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Dollar-Saving Tips for Budget Stretching in Tough Times

Even though prices have been falling at the gas pump, prices are still creeping up at the supermarket checkout counter and elsewhere. Every month it seems the Consumer Price Index ticks a little higher over last year. These trends tend to make most of us budget conscious. Have you been looking for ways to save a few dollars? If so, this report's for you. This month I've searched the Web for lots of tips to help you save dollars. The savings can start to add up, the more tips you follow.

Are you considering purchasing a fuel-efficient car?

Fuel-efficient vehicles, as well as vehicles that only look fuel-efficient, are selling fast and selling at "list" price or more. This means that you need to be a smart buyer if you're in the market. Here are a couple of tips to help.

Instead of buying a new car, consider buying a fuel-efficient used car. Even though prices are up on these vehicles, they still cost less than similar new models. Save on your used vehicle loan too, by financing with your credit union, since credit union loan rates are usually the same for used and new vehicles and dealers typically charge higher rates for used vehicles than for new. See [buying a used car](#) [chapter 6] in the *Information Edge* Car Buying Guide.

While no vehicle gets the advertised gas mileage, it can be good for comparing vehicles. Did you know that sometimes a slightly larger vehicle may get as good or better mileage than a smaller one? Check out these [best and worst fuel economy lists](#) from *Consumer Reports*. [<http://www.consumerreports.org/cro/cars/new-cars/resource-center/fuel-economy/fuel-economy-1005/fuefficient-vehicles/index.htm>]

Electric, Heating, and Cooling Bills

In many homes, utility bills take the biggest bite out of monthly budgets. These tips can help reduce those bills.

Prior to the season, have your heating and cooling units serviced. A well-maintained unit is more efficient which not only reduces the bill, but saves energy. Replacing or cleaning the filters regularly will also help your unit run more efficiently.

Raise your thermostat in summer and warm weather and lower it in the fall and winter. Just a one or two degree difference can have a significant impact on the bill. Use a programmable thermostat to automatically adjust the temperature when you aren't home and at night.

Ceiling fans can help keep you cool in summer and warm in winter, just remember to turn them off when you aren't in the room.

If you have a "whole-house" fan, use it to cool the house. It exhausts warm air out through the attic. Run it when the outside air is cooler than the inside air, typically at night.



Check out load management and off-hour rate programs offered by your electric company. Enrolling in these programs can reduce your electric bill each month. Make sure that the plan fits your lifestyle, particularly off-hour rate programs.

Check if your utility companies offer "budget billing" Budget billing typically allows you to pay a similar amount every month. Depending on the plan offered by the company, the amount may be fixed or may vary slightly from month to month. Look carefully at how the monthly amount is calculated. Some plans, usually those with a fixed amount, have a "catch up" payment (or period) to cover the difference between what you paid during the plan and what the actual cost.

The Home Energy Saver do-it-yourself energy audit can help you determine ways to make your home more energy efficient. [<http://hes.lbl.gov/>]

Replace incandescent light bulbs with compact fluorescents light bulbs (CFLs). Most of the energy used by incandescent bulbs is wasted in heat. CFLs may cost more but they last longer and save energy because they produce less heat. You'll also find more varieties of CFL bulbs for different applications than were available just a year ago. For more information about CFLs, check out the Energy Star site, which includes the Choose a Light Guide. [http://www.energystar.gov/index.cfm?c=cfls.pr_cfls]

Computers are energy hogs. Turn off your computer when it's not being used, particularly at night and when no one's home. When it is on, use the power management features such as putting the monitor and hard drive to sleep after 15 minutes and the system after 30 minutes. Don't use a screen saver (which isn't needed with today's monitors) because it prevents a computer from going into sleep mode.

Many home electronics, such as TVs, DVD players, and DVRs, still draw some power when turned off. Plug them into power strips and turn the strips off when not in use.

Bill Paying

If you regularly forget to pay bills, you may be racking up late fees. Even if you are always on time, try using automatic bill pay. Check if your credit union offers a billing paying service. Using automatic bill pay will save on late fees, can help your credit report and you'll even save on stamps.

Grocery Shopping

Make a list and stick with it. Impulse buys – those not on your list and items that aren't really necessary – can take a big bite out of the grocery budget. Also, shopping when you're hungry can be costly.

Plan the menus for the week and make your shopping list from the menu plan. Studies show that people who shop using a list spend less. You can also plan your menus using the weekly store ads. But be sure you know the regular price for comparison because not all items in the weekly ad are on sale.

