



○ Santander Bank



● Growing Personal Savings (GPS) Tracker

Q1 2024



Key Findings

1

Americans with higher levels of savings are more likely to be engaged with their accounts and use a greater variety of professional financial services and accounts.

2

Among Americans with savings goals, a majority are saving \$300 or less every month.

3

Savings accounts that tend to pay more interest are being underutilized by savers, though medium and higher savers are more likely to take advantage of these accounts to grow their savings.

4

Those with lower levels of financial knowledge were earning less interest on their savings.

5

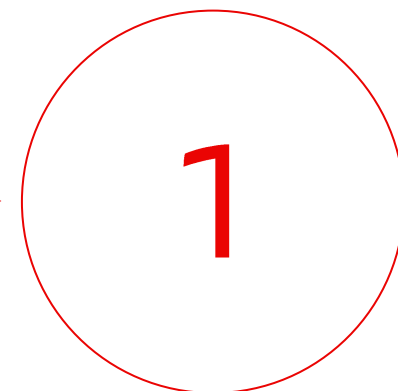
While the majority of Americans plan to save at least some portion of their tax refunds this year, only 16 percent of Americans actually did last year.

6

Not everyone may be familiar with the term "Loud Budgeting," but a growing number of Americans – particularly among younger generations – are doing it.



Snapshot of Savings in America

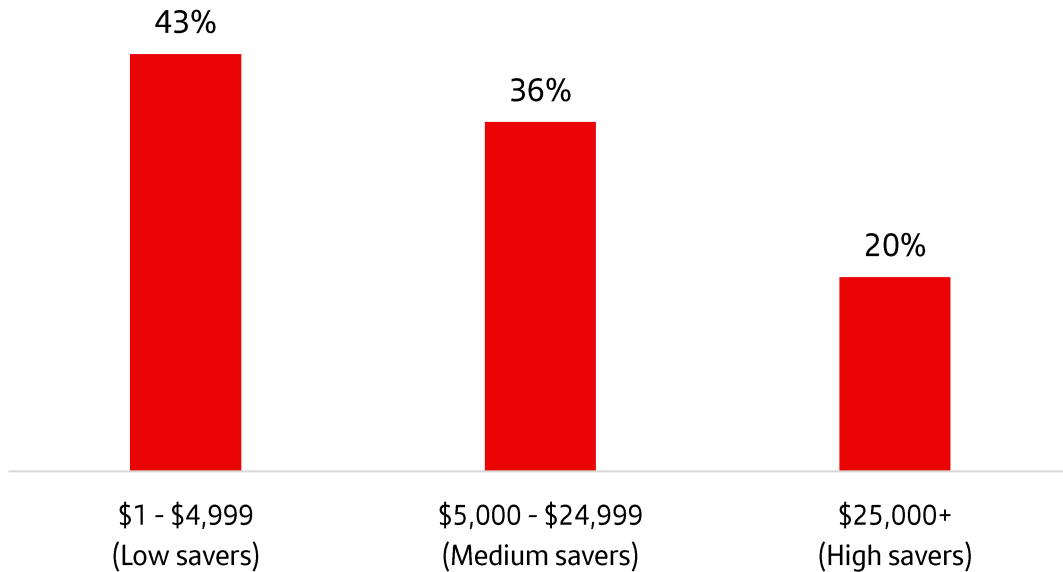


Assessing America's Savings Status

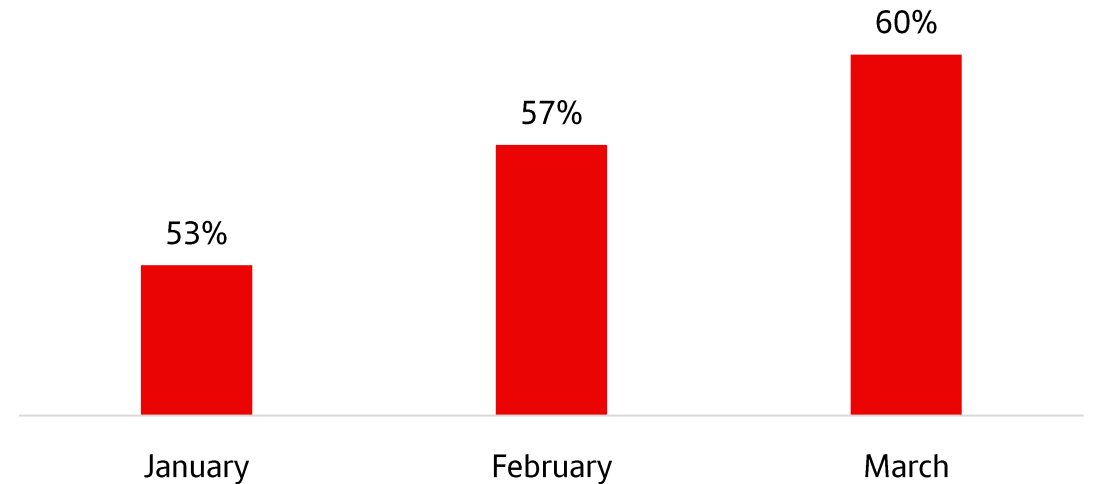
Americans are trying to save, with more than half showing steady month-over-month increases.

How much are Americans saving?

How much money do you have saved in your primary savings account?

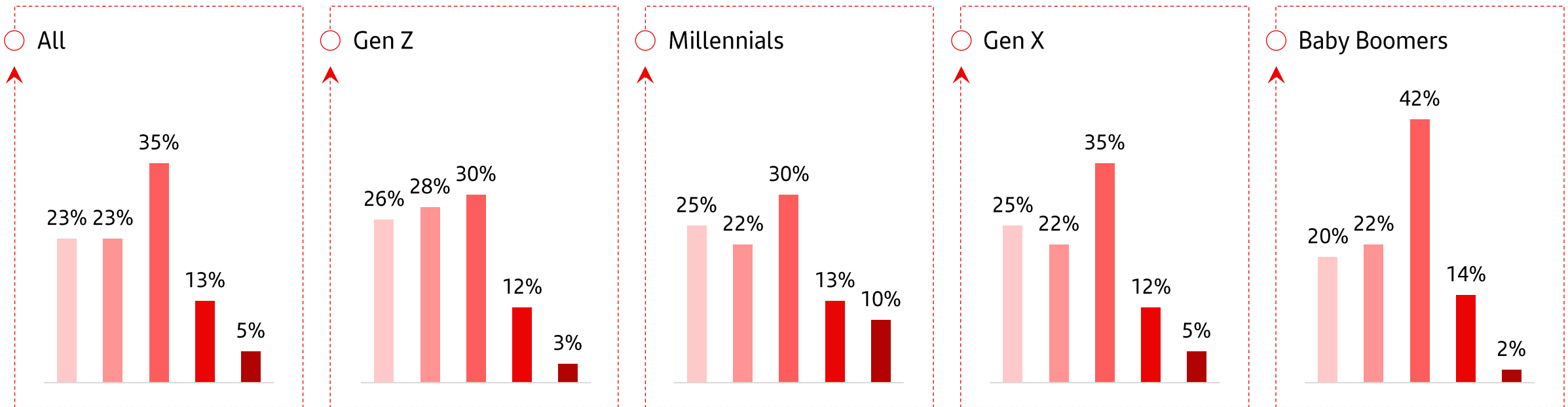


The majority of Americans noted their savings balance increased month-over-month in Q1 2024.



