

Sheconomics[®]

Report on a survey into female economic behaviour and the emotion regulatory role of spending.

Professor Karen J Pine
University of Hertfordshire

University of
Hertfordshire



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Executive Summary

This report summarises the findings from a survey of seven hundred women about their emotional relationship with money. The psychology literature on this topic demonstrates that money is a more emotionally loaded topic for women than it is for men. This survey set out to examine how those emotions influence everyday spending behaviour.

Shopping emerges as the means by which women manage and regulate their emotions. Women shop more when emotions, both positive and negative, are running high. A significant proportion of the women said they would go on a spending spree to cheer themselves up. Shopping provides these women with momentary pleasure but also, for some, long-term regret. Six out of ten women confessed to buying goods on impulse, one in four had regretted buying something and a third had spent more than they could afford, in the past week. During that period seven out of ten said that they had worried about money. Emotions seem to be both the cause and the consequence of spending money for many women.

Money is also inseparable from women's relationships. Women frequently said they spend more than they should on treating others or on trying to impress other people. When relationships are not going well, shopping for treats is a way of managing the emotional fall-out.

Using money as an emotion regulator does not bode well for coping with an economic downturn. Although women are proficient at managing family budgets, more than half say they would like to understand how their moods affect their spending. Women are more prone to money pathologies than men and shopping appears to have become an emotional habit for many of them, with four out of ten wishing to break the shopping habit. Seven out of ten recognised their need for greater self-control and more than half said they would spend less if they had other ways of cheering themselves up.

We conclude that emotional management is crucial to financial management for women, especially during financially difficult times, and propose seven Laws of Sheconomics to give women back the control they say they need.

Professor Karen J. Pine

Background

From personal finance to business banking it is easy to think that money is just money. Yet economic psychology has highlighted the enormous individual variations in people's attitudes to money and in financial decision-making processes. Never are these differences greater than between the sexes. Men and women have different money minds.

Women have more purchasing power than ever before even though they still earn significantly less than their male colleagues. With the exception of savings accounts, they own fewer financial products than men and when it comes to pension ownership they fall way behind.

In relationships many women make the short-term spending decisions while their partner plans and invests for the future. Many of today's generation of women grew up with mothers who did not earn or control money. Therefore positive role models were in short supply. Women are more likely to be in debt too. They shop for the thrill and excitement that buying brings. Men are more strategic and shop in order to procure goods they need.

Women are still less financially literate than men. They are more afraid of taking risks when it comes to money and stay loyal to their existing providers. Men are more likely to switch and get the best deals. Women prefer tangible investments that they can see, such as property, whereas men are equally happy with stocks and shares. In all areas women have a heavier emotional involvement with money than men and have more worries, fears and anxieties about money.

Yet women aren't shying away from financial matters. They are managing family budgets, sorting out the bills, making major purchasing decisions and even deciding where the family banks. As women's economic influence grows we set out to discover more about their emotional relationship with money.

Research methodology

A web-based survey was carried out in 2008. An editorial piece in a popular monthly women's magazine invited female readers aged between 18 and 50 to take part in a survey about women's emotional relationship with money. Readers were directed to the web-site www.sheconomics.com and from there, via a link, to the survey itself. Seven hundred women responded.

The survey

Hosted by surveymoney.com the survey began with the following introduction:

A survey about women's relationship with money (for women aged between 18 and 50 only).

This questionnaire asks about the emotions that govern how, why and when you shop. Thank you for taking the time to complete it. Please answer all the questions; it should only take about 10 minutes. The information you provide will be treated in confidence. You are not asked to provide your name, so anonymity is assured. You are asked to provide some information about yourself so that the data is informative. This survey will close on 29th February 2008. Thank you for taking part.

