



Growing Personal Savings (GPS) Tracker



January – March 2025

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Key Findings

1

Savers typically have the most success in Q1, but their ability to meet savings goals and boost balances did not match that of a year ago.

4

Some view bank accounts, such as high-yield savings, as risky, while others underestimate the risks of investing, which could lead to misalignment between savings goals and where they keep their money.

2

Americans' concerns about the economy and their finances are rising. A majority shifted their savings approach in Q1, with saving more for emergencies being the most common change.

5

Financial institutions have an opportunity to help customers better understand which accounts are best for meeting their goals, but they must meet them where they are, which includes a blend of digital and in-person engagement.

3

A majority are not prepared for a financial emergency, and most are not utilizing higher-yielding savings options that could accelerate progress toward their goals.

6

A majority go many years without switching banks, with inertia being a primary reason. Younger generations are most likely to consider other options. If selecting a digital bank, a provider that also has physical locations would give them more confidence.

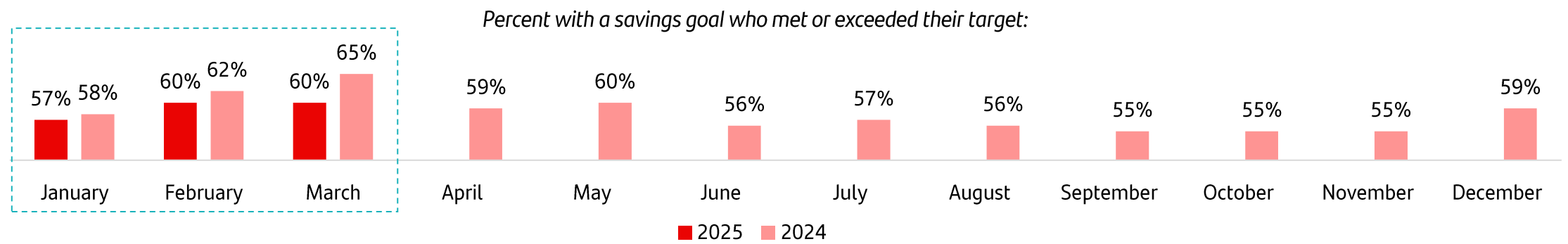
Q1 State of Savings

1

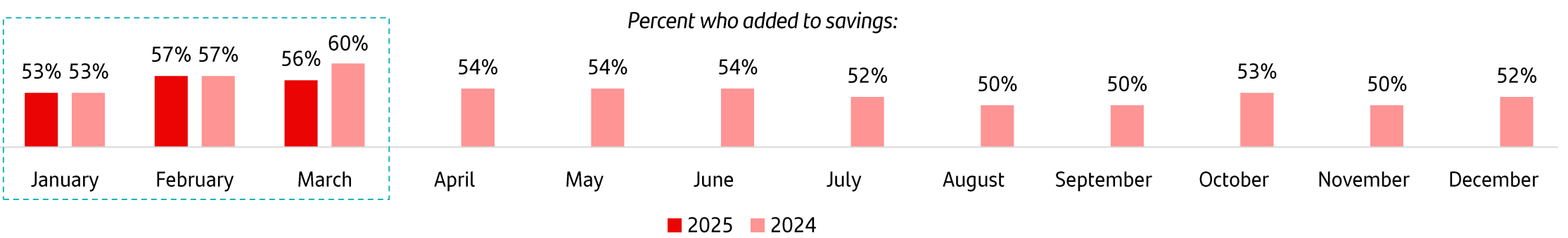
The Season of Saving

Savers typically have the most success in Q1, but this year's progress is down from a year ago.

The percentage meeting their savings goals was lower than Q1 last year.



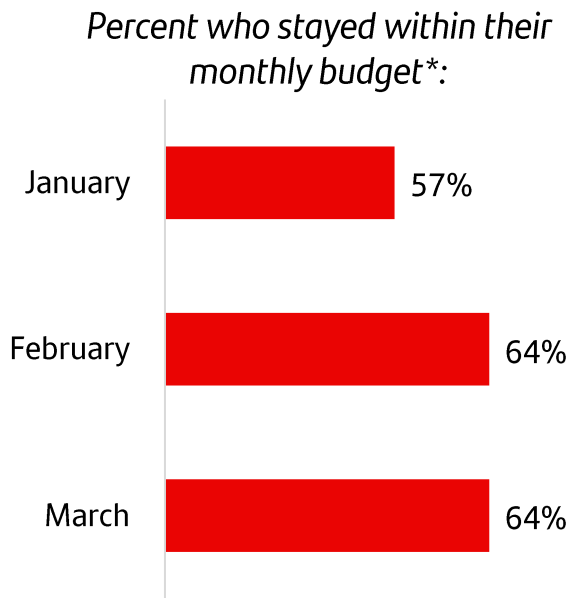
Savers had similar success boosting their balances as a year ago, with a slight drop in March.



Budgeting and Saving

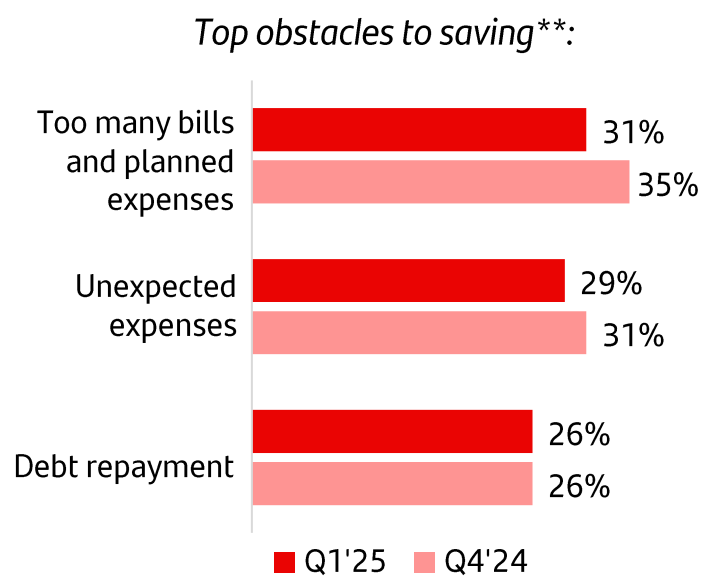
Nearly 8 in 10 (78%) faced a savings obstacle in Q1, down from 82% in Q4, but most stayed within their monthly budget and fewer tapped into savings.

