

## **The psychology of shopaholics**

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At 10.30pm on Christmas Day, shoppers began queuing in front of Selfridges store on Oxford Street for the start of the Boxing Day sale.

They were waiting for the doors to open the next morning to be the first to dive for the sales racks. Similar scenes were reported across the United Kingdom in which an estimated 12 million shoppers spent £4.6 million a minute or £77,000 a second over nine hours. Boxing Day shopping has become a tradition for people to go to the shops to take advantage of significant price reductions.

Shopping is an integral part of every-day life. Barbara Kruger, a feminist conceptual artist once said "I shop, therefore I am". In other words, in her opinion, a person should be defined not by what they think, but how they act [through shopping]. Shopping has gone beyond a routine activity and some believe that it has now become a growth-enhancing accumulation process with potential to promote self-cohesion, self-continuity, and self-esteem.

Because of the shoulder-to-shoulder crowds on the Boxing Day, many chose to stay home and avoid the hectic shopping experience. But not those people who consider themselves as addicted to shopping or "shopaholics". They go shopping on every occasion. By definition, shopaholics frequently shop for longer periods of time than intended, buy more than they need, and spend more money than they can afford. These out-of-control spending habits seem to be unconscious and definitely uneconomic. Consequently, they can lead to financial problems like bankruptcy and debt, family conflicts or divorce, loss of self esteem, depression, and stress.

Why do people become shopaholics? We cannot explain this phenomenon using a standard economic framework oriented around efficient allocation and the intersection of the

demand and supply curves while ignoring people's behaviour. Instead, we need to look at behavioural economics and related areas such as behavioural finance and cognitive and emotional factors in understanding the economic decisions of individuals.

People have different ways of dealing with stress and anxiety. Some turn to food, eating their way through a particularly emotional time. However, research released recently by the University of Pittsburgh Medical School, Carnegie Mellon, Harvard and Stanford universities reveals the effect of depression on compulsive shopping. The researchers explain that part of what's happening when people are depressed is they become sad and self-focused and that may lead them to go shopping and become shopaholics. Just like a drug addict uses drugs, shopaholics use the excessive shopping as a release when things get to be too difficult to handle.

Behavioural economics seek to explain the phenomena that can lead to becoming a shopaholic. We, therefore, should avoid shopping when feeling bored or depressed otherwise we will end up buying clothes that we never wear or even cut the tags off. In addition, we need to do shopping mindfully with a wide-angle monetary lens. The truth is that it can be hard to rid ourselves of habitual shopping, especially when credit cards are so easily obtainable. If we carry only cash, our payment is tangible. We will actually have to take the time and count how much we are paying at the counter. But using credit cards may add to the temptation to spend more than we can afford as we do not see the full extent of our expenses. In addition, we always need to remind ourselves to shop for ideas and experience not for fun or for comforting our mood. Last, but not least, shopping with someone with bad spending habits will influence our shopping habits. We should go shopping with a friend who often leaves stores empty-handed.

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