

# THE ART OF SAVING MONEY

CLOSING THE GAP BETWEEN “KNOWING & DOING”



# PROFILE OF GOOD SAVERS

- ★ FEEL JOY + SATISFACTION
- ★ Independent, unconcerned with social pressure to “have”
- ★ Material things matter less, Freedom matters more
- ★ 1 in 5 people are “active savers,” they read financial news
- ★ Save slowly, regularly, through automation
- ★ They started young
- ★ 2011 Schwab study, a little over 50% of today’s parents teach their teens how to save money



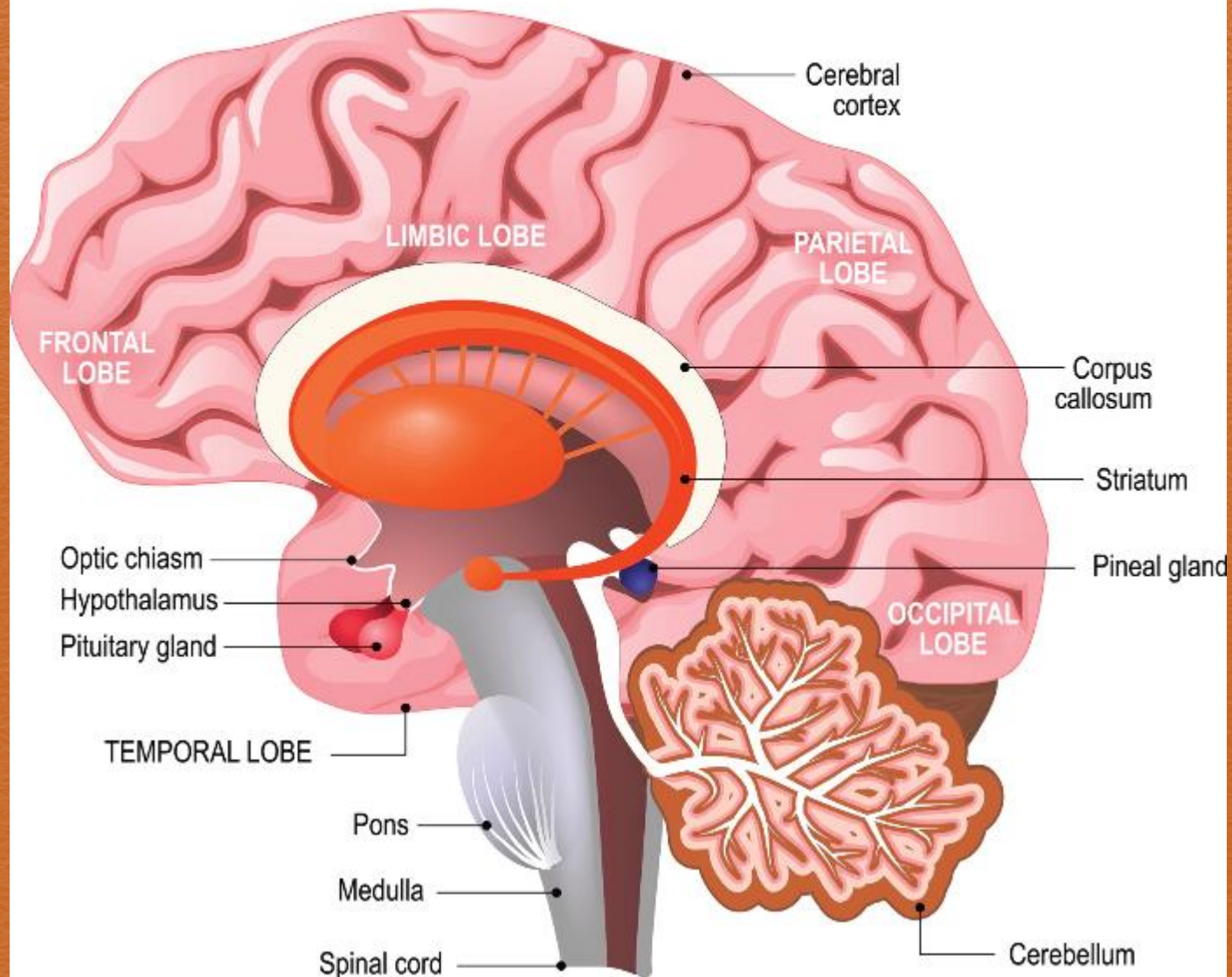


KAKEIBO

The Art of Saving MONEY



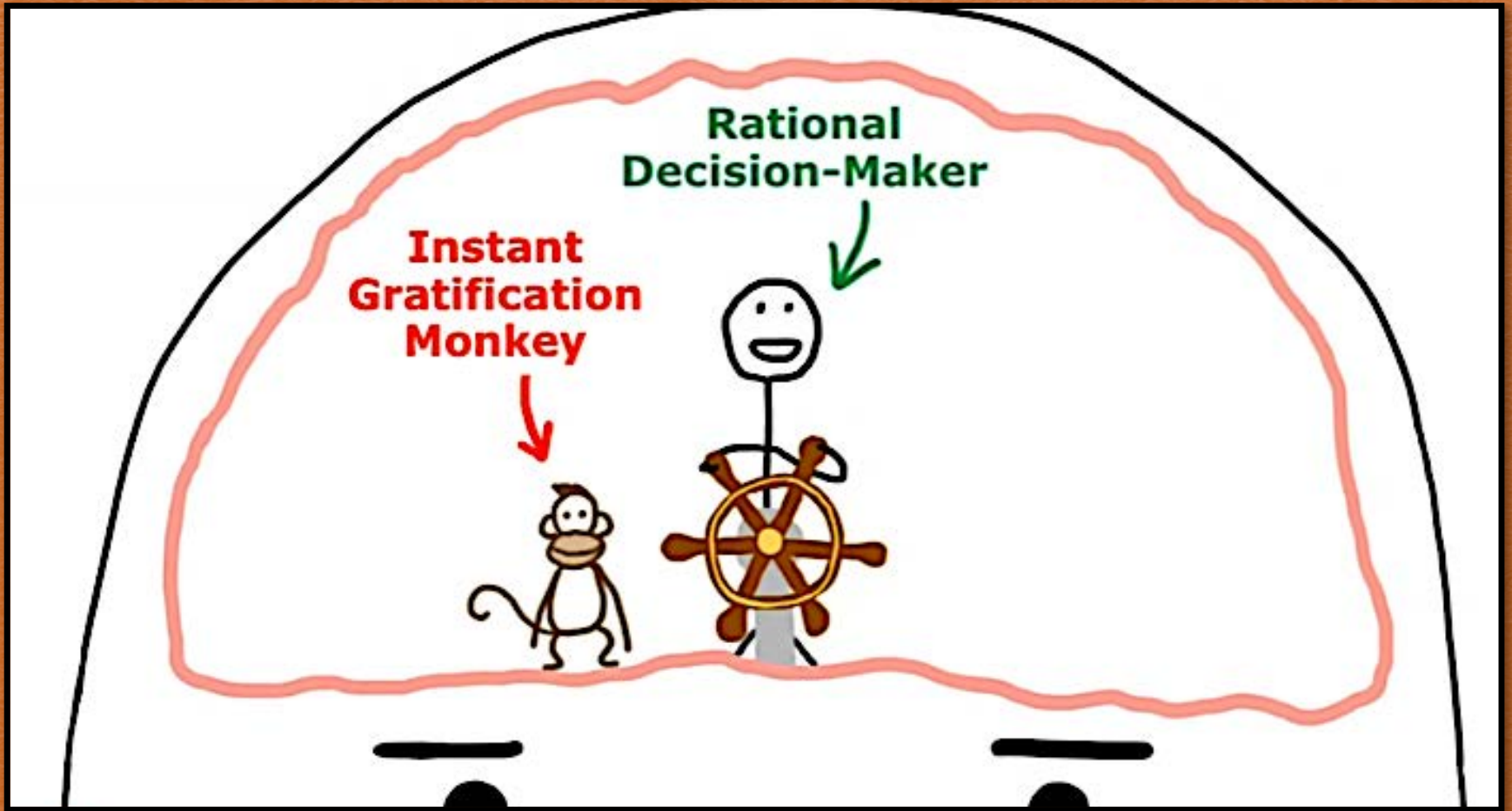
# THE HUMAN BRAIN





# PSYCHOLOGICAL NEIGHBORS

in the brain





# “PRESENT BIAS”



- \* EMOTION / LOGIC
- \* MARSHMALLOW STUDY
- \* EXCITEMENT TURNS OFF THE FRONTAL CORTEX

# “PRESENT BIAS”

## Practice Application

### CLIENT EDUCATION SERIES

#### \* Delayed Action of Purchase

- Relax
- Reframe
- Re-evaluate

#### \* Self Inquiry

- \* What am I really buying?
- \* What problem does this purchase solve?
- \* Will this purchase sabotage my monthly and longer term goals?
- \* What value am I receiving from this purchase?
- \* Would I encourage a friend to make this purchase if they had my savings / investment goals?



# LANGUAGE

## LOGICAL

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- \* Focuses on the HOW
- \* Engages frontal lobe
- \* Where critical thinking lives

## EMOTIONAL

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- \* Focuses on the WHY
- \* Engages mid brain
- \* Where pleasure / pain live



# LANGUAGE

to enhance the pleasure of saving

## LOGICAL

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- \* Denise's 401K
- \* Denise's SEP IRA
- \* Greg's 403B
- \* Deprivation Language

