



## Money tips for the giving season

There are just a few weeks until the December holiday season, which means families across Australia will soon be putting up decorations, hitting the shops for gifts and filling the cupboards with festive treats – some will have started already.

However, the silly season often places enormous pressure on people to overspend, which can leave many with a debt hangover that lasts well into the new year. Finder.com.au figures predict Australians will spend \$8.9 billion on gifts this year, an average of nearly \$500 per shopper.

To help address the potential spending issues over the season, the Australian Securities and Investments Commission have published tips to assist in managing finances.

### Have a clean up

There's still time to bag some extra cash to boost your festive finances. Spend a few hours clearing out anything you no longer need around the house, like clothes, books, jewellery, furniture, music, or sporting equipment. You could sell these items online, hold a garage sale, or find a local buy-swap-sell.

They say that one person's trash is another's treasure so, as well as pocketing a few extra dollars, you might just end up making someone else's holiday season extra special.

## Make a list and check it twice

Make lists of the things you need to buy and the food you need to prepare for the festive season. Having lists will help you plan your spending and keep you on track.

- Presents - Make a list of who you're buying for, what you want to get them, and how much money you're prepared to spend on each person.
- Entertainment supplies - List the food and drinks you'll need, and how much you can spend. Buy in advance where possible to take advantage of specials, especially if items can be frozen or have a long shelf life.
- Travel plans - Whether you're flying or driving, there are ways to save on holiday travel costs. List all your costs like flights, accommodation, travel insurance, airport transfers and petrol. Shop around for deals as early as you can, to avoid paying a premium for last-minute bookings or peak season increases. If you're going on a driving holiday, work out which day is cheapest to fill up on petrol, and do it the week before Christmas.

## Personalise your cards and wrapping

Most people throw away their cards once the festivities are over, which is just like throwing money in the bin.

This year, instead of spending your hard-earned cash on shop-bought cards that will only end up in the recycling bin, why not send your family and friends greetings they will want to keep?

You could:

- Use a favourite photo to create a personalised photo card
- If you have kids, give them some paper and get them to draw or paint pictures that you can use to create special cards
- Record a video message on your smartphone or iPad and email it to your family and friends
- Write a letter to your loved ones instead of sending a card. This is a great way to tell them how much they mean to you, or thank them for something special they might have done for you this year.

Rethink your wrapping by buying brown paper and string, or just use plain coloured paper to wrap your presents. Then you'll avoid pricey Christmas wrapping and can use the excess during the year to wrap other gifts.

## Be a scrooge online

If you're shopping online, look for ways to save every cent you can. Before you start, do a web search for discount or coupon codes that you can use at the checkout. Look in the sales sections of retailers' websites to see what's on offer.

If you know what items you are looking for, search for them online instead of just going to one retailer's website. You might find it much cheaper somewhere else.

Search online auction websites where you can 'bid' for items, including supplies you need for holidays. Make sure you include any shipping costs when you are comparing prices. The cost of some items can blow out once you add shipping, meaning it might be better to simply go to a store to get the item. Or look for items or shopping days that have free shipping.

Things are often much cheaper online than in a store, but you do need to take extra precautions when shopping online.

## Grab your gift cards

Australians love gift cards and vouchers, but too many of us let the funds expire before we use them. Check the expiry date on any gift cards you still have credit on, and consider putting this money towards your costs. Every dollar of gift card credit you use means you're spending one less dollar of your own money. Every little bit helps!

Gift cards can also make good presents for people who are hard to buy for, or if you just don't know what to get them. Giving gift cards also means the recipient can use them in the post-Christmas sales.

## Get social with Shopping

If you follow your favourite brands and retailers on social media, you may be able to get exclusive discounts through these social channels. Their newsletters may also alert you to sales and deals. There are also discount or deal apps that you can use to find bargains that you can use as gifts.