Americans Agree Their Financial Knowledge Is Lacking

Across every generation, about 8 in 10 Americans rate their financial knowledge below proficient, demonstrating a lack of financial knowledge that can hamper savings growth.



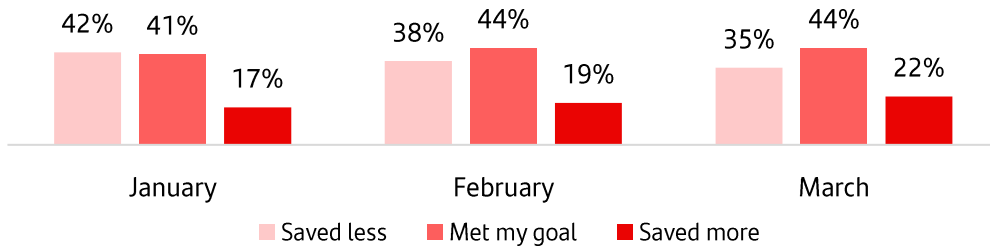
■ Novice¹
 ■ Advanced Beginner²
 ■ Competent³
 ■ Proficient⁴
 ■ Expert⁵

- 1. Just learning the basics of personal finance
- 2. Limited experience applying the basics of personal finance
- 3. Capable of making better decisions with your money
- 4. Strong grasp of how to manage your financial portfolio
- 5. Possess the knowledge needed to be a financial professional

Monthly Savings Goals Are Sometimes Met, Rarely Exceeded and Remain Small

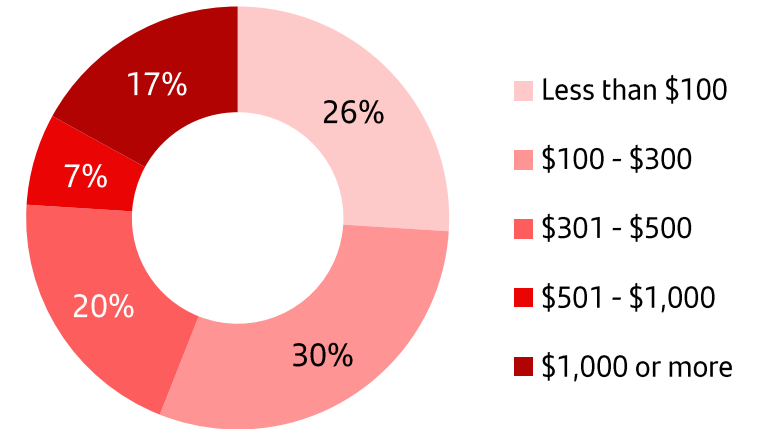
For Americans with savings goals, the majority are saving \$300 or less each month. Americans' confidence in achieving their savings goals grows with more financial knowledge.

Did you achieve your monthly savings goal?

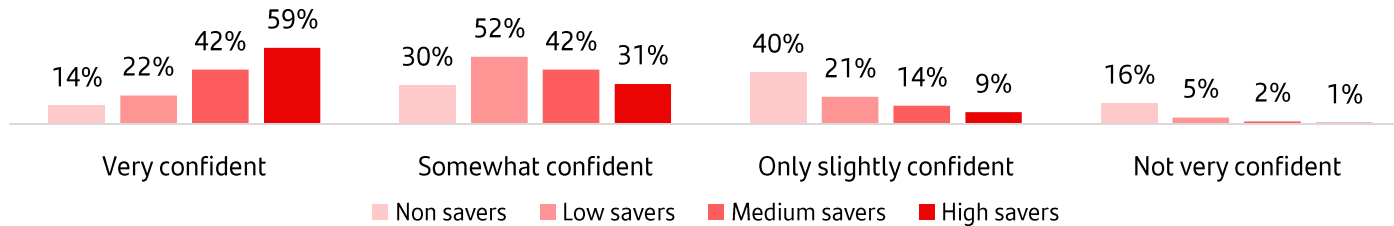


On average over Q1, 25% of Americans didn't have a savings goal.

Of those with a monthly savings goal, the goal amounts were mostly a few hundred dollars.








How confident are you that you have enough financial knowledge to achieve your savings goals?



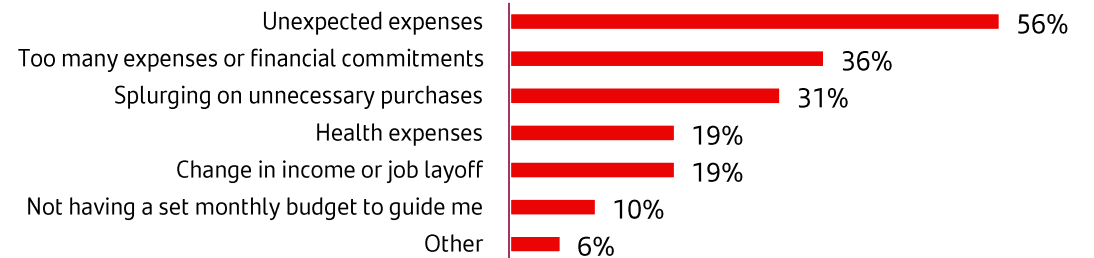
Americans' Savings Goals Are Static and Too Susceptible to Unexpected Costs

While 86% of Americans believe the average person doesn't save enough, their savings goals change infrequently and can be vulnerable to unexpected costs or strained by financial commitments.

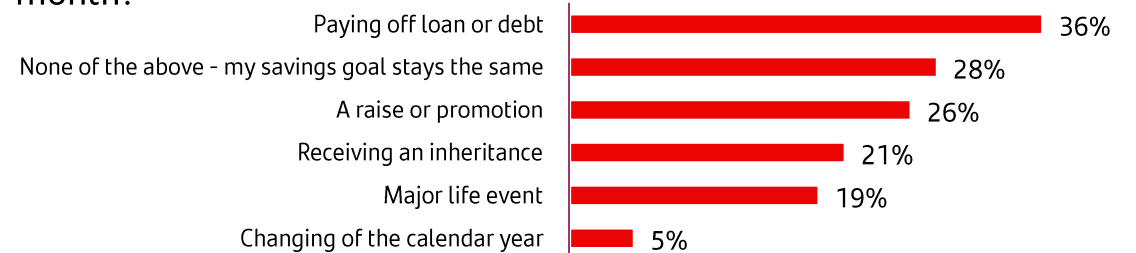
What are your savings goals?

