

How to save \$100 every week until Christmas

Saturday 30 September, 2017: With Christmas now just 12 weeks away, Australians should start thinking about how they are planning to cushion the financial blow of the silly season.

Mozo has crunched the numbers and calculated that debit and credit card holders will rack up an extra 17% spend on their cards this December compared to the rest of the year.

“The festive season can be a financially taxing time with many households having to scrounge around for extra cash to cover everything from Kris Kringle gifts to Christmas lunch,” says Kirsty Lamont, Mozo Director.

“The good news is a few simple savings and switches made now will mean less pain for Australian households when it comes time to pack away the stockings and tinsel for another year.”

Here are Mozo’s top tips on how you can save over \$1,200 by December 25.

SWITCH CREDIT CARDS - \$215

With credit card balances set to skyrocket in December, Lamont says switching to a low rate card with a 0% balance transfer offer could be an effective way to spread the cost of the silly season.

“By moving your balance onto a lengthy balance transfer deal you could avoid paying a cent of interest for up to 20 months, saving you \$215 on a balance of \$5,000 over the next 12 weeks alone.”

“However it’s important to have a financial strategy in place to pay off the card’s balance before the interest free period expires to ensure you’re not paying off this Christmas for many Christmases to come.”

BANK FEE FREE - \$119

Despite the rise in the number of no fee banking products and the big banks finally ditching those rotten ATM fees, Mozo calculates that the average Australian household is still throwing away \$477 every year on avoidable bank charges.

“Review your financial products and if you find you’re paying unnecessary fees, switch to a fee free alternative. This strategy could earn you a potential saving of around \$120 before Christmas time rolls around,” says Lamont.

OPT FOR CHEAPER TRAVEL ALTERNATIVES - \$159

From Melbourne Cup to the office Christmas party, the next few months aren’t short of social events, so opt for cheaper forms of transport like trains, buses or even footpaths instead of hailing a cab.

“At an evening rate of \$2.63/km in Sydney plus a \$3.60 flag fall every time you hail, taxis could be costing you around \$67 per month for a 5km journey once a week. If you were to travel the same distance by bus, you would only pay around \$14 for the month,” says Lamont.

SCOUR DEAL SITES - \$105

Dedicated deal sites like Groupon, Scoopon and Mydeal.com.au could be a quality source of discounts on everything from gifts to champers for Christmas lunch. In a two-minute browse of one discount site, Mozo found up to 66% off a dozen bottles of Chardonnay, which had an original price of \$159.

SHOP SMART - \$51

Take the time to review supermarket specials catalogues well ahead of the festive season, and shop for your Christmas essentials when they pop up on sale. This strategy could potentially deliver over \$50 in savings on a basket of 10 items including chocolates, cheese, dips and water crackers.

CHOOSE YOUR TRAVEL INSURANCE CAREFULLY - \$120

To avoid hefty insurance costs eating into your holiday spending money, Lamont says jetsetters should set aside half an hour to compare quotes online.

“The price you pay for similar levels of cover can vary greatly from insurer to insurer. Our analysis shows that a family of four embarking on a week long trip to Bali could save \$120 just by shopping around for travel insurance.”

HAND MAKE CHRISTMAS GIFTS - \$150

For those last minute gifts for in-laws, neighbours or teachers, put your craft skills on display and hand-make Christmas gifts like gingerbread, jam or pickled vegetables.

“Do-it-yourself Christmas gifts have been gaining traction in recent years and it’s not hard to see why, given the massive savings on offer. We estimated a saving of \$150 based on spending \$50 on ingredients and packaging, when you would normally spend \$200 for 10 gifts. With plenty of crafty sites like Pinterest, you won’t be scrambling for inspo!” says Lamont.

KICK A VICE - \$228

At around \$3.80 a pop, your daily trip to your local coffee shop is costing you dearly. Ditching your coffee habit or swapping your barista-made latte for the decaf blend in the office could see you save \$228 by the time Christmas rolls around.

HOST A CLOTHES SWAP - \$96

A recent study by Mozo found that Australians spend \$96 a month on clothes and shoes. Splashing out on a new Christmas party ensemble might be tempting but if your budget is already stretched this silly season, there is a thriftier alternative. Host a clothes swap with friends where you each bring a handful of quality items of a similar value resulting in you and your friends getting a new look for much less.

-ENDS-

Notes on calculations: Additional spend calculated by the December spend in the past two years compared to the average monthly spend of the rest of the year.

Sources: RBA Credit and Charge Card Statistics C01 released 12 September 2017

RBA Debit Card Statistics C05 released 12 September 2017

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