

EPISODE 459

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[INTRODUCTION]

[0:01:35.1]

FT: You're listening to So Money everyone, welcome back. Welcome back to the show, I really appreciate you. You don't have to be here listening but you are and so whether you're on your way to work, you're working out, you're cooking something delicious, I just recently found out that one of my fans is this mega — if you're listening, I'm bragging about you — she's like this huge Instagram person but more than that, she is a, let me find her okay? Because this is really important, I want to brag about her and I can't, let me just, this is happening in real time

everybody, her name is Rachel Mansfield. Yeah, follow her on Instagram she's 115,000 followers.

When I saw that this woman was following me on Instagram and like mentioning that she's listening to my podcast, I nearly fell over because hello, she's a big deal and I feel really honored to be someone that she goes to for advice and for entertainment. Because really, this show is a journey, journalism, entertainment. So thank you Rachel for tuning in and I love hearing from people when they like an episode, they tweet about it, they share it on Instagram, it really helps my day.

Anyway, where were we? Okay so today's episode, do you ever feel this uncontrollable urge to spend? You know I used to do this really expensive thing in college is a way to distract myself from studying, I would go to this marketplace right below my dorm, it was 24 hours, it sold all sorts of things, food, clothing, accessories and I would usually buy something and to me, this was a way to kill time and not to work and kind of procrastinate even further. And I was doing it at my own expense. I was spending money and I think I was just too scared to face my own priorities and responsibilities.

So I did the irrational and I spent. I spent with emotion and thousands of credit card dollars later, I made McClanahan's very wealthy in state college. I had to find a way to get myself out of debt as a new college graduate, yay for me. Today's guest is a recovering spender who along with her husband found herself in \$40,000 worth of debt. Lauren Greutman is here. She wants to help people going through this same situation and she's got a new book coming out soon, you can pre order it, it's called *The Recovering Spender: How to live a happy, fulfilled, debt free life*.

Lauren and her husband Mark actually joined me on So Money way back when, they were episode 58. Very interesting dynamic these two, they've also got four children. So how does a couple with four kids go through all that debt, they even I think once almost lost their house, I mean, major stuff right? And how this woman is now just killing it, has a brand, has a book, is talking to the world is doing a documentary, we're going to learn all about it here in this episode. Stay tuned, here we go.

[INTERVIEW]

[0:04:37.9]

FT: Lauren Greutman, welcome back to So Money.

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LG: Thank you for having me Farnoosh, I'm excited to be back with you.

[0:04:43.7]

FT: Yeah, you and your husband were kind enough to come on the show way back when we first launched and you're my first couple, my first three way on So Money.

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LG: I didn't know that. Okay, that's fun.

[0:04:56.7]

FT: Very successful interview, you two have really been such an inspiration for Americans as many Americans went through financial troubles, especially around the financial crisis of 2008/2009 and you've really made a comeback so much so that you Lauren have built this incredible brand around your ambition to save and to help women and families learn how to save and specifically if you are a spender like you were, how to recover.

Your new book is coming out this fall in just a couple of weeks in fact, it's called *The Recovering Spender: How to live a happy, fulfilled debt free life*. It seems like the book should have come first but the book... because now you've gone on to give your advice on Dr. Oz and The Today Show and good morning America. Now, usually the book comes before all of that press. Tell us about how you got around to writing this book and why you wanted to do it?

[0:05:53.9]

LG: Yeah, thank you for that nice, kind introduction. I always love watching you and everything that you do as well. So you're always an inspiration to me as well but when I was sitting down and thinking about, I had written two self-published books before and didn't do a ton of promotion around them, they were just kind of resources for my readers. But when I sat down and really kind of started to think about what I saw was missing when it comes to personal finance books, I saw that what's missing is talking to the people that don't get finances, right?

The people who are just really stressed out with their money but they don't know where to turn and so many times, as I'm a spender and so I know a lot of times you talk about saver versus spender right? In the finance world. But I'm a spender and rarely do books speak to me as a spender. They speak a lot to the people that love to invest and really love to kind of geek out on money, right? But rarely are there books that talk to people like me who just didn't get it.

