



# Growing Personal Savings (GPS) Tracker

● October – December 2024

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# Key Findings

1

Americans faced savings challenges in Q4, yet half are pleased with their overall financial progress in 2024. Most believe they will save more in 2025, with younger generations being the most optimistic.

4

Growing savings is a high priority for a majority of Americans. However, many are using lower-yielding accounts that do not align with their savings goals.

2

More savers are earning a competitive rate on their savings compared to the start of 2024. Younger generations are most likely to earn a higher rate.

5

Misperceptions about high-yield savings accounts may deter consumers from utilizing them. This can cost the typical saver more than \$300 in interest after one year, an amount most agree is meaningful.

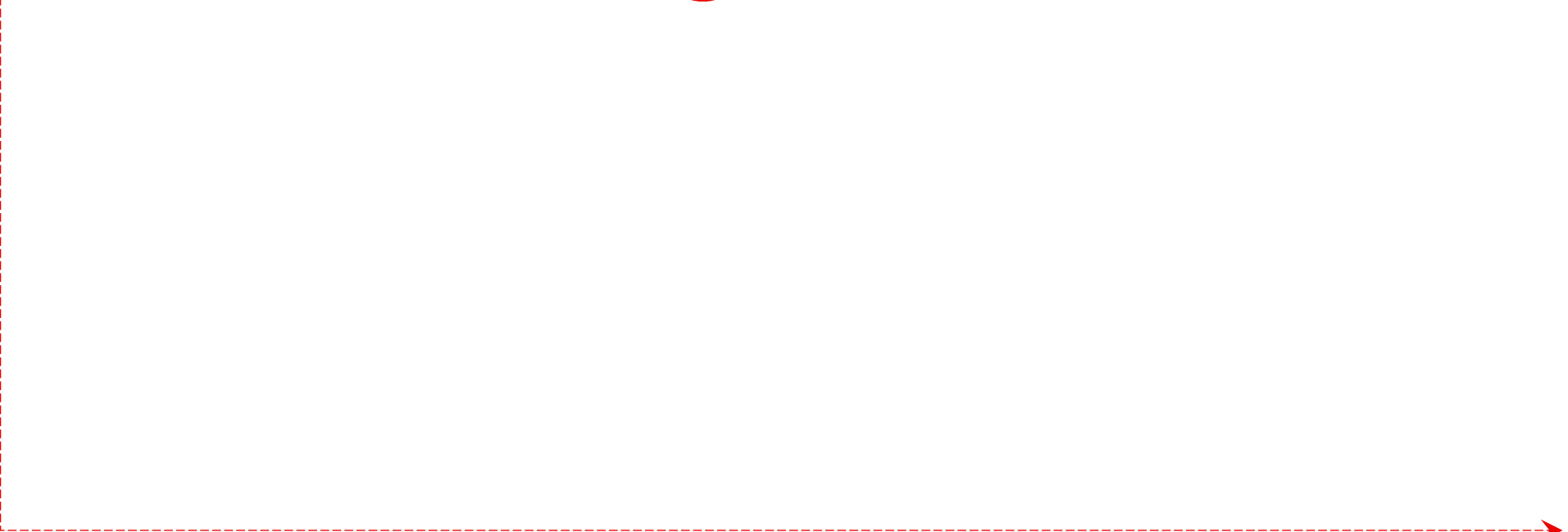
3

High-yield savings account holders regret not opening their accounts sooner, saying they boost financial confidence and generate meaningful returns.

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High-yield savings accounts can be utilized as part of a savings plan to accelerate growth. Tax refunds represent a great opportunity for Americans to jumpstart their savings goals.

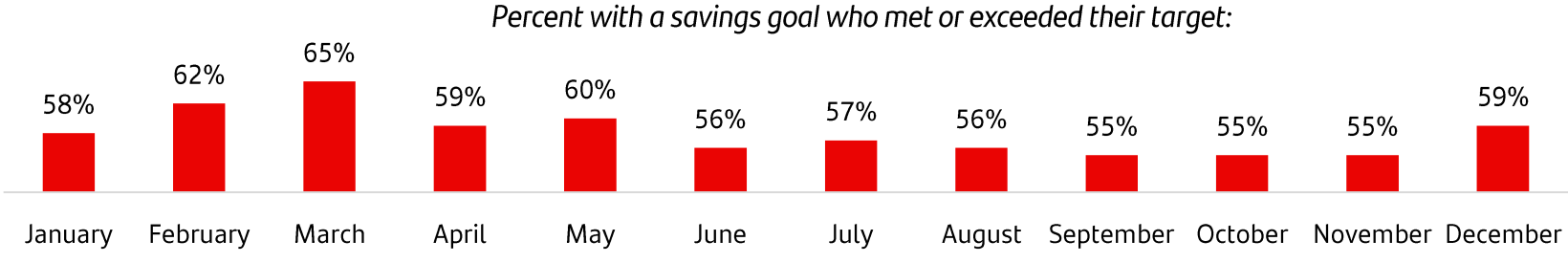
# 2024 Savings-in-Review

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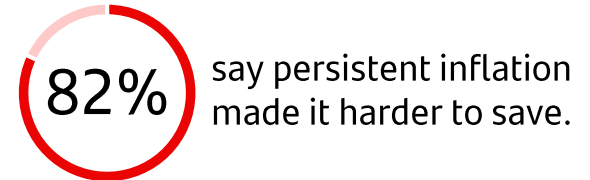
# 2024 Savings Snapshot

Fewer savers met their goals and boosted balances in the second half of 2024.

