



## Learn 5 Ways to Save Money on Christmas Gifts

### Description

One thing budgets and diets have in common is that we tend to break both around the holidays. Even those who have been frugal all year tend to go a bit crazy when the holiday decorations are up.

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According to the National Retail Foundation (NRF), the average American will spend \$1,048 throughout the holiday season in 2019. Food, decorations, holiday delights, and, of course, gifts are all included in this amount. According to the NRF study, respondents intended to spend \$659 on gifts for family, friends, and coworkers, accounting for nearly 63 percent of their total Christmas spending.

Unfortunately, like a holiday cookie binge, all of this buying causes a lot of guilt when the new year begins. According to a 2020 survey from CompareCards, 70% of shoppers had at least one regret about their holiday shopping, and 17% thought they had overspent on gifts.

One strategy for reducing post-holiday stress is to cut back – not just on cookies but also on spending.

And, because Christmas presents are the most significant price for most Americans, it makes sense to start with your gift budget when looking for methods to decrease holiday spending. Setting spending boundaries, giving used or homemade gifts, purchasing during sales, and saving on shipping are all excellent ways to keep your expenses in check. So, even if you gain a few pounds over the holidays, you won't be burdened by debt.

**Pro tip:** Before you purchase online this year, install the Capital One Shopping browser plugin. When you shop on Amazon, you will receive notifications when better deals become available. Capital One Shopping will also add any applicable promo codes to your order instantly.

## Ways to Save Money on Holiday Gifts

### 1. Set Limits

Holiday overspending frequently begins innocently enough. For example, you find a lovely sweater that would make an ideal gift for your sister, and even though it's a little pricy, you decide it's worth the expense. There is only one present, after all.

The issue is that after spending \$80 on your sister's gift, it only seems fair to spend the same amount on your brother. You don't want to favor anyone. And so it goes, with facilities for your relatives, in-laws, children, and spouse. And the larger your list, the worse the final total seems.

A significant gift for one person will not usually break the bank, but a substantial advantage for everyone on your list. So you have two options for keeping your expenditures under control. You can either limit the amount you spend on each facility or the number of persons for whom you purchase gifts.

### Set a Dollar Limit

Begin by determining your overall budget for holiday gift-giving. Then, divide that figure by the number of persons on your list to get a price limit for each. You can't go over budget as long as you keep each person's gift under this limit.

Of course, you are not required to divide your spending equally. For example, you can give your closest family members more significant gifts while giving little token gifts to others who are less connected to you, such as neighbors and distant friends. Alternatively, you might set a larger limit for a friend with more moneyed interests and a lower limit for one with less affluent tastes.

The point is simply to have a budget in mind for each gift before you begin shopping. That way, you'll know that sweater isn't the perfect gift for your sister unless it's also the ideal price.

When you have a limited gift-giving budget, splitting it up into even smaller bits for each recipient can feel restrictive. However, when viewed in a different light, a tiny budget might help you unleash your creativity. When you have a limitless budget, it is easy to replace money with actual thought. Of course, if you don't have any ideas, you may always buy a gift card with cash.

When you only have \$15 to work with, you have to think creatively. To come up with a budget-friendly

idea, you must first determine what this person truly enjoys. So instead of reaching for that expensive sweater, consider your sister's passion for science fiction and select a best-selling sci-fi novel.

## **Shrink Your Gift List**

Even if you only spend \$15 on each item, that adds up to \$750 if you have 50 individuals on your shopping list. So, to keep your holiday spending under control, you'll need to reduce the amount of your shopping list.

Giving gifts to fewer people saves you time and money because the fewer people you have to shop for, the less time you spend fighting holiday crowds and wrapping presents.

The issue with reducing your current list is that it may result in damaged feelings. If folks who have become accustomed to receiving a gift from you every year do not receive one this year, their first thought maybe that you are upset with them for some reason. Even if you explain that you're merely cutting back on gifts to save money, they may be irritated that they were left off the list.

