

# **A**void **t**he **H**oliday **S**hopping **T**raps

# Planning is Critical

- **Know the enemy.** If you're going to pay by credit card, use the one with the most favorable terms. Know what the interest rate on each credit card. Know if your interest rate will jump to a high rate if you pay late and know if you could be slapped with a penalty if you pay late.
- **Have a plan for paying off your bills.** If you overspent last year, it's time to cut back. But slashing your budget in half can be like trying to quit smoking cold turkey -- it often doesn't work, and your failure makes you feel worse than before. Instead, come up with a more realistic goal. For example, make up your mind to cut your spending by 20% and pay off your balances by Valentine's Day. Meeting your deadline will give you the confidence to whittle another 20% off your spending next year.
- **Make a list.** Don't dismiss this advice as too simplistic. Writing down which stores you'll visit and which gifts you plan to buy helps focus your shopping excursion and makes the chore more pleasant because you don't get caught up in holiday hysteria. You will also spend less money than if you rush from store to store snapping up "bargains" willy-nilly?

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- **Make a Budget.** A budget is the key to any form of saving. Once you have a gift list, research all the items on that list to find reasonable prices for those items. Once you see the typical range of prices, you'll know a good deal when you see one. Go over the gift ideas and compare them with your gift budget. By doing so, you can set target sale price ranges for all of the gifts on your list. If an item never gets down to an affordable sale price, there is time to substitute a different gift idea that you can afford.
- **Start Early.** Don't wait until after Thanksgiving to start buying holiday gifts. Keep your eyes open all year round for items friends and family would like; it's often when you're not looking for something specific that you stumble across the perfect gift for a parent or your best friend. Once December hits, you'll be glad that you already have some people crossed off your list. Just make sure to keep all your advance gifts in a designated (and hidden, if necessary) spot so that you don't forget a purchase you made months in advance.

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- **Do Online Research.** If you're unsure of which specific item to buy, search for reputable online reviews. Check sites with user reviews and ratings, such as [Amazon.com](https://www.amazon.com) or [Cnet.com](https://www.cnet.com), to find out which products have the most positive feedback. To find the best online price, use a comparison shopping site, such as [Pricegrabber.com](https://www.pricegrabber.com). If you don't know the regular price of your planned gifts, you cannot tell what constitutes a good sale price. Check with multiple retailers for both in-store and online pricing. If they are seasonal items, take seasonal pricing into account and look for off-season bargains. Readjust your target prices and rearrange your budget if you find that your price estimates were too optimistic.
- **Look ahead to next year.** If you came up short on cash this year, start an old-fashioned holiday-club account with a modern twist: an online savings account with a bank or your credit union. You can easily set up an automatic transfer from your checking account each month, earn a competitive rate of interest, and have a tidy sum when next holiday season rolls around. Customers who bank with Wells Fargo can track their savings goals with an online tool called My Savings Plan.
- **Count your pennies.** Toss change from your purse and pockets into a jar or container every day. You will be surprised how this adds up and at the end of the year count your savings and use to buy holiday gifts.

# Tips and Tricks

- **Pay cash.** It's not hopelessly old-fashioned.
  - Pay in cash, preferably \$100 bills. It makes you think twice when you go to buy something. "You really don't want to break a Benjamin."
  - The other option is to use your debit/bank card. When you're out of money, you're out of money.
- **Keep a running tally of your credit-card spending.** When you come home from a day of shopping, immediately subtract what you've spent from your checking-account balance. Not only does that give you a visual record of how much you've spent, but also it ensures that you'll have enough money in the account to pay the bill when it arrives.
- **Think outside the gift box.** Plenty of alternatives are less expensive, and more fun, than buying a gift for every sibling, in-law, niece and nephew. Instead, have a family gift exchange in which you each choose one name and put more thought than money into selecting a single gift. Or buy a single gift for an entire family -- perhaps an "entertainment" basket filled with DVDs, microwave popcorn and gift certificates to the movies. Remember some of the best gifts don't cost money.