People would say like, "Okay, it's just numbers, it's just easy." And it's like, "But it wasn't easy to me, it was really hard for me. What am I missing, what's wrong with me? If it's supposed to be easy, what's wrong with me?" So when I sat down to write this book, that was my goal was to speak to the people that maybe feel like the black sheep when it comes to managing their money. You know, the ones sitting in the back of the class or the ones who just keep on bouncing checks and all of that.

But then also, just giving practical steps for anybody and regardless of what situation they're in, to help them learn how not only to better manage their money but creative ways like how to declutter their home to make a few thousand dollars, strategic ways to pay things off and sell things from your house and meal plan. Things that kind of are a comprehensive approach to money.

[0:08:03.2]

FT: So many people live paycheck to paycheck and so many people spend emotionally, which I think you can relate to.

[0:08:09.6]

LG: Oh totally. I think money isn't just money, it's tied to your emotions, it's tied to your relationships, it's tied to your faith, it's tied to your relationships with your kids like it's tied to everything and it's emotional when you see a lot of people that my clients said I worked with now is it's emotional thing. They spend because they're happy, they spend because they're sad, they spend because they're bored, they spend because they're depressed.

But we have to get to the root issue of why that's happening instead of just saying things like, "Oh it's just money, it's just easy, it's just numbers." Then we miss out on and a huge population of people that are like, "But it's not, it's not easy for me." So that was kind of my dream behind the book.

[0:08:55.1]

FT: Why isn't it easy?

[0:08:58.1]

LG: Yeah, because like I said, it's tied to your emotion. For me, I grew up in like the upper middle class area. I kind of got a lot of, you know, everything that I wanted was handed to me but then I also learned I had to work for my money. There was two different things growing up. For me, saying no to something wasn't just saying no. It was saying no to my desires, saying no to my wants.

A lot of times people are spending when they're bored because they don't have friends, they feel like they need to go out and spend money. If people weren't taught money, it brings them a lot of anxiety, they don't know how to deal with it. So it's really tied to everything, if you go out on a date with your husband to have a great relationship, you have to spend money.

If you have children, you have to spend money, if you have friendships and they're going out shopping, you have to spend money, it's related to everything that we do every single day. It's just not such an easy thing to a lot of people because it's so tied up in our childhood and our upbringing and all of that that it's just not like a quick fix for some people.

[0:10:13.2]

FT: Just to review, just to remind some listeners who maybe have forgotten about when the first time you and your husband were on the show but the two of you, you went through some pretty challenging financial times. Your home was underwater, your car got towed away, \$40,000 in debt and I even interviewed you for Money Magazine because I was looking for someone who was so blindsided by their own desire to save. You were an extreme couponer to the expense of sometimes happiness in your marriage. How did you personally get over that?

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LG: My wakeup moment was, we were \$40,000 in debt, my car had just gotten towed away and I kind of outlined all of this in the book in like extreme kind of raw, graphic detail. But for me, I was spending money just without abandon, we'll go to target for one thing and come home with like \$300 worth of stuff.

I just spent money whenever, wherever I wanted to, I never looked at the checkbook, we never had a budget and it just got to the point where I was kind of trying to manage our bills and doing a very horrible job at it. But I sat down and I really was like okay, I need to figure out how much debt we're in because at that time I didn't even really know how much debt we were in and when I calculated it, it was \$40,000 and nearly had a heart attack. I just wasn't paying attention.

So Mark didn't know anything about that and our car had just gotten towed away and I just remember feeling like, "Okay, my marriage is struggling right now." He was seeing that I was spending money and getting upset with it, I started doing things like hiding things in the trunk of the car and then when he would go to work I'd bring them in and put it, hang them up in the closet so he wouldn't notice. When it got to that point where I felt like I was being deceptive to him, I knew that I had to make a change.

I knew that our marriage was struggling, I knew that if I continued to go down this route, this road of hiding the spending from him and hiding the debt from him that it wasn't going to end up well. Thankfully I had that insight to kind of be like, "I care more about my marriage than I do

about this Coach purse and I've got to figure out a way to stop my spending," and so that kind of was like a lightbulb moment for me and I came clean to him that same day and I said, "Mark, we're in \$40,000 of debt," and I was like cringing like fully expecting him to yell at me or cry or run out of the room and he said, "I forgive you, we're going to do this together," and from then on, we've been working hand in hand and it took us two years from that night to get out of debt.

