



Black Friday: Why So Popular?

Black Friday is an informal name used to describe the day after Thanksgiving, the busiest shopping day of the year in the United States.

For many families, Black Friday shopping and deals have become a full-on tradition. The day serves as the unofficial kickoff to the holiday shopping season and is critical to retailers across the country.

The term Black Friday was created in the 1960s to mark the start to the Christmas shopping season and signifies stores moving from the red (a financial loss) to black (a profit). For the past few years, many retailers stopped waiting for Black Friday to kick off the holiday shopping season, opting to get things starts on Thanksgiving instead. You'll find numerous stores opening up on the holiday with items up for sale in stores and online.

Electronics, jewelry, cooking supplies and furniture are just a few of the typical items you're likely to find

on sale during Black Friday.

HOW TO SCORE ON BLACK FRIDAY

Many retailers save their best once-a-year blockbuster deals for Black Friday. Staying informed is key to saving the most money this year on your holiday shopping. Watch for opportunities to sign up for in-store programs or online rewards. Sign up for email notifications from your favorite retailers, especially your local businesses. These emails can keep you apprised of any Black Friday promotions as well as ongoing deals and announcements throughout the year.

WATCH SOCIAL MEDIA

Most mainstream retailers will offer coupons and deals on their websites and social media, so also be sure to follow your favorite stores on all of the main social media platforms. Keep a running record of the best deals when you're plotting out your shopping strategy.

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Protect Yourself as a Shopper

We've all seen news reports of Black Friday fistfights in the stores. Online, identity theft is the main threat to your overall financial safety. This year, the COVID-19 pandemic may play a factor in the holiday shopping experience.

No matter what the challenge, there are some simple actions you can take to make sure you have an enjoyable, safe Black Friday.

Consider these safety precautions from State Farm before opening your wallet this holiday season:

- Keep your purse close to your body or your wallet in an inside coat pocket.
- Don't take your money out until asked to do so.
- Use only one credit card to reduce the risk of having multiple cards compromised in the case of a security breach.
- Save your receipts and monitor your credit card activity.
- Ask for help moving and loading large items if needed.
- Be patient when looking for a parking space.
- Park your vehicle in a well-lit area.
- Store shopping bags out of plain sight, in your trunk if possible.
- Online, stick with retailers



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you know.

- Research a business you haven't purchased from before by checking customer reviews or complaints with the Better Business Bureau.
- Refrain from using public Wi-Fi to make purchases.

Here are some tips from the Centers for Disease Control and Prevention for protecting

yourself in public during the COVID-19 pandemic:

- Stay at least six feet away from others while shopping and in lines.
- Cover your mouth and nose with a cloth face covering when you have to go out in public.
- Go out during hours when fewer people will be there (for

example, early morning or late night).

- If you are at higher risk for illness, find out if the store has special hours for people at higher risk.
- Disinfect the shopping cart; use disinfecting wipes if available.
- Do not touch your eyes, nose, or mouth.

• If possible, use touchless payment with your smartphone or watch.

- If you must handle money, a card or use a keypad, use hand sanitizer right after.
- After leaving the store, use hand sanitizer.
- When you get home, wash your hands with soap and water for at least 20 seconds.



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Build an Unbreakable Budget

If you're not diligent about your spending on Black Friday, there are many opportunities to stray from your budget.

Advertisements for big savings or offers for credit card deals can easily entice you to get off track financially. The key to staying on budget this holiday shopping season is having a plan and sticking with it.

CREDIT CARD USAGE

According to the United States Federal Reserve, Americans have racked up more than \$420 billion in revolving credit card debt. Check out these facts about the state of credit

debt in the country from the organization.

- The average household will pay an average of \$1,141 in interest annually.
- Overall, Americans with revolving debt face outstanding balances of \$6,929.
- Both revolving and outstanding credit card debt account to \$944 billion in America.

