

The Big 5

Handy Questions To Ask When Making Big Purchases

From Dave Ramsey's "Generation Change" Study On What God Says About Money (daveramsey.com)

1. Would you buy this product tomorrow if you were to wait overnight and had time to think about it? Would this give you a chance to calm down and get over the "gotta-have-it-now" fever?
2. Is this item a need or a want? Carefully consider your motives in buying this item. Basic needs are food, clothing, transportation, and shelter. Everything else is a want. Remember, stuff may buy short-term happiness, but true, lasting joy comes from within.
3. Do you understand the item? If you buy something just for bragging rights without really knowing how to enjoy it, is this a really good purchase?
4. Is there a better use for the money? Once you buy an item, you can't do anything else with that money. In the long run, would it be better to save this amount for the future? Remember, time is your best friend when it comes to saving and building wealth.
5. Have you asked anybody for their opinion? Seek wise counsel. Ask someone you trust and respect if they think buying that item is a good idea right now.