

# Ask an Expert: 25 Holiday Money Wasters

**Teresa Hunsaker**

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It can't hurt to spend a little extra during the holidays because, "Tis the Season." Right? Wrong...it can and does hurt. No matter how caught up in the spirit of Christmas you may get, being wise and careful is the name of the game to keep your finances in good standing when January rolls around. Avoid these 25 holiday money wasters.

1. Shopping without a budget. Before you make any purchases, figure out how much you can afford to spend, stick to your budget and track your spending. Don't make purchases you haven't budgeted for.
2. Not sharing the cost of entertaining. While it is tempting to just cover all of the costs yourself, share your entertaining costs with guests by assigning them such things as food, paper products and game supplies.
3. Putting purchases on a credit card. Most of us tend to overspend when using a credit card. We are also less likely to do as much price comparison when we think we will just get it now and be done, then pay for it later. We rationalize that the few extra dollars aren't that big of a deal breaker.
4. Using out-of-network ATMs when shopping. Those fees can add up, so plan carefully.
5. Shopping at the last minute. This can be a tricky one. Sometimes in a rush, we buy too much and spend too much. With that said, sometimes there are still some "perfect" items at a great price later in the game. The trouble is, things are generally picked over, and the frustration may not be worth the savings.
6. Buying "little" gifts for too many people. In fact, consider an alternative to gift exchanges. Determine a set amount that you donate to a charity, then tell all those would-be recipients of your gift what you have done.
7. Buying party supplies at grocery stores. Try discount stores and dollar stores for the majority of your party supply needs.
8. Not comparing prices. There are a number of great ways to check prices on things, so use them -- they are free. Some websites/apps include: [www.fatwallet.com](http://www.fatwallet.com) (they even have a Black Friday app); [www.pricehistories.com](http://www.pricehistories.com); [www.consumerworld.org](http://www.consumerworld.org); [www.pricegrabber.com](http://www.pricegrabber.com).
9. Buying new decorations every year. Cut back on the decorations this year, and use last year's decorations as much as possible. Get creative and put some time and effort into making decorations.
10. Getting new holiday clothes. We don't need new holiday attire for a family photo, gathering or night out. Learn how to dress up the basics...like a black dress that can be used many times with just a simple switch of less expensive accessories.
11. Not taking advantage of free activities.
12. Buying too many specialty foods or drinks. Carefully plan menus for simple and economical meals for the majority of your holiday dining. Also, carefully plan your special occasion meals watching for sales.
13. Not shopping a year in advance, when things are considerably reduced at the end of each season.
14. Not using coupons. This time of year there are some really good deals and promotions...so if there are discounts on items on your list, don't pass them up. Try [www.retailmenot.com](http://www.retailmenot.com) for online discount codes at checkout.
15. Buying overpriced wrapping paper just to make your gifts look "extra special."
16. Splurging on meals away from home, or tipping too much when you do go out.
17. Paying for warranties on appliances and electronics. Odds are that you won't need the extra coverage because most major appliances don't break down during the extended-warranty period. Or you might already be covered. The four major credit card networks -- Visa,

MasterCard, Discover and American Express -- provide up to a year of extended warranty protection for some cardholders, according to credit card comparison site [www.cardhub.com](http://www.cardhub.com).

Direct column topics to: Julene Reese, USU Extension writer, 435-757-6418, [julene.reese@usu.edu](mailto:julene.reese@usu.edu). What Next? Get useful tips like this as soon as we release them. Sign up [here](#).

18. Not clearly planning your charitable contributions. We all want to help out those in need during the holidays, but we usually either go overboard, don't plan a set amount or get carried away with everyone who approaches us for help. This can add up quickly.

19. Paying full price for gift cards. It is possible to find gift cards at a discount. Try these sites [www.giftcardgranny.com](http://www.giftcardgranny.com) or [www.cardkangaroo.com](http://www.cardkangaroo.com) for up to 50 percent savings sometimes.

20. Buying "bad" gifts. Be thoughtful well in advance regarding gifts you plan on giving.

21. Going overboard on your kids. It is an easy thing to do, out of desire to make the season magical and a desire to grant their every wish, but be careful. Stay the course on your predetermined amount of money available for gifts, and live within the reality of your budget.

22. Running too many errands through poor planning.

23. Paying too much for shipping. Try [www.freeshipping.org](http://www.freeshipping.org) for shipping coupons and the date for free shipping for online purchases this holiday season.

24. Spending too much on greeting cards. There are many places to access e-cards. Or better yet, design your own letter/card in a simple program, and send it electronically. You will save on postage and cards.

25. Buying for yourself. While you may be worth it, no matter how good the deal, pass it up. On average we spend about \$130 on ourselves during the holidays, according to the National Retail Federation. So be careful...that is a lot of money. Imagine what an impact that extra money will make on your gift list. Only a couple more weeks of abstaining from unnecessary personal purchases and you can get back into the swing of spending on yourself at the first of the year – if you have the money.

Answer by: Teresa Hunsaker, Utah State University Extension family and consumer sciences educator, [teresa.hunsaker@usu.edu](mailto:teresa.hunsaker@usu.edu)