However, there are strategies to reduce your current list without jeopardizing your relationships:

Discuss it. Inform your loved ones of your desire to buy fewer gifts this year. It's probable that some of them are also concerned about holiday expenditures and may welcome the chance to cut back. You can devise a strategy to reduce gift-giving that works for everyone. For example, you can all agree to give significant gifts to the children in the family, while the adults-only get stocking stuffers.

Give a Gift to the Family. Rather than buying a gift for each individual, consider purchasing one for the entire family. For example, instead of obtaining individual facilities for your brother, his wife, and each of their three children, you might offer them a board game that they can all play together. A gift card or gift certificate for a family supper at their favorite restaurant is another choice. You may also buy one present for each child and one for the adults.

Reduce the number of extra gifts. Some people offer holiday gifts to people they don't know very well, such as their neighbors or their children's instructors. If you have a lot of "extra" persons on your list, consider bypassing their gifts this year. Instead, simply send them a greeting card or a note to let them know you're thinking about them. They'll probably appreciate it just as much as a random present from a stranger.

## **Do a Gift Exchange**

If you have 15 persons in your household and each one buys a gift for the other 14, you'll have more than 200 gifts beneath the tree. Unwrapping them all one by one takes the majority of the day. No one has time to focus on anyone present or properly thank the giver in a rush to get through the pile. By the time you're done, the floor is littered with paper, and everyone is too tired to enjoy their new gifts.

You can make this moment less chaotic by deciding on a family gift exchange. This is also known as a round-robin or secret Santa trade. It's also relatively simple to put into action.

Gather the family and place all of your names in a hat. It's an excellent time to do it around

Thanksgiving. If you cannot gather the entire family, you can conduct your drawing online using a free service such as [SecretSanta.com](#) or [Elfster](#).

Take turns pulling names from the hat. The individual whose name you choose is the only one for whom you must shop. Choose again if you drew your name.

You can all add a few hints on your slip along with your names to make choosing gifts easier. You can, for example, identify authors whose books you enjoy or clothes colors or sizes that you desire.

Purchase your gift, wrap it, and bring it to your holiday gathering. You may add to the excitement by leaving your names off the skills, leaving it up to the recipients to determine who contributed each gift.

A gift exchange provides several advantages. Because you just have one gift to buy, you may devote more time to it. Instead of going through a lengthy list, you can concentrate on finding just one great estate for a single person.

You also only have one present to open so that you can take your time with it. That's far more satisfying than tearing through a mountain of gifts without noticing any of them. And no one is hurt because their presence was overlooked in the shuffle with barely a word of acknowledgment.

### Buy Secondhand

It is simple to set a maximum price limit for presents. Finding wonderful gifts while staying within your budget, on the other hand, can be challenging.

Shopping secondhand is one method to stretch your shopping budget. Many common gifts, such as clothing, jewelry, and books, are significantly less expensive when purchased used. Secondhand presents are also environmentally friendly because they are reused to reduce waste.

### When Secondhand Gifts Are OK

Secondhand gifts put off some individuals. Any present they didn't buy new appears cheap to them. However, this is not the case for everyone. According to a Los Angeles Times columnist, when he asked two colleagues about secondhand gifts, one thought they were alright, while the other thought they were "very tacky."

So, if you're considering giving a used present, consider how the receiver will react to it. It's probably alright if it's your Aunt Louise, who gets half of her clothes from secondhand stores. However, for your cousin who would never be caught dead in a secondhand store, you should probably buy new.

The type of present might also make a difference. Some people, for example, despise the concept of wearing secondhand clothing but have no problem with buying old literature. Collectibles and anything that can be described as old or antique are also fantastic used gift ideas.

Even an antique will be unwelcome if it is in disrepair. So, while buying secondhand gifts, make sure they're in good condition. A fair rule of thumb is that if you would not buy a comparable item for yourself, you should not offer it as a present.

Also, though it may seem obvious, wrapping one of your possessions and giving it as a gift is a big no-no. Anyone who has seen it in your home would recognize it as your old crap that you're giving away. So, for example, if you want to give your cousin an old sweater that no longer fits you, that's great, but don't consider it a present.

