
MEDIA RELEASE

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Avoid spending what you do not have on Black Friday!

It is beyond doubt that this year has been exceptionally difficult for everyone in many ways. The Covid-19 pandemic which resulted in loss of income, retrenchments and salary reductions for some consumers, added extra financial pressure on the already-financially –stressed households and/or individuals. The effect of the aforementioned factors is that consumers are likely to find themselves battling to meet their current financial obligations, says Anne-Carien Du Plooy, Acting Manager: Education & Communication at the National Credit Regulator (NCR).

Some consumers are looking forward to the upcoming Black Friday deals and bargains. Certain retailers have already announced that this year’s “Black Friday” deals will start earlier, says Du Plooy. In these difficult economic times, consumers are cautioned to avoid partaking in this year’s Black Friday if they did not properly plan or budget for it. They should rather save their money for emergencies. Consumers are further advised not to use credit for Black Friday as using credit does not amount to saving. Instead, consumers will end up paying more due to the addition of interest and other fees such as monthly service fees, once- off initiation fees, credit life insurance etc, adds Du Plooy.

Du Plooy cautions that failure to pay back credit will have negative and adverse consequences for consumers such as being adversely listed at the credit bureaus and or having legal action being taken against them by credit providers to recover their monies.

Although Black Friday may be beneficial for some consumers, it may also create financial strain to those who participate without a proper budget and planning. A budget is a crucial tool which assists consumers to know whether they can afford certain deals or not.

Helpful tips for consumers for Black Friday:

- Set a realistic budget of what you can afford to spend and stick to it;
- Plan and draw up a list of what you need;
- Check the items and prices before Black Friday to do a comparison on the prices and to ensure that you are getting a better deal;
- Avoid buying food on credit;
- Avoid using unregistered credit providers to get quick loans as you will pay dearly for those;
- Remember, cash is king!

Ends

About The National Credit Regulator

The National Credit Regulator (NCR) was established in terms of the National Credit Act 34 of 2005 (NCA) and is responsible for the regulation of the South African credit industry. The NCR is mandated with the registration of Credit Providers, Credit Bureaus, Debt Counsellors, Payment Distribution Agents, and Alternative Dispute Resolution Agents; and monitoring their conduct in compliance with the National Credit Act as amended. The National Credit Regulator offers education and protection to consumers of credit in promotion of a South African credit market that is fair, transparent, accessible and dynamic.

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