

**Financially Free Gen Z**  
**Season 2, Episode 7**  
**Coal, Cash, and Christmas Cheer: Brilliant Budgeting for Holiday Gifting**

00;00;08;23 - 00;00;18;09

**Rachel**

Welcome to Financially Free Gen Z, the podcast tailored specifically to Gen Zers looking to level up their financial knowledge and take control of their money matters.

00;00;18;12 - 00;00;27;29

**Joshua**

In each episode, we delve into practical budgeting strategies, insightful tips on debt management, and essential advice on building a solid financial foundation.

00;00;28;01 - 00;00;40;07

**Rachel**

Our goal is to arm you with the knowledge, to own your own financial choices and pave the way for a prosperous future. Join us as we navigate the world of money management together. I'm your host, Rachel Munger.

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**Joshua**

And I'm your co-host, Joshua Herrmann. We are both Gen Zers ourselves who work in the financial industry. This week, we'll be discussing some last-minute holiday shopping tips to avoid a huge credit card bill come January. Holiday shopping can very quickly get out of hand with multiple parties to attend to, family to buy gifts for, and coworker celebrations. The cost can add up really quickly.

00;01;05;02 - 00;01;26;23

**Joshua**

This can lead to having not so Happy New Year when your credit card bill comes in January. So how can we avoid this? And what steps can we take to set ourselves up for financial success? The first step is you are going to want to set a strict budget. Look at your finances and see how much you can spare for the holiday season.

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**Joshua**

Once you've determined that number, keep that in mind every time you're out shopping. To deter yourself from going over it. There are some people who actually budget for the holidays throughout the entire year. They set up a separate holiday fund and deposit a set amount of money into that each month. So that they know they will have a lump sum ready come December.

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**Joshua**

This number is different for everyone. But let's assume you want to spend \$600 throughout the holiday season. You want to deposit \$50 each month into that account, so that you have your \$600 at the end of the year. Now, thinking about this got me curious. What is the average amount of money spent per person on the holidays each year?

00;02;09;29 - 00;02;27;01

**Joshua**

Now, according to a study done by Deloitte, consumers are expected to spend an average of \$1,778 on the holidays this year. That is so much money. If you wanted to spend that, you need to be setting aside \$150 per month.

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**Rachel**

Yeah, when I saw that, I was like, oh my gosh, that's crazy. But I also can see how, I mean, you've got costs for gifts, costs for oftentimes like dinners or, food that if you're hosting, any different events or things like it all adds up quick. But \$1,700 is a lot to be budgeting for throughout the year.

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**Joshua**

What was especially when when you think about the gifts that people are buying nowadays, I mean, if you buy a PlayStation, that's that's the whole, you know, budget right there. So yeah.

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**Rachel**

Yeah, it adds up quick. So then outside of budgeting. Another tip that we have for holiday shopping is to really search out those deals. So we all know about deals like Black Friday or Cyber Monday. But there's even more deals to be had outside of those. If you're in the Twin Cities, some of my favorite spots to find great deals at a fraction of the price are Discount 70 and Opitz.

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**Rachel**

So first, and I'm sure that stores like this can be found in any city. This is just what I have for those of us here in the Twin Cities. But Discount 70 is located in Columbia Heights, and it's basically a Target discount store. So they have a ton of target products like clothing, accessories, home decor, and then actually a lot of furniture.

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**Rachel**

And it's all 70% off of the price that it would be at target or sometimes even more. The thing is that you never know what they're going to have, so you may have to make multiple trips if you're looking, to get your gifts there. But I've seen things like Nespresso machines, air pods. We even just recently got our Google Nest Thermostat for our house there, and it's all 70% off.

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**Rachel**

So these are some of those more, you know, name brand gifts that people are looking for, but you can find them at a really good deal. And then if you're looking to gift anything like clothing or shoes, you definitely would want to check out Opitz Outlet here in the Twin Cities. They are designer outlet that features a range of clothing.

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**Rachel**

So anything from the stuff you'd buy at Macy's to then some very ultra high end designer goods. And here as well, everything is at least 70% off. And so I've picked up some really great gifts here over the years and definitely would recommend you check it out. They have locations both in Minnetonka and in Saint Louis Park.

