



# Financial Literacy among 8-9 years old children

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



Copenhagen, January 2009

Danske Bank

YouGov Zaperas  
What the world thinks



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# 1 Purpose of the Study

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

- Financial awareness and responsibility
  - When did they last discuss money and spending with their child
  - Do parents think that their child would benefit from learning more about money and spending
  - 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 organisations responsible for children’s understanding of money?
  - Do parents think it is appropriate for banks and/or schools to take some responsibility for children achieving a healthy relationship to money and personal finance
- Aspects of pocket money
  - Does the child have any chores that he/she has to carry out to get pocket money
  - Does the child save some of his/her pocket money
  - Which things does the child have - Mobile phone, MP3 player, TV etc.
- Children as consumers
  - How much does the mobile phone cost per month
- Children's use of electronic entertainment
  - How much time does the child spend on SMS, playing on the computer, TV and Game console
  - When the child plays on a computer is it then together with an adult or alone

The study covers 6 countries within Danske Bank’s geographic focus area.



# Methodology

Interview period: Data has been collected in the period from 12.12.2008 until 12.01.2009

Target group: Parents with children from the age of 8 to 9 years

Countries	Sample Size (Not weighted)	Sample Size (Weighted)
Denmark	317	300
Sweden	309	300
Norway	309	300
Finland	300	300
Northern Ireland	300	300
Ireland	327	300

## Data Collection

Data has been collected via the internet in Zaperas's own internet-based consumer panels in the four Nordic countries and in various internet-based consumer panels in the Ireland and Northern Ireland. Zaperas has hosted and coordinated the data collection in all 6 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 six countries counts for one sixth of the aggregated data.

The total base is weighted on the countries' population size.



# Statistical Significance Levels

## 8-9 years old

Country	Sample: 300	Universe	Weight in total base
Denmark	+/- 5.7%	134,222	1,12
Norway	+/- 5.7%	121,964	1,02
Sweden	+/- 5.7%	186,657	1,56
Finland	+/- 5.7%	115,833	0,97
Northern Ireland	+/- 5.6%	47,790	0,40
Ireland	+/- 5.7%	113,553	0,95
Total	+/- 2.3%	720,019	





1

# Conclusion



# Conclusion

## Financial awareness and responsibility

- 91% of the parents have **discussed aspects of money** with their children within the last month
- Almost everyone (98%) think **their child would benefit** from talking about money and spending
- 96% of the parents think it would be **beneficial for their child to learn** about the necessity of **maintaining a balance between income and expenditure**
- 95% of the parents think it would be **beneficial for their child to learn about the fact that their family's funds are limited**
- 60% of the parents think **it would be a help if they had access to information about personal** finance when they talk to their child this subject
- Most parents (72%) think it is **natural to find material about personal finance on the internet**

# Conclusion

- The responsibility for children achieving a healthy relationship to money and personal finance is mostly up to the parents themselves
- **Parents think they are the most responsible for children achieving a healthy relationship to personal finance.** Followed by the schools
- 71% find it appropriate for banks to take some responsibility for children achieving a healthy relationship to personal finance
- Everyone (96%) think it is **appropriate for schools to teach children** how to achieve a healthy relationship to money
- Aspects of pocket money
- More than **2/3 receive pocket money.** On average the amount is 13 € per month
- 81% of the children, who receive pocket money **have to do chores in order to get pocket money**
- Many of the children (85%) **save up their pocket money**



# Conclusion

## Children as consumers

- In general children have **many material comforts**
  - Especially bicycle, own room, game consoles and mobile phones
- **55% have a mobile phone.** On average they use 11 € every month on mobile phones. In Finland 85% of the children have a mobile phone.

# Conclusion

## Children's use of electronic entertainment

- **98% watch TV** and 7.23 hours on average per week
- **87% play on game consoles** (PlayStation, Xbox, Nintendo Wii, etc.) and 3.88 hours on average per week
- **85% are playing games on the computer (on the Internet)** and 3.38 hours on average per week
- **80% are playing games on the computer (not on the Internet)** and 2.47 hours on average per week
- **72% are using the Internet to search for information** and 1.92 hours on average per week
- **55% SMS/text message** and 1.75 hours on average per week
- **46% are using the Internet as a social network** (MySpace, Facebook) and 2.92 hours on average per week
- Almost half of the children have tried to buy goods on the internet, and more than 2/3 in Northern Ireland and Ireland



