



Financial Literacy among 5-7 year-old children

*- based on a market research survey among parents in
Denmark, Norway, Sweden and Finland*

YouGov[®]
What the world thinks



1. Purpose of the Study	Page 3
2. Methodology	Page 4
3. Summary	Page 7
4. Results	
1. Financial awareness and responsibility	Page 13
2. Aspects of pocket money	Page 44
3. Children as consumers	Page 59
4. Interest in product concepts/Apps	Page 69

Danske Bank wants to investigate how parents educate their children in “financial literacy”. The following topics are covered:

■ **Financial awareness and responsibility**

- To what extent the children understand aspects of money
- How often parents discuss aspects of money with their child
- How difficult it is to discuss aspects of money with their child
 - *Where your household money comes from*
 - *That different products have different value*
 - *How buying one thing may mean you can't buy another*
 - *How saving up allows you to buy you something you want in the future*
- Do parents think that their child would benefit from learning more about any of the previously mentioned aspects of money?
- Where would you prefer to find the information and material about private finance
- To what extent are schools, parents, the government, the financial sector and private organizations responsible for children's understanding of money?

■ **Aspects of pocket money**

- If the child receives pocket money
- At what age they received pocket money the first time
- How much the child spends each month

■ **Children as consumers**

- Whether the child has influence on the parents purchases
- Does the child have a mobile phone/Will they get one

■ **Parents' interest in different product concepts/Apps**

- Cash card with balance view, Teaching App for the child, Virtual piggy bank and App for savings for the child

The study covers 4 countries within Danske Bank's geographic focus area.

Interview period: Data has been collected in the period from 20.11.2012 until 11.12.2012

Target group: Parents with children from the age of 5 to 7 years

Countries	Sample Size (Not weighted)	Sample Size (Weighted)
Denmark	306	300
Sweden	306	300
Norway	316	300
Finland	305	300

Data Collection

Data has been collected via the internet in YouGov's own internet-based consumer panels in the four Nordic countries. YouGov has hosted and coordinated the data collection in all 4 countries.

Data Weighting

Data is weighted on the parents' gender (50/50) and on the children's age (according to the official national statistics) and on quotas such that each of the four countries counts for one fourth of the aggregated data.

The survey is a repeat of the Financial Literacy survey conducted in 2008.

Most of the areas covered in the 2008 survey are also covered in 2012 and some areas are new in 2012.

All repeated areas will be compared with regards to development from 2008 to 2012.

- In this respect, please note that Ireland and Northern Ireland are not included in the 2012 survey. The comparison from 2009 to 2012 will hence only concern the four repeated countries – Denmark, Finland, Sweden and Norway.

Any significant changes from 2009 to 2012 or differences between countries in the data are based on a 95%-confidence interval.

Summary



- 1 of 4 young children have a low understanding of money
 - As in 2008 28% of the parents believe that their child not at all or to a minor extent understands where household money comes from
 - As in 2008 28% of the parents believe that their child not at all or to a minor extent understands that different products have different value
 - Slightly more than in 2008 – 24% - believe that their child not at all or to a minor extent understands that buying one thing may mean you can't buy another
 - 25% of the parents believe that their child not at all or to a minor extent understands how saving up allows you to buy something you want in the future (just slightly lower than in 2008)

- Parents talk about money with their children
 - 80% discuss **where household money comes from** at least a few times a month – this is higher than in 2008
 - 86% discuss how **different products have different prices** at least a few times a month – this is just slightly lower than in 2008
 - 87% discuss **how buying one thing may mean that you can't buy another** at least a few times a month – this is significantly less than in 2008
 - 82% discuss **how saving up allows you to buy something you want in the future** at least a few times a month – a significant decrease since 2008
 - 67% find it easy or very easy to discuss **where household money comes from** – a significant increase since 2008
 - 66% find it easy or very easy to discuss **that different products have different values** – a significant increase since 2008
 - 66% find it easy or very easy to discuss **how buying one thing may mean you can't buy another** – a significant increase since 2008
 - 66% find it easy or very easy to discuss **how saving up allows you to buy something in the future** – a slight increase since 2008

- 50% would to some extent/to a very large extent find it **helpful to have access to information on the basics of money** – a significant decrease since 2008
 - 67% respectively 46% of those who would like more information, would prefer to find the information **on the Internet and on the bank's homepage** – a significant decrease since 2008 with regards to the Internet
 - *Bank's homepage was not included in 2008 – and this alternative has overtaken a part of the Internet-share and the bank's branch-share*
- 43% of the children **receive pocket money** (same as in 2008)
 - 56% of those who get pocket money receive **3 euro or more per week** – this is significantly lower than in 2008
- 89% of the parents at least sometimes tell their child **that he or she can't have what they want because it is too expensive** – only slightly lower than in 2008
- When the child has to **choose between goods**, 73% of the parents at least sometimes **explain it is because of the price** – only slightly lower than in 2008
- 85% of the children **decide on how to spend his/her own money** from less than once a month to several times a week (just slightly lower than in 2008)
- Each month 16% of the children **spend more than 13 euro on his/her own** – this is significantly lower than in 2008

- 17% of the children have their **own mobile phone** – slightly higher than in 2008
- 52% of those who do not already have a mobile phone **will have it before the age of ten** – significantly more than in 2008
- 85% of the children sometimes to very often **have influence on what to buy** – just above the level in 2008
- Most of the children are customers in a bank
 - 86% of the children have **personal bank products** – a significant increase since 2008
- 88% **have a smartphone and/or a tablet** in the household
- 26% would **transfer money to their child's savings using an App**
- 33% find **a virtual piggy bank would be helpful when setting targets for their child's savings**
- 28% would allow their child to have a **debit card if there was a chip displaying the balance**
- 24% would buy a **teaching App for 1 euro**
- The most needed initiative is **a child-friendly version of the overview of expenses and budget** (40%) closely followed by **a financing school for children and young people** (38%)
- 60% believe that their child should only **have access to eBank and Mobile/Tablet Bank** at the age of 15 or older

Results

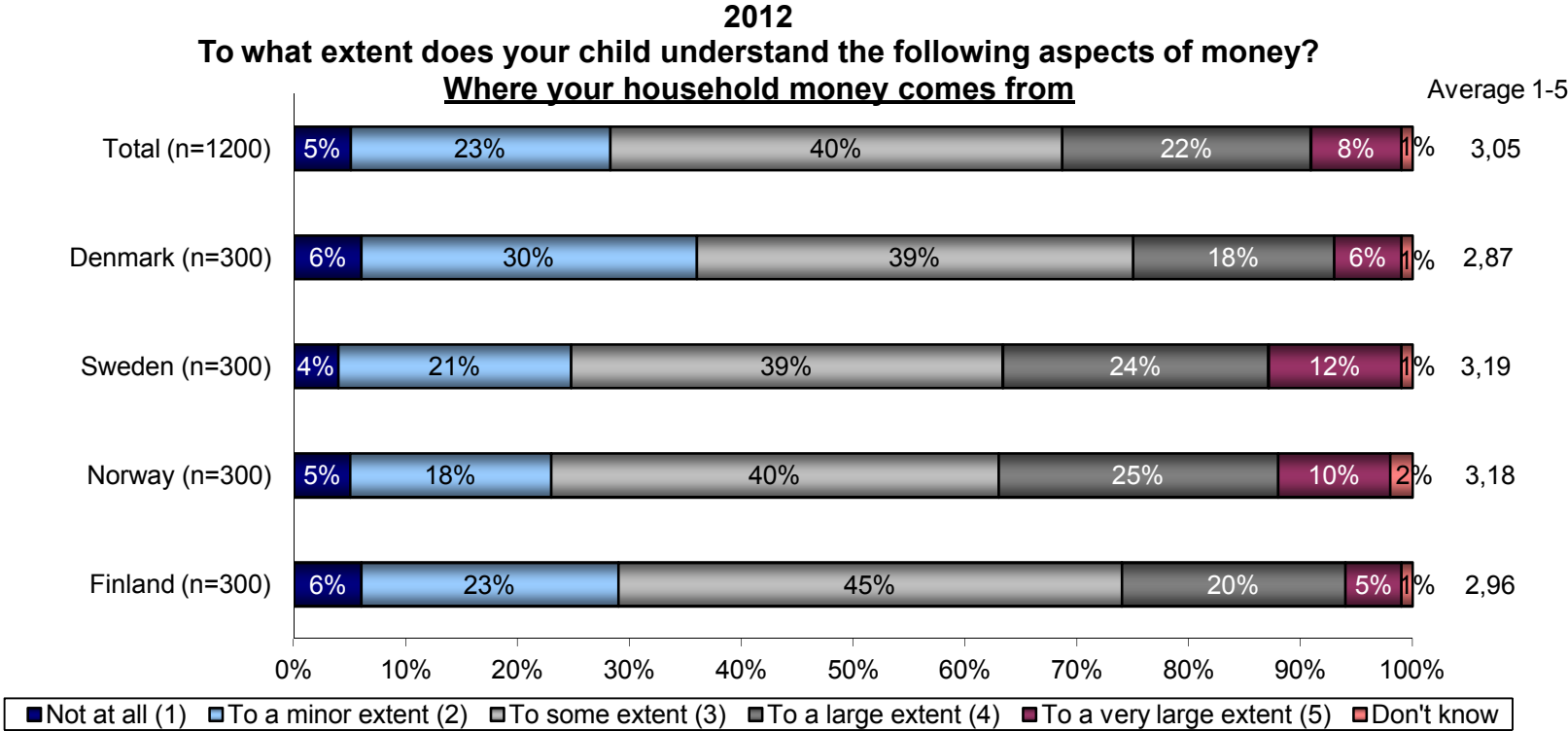


Financial awareness and responsibility



28% of the parents believe that their child not at all or to a minor extent understands where household money comes from

10/11/2014

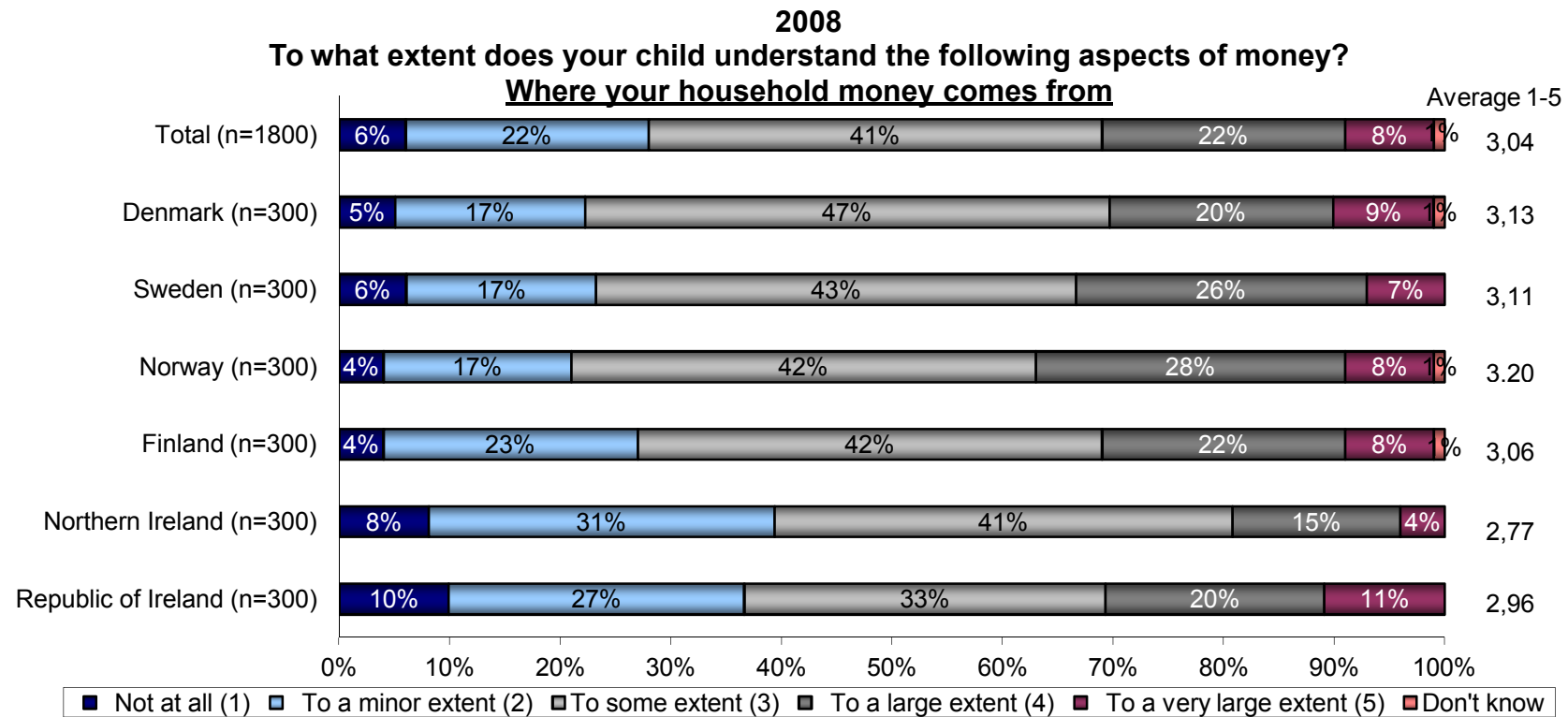


In Denmark significantly more parents than total average believe that their child only to a minor extent understands where household money comes from. This is also a significant increase from 2008 to 2012 (from 17% to 30%).

In Sweden there are significantly more parents than total average who believe that their children to a very large extent understands where household money comes from. Furthermore, this is a significant increase from 2008 to 2012 (from 7% to 12%).

28% of the parents - not at all or to a minor extent - think their child understands where money comes from

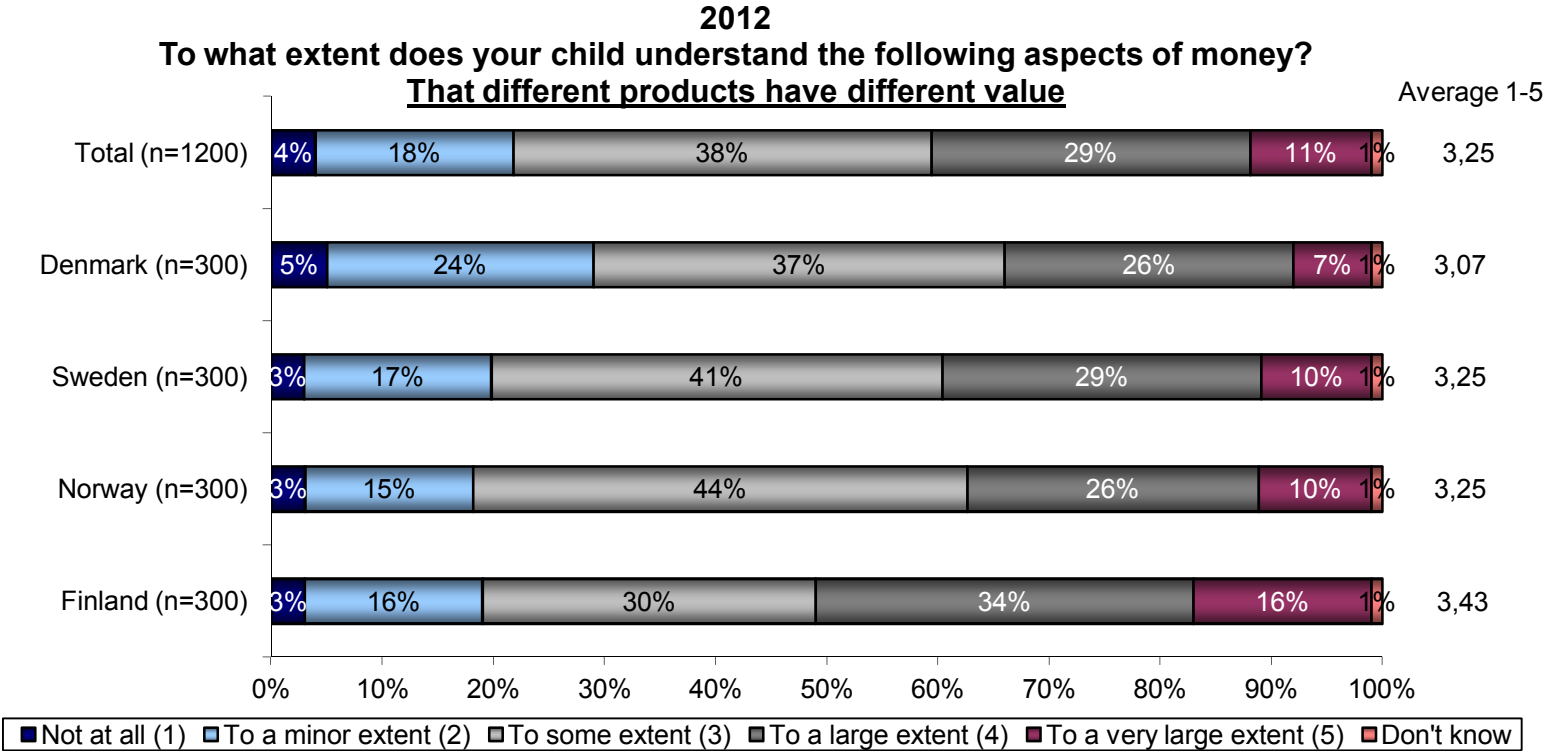
10/11/2014



Northern Ireland and Ireland are different from the other countries – 39% and 37% answer Not at all or To a minor extent.

22% of the parents believe that their child not a all or to a minor extent understands that different products have different value

10/11/2014

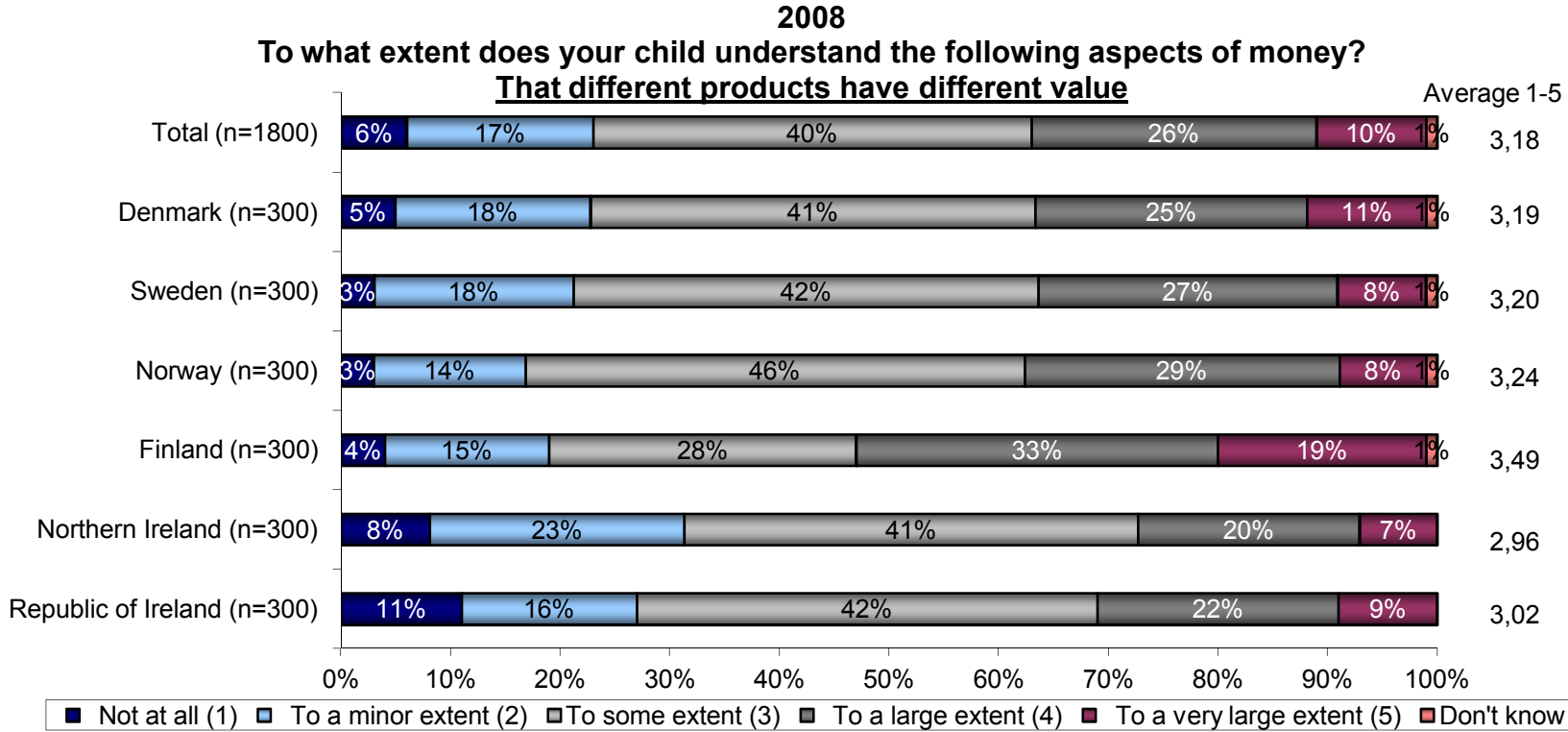


In Denmark significantly more parents than average believe that their child only to a minor extent understands that different products have different value.

Of the four countries, Finland has the highest percentage of parents who believe that their child to a large/very large extent understands this aspect.

23% of the parents -not at all or to a minor extent- think their child understands that different products have different value

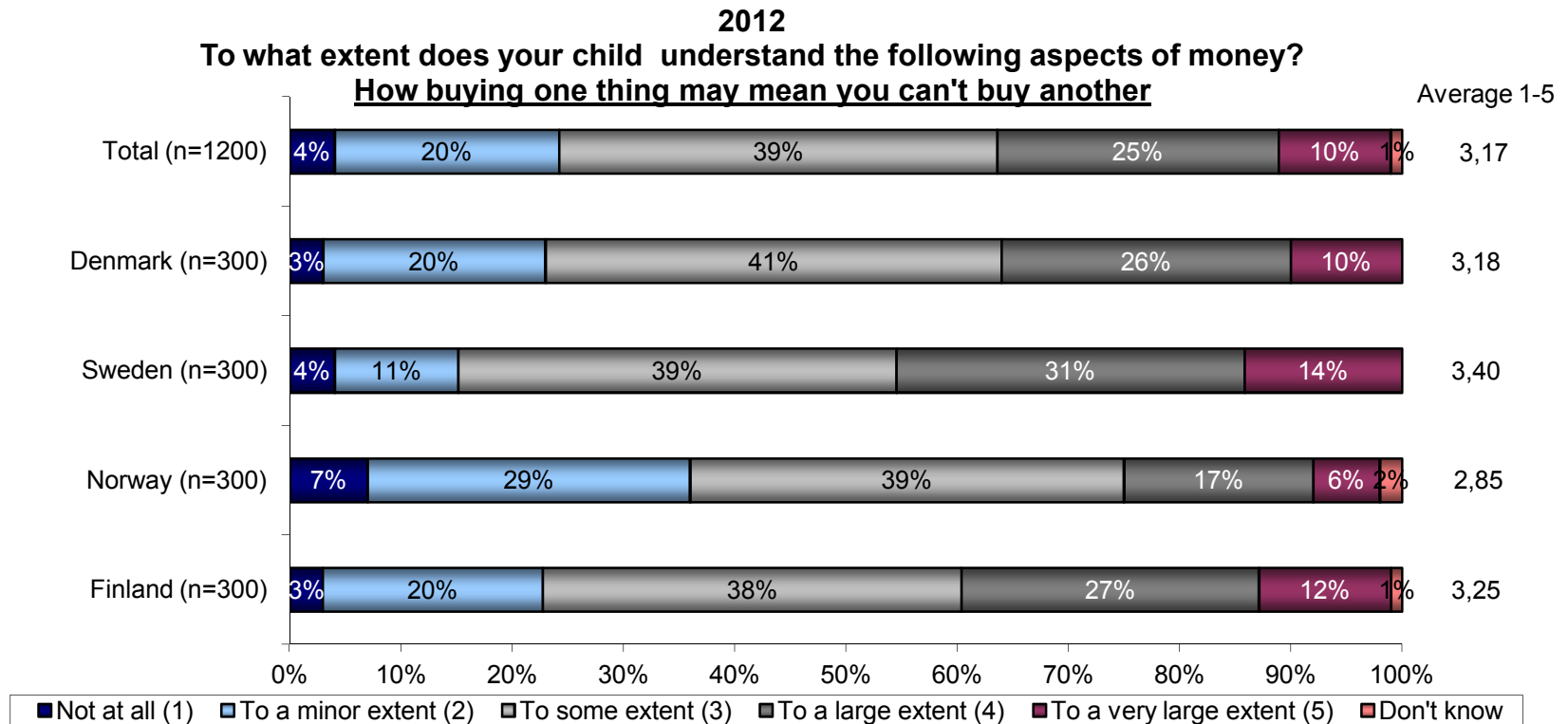
10/11/2014



Northern Ireland is different from the other countries – 31% answer Not at all or To a minor extent. Finland: Has the largest average – Northern Ireland and Ireland the smallest.

24% believe that their child not at all or to a minor extent understands that buying one thing may mean you cannot buy another

10/11/2014

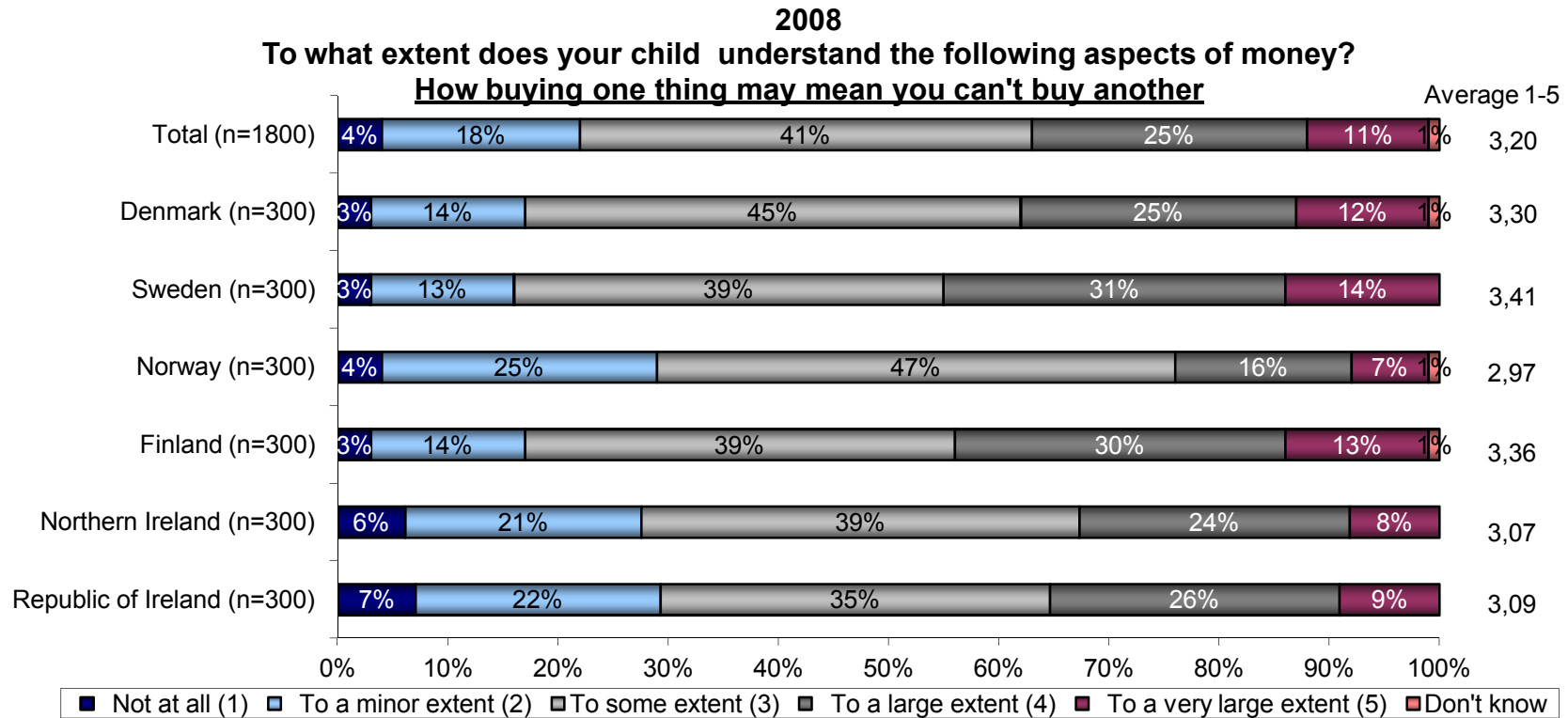


Sweden is the country with the highest percentage of parents who believe that their child to large/very large extent understands that buying one thing may mean you can't buy another (45%).