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**Joshua**

It makes it really easy for grandma to get you that pair of socks, right?

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**Rachel**

Yes, I did just pick up some socks from there. And yeah, they were like, what? Less than \$2, but originally a \$10 pair of socks, so they're pretty nice.

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**Joshua**

Oh, wow. Now, another way to save money on Christmas shopping is to give handmade gifts. Handmade gifts aren't limited to macaroni necklaces made by the grandkids for grandma and grandpa. You can make some nice handmade gifts for friends and family too. You could wrap up some homemade cookies in a nice wrap, or make some sugar or salt scrub with the ingredients you have in your pantry.

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**Rachel**

Yeah, definitely a lot of options there. And, our special guest later on, we'll talk a little bit more about that. But then additionally, you can save money on Christmas spending by investing in experiences rather than physical gifts. This is something, that my in-laws actually do, and I feel like so many of us already have enough stuff and clutter in our houses.

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**Rachel**

Especially if you have kids, you end up just with so many toys. It can make things feel kind of messy. So you can gift experiences instead of that because this is something everyone is able to enjoy. And then remember for a long time. So growing up, my parents would do this by gifting us season passes to Valley Fair, which is our local amusement park, so that we could go just all summer long.

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**Rachel**

This was a great, strategy as a parent because the kids love it, but it's also something that the kids get to do. They get out of the house and they get to be busy during the summer. So my in-laws do this as well by limiting Christmas gifts, so that we can spend that money on doing experiences together instead.

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**Rachel**

Last year we all skipped out on presents and went skiing as a family instead. So then you only have that one expense to think about rather than trying to buy gifts for, you know, seven nieces and nephews and brother and sisters in law and grandpa and grandma, it really makes it a lot easier and more streamlined. With us today, we have Brianna Kane, Business Banking Assistant here at Coulee Bank.

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**Rachel**

Thank you so much, Brianna, for joining us today and sharing your knowledge with our audience.

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**Brianna**

Yeah, thanks for having me.

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**Rachel**

So our first question we have for you is how important is it for Gen Z to set a budget before the holiday season starts? And what are some effective strategies for sticking to that budget?

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**Brianna**

Yeah, so I think that's something that's super important for just budgeting in general. It's planning and being prepared. Especially knowing that anything can come up and there may be an emergency. So setting the budget, I think it's really important to one make a list. Just make a list of the expenses that you're going to have. And this isn't just gifts, which for gifts I recommend, you know, writing the list of people that you want to gift, what you plan on trying to spend on each person.

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**Brianna**

And trying to stick to that. But also like factor in holiday parties, secret Santas, travel expenses, those kinds of things that you don't really think about. But they are going to impact your budget because it's going to be a little bit more expensive than usual with all of the activities that happen around the holidays. So that's one of the reasons why I think it's so important to plan for this,

because then you know what you have and what you can stick to, and you don't have that spending hangover after the holidays because you have a plan.

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**Rachel**

Yeah, definitely. I can see that being very beneficial versus just kind of doing whatever you want because yes, then come January, you're looking at your credit card bill and you're like, oh shoot, what did I do? And it all has to get paid.

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**Brianna**

So exactly, exactly.

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**Rachel**

In your opinion, what are some more creative and budget friendly gift ideas that you could consider to make, the holiday gifting more personal without overspending?

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**Brianna**

Yeah. So I think that homemade gifts are often the most meaningful. And I think a lot of people think that that's only for, you know, parents and grandparents. But, the amount of time and thought that goes into handmade gifts is really important, and it can make somebody feel really special knowing that you took your time, to think about something that they would like and then take the time to make it instead of just going to the store and buying something off of the shelf.

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**Brianna**

For for me, I'm on like the tail end of being a millennial, but I know Gen Zers are starting to have kids. So it's a good opportunity to make memories with your kids. Some of the things that I think are really popular is baking, giving baked goods, something that I saw that I'm going to try and do this year is, do kind of like a cookies in a jar where you add all of the dry ingredients, and then you put them in a mason jar, put a bow on it with an ingredient card, and then a lot, and then the wet ingredients like eggs, milk, that kind of stuff most people

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**Brianna**

have on hand anyway. So you don't have to spend a lot because those ingredients are affordable and they go a long way. And again, like if it's a family recipe, it's that special touch to things. But even like if you crochet, doing stuff like that can make people feel really special and it's cost effective.