The survey then comprised three main sections:

SPENDING TRIGGERS

These questions ask you about the emotions that make you want to go shopping and spend more than you really should. (16 statements)

BEHAVIOUR CHANGE

These questions ask you to think about what would make you change your spending behaviour. (15 statements)

RECENT SPENDING

These questions concern only the spending that you have done in the LAST 7 DAYS. Try to think back about all your purchases (on-line, catalogue, supermarket, garage, high street etc.). (17 statements)

Responses were given on a Likert scale: *strongly agree, agree, neither agree nor disagree, disagree and strongly disagree.*

The demographics section of the survey asked women for information about their age, profession, marital status and income as well as some details about their menstrual cycle. These details were used to investigate how fluctuations in ovarian

hormones affect women's spending behaviour and the data are presented elsewhere.¹

Finally, a free text box provided women with the option to write more about their relationship with money by stating:

Please feel free to tell us about your relationship with money or how your emotions have influenced your shopping. Two hundred and eighty one women (40%) completed this section, some writing lengthy descriptions, and a sample of the personal experiences they related are quoted within this report.

3.

*** 1. BEHAVIOUR CHANGE**
These questions ask you to think about what would make you change your spending behaviour.

That is, what would cause you to spend less money than you currently do?

I WOULD SPEND LESS MONEY THAN I CURRENTLY DO IF:

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
I felt happier with my life	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I was thinner	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I had a better relationship with my partner	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I was physically healthier	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I didn't get pre-menstrual	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
My partner paid me more attention	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I didn't experience cravings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I had more self-control	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
My friends were more supportive	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I could break the shopping habit	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
My partner cut back on his/her spending	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I felt happier about the way I look	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I didn't worry or get anxious	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I had other ways of cheering myself up	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I had more hobbies and interests	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I understood how my moods affect my spending	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I had a more fulfilling job/role	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Sample page from the survey

¹ Pine, K.J & Fletcher, B. (C), Sheconomics: Women's Spending Behaviour is Menstrual-Cycle Sensitive. Article under review and paper presented to the British Psychological Society Annual Conference, Brighton, April 2009.

Research findings

1. The sample

Seven hundred women responded to the survey. The proportions of the sample according to age, occupation, income bracket and marital status are shown below:

AGE	PERCENTAGE OF SAMPLE
18 - 24 YEARS	19%
25 - 34 YEARS	37%
35 - 44 YEARS	33%
45 - 50 YEARS	11%

OCCUPATION	PERCENTAGE OF SAMPLE
UNEMPLOYED	3%
STUDYING/IN EDUCATION	15%
AT HOME WITH CHILDREN	6%
ADMIN/SECRETARIAL	13%
MANAGERIAL	12%
PROFESSIONAL	38%
SELF-EMPLOYED	13%

INCOME	PERCENTAGE OF SAMPLE
LESS THAN £20K P.A.	18%
£21K - £40K	31%
£41K - £75K	35%
MORE THAN £75K P.A.	16%

MARITAL STATUS	PERCENTAGE OF SAMPLE
SINGLE	25%
MARRIED	36%
DIVORCED	6%
LIVING WITH PARTNER	18%
IN A RELATIONSHIP	15%

2. Women's emotions and money

The most commonly cited reason for going on a spending spree was 'wanting to cheer myself up'. Almost 8 out of 10 women (79%) said this was why they shopped.

"It's very easy to fall off the rails if something bad or upsetting happens in life or we're feeling down about ourselves. It's like a comfort, giving you a buzz or happy feeling during and immediately after the purchase."

Retail therapy

Many writers have described shopping as retail therapy. It is seen as a way of lifting a negative mood. Negative emotions were a trigger for many women in the survey, with 40% naming 'depression', and 61% naming 'feeling a bit low' as reasons to go on a spending spree. A very common view expressed was that shopping has the power to make them feel better.

"I suffer with depression and live a fair distance from my family on my own, I've been single for many years due to a lack of confidence in myself and my looks. I waste a lot of money on things that I end up throwing away. I spend a lot more money when I'm struggling to cope."

"Whenever I feel low or vulnerable then shopping is my drug of choice."

Compensatory consumption

Others see shopping as compensatory consumption, making up for something that is missing in life.

"I guess I wanted to feel better - it was as if there was a void that needed filling and I thought the shopping would help."

Feeling good

However, positive emotions can trigger a spending splurge too. More than half the women in the survey (53%) said they like to shop when feeling happy, and 61% when

‘I feel I’m looking good’ (as opposed to only 34% who go shopping when they ‘feel unattractive’).

