

## PERSONAL SPENDING

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0 COMMENTS

# Americans enter the New Year saddled with holiday debt



*As we move further into 2016, there are three certainties in life — death, taxes and holiday debt. A recent Gallop poll revealed that the average American planned to spend \$830 on gifts for the 2015 holiday season. How can we best rid ourselves of that debt? We asked Hal Sonifin, a local business owner and eBay expert, to weigh in:*

**Q: Do most Americans tend to spend more than they should, or can afford to spend, on Christmas gifts? And if so, why do they do it?**

A: Yes, we're a consumer-oriented economy. We tend to buy more than we have the need for. Especially at Christmas, as you're looking to give back by buying gifts for other people. Most of the time you're guessing what they like and they may end up unsatisfied with the outcome. If that does happen and they don't have a receipt or can't return the item for another reason, we're happy to re-sell it for them.

**Q: What's the best way to work off all of that debt that's hanging over your head? Should you forgo things like going to the movies and eating out?**

A: Budgeting during the holidays is essential for the majority of Americans. Many of our customers who have experienced overspending during the holidays will sell unwanted household items as well as gifts that they have received.

**Q: Has all the holiday advertising we see put undue pressure on consumers to spend money?**

A: Absolutely — consumers are relentlessly inundated with advertisements throughout the holiday season, encouraging them to buy gifts for family members and friends. On eBay alone, we've noticed an increased amount of advertising targeted at all demographics.

**Q: What are some of the most common types of gifts people buy that really put them in the red?**

A: Electronics and musical instruments. For those looking stay up to date with each new model of their equipment, the best option is to trade in or resell the previous model. Technology becomes obsolete so quickly and it doesn't make sense to have the old model lying around that you'll never use again. This is a great way to easily cash in and pay off that holiday debt.

**Q: Do consumers with young children tend to spend more on holiday gifts than other shoppers?**

A: I wouldn't necessarily say that's true. As a country, we tend to purchase more gifts for young children (such as action figures, toy sets, dolls, etc.), while teens and adults typically receive fewer gifts, but gifts that are at a much higher price point, like electronics and video game consoles. During the past holiday season, we saw an increase in sales for Star Wars merchandise, tablets and wearables, as well as video game consoles.

*Hal Sonifin owns the iSOLD It store at 1106 E. Colorado Blvd. in Pasadena. It's a brick-and-mortar shop that sells items for local residents on eBay. They take care of photographing, listing and shipping the items.*