A majority stayed within their budget early in the year.



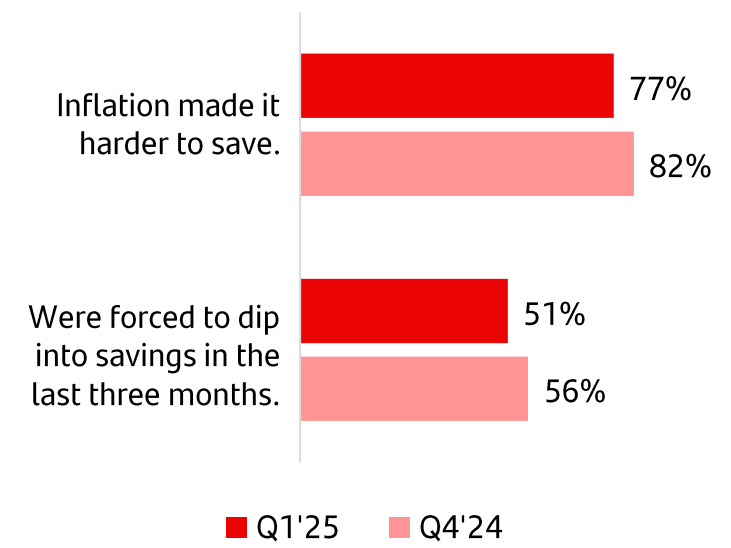
*Among those with a monthly budget.

Americans were less affected by expenses in Q1.



**Respondents could select up to two; only top responses shown.

Fewer dipped into savings as inflation is seen as less impactful.





Americans Respond to Market Volatility and Economic Uncertainty

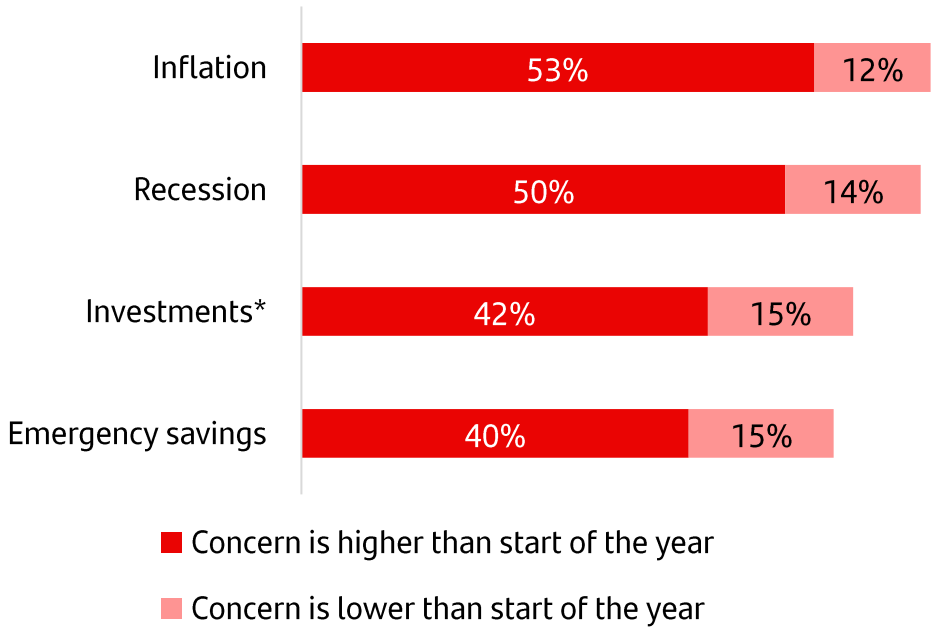


2

Savings and Investing Approaches as Economic Concerns Rise

A majority changed their savings objectives in Q1 amid stock market volatility and economic uncertainty. Investors were most likely to have maintained or increased regular contributions.

Concerns about the economy and finances are on the rise.



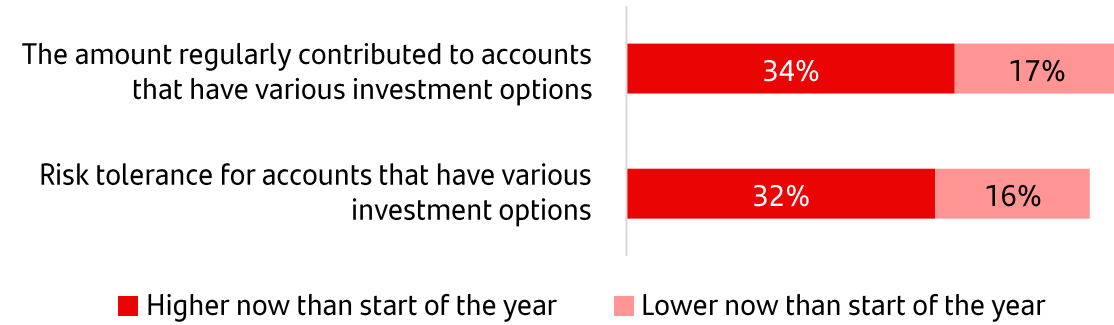
Nearly 6 in 10 (58%) have recently shifted their savings objectives.

