Understanding the reasons for and barriers to saving

FINDINGS FROM THE BUILDING SOCIETIES ASSOCIATION SURVEY OF SAVING ATTITUDES AND BEHAVIOURS, BY

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SOCIAL RESEARCH AND STATISTICS

About this report

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Foreword

For millions of people across the UK facing rising costs, even a small savings cushion can mean the difference between security and hardship. While the pressures are often greatest for those on lower incomes, they are now being felt by households right across the income spectrum.

We are proud to sponsor this research, which provides fresh insight into why saving remains as important as ever.

Speaking to consumers across the country, people tell us that having savings gives them confidence and peace of mind. It's not simply about preparing for the future, it's about knowing they can cope when life doesn't go to plan. The findings in this report show that for most people, having savings is simply about feeling safe.

It's clear there is no single way or reason people save. Everyone's circumstances, priorities and motivations are different, as are the barriers they face.

We have been delighted to extend our partnership with academics at the Personal Finance Research Centre at the University of Bristol for a third time, completing a unique programme of research into the role savings play in people's lives. Together these three reports show how savings can improve wellbeing, protect households from financial hardship and help us better understand both why people save and what prevents them from building a financial cushion.

The research reminds us that there is no single solution to improving the nation's savings habits. Many people say they simply have nothing left after paying for essentials, while others need help turning good intentions into regular savings.

Providers and policy makers need to remove barriers wherever they can, build people's confidence to save and develop products and support that reflect how people really manage their money. Understanding this is the first step towards helping more people build the financial resilience they need.

Susan Allen

Chief Executive

Yorkshire Building Society

Tom Riley

Group Director of Retail Products

Nationwide Building Society

Executive summary

Understanding the reasons for and barriers to saving

Saving is a cornerstone of financial resilience, yet many UK households struggle to build even modest buffers. The Building Societies Association commissioned this survey to deepen understanding of why people save, what needs savings fulfil, and what prevents people from saving or saving more. The aim is to inform policy and practice that can strengthen financial resilience across the UK. The survey draws on a nationally representative sample of 4,000 adults and integrates three frameworks:

- a taxonomy of eight saving reasons proposed in 2025
- Maslow's Hierarchy of Needs
- the COM-B model of behavioural barriers

Saving in the UK: shaped by purpose, need, resources and barriers

Saving behaviour is multi-dimensional. The evidence shows that people's saving reflects a combination of:

- purpose (what they are saving for)
- underlying needs (what savings mean to them)
- resources (income, savings, investments)
- barriers (capability, opportunity, motivation)

These produce identifiable patterns of saving across life stage, socio-economic status, and financial situation.

Why people save: a coherent taxonomy

The most common reason for saving – by a clear margin – is **unexpected costs** (20% as a main reason; 41% as any reason). This highlights the centrality of short-term resilience in people's financial lives. Long-term saving and life goals follow, while saving as investment is relatively uncommon.

The eight-category taxonomy shows strong meaning and integrity. Distinct clusters emerge which can be summarised into three components if needed:

- Unexpected costs / major disruptions / cash flow & budgeting
- Investment / long term saving
- Aspirational lifestyle / gifts & treats / life goals

Saving purposes vary systematically by life stage and socio-economic status:

- **Unexpected costs**: retirees, lower social grades, people with modest savings
- **Life goals**: young, female, well-educated private renters

- **Aspirational lifestyle**: higher socio-economic status but often unemployed
- **Investment**: men in high grade professions with substantial assets
- **Long-term saving**: older adults, homeowners, people with high savings/investments

A notable minority save for **no specific reason**, a values-driven behaviour that sits outside the taxonomy. They rarely save for purpose-driven reasons and are financially resilient.

What needs savings fulfil: safety dominates

Having savings overwhelmingly fulfils people's **safety needs** (59%), standing apart from other needs in Maslow's hierarchy. Love & belonging and self-actualisation cluster together and are more discriminating. Needs vary by age, ethnicity, student status and savings levels. Physiological needs are more common among 25–34s, students, and some ethnic minority groups.

There is clear conceptual and empirical alignment between **needs and reasons**:

- Safety → unexpected costs
- Physiological → cash flow & budgeting; major disruptions
- Love & belonging → gifts & treats
- Esteem → investment
- Self-actualisation → aspirational lifestyle

Barriers to saving: structural and behavioural

Across 22 potential barriers, the most prominent by far is **not having money left over** after essentials (60%). This is a structural constraint. Other common barriers include income instability and low satisfaction as savings grow.

A subset of COM-B indicators reliably represents the COM-B sub-factors:

- More money left over (physical opportunity)
- Understanding interest rates (psychological capability)
- Access to branch / online banking (physical capability)
- Friends & family are savers (social opportunity)
- Help making saving plans (reflective motivation)
- Help sticking to intentions (automatic motivation)

Younger adults, families, students, and higher social grades are more likely to report:

- Needing better understanding of interest rates
- Wanting help making savings plans
- Needing support sticking to intentions
- Wanting to talk more with friends & family about saving

Ethnic minority groups report a higher prevalence of almost all barriers across capability, opportunity, and motivation.

Non-savers and values-driven savers report fewer barriers – likely reflecting disengagement (non-savers) or having overcome barriers (values-driven savers).

What drives saving: resources and barriers

Saving levels are the strongest predictors of saving behaviour. Having under £1,000 in savings strongly predicts not saving; modest savings predict saving for unexpected costs; higher savings and investments predict long-term saving.

Barriers and life stage and socio-economic factors are also important. **Barriers have additive effects**, especially for aspirational lifestyle savers, investors, and values-driven savers. Progression up the taxonomy – to larger sums and from reactive to planned to aspirational saving – means addressing multiple barriers.

Revised taxonomy for policy and research

We propose refinements to the saving-reasons taxonomy to:

- Reframing ‘rainy day’ as **unexpected costs**
- Positioning **cash flow & budgeting** as a universal, not low-income, behaviour

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Implications for policy: encouraging saving

The evidence points to several priorities:

- **strengthen short-term resilience** with interventions which help people build modest buffers
- **address income constraints** using policy levers around income adequacy and stability and cost-of-living pressures to enable saving
- **improve digital access and capability** to support progression to more structured saving
- **use social norms and positive workplace cultures** to engage people in saving and help them stick to saving intentions
- **design targeted support for key groups**, including young adults, students, young families, and Asian and Black respondents who face multiple barriers

With low friction, confidence building, and context-sensitive interventions, policy can meaningfully shift saving behaviour and financial wellbeing. A deeper understanding of values-driven savers could further strengthen interventions design.

Contents

Introduction

This report presents findings from a 2026 survey of saving attitudes and behaviours conducted by Opinium and commissioned by the Building Societies Association (BSA). It examines why people save, what needs savings fulfil, and what prevents people from saving or saving more, to support policy and practice aimed at encouraging saving.

Just over a half of UK adults were saving regularly in 2025, a decrease on recent years after a brief rise during Covid-19.[1] Nearly six in ten savers use savings accounts, an important gateway to ISAs, investments and pensions. Having a savings buffer of £2,000 halves the chances of someone falling behind on their bills in later years, and even putting aside a small amount can help in difficult times. [2] Yet three in ten UK adults have less than £1,000 in savings,[3] and many want to save but do not.[4]

The BSA commissioned this survey to deepen understanding of saving attitudes and behaviours and identify opportunities to support people to save more and in different ways.

