

HOW EATING OUT KEEPS YOU POOR

Watch the [video](#) "How Eating Out Keeps You Poor" by Two Cents.

1 VOCABULARY

Task 1: Match the words in the box to their definitions below.

bleak 2	mark-up 7	down payment 1	compound interest 8
cut back 3	overheads 4	incentivise 5	cold turkey 6

1. an amount of money you pay at the time that you buy something, but is only a part of the total cost of that thing.
2. used to describe a situation where there is little hope for the future.
3. to reduce spending.
4. the costs of running a business that are not directly related to producing a good or service - rent, heating etc.
5. to provide a person with a good reason for wanting to do something.
6. to suddenly stop a frequent habit.
7. an amount added to the cost of a product, in order to cover costs and provide profit.
8. interest earned on previously earned interest.





Task 3: Use the words to complete the following sentences, you may need to change the tense.

- a) She decided to stop drinking coffee and quit **cold turkey**.
- b) The government wants to **incentivise** people to switch to greener cars.
- c) Many financial experts are predicting a **bleak** year due to inflation.
- d) Yesterday, Hannah and Tom put a **down payment** on their first home.
- e) Many companies are asking employees to work from home to reduce **overheads**.
- f) The usual **mark-up** on clothes is about 20 percent.
- g) I spend too much on clothes. I need to **cut back** this year.
- h) The difficulty with calculating mortgage payments is due to **compound interest**.

Now, practice using the new words from the video by discussing the questions below.

- 1. Describe something you want to **cut back** on.
- 2. Why do companies **mark-up** the prices on products?
- 3. Give five common **overheads** that businesses have.
- 4. In your country, what is the minimum **down payment** required when buying a house?
- 5. How can you **incentivise** people to eat healthily?
- 6. Have you ever given something up **cold turkey**?
- 7. In your own words, explain what **compound interest** is.
- 8. Due to inflation, do you think the global economic future will be **bleak**?



2 VIDEO ANALYSIS

Task 1: Discuss the following questions as a class. This is your opportunity to practice and improve your English level. Have fun!

1. Study some of the reasons why people eat out in the box below. Which of them apply to you. Explain and give examples.

Enjoy restaurants	Don't have time to cook	Can't cook	To socialise
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2. Watch the video again from 00:09-00:45 and explain the jokes.
3. The video says that, "21% of Americans have no retirement savings, and another 10% have less than \$5,000. It's even bleaker for millennials: nearly 6 in 10 have nothing saved at all." What are the reasons for this?
4. How do you think the stats from question 4 compare to the stats in your country?
5. The video says that, "In 2015, for the first time in history, Americans spent more money on bars and restaurants than on groceries, with the average household now spending more than \$3,000 annually on food away from home." How do you think this compares to your own experience and life?
6. Why do restaurants mark-up their prices by around 30%? **To cover costs and make profit.**
7. Does this mark-up encourage you to eat at home or do you think it is reasonable?
8. A survey by Zagat found that the average restaurant bill per person is over \$36. How does this compare to your country?
9. The average meal cooked at home with groceries is about \$4 per person. How does this compare to your country? What do you like to cook at home?

Task 2: Using Jake's example (from the video) as a guide, let's run the numbers on your eating out habits.

10. How often do you eat out for dinner each week?
11. On average, how much does eating out for dinner cost?
12. Do you cook breakfast at home or do you buy something from a cafe?



13. How much eating out for breakfast cost?
14. Do you cook lunch at home and take it to work?
15. How much does eating out for lunch cost?
16. Now, calculate the total cost of your eating out habits for a year.
17. If you cooked breakfast and lunch at home and only ate out once per week, how much would you save in a year?
18. Is the amount in question 17 enough to make you reduce the amount you eat out?
19. What could you do with the money saved?

Task 3: How to cut back?

20. What is meant by wiggle-room? Discuss the meaning as a class. **The space or freedom to change a decision or process.**
21. Do you agree that eating out presents wiggle-room for people to improve their finances?
22. What other non-fixed costs do people have that present wiggle-room for people to improve their finances?
23. Do you agree that "If you want to cut down on this expense, you first have to know why you're spending the money in the first place." Give examples of when you have done this in your own life. What were the results?
24. Do you think eating out is a convenience or a luxury? Could this change depending on the circumstance? Explain.
25. What advice does the video give to people who eat out for convenience? **Cook or prepare food at home. Use services that provide meal prep. Use a credit card that rewards shopping at supermarkets.**
26. What advice does the video give to people who eat out for luxury? **Share an entree, sign up for their email or Groupon, go to BYOB restaurants, eat ice-cream from an ice parlor, eat your lunch in a park instead of at your desk.**
27. Do you agree with the advice given? Do you have any extra advice?
28. The video recommends that you shouldn't accept any large, regular expense without asking yourself three fundamental questions:
 - a. How much am I spending on this?
 - b. What do I get out of it?
 - c. Can I get the same benefit for less money?



Task 4: Think of a large, regular expense you have, then ask yourself the three fundamental questions above (a-c). Discuss your findings as a class.

Task 5: Answer the questions.

29. What's your favourite cuisine?
30. Is there a particular cuisine that you think is overrated?
31. What foods do you refuse to eat?
32. What are your thoughts about fast food restaurants?
33. Do you tip when you eat out?
34. If you don't like a meal, do you complain to the waiter or not? Why?
35. If you find a hair in some food, do you tell the waiter or not say anything? Why?
36. Is there a meal that you're dreaming about trying one day?
37. Do you enjoy spicy food?
38. What is your go-to breakfast?
39. What is your ideal meal to eat at lunch?
40. What is your favourite meal to eat for dinner?
41. Do you eat dinner in front of the TV or at the dining table?
42. What do you think of airplane food?
43. Do you prefer the main course or dessert?
44. When you treat yourself with food, what do you eat?
45. Do you do a lot of meal prep? Or do you prefer to cook every day?

Task 6: Can you name...?

46. List 10 unhealthy foods.
47. List 10 healthy foods.
48. Name 3 foods that you would like to try one day.
49. Name 3 foods that you think are gross.
50. Name your 3 favourite drinks.

Task 7: Would you rather...?

51. Would you rather give up cheese or chocolate forever?
52. Would you rather give up soda for a year or candy for a year?
53. Would you rather never drink coffee or never eat pizza?
54. Would you rather only eat red food or yellow food?
55. Would you rather eat at McDonalds or KFC?

