

0 (0s):

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1 (34s):

<inaudible> I'm so glad to welcome you here at the Clark Howard show are mission to serve you and empower you. So you make better financial decisions in your life. Today. We're going to talk about where the real bargains are, and by the way, they're usually not Online I'm also going to address something that you may have noticed an uptick and lately, and that's phone scammers that, or trying to get, and your wallet. Amazon has been much in the news recently, both in positive ways and negative ways.

1 (1m 20s):

Amazon was embroiled in a scandal where it's shocking that this huge, very successful enterprise got caught cheating contractors out of \$68 million and tips really. I mean, they had to really conspire to cheat their contractors out of tips that customers have left for them. And who thought that was a good idea? What disturbed me was Amazon only had to pay a fine equal to the amount of money they stole from the workers instead of having to pay a fine way, exceeding that to punish them for the bad behavior.

1 (2m 3s):

But Amazon is a phenomenon. They just reported unbelievably wonderful sales numbers and decent profits. And Amazon is part of a trend in the United States where retail now has steadily risen and is nearly 20% Online is 20% almost of retail in the United States. And I know there are people like Krista's husband who would think that Amazon of loan is a a hundred percent of retail because there are people.

1 (2m 44s):

And I've got a, a friend who is a radiologist who Amazon delivers to him more than once a day. Every single thing he buys, he buys from Amazon. And it was funny, my friend, who, who does that called me in November? Cause he needed three new TVs. He was moving and it was just a neat, well he wanted three new TVs. And so he said, what do I buy? What do I buy? And it turned out that the cheapest TVs were a two were at Walmart and one was at target.

1 (3m 28s):

And so he said, I don't know. I dunno. I always ordered from Amazon. I said, yeah, but you're not going to get these deals on TVs. So he said, well, can I do it online? And he could do these Online and the one from target, he did curbside pickup like an hour later. And the To from Walmart were delivered and they were delivered two days later. And he, for me, just, just shocked, shocked. So you had no idea that you could do something like that somewhere else and know it actually worked fine. And there are these people who just

absolutely are Amazon focused and Amazon is incredibly reliable generally.

1 (4m 13s):

And it's really easy if you're in their echo system ecosystem that you just automatically just go to it, click when, you know, do the, a one click to purchase and people do that. But the thing is, as was found in an industry survey of supermarkets recently that Amazon supermarket effort is the best overall experience people have in the country based on this survey of the big national supermarket sellers. But that price wise, Amazon came in second from the bottom.

1 (4m 54s):

I'm sure a lot of that was the cost of buying groceries at whole foods. That, that that's something that's going on right now in retailing. That is a very key trend is retailers that are REAL Bargain oriented and specialize in that being what they're about are booming, absolutely booming at the same time. Amazon is. So if you want the best price, it's not usually going to be Online. I realize I muddled that by talking about my friend, being able to go to walmart.com and target.com, but on lion.com is a strategy for their physical stores, but there are a lot of others that aren't about Online it all you go to those stores and I'm reading the numbers on sales growth and the big sales growth in the country.

1 (5m 56s):

That really doesn't a lot of media coverage is the stores that are all about low prices. And I read a story recently. That's not even just in the United States. There was a story in the financial times talking about how this is a trend across the Western world, that discount discount stores that are magaz or discount stores that target very specific categories are the fastest growing part of retail because people do seek out deals. I think about Costco, where there were all these wall street analysts that for years to say, we're saying Costco's done, Costco's finished.

1 (6m 42s):

Amazon is going to destroy them. And Costco is having pretty much the best years they've had year after year after year, because Costco is so much cheaper than buying from Amazon or other online sellers. Do you know that costco.com is more expensive than Costco the store? Because if you shop from costco.com, they'll tell you the price may be lower in the store. I think they should just say the price will be lower in this store because Costco wants to give the best possible deal to its members and selling online is more expensive than selling in the store.

1 (7m 27s):

So when you really want to stretch that dollar, no, that it still involves in some way, having an involvement with a physical store.

