



BUSINESS & FINANCE

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Harmful Spending Habits

A lot of people are quite compulsive where shopping is concerned. In order to maintain a balance between what we earn and can spend, we need to make a budget before buying. We buy things out of impulse not out of necessity, and that is the most common mistake a lot of us make when shopping. More so during the holidays. People need to learn how to control overusing their credit cards and the unnecessary little gifts for everybody.

Problems start when people do not pay bills on time, and even worse, when they do not have enough money to do it. This why you get into debt. And getting out of debt is not as easy as getting in. To get out of it, you will need the help of professional counselors.

Here we have The Consumer Literacy Consortium's list of consumers' most common mistakes. The purpose of this list is to educate consumers on their most common buying mistakes in order to develop a healthy purchase habit.

Consumer's Most Common Mistakes

- Using too many credit cards
- Not having the minimum balance needed in order to avoid checking fees
- Buying new appliances without really needing them
- Never comparing product prices
- Never comparing prices on supermarket shelves
- Not having a life insurance policy for no less than 15 years
- Taking a 30-year mortgage and not a 15-year due to the low monthly payments
- Paying your home improvements before finishing them
- Leasing cars instead of buying them
- Letting their insurance agent make decisions on which deal to take
- Not knowing they can afford

Disregard of all the measures taken. Nowadays there are thousands of people swamped with debts, and some are on the brink of becoming debtors. People need to know that there are lots of ways of receiving professional help in order to become debt free again.

Debt Settlement is one of the most reliable and fastest ways of achieving financial balance, and becoming once again debt free. Debt is not the problem, the problem lies in our spending habits and the way we look at money.

People only need to learn how to purchase in order to stay away from debt. Avoid making the mistakes that are mentioned on the list above and you will notice the difference in your financial balance.

Nancy Smith is a contributing writer to <http://www.bill-consolidation-and-debt-negotiation.com> and is currently writing some special articles to guide business on how to manage debt and avoid bankruptcy.