



BRITS TO BLOW THE CHRISTMAS BUDGET BY £4.7 BILLION

Financial hangover to last until 31 January 2008

With fewer than 50 shopping days left to Christmas, the countdown is officially on. But, Britons are worried that their finances might not stand the strain with more than half (59 per cent) stating that they think they will overspend on the festive season by an average of £174 each, according to new research on behalf of Lloyds TSB*.

In total, the nation's Christmas spending hangover will amount to a staggering £4.7 billion with those aged between 45 and 54 under the most financial pressure, anticipating that they will overspend by an average of £214 each. The over 65s have the tightest grasp on their purse strings, only expecting to go over their Christmas budget by £105.

The main cause of overspending at Christmas is not setting a budget, cited by nearly half (41 per cent) of those surveyed. More than a quarter (28 per cent) say that they underestimate the overall cost of Christmas while 20 per cent forget to factor in the additional costs of Christmas such as food, decorations and Christmas parties. For guidance on setting a Christmas budget and sticking to it, Lloyds TSB has teamed up with Channel 4's 'Your Money Or Your Wife' presenter Cesarina Holm-Kander to produce a podcast packed with top Christmas budgeting tips.

The research also revealed that 13 per cent of people start worrying about their Christmas spending a few days before Christmas, while 10 per cent don't think about it until they receive their bank statement in the New Year.

For those who think they'll blow the budget, the average amount of time they think it will take them to get their finances back on track is five weeks after Christmas, meaning that their pennies will have to stretch until 31 January 2008.

... / more

BRITS TO BLOW THE CHRISTMAS BUDGET BY £4.7 BILLION ... / 2

To help bolster the new year bank balance, over a third (36 per cent) say that they will eat out less often in January, more than a quarter (28 per cent) say that they intend to steer clear of the January sales, while almost one in five (18 per cent) will work overtime or take on another job. One in six (16 per cent) will sell their unwanted presents online.

Commenting on the findings, Ian Larkin, managing director, consumer banking, Lloyds TSB said: “Presents, decorations, food, drink, party outfits, Christmas tree – the list of Christmas expenses can be a long one and it’s easy to end up spending more than you intended.

“If you think your finances are going to be a bit stretched then try and plan ahead. Set a budget, see where you can make savings and speak to your bank if you need a helping hand.”

Cesarina Holm-Kander from Channel 4’s ‘Your Money Or Your Wife’ said: “Whatever you do, don’t lose sight of the fact that Christmas is a time for joy and sharing. It makes no sense to lose that joy because you have shared more than you can afford!”

Cesarina’s top five Christmas money tips:

1. Reduce the number of people on your gift list. It might sound harsh but it’s the quickest way to save money.
2. See if there are ways to reduce the cost of the gifts – buying online is a great start, so are markets.
3. Send e-cards or make your own Christmas cards – people often really value the personal touch.
4. Remember, not every gift costs money. You can ‘gift’ people your time or skills. Think about beautifully writing a gift voucher offering babysitting or perhaps offer a day’s help with spring decorating.

... / more

BRITS TO BLOW THE CHRISTMAS BUDGET BY £4.7 BILLION ... / 3

5. Consider giving a family a group gift. For four people, rather than spending £10 on each of them, save money and give them a much better gift together. For example a popcorn maker and DVD box set of their favourite movies comes to about £30. They'll be touched by your thoughtfulness and you save 25 per cent!

To download Cesarina's podcast visit www.needtoknowaboutbanking.com.

-ends-

Notes to editors:

* ICM interviewed a random sample of 2090 adults aged 18+ from ICM's online panel between the 18th – 21st October 2007. Panellists were recruited from across the country and the results have been weighted to the profile of all adults. ICM is a member of the British Polling Council and abides by its rules.

For further information:

Amy Mankelow / Eve Speight
Lloyds TSB Press Office
Tel: 020 7356 1497 / 020 7356 2162
Email: firstname.surname@lloydstsb.co.uk