



Transcript - The Money Drill at DigiMilEx: Josh Elledge – Savings Angel

Introduction: JJ Montanaro, host of USAA's new podcast, "The Money Drill," was on site at USAA's DigitalMilEx Conference speaking with bloggers, podcasters, authors, and speakers. Whether you're active duty, reserve, veteran, or military spouse, you'll want to tune in to hear their vital career and money advice.

JJ: Hi, this is JJ Montanaro at the USAA DigitalMilEx. And right now I've got from savingsangel.com, Josh Elledge with me. And, Josh, I'll tell you what, before we talk today, I went on, I was looking at the website, I did not click this button but I saw it and I almost clicked it. But I wanted to leave the discussion till we had a chance to talk. So when I rolled into work this morning, I stopped by the gas station, got my 44-ounce Diet Dr Pepper and headed on into work. So, I saw you had a headline there, "How I quit caffeine and soda." So let's start there.

Josh: Why not. Why not.

JJ: We're talking about savings...

Josh: And what we can talk about money anytime. You know, and actually a part of my reasoning for that was a financial decision, you know, because...and it was eating into my time. It was eating into my budget. And so I had a big time Diet Mountain Dew habit. And I didn't like the bottled stuff. I liked the...

JJ: It tastes different.

Josh: Absolutely, especially Diet. So I'd go into the gas station every single morning, get that 44 ounce. But what I was seeing, JJ, is that it was eating up my time. And so I started adding that up every month. And then, of course, the money, whatever, it's like a dollar a day. So that's \$30 a day, you know, 360 some dollars for the year. But then I started thinking about, "Okay, well, what is my time worth and what am I sacrificing?" You know, my kids are getting ready for school and my like, "I'll see you, kids. I got to go get my, you know, daddy's daily juice," or whatever. And then I started also thinking, "How long do I wanna continue this?" And I ask that question and I said, "Do I wanna do this when I'm in my 50s, in my 60s?" And

the answer was like, "No, I really don't." And it's like, "Well, am I gonna quit then? Am I gonna quit now?" You know, "When am I gonna quit?" I said, "Well, I'm gonna quit eventually. So I may as well just make this easy for myself." And so I noticed...now, I'm not gonna lie. The first...

JJ: I see you shaking.

Josh: Oh my gosh. You know, the first couple of weeks were, if I can use the word hell, I mean, it was horrible. As someone who had a big, big caffeine addiction to go off of that, I mean, emotionally it was very...it was tough. But I no longer have that crashing and that ebb and flow and, "Oh, I need my caffeine fix." I just don't have that anymore. And it's now taken about 30, 60 days to really get to that. Now, occasionally, I will have something with caffeine in it but I'm never ever going to make that a daily habit. It's gonna be like a very special something's going on.

JJ: I thought I was a winner when I went from four down to one. So for me it's a process.

Josh: Yeah, and that's great. That's a great way to do it. And you know what? This is a great way...you know, we talk about money habits. This is, in my opinion, the best way in order to forge new money habits is to take the same approach. Yes. Do we wanna be completely out of debt and do we wanna have, you know, savings for our college? Do we wanna have savings and investments? Of course we do. But look, jumping into all of that right away in one fell swoop, it's not going to work. I don't care how powerful you are. And again, I'm a veteran, I know we have military families and military, you know, military members and veterans listening to this program right now. Look, I know you've got grit. I know where that comes from. All right, now that grit is, you know, that is an advantage that you have. But I just wanna let you know there are some things I think you should take on full on and just grab the bull by the horns. That sort of thing.

Money is one of those things I don't want you to do that because I don't want you to lose any steam, any momentum. I want you to have one win every couple weeks. And then, once you feel like you've got that part mastered, then go ahead and add that other layer. And I'm doing that because I know behaviorally you are much more likely to succeed by the end of the year. And look, you've got a whole lifetime ahead of you of wise money decisions. I want you to start by just adding a good smart money decision today. The fact that you're listening to this podcast, that is a brilliant decision. And so the next decision would be to implement some of these ideas that you'll hear on "The Money Drill" but don't feel like you have to... You know, Rome wasn't built in a day.

JJ: I think that's a great point. And really, if you try to do too much, it can be exactly the opposite effect. It can dishearten you, cause you to fall off the path. I mean, we talk about savings. And USAA, our point of view is, "Hey, you ought to right from the get-go. You'll be saving 10% into retirement type vehicles." Well that's great but if I'm not doing it and all of a sudden I hear that message and decide I'm going to do it, it's very likely that a month into it I'm gonna lose steam and just say, "I can't do this."