“When I am feeling good about myself or in a good mood, I am more likely to buy something.”

Emotion regulation

Therefore any intense emotional state, high or low, can send women to the shops. This suggests that spending money can neutralise highly emotional states and bring about self-regulation. The ability to regulate emotions is crucial for mental and physical wellbeing. People adopt a variety of ways of regulating intense emotions in order not to be overwhelmed by them. Men and women differ in the amount of attention paid to their emotions and in the regulation strategies they adopt. Shopping, or consumption, is a means commonly adopted by the majority of the women we surveyed. One respondent described the release of tension that shopping provided, and even compared it to that experienced by self-harmers:

“When I am particularly stressed I find a certain relief in purchasing something, even if it’s just chocolate or a magazine (not a necessity like bread or milk). Shopping for clothes when I am stressed or avoiding work gives me a buzz of tension release - I have imagined it to be like a less extreme version of self harm (though I have never engaged in self harm so can’t definitely draw that conclusion).”

On the whole women said they were unlikely to go on a spending spree if they were having food cravings, feeling irritable, tired, pre-menstrual or unwell. See Table 1 in Appendix for data.

Sheconomics: Women's relationship with money

2. Default Section

*** 1. Spending Triggers.**
These questions ask you about the emotions that make you want to go shopping and spend more than you really should.

I AM LIKELY TO GO ON A SHOPPING SPREE (AND SPEND MORE THAN I SHOULD) WHEN:

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
I'm feeling happy	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm feeling a bit low	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am anxious or worried	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel depressed	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am angry or upset	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Things aren't going well with my partner	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am tired	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am pre-menstrual	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel unattractive	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm having food cravings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm feeling unwell	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I want to cheer myself up	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel I'm looking good	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I want to treat others	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I want to impress others	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm feeling irritable and/or frustrated	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

'Spending triggers' section of the survey

The top ten reasons cited by women for ‘going on a spending spree and spending more than I should’

REASONS FOR GOING ON A SPENDING SPREE	PERCENTAGE OF WOMEN AGREEING
I want to cheer myself up	79%
I want to treat others	75%
I feel I’m looking good	61%
I’m feeling a bit low	61%
I’m feeling happy	53%
I want to impress others	52%
I feel depressed	40%
Things aren’t going well with my partner	34%
I feel unattractive	33%
I am anxious or worried	31%

3. Women’s money beliefs and attitudes

Control

Control emerged as a significant issue for the women in the survey. In fact, 70% said that they would spend less if they had better self-control and younger women were more likely to agree with this.

“Sometimes the trigger is seeing someone wearing something that looks nice. I have to have it. I just can’t get the desire to shop out of my head until I have had my fix.”

More than half (55%) said they would cut back on spending if ‘I had other ways of cheering myself up.’ This highlights the prevalence of shopping as an emotion regulator. It also points to women having few alternatives to shopping, or at least a lack of awareness of anything else in their lives that would do the job.

“I definitely feel that I shop and spend money I don’t have when I feel down or fed up. It then makes me feel even more guilty and anxious and unhappy with my lack of control. It is definitely a habit rather than a need.”

Something to do

One woman reported regularly “shopping because of boredom” and another shopped “for something to do”. For some, it had become an almost compulsive activity:

“I cannot remember how or when it started but I am now in a cycle of needing to shop as a cathartic measure. I often spend money I do not have and nearly always buy things I do not need. My husband and I are in real debt. I feel really frustrated if I can’t go shopping. I would love to break out of this situation.”

Why is shopping the default activity for many women? When faced with the statement [*I would spend less than I currently do if*] ‘I could break the shopping habit’, four out of ten (41%) agreed or strongly agreed. Again, this suggests a difficulty with exerting personal control and a sense that they cannot help themselves, with many women describing the behaviour as addictive or compulsive,

“I have a very unhealthy attitude towards money - I don't care about it. I spend it in the same way whether I have any or not. I am a compulsive spender and 'spoil' myself constantly.”

Buyer’s remorse

Despite using shopping to deal with their emotions, negative emotions often came from spending. More than one in three women (35%) said they had felt guilt or shame after a shopping trip in the last seven days.

