

EPISODE 813

[INTRODUCTION]

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FT: You're listening to So Money everybody. Welcome back. It's the holiday shopping season already. Black Friday just was around the corner. Today's episode is all about how to manage the spending frenzy. As part of So Money's yearlong partnership with Chase Slate and as a brand partner for Chase, we have the honor of welcoming Jen Roberts to So Money today. She's the head of Chase Pay and Digital Products at JPMorgan Chase. She has decades' worth of experience in the credit card industry and she's got lots of advice for us on how to have #onelessting to worry about as we make our way through the holiday shopping season and make the most of our finances. By the way, reduce all the financial stress that is just natural this time of year.

Here we go. Here's Jen Roberts.

[INTERVIEW]

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FT: Welcome back to So Money, everyone. I'm Farnoosh Torabi. Question for you, have you started holiday shopping yet? Black Friday wasn't too long ago. That's the unofficial start to the holiday shopping season. If you are a little apprehensive about your to-do list this winter, this holiday season, we have some advice for you.

As part of So Money's yearlong partnership with Chase Slate and as a brand partner myself with Chase, we have the honor today of welcoming Jen Roberts to the show. She is the Head of Chase Pay and Digital Products at JPMorgan Chase. Jen has decades' worth of experience in the credit card industry and she's got some advice for us on how to have #onelessting to worry about as we make our way through this holiday season.

As we all aim to make the most of our finances and reduce our financial stress, which I think is just really natural this time of year to have. Before we get into the advice and also learn a little bit more about Jen's holiday traditions, her money mindset, want to welcome part of the show. Jen welcome.

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JR: Thanks so much for having me, Farnoosh.

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FT: We're going to talk a lot about how we can help listeners really grasp this holiday season with confidence. A lot of us will be using our credit cards and how to do it safely and mindfully and even in ways that can help us save. First, let's talk about holiday traditions. What is an aspect of your holidays that you really enjoy, that has been something that is at this point a bit of a tradition?

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JR: For me, I'm one of those Christmas lovers and I have four Christmas trees that I decorate. I have one that I allow my children to participate in the decoration of, but the other three are mine. They're mine and I have my own little themes for each of them and it's just something that I enjoy every year, getting the ornaments out of the packing and thinking about where I got them from and just creating a magical environment in my home for my kids.

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FT: Well, that's pretty special. What would you say is the theme for all these trees and then what do your kids do with that tree? What's front and center in your house? Is it the kids' trees, or is it one of your special trees?

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JR: The kids' tree is front center so. That's our only live tree that we have. We actually do try to cut the tree down every year, but we let the big tall tree. Sometimes the growing season isn't as positive, so we have to go pick one that's already been cut down. The tree that's in front and center where Santa comes is definitely the kids' tree. That's a little bit of a mishmash of ornaments we've collected over the year, things that the kids have made, etcetera. Then the others are more color themes that I do for myself, just because I like the way they look. We put special gifts under each of those also.

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FT: Wow. I'm coming to your house. That's what's happening this holiday season.

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JR: You're welcome.

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FT: What a fun place to celebrate Christmas, your house. Well, a tradition in our household used to be to buy gifts for everybody, but this year we're changing that tradition and we're doing a Secret Santa. That's how we are practicing the #onelessting, to keep ourselves saying this time of year. That hashtag by the way is something that your team over at Chase has initiated to get everybody really discussing how they're going to be reducing their stress and eliminating frenziness. Before we get to some of the tips, so tell us a little bit about a money mantra that helps you, maybe even this time of year make smarter choices.

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JR: For me, I'm one of those loyalty member geeks. I have loyalty memberships pretty much every place I shop. I use that to really feel like I'm making the most of whatever shopping I'm doing in that store, so that I can get great gifts for my friends and for my family and not spend as much money, because loyalty matters and the customers that you get these different loyalty options from different merchants come back to those merchants.

At Chase, we try to support our merchants in that way, so that they can become closer to their customers and then give real value to our customers so that they can stretch their dollars and they can feel they don't have to always pick and choose. They can spend maybe more money than they would otherwise, because they're getting discounts and value from different merchants. I'm just one of those people that no matter where I go, I'm using my points, I'm tracking my points, I'm using my coupons and I'm using that so that I can do what I want and be as generous as I can be with all of my friends and family.