Josh: Yeah. You know, and I do a lot of financial wellness education as well. And my

approach to financial wellness education is my people are the money stressed people. My people are the ones that, you know, you start talking about, you know, Roth IRAs and whatever, and their eyes glaze over. They're like, "I'm too worried about paying for my kids' doctor bill to worry about paying for my kids' college today." JJ, those are my people and just because I've been there, I know what that's like. And I've been in that position where, you know, I finally say, "Okay, let's do the spending plan. Let's do this budget and let's just figure out where we're at." And, you know, that's what led to Savings Angel.

JJ: So let's talk a little bit about that because Savings Angel is really meant for your people, and frankly, there are people, there are country because across the board, we have challenges that need to be faced. So tell us a little bit about how Savings Angel came to be?

Josh: Right. So about 10 years ago my dear wife and I were studying all the money experts, you know, going through I think this Dave Ramsey's Financial Peace University. And we finally did a budget. You know, we've kind of played around with budgets before, we thought, "Okay, this time, we're really gonna take it serious." And so we started noting like, you know, what we are spending, and we got to the line item for how much do you spend at the grocery store. I was about to write a number like a guess. Like I was gonna write, you know, maybe \$300, \$400 a month. And I said, "How much do we spend at the groceries store? Like \$300, \$400 maybe \$500?" And she laughs at me, my dear wife, and she says, "Are you kidding. We spent like \$800 a month at the grocery store."

And I put my hands on the top of my head and I thought, "That is a big ticket item. How can that be possible?" Like if we had a way that we could carve out maybe \$300 out of that. If I could get a \$300 pay raise at the time, that would be such a huge deal. And I knew that there were people out there that had figured this system out. There's these, you know, extreme couponers or whoever they were. And again, this was 10 years ago. And so I read all of the experts on the subject of how to cut your grocery bill. And you can do it. And anyone who's listening to us, JJ, can absolutely do this.

There's two ways to do this. Number one you can grow all your own food. And there are people that are really big on that. And I just knew from my perspective I didn't have the time and I certainly didn't have the skills. I had failed at that a number of times. So that's how. The other option that you have, and I'm sorry but I'm just gonna be real with you, unless you just wanna go on the government assistance, you know, the only other way you can do this is you just have to be very smart about your purchases, and you take advantage of incentives from retailers and incentives from manufacturers. But you have to time those incentives together. Now, what are these incentives that we're talking about? Well, the incense from your retailer are sales. Okay? A good grocery store that has great loss leader sales is going to be your best defense against a high grocery budget.

Number two are the incentives from manufacturers and these come in the form of coupons. And so before you start tuning me out and say, "I don't want a coupon." Look I get you. I hate couponing as well. But I also love saving money and I'm not a fool. I will use promo codes before I make a purchase online. Today's couponing is no more difficult than that especially with the way that we do it at Savings Angel. You know, we do all of the hard work for our members, for our fans. We have a coupon database. If you can click print, add it to your card,

and just don't even worry about it anymore, or maybe printed out and bring it in with you to the grocery store, that's as difficult as it gets. And, JJ, the reward of doing this is \ \$300 to \ \$400 a month savings, and I know that might sound like hyperbole. It is not. That is our average saving of our fans at Savings Angel.

JJ: Okay, so from a practical standpoint, from an application standpoint, someone visit savingsangel.com and do they sign up for a program? Or do they... I mean, they just look at what you have there in terms of what's on the web page? How do they make that \$300 or \$400 a reality?

Josh: Sure. So we have a free coupon database and we're constant. Every day, we're posting blog posts of like, "Buy this. Don't miss this deal," right? And so those would be for, you know, the handful of items like the... You know, at the very least do not miss these deals, right? And then we do have a membership portion of Savings Angel just because we have a team of 20, 30 people that we are constantly scouring the internet looking for the absolute best coupons. We vet them all so you're not, you know, doing these wild goose chases, that sort of thing. We also work with a lot of the retailers.

And so we're databasing everything that retailers are doing. We're databasing everything that manufacturers are doing. And then we combine all of those things together and we do this. It's daily. It's not once a week when the ad comes out. When a new coupon comes out, we're instantly matching that coupon against all of our inventory that we track. So that deal for Cheerios where you can get it for 30 cents a box may only happen for 3 days in a sales cycle. And so what we do is when you're a member at Savings Angel, we alert you to those opportunities whenever they happen. Because when a coupon comes out, you know, and let's say it's in the Sunday paper or it becomes available online, that's generally not the best time to use that coupon. You need to wait.

And so we're that service that you just tell us what you want. For example, if you need diapers, well, we're going to search around the clock for the absolute best deal on diapers. And if you say, "Well, I have a CVS near me," then CVS is gonna be one of the stores that we're searching around the clock for. When we find that perfect match to coupon and that sale, we're going to send you an email alert immediately so that you can print those coupons, bring them into CVS and you can get the \$12-packages of diapers for \$3. And you know what, that's \$9 savings and if you can make that kind of savings happen on everything that you're buying, by the end of the month you have an extra \$400 in your paycheck.

