



Shopping Strategies for Serious Bargain Hunters

The Motley Fool

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The average consumer will spend a tidy sum this season — anywhere from \$800 to \$1,125 — to win the affections of their loved ones and keep the economy chugging along.

Since it's the season of slashing prices, how about marking down your family's holiday budget by 20%? Doing so will save you \$160 to \$225. And if anyone complains about cutting corners, mention that this year you're working on securing their inheritance.

So how do you institute a holiday spending makeover? At [Motley Fool GreenLight](#) we're constantly finding ways to [unearth the hidden fortune under your nose](#). Here's a tip list designed for this season of spending:

Make a list. No, really. It might sound like something that only those hyper-organized people do. (They don't. They had this year's gifts wrapped and ready last Dec. 26.) But committing your holiday gift hit list to paper will help you organize your shopping strategy and make you think twice about spending that \$286 on impulse items while waiting for 45 minutes in the checkout line. And, yes, we will notice if you cheat and jot down an item just to cross it off your list.

Go for big-ticket savings. No need to drive around all day to find the best price on wrapping paper and snow globe stocking stuffers (unless you're really sick of rewashing the dishes just to avoid the in-laws). Concentrate your cost-cutting first on high-dollar purchases. Then tackle the smaller stuff as time, energy, and sanity allows.

Do some retail recon. You won't know if you're getting a real bargain or a dud deal unless you have some pricing history for comparison. Many stores don't include an item's original price in their advertising circulars. If the original markup was helium high, even 50% off is hardly a "sale." Keep a folder for sales circulars on items of interest. And check out [Coolsavings.com](#), [Streetprices.com](#), and [Dealnews.com](#)'s companion sites for comparison shopping tools.

Stand in the "Returns/Exchanges" line. As mentioned in "[Black Friday's Bogus Bargains](#)," retailers are becoming a lot stricter about their return policies. But if the store offers price adjustments for previous purchases (with limits), you can snag the sale price on high-demand items before the crowds. Check out Black Friday websites (like [BlackFridayAds.com](#), [bfads.net](#), and [Gottadeal.com](#)) all season for a sneak peek at special promotions. Buy the item before the sale and return on the day of the sale for a price adjustment for the difference. Again, a lot of stores are cracking down on customers who work this policy to their advantage. So read the fine print and be nice to the sales clerks.

Make merchants play good cop/bad cop. Flash your cash and a competitor's lower advertised price (you'll need physical proof) and many stores will match the price. Don't get too cocky, though. Most will only honor coupons or sale prices only if they have the exact item in stock.



Don't dismiss small chains and mom-and-pop stores. They are often willing to meet or beat a big-box retailer's advertised price or provide free add-ons when presented with firm evidence and a ready purchaser.

Compare clicks and mortar: Does your favorite store have an online outlet? Sign up for its newsletter for advance notice of sales and subscriber-only coupons. Also compare online and offline prices - they aren't always identical.

Know the code. If you shop online, don't leave money on the table by leaving the "enter promotional code here" box blank. Get the scoop on possible savings at Currentcodes.com and Dealnews.com/coupons, or type in the retailer's name and "coupon code" in your search engine.

Don't get suckered by the up-sell. Skip the extended warranty, which can pad the price of the item by 10% to 30%. With just a few exceptions - such as treadmills and big-screen plasma TVs - warranties are rarely worth the extra price. If you feel the need to purchase extra protection, pay no more than 15% of the product's price, and buy the manufacturer's warranty, not the store's version.

Ruin someone else's holiday. Look for the door-buster deals that sneaky shoppers and sales clerks hid the day before Thanksgiving. (It's true. I Googled it.) Popular hiding places include: women's lingerie department; bed linens; any aisle where products that combat an embarrassing personal hygiene problem are kept.

Work your connections. Travel clubs, professional groups, the military, and credit unions often arrange discounts on goods and services for members.

Shop with blinders on. Avoid last-minute upgrades by picking the must-have features and target price range for more complex goods such as electronics and small appliances.

Weigh the merits of each product independently. Compare like with like - and erase from your mind the alternatives that don't fit your criteria.

Get extra credit. While everyone else is abusing their credit cards, go ahead and put yours to better use. If you have a credit card where you earn points, don't let them go to waste or expire unused. Go to Points.com to combine and trade miles and credit card points (or boost your balance by buying more) for travel and hotel rewards, store gift certificates, and more.

And finally, the No. 1 way to curb the urge to splurge:

Go on an all-cash diet. Yes, credit cards are convenient - they offer purchase protection, rewards, an easy way to track your spending (albeit after the damage is done), and they take up less wallet room. But they're also *too* convenient. Studies show that people spend more - and more impulsively - when no actual cash changes hands. Plastic makes us devalue what we spend because we don't experience the immediate loss of buying power that we do when we pay with cash. (Why do you think



they use poker chips and not actual currency in Vegas?) If you tend to overspend, leaving your credit cards at home during the holidays can be a serious boon to your bottom line.

For more holiday shopping tips, see:

[Black Friday's Bogus Bargains](#)

[Avoid the Runaround on Holiday Returns](#)

Dayana Yochim is the advisor for [Motley Fool GreenLight](#), a personal finance/beginning investing service that helps take the head-scratching out of everyday money decisions. Take it for a free 30-day spin and check out the November issue for nearly \$6,000 in savings advice on everything from appliances, to wine, concert tickets, and dozens of discount websites. The Fool has a [disclosure policy](#).

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