## **Where to Find Secondhand Gifts**

Some of the most successful gifts I've ever given were those I purchased secondhand.

There are two elements to finding excellent used gifts. To begin, you must know where to look. Second, you must be able to detect high-quality items.

The following are some of the most delicate areas to look at:

**Thrift Shops** Your neighborhood thrift store is a great place to look for clothing and household products. Books, CDs, and games are also available in some secondhand stores. My husband and I once paid \$4 for a copy of a \$36 board game that was still fresh in its original shrink wrap on a thrift store rack. Before buying a gift from a thrift store, be sure it's in good shape. Check for dents, tears, stains, or missing buttons in difficult-to-find spots.

**Secondhand bookstores.** Used bookshops are a great place to find great deals for the book lover on your list. Derivative novels are frequently just as good as new — if not better. For example, these shops will occasionally sell strong hardcover novels for less than the price of new paperbacks. CDs and DVDs are also available in some used bookstores. Just keep an eye out for significant scratches on discs and flip through books to verify they're not severely damaged or marred.

**Sales at garages.** Clothing, books, toys, and games for children can be found at garage sales. We've even discovered craft materials that were brand new and still in their original packaging.

**eBay.** One of the finest locations to shop for the collector on your list is the world's largest online auction site. Its listings include all kinds of ancient and unique objects that you can't just walk into a store and buy.

**Amazon.** Before you purchase an article of costly new clothing or gadget to your Amazon basket, look for a link below the main listing that says something like, "Used and new from \$16." If there is, it indicates that other merchants are providing the same goods at a lower price. In addition, used versions of small items, such as books and games, may almost always be found for less than the retail price.

**Freecycle.** Believe it or not, you can frequently discover valuable holiday gifts for free on Freecycle. If this appears trashy, keep in mind that a present isn't valued because you spend money on it; what matters is how much the receiver appreciates it.

Always inspect your items for quality while purchasing secondhand.

Look for missing components in puzzles and games.



Ensure that secondhand books are free of notes and scribbles and have all of their pages.

Always check internet listings of used goods for quality, such as “like new,” “good,” or “acceptable” (for a present, you should generally settle for “like new” or “very good”).

If you have any doubts about what you’re about to buy, always ask the seller for further information.

### Create Your Own

Another option for finding low-cost gifts is to make your own. DIY gifts, like used gifts, are sometimes acceptable and sometimes not. But, again, the idea is to select facilities that appear thoughtful rather than inexpensive.

### Types of Homemade Gifts

If you have a particular skill (such as knitting, woodworking, or photography), you can use that to make high-quality gifts. But even if you don’t, you can find lots of ideas online for gifts that anyone can make.

- **Toys.** There are all kinds of children’s toys you can make with simple tools. For example, it’s relatively easy to cut a wooden two-by-four into blocks of different shapes, sand them, and paint them in bright colors. If you have a jigsaw, you can use it to do your wooden puzzles. Paste a colorful picture to a board — or paint one if you have the skill — and then carve it up into pieces. These gifts are cheap and require only a few hours of your time.
- **Jewelry.** You can make one-of-a-kind jewelry by selecting and stringing beads of different shapes and colors. Purchasing beads at craft stores can be pricey, but you can buy a whole pound of assorted beads for \$20 or less if you order online. You can even make your beads from colored paper, as shown on Instructables.
- **Food.** Edible gifts are perfect for the person who has everything. Even if they don’t need clothing, books, or household products, everyone needs to eat. Cookies and candy are classic holiday food gifts that cost only a few dollars to make. Healthier choices include homemade salsa or apple butter if you can make these recipes with your homegrown produce, which gives your gift an extra personal touch.
- **Bath and Beauty Products.** For someone who loves to be pampered, luxurious body butter or scented facial scrub makes a welcome gift. Products like these can sell for \$20 or more at high-end retailers — but with a quick search, you can find recipes online for versions that cost little to make. Besides being cheaper, these homemade versions are often healthier because they contain no harmful chemicals.
- **Services.** Many articles on homemade gifts suggest giving gift coupons for a service, such as a free night of babysitting or a home-cooked meal. However, there’s one problem with this kind of gift. All too often, the recipient never uses the coupons. In some cases, they just forget about them. In others, the recipient tries to ask for free babysitting on a night when the giver already has plans. To avoid this problem, try giving this kind of gift along with a copy of your calendar for the next few months. That way, you and the recipient can set up an appointment to make sure they redeem the coupon.

