



Ways to cut living costs



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In this guide, we will look at practical ways to reduce your costs without sacrificing your standard of living. In the process, you will have more money left over to focus on things that matter.

Please note that the figures and data presented are based on research conducted by third-party sources. These numbers are subject to change over time and may vary depending on the context and timing of the analysis.

Overview

Managing living expenses is a key part of financial well-being, especially in times of economic uncertainty or when trying to save for future goals. Fortunately, there are three straightforward and effective strategies that anyone can apply to reduce their cost of living without necessarily sacrificing quality of life:



Reduce Wastage

This approach focuses on eliminating unnecessary spending. It involves identifying items, services, or habits that don't add real value or are underutilised. Examples include unused subscriptions, excessive energy use, food waste, or impulse purchases. By cutting back on what you don't need or use, you free up money for more meaningful or essential expenses.

Get a Better Price

Here, the goal is to pay less for the same product or service. This can be achieved through comparison shopping, using discounts or coupons, buying in bulk, or negotiating better deals. Whether it's groceries, insurance, or internet plans, finding a lower unit price for the same item helps stretch your budget further without changing your lifestyle.

Switch to a Lower-Cost Option

This strategy involves substituting a product or service with a more affordable alternative that still meets your needs. For example, cooking at home instead of dining out, using public transport instead of owning a car, or choosing generic brands over premium ones. These substitutions can significantly reduce costs while still delivering similar benefits.

Reducing wastage

The most effective way to save money without impacting your standard of living is to reduce wastage on unnecessary expenses. It may require some effort since you need to be more vigilant and break some bad habits, but the potential savings can be significant.

1. Unused subscriptions

Australians spend an average of \$105 per month on subscriptions they don't use – amounting to \$1,260 per year per person [\[1\]](#).

Steps to Reduce

- Audit your subscriptions: Use budgeting apps or bank statements to list all recurring charges.
- Cancel unused services: Streaming platforms like Netflix, Disney+, and Stan are easy to cancel online.
- Rotate subscriptions: Subscribe to one service at a time (e.g., Netflix for 2 months, then Disney+).
- Set reminders: Use calendar alerts to review subscriptions monthly.

