

## Post-Vacation Money Blues: Those Beachside Splurges May Be More Costly Than You Think

By

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Nearly half of Americans spend beyond their means on vacation – and suffer guilt, stress, and financial consequences because of it.

Everyone knows the feeling: It's your first day back after a relaxing vacation and you just can't deal. All the worries you left behind are there waiting for you, but sometimes there are new ones, too – money woes.

We surveyed 7,480 American adults and found that a shocking percentage (43%) admitted to spending beyond their means on vacation. And many came home to a rude awakening because of it:

- 27% suffered financial consequences that included excessive credit card debt, missed payments, or being forced to borrow money from family or friends.
- 49% reported spending-related guilt.
- 46% experienced stress from their spending, with more than half (55%) of those losing sleep because of it.



The state where residents ranked worst for managing money while on vacation? New Mexico, which also holds one of the highest percentages of credit card debt in the country. At the top for guilt was West Virginia, and Utah ranked No. 1 for post-vacation money stress.

Surprisingly, the states where residents had poor money management habits weren't necessarily the ones where they had the highest levels of stress and guilt. In fact, New Mexico ranked No. 1 (followed by New Jersey and New York) for poor money management but relatively little guilt. At the other end of the spectrum was Iowa (followed by Oregon and Nebraska), where residents had good vacation money management but still felt guilty about their spending.



# Money Blues: Which States Feel Most Guilty About Vacation Splurges?

## Excessive Vacation Spending

According to our survey, almost half of Americans spend more on vacation than they should.

- 43% of respondents admitted to taking a vacation they couldn't afford within the past five years.
- 43% said they typically spend outside their means on vacation.
- 59% of respondents indicated that a "vacation mentality" causes them to make poor spending decisions.

To pay for out-of-budget trips, many respondents in our survey said they rely on credit cards or loans – 42% said they've used one or the other to help fund a vacation they couldn't afford otherwise.

## Financial Consequences

While vacation purchases may feel innocent at the time, breaking budget can cause serious money troubles. Twenty-seven percent of respondents in our survey said a vacation splurge in the past five years had led to negative financial consequences. The most common problem they encountered was high levels of credit card debt.

- 49% of respondents reporting financial consequences took on excessive credit card debt.
- 34% missed important payments.
- 16% took out a loan.
- 35% borrowed money from friends or family.

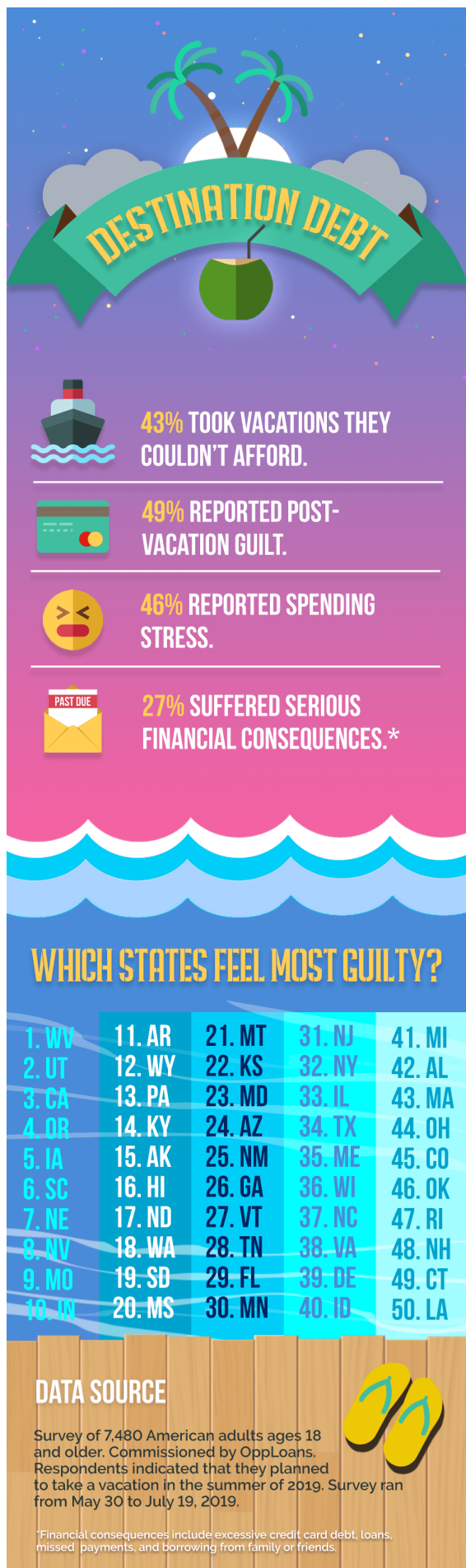
## Stress and Guilt

In addition to a financial toll, overspending can have a psychological impact, too. About half of survey respondents reported experiencing guilt or stress from their vacation splurges within the past five years.