#### 1. Shop Sales

A final way to save money on holiday gifts is to buy them on sale. However, sale shopping has its pitfalls. For one thing, not all holiday “deals” are real bargains. Worse still, all those glittering displays and tempting price tags can easily lure you into impulse buys that derail your budget.

## **Store Shopping vs. Online Shopping**

To shop sales wisely, pick which deals to visit first. Thanksgiving weekend, according to DealNews, is the best time to discover bargains. In 2019, the number of available discounts was roughly evenly divided between Black Friday, Cyber Monday, and Thanksgiving Day.

However, several stores have decided to close on Thanksgiving in 2020. On Turkey Day, there will still be plenty of offers, but they will only be accessible online. According to a separate DealNews article, most sale products will be available online even when stores reopen on Black Friday. True, there are generally some “doorbuster” discounts that are only available in-store — but they sometimes sell out so rapidly that they may be gone by the time you walk in the door, resulting in a wasted trip.

Online shopping can be a lot more peaceful than going into a mall mosh pit. You won’t have to deal with parking lot traffic or crowds inside. Instead, you may finish your turkey dinner, wash the dishes, and then fire up your laptop to grab the exact offers that other consumers are vying for in physical stores. And you don’t have to worry about when the business shuts because the Internet is open 24 hours a day, seven days a week.

However, there are certain disadvantages to shopping online. For example, DealNews warns that some internet discounts are only available at certain times of the day, and you must keep a close eye on the clock to grab them. Furthermore, high holiday traffic can overload a website and cause it to crash. And, just like in stores, online sale items occasionally sell out before you click the buy button.

Another disadvantage of purchasing online is that you cannot see or touch the goods before purchasing. For example, a sweater that appears to be beautiful on the computer may turn out to be fragile and poorly built, so it’s essential to read the reviews and understand the store’s return policy before you buy.

Finally, remember to factor in shipping charges. A \$30 game discounted down to \$15 appears to be a fantastic deal — but not if shipping costs an additional \$10.

### **Purchasing Sales Wisely**

You must be strategic when shopping, regardless of where you go. Fortunately, there are numerous strategies available to help you get the most bang for your buck:

Shop early — or late — in the day. Although there are many bargains between Thanksgiving and Christmas, according to U.S. News & World Report, you can often find even lower rates on specific items at other times of the year. Linens, for example, are heavily discounted in January, jewelry in February, and appliances in May. As a result, you can typically find more excellent prices by spreading your holiday shopping throughout the year than in December. Another perfect time to shop for bargains is when retailers discount down their unsold inventory after the holidays. Consider buying these after-Christmas bargains and sending a late present to someone you won’t be seeing in person over the



holidays.

**Price comparison.** Not every Christmas “bargain” is a money-saving opportunity. A product’s sale price at one store may be greater than the usual price of the identical thing at another. Use a Black Friday shopping app, such as ShopSavvy to ensure you receive the best deal. When you scan the item’s bar code, the app displays the price in other stores online. When shopping online, you can use an app or browser extension like Capital One Shopping to compare prices and search for promo codes automatically. You can also save money on Amazon by using a price tracker. camelcamelcamel, for example, monitors pricing on the retail giant’s website over time, so you may buy when the price is at its lowest.

**Deals should be stacked.** Stacking is a common tactic employed by extreme couponers: Wait until a product goes on sale before “stacking” a coupon on top of the sale price for the best savings. When shopping online, PriceBlink or rewards applications like Rakuten might help you uncover stackable offers. Other rewards programs, like Ibotta, might assist you in finding coupons to stack with shop sales.

**Stick to your plan.** Impulse purchases are a huge holiday shopping risk. The more time you spend looking at attractive discounts in the store, the more impulse purchases you’re likely to make. Make a shopping list and stick to it to avoid the temptation of impulse purchases.

