

HOLIDAYS

Tips for Money-Savvy Holiday Shopping

NewsUSA

(NU) - Gas prices have more than doubled since last year, the housing and financial markets are in turmoil and the cost of food has skyrocketed, leaving many Americans scrambling to buy holiday gifts without breaking the bank.

According to Professor Dan Horne of Providence College, buying gift cards for the people on your list can be a smart way to shop. "Gift cards have been growing in popularity each year," Horne says. "Because they are so practical, they have become a very acceptable gift among family and friends."

This is particularly true for branded gift cards, like American Express, Discover, Master Card and Visa, where you can choose the exact amount for a card that can be redeemed almost anywhere and for any type of item.

"Branded gift cards have become increasingly popular because you can choose the exact amount for the gift, making it easier to stick to a budget," says Horne. "They are also a great way to ensure that the recipient enjoys their gift because they can buy something special or make a purchase they have been putting off."

But do people really want gift cards? According to a survey of 8,000 adults conducted by the Network Branded Prepaid Card Association, the answer is a resounding "Yes." The survey revealed that more than 75 percent of Americans prefer to select their own gift, while almost 65 percent thought that branded gift cards were better than traditional pre-



Before shopping, make a plan to stick to your holiday budget.

sents. "People enjoy fantasizing about what to buy and then enjoy the experience of a 'free' day of shopping," added Horne.

Here are some other tips for Americans who need to limit their holiday spending:

- Make a spending plan. Start out knowing how much you can spend on your holiday purchases. Consider presents, food, entertainment and travel, then tally the costs.
- Know your limits. Make a list of recipients and decide how much you want to spend on each person. If you're unable to spend as much this year, prioritize whom you really want to buy gifts for or reduce the amount per gift.
- Follow the money. After you've made a spending plan, track where your dollars go. Obtaining a prepaid spending card with your total holiday-budget money loaded on it is an easy way to ensure you don't go over budget, and you can easily track your balance over the phone or online.