2

# Results







2.1

# Financial awareness and responsibility

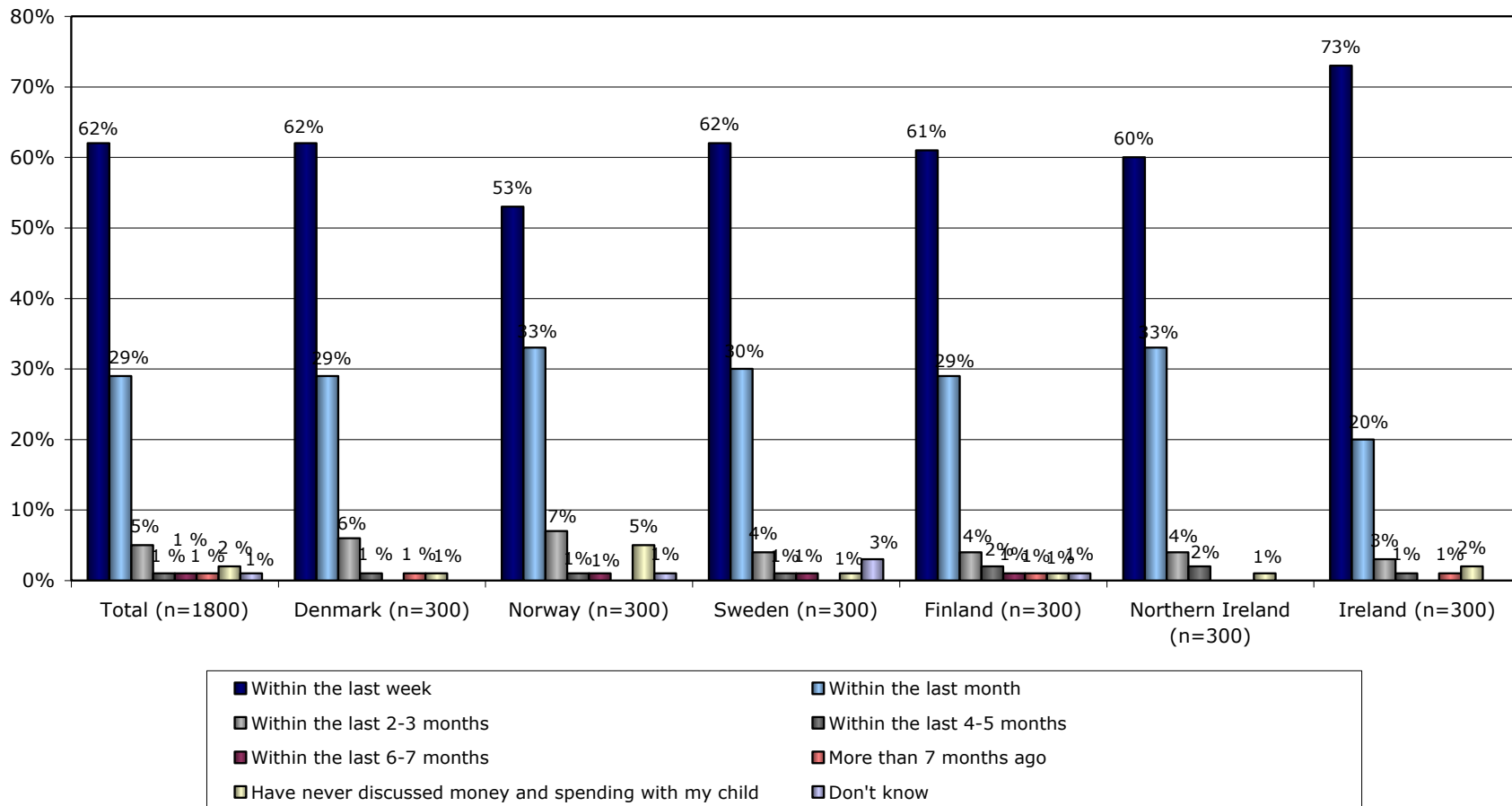




2.1

# 91% of the parents have discussed aspects of money with their children within the last month

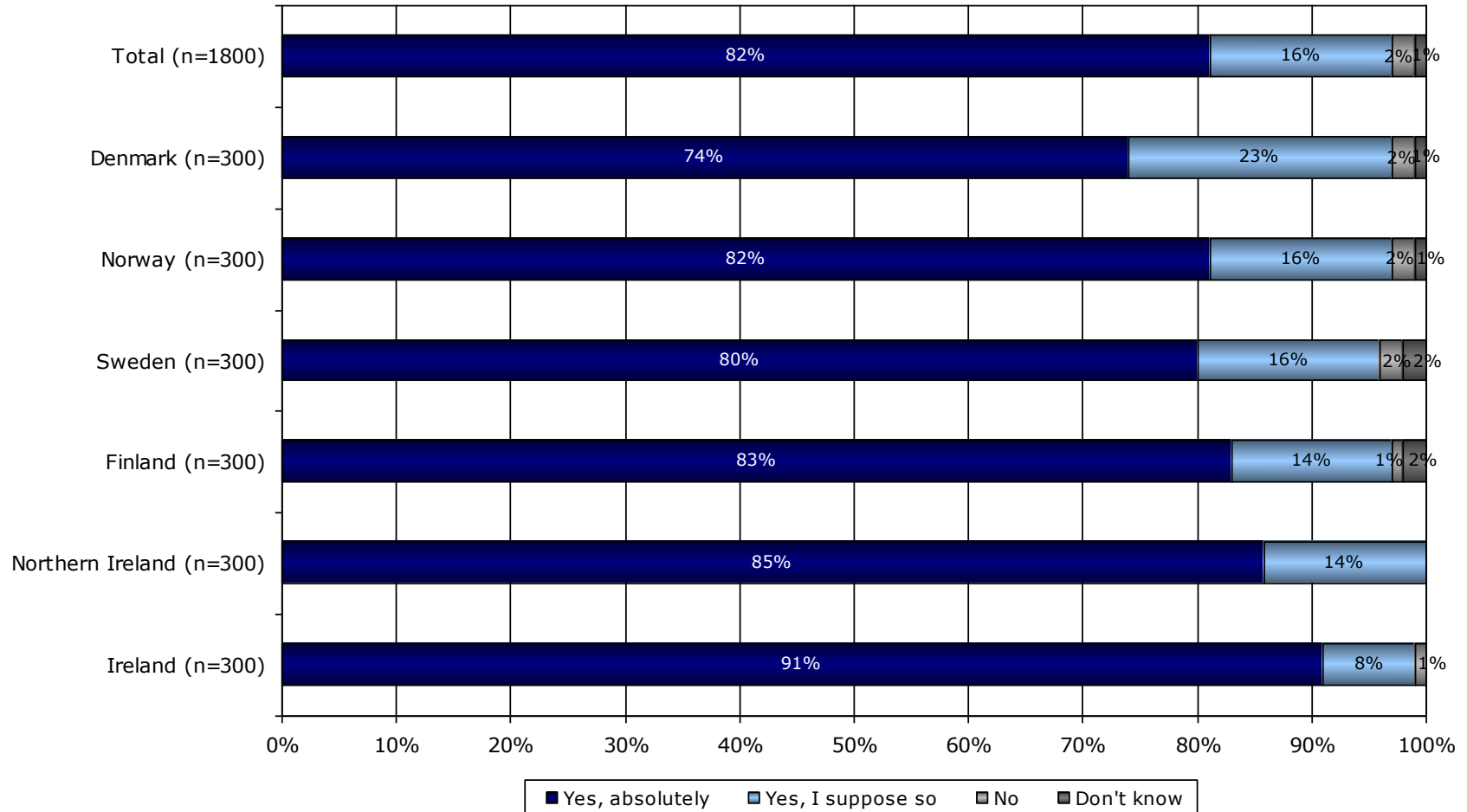
When did you last discuss money and spending with your child (e.g. about pocket money or about something he/she wants)?



Norway differs from the others countries, since Norwegian parents do not talk about money with their children as often as in the other countries and 5% have never talked about money with their child. That is a significant higher share than in the other countries. In Ireland 73% have discussed money with their child within the last week, which is more often than in the other countries.

## Almost everyone (98%) think their child would benefit from talking about money and spending

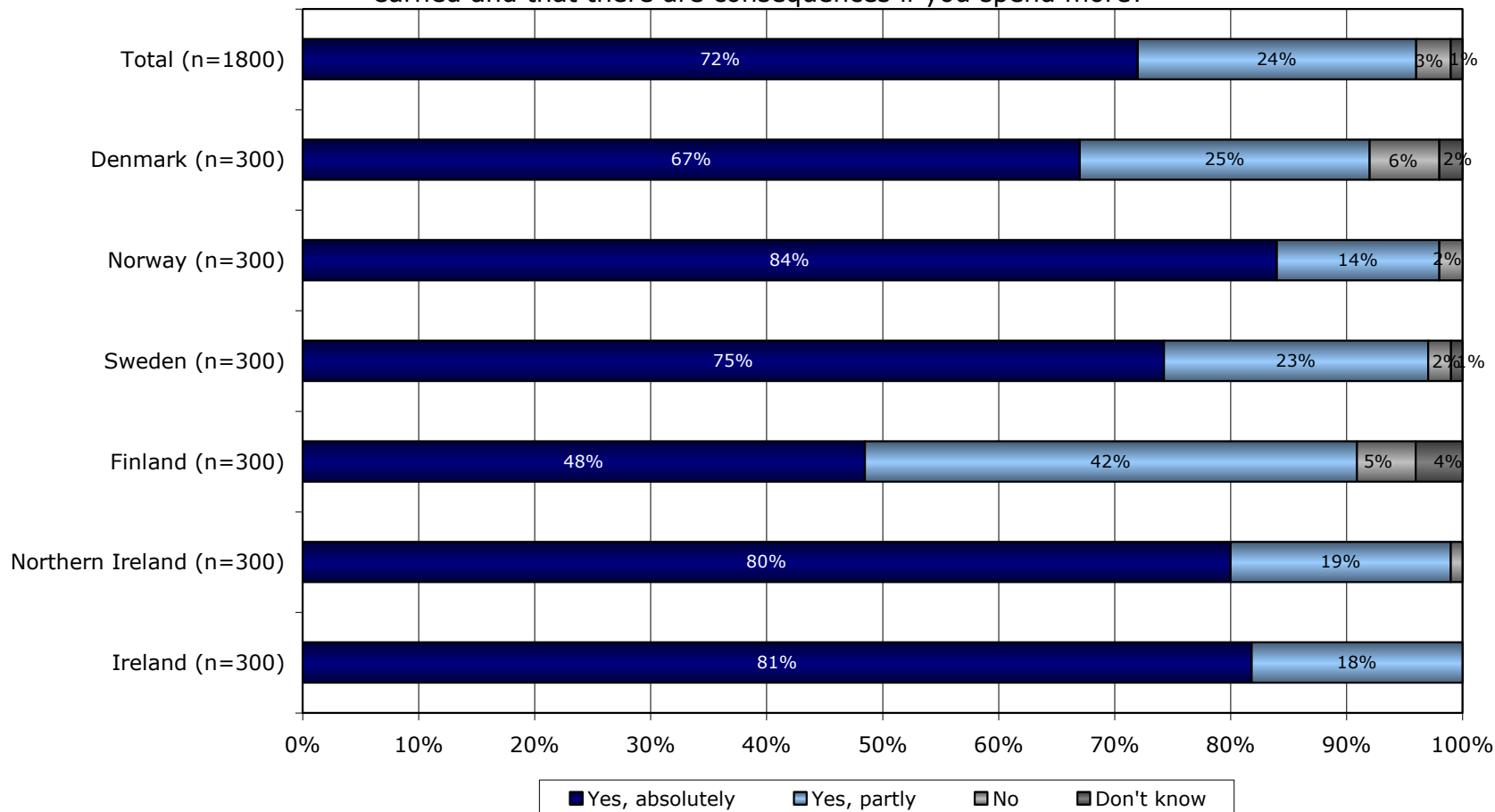
Do you think it would be beneficial to talk to your child about money and spending?



Denmark and Ireland differ from the other countries. In Denmark the parents do not think it would be as beneficial as in the other countries – as opposed to Ireland where 91% think it would be beneficial to talk to their child about money and spending.

## 96% of the parents think it would be beneficial for their child to learn about the necessity of maintaining a balance between income and expenditure

Do you think that it would do your child good to learn more about the necessity of maintaining a balance between income and expenditure - that you cannot spend more than you have earned and that there are consequences if you spend more?