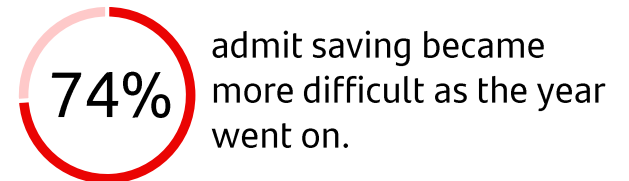
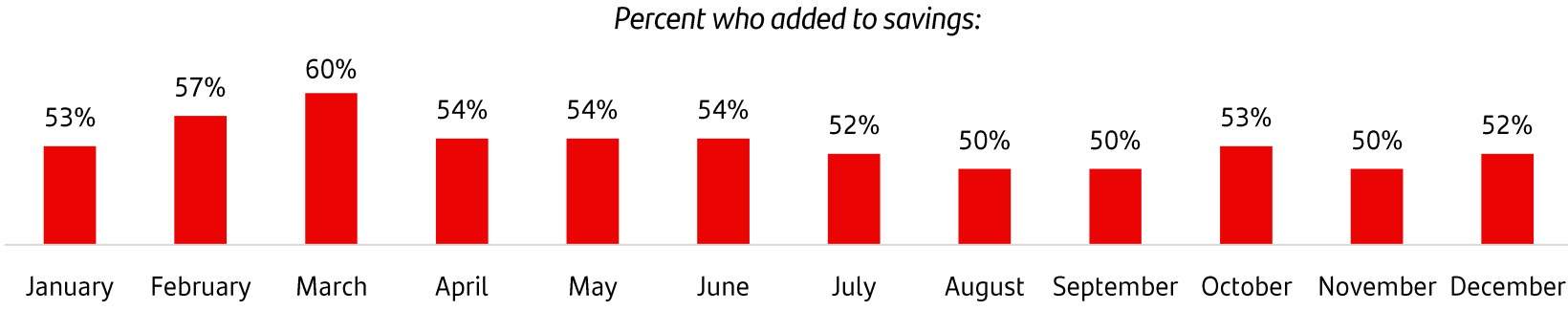
Americans were not able to meet their savings goals as often later in the year, although improvement was seen in December.



Most agree saving became increasingly difficult as the year went on.



Savers had more success boosting their balances in the first half of 2024.



# Savings Challenges in Q4

● Bills and expenses, including holiday spending, made it harder to save.

○ More than 8 in 10 (82%) faced a savings obstacle in Q4, including\*:



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

○ Holiday shopping impacted savings goals in Q4, as many also tapped into their savings.

56% were forced to dip into savings in the last three months.

51% fell short of reaching their savings goals due to winter holiday shopping.



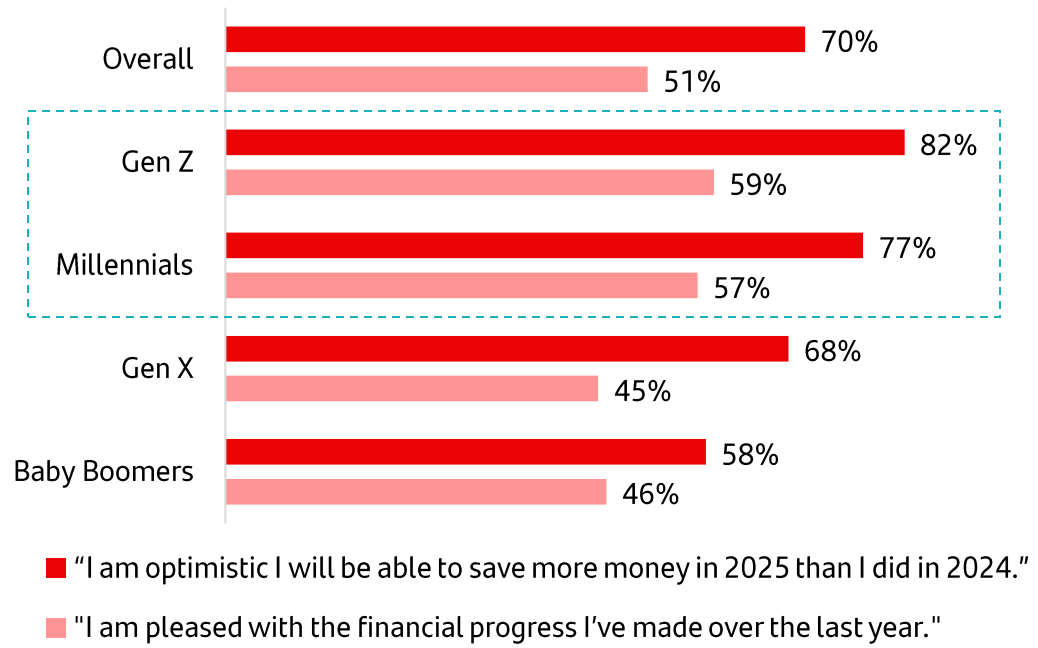
# Building Savings in 2025

2

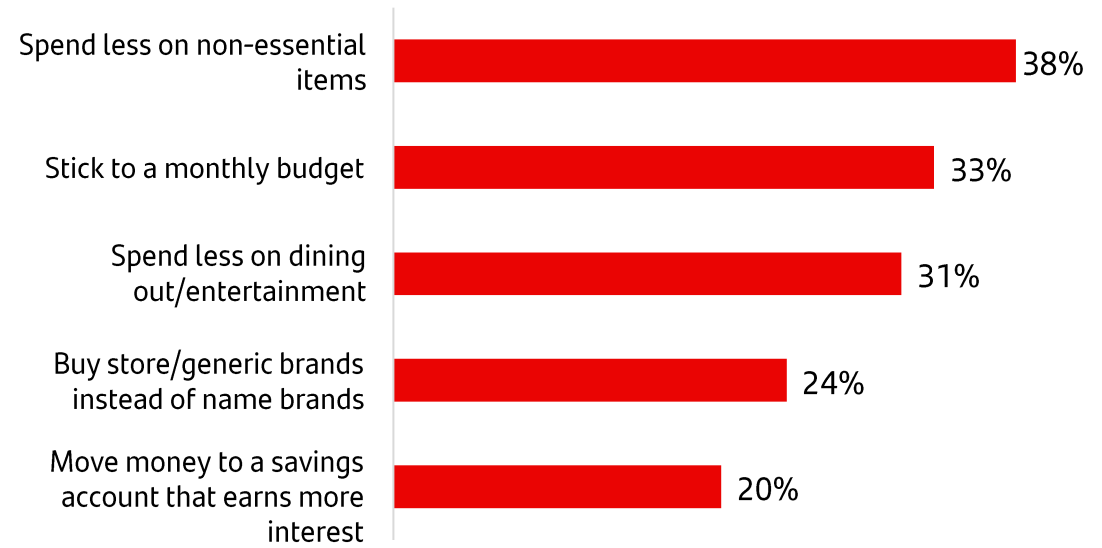
# Youthful Optimism About Saving in 2025

Most Americans, especially younger generations, are hopeful about their ability to save more in 2025, and nearly 9 in 10 (87%) will take proactive steps to save more this year.