Top changes to savings approach since the start of the year**:

- 1 Saving more for emergencies
- 2 Putting more money in deposit accounts (e.g., checking accounts, savings accounts or CDs)
- 3 Saving more for retirement

**Respondents could select all that apply; only top responses shown.

Despite concerns, less than 1 in 5 investors reduced Q1 contributions*.

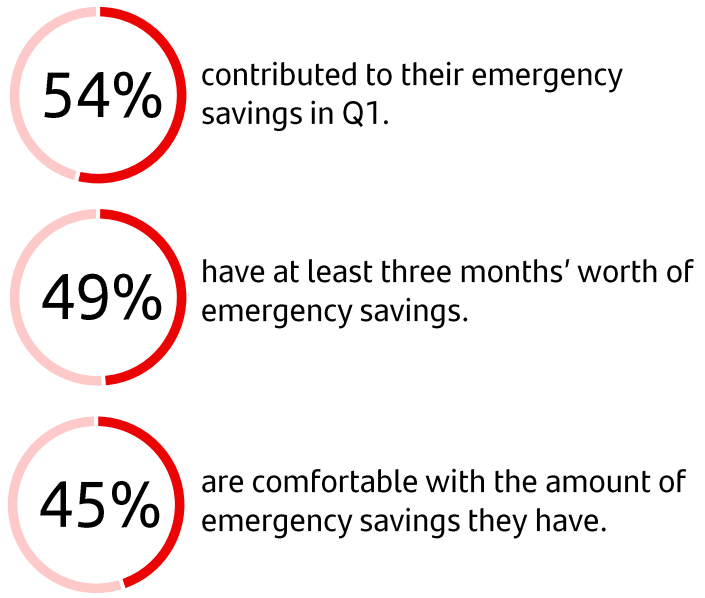


*Among those with accounts that have various investment options (e.g., stocks, bonds, mutual funds, etc.).

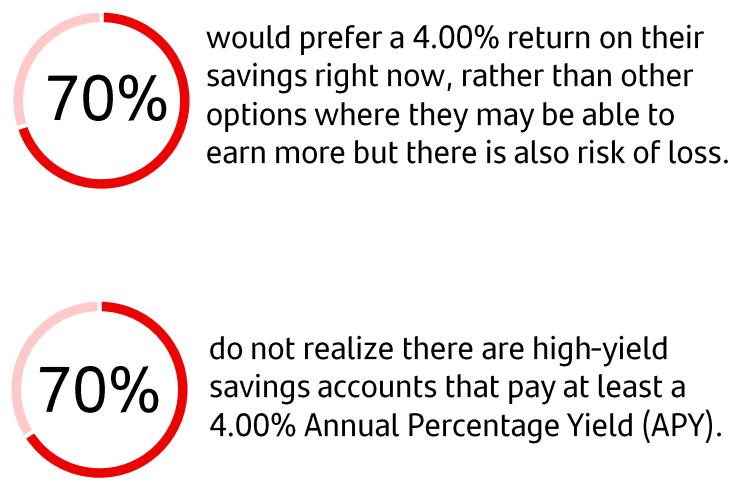
Many Are Unprepared for Emergencies and Are Unaware Bank Accounts Can Help Grow Their Savings Faster

While only 1 in 5 has a high-yield savings account, most of those who do agree on the benefits.

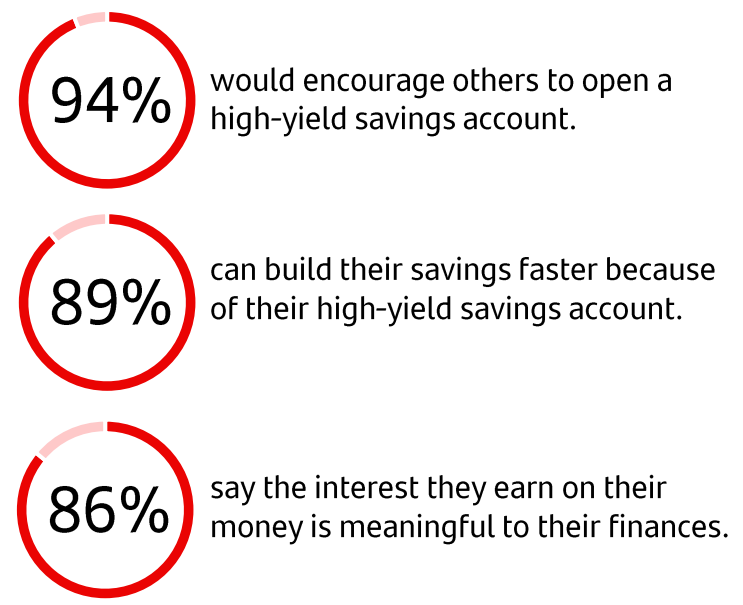
Many still lack the recommended three to six months of emergency savings*.



Most do not realize bank accounts offer the competitive, predictable rates they are looking for.



Those who utilize high-yield savings accounts earn meaningful interest.



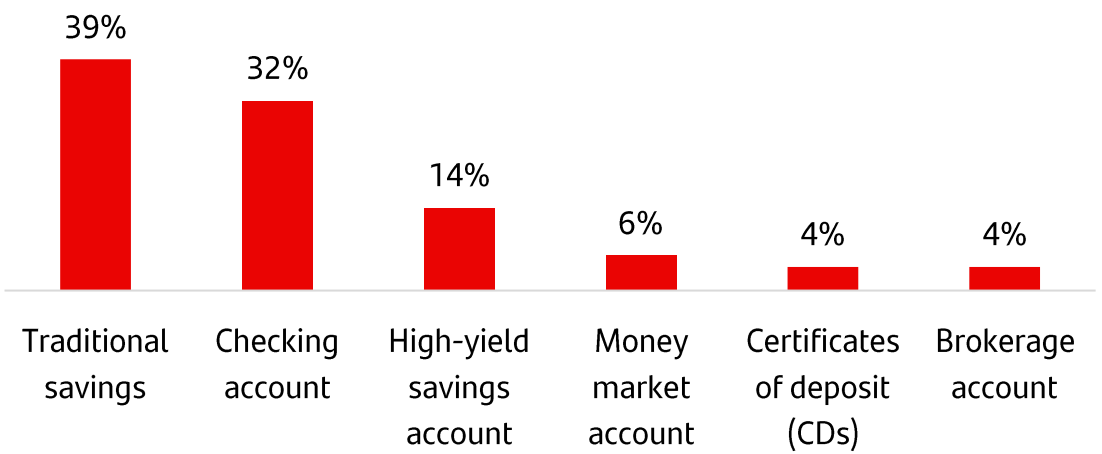
*<https://www.finra.org/investors/insights/5-steps-control-finances>

