

PERSONAL FINANCE *for PhDs*

THE FRUGAL BLITZ

A RESOURCE GUIDE

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Introduction

Are you ready for your Frugal Blitz??

Your life is about to change.

In the short term, it's going to be pretty uncomfortable. You'll spend extra time managing your daily life. You might be teased a bit by your friends. You'll try new things – not all of which you will like.

It's going to be a tough month.

But on the other side of the Frugal Blitz you will have more money sitting in your bank account and reduced expenditures going forward. More importantly, the crucible of the Frugal Blitz will have clarified for you what spending is truly worthwhile so you can focus on that and forget the rest.

How will that happen exactly?

During the month of the Frugal Blitz, you will radically slash your spending. You will forgo every expense that can be foregone for the month. You will conduct numerous frugal experiments to reduce your spending on necessary expenses. You will re-evaluate each of your fixed expenses, eliminating some and finding lower-cost alternatives for others.

The month of the Frugal Blitz is intense and unsustainable – by design. You're throwing everything at the wall to see what sticks.

You'll end your Frugal Blitz with extra money in your pocket – money that would have been spent in a typical month. Some of your bills that come due in the following month or so will also be smaller than usual. After examining the results of your frugal experiments, you'll choose a few strategies that are worth making long-term habits.

You can then use the cash flow freed up by the one-month Frugal Blitz to really make a difference in your financial life. Let's return to that question at the end of this handbook.

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The Frugal Blitz Rules

The Frugal Blitz is more a state of mind than a detailed set of instructions. It's simple to understand but very difficult to carry out: Stop. Spending. Money.

Obviously, you won't stop spending money entirely. But the idea is — for one month only — to spend as little money as possible. If you want, you can return to your normal life next month, but give the Frugal Blitz a month at full throttle and watch it work its magic.

The Frugal Blitz operates on a few general principles that play out in every area of your spending. If you embrace these principles, you will hardly need the specific suggestions later in this document. As closely as possible, follow these rules:

Rule 1: Track Your Spending

Tracking your spending is Personal Finance 101. If you're not already doing it, now is the time to start. (And I mean NOW, not when you actually start your Frugal Blitz. You'll want control data.) It doesn't matter if you do it on paper, in a spreadsheet, with an app, with software... Don't get caught up searching for your perfect tracking system. Just start tracking.

Rule 2: Do not make any new purchases that are not life-sustaining.

Don't take out your wallet or click 'Purchase' for anything other than groceries and other necessities. N E C E S S I T I E S. No new clothes. No new electronics. No new stuff for your home. Etc. Make do with what you already have. You're fasting from non-necessities; when the fast ends, you can resume making these types of purchases (if you want to).

Rule 3: Do not participate in any optional activities that cost money.

No movies in theaters. No eating out or bar tabs. No concerts. You might not see your friends as often as you are accustomed to. You might miss out on a really great activity or gathering. Life will go on.

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Rule 4: Track your “no spend days.”

Track your “no spend days” on a calendar or similar visual representation. Mark every day that you don’t spend any money as a no spend day (success). (Paying bills does not count against you – we’ll address those next.) Mark every day that you break a rule or otherwise make a purchase (even a necessity like food) as a spend day (fail). Try to see the longest no spend streak you can create or the highest total you can reach for the month.

Rule 5: Minimize your usage.

For expenses for which you are billed by usage, minimize your use by whatever creative means possible. For example, you won’t use no electricity during the Frugal Blitz, but you should try to use less.

Rule 6: Re-evaluate each and every one of your regular expenses.

Minimizing new purchases and usage will reduce what you spend on your variable expenses. But you must also endeavor to reduce your regular expenses, e.g., rent/mortgage, utilities, and subscriptions. Put your regular spending under a microscope to figure out if you could be spending less on any of those budget line items.

(The Rules draw a hard line, so take them with a grain of salt and use your own judgement. Please don’t jeopardize your career or ruin any relationships. Just follow the Rules to the greatest extent feasible for you, realizing that the more you break them, the less effective your Frugal Blitz will be overall.)

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Budget Category #1: Food (Groceries)

Your biggest opportunity to cut your typical expenditures that will pad your pocket at the end of your Frugal Blitz is your food spending. There are so many ways to cut the fat (so to speak) from food spending, and rarely does anyone practice 100% of them 100% of the time.