	All	Low Savers	Medium Savers	High Savers
 Home ownership	22%	21%	23%	19%
 Education/tuition for myself or someone in my household	51%	57%	50%	47%
 Emergency Fund	51%	57%	50%	47%
 Entertainment & experiences (e.g. vacations)	24%	25%	25%	27%
 Retirement	48%	43%	57%	66%

What has prevented you from reaching your monthly savings goal?

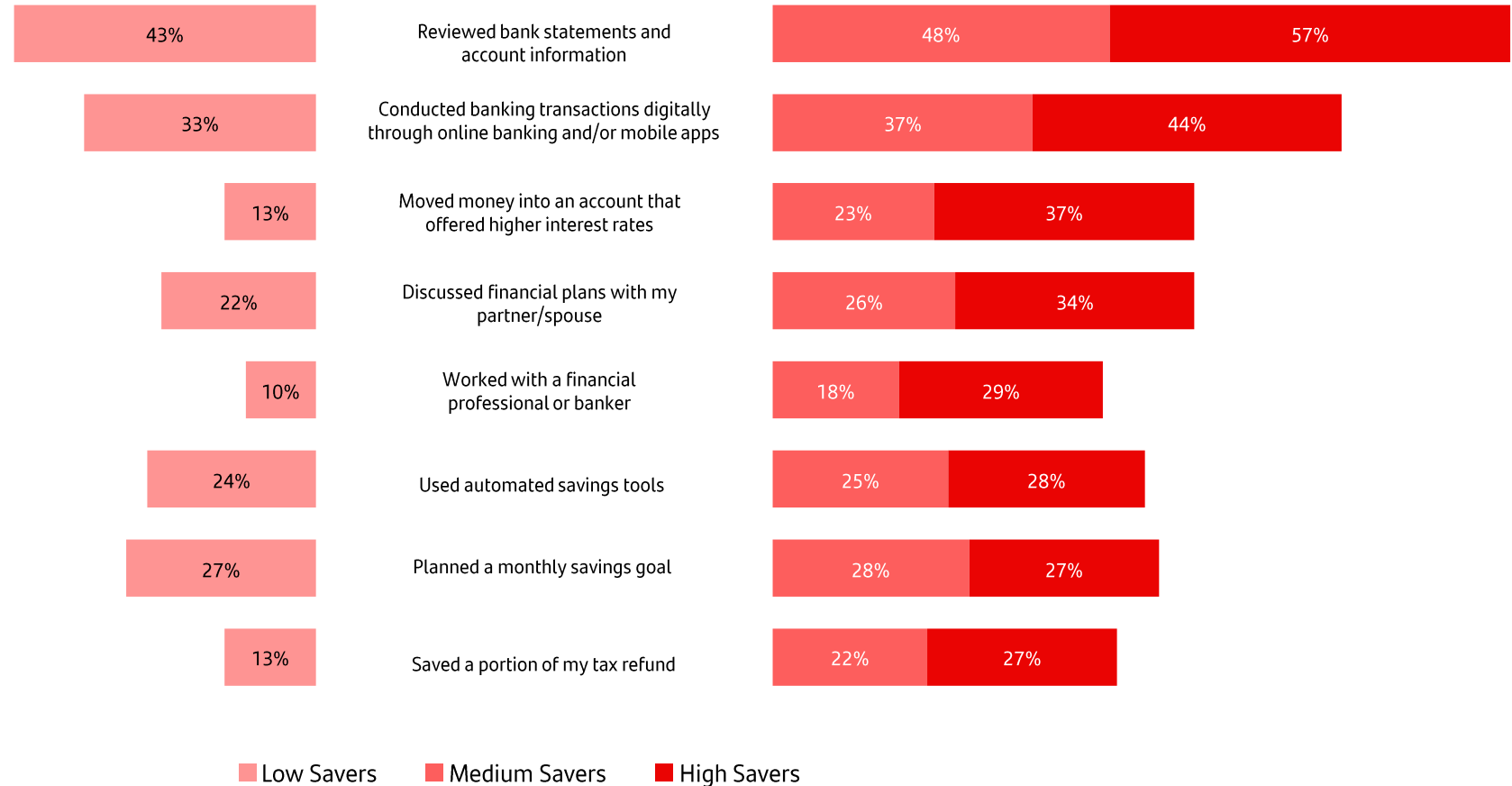


What events would most likely encourage you to save more each month?



Strong Savers Are More Likely to Engage in Specific Financial Habits

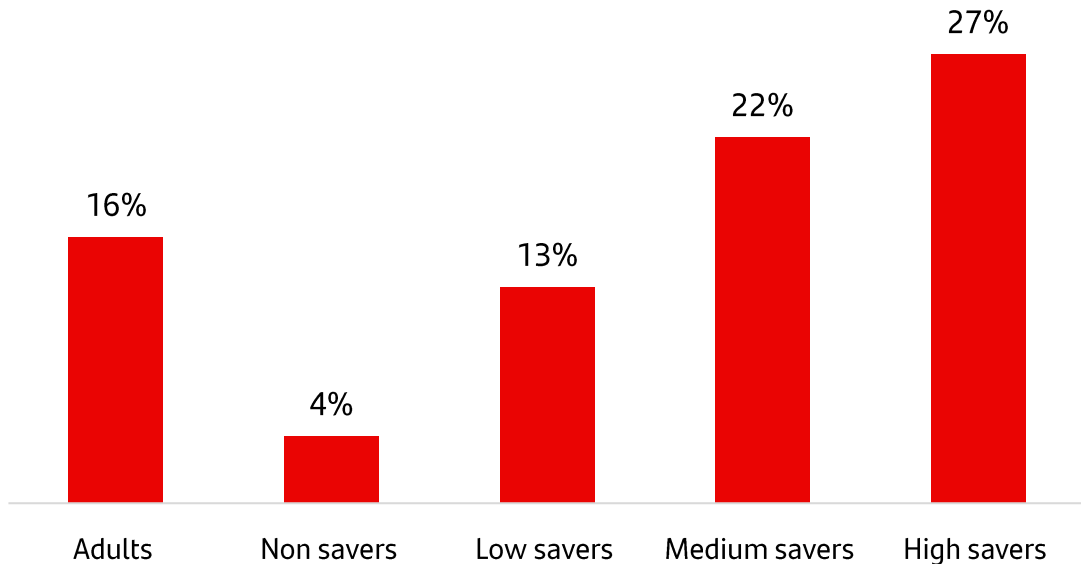
High savers are more likely to be engaged with their account and use professional financial services and tools.