Younger generations feel more upbeat about their financial progress and ability to save.



What proactive steps, if any, are you most likely to take to save more money in 2025\*?



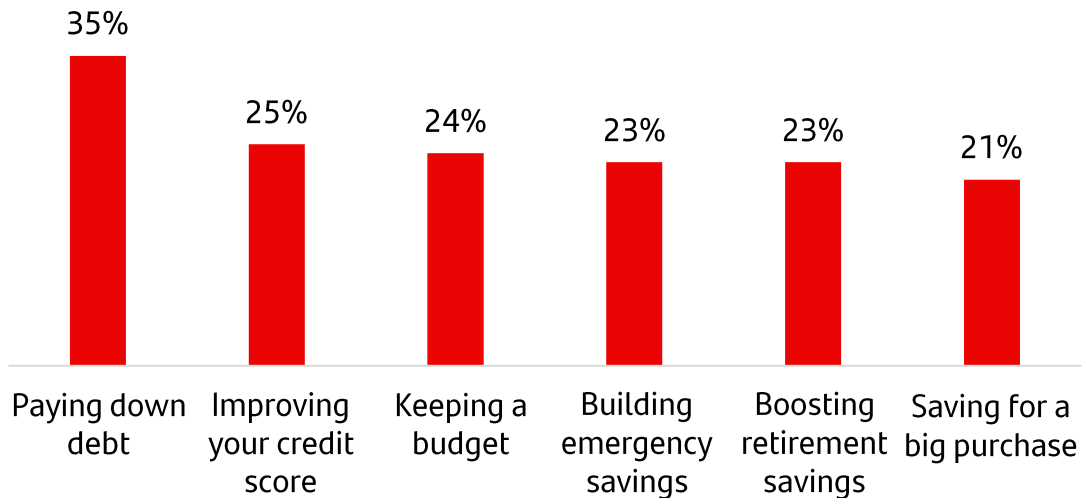
\*Respondents could select up to three; only top responses shown.

# 2025 Financial Priorities

Building savings in 2025 is a top priority, with many saving for emergencies, retirement or a big purchase. Cash infusions such as tax refunds and annual bonuses could jumpstart progress.

9 in 10 have a financial priority in 2025, with most focusing on savings.

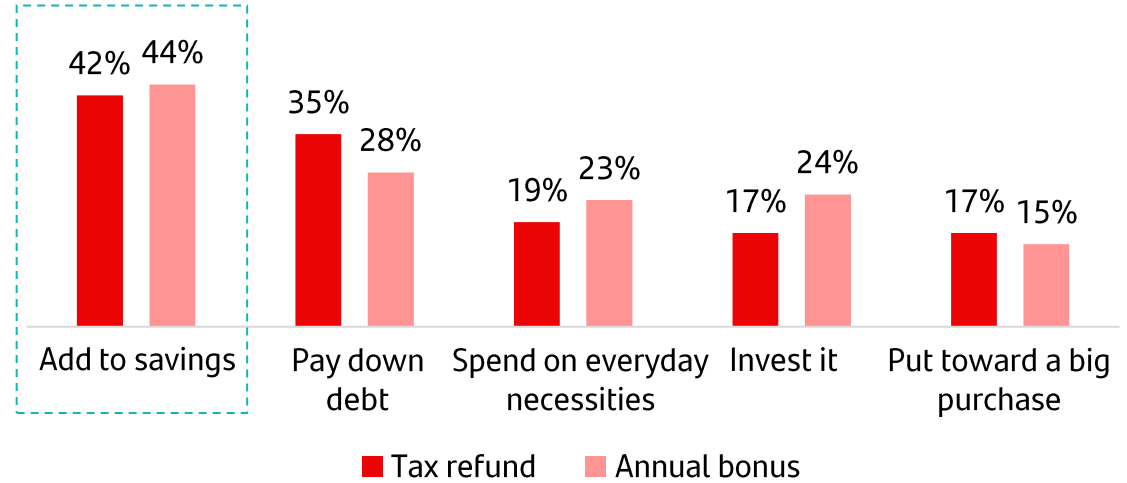
Top financial priorities in 2025\*:



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

6 in 10 (58%) anticipate receiving a tax refund this year, and 35% expect an annual bonus from work.

Top uses for these funds\*\*:



\*\*Among those anticipating a tax refund and/or annual bonus. Respondents could select up to two; only top responses shown.