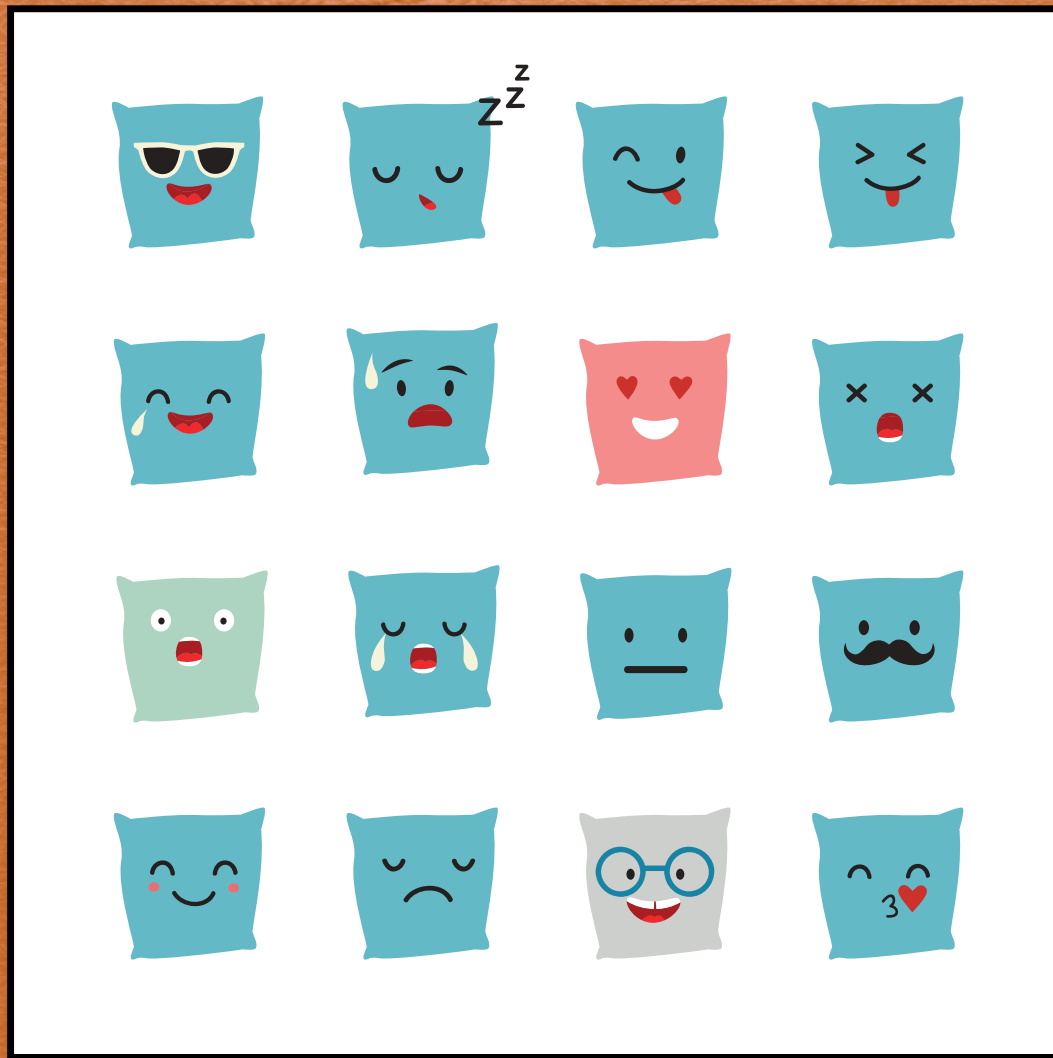
## EMOTIONAL

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- \* Travel with my honey
- \* Pleasure Language