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FT: So basically it came down to your money or your life?

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LG: Yup. It was a value thing. I think for me, money — the past eight or nine years that I've been doing this and kind of going to this journey is that I see that money is always, you always trade your money off for some value. When I was holding up a Coach purse, if I held up a Coach purse in one hand and then I held up a picture of my family in the other, I have to look at both of them and decide which one is more important to me in the long run.

When I started really putting my purchases kind of side by side with what I really valued in life and what I wanted my life to look like, it started becoming easier and easier for me to say no to those things. It wasn't easy to start with, but it became easier.

[0:14:01.2]

FT: All right, so let's talk a little bit more about the book, very excited for it, it comes out September 13th?

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LG: 13th, yup.

[0:14:07.4]

FT: All right. You're doing all this pre-sale right now, when September 13th comes around, it's almost going to feel like a non-event because I know you're so in it right now. What are you looking forward to most from releasing the book?

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LG: I'm really looking forward to getting my message out there. I think that the way that I have packaged the book and shared it, I think it's in a book that the personal finance world has never seen before, I think it's a book that you can take somebody can buy it for their spouse, if their spouse is spending too much money. That's kind of like I guess giving somebody a weight loss books. So I don't know if I recognize that, right? To say, "Maybe you should lose some weight."

I don't know, I think that this is a good book that you can give people to help them learn how to budget and stay within their budget. I'm just really looking forward to getting my message out there and I think it really resonates with people that have had problems getting out of debt and getting back into debt. I'm really excited to get my message out there and one other thing that I've actually been doing to help the book is I've been filming a documentary with a family.

[0:15:24.2]

FT: Yeah, tell me about that. I noticed the documentary, tell me more.

[0:15:29.8]

LG: Yeah, so I decided, a lot of people do like book trailers to promote the book or whatever and I thought, "You know what? That's awesome," but I really wanted to share a story through the book through an action, through a family's life. I had about a hundred people apply to be the family in this documentary and so I've been flying out to Cincinnati Ohio the past few months and filming a documentary with a family that was in a lot of debt, significant financial trouble and they were spenders.

I've been helping them the past few months and I have an Emmy award winning film crew that's been following me and so that you will be able to see that documentary right on my website,

Laurengrewutman.com and also the Recoveringspender.com. You can watch it, it's a three part documentary where you can watch this family follow the principles in my book from start to finish and see their success using my principles.

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FT: Wow. How do you have time? You have four kids.

[0:16:33.9]

LG: I have a wonderful assistant, I mean, you know, you have an assistant as well so they save your life. My husband, he quit his job two and a half years ago to come work full time with me on the website and we really are a true team. He prefers to stay behind the scenes and stay home with the kids while I go travel and so he handles — you know I can literally leave the house and know that he can take care of the kids and the website in the house. He's absolutely amazing, and I'm just really good at prioritizing my time and seeing what's most important.

[0:17:12.0]

FT: Well how do you prioritize your time? That's obviously what you have to do, but how do you actually do it?

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LG: Right, so this year we actually moved our office out of our house into an office building and so we have strict work hours. We work Monday, Wednesday, Friday from nine to three and that's Mark and I. So we have a part time nanny that comes to the house and I have a full time assistant in the office with me and we also have a full time product developer and video editor and film guy.

So there's four of us working in the office all the time and we're just really good about making sure that everything that we do is to help our readers and our listeners to our podcast and we just have such a strong vision for what we want our website and our brand to look like. That we

set those work hours because then on Tuesdays and Thursday's when I'm home, I'm 100% mom.

Yes I check email throughout the day but it's really important for me when we talk about values, I talk about the Coach purse versus what I want my life to look like. I have to do the same thing with work all the time. Do I want more money or do I want more time with my kids? I always choose the kids over anything else, and I choose my relationship with my husband. So that's how I really prioritize my time, we have those strict work hours.

[0:18:36.3]

FT: You've done so much research, you have such a connection with people, you have all this people that follow you on Facebook, you went to Cincinnati to profile that family. So you're really ear, nose, eyes to the ground, you're peeled to the most pressing issues when it comes to families and money. So what are you discovering that maybe is not that talked about? That is not center stage yet but you think is going to be the next big hot issue?