High-Yield Savings, Low-  
Usage Rates

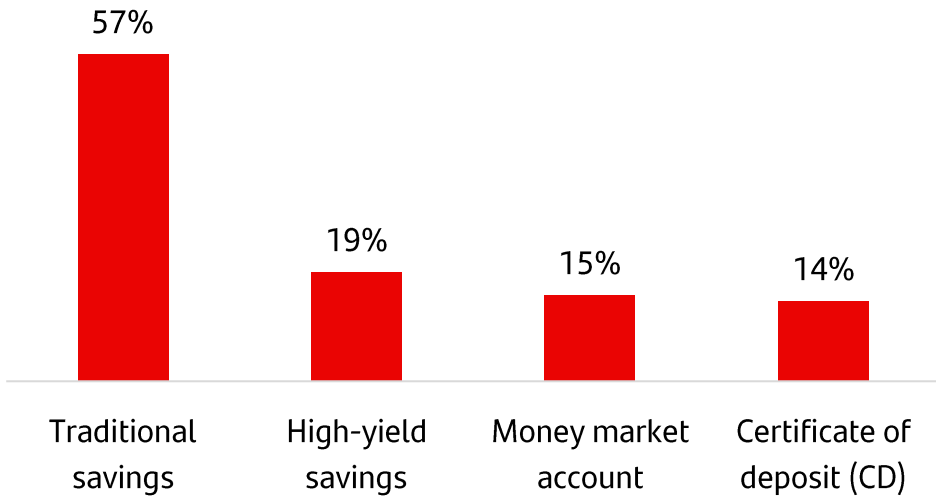


# Where Americans Keep Their Savings

Lower-yielding traditional savings accounts are predominantly used, but more than 1 in 5 moved money to a higher-rate account recently.

7 in 10 (69%) do not have a higher-yielding savings account (high-yield savings account, money market account or CD).

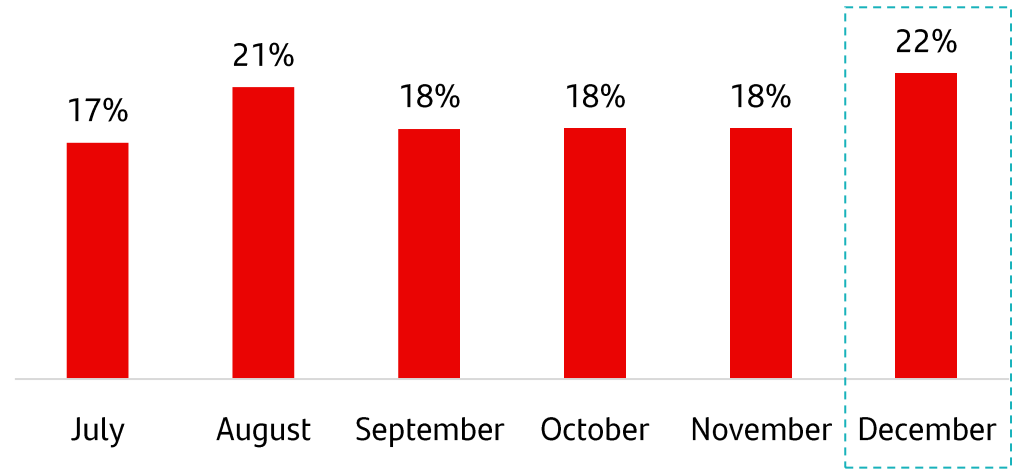
Savings account usage\*:



\*Respondents could select all that apply. An additional 28% do not have a savings account.

More Americans recently moved money to a higher-yielding account.

Moved money into higher-yielding account in past 12 months:

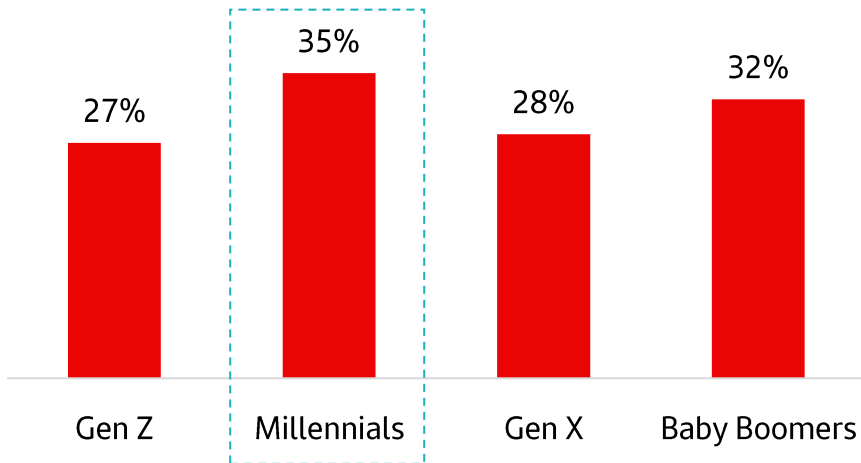


# Younger Generations are Earning More on Their Savings

- Savers made progress toward earning competitive rates on their savings in 2024, and nearly half of younger savers earn at least 3.00%.

- Millennials are most likely to have a higher-yielding account.

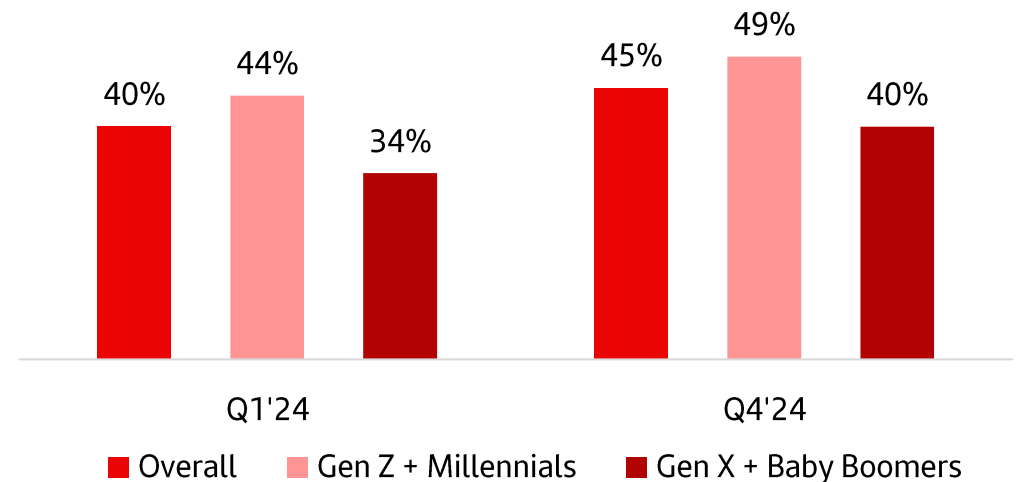
Percentage by generation owning a higher-yielding account\*:



\*High-yield savings account, money market account or CD.