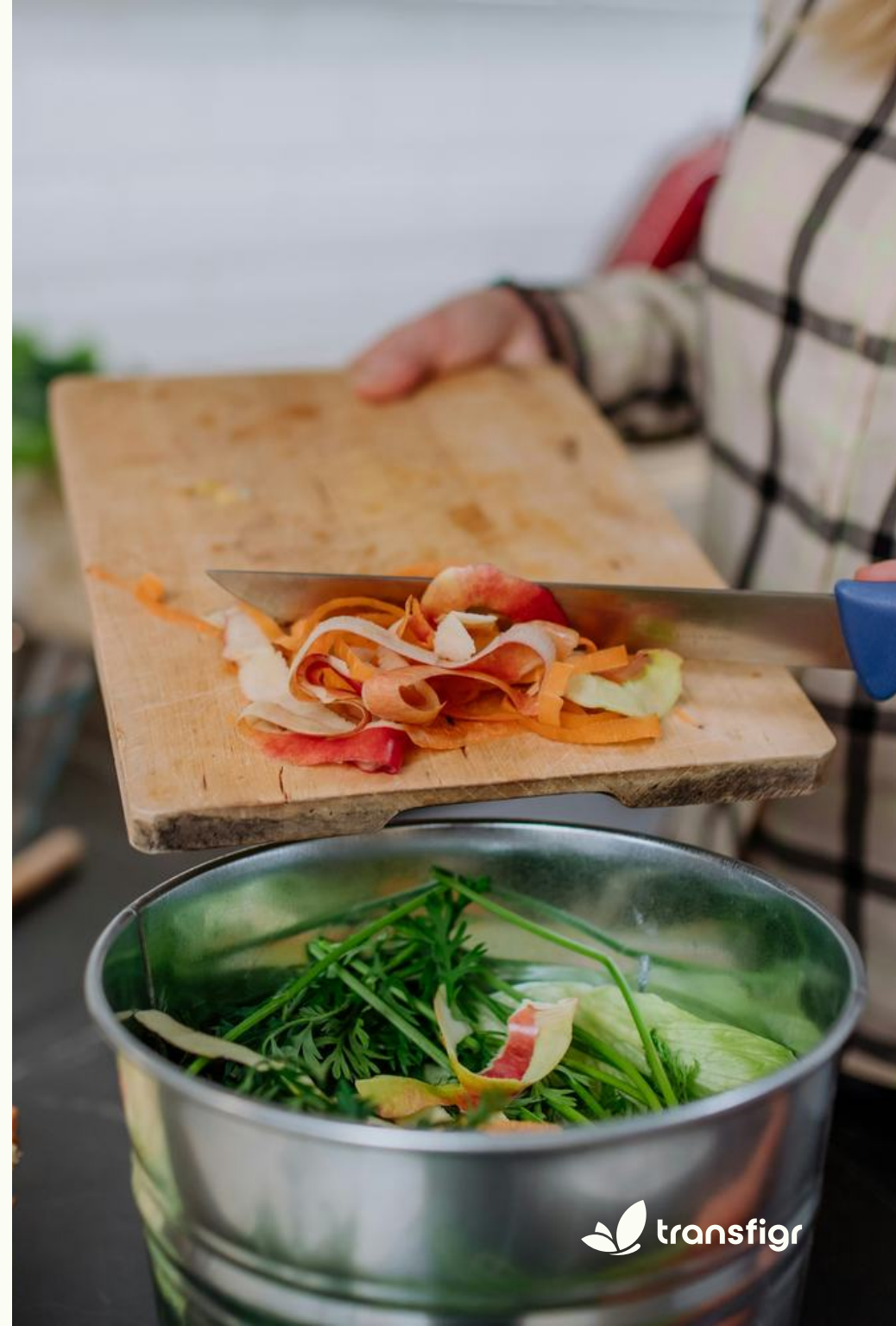


2. Unused food

Australian households waste \$2,200–\$3,800 per year on edible food that gets thrown out [\[2\]](#)[\[3\]](#).

Steps to Reduce

- Plan meals weekly: Use what's already in your fridge and pantry.
- Stick to a shopping list: Avoid impulse buys.
- Store food properly: Use airtight containers and label leftovers.
- Use your freezer: Freeze excess food and ripe produce.
- Get creative with leftovers: Turn roast veggies into soup or overripe bananas into banana bread.



3. Power wastage

Energy bills are inflated by inefficient usage, especially heating/cooling and standby power.

[\[4\]](#)

Steps to Reduce

- Use appliances efficiently: Turn off devices at the wall.
- Switch to LED lighting: Save on electricity.
- Use fans instead of air conditioning: Especially in summer.
- Block drafts: Seal windows and doors.
- Compare energy providers: Use tools like Energy Made Easy to find better deals.



4. Water wastage

Leaky taps and inefficient water use can waste up to 20,000 litres/year – costing money and harming the environment [\[5\]](#).

Steps to Reduce

- Fix leaks: A dripping tap can waste thousands of litres.
- Install water-saving devices: Showerheads, tap aerators, and dual-flush toilets.
- Limit shower time: Aim for 4 minutes.
- Use full loads in washing machines/dishwashers.
- Collect rainwater: Install a water tank for garden use.





Summary of potential savings

Expense type	Annual Savings Potential
Unused subscriptions	\$1,260 – \$1,500
Food waste	\$2,200 – \$3,800
Power wastage	\$300 – \$600
Water wastage	\$200 – \$400
Total	\$3,960 – \$6,300

References

- [1] [The Ultimate Guide to Cutting Subscription Costs for Aussies \(2025 ...](#)
- [2] [14 easy ways to reduce food waste at home | CHOICE](#)
- [3] [The Great Unwaste | The Drum](#)
- [4] [Reduce your energy bills - energy.gov.au](#)
- [5] [Easy Water-Saving Tips - The Nature Conservancy Australia](#)



Getting a better price

Another way to cut your living cost is to get a better price on everyday purchases by using smart shopping strategies:

1. Buy seasonal produce

Seasonal fruits and vegetables are often 2 to 4 times cheaper than out-of-season produce because they're locally grown and don't require long-distance transport or storage^[1].

Steps to save

- Shop at local markets or check supermarket specials.
- Use seasonal guides (e.g. Sydney Markets or Sustainable Table).
- Substitute expensive items with seasonal alternatives (e.g. swap limes for lemons, or broccoli for kale).



2. Use price comparison apps

Apps like WiseList and Frugl allow users to compare prices across major supermarkets (Coles, Woolworths, Aldi), helping shoppers find the best deals without visiting multiple stores [\[2\]](#).

Steps to save

- Download a comparison app (WiseList, Frugl, WhichGrocer).
- Create a grocery list and compare prices across stores.
- Use “Mix & Match” features to split your shop for maximum savings.



3. Compare unit prices

Unit pricing shows the cost per 100g, litre, or item, making it easier to compare products of different sizes or brands [\[3\]](#).

