

Financial Wellbeing

This is not about how much money you have.

However the authors are honest enough to say that although money doesn't guarantee happiness, being in a wealthy country does increase your odds of having a good life.

Here are their findings :

- Spending money on oneself does not boost wellbeing.
 - However spending money on others does boost wellbeing.
- A seldom known fact about retail therapy : sadness may lead us to spend a lot more money on ourselves than we otherwise would.
 - The worst time to make a major purchase is when you are feeling down.
- Buying experiences increases our own wellbeing and the wellbeing of others
 - Examples of experiences – going out for a dinner or taking a vacation
 - Experiences last while material purchases fade
 - Experiences last through the memories they create
 - This applies less when people earn less than \$2000 a month
 - As income levels increase, experiential purchases produce 2-3 times the levels of wellbeing compared to material purchases
- It isn't how much we earn but how much other people earn that makes us happy or unhappy.
 - People prefer to earn less but more than others than to earn more but less than others
 - The only way out of this never-ending rat race where we must feel we are better off is to boost Career Wellbeing and Social Wellbeing.
 - People with high Career Wellbeing perceive the same amount of pay more favourably than those with low Career Wellbeing
- We view money in relative, not absolute, terms
 - It means less when it is invisible like a refund into one's bank account
 - It hurts less when paying is separated from buying like in a credit card
 - Setting up automated processes to pay debt or put into savings takes advantage of this – it's called Setting Positive Defaults