

FIVE-MINUTE MONEY MANAGER

Is it **smart** to pay with your smartphone?



REDBOOK's money expert, Beth Kobliner, is the author of *Get a Financial Life* and is on the President's Advisory Council on Financial Capability.

Some cell phones let you pay for anything—from sneakers to lattes—with money stored in virtual apps or by waving your phone, equipped with a tiny credit card sticker or chip (Visa, Discover, and Mastercard offer them), in front of a checkout scanner. But before you get caught up in all this gadgety

coolness, consider these potential snags.

● **Bills may be harder to dispute.**

Companies may route charges to your cell phone bill, which could lower federal protections that help you challenge bogus fees. Check policies before clicking "Buy."

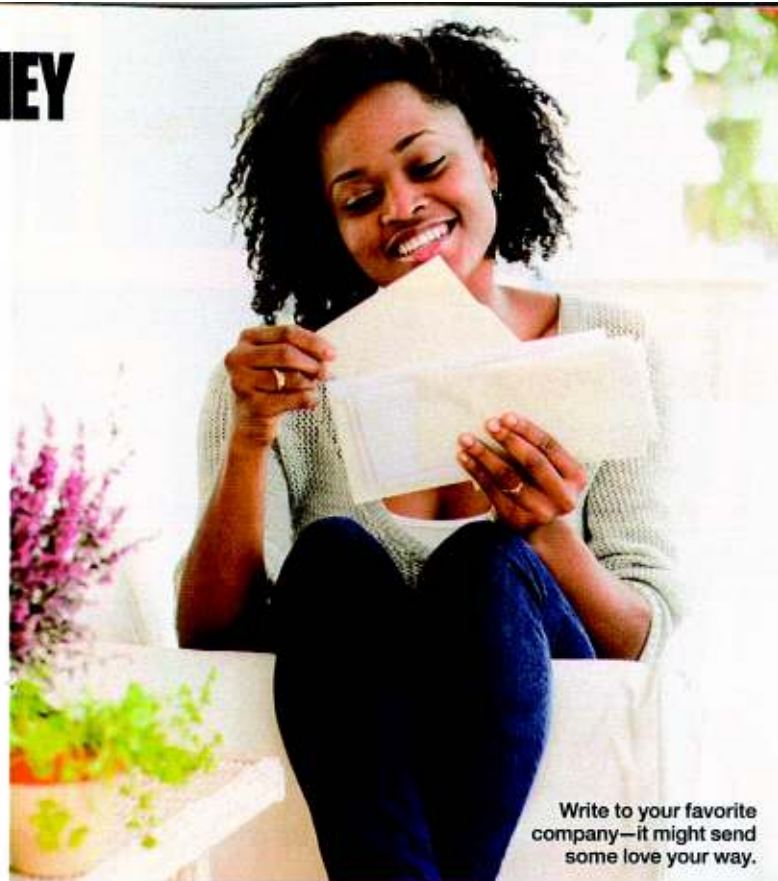
● **Digital wallets are risky.** Most

pay-by-phone programs allow you to store your credit or debit card info, for the convenience of one-click shopping. But if you lose your phone, anyone could gain access to your funds. Activate the security settings that prompt you to key in a password before completing a transaction.

● **Spending is too easy.** Studies show that consumers are willing to spend nearly *twice* as much when paying with plastic instead of cash, and researchers speculate that habits will only get worse when shopping by phone. Check your balance right after each purchase using your bank's mobile app, and remember: Any technology that makes shopping easier makes spending easier too.



Your caffeine fix: now available sans wallet.



Write to your favorite company—it might send some love your way.

DO THE **FREEBIE** EXPERIMENT!

Alison Storm learned to get something—actually, lots of things—for *nothing*. You can too.

I had just been through a hellish customer-service nightmare with a clothing store, the kind that makes you contemplate a Naomi Campbell-style tantrum. Instead of hurling my cell phone at the cashier's head, I complained to the chain's corporate office—and they sent me a \$20 gift card. It was a nice surprise, but I didn't like the anger overload required to get it. So I decided to try a different tack: I banged out 50 gushing notes to brands I love. "I don't normally take the time to show my appreciation," I wrote. "Like most people, I'm quick to complain but slower to pay a compliment. I just wanted to say, keep up the great work!" Within a week, my mail was overflowing with goodies like Oil of Olay body wash, Wisk detergent, and coupons from Chick-fil-A, P.F. Chang's, and my local grocery store, Publix. Turns out, even mega brands appreciate feedback. So whether you've got a complaint or a compliment, let companies know how you feel. These days, it's even easier to get their attention: Visit the "Contact Us" page on their website to find their address, email info, or Twitter handle, then sound off. Chances are, you'll get something great in return.

THESE REDBOOK READERS GOT FREE STUFF TOO!



"After an unusually bad dinner out, I tweeted, 'Very surprised—rude waitress and horrible service @X tonight. Usually impressed by this place, what gives?' The restaurant saw the tweet, quickly apologized, and sent me a \$50 gift certificate to make up for it." —JENNA BENNETT, 28, *Minneapolis*

"I was at the movies, and the theater was sweltering. I found a manager, reported the thermostat issue, and he made the adjustment. I followed up with a thank-you note, and over the next year, free movie passes showed up in my mailbox every few months." —NATASHA BOYD, 34, *New York City*



"I had booked a stay at a nice hotel through a travel site, but the hotel double-charged me for the room. I asked them for a refund, but it never came. So I got creative and emailed the hotel chain's board of directors about the situation. The very next day, they sent a refund, an extra \$150 for the hassle, and a voucher for a free night's stay." —BRANDI KOSKIE, 30, *Wichita, KS*