Norway has the lowest understanding of this aspect (23% - large/very large extent).

22% of the parents -not at all or to a minor extent- think their child understands how buying one thing mean you can't buy another

10/11/2014

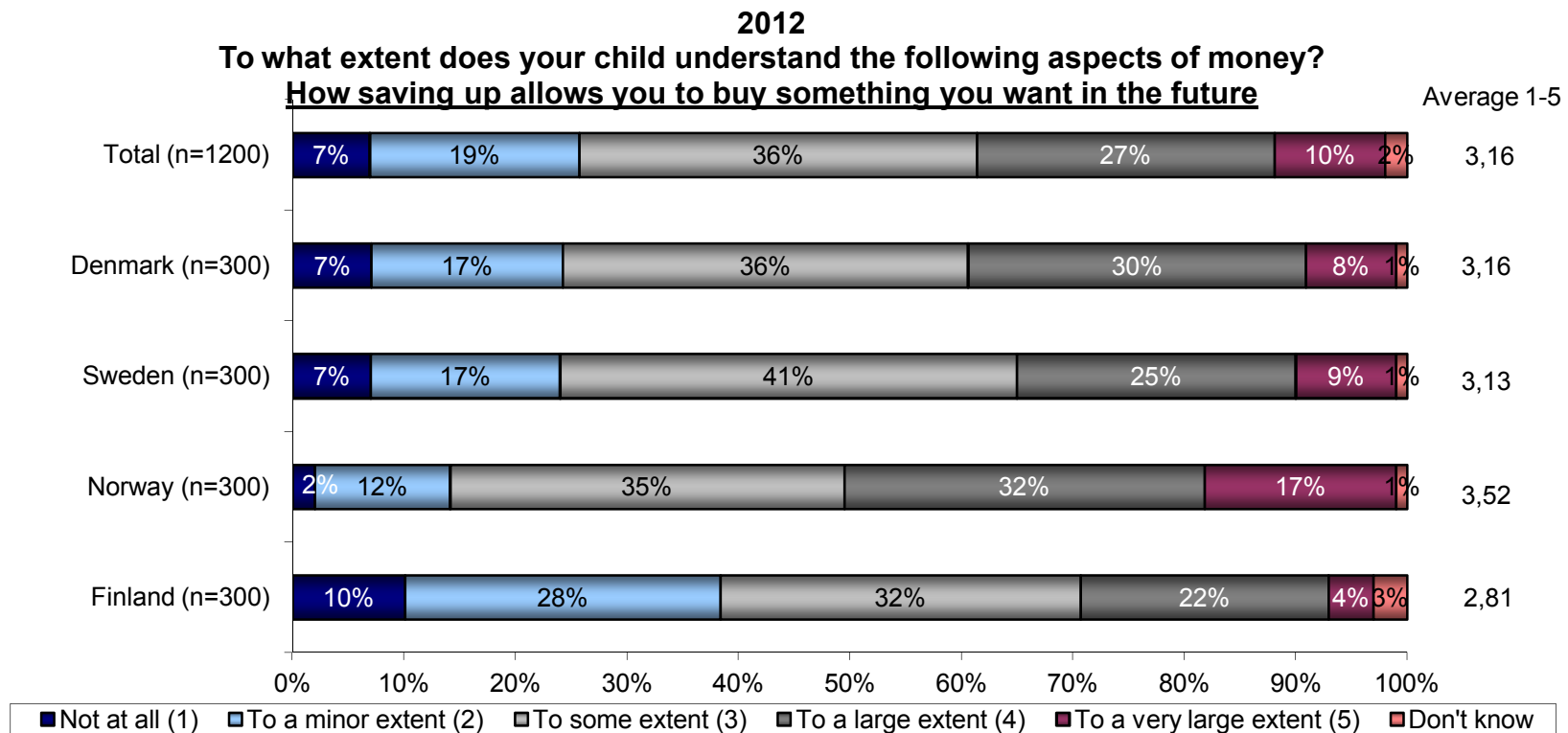


Note: Children in DK, SE and FI to some extent understand how buying one thing may mean you can't buy another.

Children in NO, NI and ROI have less understanding of this aspect (have the smallest average).

25% of the parents believe that their child not at all or to a minor extent understands how saving up allows you to buy something you want in the future

10/11/2014

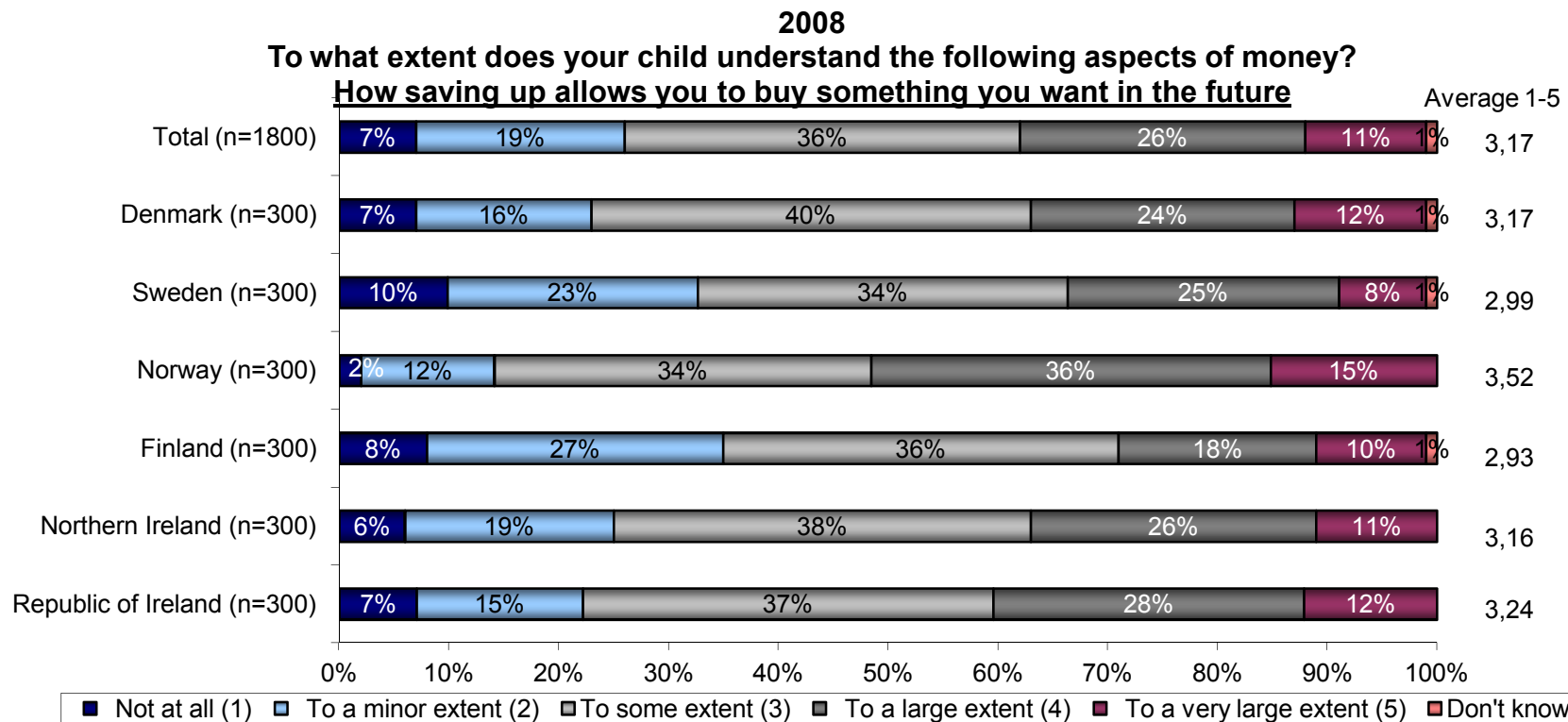


Norway is the country with the highest percentage of parents who believe that their child to large/very large extent understands that saving up allows you to buy something you want in the future (50%).

Finland has the lowest understanding of this aspect (27% - large/very large extent).

26% of the parents -not at all or to a minor extent- think their child understands how saving up allows you to buy something you want in the future

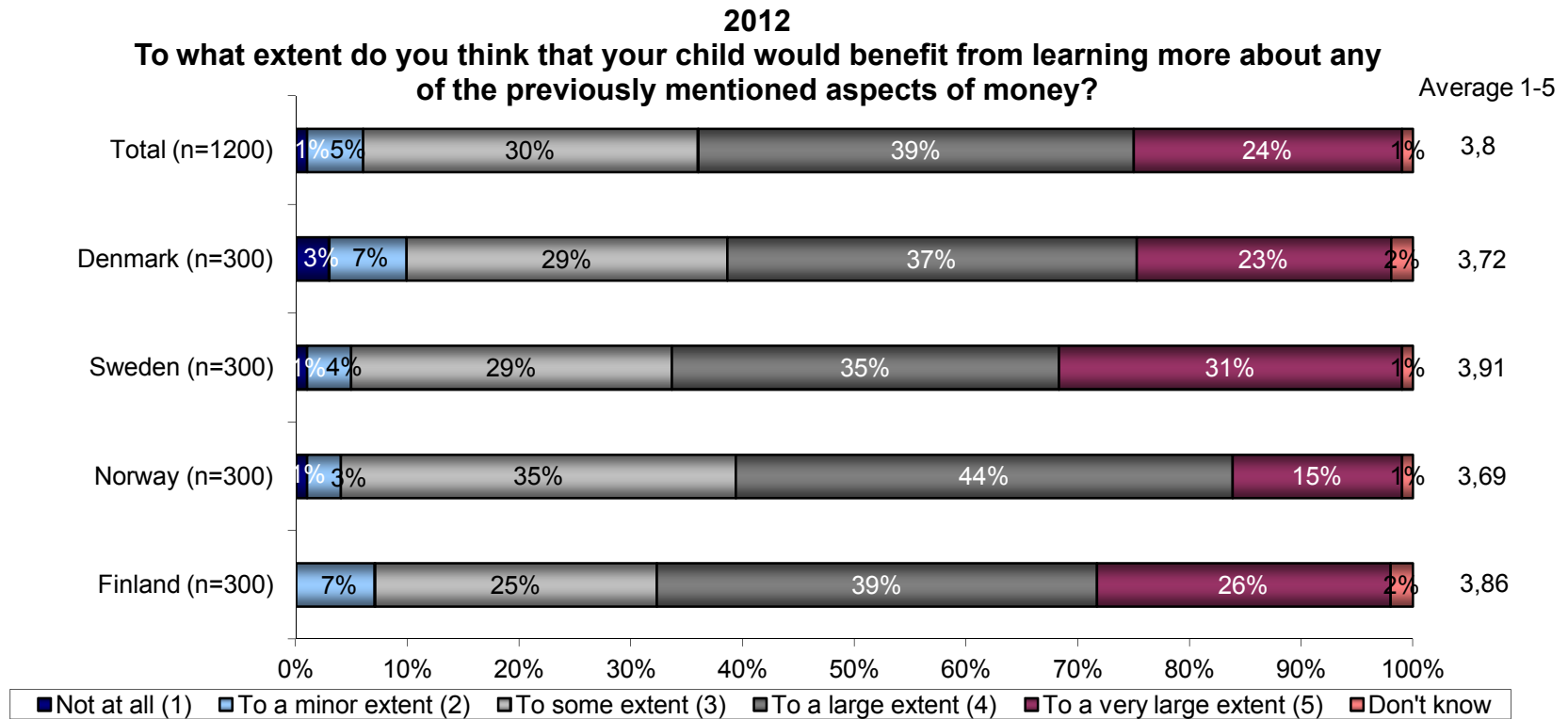
10/11/2014



In NO they understand saving up is important – more than in SE and FI (33% and 35% answer Not at all or To a minor extent).

93% (to some extent to a very large extent) of the parents think their child would benefit from learning more

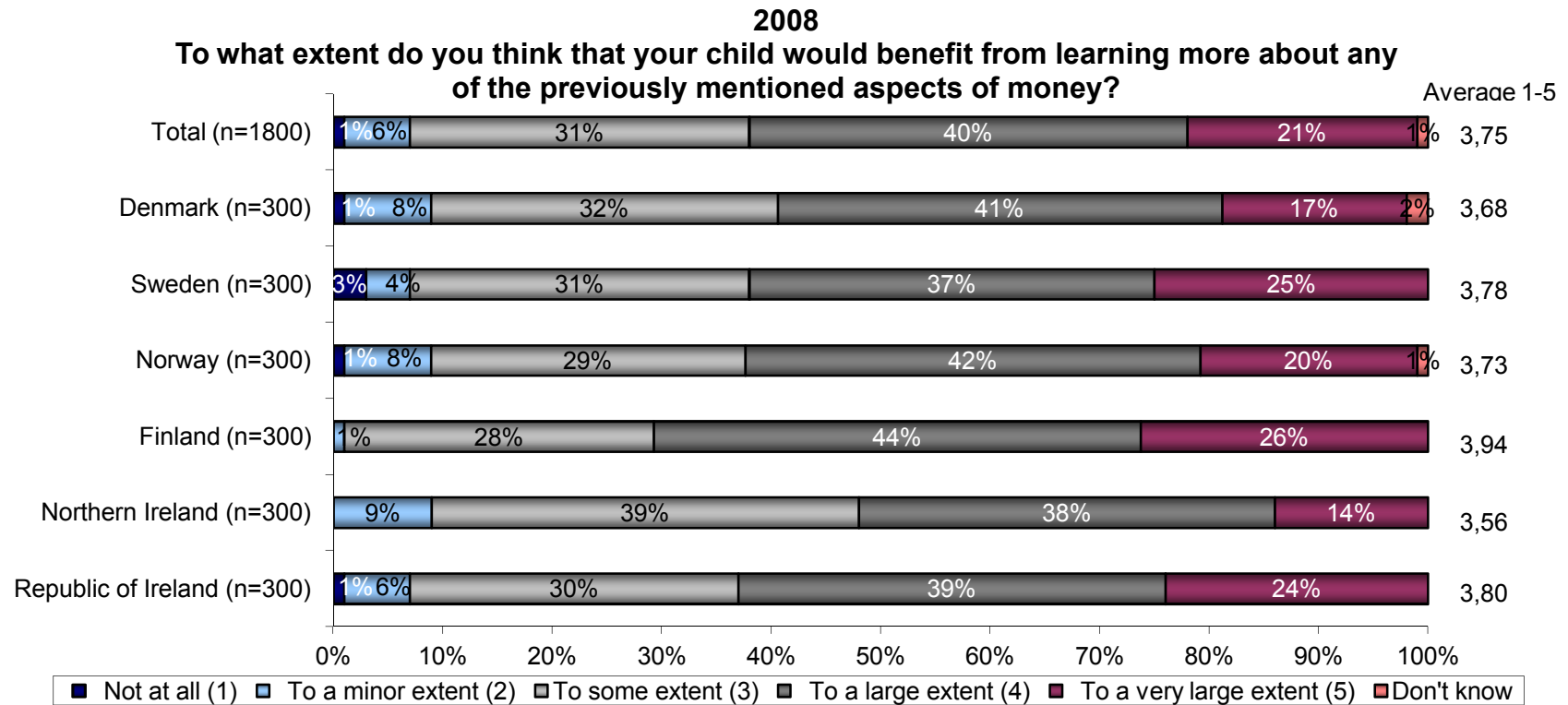
10/11/2014



Children in Sweden and Finland would benefit more than children in Denmark and Norway (SE/FI: highest percentage in top 2-box).

92% (to some extent to a very large extent) of the parents think their child would benefit from learning more

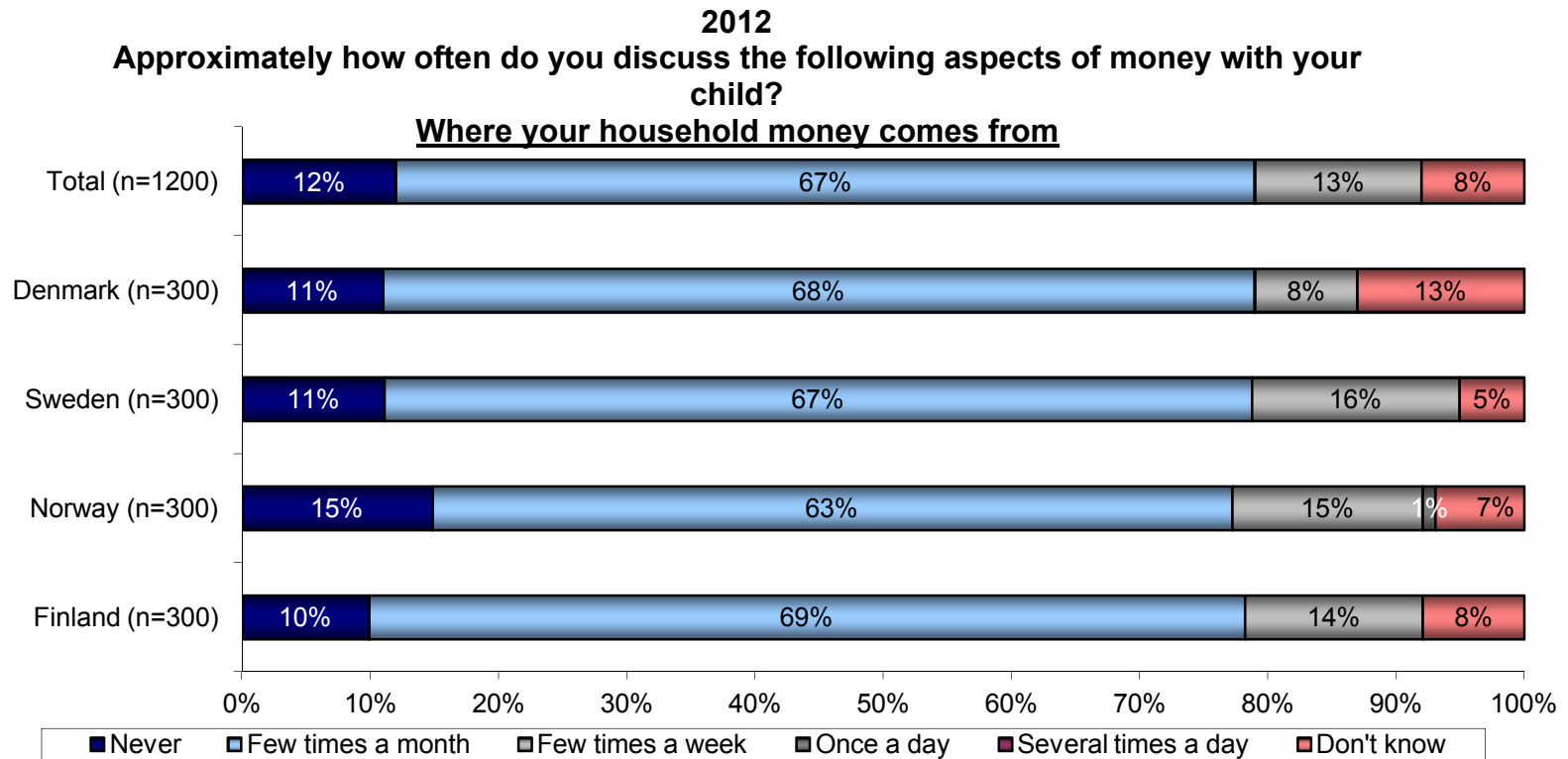
10/11/2014



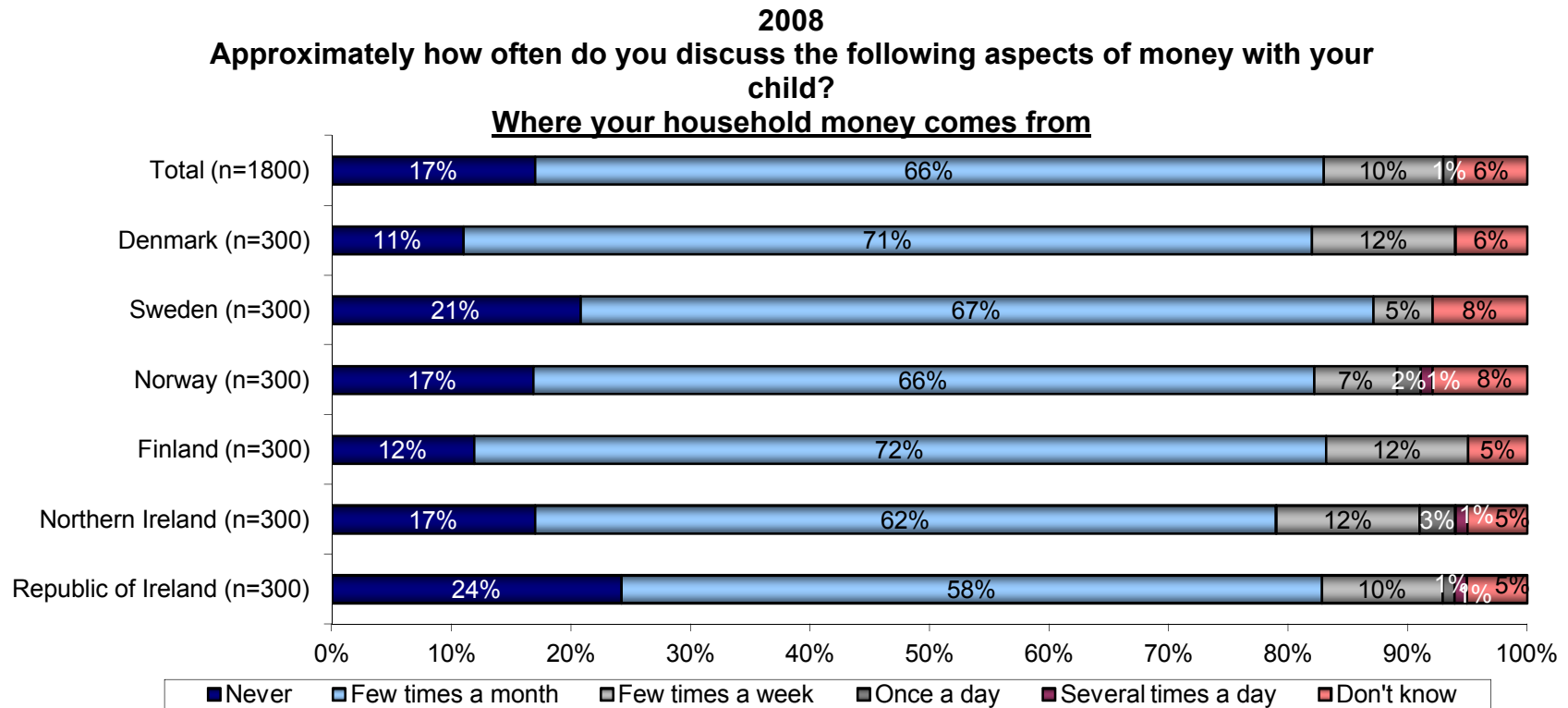
In total 92% answer that their child would benefit from learning more about money. Children in FI would benefit most from learning more (different average from DK, SE, NO and NI).

80% discuss where household money comes from at least a few times a month

10/11/2014



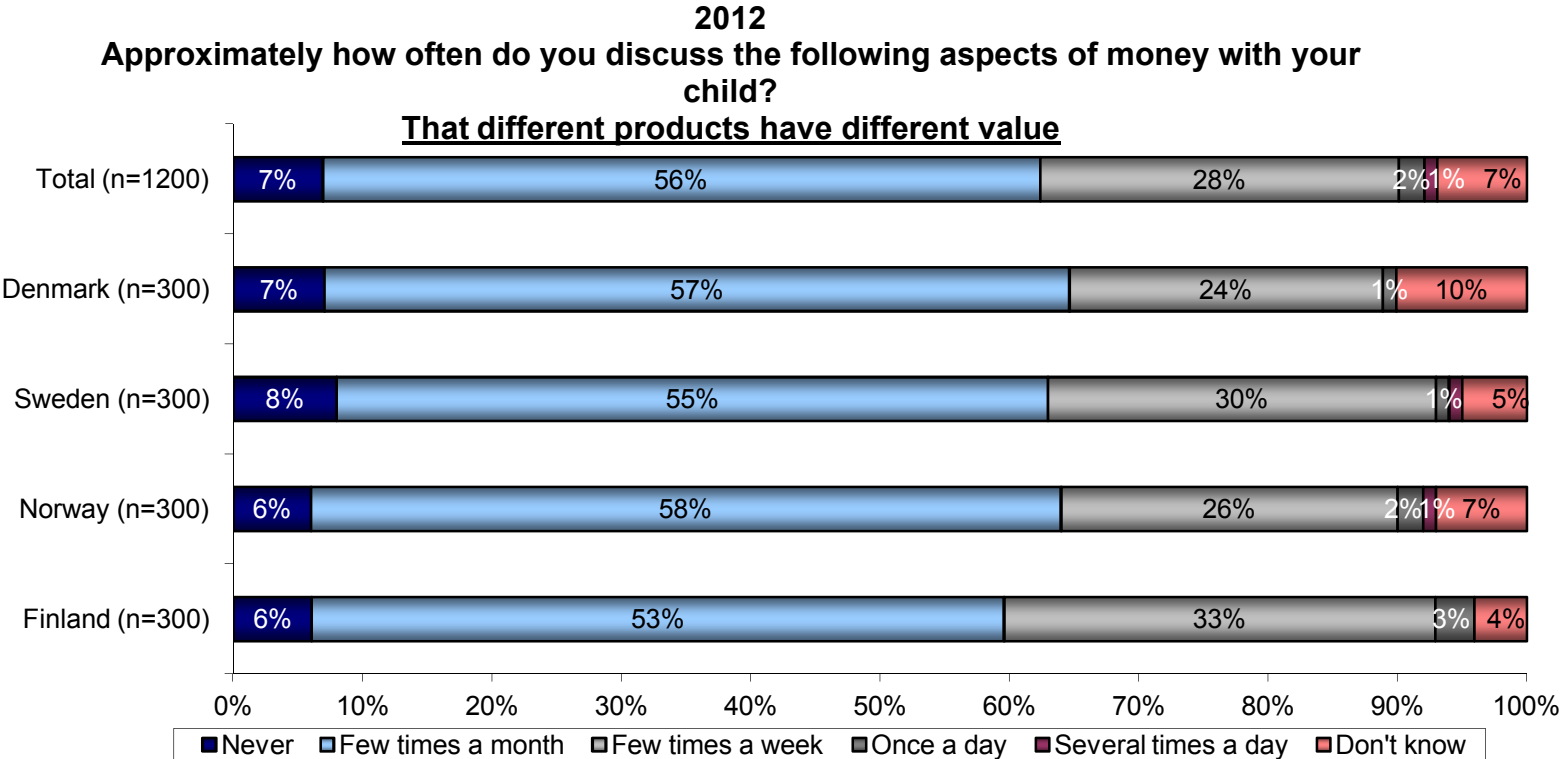
The majority discuss a few times a month where household money comes from. In Sweden, Norway and Finland they more often discuss where money comes from – opposite to Denmark.



The majority discuss where household money comes from a few times a month. In Denmark and Finland they more often discuss where money comes from – opposite to Ireland.