Everyone should practice strategies 1 and 2 during the Frugal Blitz in addition to fasting from eating out. If you're new to food frugality, also pick one or two of the other suggested strategies to implement fully. Do not overwhelm yourself by trying to revolutionize your whole food life at once! If you're already practicing some of these strategies, firm up your existing practice and add one additional strategy.

If you have a health condition that requires you to eat a certain diet, please do not deviate from it! Do the best you can to incorporate frugal strategies that don't involve changing what you eat.

1. Eat down your pantry

For as many days as possible at the beginning of your Frugal Blitz, eat the food you already own and delay going to the grocery store. Now is the time to eat the random canned goods in your cabinet and the bag of veggies buried at the back of your freezer — and of course, don't let any of your fresh food go to waste. Get creative! At some point during the month, you'll need to do some serious grocery shopping, and that's when you can start to apply the suggestions below.

2. Accept free food

Go out of your way to obtain free food at seminars and such and use it to replace meals. Ask around to discover any regular sources of free food that you don't already know about. (This is most easily accomplished on a university campus or large research institution.)

3. Meal plan

In its simplest form, meal planning is exactly what it sounds like: Projecting what you will eat for each meal/snack for a period of time (e.g., one week). When you create a basic meal plan and shop accordingly, it will prevent you from wasting food or eating out due to a lack of food at home. Meal planning is also readily combined with the other strategies for supercharged savings.

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4. Buy less expensive types and volumes of food

When you look at food through a price per calorie lens, a spectrum appears. During your Frugal Blitz, shift the type of food that you buy toward the cheaper side of that spectrum. Generally speaking and on a per-calorie basis, grains are less expensive than meat and dairy, less processed food is less expensive than more processed food, conventional food is less expensive than organic food, and larger volumes of food are less expensive than smaller volumes of food. Coupons can also come into play in this strategy; you can source them online, in your newspaper, and through your grocery store.

5. Figure out your cooking schedule

The time management aspect of food frugality is possibly the biggest challenge for busy PhDs. Intentionally thinking through when and how to research, shop, cook, transport, reheat, and eat your meals is a worthwhile exercise on its own. Batch cooking/meal prepping – cooking multiple meals at once – is a massive time-saver and a useful skill to learn during your Frugal Blitz.

6. Keep a pricebook

A grocery pricebook is a log of food prices at a given retailer on a given date along with any other notes you want to make. The purpose is to track the sales cycles on the food you regularly buy at the retailers you patronize. Ultimately, it will help you anticipate sales so that you can stock up on items when they are at their lowest prices.

7. Choose stores strategically

Not all food retailers are created equal. During your Frugal Blitz, check out at least one new retailer and compare prices with where you usually shop. If you find a store that has better prices for at least some of your staples, incorporate it into your shopping routine for the month. Definitely look beyond grocery stores as well, e.g., to local farms and online retailers.

8. Fast (literally)

Categories of food spending that are ripe for fasting are:

- Meat
- Alcohol
- Coffee
- Beverages other than tap water
- Junk food
- Meal delivery services

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The Holy Grail of Food Frugality is to eat 100% out of your own kitchen (or for free) using a meal plan that incorporates meal prepping large amounts of inexpensive types of food purchased at the right place and time (perhaps with a coupon) for maximum savings. While you shouldn't expect to go from zero to the holy grail in the course of a month-long Frugal Blitz, you can get a couple steps closer.

Resources

- [How to Cut Your Food Spending – Reducing Grocery Costs](#)
- [Give Yourself a Raise: Prepare Your Own Food Even with a Busy Schedule](#)
- [Dominate the Supermarket and Save Big](#)
- [50 Tips for Grocery Shopping](#)
- [Grocery Shopping with Your Middle Finger](#)
- [A Beginner's Guide to Meal Prep](#)
- [Couponing for Beginners](#)

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Budget Category #2: Transportation

Generally speaking, the spectrum of transportation choices go from traveling alone in a car on the more expensive side to walking on the less expensive side, with carpooling, public transit, and biking and similar modes in between.

Whatever your current choices for transportation are, during your Frugal Blitz, shift some or all of it to the less expensive side of the spectrum. Really challenge yourself and get out of your comfort zone!

