

Debt Snowball vs. Debt Avalanche

MyDebtGhostbuster.com | Which Strategy Is Right for You?

Side-by-Side Comparison

	DEBT SNOWBALL ❄️	DEBT AVALANCHE 🔥
Strategy	Pay smallest balance first	Pay highest interest first
Best For	People who need quick wins to stay motivated	People focused on saving the most money
Pros	<ul style="list-style-type: none">• Quick psychological wins• Builds momentum• Easier to stick with	<ul style="list-style-type: none">• Saves more money overall• Mathematically optimal• Faster total payoff
Cons	<ul style="list-style-type: none">• May pay more interest• Takes longer overall	<ul style="list-style-type: none">• Slower initial progress• Can feel discouraging
Savings	Less optimal	Most optimal
Motivation	High (quick wins)	Requires patience

Example: \$15,000 in Total Debt

Let's see how each method works with the same debts:

Debt	Balance	APR	Min Payment	Snowball Order	Avalanche Order
Store Card	\$500	25%	\$25	1st ✓	2nd
Credit Card A	\$3,000	22%	\$90	2nd	3rd
Credit Card B	\$4,500	18%	\$135	3rd	4th
Personal Loan	\$7,000	28%	\$200	4th	1st ✓

With \$500/month extra toward debt:

Snowball Result: Debt-free in 26 months | Total interest paid: ~\$4,200

Avalanche Result: Debt-free in 24 months | Total interest paid: ~\$3,600

Avalanche saves ~\$600 and 2 months! But Snowball gives you a win in month 1.

Which Should YOU Choose?

Choose SNOWBALL if:

- You've tried paying off debt before and quit
- You need motivation from quick wins
- Your interest rates are fairly similar

- You're an emotional decision-maker

Choose AVALANCHE if:

- You're highly disciplined and patient
- Saving money matters more than quick wins
- You have a large high-interest debt
- You're a logical/numbers-driven person

Pro Tip: The best method is the one you'll actually stick with!