

# THE DEBT GAZETTE

January-March 2021

## CLIENT NEWSLETTER

### 14 Ways on How to Save Money on Groceries



*After housing and transportation, groceries tend to make up one of the largest expenses in American households each month. And for good reason! Of course, food is a necessity for living. But while the average cost of most grocery items has actually decreased over the years when compared to the average household income, the amount we spend on food at the local grocery store still feels hard to swallow. For that reason, we wanted to post some tried and true ways to cut your monthly grocery bill.*

Consider this scenario: Have you ever gone into the grocery store for a bottle of water and come out with a bag full of junk food and household supplies? We have all experienced this if we're being honest. While we know groceries occupy a place near the top of your monthly bills, we know many households who eat well but spend less than half what the typical household spends on food. You can find many ways to save money on groceries and still enjoy a wallet-friendly shopping experience. Here are 14 ways on how to save money on groceries:

### Know What You Want

When visiting a grocery store, you must make a list ahead of time of the food items you need and want. Start by going through your pantry, fridge, and kitchen shelves to see what you already have. Ask yourself what meals you can make from what you find. This may take you anywhere from five to thirty minutes.

If you have enough to last the week, you might even postpone your trip to the store. While you want to stock up on nonperishables when you find them on sale (more below), avoid overstocking your pantry or fridge with food that will expire before you can even use it. Every dollar of food that goes to waste is a dollar you don't have to spend on food in the future. For many households, this is the biggest waste of money each month.

### Do Not Fall for Bulk Pricing

Stores would love to hand out a discount for anyone buying in bulk. If the discount is real, you use the product in your house, AND you can store it so it won't go bad, then it makes sense to purchase it in bulk.

Otherwise, avoid bulk purchases made just for the sake of a good deal. If you do not eat a lot of cereal, bulk buying will only see you spending money on something that may sit on your shelf until it goes bad or reaches its expiration date.

To extend the product's life at home once you purchase it, store most boxed and bagged items in cool, dark places. If you have space in your freezer, freeze such foods as applesauce, avocados\*, bananas\*, bread, butter, cookies, donuts, flour, grapes, herbs\* and spices, milk\*, nuts, and onions\*.

\*The texture will likely change, so use them in cooking and baking.

## Pay with Cash



The best way to limit your purchases involves carrying a set amount of cash and using it only to buy your groceries. This way, you will not have the option of going over your budget.

Many consumers find it surprising that studies show they will overspend equally whether they use a credit card, debit card, or pre-paid card. If you make your purchase with plastic, you typically overspend by 10% to 50%.

When you pay with cash, you also have to prioritize the groceries you need rather than impulsively buying treats, snacks, and other unnecessary purchases. This way, you return home with items you planned to buy instead of things you could not resist, usually those found at the checkout stand or the snack aisle.

## Place an Order Online or Through an App

After making your list of food you already have and food you will need to purchase, create a budget for your weekly or monthly groceries. Then, use the store's website or, if it has one, app to order your groceries, keeping your budget in mind.

By avoiding your walks down the grocery store aisles, you can avoid altogether the impulse spending so prevalent in the snack and chip aisles and at the cashier.

When you place your order, you can specify the time you would like to pick up your food. Some stores even partner with delivery services to bring your groceries right to your

door (usually for a fee plus driver tip). In most cases, though, the cost of delivery amounts to far less than the unexpected purchases most consumers make in the store.

The main challenge, or even frustration, to ordering groceries for pick up or delivery revolves around replacement items. Many stores do not always have the items their website or app allows you to order. In such cases, the store employee will substitute the next closest size or product unless you specify that you do not want any substitutions. In many cases, you can expect the store to substitute 10% to 20% of the items you order, sometimes even with more expensive options.

## Do Not Shop on an Empty Stomach... or When Angry or in a Hurry

Many times, you will find you overspend at the grocery store, even when you have prepared a menu and budget ahead of time. The most common situation that leads to overspending occurs when you stop at the grocery store on your way home from work. Typically, your stomach is growling, and you give in to its demands for quick snacks and junk food.

Similarly, if you shop when you feel angry or rushed, you will also typically spend 10% to 50% more than planned.

## Look for Generic Brands with the Same Ingredients

Despite their reputation, most generic products offer the same quality as brand name products. Many even come from the same farms or production plants as the brand-named items.

