

# 81: How to Stop Emotional Overspending



## Full Episode Transcript

With Your Host

**Bonnie Koo, MD**

## 81: How to Stop Emotional Overspending

Welcome to *The Wealthy Mom MD Podcast*, a podcast for women physicians who want to learn how to live a wealthy life. In this podcast you will learn how to make money work for you, how you can have more of it, and learn the tools to empower you to live a life on purpose. Get ready to up-level your money and your life. I'm your host, Dr. Bonnie Koo.

Hey everyone, welcome to Episode 81. So this is part of a four part miniseries I am doing on spending because we are getting near the holiday season. Also known as spending a lot more money than the rest of the year. So I wanted this to be the focus over the next few episodes.

So in the last episode, I talked about how our perfectionistic thinking and the fear of feeling deprived can get in the way of tackling our spending. And then I ended the episode by sharing how our brains are wired to crave and want dopamine hits. And that for many of us spending gives us that dopamine hit immediately. Whereas buying and growing assets does not give us that immediate hit. So yeah, our brains are basically addicts to dopamine.

So today I said I was going to teach you a skill that will help you stop overspending. Now, specifically, I should say this is going to help you stop emotional overspending.

Now, I actually talked about how to stop overspending, that's Episode 17. That was a while ago, and so I'm sort of redoing that episode today. But I do think it'd be useful for you to listen to that episode as well. So I'll link that in the show notes.

So first, I want to define what I mean by emotional overspending, or just emotional spending. It's when you spend money because you think it will make you feel better. It's when you spend money to avoid feeling what you're currently feeling, hence the term emotional spending.

Now, this is kind of the equivalent of emotional eating, right? And so I've said it before, but I'll say it again, so many parallels between money and weight loss. And so it generally looks like this, emotional spending. You're

## 81: How to Stop Emotional Overspending

feeling bad about something, but you could also be feeling great about something. Let's use the feeling bad about something.

So maybe you've had a bad day at work, the patients were all complicated, you got yelled at. And then you're home, you're trying to decompress, and you start scrolling online and you see this amazing, beautiful purse. Then you start imagining yourself with this purse. What outfits it will go with, and oh, you have this event coming up and that purse would be perfect with it.

Suddenly, you're feeling well, great, because you're thinking about what this purse can do for you. And in that moment, you truly believe this purse will make you happy. Yeah, it's pricey, but you've had a hard day and you tell yourself, "I deserve it." So you click and you buy it.

Okay, so first, I realize not all of you are purse people, so insert whatever gets your juices going. Whatever you tend to spend money on when you are emotional spending. Maybe it's makeup, maybe it's a kitchen tool. Okay, these are obviously examples of what I tend to spend on, but really insert whatever you tend to spend on. You'll probably find that there's a pattern.

So I want to point out a few things about this scenario I just gave you on emotional spending. Number one, remember, it's tied to an emotion and usually a strong one. And it could be a good or a bad emotion. So I just gave the scenario of you having a really bad day because of work et cetera. But it also could be the opposite, it could be because you accomplish, something you're feeling really emotionally excited about something.

And then I want you to notice that we are using this external thing, this purchase, to feel better inside or to change how we feel. And so if you've been following me for a while, you know that external things cannot make us feel a certain way. External things cannot suddenly jump in your body and make you feel something. How we feel is determined by what we think.

## 81: How to Stop Emotional Overspending

And we're using this spending, this experience of spending, the actual purchase as a way to feel differently, usually to feel better. Now, the problem with this scenario is that doing this, this emotional spending, it trains our brain to want to think that we need outside things to feel differently, to feel better inside. When feeling better is always an inside job.

Now, I just want to pause for a second, because maybe I confused you about what I mean about using emotional spending to feel better or to change how we feel. Because I think it makes sense that if you're feeling bad, that maybe buying something will make you feel better temporarily.

But the opposite is also true. You might be feeling really great and using spending to avoid feeling great. It doesn't make sense, but a lot of us do that. And I want you to take a minute to see if you do this too. Because most of us aren't great at feeling our feelings, whether they're great feelings or negative feelings. And so emotional spending is a way for many of us to evade our feelings.

Now, I want to state something obvious, doing this one time or even a few times in itself likely won't really cause any problems. It's probably not going to break the bank or really change the overall trajectory of your finances. But doing this repeatedly can.

And really the question I want you to ask yourself is this, do I like the outcome of me doing this? The outcome could be you have so much stuff, literally like cluttering your house that maybe you don't even use after one or two times. Or maybe it's that you buy things and then you regret it repeatedly. Then you spend time beating yourself up regretting it.

So it makes sense that if this is something that you do repeatedly, and you add it all up, and that money could have been invested instead or go towards something else that you actually really want long term and would make a big difference for you to change this behavior.