“Frankly I hate money and my relationship to it. When I go out on the spend I feel really guilty and out of control afterwards. I have taken stuff back numerous times and then ended up buying even more.”

Self-efficacy

When it came to handling money, women regularly mentioned not ‘being very good’ with it, or not ‘trusting myself with money’. This points to low self-efficacy with money, i.e. a lack of belief in one’s own financial capability. It is not the same as self-esteem, which concerns how one values oneself, although other studies have found a link between low self-esteem and compulsive shopping.

4. What women want

Unplanned spending

When asked about recent spending and saving, at least one in three women (36%) had put money into savings but many, it seemed, preferred to spend rather than save. Their spending, however, was not always planned or linked to tangible life goals.

“You soon realise you didn't need any of that stuff or you have exactly the same makeup, top, handbag shoes etc at home already, and now you're in debt as well.”

When asked about spending in the last seven days, six out of ten women had bought something on impulse and almost half (47%) had gone shopping for one thing and come home with something completely different. More than one in four women had experienced feelings of regret, guilt or shame after buying something. This pattern of spiralling distress was captured in some women's descriptions of their experience:

“I have always had a habit of spending when I was feeling low or down about myself. The buzz of buying something new was a great rush until I got home and thought about what I had spent, then I would start feeling sick and worrying.”

Women commonly mentioned not wanting the objects they had spent money on. This suggests that the motivation behind some purchases was not the desire for the item itself but for the temporary enhancement of mood or self-esteem.

“My relationship with money is out of control. I buy things I don't need and don't really want even when I make up my mind to not spend any money. Nothing stops me.”

This is further borne out by the number of unplanned purchases that would never see the light of day. More than a fifth of the women (22%) said they had bought something in the last week that they were unlikely ever to wear or use.

What would change women's spending behaviour? The most likely reasons.

REASONS FOR 'SPENDING LESS THAN I CURRENTLY DO'	PERCENTAGE OF WOMEN AGREEING
If I had more self-control*	60%
If I understood how my moods affect my spending ⁺	55%
If I had other ways of cheering myself up ^{*+}	55%
If I had more hobbies and interests	43%
If I could break the shopping habit	31%

* statistically significant higher ratings were given by the 18-24 year old group on these statements
+statistically significant lower ratings were given by women in the highest income bracket on these statements. See Appendix for data.

5. Women and debt

When spending gets out of control debt is a likely consequence. Although our survey did not ask women directly about debt, many offered up stories of financial hardship and insolvency.

Easy credit

The availability of easy credit makes it all too easy for spenders to yield to temptation and spend money they do not have. Shoppers nowadays no longer have to save up for their objects of desire; hence many are not skilled at delaying gratification.

"I feel frustrated because I can't buy everything I like and when I use my credit card I feel very guilty because I don't like being in debt but it seems it is the only way to get those things."

Furthermore, the levels of overspending engaged in by the women in the survey indicated that debt might be a consequence of the way many are shopping.

More than one in three women in the survey (36%) had spent more than they could afford in the last seven days.

55% had spent at least £25 more than they needed to

22% had spent £100 more

7% had spent £250 more

“I have always spent more than I can afford and have been in debt for a long time - always looking forward to that date when I will be debt free but it never comes!”

The finding from the survey that 70% of the women had worried about money in the last seven days also suggests that levels of debt may be an issue for women.

For the emotional spenders, the amount they spent bore little relationship to how much money they had:

“Depending on how my life is going at the time I will spend money which I know I don't have because the need to feel better is greater.”

Some women had experienced debt or even bankruptcy, yet sometimes they continued the pattern of overspending:

“The thing which I probably feel worst about is that I am totally aware of what I am doing - and how much trouble it has got us into before (thousands of pounds worth) and yet I am unable to prevent myself from shopping when I feel bad and from carrying on the cycle.”

False entitlement

Women also mentioned how they feel there is pressure on them to spend money, either because of having to look attractive or because of the way the media encourages consumerism. This seems to create a false sense of ‘entitlement’:

“Magazines promote spending on very expensive luxury items (£300 coats, £200 handbags etc) in a kind of “you deserve it” way, and when you consider that the average UK income is about £20K, with loads of debt, this is a recipe for disaster.”

