

218: Identify & Change Your Overspending Habit



Full Episode Transcript

With Your Host

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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.

So I am really excited as always about today's topic and why I'm really, really excited about this topic is because it's something I just recently discovered for myself and I know it's gonna help some, if not many of you. And it really took me willing to look at a money habit that I've been avoiding. It's about spending money. And this has been something that's hard for me to talk about, not because it's a super sensitive topic per se, but here's what I wanna say.

So I'm a human being, obviously, like you. And the reason why I'm saying that, even though it's obvious, is that sometimes I think it's really easy to look at other people and think they have their shit together a 100% or that they have this facade of that. And people tell me that that's how they think about me. And so I just wanna tell you I'm human. I have negative feelings. I am mean to my son sometimes, and sometimes I hate him. I'm just saying this. If you're a mom, I'm sure you can relate.

And I don't have all of my money shipped together, and I probably never will. And of all the things I teach, I probably follow them maybe half the time if I'm lucky. So I'm just saying this to let you know that, like, we're not going for perfection here and that if you do any of the things or practice any of the things that I talk about even just a little bit, you will have a better life. That I know because I know that firsthand. And when it comes to money, I definitely don't have my shit together. So I just wanna tell you that. Put it out there. And here's one thing that I have been struggling with for a very long time, which is spending.

And this has been something I've struggled with for. Okay. I said a very long time, but I would say probably, like, since at least college and probably even before, but I didn't really have that much money to spend. So it wasn't

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really a problem until college when I got my first credit card. Very dangerous. I think I actually got 2, and I racked up a lot of credit card debt. I paid all of it off before right when I became an attending. But in between there, there were many, many years in between where I just felt like I could never get ahead.

And despite my income increasing dramatically over 20 years, that has not changed. So how many of you can relate? How many of you think that once you make more money, and you might be already making multiple 6 figures, but now you think you need to make more money to not make ends meet because I don't think any of us are worried about that. But to really be happy, to really have the life you want, whatever it is. And I knew this was a problem, meaning that I knew that things weren't getting better despite making more money and having more assets.

And I knew this was a problem, but I avoided it for a multitude of reasons. And I will tell you that I had some shame around this because I was like, you know, I am a money coach. This is what I do, and I can't get this spending thing under control. Like, why am I even doing this? Like, who's gonna listen to me? Especially when they find out that I am a massive overspender.

But I'm putting that all aside because I think this will help a lot of you. And my goal is never to tell someone you have to cut expenses to meet your goals because that's just one way to do it. Also, that word cut kind of implies that you're gonna deprive yourself somehow. And so my whole message about spending is that you wanna spend intentionally. You wanna spend consciously versus spending unconsciously.

And not that that in itself is a problem, but if you're spending and not making sure it aligns with your money goals, You see the money goals I mentioned before. Like, if you don't know what you're actually going towards, it's really hard to create a spending plan. And without a spending plan, it's really hard to know if you're spending your money the way you want to.

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And so I've actually done a few podcasts on how to create a spending plan and specifically on overspending. And so the best way to get to those episodes is in your podcast app. So I actually use Overcast. It's way better than Apple Podcasts if you have an iPhone. And I just go to my podcast, and I'm assuming you subscribe if you were listening. And if not, you definitely should subscribe. And you just go on the search button and search for I'm doing it right now, spending, and you'll see a bunch of episodes I've done on spending. So none of that is untrue at this point, but I have sort of taken my knowledge further, and I wanna share those insights with you today.

So I actually don't remember how I specifically defined overspending in my prior work, but I came up with a definition that I'm pretty sure is newer than what I said. And really, how you know you're overspending is if you're spending in a way that is not in line with your money goals. Another way to say it is spending in a way that is not helping you create the result or the money goal that you want.

And so it's not based on a number, obviously. Right? And it's not even strictly a definition of spending more than you earn because that definitely is it's probably overspending because most of you probably do not have the goal of going into debt because of your spending. But in a strict definition, it doesn't necessarily mean that your expenses are greater than your income. Anyway, so back to the definition, it is spending in a way that is not going to help you reach the money goal that you defined and decided for yourself. And so I talk about, even in my book, *Defining Wealth for Women*, about how overspending, honestly, overdoing anything, so this includes overeating, is based on the desire to spend money.

So, basically, you have a thought, I want this. Maybe it's, I really want this. Oh my god. I can't wait to have that. I wanna have that right now. That in itself is normal, meaning wanting things. Well, maybe not a 100% normal because I definitely have friends who don't necessarily wanna buy things, but I'm one of those people that I see something. I'm like, I want it.

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Like, I definitely buy stuff off Facebook ads. Not all the time, but I definitely have. And so if you can relate, then we're alike. But maybe you're not someone who likes to buy things. But even if that's you, you may still be an overspender. It just depends on your goals. Right? And so I do teach how to deal with that desire to buy things because when we want something and we buy it, we're just simply reacting to that desire because a lot of us will want things or want to do things all the time, but we don't do it. So we all have that ability to not react to our desire to want something.

