dozen books or magazines that you never get round to reading. Maybe it's those "bargains" at the supermarket which spoil before you can eat them.

Here's a couple of formats I've used for spending logs, with some examples:

	Groceries	Food/drink out	Entertainment	Household	Travel	Other	Total
Mon	£24.56	£2.30 (coffee)	£4.99 (book)	£1.99	£2		
Tues							
Weds							

(This is useful if you want some idea *where* most of your spending falls: are you spending a lot more than you think on entertainment, on travel, etc?)

Date and time	What?	Total
Mon 16 th 10.30am	Coffee, muffin	£4.20
Mon 16 th 1.30pm	Sandwich, orange juice, salad	£6.80

(This gives you space to put in more details: good if you know where you need to cut back and you're using the spending log for self-discipline.)

If your spending log reveals some nasty surprises, try *only spending cash* for a couple of weeks. It'll make you a lot more conscious of what you're buying.

Online Shopping

It's great being able to shop at any time of day – or night – from your computer. It's easy to search for exactly what you want, and there are no crowds, no trolleys to push, no screaming kids...

The problem is, online money *doesn't feel real*. And, given how easy it is to read a review, click through to an online store, add the item to your basket, and checkout ... **there's often no room to stop and think between an impulse and buying**. An idea pops into our head, and we want to grab that product straight away:

“All the impulse purchases were for different items, none of which were special promotions or products on sale. Instead, they were all just items that the shoppers *thought of* while shopping for other items.”

([What Causes Customers to Buy on Impulse?](#) User Interface Engineering)

Don't give in to the internet marketers. They'll prey on your emotions, create false scarcity, and try to make you feel like you're getting a great deal by adding in a ton of crappy bonuses that you don't want.

Recognise – and resist – your impulses. Put yourself back in control of your online spending:

- **Always look for reviews before buying anything online.** This can save a lot of money and hassle with dubious products or services. (I regularly add new reviews to [my reviews page on Aliventures](#), if you need somewhere to start!)
- **Make yourself wait a day before buying anything.** Put it in your wish list or shopping cart, but don't pay for it. You'll be surprised how many times you decide you don't need or want it after all.
- **Don't go on ebay or Amazon to "just browse".** You'll end up wasting time or money – probably both.

Making the Most of Your Online Money

Ways to make your money stretch a bit further on the internet...

- **Always search for vouchers** (coupons, coupon codes) before making any purchase. I like [RetailMeNot](#).
- **Go through cashback sites when buying online.** If you're in the UK, get a Nectar card and go through [the Nectar site](#) when buying from Amazon, eBay, Play.com etc.
- **Don't be afraid to email and ask for a "review copy"** if you have a blog, website or email list. Product owners are often more than happy to give you a freebie in the hopes that you'll promote them to your audience.
- If you buy information products (like ebooks), **join the seller's newsletter list or advance discount list.** You'll often get as much as 50% off. Here are a couple I'm on and recommend:
 - [Dave Navarro's \(The Launch Coach\) advance list](#)
 - [Naomi Dunford \(IttyBiz\) advance list](#)

Your Saving Habits

You might think you don't have any habits at all related to saving.

You do: saving \$0/month is a habit, just as much as saving \$500/month is.

Constantly digging into your savings at the end of the month is a *habit*. So is cutting back your spending every time you notice your account running low.

It's hard to change your saving habits unless there's a *point*. You need a reason to save. Maybe:

- You want to stop being anxious about meeting the bills each month
- You want to go on a holiday abroad with your family
- You want to quit your job ... without worrying that you'll starve before the month is out
- You want the capital to start your own business
- You want to take a course or qualification

Have a clear reason to save. Have an actual goal in mind, rather than just an arbitrarily-picked figure to aim for. This'll provide a lot more motivation than anything else.

There are a few other good habits you can get into, on the next page:

Separate Saved Money from Spending Money

Don't keep all your money in your current (checking) account. Open a savings account with your bank. You'll get a better interest rate, and your money won't be so easily accessible.

You can choose accounts which lock your money away for a certain period of time, but I'd not recommend this – if an emergency crops up, you want to be able to get the money out.

Having a separate place for savings creates a distinction in your mind between **money that's for spending** and **money that's earmarked for the future**.