“Definitely decided to spend money when feeling “I deserved it” - even though I should have waited until pay day, or felt low, so decided to cheer myself up.”

Positive strategies

Others described how they had turned their lives around. The strategies they used included better financial planning and tracking their spending.

“I have a monthly spending plan which I try to stick to and I make a note of every purchase i make. I also avoid using credit cards where possible and if I have to use them, then I repay full amount.”

Other positive strategies involved gaining insight into their own behaviour and finding alternatives to shopping:

“Through lots of hard work, I learnt that going shopping when you were “out of sorts” usually made you feel much worse or incredibly guilty so learnt to occupy

myself with other activities. It's meant that I have far fewer impulse buys, far fewer occasions of self loathing and a much more enjoyable shopping experience. I do have the odd blip like anyone and it reminds me of how hateful life was when I was governed by my moods and self image."

Spending behaviour in the previous seven days. What women told us about their recent spending.

IN THE LAST SEVEN DAYS I HAVE....	PERCENTAGE OF WOMEN AGREEING
I have worried about money	70%
I have bought something on impulse	60%
I have spent £25 or more than I needed to	55%
I have gone shopping for something and come home with something completely different	46%
I have spent more than I could afford	37%
I have felt shame or guilt after a shopping trip	35%
I have regretted buying something	29%

Sheconomics: Women's relationship with money

4.

*** 1. RECENT SPENDING.**
These questions concern only the spending that you have done in the LAST 7 DAYS.
Try to think back about all your purchases (on-line, catalogue, supermarket, garage, high street etc.).

THINK ABOUT YOUR SPENDING IN THE LAST 7 DAYS.
WHICH OF THESE APPLY TO YOU?

	strongly agree	agree	neither agree nor disagree	disagree	strongly disagree
My spending has been careful and controlled	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I have spent more than I could afford	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
My spending has been out of control	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I have regretted buying something	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I have bought something that I am unlikely to wear/use	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I have bought something on impulse	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I have bought something I wouldn't normally buy because it was on special offer	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I have gone shopping for something and come home with something completely different	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I have set myself a budget and stuck to it	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I have put some money into savings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I have worried about money	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I have felt shame or guilt after a shopping trip	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
In the last 7 days I have spent £25 or more than I needed to	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
In the last 7 days I have spent £100 or more than I needed to	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
In the last 7 days I have spent £250 or more than I needed to	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

6. Financial Intimacy

Spending on others

For many women their relationships and their money emotions are inseparable. Women aren't just shopping for themselves. Many women in the survey said they go on a spending spree to treat others (75%) or to impress others (52%). The younger women were more likely to be spending with others in mind than the older women.

A common theme was women spending beyond their means in order to treat or impress their loved ones:

"I also justify spending, especially if we are really skint, by buying things for others as presents instead of myself, then I spend and feel better but I don't feel quite so guilty because such and such needed a birthday present or whatever. I never check whether we have the money before I spend anything because I would be too guilty to buy it if I knew categorically that we couldn't afford it and I need to buy it to feel better."

Relationship problems

Relationships affect women's spending habits too. One in three women said they overspend when things aren't going well with a partner. Almost one in five women (19%) said they would spend less if their partner paid them more attention or if their relationship was better (18%).

"I have improved my spending habits since being with my current partner as we want to buy a house - it's something I had to do if I wanted a home with him. I used my credit card when we had an argument. I just thought "I don't care what he thinks!" I felt bad afterwards and struggled to pay off the credit card, just so he wouldn't find out! I sometimes hide things I've bought or lie about the cost."

Personal relationships are inherently emotional and therefore have the potential to impact upon women's spending behaviour:

"If I'm upset, emotional, experiencing any kind of emotional pain, I spend, spend, spend. The last time a boyfriend broke up with me I racked up about £1000 in a few weeks. I have enormous debt, brought on through years of spending this way!"

This woman was not alone in citing the breakdown of a relationship as an overspending trigger:

"When I am low, I tend to splurge, which got me into financial trouble after my divorce 3 years ago. A recent relationship failed drastically which has caused the onset of depression, so that when I got a substantial bonus I blew the lot instead of paying off debt."