Like, I always want mac and cheese whenever I see it. It's a really hard thing for me to say no to, but I don't always have it when I see it. So you probably have many things like that where just because you want something doesn't mean you actually do something about it. Right? And so there's that part, like pausing to sort of notice your desire and also reminding yourself, like, hey, I want this and that doesn't mean I need to buy it.

And so that's actually something I really go into detail in my program. But here's the other layer that I sort of uncovered for myself. So the reason why I finally dealt with this is because I got to a point in my personal and business money where I was really seeing the consequences of my overspending. And I knew that this is something I really had to deal with because honestly, I've been able to, quote unquote, get away with it because I do make a great income and my business does make money.

But one of the things my business coach told me, and I'm so grateful, is that she told me that any problems you may have in the business that you're not cleaning up, and so that's not necessarily related to money, but that's part of it, It's only gonna get a lot bigger the more money you make. And that is definitely true as my business has made more money because I haven't dealt with this, it just has magnified. And so like I said, the past, I would say year, I've been feeling kind of bad about myself. Like I'm who am I to coach on money when I can't even get my spending in order or even coaching a business because I love coaching a business.

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So it's like I still have this habit that I'm not proud of. And so the thing is when you have shame around something, it doesn't actually motivate you to do something about it because you're so embarrassed. You have so much shame. It's just easier to not deal with it and just be like, well, everything's fine.

Like, I'm still here and, you know, it's not like we're in danger of not paying our bills, so it's fine. So I'm just kinda like putting it under the rug and, like, putting it aside and turn off the lights and close the door. Right? But I finally, I guess you could say, had the courage to really look at it and also, like, commit to looking at it. And here's what I found. Yes. I have that desire. I love to buy things or I love to want things, and because of that, I love to buy things. But then I asked myself, well, like, what's behind that desire? Is there something underneath? And there was.

There were 2 underlying sentences literally running my over desire. And the two things were, I'll never be rich, I can't have that, and I don't have enough or make enough money. So those were three sentences. But I'll never be rich, I can't have that. When I say that, I don't mean, like, the thing because, obviously, if I buy it, I can have it. But when I say I can't have that, it's I can't I'll never be rich enough. And so those were the sentences I discovered that were floating around my brain. And then I actually got coached on this, and I get coached because just like you, I have a human brain.

And even though I am a coach, my human brain will still do human brain things. And so we discovered those sentences were kind of, like, running a lot of my spending decisions. And the first thing my coach asked me was, well, what do you mean by rich? Like, that's very vague. Like, I don't even know what that means. And that was a great question because so many of my clients, like, I'll ask they'll tell me something, but it's actually quite vague. And so I have to think about that for a second because that's what I realized that I thought that once I made or had a certain amount of money to me, rich was getting to an amount of money that really I had no idea. But

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in my mind, I was like, oh, once I have 1,000,000 of dollars, how many million? I don't know. Then I can spend whatever I want whenever.

Like, that in my mind was how I'll know I'm rich. And just even saying this out loud to my coach, I was like, wait a minute. That is actually not a number. And in fact, if I don't freaking nip this in the bud, when I do make 1,000,000, I'll just keep spending accordingly and spend 1,000,000. And then sometimes you just gotta, like, hear things and really think about things even though you've heard it so many times for it to really click, at least for me.

And also, especially for physicians, we have so much delayed gratification that sometimes there's just this pressure buildup and it bursts after we finish training, and we just feel like we deserve all the things that we work so hard for it. And so I get it because this was also me as well. And so here's what you might be doing is if you do have an awareness that you're spending a bit more than you'd like, or even worse, you may just not be looking at it because you don't want to see the state of your numbers.

Now, I'm not laughing at you. I'm laughing with you because this is so common. I have so many women who join my program and they are literally afraid to look at what's going on because they assume that things are so bad and they don't want to basically feel the shame and the guilt and all the things. But obviously, you can't make a plan to dig yourself out or to move forward if you don't look at what's going on because you need to figure out where you are. And so what a lot of us do is we just manipulate the numbers.

What I mean is you might open a budget program, I use YNAB, and you might just move some categories around, or you start thinking, I just need to make more money that will solve my problems. And or you may just cut expenses because clearly that's what we should do. And I always find that interesting that that's kind of what we're taught that we need to well, I think it's good advice that our spending is less should be less than our income,

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But so many of us don't consider that we can increase our income instead of cutting expenses or do the 2 together where there's more synergy.

But going back to when I realized my definition of rich was really vague and not so much vague, but that it clearly did not actually come out to be an actual number. Like, basically what that told me once I said it out loud to my coach that no amount of money will ever be enough because I will just want the next level because there's always a next level of wealth. And so I saw in that moment, and this isn't new because it's something I talk about all the time.

Like one of my favorite quotes, I think it's Henry David Thoreau said, wealth is a state of mind or wealthy is a state of mind. And then accordingly, because the way I was thinking about being rich and defining it, therefore, rich is also a state of mind. I like to use rich when it's specifically for money, and I like to use wealthy when it's more than just money, right? Living a full fulfilling life. And so here are the practices that I have started and basically that I want to teach you so that you can also move towards really knowing deep in your bones that riches a state of mind that no amount of money will actually make you feel like you have enough. And that if you're someone whose spending just keeps rising with their income, this will definitely help you as well.

