



Saving smarter,  
not harder

TRUIST 

Most of us have been told at one point or another that saving money is important. And sure, we thought, it would be nice to have extra money set aside.

But often times, the advice stops there—leaving us to fill in the blanks as to just how we're supposed to achieve this elusive skill of saving.

are you saving in the first place? And hopefully, the answer you arrive at is more than: Because somebody told me it was important (including this guide).

That's where this guide comes in.

We'll show you how saving is as much about mindset as it is about cash flow. And that saving is more an act of rewarding yourself than one of austerity. But first you need to ask yourself—why

# What do you care about?



## We're not going to start with money. We're starting with your life.

Think about what really matters to you. Because the things you value most can help you form new habits by focusing on rewards instead of obligations.

Are you passionate about travel? Health and fitness? Your family's education? The outdoors? Food? Fashion? Your career?

Then get more granular. If you love to travel, is your next dream trip to Paris or Tokyo? If working out is your thing, is a gym membership your next investment? If you're longing for an updated living space, is a remodel, a new apartment, or even a house in your future? Get as specific as you can—because the more you can pinpoint your goals, the easier it will be to start saving for them.

Think about it this way—if you identify something you really want, then saving for it becomes self-fulfilling. Almost immediately, you'll be more motivated to save because you see that your money is going toward something important—not just being moved aside because that's what you're supposed to do.

Once you can see your priorities clearly laid out in front of you, you're ready to get started.

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# Slow and steady wins the savings race



If you decided one day you were going to run a marathon by the end of the year, you probably wouldn't start your training with a 26-mile run. Instead, you'd start small, with a half mile or mile, and build from there.

The same strategy goes for saving.

To start, open a separate, no-touch account strictly for one of your goals. It's also a good idea to have an emergency fund of at least \$1,000 which, while not necessarily fun, does provide peace of mind in case of an unexpected expense like a medical bill or car repair. Give your new account a name, like "Paris in the spring," or "In case anything goes horribly wrong." We find a little levity helps when saving for emergencies.

Next, transfer some money into your new account. Start with \$20 a week, or \$250 a month, whatever you can afford. Don't worry about your end goal yet—just start slow and keep it up. Just like that, you're on your way to becoming a saving machine.

In short order, you'll probably be surprised by two things. One, that you don't really miss the money you're setting aside. If things are going particularly well after the first couple of months, consider increasing your transfers and see what happens. And two, how quickly you reach your goal once you make saving a habit.

# Some simple saving strategies



Once you've mastered the basics—creating specific savings accounts based on your goals, and moving money into them on a regular schedule—it's time to learn a few tips and tricks to sustain your momentum.

**1.**  
**Pay yourself first**

This might seem counterintuitive, but it really works. Instead of saving what's left after a month of bills, debits, and expenses, transfer the amount you decided to set aside for savings as soon as you get paid. That ensures your savings account grows each month, and it also helps you get in better spending habits by making more of what you're left with.

**2.**  
**Automate it**

Setting up a regularly occurring automatic transfer from your checking account—or directly from your pay check if you have direct deposit—makes saving effortless and stress-free. You're removing the mental load of manually moving money around, and your savings account grows without you even thinking about it.

With automated savings, you remove the chance of forgetting to save during any given month, and perhaps more importantly, you remove the opportunity to invent excuses about why you can't possibly save anything this month...or next month...or, you get the point.



**3. Analyze your habitual spending and make small changes**

We all probably throw money away on frivolous things each month. Go back to your values, and think about your expenses in relation to them. Odds are, you'll find things you're paying for that aren't necessarily bringing you meaningful rewards.

If you're eating out or grabbing take out more because of habit than intention, try making your own lunches or cooking at home an extra night each week. Renegotiate your cell phone bill or internet service—one call to your provider can save you substantial money each month. Pick one streaming service instead of two (or three instead of six). Explore a thrift store or wait for a sale instead of buying a new outfit at retail price. Each little expense you eliminate means more cash for the things you care about.

**4. Know the benefits beyond your bank account**

Some people work out because they genuinely enjoy physical activity. But most of us exercise because we care about our health. Plus, it's been proven that exercise releases endorphins and other chemicals that are good for our brain and improve our mood.

Saving can do the same thing. Just looking at your savings accounts on your phone can provide a pervading sense of calm and accomplishment. Money that's there, that you don't necessarily need, but that you could use for something you really want.

As your accounts grow, so too can your overall confidence. Think of this as the endorphin rush of saving—an extra reward that won't show up on your balance sheet, but that does something entirely tangible nonetheless. It makes you feel better.

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# Protecting your future



Saving, like life, has to balance our need for enjoyment with our need for stability. If 2020 taught us anything, it's that the unexpected can happen at any time—and we better be prepared for it.

So while it's initially motivating to save for things and experiences—vacations and cars and tuition and home improvements—we can't lose sight of the fact that in the event of something beyond our control, sometimes our savings are all we have to get us through.

The \$1,000 goal we mentioned earlier is a great start, but the aim is to build a deep enough reservoir to endure a scenario where you may not have income for three full months.

Such a scenario may seem unlikely. And hopefully it never comes to pass. But millions of Americans found themselves confronting that very reality without so much as a day's warning.

The good news is that a robust emergency account gives you great peace of mind knowing you're ready for whatever life has in store. And as we keep saying, saving isn't just about building a number—it's about building the confidence that comes from knowing you've done the work to prepare for both the best- and the worst-case scenarios.

## Final thoughts

As you can see by now, we're far beyond the idea of saving for the sake of saving. When done for the right reasons, saving is all about you—and creating the right conditions to move toward your goals and support your well-being.

### **For the best possible start, remember the following:**

- 1)** Decide what really matters to you—and write it down.
- 2)** Open one or more savings accounts and name them based upon their specific goals.
- 3)** Automate your saving at the start of every month or pay period.
- 4)** Build up your emergency account.
- 5)** Make saving a normal part of your life, like brushing your teeth. The less you have to think about it, the more natural it becomes, until it feels weird if you're not saving (also like brushing your teeth).

**If you have any questions about starting a savings account, automating payments, or saving in general, talk to a Truist banker today or check out our savings solutions available.**

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