[0:19:04.6]

LG: Yeah, I think the conversations between husband and wife about money, I think people are starting to see how bad it is for you to not communicate. We're seeing more and more student loan debt and now we're seeing millennials graduate with \$100,000 in student loan debt and I think parents are really kind of waking up to the fact that if I don't teach my kids now, they're going to end up in their 30's and their 40's with student loan debt, even then in debt. I think what I'm seeing now is that families are really starting to try to get their lives back together at home with their money and really communicate with their kids about money.

Because they're seeing the damage that was done and is still going on with all the student loan debt that we have now. That's really what I'm seeing is I'm seeing parents really trying really hard but I think with social media is such a hard thing for moms these days because they sit at their computers and they look at Pinterest and they...

[0:20:15.9]

FT: It's depressing.

[0:20:17.6]

LG: It's depressing because you think, "Oh my gosh, my family, my house does not look this way, I don't do crafts like this."

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FT: It does the opposite of what it's supposed to do, which is inspire you. I've bene there.

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LG: Exactly. Yeah, as a mom...

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FT: Or overwhelms you, you're like, "How am I ever going to do this DIY project in a weekend?"

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LG: Exactly, that's just not relatable and you know, I think that that's a topic that should be talked more about that social media is killing the spirits of moms but at the same time, it's making them broke because they feel like they have to have all the nice things that everybody else has and because they saw this Instagram post, they have to go and design the room this way and...

[0:21:01.8]

FT: Transparency is killing us.

[0:21:03.4]

LG: Yes, it's killing us.

[0:21:06.7]

FT: People need to understand what you see on social media is not real half the time. It may be the skeleton of what's real but with filters and Photoshop and all that other stuff, I mean, it's intended to look perfect when it really is not. So we just need to give ourselves more credit.

[0:21:24.8]

LG: Yeah, I think that's why I love Snapchat so much right now is because I get to share. I'm all about the raw, nitty gritty, like, "I'm not perfect, follow me if you want, this is my life, this is what I've lived through." But that's why I like snapchat so much, I feel like I can show people the behind the scenes, like, "Okay, look at my kids, look at the laundry that's covering my couch right now."

[0:21:46.8]

FT: Where do you draw the line because this is where I'm really — I'm not struggling because I think I have drawn the line but my challenge is, as a result of drawing a line, I'm missing out on probably more followers, you know. But honestly it's like I know that it's not good for my marriage to be walking around the house Snapchatting everything.

[0:22:09.1]

LG: Right.

[0:22:09.7]

FT: I need to spend time with my husband face to face and I need to go to a dinner and not look at my phone every five minutes, you know what I mean? And I feel like some people are just, it's like Snapchat, they're walking around with a camera attached to their forehead and I just don't

know where to draw the line because on the one hand I want to have like a bigger community online but I also want to protect my life in some ways. So where do you draw the line as someone who is very public figure at this point?

[0:22:38.4]

LG: Yeah, so I'm the same way. Mark hates Snapchat, he doesn't want me on Snapchat. So I do a lot of snapping, when I'm doing it, it's more like behind the scenes, "This is what's going on in the office today." I was just on The Today Show yesterday and I did some snapping behind the scenes of the show right before we went on.

I use it more for that and I'll do some snaps with the kids when they're doing funny stuff but I've been on people's stories where it's all day long that's all they're doing and I just don't have time for that, I'll do it if I feel like it's something that will benefit my viewer or my follower, that's going to enrich their life, I'll do it. But we have strict rules at the house, when we come home from work, our phones go in a basket, we have a phone basket.

[0:23:35.8]

FT: Oh that's great.

[0:23:36.6]

LG: Yeah, they go in a phone basket and they stay there and we hang out with the kids and that's really a value to us to have that fine line. Yes, maybe the authenticity is staged a little bit in the fact that I have a certain amount of time that I will snap and I need to make sure that it's authentic and engaging but then I shut it off because I want that private time and I don't want people to know where I live and what my street address is and what the inside of my house looks like because then they can come in my house and see, you know what I mean?

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FT: Yeah, absolutely.

[0:24:14.9]

LG: There's boundaries that I have.