Approach

The questionnaire was designed by the BSA to capture the saving attitudes and behaviours of adults in the UK. It captured three areas:

- **Reasons for saving**, informed by the whole-of-life taxonomy which was proposed in 2025 by the University of Bristol’s Personal Finance Research Centre.[5]
- **Roles savings fulfil**, based on Maslow’s Hierarchy of Needs.[6]
- **Barriers to saving**, based on the COM-B model of behaviour change.[7]

It also collected information on savings and investment levels and demographics. The survey was refined with input from the University of Bristol’s Personal Finance Research Centre and run through Opinium’s UK Consumer Omnibus.

Opinium collected data from a UK sample of 4,000 adults (18+). Quotas ensured coverage across all four nations, and data were weighted to be nationally representative. Analysis used descriptive statistics and multivariate methods, with significance tested at the 95% level.

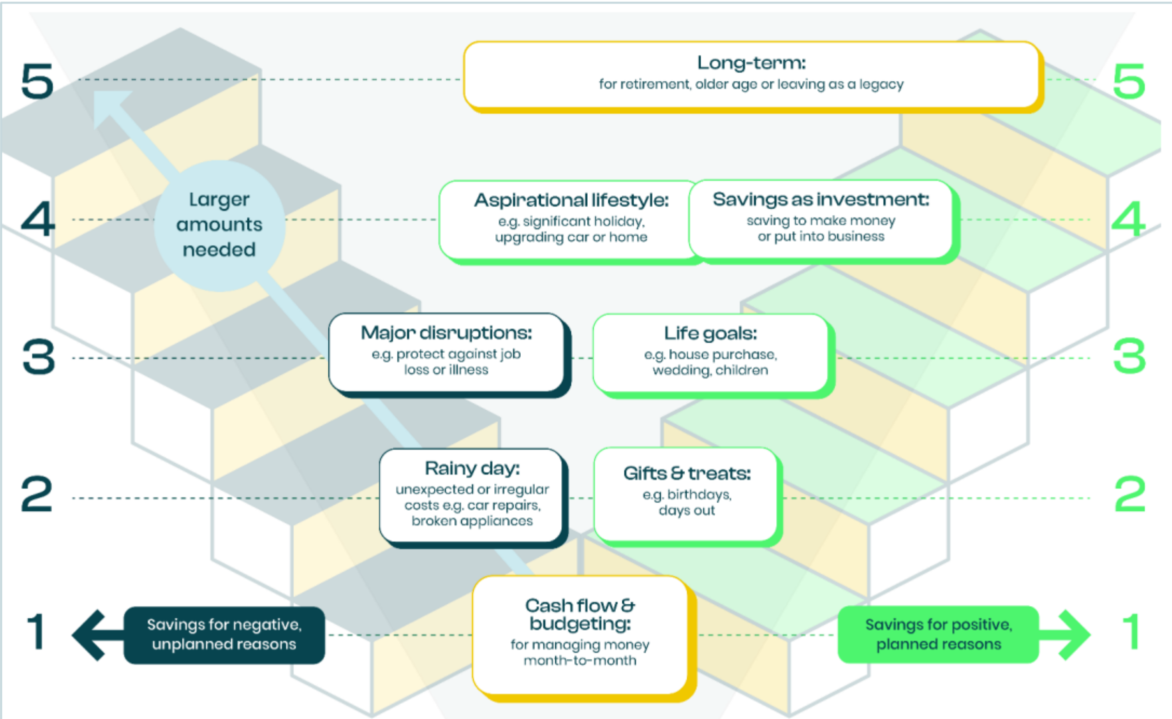
This report explores their reasons for saving and underlying needs, examines barriers to saving, and brings findings together to understand the drivers of saving and identify opportunities to encourage saving. Detailed results tables are available on request.

Reasons for saving

The most common reason people save – by some margin – is unexpected costs. Saving as investment is among the least common. The proposed eight category taxonomy shows strong integrity: each reason captures a distinct purpose driven motivation. A notable minority save for values driven reasons and sit outside the taxonomy.

The 2025 proposed taxonomy identifies eight purposes for saving, grouped by whether savings are intended for unplanned/negative or planned/positive reasons, and by the likely amount required. Survey respondents selected their main reason for saving from options mapped to this taxonomy (see TabA1 in the Additional tables).

Fig1: Taxonomy of reasons for savings proposed in 2025



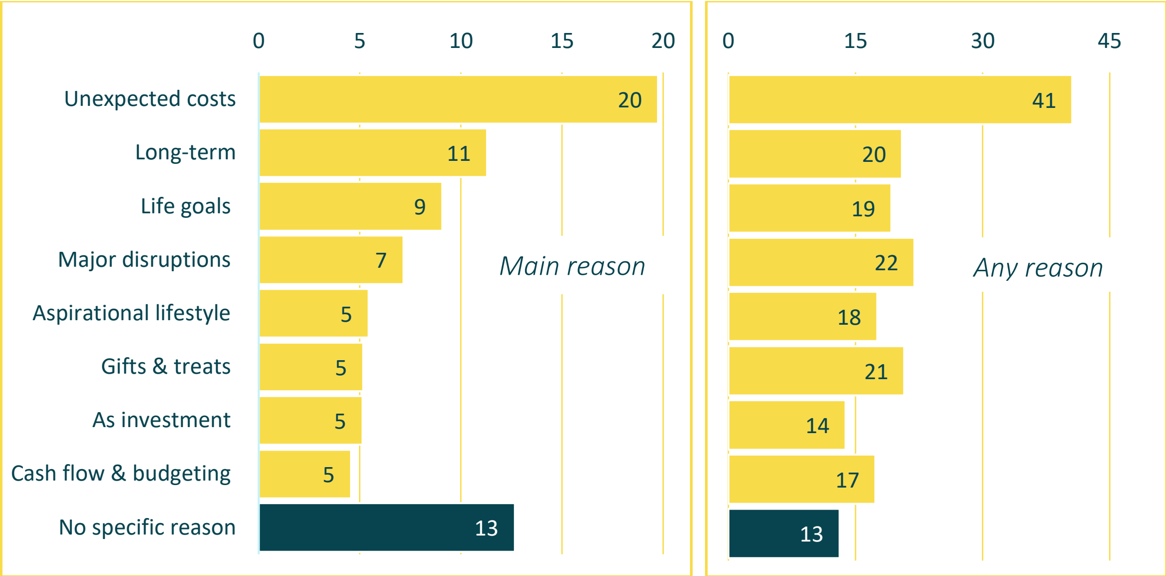
Source: reproduced from Evans et al (2025)

Main reasons

The most common main reason was **unexpected costs** (20%), followed by **long-term saving** (11%) and **life goals** (9%). Saving for cash flow and budgeting was less common (5%).

Around 15% were not saving, and 13% said they saved for **no specific reason** – typically describing general financial security, having money left over, or saving because 'it feels right'. This reflects intrinsic, values-driven saving rather than a purpose-driven category.

Fig2: Main reason people saved (%), and any reason people saved (%)



Base: 4,000 respondents 2,000 respondents

Among those who were saving and gave a main reason that related to the taxonomy, the equivalent proportion citing unexpected costs was 25%, **long-term saving** was 14% and **life goals** was 11%. Cash flow & budgeting, gifts & treats and savings as investment (6% each) were still at the low end of the range.

