

Living Frugally: Simple Ways to Save Money

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Educational Objectives

1. Learn how to be mindful of spending.
2. Become aware of the changes to make.
3. Understand how to make a savings plan.

Being a penny pincher isn't always easy. Everyone wants to save money, but it's easier said than done. Living frugally is a lifestyle change that requires conscious awareness of how you are spending money, and then willpower and determination to change.

Living cheaper means you have to think and act differently. Starting with a few small changes can make a huge difference in the long run.



Set a Savings Goal

Why do you want to save money? Do you have a savings goal in mind? It's important to have a goal so you have something to focus on and can strive to reach. When you want to buy something you don't really need, remind yourself of why you are saving. For example, it's better to save \$20 for vacation than buy a shirt you don't need.

Be Mindful of Spending

What are you spending money on? For two months, keep a journal and write down every expense. Look at your bank statements to see where your money is going. For example, eating lunch out (\$6 to \$10) every work day, can be up to \$1,500 a year. Drinking one 20-ounce soda a day can be up to \$550 a year. One pack of cigarettes a day can cost more than \$2,000 a year. Taking multiple trips downtown costs gas money as do impulse buys at the counter. It's important to look at the small ways you are spending.

Be aware of lower prices at different stores and what is on sale. How much are you getting for your money? It may be cheaper at one

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store; however, it may be a smaller amount. When buying in bulk, check the price per unit – you may not be saving anything and then have large items to store. Shop discount and dollar stores first. Use smartphone apps, like “Walmart’s Savings Catcher,” for a price match. Find deals on apps, such as “Retail Me Not” and “Groupon.” Use printable coupons from www.grocerycouponcart.com and plan your menu based on what is on sale.

Shop online? It’s easy to make impulse purchases on the web. With one click, we often make purchases we don’t need because of an online deal. It’s a simple way to shop but can cost in the long run. If the item doesn’t fit or work, we often don’t send it back, wasting money. When we shop using a credit card, we don’t realize how much money was spent until the bill comes later. Try using cash when shopping and wait two weeks before purchasing something online to avoid impulse buys.

Start Small

Making huge changes all at once will likely lead to failure. Pick a couple tips you think you can stick with and try those for two months. Once you’ve found you can live with those, add a couple more. If after two months you find something doesn’t work for your family, revert back but add a new frugal tip to take its place. It’s hard to give up anything, so making these changes will be difficult; however, change doesn’t occur overnight so give it a two-month trial. Make it a challenge.

Be Aware of Changes

Think of changes you can make to save. For instance, use cloth napkins, because they are free after your initial purchase. Or use paper napkins for meals instead of paper towels to save up to \$3 a pack. Also, wash dishes instead of using the dishwasher to cut down on water and electricity bills.

Coupons are another change you can make; however, do not fall into the coupon craze. The best way to use coupons is to make your shopping list, then search for coupons that are

on your list. Don’t buy something just because you have a coupon for it. Be aware that coupons for name-brand items may still be more expensive than the generic item.



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Tips for Frugal Living

Food

- Take your lunch to work.
- Shop for groceries using sale ads and coupons, check for “manager’s special” items and go on double-coupon day.
- When eating out, eat from the kid’s menu.
- When eating out, take half of your meal home to make it two meals.
- Buy generic brands.
- Have a meatless meal once a week.
- Grow your own foods: fruit, vegetables, herbs.
- Use a freezer or pressure canner to preserve garden goodies or food that was on sale.
- Drink tap water instead of bottled water, sodas, etc.

Clothes

- Shop the sale rack.
- Shop at consignment shops or thrift stores, where you can often get new clothes with tags still on them.
- Don’t dry everything in the dryer. Hang clothes to dry and save electricity.
- Some clothes can be worn more than once before washing, such as jeans and pajamas.



Transportation

- When buying a car, check gas economy and mileage warranties.
- Learn how to change the oil in your car yourself. This saves up to \$80 every three months or \$320 a year.
- Pay attention to how many trips you take around town. Organize your errands to reduce your trips.
- Walk or ride a bike when you can.
- Use fuel points to save on gas per gallon.
- Shop for the best insurance rates; older cars need less coverage.

Utilities

- Cancel the land line if everyone in the home has a cell phone.
- Check the rate on your cable, phone and internet bundle. Bundles don't always save money.
- Cancel cable. Use internet and watch shows on Netflix®, Hulu®, etc.
- Short showers (instead of baths) use less water and energy.
- Adjust the thermostat while gone. Every degree adjusted saves 1 to 3 percent on energy costs.
- Turn down the hot water heater – 110 degrees Fahrenheit is adequate without a dishwasher; 140 degrees Fahrenheit if you have a dishwasher.
- Unplug things not in use – even if they are off, they still use electricity.
- Use lower wattage lightbulbs.
- You can receive a discount on some bills when signing up for auto-pay or going paperless.
- Cut down on your cell phone – is there a cheaper plan?
- Only wash and dry full loads of clothing and dishes.

Personal Habits

- Make gifts for people: grow plants from seeds, fill baskets with homemade foods or make a craft.

- Buy furniture or appliances through classified ads, auctions, garage sales and internet sites like EBay®, Craigslist® and Facebook®.
- Learn how to do small household repairs yourself, like leaking faucets, loose boards, a stuck door, etc.
- Use toothpaste and lotions down to the last drop.
- Don't use too much of a product. We often use more than is recommended.
- End gym memberships. Exercise at home or in the community.



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Shopping

- Wait two weeks before making a purchase. Do you still want it?
- Take advantage of price matching – stores compete!
- Never pay full price. Find what you need, and then search for online deals, coupons or discount stores.
- Budget cash using envelopes for different categories: gas, food and bills. Use cash instead of debit or credit cards. Only spend what you have allotted for that week.
- Have a garage sale, and save the money for something you want.
- Pay off bills early. Some creditors will give a discount (most hospitals will do this).
- Take advantage of free community recreation: parks, trails, concerts, fairs, etc.



- Use the library for books, magazines and internet.
- Cancel subscriptions to magazines.
- Use plastic grocery bags for small trash bags.
- Stop using credit cards – monthly interest wastes money. If you must have a credit card, find one with cash back or rewards plans. Then, only use the card for emergencies.
- Cut your own hair or have it done at a local beauty school.

Activity: Ask your WVU Extension Service county agent for “Money Habitude” cards. Have participants play the game.

References

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Plan for Living Frugally

Now it's time to make a plan of action. Writing down goals will help make them real and hold you accountable. Remember, give each goal at least two months. Change is hard but over time it becomes routine.

Start with your current spending. The past two months I have spent a total of \$_____ /month.

For two months I will cut costs by:

1. _____
2. _____
3. _____

How much did I save in these two months?

Past spending \$ _____
(what you started out with)

Current frugal spending \$ _____
(the past two months living frugally)

Total savings: \$ _____

After those two months, I will add these cost-cutters for two months:

1. _____
2. _____
3. _____

How much did I save in these two months?

Past spending \$ _____
(first current spending)

Current frugal spending \$ _____
(the four months of frugal spending)

Total savings: \$ _____

What will I do with the savings?

2016

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FH16-323