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**Rachel**

That's such a good idea. With those dry ingredients. I recently moved, and my neighbors are amazing, and they, like, bring over cucumbers and cookies and things all summer long, and I haven't done anything. And so I'm like, oh, I need to get my act together. And make some cookies for people this season. And but those little jar ideas, that's really cute.

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**Rachel**

I might do that instead.

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**Brianna**

Absolutely. And I think stuff like that, it's something that, you know, they'll use where I mean, I feel like a lot of time it's just stuff and gifts that I receive. They may not be something that I use often, or it's like a one time use and then I forget about it. And this kind of stuff, it's not wasteful.

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**Joshua**

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**Rachel**

Yeah. Yeah I love that. The next question we have is after the holiday season, as we discussed some people do face that sort of financial hangover from overspending when January comes around. So what tips would you have to help Gen-Z avoid this and start their new year on a strong financial footing?

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**Brianna**

Yeah. So I think, like I had said previously, making the plan, and factoring in just about any type of event cost that comes into play. But don't forget your regular costs. So like your car payment, your rent, those kinds of things because they're still going to be there. And if you take from that budget to do gifting and holiday things, then you're left possibly getting behind on a bill, or not being able to afford the payment on your credit card.

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**Brianna**

So you have to prioritize gifting and everything for the holidays. It's kind of expected, but try to find, you know, like cost effective ways to gift, if that's your plan. Make sure that you have the money on hand for your everyday bills and costs. Because the last thing you want to do is run out of gas on your way to work because you had to get a perfect gift for someone.

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**Brianna**

And then I think that it's super important as well to, like I said, stick to the budget, make the list, and be willing to be flexible. So if you find the perfect gift for like, your mom but it's under budget, then you have that little bit of wiggle room which you can either save to put towards the bills, or if you find a gift for somebody else that's a little over their budget, then you have the flexibility to be able to do that as well.

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**Rachel**

Yeah, this is all super helpful tips, and it seems like the biggest thing is just, you know, we need to plan and think ahead so that we're not left in trouble after the holidays.

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**Brianna**

Yeah, absolutely.

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**Rachel**

Do you have any other tips for saving money this holiday season?

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**Brianna**

Definitely. I think, something that's big and that I'm seeing happen more often is that, if you have a large family, or friends that you celebrate with, instead of having to feel obligated to gift something to everyone, maybe recommend, like a secret Santa or white elephant so that, you have less of that responsibility. But people are still getting gifts and feeling special, and I can guarantee you there are at least 2 or 3 other people that are really going to appreciate that, because they're going to be in a spot where their budgets a little tighter.

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**Brianna**

Just giving all of the other stuff going on during the holiday season. So don't be afraid to recommend things like that. Because it also makes it fun. You're adding an element, you're adding a game to it, and you're making the memories, as well as saving money by not having to buy gifts for everybody.

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**Rachel**

Yeah, that's actually what we started doing with, my in-laws family. So we do a gift exchange or some years we even opt to do like an experience together instead of a gift exchange. So last year we went skiing. And so like, then we just have that one expense rather than having, you know, there's a lot of I have a lot of nieces and nephews now and there's more every year.

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**Rachel**

So it starts to get pretty expensive. But yeah, there are some of those really good alternatives that you can do.

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**Brianna**

Yeah.

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**Rachel**

All right. Well, thank you so much for joining us, Brianna. I think these tips are going to be super helpful for our listeners as we kind of wrap up this holiday season here. So just again, huge thank you for joining us.

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**Brianna**

Yeah. Thanks so much for having me.

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**Rachel**

And thank you so much to our audience for joining us. We encourage you to follow our podcast wherever you're streaming, so that you can be the first to see when a new episode drops. We look forward to talking with you again next month. And thank you for listening. This podcast is brought to you by Coulee Bank, Member FDIC.