

Your Complete Financial Guide



Money Saving Masterclass

There are many reasons why you might consider cutting back on expenses. It could be that you want to save up for something, pay off debt, or you want to stop living paycheck to paycheck. Whatever your reasons are, there are many ways you can drastically cut back on your spending, and we will discuss some of them in this article.

Reducing Your Expenses: Take these spendings out first

Cut down on entertainment expenses

Your entertainment expenses can include cable TV subscriptions, going out to see a movie, getting the latest video games, or subscribing to streaming services like Netflix, Amazon Prime, and Hulu. Have an in-depth look at these expenses for areas where you can implement budget cuts. For example, if you subscribe to multiple streaming services, you may consider cutting back to just one or none. Ask friends and family to share their subscription with you. Also, if you have the habit of going out regularly, you can switch to less expensive options like renting a movie at home.

Eat out less

According to the United States Bureau of Labour Statistics [1], people spent an average of \$3,526 eating out in 2019. Reducing or even eliminating the number of times you eat out can go a long way in drastically reducing your expenses. Instead of eating out, you can enjoy a home-cooked meal or even invite friends over. You can also cut back on getting takeout and opt for cooking a lot of meals instead. If you cook your dinner at home, you can choose to have the leftovers for lunch the next day. You can also decide to cook in bulk and freeze meals for future use.

Cancel unnecessary memberships

Check your current subscription plans for areas where you can make budget cuts. For example, you can cancel your gym membership and opt for home workouts as an alternative. If you find it hard to decide whether a subscription is unnecessary, try canceling it for a month and

You can also move to a less expensive area, if possible

This way, you reduce your monthly expenses on rent. If moving is not possible, consider getting a roommate if you have some extra space that is not in use. Also, try as much as possible to limit outsourcing work. If you can do the chores yourself, you do not have to pay someone else to.

You can also reduce your monthly internet subscriptions and phone bills.

Buy and sell used items

Buying used items is a great way to cut down on your expenses, just as selling items you no longer need will create space, lower maintenance costs, and also make you some extra cash.

Enroll for automatic debt repayment plans

Some of these debt repayment plans offer a reduced interest rate after you sign up, and this can also ensure that you do not miss monthly payments that could incur late payment fees.

Lower your travel budget

If your wanderlust is starting to put your financials in the negative, it's probably time to take a break. Try to avoid traveling except when necessary. Also, you could use of cheaper hotel accommodation, discounts, and airfare miles to reduce costs.

Buy some items in bulk

When shopping for non-perishable household items, do a cost analysis to see which items you can buy in bulk. From items like soap, shampoo, toilet paper to items like salt and sugar, you can save more by buying in bulk when you calculate the cost per unit.

Review your transportation budget

The United States Bureau of Labour Statistics also recorded in 2019 that households spent \$10,742 on average on transportation alone, excluding vehicle purchases, gasoline, and other expenses. You can make a drastic cut in your transportation budget by selling your car or opting for a cheaper car, taking public transportation, and even try free options such as walking or cycling when it is convenient for you.

Spend less on grooming

Lastly, cutting down your grooming expenses like hair styling, manicures, and pedicures, can also help in reducing your spending. You can also learn how to do the basic things, e.g manis, pedis, hair blowouts, and others, at home.

There are many more ways to cut back on your spending besides from those discussed in this article. The key is to carefully compare your options with your current budget and see where you can make reasonable cuts that work for you.

Reference

[\[1\] CONSUMER EXPENDITURES-2019](#)