- Internet shopping / Purchasing

HEALTH



EMOTIONAL COSTS OF A CASHLESS WORLD

Physical cash not only influences how much we spend but also fosters a profound sense of psychological ownership that digital payments cannot replicate, according to research from the University of Surrey. The study suggests that paying for things with cash rather than electronic payment may be vital for promoting responsible spending behaviours. Dr Jashim Khan, Associate Professor of Marketing and Director of International Business Management and lead author of the study at the University of Surrey, says: “The visceral nature of cash – its smell, feel, and the act of counting it – creates an emotional connection that digital payments lack. When we handle cash, we are not just spending money; we are parting with a piece of ourselves.” Participants were asked to describe their feelings and behaviours surrounding the use of different payment modes. They found that cash promotes heightened awareness of spending, while cards and apps often lead to a disconnection from the money being spent. One participant noted: “Digital money doesn’t feel like spending your own money; there is no concept of money ... but cash is different; it always feels like your money is decreasing when you use it.” This sentiment underscores the emotional weight that cash carries compared to its digital counterparts. The research also found that while people feel happy and secure using third-party payment apps, they sometimes struggle with a sense of loss when parting with cash. Emotional responses to cash transactions include sadness and guilt, reflecting a deeper psychological connection to physical money. In contrast, the ease of digital payments often results in mindless spending, as the tangibility of cash is replaced by abstract numbers on a screen. Dr Khan says: “Our research shows that cash isn’t just money – it’s a way to stay connected to what we spend.”

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