The Emotional Toll of Holiday Gift Giving

New research reveals gift giving may cause more stress than it's worth. Discover ways to bring the joy back into gift exchanges.

Holiday gift giving is intended as a ritual to build and strengthen relationships, but it can have a dark side.

Research that included surveys out of the United Kingdom and Norway indicated that many people associate Christmas with indulgence and overspending. Financial hardship was associated with borrowing money before Christmas, which could lead to more financial problems after the season ended. According to a recent Conference Board holiday spending survey, the average U.S. consumer expects to shell out around $1,063 in holiday-related purchases in 2024, a 7.9% increase from last year.

Consumers admit that the majority of their holiday purchases are for gifts. And research suggests that the motivations behind gift giving are complicated.

The side effects of gift giving

For some consumers, buying holiday presents can be more about fulfilling obligations and complying with social norms than spreading joy, the United Kingdom and Norway study says. But even for those who want to exchange presents, the whole gift-buying experience can trigger complex emotions. For one thing, reciprocal gift giving causes some people to spend more than they desire or can afford. They hope to impress the recipients and the rest of the crowd. Or, they want to avoid the embarrassment of being viewed as cheap or tacky.

I once gave a friend a $25 pair of earrings, and she reciprocated with an $85 throw. (I knew the price because I looked it up, sensing she'd spent more than me.) I felt mortified, guilt lingering long after the exchange.

The distress caused by this disparity in the price of gifts comes from the need to feel balanced in a relationship, says psychologist Cynthia Edwards-Hawver. "If you receive a gift that is expensive and you got something for $20 [or vice versa], it doesn't feel good and can lead to the relationship feeling unbalanced," she explains. Another key factor in the psychology of balanced gift giving is self-worth. If you give a good gift and receive nothing in return, it can feel invalidating.

Anxiety can become a familiar companion when you're selecting and buying gifts, says psychologist Shauna Springer. Some of her clients experience "anticipatory shame," worrying about how their gifts will be received, asking such questions as:

- Did I spend enough?
- Will the recipient regift what I gave them out of dislike?
- What can I give that communicates thoughtfulness and generosity?

Rushing between shops looking for gifts can cause stress and its side effects: "sweating, mind racing, anxiety. These are all warning signs of a risk of increased heart rate and rising blood pressure," says psychologist Nicole Issa. "When we try to find the 'perfect' gift for each person, it's no surprise we have a tendency to push ourselves at a time when we should be taking a break. This sort of behavior can lead some to forgetting to look after themselves and not eating and hydrating properly and becoming exhausted, which could have an overall impact on immunity. Some find they take time off over Christmas but all that happens is they end up sick in bed whilst everyone else enjoys themselves."

And, when we overspend, we carry debt into the new year, which adds more stress and financial pressure, creating a vicious cycle.

Changing expectations about gift giving

My husband and I have large families to buy for. Last year, we experienced some financial strain and had an honest conversation with each matriarch to inform them about what we could afford.

Open communication surrounding gift giving is important. Before the holidays, it's helpful to establish firm boundaries with family and friends to keep expectations in check.

Gift giving should be focused on the thought and not the cost. "If you're asking if it is expensive enough, then you may need to reassess the relationship," says Edwards-Hawver. "And if you can't afford to participate in a gift exchange, be honest."

6 ideas for less stressful holiday giving

To ease some of the strain of holiday gift giving, consider these ideas:

1. **Ask a few family members to share in the cost of a gift** or agree to a "family gift" instead of individual gifts to each member, especially if there are a lot of kids, suggests Issa.

For example, I plan to have our relatives chip into an "adventure pot" this Christmas, so we can take a trip to Disneyland instead of buying our children more gifts that clutter the house.

2. **Consider a Secret Santa** exchange with an agreed-upon price limit not to be exceeded.

My husband's family annually follows this plan and it keeps spending in check. You can choose a theme such as self-care, books, puzzles, movies or gift cards or create lists on apps like Elfster.

3. **Experiential gifts** can provide more lasting memories than physical gifts, according to holistic practitioner and bestselling author Bradley Nelson. These customizable gifts "create priceless memories or teach the receiver new skills that last a lifetime," he says. He offers these ideas:

- Art classes, including painting and crafting or courses from Udemy and Masterclass
- Meditation tools, including a subscription to a service such as Calm or Headspace
- Energy healing courses, a massage lesson or certification in Emotion Code or Body Code
- A contribution toward travel: If the recipient is taking a trip, research fun experiences in that area and purchase tickets on their behalf. It might be to a museum, a play or an opportunity specific to a certain destination, such as swimming with sharks in Maui or taking a cooking class in Sicily.

4. **A white elephant exchange** is a fun solution for those on a tight budget. These exchanges deliver big returns in terms of laughter, fun and competitiveness because the "gift" can be something already owned or the group can adhere to a set spending limit.

5. **Invite family or friends to share a meal** instead of exchanging gifts. This can be a potluck or dinner out. Last year, a friend hosted a girls' night at her home. She made the main course, and we each brought a side dish. At the end of the meal, she read aloud notes she'd written to each of us about why she loved us. It was far more memorable than any gift she could have given.

6. **Pick an activity** to do together. Springer offers these ideas:

- Plan a hike that ends in a picnic
- Attend a class together such as sourdough bread making or an art class
- Turn your home into a spa and hire an aesthetician to come to your home to give manis/pedis to your friends
- Take a trip together in lieu of buying each other gifts
- Purchase the highest-rated book on Amazon related to a friend's hobby or interests

Letting go of expectations

This holiday season, release yourself from worrying about how a gift will be received and if it will be appreciated and used. "The old adage rings true: It's the thought that counts," says

psychologist John Y. Lee. “So who cares if the recipient takes our gift and immediately regifts? We cannot control their reactions, so why bother?” he says.

Gift giving doesn’t have to be a stressful experience and put us in a financial deficit. Since we can’t control how a gift is received, let the expectations go and choose to enjoy the bright side of the holiday season instead.