Secrecy and deceit

Financial intimacy, and being able to communicate about money, is a key ingredient for a healthy relationship. However, feelings of guilt or shame about their spending excesses led some women to become secretive with their partner:

“In the early months of the marriage, I would even leave my purchases in the boot of the car if my husband was home, and then of course start using it and say 'this old thing, I've had it for some time', and as we were newly married he wouldn't really know whether that was the case or not.”

Others kept up this behaviour even in the knowledge that it was damaging to the family budget:

“I know I spend more than we earn on a regular basis and have found myself becoming more secretive lately about my spending but I cannot seem to curb it. Today for example I had an eye test at 10am so went straight to town after dropping my son at school. I went to the eye test an hour later having spent £72 in M&S, £20 in Boots and £7 on coffee/breakfast. That is after spending £250 already this week on the weekly Tesco shop. We only got paid on Monday and it's not going to last long!”

“When I was in an unhealthy relationship I overspent in order to impress my man and to make myself feel worthy. This did not work as he continued to put me down and make me feel bad about myself. I got into £1400 overdraft debt as a result and I was buying clothes at least 3 times a week”

There were women in the survey who preferred to leave financial matters in the hands of their husband and chose not to get involved because it aroused negative emotions in them:

“My husband however deals with all the financial issues- and on the occasions I do have to look at a bill I suffer considerable anxiety.”

Others were clearly capable of handling financial matters but still mismanaged money and were secretive about doing so:

“I have been absolutely stony broke. I have spent money stupidly because my husband worked away - in order to earn big money, which I promptly spent because I was in a lonely vicious circle. Despite being a Financial Controller professionally, I do not even look at my own finances until I have to. I still waste money - but I do it secretly, on my own.”

7. Conclusions

We conclude from these findings that there is a significant proportion of women for whom shopping is used to neutralize emotions or replace negative feelings with positive ones. When they feel they need cheering up, or at times of emotional turmoil, spending money has become the means by which they regulate their emotions. Some described feeling out of control with this behaviour, and how the need for the thrill from shopping was almost irresistible. The level of unwanted or regretted purchases suggests that the emotional motivation for shopping is often stronger than the need for the goods themselves.

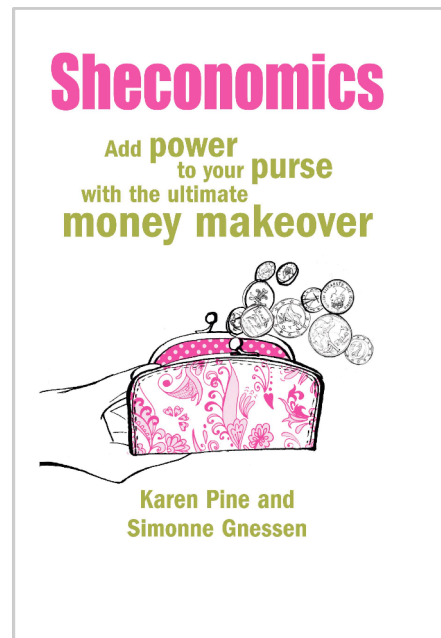
It is important to note that the sample for this survey is not necessarily representative of all women. An invitation to take part in a survey into women's emotional relationship with money may appeal more to those who see their relationship as an emotional one. On the other hand, we did not ask for women who had problems with their relationship with money. We must stress, however, that the verbatim quotations within this report are representative of the comments made by hundreds of women and we have not selected the most extreme.

Furthermore, not all the reported behaviour was negative. There were women who described excellent financial behaviour and sound financial management. Many offered stories of how they had conquered their poor money management and regained control, although it seems the majority were still searching for ways to do this.

Recommendations

A number of conclusions have been drawn from these data as well as from our knowledge of the psychological issues and experience of working through these issues with women.

We set these out below in the form of seven Laws of Sheconomics. We believe these will equip women with all the skills, insight and self-efficacy they need to regain control of their spending.*



Law 1: Take emotional control

Women need to become more aware of how their emotions affect the way they behave with money.

Law 2: Go beyond beliefs

Understanding that financial beliefs can become reality and that many of them (e.g. 'I'm no good with money') are self-limiting.