Savers Primarily Use Lower-Yielding Accounts

Americans are focused on building emergency savings, but nearly two-thirds (65%) do not have a higher-yielding savings account* to accelerate progress toward their goals.

Most are primarily keeping their money in traditional savings or checking accounts.

Primary savings account usage**:

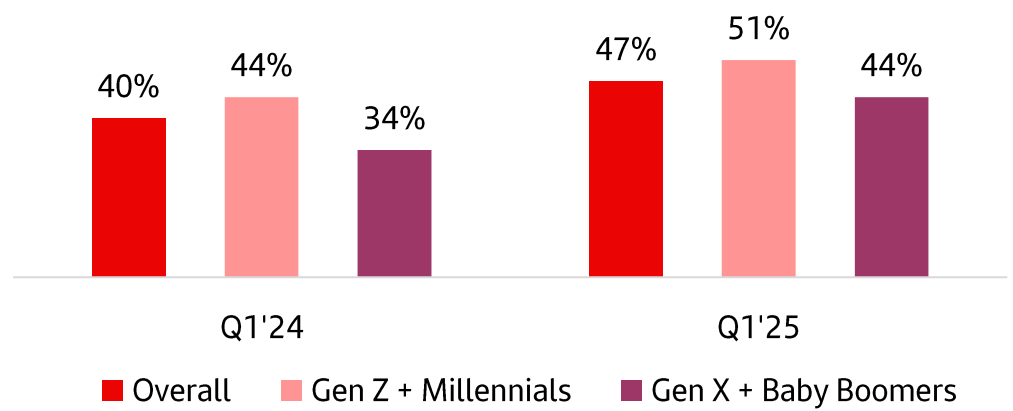


**Among those with an account for savings.

*High-yield savings account, money market account or certificate of deposit.

Americans continue to make progress toward earning competitive rates on their savings, with younger generations being the most likely.

Percentage earning at least a 3.00% APY (Annual Percentage Yield)***:



***Among those who know the interest rate on their primary savings account. 24% do not know their interest rate (Q1'25).



Americans Blur the Line Between Saving and Investing

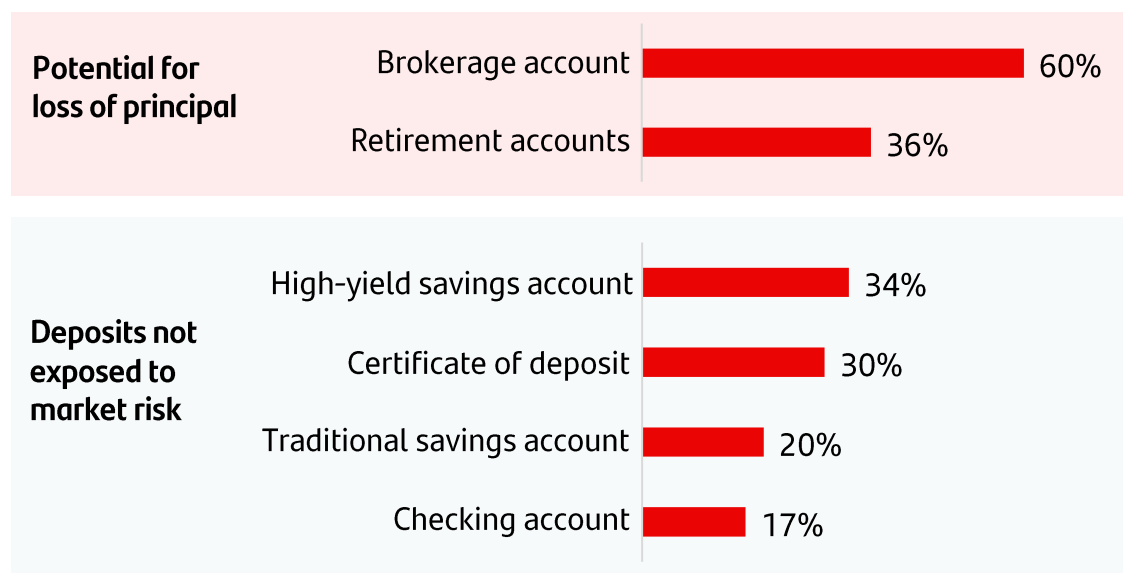
3

Consumers Do Not Know the Risks and Best Uses for Various Account Types

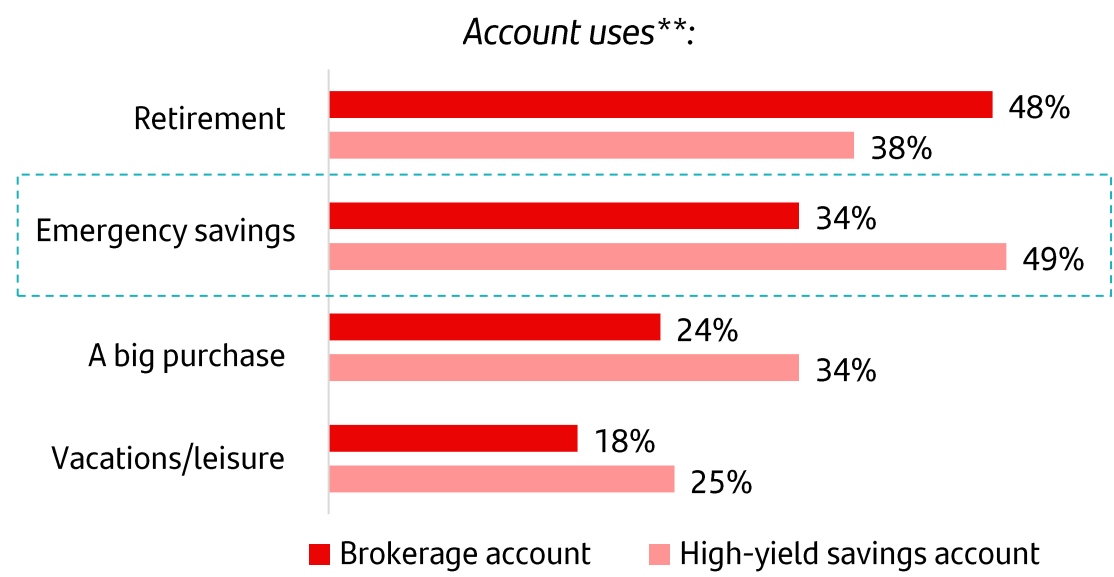
A lack of understanding of these accounts can lead savers to use options that do not align with their goals.

While bank accounts are FDIC insured and have no risk of loss of funds, some view them as risky. Others underestimate the volatility of investment accounts.

Percent who view accounts as risky for potential loss:



Many consumers use bank and investment accounts for similar purposes, including emergency savings, which should generally be kept in accounts that are safe and accessible*.



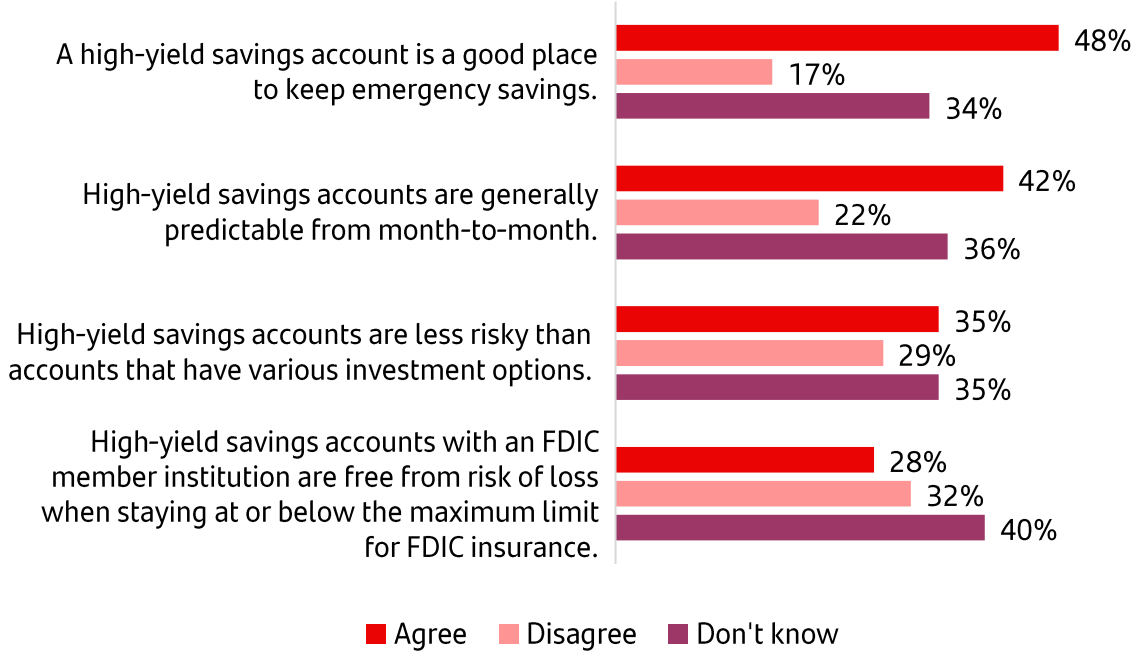
*<https://www.sec.gov/investor/pubs/financialnavigating.htm>

**Among those who have these accounts. Respondents could select all that apply; only top responses shown.

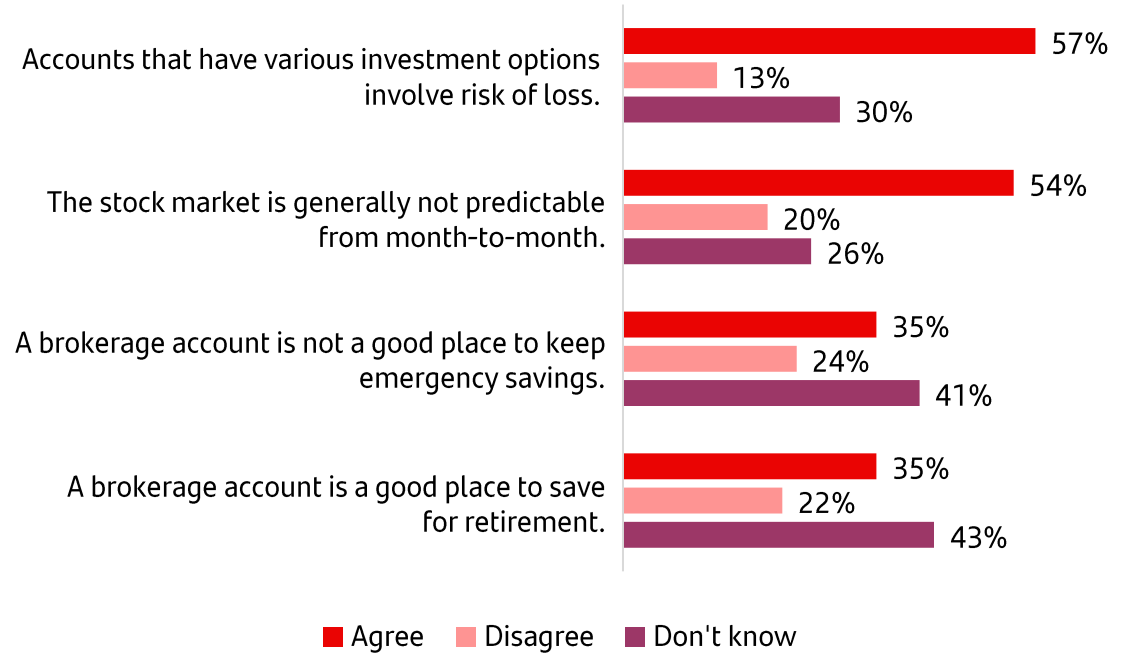
Financial Knowledge Gap: Saving vs. Investing

