

Staying Connected

For the Alumni of the ECCB's Savings and Investments Course



Red, Green and Gold –The Colours of Christmas What would be the colour of your finances in January 2010?

It's beginning to look a lot like Christmas.

The stores are starting to put up their decorations and sale promotions abound.



I know what your are thinking...I am thinking it too. **It's Christmas time! Time to go shopping** and bring the spirit of joy and cheer to family, friends, and neighbours.....But hold up! Put on the spending brakes and consider what your finances would look like in January 2010 if you were to buy everything that your heart desires.

Would your finances in the New Year be dressed in red - **DEFICIT**? or in black - **SURPLUS**? To coin a phrase from Shakespeare "*aye, there's the rub.*"

This reflective consideration should moderate and guide your holiday spending. Spending in December like there is no tomorrow will only bring you sorrow not joy in the New Year.

So I guess now I am sounding like Scrooge or Dr. Seuss' Grinch who stole Christmas. Note well, however that the message of Dr Seuss' story is that Christmas is more than presents and Christmas trimmings. Peace, Goodwill and Love are all free.

This truism should therefore make us recognise that we can have a jolly, fun-filled, loving Christmas without breaking the bank, running up our credit cards and ruining our finances. "*Put the brakes on spending*" is a good mantra that should be incorporated into our Christmas carols.

But knowing that you will spend, here are a few tips to follow:



Put a price cap on how much in total you can afford to spend on gifts, presents and other niceties.



Write down each item you would like to buy and next to it **identify the cost.** Make sure your list captures every item, from the largest expenditure to the smallest. Add it up and compare the total with the amount you can afford to spend.



Having compared what you can afford to spend and what you would like to spend, **make adjustments to bring your Christmas expenditure in line with your spending cap.** The advantage to doing this is that when you recognise you cannot afford to get everything your heart desires it would force you to be realistic and creative about your gift giving.

1. Are the items on your list a need to buy; nice to buy or just a frivolous buy? Focus on the first category.
2. Can you make cards and some presents instead of buying them?
3. Can you find bargain gifts that would be appreciated just as much or even more than those frivolous extravagances. The earlier you begin your Christmas shopping the more likely you are to find bargains.

Unbridled spending in Christmas will be show up as collateral financial damage in January. Spend wisely and you will have a happy New Year.



My gift to you is all the love and good fortune that money cannot buy. **Ho Ho Ho! Merry Christmas. SLW**

EDUCATIONMatters



Norlann Gabriel, Sub-Branch Manager, CMMB, St. Vincent & the Grenadines addressing the graduates

We are gathered this evening to mark the occasion of your graduation from the ECCB Savings and Investments Course implemented in collaboration with the ECIB and the University of the West Indies.

Currently the knowledge of Savings and Investments is relatively underdeveloped in our country and your accomplishment marks an important milestone.

There exist many other avenues for savings and investments and ultimately wealth creation than what is traditionally known in our region. By continuously educating yourselves, you position yourself to be able to discern the investment vehicles as well as the

level of risk that you as an individual investor will be willing to undertake.

Investment is critical in determining the long-term economic performance both at the individual and at the macro level.

It is pivotal to a country's growth and to its foreign exchange position.

Generally when investment is increasing these conditions get better.

Additionally, a population that is more educated on financial matters leads to more economically sound decision making by the government.

As constituents you will become more demanding of your elected officials in terms of the financial impact of the decisions they make. You will in effect "raise the bar".

Savings are the lifeblood of a healthy economy. It is typically one of the main sources of funding to

finance capital development and consequently financial growth.

The total GDP that is devoted to investment in fixed assets is an important indicator of future growth for any economy.

In recent times we have seen unprecedented changes in the financial landscape and many individuals are left wondering what next in terms of a safe haven for investments.

With a background in a course such as this you are now better equipped to navigate these turbulent financial waters.

In closing, I implore you to continually seek other opportunities to expand your expertise in financial matters.