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FT: Good, I completely agree and I'm with you, if I'm doing something, if I'm on set somewhere, I'm in the field or I'm at an interesting public event, yes, that is so appropriate, let's snap that, let's tweet that, let's share that on Instagram. But I feel like there should be a boundary. I feel like there's a lot of pressure with social media to break through all those boundaries and get us to just share our entire lives online. By the way, the only people benefiting from that are people like the powers that be behind Facebook because they're collecting so much data.

[0:24:53.8]

LG: Right.

[0:24:56.0]

FT: So if you want to help the man, yeah.

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LG: Go for it.

[0:24:58.0]

FT: Unleash your life to him but you're not helping anybody else out except for maybe the three second chuckle that you're going to give to someone who is scouring Facebook. But anyway, we digress. It was good to touch base on it, while we're on the same wavelength with that.

So I'm on your website, Laurengreutman.com and I have to ask you, if you had to teach someone how you built your brand, what would be the number one tip? Because you really have mastered it.

[0:25:26.7]

LG: Well thank you. You know for me is I've always been my audience, I've always been my audience. I still live in the same house that I've lived in the past six years, we've outgrown it but I'm just too cheap to go and buy a bigger house. I really am my brand and I live and breathe what I teach. I think that's why people like what I'm doing is because I've been there, I've done that and I'm still living it.

I still, I understand when somebody comes to me, "I've gotten my family in a \$20,000 to debt," there's tears running down her face, "I don't know how to get out of it." I can hug her and be there with her and know exactly how to help her to get out. I've also been very strategic, I say no to so much, 90% of what I'm asked to do I say no to. Because if it doesn't go and if it isn't for my readers, it has absolutely no benefit to me as far as branding goes.

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FT: Give us an example, that's a great tip.

[0:26:39.6]

LG: Yeah, I'm so protective over my readers and so one of the things, people come to me for sponsorships all the time and there was a company that is a startup that doesn't have a ton of brand loyalty yet and I really loved their story behind their brand but their brand was so young and they didn't have credibility yet that even though they were offering to pay me a large sum of money, I said no to them because I haven't seen, I can't put them out there and trust my readers to use them without knowing that they're going to stand behind their brand and their product. So I just won't do it.

There's a few brands that I work very closely with, eBay and Auldey are two brands that I work very closely with because number one, I love them and I use them on a weekly basis and number two, they stand behind what they do, they're great companies, they're reputable. I feel like I can put my name with theirs because I know that they're going to stand behind me and their brand. So I'm very careful. Just yesterday, I got pitched to write a post, okay?

You're going to get a kick out of this because you're a mom too but it was for bladder leakage and it was for Poise bladder leakage and they wanted me to do a video for them and they're going to pay me \$5,000 for a video. I was like, "There is absolutely no way that I'm going to do that. What benefit does that have for my readers that are looking at me to save money?" It just didn't make sense to me. So I say no to a lot of stuff. Protect yourself and your brand and don't just take anything, protect your readers most of all, that's really important to me that they are protected from all of this companies that want their money.

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FT: I'm curious, when you realized you were in a position to attract sponsorships, what was the point that you reached that suddenly people were calling you and you were a hot brand?

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LG: So I have been around for just over six years and about two years in, I started getting a lot of pitches and things like that but it wasn't until probably two years ago when we really got a lot away from the couponing space. We did a lot of couponing and deals back in the day when I first started and once I got away from that and really started focusing on my message of helping people learn how to get out of debt and budget but people that were not that financially savvy, I think that's when people started seeing a difference in what my brand brings to the table for them.

[0:29:35.4]

FT: Lauren Greutman, thank you so much. Really excited for your book.

[0:29:40.4]

LG: Thank you.

[0:29:41.4]

FT: You must feel like it's a long time coming this book, right?

[0:29:44.1]

LG: It has been. It's been, honestly the story's been in my head for about four years and it just had to be the right time when we were done having children, when all of them were out of diapers, I've been in the thick of mothering for the past 11 years and I really wanted to make sure that I got all of my children in a great place where they could handle mommy being away for a little bit. So that's why I waited so long because I wanted them to be older and more independent.

[0:30:13.0]

FT: Congratulations, really, you're such an inspiration Lauren and it's so great to connect again and please say hi to the family.

[0:30:20.2]

LG: I will, thank you so much.

[END]