JJ: And there are a lot of good things we can do with an extra \$400...

Josh: You better believe it, yeah. So, of course, and again, I would leave it to the experts but I would say, "Make sure that if you've got any kind of like 18%, 20% credit card debt, holy cow, man. Let's just..."

JJ: You're multiplying your benefits right there.

Josh: We're gonna take a financial hand grenade to that crap and we're gonna get rid of that.

JJ: Now, on a personal level, so you came to that realization, had that aha moment when you were having the budget discussion. So before you put Savings Angel in a place to help others do it, did you have that same sort of transformation in your own approach to shopping?

Josh: JJ, I didn't start Savings Angel as a business. I started it because I needed it. So, I just started databasing all these coupons that would come out. And then, so each week then, I would go through the ad and I would try to identify the best deals. And I would then do a search across my spreadsheet and I would look for coupons that would match those deals. It was very time consuming. It would take me about an hour and a half every single week to find all these deals. And then, of course, once I'd find the deals I'd say, "Oh, this coupon that came out three weeks ago, now is the time to clip and use it."

You know, I developed it for ourselves and so we ended up saving \$200, \$300, \$400 every single month. Oh my gosh, it's so much easier today, by the way, but this is what we did. And it was the savings that I started sharing them, these deals with my friends. And people were like, "You really need to put this on the internet. I mean, this could be valuable." And I said, "Well, you know, is it something that you'd pay \$3.99 a week for?" they're like, "Yeah, duh, no brainer because return on investment." If I can turn \$4 into \$80 of savings, you know, I'm no fool. I know how that works.

JJ: As a financial planner I would say, "That's a good thing." That's really cool. Now, any other... So from the standpoint of tips to empower people to make good decisions, any other thoughts?

Josh: JJ, if there's nothing else that the person who's listening to us today remembers and that is I want you to stop buying what you need. When you go into the grocery store and you say, "Well, I need milk, and I need cereal, and I need two of these..."

JJ: Hold it, this is sounding familiar. I am feeling this.

Josh: Yeah, yeah. Well, that's how most people shop. We shop from a list of things we need and it's also generally good advice that don't buy anything unless you absolutely need it. That's generally good advice for most purchases but for consumables, look, you need everything. You need everything that's on your list. Instead, you wanna do, right? You're going to use it. You can't stop eating. Your family is always going to need to eat. You can try but that's not gonna last very long. You know, you could try not buying the diapers and the things and the toilet paper for the family, that's not gonna go over so well for too long.

So what I wanna make sure that you're doing is you are only buying the absolute best deals. And then, when you get a really great deal and you're getting a product at...maybe you're getting 70%, 80% off. I want you to buy as much as you can comfortably use before that item would go bad or expire. Most things have a much longer expiration date than we imagine them to be. You can keep things on the shelf for a very long time, well beyond their expiration date.

But I want you to stock up like any smart business owner. If, let's say, a woman owned a construction company and she could get her 2 by 4s for 50% off, how many would she buy?

Well, she would buy as many as she could so that she could pass the savings along to her customers. Increase her profit margin. Similarly, when you're at the grocery store, you are the buying agent for your family. So you need to make sure that when you find a great deal you buy a lot of it so that you can fill up your own pantry. Shop from your pantry. It's like having a food savings account.

JJ: But you are buying stuff that you're going to use because sometimes people get caught up in the sale and end up buying stuff. And I'm not talking about consumables but they buy stuff because it's on sale and they didn't necessarily need it. That's not a path we wanna go down.

Josh: Well, yeah. I mean, if you will need it. Of course, I don't want you to hoard like an extreme couponing. You know, the dudes that would buy like 80 bottles of mustard. I mean, that's just absurd. All right. And that's why we put him on TV so we can laugh at them. But I do want you to go ahead, and this is our mission, is that if we can help enough people fill their own cups, then they can in turn fill the cups of others. So if you do have a savings opportunity and let's say you end up buying, you know, 10 boxes of Cheerios because you get them for 30 cents a box, and this happens every week, there are deals like this. Yes, I do want you to buy all 10 boxes and then I want you to find somebody maybe it's a nonprofit you support. Maybe it's your church pantry. You know, maybe it's a neighbor who's out of work. I want you to go fill their cup. And it's scarcity, JJ, that keeps us from supporting the things that we truly believe in and the causes that we wanna support. I wanna remove that barrier of scarcity so that we can all be givers. And Savings Angel over the past 10 years has facilitated tens of millions of dollars of giving just because of what we promote.

JJ: Josh, I really, really, really, appreciate you stopping by sharing your aha moment, sharing savingsangel.com with us and with our listeners. And really, I agree with you totally, this is an engine for financial good in our own personal life. So thanks for coming to the USAA DigitalMilEx and thanks for stopping by "[The Money Drill](#)."

Josh: JJ, it's my pleasure.

JJ: All right, take care.