



# Wealth isn't just about income it's about your money choices

*When someone's income increases, it's usually visible in the way their lifestyle changes. The markers of financial success are often believed to be bigger houses, luxury vehicles, expensive schools and exotic get-aways: all the accepted signs of having 'made it'.*

Understandably, the accumulation of these assets and experiences is tied to having money, but **they're no indicator of wealth**. But does any of it really matter in the long term? According to financial expert Dawn Ridler, **controlling and understanding your consumption is the true key to wealth**.

## HABITS CAN BE CULTIVATED

We tend to speak of habits when they highlight destructive patterns of behaviour. But there are also many good habits that are great to have.

Cultivating wealth is actually about developing a routine around responsible money choices. In other words, we can practise making wise financial decisions until it becomes a habit. Here's how to get started:

- Prioritise grudge purchases such as health cover, insurance and risk cover. Many of life's unexpected expenses resulting from accidents, death, loss and theft can be planned for. Avoid dipping into your savings by having cover for yourself, your family and all your valuables.
- Save as often as you get paid. Make it a habit to save a small portion of every bit of income you receive. Allow your savings to spend a minimum of 5 years untouched to really reap the benefits of compound interest.
- Cars and homes should serve you for 10+ years – believe it or not. Switching properties and cars often can create unnecessary expenses when the ones you have are still perfectly adequate.
- Always shop around. You don't know how much you're overspending by until you try 3 or 4 more service providers. There are also many websites and online tools that help consumers find competitive pricing on financial products.

***"Money is only a tool. It will take you wherever you wish,  
but it will not replace you as the driver."* – Ayn Rand**

Having more is inevitably about using less. It may be tempting to upgrade your lifestyle after every pay hike, new job, lump sum payment or after the closing of a big deal. Turning those rands into real wealth requires learning to spend carefully, save strictly and keep your eye on the future.

*Disclaimer:*

*The information contained in this communication, including attachments, is not to be construed as financial advice in terms of the Financial Advisory and Intermediary Services Act of 2002 or any other form of advice. No warranty is provided that the information is appropriate or suitable for any particular purpose.*