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THE HOME ECONOMIST: Shopper Beware: Nostalgia can make your wallet open too wide

HIGHLIGHTS

Studies show feeling nostalgic has a direct correlation to spending money more freely.

By Brett Graff

www.thehomeeconomist.com

As if the holidays aren't nostalgic enough, last weekend The Falls Shopping Center joined four other Florida cities and countless locations along the east coast in hosting the Hess Truck Mobile Museum.

For the past 50 years, the gas company has released a new design of its famous toy truck around the most popular gift-giving time of the year. And this truck display — which quite appropriately is set up inside a truck — showcases not only the company's designs but also the evolution of the American automobile.

Basically, even if we didn't remember collecting these toys as kids of the 1960s, 1970s, 1980s or — apparently these people are grown-ups now — the 1990s, the mere representation of each era could be severely nostalgia-evoking.

Nostalgia is the longing for a pleasant time in the past. It's always positive (even if our brains happen to take great liberties with those perspectives) otherwise we wouldn't wish it back so badly. It also happens to be an emotional state during which marketers know we'll spend money — that's why plenty of packaging and advertisements play on our adoration for the past.

New research reveals why: Nostalgia connects us to people in our history, and when we're feeling sentimental for those social associations, we just don't care about money, says Kathleen D. Vohs, a marketing professor at the University of Minnesota.

Currency is something that can connect us only to our present needs, which in this particular state, are not of great concern.

“When people are nostalgic, their minds and their hearts are not in the same realm as the money realm,” Vohs says. “They’re willing to loosen their grips on their wallets.”

Vohs and her team conducted a series of six experiments proving we are happy to part with our cash but not much else. In the most telling, 69 subjects were divided into groups, the first viewing advertisements that read, “remember special occasions with others from your past ... take a moment to cherish your childhood memories.” The other half saw the same picture that read, “Think about making new memories starting today and well into your future.”

Later, all the subjects were asked how much they’d be willing to pay for over 24 products including sweatshirts, motorcycles, three-course meals and umbrellas. Those who were manipulated into feeling nostalgic were willing to pay higher prices than the others.

In other experiments, the researchers proved nostalgic people were willing to give away more money to others, rather than keep it for themselves. But that they weren’t nearly as giving with their time.

“This isn’t one of those effects that made nostalgic people more generous about everything,” Vohs says. “It seemed to be specific about money.”

That’s one reason year-after-year, retailers are sure to play musical melodies most likely to make us wistful — you want to stop listening to *Santa Baby* but you can’t — and also pipe some cherished childhood scents throughout their aisles, says Eric Shaw, a marketing professor at Florida Atlantic University who studied nostalgia and shopping.

“It recreates the feelings from when you were a kid, when times were very, very good,” Shaw says.

It's not just stores, but brands who try to get us yearning to go back in time, Shaw points out. Ford brought back the Mustang in the late 1990s, a car that was popular in the 1960s. And the motion picture industry brought back *Mission Impossible*, first airing in 1966 and later starring Tom Cruise. General Mills just announced the return of the once-popular French Toast Crunch (even if the world is still forced go on without toys in cereal boxes).

"If you're 50 years old and you want to be a teenager, when you got your first Mustang," Shaw says.

We spend money on the idea of buying back those years, says Dr. Ronda Fuchs, a licensed psychologist in Miami Beach. While seeing the item in the store will have you thinking fondly of years past, bringing it home buys you even more time with that sentiment.

"It's that much longer you get to hold on to the feeling," Fuchs said.

If you can't afford to throw money at your past — perhaps because you need it for your future — arm yourself with a list before setting out to holiday shop, says Denise Winston, a financial expert and owner of [MoneyStartsHere.com](https://www.moneystartshere.com), a financial education company. First, write down the name of each person for whom you'll purchase a gift (or give a tip). Beside, write the dollar amount you'll spend and a gift idea. Total it up and you'll see, perhaps nostalgia is more fun when it's free, she says.

Once you set out, it's fine to use credit cards — they're safer than carrying cash — but write each transaction in the ledger of your checkbook, Winston says. Save your receipts in case you later see the same item on sale. Force yourself to wait 24 hours before buying anything that's not on your list.

"Stores know how to work us," Winston says. "Prepare yourself and know that it's coming — the music, the smell of your grandmother's pie. They're setting you up with every sense. Just being aware can change your mindset."

This is an column by Miamian Brett Graff, a former U.S. government economist and author. Follow her at @BrettGraff or contact her at brett@thehomeeconomist.com.

SHOPPING TIPS

Nostalgia can pull you away from the present, making you less likely to care about issues here and now — including your bank balance. Around the holidays,

when the songs and smells from your childhood are out in full force, this can become expensive. To save yourself from overspending, Denise Winston, founder of MoneyStartsHere.com says:

- 1) Make a list of everyone for whom you'll buy a gift or give a tip. Put dollar amounts next to each name. Add them up. Take this to the store.
- 2) Write every transaction down in the ledger of your checkbook (even if you're using credit cards).
- 3) Save receipts, in case you see the same item on sale.
- 4) Wait 24 hours before buying anything off your list.
- 5) Be prepared for sensory overload in stores, they know what makes us spend.

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