2 (7m 39s):

I think this would be an appropriate time to read this one from Dave in South Carolina, he says, I came across a poem a couple of years ago that always pops up in my head. Whenever I hear about free services on the internet, roses are red. Violets are blue. If the product is Free, the product is, you know,

1 (7m 58s):

And that is true, which rhymes with the UE. And the reality is that when Google gives you all the things they do for free my computer, just you hear this? My computer thought I was asking for and now is going to do it again. G O O G L E to find something for me. And it popped right up with a list, 70 valuable things you can get for free from Kiplinger 31 thing's you can always get for free from the Krazy coupon lady and on and on and off.

2 (8m 40s):

Yeah. When you were talking about Amazon, I was thinking, at least we don't have an a L E X a in our house or my husband would really go crazy. Okay. Here's Paul and Ken.

1 (8m 53s):

Yeah. And by the way on that, when we got a soon talk about all the stuff with Facebook.

2 (8m 58s):

Oh yeah, definitely. Okay. Paul says, Clark please point out that Free state tax returns are not free in all States. This is a major gotcha. Particularly in California. Absolutely

1 (9m 11s):

True. And if you go to irs.gov and you click on Free file and you look through all in about 80% of Americans are eligible, I think is a percent are eligible to use the IRS free file program. It will tell you when you look below what States you can file in and whether there's a fee or not. And several of the preparation services are free on state tax returns, but others you have to pay. And then in some cases like you mentioned, California, you might have to pay in California where other States you wouldn't. So you've got to really dial down on that list to find where you get the free federal and free state prep and filing.

2 (9m 57s):

Becky's also in California. And she says, now that Costco is closing its photo area and no longer refilling printer in cartridges. Is there a refill kit at home that is worth the money? I see some on Amazon, but the reviews are mixed. We have an HP envy.

1 (10m 13s):

HP is really a problem. HP has put in a, under an obscure congressional law that really never had anything to do with printers. HP was losing their key revenue driver and profit center from printers by people refilling their cartridges. So HP a use this law that was really about the internet to lock their cartridges called they're

using something called DRM digital rights management. So a lot of people that were filling HP cartridges aren't any more because they were having too many problems.

1 (10m 53s):

And if you try to do it yourself, like with Lynx, you see on Amazon or eBay or whatever, you're going to find that it's probably going to bring you some real, real frustration. The reality is Hewlett Packard's business model is one. I don't like they sell printers at a significant loss and then make all the money selling printer ink at massive thousands of dollars per gallon. And it would be like going to fill it up to your car and having to spend \$70,000 to fill up your car. One tank of gas. It's just crazy. So I am a big advocate and fan of a brother that has a line where you get the ink basically for free for your printer.

1 (11m 42s):

And when you need more, it costs nothing. And then I use the Epson EcoTank series that Christa despises, right, right behind me, I've had this Epson for years and I have never had to, it comes supposedly with two years ANC, but I've had it longer than that. I have never had to replay saying, and when you do, the ink is so cheap, it's almost free. So the real answer is when that you owe Packard gives it up, don't buy a Hewlett Packard because of how ridiculously overpriced their ANC is and buy one of these where you pay a real price for the printer, maybe as much as \$200 for a printer, but the ANC is never going to cost you anything of note.

1 (12m 35s):

And coming ahead on today's podcast, all the scam phone calls, they have stepped up so much partially because the more people have been at home, I have information about them and how I want you to protect yourself and your loved ones coming up next.

0 (12m 55s):

You decided to upgrade your outdoor deck. So you ordered the essentials, a power washer or a set of patio chairs and a shiny new grill. And you used your bank of America cash rewards, credit card, choosing to earn 3% cash back on online shopping or up to 5.2, 5% as a preferred rewards member, which you put towards the cost of your most essential deck. Addition, a bird feeder apply for yours@bankofamerica.com slash More rewarding copyright 2020 bank of America corporation. This episode is brought to you by progressive saving money on your car.