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FT: I feel points really come in handy when it's time to travel; hotels, airfare or whatever. I know this time of year, a lot of us will be going on a flight, or a long distance trip to see family. That's a really good point that you raise is to really leverage those points. You've been working in a credit card industry for over 25 years, Jen, and you've probably seen such an evolution as far as how we've adapted credit cards into our lives and also the different benefits that credit cards provide the users who are responsible with them. How would you characterize the current state of our credit card world? Especially as it applies to this time of year and how they're making an impact and how they're playing a role in our spending and in our financial lives.

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JR: That's a great question, Farnoosh. I think a couple of things. Some of these things have been in existence forever, but because of the digital age that we're in, it makes it a lot easier for customers to keep track of what they're spending. I for one, use my credit card for everything. Honestly, because it helps me see where I'm spending my money, versus when I have cash on hand, and look back on the week and I think, "Where did that \$100 go?" It went to lots of different places and I don't ever really know what happened to it.

When you use your credit card, first of all, you get protection in terms of making sure that what you're buying, you feel good about and you can dispute your transaction if you any problems, or the merchant doesn't do what they said they were going to do, or the product isn't the right quality. You can also log into your account really easily and check your transactions make sure

that what you spent is what's showing up on your statement. Then you can reconcile at the end of the year where your money goes.

I really like where we are in terms of this environment. I was always one of those people that I kept my receipts till the end of the month and then check them off on my statement when it would come in the mail. Now you don't have to wait for it to come in the mail. Now you can log in the day after, or the day of, you make a transaction and just make sure that what you thought you spent is what's showing up and there's no issues. I think that's one great benefit that using credit card can provide.

Then there's also as we've talked about earlier, the notion of your loyalty points. In Chase, you can earn ultimate rewards points. As you mentioned, you can always use those points for travel, but you can also use them for things like gifts. A lot of people today, I have teenagers and my teenagers they just like money. They just want gift cards. You can use your points to redeem for gift cards that you can then just send either electronically, or a physical gift card to someone and it's really what they want. They can buy what they want with it and you in fact didn't really spend any money on it. You just use your points.

We try to provide options like that for our customers, so that they can make their shopping easier, have one less thing that they have to worry about and just take care of that digitally and off they go. I think those are two really great benefits of having a card and using them throughout the shopping season.

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FT: Yeah. What's better than buying gifts for free? Because you had –

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JR: Right, exactly.

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FT: - points to buy the gift card, which is basically what everybody wants. I also would point out too that as we are heading into this very sophisticated era of digital products and credit payments are now so seamless, that our phones are playing a much bigger role in not just the ease of payments, but the security as well. Talk a little bit about that innovation as it's happening also at Chase and how that's a good thing to keep in mind this holiday season. A lot of thefts this holiday season, right? A lot of cyber-crime, cyber-theft. What's the linkage between say, the Chase app and our credit cards and what should we know to make sure that we're being responsible and that we're on top of things?

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JR: First of all, if you make a payment with Chase Pay, it's something that's called tokenized. What that means is the merchant never gets the account number. If you hear about sometimes there's issues where criminals can fill account numbers, because they're sitting at a merchant in their database somewhere. When you make a payment with either, let's say even Apple Pay, or Chase Pay, or any of the digital wallet services that we offer for our customers, that account numbers actually never go into the merchant. It's invisible to the merchants, if you will.

Still allow the transaction to flow properly, get authorized and for that dollar amount to hit your account so that you can see the transaction there, but the merchant never takes possession of that card number, so it's never sitting in a database, which is really important for our customers. Then secondly, we have the ability now that you can as a customer turn your card on and off. Lots of times, you are traveling during the holiday season or out shopping, you've got a lot of things going on. You may have your kids with you, there's long lines, there's a lot of stress in the environment and you could misplace your card, if you're like me. Sometimes I think, "Oh, I'll just put it in the back pouch of my purse," and then I forget where it is.