86% discuss at least a few times a month how different products have different prices

10/11/2014



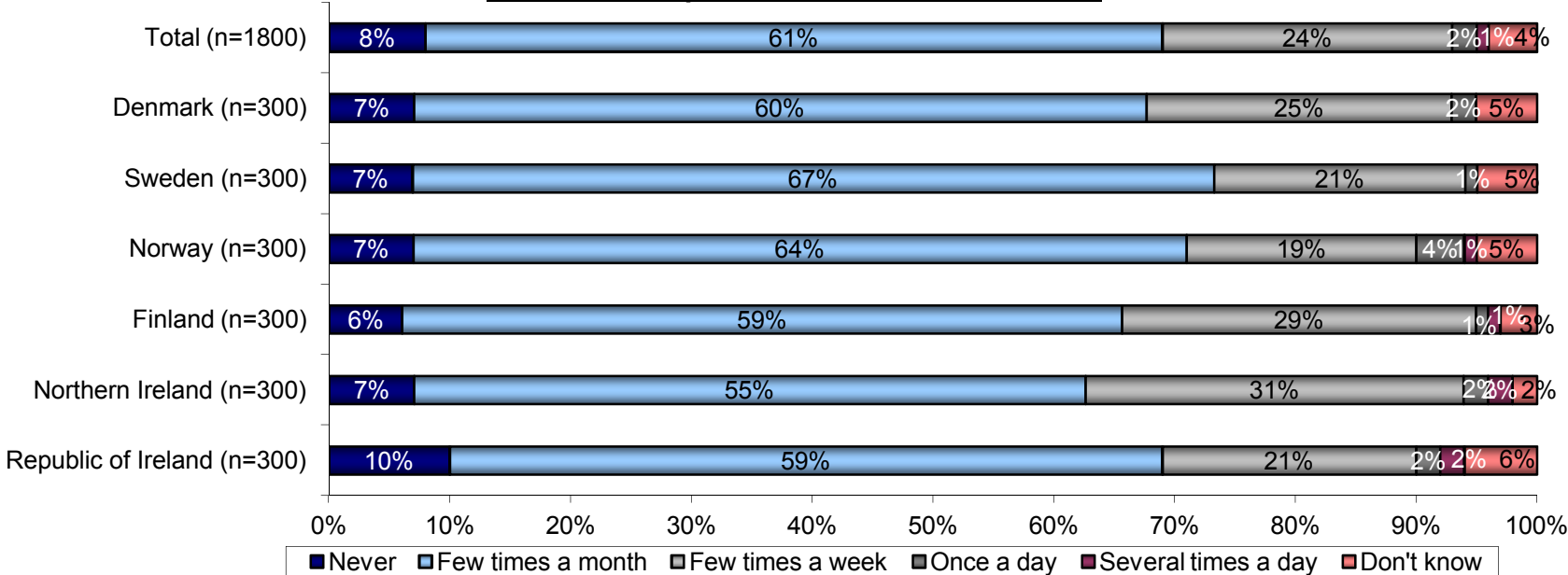
The majority discuss that different products have different value a few times a month. In Finland and in Sweden 33% and 30% discuss that different products have different value at least a few times a week (Finland slightly lower than 2008 and in Sweden significantly more than in 2008). In Norway significantly more discuss this aspect a few times a week in 2012 compared to 2008.

88% discuss how different product have different prices at least a few times a month

10/11/2014

2008
Approximately how often do you discuss the following aspects of money with your child?

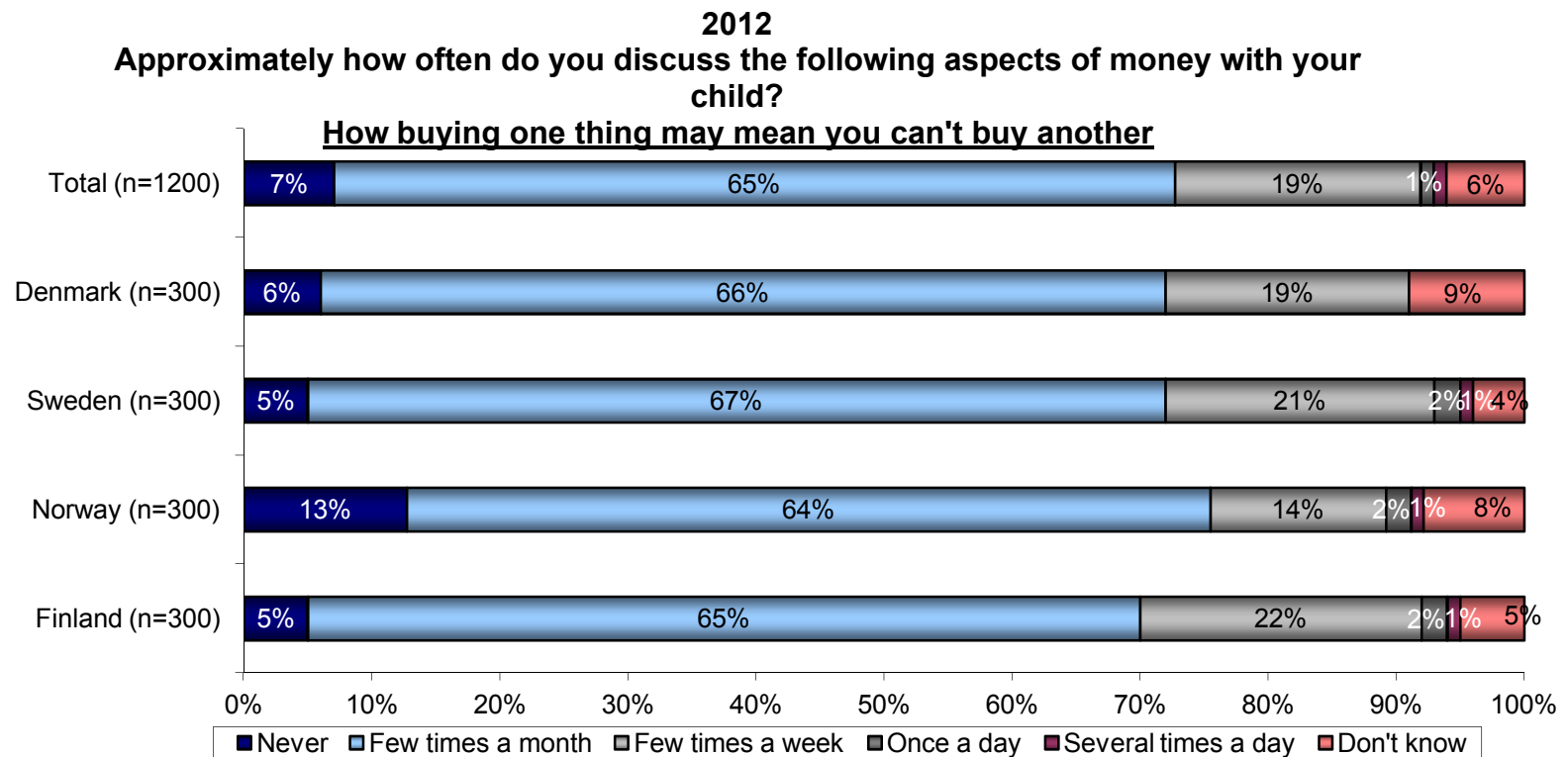
That different products have different value



The majority discuss that different products have different value a few times a month. In FI and in NI 31% and 35% discuss that different products have different value at least a few times a week.

87% discuss at least a few times a month how buying one thing may mean you can't buy another

10/11/2014

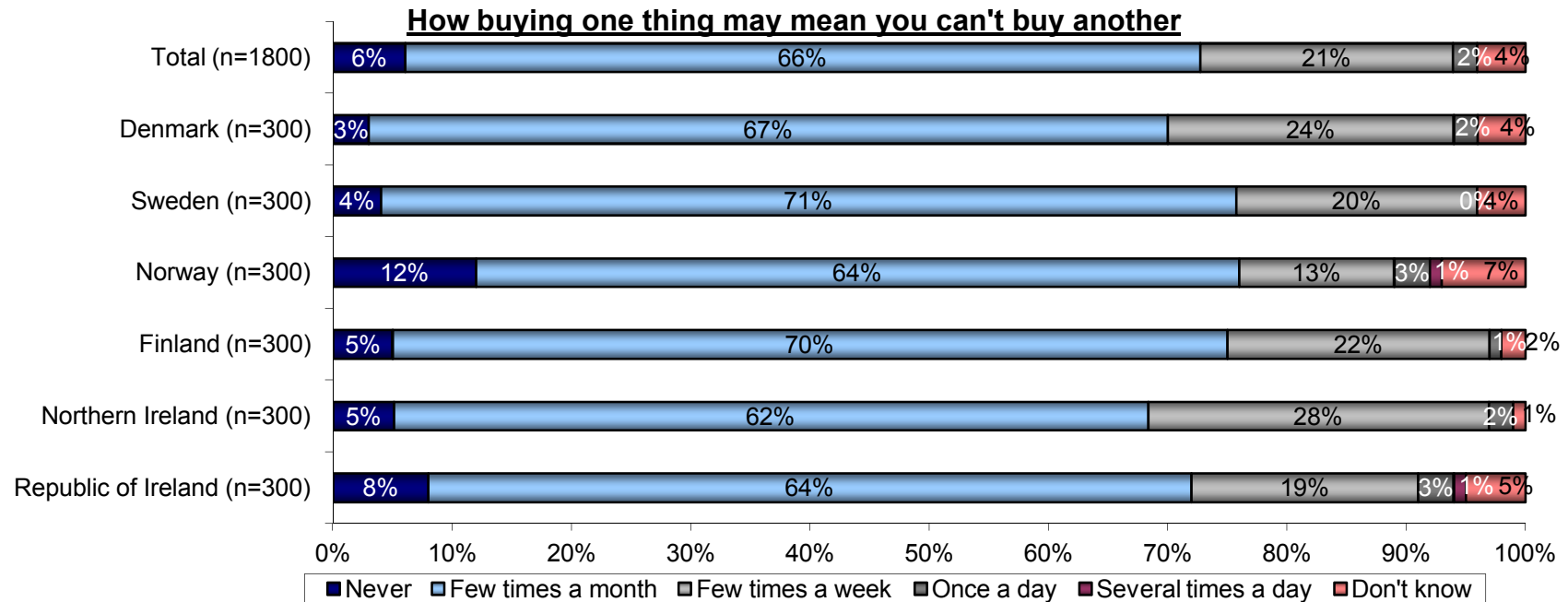


The majority discuss how buying one thing may mean you can't buy another. In Norway more never discuss this aspect compared to the other countries (13%).

90% discuss how buying one thing may mean you can't buy another a few times a month

10/11/2014

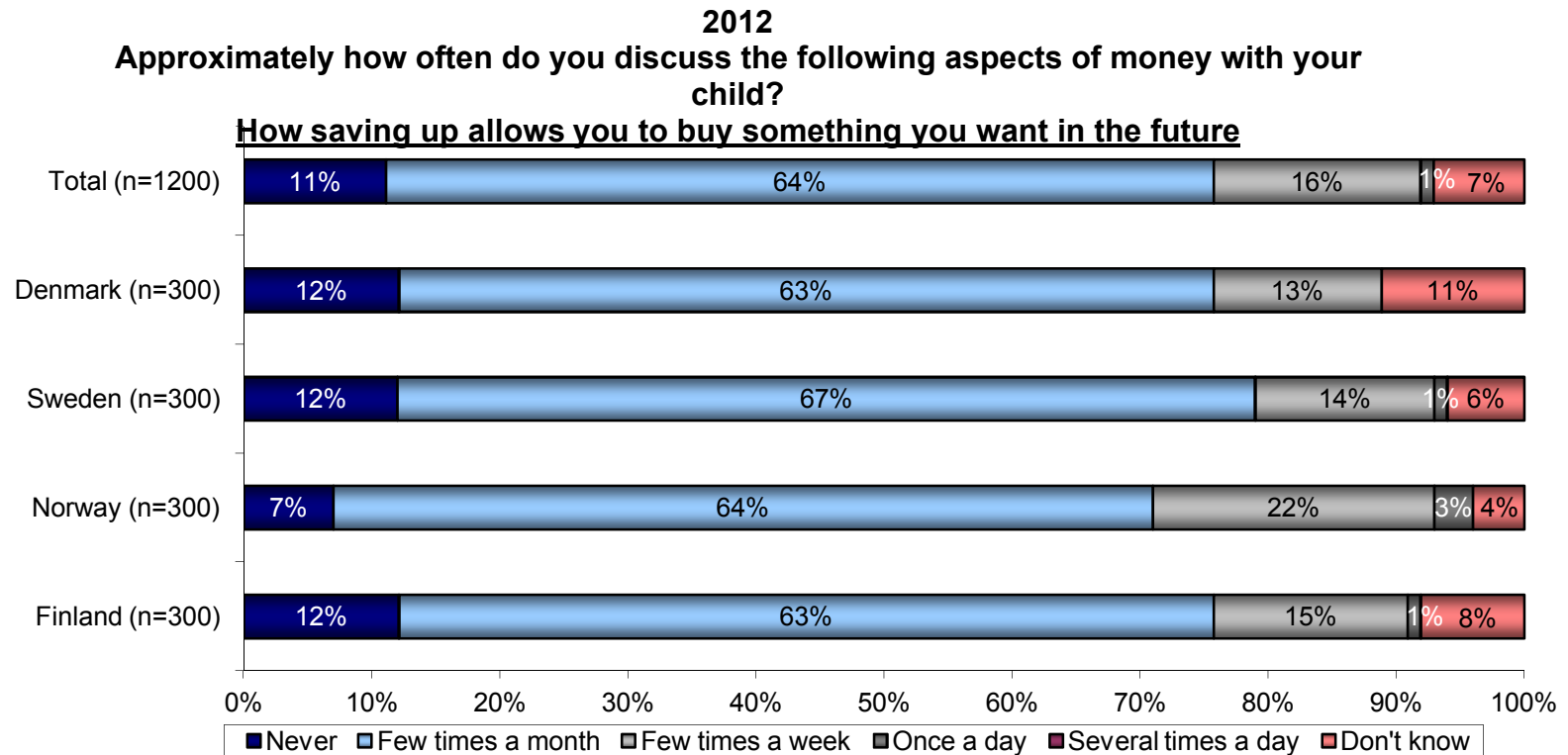
2008
Approximately how often do you discuss the following aspects of money with your child?



The majority discuss how buying one thing may mean you can't buy another. In Norway 12% never discuss this aspect. In Northern Ireland 30% of the parents discuss this aspect at least a few times a week.

82% discuss how saving up allows you to buy something you want in the future at least a few times a month

10/11/2014

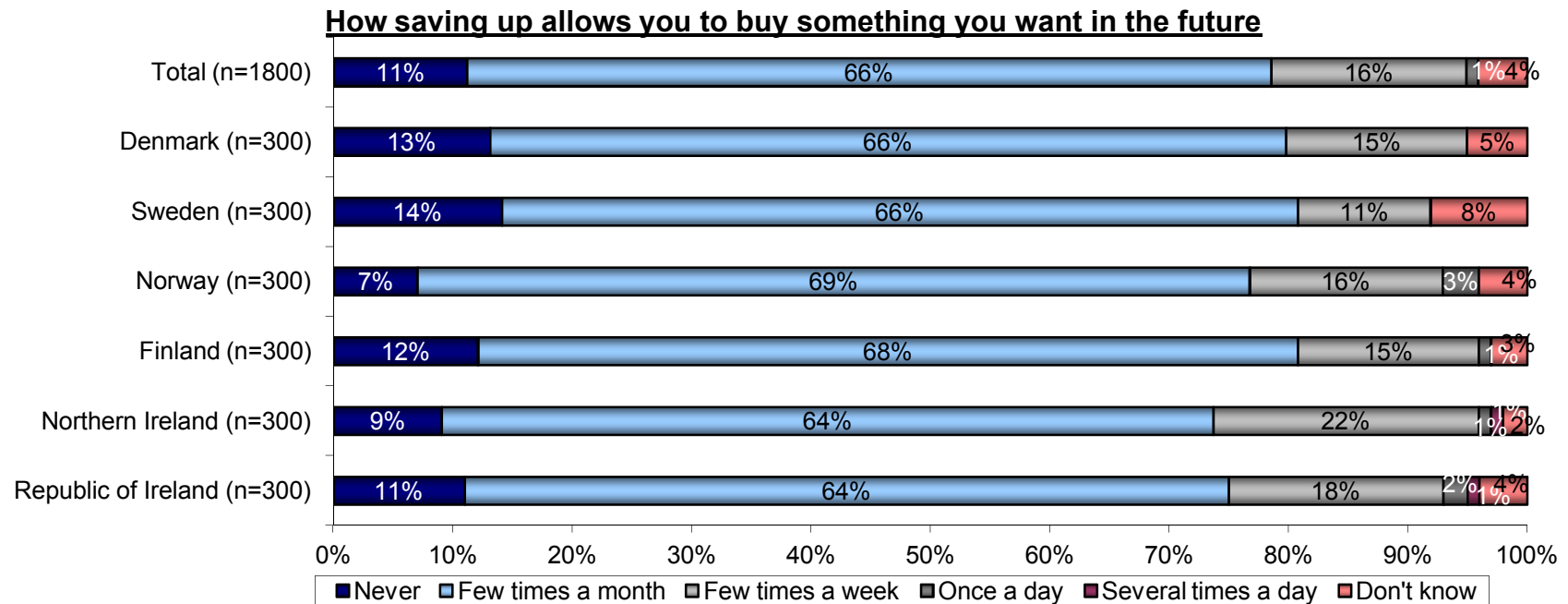


The majority discuss how saving up allows you to buy something you want in the future. In Norway they discuss this aspect slightly more often in 2012 compared to 2008.

85% discuss how saving up allows you to buy something you want in the future at least a few times a month

10/11/2014

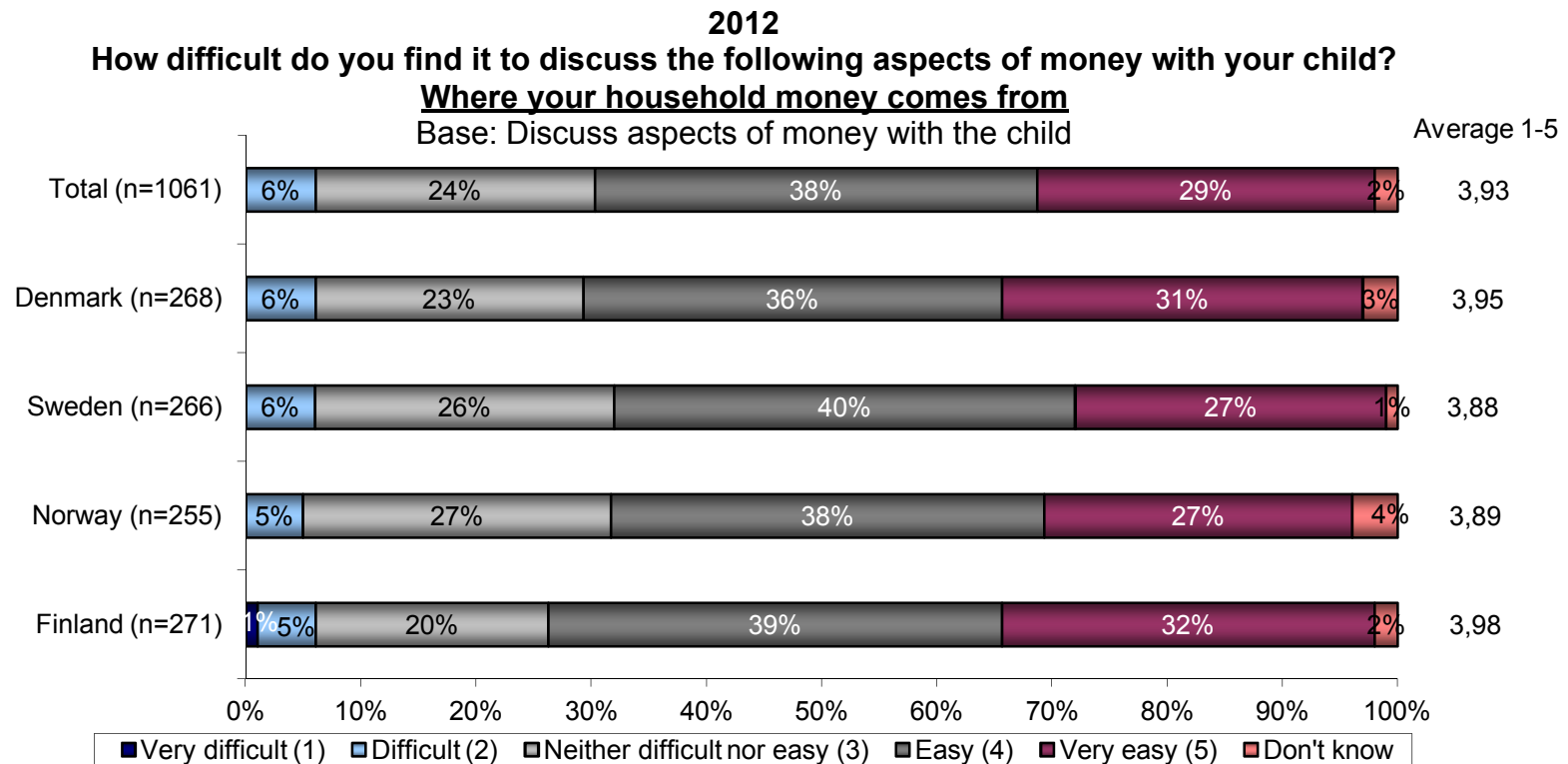
2008 Approximately how often do you discuss the following aspects of money with your child?



The majority discuss how saving up allows you to buy something you want in the future. In Northern Ireland 24% discuss that at least a few times a week.

67% find it easy or very easy to discuss where household money comes from

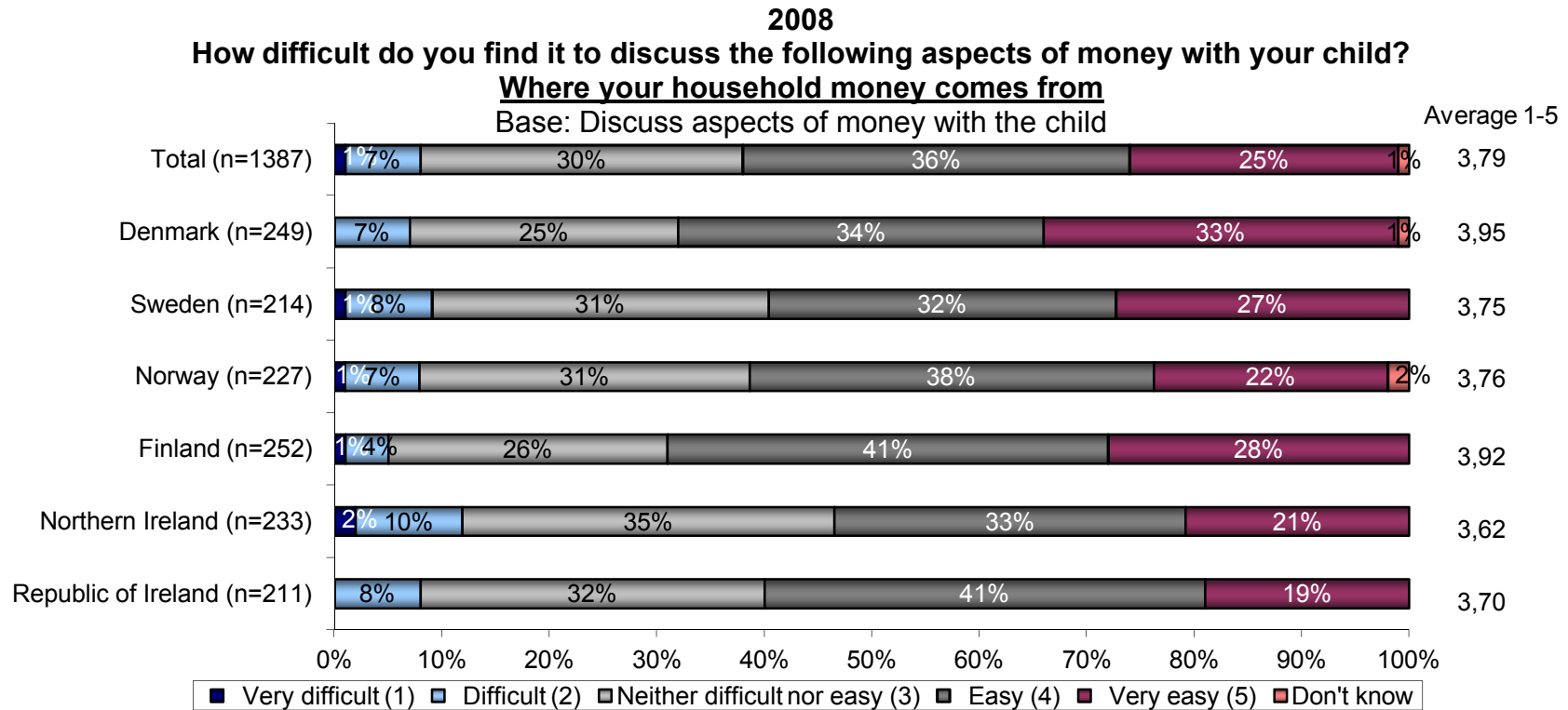
10/11/2014



Only 6% find it difficult to discuss where household money comes from (0% find it very difficult). Finland has the highest average – the second highest in 2008.

61% find it easy or very easy to discuss where household money comes from

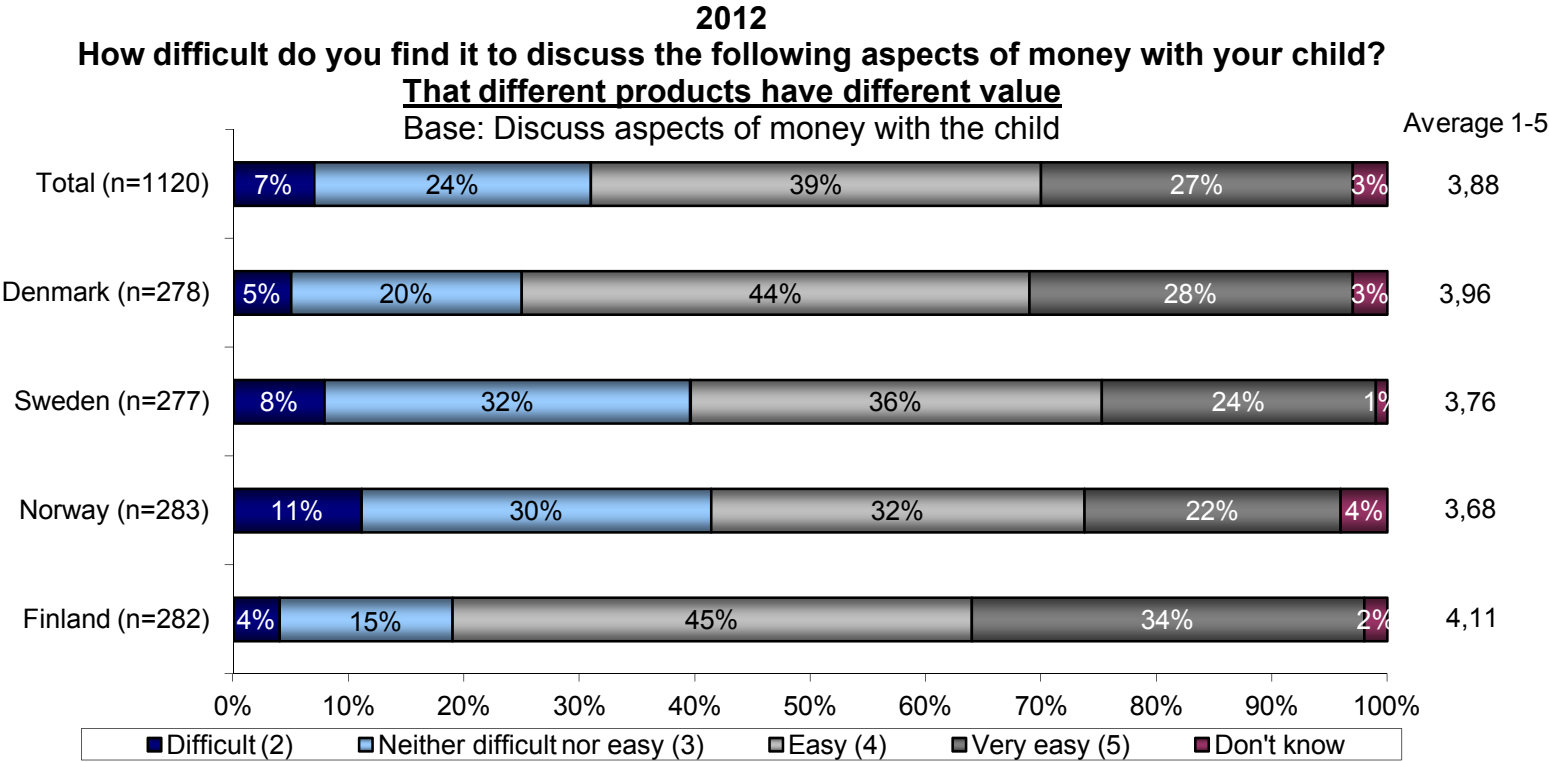
10/11/2014



Only 8% find it difficult or very difficult to discuss where household money comes from. Denmark has a higher average than Sweden, Norway and Ireland. Finland has a higher average than Sweden and Norway.

