

Enjoying the festive period without straining your finances



The festive period is a great time to **connect with** and **show appreciation** for our loved ones, but the expense of increased socialising, travel, and shopping can lead to financial anxiety, overwhelming the joy of the holidays.

Many will feel that a **financial hangover** from the holidays is inevitable, but engaging in **mindful spending** can help you to have an enjoyable, relaxing break while reducing the stress that January can bring.

Being mindful of our festive spending encourages us to **prioritise our needs over wants**, to consider the long-term impacts of our purchases, and to make decisions that align with our financial goals and values. Adopting mindful spending might seem challenging at first, but with some **practical strategies**, it becomes easier. Here are a few tips to get you started:

Tips for mindful spending over the festive period:



Be creative when choosing gifts

When it comes to exchanging gifts, there are several cost-effective ways to show appreciation for your nearest and dearest. It's the thought that counts and a **handmade gift**, special home-cooked meal, or helping on a DIY project are all personal gifts that express the same amount of appreciation that an expensive gift can bring.

Similarly, rather than relying on social gatherings in the pub or restaurants, there are several alternative options to consider that are more friendly on your wallet. Why not **meet a friend for a coffee or a walk**, or head to a free exhibition? Reassessing what truly brings you joy can bring you closer to family and friends, without having to suffer financially.



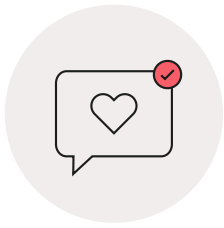
Make a realistic budget

Before the holiday season begins, establish a **clear budget for gifts**, decorations, meals, and other festive expenses (in addition to your regular monthly expenses). **Reflect on previous spending habits** during holidays, identify any patterns of overspending, and work on addressing them this year. When budgeting, be as detailed and realistic as possible, and avoid being overly optimistic. Most importantly, **stick to your budget as closely as possible!** Setting a realistic budget requires a bit of work, but nailing this step really sets you up for success by giving you a clear reference point to check-in against.



Plan ahead

Start planning your festive purchases well in advance. In the heat of holiday shopping, it's easy to lose sight of what's necessary and what's not. 'Sales', and last minute shopping can lead to impulsive purchases that probably aren't the best value. **Avoid panic buys** and aim to **spread the cost over the winter months**. Always ask yourself if the purchase is a need or a want before proceeding, and avoid credit card purchases where possible. This will help keep your spending on track and **limit the temptation to overspend**.



Speak to your loved ones

If you decide that you're going to spend less on gifts than usual, you should communicate to your loved ones about your **priorities** and **new approach to spending**. Start conversations with your partner, children, friends, and family about how you're going to try to fit in presents, hosting, and outings while sticking to a budget (and why). There's a good chance that their current festive expenditure has put them under pressure too, so this could be a good opportunity to **encourage a gift exchange limit**. This strategy helps everyone to **save money** and **reduces the pressure** of buying gifts for multiple people. It also encourages creativity and thoughtfulness in gift-giving since the focus shifts from quantity to quality.



Aim for a low-cost January

It's probably not realistic to cram all your mindful festive spending strategies into a few weeks in December, and reducing your spending in January can help **offset a costly Christmas period**. January brings a great opportunity to get back on track financially, and to **increase your connection with others**. Swap cinema trips for home movie nights, make a home-cooked meal instead of ordering a Friday night takeaway, and have a friend over for tea instead of hitting the pub for the night.



By being more mindful, you can reduce your expenses while still **enjoying your holidays**. Remember, it's not about depriving ourselves or our loved ones, it's about making **thoughtful decisions**, cutting unnecessary expenses and focusing on the experiences that truly matter, for a fulfilling and financially stress-free festive season.