



Survival tips for holiday shoppers: How to choose the right gift and control spending

Posted 12/5/2006 10:49 PM ET
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It's the thinking — not the thought — that counts.

That's the conclusion of gift-giving expert Sherri Athay after years of seeing ill-conceived presents fall flat.

And as financial adviser Edmond Walters knows all too well, gift-giving must be both appropriate and affordable. He's seen all too many people spend beyond their means at holiday time.

The gifts you choose send a message. Inexpensive gifts can be as meaningful — even more meaningful — than costly ones, experts say.

Here are some ideas on how to keep your holiday spending under control and how to make sure your money is well spent.

How to choose the right gift for the money:

1) Pay attention to what your recipients really want or need. Michelle Sterling, founder of Global Image Group, an image-consulting and personal-shopping firm, says unlikely gifts can be perfect for the right person.

She had a client whose girlfriend loved snow cones. So he bought her a personalized snow-cone making machine. She loved it and was touched by the thought that went into the gift.

Some gifts aren't appreciated. "There are always people giving makeovers as a gift. Some wives didn't take their makeover well," Sterling says. "Why not talk about it first?"

Still, you can make some assumptions about gift recipients, Athay says. Few people really want to clean, she notes. So if your mother says she wants a vacuum cleaner, "If you really love her, give her a cleaning service."

2) Consider how you would explain why you chose a gift for someone. Gifts should have some meaning. And you should know what it is.

If you think about this before you buy something, Athay says, it "keeps you from having to explain the wooden duck."

3) Make sure the gift is an appropriate one coming from you. This rules out intimate gifts for people with whom you are not, umm, intimate.

Save the trips to Victoria's Secret for your significant other and then only if it's the kind of item she would truly want to wear. Remember the tip about sending messages that might not be well received.

4) Save the gift cards for the people you don't know well or who truly want them. Gift cards say, "Here, go shop for yourself," Athay says.

"The message you convey is, 'You're just like everyone else,' and it doesn't indicate a lot of thought."

That said, some people love gift cards. Ask the teenagers on your list.

5) If you can afford them, two things that almost always go over well are jewelry and cars, Sterling says. But Walters warns against telling yourself you're getting either as "an investment." Cars, in particular, will depreciate quickly.

Want to make a gift an investment? Walters says to contribute to a child's education or a spouse's retirement fund. Now that really sends a message that you care, he says.

How to control spending during holiday shopping:

1) Don't break the bank. Walters recommends never spending more than 5% of your gross income, unless all of your retirement savings and bills are well covered.

2) Decide what you're going to buy before you go into a store. Impulse buys are often over budget and not really what the recipient wants or needs.

Retailers will tell you every season has its "must haves," but those on your gift list might not be so trendy. "Don't fall for the hype from the retailers if it isn't relevant to the recipient," says Athay, author of *Present Perfect: Unforgettable Gifts for Every Occasion*.

Walters recommends approaching holiday shopping with a level head — and a list. "A lot of time, the impulsiveness gets everyone in trouble," says Walters, founder of emoneyadvisor.com.

3) Stop shopping when you're done shopping. If you start shopping early, as retailers urge you to do, stop shopping early, too. The longer the shopping season gets, the more you'll be tempted to buy. Many people "shop until Christmas Eve" no matter when they start, Athay says.

4) Consider giving one gift that both you and your significant other need and will enjoy (and would probably get in the next year anyway). Maybe it's a flat-screen TV or a gas grill. It can be a slightly more extravagant one than you would have chosen another time of the year. It's a way to save money overall because it's one gift between you, but it will feel like you're treating yourself.

5) Make your annual family vacation part of your Christmas gift-giving. You'll spend the money anyway, but making it part of Christmas adds to the holiday excitement

and gives everyone time to read up on a destination. Walter, who has two children in college, says his family takes a trip to a different country each spring or summer, but the destination is announced at Christmas. "My kids get very excited to find out what we're doing," he says. "They have six months to get all excited."

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