## Master the art of gift hacking

There's a lot of pressure to spend up big on gifts at this time of year, but pricey presents aren't necessarily the way to go. Here are some ways you can show you care, while keeping a lid on your spending:

- Agree on a spending limit - Suggest to your loved ones that you set a limit on how much you will spend on gifts for each other to keep your budgets under control
- Kids only - Talk to the other adults in your extended family about only buying presents for the kids this year, rather than for the adults
- DIY vouchers - We often remember the things people do for us rather than the presents they give us. Consider giving redeemable vouchers for tasks like babysitting, massages, picnics, homemade dinners or even housework.
- Savvy sales - Take advantage of sales throughout the year to nab some bargains and store them away for gifts. But, even in December there are bargains to be had. You can also check out any clearance outlets near you, or sign up to their newsletters so that you'll be in the know when they have a sale.
- Compare offers - Some stores match or beat competitors' deals, so compare their offers and take all the details with you when you go into the store. Don't be afraid to ask for a discount - you might just get a miracle!
- Second-hand bargains - Op shops, antique stores and second-hand bookshops can be a treasure trove for the thrifty shopper. If you're prepared to spend the time looking through their stock, you can often find good quality items at a fraction of the price you'd pay at big name stores.

## Be prepared

If you are going to shop in-store, consider these rules-of-thumb to reduce shopping stress and limit the temptation to over spend:

- Set a time limit on your shopping - Get in, get it done and get out so you aren't tempted to spend more than you want to.
- Shop at odd hours - Take advantage of extended trading hours and go when it's less crowded so you can choose carefully without having to jostle for space.

- Buy less expensive stuff first - If you buy larger and more costly items first you can lose perspective on what is a good price, so set your budget, buy small first, and then tackle the big stuff so you stick to your gift budget.
- Pre-pay - If you buy online, check if there's an option to pick up in-store. You'll save on freight, skip any lines, and there will be less temptation to buy more.
- Limit your shopping locations - Only go to shops that you need to visit so you don't get distracted and impulse buy.

## Track your spending

Keeping track of your festive spending is the best way to avoid going over your budget this season. ASIC. ASIC have made available to the public an app that tracks your spending. You can download the ASIC TrackMySPEND app from the Apple App Store and Android Google play.

## Give to those less fortunate

Spread the cheer by giving to those who are doing it tough. Consider donating to a charity on someone else's behalf and give this to them as a gift. As well as money, many charities also accept household items, clothes and groceries, or you could volunteer your time to help them out.

## Lighten your load on the Day

The costs of entertaining can skyrocket at this time of year. But, with some simple planning, both you and your wallet can enjoy the fruits of your labour. Here are some ways to lighten the load:

- Share the catering - Even if you're hosting lunch or dinner, there's no need to shoulder all the work yourself. Ask others to bring nibbles, drinks, salads or desserts.
- Buy only what you need - It can be easy to overestimate how much food you'll need, only to end up throwing some away or eating leftovers for days. The calculator on NSW EPA's Love Food Hate Waste website can help you plan exactly how much food you will need for the number of people you are catering for.
- Switch supermarkets - Make a list of the groceries you need, then take advantage of the competition between supermarkets by checking out the advertised specials and stocking up. Don't buy everything at the same shop if you can get it cheaper elsewhere. You might even get better deals at your local butcher or fruit shop.
- Use loyalty credits - If you belong to a supermarket loyalty scheme that builds up credit after you've spent a certain amount, check if you can use the credit to get a discount on your grocery shop.

## Plan for next year

Once this holiday season is done and dusted, you should start planning ahead for next year. Here are some ideas to make sure you are set up:

- Start saving now - Open a high interest savings account in January and contribute a small amount to it every payday. Saving \$20 per week will add up to over \$1,000 in a year's time. Use our savings goals calculator to see how much you'll need to save each pay to reach your savings goal.

- Shop the sales - Shop for presents throughout the year, especially during sales. This will spread your costs and make them more manageable.
- Layby - Pre-plan larger gifts and layby them a few months ahead so you can pay them off over time.



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