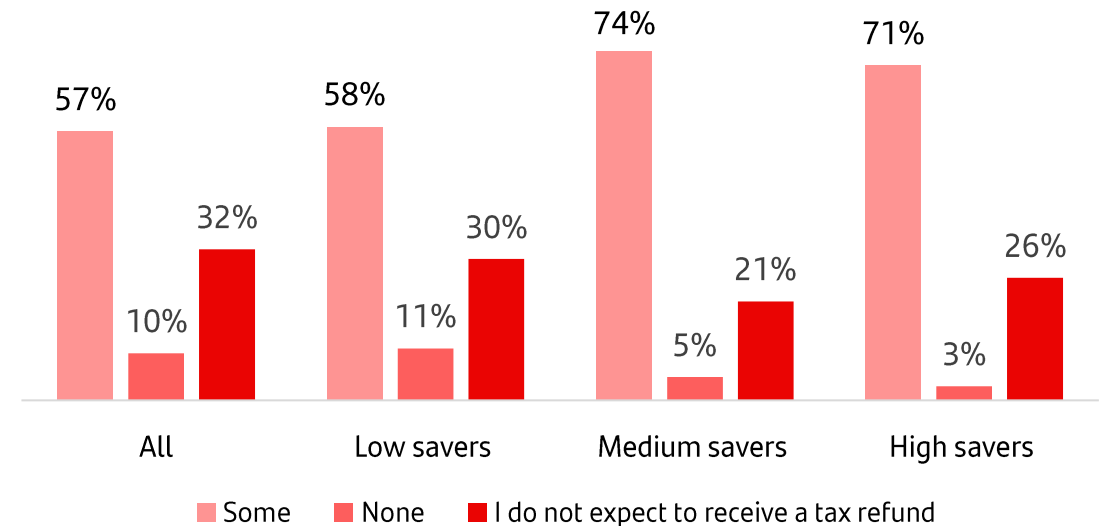
Plans for Tax Refunds Are Misaligned with Past Savings Behavior

- Last year 16% of Americans saved some of their tax refund. This year, more than half plan to save at least some of it, with high and medium savers more likely to do so.

In the last year, did you save a portion of your tax refund?



Even if just an estimate, are you going to save some portion of your tax refund this year?*

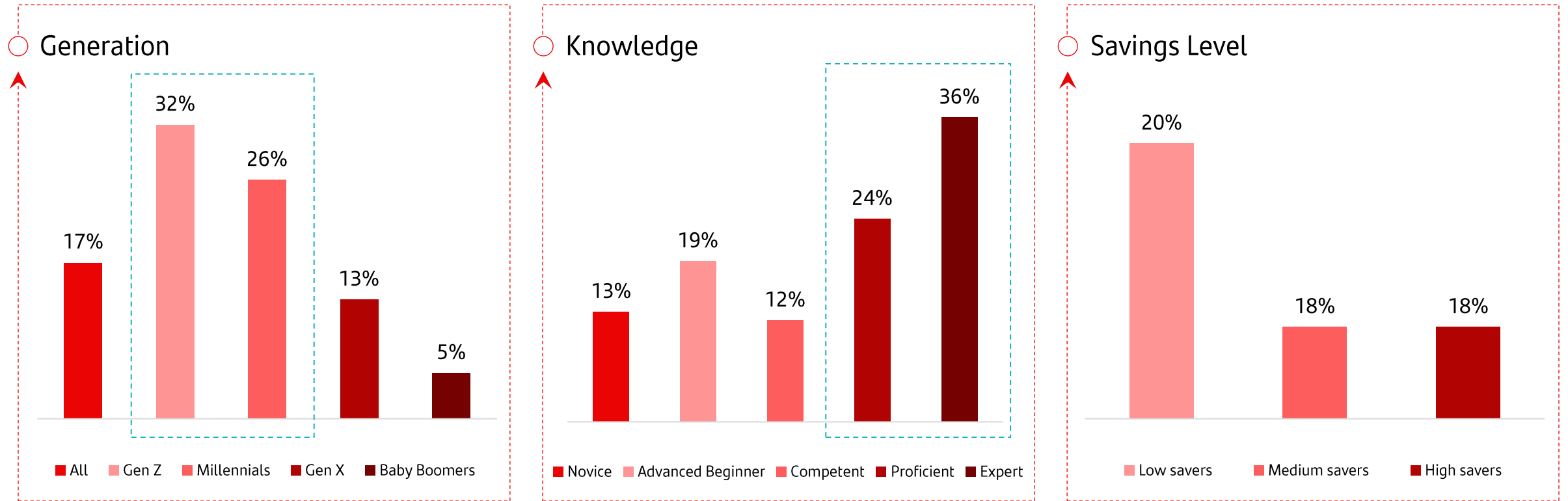


*Derived from asking respondents "Even if just an estimate, approximately how much of your tax refund are you planning to save this year?"

Younger Americans Use Social Media for Financial Info, Not Impacting Savings

- While some generations turn to social media for financial advice more often, it has little effect on savings level.

In the last 12 months, I have searched social media (TikTok, YouTube, Instagram, etc.) to learn more about financial topics.





