

# Deposit More? How One Trip to the ATM Changed My Savings Habits

By Lisa Philios, AFC®



What would you say if I told you an ATM can help your clients save money? First, consider the typical behavior at an ATM. ATMIA, the ATM Industry Association provides the following statistics from their September 2015 research (<http://www.statisticbrain.com/atm-machine-statistics/>):

The average number of times a person visits an ATM is 7.4 times per month;  
The average ATM withdrawal amount is \$60;  
The percent increase in spending of an ATM user over a non-ATM user is 24%; and  
The number of new ATM machines installed each day in the world is 280.

These statistics suggest a person, on average, frequents an ATM weekly with an average withdrawal of \$60. Now, what if

we reverse the withdrawals at the ATM and instead use it for deposits? Can an ATM help individuals save money? The answer is yes, and I am the proof!

## The ATM Spoke to Me

On a day when the bank was closed, I deposited a check using the ATM drive-through. After my initial transaction, the ATM prompted me with the question: “Deposit More?” I scrounged through my wallet and remembered I had cash set aside for a deposit. After I inserted the cash into the machine, it asked me again, “Deposit More?” I found \$2 in my SUV console to feed to the ATM. Sure enough, the automated ATM asked “Deposit More?” After all was said and fed to the ATM, I saved an additional \$27 separate from my

initial deposit. The ATM, normally used for withdrawing funds, has now transformed into a savings vehicle. The visual prompt “Deposit More” turned into a game of find the money and I was motivated to win, succeed and save more!

My new theory: people save better when it turns into a game (<https://ca.finance.yahoo.com/blogs/insight/why-people-save-better-when-we-turn-it-into-a-game-193732756.html>). Turning saving into a game adds an element of fun that improves the likelihood that you will stick with it, says Nancy Irwin, a therapist, clinical hypnotist, speaker and author. This is precisely what happened to me. The immediate gratification arose when I found additional funds to deposit.

And, so the game began.

## The ATM Money Savings Challenge

How can we make saving fun? Being able to trick yourself into forgetting the task of saving is key. Irwin states, “Making a game out of anything will allow people to not take it so seriously, to learn more easily and completely. Smart teachers employ this technique to take the edge off having to learn.” In my experience, it was fun finding money and the game mentality helped. My future trip to the ATM is the huge reward for a job well done – the payoff being a receipt displaying proof of a higher balance in my savings account.

Below are a few game changers to facilitate the saving process for your clients:

**Do it on purpose.** Be purposeful about spending less. Keep it automatic and keep it simple. How many days during the week can you avoid eating out? Can you skip the car wash, take-out lunch, nail salon? Do it on purpose and deposit the difference into the ATM.

**Feed the pig.** Keep a piggy bank/envelope in your vehicle and home readily available for adding 'leftover' money. Change from the grocery store? Feed the pig! Rebate check come in the mail? Feed the pig!

**52-week money challenge.** The 52 Week Money Challenge (<http://www.bankrate.com/finance/savings/take-52-week-money-challenge-1.aspx>) is a fun challenge to save money throughout the year, week by week. You start off week one by saving \$1; then week two \$2; week three \$3, etc., until you reach week 52, when you will save \$52. Your savings would add up to \$1,378.

**The penny-a-day challenge.** The penny-a-day challenge, similar to the 52 Week Money Challenge, however a penny is saved each day for 365 days. You start off day one by saving \$0.01; on day two \$0.02; day three \$0.03, etc., until you reach the day 365 day. Your savings adds up to \$667.95.

### ATM Safety Tips

Just as important as it is to save money, it is equally important to practice safety while frequenting the ATM.

Visually inspect the ATM for any skimming devices. Potential indicators can include sticky residue or evidence of an adhesive, loose or extra attachments on the card slot, damaged or crooked pieces or noticeable resistance when pressing the keypad. Be mindful that others cannot see you enter your PIN at the ATM. Use your other hand or body to shield the ATM keyboard as you enter your PIN into the keypad. To protect your privacy, take ATM receipts

with you and discard at home. Keep your PIN a secret. Never write it down anywhere, especially on your ATM card.

### 2016 Is the Year to Deposit More

ATMs are typically noted for their obvious advantage: the fastest way to acquire cash. Why not challenge your clients to reverse it? Helping your clients remember the task of saving can be the missing link that prevents them from reaching their savings goals.

Spend less, save more, and build wealth. In 2016, commit to deposit more!

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### Resources are Just a Click Away

- The American Bankers Association ATM safety tips: [http://www.aba.com/Consumers/Pages/CNC\\_contips\\_atm.aspx](http://www.aba.com/Consumers/Pages/CNC_contips_atm.aspx)
- LAPD ATM Crime Prevention with printable brochure: [http://www.lapdonline.org/crime\\_prevention/content\\_basic\\_view/1366](http://www.lapdonline.org/crime_prevention/content_basic_view/1366) and [http://www.lapdonline.org/home/pdf\\_view/5268](http://www.lapdonline.org/home/pdf_view/5268)
- Lost or stolen ATM/Debit Card checklist: <http://www.consumer.ftc.gov/articles/0213-lost-or-stolen-credit-atm-and-debit-cards>
- FBI ATM skimming information: [https://www.fbi.gov/news/stories/2011/july/atm\\_071411](https://www.fbi.gov/news/stories/2011/july/atm_071411)

## Behavioral Finance

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play, pays just one dollar. I will draw a name from the hat and the winner will get half of the money. Who wants to play?" I am asked what happens to the other half of the money; of course I get to keep it.

This raises questions about fairness and what I am doing to earn my half of the money. This is where I firmly throw the lottery under the bus. Look at the odds of every scratch ticket. Add together the estimated participation and all the prize money. You will certainly conclude that the winner does not get all the money put into the game. Now look at the odds of winning the Powerball: 1 in 292 million. The odds are so extreme that even with millions playing the game, very frequently there is no winner at all. I conclude with; "So if you won't give me half the prize money, why give half or more to the lottery?"

Educating and teaching about budgets and spending plans is part of the equation. By learning more about how behavioral finance influences spending, we can better coach our clients and communities. The intention of this article is to give you a starting point in which to start the conversation. Once illogical spending decisions are identified, they are much easier to address and correct. Start today by asking yourself honestly: have I ever spent money with emotion instead of logic? You can then apply more scenarios and understanding to further assist with how to start someone on a budget or spending plan, and more importantly, how to stay on one and succeed!

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