Automate Your Savings

The beauty of this is that once you've set it up, **you don't need any willpower to keep it going**.

Set up a bank transfer to move money from your regular account into your savings account, on a regular basis (straight after you get paid works well). *Don't* hold back on doing this if you can't afford much right now: just \$10 a week would give you \$520 in a year.

Put Gifts Into Savings

When you receive a monetary gift – whether it's a birthday present from your nan, or a Christmas bonus from your boss – put it into savings. **It's way too easy for that money to simply get absorbed** into your regular spending otherwise, going on things that don't bring you any lasting happiness.

Where Are You Wasting Money?

Go back to your spending log – or think of a typical week. Where do you waste money?

There are no hard-and-fast rules on this. **One person's life-affirming treat is another person's routine habit.** *Wasted* money is when you spend on something that doesn't add anything to your life (and might detract from it).

“Eventually, [buying coffee at a coffee shop] became *routine*. It was no longer a treat, it was just a standard part of my weekday. \$5 in the morning, \$5 many afternoons, all for something completely routine.

It added up, too. \$100 a month for my morning drinks. Perhaps \$50 a month for my evening coffee. That’s \$150 a month given over to a treat that had become routine.”

(Trent Hamm, [When a Treat Stops Being a Treat – And How to Get It Back](#), The Simple Dollar)

Hone in on areas of your spending which are either **habitual** (like coffee every day on the way to work) or which you feel are **expected of you** (like buying a round of drinks every Friday night).

You'll get more for your money if you spend it on something you really *enjoy*.

Groceries

We all have to eat: this is an area where spending some money is pretty much non-negotiable. You *could* save money by surviving on highly-processed carbs ... but I'd question whether you'd really be getting more for your money.

There are lots and lots of tips for cutting what you spend on groceries. However, I'm going to proceed on the assumption that you don't want to spend hours cutting coupons or trekking round five different stores to get the best deal on baked beans.

Here are the key habits I follow. (Note: *I enjoy food*. And wine...)

- Have a couple of meat-free nights every week
- Stock up on non-perishables when they're on offer
- Try the cheaper brand for regular purchases (fruit and veg, mainly)
- Conversely, spend for the premium brand when it's a "treat" (ice cream, chocolate, cookies...)

There's nothing penny-pinching or joylessly frugal about this. It's about getting the best deal: supermarkets are very savvy about encouraging us to spend more than we need to, and it's rather satisfying to beat them at their own game...

“Supermarkets are cathedrals of consumerism; they're almost perfectly honed marketing environments, benefiting from millions of pounds of research into how to encourage and seduce us into buying and spending more than we need.”

([A supermarket's job is to make us spend](#), Money Saving Expert)

Impulse Buys

How often have you wandered into a shop with no real plan, seen something that caught your eye, bought it, and later thought *why the hell did I do that?*

We're all impulsive. We're prey to those thoughts which bounce up and down in our minds saying *BUY THIS!* or *DO THAT!* or *EAT CHOCOLATE!* However, **just like an annoying toddler, your impulse can be ignored.**

I'm just as subject to this as everyone, and regularly find myself picking things up when shopping, just because they were in an eye-catching position near the checkout.

Retailers do this deliberately, of course. They're not trying to *help* you by conveniently placing that magazine rack or tub of chocolate bars just there. **They want you to spend more money.**

Good ways to curb your impulses are:

- Tell yourself you can buy it the next day, if you still want it.
- Stopping and consciously *think* about the purchase (it's amazing how easy it is to go onto autopilot).
- Ask yourself if there's something else you'd rather spend the money on.
- Consider the queue. Can you even be bothered to wait in line for a few minutes to buy this?

Don't misunderstand this. **You absolutely should treat yourself to the things that you want**, whether it's a new game, a book, a bottle of wine, some great chocolates. But in order to get more for your money, make sure you're spending it on what *you* really want ... not what some marketer is dangling in front of your nose.

Organisation (and the Lack Thereof)

Here's a question you won't want to answer.

How often have you spent more (maybe *much* more) than you needed to, just because you were disorganised?

These are the times when:

...you only realised you'd lost your passport a couple of days before a holiday – and had to go to **a lot of expense and hassle** to get it replaced in a hurry.