Opportunities to Grow Savings

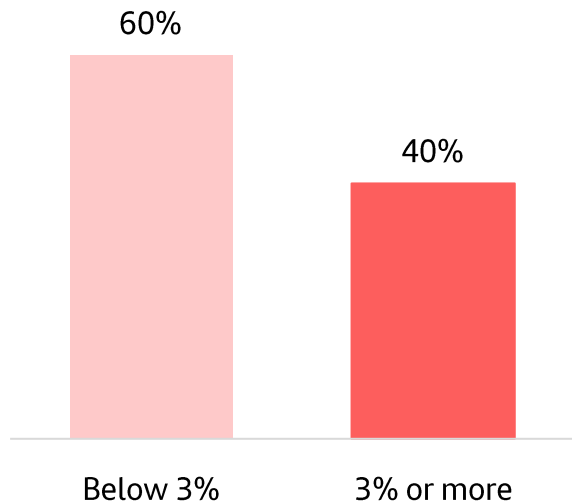


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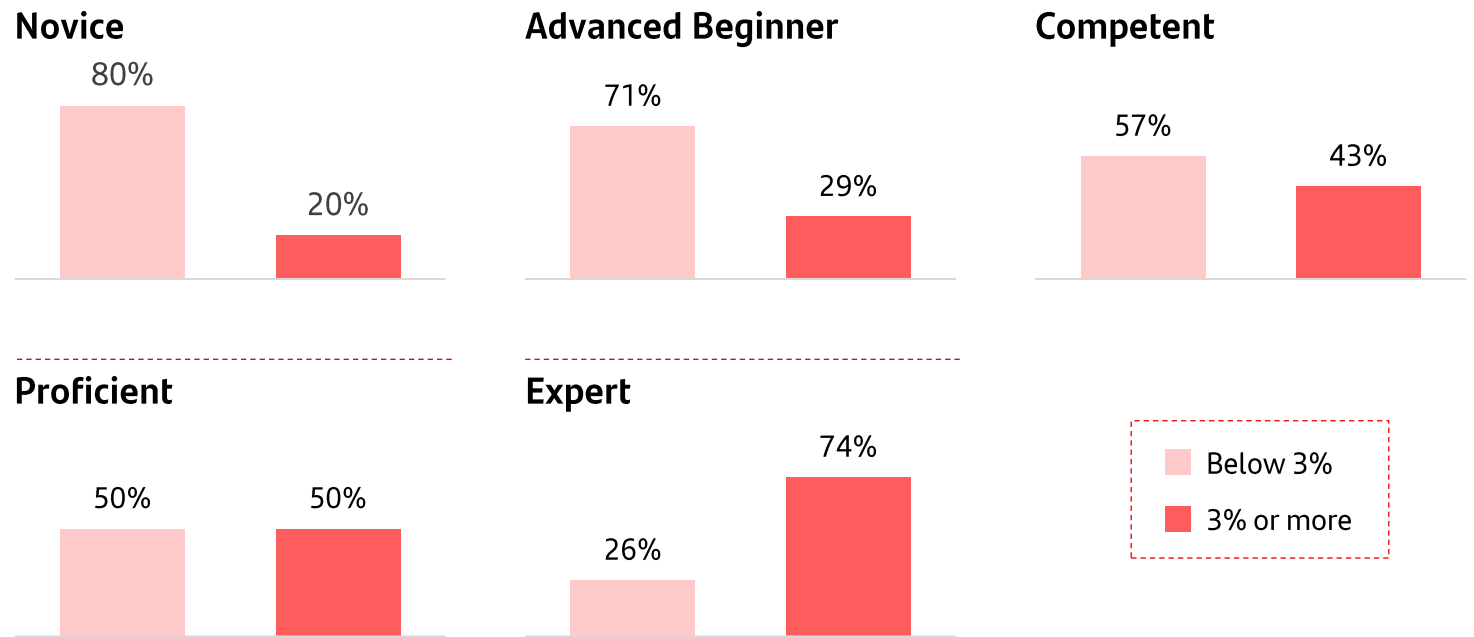
Most Americans Are Earning Less Than 3% on Their Savings

The more Americans' financial knowledge grows, the more likely they are to be earning more interest on their primary savings accounts. Overall, 21% do not know what level of interest they are earning*.

Of those that know their interest rate on their primary saving account, the majority are earning less than 3%.



What is your current interest rate on your primary savings account? **



*The percentage of those who do not know their rate rapidly declined with financial knowledge. 33% of those who described their financial knowledge level as novice did not know the rate on their primary savings. Only 6% of those who described their financial knowledge as expert did not know their rate.

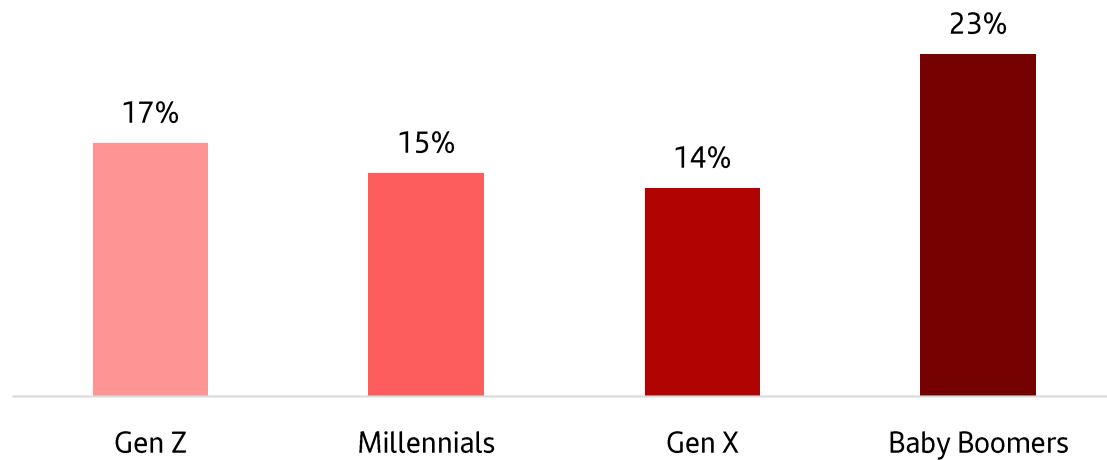
**Only assesses Americans that know their interest rate, or 79% of total respondents.

Few Americans Take Advantage of Higher Rates, Limiting Their Savings Growth

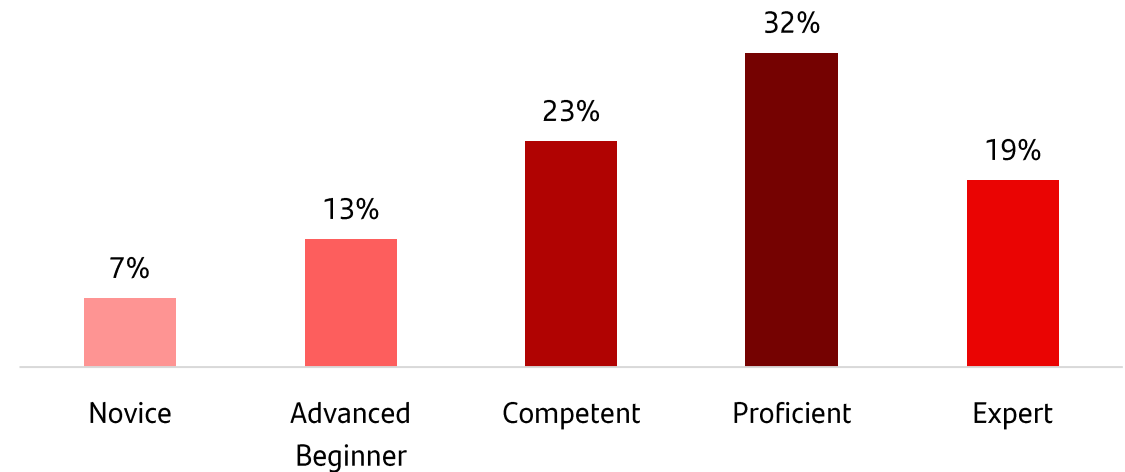
Most Americans are not moving money to earn more. Only 18% of Americans moved money into any account that offered a higher interest rate in the last 12 months. Those with higher levels of financial knowledge were the most likely to have done so.

In the past 12 months, I moved money into any account that offered a higher interest rate.