Credit cards can be a positive part of your overall financial plan if used wisely. Putting major luxury items on

your credit card is not necessarily a smart move unless you plan to pay it off quickly. Try to keep your credit card balances low to avoid larger interest payments that you will never get back. Experts recommend when you're Black Friday shopping this year, stick to buying items with cash instead of leaning on credit. This will help you plan and execute your shopping trip on budget.

SAVE APPROPRIATELY

Learning to save throughout the year can help you have a small nest egg saved for Black Friday shopping. This will lessen the urge you feel to

rack up credit card debt for the holidays and give you more confidence in having a financially smart shopping season. Consider opening a holiday savings account at the start of the new year. Speak to a local lender about finding an account that offers high interest returns so you can maximize the amount of money you're putting in.

You can also keep a better understanding on your spending habits throughout the year to help find extra money for savings. Take advantage of apps that track where your money is going to visualize a better strategy for your overall financial life.

Support your Local Retailers

This has been challenging for retailers – especially for owners of small businesses. On Black Friday and the weeks that follow, you can play your part in giving your locally owned companies a strong finish to a difficult year by shopping locally.

Many local business owners have reported the possibility of having to shut down their stores due to the COVID-19 pandemic, especially ones that rely on continuous foot traffic and in-store shopping. Strong end-of-year sales could make the difference in convincing local owners to keep their lights on in the future.

WHY SHOP LOCAL?

When you support your local businesses, more of your money will be kept in your local economy. This means more tax dollars to fuel better roads, buildings and local services.

For every \$100 you spend at locally owned businesses, \$68 will stay in the community, according to a civic economics study by the Andersonville Study of Retail Economics. This is compared to \$43 of the \$100 staying in the communi-



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ty if you shop at a national chain.

Keep your money local while still enjoying the thrill of Black Friday shopping by keeping an eye out for specific promotions and deals being offered by your favorite local businesses. Watch their social media feeds and look for ads

in your local newspaper.

SHOP LOCALLY ONLINE

Throughout the COVID-19 pandemic, businesses have had to implement varying in-person shopping restrictions, depending on their state government's requirements. This has nudged local-

ly owned companies to shift their customer interactions into more of a digital and pick-up space where customers can order items online and come to the store for pickup, requiring limited interaction. Check with your favorite local business to see what kinds of limitations there may be this

Black Friday, and find out how you can best support them during the holiday shopping season.

With many small businesses offering contactless shopping thanks to technology and digital platforms, there's never been an easier time to support your local companies online.

Protect your Purchases

If you're buying electronics or appliances for a family member this holiday season, you may be tempted to add an extended warranty in case there are defects with the product.

According to Consumer Reports, two-thirds of in-store electronic shoppers and nearly three-quarters of appliance purchasers say an associate has pitched an extended warranty plan to them.

