

Misperceptions About High-Yield Savings Could Cost Savers



Santander's Openbank Growing Personal Savings (GPS) Tracker reveals Americans could be earning higher interest on their savings, but common misperceptions about higher-rate accounts may be preventing them from moving their money.

This inaction is costing them hundreds of dollars in interest at a time when many acknowledge increased savings challenges, such as persistent inflation, too many bills and unexpected expenses.

Five misperceptions may be discouraging Americans from using higher-rate accounts¹, missing opportunities to earn more².

MISPERCEPTION

1 You must "break up with your bank."

58% don't know that you can open a high-yield savings account without switching your primary banking provider.

Fact: You can open a high-yield savings account and keep your existing accounts, even if they're with different banks.



MISPERCEPTION

2 Your money isn't safe and secure in higher-rate accounts.

63% are unaware that many high-yield savings accounts are FDIC insured.

Fact: High-yield savings accounts are FDIC insured (up to \$250,000 per depositor, per institution), provided your account is offered by an FDIC-insured institution.



MISPERCEPTION

3 You can't quickly access your money.

70% don't realize you can generally access your cash in a high-yield savings account in two business days or less.

Fact: It's easy to link a checking account directly to a high-yield savings account, with transfers between accounts only taking a matter of days for convenient access to your cash.



MISPERCEPTION

4 Rates aren't high enough to make it worthwhile.

72% aren't aware that yields on savings are generally the highest they've been in more than 15 years.

Fact: Now is one of the best opportunities in recent history to grow your savings. A typical saver with \$8,000 in a high-yield savings account earning an annual percentage yield (APY) of 5.00% could generate more than \$400 in interest after one year³.



MISPERCEPTION

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

78% do not believe an online savings account can be opened in less than 10 minutes.

Fact: A high-yield savings account, such as one offered by Openbank by Santander, can be opened in as little as five minutes⁴.



¹ High-yield savings accounts, money market accounts and certificates of deposit (CDs)

² All stats are among those with only a traditional savings account

³ The median savings in bank accounts is \$8,000, according to the Federal Reserve

⁴ Interest Rates and Annual Percentage Yields (APYs) shown are accurate and effective as of November 19, 2024. The products and rates we offer may vary between locations, are available in select markets only, and are subject to change without notice. Rate for this product will be based on the residential zip code entered when account is opened within online application process. This is a variable-rate account and the rate applicable to your balance tier may change at any time without notice. Fees may reduce earnings. A minimum deposit of \$500 is required to open an Openbank High Yield Savings account. Personal accounts only.