



Free Trial Offers: Timing Is Everything

Let's face it. We're all attracted to free trial offers. They can be a great way to try new products or services without making a long-term commitment to a membership, subscription, or extended service contract. But mark your calendar and keep it close at hand. If you don't cancel before the trial period ends, your acceptance of a free trial offer may be an agreement to buy other products and services.

According to the Federal Trade Commission (FTC), the federal government's consumer protection agency, a company may claim its free trial offer has no risk or obligation for the consumer. But, the FTC cautions, that's true only if the consumer takes timely action to avoid future obligations. For example, agency officials say, you may have to contact the company to cancel during the trial period to avoid

receiving additional goods or services, or to pay for what you've already received. By not cancelling, you may be agreeing to let the company enroll you in a membership, subscription, or service contract, and to charge the fees to your credit card.

Upselling Has Its Downside

Sometimes you may call a company for one reason, and at the end of your transaction, hear about a trial offer that another company is offering. That's called upselling. Says the FTC: if you receive such an offer, pay close attention to the terms and conditions. Understand with whom you're dealing and what you're agreeing to. By accepting the trial offer, you may be agreeing to let the company you called give your credit card account information to another seller.

"A Penny Saved is a Penny Earned"

Of course, we've all heard this saying a zillion times. It was Benjamin Franklin who said it, and guess what? He really meant it, and he became one of early America's wealthiest citizens.

Little by little, we save money by not spending it, and when we must spend it, there are lots of things we can do to keep from paying more than we must. This means more pennies in our pockets that wind up in savings accounts that build up over time. If you make a consistent, conscientious effort to purchase wisely, saving cents or dollars or hundreds of dollars on your purchases, it's money you've earned for the future.

In this issue of Dollars & Sense, you'll discover some wonderful tips and ideas for "pinching pennies" and thus, earning money. ■

If you don't cancel during the trial period, your credit card may be charged by the second seller for the product or service offered for the trial period. If you don't recognize the seller, you may think the charge is an unauthorized transaction when in fact, by accepting the trial offer, you may have agreed to pay if you didn't cancel before the trial period ended.

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EDUCATION

NEWS & REVIEWS

Free Trial Offers *(Continued from page 1)*

Smart Questions to Ask

The FTC says that before you give the okay to a free trial offer, ask the seller:

- Is the free trial offer related to a membership, subscription, or extended service contract?
- Do I have to contact the company to avoid receiving more merchandise or services? What's the deadline for contacting the company?
- Who do I contact to cancel? How can I cancel? By letter? Phone? Email?
- Will I get other products with the free item? If I will, will I have to pay for them or send them back if I don't want them? How long do I have to decide before incurring a charge?
- How do I stop getting additional merchandise or services?
- Is there a membership fee? If so, is it refundable?
- Will the company automatically bill my credit card for anything?
- Who's offering the trial? The company I'm talking to or another company?

If You Have a Problem

If you have a problem with a trial offer, try to resolve it with the seller first. If you're dissatisfied with the response, contact your local Better Business Bureau or consumer protection agency. Remember, you have a right to dispute any charge you think is inappropriate with the seller and your credit card company. Do it in writing.

Ways to Keep Shopping Impulses Under Control

- Always keep an ongoing list of things you need to buy on your next trip to any store. Review the list before you leave, and remember to take it with you!
- Make as few trips to the store as possible each month, and avoid the malls entirely.
- Give yourself a time limit for how quick to get in and out of the store, along with a personal challenge to not buy anything that's not on your list.
- Avoid sales except for necessities. It's too easy to justify impulse items when they're on sale.
- Beware of give-away gimmicks that entice us to buy things we don't need.
- Ask a friend to be a shopping buddy to help you stick to your budget.
- Develop a desire for meaningful experiences rather than things. ■

Making Sure the Scanned Price Is Right

When we're at the supermarket, department store, or other retailer, we observe casually as the store clerk scans the items we're purchasing, and we just naturally assume the price that shows up on the display screen is correct. Or nowadays, through self-checkout counters, we're able to scan, bag, and pay for items ourselves.

From groceries to barbecue grills, most everyday items bear a Universal Product Code (UPC). This symbol—a series of numbers and vertical bars of varying thicknesses—is shorthand for product information. When a cashier passes the UPC symbol over an electronic scanner, a computer decodes the symbol and sends the price to the register. The price appears on a display screen and on your printed receipt.

Retailers say scanner technology has several advantages: speeding checkout time, lowering labor costs, and improving sales and inventory records. They also say that scanning results in fewer pricing errors than manual entry. Hey, it's high technology, so it must be accurate, right? Well, not so fast.

As advised by the FTC, it's important to be aware that scanning errors can result in overcharges and undercharges. Overcharges can cost you money, especially if you don't speak up when they occur. They also can be frustrating for time-conscious consumers, who may have to stand in line for a refund or, worse, return to the store.

Savvy consumers—those who are aware of prices, who check scanner charges for expensive items or items they know are on sale and who are willing to shop elsewhere if price corrections aren't made—will encourage retail stores to police the accuracy of their checkout scanners.

