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## Understanding Why We Spend What We Spend by Syble Solomon

We spend hours shopping every year and hours more paying bills, but we rarely take time to step back and consider what we spend money on. Rarer still are people who take some time to think about why they are spending the way they are. On one hand, it's surprising that people don't make even a minimal effort to understand their spending habits because doing so can pay huge dividends for the short- and long-term. On the other hand, it's not that surprising because money is one of those taboo topics that people would rather not talk about - even with a trusted partner. Such conversations are often tedious, contentious, embarrassing or generally stressful in some way. As a result, the status quo prevails with our spending habits and we don't make the progress we want, whether it's cutting out that \$3 daily coffee or setting aside enough money to buy a house.

If paying just a little bit more attention to our habits and attitudes might be the key to spending and saving better, how can we get people to really look at how they relate to money?

Obviously, the approach must be easy to use and understand. And, we'd want something that engages people, inspires conversation and leads to valuable insights - but minimizes the disagreements inherent in discussing money.

[Money Habitudes](#) is a fun, non-threatening educational card game that was created to address this dilemma. Money Habitudes is endorsed by the ICFE. It provides people with an easy tool that generates healthy conversations about their habits and attitudes (habitudes) related to money. The cards help people understand their money habitudes and what motivates the way they manage - or mismanage - their money.

Once people understand their own money habits and attitudes, they begin to see why they spend the way they do. Perhaps it is to feel secure, to present a positive image, or to feel good by giving to others. Whatever the challenge, the cards help identify the individual's patterns of spending, saving, giving and investing and what motivates those patterns.

Conversely, using Money Habitudes can help people key in on times when they should actually be spending more money. While this may seem counterintuitive when it comes to better money management, the reality is that sometimes it's better to buy something of quality rather than simply the cheapest thing, which often breaks and must then be replaced with a better, costlier item. The goal isn't necessarily to always spend less, but to spend smarter and with better balance.

Why we spend the way we do should also lead one to consider when we spend on certain things. Are there certain times or situations in which we make spending choices we later regret? If you go shopping with your spouse, do you watch every penny - but then pick up purchases you don't need when shopping with a friend? Do you feel a stressful time calls for a night on the town or a pint of ice cream? Do you love the rush of sales and find yourself wrapped up in the excitement of getting a deal? Is it dangerous for you to leave the house just after you get your paycheck?

Simply having someone figure out what they spend money on typically won't uncover such why and when factors, which are just as important, if not more so. Once you present the whole picture regarding people's spending habits, it's much easier for them to see what's really going on, make meaningful changes and achieve their financial goals. Money Habitudes cards help explain the why and when behind spending. Armed with that knowledge, people will be better able to implement a budget and stick with it.

Syble Solomon, the creator of Money Habitudes™, is a recognized expert on the psychology of money. Among other accolades, she has been named Educator of the Year by the Association for Financial Counseling and Planning Education.