Use coupons but only for those products you use and need. Clip coupons from your newspaper. If you don't subscribe to a newspaper, consider buying the Sunday paper, which is typically full of coupons. Another option is to go online for coupons. But before you do make sure that your supermarket accepts online coupons. Always look for a barcode and expiration date on the coupon. If either are missing, the coupon could be a fake. The following coupon sites don't require registration but do require that you download software in order to print the coupons:



SmartSource.com, Coupons.com, and CoolSavings.com. You can also check out manufacturer and retailer websites. You'll also want to check those in-store coupon displays and dispensers.

Information Edge tip: If you choose to register at any of these sites, remember to read the privacy policy. You'll also want to use a "throwaway" email address to reduce the amount of spam in the inbox of your primary address. Since most Internet accounts allow more than one email address, create another one to use for these types of sites. You can also get a free email address from sites such as Yahoo! or Google.

Purchase generic or store brands instead of national brands. In most cases, you're not sacrificing quality to save money. So give store brands a trial run.

Compare prices on everything. If you're using a coupon, compare the price with the coupon to the generic or store brands to make sure the coupon really offers a saving. Don't assume that bigger means cheaper. Check the unit prices on the shelf labels to make sure. Also compare prices in different areas of the store – such as cheese in the deli and dairy case. Carry a calculator to help.

Prepare it yourself. Instead of buying shredded cheese, chopped fruits and vegetables, and other prepared items, shred and chop it yourself. The savings can be an eye-opener. (When I was a kid, shredding cheese and chopping veggies were kid chores—another savings for working parents.)

Shop less frequently. The less often you're in the store, the less you'll spend on those impulse purchases.

Shop without the kids, if possible. If they have to tag along, make it a teaching opportunity on saving money.

Online Shopping

Shopping online can save time, money, and gas. Here are some tips to help you make sure you are getting the best deals while shopping safely.

You'll want to thoroughly check out a seller before making a purchase. Check out the site—even well known sites—using these tips:

- The contact information should include a physical address and phone number. If the only contact information is an email address, this is a large red flag – find another merchant. If there is a phone number but no physical address—a post office box isn't sufficient—call the phone number and see if you can talk to a person. Anyone can set up voice mail or an answering machine.
- Check out the reputation of the seller through the local Better Business Bureau or state Attorney General.
- Find and read the privacy policy. It should tell you what personal information it collects, why it collects it, and how they are going to use it. Can't find the privacy policy or don't like what you read—take your business elsewhere.
- If a site asks for your social security number or date of birth—go elsewhere. No merchant needs to know that information. With these two pieces of information someone can apply for credit cards in your name.
- Make sure that the address line in your browser shows "https" and that the browser shows a locked padlock or key. This indicates that the information sent between your browser and the website is encrypted.



Before placing an order, always review the shipping and handling charges. High shipping and handling charges can wipe out any savings on price. Also check their return policy. Some businesses don't allow returns at all, others have very short return windows such as a week, and some charge "restocking" or other return fees.

In order to know if you've found a bargain or a rip-off, make sure you know what the full or "list" price is. Check the manufacturer's site for the "list" or recommended price.

Check for any strings attached to incentives. For example, free shipping on some sites requires a minimum purchase amount or purchase of specific products.

Price comparison sites can be useful but you'll need to choose carefully. Here are tips for using price comparison sites:

- What do the prices shown include? You should always compare the total price including shipping and handling.
- Check how frequently the prices are updated. Once a day? Each time you search?
- Don't assume that a price comparison site has the lowest prices. Compare the listed price by going directly to the merchant's site. Another site may have a lower price but it doesn't participate in the price comparison site.
- Check out the list of participating merchants. More merchants means more choices. You'll want to use a site which has well-known and well-respected merchants participating.
- Review descriptions, features, and model numbers to make sure that the listed prices are all for the same product.

There are also sites that help you find various incentives, some better than others. For example, CouponCabin.com, which offers coupons for use online, doesn't require registration, you do not have to give them any personal information, and they have a good straightforward privacy policy.

For more information

66 Ways to Save Money from the Federal Citizen Information Center
[http://www.pueblo.gsa.gov/cic_text/money/66ways/index.html]

Slash your grocery bills from Consumer Reports
[<http://www.consumerreports.org/cro/money/shopping/shopping-tips/best-everyday-products-5-08/slash-your-grocery-bills/best-products-grocery-bill.htm>]

Hidden Savings at the supermarket from ShopSmart magazine part of the Consumer Reports family
[http://shopsmart.typepad.com/shopsmart_mag/files/Supermarket_Savings.pdf]

Consumer Guide to Home Energy Savings from the American Council for an Energy-Efficient Economy [<http://aceee.org/consumerguide/index.htm>]

Energy Savers Tips on Saving Energy & Money at Home from the U.S. Department of Energy's Office of Energy Efficiency and Renewable Energy
[<http://www1.eere.energy.gov/consumer/tips/index.html>]