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LendingTree Survey finds 1 in 4 Americans Struggle to Pay off Holiday Shopping Debt

More than half (55.4%) plan to shop without a budget this season & may dig themselves into debt

CHARLOTTE, N.C., Oct. 27, 2015 /PRNewswire/ -- LendingTree®, [the nation's leading online loan marketplace](#), recently conducted a survey among 1,080 American adults and found that a quarter of Americans have struggled to pay off subsequent debt from holiday shopping. With more than half of respondents planning to forgo a budget this year, it's possible that some consumers could be ringing in the new year with additional debt.



After the 2014 holiday season, 41 percent of Americans had at least some financial regrets related to holiday spending. Of those with regrets, the most significant was shopping procrastination (38.3% of regretful shoppers), followed by not comparison shopping (27% of regretful shoppers), and overspending by not sticking to a budget (26.4% of regretful shoppers). Roughly 25 percent of regretful shoppers, or 10.28 percent of the total survey sample, admit to relying on credit cards or borrowed money to fund their holiday shopping last season.

"Many shoppers get wrapped up in the holiday season and overspend, leading to a debt load that becomes hard to manage with high interest rates that rack up," says Andrea Woroch, consumer finance expert. "It's important for consumers to determine their financial positions now and establish a budget to avoid unnecessary financial struggles. [My LendingTree](#) offers an instant [credit score](#) which is updated monthly, and provides an overview of your financial accounts to help you manage debt. Along with that, the platform's saving algorithm notifies you when a savings opportunity is identified, like a lower interest rate credit card or an available debt consolidation loan."

Although 64 percent state that they will spend \$500 or less, about 1 in 4 (27.13%) of Americans state they plan to spend anywhere between \$251 and \$500 on gifts this year and one in five (21.39%) state they will spend between \$501 and \$1000 this year. More than half (52.5%) are planning to buy gifts for fewer than seven people. However, work colleagues shouldn't expect gifts this holiday season with only 25.6 percent of Americans planning to buy gifts for co-workers.

Compared to holiday spending last year, 69 percent plan to spend about the same amount on holiday gifts, 17 percent plan to spend less than last year and only 8.2 percent plan to spend more this year.

The reason why Americans may spend less this year is not fully clear, but personal finances may play a role. A little over 1 in 5 Americans (20.84%) generally feel their bank accounts are at least a little bit tight or feel they have to dig themselves out of a hole after the holidays.

"While the economy is improving, many Americans are still in a state of financial recovery regarding their finances," said LendingTree CEO, Doug Lebda. "Although we're seeing personal finance situations and consumer confidence generally improving across the nation, many consumers remain financially conservative, sensitive to the implications of overspending and watchful of their wallets. This is especially true amongst millennials."

Included in the survey were expectations of what items consumers intended to spend more or less on this year compared to last. Every category included in the survey saw a net expectation of less spending, with the exception of gift cards, where marginally more people intend to spend more. When split by age, data showed the 18-29 group intends to spend significantly more on clothes this year compared to last, with 15.38 percent stating they will spend more and only 9.23 percent stating they would spend less.

Customer Expectations of Spending Compared to Last Year

	More*	Same*	Less*	Net Change
Clothing	11.57%	61.94%	12.96%	-1.39%
Footwear	5.00%	49.81%	22.04%	-17.04%
Jewelry and fashion accessories	6.11%	51.39%	21.57%	-15.46%
Fragrances	4.07%	48.61%	24.63%	-20.56%
Books	11.20%	54.54%	15.09%	-3.89%
Movies (DVD, Blu-Ray)	4.44%	49.91%	23.89%	-19.45%
Toys	12.69%	47.50%	24.35%	-11.66%
Videos games and/or systems	5.09%	43.61%	28.70%	-23.61%
Music	3.98%	49.17%	22.96%	-18.98%
Food or beverages	9.26%	58.06%	15.28%	-6.02%
Electronics	10.09%	50.74%	20.74%	-10.65%
Sports equipment	4.54%	44.17%	26.02%	-21.48%
Gift cards	13.24%	58.24%	12.69%	+0.55%

*More, Same, and Less values do not total 100% as remaining respondents answered Unsure.

To view the original release in LendingTree's Press Room, please visit: <https://www.lendingtree.com/press-release/2015-shoppers-expecting-to-spend-less-this-holiday-season>

Methodology

The 2015 LendingTree U.S. Holiday Shopping Survey was conducted online within the United States by SurveyMonkey on behalf of LendingTree between September 9 and September 14, 2015 among a nationally representative sample of 1,080 Americans ages 18 and up.

About LendingTree

LendingTree (NASDAQ: TREE) is the nation's leading online loan marketplace, empowering consumers as they comparison-shop across a full suite of loan and credit-based offerings. LendingTree provides an online marketplace which connects consumers with multiple lenders that compete for their business, as well as an array of online tools and information to help consumers find the best loan. Since inception, LendingTree has facilitated more than 55 million loan requests. LendingTree provides free monthly credit scores through My LendingTree and access to its network of over 350 lenders offering home loans, personal loans, credit cards, student loans, personal loans, business loans, home equity loans/lines of credit, auto loans and more. LendingTree, LLC is a subsidiary of LendingTree, Inc. For more information go to www.lendingtree.com, dial 800-555-TREE, like our [Facebook page](#) and/or follow us on Twitter [@LendingTree](#).

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