66% find it easy or very easy to discuss that different products have different values

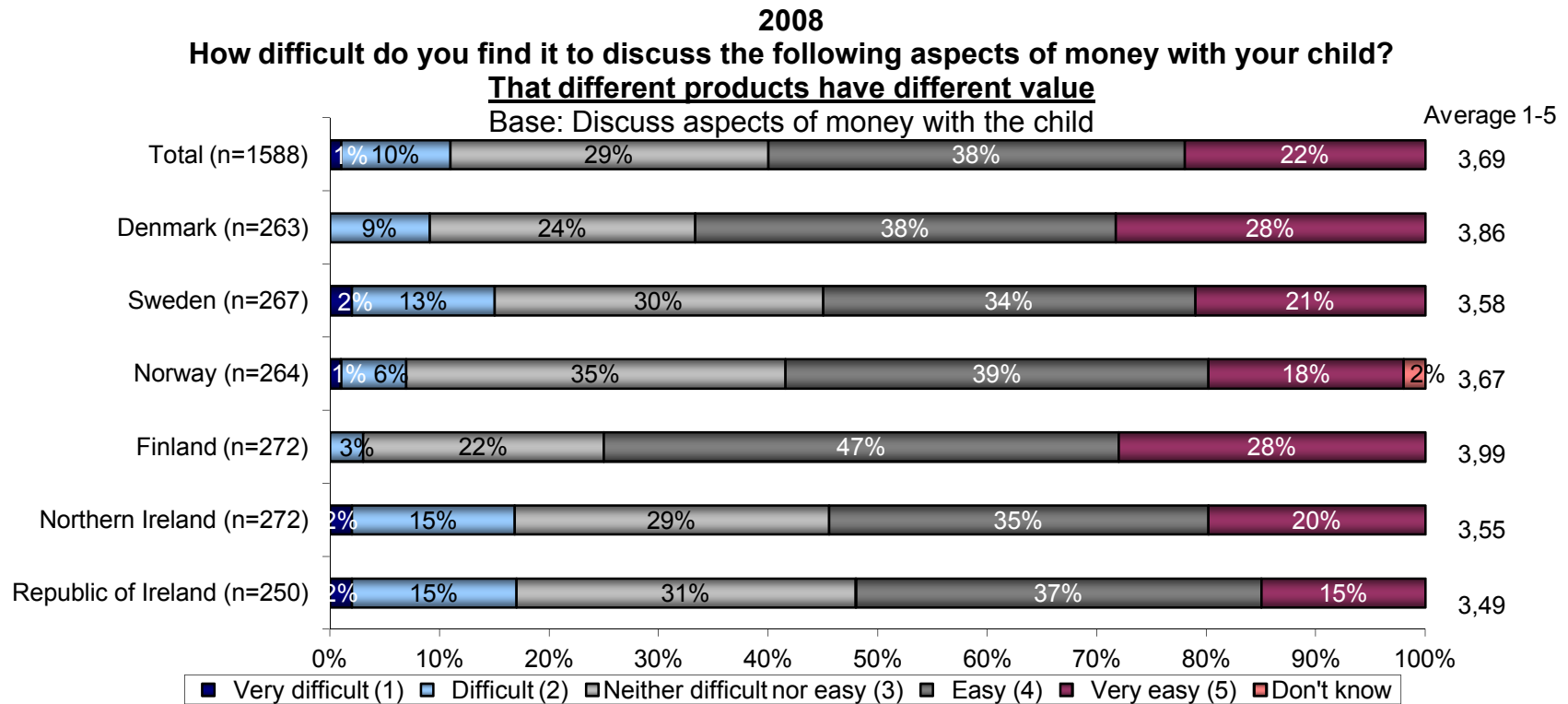
10/11/2014



Only 7% find it difficult to discuss that different products have different value (0% find it very difficult). In Finland and Denmark the parents find it easiest – just as in 2008.

60% find it easy or very easy to discuss that different product have different values

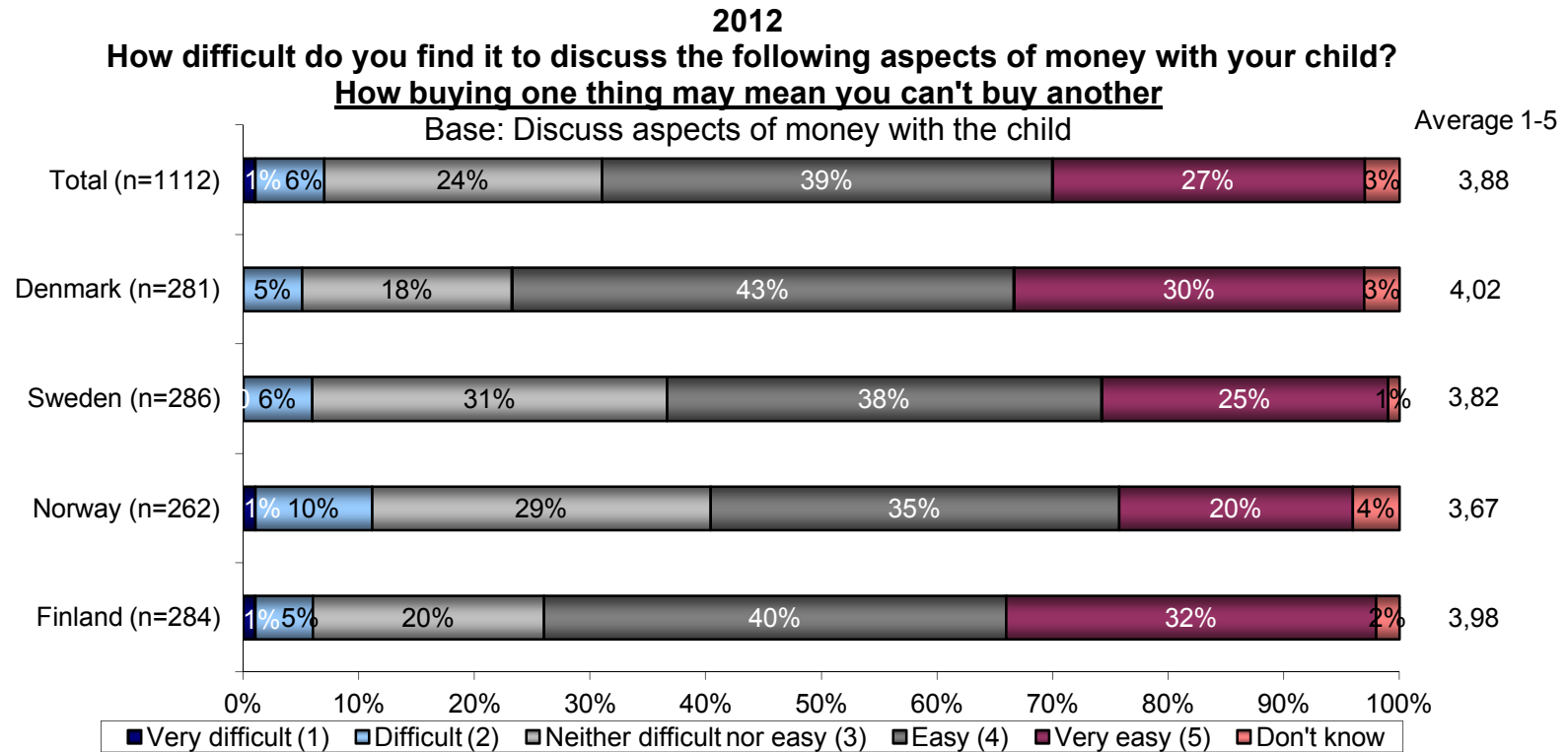
10/11/2014



Only 11% find it difficult or very difficult to discuss that different products have different value. In Denmark and in Finland the parents find it easiest.

66% find it easy or very easy to discuss how buying one thing may mean you can't buy another

10/11/2014

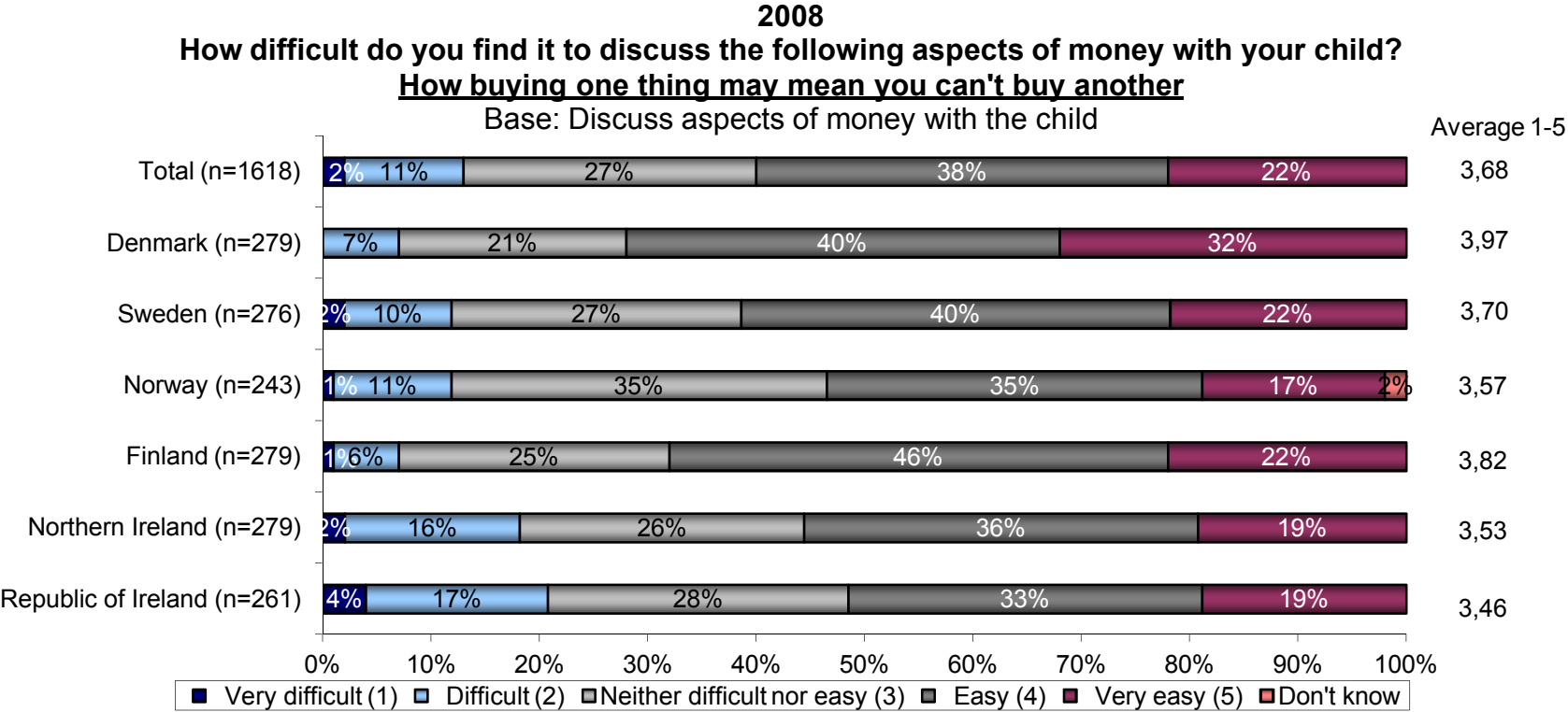


7% find it difficult or very difficult to discuss how buying one thing may mean you cannot buy another – a significant decrease since 2008.

11% find it very difficult or difficult in Norway which is higher than the other countries (significantly higher than in Denmark and Sweden. In Denmark and in Finland the parents find it easiest.

60% find it easy or very easy to discuss how buying one thing may mean you can't buy another

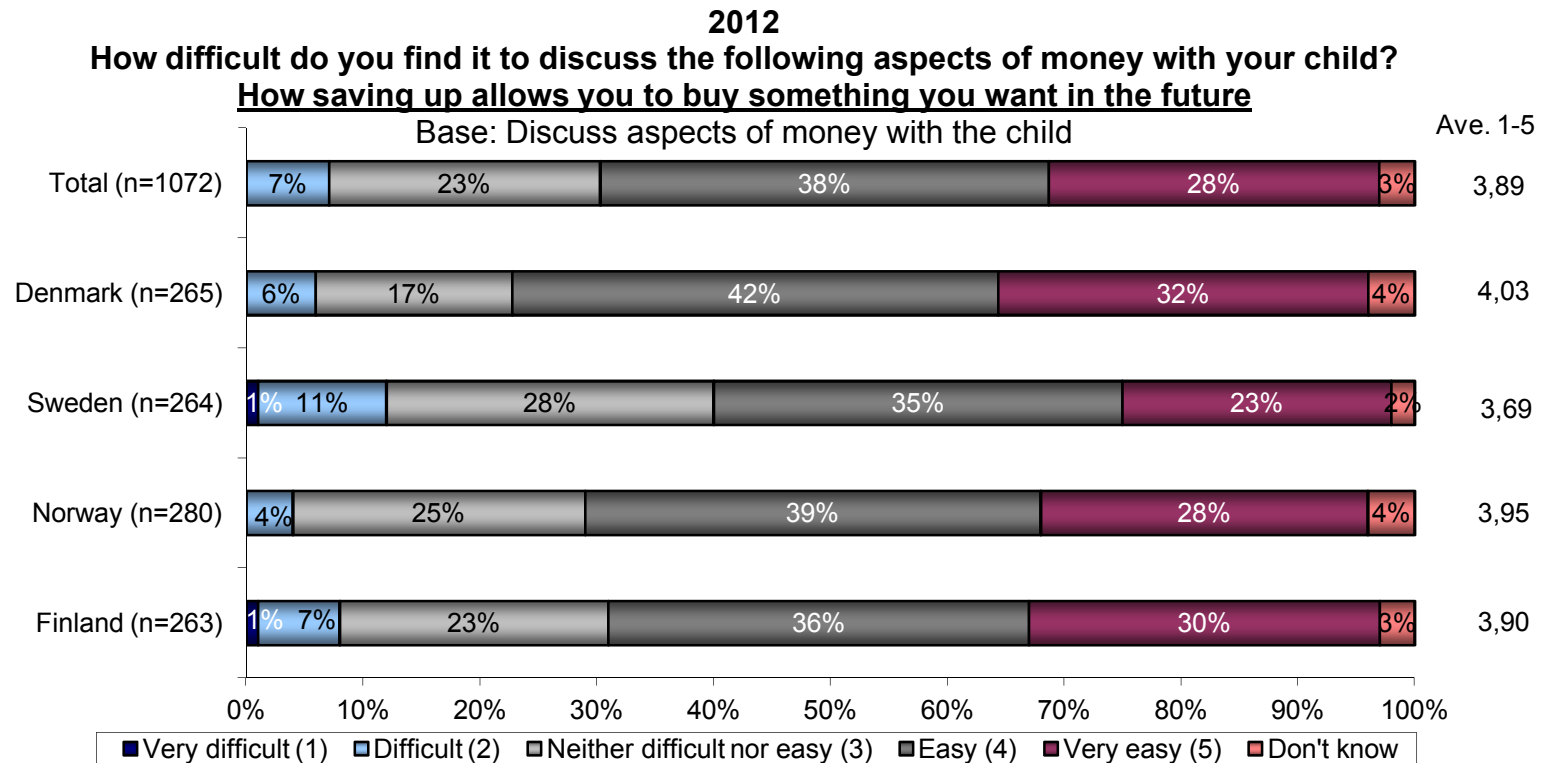
10/11/2014



13% find it difficult or very difficult to discuss how buying one thing may mean you can't buy another – 18% and 21% in Northern Ireland and in Ireland. In Denmark and in Finland the parents find it easiest.

66% find it easy or very easy to discuss how saving up allows you to buy something in the future

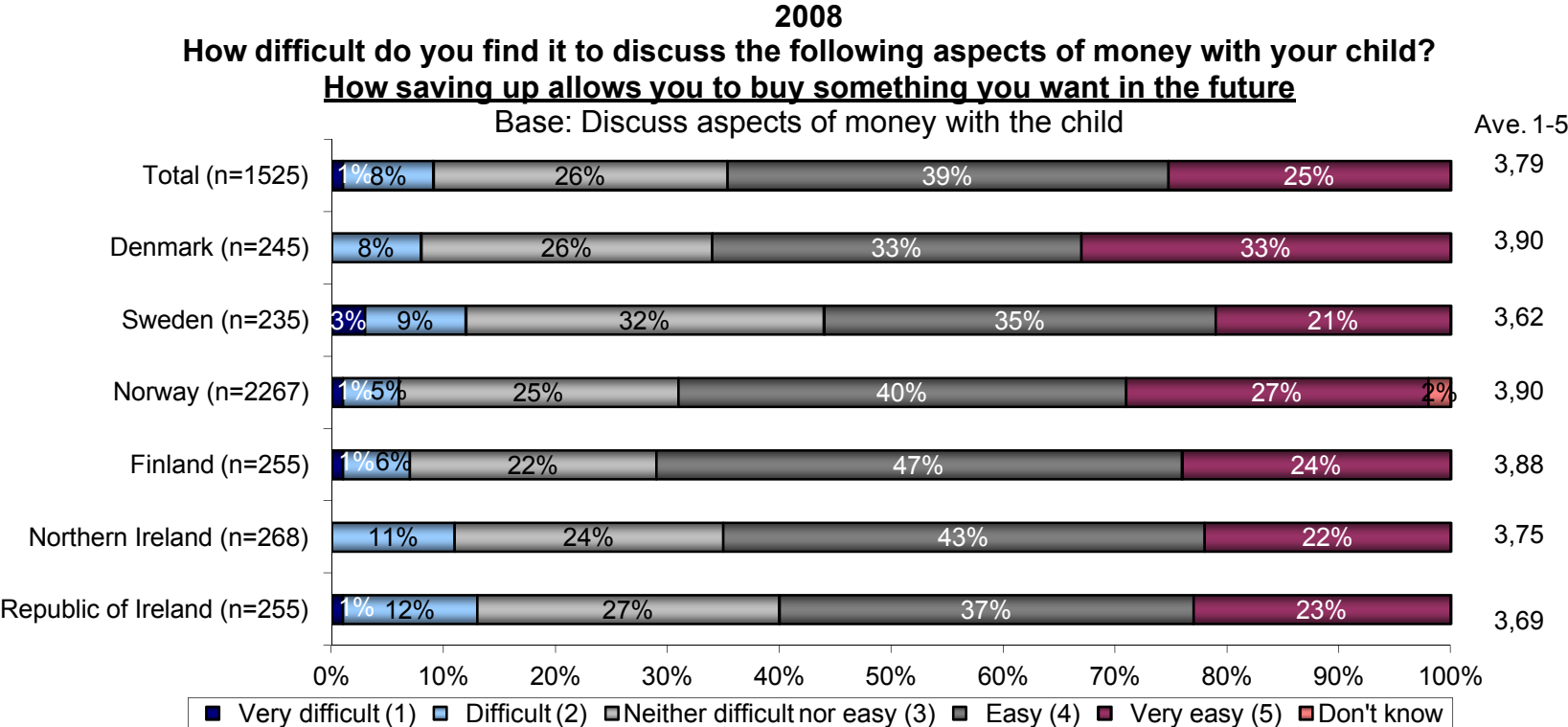
10/11/2014



Only 7% find it difficult to discuss how saving up allows you to buy something in the future. In Denmark and Norway the parents find it easiest. The differences between countries do not differ from 2008.

64% find it easy or very easy to discuss how saving up allows you to buy something in the future

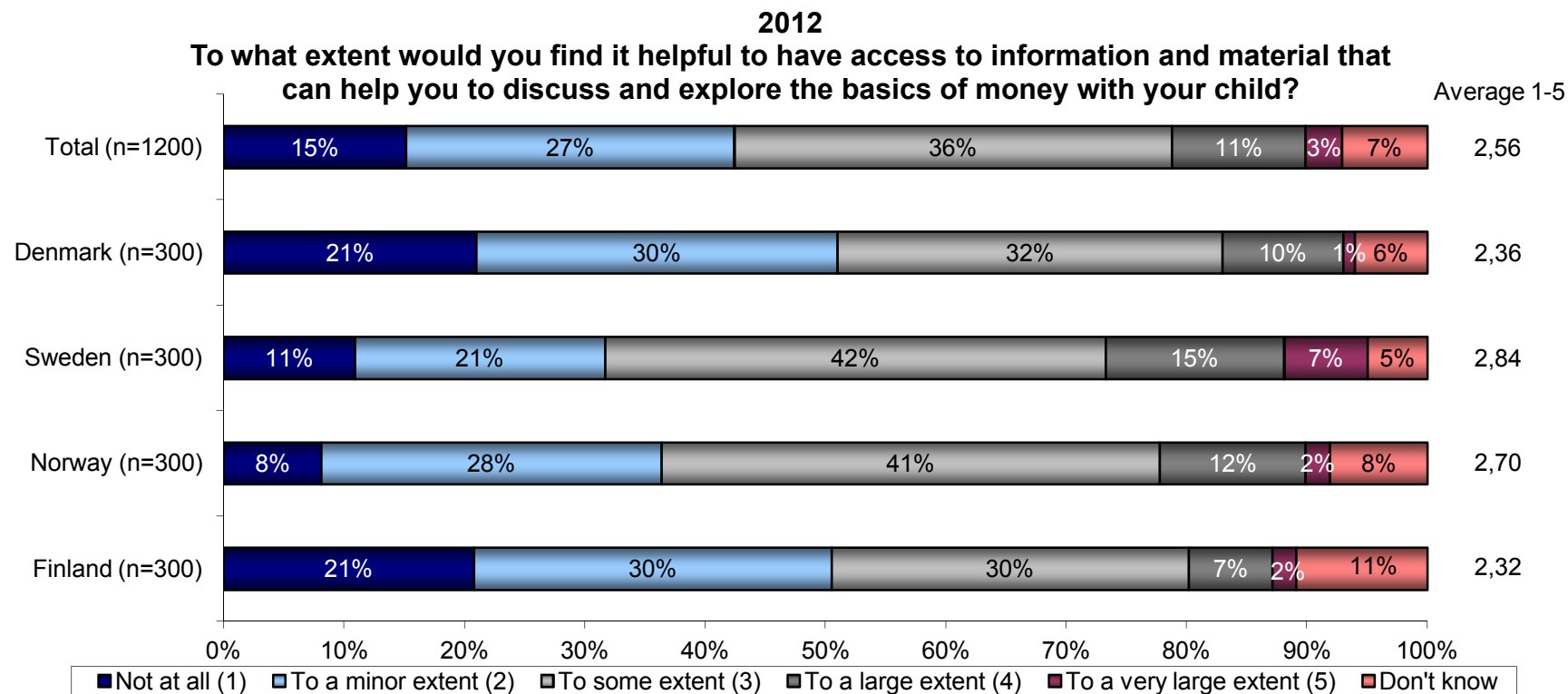
10/11/2014



Only 9% find it difficult or very difficult to discuss how saving up allows you to buy something in the future. In Denmark, Norway and in Finland the parents find it easiest.

50% would to some extent or to a very large extent find it helpful to have access to information to discuss and explore the basics of money with their children

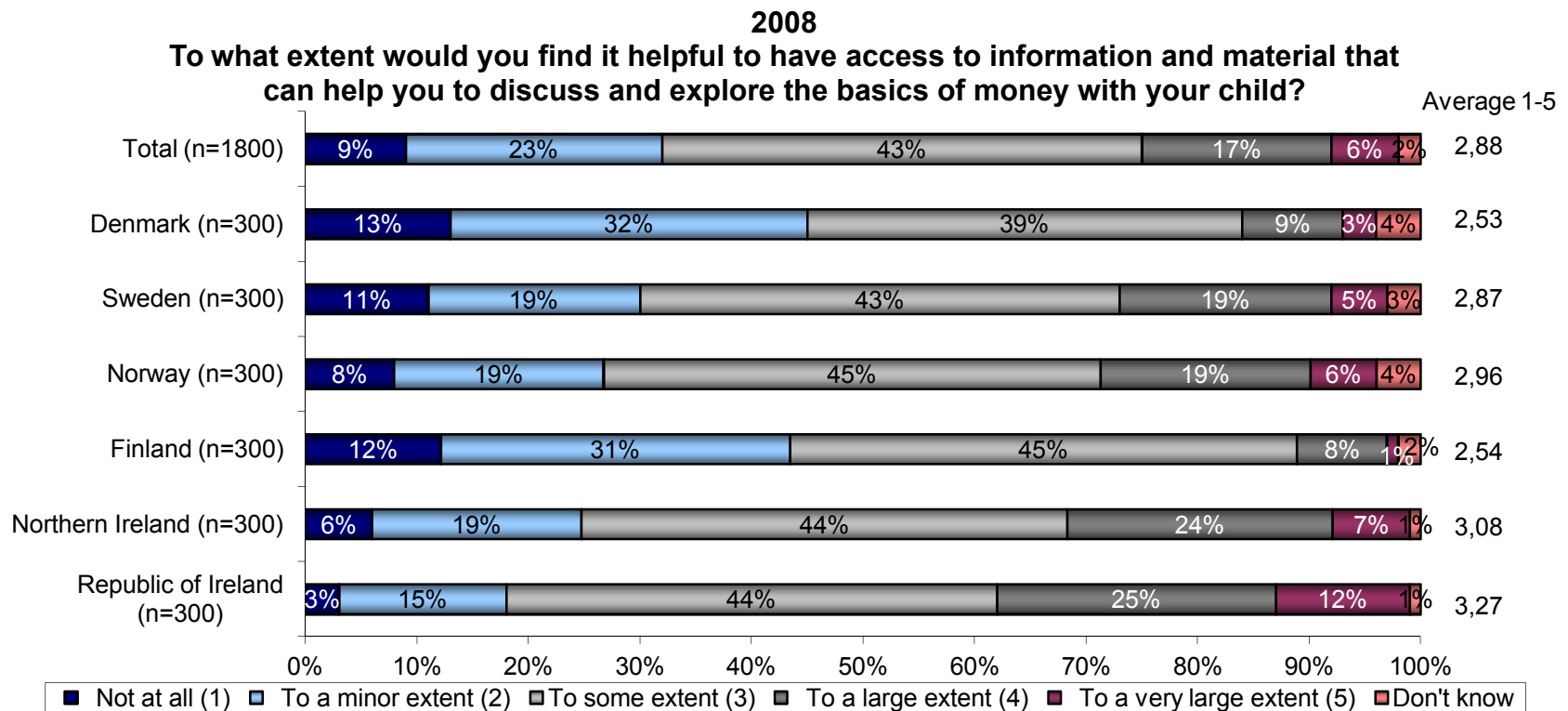
10/11/2014



In Sweden and Norway they would benefit the most from access to learning material – in Denmark and Finland they would benefit the least. Same picture as in 2008.

