

INCENTIVE SAVER NEWSLETTER



May - June 2026

Saving isn't about being perfect. It's about building a system that works even on hard weeks.

When you build your saving system just keep it simple.

The consistent message from our savers is: set up automatic payments, keep the amount small so you don't notice it and lastly advice from **Dee** our latest finisher:

"When start saving open an account where you can't see or be able to withdraw from. It will make the savings easy".

I've mentioned the UK based Rebel Finance School before. They run a free online course available to anyone. Quite a few NZers take part. Their aim is to make money (and investing) understandable to all.

No, I'm not arm twisting you to do the course (though it is good). It was one of their comments that really struck home. *If money feels confusing, do not assume you are bad at money. It usually means it has been explained badly.*

That's true. Sometimes too much information can make us feel stupid. Be kind to yourself. Don't overthink it. Just find one clear explanation, one simple tool and one next step.



Getting Stuck!

Two of the most common ways people end up on our financial mentoring doorstep.



1. CARS (and not because of current petrol prices)

- Taking a car loan but not reading the contract to see really how much in fees and interest they'll end up paying. Its breath taking sometimes. Note: - 29.95% is not a good deal!
- Missing payments, getting stung with extra fees and then having even higher repayments to cover arrears.
- Car needs to go to the garage, new tyres etc. No money for this.
- Car has no current WOF or rego resulting in fines plus making any existing car insurance policy null and void.
- Accidents. No insurance. Car badly damaged – having to find money for repairs.
- Accident No insurance. Car written off. Car repayments must still be made (for a car they no longer have). Often a replacement car is purchased.

People tend to focus on the price of a car not the running cost.

If buying a car – set up a car fund. You'll need it.

2. AFTERPAY

Oh, my goodness is there anything we can't buy with Afterpay!
People buy 1 or 2 things then get hooked into buying more and more.
Payments can easily get up to \$300 or \$400 a week.

Next, because virtually all of their income is taken up with repayments people end up buying essentials like groceries and petrol with Afterpay. It's just an endless cycle and a hole that's hard to dig out of.

If you're in this situation contact Afterpay. Explain your situation. Get a hardship arrangement in place. It may mean you can't use Afterpay but ...



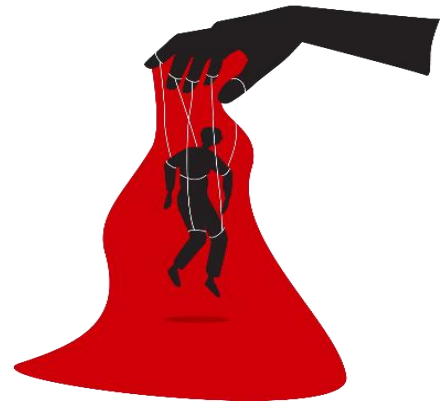
The longer you stay on the wrong train the more expensive the ride back will be!

Dark Patterns

Dark Patterns are tricks used in websites and apps that make you do things that you didn't mean to, like buying or signing up for something.

The information for Dark Patterns came from an interview Frances Cook held with Chris Schulz from Consumer NZ.

Best ways to combat these: Once you know the tricks you know what to look out for, don't shop late at night and don't shop in a rush.



Examples

- **Subscription Traps**

Making it very easy to sign up but nearly impossible to cancel a service or subscription.



- **Sneak into Basket:**

Hiding or delaying information, such as adding hidden charges (e.g. service fees) at the final checkout step.

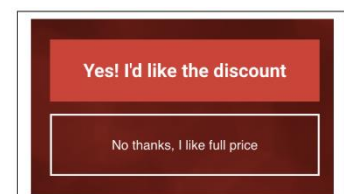


- **Forced Action:**

Making people do something they don't want to - like making you create an account, having to give your email address or answering a question even before you can access a service.

- **Confirm Shaming:**

Guilt-tripping people into opting in by phrasing the refusal option negatively.



- **Misdirection:**

Manipulating what things look like on your screen so you are more likely to choose an action i.e. Accept Cookies button is large.

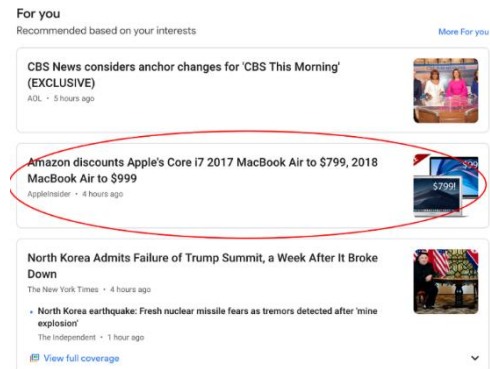
- **Countdown Timer:**

Displaying false timers or stock counts to force an impulsive purchase.



- **Disguised advertisements:**

When advertisements look like regular content on a website, causing users to navigate away from the website unintentionally.



FOR FUN RULE of 72

The Rule of 72 helps you estimate how long it takes an investment to double your money.

Just divide 72 by your annual return rate:

$$2\% \text{ return} \rightarrow 72 \div 2 = 36 \text{ years}$$

$$5\% \text{ return} \rightarrow 72 \div 5 = 14 \text{ years}$$

$$8\% \text{ return} \rightarrow 72 \div 8 = 9 \text{ years}$$



If it takes nine years to double a \$1,000 investment, then the investment will grow to \$2,000 in year nine, \$4,000 in year 18, \$8,000 in year 27, and so on.

Major warrant of fitness changes coming in November 2026

- Cars between four and 14 years old and registered on or after November 1, 2019 will only need a WOF every two years.
- From November 1, 2027 cars aged between four and 14 years, registered on or after November 1, 2013 will also only need a WOF every two years.



And guess what - fines for driving with expired WOF, non-compliant wheels and tyres etc also go up!

Happy Saving!

Thank you also to those of you who spread the word about Incentive Saver amongst family, friends and clients.

If you are interested to know more about the Incentive Saver scheme or want your name added to the newsletter list just send us an email

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