- Savers are earning more on their savings compared to the start of the year. Younger generations are more likely to earn a higher rate.

Percentage earning at least 3.00% over the course of 2024\*\*:

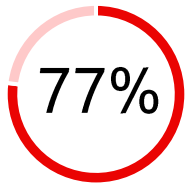


\*\*Among those who know their interest rate. 22% do not know what they are earning on their money.

# High-Yield Savings Account Holders' Big Regret? Not Opening Their Accounts Sooner

Nearly all of those with a high-yield savings account encourage others to open one.

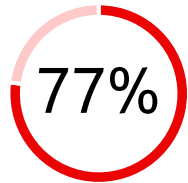
Those with high-yield savings accounts wish they opened them sooner and are more likely to be pleased with their financial progress in 2024.



of those with a high-yield savings account wish they had opened it sooner.



with only a traditional savings account regret not opening a higher-yielding option.



of high-yield savings account holders are pleased with their financial progress in 2024.



with only a traditional savings account are pleased with their financial progress in 2024.

High-yield savings accounts give savers confidence while generating meaningful returns.

I would encourage other savers to open a high-yield savings account. 92%

Watching my money grow in a high-yield savings account gives me more confidence in managing my personal finances. 90%

I can build savings faster because of my high-yield savings account. 90%

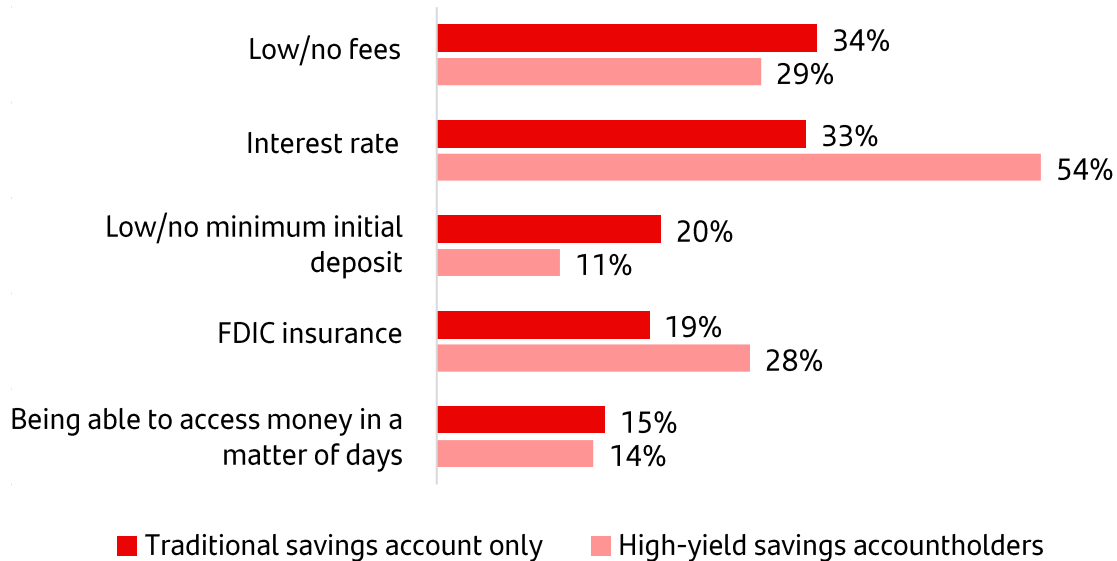
My high-yield savings account helps make my savings goals easier to reach. 89%

The interest I earn in a high-yield savings account is meaningful to my financial situation. 87%

# Considerations for Evaluating High-Yield Savings Accounts

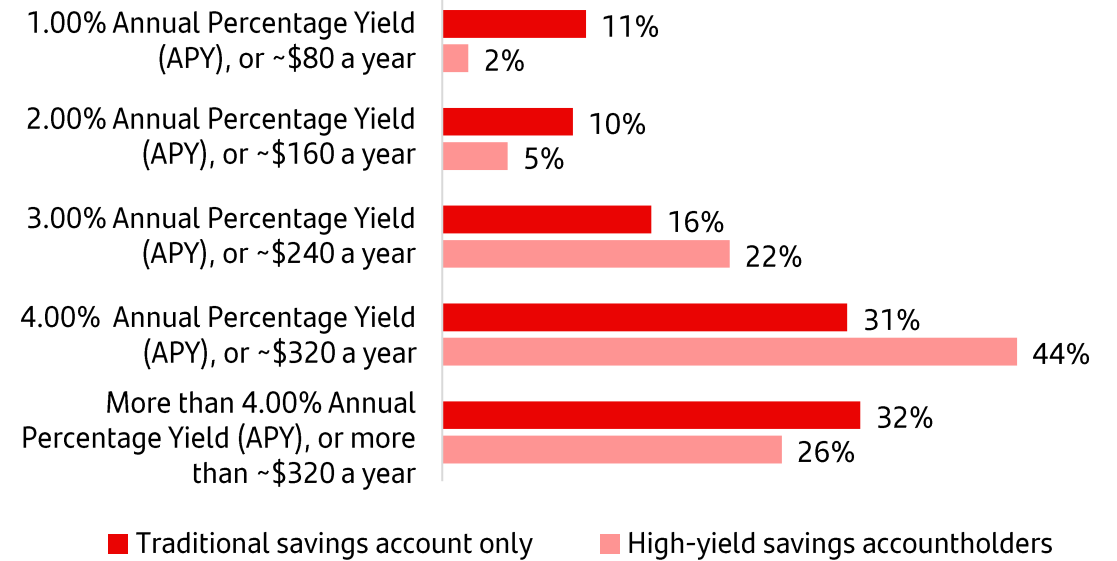
Consumers prioritize the interest rate and low fees when considering high-yield savings offerings.