We have this ability now for our customers to turn their card off temporarily if they misplace it and then turn it right back on when they find it again, which inevitably always happens right after you call your credit card company and you declare your card lost and they send you a new card in the mail. We no longer have to worry about that for our customers. They can have a temporary way to turn it off. That way if it – or turn it on if it really is lost, then no one can steal it and use it, which is obviously a nice peace of mind for our customers to have.

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FT: Speaking is peace of mind, a lot of our attitude about money and spending and budgeting comes from the mindset that we established growing up, the experiences that we had, the things we witness, the lessons we learned, that all influences as an adult how you really see the money world. I asked us of all of my guest and what is your greatest money memory as you were growing up, that as an adult now it still has impact?

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JR: I was thinking about this for a while, Farnoosh, because I knew you asked all of your all guests. For me, I think it's that when I got my first job, which I think was babysitting probably, no matter what amount of money I brought home, whether it was \$10, babysitter's didn't get paid that much money back in the day. I was asked by my mom to give her half of what I made and she took that money and she put it in a bank account for me, so that I had no ability to touch. It was actually at a credit union. She worked for the government, so it was at the credit union that was at her office.

She would take my money, she would put it in there and every single time I came home from my babysitting job, or even eventually as I got other jobs, I either gave her the cash for half of it, or I wrote her a check for half of it and into that account it went. For me, it enabled me when I was 17-years-old to buy my first car. I think that's something that just shows how little things can add up to something big. Cars didn't cost as much money back then as they do now, but it was something that I just worked on over the course of time and eventually ended up being something big, which just shows if there's something that you really want, little things can make a difference and little changes in your life can really make a difference to achieve those goals.

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FT: Babysitting. Man, best job ever. I think.

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JR: No kidding.

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FT: I've told this story and I babysat all my life. Well I mean, basically since I was 11, because my brother was born and I basically became the de facto. I was the built-in babysitter in our family for him. When I was in my 20s, early 20s and working various jobs in the news world, making, starting salaries, but paying New York expenses, I babysat. Let me tell you, that's a really good gig. That's a really good moonlighting gig. You show up at 7:00, the kids are pretty much ready to go to bed. You're making \$20 an hour, two kids, they pay your dinner, cab ride home, it's just the standard here in the city. If anyone out there – I mean, even if you have a career and you want to make a little extra money, it's a great kept secret.

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JR: Yeah. I think back then though Farnoosh, I was making maybe \$3 or \$4 an hour.

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FT: Well, inflation, standard living. Yeah, it goes up. It's great. Those are the kinds of experiences and jobs that later on if you choose to become a parent, or a really cool aunt, it does it does pay off. You get to have experience with kids, which is always fun.

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JR: For sure.

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FT: Moving on through our So Money questions, what would you say was your So Money moment, Jen?

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JR: I think for me, it might be back to the loyalty point that I made earlier. I got engaged to my now husband and when we were engaged, we didn't have a lot of money and our parents gave us a specific amount of money for our wedding, but we wanted to go to Europe on our honeymoon. We decided hell or high water, we were going to go to Europe. I pulled every last frequent flyer point that I had and I waited until the very first day you could call. We basically scheduled our wedding around when we could go to Europe for free.

We called on the 300 and whatever it was, 330th day before the flight to book the flight and we're able to both fly to Europe for free on my frequent flyer points. It's really about figuring out what you wanted out of life and looking at all means possible to get what you want. I think that's really what hooked me on loyalty for life, frankly. Frankly, what we try to bring to our customers, which is just a really seamless way to both earn and redeem your loyalty points and have you feel like you put hard work into toward something and you get something really meaningful out of it.

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FT: Wow. Planning your wedding around your loyalty points, your loyalty point activation.

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JR: True story.

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FT: 330 days out. That's when you had to start wedding planning, you only aid yourself less than a year at that point.

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JR: Oh, yes. Less than a year. I was on American Airlines at the time and I may have gotten that date wrong exactly, but I researched how far in advance I could book my ticket. The first day I was able to book that ticket, I called up and got those tickets. That was pretty amazing.