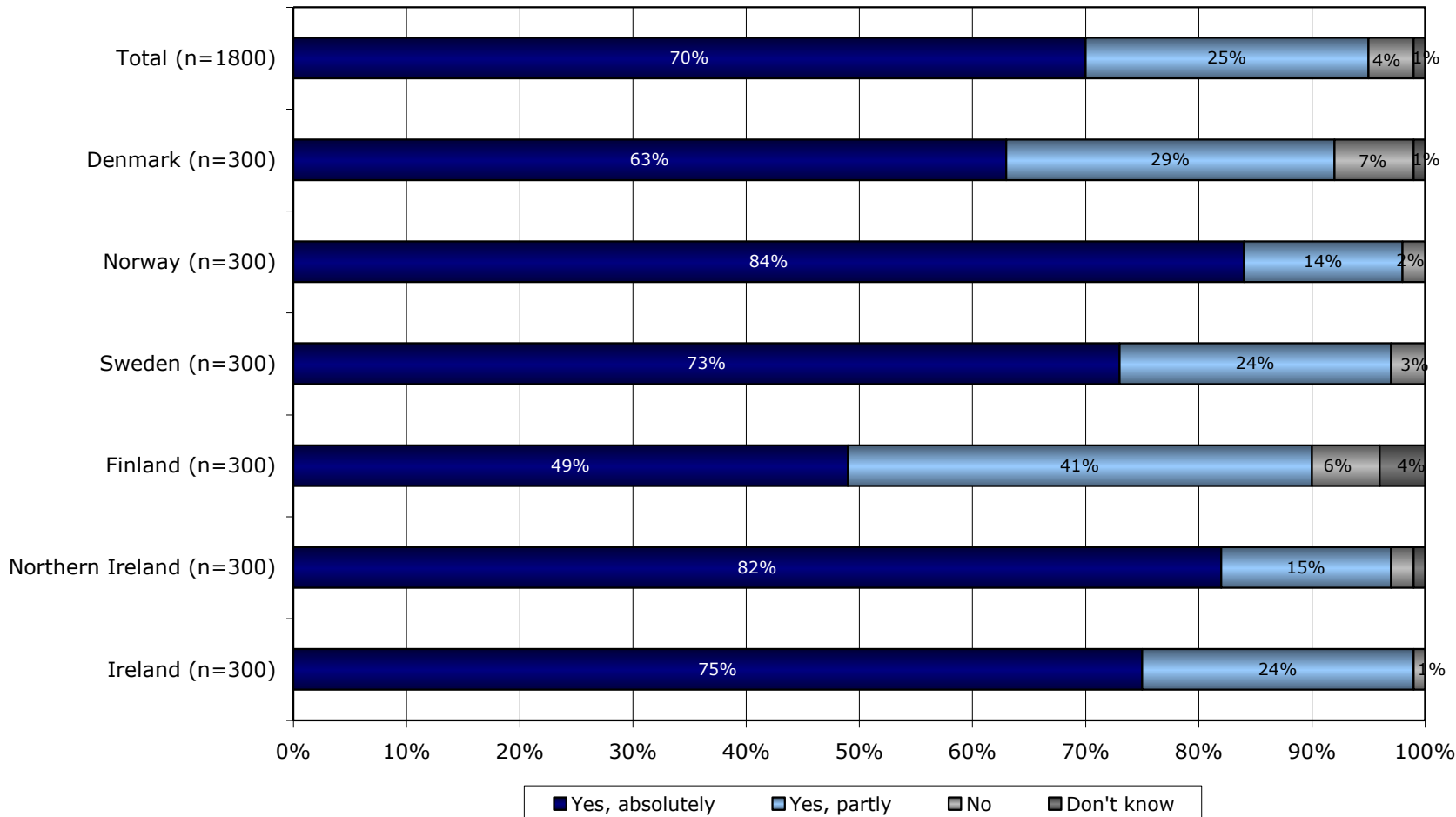


In Finland the parents do not believe the children will have as much benefit from this as in other countries, since only 48% respond “Yes, absolutely” against 67-84% in the other countries.

2.1

# 95% of the parents think it would be beneficial for their child to learn about the fact that their family's funds are limited

Do you think that it would do your child good to learn more about the fact that your family's funds are limited - and that you cannot always do or get the things you want?

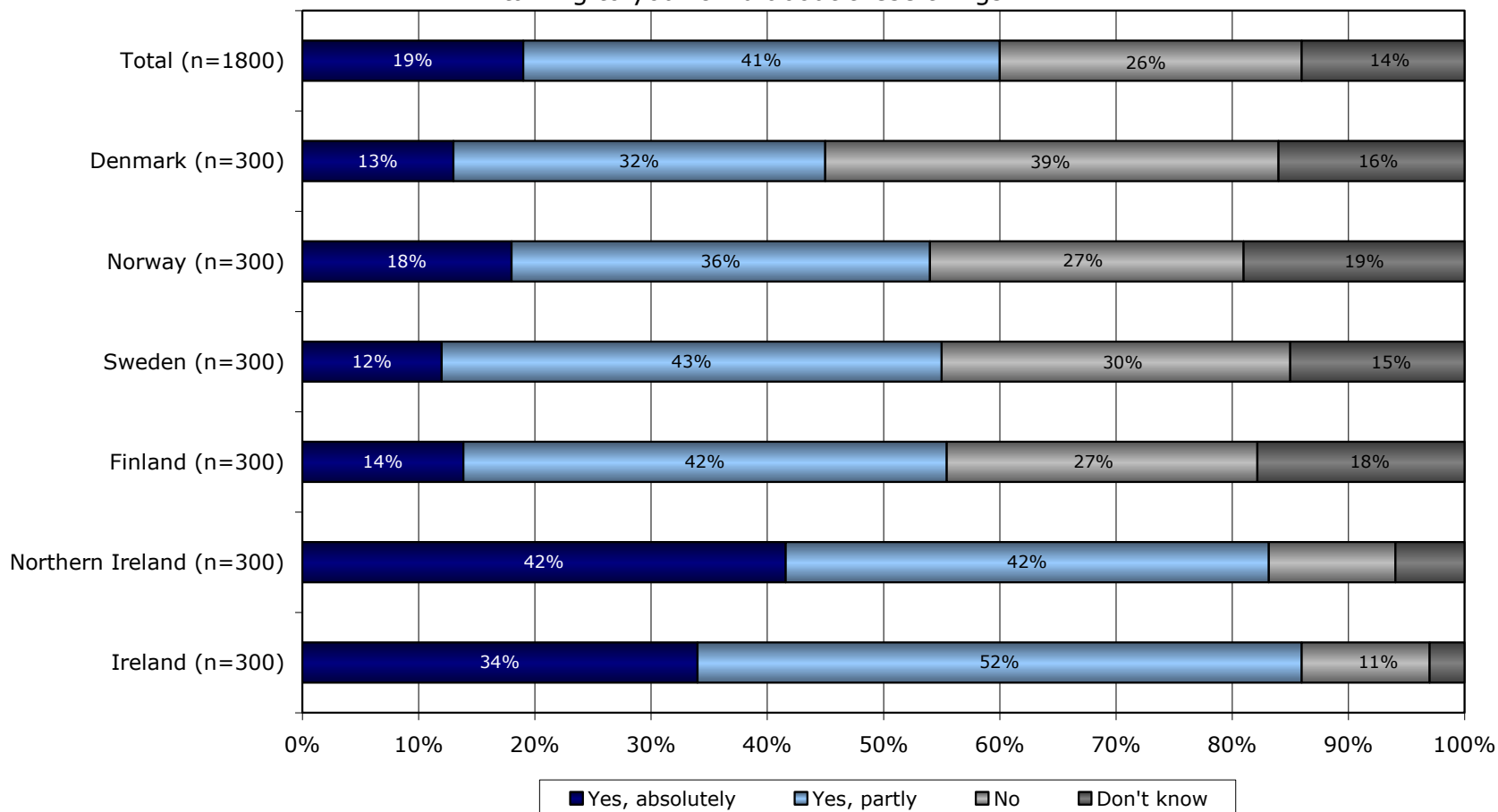


In Finland the parents do not believe the children will have as much benefit from this as in the other countries, since only 49% respond “Yes, absolutely” against 63-84% in the other countries.



## 60% of the parents think it would be helpful to talk to their child if they had access to information about personal finance

If you had access to information and material about the balance between income and expenditure and other topics about personal finance, do you think they would be a help in talking to your child about these things?

