

COOPPING WITH LESS CASH



■ **STRIKE IT RICH:** Experiences make you happier than cash says (below left) the new book

Top tips on how to be happier with the money you do have

IF YOU walk into a book shop and stroll over to the self-help section you're likely to spy a number of brightly covered books promising to make you mega rich — as we are constantly led to believe more money instantly equals more happiness.

However, in their new book, *Happy Money: The Science of Smarter Spending*, psychologists Elizabeth Dunn and Michael Norton argue a different case, stating that after a fairly low threshold, more money does not improve our contentment levels.

They claim that if we really want a life full of joy, we should change how we spend the money that we do have, instead of trying to make more of it.

Here are their five steps to help you spend more simply, more wisely, and — of course — more happily.

BUY EXPERIENCES

"It's well documented that people get more happiness from buying experiences, like trips, concerts and special meals, than from buying material things, like dresses and houses," says Dunn.

There are a number of reasons for this. Firstly, we tend to have experiences with other people, material purchases are more often enjoyed alone.

Secondly, we tend to compare our material possessions — homes, cars, outfits — to those of others, making us more likely to regret our purchase. Experiences, however, are unique — it isn't as easy to compare a concert you saw with a film your friend saw.

Finally, the rush of happiness you feel when you buy a new material possession fades quicker than experiences.

"I've just bought a new skirt," says Dunn.

"I was in a really good mood after I bought it, but soon it will just be another thing in my wardrobe. Whereas memories of experiences often become rosier over time, even if they didn't work out perfectly."

PUT IT INTO PRACTICE: If you have to choose between buying a new belt and going for a day out with friends, opt for the day out.

MAKE IT A TREAT

"It would seem that the ideal route to happiness would be to have all the things we like best, all the time, but it turns out that's not true," says Dunn.

When we have something that we love all the time, it

By Aoife Kelly

becomes the norm and we no longer get excited about having it. That's why if we want something to stay a treat, we should limit how often we have it — fans of the Cadburys Crème Egg or a Starbucks special Christmas coffee will already know the benefits of this restricted access.

PUT IT INTO PRACTICE: Only have your favourite latte two mornings a week, opting for home-made coffee on the other days. Note how much more delicious your latte tastes when you don't drink it so regularly.

BUY TIME

"A fascinating finding from happiness research is that the big things in life, like getting married and having a good job matter — but not as much as people expect," says Dunn.

The little things, however, matter a lot.

Dunn explains that if you hate certain small chores like hoovering or washing the car, paying someone else to do it can have a big impact on your happiness levels. Not only are you spared the chore "that's a hassle and creates dread" — you can also spend your new-found free time doing something fun.

PUT IT INTO PRACTICE: If you can't stand cleaning the gutter and you can afford to, pay someone to do it. Make sure that you spend the extra time doing something you really want to do.

PAY NOW, CONSUME LATER

This is essentially an anti-credit card rule, declaring that paying now and consuming later, rather than consuming now and paying later, will make us happier.

Imagine you've bought a pair of shoes online. When purchasing them, you experienced that dreaded feeling of spending money, but four days later when your new shoes arrive, you only experience the excitement of getting your new item. Dunn explains this is because you have separated the dread of spending from the joy of getting.

But that's not the only reason why paying now and consuming later is a good idea. "A lot of the pleasure people get from holidays actually occurs before they leave," says Dunn.

"Because we can build up our positive expectations about it,



■ **CLOTHES CALL:** Buying things is not so fulfilling

we tend to enjoy it more when it happens."

PUT IT INTO PRACTICE: If you want to buy something, rather than sticking it on the credit card, save up for it and only buy it once you've got the money.

SPEND ON OTHERS

"People often think they'd be happier spending more money on themselves, but spending on others is much better," says Dunn.

It's not quite as simple as giving your friend a fiver though. "Giving money away doesn't automatically make you happier, how you do it is what counts," says Dunn. "Spending on others in a way that enables you to spend time with that person brings more pleasure."

PUT IT INTO PRACTICE: Buy two pieces of cake and take them as a surprise to your friend at lunchtime, then sit and eat them together.

■ *Happy Money: The New Science of Smarter Spending* by Elizabeth Dunn and Michael Norton (€15.75, Oneworld, out now).

