HOW TO SAVE $15,000 ON THE THINGS YOU NEED MOST

Follow these savvy shopping tips to keep thousands of dollars in your pocket every year

BY ELLEN McGIRT

1 CREDIT CARDS

Most credit card rates are variable, so they've been inching up every time the Fed raises rates. Chances are the rate creep is having a serious effect on your balance, if you carry one. Visit Bankrate.com or IndexCreditCards.com to see better available offers. (Regional or Internet banks typically offer the most attractive deals.) If you'd rather stay with your current card, call with an alternative offer in hand (deal directly with a supervisor) and ask for a reduced interest rate. No go? Transfer your balance to a new card, but don't close out your old one—it could result in a credit ding.

POTENTIAL ANNUAL SAVINGS: $500 if you lower your interest rate from 18 to 9 percent, assumes a $9,000 balance—the national average.

BARGAIN BONUS: Avoid airline awards cards if you carry a balance. You'll pay, on average, 6 percent more in interest. It's not worth it.

2 ENERGY

Worried about home heating prices? Shave your home energy bill by doing simple things. Using cold water for laundry, for example, can save more than $50 a year; updating storm windows cuts heating bills by 50 percent; limiting showers to five minutes cuts costs by 30 percent. Hit the Web first. Check out the Alliance to Save Energy at ase.org, for tips and advice on finding energy-efficient appliances. The U.S. Department of Energy (nes.lbl.gov) offers a home energy assessment Web tool that compares your costs with those of other homes in your ZIP code and gives you specific tips to make your home more energy-efficient.

POTENTIAL ANNUAL SAVINGS: $950 (half the $1,900 average energy bill)

BARGAIN BONUS: Ask your utility company to send a trained energy auditor to inspect your home at a low or no cost, it could shave 30 percent off your bill.

3 APPAREL

Sites such as Dealhunting.com are a treasure trove of Web deals. That site finds daily online sales at more than 1,200 store sites, including Sears and Best Buy, and offers discounts on everything from kids clothes and jewelry to shoes and...
6 HOME REPAIR AND REMODELING

Bottom line: The more you do or buy yourself, the more you’ll save.
Business owner Kim Vappie saved nearly $30,000 on a home remodel by
being her own general contractor. The key: Let your repair or remodel
prove what you can buy, not or clean yourselves. (Pros typically mark
up supplies by at least 25 percent.) Ask the contractor to pass his
discounts along to you,” Vappie advises. He can typically buy large items—
appliances, carpeting—for less than you can. The vast majority of home
repairs can be handled at home—be brave!—so hit the Web before you
scream for help. Try DoItYourself.com.

POTENTIAL ANNUAL SAVINGS: $2,000 (half of $4,000, the average
maintenance of a $200,000 home, calculated at 2 percent of home value)
BARGAIN BONUS: CostEstimator.com can tell you what a remodel job might
cost before you start negotiating prices (registration required, free 30-day trial).

7 GAS

Loyalty is a good thing. Just not
for gasoline bargain hunters. To
find the best deals in your area,
hit the Web: GasPriceWatch.com,
fuelgaugecalculator.com and
fuelcostcalculator.com can help.
And give your car a little TLC:
Underinflated tires, an overloaded
tank and a poorly tuned engine
use more gas.

POTENTIAL ANNUAL SAVINGS: $100-$1,000
BARGAIN BONUS: Gas rebates
credit cards offered by companies
like Discover, Chase and Citibank
provide up to 6 percent cash back
on gas purchases. That could put
big money back into your pocket,
considering that, according to some
estimates, the average household
spent more than $2,520 on gas
last year. One caveat: These cards
tend to carry higher interest rates,
so only use them if you pay off the
balance every month.

