

MONEY

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What type of spender are you and how is it stopping you from saving?

Written by Jackson Millan



50% of Australians are failing to save anything each month and 43% are living pay check to pay check, according to a recent study.¹ Those who do spend more than they earn are overspending by an average of \$613 each month. With 74% of Australians currently in debt and only 15% actively seeking advice, consumers are failing to learn the value or 'language of money.'

Jackson Millan, The Wealth Mentor, is an award-winning wealth education expert and international best-selling author, who over the past decade has personally coached his clients into accumulating a wealth of over \$1 billion. Jackson understands the difficulties in saving especially with no understanding of the true spending motivations and how it affects a person's day-to-day life. Jackson shares the top seven spender 'types', how it is stopping consumers from saving and what they need to do to get ahead.

1. The Cash Stasher

"You have nice things and live a comfortable life. You don't really have debt but you also don't have any assets that appreciate in value. You're too scared to invest 'just in case' you need the money and you tend to stockpile cash. Fear of another GFC has made you fear the market and move your super to cash or a more conservative investment. The fear of missing out mentality causes people to make excuses to justify not taking action and puts them into a state of paralysis. Things like 'the bubble is going to burst' or 'the market is flat' are common excuses stopping people from continuing to work towards the goal. There are those who make it happen and there are those who make an excuse. If you're a cash stasher, take action today. Set goals, get educated and speak to an expert."

2. The Cash Splasher

"You're the one who shouts drinks at the bar and you love to throw money around. You're generous and always like to treat your friends and family. When you have your mind set on something you are great at saving specifically for that goal and will do whatever you have to in order to save for it. You lack motivation unless you have the next big thing in sight. You are unable to delay gratification and fall into the marketing trap that brands use to lure you in. You are not clear on what you're working towards. It isn't a motivation problem but a vision problem. Stop and think about what you want and why. Make sure you set realistic expectations and long-term goals."

3. The Cash Makes Me Happier

"Shopping malls are your favourite place to be and all the major online retailers are bookmarked in your browser. Retail therapy is your mantra. The feeling you have with your hands full of new shopping goodies is elation. You're on a first name basis with all the sales assistants. These small expenses creep up on you over time. You have troubles delaying gratification and this can be hard when there is temptation everywhere. You need to monitor where your money is going on a weekly basis. It is important to have the right cashflow structure to ensure you put a cap on your discretionary spending. Holding yourself accountable to someone other than yourself also helps."

4. The Chicken Little Investor

"You enjoy investing and love reading through AFR. You spend more time than you would like buying and selling trades with every new tip you hear. You know deep down the market is beating you. You tend to lose track of how much you have actually made and only brag about the wins. The problem is you're not clear on what you are working towards. You treat the investment itself as the destination, therefore when it moves in value this triggers your response. Once you define what your long term and short-term goals are you will find it easier to see the path there. If you want to reach your goals don't be afraid to ask an expert to get you on the right path."

5. The Points Accumulator

"You love a bargain and nothing sounds better than the word 'free' or 'discount!'. You're always hunting for the next points scheme and hoard them to get all the benefits. You want to be in complete control of your finances and check every bank statement and bill for errors. You're normally quite good at saving but because you have a scarcity mindset, this limits your potential growth and ability to thrive financially. You need to create a plan centered on what you ultimately would like to achieve. You need to stop worrying so much about the points and start focusing on what you really want in life, whether that be your dream home, sending your kids to a nice school or being able to retire one day. By simplifying your financial situation you can have more time to focus on crafting your dream life."

6. The Ignorer

"Things were smooth sailing until they began to spiral out of control. You accumulated debt and use one credit card to pay off another. You avoid opening your bills out of fear. You're in over your head and can't make the minimum repayments. You can't bear to make strategic decisions to get ahead and you distract yourself to forget about the financial hole you are experiencing. As you are so busy ignoring the reality of your situation, you can't bring yourself to start planning. What you need to do is figure out where you're spending your money and what areas you can save. Set a plan in motion and the first step is to begin paying off your debt and then setting aside a nest egg for any unexpected hurdles in the future."

