

10 Easy Ways to Save Money

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Whether you're putting away money for the future or just trying to lower your cost of living, there are many ways to save your pennies.

Building a financial future -- whether it's your retirement, your family's future needs or simply attaining your personal goals and getting the things you want -- all starts with saving. Saving is the best and most important way to make sure you're financially safe when it counts. And it's easy to learn how.

Saving doesn't just mean getting discounts on your purchases. It also means putting away money for a rainy day and pretending you never saw it; creating an emergency fund so that if something does go wrong, you won't be sick with worry; wiping out debt once and for all; paying off those bills that never seem to go away; and, eventually, it means putting your money to work for you.

By finding ways to lower your everyday costs, you'll build habits that can change the way you look at your life, your household and the future. But it starts with some basic principles and some potentially terrifying concepts: Budget! Savings account! Spending habits!

Those are just a few words guaranteed to scare you to death or fill you with guilt. But if you can step back and look at your patterns of behavior, your dreams for the future and the real impact of your choices every day, you'll be surprised how painless -- and fun -- saving money can be.

10. Saving on Entertainment

Almost any information you want is available free, and up to the minute, online. Those magazines all over the house that you insist you'll read one day? You won't. Call and cancel your subscription today, and get a refund on the undelivered issues. They already have your address; now all they need to do is send you the check.

What about those little red DVD envelopes? How often do they sit around collecting dust because you don't have time to watch them?

Or the health club membership? If you don't have time to use it as much as you'd like, it's just costing you money and making you feel guilty. Hit the streets for a walk or run, get out in the sun with some friends or use the park's exercise equipment. You don't need to pay for a bunch of machines you aren't using anyway.

We all love to buy new clothes, eat delicious food, hit the spa or see a rock band from the front row. But those things are called luxuries for a reason and should be purchased in moderation. You deserve to feel special and to treat yourself! Just make sure it's something you really want, and try to spend your money on experiences you'll always remember.

9. Saving on Automotive Costs

Keep your tires pumped up, and you'll save money on fuel costs over time.

New cars tend to decrease in value by 25 to 40 percent in the first two years. Buying a car that's a year or two old means somebody else paid that 40 percent when they turned it in, or sold it to you, without a substantial drop in quality. That change in price will also be reflected in your warranty and insurance prices -- another thing the previous owner paid on your behalf.

As we all know, the best way to save on month-to-month car expenses is by watching your mileage. But it doesn't have to be a statistical nightmare. Just think about the basics: If you drive 80,000 miles (129,000 kilometers) over an average of five years, you could be buying 2,000 fewer gallons (7,600 liters) of gas simply by choosing a 25 mpg (11 km/L) car over a 15 mpg (6 km/L) model [source: U.S. Environmental Protection Agency]. That's a lot of gas saved!

Did you know that just changing your air filter could raise your mileage by as much as 7 percent? Or that for every 2 pounds per square inch (psi) -- 14 kilopascals -- that your tires are running low, your mileage goes down by 1 percent? Most cars are 5 to 10 psi (35 to 70 kilopascals) under their manufacturer's requirement, and just airing them up, at negligible cost, means an improvement of around 5 percent.

All these little things add up to save you money -- plus, keeping your car in top condition means many more years until you'll need to buy a new one!

8. Saving on Food Shopping

When it comes to food, we often pay for convenience, when a few simple changes would make life healthier and less expensive.

Spending \$6 a day on lunch means spending about \$800 a year -- double that if your spouse or partner does the same. Brown-bag it just a day or two a week, and you won't only be eating cheaper, but healthier (and maybe tastier, too!).

Bottled water isn't just bad for the environment; it's also a great way to pay a lot for something you can get for free. Buy a faucet filter and some fun, reusable bottles.

Making your own coffee in the morning, instead of stopping at a chain, will save you tons of money each week. Stashing snacks at work and in the car means never having to hit the vending machines or a drive-through. A little prep time is worth a lot!

Planning your meals for the week based on what's on sale at the grocery store is a solid strategy (as long as you stick to your list). Have a snack before shopping, and go into the store knowing exactly what you need -- this can save you tons of cash at the register. The faster you're in and out, the less money you'll drop on nonessentials.

7. Saving on Family Expenses

Choose generic versions of your family's medications instead of brand names, and you'll save a nice chunk of change.

Did you know that all generic versions of drugs and baby formula are FDA-required to provide the same benefits as name brands? Name brand companies spend a lot of money on developing and marketing products, and the generic versions don't have to spend any of that.

They pass the savings on to you, with products made from the same ingredients as their pricier counterparts.

Anything involving your health, your family's well-being or your child's future is going to come at you with a lot of marketing behind it, because companies know you'll do whatever it takes to make sure you're doing the most you can. Make it a rule of thumb to check behind the curtain, and compare prices and long-term costs with things like life insurance, baby products, medicines and financial planning. Companies trying to make a sale may not know what's best for you and your family.

6. Saving on Household Energy

Buying Energy Star-rated appliances and making sure your home is well-insulated and energy efficient are the best ways to save money on day-to-day electrical costs.