Few Americans have a clear understanding of the key differentiators of saving and investing, underscoring the opportunity for banks to educate their customers.

Few are clear about the benefits of high-yield savings accounts, including their safety and predictable interest.



There is a lack of clarity about the risks and rewards associated with investment accounts.





Consumer Banking Preferences: Meeting Customers Where They Are

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Financial Institutions Can Help Bridge the Knowledge Gap by Meeting Customers Where They Are

● Consumers value digital and in-person channels for different banking activities.

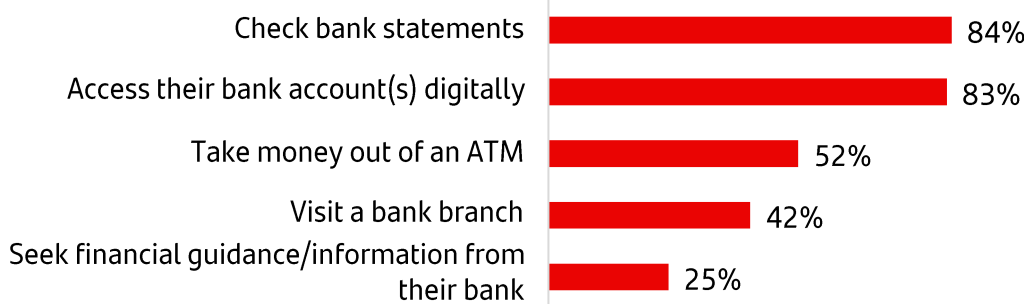
○ Would you prefer to do the following in-person at a bank branch or digitally/online?

Among those with a banking provider:

	In-person	Digital
Open an investment account	64%	36%
Get financial advice	64%	36%
Open a certificate of deposit (CD)	64%	36%
Get assistance with account(s)	60%	40%
Open checking or savings account	59%	41%
Deposit a check	50%	50%
Open a credit card	46%	54%
Transfer money between accounts	31%	69%
View account balance(s)	26%	74%

○ Bank customers engage with their banks often, with digital leading the way.

Percent who perform these tasks at least monthly:



○ While in-person interaction is favored for account services, many customers have never gone to open a CD or investment account.