...you knew you wanted to attend a pricy event, but you kept delaying buying tickets – only to end up **paying twice as much on the door** as you would've if you bought in advance.

...you left your Christmas shopping until the last minute, and ended up **spending much more than you planned** in your desperate rush to find something, *anything*, suitable for Great Aunt Maud.

...you ordered something from Amazon that you needed the very next day, so **you had to pay premium delivery charges**, instead of getting free delivery.

...you thought you had money in your account, but a cheque bounced, and you **got hit with charges**.

...you **forgot to pay off the balance** on your credit card, and you got charged interest.

...you bought something the first place you saw it, and later found it was on sale for **half-price somewhere else**.

Getting Organised

First, it's been said before, but **don't sweat the small stuff**. Yeah, it's annoying when you forget to buy milk and you have to pick up a pricier, dubiously-refrigerated carton from the corner shop ... but it's definitely not worth agonising over.

With big purchases, shove some details in your diary. When we know we'll be travelling by train, we pop a note on the calendar 12 weeks ahead of our travelling date – the first day that (cheap) tickets go on sale.

In general, don't leave things till the last minute. You'll have more time to shop around and make decisions if you're not buying in a rush. This goes double when delivery charges are involved.

Don't Take Frugality Too Far

There's a fine line between a healthy desire to get more for your money ... and an obsession with saving as much as possible.

I like Trent's [explanation of frugality vs cheapness](#):

“A frugal person seeks to find the best deal on an item that meets the desired level of quality ... a cheap person will always take the route of least financial cost in the here and now.”

(Trent Hamm, [How Can A Frugal Person Buy Expensive Items? A Deeper Look At Frugality](#), The Simple Dollar)

In many cases we don't *need* to spend money – but we choose to, because buying things that we truly *want* is important. So don't overanalyse every spending decision. The point isn't to spend as little money as humanly possible – it's to get the most for your money.

Frugality is excessive when it starts making you feel miserable, guilty, anxious, or deprived.

Your Time Is Valuable Too

Don't fall into the trap of spending a lot of time to save a little money.

Checking out prices at a few online stores before deciding where to buy your new iPod is a sensible investment of time for likely savings. Spending three hours walking round town to see where Doritos are cheapest is pointless.

If you're a freelancer, be especially careful. Yeah, you need to budget and yeah, you have a lot of control over your time. Protect your creative time: don't use it to bargain-hunt:

"In any given week, there's a certain amount of time in which you're in your creative zone. If you're honest with yourself, what you'll probably find is that in that small amount of your time, you do the majority of the things that directly make you money."

(Charlie Gilkey, [How Much Is Your Creative Time Worth?](#), Productive Flourishing)

Spending Money to Free Your Time

What's an hour of your time worth? (One way to figure this out is your hourly pay; another way is to consider what you'd want to be paid to sacrifice one of your leisure hours.)

Would you like more free time? Often, you can trade a bit of money for extra hours in the day.

In your personal life, that could mean:

- Hiring a cleaner, gardener or other household help
- Going for the quickest option, even when it isn't cheapest

And in your work life, you could:

- Invest in better software to get routine tasks done faster
- Employ an administrative assistant – freeing *you* to do the work that actually pays.

If you can spend five dollars (or pounds, or Euros, etc) to save ten dollars in the form of your productive time, then do it: this is one of the most obvious and most impactful ways to get more for your money!

For just \$60 a week, I've bought myself some time to chase after some dreams: more time to workout, play guitar, and write in this blog. **For \$60 I managed to free up 10 hours every week!**

(Sid Savara, [The Price of My Dreams: \\$60 a week](#), SidSavara.com)

Frivolous Money

Sometimes, you might resist spending your money on yourself. Perhaps there's a goal to save for, debts to pay off, or just so many other things you could do with the cash. You end up feeling anxious or guilty if you spend money for "fun" ... and you end up feeling frustrated and deprived if you don't.

If this is you, try setting aside some "frivolous money" each week or month. It doesn't have to be much – **just a bit of cash that's purely for spending on you.**

Most successful dieters know that it's important to have an occasional treat of chocolate or some other not-so-diet-friendly food. Yes, it might take a week or two longer to reach their target weight – but they're much more likely to stick to a diet than those who follow some worthy but dismally strict regime.