[0:16:30.1]

FT: That's pretty awesome. I have a quick story about a friend got married last month. Her now-husband traveled all the time for work never had time to take a vacation, but all the while racking up those frequent flyer miles and he would think he was like a Starwood's customer or something. They went to the Maldives to a five-star hotel pretty much for free for two weeks. If that's not So Money, I don't know what is.

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JR: I agree wholeheartedly.

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FT: How are you teaching your kids about money? What's one lesson you can share with us, something that has come up recently? I'm sure your kids want all sorts of gadgets, or are asking for things. How do you make those decisions?

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JR: My kids, you know what? I'm not sure how they got into this frame of mind, but they're actually not big spenders. They love saving their money. I know. My son in particular, just the other night he was counting all of his coins to roll them, so I could take them into the bank and get cash back. I asked them, "Well, what are you going to use this money for?" He's, "No, no, no. I just want the money."

My kids are very focused on having their own resources to spend on what they want to spend on. Now that I have two kids in high school now, when they go out with their friends and to football games and things like that, they pay for their own tickets and they don't ask me for

money. I think they've just gotten to the point where they understand the value of having something that your own and using it for what you want to use it for and not feeling every time they want to do something, they have to check in with me.

I really let them with their own money have freedom. They all have bank accounts and they put money in the bank accounts religiously, like my mom had me do as well. Outside of that, if it's in their wallet, they can spend on whatever they want to spend it on and they're actually pretty prudent about it.

[0:18:24.8]

FT: Wow. What happened? What do you think? I mean, come on. There have to have been something you did. It can't just all be in their DNA, can it? Maybe, I don't know.

[0:18:33.8]

JR: I don't know. I don't know. I think we just regularly talk about making sure you're spending money on things that are really important to you and not spending money on things that are frivolous. When the kids ask for something that I felt like, well you have 10 stuffed animals. Do you really need another stuffed animal? I would ask those questions of them and make them stop and think about things. I think they just, I don't know, somehow absorb to that that they should be financially responsible, which I think is amazing.

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FT: That's good work mama. That's really good work. Tell me a little bit about your money rituals now. Do you have a habit that you practice?

[0:19:11.8]

JR: Well, first of all, I always try to max out my contributions to my 401k, IRAs, things like that. I view that as just must-dos. That comes off the top. I do try to every month really sit down and assess what's going on with any accounts that we have where we have money saved, with what

we're spending on and try to make sure that we're on track for what we want to – where we want to be at the end of the year.

I'm still one of those religious record keepers. I get my receipts and I try to save them and I reconcile them against my statements. I found a couple of times where I had charges on my credit card that I didn't make. Now one or two was made by my son with his PlayStation 4 or something like that. A couple were not made by me and I was able to find fraud on my account by doing that. I just view that as part of being a responsible financial adult is just making sure that what you're getting charged for is stuff that you actually spent. That's a ritual that I have on a regular basis. More on a monthly and annual basis, we do just try to keep track of where our money is and make sure we're headed in the right direction.

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FT: I know. You have to be vigilant. I think you alluded to this earlier, where even though you were the person who kept receipts and tracked everything, that even now as we have become more technologically advanced and everything is seamless and digitized, you're still checking, which is something that needs to still happen, I think right? Regardless of how easy or accessible it becomes to manage your credit life. You still need to be at the forefront of it, looking, checking, verifying.

[0:20:58.5]

JR: I totally agree. Even if it's just to make sure you are paying attention to where you yourself are spending money, I mean, having that ritual of checking helps put that in the forefront. You don't wind up spending money on things that are frivolous, or a month later you look at it and you think, "God, where does all that money go?" I think that record-keeping helps with that as well.

[0:21:19.8]

FT: Mistakes happen. You get double charged, or sometimes don't follow up on – you thought you unsubscribe to something, but it was continuing to charge you every month. It's always

important to check. All right, before we wrap, let's do some So Money fill-in-the-blanks. You know what's coming, right? You listen to the show. You know the pretend –

[0:21:41.0]

JR: I know what's coming.