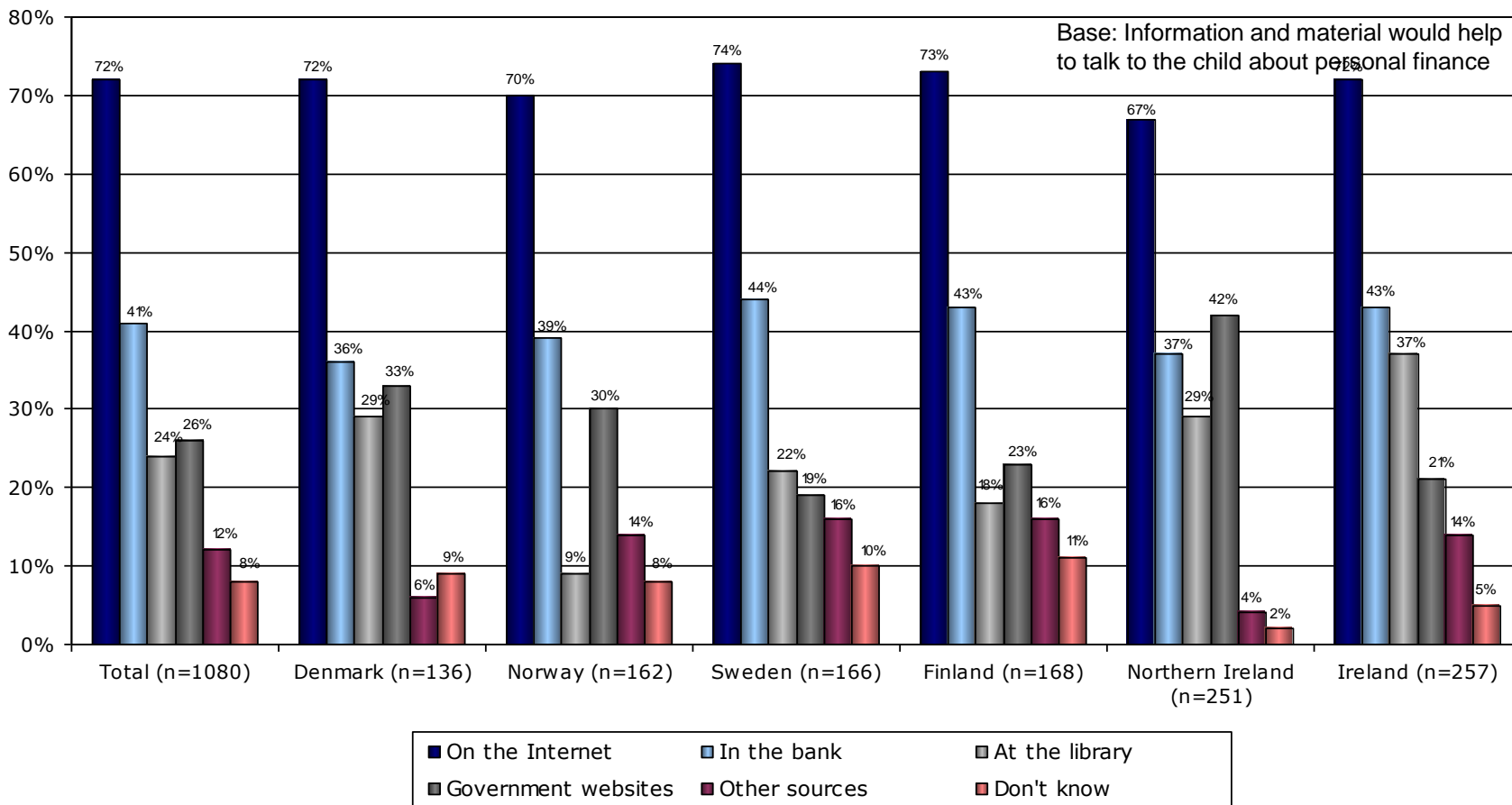


On the previous page we saw that the parents in Northern Ireland and Ireland had difficulties talking with their children on the private finance. It fits very well in the graph above, which shows that parents in Northern Ireland and Ireland would to a higher degree than in the Nordic countries also make use of material on the private economy, if it was available.

2.1

# Most parents (72%) think it is natural to find material about personal finance on the internet

How would you prefer to find information and material about the balance between income and expenditure and other topics about personal finance?



This question has only been asked to those, who answered “Yes” in the previous question. The above graph shows that most parents prefer to find information about the balance between income and expenditure on the Internet. The bank is the second most popular – except in Northern Ireland where they would rather find the information in the library than in the bank.

The following pages show to what extent the parents believe that different groups are responsible for children achieving a healthy relationship to money and personal finance.

The groups are:

- Parents
- Schools
- Society/the government
- Banks
- Private organisations

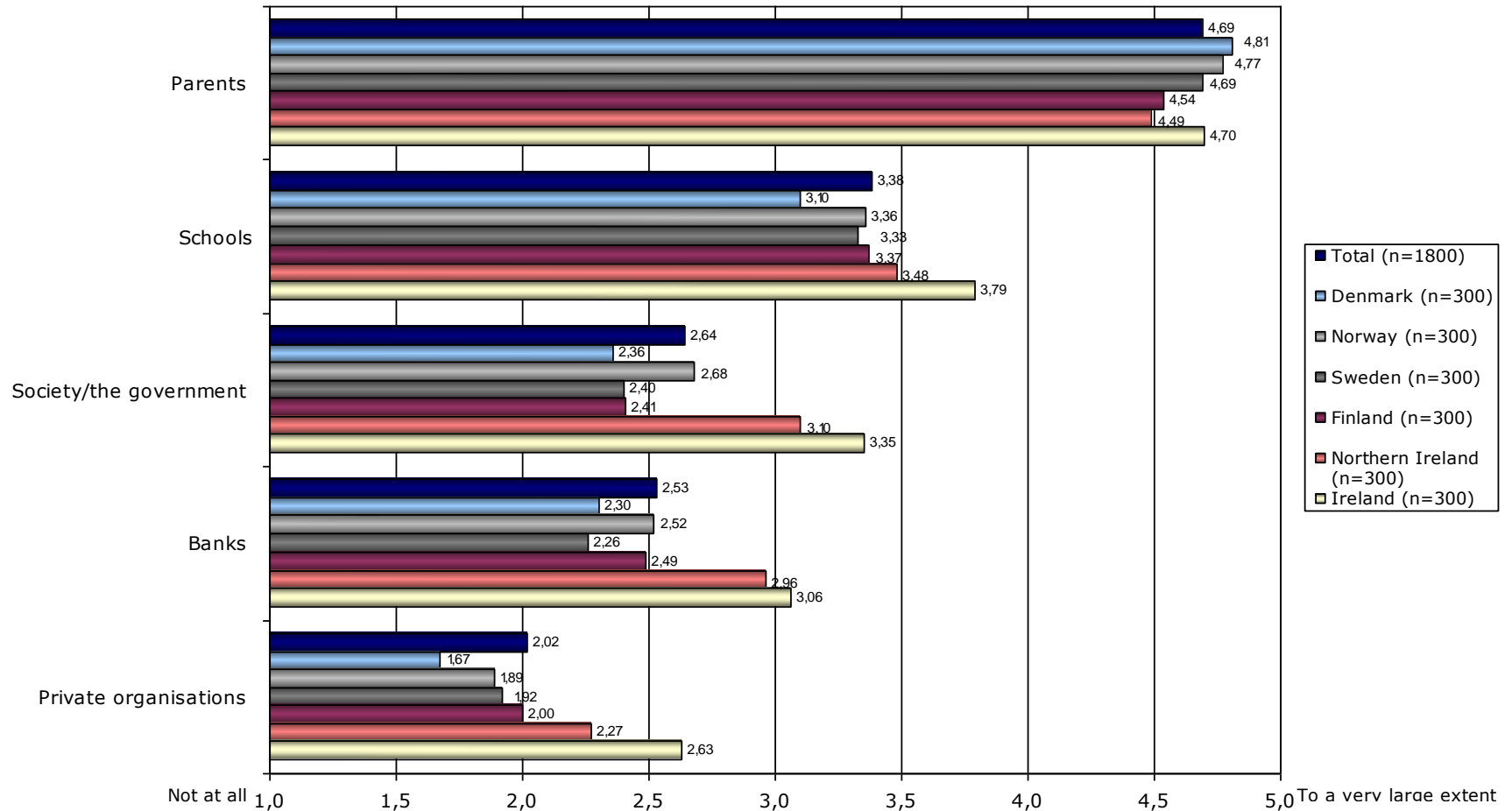


2.1

# Parents think they are the most responsible for children achieving a healthy relationship to personal finance. Followed by schools

Average: 1-5

To what extent do you believe that the following are responsible for children achieving a healthy relationship to money and personal finance?

