

Strategies to Stop yourself from Impulse Purchasing – Buying more than planned

How often do you find yourself buying more than you really planned or needed? If you're tired of impulse purchasing, we're offering you some tips to keep yourself from making purchases you'll forget or regret.

I'm Liz with today's tip from the Making Money Personal podcast.

We are bombarded with temptations to spend money every day, and most often we spend extra money on things we didn't plan to buy in the first place.

Today's market is highly saturated with witty advertisements and attractive marketing designed to get you to hand over your hard-earned money.

It may not come as a surprise that a 2018 study shows Americans spend roughly \$5,400 a year on impulse purchases. That's \$450 a month.*

The impulse to dine out, purchase new clothes, or take advantage of that awesome sale is just hard to ignore in today's market.

Historically more impulse purchasing takes place in a physical brick and mortar location, but we can't forget online impulse purchasing either. It's easy enough to do through our phones or computers because it's just that convenient to buy. Phones are in our hands all day and are practically virtual shopping carts to almost any store on the planet. They make it easier to browse regularly if you're curious or bored and then of course, we have the one-click checkout options not to mention online vendors make it extremely easy to check out with a single click and auto filled credit card information keeps the checkout process fast and convenient.

With these conveniences so readily available to us, it's no wonder we grow increasingly unaware of the money we spend. The process is so smooth we hardly notice a thing.

Sure, a little bit of impulse purchasing may not be the end of the world, but if left unchecked, it can get out of hand and leave you wondering where your money went. If you want to keep yourself from impulse purchasing when you shop, Wil, Terri and I will present you with practical ways to avoid those temptations.

1. Try paying with cash only. Using cash keeps you aware of the cost of the goods your purchasing. When you only have a certain amount to spend, it's impossible for you to spend more than that amount. This will limit your purchases to a set dollar amount and keep your buying power under control.

It's not as convenient as paying with a credit card, but then again, that's the whole point. Making it hard to spend money is an effective way to keep those impulses at bay.

2. Minimize your credit card usage. Studies show that people who use credit cards are more likely to pay higher prices for items and spend more overall; they actually make you more willing to spend your money. Some people end up paying 83% more in some cases.** This is due to the

convenience, ease and pleasure that paying with credit cards provides. If you still want to use your credit cards, try minimizing the amounts you charge to them by setting use parameters and spending limits, keeping them at home if you don't plan to use them, and removing them from auto filled checkout forms. It's alright to pay with credit cards, but minimizing use can help you avoid that urge to mindlessly rack up a bill.

3. Make a shopping list and stick to it. If you're not a list person, this is one reason to become one. Make a list of only the items you need to buy and use it to keep yourself from buying any more. Stay disciplined and don't purchase anything that is not on the list.
4. Remove yourself from temptations and enticements. If you're an online shopper, delete sales emails offering the newest product or hottest deal, take a break from social media apps flashing trendy items through your feed and purposefully avoid using shopping apps. Try this for a set period of time and see if it helps curb your spending. If you're more likely to impulse at a brick and mortar store, find a different activity that won't bring you around your favorite shops. If the mall is your kryptonite, don't go there. Do something else instead to avoid unintentional browsing.
5. Have someone else do the shopping for you. If you just don't trust yourself to do the shopping, whether in-person or online, have someone you trust do it instead. This keeps your eye from looking for extra items to add to your cart and your trustworthy friend won't be tempted to spend money that isn't theirs.

We are all susceptible to impulse purchasing but if we want to control our spending, it's important to take steps to keep ourselves from buying more than planned.

Did we miss anything? Do you have any other ways you avoid impulse purchasing?

Look for Triangle Credit Union on Facebook, Twitter and Instagram and share your thoughts with us. There may be others who could use the extra tips.

Thanks for listening to today's Money Tip Tuesday and be sure to check out our other tips and episodes on the Making Money Personal podcast.

Have a great day!

*<https://www.cnbc.com/2018/02/23/consumers-cough-up-5400-a-year-on-impulse-purchases.html>

**<https://www.valuepenguin.com/credit-cards/credit-card-spending-studies>