Check the ingredients on the product packaging to find out if they match your requirements. In most cases, store brands usually taste just as good as any of the popular brands, but they can save you 10% to 50% at the checkout stand.

## Buy Products that Are in-Season



Fruits and vegetables in season will cost you less than those sold out of season. You can usually find in-season produce in bins at the front of the produce section, often with sale signs. Off-season items take their place among the specialty produce and typically come in smaller, more expensive packages.

Since off-season fruits and vegetables require additional storage or transportation (often coming from Central or even South America), you can expect a much heftier final price.

Additionally, many dietitians consider in-season fruits and veggies as the healthiest to eat, not to mention that they taste better too.

## Avoid Pre-Prepped Fruits and Vegetables

Stores would love to do all the hard work for you like cleaning up the salad leaves, chopping the veggies, peeling the fruits, and prepping it up for you. Be aware, though, that there is a considerable cost behind it. As Michael Ruhlman notes in his 2017 book, *Grocery: The Buying and Selling of Food in America*, most grocery stores make their profit in the preparation of foods in the delis, bakeries, and meat departments.

It may take a bit more time, but buying whole fruits and vegetables and prepping them yourself at home when you need them can save you big on your monthly grocery budget. Skip the pre-prepped sections of the grocery store.

## Use Coupons

If you happen to find a store coupon, then make sure you put it to good use. Coupons help you save money and may even allow for some of your extra purchases that go over your weekly or monthly budget.

If the coupon turns a good deal into a great deal, consider purchasing as many of the items as you can reasonably store and use without them going bad. Buy low and buy in bulk is a good mantra whether investing in stocks or purchasing groceries.

## Do Not Shy Away from a Good Sale

Over time, you will identify a regular pattern for sales at the stores near you. Plan your meals to make the most out of the sales at grocery stores. You can also preserve foods bought on sale and use them far into the future if you preserve them properly.

Many people believe that fruits, vegetables, and dairy products never go on sale, but you can find them heavily discounted if you keep your eyes open and keep watching your grocery store's weekly circulars. Such sales don't happen often, but when they do, you might consider stocking up on such staples. As noted above, many keep well in the freezer.

## Keep the Kids at Home if You Can

When you take children to the grocery store, you can quickly find your cart or basket full of stuff your children picked up from the aisles. While you may want to give them much of what they want, it can quickly put you beyond your planned budget.

Consider hiring a babysitter for an hour or so. The amount you save in groceries usually more than makes up for the cost of the babysitter, not to mention you get some relative peace and quiet as you wander the aisles.

## Compare Product Prices on Different Shelves

Most shoppers look first at the foods at eye level. Make it your general practice at the grocery store to look for similar products just above or just below the items you find at eye level.



Typically, brand-name companies pay extra for eye-level shelving, so you can find more affordable brands and generic items when you look up or down.

Additionally, do some research on products and prices before heading to the store so you can choose the one you would like to buy at the best price.

## Stick to the List

Returning to the idea of knowing what you want and need, make a list of what you plan to purchase. You can use a paper and pen or pencil, you can use checklist apps like Trello, or you can use apps developed specifically for grocery shopping lists. Regardless, have your list prepared and at hand when you head to the store.

Anything you add to the cart which is not on the list should be very necessary. Otherwise, put it back on the shelf. Along with the tip of bringing only the cash you have budgeted, this tip can help you reduce impulsive buying.

## Keep Track of Not Only Your Expenses but Also Your Time

When you go grocery shopping, you are spending several critically important and limited resources. Besides money, you need to plan your time properly. Plan to spend a specific amount of time in the store and make sure you know approximately how much you will be billed for the products in your cart.

Not surprisingly, the more time you spend in the grocery store, the more money you will spend at the checkout stand. While you don't have to run through the aisles, don't go to the store expecting to wander slowly or, worse, aimlessly through the food stuffs. You might even consider setting yourself an alarm on your phone or watch to keep you on track.

By tracking your expenses and time, you will consciously stop when you begin going over your budget or have been shopping for too long.

## Conclusion

Even these small hacks to save money on groceries can make a big difference in the long run. Your savings on each product may not feel like much, but when added together, they can make a considerable difference in your budget. Get into the habit of planning your groceries, your budget, and your time. It will help you become a more mindful shopper the next time you go to the store.