- Bike/walk everywhere you can
- Take public transit instead of driving
- Use your car as little as possible
- Fast from ride-sharing apps

Universal tips:

- Make transit more efficient by combining destinations into a single trip, i.e., run all your errands for the week on the same outing
- Avail yourself of all free resources offered by your university/employer, e.g., campus buses and free bus passes
- Consider working from home regularly to eliminate your commute on those days

If you own a car:

- Carpool (and reimburse/be reimbursed for gas money)
- Fill up at the cheapest pump without going far out of your way (try an app)
- Practice hypermiling to improve gas efficiency
- Avoid paying for parking or use an app to find the least expensive parking
- Re-evaluate both your car insurance needs and insurer for a possible lower price

If you typically use public transit, make sure that you are paying as little as possible for what you need. Look into month-long passes if available. Familiarize yourself with all the local options (e.g., subway/light rail vs. bus, different bus companies). Don't use public transit when you can get to your destination under your own power in a reasonable period of time.

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Resources

- 10 Ways to Minimize Your Transportation Costs and Save Money
- The Most Powerful Tool to Cut Miles Drive, Gas, & Vehicle Costs (and It's Free)
- 9 Ways to Improve Your Car's Gas Mileage and Drive Efficiently
- 9 Best Apps to Find Cheap Gas Near You (iPhone and Android)
- Get Rich with... Bikes
- 15 Tactics to Lower Your Car Insurance by Thinking Like an Insurance Agent
- Ditch Your Car and Walk More

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Budget Category #3: Utilities

Utilities come in a Punnett square of flavors: fixed vs. variable, need vs. want.

The utilities for which you pay a variable rate based on usage are the ones with the potential to net you a bit of extra pocket money based on your Frugal Blitz efforts, although depending on your billing cycle your lower bill might not show up until after the Frugal Blitz has ended.

Lowering one of your fixed-price utility services may take longer (e.g., if you have to wait out a contract) but will pay off every month in perpetuity once you accomplish it, which benefits you well beyond the end of the Frugal Blitz.

Some of your utilities are needs and some are wants or a combination of needs and wants. For example, electricity/gas and water are needs, but if they are billed at a variable rate you may have some "need" component of your usage and some "want" component. You can argue that a cell phone and home internet have become needs. However, a cable TV package is a "want" that sometimes gets tied up with the phone and internet "needs."

For your variable-rate utility services, find ways to lower your usage during your Frugal Blitz:

- Limit hot water usage, e.g., take fewer/shorter showers, shower at the gym, or fast from baths
- Run full loads of laundry/dishes (with cold water)
- Hang-dry your laundry instead of using the dryer
- Turn off and unplug lights, fans, electronics, etc. when not in use
- Keep heat and A/C off as much as possible and set thermostat closer to outside temperature when in use

For some of your utilities, you may have the option of switching providers (e.g., internet, cell phone). During your Frugal Blitz, consider whether you can lower your bill by reducing your tier of service and also shop around for a less expensive provider. This kind of switch will not necessarily come to fruition during the Frugal Blitz but will pay dividends every month once you accomplish it. If you prefer not to switch, you can try to negotiate your rate with your current provider.

If you are paying for any purely "want" utilities, take this opportunity to evaluate what value you receive from them and whether it's worth continuing to pay your current rate.

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Resources

- [How to Save on Your Water Bills](#)
- [4 Things Everyone Should Do to Save Electricity](#)
- [11 Frugal Hacks to Stay Warm and Save Money this Winter](#)
- [Negotiate Your Utility Bills: Strategies to Use and What to Say](#)
- [5 Easy Steps to Saving Thousands on Your Monthly Bills](#)
- [The Best & Cheapest MVNO Prepaid Wireless Plans \(No Contract\)](#)

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Budget Category #4: Entertainment

The name of the game during your Frugal Blitz is to be entertained for free. Or, if you must spend a little money on entertainment, make sure you are getting a major discount over what you would have spent before the Frugal Blitz. By entertainment, I mean any activity you do in your downtime for fun or relaxation, whether it's spending time with friends, a hobby, going out, or zoning out watching video content.

Shake up your routines here, whatever they were before. Try new things. You might have to say "no" to a few social engagements with your friends, but you can also plan activities yourself, such as:

- Happy hour at home/house party (BYOB)
- Potluck dinner
- Game night/movie night
- Picnic
- Park visit
- Casual sports, e.g., soccer, frisbee, football, tennis, softball
- Hiking/biking
- Camping

Your city and university (if you are affiliated) likely provide far more free entertainment than you are aware of. Here are some places to look for free or nearly-free entertainment:

- Your local library for materials (e.g., books, audio content, video content) and events (e.g., classes, lectures, readings, film screenings)
- Your city's events calendar
- Your community center
- Your university's events calendar for lectures, sporting events, theater, concerts, film screenings, happy hours, parties, etc.