7. The Midas

"Everything you touch turns to gold. Every year you bring in more and more money. You live a life of abundance and a lavish lifestyle. You want to start planning but there is always next year as you're too busy living the dream. You believe you're doing really well but you are unable to see how quickly the money is disappearing. You need to define a destination and have a plan to pursue it. You don't have a motivation problem, you have a vision problem and because of this, you find it hard to defer gratification or sacrifice your day to day lifestyle given you haven't worked out what you really want. Spend some time to ask yourself three questions : 1) what is fundamentally important to you, 2) what are your goals, dreams and aspirations, 3) what is the significant of these goals, dreams and aspirations to you?"

The Wealth Mentor book, "Enjoy the Journey: Creating Wealth and Living the Life You Desire", aims to educate average Australians about the 'language of money' and inspire them to create a financial plan to achieve their desired lifestyle goals.

For more information visit, www.wealth-mentor.com.au.

¹ https://www.mebank.com.au/getmedia/ce8faccb-4301-4c17-a1a7-871f9443305e/13m-VIE-household-Financial-Confom-Report_Feb-2018-FINAL.pdf

With 74% of Australians currently in debt¹ and only 15% actively seeking advice, consumers are failing to learn the value or language of money.

Jackson Millan, The Wealth Mentor, is an innovative wealth education expert and business advisor helping Australians understand the language of money. This award winning financial expert is helping people find the best possible solutions to help them achieve real financial and lifestyle results.

"The majority of Australians have a bad relationship with money. They don't understand it and they fail to see how they can make it work for them and their goals. It is about knowledge and learning. Everyone can live the life they truly want to, they just need the right tools to get there and that's where I can help. Once people understand the language of money, they begin to see their own patterns, how the system works and how they can make it work for them," says Jackson.

Over the past decade Jackson has personally coached over 1,000 clients guiding them towards their goals and accumulating a wealth of over \$1 billion.

Jackson and his business partner Sam Panetta, also founded Aureus Financial, a revolutionary financial service and wealth coaching business that provides Australians the wisdom and support to take control of their wealth journey in pursuit of their goals.

The key areas that The Wealth Mentor focus on are:

- Wealth Education
- Strategic Advice
- Property Advice
- Accounting and Tax
- Cash-flow Management
- Lending
- Wealth Management
- Estate Planning and Commercial Law
- Retirement Planning
- Risk and Insurance
- Coaching
- Virtual CFO

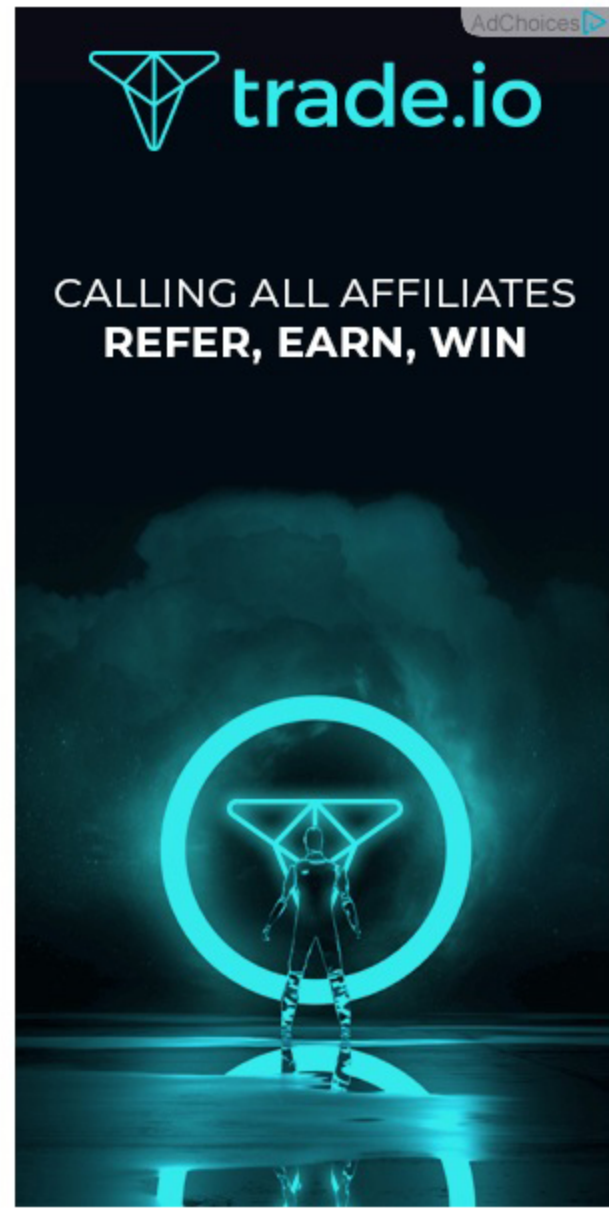
Jackson is also an international best-selling author of "Enjoy the Journey: Creating Wealth and Living the Life You Desire". The book aims to educate average Australians about the language of money and inspire them to create a financial plan to achieve their desired lifestyle goals.