## Featured Online Resource

### Personal Finance Terms Glossary



Check out Money Fit's glossary of personal finance terms and definitions that anyone looking to achieve financial freedom should know and understand. Becoming fluent in financial terminology can help give you the leg-up you need to conquer your debt, create a sustainable and working household budget, and provide you the know-how and prowess you need to get ahead financially.

Here's a sampling of what you'll find at <https://moneyfit.org/terminology>:

### Credit Utilization Ratio

This is the total amount of revolving credit that you are currently using divided by the total amount of revolving credit available to you. Think of it as the percentage of credit you've used versus the total amount of credit you have available.

## Debt Landslide

A method of repaying debt that focuses on your newest account first in order to rebuild your credit rating fastest. Credit scoring models give more weight to activity on newer accounts than on older accounts. See our [Debt Landslide](#) for more information.

## Debt Settlement

This is an attempt, either by an individual or third-party at a steep cost, to get creditors to agree to a lump sum agreement in which the original debt is paid for less than the full amount. See [The Truth About Debt Settlement](#) for more information.

## Grace Period

A length of time that may be offered by a lender or creditor for a payment to be received after the due date without any penalties or interest charges.

## Gross vs. Net Income

Gross is the total amount of income you earn. Net is the amount of income left after all expenses or deductions are accounted for. See [Gross vs Net](#) Income for more information.

## Line of Credit

A set borrowing limit that can be accessed anytime, as long as the line of credit remains open and not fully utilized. Money can be used, repaid, and then accessed again if the arrangement is considered an open line of credit.

## Secured Credit Card

A credit card that requires a cash deposit upfront in order to guarantee your credit line and safeguards the creditor from default.

## Unsecured Credit Card

A credit card that doesn't require a cash deposit in order to obtain a line of credit and use it.

Find more free guides and resources online at [MoneyFit.org/Academy](https://MoneyFit.org/Academy).

## Online Resources

Watch for details in an upcoming newsletter for the launch of our weekly personal finance courses available online with a free RSVP. Topics will include practical help with household budgeting, building and rebuilding credit, debt prevention and reduction, and saving for emergencies and goals.

Interact with the expert course facilitator, share your successes, and learn from other participants.

### Experian's #CreditChat



Every Wednesday at 3:00 pm Eastern/noon Pacific, Experian hosts a #CreditChat on Twitter addressing timely and relevant topics, from credit and debt to budgeting and financial goals. Our education manager has often participated as a panelist but always shares ideas, tips, and tricks related to the discussion.

Go to [MoneyFit.org/creditchat](https://MoneyFit.org/creditchat) to join or learn more.

## Webinar Showcase

### How Much Home Can You Afford?



On Thursday, February 25, 2021, author and Debt Reduction Services education manager, Todd Christensen, led a live chat during the premier of our 10-minute webinar, "How Much Home Can You Afford?" As

part of our Money Fit LIVE webinars typically premiering on Thursdays at 10:30 am Pacific, 1:30 pm Eastern, this online presentation included a pre-recorded video discussion of the topic combined with live chat opportunities to ask questions and share relevant insight and personal experience.

Find this and other previously premiered Money Fit LIVE webinars at <https://moneyfit.org/live-archive>.

## Client Connections

### Reminder about Payment Changes



One of the top goals of our Customer Experience (CX) team involves making your experience on our Debt Management Program as convenient and effective as possible. That said, we recognize that our clients may need or want to make changes from time to time to their automatic monthly payments, known as an Automatic Clearinghouse (ACH) payment from your checking or savings account.

While we would love to make payment changes right up to the time the payment is due, our reality involves working within the transaction timeframes of banks, credit unions, and their regulators. For that reason, we try to regularly remind our clients of this imperative:

***Please make any changes to your ACH monthly payment at least 3 business days prior to the scheduled withdrawal date.***

Three business days permit us to make the changes within the time allowed by banks, credit unions, and regulators. Business days exclude weekends and bank holidays.

Attempting to make changes a day or two ahead of the scheduled payment can result in additional banking fees and frustration. We hope we can help you avoid both.

### We Are Here to Help You

**Debt Reduction Services, Inc.**

Toll-free (866) 688-3328

[DebtReductionServices.org](https://DebtReductionServices.org)