8 PHONE AND INTERNET SERVICE

Although using one service provider is convenient, it’s not always
cheaper, particularly if you want to try an alternative phone service such
as Vonage, which operates over your cable service’s broadband connection
at prices of $1.5-$2.5 per month for 500 minutes of calls to anywhere
in the United States or Canada. Another option: Try free calls over the
Internet with Skype (skype.com). If you want to go traditional, compare
local and long-distance packages at wherence.com to put together your
own plan, bolt-on style.

POTENTIAL ANNUAL SAVINGS: $100-$300
BARGAIN BONUS: Providers such as Skype charge about $20 a month
for unlimited local and long-distance calls, a subject of savings if you
already have high-speed Internet.

9 CELL PHONE PLANS

Longtime cell phone users are
probably paying more than now

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customers, who have been reeled in by a tasty promotion. Try MyRatePlan.com or Lowernmybill.com for available deals in your area. Before switching plans, check your contract or you may be hit with a nasty cancellation fee. Skip customer service; reps in the cancellation department are typically the only ones authorized to negotiate with clients.

**POTENTIAL ANNUAL SAVINGS:** $350 (based on an average of $25-$30 saved each month by improving your plan)

**BARGAIN BONUS:** Ask for an audit of your phone usage; you may be paying for a plan or services you don’t use.

**CONSUMER ELECTRONICS**

“A good way to get a deal on any technology product is to go to the brand’s official Web site and copy and paste the actual product number, not name, into Google,” says Paul Hochman, tech editor for NBC’s Today Show. “Money-saving options will pop up all over the Web.” Insert your ZIP code for local options. If you prefer to shop in-store, Best Buy is known for accommodating busy women. The chain’s free concierge service can steer you to the best products and prices quickly (Salespeople don’t work on commission.) And the retailer will match a better price.

**POTENTIAL ANNUAL SAVINGS:** $2,000-$4,000 (about half the $8,641 affluent consumers spent on electronics in 2005, according to Unity Marketing)

**BARGAIN BONUS:** New products are often announced in spring and debut in fall. If you don’t have to have the newest gadget—how does 50 percent off last year’s Xbox sound?—start looking for deals in late summer and fall.

**TRAVEL**

The Internet has turned everyone into a bargain shopper, but don’t limit your search to just one site; each offers a different inventory of flights. (Check the airline’s own site, which often offers deals you can’t find elsewhere.) One standout, kayak.com, has a wide search for discount flights, hotels, and cars, and doesn’t charge a fee when you book. But when looking awards miles, use a real person: “You’ll be more likely to get a flight that you want,” explains Tim Winship of FrequentFlier.com. And don’t forget the hotel loyalty programs: Hammond’s, the NFL Players Association director, saved $700 by using her hotel program points for free stays on a Bahamas vacation.

**POTENTIAL ANNUAL SAVINGS:** $1,000-$2,000 (based on a family of four making four leisure trips a year at roughly $5,000)

**BARGAIN BONUS:** Use milereporter.com to help you keep track of all your reward programs.

Ellen McGirt, a senior writer at Fortune in New York City, also writes the Money Helps column for Money.

**YOU’VE SAVED A LOT; NOW WHAT?**

Try sitting down with a professional. A new breed of financial planners is offering advice at a fraction of what a planner would have cost back in the day. Check out sites such as Garrettplanningnetwork.com, Myfinancialadvice.com or Financial-engines.com for ideas that can help you reach your money goals.

I DID IT! “I hate paying full price if I don’t have to,” says Dana Hammond, 41, a director at the NFL Players Association. “I’ve been known to stretch a dollar until the eagle grins.” A single mom of a college-age son, Hammond comparison-shops like a pro. Participating in perks programs (she logged more than 100,000 miles and 75 hotel stays in the past year) allows her to treat others: “I’m voting my mom to Europe next year on my frequent-flier miles.”
There are three indispensable weapons in the bargain hunter's arsenal—knowledge, planning, and the ability to negotiate. They apply in almost every situation, and to every person.
"A good way to get a deal on technology products is to go to the brand’s official Web site and copy and paste the product number, not name, into Google—money-saving options will pop up all over the Web."