It's the same with improving your financial habits: **if you're in it for the long haul, you need to treat yourself once in a while.** Just make sure *you* are getting great value for your money: by buying things that make you happy (regardless of what "society" thinks you should spend on).

What Does "Rich" Really Mean?

Are you rich if you have millions of dollars ... but you're in prison and can't spend it?

Are you rich if you have millions of dollars ... but you're in such poor health you can barely get out of bed?

Are you rich if you have millions of dollars ... but no-one who loves you?

Are you rich if you have millions of dollars ... but you're working 16 hour days?

Take the time to do this next exercise – it can really change the way you think about money, and about your life. Grab a bit of paper, or open up a blank document on your computer, and write a list of things that you'd do if you won the lottery tomorrow.

Would you:

- Travel the world?
- Quit your job?
- Hire a life coach, or a personal trainer?
- Spend more time with your family/friends?
- Finally start that novel?
- Give to charity?
- Go on a retreat?

What's *really* stopping you from doing some of those things right now – or at the very least, within a few months? Is money just an excuse?

With some of your "If I was rich..." goals, you might find they don't have to cost as much as you think. Travelling, for instance, doesn't necessarily have to be expensive. In many cases, you may actually save money by spending some time in countries where the cost of living is much lower.

(Read “Mini-Retirements” in Timothy Ferriss’s [The 4 Hour Workweek](#), if you don’t think you can travel – and live *well* – on a budget.)

In other cases, you might not be able to do 100% of what you want right now, but you could go part way. If you want to donate to charity, \$10/month is better than \$0. Don't wait until you're a millionaire.

Many goals cost little or nothing. If you want to spend more time with your family, can you establish more effective work habits? If you want to donate to charity, how about volunteering some of your time?

Don't wait to chase your dreams until you feel "rich" – because if you do that, you'll never believe that you have enough. Start getting more for your money right now: make the most of what you have, and spend on the things which truly make *you* happy.

Appendix

Free Online Resources

(Blog) [The Simple Dollar](#) – Trent Hamm

This is one of my very few “must-read” blogs. Trent is a great writer and a great thinker, and covers personal finance from the perspective of someone who wants to get the most from his money – and from his life.

(Blog) [Get Rich Slowly](#) – J.D. Roth

Tons of articles and advice on all sorts of personal finance matters. You might want to start with the [frugality category](#).

(Blog) [Wise Bread](#) – various authors

A huge blog covering a range of financial issues. Some great advice, though the quality of articles varies. If you liked this ebook, you’ll enjoy their piece on [5 Ways to Live Better Without Spending More](#).

(Website) [Money Saving Expert](#) – Martin Lewis

A huge website covering everything from mortgages and credit cards to eating out and grocery bills. It’s UK-focused but the general advice and principles apply to anyone.

Books and Ebooks

Note: links here are affiliate links, which means I get a bit of commission if you buy through them. They are all books that I own, love and recommend to friends. See my [recommendation policy here](#).

(Book) [Predictably Irrational: The Hidden Forces That Shape Our Decisions](#) – Dan Ariely

A fascinating and fun read, Predictably Irrational will also make you think *hard* about your own buying habits. If you've ever wondered why you waste precious time on "free" junk, or why you think \$97 is a perfectly reasonable price for an ebook, read this.

(ebook) [How to be Rich and Happy](#) – Tim Brownson and John P. Strelecky

If you can't afford a life coach, this book's your next best bet. Two expert authors teach you, step by step, how to figure out what you really want from life. They also give the best definition of "rich and happy" I've ever seen. (You can [read my full review of How to be Rich and Happy here](#).)

(Book) [No More Mondays: Fire Yourself – And Other Revolutionary Ways to Discover Your True Calling at Work](#) – Dan Miller

An honest look at the typical world of work, with heaps of enthusiasm and powerful stories. It's not primarily focused on money, but on finding work that you love. Note: [a paperback version is due out on 29th Dec 2009](#).

(Book) [Escape 101: The Four Secrets to Taking a Sabbatical or Career Break Without Losing Your Money or Your Mind](#) – Dan Clements and Tara Gignac (also available as audio or ebook)

Inspiring and practical guide if you want to take six months – a year off from work. Great approach to financing it (which *doesn't* involve misery-frugality).