If you were to open a new high-yield savings account, which features would you value the most\*?



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

How much would savers need to earn to open a new high-yield savings account\*\*?



\*\*Earnings based on an \$8,000 deposit, the median savings in bank accounts according to the [Federal Reserve](#), compounding monthly.

# Misalignment Between Savings Goals and Accounts Where Savings Are Held

Nearly 8 in 10 Americans (78%) say growing savings is a high priority. High-yield savings accounts, which can earn 10x the national average\*, are ideal for growing savings and achieving goals.

Most with only a traditional savings account are prioritizing saving, but their accounts do not generate meaningful interest to accelerate progress\*\*.



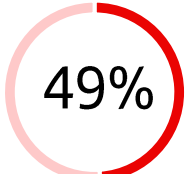
say growing savings is a high priority.



consistently save money every month.



contributed to their emergency savings in the last three months.

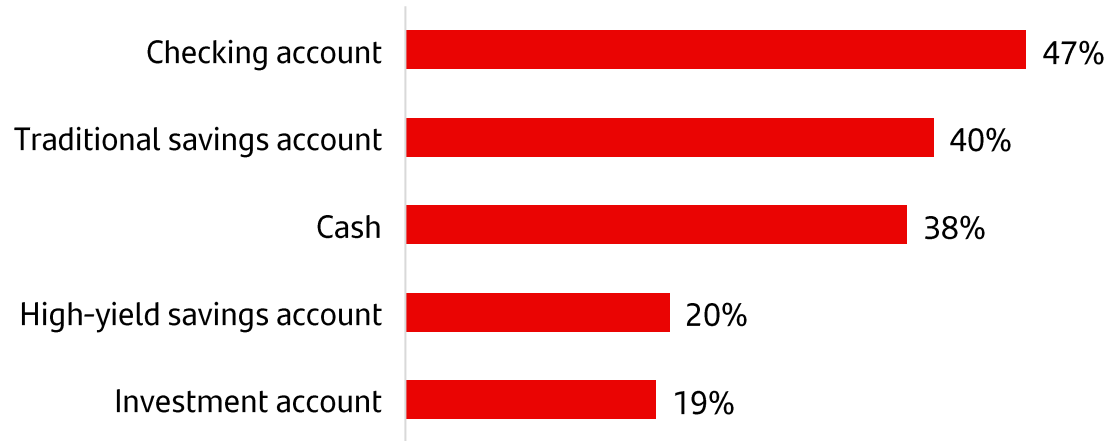


would be able to cover a \$2,000 emergency from savings.

\*\*Stats shown are among those with only a traditional savings account.

More than half of consumers (53%) are saving for big purchases, but most are earning little to no interest on their money.

What types of accounts are you using to save for your big purchase\*\*\*?

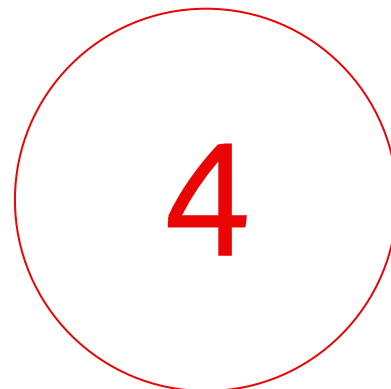


\*\*\*Respondents could select all that apply; only top responses shown.

\*The typical savings account Annual Percentage Yield (APY) is 0.41%, as of January 30, 2025, according to the [FDIC](#).



# Misperceptions About High-Yield Savings



# Five Common Misperceptions About High-Yield Savings

Those with lower yielding traditional savings accounts are unaware of high-yield savings account features and benefits.



### Misperception 1

You can't quickly access your money.



do not realize money is not locked up for an extended period (i.e., 6 months or 1 year) once it's in a high-yield savings account.



### Misperception 2

You must "break up with your bank."



do not know you can open a high-yield savings account with a new banking provider without switching your primary bank.



### Misperception 3

Savings/interest rates are not high enough to make it worthwhile.



are unaware yields on high-yield savings accounts or CDs can still generate meaningful interest at current interest rates.



### Misperception 4

Your money is not safe and secure.

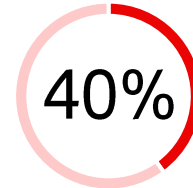


are not aware high-yield savings accounts offered by banks are FDIC insured.



### Misperception 5

It takes too much time and effort to open an account.



are unaware it does not take several hours to open an online savings account.

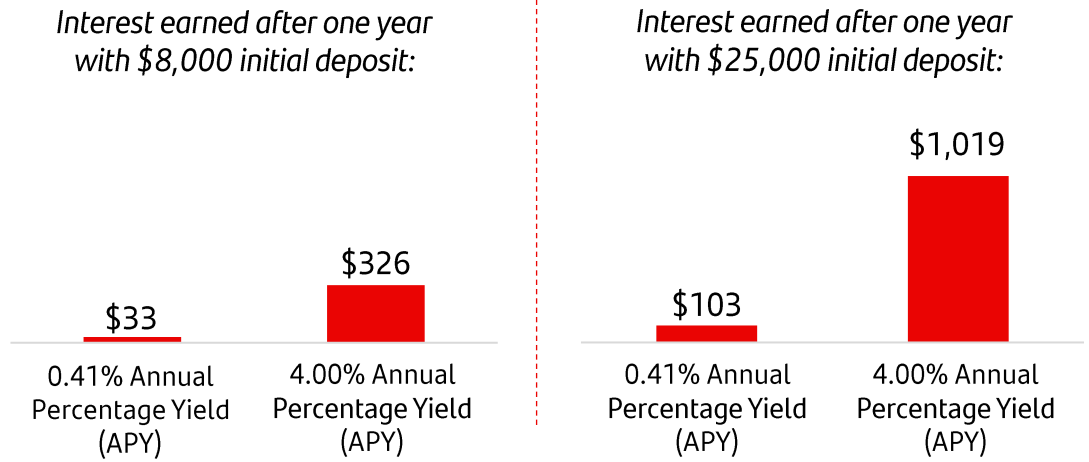
\*All stats are among those with only a traditional savings account.