# Tips and Tricks

- **Be creative with the kids.** Plan a spring break vacation, then stuff the kids' stockings with guidebooks, maps and Disney memorabilia (or whatever venue you choose), and let them plan their excursion. You'll save money on holiday gifts, and they'll enjoy weeks of pleasure without becoming bored.
- **Get No-Cost Holiday Shipping.** More than 1,000 online merchants will offer free shipping with delivery by Christmas Eve. (Go to [freeshippingday.com](http://freeshippingday.com) for details.)
- **Hit Up Black Friday (If You Dare).** If you're looking for great deals and aren't afraid of battling large crowds, the day after Thanksgiving is a shopping must. Get a head start on fellow shoppers by checking a website like [Blackfriday.org](http://Blackfriday.org) before the big day. The site compiles Black Friday ads from various stores and updates the information as it becomes available, allowing you to plan out which stores to hit and what products you intend to buy. Some stores even offer advance "Black Friday" sales before Thanksgiving, so it's worth it to peruse the listings early. Warning: Some "Black Friday" deals aren't any cheaper than the regular sale price, so do some extra research before you camp out in the store parking lot at 2 a.m. Pay special attention to the avalanche of time-dependent deals during the Thanksgiving weekend.

# Tips and Tricks

- **Take Advantage of Cyber Monday.** A spin-off of Black Friday that debuted in 2005, Cyber Monday is reputedly the biggest online shopping day of the holiday season—and accordingly, many online retailers will offer special discounts on their products. It takes place the Monday after Black Friday, though you can find online bargains all year long at [Cybermonday.com](http://Cybermonday.com), the official Cyber Monday website. On the actual day, the site will feature extra discounts and hourly specials to further entice online shoppers. To stay even more in the know during the holidays, sign up to receive emails from your favorite stores to get advance notice about sales and insider-only deals.
- **Buy Previous Models of Electronics.** If you must have the latest smartphone, game system, or Smart TV, be prepared to pay for it. Retailers are always offering deals on the previous version to clear space for the new generations. Will your gift recipient really care if they receive the previous model?

# Tips and Tricks

- **Price Check with your Phone.** Despite your best intentions, perfect gifts have a way of blowing your holiday budget. If you find a gift that's over your budget, use your phone to see if you can find a better price elsewhere. Many stores have price-match policies.
- **Don't Procrastinate.** One of the surest ways to overspend is to wait until the last minute and buy all your gifts in a rush. Not only are you more likely to overspend, but it also makes an already stressful time of the year even more so.
- **Avoid Shopping Sprees.** Retailers are really good at enticing people to buy. Everything from display placement to lighting and music is designed to trigger impulse purchases. You can counteract this by sticking to your shopping list and leaving the store for a few minutes when you're tempted to make off-list purchases.

# Safety First

- **If possible, leave your purse at home.** Bring only items that you really need, such as ID and a bit of cash in your wallet. Place them safely in your pocket.
- **Don't carry any more cash or credit cards than needed.** More often than not, bringing one credit card is enough. Make sure you have recorded the customer service number on a piece of paper or on your phone so you can report it in the event your purse is stolen.
- **Keep your cellphone in your pocket.** It is better to keep your cellphone in your pocket and not in your purse while shopping. If your purse is stolen, you will still have your phone to call for help and report the loss.
- **Walk in busy, well-lit areas.** Muggers and thieves are more likely to strike in dark and secluded areas. It would be better if you walk briskly and confidently in busier and well-lit areas. You might also want to consider bringing a friend with you when you go shopping this holiday season.

# Safety First

- **Be aware of the area around you.** Awareness of your surroundings is one of the most important factors you need to consider when you're out shopping. Take a good look at the faces and hands of people who might approach or pass through you. Most of these snatchers like to strike swiftly without being recognized. Do not appear to be vulnerable or exposed and make sure you can describe them if such incident occurs.
- **If you must carry a purse, hold it close to your body.** Whether you're on a bus, a train, or just walking/shopping - hold your bag securely and close to your body. You can also wear it under your jacket or coat and keep it unexposed.
- **Record your important information.** Consider making photocopies of the important things in your purse like a driver's license and credit cards, and leave the copies in a secured place at home. So if your wallet or purse gets snatched or stolen, you'll have records of important information.
- **Never Leave your Purse Unguarded.** Do not leave your purse in your shopping cart or on a counter - not even for a moment. Also, do not hang your purse in a stroller.

*Courtesy of the Financial Empowerment Committee*

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