66% would to some extent or to a very large extent find it helpful to have access to information to discuss and explore the basics of money with their children

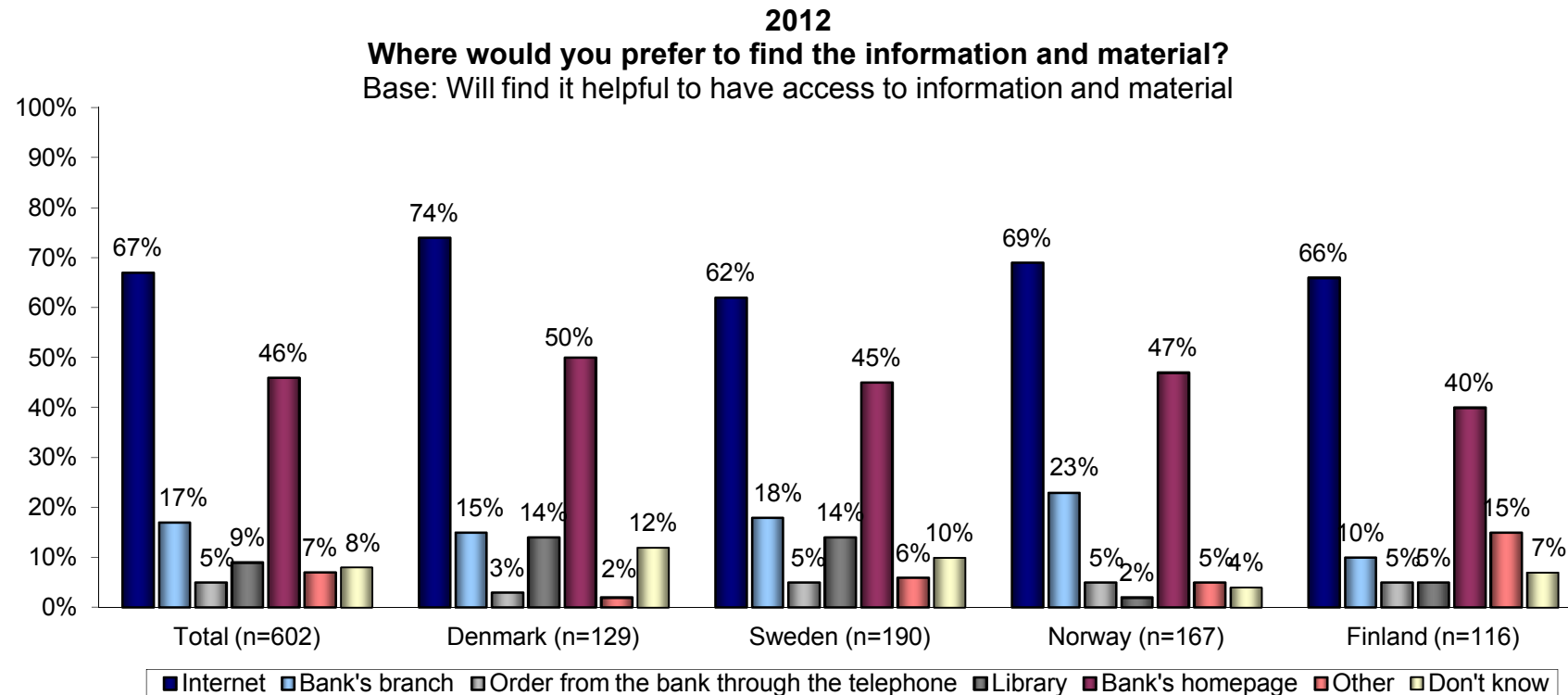
10/11/2014



66% would to at least some extent find it helpful to have access to information to discuss and explore the basics of money with their child. In Ireland the parents will have the largest benefit from it – the smallest in Denmark and Finland

67% respectively 46% of those who would like access to information would prefer to find the information on the Internet and from the bank's homepage*

10/11/2014

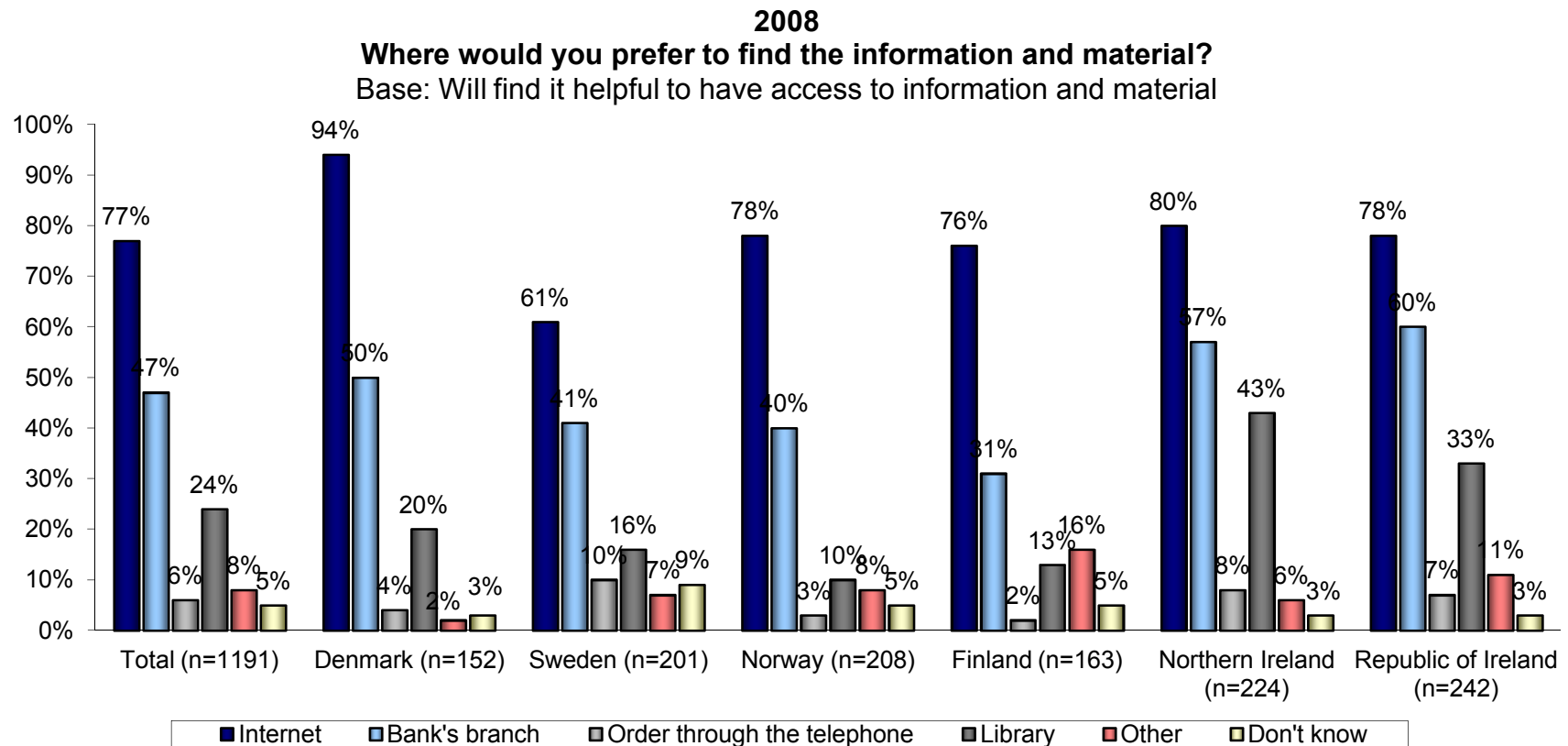


***Please note that in 2012 a new alternative was included – bank's homepage – and this alternative has taken a part of the Internet-share and bank's branch share (hence the decrease in these shares).**

74% in Denmark prefer to get the information from the Internet (a significant decrease since 2008 – however still the highest share among the included countries).

77% respectively 47% of those who would like more information would prefer to find the information on the Internet and from the bank's branch

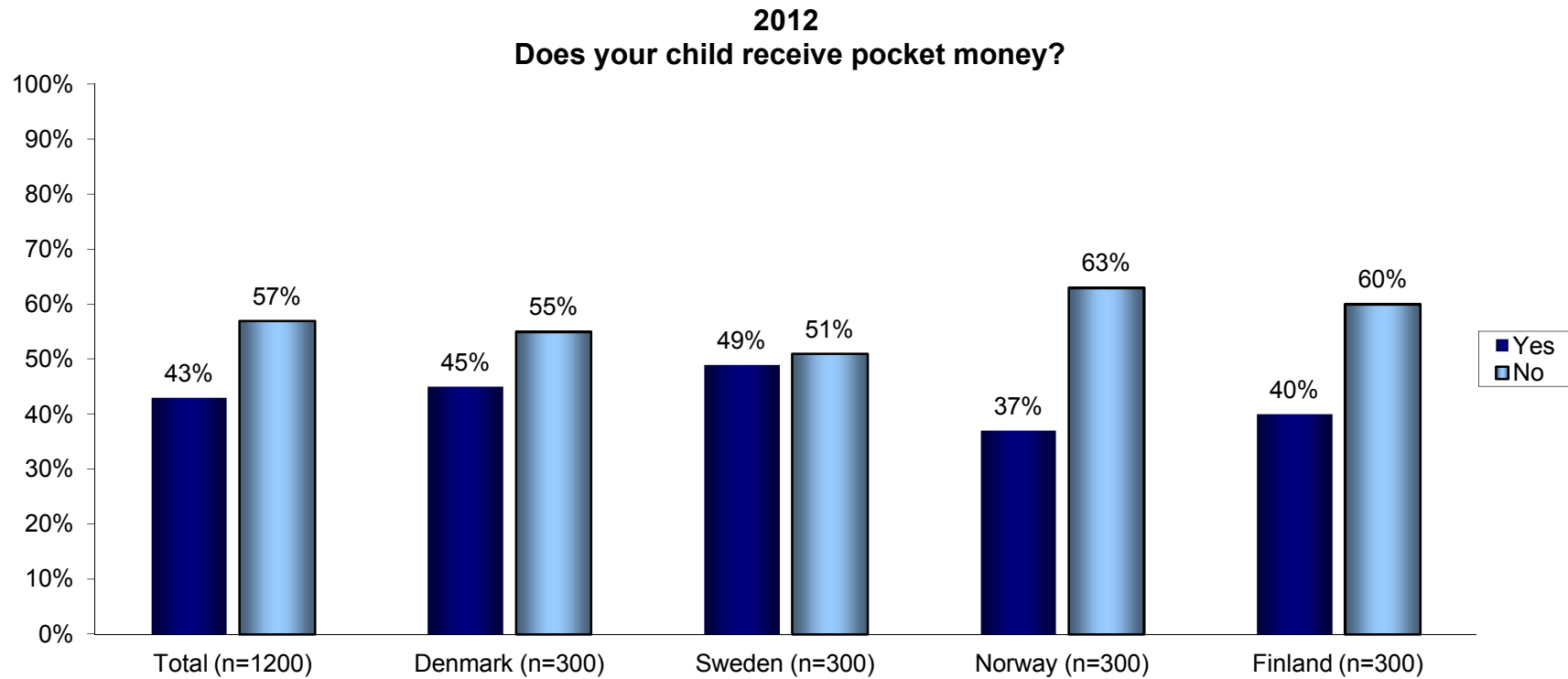
10/11/2014



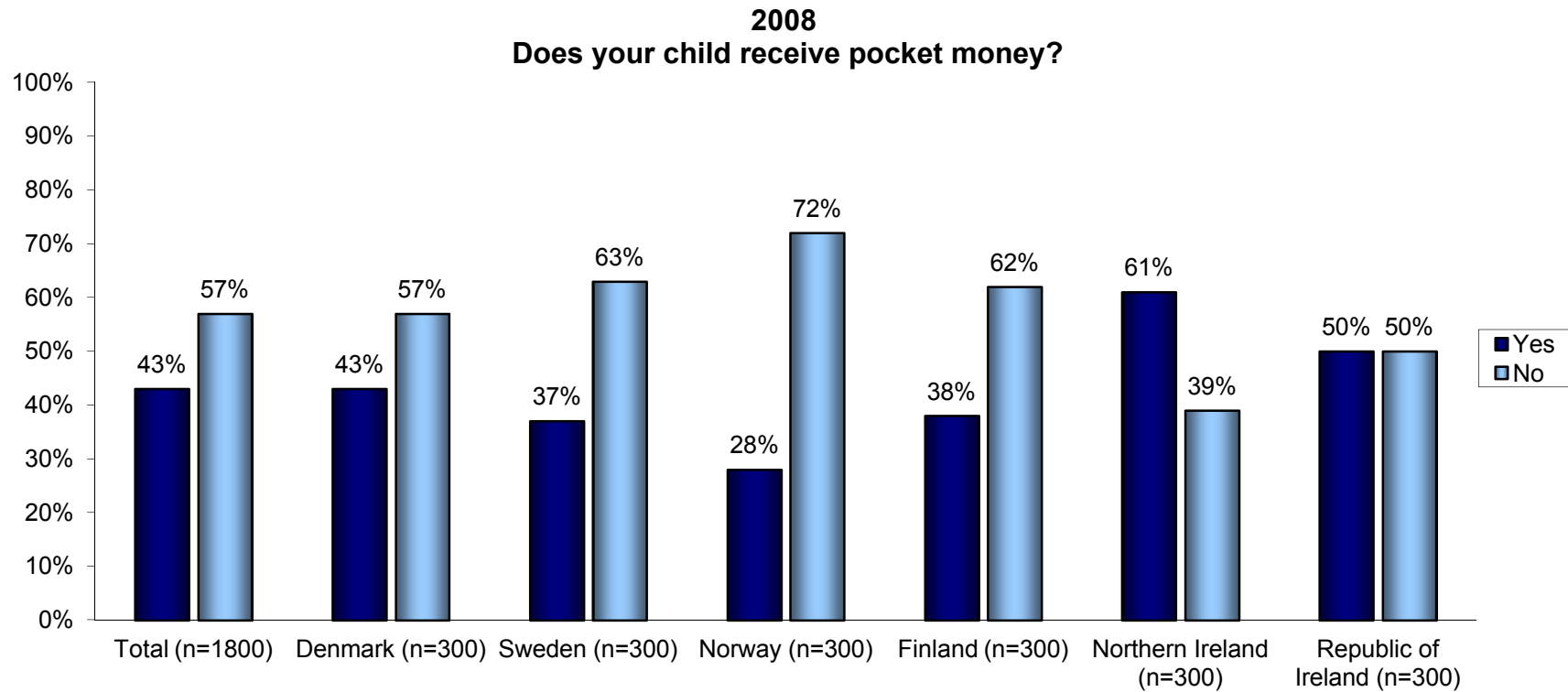
94% in Denmark prefer to get the information from the Internet. 43% in NI prefer to get the information from the library.

Aspects of pocket money





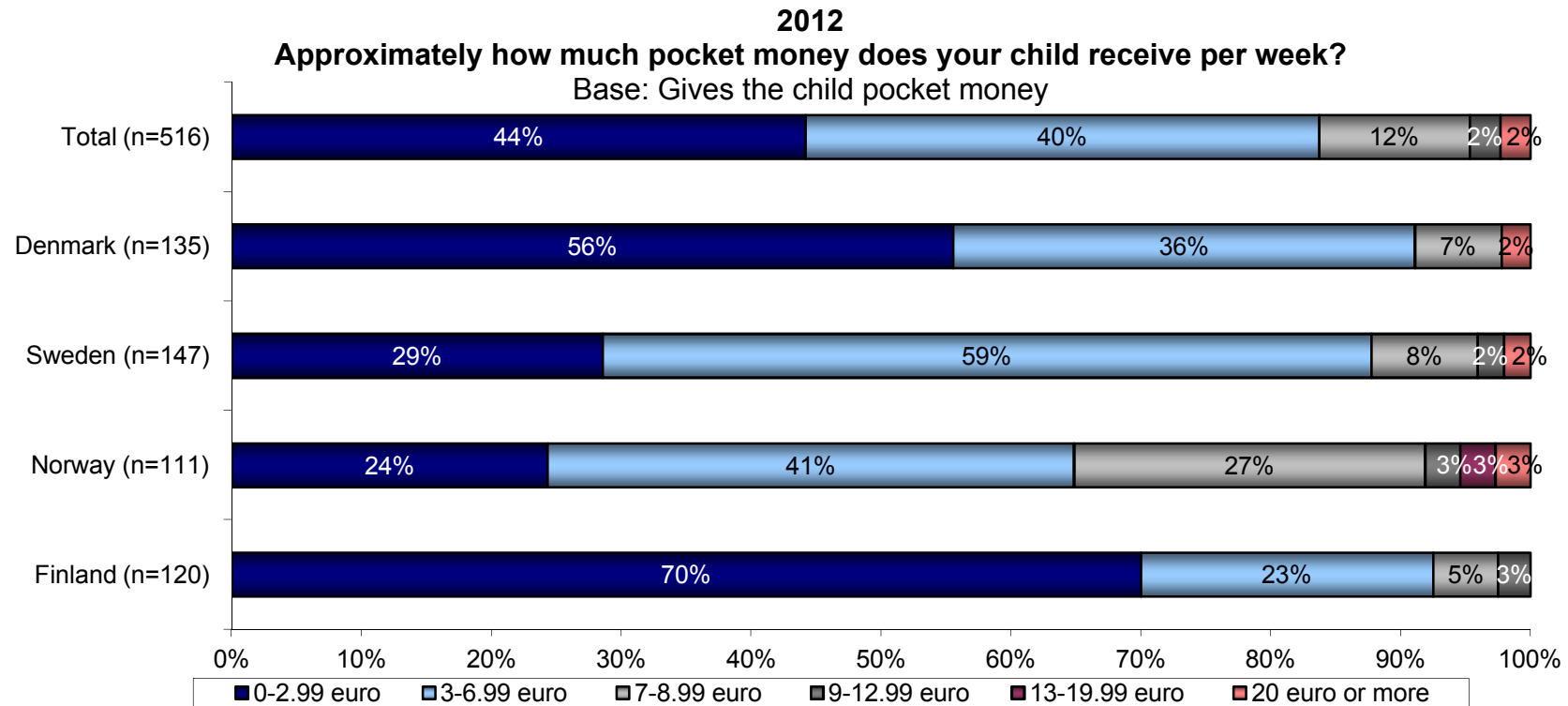
In Norway and Finland a large group of children do not receive pocket money yet.



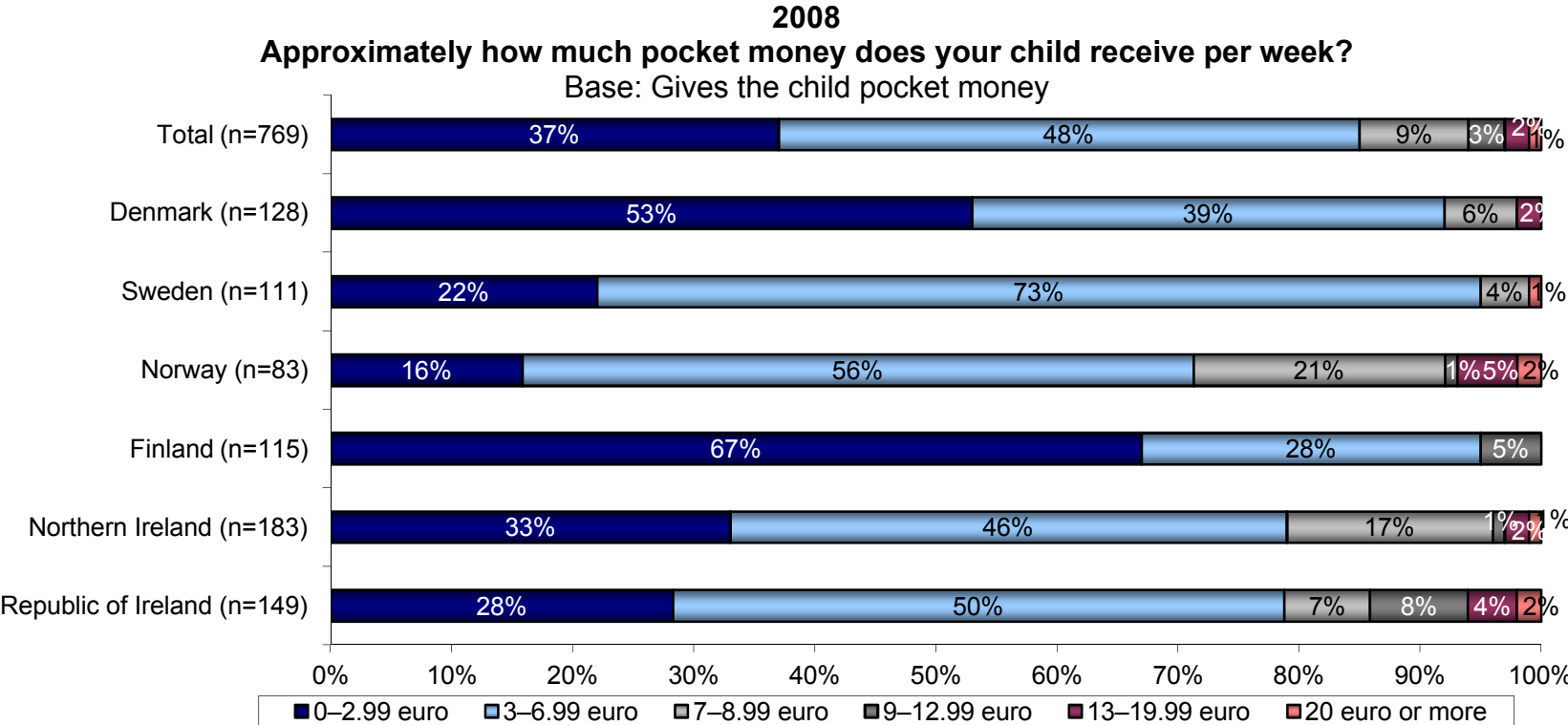
In Sweden and Norway a lot of the children do not receive pocket money yet– they do in Northern Ireland and Ireland.

56% of those who get pocket money receive €3 or more per week

10/11/2014



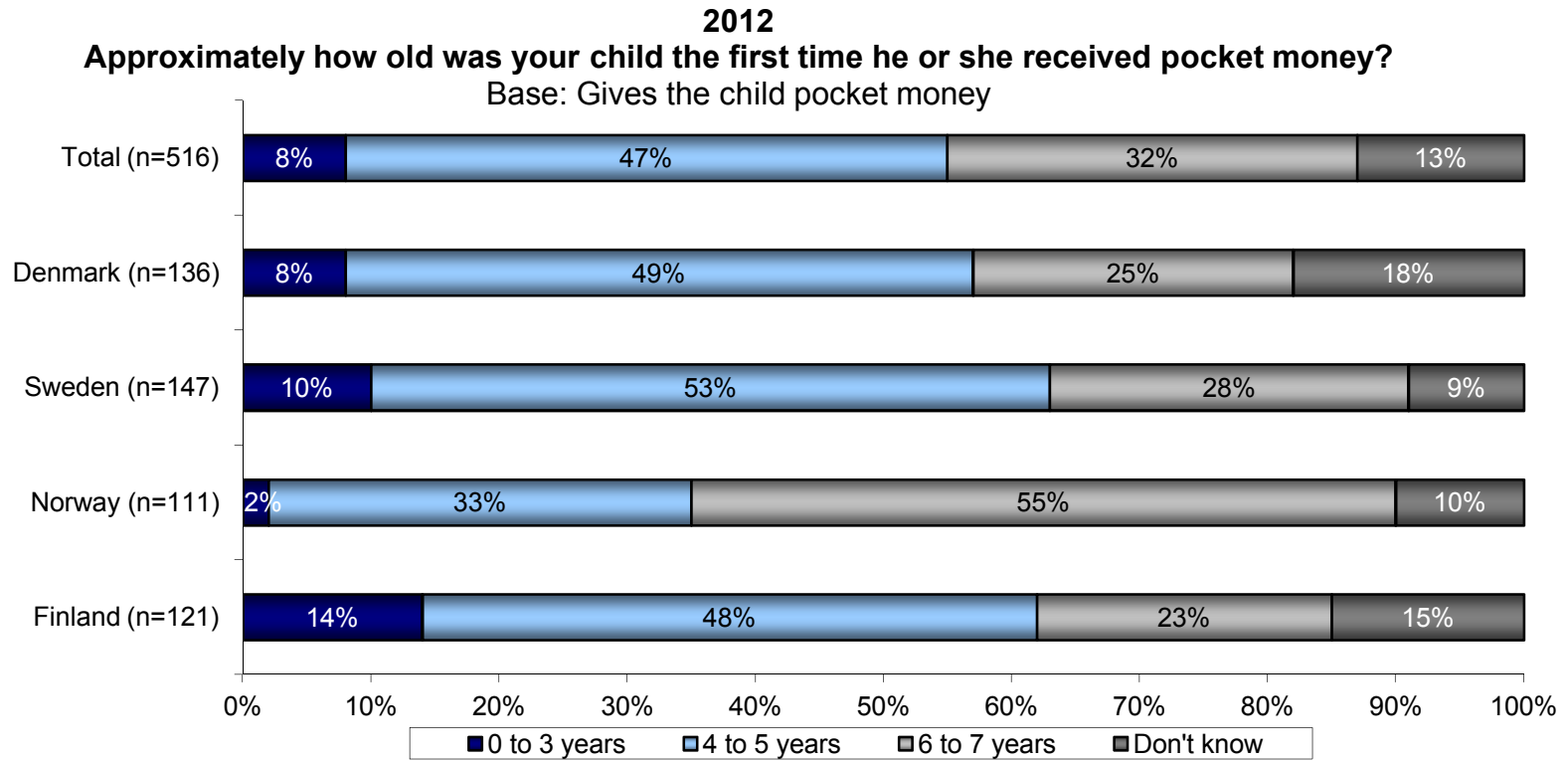
In Norway the children receive the most pocket money – in Finland they receive the least.



Note: In NO the children receive the largest amount of money – in FI the children receive the smallest amount

47% of those who receive pocket money started when the child was 4 to 5 years

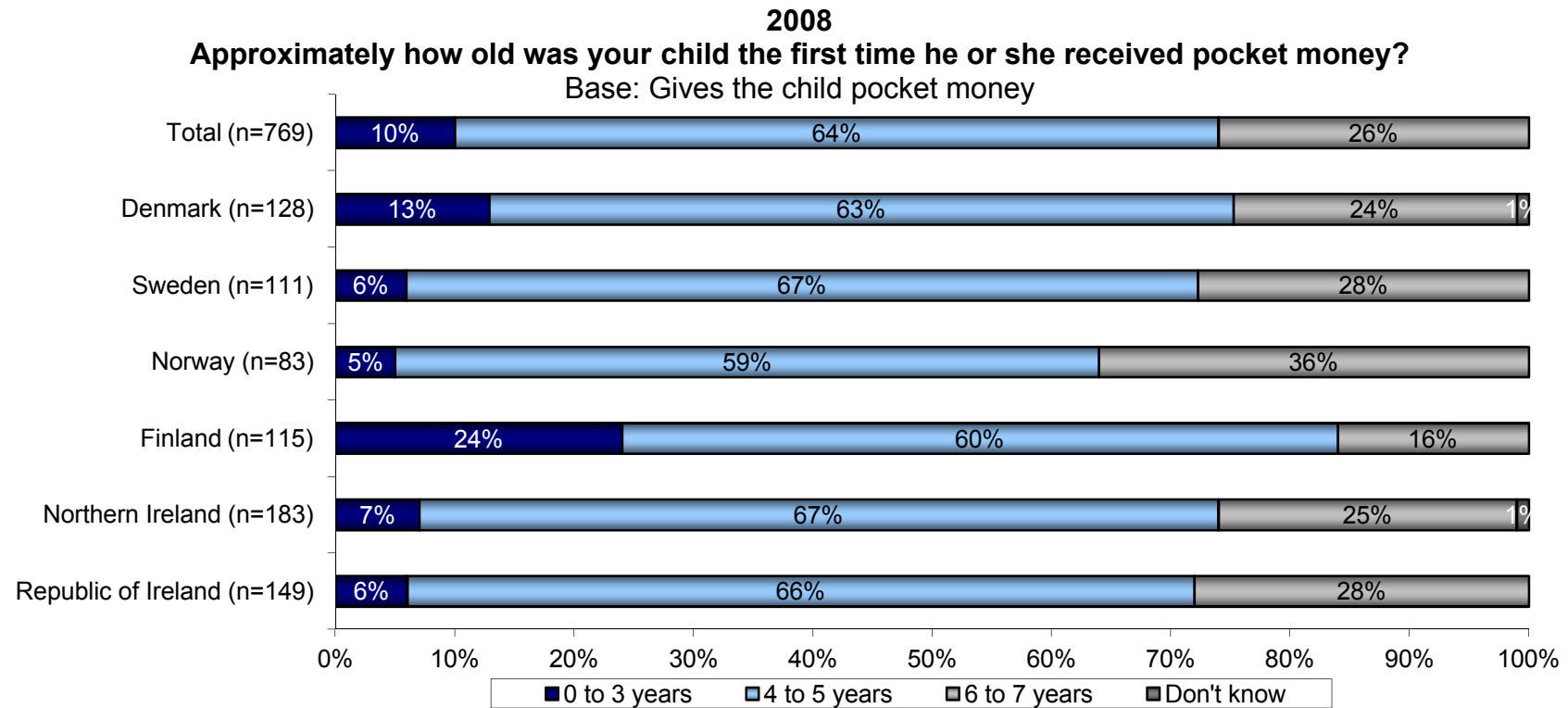
10/11/2014



In Norway they start giving pocket money to their children later than in the other countries.