0 (13m 36s):

Insurance is easy with progressive. It's an average savings of over \$750 for customers who switch. And Save in fact, customers can qualify for an average of six discounts on their auto policy with progressive including discounts, just for starting a quote online, or having multiple vehicles on their policy. Get your quote online@progressive.com and see how much you could be saving national annual average auto insurance savings by new customers surveyed in 2019 potential savings will vary discounts, vary and are not available

in all States and situations

1 (14m 17s):

Here on the Clark Howard show. We get so many questions from people who either got burned by scams or we're close. We took one just last week from someone who almost got taken by one of the most common scam phone calls in the marketplace right now of the scammer world. And that is where you get a call from somebody who pretends to be from tech support from a well-known computer company or antivirus company or whatever. And they use whatever route there going to use to try to get control of your computer and your money. And this one is just ugly.

1 (14m 59s):

Are the FBI reports that losses to fraud have tripled in two years and it's working. I mean, there was a Harris poll that found that roughly one in five people had lost money to a phone scam just in the last 12 months. I mean, that's really serious stuff. And so you need to know that your phone is your friend for contact, but contact can also be your enemy. I think a lot of people who have felt loneliness in the pandemic have been more likely to answer a phone call that they would not have answered in the past and know this as well.

1 (15m 54s):

Even though supposedly we're not supposed to have a problem with fake caller ID anymore, as best I can tell it still as much a problem as it always was. And so I want you to know that unless you know, the individual who's calling, you do not answer your phone when it's an unrecognized number, or even if it's from a company you do business with, unless you have made a call to them. And it's likely that's a return call from them.

1 (16m 33s):

Even with a company whose name you recognized that you do business with let the call go to voicemail. The key with all these frauds is that we answer the phone and then we get caught up in a web of lies from the color. And before we know it, they have been able to steal our money, steal our identity or whatever. And it is just so upsetting that these criminals are beyond the reach of a wall. Most always, when they do get caught, the cases are hard to present, hard, to prove hard to convict.

1 (17m 23s):

And then because nobody actually suffered violence. The sentences that judges handout tend to be so tiny that truly crime does not pay. Or I said that backwards didn't I crime does pay because the criminals don't suffer the consequences when they do get caught. And so the cor the key is not answering the phone, but that brings up your assignment if it was overwhelmingly, but not always the people that are getting taken or older, and especially now older relatives feel really, really lonely and isolated.

1 (18m 15s):

One of the consequences of the pandemic is that most families have not been able to get together. Their families have gotten together anyway, but the risk is a, you know, pretty high medically. So most people, if not, and then you've got the psychological pain, the loneliness. So it's key that you have a conversation with older relatives, giving them the marching orders that they do not answer the call under the conditions I just gave you, because there were so many different ways, a criminal, once you answer that call will find their way into your wallet or your life.

2 (19m 5s):

Okay. Clark RJ in New Hampshire says I'm in my mid fifties and I am woefully. And I mean, woefully behind in retirement savings due to health issues that have since been resolved, I have been putting 15% into my employer's 401k and they match 5%. My question is, should I contribute only the 5% match and then invest the other 10% of my gross income into another plan, such as a Roth, or should I just stick to the current 15% I'm contributing. Now, my plan is to raise it to 25% mid year. Thanks for all that team Clark does behind the scenes. Your program has a beacon of light.

1 (19m 41s):

Well, first things first, thank you for that. But what I'm so excited about it is that the health problems are now in your rear view mirror, and that you have your health back. You're able to get your financial health in place. And I very much support you as you can afford to do it later this year, increasing the percent you save. I don't want you to change anything you're doing right now, because I love it. It's automatic and the money is happening. And if you have access, you didn't say, if you have access to a Roth 401k, instead of traditional, I'd like you really to do, unless you're a huge income earner do all Roth because it effectively will mean you've saved more money because the money will never be taxed.

1 (20m 29s):

Again, both a what you put in and what it earned is the employer contribution will be taxed, but it's good to have that combination of two things is you step it up from 15% to 25. Maybe that's when you go Roth IRA and open one with one of the ultra low costs companies like I recommended, you know, when you can Save is when you save and that's today in your mid fifties. And it might mean you've got to work till you're around 70 in order to have some comfort in retirement. And the more you continue to save as a percent of your pay, it means you've learned to live on less.

1 (21m 11s):

You're spending less, and you're building up more money and you will have already started that process of adjusting lifestyle for when you actually do retire and best to you with this journey.

