



## Nearing Holiday Season, One-Third of Consumers Hide Purchases from Significant Other to Avoid Conflict Over Personal Finances

### ***More Than Half of U.S. Households Seek Early Holiday Bargains to Avoid Overspending, According to Western Union<sup>(R)</sup> Global Business Payments Money Mindset Index***

ENGLEWOOD, Colo., Oct 15, 2009 (BUSINESS WIRE) -- Americans' financial stress is causing a range of behaviors, such as hiding purchases from significant others and hunting early for holiday bargains, according to the latest *Western Union<sup>(R)</sup> Global Business Payments Money Mindset Index*. As the holiday season approaches, one-third of Americans admit they hide their purchases from spouses or significant others; 40 percent do it to avoid an argument about finances.

Nearly half (47 percent) of Americans revealed that they have been successful in the past at staying within their holiday budget, but this year many are concerned (51 percent) or convinced (33 percent) that they will exceed their budget.

### **Holiday Shopping Strategies**

Consumers are modifying their holiday shopping strategies to ease stress, the Index reveals, as one-third (33 percent) will shop for holiday gifts early this year and more than half (58 percent) are hoping those early sales will provide the best prices. Additionally:

- More than half of American households (53 percent) have already set a budget for 2009 holiday spending;
- About half (46 percent) plan to cut back on buying holiday gifts; and,
- 41 percent will buy more holiday gifts at discount stores.

While consumers are focused on holiday spending, they are also looking ahead to their financial goals in 2010.

"As consumers make plans to celebrate the holidays with friends and family, even small budget cutbacks can be a big step toward alleviating stress," says David Shapiro, senior vice president of Western Union Global Business Payments. "Consumers can increase their financial confidence and improve their bill payment strategies well into the New Year - if they start planning their budgets now."

### **Western Union Tracks America's Money Mindset**

Each quarter, the *Western Union<sup>(R)</sup> Global Business Payments Money Mindset Index* probes the behavior and attitudes of 3,000 consumers relating to money management. Longitudinally, the Index reveals that consumers' financial stress has ebbed and flowed in the past year. Half the country (50 percent) was stressed over finances one year ago; the stress level rose to 61 percent in the first quarter of 2009, then dropped to less than half (48 percent) in Q2 and increased to the current level of 53 percent.

The current stress level could likely be from consumers paying more in bill payment-related fees and interest rates (27 percent paid late or non-payment fees and 38 percent cite interest rate increases), and nearly one in four (23 percent) have seen their credit limit decrease, as compared to only 19 percent in Q1 2009.

Even though consumers continue to streamline their finances by cutting spending, they are still struggling to pay bills on time. The average number of late bill payments spiked from 3.1 to 4.0 for those who pay bills late and fees for late payments increased from 27 percent to 32 percent since Q2.

### **Resolved to Improve in 2010**

However, consumer optimism is increasing: only 23 percent expect their challenging financial situations to deteriorate in the next six months, down from 36 percent in Q1. In fact, according to the Index, here are the top financial-themed New Year's resolutions that consumers are planning to make in 2010, and recommendations from *Western Union Global Business Payments* to help consumers realize them:

### **Resolution #1: Pay bills on time - 65 percent**

- **Western Union Recommendation** - At the beginning of each month, sit down and figure out when you need to pay each bill to avoid late fees. Put the date you need to pay each bill into your calendar so you don't forget.

### **Resolution #2: Save more money out of each paycheck - 65 percent**

- **Western Union Recommendation** - Determine a set amount of money each month that you can set aside. Ask your employer to make a direct deposit for this amount from your paycheck to your savings account. Or, ask your bank if it offers a monthly or weekly holiday club savings account.

### **Resolution #3: Pay all bills online or automatically - 49 percent**

- **Western Union Recommendation** - Set up recurring payments for monthly bills. Many billers offer e-mail or text-message notifications that remind you when your payment will be withdrawn from your account.

### **Resolution #4: Reprioritize how bill payments get paid**

- **Western Union Recommendation** - Contact billers and ask to restructure your due dates according to when you are paid, so you can manage your cash flow better and avoid late fees.

### **Survey Methodology**

In August 2009, Javelin Research surveyed more than 3,000 consumers online about their current behaviors and emotional mindset regarding debt and personal finance issues. The *Western Union Global Business Payments Money Mindset Index* has a margin error of 1.7 percentage points at the 95 percent confidence level.

### **About Western Union**

The Western Union Company (NYSE: WU) is a leader in global money transfer services. Together with its affiliates, Orlandi Valuta and Vigo, Western Union provides consumers with fast, reliable and convenient ways to send and receive money around the world, as well as send payments and purchase money orders. It operates through a network of more than 379,000 Agent locations in over 200 countries and territories. Famous for its pioneering telegraph services, the original Western Union dates back to 1851. For more information, visit [www.westernunion.com](http://www.westernunion.com).

Photos/Multimedia Gallery Available: <http://www.businesswire.com/cgi-bin/mmg.cgi?eid=6074141&lang=en>

WU-G

SOURCE: The Western Union Company

The Western Union Company  
Sherry Johnson, 720-332-4750  
[sherry.l.johnson@westernunion.com](mailto:sherry.l.johnson@westernunion.com)

or

Cone  
Marc Berliner, 617-939-8467  
[mberliner@coneinc.com](mailto:mberliner@coneinc.com)

Copyright Business Wire 2009