If you have a vacation or similarly rare and expensive entertainment expense scheduled, choose another month in which to conduct your Frugal Blitz.

Resources

- Give Yourself a Raise: Find Inexpensive Entertainment on or Near Campus
- 10 Library Freebies You Might Not Have Known (or Forgot) About
- 30 Fun Things to Do with Your Friends without Spending Much
- 103 Things to Do on a Money-Free Weekend

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Budget Category #5: Additional Ideas

Take the opportunity presented by the Frugal Blitz to do a financial “spring cleaning.” You might or might not see more money in your pocket by the end of the month by making the kinds of changes suggested here, but you will in the coming months.

Fixed Expenses

For each fixed expense (e.g., childcare, gym membership, subscriptions, subscription services, insurance), ask yourself if the value you are getting from the service is sufficient for the price and if there is a lower-priced alternative with pared-down service or from another provider. You can reduce a fixed expense by canceling/going without, downgrading, switching providers, or negotiating.

If you have paid for a certain amount of time up front, use the Frugal Blitz to decide on the change you will make and set a calendar reminder for the appropriate time to make that change. Don't forget about once-per-year subscriptions like Amazon Prime.

Banking

How much money are you making on your cash and how much is it costing you?

If you are paying any fees to your bank to access your own money — to use an ATM, to keep your account open, to talk with a human — switch to a better bank. You can get great customer service without paying a dime.

In fact, your bank should be paying you for the privilege of holding your money, if only a low rate. Shop around for the best interest rate at a bank that also meets your needs. Sometimes sign-up bonuses are offered for moving a minimum amount of money to a certain bank, which you can take advantage of if you qualify and are willing (just do the math to make sure you actually benefit).

Credit

If you pay your credit cards off completely every single billing cycle and have good credit, you might consider using one or more rewards credit cards. If you already have rewards credit cards, use the Frugal Blitz to reevaluate your current cards and research potential new ones.

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(If you currently have any credit card debt, consider using the cash flow freed up by your Frugal Blitz to pay it down. You might consider trying to lower your interest rate, but usually it's better to just pay it off quickly.)

Resources

- [7 Ways to Lower Your Fixed Monthly Expenses](#)
- [Slash Fixed Expenses with These 7 Practical Ideas](#)
- [Best Savings Accounts of 2018](#)
- [Perfect Use of a Credit Card](#)
- [Rewards Credit Cards](#)

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Conclusion

At the end of your Frugal Blitz, you will have:

- Far more money in your pocket than is typical,
- Reduced bills coming down the pike, both in the short term and long term, and
- Results from several frugal experiments.

You have the option at that point of declaring your Frugal Blitz a success and returning to your previous practices and habits. In that case, your Frugal Blitz becomes a blip on the radar, rapidly receding into the distance.

Instead, leverage your Frugal Blitz success into a long-term positive impact on your finances through a Frugal Stack.

Before, during, or immediately after your Frugal Blitz, list what financial steps you could take that would free up more cash flow to use for net worth increases (saving, investing, and/or debt repayment). These should be steps that really move the needle, but that you haven't seriously considered or have been putting off because of the necessary up-front investment of capital, time, and/or energy.

Examples of long-term impactful steps are:

- Pay off debt
- Move to a less expensive residence
- Downgrade your car
- Buying in bulk
- Increase the energy efficiency of your home/possessions (as an owner or renter)
- Reduce or eliminate a fixed expense
- Travel hack
- Establish a side income

Put the money that you didn't spend during the Frugal Blitz and in the following months toward making one or more of those big frugal steps happen. The best kind of long-term expense reduction to pursue is a fixed expense because it requires no ongoing investment of time, energy, or willpower.

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You also should carry forward at least one frugal strategy that you tried out during your Frugal Blitz. Not all of the strategies you tried will be worthwhile to continue; pick your favorite (or the one that grates on you the least) and make it a habit over the subsequent months.

Above all, your Frugal Blitz should have starkly revealed your preferences for how to use your money and your time. By removing the inertia from your spending decisions, you should now be able to discern what's really worth spending money and time on and what isn't. What expenses did you break the rules to keep in your life, or what were you desperate to do/have again by the end of the Frugal Blitz? What expenses did you not mind (or even notice) eliminating from your life?

Ultimately, the Frugal Blitz serves as a jump-start to ongoing financial accomplishment. If you can survive the Frugal Blitz, what can't you do??

Resources

- [Stack Frugal Strategies for Long-Term Savings](#)
- [The Best Kind of Frugality for a Busy Grad Student](#)