

# Key Takeaways

## Lesson 5: Wise Spending

### Psychology of Spending



- Marketers and neuroscientists know you better than you do.
- If a company can activate your fight, flight or freeze instinct, they've got you!
- The budget helps provide distance between ourselves and our responses.

### Marketing Tactics

**The person with the most patience, the most information, and the most options always wins!**

- **Personal Selling** – Salespeople are trained to convince you to buy.
- **Product Placement** – Companies pay to have their products placed strategically. Next time you go shopping, don't follow your eyes. Follow your plan and follow your budget!
- **Brand Association** – Don't buy for image. Make sure the reason you buy aligns with the person you want to be.
- **Sales & Promotions** – Never spend just to save.
- **Convenient Payment Methods** – Making a purchase has become so easy that spending money is painless!
- **Financing** – When you finance, you're asking, "How much down?" or "How much per month?" Wise spenders just ask, "How much?"



### SMART Spending

*Remember, you can't spend your way into a meaningful life!*



## SELF-AWARENESS

Will this add *value* to my life?



## MOTIVE

Am I buying this for the right reasons?



## AFFORDABILITY

Is this in my budget?



## RESEARCH

Is this the best option, retailer and price?



## TIMING

Is now the time to buy it?