- \* "Not my parent's kind of retirement"

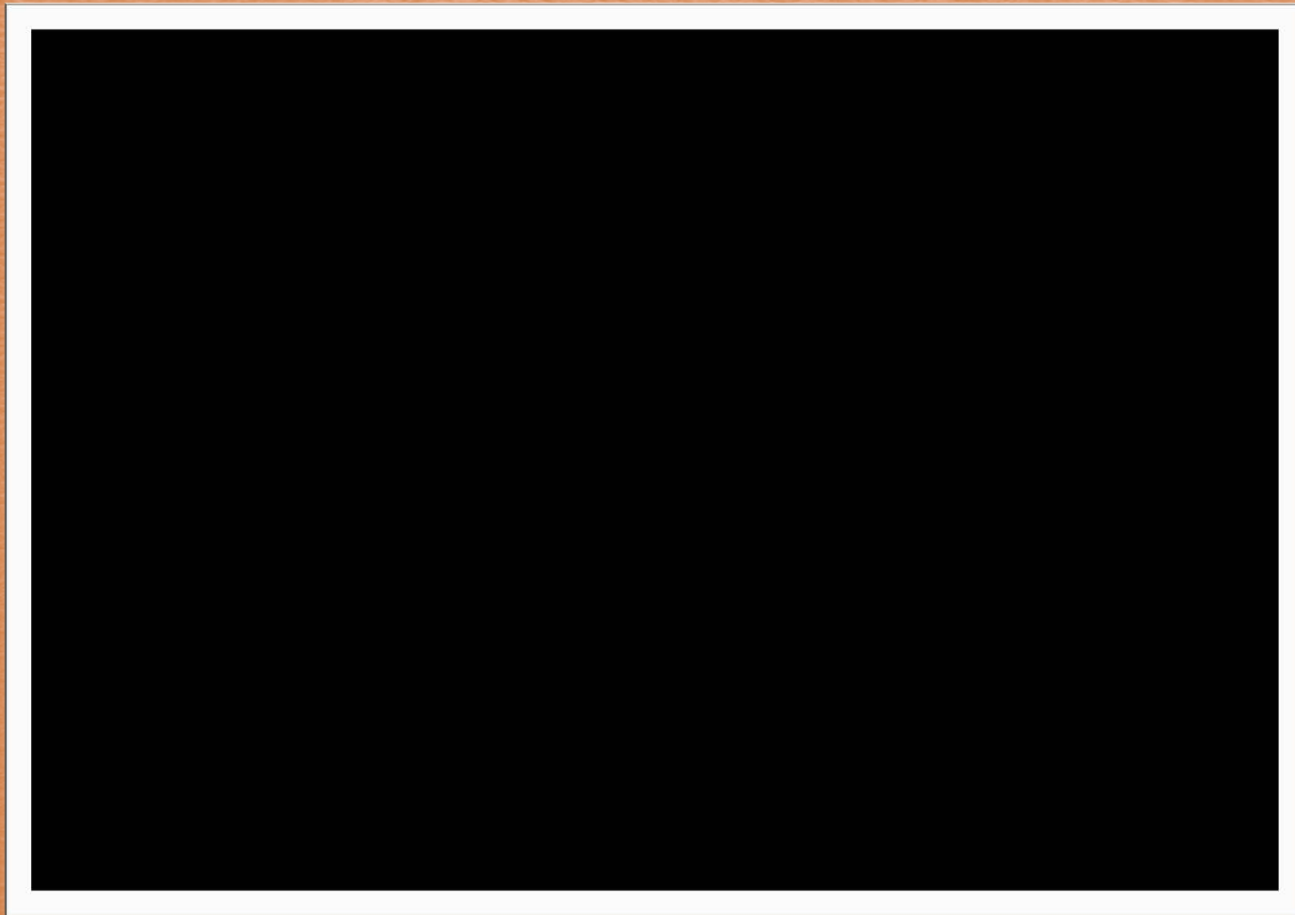
BRING EMOTIONAL LANGUAGE TO CLIENT PORTFOLIO ACCOUNTS





