

Playing the long game

Audio transcript

We are an impatient nation. Nearly half of Brits say the modern world has made them develop a 'want it now' attitude.

Our brains are naturally wired up to enjoy the dopamine hit that comes with achieving instant gratification.

Today I'm going to be sharing tips on how to help you retrain your mind to play the long game.

1. Resist temptation. Practicing self-control enables us, like any skill really, to get better at it. This is the same with your finances, resist buying something you don't need, and invest your money instead.
2. Write down goals and break them down into smaller goals. This way you're protecting yourself from instant gratification. This is really useful when trying to hit financial goals, such as saving to buy a car or a place of your own.
3. Just like self control can help you to achieve your goals, and improve your physical and mental health, a lack of self control can have adverse effects on your self-esteem, finances, relationships, and overall health and well-being.
4. Set realistic deadlines. Work out what you can afford, without unrealistic sacrifices that you may not be able to keep to, but think of a few extras that you can do without, and then you might be more likely to succeed. You could save a little each month, ready to invest in the long term.
5. Celebrate small gains. When you hit some of those smaller goals – like saving to a figure that ends in a couple of 00's – treat yourself to an evening out or a 'gift' to yourself. Even investing just a small but regular amount each month will actually be liberating for you ultimately in your financial future.

The value of investments and any income they generate can go down as well as up, so there's a risk you may get back less than you invest. Investing is a long term commitment and should be for at least 5 years. Before you start investing we recommend you have an emergency fund of 3 to 6 months of living costs.