

Thought of the Month



All I want for Christmas... is to survive it debt free

With the holiday season fast approaching, it's tempting to throw out the year's careful planning and budgeting to splurge in the name of Christmas. But getting into the Christmas spirit doesn't mean you have to get into debt. Follow these tips to emerge in the new year debt free.

Set a budget

First take some time out to review your current finances. Determine how much you can realistically afford to spend without getting into the red. Remember to include gifts and entertainment as well as all the small things that come with the season like cards, stamps, decorations, food and travel. Next make a list of everyone you plan on giving a gift to and decide how much you want to spend on each person. Finally check that the total figure you want to spend is not beyond your budget. You may need to reduce the amount you are able to spend on each person or reassess the number of people on your list.

Start early

Before you know it, Christmas will be upon us. In fact, the department stores have already started spruiking their Christmas wares. By shopping early, you can look out for sales and great deals for later in the year. You also have time to comparison shop rather than last-minute shop; where your panic to pick up something (anything) will usually mean spending more.

Look for savings and incentives

If you choose to use your credit card, look for any rewards or discounts that may be available through your credit provider. Also try to shop online first as you are less likely to impulse shop and can easily compare prices across various websites. There are plenty of online retailers that offer savings across a number of product categories such as fashion, skincare, make up, fragrances, books and electrical appliances. You can also find discounts through online community classifieds, auctions and daily deal sites.

Remember who you're shopping for

When you're shopping for family and friends, it's very easy to find things which will be just perfect for you. This is a very common mistake which is sure to break your budget. Christmas shopping isn't a 'one for you, one for me' deal. Don't buy it. If you really need to have it, wait until after the holidays when it's more likely to be on sale.

Stick to your budget

Remember that a deal is not a deal if you can't afford it. Once you reach your budget limit, stop.

Save early

Get off the overspending merry-go-round by saving early for next year. As soon as the holiday season is over, determine next year's Christmas budget and set up automatic direct debits into a dedicated Christmas savings account. You'll be all set by the time the department stores bring out their tinsel again.

If you have any queries relating to the above, please contact People's Choice on (08) 9489 2700 or by email on corpsuper@peopleschoicecu.com.au.

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