Generation



Knowledge



Accounts That Pay More Interest Are Underutilized

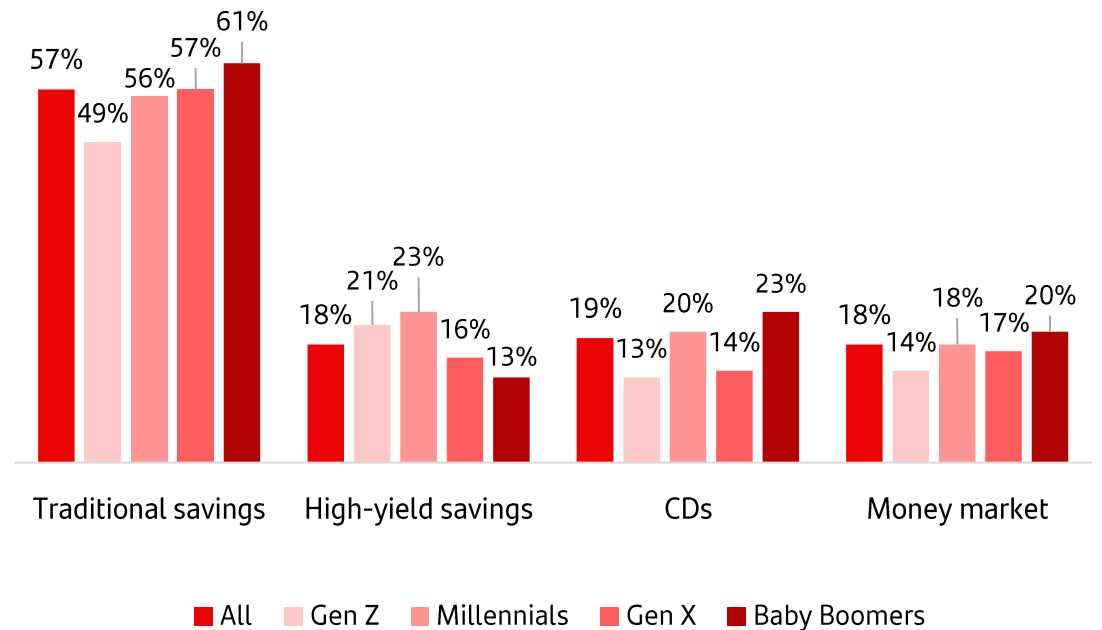
Few Americans are using accounts, such as high-yielding savings accounts and CDs, that typically earn more interest over time.

Savings Balances Trend Upwards

Month-over-Month Savings Balance Increase	January	February	March
Millennials	57%	59%	70%
Gen Z	56%	61%	66%
Gen X	48%	52%	53%
Baby Boomers	50%	55%	52%

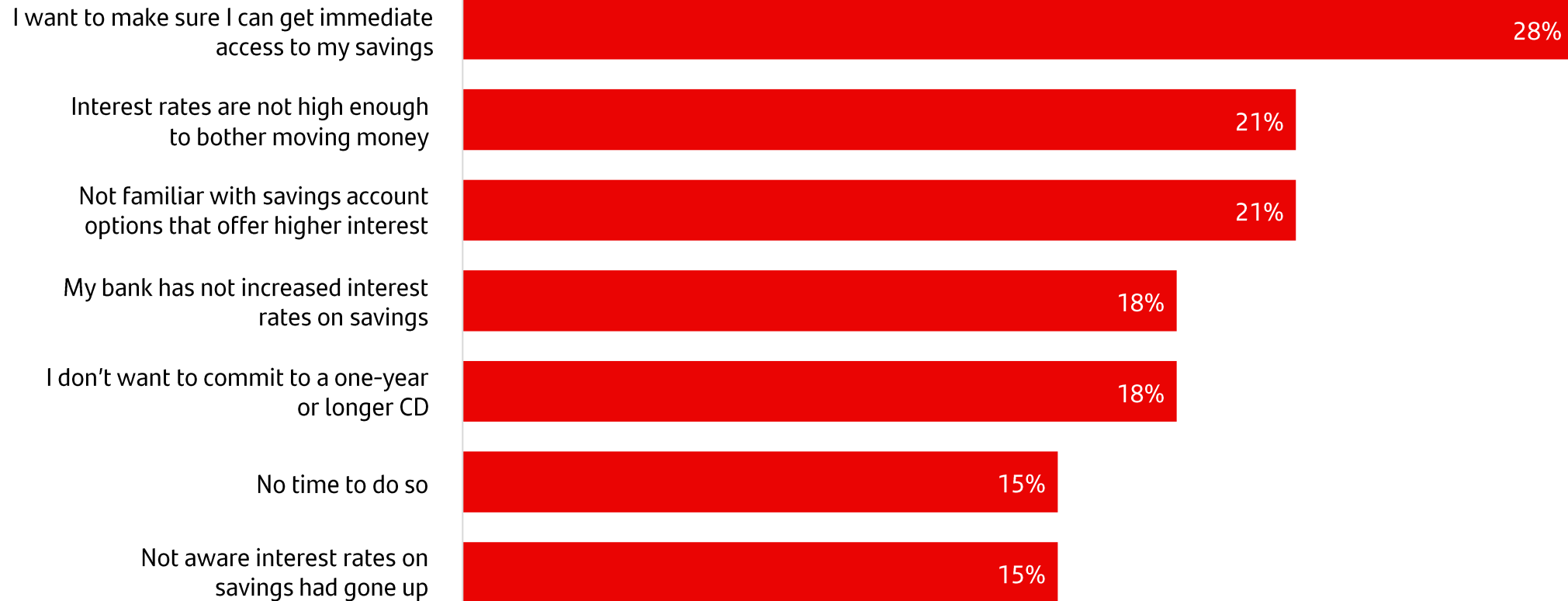
Millennials and Gen Z are also most likely to increased their monthly savings account balance.

Type of Savings Accounts



Common Misconceptions Undermine Savings Growth

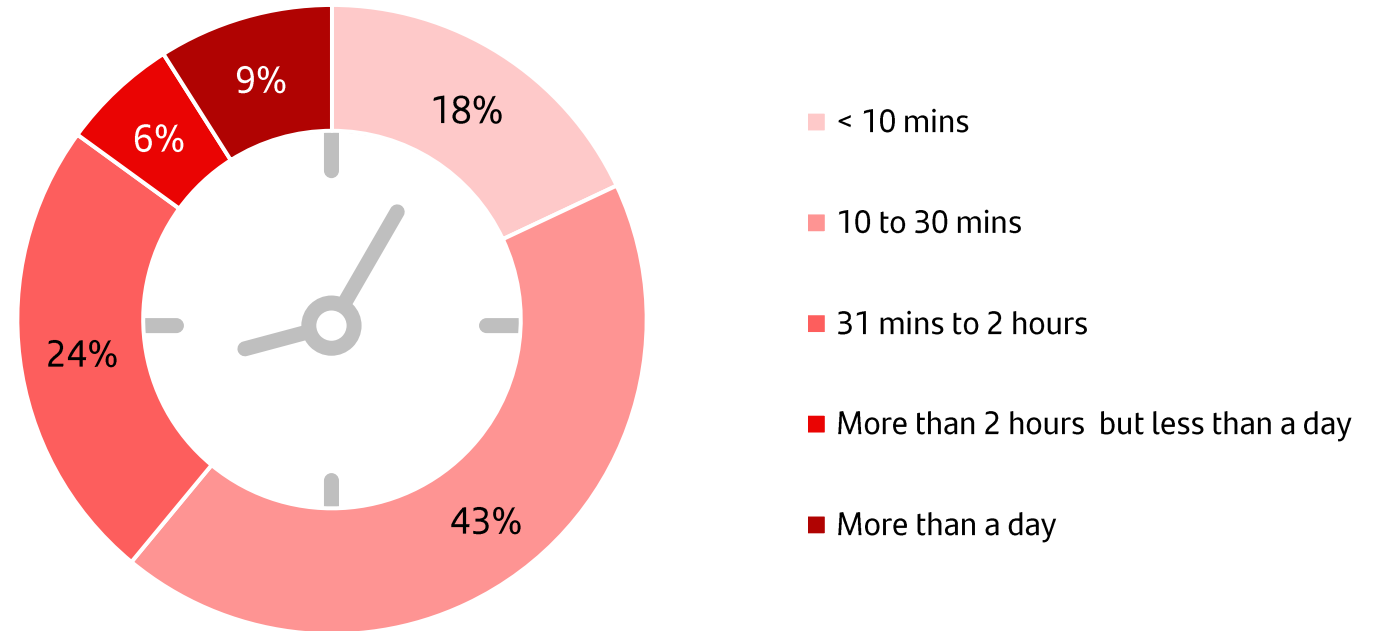
When asked why Americans have not moved money into a higher-rate accounts of some kind, their reasoning does not reflect modern banking capabilities and accessibility.



