

African Bank Limited press release

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Celebrating our financially fit “boss” women this month

While we are celebrating women this month it’s important to acknowledge that many are the breadwinners in our homes, the financial managers and the go-to person when purchases need to be made.

A study by Euromonitor International indicates that between 70 and 80% of all consumer purchasing is done by women. Marketing is finally moving beyond the ‘make it pink for the female market’ strategy to acknowledging that, as well as shopping for themselves, women tend to control family finances and also make purchasing decisions on behalf of those in their care, including children and elderly family members.

It adds that the power of the female consumer is likely to grow in the near to long term. ‘As more women become educated and continue to make more of their own decisions as well as those of their household, the importance of appealing to this demographic is paramount,’ it reports.

However, beyond marketing, what’s more important is financial fitness for mothers and women in general, believes Lindiwe Miyambu, African Bank’s Group Executive: Human Capital.

“Women do an incredible job of running households and we salute them all. But there are many women and single moms out there struggling to be financially savvy and make the right choices with their money,” she says. “The right choices need to not only include spending now but also saving for the future. Our greatest asset is the ability to work. There will come a day when these women will retire or be unable to work and planning has to be done now to secure a healthy financial future. The current pandemic has also shown us how important it is to have some type of emergency fund.”

Here are some useful tips to becoming or staying financially fit:

- **Review your finances**

When creating a budget, you need to consider your total income and your total expenses. If you’ve got a 9-to-5 job, your bank statement will paint the best income-vs-expenses picture for you. The next step is to look at how you’re spending that money each month. In this list, you may include water and electricity, food, rent, transport, school fees, debt payments and entertainment. If you are saving money, include savings on your list too. The total you get from tallying up your expenses will then be subtracted from your total income.

Ideally, you should have money left over. This is money you could use to boost your savings or use to pay off your debt more quickly, especially if you're still dealing with student loans, a car loan or credit card balances. If you don't have anything left over, or even worse, you're in the negative, you'll need to fine-tune your budget by reducing your expenses.

- **Drawing up your budget**

Once you have reviewed your income and expenses and have a better picture of your financial standing, you can start to create your budget. To start, you can use the 50-30-20 rule to budgeting. Alternatively, simply decide which expenses are most important and allocate money there first.

Once you have your budget drawn up, you'll get an even clearer picture of how much money you have to spare towards **education savings**, emergency savings, clothes, etc.

- **Track your spending**

A budget is only as effective as your commitment to sticking to it. For your budget to work, you have to make sure that you know how much money leaves your bank account, and when. Most banks have a mobile banking app that lets you see your balances, make transactions and more, 24/7. It is generally cheaper to transact online as well.

If you need to, you can then adjust how much you're spending on certain items to make your money go further.

- **Make saving a priority**

Having a savings plan is important for any parent. Many women are finding themselves having to rely on their income alone during lockdown, so it makes sense to have a back-up plan for expenses such as school fees, medical emergencies etc. If you don't already have an education savings plan for your kid/s, try to save even just a little each month. This will go a long way in ensuring that you can afford to invest in your child's education without getting into debt.

Because you work hard for your money, where you choose to save is just as important as saving. A priority should be to get an account with SA's best rate. At present African Bank offers the highest savings and investment rates.

"Being a woman can be tough, especially if you're having to do more on your own at this time. Some budgeting and financial planning, however, will help you make ends meet and enjoy being the super women you are. Have a very special Women's month," concludes

Miyambu.

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