

5 Easy Ways to Save Hundreds For Your Savings Account

<http://www.gobankingrates.com/savings-account/five-easy-ways-fund-first-savings-account-start-earning-interest/>

October 14, 2012

There's always an excuse that prevents you from **saving money**. You need to repair your daily driver, the dog can't go without his bi-weekly grooming appointment, or the most common reason for not starting a savings account — you just don't have enough money.

But when 49 percent of Americans lack enough savings for three months' worth of household expenses, and 28 percent of existing savings accounts are left bone-dry, something has to change. Especially with consumer prices continuing to rise and prospects of job growth looking bleak, the only way to start saving is to try finding money in every nook and cranny possible.



Here are five ways to come up with enough cash to fund your first savings account so you're not left in a difficult situation should an unexpected expense arise.

#1. Downgrade Your Contracts

When signing agreements like car insurance, cell phone service and even gym memberships, it's easy to spend too much on top-tier products and packages — especially if a sales associate tells you that any option lower than their recommendation simply won't cut it for your needs.

But the reality is that you know yourself more than they do.



If you haven't revisited your contract agreements lately, it may be time for a downgrade. Seek out new insurance quotes from competing companies, look into your cell phone usage (i.e. minutes and data used each month)

and get rid of extravagant, super-sport gym access to start significantly cutting down costs each month. Then, deposit that freed-up money into a **high-yield savings account**.

New York resident, Joseph Sciabica, decided do just that. He paused to reassess his priorities, and adjusted his expenses to meet his savings goal, not the other way around.

“We refinanced our mortgage, chose a high-deductible health insurance plan, and stopped our retirement plan contributions,” shares Sciabica. “This enabled us to add about \$1000/month to our cash reserve.”

More often than not, there are recurring bills that can easily be reduced by opting for a different plan or by simply forfeiting a service altogether.

#2. Use Cash Back Programs

One of the hardest concepts about saving money is the thought of sacrificing something you love in order to start saving, whether it's shopping for clothes or going to the movies. With cash back programs, however, starting a savings account is easy to do without giving up the things you want.

Websites like FatWallet.com and Ebates.com allow you to shop online retailers like Sephora, Best Buy and Fandango and receive cash returns after your purchases. These dollars add up in no time for enough cash to put toward a sizable savings account deposit.

If you're a responsible credit card user, you can also use **rewards credit cards** to pay for FatWallet and Ebates purchases for even more money back when starting a savings account.

“I personally have taken advantage of it, convinced my wife to do the same, and together, by always making sure that we can get cash back on the things we buy,” explains Brent Shelton, Public Relations Director of FatWallet. “... whether it's through

FatWallet, or our credit cards, [we] have saved well over \$1,000 per year. This money goes straight into our savings as an emergency fund.”

This approach clearly has its benefits, but always be wary of justifying unnecessary shopping with cash back programs — these money-saving options are best used on everyday purchases like household goods from Amazon.com.

#3. Enter Sweepstakes

The chance to score free money and goods presents instant savings if you're willing to take the time to fill out a few sweepstakes entries. The Contest Queen and author of *You Can't Win If You Don't Enter*, Carolyn Wilman, shares that sweepstakes are an under-appreciated way to start saving money.

Wilman claims that over \$3,000,000,000 was spent just last year on running contests, with over 80 million Americans entering to win. Since she first started her sweepstakes hobby in 2001, Wilman has won more than \$250,000 in prizes. (Photo: usaghumphreys)



She provides her top six tips to start earning money for your savings account:

- Always read the rules. This is my #1 entry tip because it's the one thing people do the least. You do not want to inadvertently disqualify yourself.
- Feel like a winner. You have to think you are lucky before you are lucky.
- Visit online websites. Search for websites that specialize in this hobby and have links to currently running promotions or sign-up for sweepstakes newsletter subscription listings and contests.
- Join an online community. The real joy of this hobby is the people. You can find other contest enthusiasts in chat rooms, groups and forums, local clubs and even conventions. They share new promotions, answers, wins and losses. I have made real friends from this hobby and we get together whenever we can.
- Use all five entry methods. Submit contest entries in-person, over the phone, via mail, online and through text messaging. Doing so will maximize your odds of winning.

- Enter, Enter, Enter. The more you enter, the better your odds.

#4. Ask for Gift Money

Do you have a big event like a birthday or wedding coming up, yet still find yourself falling short when it comes to saving money for celebration expenses? Instead of potentially having family and friends spend money on gifts that don't get put to good use, encourage them to join you in your quest to save money.



Whether you're expecting gifts for a wedding, bar mitzvah, child's birthday or graduation, ask loved ones to contribute **monetary gifts** instead.

James Kim did just that for his daughter's birthday through a savings website called, **GiftedPath**.

"My wife and I think that commercial gifts for our baby daughter are wasteful. I decided to create a page where we could ask friends and family to contribute to our efforts to save for Sam's college costs rather than waste their time/money at a baby toy store."

According to Kim, almost \$1,000 was successfully saved for Samantha's starter college fund.

#5. Sell Your Clutter

Selling your clutter, as opposed to selling your junk, can bring in a significant amount of cash when starting a savings account. Keep in mind that not many yard sale pickers care to buy a used pair of socks for 0.25 cents — and really — these kinds of items won't make you the big bucks to start saving strong, so be selective about what items you choose to sell.



After employing a lot of the strategies noted above, like cutting down on monthly contracts and asking for cash-only gifts, David Bakke of Money Crashers was able to pull together an impressive saving fund of just under \$2,000. But he didn't stop there.

"My goal was to have six months' worth of living expenses saved," says Bakke, which amounted to about \$15,000. "I gathered up things around my house that I no longer needed and sold them on the internet: Old , outdated electronic gadgets, anything still in decent shape. And I made a few hundred dollars from that."

Bakke continued rolling with this momentum and turned his savings effort into a small online business. "I took it to the next level and started investing in items I found at great discounts and selling them as well... I profited close to \$6,000. I am currently a little more than \$1,000 away from my ultimate goal, though I plan to hit that by the end of this year."

If you're feeling discouraged because saving money seems impossible with your current income and expenses, don't worry. Starting a savings account can feel overwhelming, especially if you're starting from zero, but by practicing at least one of the above methods to find money for your savings fund, you'll be well on your way.

(Photo: EvelynGiggles)