



How to Avoid a Credit Crunch Christmas

If you don't have the money don't spend it – Yes I know it sound Scrooge like and that you will probably end up disappointing a lot of people but just because its Christmas this is no excuse for you to stop managing your money, act irresponsibly and end up entering 2012 with debt that it will take probably months, or even the remainder of the year, to pay off.

- 1. Give gift vouchers or money** - Giving vouchers or money can be an inexpensive way of giving Christmas presents. Vouchers can be purchased for a wide range of gifts including books, clothes, CDs, and for purchases at department stores. The advantage of gift vouchers is that they can be combined with money by the recipient to buy a much more expensive gift than you can personally afford. Likewise money is a nice gift young children or teenagers and can be either placed in savings account or again combined with other Christmas money to buy that desired toy, computer game, console or clothes. In either case the cost to you is reduced.
- 2. Buy gifts online** – The internet is now widely recognised as one of the most economic and efficient ways of purchasing gifts generally and in particular for Christmas, Birthdays, Mothers Day etc. A large number of the major high street stores now have a presence online and often will sell goods cheaper online than in store. In addition there are companies who sell on the internet only and without the overheads of retail stores are able to offer a considerable discount on the prices charged by retail stores.
- 3. Shop around** - Even at Christmas there are still variations in the price of identical goods in different stores so shop around. In the current climate it is not unusual o find some stores doing 3 for two deals. Boots even having their £5 gift range that can make nice little gifts and avoid the expensive outlays.

4. **Join a Christmas Club** – This is too late for this year but an ideal way of saving for Christmas is to join a Christmas Club. These are often set up at work or between friends; there are also professional clubs to which you can subscribe. The principle is that you make a weekly or monthly contribution which is paid out at Christmas. The money paid out can cover gifts, food and drink or other expenses incurred during the festive period.
5. **Buy gifts earlier in the year** – Like point 5 above this probably too late for this year but an ideal way to shop for Christmas is to shop before Christmas; this is because at Christmas prices, not surprisingly, increase. If you buy your gifts during the spring, summer, or autumn sales by the time Christmas comes you won't need to spend that much, if anything at all.
6. **Pre Christmas Sales** – These are becoming increasingly common as stores try and steal a march on their competitors before the New Year.
7. **Buy nearly new** - eBay and other auction sites are a valuable source of nearly new or cheap goods which substantially reduce your outlay on Christmas.
8. **Shop with cash** - Withdraw the total amount in cash you want to spend on Christmas, put your debit and credits away and do your shopping. The most obvious advantage of this is that it helps you restrict what you spend, but it may also get you deals from vendors for cash that you might not otherwise get.

In concluding whatever you do make sure you don't end up sacrificing the financial stability of 2012 for an expensive Christmas.

Isaac Carter is the author of **"Go to the Ant"** a simple but effective guide to money management. www.gototheant.co.uk