

FREE YOUR MIND

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Do You Need A Financial Expert?

I want to start this message off by saying that this is an "if the shoe fits, wear it" type of message. Some of what I say may sound "preachy", but if this message does not apply to you, then there is no reason to be offended by it. And as with all of my messages, I'm also talking to myself.

Right now, I am a financial analyst. And unlike the vast majority of the financial services industry (as well as the healthcare industry, the fitness industry and all of the other "industries"), my sole objective is to put myself out of business for good. Now, in order to solve a problem, you have to get to the root of the problem.

We all would agree that part of the reason that most people struggle financially is because they buy things that they don't need. I'm also sure that we all would agree that the advertisement industry is geared toward making people purchase things they don't need. The next time you watch Tell-lies-tv, make note of how many commercials you see, and then calculate the percentage of them that are advertising something that you need!

There are those who have a serious problem with these big time advertising corporations that "prey" on the innocent. Then there are others who feel that they are in business like everyone else and that it is the consumers' job not to be foolish.

I won't comment on it either way, but as a financial person, it is my job to point out some things to consumers that may help them understand what is going on.

One of the biggest purchases that people make in their lives outside of a house is a car! And I could (and probably will at some point) do an entire article on just purchasing one. Cars can be very cheap, or... they can cost a lot of money. But, in order to make the best decision on what car you should buy, you first have to analyze and pinpoint the purpose of what a car is for. If you don't know why you should be buying a car, then how can you buy the right one!

Many people overlook this. So we must first do a little research. A quick search to an internet dictionary, www.allwords.com, can lead us to an answer. According to All Words, a car is, "A vehicle that moves independently, steered by a driver mostly for personal transportation."

So, the purpose of a car is to transport a person from one place to another. This can come in handy, because for most people, it would be a beast to walk everywhere they had to go. Now cars may do a lot of different things, but the most important thing is transportation.

Why do I bring up the definition of a car? Watch this next commercial and you may immediately notice a problem.

<http://www.youtube.com/watch?v=ppTrEYNc6Sk>

Ladies and Gentlemen... this is the most RIDICULOUS commercial that I have ever seen in my LIFE! At what point did the purpose of a car become to sit and eat dinner AND watch TV or a DVD? Wow... They certainly know how to pull at the "heart strings" don't they?

Benefits vs Features

When I first got into the financial services industry, I was taught sales. One of the things that you are taught is that in order to be a good salesperson you have to know the difference between a feature and a benefit. Why is this?

You see, for most people, if given a choice between buying a regular TV for \$50 and buying a \$70 TV that can toast one slice of bread every 10 minutes, would choose the \$50 TV. While the \$70 TV may have more "features" to it than the regular TV, it certainly doesn't have more "benefits." Most people already have a toaster that can make two to four slices in a few minutes. So as a sales person, you have to know how to sell benefits rather than features because you will go broke trying to sell \$70 TV/Toasters (unless of course you can convince them that the toaster is a "benefit").

Outside of some crazy scenario, the only person who would pay an extra \$20 for a TV that slow cooks toast is:

#1. A person who has lost their mind,

#2. A person who is SO RICH, that \$20 is a grain of salt to them (many of them still won't do it), or

#3. A person who has low self esteem and wants to "look" like #2" in front of everyone, since their own being is just not good enough to impress the right people.

So the big dogs who study human behavior know how to take this to the next level. They know how to drive society towards numbers #1 & #3 with imagery and distractions to the point in which you will make irrational purchasing decisions that are based on "features" instead of "benefits." This will ultimately keep you from reaching #2. And since most people's self esteem is based on status, which is based on the amount of money a person has, if a person can never reach #2, then they will always be trapped inside #3... And THAT may even make them do #1!

Please don't overlook this foolishness, because the above commercial is a microcosm of the "spell" of vanity that we live under here in America.

In many cases, I have sat down with people and listened to them tell me how they are struggling. So, I would take down some information from them, to do a "plan" to help them achieve whatever their goals are (which usually are vague and/or unknown). When I ask them how much money they can spare to put towards their wealth plan, the number I get, in many cases, is \$0.

When I turn around, I see a brand new Lexus, or a PT Cruiser sitting in the driveway. Then I turn back around and see a 50 inch screen TV set on channel 15098. But the question is this: Do they

really need a financial planner? Do they really need an "expert" to come and tell them how to manage the zero dollars that they had left after spending it on features?

The Greater Depression

The absolutely wonderful thing about this economy being jacked up is that people are now focusing on things that are more important. As I browse the internet and finance newsletters, I see a movement towards spending time with family, homemade gifts etc, etc.

A wise person once said, "When the economy is bad, it causes a recession. But when YOU don't have any money, it causes Depression!"

Why do I bring up this wise person? Because truthfully, the statistics and the media hype that you see on TV are (as always) diametrically opposed to each other. It is a fact that most people can't retire when they reach their "retirement age" It has also been stated that most people live two paychecks away from bankruptcy. So hasn't the economy always been bad?

I often speak about the coming economic collapse and the coming economic depression. But the truth is, we have always been in a "Depression," so what is coming is really only the Greater Depression. And it is NOW and only NOW that people want to be prudent?

My point is this. Why is it that we have to get down to living on Band-aids and duct tape before we start to be frugal with our money? Is this indeed the ROOT of our problems? Do we get caught up in the "hype" and think everything is okay, because the mass media says the economy is good?

Maybe if we were focusing on what is important (which is the ultimate benefit), then we wouldn't be in as a bad of shape in the first place. Now, of course, I'm not talking about everyone. Bad things happen to good people. I know, because bad things have happened to me. Yes, I am implying that I am a good person. Some things you can't control... but I also would urge everyone to be honest about themselves when doing a self assessment.

If you can make homemade gifts, during the holidays when the economy is "bad" then you can probably do so when the economy is "good." If you can focus on the "more important" things while you have no other choice, then you can do the same when you DO have a choice. The objective is always to live BELOW your means. Just because you can afford something doesn't mean you buy it.

As I have said thousands of times, life isn't as difficult as we make it out to be. However much money you bring in... SPEND LESS! Take the rest and build wealth. If you don't know how to build wealth with the rest then educate yourself on how to do so.

With that being said, I would like to put in a bid for an item to put on a list of new years resolutions that will be made next year. How about we focus on what is "more important" from now on! How about we become more frugal from now on! How about we cut back on the vanity and start making prudent decisions from now on. Let us make a life long choice to move away from features and move towards benefits with our wealth. Let us also teach our children to do so.

Check out the following video called **The Story of Stuff – Chapter 5**

<http://www.youtube.com/watch?v=EUeMvt3stAo>

Hope all this has helped!

So, until next time...

Free Your Mind... Online

Matt Mason

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