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...the best time
to ask for money
is when you
don't need it!

Practical or technical; what are you really waiting for?



I'm getting a lot of anecdotal info from clients and associates that appears to be indicating we're in a "practical" recession (as opposed to a "technical" one). Business is slower, and getting paid is even slower – if you're self employed that is.

Keep in mind these wise words from someone famous...the best time to ask for money is when you don't need it!

So if you're wanting to shore up your finances, or tidy up some loose ends with credit cards etc, please keep us in mind for a chat.

Brett

Brett & the team



How social media is affecting your spending

LINKED TO OUR MOOD, SELF-ESTEEM AND EVEN SLEEP. RESEARCH SHOWS THAT SOCIAL MEDIA CAN IMPACT OUR SPENDING.

For example, one study found that social networks, particularly Facebook and Instagram, can motivate impulsive buying behaviours. They also act as a source of inspiration that may trigger buying.¹

ADVERTISING

Facebook and Instagram have evolved from just social networking and photo sharing. They are now powerful advertising tools. Our social media feeds feature targeted advertising exposing us to products or services. Targeted posts are effective because they're often developed based on our demographics and behaviours.

FEAR OF MISSING OUT

Social media creates a tendency among users to compare their lifestyle with others. This can cause a fear of missing out or FOMO. A study found that one in two teens and one in four adults in Australia experience FOMO.² Our anxiety about missing out often leads us to buy just to fulfil the urge to keep up.

ENCOURAGING IMITATION

Images of products or aspirational lifestyles posted by people we respect or admire might influence us to spend unnecessarily. This happens when we look to them for guidance. Psychologists call this social proofing.³

SEAMLESS SHOPPING EXPERIENCE

Social media platforms also encourage spending by providing a seamless shopping experience. Facebook enables retailers to sell on the platform itself, and Instagram lets them add links to products and services mentioned in their posts so users can purchase them online. In a survey of Australian university students', 43 per cent of respondents cited this seamless shopping experience as a major trigger for how much they spent via social media.⁴

BEING SMART WITH SPENDING

Social media can help us make better choices by exposing us to more products and services and enabling us to learn about other people's experiences using them. But it can also influence us to spend unnecessarily or impulsively. By setting financial goals, you can make smart choices with your money. Your financial adviser can help you get started by creating a plan and budget.

Source: IOOF 1 Aragoncillo, L, 2018, 'Impulse buying behaviour: an online-offline comparative and the impact of social media', Spanish Journal of Marketing, accessible at: <https://www.emeraldinsight.com/doi/full/10.1108/SJME-03-2018-007> 2 Australian Psychological Society, 2015, 'Stress and wellbeing: How Australians are coping with life', accessible at: https://www.headsup.org.au/docs/default-source/defaultdocument-library/stress-and-wellbeing-in-australia-report.pdf?sfvrsn=7f08274d_43 3 Psychology Notes HQ, August 2015, 'What is the Social Proof Theory?', accessible at: <https://www.psychologynoteshq.com/social-proof> 4 UniBank, May 2018, 'How social media is really impacting student spending habits', accessible at: <https://www.unibank.com.au/about/member-news/2018/may/how-social-media-is-impactingstudent-spending>