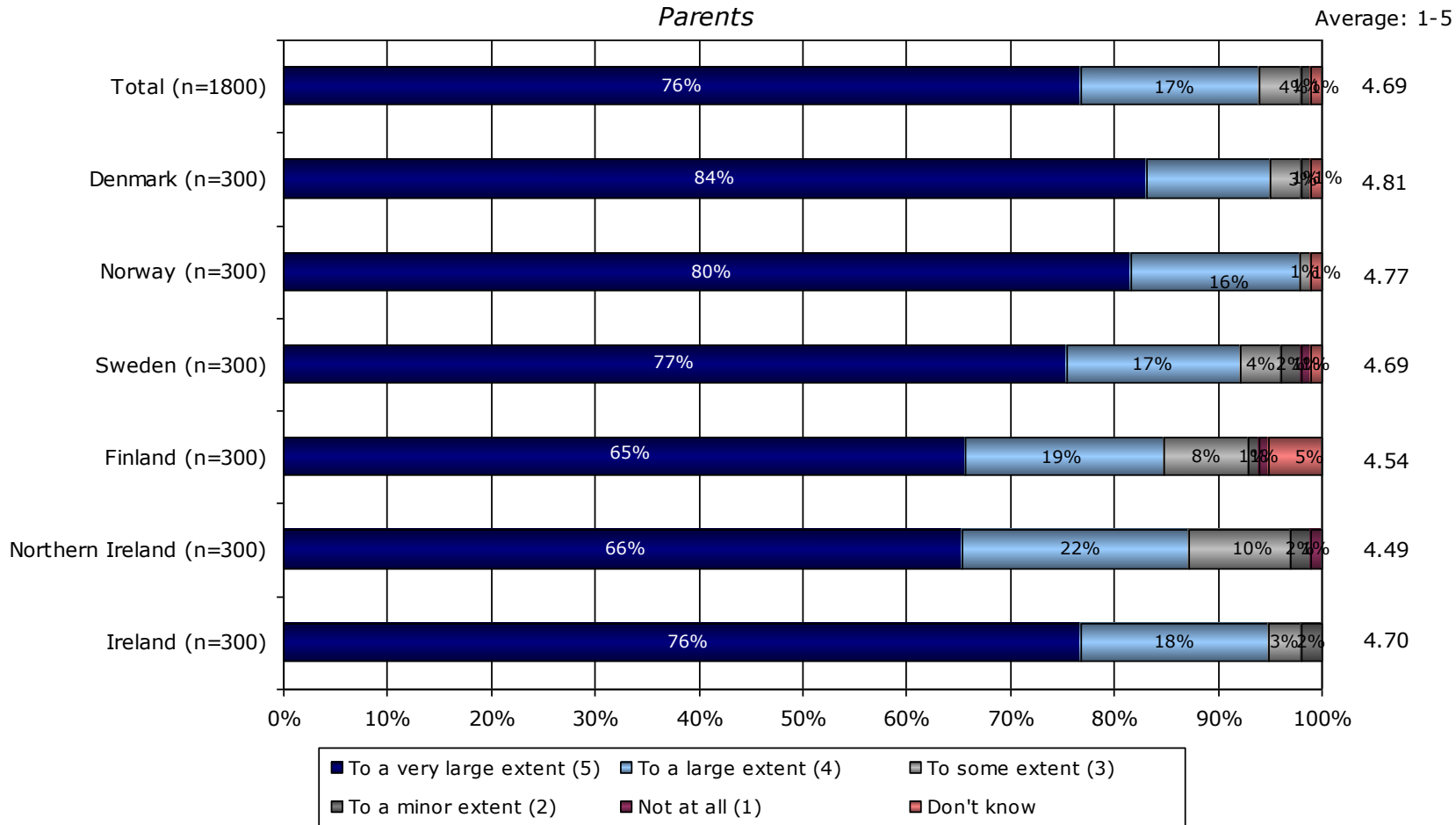




2.1

# Parents feel strongly that they are responsible for their children achieving a healthy relationship to personal finance

To what extent do you believe that the following are responsible for children achieving a healthy relationship to money and personal finance?

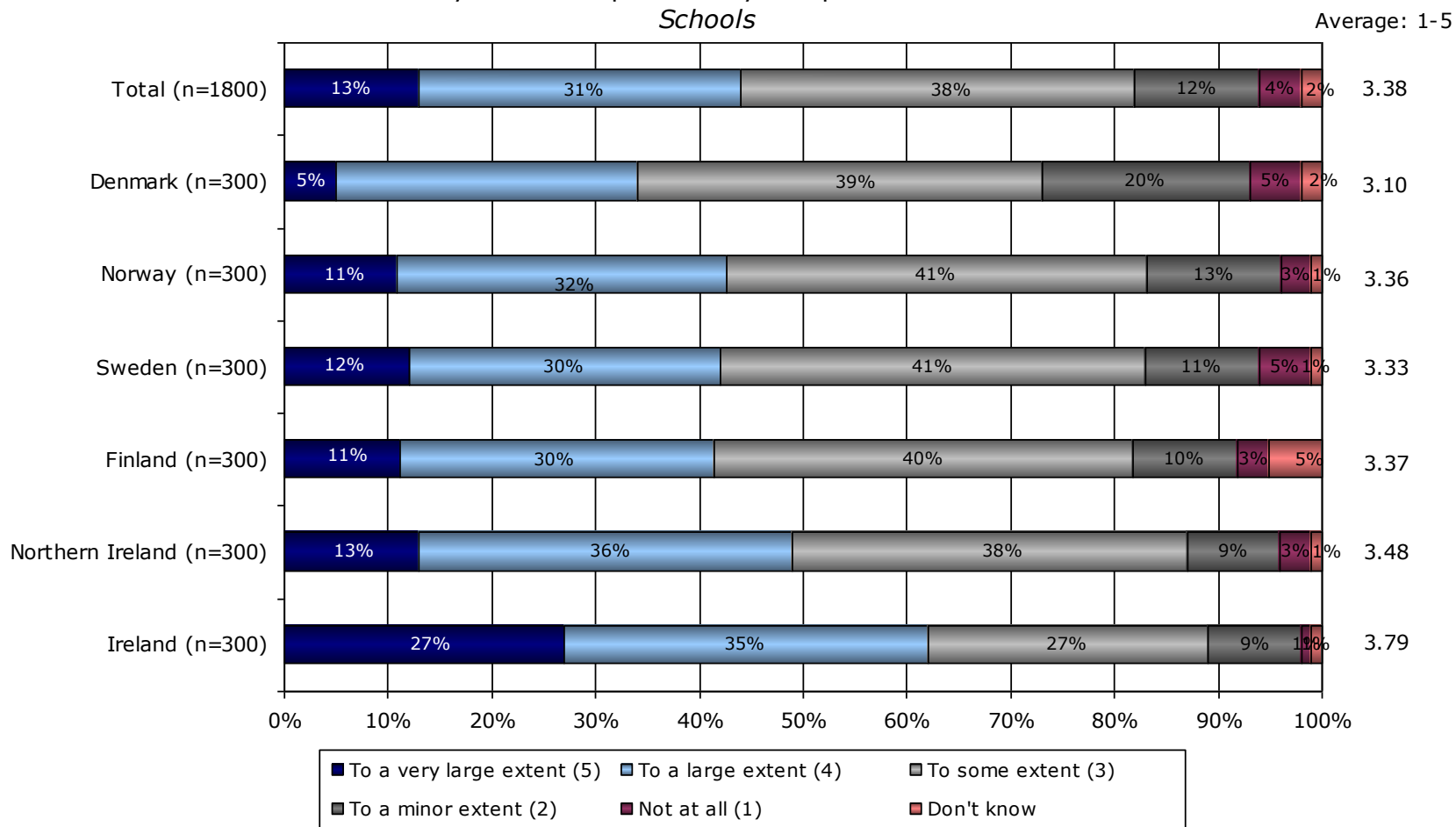


Finland and Northern Ireland are those countries which stand out most since they have the lowest proportion of parents who answers to a large extent and to a very large extent.

2.1

# Parents think that schools at least to some extent (82%) are responsible for children achieving a healthy relationship to personal finance

To what extent do you believe that the following are responsible for children achieving a healthy relationship to money and personal finance?



Ireland stands out by having the largest proportion of parents who think schools have the responsibility to teach their children of money and personal finance. In Ireland believes 62% of the parents that schools have either to a large or a very large extent the responsibility of teaching children about money and personal finance. In contrast to the Sweden and Denmark which have the lowest share of this.