2 (21m 24s):

The, in Virginia says we've had an American express card for 25 years. It has \$150 annual fee and its reward points do not offer items. We like we have other credit cards that offer cash back, which we used for

most of our expenses. How much have a ding to our credit? Would we get for canceling the card? We feel like we're throwing away \$150 a year.

1 (21m 46s):

So if you have other cards and you have enough available credit, there are a couple of strategies you can follow. One is to talk to American express because go and look@americanexpress.com. American express has a ton of cards available with no annual fee. And you can convert to one of those hopefully, and that the aging of your credit will continue as it was. And it will not be a closed account. That would be the easiest outcome. Otherwise do what I call a leapfrogging, where you go open a new account with someone else, let's say a cash back card, no annual fee.

1 (22m 29s):

And then you close the American express account. But I would start with looking at American express as a website, looking at the available card products that our annual fee for her, and then see if American express will transition you over. If they say, no, we don't do that. That's a new application credit, say fine, hang up, go apply for a card somewhere else. And then go back and close that account with American express before you would face your next annual fee,

2 (22m 58s):

Where in Florida says, my family will be going on a month long RV vacation across the country in may. I will need to still work part of the time remotely using my, my desktop. I'm looking for a truly unlimited and fast data plan that I can use with a hotspot to do this. Do you have any recommendations I'm currently currently leaning toward visible by Verizon, but I want to make sure I'm not missing any potential choices.

1 (23m 24s):

Visible is fantastic. I don't recall them offering unlimited hotspot, but if they do, that would be great. I have not seen that before. The, the other possibility is if you were to look at the T-Mobile home internet, that's 50 a month on the limited, I don't know how well that will travel. Christa, you have the device, how easy would it be for someone to take it on the road with them?

2 (23m 58s):

I mean, it's you just plug it in, but I'm wondering if it, since they only, you know, they only offer it in limited areas, is that 'cause, you can only get the signal

1 (24m 7s):

Unlimited. You know, it's not based on signal. It's a, it's a marketing thing and, and how much capacity they're letting on, whether they're trying to make it available to people. So the fact the travel wealth, and so it's easy, you plug it in and

2 (24m 23s):

That's it. I mean, it's basically, it's the easiest thing in the world.

1 (24m 28s):

So if you can get it at your current address of record, the T-Mobile home would be a great alternative. And the visible hotspot is it does allow unlimited hotspot. Joel. So it doesn't say, I'm not sure if it's unlimited, but it says members get a mobile hotspot included with their service. Oh, it says with unlimited data at to speed up to five MPPs. So yeah, J five N B P M. BPS is interesting because that would you'd have Sims stutter potentially with video, but most normal routine functions you would be able to do with that speed in a visibles allowing hotspot unlimited data.

1 (25m 15s):

Then that would be the most streamlined, easiest way to do it. And go look at Visible's service plans, because if you can get together completely unrelated people where each has built on their own, you dropped the cost of your monthly visible service as low as 25 bucks

2 (25m 35s):

And finally event from Brad. He says, here's an interesting consequence of the pandemic. I call on a lot of companies and apparently they feel like they don't need to answer the phone and you must leave a message. Do they really think someone's going to call back or leave a message before calling their competition? I can't believe all these companies refuse to pay someone eight bucks an hour to answer their company phones. They must be losing a fortune.

1 (26m 0s):

So I've seen from the American customer satisfaction index, something that they have seen is an unprecedented thing in the history of the American customer satisfaction index. And that's the way across industries. Customer satisfaction is in a steep decline that companies stressed from the conditions of the pandemic. The effect on their workforce is people in call centers working generally remotely, that the efficiency has declined. The turnover in employees has increased and the customer, no service has really amplified through pandemic.

1 (26m 44s):

The real test of things is when we have the pandemic in our rear view mirror, To companies ever really care about customer service again. And right now they really don't seem to just like a reset. So one place we hope you get a good customer service every day is us. And if you are enjoying our podcast, please subscribe. And if you wanna leave a comment to that as well,

3 (27m 16s):

<inaudible>.