**Use the Correct Card.** In general, using a credit card rather than a debit card protects you from fraud. For example, according to CNBC, if a hacker acquires your credit card number, your responsibility is limited to \$50, whereas a debit card has no such restriction. In addition, when you use a cash-back credit card for online purchases, it’s like earning an extra 1% to 6% off everything you buy.

**Save the Receipt.** You can’t always locate the right gift, no matter how hard you try. Sometimes you purchase the incorrect size, end up buying a duplicate of something they already own, or a product just fails to perform as promised. If one of your gifts falls short of expectations, make it simple for the receiver to return or swap it by saving the receipt. While some businesses allow returns without evidence of purchase, they are not required to, thus having a pass increases the odds of a triumphant return. If you don’t want the price to be shown to the receiver, request a gift receipt that excludes that information.

### Ship Gifts for a Lower Cost

Even if you stick to your budget, your savings are gone if you have to pay \$10 each to send the gifts.

Fortunately, there are specific methods for keeping your delivery expenditures in check.

**Take Care of Your (Gift) Weight.** When shopping for gifts that will be shipped, consider the weight as well as the price. For example, instead of sending your uncle a new bowling ball, send him a lightweight bowling gear store gift card in the amount of the bowling ball you planned to buy.

**Wrap it tightly.** A gift can cost a lot of money if it doesn’t arrive in one piece. According to Popular Mechanics, the best approach to safeguard your advantage is to wrap each element separately, allowing at least 2 inches of cushioning between them. Allow 2 inches of space between each piece and the box’s walls as well. The package should then be sealed with wide packing tape applied evenly

across each seam throughout its length. Scotch tape, masking tape, and even duct tape are not as durable.

Don't pay for packing supplies. When crumpled sheets of newspaper work just as well as bubble wrap or foam peanuts, there's no need to spend extra money on packing supplies. Instead, stuff newspaper into every nook and cranny of the package until nothing rattles. Then, when the box comes, the recipient can recycle the newspaper sheets, resulting in no waste. According to Consumer Reports, the United States Postal Service (USPS) is almost always the cheapest way to transport a package. However, in some cities, it is less expensive to use FedEx or UPS. Check the pricing online before deciding which to use. Enter the size, weight, and destination of your item on USPS, UPS, and FedEx websites – each site generates a list of shipping options, along with the cost and delivery time for each.

Shipment is made directly. It's pointless to have a gift shipped to your house and then immediately send it to someone else if you're buying it online. Dropshipping, or having it transported straight to the recipient, can save you money and time. The only drawback is that you don't get to wrap the present or include a card. On the other hand, many online businesses offer complimentary gift wrapping (which usually costs up to \$7, with the great majority costing between \$3 and \$5, according to RetailMeNot's 2019 statistics) and allow you to include a customized message.

Subscribe to receive free shipping. According to Consumer Intelligence Research Partners, over 101 million Americans enrolled in Amazon Prime in 2018. If you are one of them, you can get free two-day shipping on all Amazon Christmas shopping. Walmart, another retail juggernaut, also offers a delivery membership program called Walmart+, which provides rapid, free shipping on orders of \$35 or more. Both sites cost \$13 per month, but if you plan to spend a lot of presents from one place, buying for a one-month subscription may be less expensive than paying shipping expenses. To choose between them, read our comparison of Amazon Prime and Walmart+ or look into other online businesses that provide free shipping.

## The Last Word

When it comes to the holidays, the amount of thought that goes into a gift is what makes it memorable. So, when you're out shopping for a gift, think about who you're getting it for. Consider what they like and what kind of present would mean the most to them.

Assume your mother has an extensive collection of old family photos that she cherishes, but they're all jumbled together in shoe boxes. You could give her the gift of scanning all those images onto CDs or a memory stick so she can find them more readily. Of course, that is incredibly inexpensive, but it would undoubtedly mean a lot to her. Alternatively, make copies of some of your favorite images and use them to create photo craft presents like jigsaw puzzles or coasters.

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