Now, I'm talking about this, because this is something I see a lot in my clients. And because we are high earning women physicians, it seems

## 81: How to Stop Emotional Overspending

okay. We tell ourselves things like, “Well, it'll be fine, I can afford it. I make a lot of money, it'll be okay.” And it is okay, like you're not going into debt, but maybe you are.

But if you're not seeing any real progress in your net worth, your savings keep going down or depleted because of this, and if you find yourself wondering every year why you can't seem to save for a down payment to buy a rental property or whatever investment vehicle you want to work on.

So if this is you, first, I just want to say you are not alone. This is so normal. And if you're feeling bad about this, I just want to say you're not alone and it's okay.

And now I want to explain what's actually happening inside your brain when this is happening. Like you literally can't help it, okay? So let's sort of like slow down the scenario I just gave you. What happens is that when you see something that you want to buy, notice I say want.

You have thoughts that create desire, the feeling of desire. And the thoughts are something like, “I want this, I really want this,” or some version of that. And your brain wants to complete this desire loop. Meaning the only way to complete it is to buy it. Which means that the only way to not buy it is to not close the loop.

Now, this probably sounds super obvious and simple, right? And it's not exactly easy to actually implement it. Meaning it's not exactly easy to not close that desire loop. And here's why, it doesn't feel good not to close the desire loop. It's so much easier to just buy it and close the loop and feel complete about it. So, of course, I have some tips on how to do this, and what you can expect as you practice this skill.

So the first thing to do, step one, is when you find yourself in a, I call this like a desire frenzy, but what's happening is you're having a bit of a dopamine frenzy in your brain. So what I mean by that is if your brain has associated buying things with getting lots of dopamine, the dopamine starts squirting even before you start spending the money.

## 81: How to Stop Emotional Overspending

As soon as your brain thinks, “Oh, we might be in a position to spend money,” like browsing and shopping online, it starts getting into a dopamine frenzy, literally. And so the first thing you want to do, now that you know this, is to slow down, stop yourself, take some deep breaths. Take three deep, long breaths or count to 10. Just something to kind of pause and interrupt that frenzy, literally. Because that's actually what's happening inside your brain.

And then, number two, when you have slowed down, and you'll know you've slowed down when you can pause for a second and sort of like gain awareness of what's happening. And so the purpose of this slowdown is to help you become aware of how you're feeling. And just notice how you're feeling. Meaning notice that you really want to buy whatever you're trying to buy.

And remember, the only way to not close the loop is to not buy it. So that's what you have to do, you actually have to not buy it and not close the loop. And the way to do that, well, there are many ways, but the suggested way is to actually just allow that desire to go unanswered.

So let me explain what I mean because I know this is a concept that when I explain it to my clients, we do a deep dive into this inside of my program Money For Women Physicians, so I want to sort of explain what it means and what it doesn't mean.

So allowing the desire to go and answered, here's what it does not mean, it does not mean turning off your computer or putting down your phone, whatever you're using to shop, and do something else instead. I'm sure some of you have tried that. It's not that that doesn't work in the moment, of course if you do that you're not going to buy the thing. But it doesn't actually retrain your brain to want to buy less, this is basically avoiding.

So allowing is actually giving yourself the time and space to feel what it's like to not close the loop. And here's a hint, it's going to feel weird. And I'm

## 81: How to Stop Emotional Overspending

going to tell you how it feels for me, although it's probably going to feel different for you.

For me, it feels really restless. I feel like I want to do something, I want to do something, basically buy the thing, or even do something else, right? I feel like I have this energy and I need to do something with it. It feels really uncomfortable and it feels really annoying. And I'm saying this to you as a reminder that all feelings are temporary, it passes. It dissipates if you let it.

Now, the reason why it's so important that you do this, like all the way through, like actually feel it and allow the feeling to dissipate. When I say the feeling the feeling of desire, is because if you don't let the desire percolate through your body so to speak, then your brain hasn't learned not to spend emotionally.

Now, some of you might be thinking, this sounds a lot like the Pavlov dogs, experiments. I can't even pronounce his name, but I think you're all probably familiar with that. And so this is basically what this process is, it's on learning that desire loop. It's unlearning the dopamine frenzy that your brain has been trained to do.

And so let me give you some tips because many of you might be unfamiliar by what it actually means to let yourself feel something all the way through. It's not a skill anyone teaches you, right? And so here are some things that you can do.

So when you have paused and you're like, "Okay, I know, Bonnie said that I need to just sit here and sort of feel weird, but what does that mean?" So here are some questions that might help you. I want you to ask yourself, "What am I feeling right now?"

And you might actually want to say this out loud. Maybe you'll say, "Okay, right now I'm feeling annoyed because I'm not buying this." And here's a great follow up question, "How do I know I'm feeling annoyed?" And so then you describe it to yourself. So maybe it's like, "Oh, my chest feels a little tingly."