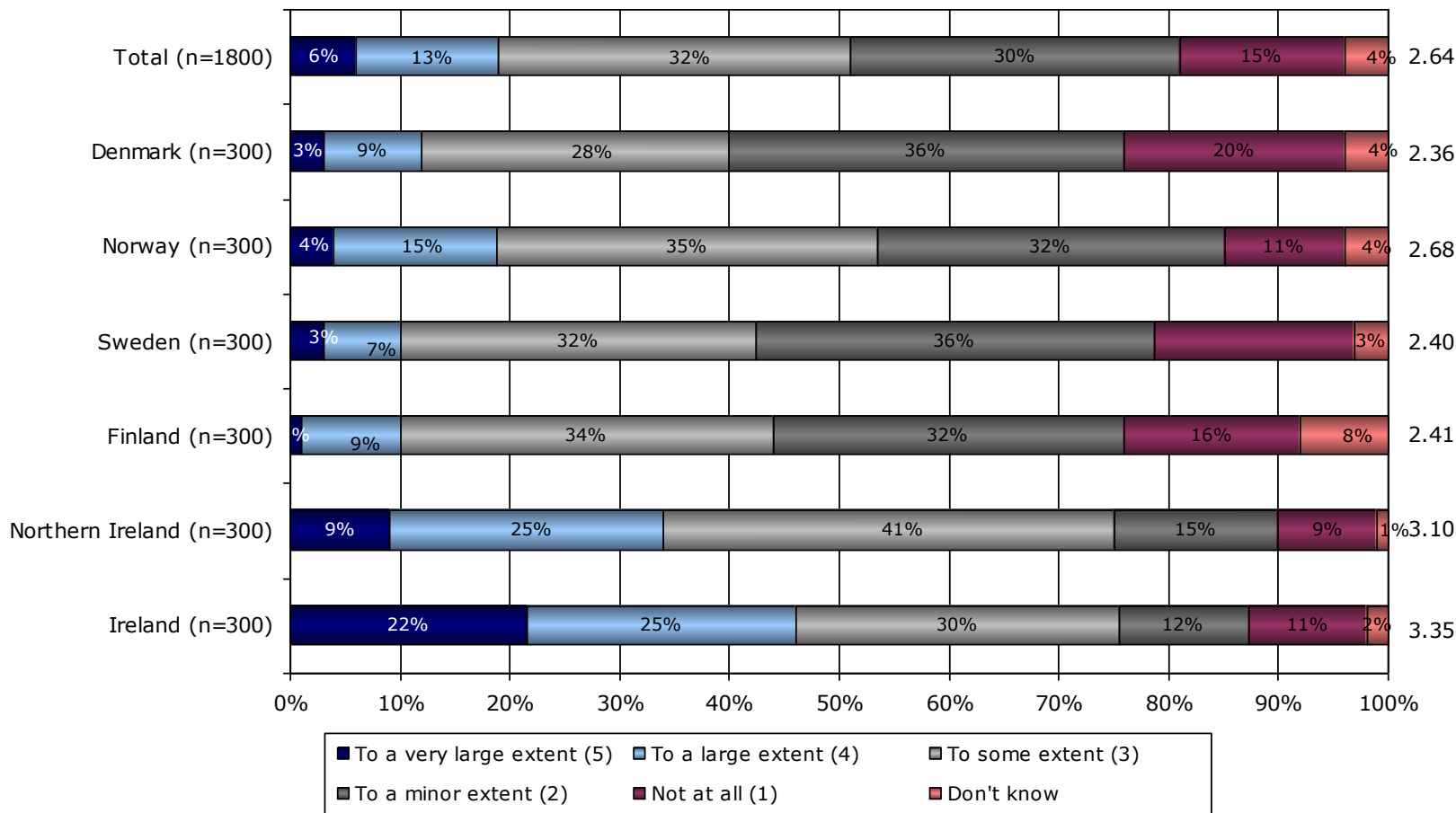
2.1

# Most parents think that society have some kind of responsibility for children achieving a healthy relationship to personal finance

To what extent do you believe that the following are responsible for children achieving a healthy relationship to money and personal finance?

*Society/the government*

Average: 1-5

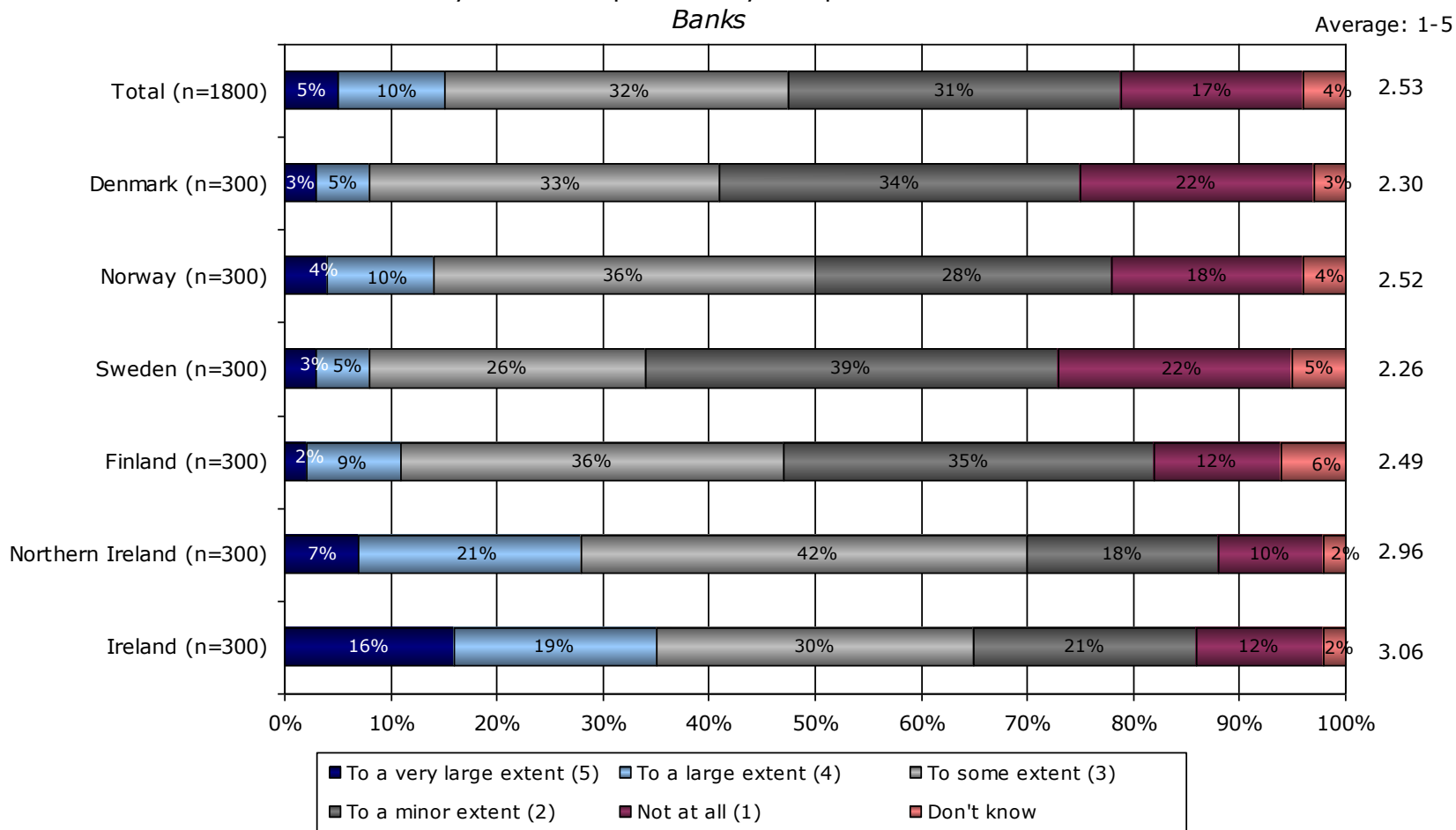


Again, we see that parents in Ireland want to replace some of the responsibility from themselves to others when it comes to teaching their children about money and personal finance. This is very good with it also the people who believe that their children will have the most benefit from learning more. Moreover, it is also the parents of Ireland having able to teach their children about money and personal finance.

2.1

# A majority of parents think that banks have some kind of responsibility for children achieving a healthy relationship to personal finance

To what extent do you believe that the following are responsible for children achieving a healthy relationship to money and personal finance?



Banks have not quite as big a responsibility to teach children about money and personal finance as parents and schools have. However, there is only approximately 10-20% who believes that banks do not have any responsibility.



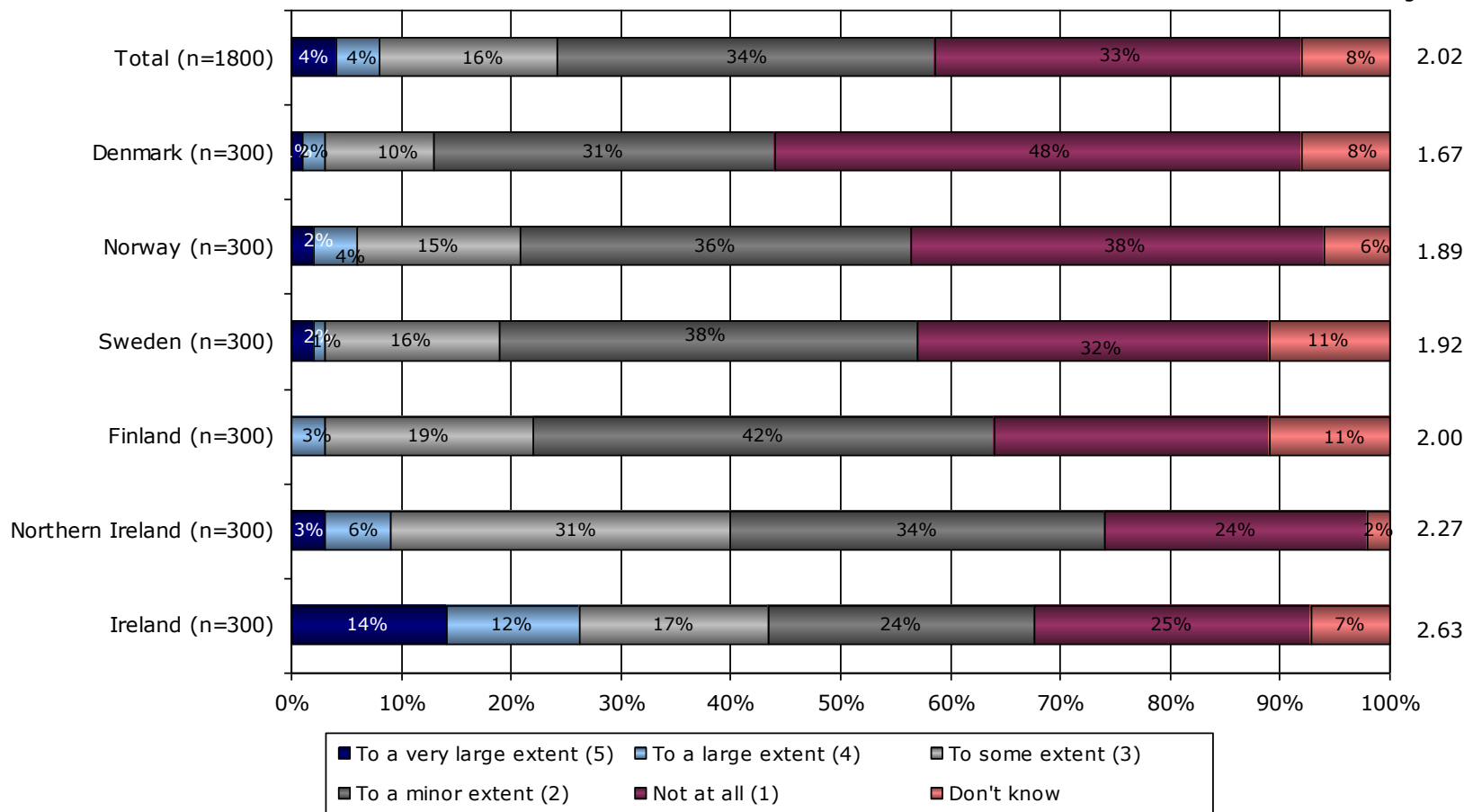
2.1

# More than half of the parents think that private organisations have some responsibility for children achieving a healthy relationship to private finance

To what extent do you believe that the following are responsible for children achieving a healthy relationship to money and personal finance?

