

## **Spending Personalities: Or How To Save Money By Understanding Yourself and Those You Love**

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### **Key Words**

Spending Patterns, Money Behavior and Resource Management

### **Target Audience**

Individuals and groups desiring to improve and learn money management attitudes and skills.

### **Objectives/Purpose**

Participants will be able to identify three spending patterns and the behaviors associated with each one. Participants will recognize the advantages and disadvantages of these three spending patterns. Participants will practice planned spending in personal financial management.

### **Content Summary**

Three personal money spending behaviors make up a continuum of spending personalities from the unwise shopper to the wise. At the unwise end of the continuum is the compulsive spender, the middle is the impulsive spender and, at the other end, the wise shopper or the planned spender.

*Compulsive spending* is buying anything at anytime without regard to surrounding variables (for example, available money). Compulsive spending does not have to be based on a need or a want it is often buying just for the pleasure of buying. Compulsive spenders often have lower self-esteem, a high level of fantasy, and a much higher debt load.

*Impulsive spending* is a sudden, unexpected response. Impulsive spending is based on wants or presumed needs. The product is seen by the consumer, the consumer experiences an urge to buy or have the product, and the consumer buys the product. It is a response to an urge, and the purchase satisfies the urge. Impulsive spenders often feel anxiety and guilt after the purchase.

*Planned spending* is based on financial goals, values, needs and wants. Planned spending is thought-out and controlled. The wise or planned shopper feels in control of their money and circumstances. Planned spending can motivate to be an effective money manager.

During the workshop introduction each participant is given play money to spend on goods and services. A variety of goods and services magazine pictures are placed in envelopes for the participants. One or two participants are asked to volunteer to be part of the workshop summary.

The content is presented in a PowerPoint/lecture discussion format. Pre and post evaluations measuring intent to change behavior are included. At the close of the workshop the volunteers discuss their spending choices from the beginning of the class and assist in a discussion of how knowing the spending personalities can make a difference in purchasing.

### **Reference**

Maddux, E. M. (1994). *Money Patterns*. The University of Georgia Cooperative Extension. Athens, GA.