

Start early (and get crafty) to save money on holiday gifts



During the school year, Hannah Palmer makes \$1,500 a semester teaching an introductory business class, her only source of income besides the money she has saved up after earning just over \$20 an hour at her full-time internship this past summer.

But after paying for rent, books, groceries, bills and the day-to-day expenses of being a college student, the University of Illinois senior usually doesn't have much left to spend on gifts during the holiday season -- usually, her holiday budget is \$200.

"I usually don't spend a lot of money for holidays," she said. "I usually do homemade things, [more crafty things](#) and find things on sale and only buy things for immediate family."

The National Retail Federation [announced earlier this month](#)

that sales during the winter holiday shopping period in November and December are expected to rise 4.1% this year. Despite this growth, however, the number is more than a percentage point lower than the growth in each of the past two years and the smallest increase since 2009 when sales were up just 0.3%, USA TODAY reported.

And with tuition, loans and living expenses to pay on what is often a minimum-wage salary, college students might be among those with the tightest restraints on their holiday budgets.

"If you choose to go away, you know it's going to happen," said Kasey Ray, a University of Illinois freshman. "Personally, I wish college wasn't so expensive for loan reasons, but it's just a fact of going to school."

Ray said she wishes she could do more for her family during the holidays, but it's just not possible for her now that she is on campus without a job.

"We're close so I want to do something nice for them, but it's hard," she said. "I have to pick and choose."

Frank DeBlasi, co-founder of [Hoopla Doopla, Inc.](#), a cash-back shopping website, recommends students stretch their budgets over a period of time and start shopping as early as possible to make it a less stressful experience.

"Making a few purchases here and there over a longer period of time can make it really easy on your wallet," he said in an email. "This will put less financial pressure on you this time of year because you will have less to spend all at once. Shopping last-minute also results in making additional purchases you don't need because you tend to feel rushed and crazed."

The Internet has provided a new venue for shopping that is much more convenient and efficient, DeBlasi said. Prices are often cheaper because the operating costs of running an online business are less than running a brick-and-mortar establishment, and students can find a much larger selection of products.

"Thanks to the Internet, the days when it was mandatory to drive to three or four stores just to compare prices on a new television or appliance are nearly gone," he said. "Price-comparison websites such as PriceGrabber.com allow you to compare prices for products from multiple online retailers right from your computer. Use of the Internet not only saves time, gas and travel money, it gives students the convenience of browsing multiple retailers in one place."

DeBlasi said students should be aware of retailers' price-matching policies and to check out used and refurbished merchandise such as books, video games, CDs and DVDs that can be purchased at deep discounts.

But one thing he recommends students avoid is “The Great Deal” -- when retailers offer additional items free with the purchase, often called “bundling.”

“Sometimes, without realizing it, this may end up costing you,” DeBlasi said. “With free items being thrown into the deal that you may not really need, you may find yourself paying more for the product than you need to.”

Palmer prefers to take a more personal route during the holiday, making things like cookie baskets and gift baskets that consist of cheaper items or decorating ornaments for the people on her gift list.

“I think it’s more heartfelt if you put some effort into it instead of just buying someone something,” she said.

Heather Mann, creator of the blog [Dollar Store Crafts](#), said it’s important to think about the people you plan on making gifts for before starting the process.

“Some people appreciate homemade items and some people don’t, so don’t waste your time making a homemade item for someone who won’t appreciate it,” she said.

For low-commitment gifts and those you’ll be creating multiple of, Mann said to think of your time in dollar value and find items that don’t take a lot of effort.

"One good thing to do is to make an assembly line," she said. "Make the same gift over and over so you can make a lot of gifts in one sitting."

Mann said students can start out small to measure their family and friends' appreciation of handmade gifts. In a society where everything is mass-produced and distributed, she said making your own gifts is the only really unique thing to do.

"What you're really giving is your time and effort and the love that you put into the gift," she said. "For a low budget, you can't really buy a great gift, but you can make a great gift at a low budget."

Although Palmer may be short on cash during the holiday season, she's never been frustrated during the time of giving. Her family enjoys her handmade gifts, and she said she believes people have a general understanding of the situation of most college students.

"I think everyone understands college students don't have a lot of money," she said. "They don't expect them to spend hundreds of dollars on them."

Annalisa Rodriguez is a Fall 2012 USA TODAY Collegiate Correspondent. [Learn more about her here.](#)

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