

Preparation key to avoiding Christmas debt



Released on: December 30, 2008, 4:46 am

Press Release Author: Thinkmoney.com

Industry: [Financial](#)

Press Release Summary: Financial solutions company Think Money have advised consumers to avoid getting into debt wherever possible this Christmas, with the recession threatening to put further pressure on the finances of British households in 2009.

For your complete financial solution

Our range of products means you don't need to shop around for the best [loans](#), [mortgage](#) or [debt](#) advice. Let our experts do the work for you.

Call free on: **0800 074 4222**



Press Release Body: Financial solutions company **Think Money** have warned consumers to be careful over the amount of debt they incur over the festive season, in order to avoid potential debt problems in the midst of an economic recession.

They have also advised those consumers who do rely on credit to act early and tackle any debts before they have the chance to grow, and to be selective over the types of credit used in order to prevent the debts from becoming unmanageable.

For many families in the UK, including those who are usually comfortable financially, the Christmas season has become associated with debt. The tradition of spending large amounts of money on food and gifts has meant that large numbers of households fall into debt every year, even if it means spending a large part of the following year repaying those debts.

Indeed, a survey taken earlier this year by Savebuckets.com suggested that one in four Christmas borrowers were still repaying their Christmas debts in the following October – nine months after the money was originally spent.

A debt expert for financial solutions company **Think Money** commented: *"In today's society, many households actually expect to get into debt in order to get through the Christmas season – which can put them at risk of debt problems in the future. It's much safer to focus more on how to avoid falling into debt – and with the right preparation and attitude, it is very much possible to do that."*

The spokesperson added that staying out of debt over the Christmas period does not necessarily have to mean cutting back on costs. "The households who are best prepared for the Christmas period are those who have thought about it long in advance and have been saving throughout the year. By saving just a relatively small amount each month, it's quite possible to save enough to cover all the costs involved, without having to compromise.

"However, it seems that it is currently more common to pay with credit in the run-up to Christmas. This may have been fuelled by the relatively easy access to credit of the past few years, although due to the credit crunch, this may be a little more difficult this year."

The spokesperson also said that the type of credit used can be crucial to consumers' ability to repay the debt. "For those consumers who do rely on credit over the Christmas period, choosing the right form of credit is a simple step that can make all the difference.

"For example, it's generally unadvisable to make large purchases on credit cards unless the buyer is absolutely sure they will be able to repay the debt in a short space of time. The APR on credit cards is typically very high, which means the debt can grow very quickly unless it is repaid promptly.

The **Think Money** spokesperson added that anyone finding themselves struggling with debt should seek debt advice straight away. "There are a number of debt solutions that can help to minimise outgoings and/or help to reduce debts, such as [debt consolidation](#) or an [IVA \(Individual Voluntary Arrangement\)](#). We urge anyone in serious debt to seek professional [debt advice](#) as soon as possible."

Web Site: <http://www.thinkmoney.com>

Contact Details: Think Money Limited
Pennington House
Carolina Way
South Langworthy Road
Salford Quays
M50 2ZY

0800 074 4222