When **all** reasons were considered (in the right-hand part of Fig2), two in five people saved for unexpected costs (41%). Long-term saving and life goals remained common, and saving for major disruptions and gifts & treats each applied to around one in five people. Saving for cash flow and budgeting rose sharply (from 5% to 17%).

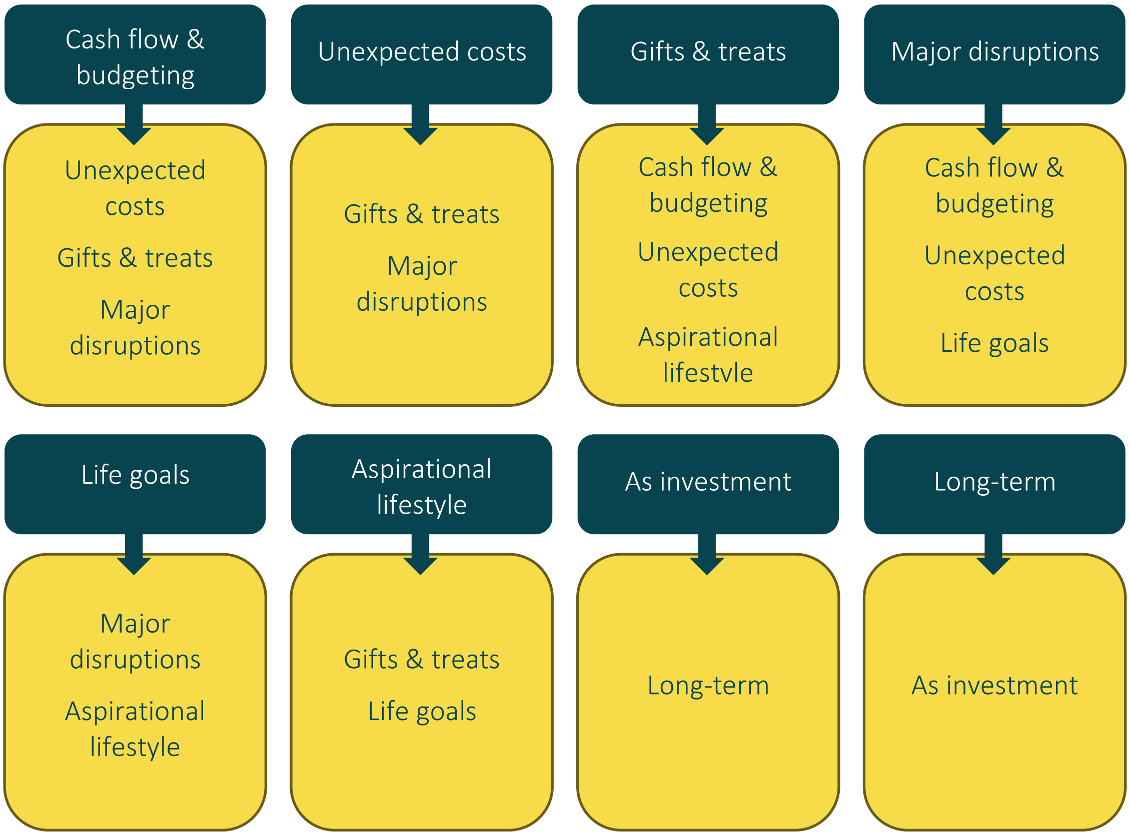
Multiple reasons

People typically gave two reasons for saving. Fig3 shows intuitive clusters:

- Cash-flow savers also save for unexpected costs, major disruptions and gifts & treats.
- Unexpected-cost savers often save for gifts & treats and major disruptions.
- Life-goal savers also save for major disruptions and aspirational lifestyle.
- Investors and long-term savers strongly overlap.

People saving for **no specific reason** almost never selected any other reason, reinforcing that this group sits outside the purpose-driven taxonomy.

Fig3: How saving for one reason coincides with saving for other reasons



A coherent taxonomy

Pairwise correlations between reasons were low to moderate,[i] indicating that each reason captures something distinct. Correlations with 'no specific reason' were negative, again showing it sits outside the taxonomy.

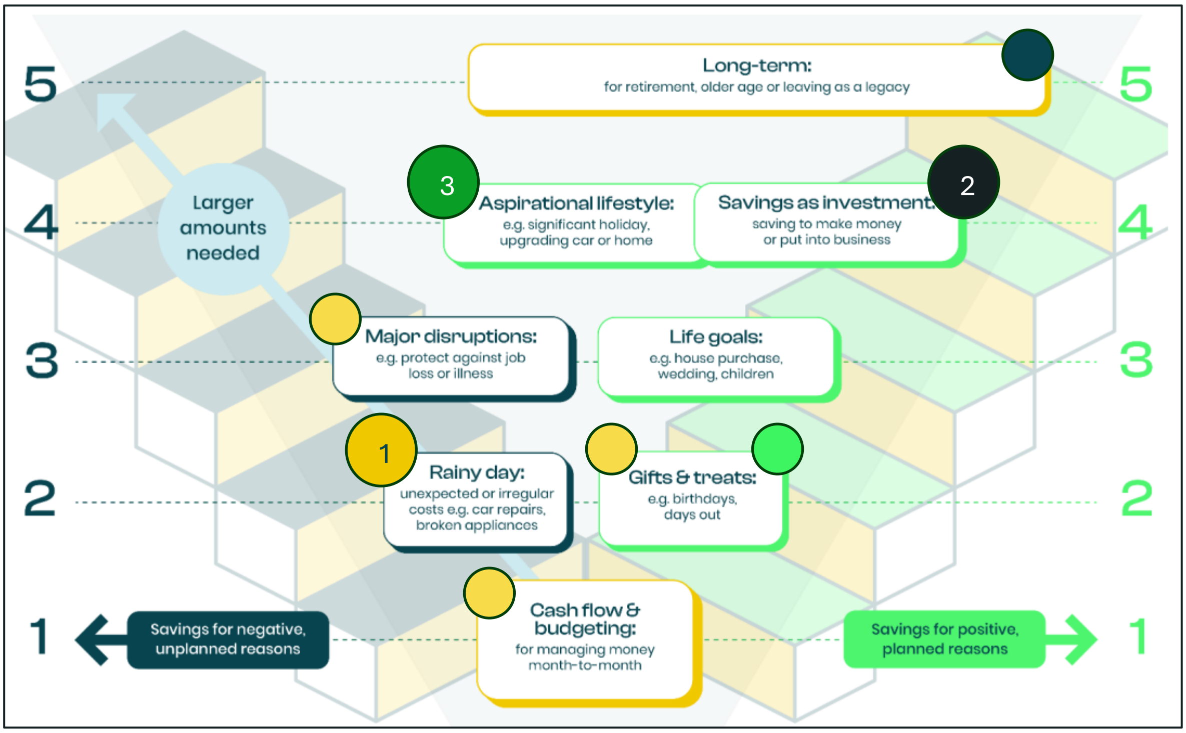
Multivariate analysis confirmed that the eight reasons are meaningfully different and form a multi-dimensional structure.[ii] If needed, they could be summarised into three components, detailed in Fig4:

1. **Unexpected costs / major disruptions / cash-flow & budgeting**
2. **Investment / long-term saving**
3. **Aspirational lifestyle**

All eight reasons contribute positively to the first component, indicating the taxonomy has strong internal integrity. 'No specific reason' does not align with this structure.

