

Setting off on Black Friday with a plan - and a budget

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Photo: Jeff Chiu, STF

In this Nov. 28, 2013 file photo, customers shop at a Target store in Colma, Calif. Experts say Thanksgiving weekend lives up to the hype of serving up the best bargains of the year from TVs to clothing. Shoppers, however, need to do their homework before joining the crowds at the mall or heading online for the official kickoff that's increasingly creeping into the turkey feast. (AP Photo/Jeff Chiu, File)

In my family, Black Friday is elevated to holiday status.

We wake before the sun - ignoring that stores now open Thanksgiving - and join throngs of people in pursuit of good deals. We love the crowds, the half-off sweaters, the Christmas music pumped throughout the mall.

But this year, my first in Texas, I will be shopping without my mom and sister. And since my mom would often turn good deals into Christmas gifts, my solo shopping trip will require some additional budgeting.

I'm likely not alone. According to CFI Group's 2014 Holiday Retail Spending Report, nearly 30 percent of consumers will spend more than 50 percent of their holiday gift-giving budgets between Nov. 28 and Dec. 1. Last year, 27 percent entered the long weekend with the same plan.

The survey of 1,000 U.S. consumers also found shoppers aiming to spend less this holiday season. Just 20 percent said they will spend more than \$700 this year, down from 22 percent last year. Forty-four percent will buy gifts for more than seven people, down from 49 percent last year, while 21 percent will make purchases for just one to three people, up from 14 percent in 2013.

"Be smart on Black Friday," said Scott Bishop, director of financial planning for Houston-based STA Wealth Management. "Have a budget, have a plan. Stick to your budget, stick to your plan."

He said it's important to create an overall holiday budget - a total amount you want to spend on gifts. Then break it down by how much you want to spend on each person, such as \$100 for Mom, \$50 for Cousin Jimmy.

On Black Friday, he said, create a list of wanted items and don't stray from that list. Deals are designed to lure shoppers into the stores in hope they'll also buy non-discounted items.

Bishop also recommended websites like [BlackFriday.com](https://www.blackfriday.com) or apps like [BlackFriday.fm](https://www.blackfriday.fm) to make sure you get the best price. Some retailers match prices found at competing stores, so know each store's policy.

When purchasing a big-ticket item with 12- or 24-month payments same as cash, he said, make sure it's paid off before that period ends. Otherwise you'll be hit with high interest rates and, potentially, deferred interest.

Bishop also warned against drawing from emergency funds to buy Christmas gifts. What if the refrigerator breaks? Or you lose your job? If you do draw from a rainy-day fund, it's important to have a plan for replenishing it.

So what's my plan? I'll likely wake up before the sun rises, bring cash so I can't overspend, and knock out my Black Friday shopping before work.