

# Where should you be spending money?

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*Executive Summary - We all know that it is important to save, invest and reduce unnecessary expenditure. Here we give you advice on spending money. There are certain things like quality products, health, experiences and regular maintenance of appliances that one can spend money on. It is smart spending and will definitely benefit you in the long run.*

We always give you advice on saving money, living frugally and curbing expenses. Here is an antithesis on that. We are telling you to spend money!

Yes, we should save and invest wisely, cut down on unnecessary expenditure. But there are some crucial things that we should spend on though some of us might feel it is an unnecessary expense.

**1) Quality versus Price** - We need to invest in quality in some of the things that we might use. For example, as an executive you need to invest in a business suit. A cheap business suit will not last long and can be easily identified as a cheap one and might leave a bad impression on clients etc. When you are going to start a fitness activity like yoga or aerobics, you should take some lessons from an expert who is recommended and has a reputation so that you learn better and your physical health is not adversely affected. If you do not do it the right way, it will harm rather than benefit.

**2) Health is Wealth** - Fresh fruits and vegetables might be more expensive than chips and colas. But it is better to have fruits and vegetables rather than junk food. It will keep you healthy and help in the longer run in the finances also as you might incur lesser medical expenses. It is important to go for regular checkups so that if there is anything that could harm your health, it can be identified earlier and steps to avoid it can be taken or you can get appropriate treatment. It is better to include healthier options in your diet like brown rice, raw organic honey and seasonal fruits and vegetables even if they are more expensive as it will keep you fit and your energy levels high.

**3) Experiences Count** - When you are younger, you have lesser responsibilities, more time and freedom to do your stuff. Instead of whiling away time in front of the TV or on your smartphone, you should spend time, money and efforts on new experiences that will help you live a more fulfilling and enriched life. It could be going to concerts, watching plays, learning a musical instrument or travelling. As you get older, you will have less time, more responsibilities in your

professional and personal life which might put the things that you really like on the back burner.

**4) Buy products that are useful and make life convenient-** It is good to invest money in products that will save us time and money in the long run. For example LED bulbs are better to use than fluorescent lamps. It makes sense to spend money on appliances and gadgets that will save you money in the long run. For example, if you have a busy career which includes long hours and travel, it is better to upgrade refrigerators and washing machines if you have really old ones as the newer ones will be more efficient and have better features. Maintenance of the older ones would be time consuming and costly over a period of time.

**5) Manage Repair and Maintenance of things -** On the other hand, you should lengthen the life of what you have and avoid spending money on brand-new equipment in some cases. For example, regular maintenance of cars and two wheelers will keep them running smoothly for years. Maintenance of household appliances like Air conditioners ensures they do not get spoilt easily. The amount you spend may be a fraction of the replacement cost. Take care of your phone. We all have expensive phones and it is good to update software, install updated anti- virus programs, use a protective cover so that it lasts longer.

**6) Buy Insurance -** Many of us still consider insurance as an expense rather than a cover against unfortunate circumstances. If you have dependents, having life insurance is a must. It will replace the income source and cover their living expenses in case of unfortunate circumstances. Similarly, buying a health insurance will help you save on hospitalization expenses, which can result in depletion of savings.

Have you invested in or bought any of the things mentioned above. Which expenses make you feel that they are good to incur for the long run?