

# Debt.com Holiday Money Guide

A step-by-step guide to crafting the best holiday spending plan.





The winter holiday shopping season is the most expensive time of year for most people. Experts at the National Retail Federation predict that Americans will spend between \$727.9 and \$730.7 billion this November and December, with the average household shelling out \$1,048.

With spending so high, it's no wonder that so many people rely on credit cards to get through this shopping season. But that can lead to a serious holiday debt hangover in January as the bills come in and you realize just how much you overspent.

Luckily, Debt.com is here to help you stay on budget this holiday season! This guide is designed to help you craft a practical and effective holiday budget, so you can control your spending and avoid credit card debt.

And remember, if holiday debt happens, Debt.com will be here to help you find solutions that can provide immediate debt relief. Just call us at 1-844-334-3862.

Sincerely

**Howard Dvorkin**

Founder, CEO

Debt.com



Get debt help 1-844-334-3862



# Spend Time, Save Money

Focus on what really matters.

No matter how much you love the holidays or how much you plan, it's easy to get frazzled during the holiday shopping season. From trying to find the perfect gift for each person on your list to getting the decorations just right, there are plenty of ways to stress yourself out.

So, the first step in creating the best holiday spending plan is to make sure you focus on what's important instead of getting lost in the material details.

Ask yourself:

- What are your best holiday memories from years past?
- What do you like most about this season?
- What do you like the least?
- What's the one thing you want to do most this season?
- What's the one thing you don't want to do?
- How can you make this holiday season less stressful?

Answering these questions will help you craft your holiday spending plan in a positive and productive light.



Get debt help 1-844-334-3862

# Start a New Tradition! Find free events you can do as a group to make new memories together.

Whether it's attending a tree lighting ceremony at your local town center or setting up a holiday bonfire as a family, think of one new tradition that you can start that doesn't involve spending lots of money.

- Check local papers and forums for free holiday festivals
- Find cheap tickets holiday plays and productions
- Make an event out of decorating your house or Christmas tree
- Set up a day to work for a charity as a group
- Get some fresh air with a bonfire or walking your neighborhood as a family to look at light displays
- Go skiing or skating together
- Start a thankful jar in which everyone adds slips of paper about what they're thankful for, then read them aloud as a group
- Put together a caroling group and go around the neighborhood
- Set up a holiday movie or game night

The more free or cheap stuff you can do as a group, the less money everyone will have to overspend. Plus, spending time together will help you celebrate what's important instead of getting stuck on the price tag for each person.



Get debt help 1-844-334-3862



# Make Your List and Check it Twice

## Refine Your Gift List

Find smart ways to reduce the cost of gifting everyone on your list. Although other expenses can add up quickly, the bulk of what you spend during the holidays goes towards gifts. Going overboard by gifting too many people or spending too much on each person can easily bust your holiday budget.

Use these tips to trim your gift list down to a manageable size:

- **Set limits in your immediate family.** You can either set dollar limits on the total amount to spend on each person or limit by number of gifts. Dollar limits tend to work best. That way, a family member can either choose one big gift or several smaller items.
- **Don't buy individual gifts for everyone.** Specialized individual gifts should really be limited to immediate family. For everyone else, use the other tips below to give them something thoughtful that won't break the bank.



Get debt help 1-844-334-3862

- **Buy in bulk, then make gift baskets.** You can buy items in bulk, like food, beverages, small decorations, and holiday tchotchkes at discount stores. Then hit up a craft store to buy inexpensive baskets and fillers so you can build gift baskets.
- **Set up gift swaps and exchanges.** Among your co-workers or group of friends, set up a Yankee gift swap or white elephant present exchange. Decide on a dollar limit, then everyone buys one creative gift and you get together to exchange them.
- **Homemade and handmade gifts are more meaningful.** If you bake, then get baking and give gifts that come from your heart and kitchen. Or if you have kids, find a craft project such as making ornaments, which make great gifts for grandparents.
- **Give time or take some to-dos on.** You can give coupon books that can be redeemed for spending time together next year or free up some time for the recipient by taking on a few chores for them. Have the kids shovel a neighbor's driveway or gift babysitting services to a relative with kids.
- **Set up gift swaps and exchanges.** Among your co-workers or group of friends, set up a Yankee gift swap or white elephant present exchange. Decide on a dollar limit, then everyone buys one creative gift and you get together to exchange them.
- **Buy a gift together between spouses.** Instead of buying each other individual gifts, decide that you'll buy something together that you need as a household. For instance, you can replace a piece of furniture or an appliance that's wearing out or buy a new electronic device that everyone can enjoy.