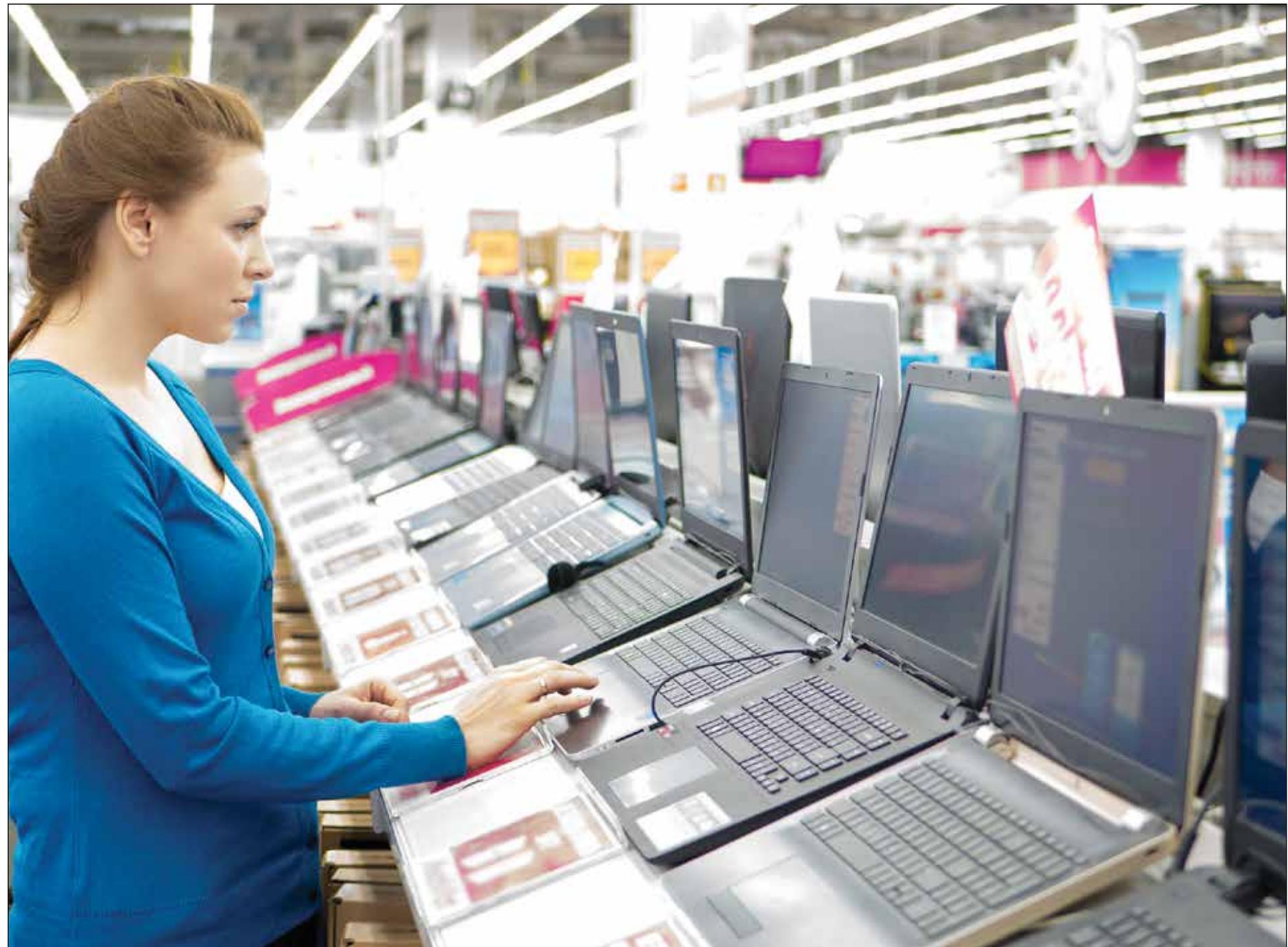
Nearly a third of consumers have purchased one, with those buying exercise machines and major appliances most likely to do so. Whether or not you should consider adding one to your purchase depends on the item and your confidence in it performing without any issues.

DON'T OVERPAY

A 2019 study from Stanford University found that consumers may overpay for extended warranties because they overestimate the likelihood that a product will need a repair.

Take into consideration the likelihood of damaging your item before deciding whether or not to purchase the extra protection.

There are some occasions



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when buying an extended warranty could make sense, including your smartphone, which can crack easily and be expensive to repair. Your cellular service carrier likely offers some type of warranty or insurance coverage to give you peace of mind that your smartphone will be repaired if anything happens to it.

READ THE FINE PRINT

In many cases, all extended warranty coverages are not created equally. Many of these types of policies may include multiple exclusions that make the service almost unusable.

According to the Federal Trade Commission, one such exclusion to look out for is a

policy not covering accidental damage. What that company deems as accidental can be relative, leaving consumers without a viable option.

