

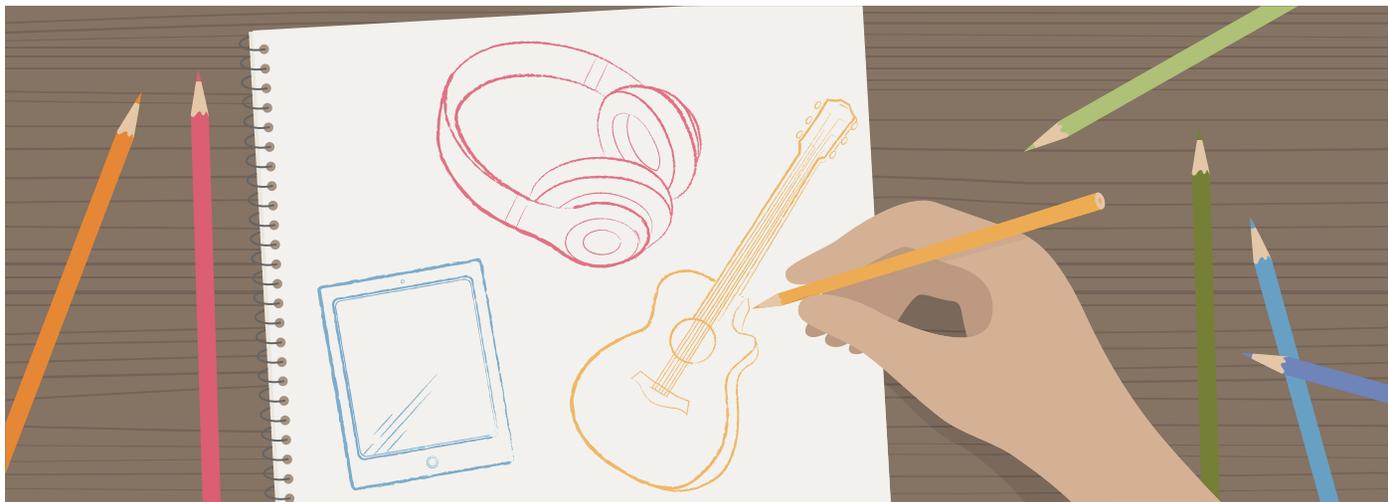
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Better Money Habits[®]

Teen guide: 5 steps to saving for something you really want

It can be hard to save for your first big buy—especially when cash is limited. But it's not impossible. You just need a little patience and a plan. Here are some simple ideas to help you get that thing you've been dreaming about.



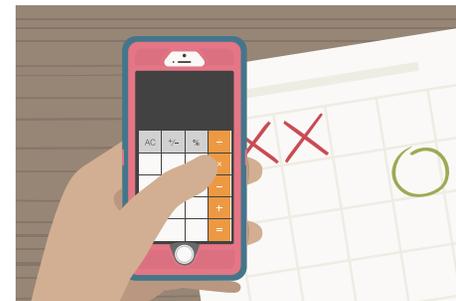
1. Find your magic number

Maybe you're dying for the latest tablet or a new guitar. Do some research to find out exactly where you can get the best deal and how much it will cost. Then see if your parents might chip in. Once you know how much you'll need to cover, shoot for saving a little more than that to pay the sales tax and for any extras like a protective case for the tablet.

Tip: If you're eyeing a bigger purchase, like your [first car](#), ask your parents to consider matching contributions, which could supercharge your savings. It also shows how serious you are about your goal—which could earn you extra brownie points.

2. Know what to set aside

First, take your purchase amount and subtract any savings you already have set aside. Then, based on when you want to make your purchase, divide the remaining balance you need by the number of weeks until your purchase. That's how much you have to put away each week to meet your goal. If the numbers seem impossible, you might try to give yourself more time to save or find ways to increase your earnings or contributions from your parents. *The [savings goal calculator](#) from Bank of America can help you work out the numbers if your goal is months or years away.*



Tip: Keep a photo of your goal on your phone or in your room so you can remind yourself how happy you'll be when you reach it. It sounds cheesy, but it helps when you're tempted by impulse buys—like a new gaming app or that lip gloss by the register.

3. Save without thinking about it

If you don't have a bank account, this could be a good time to open one with your parents' help. You might ask them to deposit your allowance there or, if you have a paycheck, set up direct deposit. That way, you'll have to take extra steps if you decide to withdraw money, curbing the urge to spend. By the time you need some cash, the impulse to buy—those new shoes on sale, that cool headband or your third burrito run of the week—may have passed.

Tip: Some apps can also help you boost savings by transferring money automatically from your or your parents' account into the accounts you designate. For example, they may round up purchases you make with your debit card or move small amounts into your savings account at specific intervals.

4. Make some easy spending trade-offs

To get a good handle on where your money goes, keep a spending diary for a month or two. It could be as simple as writing down the cost of every purchase in a notebook, or you could use an app that tracks your spending. Once you get started, you may find you like knowing where your money is going. You'll probably also notice that small amounts can add up to big dollars fast. Look at what you are spending your money on and see if you can cut out certain things that are less important compared to your bigger goal. Or replace any regular expenses with something cheaper.

Tip: Whenever you need a motivation boost, take a peek at the photo of your goal, or text your mom or your BFF for encouragement.

Painless trade-offs can lead to payoffs

If you: (\$10.00)



Grab fast food three times a week because you're hungry between school and practice

Instead:



Pack a sandwich and snacks from home

You'll save: (\$780 in 6 months)

\$780
in 6 months

5. Look for ways to make more money

Check your progress every couple weeks. If you're not saving as quickly as you'd like, you might:

- Ask your supervisor about adding hours at your job.
- Offer to do more chores around the house or take on a big project at home, like getting the garden ready for a change of season or cleaning out the garage, in exchange for a bigger allowance.
- Look for a side gig, like petsitting or washing cars in your neighborhood.

Whatever your goal, reaching it will be sweeter because you figured out how to do it on your own. Plus, you'll have learned smart saving habits you can use for the rest of your life. Not bad.



Learn more about savings and checking account options for students.

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