By turning off your computer or unplugging the TV or coffeemaker when you're away from them, you'll save a good bit of energy over the course of the year. The computer workstation you're using right now might be connected by a power strip. If so, turn that baby off when you're done for the night, and unplug anything else you're not using. Keeping your computer's energy settings on "power saver" is another way to keep from wasting energy.

Remember, wasting is the opposite of saving. While there may not be a single big change or trick that will drastically reduce your energy costs, being mindful of the way energy is used in your home will help you save a significant amount of money over time.

5. Saving on Personal Expenses

Is your cell phone plan right for you? You may be paying for more than you need.

If your favorite shows are going to be available online tomorrow for free, why pay for cable? And if you do love your cable or satellite, compare your local providers' "bundle" offers. Here's a tip: You may pay less for cable and Internet by agreeing to a telephone landline, even if you'll never use it.

While each mobile phone plan may make financial sense for somebody, that doesn't mean it's right for you. There's a perfect plan out there for your particular circumstance, and that includes the best price. Compare service plans with your provider, and be realistic about your habits. It's nice to have 600 anytime minutes, but do you really use that many? Do you really need unlimited text messages, or could you get by with less? Try cutting back to a less expensive plan, and see if it still works for your needs.

Half of saving is being diligent, which can mean sacrificing convenience or thrills. But the other half is finding a solution that works for you. The more money you save, the more you'll enjoy seeing those pennies add up.

4. Other Money-saving Tips

Cut up those credit cards, and you'll be less tempted by impulse buying and online shopping.

If you find you spend too much online, consider removing your credit card number from your online accounts. Then it will require a little extra effort every time you're making an impulse purchase, and you may think twice.

Establish a one-month grace period for purchases you're excited about. Write down what you want instead of buying it, and a month from now, see if you still want it.

Cut up your credit cards. Those companies make their money from interest paid by customers who can't pay off their statements each month. It's simple: If you can't pay your cards off, it means you're buying things you can't afford. Save up for the items you really want, and you won't have to hand over all your money just for the privilege of having things immediately. You'll value them more, and you'll have more money in hand for your next big purchase.

When it comes to gift giving, the gifts we remember most are the ones that made us feel the best. A gift of service -- whether it's an evening of babysitting, lawn care or boarding a loved one's pet -- costs nothing, and for the recipient, it means you really thought about their needs.

3. What Now?

Remember the reason you're saving in the first place: To build a store of money, not to move it around, to blow it on your next big purchase or even just to cut expenses. Create a strategy and habits that will eventually mean your money's working for you.

The first essential part of any plan is your emergency fund. That's money you can access easily (as in a savings account) in an emergency. Most experts agree on a fund equaling three to six months' worth of expenses. That means looking honestly at your household spending and deciding how much you'll need to stay afloat if the unthinkable happens.

Once you've established your emergency fund, look at paying off debts as the first form of real savings. It's not as exciting as a savings account you can watch grow, but being debt-free feels great -- especially since you're not forking over interest.

Saving means spending less than you make; it's the only way anyone ever builds wealth. That means looking at money in terms of your hopes and dreams. Look for the best ways you can keep the money you earn for yourself and for your family.

2. Make (and Stick to) a Budget

It might be hard at first, but sticking to a budget can help you save a lot of money over time.

Online banking makes it easier to figure out how much you're making, how much you're spending and how much you can save or use to pay off your debt. Don't think about what you should be doing, just focus on being honest about your daily life: the money you make and the money you spend.

Setting sky-high savings goals can sometimes work in the short term, but you're not just saving up for a new TV: You're trying to create an entirely new habit and make it a part of your life. It has to be something you can do every time, not just when you're feeling optimistic.

Any expert will say that one of the most important habits to learn is paying yourself first. Get that money out of checking immediately, using your bank's automatic transfer system if possible. When you think of saving as something you do with the money left over, you don't save: There's never going to be any money left over!

However you do it, the point is to teach yourself that once you've started saving, that money is no longer yours to spend. Saving is just something you do, every paycheck, regardless of what else is going on.

1. Make Your Money Work for You

So you've created a budget and seen how long it will take to pay off your debt and build up your emergency fund. You created long-term purchase goals to keep yourself motivated, and made some decisions about retirement. But you've changed so many little habits and routines, now you can't stop saving money!

The whole point of creating an emergency fund is to have that money available immediately. You pay for that access, because it means earning less interest. But there's a world of financial products that are safer and less time consuming than trading stocks, and that still make your money work for you.

Certificates of Deposit (CDs) are a good way to start. You define the terms -- how long it will take to mature -- and that money goes away. When it comes back, it brings more money with it! You then have the option of reinvesting, changing the terms or just taking the cash. The longer the terms, the better the interest rate, because you agree to leave it alone for longer and pay stiffer fines for opening it up early.

A fun way to balance accessibility and higher yields is by setting up several CDs at once, with different maturity terms. That way, you get the option to reinvest or take the cash more often, which means you're never that far from having cash available if you need it.

Source:

<https://money.howstuffworks.com/personal-finance/budgeting/10-easy-ways-to-save-money.htm>