[i] A Spearman Rank correlation coefficient of <.3
[ii] We used a mix of hierarchical cluster analysis of variables (using unweighted pair-group metho of average) and principal components analysis (polychoric PCA), suitable for binary (yes/no) variables.

Fig4: How the reasons group together



1	**Unexpected costs / major disruptions / cash-flow & budgeting:** This component is led by saving for unexpected costs, major disruptions and cash flow & budgeting. Gifts & treats also falls strongly within this grouping and helps define it. That said, all remaining categories within the taxonomy contribute positively and at least moderately to the component, with saving for savings as investment and for the long term being at the weaker end of moderate. This tells us: that the component is characterised particularly well by bumpy expenditure for largely negative reasons (whether small or large); while demonstrating that reasons for saving categorised within the taxonomy belong together, empirically.
2	**Investment / long-term savin**g: This component is defined by saving as investment and, almost as strongly, long-term saving. Saving for unexpected costs and gifts & treats also contribute moderately well to the component, but with a negative influence; i.e. *not* saving for these things. This implies that investment or long-term savings, or at least the capacity and intention to save for these reasons, renders saving for unexpected costs and gifts & treats redundant, either because this need does not come up or it is indirectly covered by saving for other saving reasons.
3	**Aspirational lifestyle:** This component is led by saving for an aspirational lifestyle. Saving for gifts & treats also contributes strongly to it. Saving for major disruptions and cash flow & budgeting contribute somewhat, but negatively. Again, this implies that, if people are saving for reasons of lifestyle and life goals, saving for fluctuations in income and expenditure is indirectly covered.

Who saves for what

People's main reasons for saving vary by demographic and socio-economic characteristics:

- **Unexpected costs**: retirees, lower social grades, people with modest savings.
- **Aspirational lifestyle**: adults under 45, full-time workers with mortgages and often high cash savings.
- **Investment**: men in high-grade professions with substantial assets.
- **Long-term saving**: people aged 55+, homeowners, and those with substantial savings and investments.

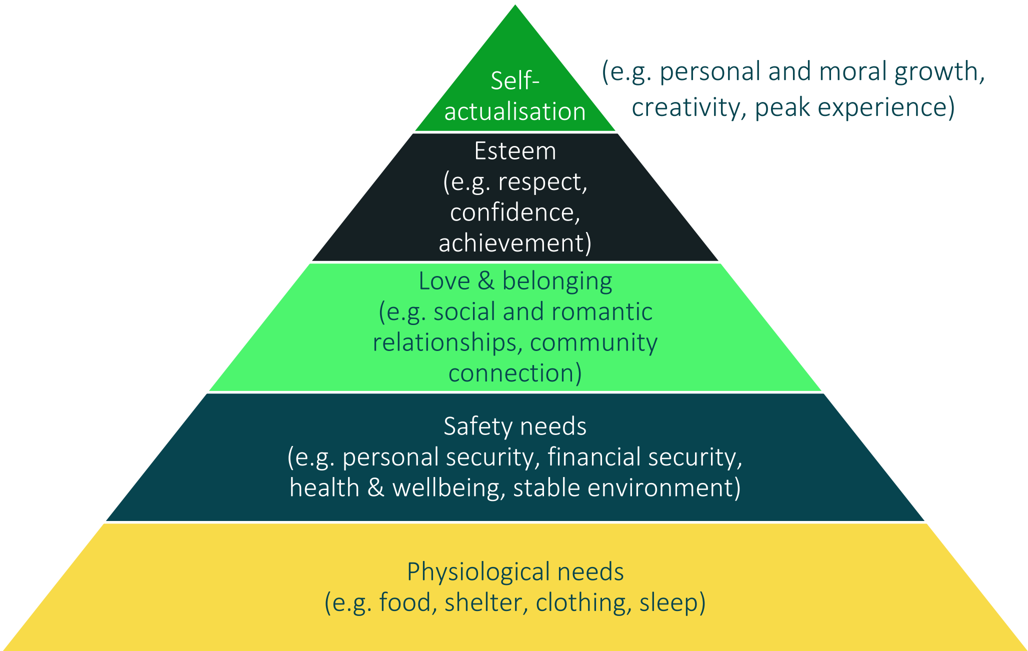
These profiles reinforce the meaningfulness of the taxonomy categories.

Underlying savings needs

Maslow's Hierarchy of Needs provides a framework for understanding motivations. We use it here to explore the needs that savings fulfil. The most common need is safety, cited by 59% of savers – far ahead of other needs. Physiological needs and esteem were each mentioned by around a quarter, and love & belonging and self-actualisation by just under a third.

Maslow's Hierarchy of Needs, shown in Fig5 identifies five categories of need. Survey respondents selected the roles having savings fulfilled for them from options mapped to this hierarchy (see TabA2 in the Additional tables). Respondents could select multiple needs.

Fig5 Maslow's Hierarchy of Needs

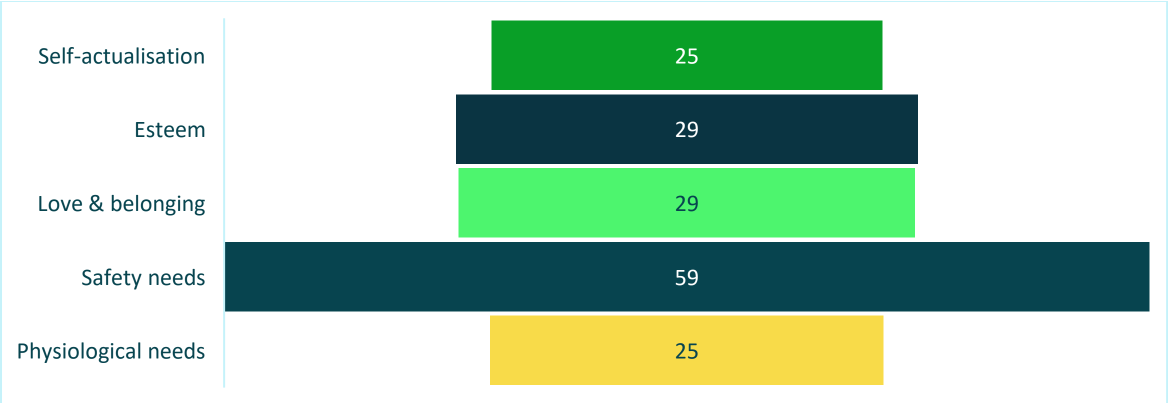


Source: reproduction based on Wikipedia.[8]

The most commonly mentioned role related to **safety needs**, by a large margin (59%). At the low end of the range, a quarter gave reasons relating to esteem, while nearly three in ten cited each of the other three roles having savings might fulfil (Fig6).

A further 11% said that none of the specified categories reflected the role savings fulfilled for them, and another 2% that they preferred not to say.