[0:21:42.8]

FT: Pretend that you haven't heard this fill-in-the-blanks before. The first one is a little timely, because just a what short while ago, we had the billion dollar lottery that I did not play, because I'm a sore loser and it's also a little off-brand for me. If I won the lottery tomorrow, let's say Jen, you won that billion dollar lottery, the first thing I would do is?

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JR: First thing I would do is plan a very long trip with my friends and family for sure, around the world, all the places I've never been before. I've been to Europe a lot, but I've never been to Asia and I would want to spend time with my family and having them experience new things with me. That'd be the first thing I would do. Then I would – I think it's actually funny you ask me this Farnoosh, because we all talked about this at the office.

I also did not play the lottery and I just generally don't play the lottery. I don't know. I just don't. I would probably set up an education foundation. I think education is so important and really figure out how my money could go to benefiting people over the long term from an education point of view. Those would be the two things that I would do.

[0:22:51.3]

FT: That's nice. I always appreciate people's answers to this question, because it gives a lot of insight into what they care about and where their priorities are. I think I would be like you. I would travel a lot and really bring the family and the friends and whoever wants to join.

Listeners, let's go. Let's do a So Money tour of the world. We got the money. The one thing that I spend on that makes my life easier or better is?

[0:23:15.3]

JR: For me, I think it's takeout. Might sound funny, but I'm very busy and I have three kids who are growing. Particularly, my teenage son who I think eats 20 times a day and we're always on the go with soccer, with dance, with lots of other obligations. I travel a bunch for work. I firmly believe we've got so many options now that are healthy takeout. Actually, even with Chase Pay you can order ahead at lots of different restaurants where you can save time and then often, the merchants will give different discounts, so we can help our customers save money too. For me, it's all about sitting down together with my kids when we have time and preparing the food is less important. I take full advantage of takeout.

[0:24:02.8]

FT: I concur. I mean, if I can save time on preparing food so that I can have more time experiencing it with my family, because as you said, you have all these obligations. Dinner is not this two-hour event. It's usually 20 minutes. The quicker you can get to the table and share a meal I think that's what counts. That's a good answer. All right, one thing I wish I had known about money growing up is?

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JR: I think the power of compounding for sure. Like I mentioned before, I put money in my 401k. I probably could have put more money in my 401k very early on when I first started working, which I started working at a very early age. I clearly understand and value that now. Back then, you feel you're living paycheck-to-paycheck, that extra \$100 a month is a lot of money. I wish I had thought more about that and tried to max out as an example my 401k a lot earlier on in my life than I probably did.

[0:25:04.6]

FT: That compound interest. The math doesn't lie, does it? It works.

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JR: No. Not at all.

[0:25:10.9]

FT: It works. Okay. Last but not least, I'm Jen Roberts, I'm So Money because?

[0:25:17.2]

JR: Oh, boy. This is a hard one, Farnoosh. I think because I've spend money on things that are valuable to me and my family, like travel. I mentioned the stupid little takeout comment. For me, being together is so important and spending time with my family is so important. That's what I like to spend money on, which is creating experiences for my family to have together. I feel that makes us – as a family, it makes us better people, allows us to experience things we wouldn't otherwise. I think that's my So Money moment.

[0:25:48.8]

FT: Well like I said, I'm coming over to your house for Christmas. It sounds like a real jam session with the four trees. Just to recap, because we covered a lot of ground today and I want to make sure listeners have a bit of a summary, as far as how to #onelastthing. We encourage you to use that hashtag as you are in social media to express how you are reducing stress, managing your money, all the good things this holiday season. Just wanted to touch base again on some of the simple ways you mentioned, Jen, that we can keep the holidays under wraps this time of year and all year really.

Remember to check out from your phone if you can using Chase Pay and that helps save money in time. You can always use ultimate rewards points and turn those into gifts, which I'm going to do. This is really cool. You can have the peace of mind that if you lose or misplace your credit card, you can lock it from your Chase app. It's the new stage of technology that we're at

right now and that I really can get behind. That's really cool. Thanks so much, Jen. I hope you have a great holiday season and appreciate all your advice.

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JR: Thanks so much for having me, Farnoosh. It's been awesome.

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