And so number 1, when you have that over desire instead of sort of feeling bad about it or just immediately reacting to it, the next time this happens, and now that you're aware of it, you'll be more likely to do this, is pause. Maybe that's counting to 1, 2, 3. Maybe it's just literally stopping what you're doing. Maybe it's moving it going into another room and turning off well, not turning off your phone, but, you know, stop looking at your phone. If you're looking at something device since most of us do shop online on our phones, Amazon, etcetera, and just remind yourself, of course, I want that. Instead of judging your over desire and thinking it's a problem, just accept it. You know, a lot of our suffering is because we don't accept what is or argue with the reality. It's like, yeah, you have this over desire.

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Of course, you do because that's what you've been doing. Why would it suddenly change overnight? And so that's one of my favorite things to tell myself. It's like, of course. Of course, I want it. And so even for me, like, when I just acknowledge this, like, I just feel more relaxed. There's, like, less tension in my body. And then you need to intentionally practice some new thoughts and having awareness of what's happening. And so you really want to examine sort of the thoughts underneath desire.

And what I mean by that is are you buying things out of FOMO? Do you think buying it is going to make you feel better? We all get a dopamine hit when we buy something that we want. So of course we want to do it. And so I think understanding some of this underlying biology is helpful, but also to remind yourself, you don't need that to feel content with your life. I think a lot of us feel like once you get that thing, then you'll feel like you have enough money because you can buy it.

Whether that's luxury handbags, whether that's nice vacations, whether it's just simply buying a nicer home or nicer things for your house or whatever you tend to overspend on. And so the key to interrupt that pattern of thinking, buying that thing or spending money is going to make you feel better is because really what's underneath that is thinking that there is better than here. And so the way to snap out of that mentality is to stop and smell the roses. That's where that saying comes from.

It's stopping, pausing, and reminding yourself how much you already have. I don't mean just stuff. It's truly appreciating, acknowledging, and being grateful for what you do have. And one of the exercises I'll often do with my clients is when we make a list of things that we want or goals, whatever you want to call them, I actually tell them, okay, number a piece of paper 1 through 20 and of what you want or goals or things you want, whatever. But here's the thing, every other thing on that list has to be something you already have. And then people get confused like, well, I thought this was a list of things that you want. Yes, I know. But the things that you have are things you previously wanted, and this is simply a way to remind yourself that you have things that you wanted.

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And this isn't necessarily things that you have. It could be, I really wanted a family. I really want to be a doctor or whatever profession that you are in. And this helps remind your brain of how much you already have. And it's also an opportunity to really appreciate and be grateful. And research has shown that a gratitude practice simply makes you happier. I mean, who doesn't want that? And ultimately, when we have this over desire, remember, of course you do. I think of it as like my toddler brain taking over.

I mean, I have a 5 year old now and so he just wants all the things. And it's sometimes funny because I'll ask him why, why? Like, why do you want it? And his answer is because I want it, which I just find so funny. But we can have authority over this toddler brain desire, this primitive brain desire. And that's with thinking with our pre frontal cortex. And it is an amazing trait or feature of the human brain that most animals don't have.

Although I feel like they're always finding out that certain species can actually maybe do that. But your prefrontal cortex is what you use to think and plan ahead of time. And so what I have sort of implemented is when I find myself wanting something a lot like having that over desire kind of take over my body literally is reminding myself that I have authority over my spending.

And then what I like to do when I remember is have a meeting with my future self. And what I mean by that is the version of me that has accomplished and or is being the way that I am moving towards. And simply ask her or really having her voice in my head like, Hey, we don't actually want that. We are striving or moving towards X. I already have that. And the way I got there is by working on this, by pausing and reminding myself that I have authority over what I do over my behavior. No one forces you to buy things. You are doing that.

And also asking yourself like, hey, is this in line with my money goals? Is this in line with where I want to move towards? And here's the thing, you

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are not going to get this perfectly every time. And so have grace with yourself. Don't beat yourself up because that's how you get back into the habit of not dealing with this and putting it under the rug and then having it be a worse and bigger problem later on. And so this entire thing I just mentioned is a practice. Start somewhere and you'll take small steps. You are going to sometimes be successful and sometimes you're not, and that's okay. But the goal is to keep going. And so this type of thing, in my opinion, is so much easier when you have support.

And that could be in 2 ways and ideally both is when you have people around you who are also not necessarily working on the same thing, but basically are really in the habit of growing themselves and working on new habits for the future that they want to grow into and also working with a coach. Duh. Like, that's why I do that. That's why my clients do that. And so this is exactly one of the things that you can get coached and supported when you are in my paid program. And so if you want to learn more about that or you've been curious go to wealthymommd.com and then you'll see a link to work with me. Okay. I will talk to you guys next week.

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