

Ways to Avoid Emotional Spending

Today we talk about emotional spending or spending too much impulsively. The American economy (not to mention pop culture) thrives on consumers spending money. The system is designed to encourage you, the consumer, to spend, spend, spend! In fact, some might even consider spending money as the true American pastime. But spending too much can also impact your finances today and your retirement savings for tomorrow. Today we are going to look at some tips and tricks to avoid emotional spending. One of our resources for today is an article from Investopedia.com, "[5 Ways to Control Emotional Spending](#)" from May 2018.

Let's start with defining what emotional spending is. Emotional spending is buying something that is not a necessity, and perhaps may not even be something that you truly desire, due to your emotional state. You may have heard it called "retail therapy." But emotional spending doesn't just happen when you are sad or upset. Positive emotions can spark spending sprees as well. Think of the day you got a raise or your tax return, or even when you found forgotten cash in the pocket of your winter coat. Odds are you spend that jacket cash quickly.

Of course, there's a big difference between spending that jacket cash ... and piling up credit card debt. There is nothing wrong with treating yourself now and then. Today, however, we are going to talk about some ways to avoid going too far when you spend emotionally.

The first tip from the article is to avoid impulse buys. This may be easier said than done. Obviously impulse buys are impulsive and not something you can always plan to avoid. But it can be good to use a 24-hour holding period before you check out. If shopping online, perhaps place that impulsive item in your cart but hold off on the purchase until the next day. This will give you time to determine if you really want it or if you just impulsively want it. When out shopping, you can always take a picture and return to purchase it after your 24-hour wait is over. These items can also be stowed away on a wish list for an upcoming holiday or birthday as well!

Another way to avoid emotional spending is to limit your exposure to advertising. You can do this by downloading a browser extension that blocks ads on the web or by unsubscribing from product catalogs and emails. Create a playlist of your favorite songs rather than listening to the radio or download podcasts instead of talk radio. You can even opt out of receiving credit card and insurance offers by going to [OptOutPrescreen.com](#), a website created by the Consumer Credit Reporting Industry. If you choose to opt out, you will no longer be included in firm offer lists provided by the four major consumer credit reporting companies.

Limiting temptation is another way to avoid emotional spending. Is the mall too tempting? Perhaps consider shopping online. Then again, online shopping at sites like Amazon can also be an option for some to emotionally spend. Perhaps download a timer to limit your online time or find other ways to spend your time online. You can even go the deep freeze route — place your

credit cards in a bag of water and put them in the freezer. When you want to use them, you will have to wait for the ice to melt, giving you extra time to consider your potential purchase.

Making any plan work requires accountability. Without some way to verify and hold yourself accountable, your plan can fail. Your friends and family can be helpful allies. Let them know your goals and spending restrictions and have them check in on your progress. It can also be helpful to make a list of your financial goals and strategy and place it in an area that you will often see it, like a fridge or bathroom mirror. You may even keep a note or reminder in your purse or wallet to give you another moment to consider any purchase.

As a reminder, the tips we have discussed today aren't simply about avoiding spending money on anything fun. I certainly don't want you to feel like you're listening to Ebenezer Scrooge! These tips are designed to help you take control of unnecessary emotional spending and allow you to have greater control over your finances, so you can enjoy those appropriate fun purchases even more.

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<https://www.optoutprescreen.com/>