A Race Against the Clock? Americans Believe Opening a New Account Takes Too Much Time

4 in 5 Americans perceive opening a bank account to be a time-consuming burden, but that may not be the case.

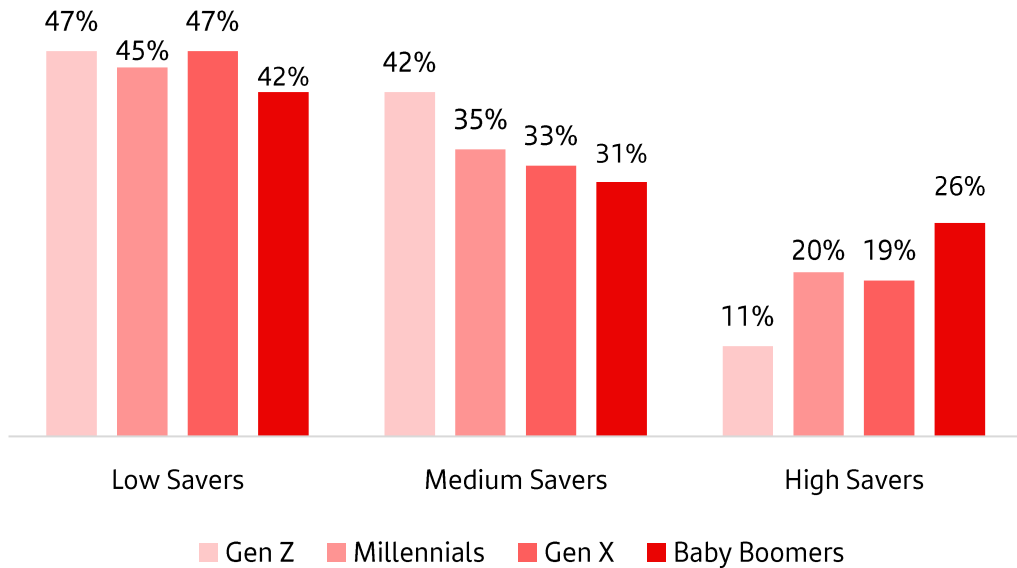
How long do you think it would take for you to open a new bank account and transfer funds from another account?



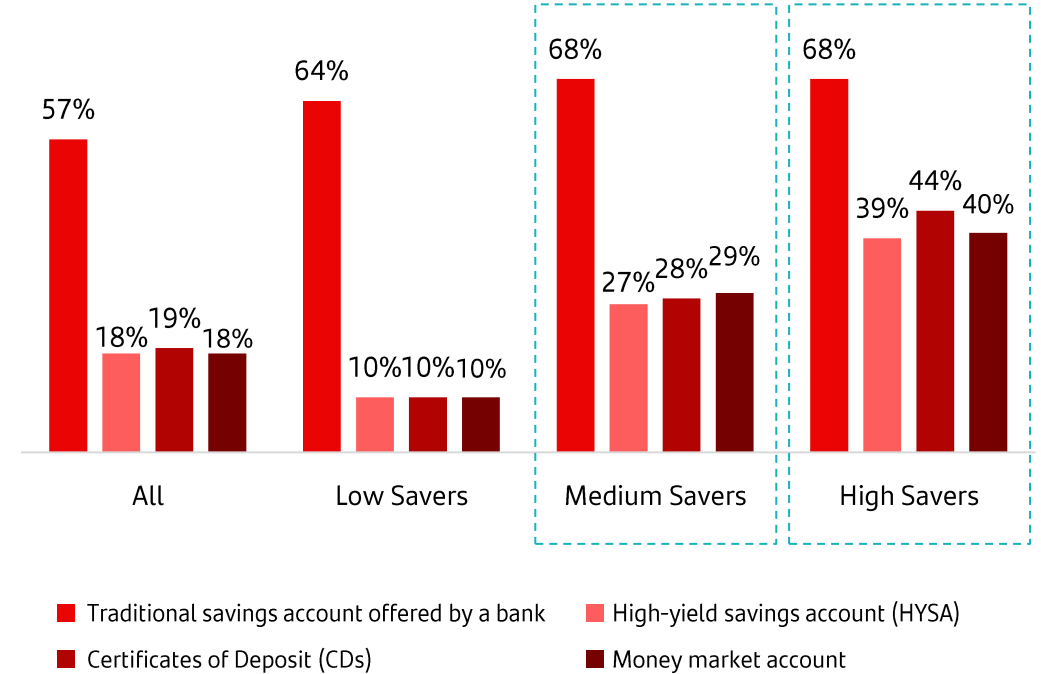
Stronger Savers Use Higher-Rate Accounts for Greater Returns

Higher-rate accounts are utilized by medium and high-savers—2x to 4x more often than low savers.

For your primary savings account, what savings group do you fall into?*



Where are Americans saving?



*Derived from "How much do you have saved in your primary savings account?"



Loud Budgeting & Its Impact on Financial Behaviors

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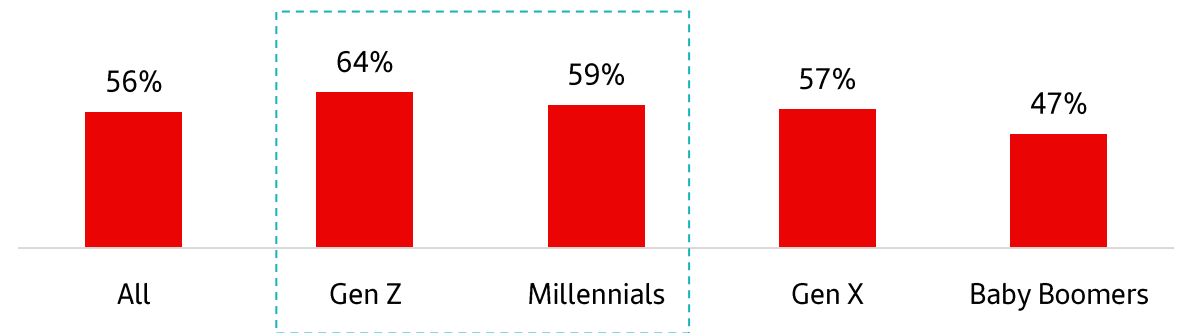
“Loud Budgeting” Is Happening, Particularly Among Younger Americans

Loud budgeting* entered onto the scene as the latest trend in personal finance.