64% of those who receive pocket money started when the child was 4 to 5 years

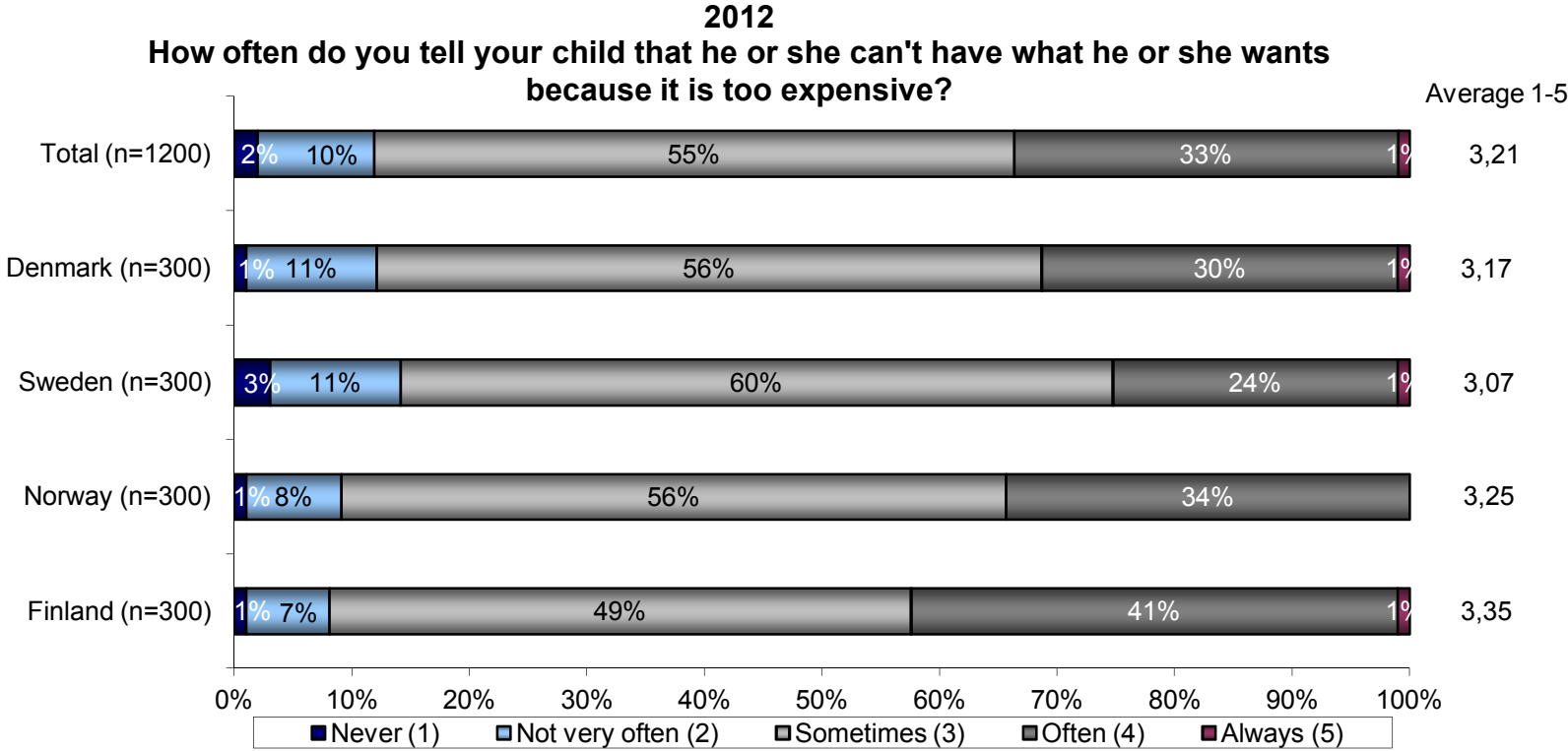
10/11/2014



In Finland parents start early giving their children pocket money – opposite to Norway (but they also get the largest amount)

89% of the parents at least sometimes tell their child, that he or she can't have what they want because it is too expensive

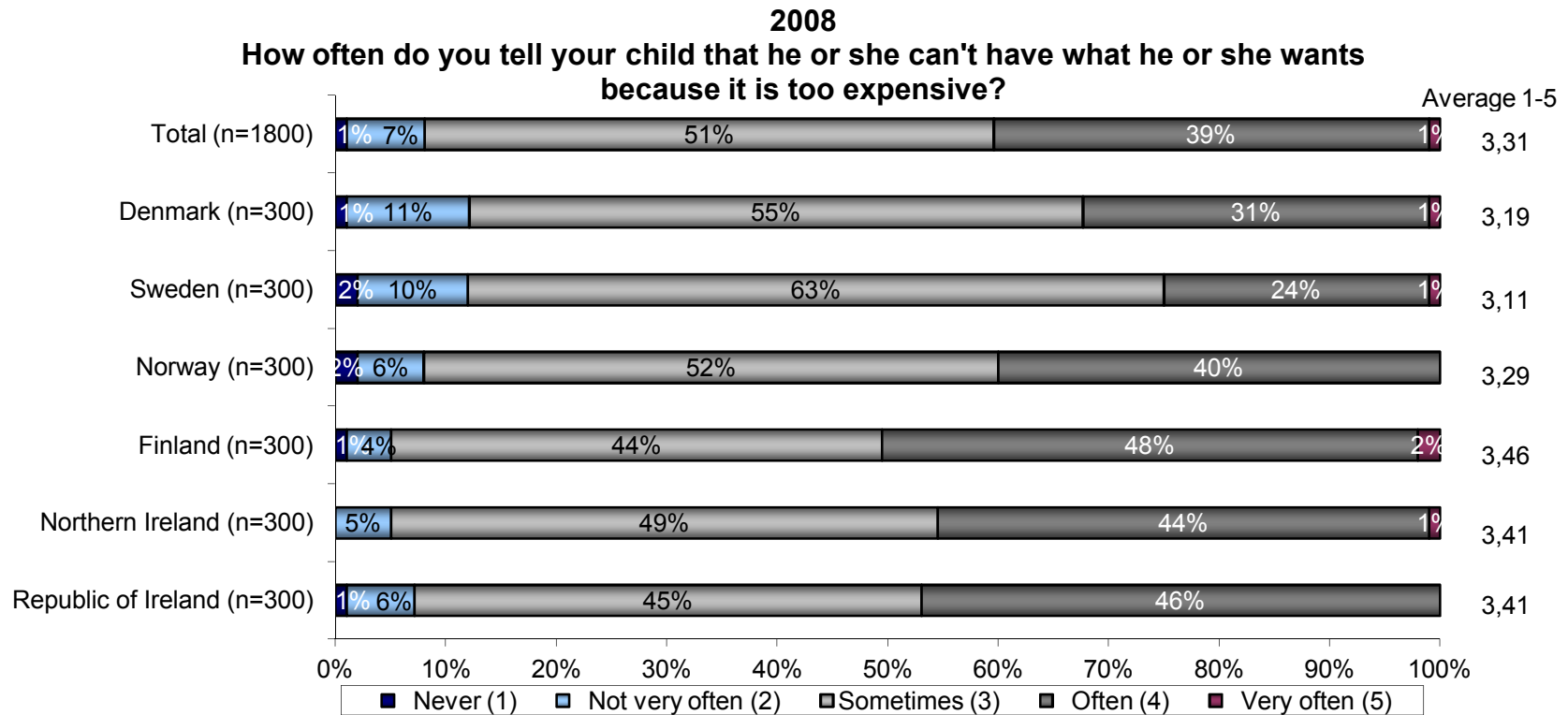
10/11/2014



As in 2008 it is harder for children in Finland to get what they want.

91% of the parents tell their child, that he or she can't have what they want because it is too expensive at least sometimes

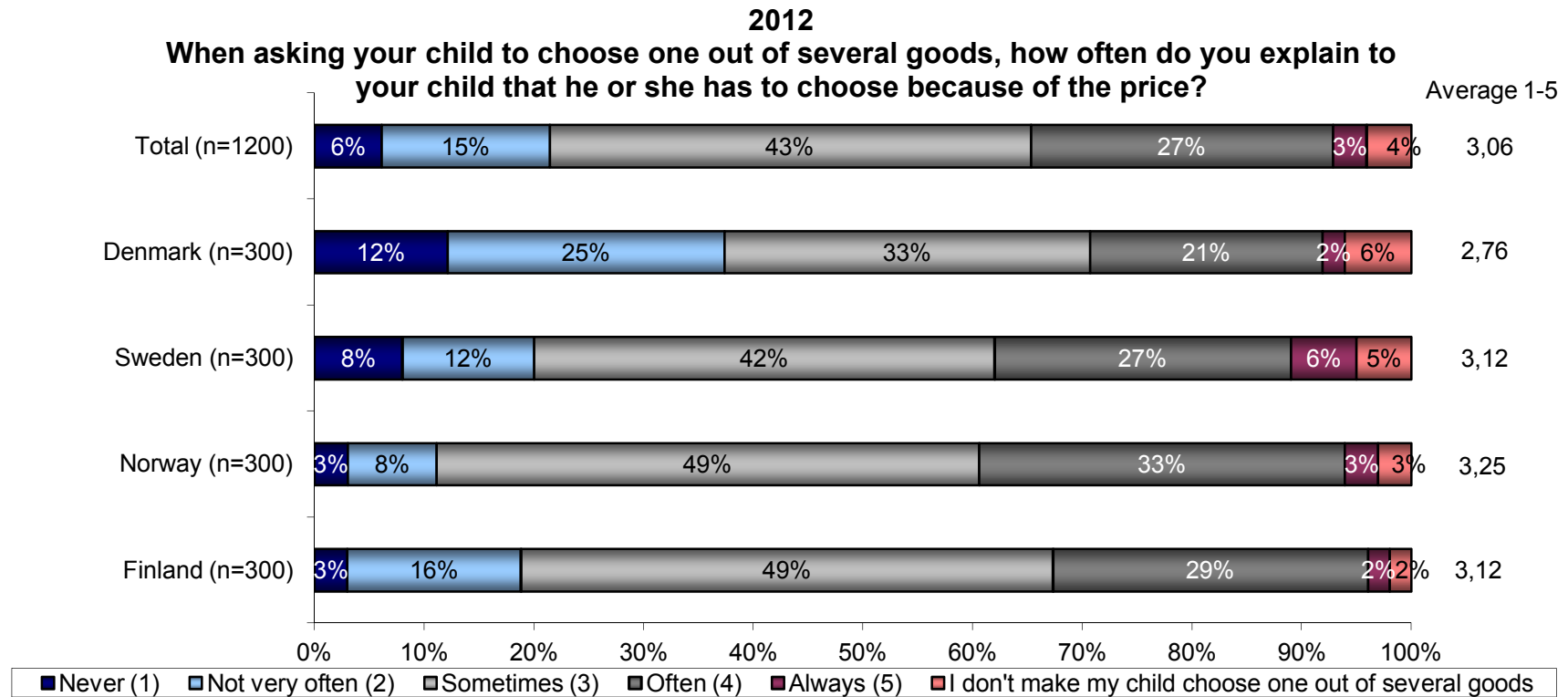
10/11/2014



In Finland, Northern Ireland and Ireland it is harder for the children to get what they want.

When the child has to choose between goods, 73% of the parents at least sometimes explain it is because of the price

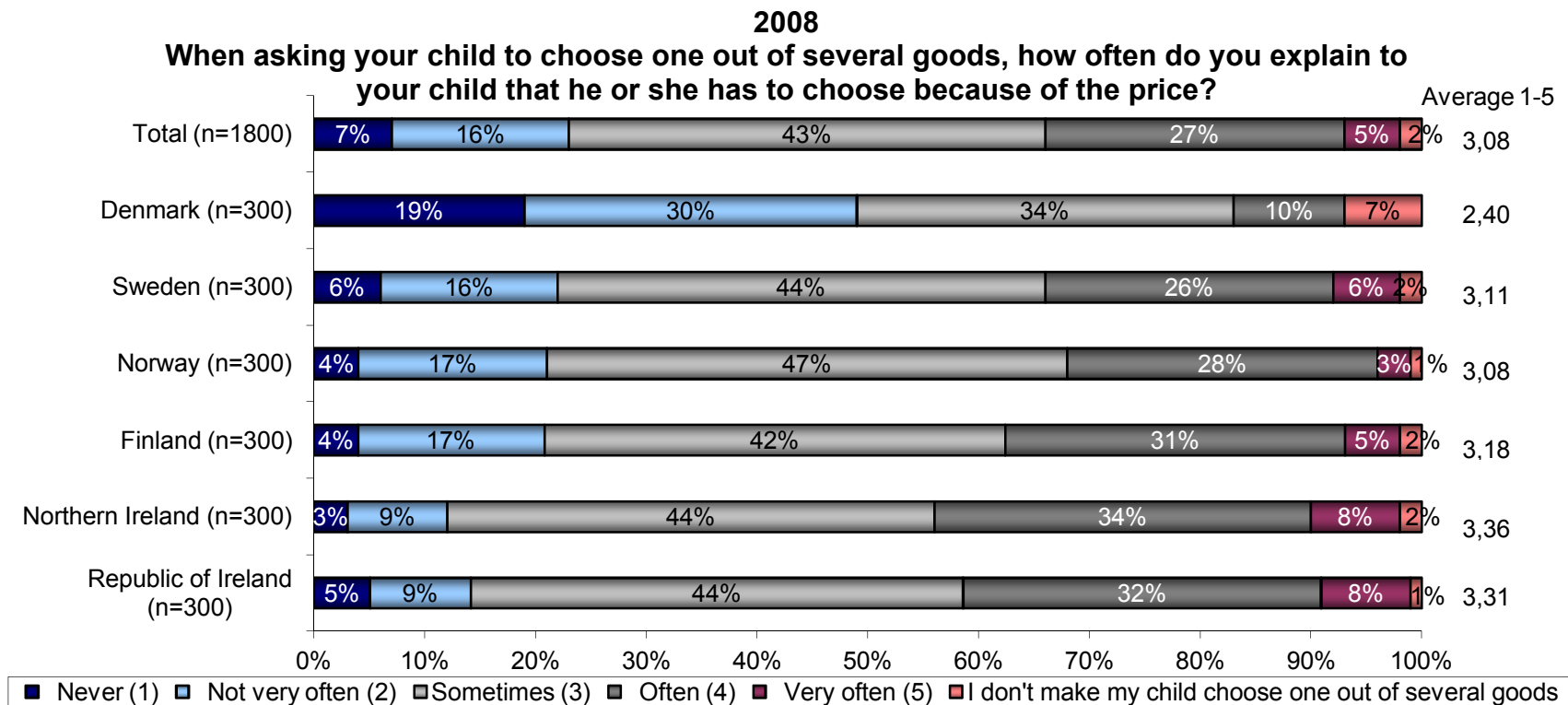
10/11/2014



As in 2008 significantly more parents in Denmark than in the other countries never or not very often explain to their children that they have to choose between goods because of price. However, this share has actually decreased significantly since 2008.

When the child has to choose between goods, 75% of the parents at least sometimes explain it is because of the price

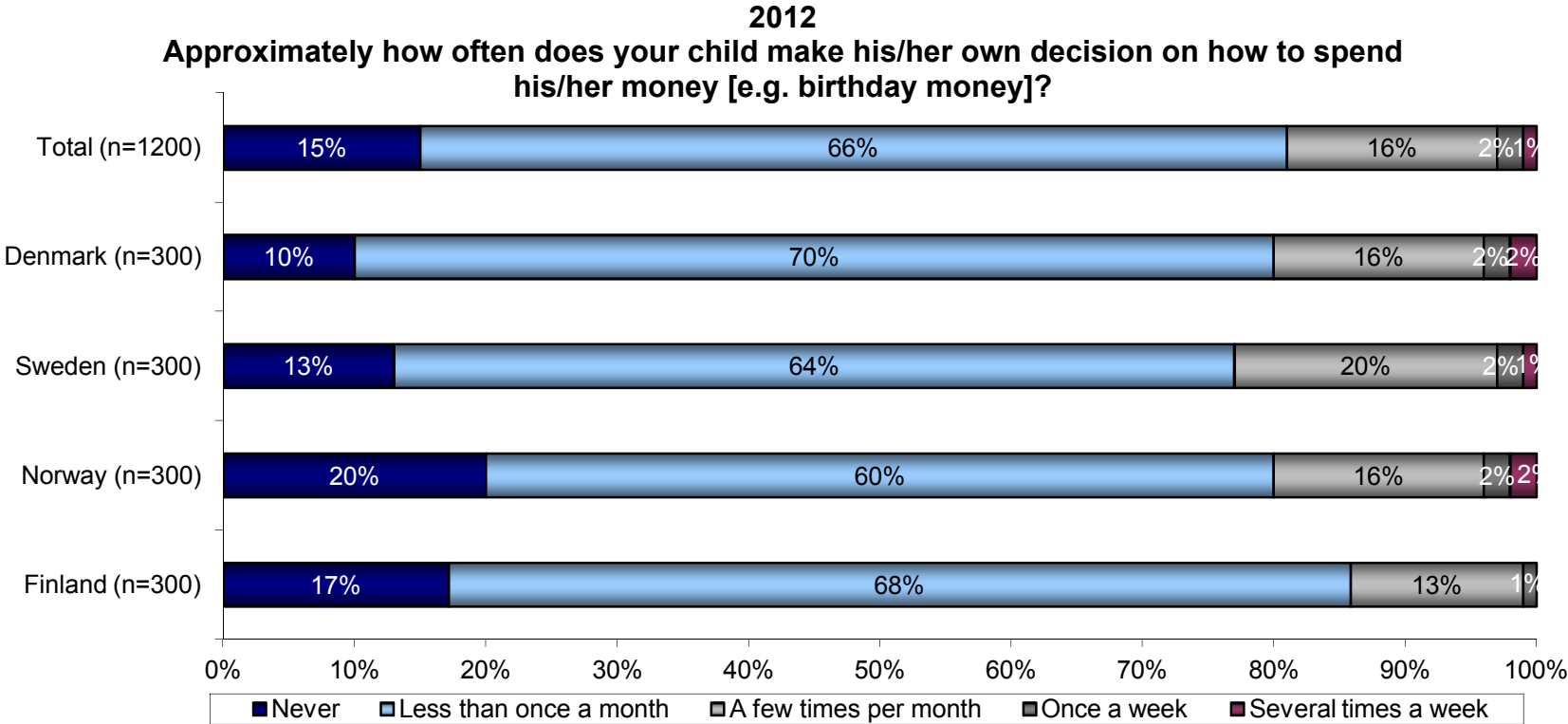
10/11/2014



In Denmark the parents not very often or never (49%) explain to the child it has to choose between goods because of the price – opposite to Northern Ireland and Ireland.

85% of the children decide how to spend his/her own money from less than once a month to several times a week

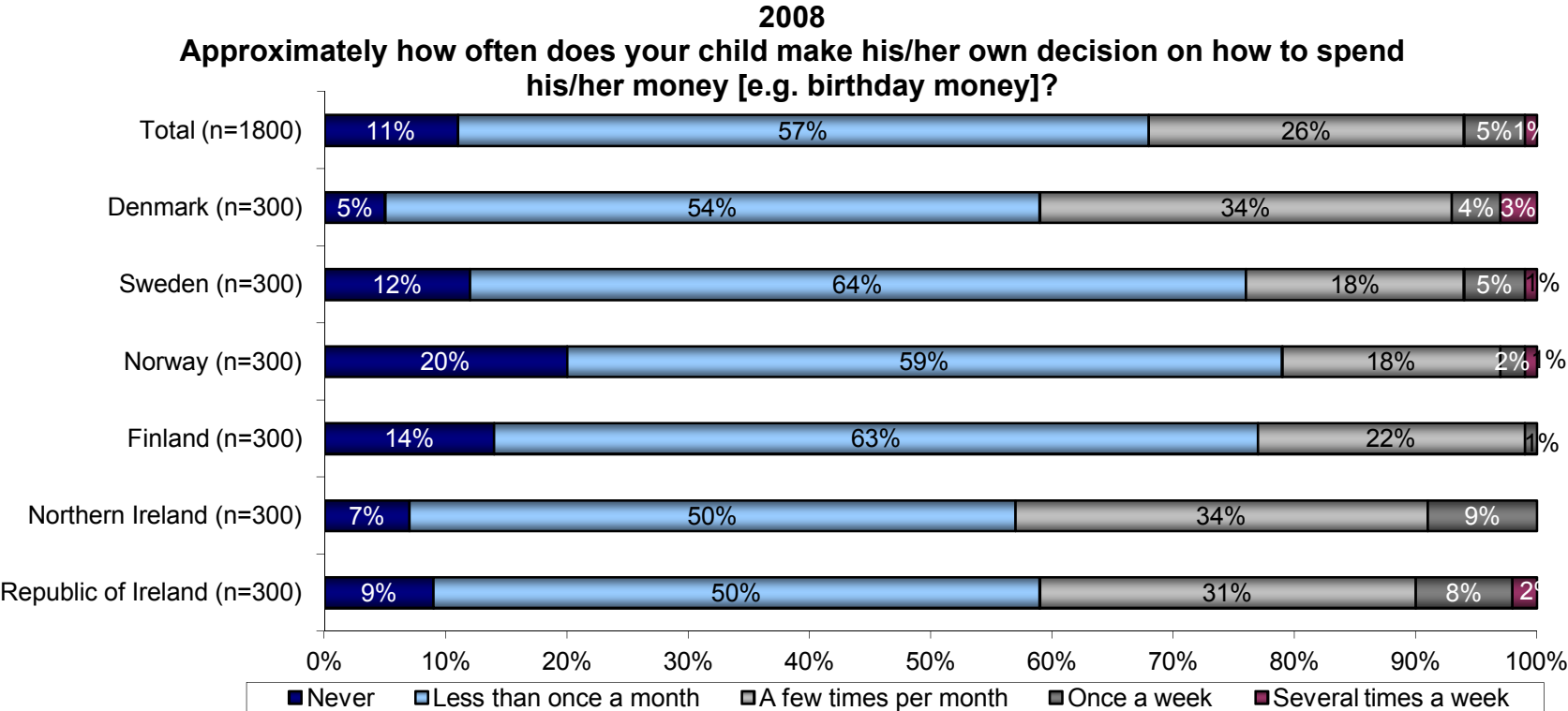
10/11/2014



In Norway and Finland we find the largest share of children who never decide on how to spend their own money. These countries also have the largest share of children who do not receive pocket money.

89% of the children decide how to spend his/her own money from less than once a month to several times a week

10/11/2014



In Northern Ireland and Ireland the children often make their own decision on how to spend their money. They also have the largest share who receive pocket money.

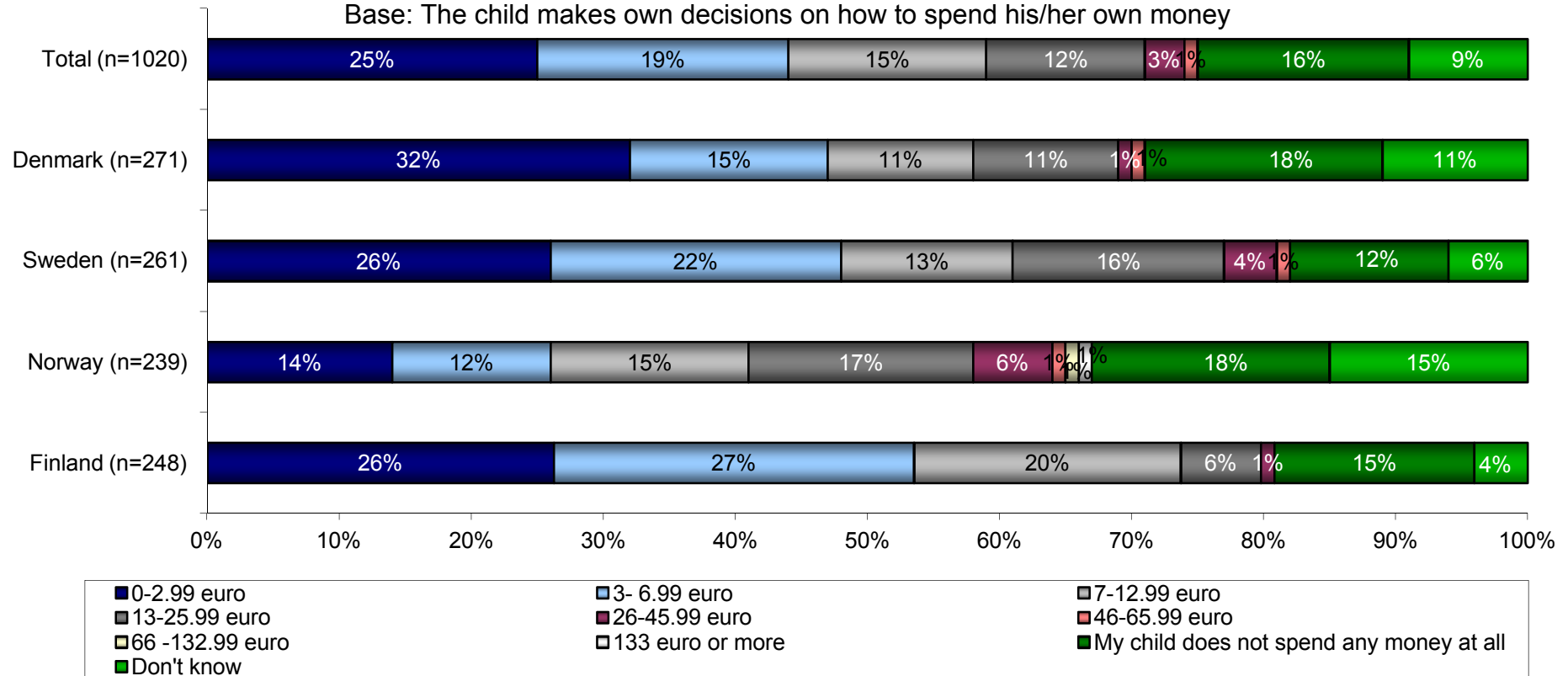
Each month 16% of the children spend more than €13 on his/her own

10/11/2014

2012

In a month, approximately how much money does your child spend on his/her own based on his/her own choice?

Base: The child makes own decisions on how to spend his/her own money



In Denmark and Norway 18% of the children do not spend any money at all – this is more than in 2008. In Norway the children spend the largest amount of money. In Denmark 32% spend between €0-2.99 - that is a larger part than in the other countries.

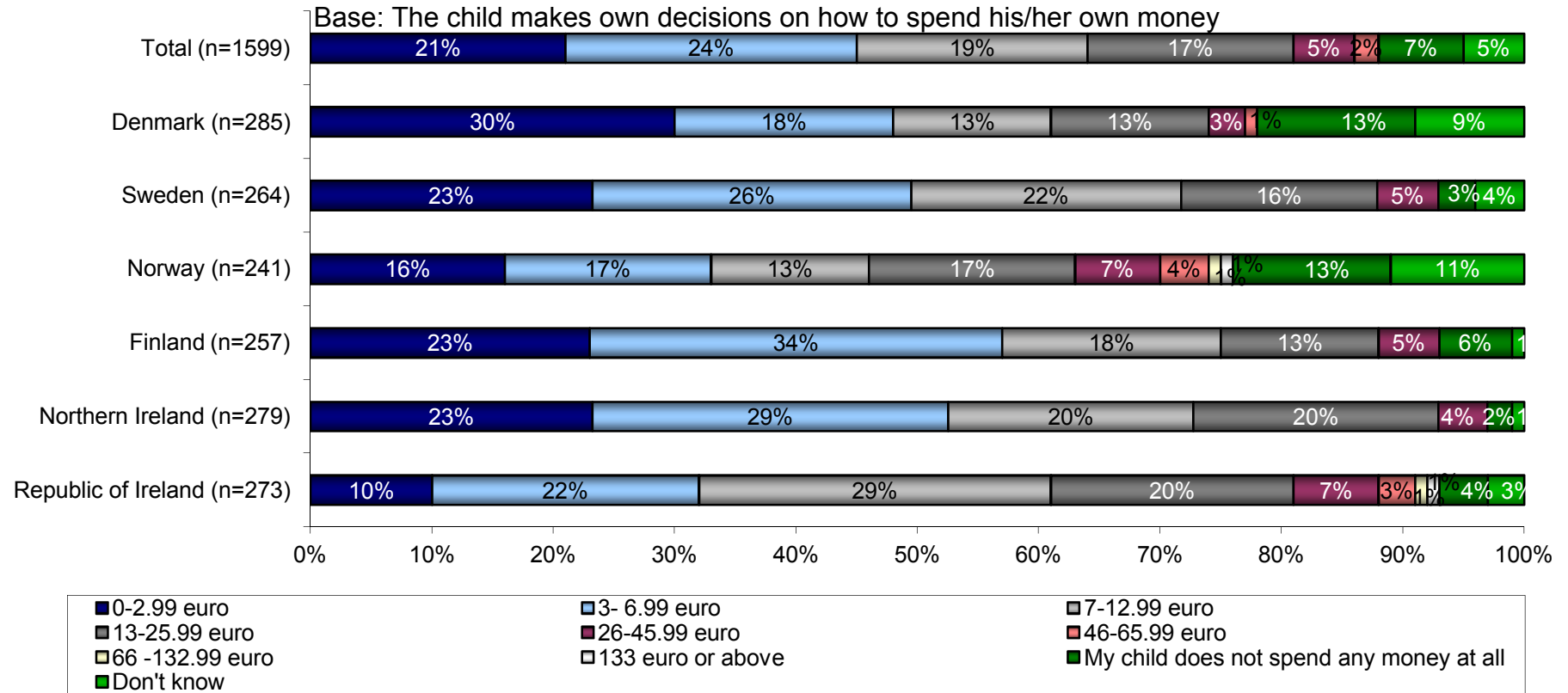
Significantly more in 2012 than in 2008 (in all countries) do not spend money at all.

