

Avoid buyer's remorse this festive season

By [Laurence Hillman](#)

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The festive season is again likely to bring on an increase of spending. The Spark Cash Index, which measures withdrawals across its ATMs throughout the country, reported a 2% year-on-year increase for the period 1 to 18 December last year, increasing from R436 in 2010 to R445 in 2011.



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All too soon, January arrives and many are faced with maxed-out credit with the festive spirit replaced by buyer's remorse. With just under a month until Christmas arrives, careful planning and safer choices now becomes key to survive the season. Here are some tips to help you along the way.

Plan a Christmas budget

One of the biggest reasons people may panic during the festive season is due to a failure to plan. So rather than worry, look to establish a Christmas budget at the start of the holiday season. That way you know how much you have to spend and whom you will be spending it on. Remember to consider your usual expenses, as it is advisable to pay all those expenses first. More importantly, do not forget expected January's costs in your planning and budgets. So where do you start?

Straighten out your to do lists, whether they be work goals, personal goals or holiday/festive-related goals. Go on holiday knowing that you have completed as much things on the list as possible and that you have tied up all the loose ends. Nobody wants to worry about those things while on holiday. Ensure you 'standard' monthly bills are paid, holiday expenses have been accounted for and you understand what is needed to get through the January period.

Do not spend all your cash in one place. Your bonus or 13th cheque should not be finished by the end of December. Think of this extra cash as a financial buffer that is there to help you make it until January's pay cheque comes around. A portion of it could even be deposited into a savings account or used to pay back credit card debt will create a smooth financial

transition into the New Year.

The holidays are times of excess in many arenas. There is nothing wrong with treating yourself, but do not over indulge. This goes for finances as well as food and alcohol. After the craziness of the year, you are definitely entitled to spoil yourself but don't do things that you will regret. Rather look to start the New Year knowing you will not have to struggle to get back on track with your goals.

Credit-wise

An example - credit is not always the most 'convenient' option, especially if you consider that the interest you may end up paying down the line on items like clothing and food bought today could hinder any future savings you may want to examine.

Don't get into debt - Unsecured lending in South Africa is at an all-time high due to our poor economic climate and this type of lending tends to increase during the festive season. Being able to delay immediate gratification has a direct impact on your success in life. Exercising self-control means you won't be so quick to buy things on credit cards.

Consumers may think that taking advantage of the credit payment terms associated with holiday specials makes immediate sense, but consider the long term effects or the so called fine print before committing to this to ensure you do not start the New Year with any buyer's 'remorse'.

Online bargains

Going Christmas shopping during the height of the season (about 10 days before Christmas) the festive shopping frenzy is a flurry of purchasing drama. In this case, the adage of 'the early bird catches the worm' is often true, so get to the shops early and avoid the drama of overpriced and marked up goods. Try to do all your shopping in one day, avoid browsing and stick to your list. An even better option - try shopping online this year which is less stressful and often more cost-effective because you can look for better deals and compare prices.

Travel well

Travel safely this festive season. We all know that the large traffic volumes that this time of year brings increases the risk of accidents on the roads. Statistics from 1Lifedirect indicate that 23% of all death claims result from accidents, while 45% of accidental deaths result from motor vehicle accidents. According to the Road Traffic Management Corporation, more than 1475 people died in motor-vehicle accidents between 1 December and 10 January 2012. So take it easy on the roads, rest often and do not be in a rush to get to your destination - keep a safe following distance and become a courteous driver, allowing others to pass while ensuring you keep your headlights on when it is dark.

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