Federal law requires that you have access to the manufacturer's warranty before you decide to buy. It's always important to read as much of the fine print as possible,

which can be difficult when standing in line trying to decide whether or not to purchase the extended warranty.

Ask if there is a document that you can take with you or have emailed to you that explains the particulars of the warranty. This way you have more time to research all of your options.

Tips for Successful Shopping

Black Friday is circled on the calendars of diehard shoppers across the country.

The excitement of finding new deals and marking items off the holiday shopping list is at a fever pitch in any store that's open for Black Friday.

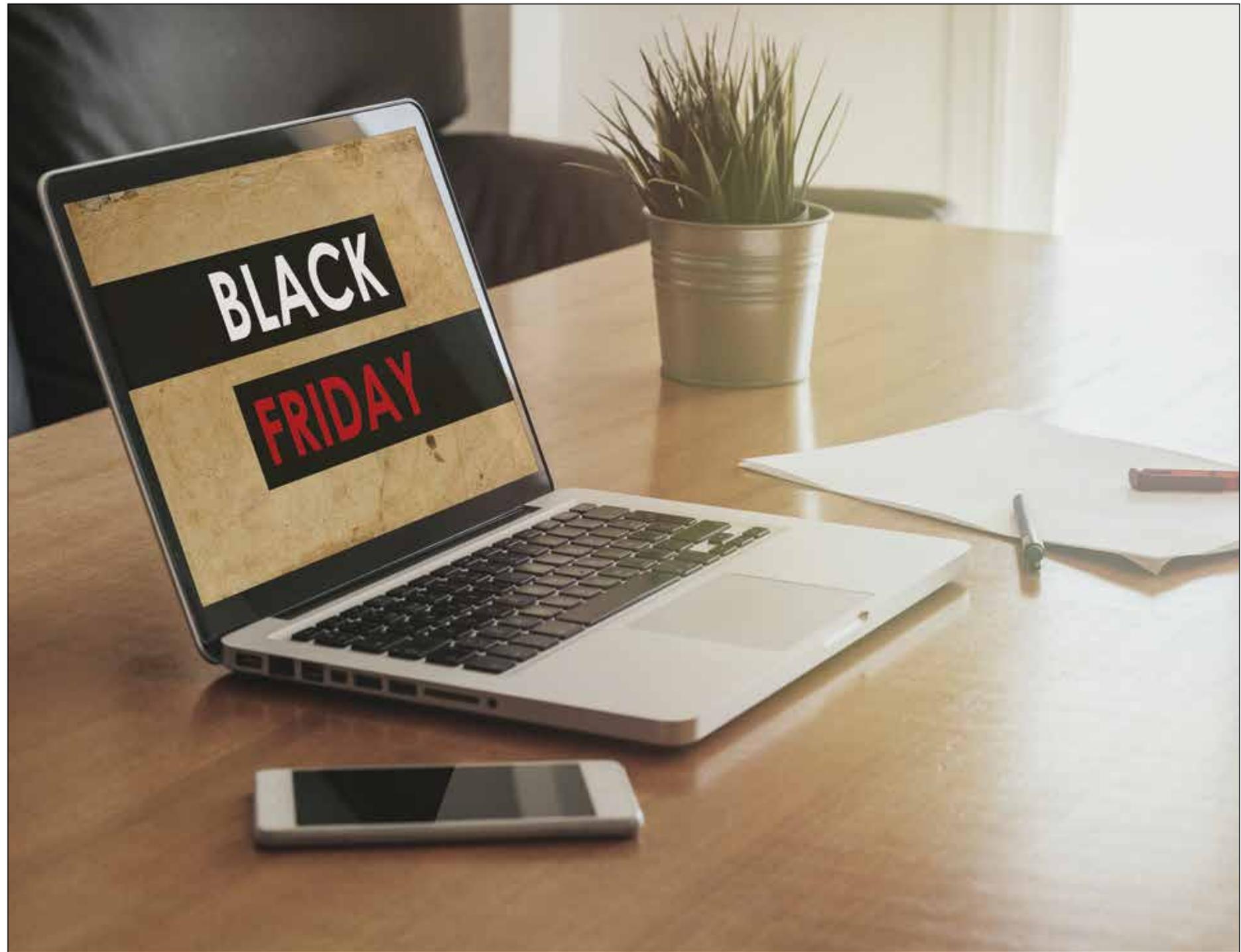
But how can you maximize Black Friday shopping experience without maxing out your wallet? What types of items should you even be considering taking home with you? Read on for some practical tips that will make you a successful shopper this season.