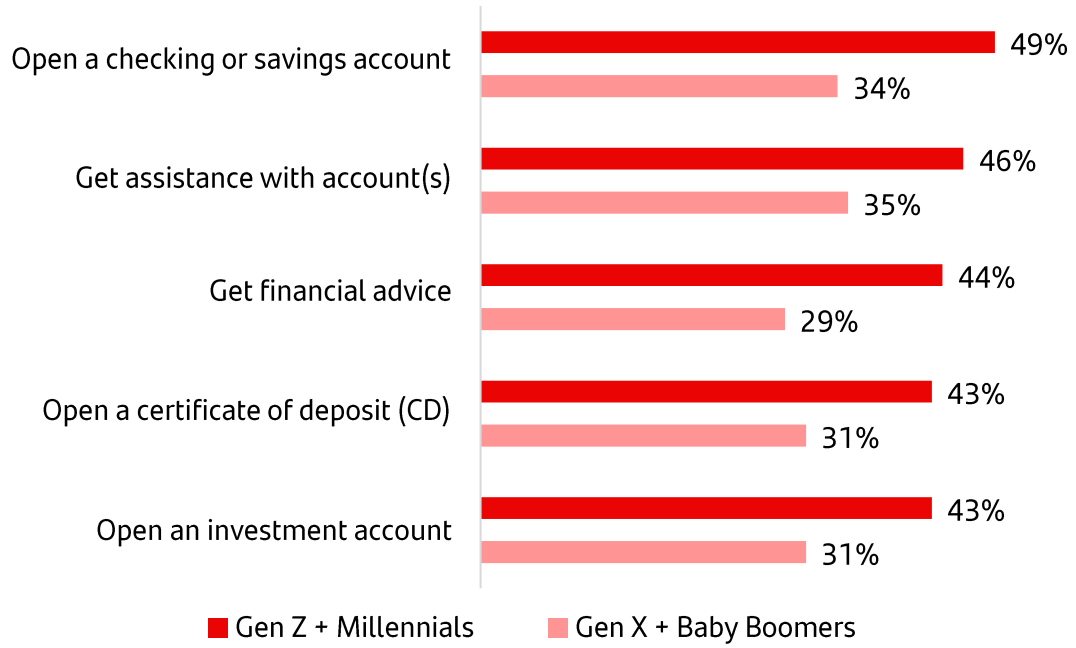


📍 Consumers Are Becoming More Digital-First

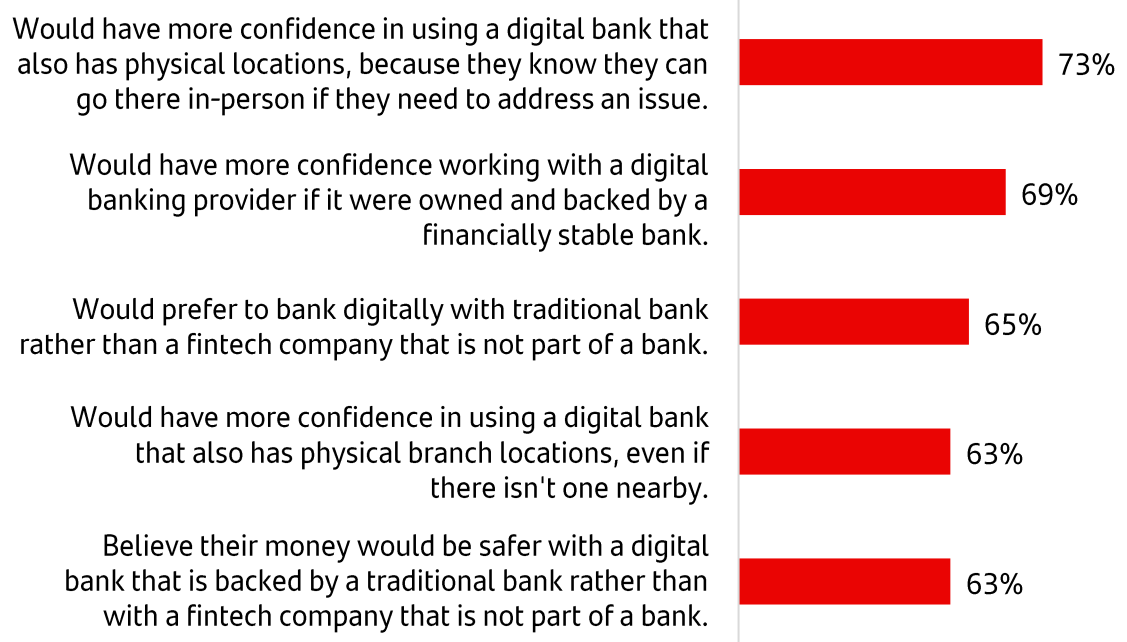
● Customers prefer the backing of a traditional bank when banking digitally.

○ Younger banking customers are more likely than older generations to skew digital.

Percent who prefer to perform the following actions digitally:



○ Digital banks that also have a physical presence offer customers peace of mind*.

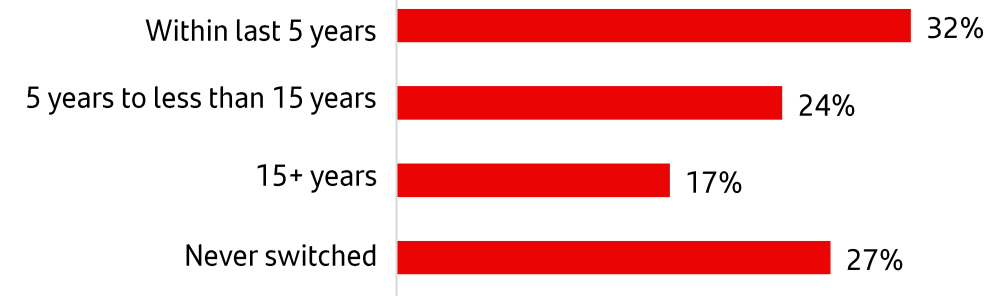


*Among those with a banking provider and expressing an opinion.

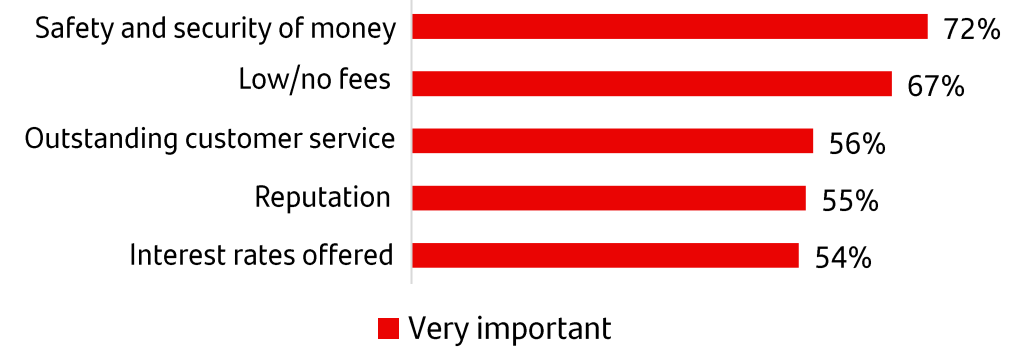
📍 Consumers Stick With Their Primary Bank

- More than half of banking customers (55%*) believe there may be a better provider for them, but they do not want to take the time to switch.

○ When was the last time bank customers switched their primary provider?



○ Customers' considerations when choosing a new bank.



○ Many stay with their bank due to inertia.

*Top reasons for staying with primary bank**:*

- 1** Feel money is safe and secure
- 2** "It's the account I've always had" and/or "It would be too much of a hassle to switch"
- 3** Digital app or online banking

**Among those with a banking provider. Respondents could select up to three; only top responses shown.

○ Most banking customers prefer everything in one place*.



would prefer for their checking account and savings account to be with the same provider.