Get debt help 1-844-334-3862

- **Buy a gift together between spouses.** Instead of buying each other individual gifts, decide that you'll buy something together that you need as a household. For instance, you can replace a piece of furniture or an appliance that's wearing out or buy a new electronic device that everyone can enjoy.
- **Take one name off your list.** If your gift recipient list is a way too long, then find at least one name that you can take off. For instance, keep office gifts narrowed to your boss or just the employees you supervise directly; only buy for your kids' homeroom teacher or favorite teacher instead of all of them.
- **Get inexpensive universal gifts.** This is especially useful if you take names off your list. Get universal items like picture frames or scented candles that you can give to someone if they gift you. This will help avoid pricey last-minute gift purchases.
- **Don't self-gift. This is becoming a common trend.** People buy a little something for themselves while they're out shopping for everyone else. If you want something, put it on your list so someone else can buy it for you.
- **Don't buy for pets.** Your dog or cat or iguana has no idea that it's Christmas, so why waste a bunch of money buying them holiday toys and outfits? Save your money and if you absolutely need to dress up your dog, make the costume instead.
- **Opt for tipping instead of gifting.** Service providers don't need individual gifts. You can simply tip them for the end of the year. Or, if you followed the baking tip above, you can make them something, too.



Get debt help 1-844-334-3862



# Shop Smart and Minimize Credit

Don't let retail tricks tempt you into spending more than you planned.

Retailers typically make about 20% of their annual sales during the holiday shopping season. They pull out all the stops to get you to spend more money. Recognizing these tricks and setting up the right shopping strategy can help you avoid overspending.

- **Start shopping early.** The earlier you start shopping, the more paychecks you have available to spread out the cost. You can pay for things with free cash flow in your budget instead of relying on credit. The best holiday planners actually buy stuff throughout the year (including buying decorations for next year right after this one).
- **Never shop without your list.** You went to all the trouble to make your list, so take it with you everywhere. Keep it as a note on your smartphone so it's with you always. Shopping without a list can often lead to impulse buys. You should even have your list handy while you shop online.



Get debt help 1-844-334-3862



- **Take time to comparison shop.** Make sure you're getting the best price on the items you need. Compare prices online and take advantage of price matching policies if one retailer offers an item at a lower price. Just be careful and check holiday store policies. Some stores suspend price match for all or part of the season.
- **Sign up for emails from your favorite retailers.** Most retailers offer exclusive deals to their email lists, so you can score some great bargains. Just be aware that they will probably flood your inbox during the holidays. Read subject lines and only open emails that offer something on your list to avoid getting pulled into buying things you don't need.
- **Never shop tired or hungry.** If you're exhausted from a long day or hungry because you skipped lunch, don't go shopping. You're more likely to buy things just to get it done, and this usually leads to overspending.
- **A deal isn't a deal if it's something you don't need.** Both in-store displays and digital ads are designed to get you to make more purchases. Just because something is 50% off doesn't make it a good deal. Again, only buy what's on your list and avoid impulse buys.
- **Always get gift receipts.** This makes exchanges after the holidays easy and helps ensure you get a full refund instead of something like partial store credit.
- **Know the cutoff date for free ground shipping.** Many stores offer free ground shipping during the holidays, but you need to plan carefully to take advantage. Note shopping policies for any online retailer you plan to use; if free shipping isn't available, see if they offer in-store pick up.



Get debt help 1-844-334-3862



## Keep Credit Card Use Minimized

You should only use three credit cards at most during the holidays. Ideally, you want to pay for everything in cash. However, if you're shopping online or making travel reservations, then you may need to use credit. Still, if you have a solid holiday budget, you won't use credit without a clear plan for paying off the charges.

**Note:** If you start and end a billing cycle with a zero balance, you don't pay interest on any charges made that month! The strategy below is best used if you start shopping with zero balances.