WHAT TO SHOP FOR

Retailers on Black Friday often feature tablets, smartphones, kitchen appliances and clothing, as well as TVs and laptops. If you're in the market for one of these items, Black Friday will be well worth your time. Start making a list of the items you'll be looking for this season and assign a budget to each gift. Once the Black Friday circulars come out in your local paper, you'll be ready to pick and choose which items make sense for both your wish list and your budget.

MAP OUT LOCATIONS

Avoid the mistake of showing up to an unopened store on



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Black Friday. Retailers have different hours on different days throughout the shopping season, so it's imperative that you understand when stores are open and closed.

You will likely find plenty of online deals during this famed shopping weekend, but retail-

ers are also using store-only, limited-time doorbusters to attract customers. Know where you're going and at what times to maximize your time behind the shopping cart.

JOIN LOYALTY PROGRAMS

To really rack up the promo-

tional deals, consider signing up for your local retailer's free loyalty programs and merchandisers' lists. This is a great way to find discounts or coupons to use during Black Friday. You may find that local shops this time of year are extra focused on offering these types of pro-

grams to entice long-term loyalty from customers like you. Sign up for email newsletters if you don't mind receiving promotional communications from the store. This way, you'll stay up on all the latest deals and products, even after Black Friday.



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Black Friday: By the Numbers

Shoppers put up record Thanksgiving sales online last year with Black Friday's tally exceeding \$7 billion, according to data released by Adobe.

According to the National Retail Federation, 84.2 million people shopped in stores on Black Friday in 2019, and 37.8 million people shopped in stores on Thanksgiving Day.

Even with potential COVID-19-related restrictions in place this fall and winter, it's a safe bet that the holiday

shopping season will be one of the busiest times of the year for local retailers.

Take a look at these 2019 statistics from Adobe and the National Retail Foundation to find out just how much Americans love shopping on Black Friday.

- Shoppers spent \$4.2 billion online on Thanksgiving last year, a 14.5% increase from last year and a record high, according to data released by Adobe.

- Black Friday online sales surpassed \$7.4 billion.

- More than 165 million people shopped over the Black Friday weekend, according to the National Retail Federation.

- Nearly half the revenue on Thanksgiving Day came from smartphones, a 24.4% increase from 2018.

- Smaller retailer stores saw a 61% jump in business from 2018.

- During the full holiday season, Adobe estimated that shoppers spent \$143.7 billion online.

- Heading into Black Friday 2019, consumers said they were looking for deals on the following: Clothing (41%), home goods/small appliances (38%), tablets/laptops/PCs/TVs (32%), smart home gadgets and tech (30%), toys (25%), travel or experiences (12%).

- On average, shoppers expected to spend \$1,007.24 each. Of that, they'll spend \$637.67 on gifts. Another

\$215.04 will go for food, decorations, flowers and greeting cards. They'll also spend \$154.53 to take advantage of the seasonal deals and promotions

Regardless of how you choose to shop on Black Friday, don't forget to have fun and enjoy the tradition. Remember that your local small businesses offer Black Friday deals, and may provide the best opportunity for you to find local, unique gift ideas for your friends and family members this season. Keep an eye on the social media pages of your favorite local small business to keep up to date on any promotions or deals they may be running on Black Friday or Small Business Saturday.