

Smart shopping

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The long lines of traffic and overflowing parking lots around Greater Moncton's shopping areas, especially on the weekends, are evidence that Christmas shopping season is in full swing.

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"Typically, holiday shopping begins around mid-November with a significant jump during the last two weeks of December," says Hugh Applebaum of Cadillac Fairview and spokesperson for Champlain Place Shopping Centre. "The holiday season is an important time of year. November and December sales at Champlain Place account for more than 25 per cent of sales for the entire year."

Canadian consumers spend billions of dollars each December.

According to Statistics Canada's Christmas Shopping: 2006 in Review by Joseph Patrick Dunlavy, Canadians spent \$28.7 billion in retail stores in December 2006, excluding the automotive sector.

In New Brunswick, \$805 was spent, per capita, in December 2006 in retail sales, according to Statistics Canada's Monthly Retail Trade Survey. That means that the expenditure for a family of four in Greater Moncton would have been, on average, \$3,400. The Retail Council of Canada reports retail sales in New Brunswick in December 2007 totaled \$888 million.

With that kind of money being spent, one might expect we'd all be experts when it comes to Christmas shopping. But, chances are, if you take a look at shoppers, you will see more stressed and harried people than you will see smiling and relaxed ones.

So, how can we become smarter shoppers? The two major factors that we need to manage in order to minimize our Christmas shopping stress is time and money.

Stan Devine of Devine Associates, a human resource and management consulting firm in Moncton, believes people can use time management and organizational skills to de-stress their Christmas shopping experience.

"It isn't so much what we're doing," says Devine, "it's more the thought of what we're not doing that causes us stress."

Devine says the first principle of time management is to look at what you're trying to accomplish and determine if it is realistic.

In today's world, most people are busy, year-round, with all kinds of responsibilities and activities.

Adding Christmas shopping to the mix can often create too much of an additional burden.

He says people tend to ignore the telltale signs of stress when they're shopping, which include headaches and backaches, and that they often overcompensate by missing meals and consuming more caffeine and sugar.

"People need to plan in advance in order to be able to meet all their commitments," Devine says.

"During stressful of times, it's even more important to maintain balance in the seven most important areas of their life: family, home, their closest relationship, their health, friends, career, and, of course, to make time for themselves."

In order to save time, more people are turning to the Internet for shopping.

"There's been a 60 per cent increase in Internet shopping," says Devine. "Because people can shop from home, there's less hustle and bustle and stress."

He points out that another big challenge people face when it comes to Christmas shopping is choice.

"People are being overwhelmed by choice," Devine says. "Planning is key. People need to project how much time and money they want to spend. Time is a commodity, just like money."

This is the second major reason why people get stressed by Christmas shopping: because of the amount of money they end up spending.

"Many consumers are facing financial challenges all year and Christmas is the drop that overflows the glass," says Jocelyne Brown, director of education for Credit Counselling Services of Atlantic Canada (CCSAC), a registered non-profit organization that provides guidance in solving debt problems through financial counselling, education, and debt repayment programs.

Brown believes a lot of consumers get caught up in the idea that they need to spend money on buying Christmas presents, whether they have it or not. Often, the tendency is to make Christmas purchases on credit.

"We see a drastic increase in our volume of calls once the January credit card statements come out," Brown says. "Many consumers are then forced to seek advice and help, because their Christmas expenditures have a serious impact on their financial situations."

The average age of CSSAC's clients is 43 years old and they carry an average of \$21,004 in unsecured debt — mostly on credit cards, lines of credit, and/or consolidation loans — and owe money, on average, to six creditors. Unsecured debt does not include debt secured by assets, such as a home or a vehicle.

Brown says consumers don't always take into account the cost of credit.

"If you make purchases totalling \$1,000 on a credit card, then make no additional purchases and make only minimum payments, the result is you will pay \$684 in interest and it will take eight years to pay it off."

This example is based on an annual interest rate of 18 per cent and with minimum payments based on three per cent of the outstanding amount owed.

Rather than get into such financial hot water, Brown says consumers should instead try to save their Christmas shopping money in advance.

"The best time to plan for Christmas is in January, and put money aside every month. People need to consider that if they are going to spend \$1000 on buying Christmas presents, that means they will need to set aside \$83 per month."

She also says many of us forget to take into account other additional Christmas expenses, such as travel, long distance telephone calls, entertaining, and Christmas decorations.

Brown says that if people are realistic about the amount of money they want to spend, set a budget, and stick to it, they won't have to play catch-up later.