WORDS CREATE  
IMAGES + FEELINGS





# STANFORD UNIVERSITY

FUTURE SELF STUDY + SAVING MONEY

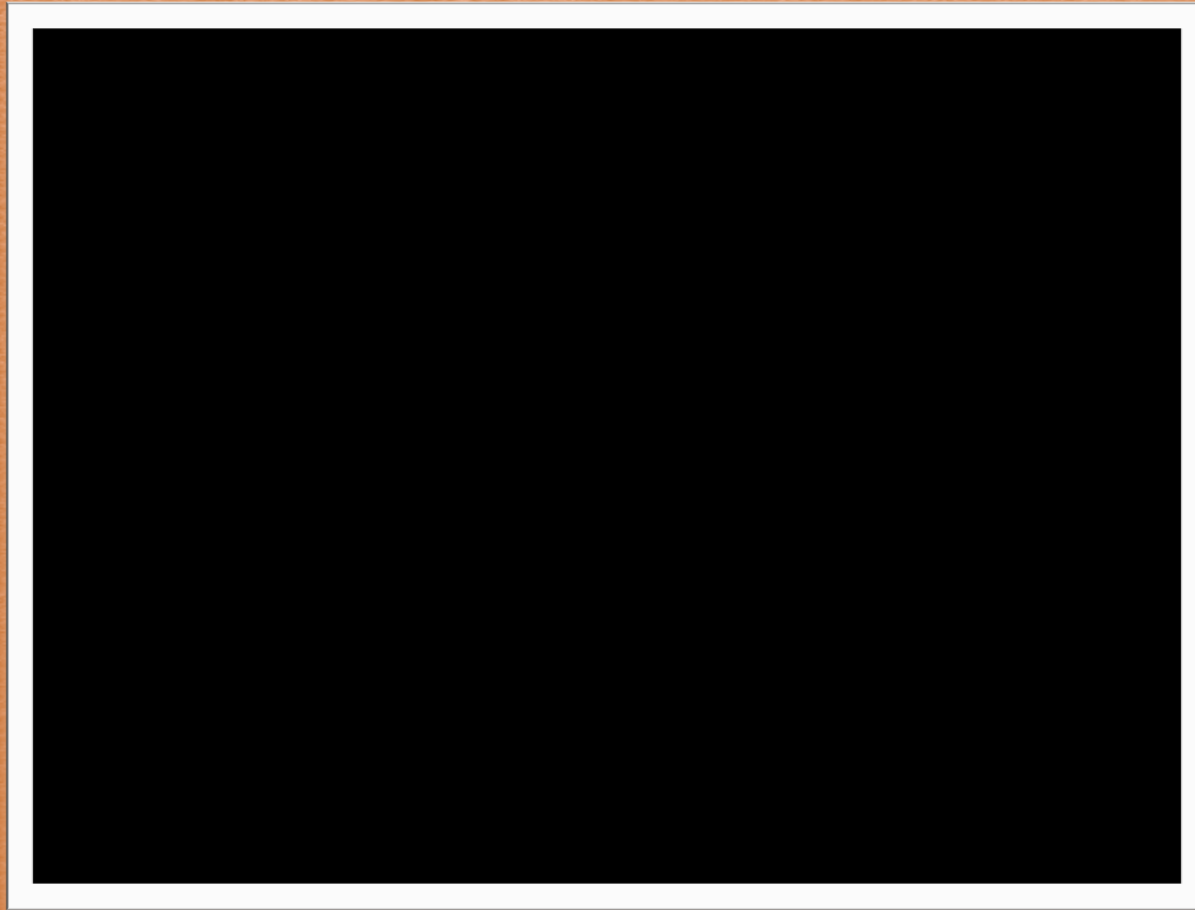




# PHOTO-MORPHING LINKS

FUTUREME.ORG  
IN20YEARS.COM





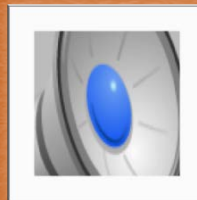
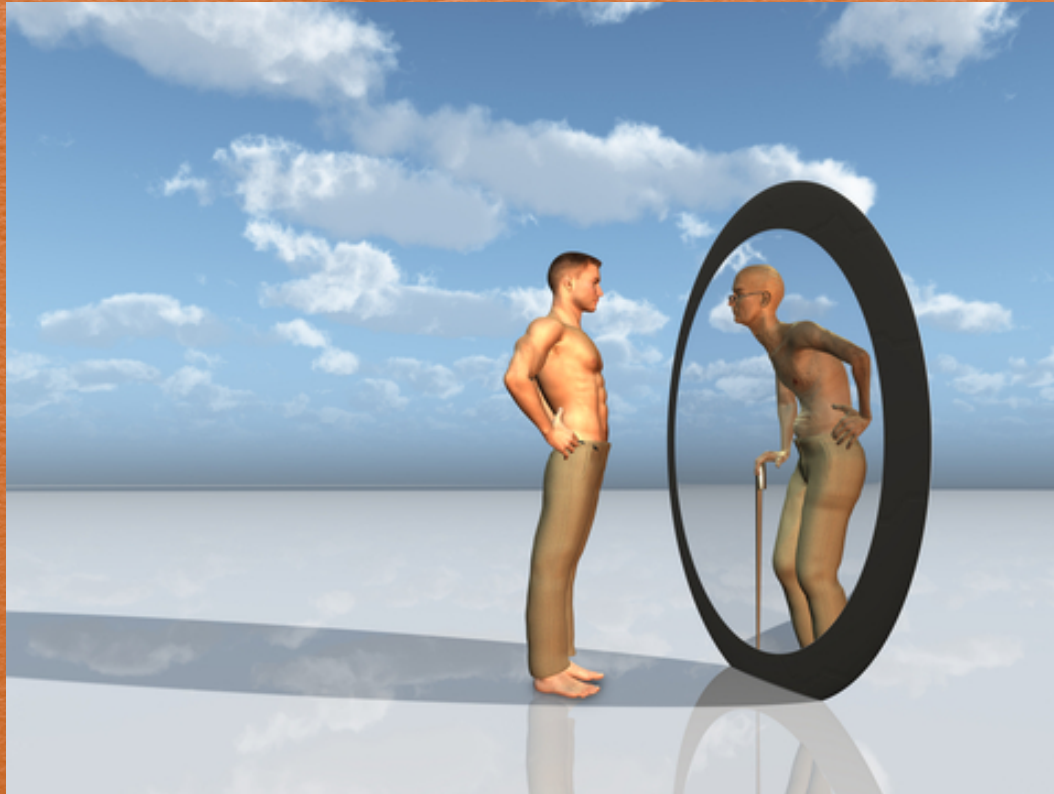
FUTURE SELF #1





FUTURE SELF #2





# GUIDED IMAGERY

CONNECTING PRESENT WITH FUTURE SELF



# WHAT ACTION WILL YOU TAKE TO SUPPORT YOUR CLIENTS TO BECOME BETTER SAVERS?

- ★ Educational Newsletter?
- ★ Re-naming Portfolio Accounts?
- ★ Encouraging a letter to future self?
- ★ Offering imagery to connect current + future self?
- ★ Use of Age Photo Morphing Software?
- ★ Saving Money Classes for Client's children