Each month 24% of the children spend more than €13 on his/her own

10/11/2014

2008

In a month, approximately how much money does your child spend on his/her own based on his/her own choice?



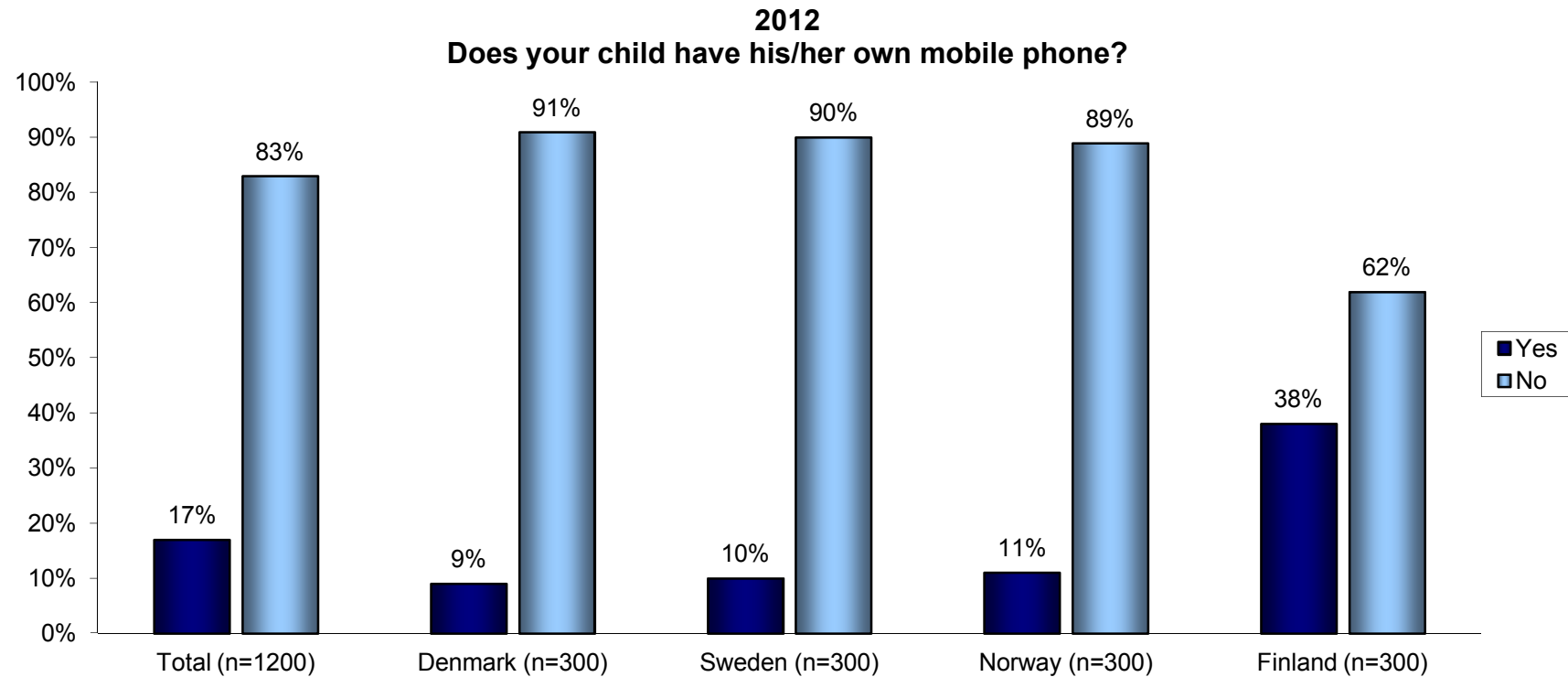
In Denmark and Norway 13% of the children do not spend any money at all. In Norway the children spend the largest amount of money. In Denmark 30% spend between €0-2.99 - that is a larger part than in the other countries.

Children as consumers

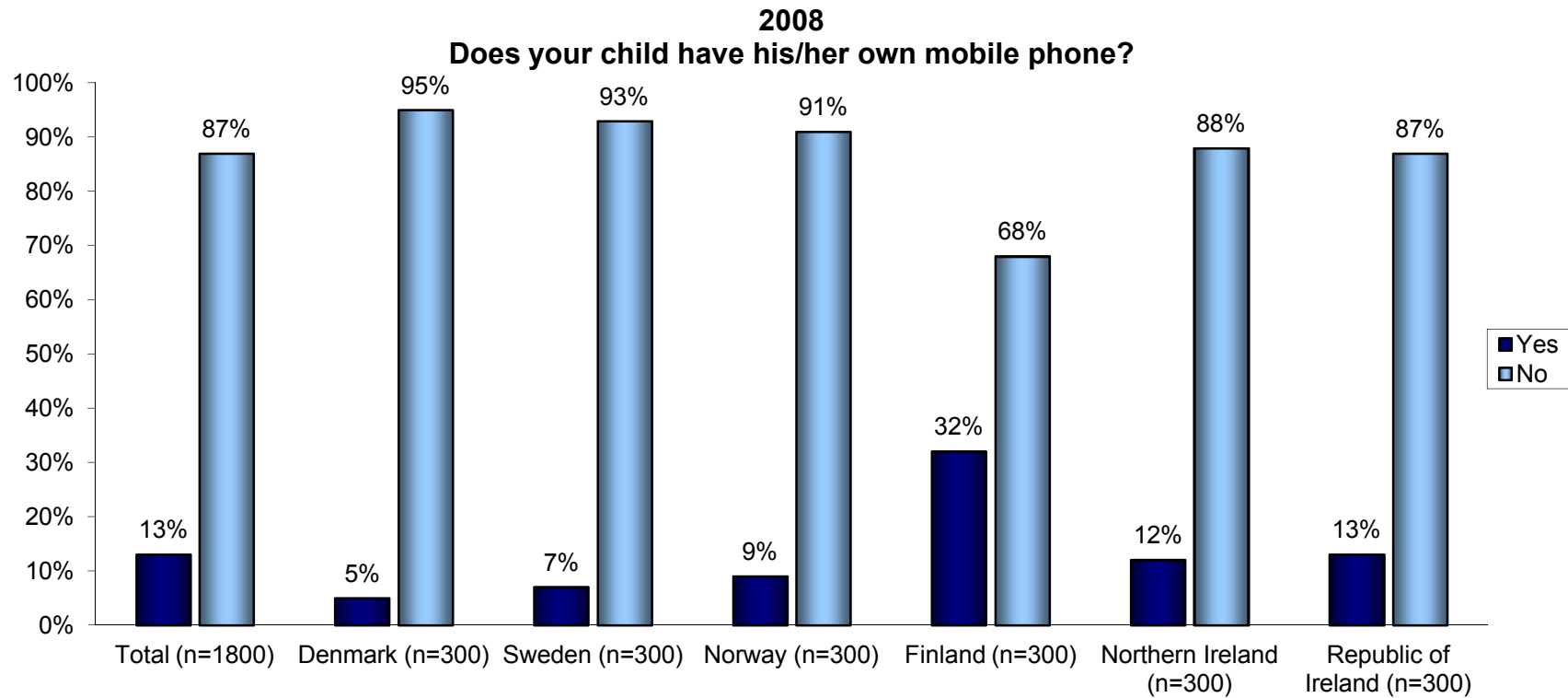


17% of the children have their own mobile phone

10/11/2014



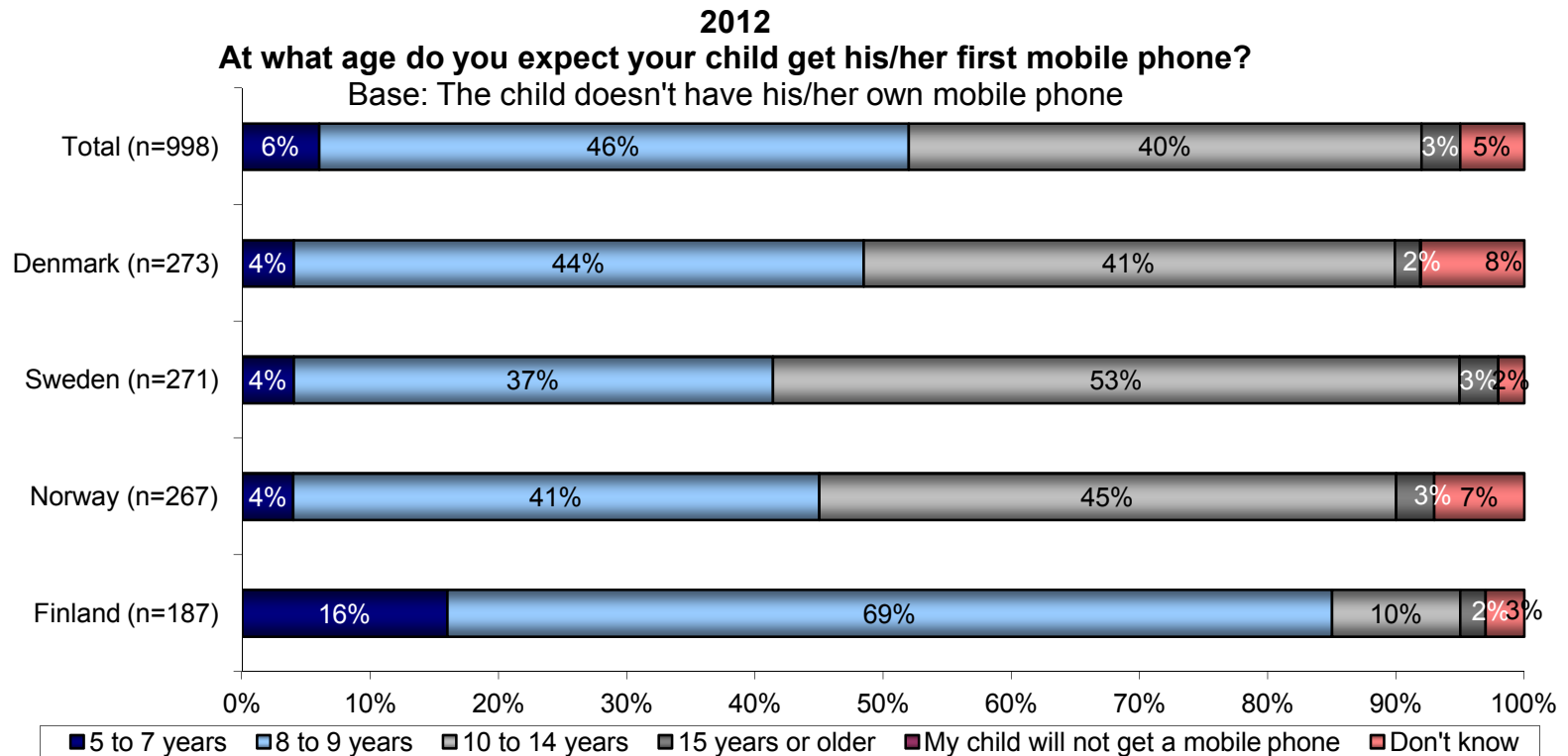
As in 2008 Finland differs significantly from the other countries.



Finland is very different from the other countries and so is Denmark, Norway and Sweden.

52% of those who do not already have a mobile phone will have it before the age of ten

10/11/2014

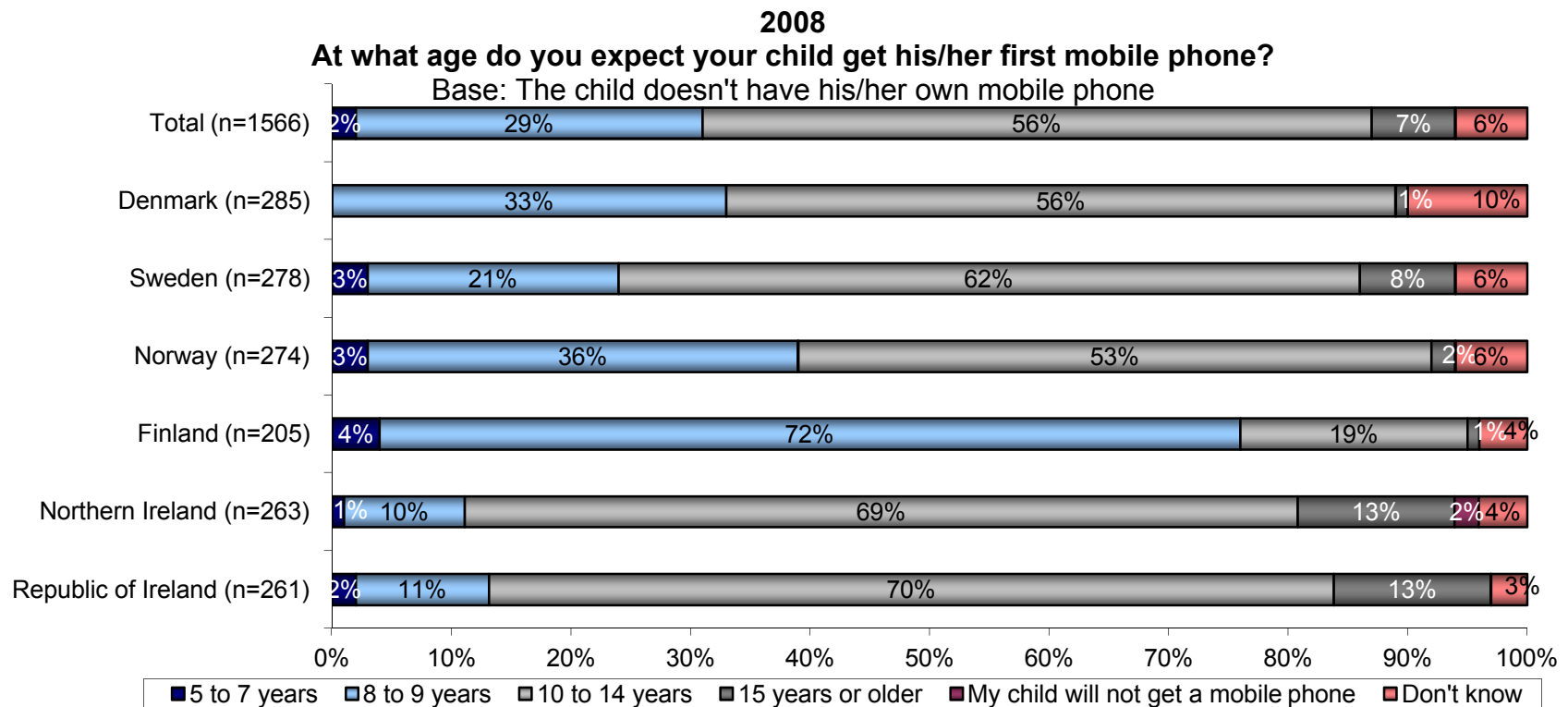


In Finland more or less the same share as in 2008 will receive a mobile phone at the age of 8-9 – a share that differs significantly from the other countries.

In general, there has been a significant shift from 10-14 to 8-9 years since 2008 – i.e. the children will get their mobile phone younger. Furthermore, the countries are more aligned in 2012 compared to 2008 (except for Finland).

31% of those who do not already have a mobile phone will have it before the age of ten

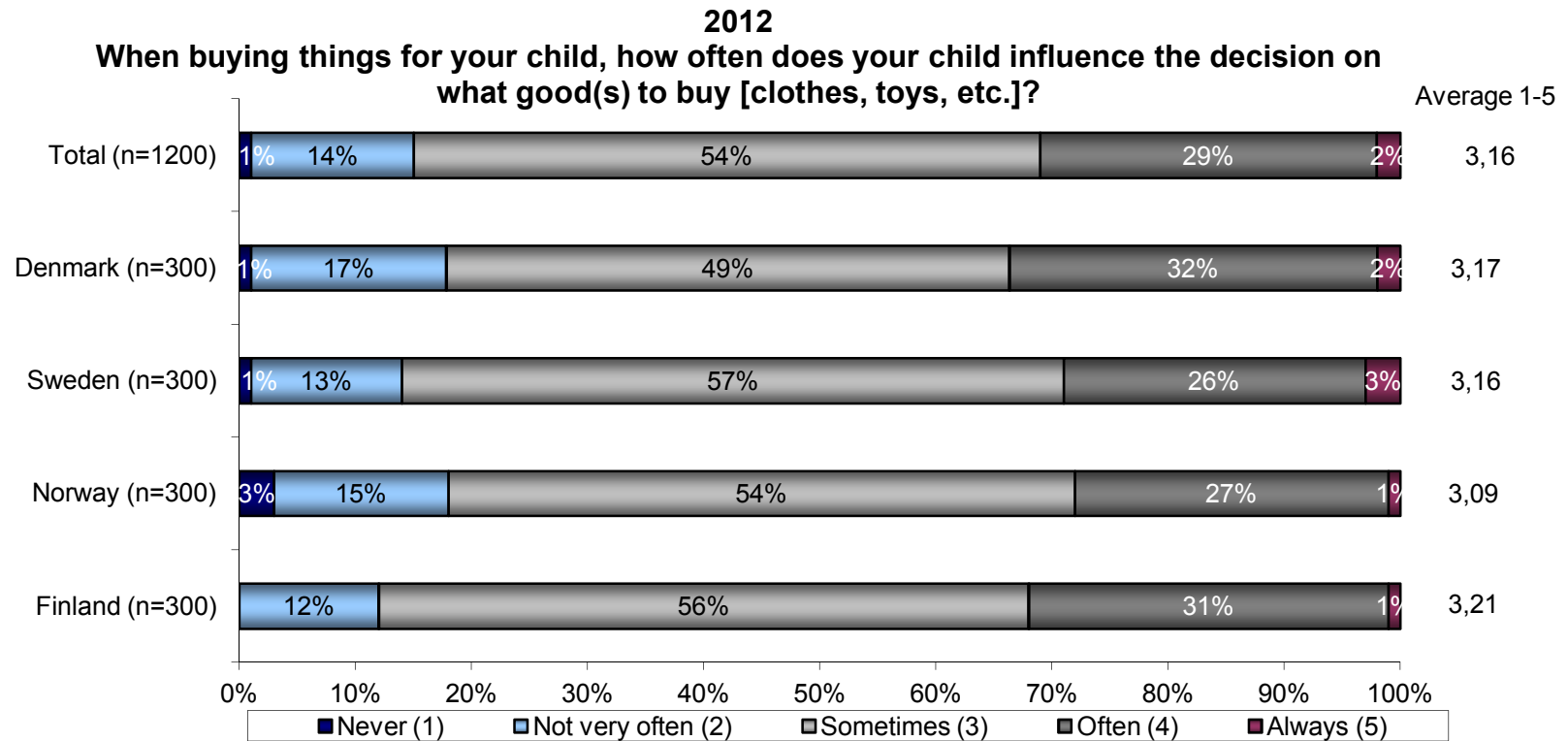
10/11/2014



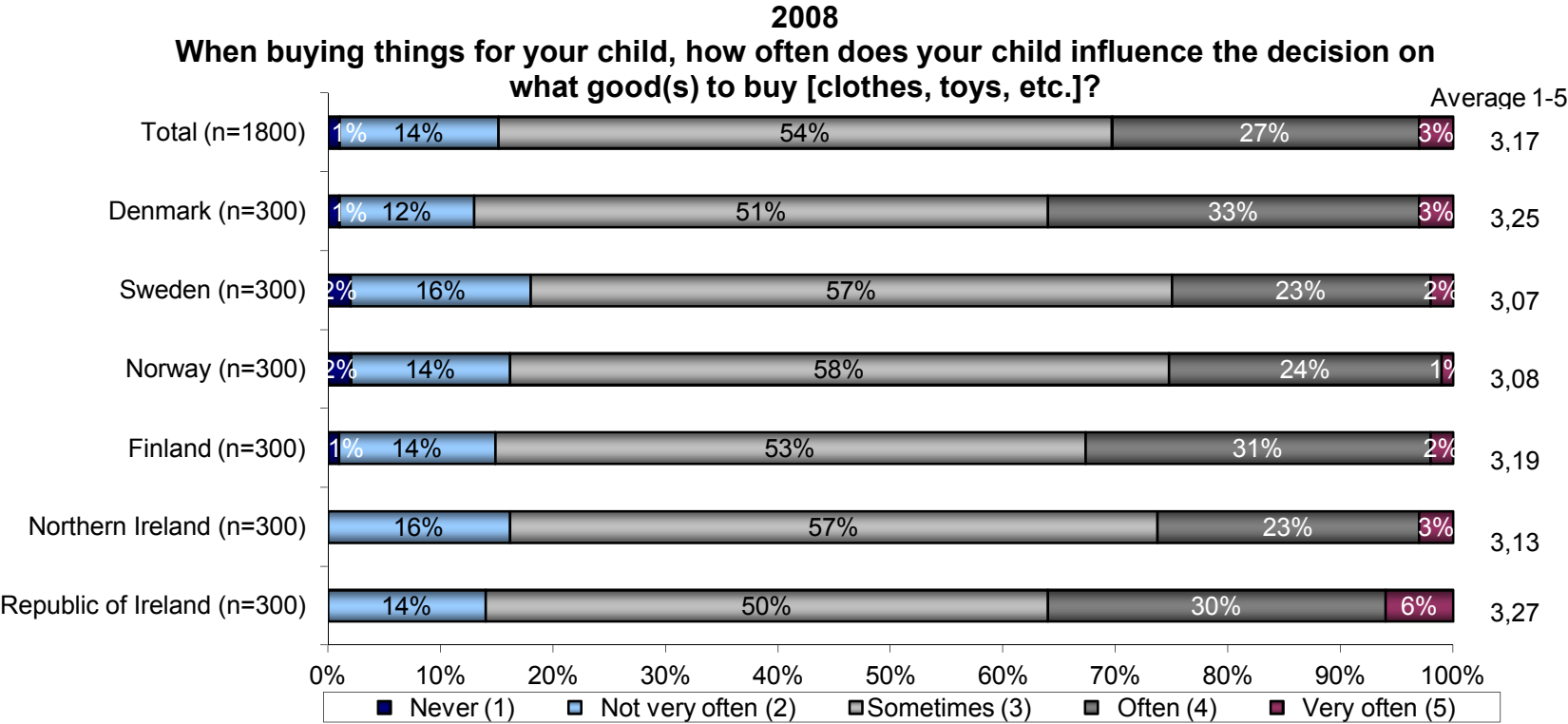
In Northern Ireland and in Ireland the children will get a mobile phone when they are between 10 and 14 years. Large spread.

85% of the children sometimes to very often have influence on what to buy

10/11/2014

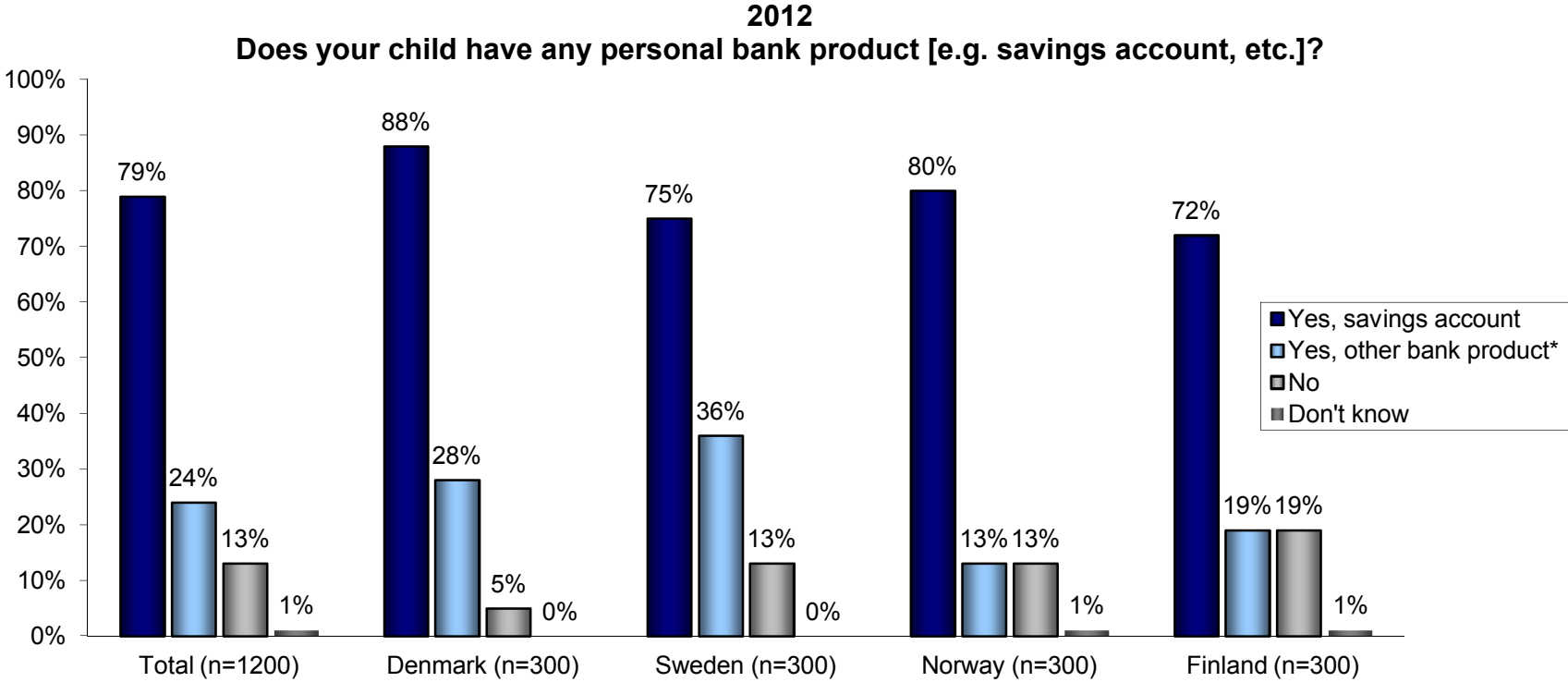


In Denmark and Finland children have the most influence on what to buy.



In Denmark and in Ireland the children have the largest influence on what to buy for them.

