



## **Be A Financial Control Freak**

As a first-time homebuyer at the tender age of 23, I learned (and luckily not the hard way) that I was ultimately the person in charge of how I spent my hard-earned money. Like many people, I rented an apartment after graduating from college. After making my first rent payment, I quickly figured out that I was paying the mortgage on my landlord's duplex. Spurred on by this realization, I decided to buy a small condo as an alternative to renting.

Based on the entry-level salary that accompanied my entry-level position, the homes in my price range were functional, but certainly not glamorous. In reality, the prices of the homes I looked at reflected not the amount of my down payment (substantial thanks to the "Bank of Mom"), but the amount I could pay each month on my mortgage. Therefore, I knew I couldn't look at more expensive homes if I still intended to do other fun things in life like eat and pay my student loans.

Although I was quite clear with my realtor that I needed to stay within a certain price range, she persisted in showing me homes that were more expensive than I felt I could afford. I might have been a very naïve 23-year-old, but I could still do the basic math, and my salary and these nicer places just didn't add up.

It finally occurred to me that my realtor would get a higher commission if she sold me a more expensive house. She wasn't concerned about my ability to pay the mortgage once I owned the home – after she received her commission, she was on to the next client while I was left struggling to make my payments each month.

By being more assertive with my realtor, I ultimately ended up with a house and mortgage that fit my budget. This experience gave me insight into how other people try to impact what I buy and how I spend my money. A salesperson may be my best friend at the time of the sale, but I have to live with the financial obligation of whatever I've purchased. By actively being in charge of how I spend my hard-earned cash, I can more easily recognize and respond to sales pressure.

Recognizing a sales pitch is the first key in responding to sales pressure, especially in a world where we are inundated with advertising messages all day long. Because there are only so many dollars to go around, companies spend tremendous amounts of marketing money to get our attention. Telemarketer calls, hi-tech spam, low-tech billboards – all are designed to sway our buying decisions.

Just because we are exposed to a product doesn't mean we want it, need it, or have to buy it. Responding wisely to advertising or a sales pitch is much easier once you realize what it truly is – an effort to create a need and persuade you to buy one product instead of another. In reality, there are

always different options for any product or service you want to purchase. Recognizing this puts the power of money on your side. With competition increasing almost daily, companies are desperate for your business.

To experience the power you have as a consumer, try a little experiment that is almost guaranteed to save you money. Select one bill that you pay each month, then find a few other companies that provide this same service. Call the competitors to see if they can offer you a better deal. Call your current service provider to see if they have an alternate plan that might be less expensive. There is a very good chance that you can find a better deal or save some money just by making a few phone calls.

I benefited from just the intent to comparison shop after receiving an unexpected charge on my phone bill. When I called the company to complain, I mentioned that I was considering switching to another service provider. Not only did the customer service agent waive the disputed charges, he also switched me to a new plan that provided the same benefits at a much lower price.

After you've been successful with the first bill, apply the same strategy to the rest of your monthly bills and spending habits. If you just shop around one bill each month, by the end of one year you will have saved money, enhanced the services provided to you, or both.

Every company is working harder than ever to get your money. You'll be amazed at the options you have when you take active control of deciding who gets your money based on what you get in return. The ability to recognize and respond to sales messages and pressure can help put your hard-earned cash where it is most profitable for you.