*Private organisations*

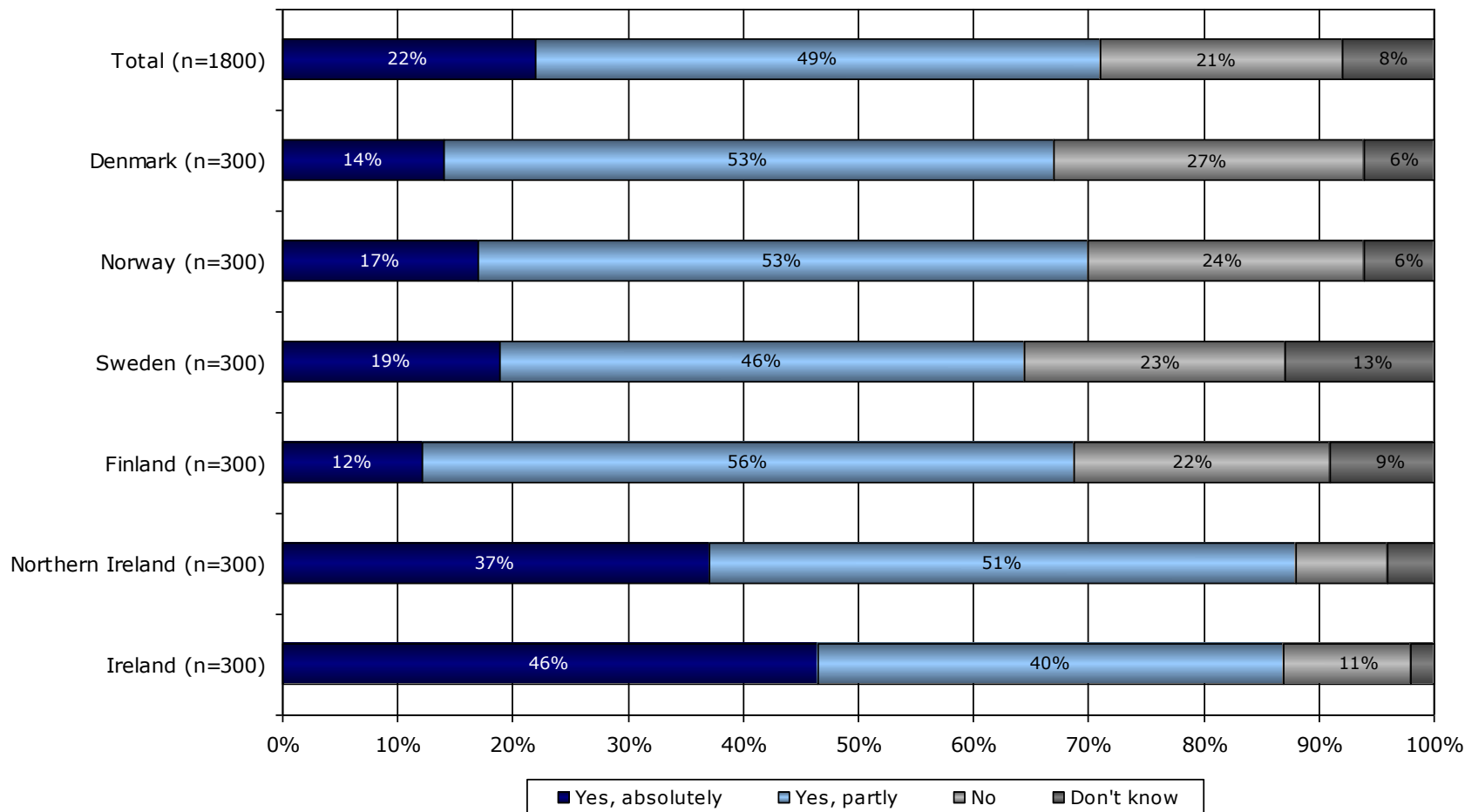
Average: 1-5



Private organisations have very little responsibility to teach children about money and personal finance. Especially in Denmark where 48% believe that private organisations have no responsibility. Again Ireland stands out by giving the responsibility on.

## 71% find it appropriate for banks to take some responsibility for children achieving a healthy relationship to personal finance

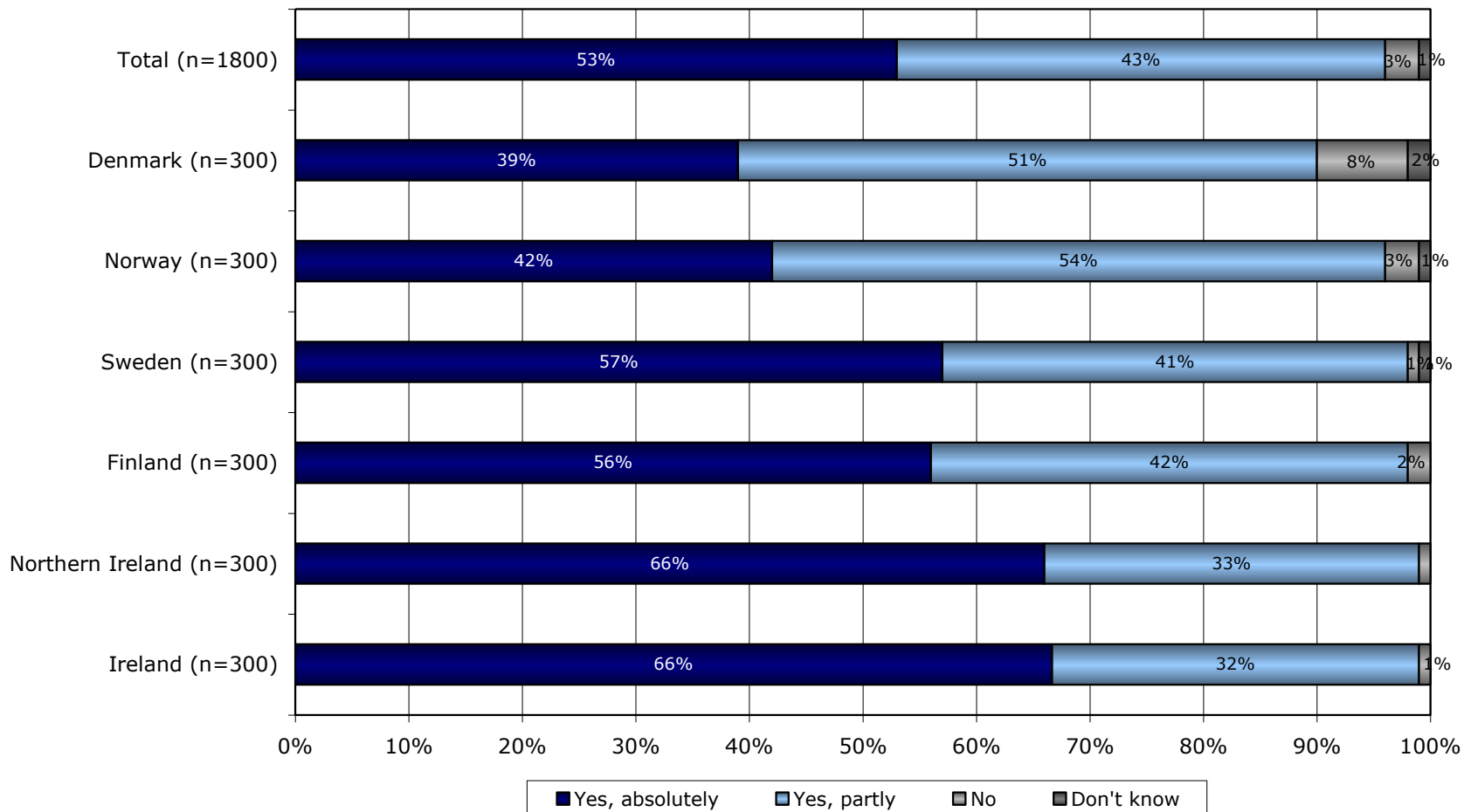
Do you think that it would be appropriate for banks to take on some responsibility for children achieving a healthy relationship to money and personal finance?



