



SPENDING & PSYCHOLOGY:

Emotional Spending vs. Compulsive Buying

There are many reasons you might feel compelled to spend money based upon your emotional state. For instance, stress, sadness, and other painful emotions can influence your motivation. Studies show that shopping reduces distress and helps generate a sense of well-being. There's no distinction between the dopamine hit received from adding items to your online cart versus making actual purchases – it's all a form of retail therapy.

However, emotional spending is not the same as compulsive buying. Compulsive buying disorder (CBD) is a challenging condition that many people cope with daily. It can get severe, with a person's spending behaviors leaving them without money for rent, healthy food, and other basic life necessities. According to [Mental Health America](#), CBD has a predictable pattern of behavior that makes up four separate stages:



Individuals with CBD have common themes of trauma and abuse in their lives. The condition is also linked to mood disorders, anxiety, and substance abuse. Whether you have an idea of the root cause of your CBD or not, you can still get support through the ComPsych Employee Assistance Program.

Select strategies to reduce emotional and compulsive spending based on your individual circumstances.

THREE STRATEGIES TO CONTROL SPENDING:



1. BUDGET YOUR SPENDING. Budgeting is a practice that helps plan your spending each month by tracking recurring expenses and identifying the remaining balance for discretionary spending. While creating a budget is a great idea for everyone, it's just a starting point for many.

ANTICIPATION

...is when people who have CBD start thinking about shopping or spending money. For some people, it's a strong urge to spend money, while others become preoccupied with the item or service they want.

PREPARATION

...to make a purchase is the second stage of CBD. Considerable time and effort are spent deciding where to make the purchase, as well as looking for sales.

SHOPPING

...is the most exciting stage for individuals with CBD. Some describe this stage as thrilling or even feeling intoxicated while shopping.

SPENDING

...money to purchase the things(s) they shopped for is the last stage of CBD. There might be feelings of disappointment once this stage is complete, especially if it derails other financial needs and goals.



FOLLOW THE MOUSE:

We've hyperlinked resources you may want to access. Just hover and click!

Continued on next page

Continued from page 1



2. WORK WITH A FINANCIAL PLANNER. Consulting with a financial planner helps you reach your goals faster. They'll provide an objective review of your finances along with a detailed guide – useful for making big purchases, planning for retirement and other budgetary goals. This way, you won't be at the mercy of your emotions when spending money.



3. FIND A THERAPIST. Therapists also provide invaluable support for learning more about your relationship with money – especially if you're struggling with compulsive buying or associate money with pain or trauma.

4 THINGS TO DO WHEN YOU'RE FEELING DOWN, INSTEAD OF SPENDING MONEY:

Although shopping might feel therapeutic, it can lead to severe financial consequences. Rather than resort to shopping, try the following when you're feeling down:

- 1. Work on a passion project.** Many people have a passion project in the works—but if you don't, think about what your passion project might be. It can be a business idea, a hobby even a DIY home renovation project. The right passion project can spark joy and have the power to lift your spirits.
- 2. Talk to a trusted friend or family member.** Sharing your thoughts and feelings is a great way to work through them. Find someone you trust and talk to them about how you're feeling. Your sibling, a friend, or a therapist if you have one are great people to talk to about the way you feel.
- 3. Try something new.** Sometimes, the thrill of trying something new is enough to cheer you up when feeling down. Make that recipe you've been dying to try, switch up your fitness routine, or play a new game. The possibilities are endless!
- 4. Spend time (not money) with loved ones.** Quality time spent with loved ones can lift your spirits. You don't have to discuss your finances. Simply being surrounded by love can help you get through some of your toughest moments.



About 1 in 20 people across the world struggle with compulsive buying disorder (CBD). The right therapist can help you identify the root cause of your behavior and develop a behavior change plan to improve your spending habits. The [ComPsych Employee Assistance Program](#) provides 24-hour access to licensed clinicians. **Enter Web ID: BCBSILEAP**



SOURCES: [PubMed.gov](#), [UMich.edu](#), [MHANational.org](#), [PsychologyToday.com](#)