## 81: How to Stop Emotional Overspending

And then I want you to take some deep breaths and keep describing it to yourself, and let those sensations do their thing. Remember, feelings are sensations. They're literally physical sensations in your body and they don't always feel great, and that's okay. They're always temporary.

And so I think my biggest tip is to keep breathing. And, of course, you're always breathing, but be conscious of your breathing because being conscious of your breathing helps you sort of focus and stay present, to stay with that feeling or those sensations.

And once that feeling dissipates, usually people will tell me, or personally I will say that the feeling tends to move and dissipate, and then you're done. Yay! And you're going to have to do this again and again. And it gets easier, but not necessarily right away. Meaning you may have to do this 10 times, maybe even more.

And so I have a suggestion for those of you who are willing and want to take this on. Because like I said, you're going to have to do this more than once and it might have to be several times. And if this sounds a little painful, or if it sounds like, "Ugh." I get it, I totally get it. But this is the way to unlearn emotional spending.

So here's a tip, because it's not necessarily going to be the same experience each time. For example, the first time you do this, let's say it was like you did it, and you're like, "Wow, that wasn't so bad." And the next time it's a lot harder, and maybe you actually buy the thing. And it can seem like you're backpedaling or that you failed.

And this is where a lot of people would be like, "Just eff it, I'm just going to buy it, and who cares?" And you kind of just throw in the towel. And so I want to say that that is normal.

You should expect to not be great at this and to fail, possibly multiple times. Now, I know that's not great news. And so here's my tip to help you get through that so that your brain sees that you're making progress. It's the concept of what we call an urge jar or a desire jar.

## 81: How to Stop Emotional Overspending

And so the concept goes like this, you want to buy yourself or you probably have this already in your home, a clear container of some sort. So it could be just a glass like literally, or maybe a clear vase, or some container that's clear. And then you want to get something that you can put inside of it.

And so usually it's marbles. If you don't have marbles lying around, I certainly don't, you could use small pieces of pasta, but you want to use something that has some bulk. And so I know many of you probably have spare coins lying around, I don't think coins are a great thing because they're flat, you want something that's like 3D.

So you can make this more fun, I think, if you go and purchase some really pretty marbles or something that you like looking at, maybe you have beads. So just something sort of 3D.

And here is how you use it, every time you successfully allow yourself to not close that desire loop, you put a marble in the jar. And that is a representation of you did it, you succeeded. So let's say you do three or four times and you do great. And then the fourth time you don't and you buy the thing.

And then it's easy for us to feel really bad about it. But you have this visual reminder of those four marbles in the jar, showing you that you have made progress. Just because you "failed" one time does not mean— You don't remove a marble. Number one, don't do that.

These marbles are just evidence showing you that you have been doing the work. And that part of doing this work is actually to mess up and not succeed every time. But seeing those marbles will show your brain that you're making progress. And that's so important.

And so remember what I said in the last episode about how our perfectionist thinking can get in the way of tackling spending? This is how it can get in the way by thinking that if I mess up, then throw out the towel, let's forget about this. And maybe I'll tackle spending next year whenever

## 81: How to Stop Emotional Overspending

Bonnie does another podcast episode or does a challenge or something. And so I don't want that to happen.

Now, I recommend you re-listen to this episode and take notes on the steps I gave you, and we also have a transcript that you can literally print out and highlight and take notes, because this is something that I know will make a huge difference for you, but only if you do it.

And if you would like support on this then you definitely should join Money For Women Physicians. This is something we do in module two, it's some of the best work you will do and learn, not just for spending but it will help you in so many other areas of your life where you feel like you might not have control over things, like eating or other things you tend to do.

And so you want to go to [wealthymommd.com/money](http://wealthymommd.com/money), the program is always open. I'd love to help you, I'd love to coach you. We do weekly coaching there because like I said, this is a process. This is going to take time and it's so worth doing for so many reasons.

And the first thing is to know that you are in control of your emotions. The second thing is, once you've mastered this, you will have so much more money to use for other things. And those other things, I think, are to buy assets, to use for vacations, you know, experiences that you really want that maybe you feel like you keep falling short.

So it's going to be different for all of you but I really want you to think about this. If you mastered this skill, what would change for you? What difference would that make? And you could add it up and come up with a dollar amount every month that it would do. But I think that's kind of a short term view, but over time what would that help you create?

Would that help you start really making a difference in your investments? Would that mean that you could send your kid to the private school you want to send them to? So many possibilities. So I really want you to think about why mastering this skill will matter for you.

## 81: How to Stop Emotional Overspending

Okay, so just to give you a preview of next week, we're going to talk about spending plans. I'll see you then.

Hey, if you enjoyed this episode and don't want to miss out on new episodes, please hit the subscribe button on your favorite podcast app. See you next week.