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Tell Me, What are you really **SELLING?** Editor's note

What are you selling? Is a question that I want to ask every time I walk into a store, restaurant, hotel or go to purchase fruits and vegetables from the market vendor.

I wonder if entrepreneurs and managers ask themselves this question over and over again.

What am I really selling?

As a consumer, I am looking for a healthy lifestyle, comfort, peace of mind, excitement, even happy ever-after?

Sounds like a fairytale doesn't it? But it shouldn't, not if business people realised that those intangibles are exactly what they should be selling.

The appliances, clothes, beauty care products, vegetables, hotel rooms, dinners, etc are just packaging for what consumers are really seeking; *happiness, excitement, a sense of belonging, comfort, healthy lifestyles...* when they go to buy.

The problem is that many business persons fail to understand exactly what they are selling and hence miss out on a wealth of opportunities to maximise the business' potential.

Let's take for example the local market vendor. The vendor may just consider that he or she is selling fruits and vegetables and assumes that by saying they are locally produced it makes a difference. However, what if customers are seeking a healthy lifestyle embodied in part in organically produced fresh fruits and vegetables; then local produce may not be what is desired, considering that many local farmers use a myriad of pesticides in their farming techniques. For the customer seeking organically produced food, the country of origin is secondary to the manner in which the food is cultivated.

Imagine if our Ministries of Agriculture were to understand this distinction and begin to certify farmers who specialize in organic farming. This would ensure that when you and I go to the market we would be able to see a certificate that identifies the produce on sale as organic. Certainly many of us would be more than willing to pay a little extra for the healthy lifestyle being sold.

Unfortunately, many farmers and vendors have yet to ask themselves the questions "What am I selling? and what are customers seeking to buy?".

Imagine how much more marketable, organic produce would be to hotels and restaurants who in turn can certify their meals as healthy, free of pesticides and other potentially harmful toxins and consequently sell more than just food, but rather sell a healthy lifestyle.

Maybe however we have been so caught up in the day to day activities that business persons never had a down time to stop, pause and reflect on their business mission. Now with the economy on the down side, this slow period may provide the mental space for business persons to reassess their business offerings and consider what they are really selling. The slow down may therefore be a blessing in disguise. ●

Knowing and understanding customers' needs is at the centre of every successful business, whether it sells directly to individuals or other businesses.

Once you have this knowledge, you can use it to persuade potential and existing customers that buying from you is in their best interests.

<http://www.businesslink.gov.uk/bdotg/action/layer?topicId=1073897627>

Lost in TRANSLATION

Interpreting Customers Wants and Needs

Although marketing is about satisfying needs profitably, actually understanding customer needs and wants is not always a simple task. Customers speak in a code that requires some interpretation. **What does it mean when the customer asks for an inexpensive meal?**

STATED NEEDS The customer wants a nice meal.

REAL NEEDS The customer wants a meal that is balanced, healthy and affordable.

UNSTATED NEEDS The customer expects a high level of quality service from the restaurant.

DELIGHT NEEDS The customer receives a coupon for a free meal for two on the basis of being a regular customer.

SECRET NEEDS The customer wants to be perceived as part of the “restaurant’s family”.

In general a business can respond to customers’ requests by giving customers what **they want**, what they **need** or what they **really need**. Each level involves more probing, but the end result will be more appreciative customers. The key to gaining a competitive advantage is to meet the customers’ real needs better than any competition can.

More Than Words



LessonSnips

Bargain **BUDGETING** food prices
FREE frugal **SPEND WISELY** save
retirement **MONEY** insurance
GETTING **STARTED** bills
DEBTS banking **ECONOMY**
EMERGENCY FUND economise
long-term financial health **NEEDS**
FINANCIAL PLANNING recession
credit cards **ECONOMIC FUTURE**
living expenses **SAVINGS**
DISCRETIONARY **SPENDING**
love and money **SACRIFICE** wants

You control your financial future not the ups and downs of the economy.

It is the financial and life choices that you have made in the past and are making now that will determine whether you will sail through this period of economic downturn or sink.

Your **FINANCIAL FUTURE** is all up to you.