86% of the children have personal bank products

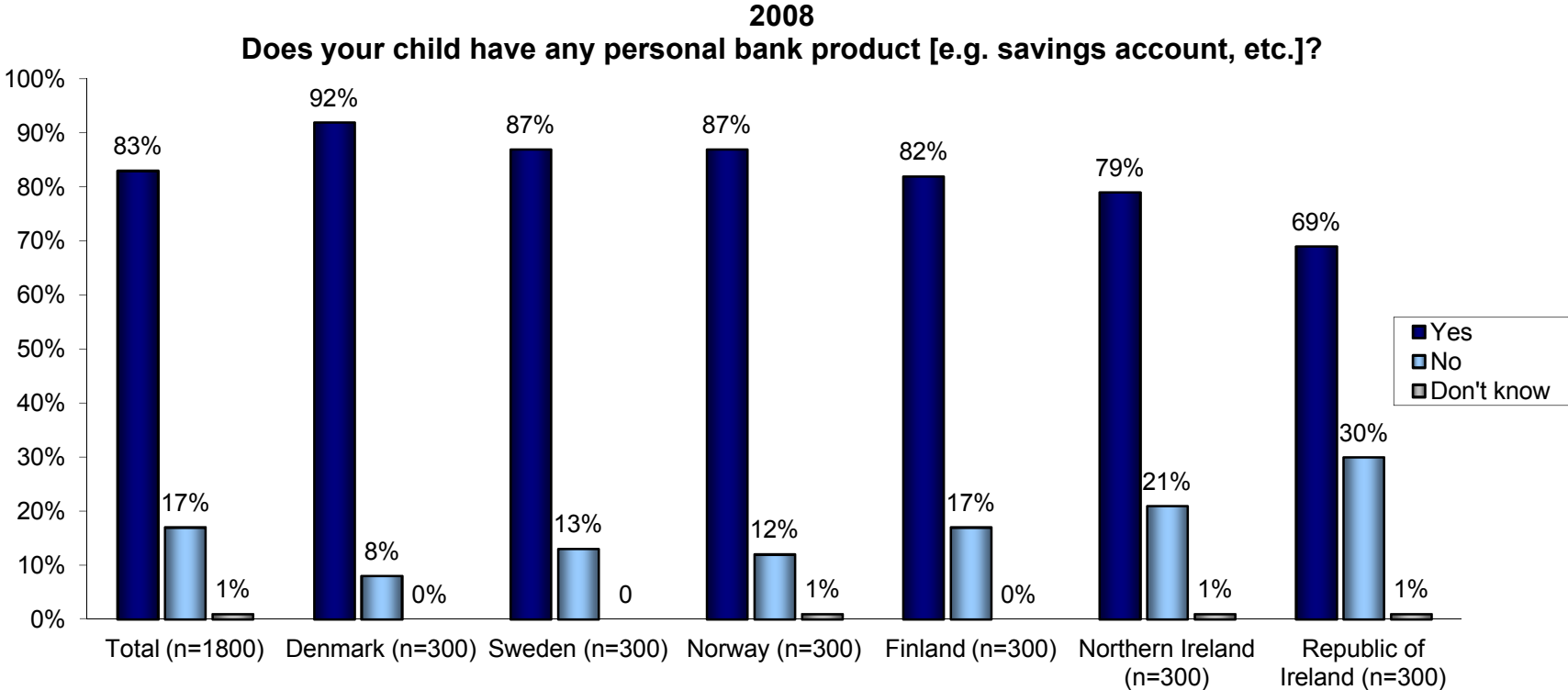


* Extra scale applied in 2012

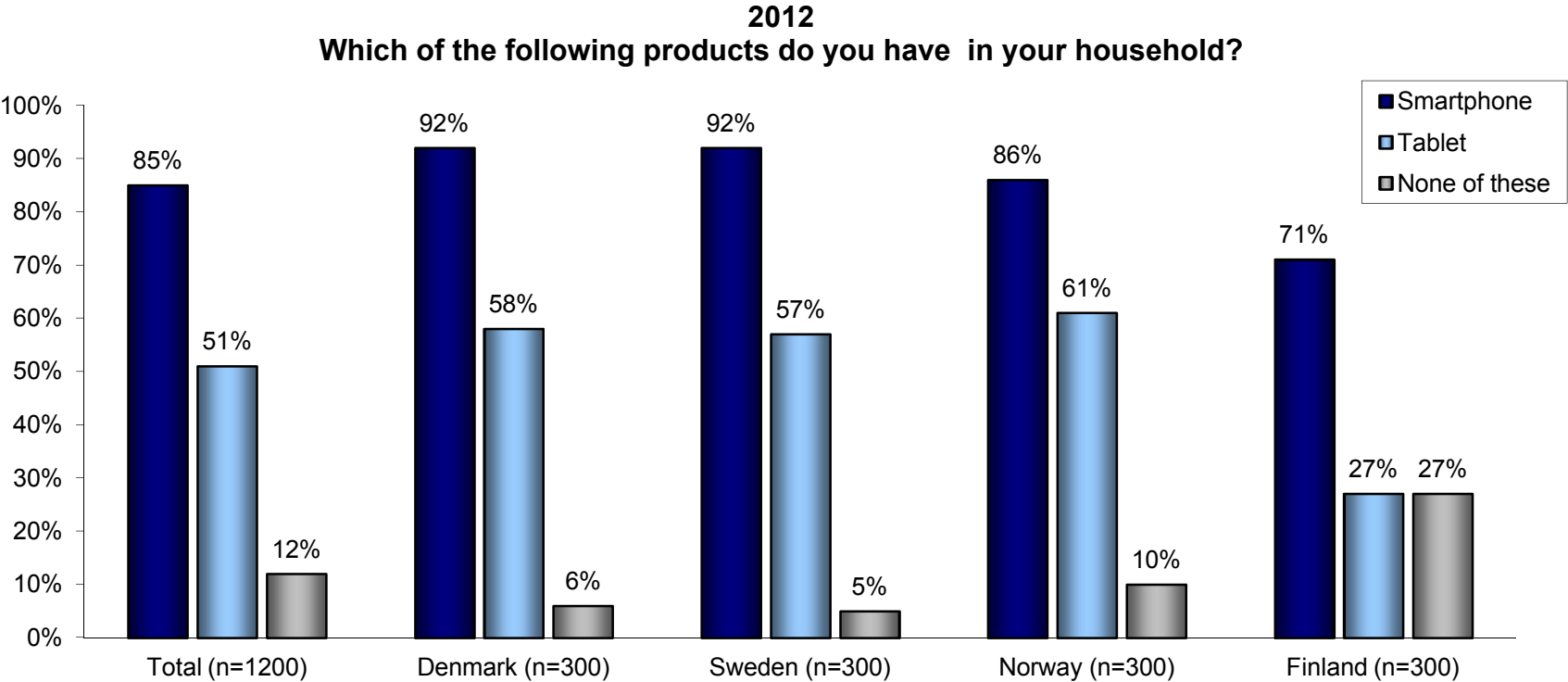
Denmark is still the country where most children have a personal bank product.

83% of the children have personal bank products

10/11/2014



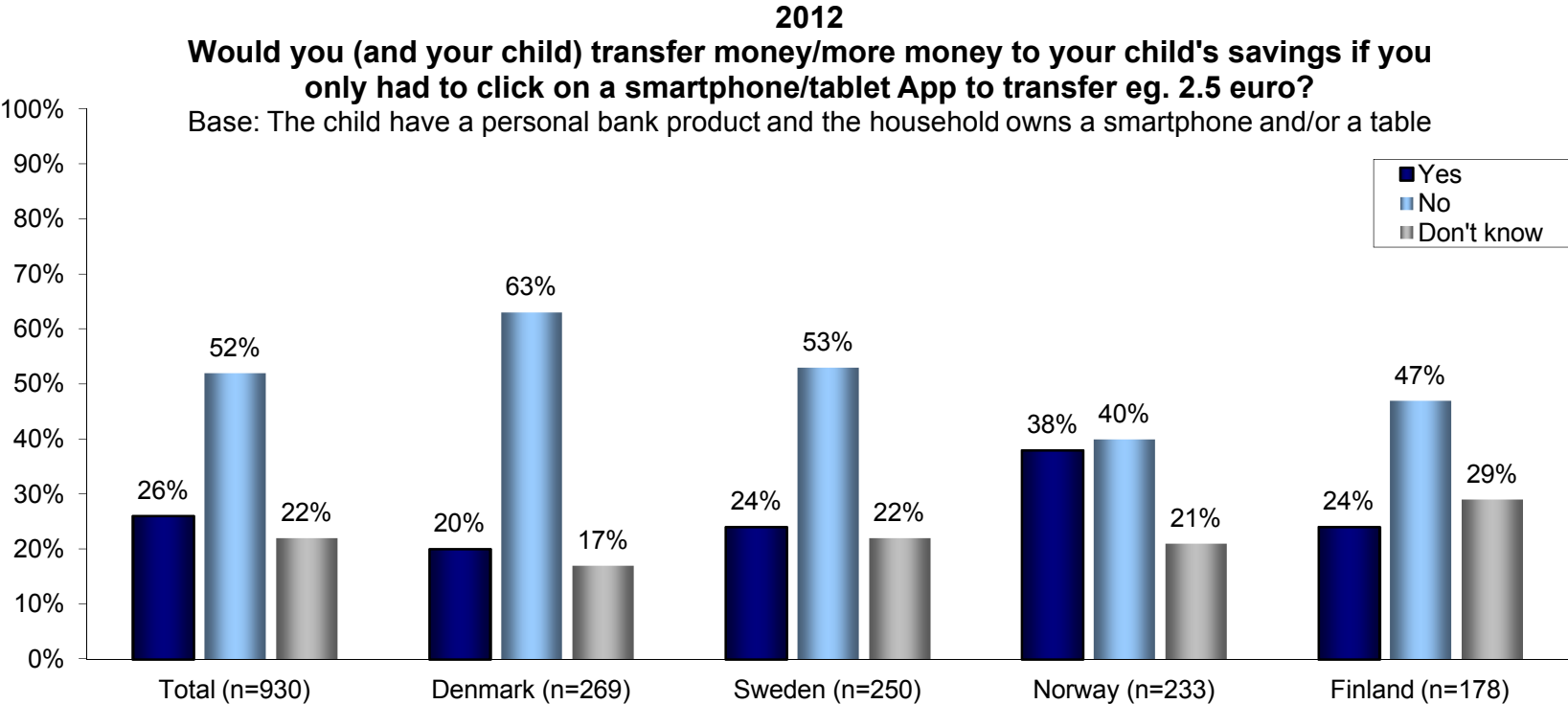
In Denmark almost every child have bank products. In Ireland it is about a two thirds.



Finland is the country where the least have a smart phone and/or a tablet.

Interest in product concepts/Apps

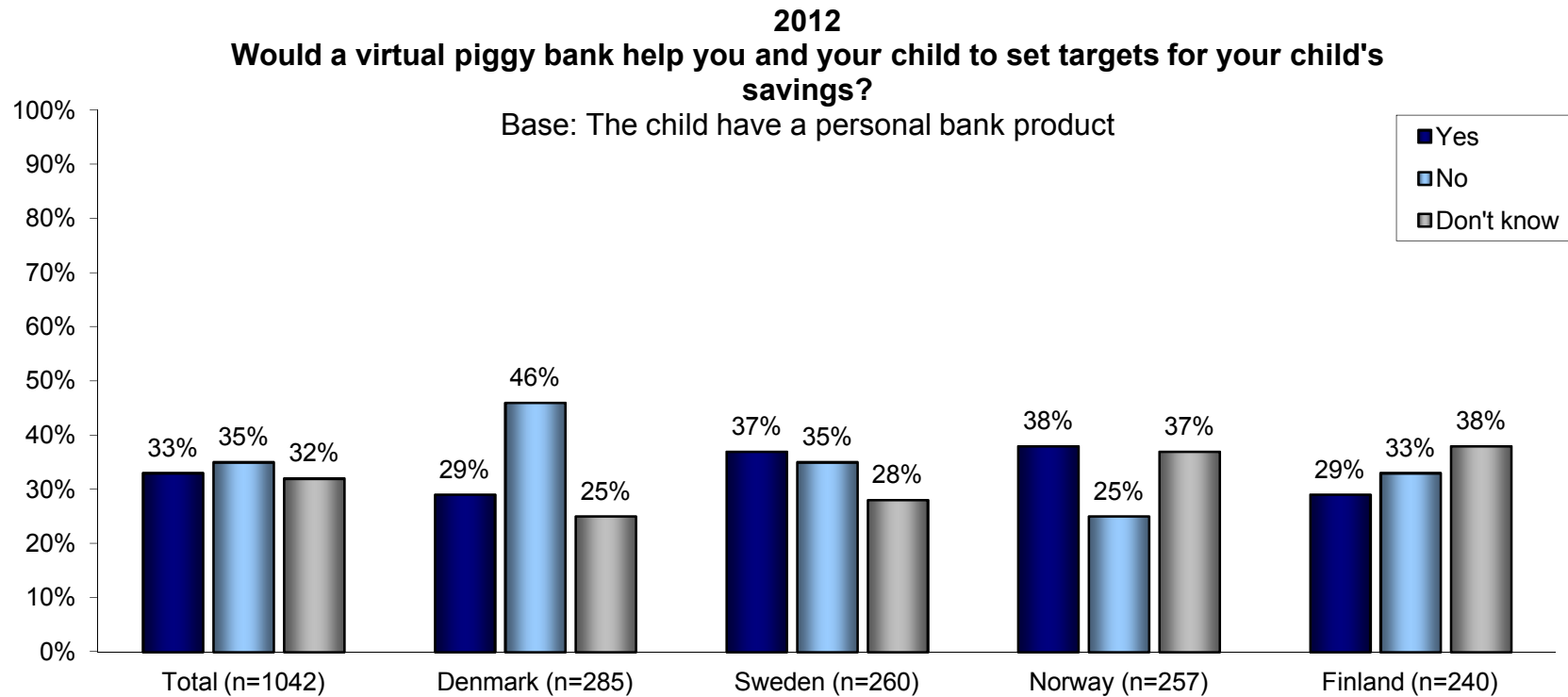




The interest for the savings App is highest in Norway and lowest in Denmark.

33% find a virtual piggy bank would be helpful when setting targets for their child's savings

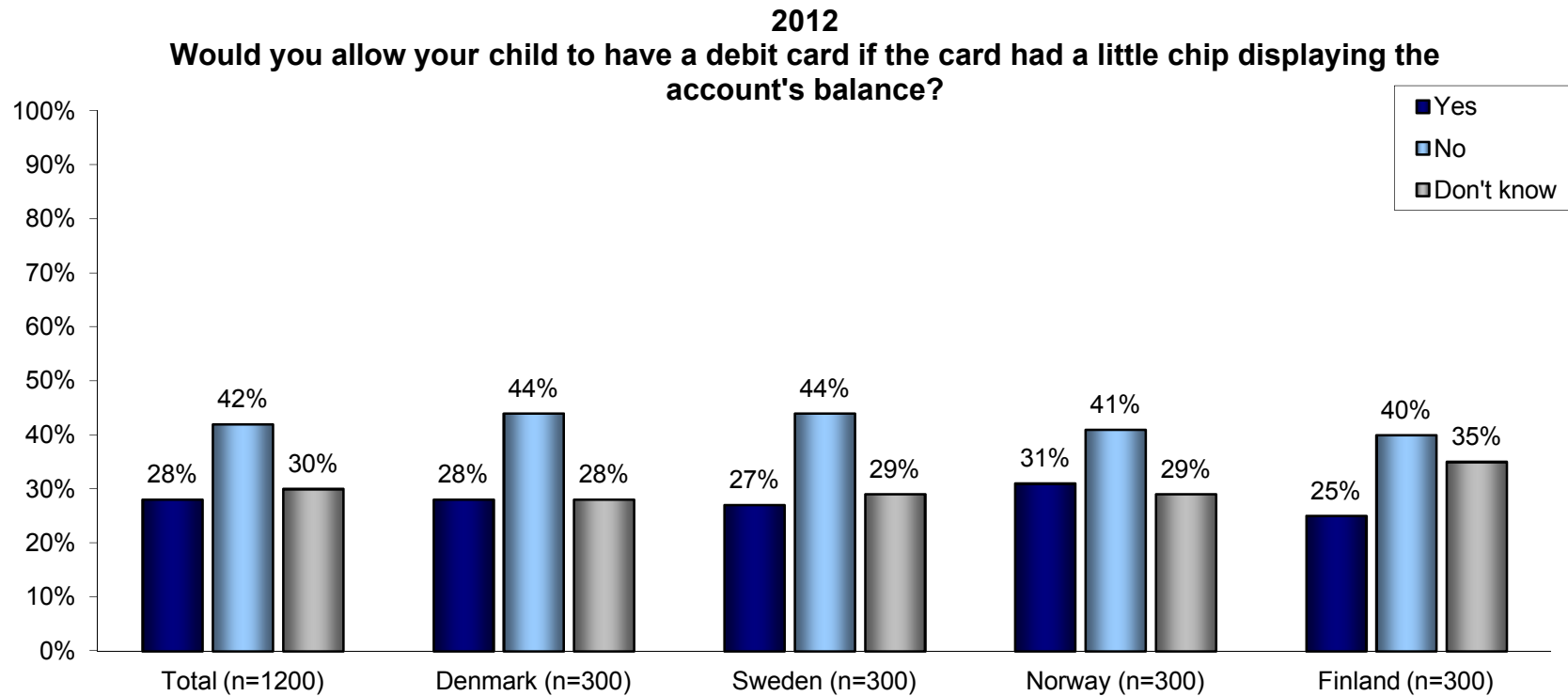
10/11/2014



The interest in the virtual piggy bank is highest in Norway and lowest in Denmark.

28% would allow their child to have a debit card if there was a chip displaying the balance

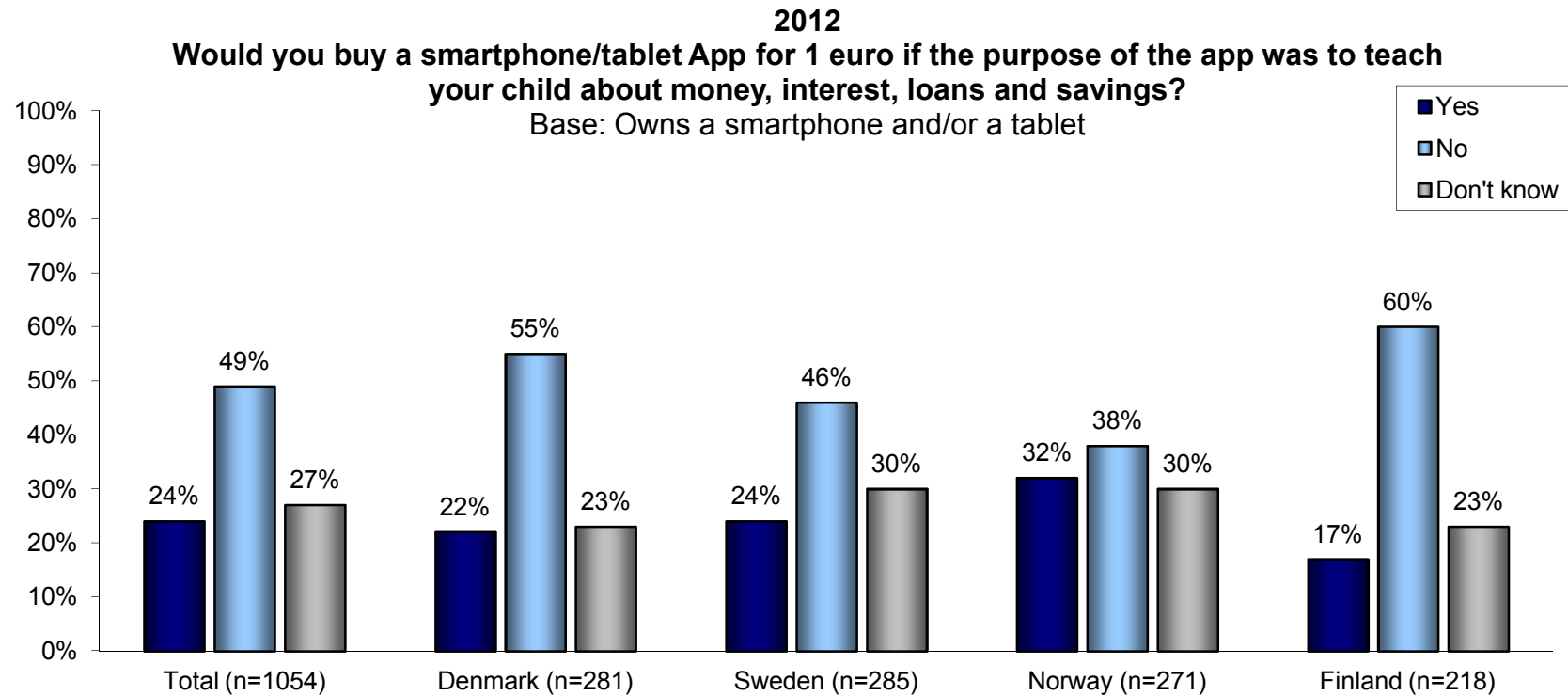
10/11/2014



The interest is highest in Norway and lowest in Denmark.

24% would buy a teaching App for 1 euro

10/11/2014

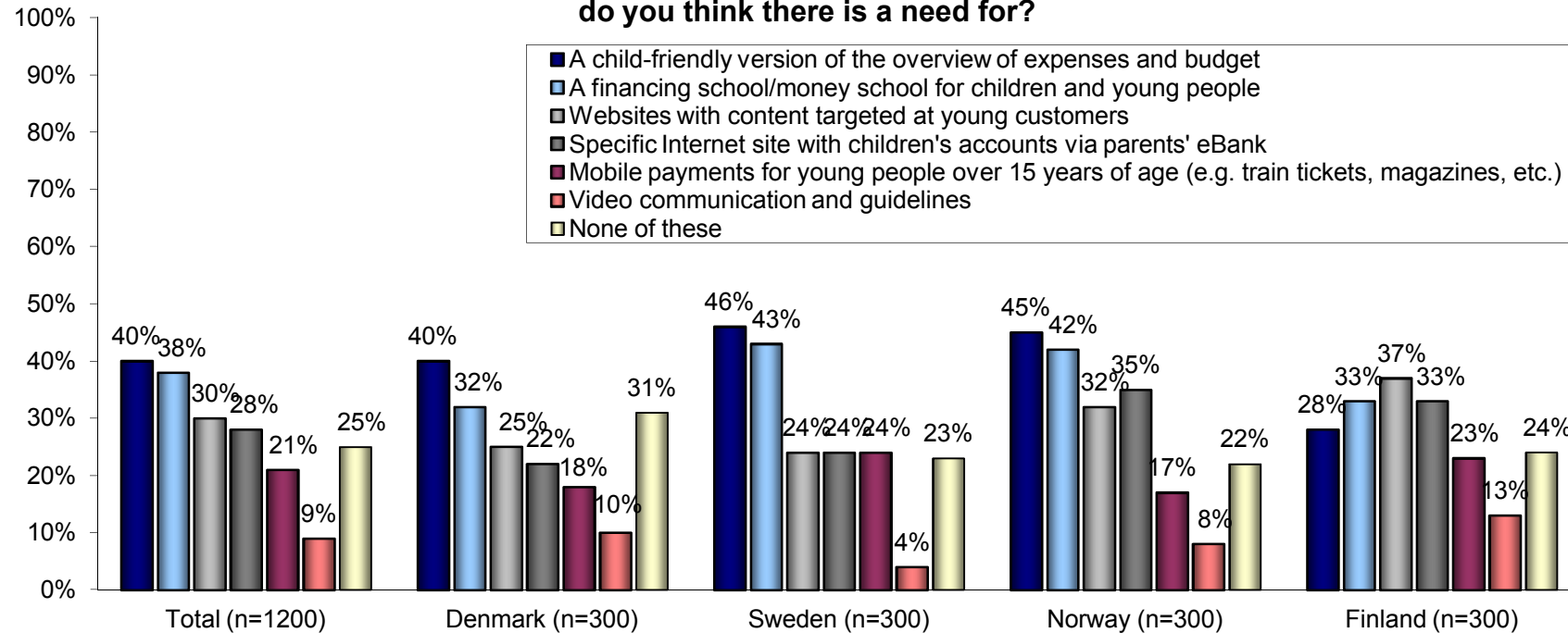


The interest is lowest in Finland and Denmark and highest in Norway.

The most needed initiative is a child-friendly version of the overview of expenses and budget (40%) closely followed by a financing school for children and young people (38%)

10/11/2014

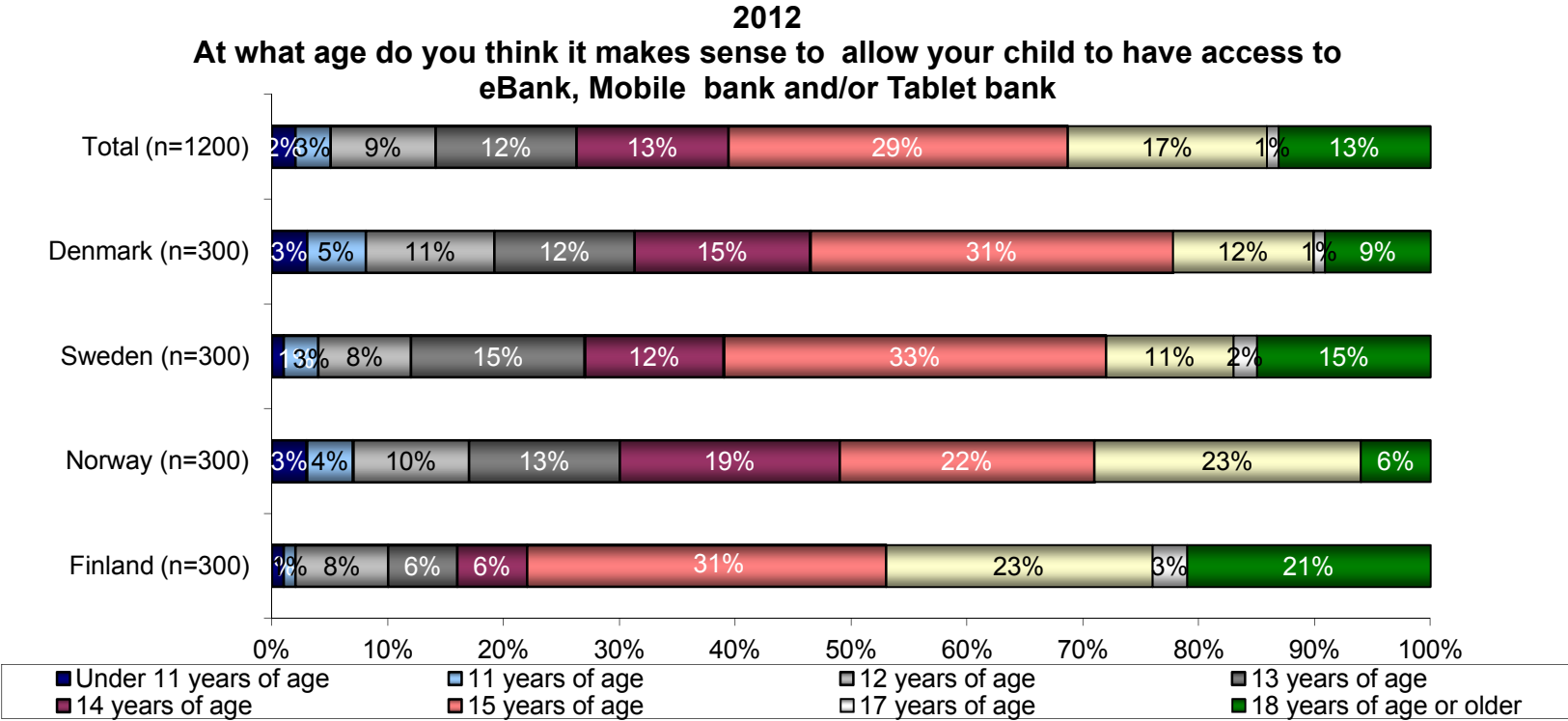
2012
Which of the following functions/options for children and young people do you think there is a need for?



In Denmark we find the highest share of parents not interested in the listed functions – Norway and Sweden have the highest interest.

60% believe that their child should only have access to eBank, Mobile/ Tablet bank at the age of 15 or older

10/11/2014



Finland has the highest share of parents believing that their child should only have access to these bank products at the age of 15 or older.

Contact details



Andreas Ishøy

Research consultant

YouGov

✉ andreas.ishoy@yougov.com

☎ +45 2684 2262

Anne Dannisboe Iversen

Research Team Manager

YouGov

✉ anne.iversen@yougov.com

☎ +45 2516 1991

Dorthe Sortkjær

Senior Project Manager

YouGov

✉ dorthe.sortkjar@yougov.com

☎ +45 2682 2914

YouGov Denmark A/S

Bryggervangen 55, 1
DK-2100 Copenhagen
Tel: +45 7027 2224
www.yougov.dk