Get debt help 1-844-334-3862

- 1. Use a low-APR credit card for big purchases.** Any charges that can't be paid off within a single billing cycle should go on your credit card with the lowest APR. This will keep interest charges minimized while you pay off the balance.
- 2. Use your rewards credit card strategically.** If you earn points or cash back on certain purchases or from certain retailers, only use the card when you earn. If you earn cash back on everything, limit reward card use to what you can pay off in one billing cycle.
- 3. Use a travel rewards credit card to make reservations.** If you plan on travelling, then you may also want to use a travel rewards credit card to earn miles for your airline trip and accommodations.

**Take steps to limit the risk of identity theft as you shop online for the holidays.** If possible, use PayPal or a prepaid credit card to make purchases online. Never use your debit card, since fraud liability is based on how soon you report the theft or mysterious charges!

Prepaid credit or PayPal can also help avoid overspending, since you only load the funds you have available to spend.



Get debt help 1-844-334-3862

# Advice from the Experts



Tiffany Aliche ~ The Budgetnista

<http://thebudgetnista.com/>

<https://thebudgetnistablog.com/>

[@TheBudgetnista](#)

**Budget, Budget, Budget** Let's be honest here. While you're out holiday shopping, there are tons of things on-sale saying:

"Buy me, buy me, please take me home with you."

Not going to lie. I'm also guilty of this. That's why having a budget is integral. It keeps you on track so you can stick to the plan even if other items grab your attention on your shopping trip. Before you even step foot in a mall, review your income and expenses for the holidays and come up with a number you feel comfortable with spending on gifts (that won't put you in debt). Then, budget out a certain amount of money for each person on your holiday shopping list.

## **Get Creative!**

Several years ago, my family and I collectively decided not to buy individual gifts for the holidays. So, I organized a Secret Santa where everyone got one special gift and we set a gift limit of \$50. There's a nifty online [Secret Santa app](#) we used to create a wish list and it picks random names for everyone in the group.

Now, it's become a tradition. It's fun to see how everyone gets creative under the spending limit and it drastically reduces everyone's holiday gift spending. How can you implement a gift budget cap this year?



Get debt help 1-844-334-3862

Don't be afraid to be realistic and honest with your family and friends. You can try the Secret Santa idea like I did, or you can simply set a gift budget across the board for everyone you swap gifts with.

### ***Use Rewards Credit Cards the Right Way***

Now, don't get me wrong. Going into holiday credit card debt is a big no-no. But, if you use cash-back credit cards the right way, you can get rewarded for cash you intend to spend anyway. Also, if holiday travel is on your agenda, use a card that earns travel rewards.

Live richer,

Tiffany

Interested in more money tips from Tiffany? Her Live Richer Academy has different courses teaching about tools and resources to achieve financial freedom. Sign up here to try it risk free: <https://joinlra.com/>



Get debt help 1-844-334-3862



## RJ Weis ~ The Ways To Wealth

<https://www.thewaystowealth.com/>

[@TheWaysToWealth](#)

My favorite strategy for saving money during the holidays is to reduce the number of gifts you give. And the best strategies for limiting gifts are to set a strict limit on the number of gifts you give to family, encourage gift exchanges over individual giving, and simply just saying no.

With three young kids, we stick to the Four Gifts of Christmas guideline. This is to give each kid something they need, something to read, something they want, and something to wear. This not only cuts down on the costs, but with strict criteria, it saves us a lot of time and mental energy shopping.

RJ



Get debt help 1-844-334-3862



## Andy Hill ~ Marriage Kids and Money

<https://www.marriagekidsandmoney.com/>

[@AndyHillMKM](#)

With a little planning and preparation, the holidays can be a time to create beautiful memories. If we don't prepare, we could be paying credit card interest on those memories for months or even years.

Here are three easy steps that will help you stick to your budget this holiday season:

- 1. Determine Your Holiday Spending Budget.** Review your budget and set a specific dollar figure for your holiday spending. Include gifts, parties, decorations and anything else that "pops up" during the holidays.
- 2. Set Expectations with Friends and Family.** Sometimes we can feel outside pressure from friends and family to spend more when we know we shouldn't. Talk to your friends and family about your financial goals so they can help you achieve them.
- 3. Stick to Cash.** It can be so easy to swipe your credit card during the holidays. Take away the temptation by only spending your predetermined amount of money in cash.

