

How FOMO Sucks Your Cash



Your besties want to go all out Saturday night (bottle service, baby!). Then bae suggests you two splurge on NBA seats because your team is in town. And next weekend, your cousins are throwing a major family dinner at that new barbecue joint. Too bad that by the time the bill for the braised brisket comes around, your wallet will have fallen victim to serious FOMO spending.

Yep, the fear of missing out doesn't just make your social calendar rival the royal family's. Trying to keep up with friends and not wanting to pass up an experience—or just as likely, an epic 'gram—has left 1 in 5 millennials guilty of spending beyond their means at least once a month, says a recent Credit Karma survey.

“This generation faces social anxiety that's exacerbated by social networks,” explains certified financial planner Alison Norris, of personal finance company SoFi. You see incredible b-day parties and trips on Instagram and believe that everyone is doing these amazing things without you.

The resulting urge to join in (and post your own #LivingMyBestLife content) can cost you. Fifty-seven percent of young people report blowing money they hadn't planned to because of what they saw on social media, per a recent Allianz Life study.

Reality check: It's not always worth it. Wild spending can crush your future financial dreams, leaving you with a slew of cute photos but zero savings. “You want memories that last a lifetime, but the worst thing you can do is look back at your 20s and 30s and only have debt to show for it,” says Katie Ryan O'Connor, former director of content at Credit Karma.

Here, five ways to curb FOMO spending while still having a fab time.

1 Log Off

When your feed is cluttered with pics of people chilling in Cancún, it's hard not to search for vacay deals. Avoid the temptation by ditching social media for a week or two, says Norris. Remove Insta, FB, Pinterest, or whatever else gives you the most FOMO from your phone. "Keep track of how much you spend during this break, then compare," she says. If you save hundreds, consider doing a longer cleanse to really limit your splurging. Or if temporarily deleting your apps isn't an option, Unfollow the most triggering accounts (we see you, trust-fund kids and jet-setting celebs).

2 Find Cheaper Fun

"Frugal doesn't have to be boring—you can swap in cheaper thrills," says O'Connor. If, for example, your squad wants to do it up glamping, suggest a more affordable campground rather than stay behind (trust, the cozy s'mores-by-the-fire shots will look just as cool). Chances are, you're not the only one in your friend group who's dealing with a spending-saving tug of war. And if your hangs have been getting pricey AF, you're also not the only one who will be relieved to cut back on the extravagance. If anyone gives you crap, they're likely not worth your FOMO anyway.

3

Start a FOMO Account...

Truth: You shouldn't always have to forgo the fun. Start prepping for must-attend moments by opening a new FOMO Fund savings account. Set aside 50 percent of your total paycheck for necessities such as rent, 20 percent for your OG savings, and 30 percent for can't-miss stuff, suggests Norris. (If that breakdown doesn't work for you, pay off your bills first, then split what's left.)

...and a FOMO Budget

Create a budget for your FOMO Fund by making a spreadsheet of categories such as travel, food, entertainment, clothes, tech, workouts, etc. Prioritize which ones are most important to you. If you know it'll feel miz to miss a group yoga retreat but don't care as much about grabbing the new iPhone, allocate 50 percent of your FOMO bills to workouts, 10 percent to tech, and 40 percent to what's left over. "Have an awareness of where your dollars are going and what brings you joy," says Norris. "If something doesn't make you happy, remove it from your budget entirely."

5 Set a Cash Cap

If you know you always blow through your paycheck at boozy brunch, don't ditch the weekend tradition altogether. (That will just make you feel even more left out.) Instead, consult your budget to see how much you can spend on bacon and mimosas without hurting your wallet. If it's \$20, take out only that amount of cash from your FOMO Fund and do the legwork to find a place in your price range. Then, for extra measure, leave your credit card at home, says O'Connor. That way, you can avoid more credit-card debt and you won't be tempted to tack on a \$5 side of avo or an extra round of screwdrivers to your tab.

TO SPEND OR NOT TO SPEND?

○ **Those trendy new sandals on Insta**
Verdict: Nah. Just 'cause your fave follow is wearing something bangin' doesn't mean you should shop the look stat. That said, if you're still coveting them two weeks after double-tapping, then consider making room in your budget.

○ **Beyoncé and Jay-Z tix**
Verdict: Yes, girl...if you're a die-hard fan and the show will be the highlight of your season. But set a limit for how much you can drop on tickets. You may not be front row with the Hive, but hey, at least you'll be there.

○ **A friend's last-minute b-day dinner at a posh place where you've eaten...twice**
Verdict: Nope. Been there, dined on that. Save your \$\$\$ to take your pal to a new, less expensive eatery.