# Traditional Savers Can Give Themselves a Raise

The typical saver could earn hundreds of dollars after one year in a high-yield savings account, but many are staying in traditional savings accounts due to misperceptions.

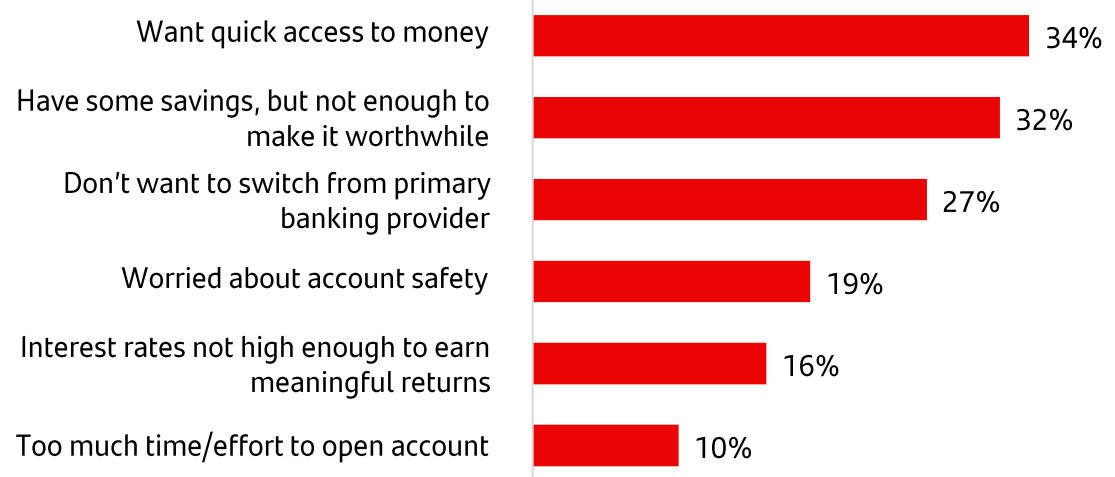
A typical saver could earn over \$300 in interest after one year by using a high-yield savings account\*. High savers with at least \$25,000 could earn much more.



\*The median savings in bank accounts is \$8,000, according to the [Federal Reserve](#), and the typical savings account Annual Percentage Yield (APY) is 0.41%, as of January 30, 2025, according to the [FDIC](#). Calculations are based on interest compounding monthly.

Most of those with only a traditional savings account cite a misperception as a reason for not switching.

What are the reasons why you do not have a high-yield savings account\*\*?

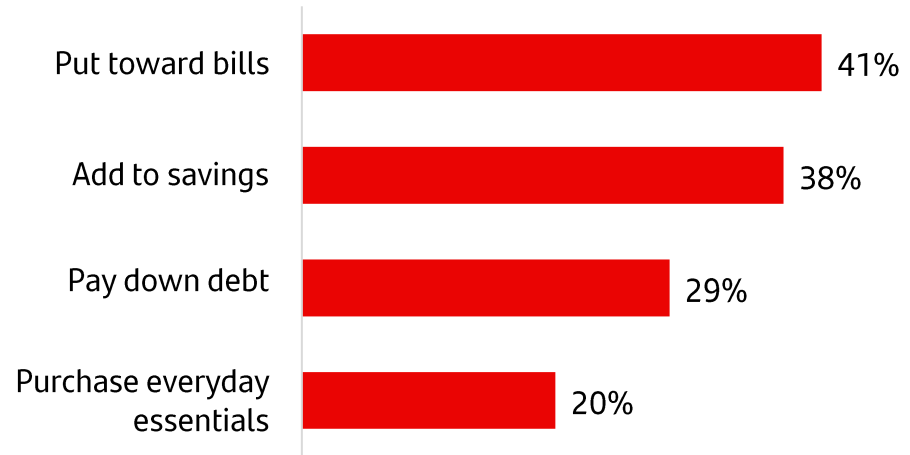


\*\*Among those with only a traditional savings account. Respondents could select all that apply; select responses shown.

# Higher Interest = Meaningful Returns

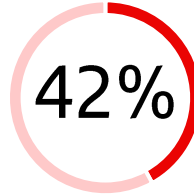
More than 8 in 10 with only a traditional savings account (85%) agree an extra \$300 would be meaningful to their financial situation, with many going to great lengths to save money.

A typical saver could earn more than \$300 in a year with a high-yield savings account\*. How can you best use an extra \$300 to improve your life today\*\*?



\*Calculations based on an \$8,000 initial deposit, the median savings in bank accounts, according to the [Federal Reserve](#), earning an Annual Percentage Yield (APY) of 4.00% compounding monthly.  
\*\*Among those with only a traditional savings account. Respondents could select up to two; only top responses shown.

Those with only a traditional savings account are willing to put in time and effort to save more, but they are not taking advantage of high-yield savings accounts as a simple way to boost savings.



spend at least 15 minutes per week clipping coupons to save more money. This equates to **13 hours per year**.



spend at least 30 minutes per week searching for deals and sales on items they plan to purchase. This equates to **26 hours per year**.

An Openbank account can be opened in 5 minutes



# High-Yield Savings Accounts as Part of a Savings Plan



# “Show Me the Money” – Americans Underestimate High-Yield Savings Earning Potential

● After seeing how much they could earn, most traditional savings account holders agree they are more likely to open an account.

○ An \$8,000 deposit in a high-yield savings account would earn more than \$1,000 in interest after three years\*, a figure most of those with only a traditional savings account underestimate\*\*.



believe the interest earned would be less than \$1,000.



believe the interest earned would be \$400 or less.