Steps to save

- Always check the shelf label for unit price.
- Compare bulk vs. smaller packs.
- Use unit pricing to evaluate sale items.



4. Buy in bulk

Bulk buying reduces the unit cost and cuts down on frequent shopping trips, saving time and petrol [\[4\]](#).

Steps to save

- Focus on non-perishables (rice, pasta, canned goods).
- Use airtight containers for storage.
- Calculate unit price to confirm savings.



5. Check for Bundling Deals

Bundling services (e.g. internet + streaming) can reduce monthly bills and simplify payments [\[6\]](#).

Steps to save

- Look for telco bundles (Telstra, Optus, Vodafone).
- Use platforms like SubHub or Hubbl to combine subscriptions.
- Compare bundled vs. standalone costs.

Example

Optus offers 10% off when bundling three or more subscriptions via SubHub. Telstra includes free trials or discounted streaming with NBN plans.



Summary of potential savings

Strategy	Estimated Annual Savings
Seasonal produce	\$300 – \$600
Price comparison apps	\$500 – \$1,000
Unit pricing	\$200 – \$400
Bulk buying	\$300 – \$800
Bundling services	\$100 – \$300
Total potential savings	\$1,400 – \$3,100

References

- [1] [Seasonal food swaps help save money on groceries and boost health](#)
- [2] [Best Grocery Comparison Site Australia | Price Compare with WiseList](#)
- [3] [What is unit pricing? How to work out the REAL cost of groceries](#)
- [4] [How to Save Money in Australia: Smart Bulk Buying Strategies](#)
- [5] [The simple shopping swap that could save you \\$4,000 a year](#)
- [6] [Best streaming bundles in Australia - Canstar Blue](#)

Switch to lower cost options

Substituting a product or service with a more affordable alternative – while still meeting your needs – is one of the most powerful ways you can save. This strategy, known as the substitution effect, helps maintain quality of life while reducing costs across food, transport, energy, and everyday shopping.

1. Cooking at home instead of dining out

Australians spend an average of \$95.50 per week on restaurant meals and takeaway. That's nearly \$5,000 per year [\[1\]](#). Cooking at home can cut this cost by more than half.

Steps to save

- Plan weekly meals and shop with a list.
- Batch cook and freeze meals.
- Use leftovers creatively (e.g. smoothies, soups, stir-fries).
- Grow herbs or veggies at home.





2. Using public transport instead of owning a car

Owning even the cheapest car in Australia costs nearly \$9,000/year. In contrast, the average household spends just \$2,137/year on public transport – a potential saving of \$6,800 annually [\[2\]](#).

Steps to save

- Use public transport for commuting and errands.
- Consider car-sharing or ride-hailing for occasional trips.
- Sell or avoid buying a second car.



3. Switching to generic brands

Switching to supermarket home brands can save up to 41% on groceries. For a typical trolley of 13 items, the savings can be \$32.80 per shop, or over \$1,700/year [\[3\]](#).

Steps to save

- Compare prices per unit (e.g. per 100g or litre).
- Try generic versions of staples like milk, bread, cleaning products, and toiletries.
- Use comparison tools like Frugl or WiseList.

Example savings

Item	Brand Name	Generic	Savings
Milk (3L)	\$5.95	\$4.35	\$1.60
Bread (700g)	\$4.50	\$2.80	\$1.70
Cleaner (750ml)	\$4.00	\$2.00	\$2.00
Tea Bags (50pk)	\$6.00	\$2.20	\$3.80

4. Other common substitutions

Category	Expensive option	Affordable substitute	Potential savings
Protein	Beef	Chicken or legumes	\$10–\$20/week
Drinks	Soft drinks	Tap water or soda water	\$500/year
Energy	Grid electricity	Rooftop solar	\$800–\$1,200/year
Fitness	Gym membership	YouTube workouts or walking	\$600/year

Total potential savings

Substitution strategy	Estimated Annual Savings
Cooking at home	\$3,000 – \$5,000
Public transport	\$5,000 – \$7,000
Generic brands	\$1,000 – \$1,700
Other substitutions	\$500 – \$2,000
Total	\$9,500 – \$15,700

References

- [1] [Saving Money on Food: The Australian Way of Frugal Living](#)
[2] [Car versus public transport or ride-share: What are the real costs ...](#)

- [3] [Australia's most frugal state revealed as half of shoppers switch to ...](#)
[4] [Substitution Effect In 2025: How Australians Are Changing Spending ...](#)



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Contact us

info@transfigr.com

Level 1, 66 King Street,
Sydney NSW 2000 Australia