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MarketWatch

JENNIFER WATERS'S CONSUMER CONFIDENTIAL

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Here's a new diet trick: Use cash

Credit and debit cards weaken your control over impulse buys

By Jennifer Waters, MarketWatch

CHICAGO (MarketWatch) — Looking for an easy way to lose weight? Pay for all your food with cash.

Studies consistently show that consumers are adverse to impulsive over-spending when they're pulling cold, hard cash out of their wallets rather than plastic. Now comes a new report that finds a correlation between eating so-called "vice" foods, rather than "virtue" foods, with how you pay for it. The results could lead to a thinner you.



One-third of U.S. adults have prehypertension

About a third of all U.S. adults have prehypertension, a borderline zone with its own risk of stroke, heart disease and likelihood of worsening into full hypertension. Laura Landro has details and offers five ways to lower your blood pressure.

"Certain modes of payment weaken consumers' abilities to control their impulses," said Manoj Thomas, an assistant professor of marketing at Cornell University and co-author of the study in last month's *Journal of Consumer Research*.

People tend to buy unhealthy foods like chips, ice cream, candy and pastries on a whim. They spend more time and deliberation thinking about the virtue foods like low-fat yogurt and whole-wheat bread.

"Impulsivity seems to be one of the, if not the most, influential antecedents of unhealthy food consumption," according to the report. That gotta-have buy is a visceral one based on "spontaneous desires elicited by emotive imagery and associated sensations" even though they don't match long-term goals of say, losing weight.

Consider this: You're at a cash register paying for health and beauty aids and you notice the homemade soft caramels that you know melt in your mouth and taste like a little piece of heaven. Suddenly you

have to have them. Do you toss them in with your purchases or do you longingly stifle the impulse because you know that the sugar, butter and condensed-milk combination is going to be a nasty contributor to more girth on your waistline?

That depends mostly on how you plan to pay, according to the research conducted by Thomas and Kalpesh Kaushik Desai, an associate professor of marketing at State University of New York, Binghamton, and Satheeshkumar Seenivasan, a doctoral candidate at State University of New York, Buffalo.

Parting with cash is painful

If you've got a credit or debit card handy, you're going to buy and enjoy the sweets. But if it's a ten- or twenty-dollar bill coming out of your wallet, you'll be able to say no.

"Painless card payments can weaken impulse control," the report said.

Why? Because it is emotionally agonizing to part with cash. Giving up the currency — what Thomas calls a “heat” mode of payment — tugs at our heart strings and our guts. He doesn’t have a hard-and-fast analysis of why except that maybe as children we were taught that money was a reward that shouldn’t be parted with recklessly.

“You get a dollar as a kid and you feel very happy,” he said. “You lose \$5 and you get sad.”

Plastic, on the other hand, is just that: plastic. You have no emotional attachment to it, so you don’t feel like you’re giving anything up when you swipe that card. That’s true even if you’re using a debit card that you know is tied to every dollar and cent in your bank account. Thomas doesn’t totally understand that either, but said there are many studies to support the debit-card theory.

A new diet tip

That pain-free or “cold” method of payment is troublesome for bingers of all sorts. “Credit or debit cards lead people to buy more on impulse and regret what they bought,” Thomas said. “When they give cash, they buy less; when they pay with credit, they spend more,” he said.

Of course, these things vary from consumer to consumer. But match the food-shopping habits of many consumers with the use of a credit or debit card to pay for food, whether at the grocery store or the nearest fast-food drive-through, and you have a recipe for a weight-disorder disaster.

“The fundamental idea here is that not all purchases are based on reasoning and logic and critical thinking,” Thomas said. The study found that those who were buying virtue foods were doing so with forethought.

“But if you’re buying brownies, there’s much less thinking that ‘I feel like eating brownies,’” he said. “You have cravings for these kinds of foods and the purchase is more spontaneous.

“In such cases, if you start using a mode of payment that is painful, it helps you work on your impulses,” he said.

Thomas — a big user of credit and debit cards himself — said he knows that it’s foolhardy to think dieters are going to start walking around with wads of greenbacks in their pockets to lose weight.

But he did offer some advice: “People who have obesity problems might benefit by giving up the convenience of cards and use cash to self-regulate their behavior.”

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