\*\*Among those with only a traditional savings account.

○ Most of those with only a traditional savings account would be more likely to open a high-yield savings account after seeing interest potential.



**\$8,000 deposit**  
@ 4.00% Annual Percentage Yield (APY)

+

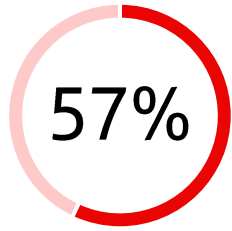


**\$100 in savings per month**  
for 10 years



**Nearly \$27,000**  
including ~\$7,000 in interest\*

\*\*\*Among those with only a traditional savings account.



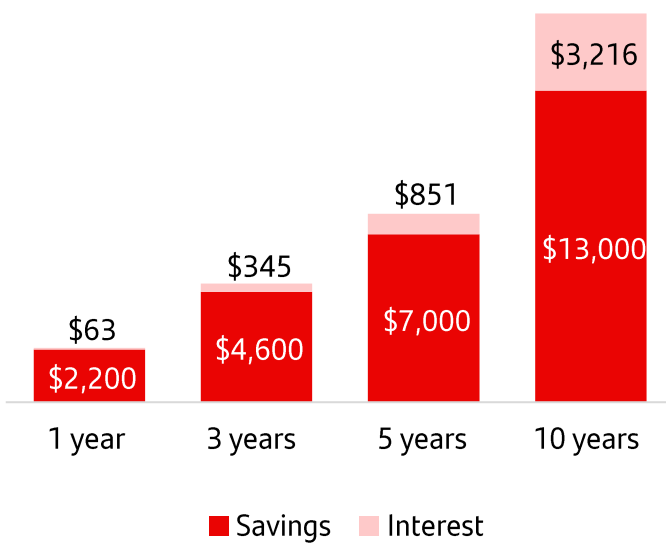
say they are more likely to open a high-yield savings account after seeing this math\*\*\*.

\*Assumes a 4.00% Annual Percentage Yield (APY) for duration with interest compounding monthly. High-yield savings accounts have a variable rate, which may change over time.

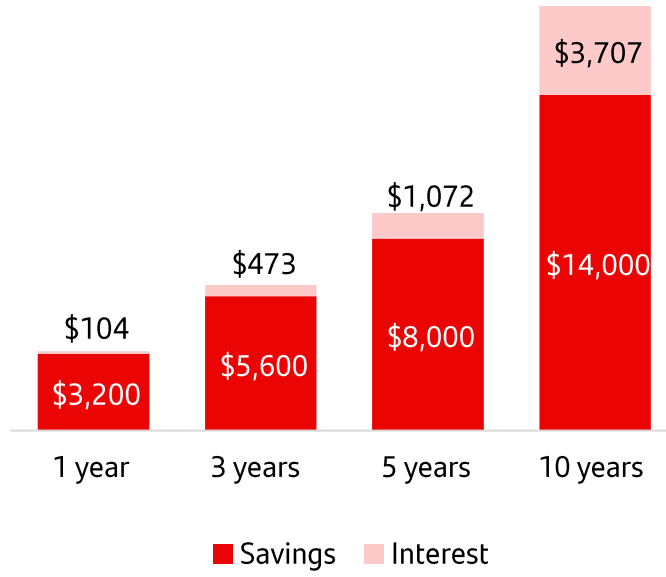
# Maximizing Your Tax Refund as Part of a Savings Plan

With tax season quickly approaching, saving even a portion of a tax refund in a high-yield savings account could add up over time.

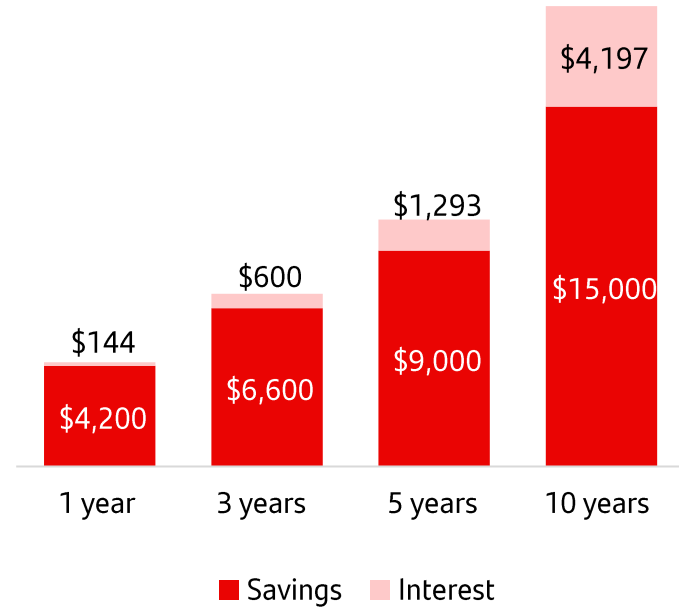
○ **Save \$1,000** from tax return,  
 ▲ contribute extra \$100 a month\*



○ **Save \$2,000** from tax return,  
 ▲ contribute extra \$100 a month\*



○ **Save \$3,000** from tax return,  
 ▲ contribute extra \$100 a month\*



\*Assumes a 4.00% Annual Percentage Yield (APY) for duration with interest compounding monthly. High-yield savings accounts have a variable rate, which may change over time.

# Methodology

● **Q4 2024 Growing Personal Savings (GPS) Study:** This research on growing personal savings, conducted by Morning Consult on behalf of Santander Bank, surveyed 2,256 Americans adults.

This Q4 study was conducted between December 20 – 23, 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.

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 October 15 - 17, November 15 - 17 and December 16 - 17, 2024 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.

**“Higher-yielding accounts”:**  
Includes high-yield savings account, money market account or certificate of deposit (CD)

**“Those with only a traditional savings account”:**  
Respondents who have a traditional savings account, but do not have another higher-yielding account.



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