Fig6: Needs fulfilled by having savings, current savers (%)



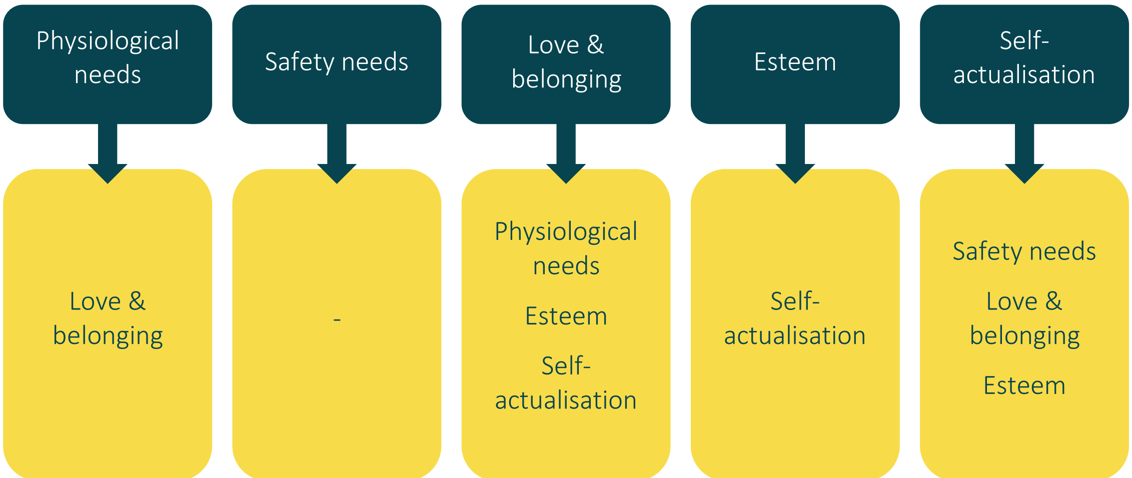
Base: 2,886 respondents

Multiple needs

On average, people identified with **one to two needs**. Safety often stood alone, reflecting its broad relevance. Love & belonging and self-actualisation were most likely to appear alongside others. Fig7 shows intuitive overlaps:

- Love & belonging and self-actualisation frequently co-occur.
- Safety is widely recognised but not strongly linked to other needs.
- Physiological needs are more common among younger adults, students, and those with high savings or investments.

Fig7: How one need for having savings coincides with other needs



A coherent hierarchy

Pairwise correlations between needs were low to moderate, indicating each captures a distinct construct.[iii] Multivariate analysis confirmed that the five needs form a multi-dimensional structure.[iv] with two broader components emerging:

- Safety
- Love & belonging and self-actualisation

However, the five-need framework remains meaningful and theoretically grounded, so no reduction is recommended.

Who has which needs

Patterns vary by life stage and socio-economic status:

- **Physiological needs**: more common among 25–34s, students, part time workers, and people with high savings/investments; also, more common among mixed and Black ethnic groups.
- **Safety**: especially common among older adults (65+), but broadly relevant across groups.
- **Love & belonging / esteem / self-actualisation**: more common among younger adults and those with substantial savings or investments.

Need vs reasons

Regression analysis shows clear conceptual alignment between the two frameworks:[v]

- Physiological needs predicted saving for cash flow & budgeting and major disruptions.
- Safety predicted unexpected costs.
- Love & belonging predicted gifts & treats.
- Esteem predicted investment.
- Self-actualisation predicted aspirational lifestyle.

Needs did not predict long-term saving or life goals, suggesting these reasons are shaped more by resources and life stage than underlying motivations.

[iii] A Spearman Rank correlation coefficient of <.25
[iv] As before, using hierarchical cluster analysis of variables and polychoric PCA.
[v] Regression shows the independent relationship between saving needs and reasons when holding all other characteristics, including savings and investment levels, constant. When saving needs independently influence reasons for saving, we refer to them as predicting reasons for saving.

Why people don’t save

The survey captured 22 potential barriers mapped to the COM-B model of behaviour change. The most prominent barrier – by a wide margin – was not having money left after essentials (60% said it would help at least somewhat if this were not a barrier). Other common barriers included more stable earnings and greater satisfaction as savings grow.

The 22 barriers asked about in the survey were framed around the **c**apability, **o**pportunity and **m**otivation sub-factors of the COM-B model shown in Fig8 (see TabA3 in the Additional tables).

Fig8 Factors and sub-factors in the COM-B behaviour change model

Source: reproduction based on Michie et al (2011).

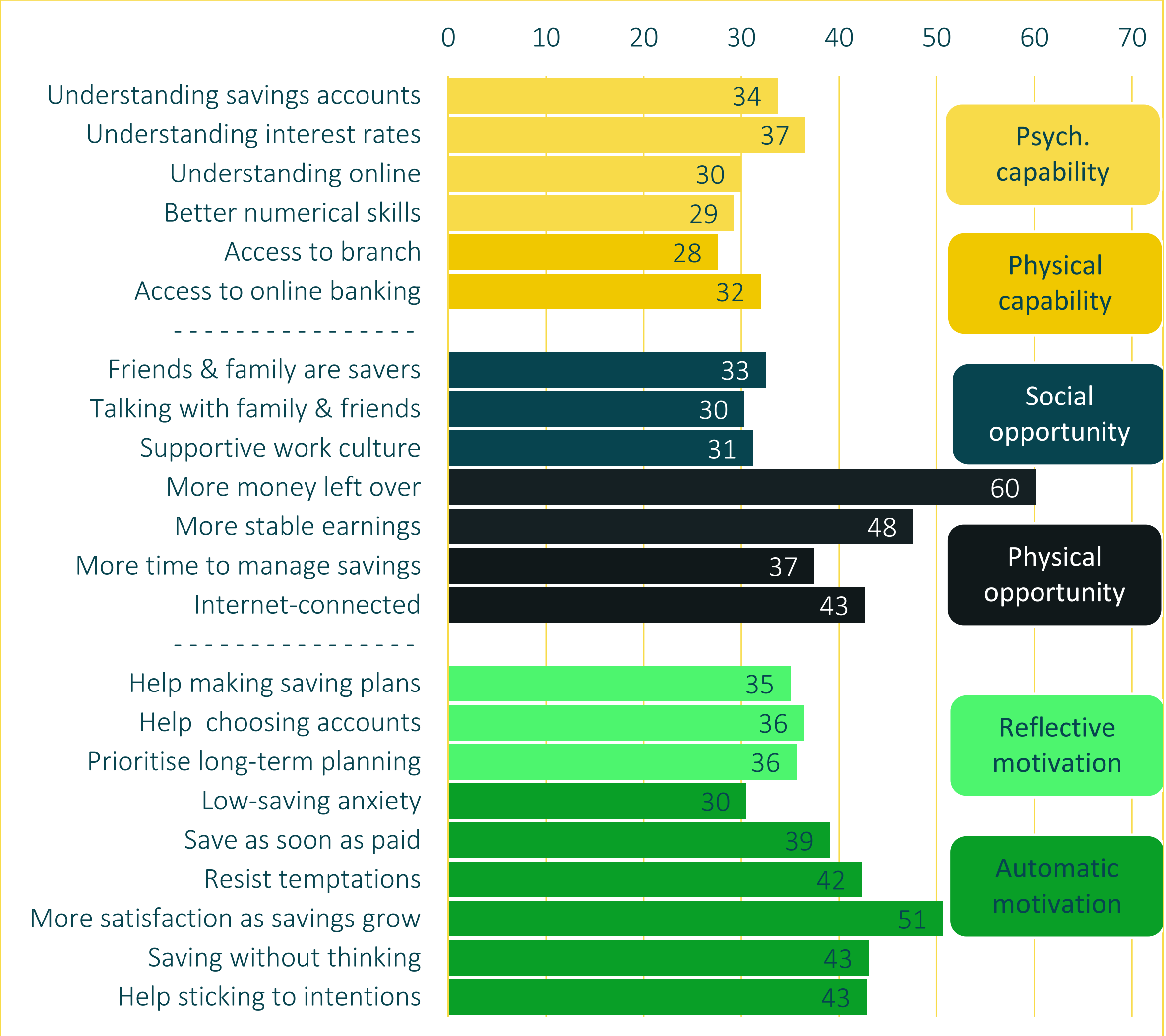
For each, respondents could pick a response option from ‘it would help a lot’ to ‘it wouldn't help’ or that they were ‘not sure’.