Pricing Accuracy Concerns

Electronic scanning is not foolproof.

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The reasons: human error, pricing difficulties, and management problems. As a result, consumer advocates and regulators are concerned about inconsistencies between advertised or posted prices and prices stored in the computer; inaccurate prices throughout a chain of stores because of an error in the central computer; and problems for shoppers who may not remember posted prices or special promotions when they check out.

Spotting Scanner Errors

Although the UPC symbol has replaced the traditional readable price tag, it's still possible for consumers to spot pricing errors at the register. Here's how:

1. Watch the display screen for prices. If you think you're being overcharged, speak up. Ask about the store's policy on pricing errors, and ask the cashier to make the adjustment before you pay. Although some stores simply adjust the price, others deduct an additional amount. Still others offer the incorrectly priced item for free.

2. Bring a copy of the store's flyer or newspaper ad to the checkout counter. Some advertised specials—15% off an item for two hours, for example,

or a two-for-one promotion—may not be in the computer and must be entered manually by the cashier.

3. Consider jotting down prices or special sales as you make your way through the store. In grocery stores, you may want to use a pen or pencil to note the product prices on the packages.

4. Check your receipt before you walk away. If you notice an error, ask the cashier to adjust the total. If you've already left the cashier's lane, see the store or department manager or the customer service department to correct any mistakes.

Effective Complaining

If you notice a pattern of electronic scanning errors in a particular store, talk to the customer service department or the store manager. You may also want to write a letter to the company's headquarters. The retailer may not realize a problem exists until it's pointed out.

You may also report recurring problems to your state Attorney General's office, state or local consumer protection office, or your state or local office of weights and measures. Finally, consider filing a complaint with the FTC. ■

Don't Forget the Kids!

It's summer time and the kids are out of school. It's time to have some fun! But when the budget is tight many activities seem way out of reach. Don't despair! There are plenty of fun, cheap, and even free activities planned for kids and families. You just have to know where to look.

Check out the local library for free craft days, movies, and reading programs. Find your community Arts Council website. Many cities put on free concerts, movies or plays in the parks. Keep an eye out for discount entrance fees for local attractions. Many provide a few days of either free or discounted tickets.

And don't forget picnics, local nature trails, and scenic drives. There are lots of ways to spend time together this summer without spending much. ■



Be on Guard When You're Online

It Pays to Be a Savvy Consumer

These tips from the Federal Trade Commission (FTC) will help you shop wisely throughout the year:

Shop Wisely

- Know whom you're dealing with. Only shop on known, trustworthy sites.
- Protect your privacy.
- While online, order only on a secure server.
- Guard your online password.
- Pay the safest way.

Know Your Rights

- Check the refund and return policy.
- Read the fine print.
- Check delivery dates.
- Review warranties.
- Don't be afraid to speak up if something looks out of place.

Get the Best Deal

- Compare prices.
- Check shipping and handling fees.
- Order early to allow plenty of time for shipment and delivery.

Keep Good Records

- Track your purchases.
- Keep receipts and website printouts. ■

TIPS & TRICKS

The Internet: Sites for penny-pinching tips

Many sites are available on the internet that can help us save money. Just do a search for Penny Pinching Tricks or Tips and you will find a wealth of information. Here are some we came across.

Pennypinching-grandma.com is all about trying to help you save a dollar and survive in this day and age. When penny pinching around the house, there are lots of different things you can do. Just think about saving money and it soon becomes natural to do.

Wisebread.com is a group blog run by a dedicated scrimpers and savers.

They share advice from their own lives and link to penny-conscious personal finance advice on the Web.

Frugalliving.about.com gives great advice from what you should do if you think you are going to be laid off to the etiquette of re-gifting.

Frugaldad.com collects the consumer savvy of Jason White whose one-time job as a credit counselor inspired him to help others to live within their means. He suggests such things as cooking dinner instead of eating out, canceling cable, and spending less than you make. ■

Budgeting Tips from FFEF Credit Counselors.

For some of us, impulse shopping is inevitable. My husband has a way to control our excess spending for impulse buys. Before leaving the house we write a list of everything we need to purchase at the store.

In the past, we said if it wasn't on the list, it wasn't purchased. However, we found this system didn't work for us because we eventually justified those purchases out of need or greed that were not listed. With this new system we are allowed anything on the list and in addition, we are allowed two impulse buys for those items that are not on our list.

This has worked really well, and I find that many times I am making wise decisions about my impulse buys because there are always items that I forget to put on my list of things that are needed in the house. That means that I am choosing necessities such as paper towels over the impulse buy I might have otherwise purchased.

- Rebekah

Find more great money saving ideas on our web site, FFEF.org

In these fragile economic times every cent makes a difference. This newsletter is full of great ideas, but don't miss out on a lot of other great money saving ideas on our website.

Don't forget to share your wealth of knowledge with friends and family. Our budget planning programs and credit counseling are available to everyone. Call today for more information.

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