Law 3: Spend with power

The need to ensure that spending decisions are made for the right reasons and not as a reaction to other pressures.

Law 4: Have goals, will travel

Making spending and saving decisions that take account of the bigger picture and fit in with women's life plans.

Law 5: Look debt in the face

This is about women facing up to what they owe and deciding how to pay it back.

Law 6: Share financial intimacies

Recognising that secrecy and deception are damaging and the importance of being able to talk openly and honestly about money.

Law 7: Know tomorrow comes

Now, more than ever, women need to take action for a secure future and not delay those all-important decisions.

* Further details with strategies for applying the laws and taking control of money behaviours can be found in *Sheconomics*, published by Headline, 2009

Appendix

Table 1. All reasons for shopping sprees and overspending. Percentage of women across three response categories (Strongly Agree/Agree collapsed into Agree; Disagree/Strongly Disagree collapsed into Disagree).

Statement	Agree	Neutral	Disagree
<i>I am likely to go on a shopping spree (and spend more than I should) when:</i>			
I want to cheer myself up	79%	10%	11%
I want to treat others	75%	14%	11%
I feel I'm looking good	61%	21.5%	17%
I'm feeling a bit low	61%	12%	27%
I'm feeling happy	53%	26%	21%
I want to impress others	52%	22%	26%
I feel depressed	40%	14%	46%
I feel unattractive	34%	12%	54%
Things aren't going well with my partner	34%	24%	42%
I am anxious or worried	31%	17%	52%
I am angry or upset	30%	14%	56%
I am having food cravings	29%	19%	52%
I'm feeling irritable and/or frustrated	22%	20%	58%
I am pre-menstrual	16%	26%	57%
I am tired	13%	12%	76%
I'm feeling unwell	8%	11%	81%

Table 2. Reasons for shopping sprees and overspending - mean scores (standard deviations in brackets) from Table 1 where differences are significant by age group using analysis of variance.

Age group:	Mean scores (SD)				F sig. partial eta ²
	18-24	25-34	35-44	45-50	
Statement:					
I'm feeling happy	3.60 (1.07)	3.62 (.942)	3.27 (1.11)	3.25 (1.06)	4.22 p = .006 p/eta = .02
I am tired	2.0 (.91)	2.03 (.98)	2.13 (.99)	2.43 (1.22)	2.93 p = .03 p/eta = .015
I feel I'm looking good	3.94 (1.12)	3.80 (1.04)	3.43 (1.11)	3.47 (1.11)	6.34 p = .000 p/eta = .03
I want to treat others	3.86 (1.00)	4.04 (.93)	3.73 (.97)	3.92 (1.04)	3.69 p = .009 p/eta = .02
I want to impress others	3.83 (1.03)	3.60 (1.14)	3.13 (1.24)	3.08 (1.28)	9.60 p = .000 p/eta = .05

Table 3. All reasons for spending less money and proportion of women answering, across three response categories (Strongly Agree/Agree collapsed into Agree, Disagree/Strongly Disagree collapsed into Disagree).

Statement	Agree	Neutral	Disagree
<i>I would spend less than I currently do if:</i>			
I had more self-control	70%	12%	18%
I understood how my moods affect my spending	55%	20%	25%
I had other ways of cheering myself up	55%	16%	29%
I had more hobbies and interests	45%	17%	38%
I could break the shopping habit	41%	25%	35%
I felt happier with my life	38%	24%	38%
I felt happier about the way I look	38%	14%	48%
I didn't worry or get anxious	34%	23%	43%
I had a more fulfilling job/role	32%	22%	46%
I didn't experience cravings	28%	24%	48%
I was thinner	22%	17%	61%
I was physically healthier	21%	24%	55%
My partner paid me more attention	19%	27%	54%
I had a better relationship with my partner	18%	28%	54%
My partner cut back on his/her spending	16%	27%	57%
I didn't get pre-menstrual	14%	32%	54%
My friends were more supportive	11%	27%	62%

Professor Karen J Pine
School of Psychology
University of Hertfordshire
Hatfield UK.
Email: k.j.pine@herts.ac.uk



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