The most prominent barrier – by a wide margin – was **not having money left after essentials** (60% said it would help at least somewhat; Fig9). Other common barriers included **more stable earnings** and **greater satisfaction as savings grow**.

Less common barriers included branch access, numerical skills, understanding online tools, and talking about savings with friends and family.

People identified with an average of **eight barriers**, though the biggest group (15%) was those who identified with none.

Fig9: What would help people to save more money (at least somewhat %)



Base: 4,000 respondents

A validated subset

Exploratory multivariate analysis showed that indicators did not naturally cluster into the six COM-B sub-factors.[vi] However, within each sub-factor, one or two indicators reliably represented the construct. The final subset includes (Fig10):

- **Psychological capability**: understanding interest rates
- **Physical capability**: access to branch; access to online banking
- **Social opportunity**: friends & family are savers
- **Physical opportunity**: more money left over

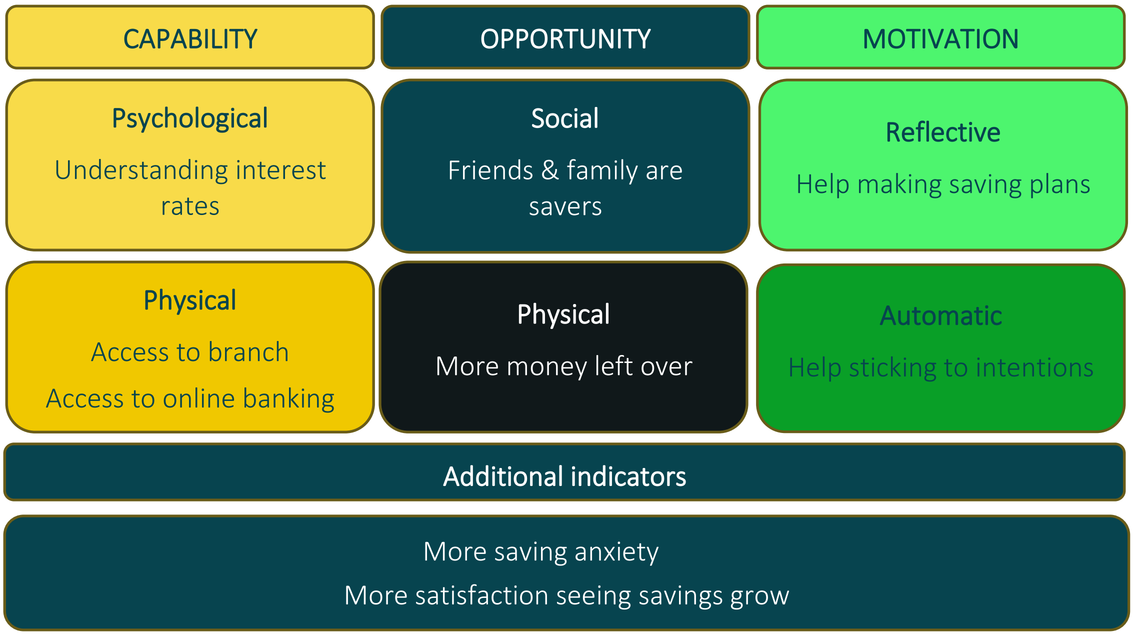
[vi] Using principal components analysis and polychoric PCA on different variable levels, we found support only for two constructs and none of the individual indicators represented these well on their own or with other indicators from their factor.

- **Reflective motivation**: help making saving plans
- **Automatic motivation**: help sticking to intentions

We also had two indicators from the automatic motivation sub-factor which didn't fit:

- more saving anxiety
- more satisfaction as savings grow.

Fig10: Indicators representing the COM-B factors



People identified with an average of just **under two** of these subset barriers.

Who has which barriers

Patterns vary by age, family stage and socio-economic status:

- **Physical capability** barriers: more common among under-35s and those with young children.
- **Psychological capability** barriers: younger adults, students, higher social grades, and parents of young children.
- **Social opportunity** and **motivation** barriers: similar younger and higher social-grade groups, plus those saving for life goals or gifts & treats.
- **Additional automatic-motivation** barriers: younger adults, young families, professionals.

Ethnic minority groups were more likely than average to report most barriers, and this was particularly the case for people from Asian and Black, African or Caribbean backgrounds. Cash savings were not strongly discriminating but having £1,000–£5,000 in investments was associated with higher prevalence across most barriers.

Non-savers and values-driven savers reported fewer barriers overall.

Influence of saving reasons

Regression analysis showed that most saving reasons predicted most barriers, though often weakly. Notable patterns include:

- **Branch access** was predicted only by unexpected costs, gifts & treats, major disruptions and life goals.
- **More money left over** was predicted by cash flow & budgeting, unexpected costs, major disruptions, life goals, investment and long-term saving.
- **Saving anxiety** was predicted by cash flow & budgeting, aspirational lifestyle and investment.

Not saving, and saving for no specific reason, both predicted lower identification with barriers – likely reflecting indifference (non-savers) or having overcome barriers (values-driven savers).

What drives saving

We examine the independent influence of demographics, saving levels and barriers on saving behaviour. Saving levels are the strongest predictors across categories, though barriers and life stage and socio-economic factors are also important.

We used regression analysis to explore the role of demographics, saving levels and the full range of potential barriers in predicting reasons for saving from the taxonomy.[vii] We also look at those who fall outside the taxonomy – because they are not saving or save for no specific reason – as helpful counterpoints (Fig11).

Life-stage and socio-economics

Age, employment status and housing tenure were the most influential demographic factors overall. Only two characteristics predicted not saving: renting from a housing association and not being from 'any other White background'.

Demographics explained little of saving for cash flow & budgeting or unexpected costs, though being working-age and in higher or lower (but not middle) social grades increased cash-flow saving. Lower socio-economic status reduced saving for gifts & treats.

Mid-taxonomy, saving for major income disruptions was most common among middle-aged, higher-grade groups with health concerns. Saving for life goals was associated with being young, female, well-educated and privately renting.

Saving for an aspirational lifestyle aligned with higher socio-economic status coupled with unemployment. Saving as investment was driven by being male, non-disabled, highly educated and in full-time work.

At the top of the taxonomy, long-term saving reflected greater resources: full-time work, homeownership, and existing savings/investments, typically among older adults. Saving for no specific reason – outside the taxonomy – was linked to being male, retired, mortgaged or living rent-free, and having lower education.