- 49% said they have felt guilty about vacation spending.
- 46% said they have suffered stress from overspending on vacation.

Of those who have suffered stress, 55% said they've lost sleep because of it. Of those who experienced guilt, 83% said it primarily set in after vacation – not when they were spending.

- 49% of respondents reporting guilt said it typically set in once they returned home.
- 34% of respondents reporting guilt said they usually felt most guilty once they saw their credit card statements or checked their bank account.



## In Which States Are Residents Best at Managing Money on Vacation?

Overall, our survey revealed a nationwide trend of risky vacation spending. However, residents in some states practice better vacation spending habits than others: they were less likely to take vacations they knew they couldn't afford, experience financial consequences because of their vacation spending, or use credit cards or loans to pay for out-of-budget trips.

### States Where Residents Are Best at Managing Money on Vacation

New Hampshire  
Wisconsin  
Connecticut  
Louisiana  
Vermont  
Idaho  
North Dakota  
Alaska  
Minnesota  
Iowa

### States Where Residents Are Worst at Managing Money on Vacation

New Mexico	New York
Maryland	Nevada
New Jersey	Arizona
Kentucky	Florida
West Virginia	Arkansas

## States Where Residents Feel Most Guilty About Vacation Spending

Guilt was a common emotional consequence of vacation overspending. West Virginia came in at No. 1 for states with the highest levels of post-vacation spending guilt, and Louisiana was No. 1 for low-guilt spending.

### States With the Highest Levels of Guilt

West Virginia  
Utah  
California  
Oregon  
Iowa  
South Carolina  
Nebraska  
Nevada  
Missouri  
Indiana

### States With the Lowest Levels of Guilt

Louisiana  
Connecticut  
New Hampshire  
Rhode Island  
Oklahoma  
Colorado  
Ohio  
Massachusetts  
Alabama  
Michigan

## States Where Residents Report the Most Stress About Their Vacation Spending

The top 10 states where residents reported spending-related post-vacation stress were led by Utah while those with the lowest levels of stress were led by Ohio.

### States With the Highest Levels of Stress

Utah	California
West Virginia	Pennsylvania
Wyoming	Arkansas
Montana	New Jersey
New York	Kansas

### States With the Lowest Levels of Stress

Ohio	Texas
Louisiana	Mississippi
Alabama	South Dakota
Michigan	North Carolina
Rhode Island	Nebraska

## States Where Residents Are Too Hard on Themselves – Or Not Hard Enough

One interesting finding from our survey is that the states where residents were most likely to overspend were not necessarily the states with the highest levels of spending guilt. And the reverse of this is true, too – some states spent responsibly but nonetheless had high levels of guilt.

Iowa led the country for states where residents had relatively good vacation money management and disproportionately high levels of guilt. New Mexico led the country for poor spending but low levels of guilt.

### States That Are Too Hard on Themselves

Iowa  
Oregon  
Nebraska  
Alaska  
California  
North Dakota  
South Carolina  
Vermont  
Wisconsin  
Missouri

### States That Are Too Easy on Themselves

New Mexico  
New Jersey  
New York  
Maryland  
Ohio  
Texas  
Rhode Island  
Louisiana  
Massachusetts  
Florida

## How to Bounce Back After Vacation Spending

For vacation-goers who overspend while away, the flood of bills and a depleted bank account can be a harsh welcome home. But there are ways to get back on track. **We asked Len Hayduchok, founder and president of Dedicated Financial Services, for his best advice. Here's what he recommends.**

1. Go on a spending 'fast.' To get your budget back on track, cut your spending to the essentials. Separate 'need' expenses (rent, utilities) from 'want' expenses (lattes, eating out). Do this for a week and see how much you save. Rinse and repeat as needed.
2. Break it down. Change large annual payments on life or auto insurance to bite-size monthly installments. Keep in mind that the additional cost for spreading out the payments should be less than the monthly finance charges on the credit cards.
3. Put the piggy bank on a diet. Especially if credit card interests are high, temporarily put savings strategies on hold. Even contributions to 401(k) plans should be limited unless matched by an employer. Feel free to pork up the bank again once credit card balances are back under control.
4. Channel your inner minimalist. Take some time to look through your closet for those items that haven't seen the sun in a few years. Make some quick cash by bringing them to a consignment store, co-hosting a garage sale with some friends, or selling them online!
5. Think outside the wallet. In addition to reducing your spending and boosting income, find potential borrowing sources (if you must) such as 401(k) plans or life insurance policies as a temporary financial buffer. Caveat: Make sure you pay those loans back as soon as possible!