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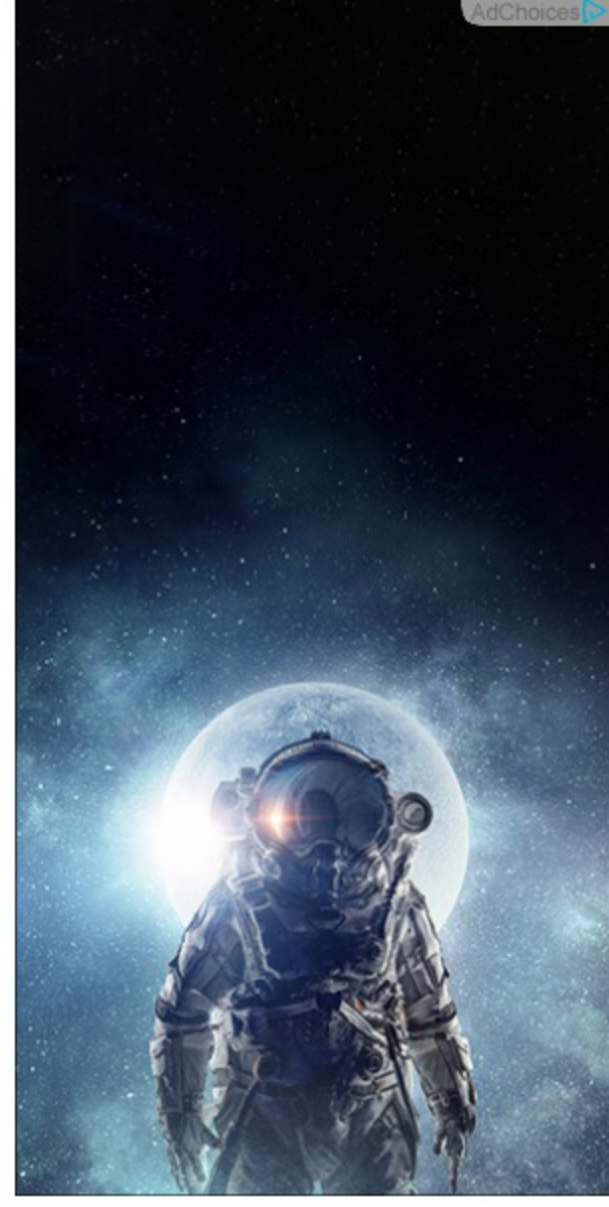
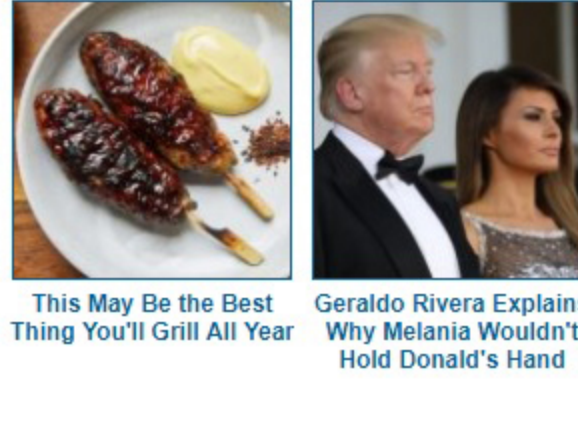
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