[vii] We do not include saving needs as potential predictors as we have shown that these relate very closely to the savings reasons. By including them, we would reduce our ability to see the influence of other characteristics.

Saving levels

Cash savings and investments were the strongest predictors of saving behaviour. While direction of causality is unclear, the analysis treats saving levels as influencing saving reasons.

Having under £1,000 in cash savings or investments or both strongly predicted not saving. Limited cash savings predicted saving for unexpected costs, while having cash savings increased saving for life goals (Fig11).

Fig11: Pen portraits of the drivers of saving reasons

Cash savings reduced saving as investment, where higher investments were the key driver. Higher cash savings plus moderate investments predicted long-term saving.

Saving levels did not influence saving for cash flow & budgeting, major disruptions, aspirational lifestyle, or no specific reason.

Barriers to saving more

Barriers varied widely across saving reasons and spanned all COM-B sub-factors.

Not saving was linked to wanting more anxiety about low savings but not to help choosing accounts. Cash flow & budgeting savers wanted a more supportive workplace savings culture. Unexpected costs savers wanted better internet access. Gifts & treats savers valued talking to friends and family about saving.

For major disruptions, the key barrier was needing more money left over, while not needing help sticking to plans. Life goals savers wanted more time to manage savings.

Aspirational lifestyle savers wanted better online banking access, social support, and help sticking to plans, but not help with numeracy or making plans. Investment savers wanted help understanding accounts and more time but not help resisting temptations.

Long-term savers needed better online banking capabilities. Those saving for no specific reason often rejected many barriers, but did need help choosing accounts, making plans, prioritising long-term planning, and improving numeracy.

In many instances, it is clear that multiple barriers to saving have an additive effect, particularly for saving reasons at higher levels of the taxonomy.

Encouraging saving

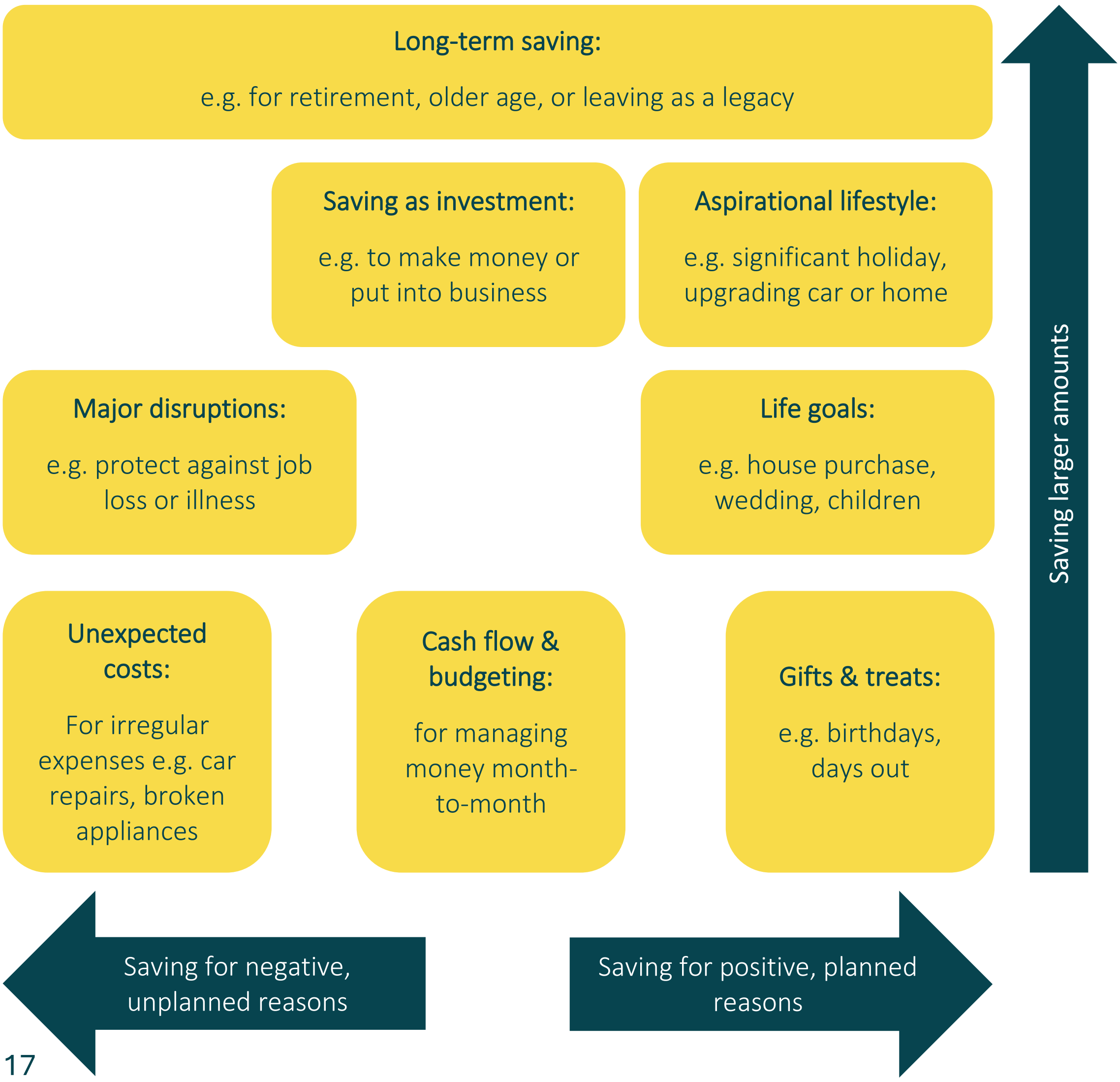
We have made minor revisions to the taxonomy of saving reasons. Encouraging non-savers to save means increasing income stability, raising the salience of savings, and offering low-friction entry and tailored outreach through housing associations, employers, and community groups. Helping existing savers save more requires tackling additive barriers – especially low disposable income, digital access, motivation, and capability– so they can progress to more structured saving.

Improved taxonomy

Our findings prompted two revisions to the proposed taxonomy of saving reasons.

First, we replaced 'rainy day' savings with saving for 'unexpected costs'. Reviewing the question wording, low savings levels among this group, and the free-text data revealed that rainy day is vague and interpreted very differently – sometimes referring to much larger buffers than the taxonomy intended. Unexpected costs better captures the behaviour observed.

Fig12: A revised saving reasons taxonomy



Second, the original taxonomy identified saving for cash flow & budgeting as involving the lowest sums saved. The data showed suggested otherwise. This saving reason was common among people with relatively high socio-economic status and moderate savings and investments, as well as the smaller savers.

Although past research has focused on smaller savers, we now see that cash-flow-related saving is far more universal. We have therefore repositioned this saving reason within the taxonomy, while recognising that the taxonomy will continue to evolve.

Helping non-savers to save

The groups who are most disengaged from saving are people renting from housing associations and with less than £1,000 in savings. Other groups who currently feel not saving acutely are those who face the greatest number of barriers to saving (young adults, students, young families; Asian and Black respondents), those with constrained or unstable incomes (who need 'more money left over').

Non-savers often do not perceive barriers beyond income constraints. Effective support is likely to include improving income adequacy and predictable incomes. Tailored outreach within housing associations, employer partnerships, or community-based interventions could be especially impactful.

