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Merry, Merry Expensive Christmas!

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In a report published this week by Deloitte¹, families in Spain will spend an average of €904 this holiday season. That's up 6% from 2005. So how does that compare with other countries and how can you control your budget this season?

Have you finished your Christmas shopping yet? Have you even started? Well, the longer you wait, the less chance you may have to [spend like there's no tomorrow!](#) Of course, Christmas shopping is not an easy task and requires not only money, but also a lot of [insight](#) into what to buy each member of the family, each friend, or even your husband or wife.

In Spain, we not only have to deal with this [predicament](#), but we also have to figure out how to "finance" our gift-giving. The study points out that consumers are likely to buy gifts one by one instead of buying several gifts at the same time. That way they can [camouflage](#) the effect each gift has on their budget. But at the end of the day, it all adds up!

And the sum is way above the average amount spent in the 14 different countries included in the study - an average of €662. So why do we spend so much money at Christmas time?

Let's [break down the expenses](#) into three categories: Food, gifts, and going out. The average Spaniard will spend €500 on gifts, €218 on food and €167 on going out. Now that may not seem like a lot of money for most of you, but when you have to buy gifts for the extended family or just the immediate family (in my case, for 12 brothers and sisters and two parents), that may just exceed the budget by about 5 times. So what should we do to control expenses?

We could share expenses... I mean, as a family we can spend Christmas Eve at my house, New Year's Eve at Uncle Armando's house, and then celebrate the Epiphany at your in-laws. But that's just food money, and according to this study, the [bulk](#) of our expenses are going to be on gifts. So before you start rubbing your forehead or [scratching your head](#) trying to figure out where all the money is going to come from, let's see how much we are going to spend for each one.

We spend 31% of these €500 on presents for our parents, 26% on our significant other, 24% for our children, 12% for friends and the remaining 7% goes to our [local charity](#). Apparently, Spaniards are not having many children these days, and this study reflects that phenomenon.

But aside from that, we now know we need to think long and hard about what we are going to buy our parents and our spouse. And if you are especially prudent (like me), you might include your parents-in-law in that [brainstorming](#) session.

Happy Shopping!

¹ Cinco Días, Nov. 22, 2006 Online Edition
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