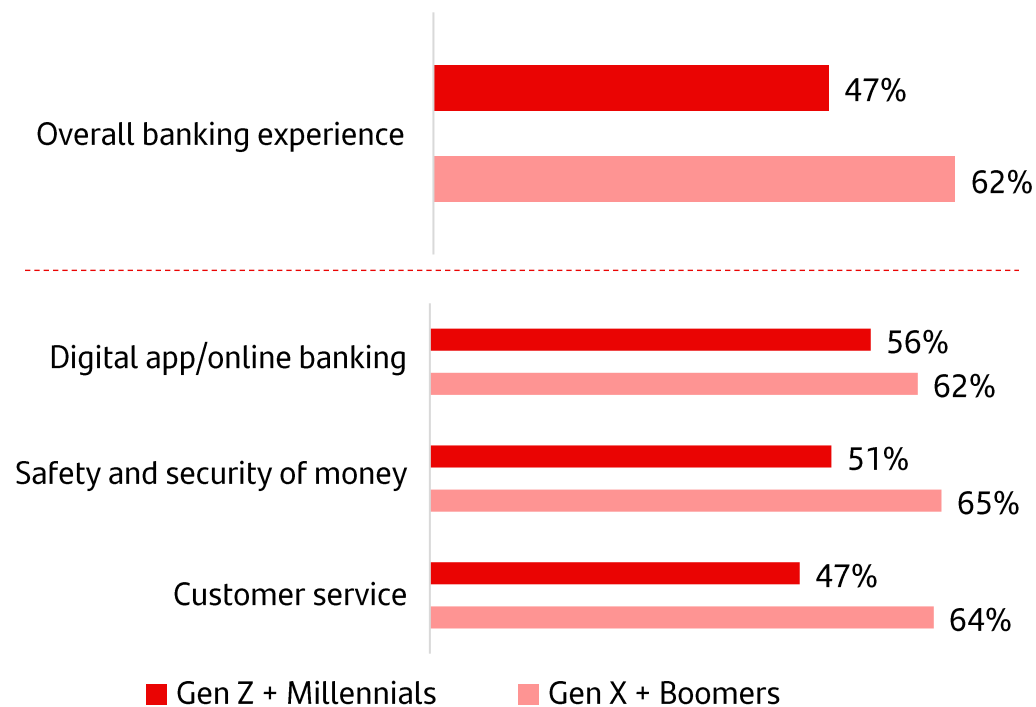
*Among those with a banking provider and expressing an opinion.

Banks Need to Transform to Better Cater to Younger Generations

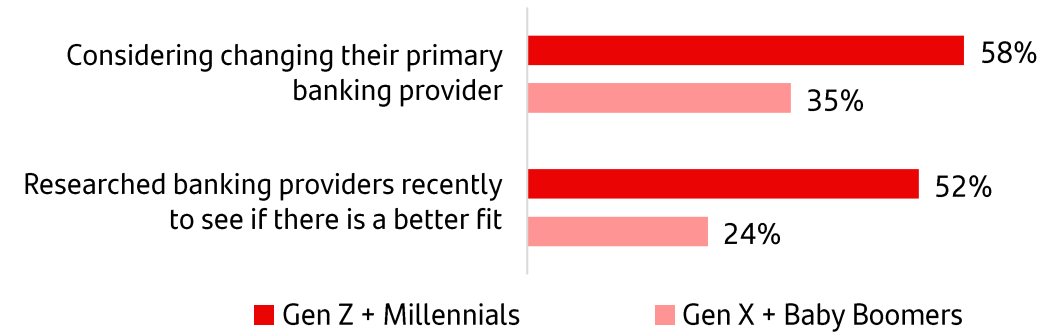
● Younger generations report less satisfaction with their bank and are more likely to consider switching.

- Younger generations are not as impressed with their banks as older generations.

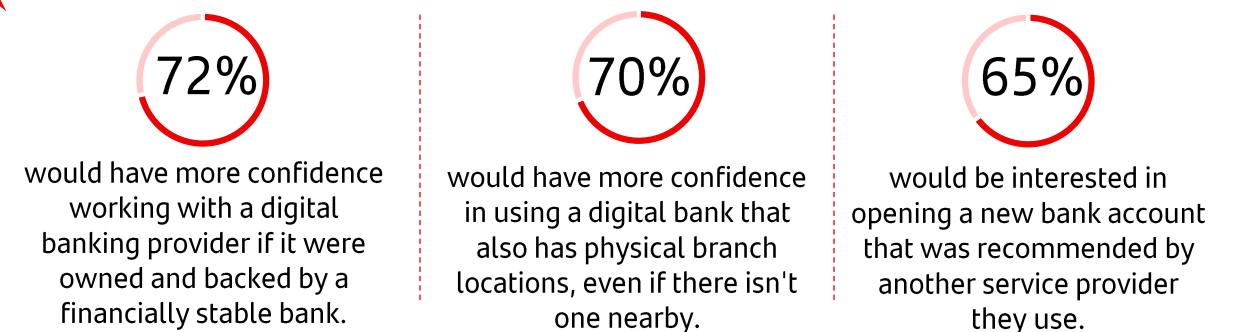
Customers who are “very satisfied” with their bank’s services:



- Gen Z and Millennials are more likely to consider changing banks*.



- Factors providing confidence to Gen Z and Millennial customers*:



*Among those with a banking provider and expressing an opinion.

Methodology

- **Q1 2025 Growing Personal Savings (GPS) Study:** This research on growing personal savings, conducted by Morning Consult on behalf of Santander Bank, surveyed 2,253 Americans adults.

This Q1 study was conducted between March 31 – April 1, 2025. 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.

Monthly measures were based on additional monthly survey pulses, conducted by Morning Consult on behalf of Santander Bank, of approximately 2,200 Americans adults per month. The monthly iterations were conducted January 16 - 17, February 14 – 16, and March 14 - 16, 2025 to measure month-over-month changes. Each monthly survey was 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.



Methodology - Definitions

- **High-yield savings account:**
A savings account that generally pays a variable interest rate that is higher than the national average.
- Investment account:**
Accounts that have various investment options (e.g., stocks, bonds, mutual funds, etc.).
- “Higher-yielding accounts”:**
Includes high-yield savings account, money market account or certificate of deposit (CD).
- “Bank customers”:**
Those with a banking provider.



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