Non-savers often lack **anxiety about having low savings**. Encouraging an increased 'felt need' or salience of low savings could motivate first steps into saving. **Low-friction mechanisms for saving** (such as automatic workplace saving schemes and round ups) could help overcome inertia. Non-savers do not want help choosing accounts, but might respond to **simple, light-touch messaging** which helps build their confidence, confidence-building support.

Helping savers to save more

Barriers to saving have additive effects, especially for aspirational lifestyle savers, investors and values-driven savers. If savers are to effectively move up the taxonomy, the barriers need to be addressed. Several barriers appear especially important.

Having more money left over is the single most universal barrier. It strongly predicts saving for major disruptions and influences almost every reason except unexpected costs and gifts & treats. It is the one key barrier facing many middle-aged, higher-grade workers saving for major disruptions. Support to address it will help people move from reactive to planned saving.

Access to online banking & digital tools is especially important for saving for unexpected costs, aspirational lifestyle and long-term saving. Addressing it will help people move from lower-level, ad-hoc saving to more structured, higher-value saving.

Help sticking to savings intentions predicts aspirational lifestyle saving, gifts & treats, cash-flow saving and is relevant across mid-level taxonomy reasons. It is important because it connects intention with behaviour.

More time to manage savings is important for life goals and investment saving. Supporting people with this will help them with the more active management, planning and complex decision-making that is needed at higher levels in the taxonomy.

Understanding savings accounts & interest rates is important for saving as investment for aspirational lifestyle and no specific reason, so helping people fill these knowledge gaps will help them grow their savings.

Supportive workplace savings culture predicts saving for cash flow & budgeting and has the potential, by normalising saving and offering entry points to saving through workplace schemes, to support habits that promote saving progression.

Talking to friends and family about saving is especially important for saving for gifts & treats and aspirational lifestyle, and among younger adults. Encouraging conversations about and providing peer reinforcement of saving will help to shift social norms and move people from reactive to more aspirational forms of saving.

Overall, the under 35s face the widest range of barriers, and young families similarly face the effects of additive barriers; both are important target groups for support. Full-time students face capability and motivation barriers. Asian and Black/African/Caribbean people also face many barriers overall, including capability, social opportunity and motivation barriers; there is a strong case for culturally-tailored interventions to support these groups.

People with higher social grades face more barriers than expected, not with money itself but with reflective and automatic motivations that help them implement their saving goals. Finally, people with modest investments (of £1,000–£5,000) face more capability, social opportunity and motivation barriers.

Summary & conclusions

Though it will continue to evolve, we have a coherent, multi-dimensional taxonomy of reasons for saving. The most common reason for saving is unexpected costs, and the most common barrier to saving is lack of money after essentials. Saving behaviour is shaped by a combination of saving purpose and need, resources, and barriers.

Saving reasons vary by life stage and socio-economic status. The most common reason for saving – by a clear margin – is unexpected costs. This reflects the centrality of short-term resilience in people's financial lives.

There is clear conceptual and empirical read-across between saving reasons and needs. Savings most commonly fulfil safety needs, standing apart from other needs in Maslow's hierarchy.

A concise subset of indicators that represent the COM-B sub-factors for saving barriers can be used in future research. The predominant barrier to saving more is a lack of money left over after essentials. Other barriers cluster by life stage. Younger adults, students, young families and higher social grades are more likely to report:

- needing better understanding of interest rates;
- wanting help making savings plans;
- needing support sticking to intentions;
- wanting to talk more with friends & family about saving.

Ethnic minority groups report a higher prevalence of almost all barrier types.

Altogether, saving behaviour is shaped by a combination of saving purpose and need, resources, and barriers. Given the dominance of unexpected costs interventions that help people build even modest buffers are likely to have the greatest impact.

The most important barrier – lack of money left after essentials – is structural suggesting a need for policy support in relation to income adequacy and security and cost-of-living pressures.

Improving access to online banking and branch services could support younger adults and those with young children who face the widest range of barriers. Supportive workplace cultures and peer norms are influential, especially for cash-flow savers and younger professionals.

Understanding and amplifying the mindsets of people who save for no specific reason – who report fewer barriers and have desirable saver qualities – could help inform how others could save.

Finally, future research might consider what people mean by rainy day savings and how they think about reasons for saving which cross the current categories. While we know a lot from research about how low-income households save to cover cash flow

& budgeting, it would be helpful to understand how middle and higher-income households also use this as a strategy.

Additional tables

TabA1: Reasons for saving survey response options

Survey response option	Taxonomy category
To manage fluctuations in income or expenses over the next few weeks or months	Cash flow & budgeting
For unexpected or irregular costs, such as car repairs, vet bills, or broken appliances	Unexpected costs (rainy day)
For small, irregular purchases such as an outfit for a special occasion, a day trip or a gift	Gifts & treats
In case of job loss, long term illness or disruption to income	Major disruptions
A major life goal such as property purchase, wedding or supporting children at university	Life goals
For an aspirational lifestyle such as home upgrades or a holiday-of-a-lifetime	Aspirational lifestyle
For investment returns	As investment
For retirement or bequests	Long-term

Note: Respondents were also able to say specify other reasons they saved, that they saved for no specific reason, that they didn’t save and that they preferred not to answer.

TabA2: Roles fulfilled by having savings survey response options

Survey response option	Level in the hierarchy
Enable me to fulfil my life's dreams or purpose, creative or intellectual pursuits	Self-actualisation
Create a sense of accomplishment and autonomy	Esteem
Enable me to participate in social activities, give gifts and spend time with friends & family	Love & belonging
Help to provide security and protect against emergencies and unexpected bills	Safety needs
Help me to meet my most basic needs such as food and shelter	Physiological needs

Note: Respondents were also able to say none of these or that they preferred not to answer.

TabA3 Barriers to saving survey response options

Survey response option	Shorthand	COM-B sub-factor
Easier access to mobile banking apps or websites	Understanding savings accounts	Psychological Capability
Better understanding of how savings accounts work	Understanding interest rates	
Better understanding of interest rates	Understanding online	
Better understanding of mobile apps or websites	Better numerical skills	
Help getting to and around a branch on the high street	Access to branch	Physical Capability
Easier access to mobile banking apps or websites	Access to online banking	
Help prioritising long-term financial planning over immediate purchases	Friends & family are savers	Social opportunity
Having friends and family who were/are savers	Talking with family & friends	
Talking about savings with my friends and family	Supportive work culture	
Having more money left after paying essential bills	More money left over	Physical opportunity
Having more stable earnings	More stable earnings	
Having more time to manage savings	More time to manage savings	
Having a computer or smartphone with internet connection	Internet-connected	
Help making plans for saving goals	Help making saving plans	Reflective Motivation
Help evaluating and choosing between savings accounts	Help choosing accounts	
Having a workplace culture that supported saving	Prioritise long-term planning	
Feeling more anxious about having low savings	More saving anxiety	Automatic Motivation
Support to put money into savings as soon as I get paid	Save as soon as paid	
Help to resist the temptation to spend money	Resist temptations	
Feeling more satisfaction as I see my savings grow	More satisfaction as savings grow	
Help saving without having to think about it	Saving without thinking	
Help sticking to my savings intentions/resisting temptations	Help sticking to intentions	

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