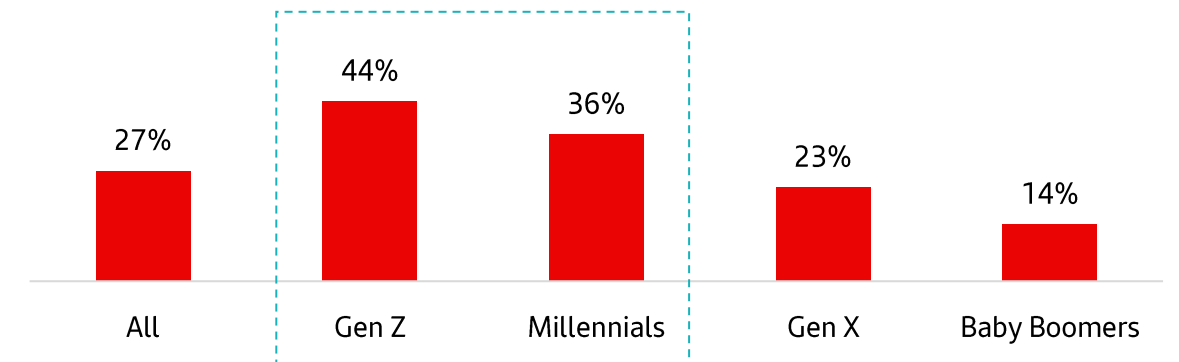
While more than half of all Americans are Loud Budgeting, only 1 in 4 are familiar with the term. Americans are prolific Loud Budgeters without realizing it, especially among younger generations.

*In the study, those engaging in Loud Budgeting have, in the past 12 months, let others know they cannot do something (e.g. attend a dinner/concert or go on a trip) due to their financial situation.

In the past 12 months, I have let others know I cannot do something due to my financial situation.



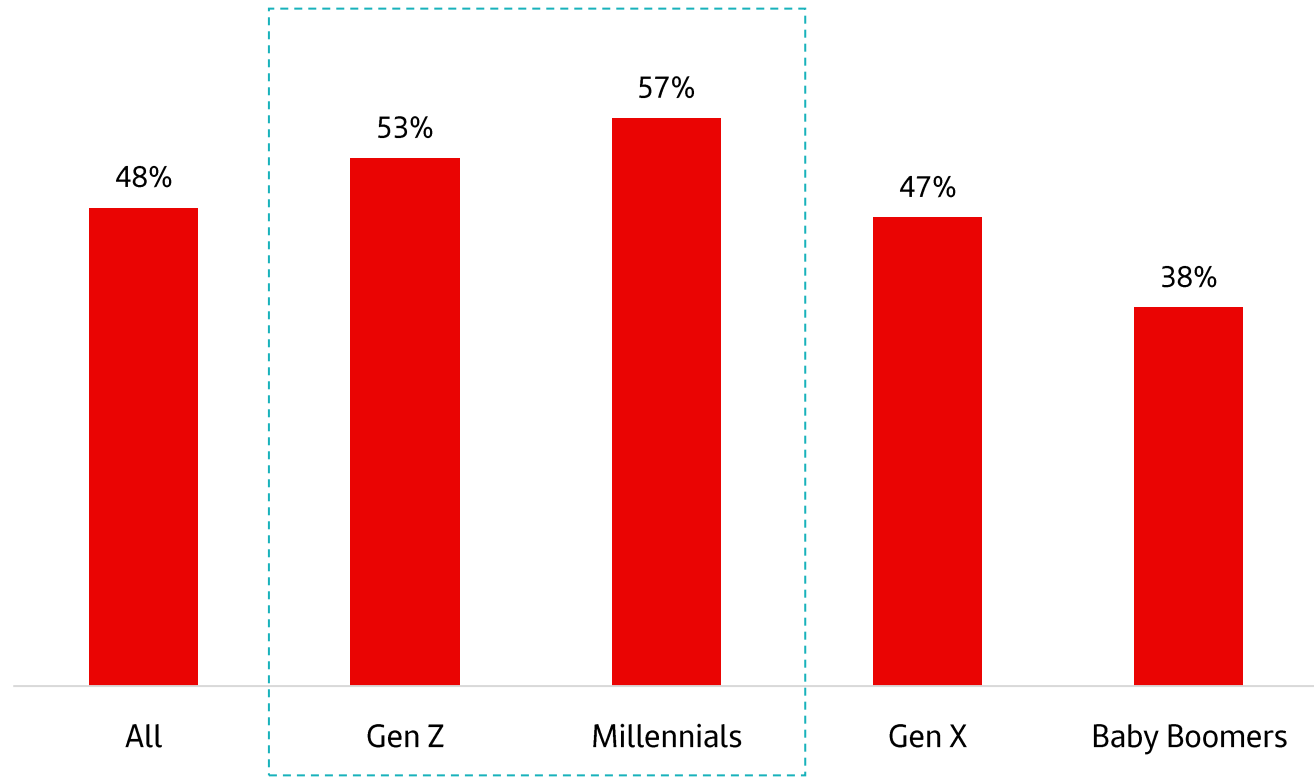
I am familiar with the term Loud Budgeting.



A Rewriting of Personal Finance Norms?

- The taboo of discussing finances with family and friends is dissipating rapidly. Nearly half of Americans feel comfortable doing so. Comfort is highest among younger Americans.

- I feel comfortable discussing my budget/financial goals with family and friends.



Methodology

- **Q1 2024 Growing Personal Savings (GPS) Study:** This research on growing personal savings, conducted by Morning Consult on behalf of Santander Bank, surveyed 2,203 American adults.

This Q1 study was conducted between March 16-18, 2024. The interviews were conducted online, and the margin of error is +/- 2 percentage points for the total audience at a 95% confidence level. This data was weighted to target population proportions for a representative sample based on age gender, ethnicity, region, and education. Percentages may not 100 due to rounding.

Monthly measures were based on additional monthly survey pulses, conducted by Morning Consult on behalf of Santander Bank, of ~2,200 Americans adults. The monthly iterations were conducted January 17-19 (2,200 adults), February 16-18 (2,202 adults), and March 15-17 (2,205 adults) to measure month-over-month changes.

The interviews were conducted online, and the margin of error is +/- 2 percentage points for the total audience at a 95% confidence level. This data was weighted to target population proportions for a representative sample based on age gender, ethnicity, region, and education. Percentages may not 100 due to rounding.



About Santander Bank

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Thank You

Our purpose is to help people
and businesses prosper.

Our culture is based on believing
that everything we do should be:

Simple Personal Fair