Andy



Get debt help 1-844-334-3862



## The Savvy Couple (Kelan & Brittany)

<https://thesavvycouple.com/>

[@TheSavvyCouple](#)

How to save money during the holidays:

Year after year we get together with our family friends for a Christmas celebration. Year after year buying for two additional families was getting expensive! On top of rotating through hosting and entertaining for three families, costs for that party alone was a stress to our already tight holiday budget.

We reduced our spending by having a white elephant party every year. Instead of buying for everyone, buy one gift and host a white elephant party instead. Everyone who is participating in the gift-giving/receiving brings one gift to the party. Place all the gifts on a table. When it is time to do gifts, everyone pulls one number. Start with number 1 to pick any gift they want from the pile. Number 2 gets to either pick from the pile OR steal the gift from number 1. Keep going through the numbers. Research a white elephant for the rest of the rules.

Not only is playing white elephant more fun than buying for everyone, but it also saves so much money! Give it a try your next get-together!

Kelan & Brittany

For more from The Savvy Couple, check out their general [Budgeting Binder](#) and their [Christmas Planner!](#)



Get debt help 1-844-334-3862





# Update Your Budget with Tech

Not many people still get out pen and paper to create their holiday budgets. We get it – there are better and easier ways to divvy up your cash! Here are a few high-tech ideas to get you started.

## General Budgeting Apps

Keep track of your gift budget during the holiday season – and your year-round spending – with these personal finance apps.

### [Tiller Money](#)

This software is perfect for people who like to use spreadsheets for their personal finances. There are plenty of sheets to choose from, and if you use Google Drive, you can use Tiller with Google Sheets.

### [Mint](#)

Mint is a popular smartphone app for personal budgeting. You can track your spending, see your credit score, and more. It's simple and great for beginners.



Get debt help 1-844-334-3862

## YNAB

“YNAB” is an acronym for the phrase “You Need a Budget.” It’s an online and mobile application that teaches you how to budget and helps you stick to it. YNAB, like Tiller, is more thorough than Mint.

## Charlie

Charlie is the name of an AI penguin who uses Facebook Messenger to talk to you about your money. He connects to your accounts and gives you a big picture of your finances while offering tips for saving more.

# Apps Specifically for Holiday Spending Planning

The common quip “There’s an app for that!” also applies to budgeting for the holiday season. General apps help you set one consistent monthly budget, but what happens when you need to spend more for the holidays? If you want to keep that plan separate, there are apps made specifically for budgeting during this season.

## Tiller Holiday Budget Spreadsheet

Tiller, a budgeting system that the Debt.com Review Team loves, has a budgeting spreadsheet specifically for holiday shopping. It connects to Google sheets or you can use it in Microsoft Excel. Because it’s a spreadsheet, it’s one of the most customizable holiday spending planners you can get. Plus, it’s free!

## Christmas List App

You can use this software online, on your Android device, or on your iOS device. It helps you organize your list and keep track of your budget. You can also share the list with family and friends.

## Giftster

A great way to save money on gifts is to be absolutely sure you get someone what they want. Giftster lets you do just that. Your loved ones can make a registry for their gifts, and you can keep track of what you want to buy them and your budget. It also has a Secret Santa feature!



Get debt help 1-844-334-3862



# More Tips for Your Holiday Budget

- **Whenever possible, pay in cash.** The more you can cover with cash, the less debt you'll have to pay off in the New Year.
- **Steer clear of fads.** Go for gifts that will stand the test of time, instead of those hot fad items that will be cool for a month until everyone gets bored with it.
- **Avoid buying things on the spot.** If you see an item that's not on your list and think it might be a good buy, walk away (or go surf online somewhere else) to give yourself time to consider the purchase. If you still want it, go back and get it.
- **Don't go overboard on decorations.** Competing with your neighbors on Christmas lights is a good way for everyone on the block to end up with credit card debt.
- **Consider decoration swaps.** If you have a friend or family member that lives near but not in the same neighborhood, swap out decorations so it looks like you both bought everything new.



Get debt help 1-844-334-3862

- **Take note of or save coupon codes to your digital wallet.** You don't want to lose track of a good deal once you find it, so save it somewhere you'll remember it.
- **Holiday apps are your friend.** Whether you get a price comparison app or download the app from your favorite retailer to score exclusive discounts, look for smartphone and tablet apps that can make your life easier.



Get debt help 1-844-334-3862