Only about a fourth in the Nordic countries – and an even smaller part in Northern Ireland and in Ireland think it would be inappropriate for banks to take on some responsibility for children achieving a healthy relationship to money and personal finance. In Northern Ireland and in Ireland, respectively 88% and 86% think it is appropriate.

## Everyone (96%) think it is appropriate for schools to teach children how to achieve a healthy relationship to money

Do you think it is appropriate for schools to teach children how to achieve a healthy relationship to money?



Parents in Northern Ireland and Ireland are the most positive towards the idea of schools teaching personal finance – as opposed to Denmark and Norway, which have the lowest percentage of “Yes, absolutely”.



2.2

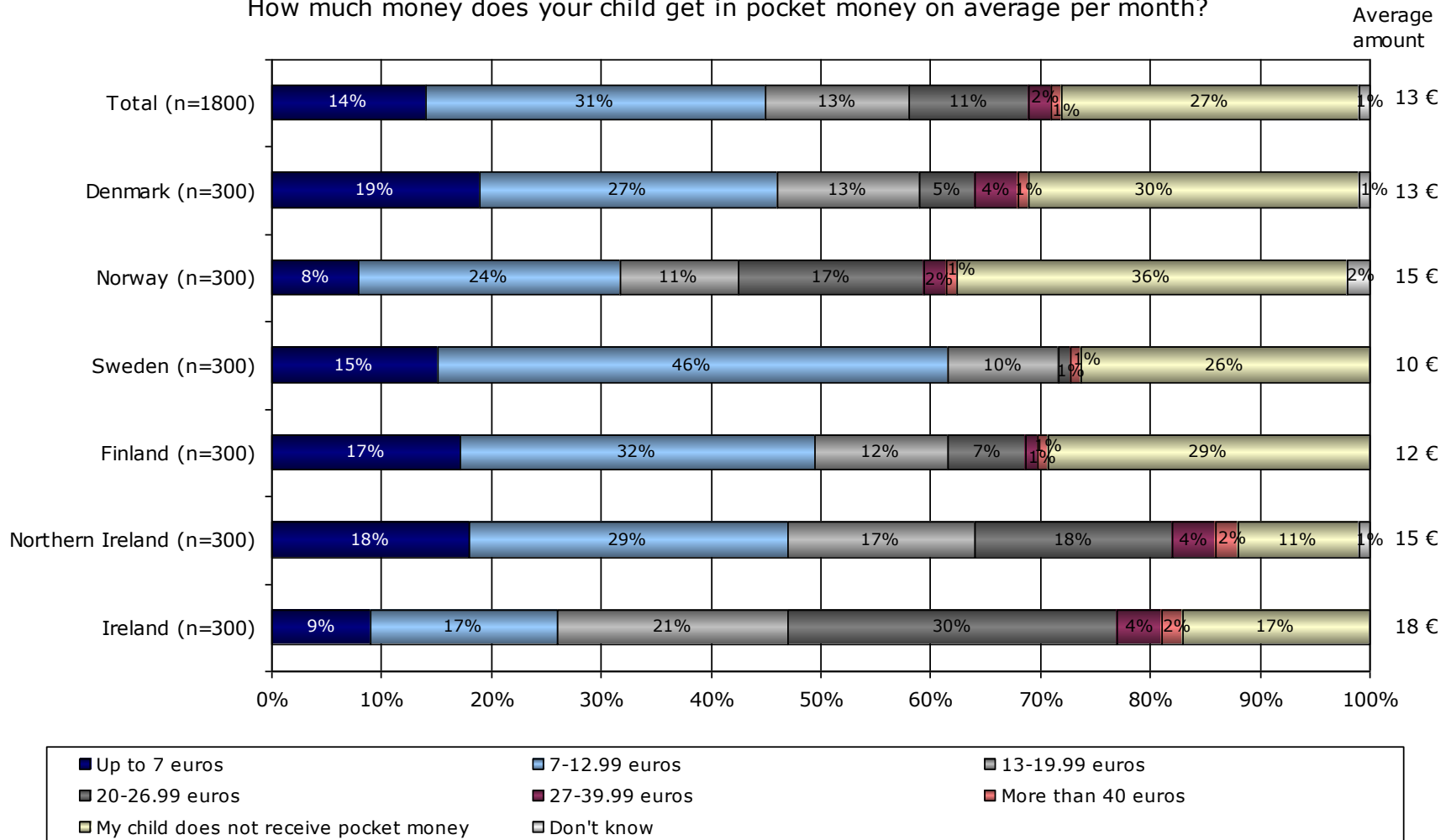
## Aspects of pocket money



2.2

# More than 2/3 receive pocket money. On average the amount is 13 € per month

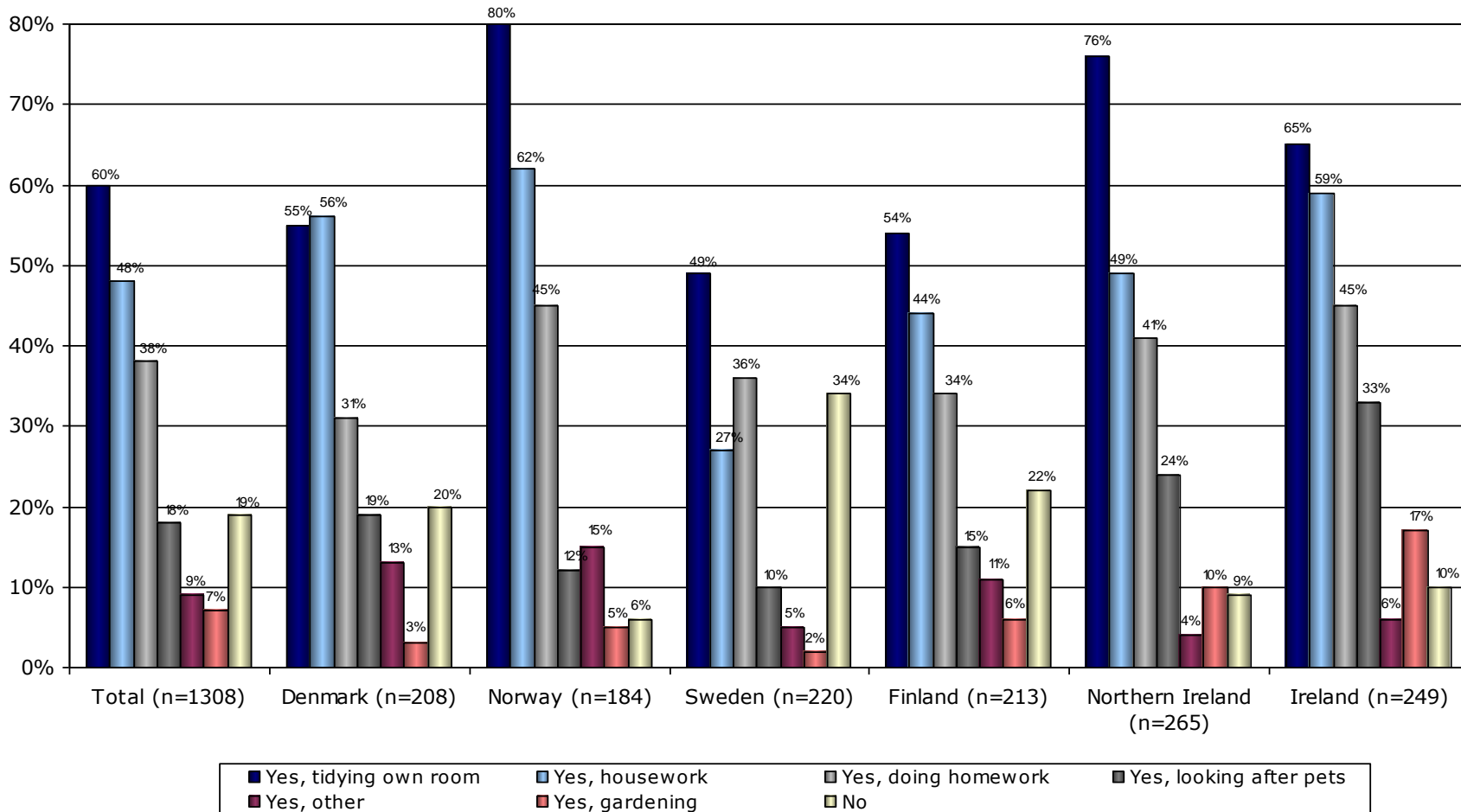
How much money does your child get in pocket money on average per month?



► In the Nordic countries about two thirds of the children get pocket money. That is a smaller part than in Northern Ireland and Ireland where about nine out of 10 get pocket money. The children in Ireland also get the highest amount of money as 57% get more than 13€ per month – as opposed to especially Sweden where only 12% get more than 13€ per month.

# 81% of the children, who receive pocket money have chores to do in order to get the money

Does your child have any chores that he/she has to carry out to get pocket money?



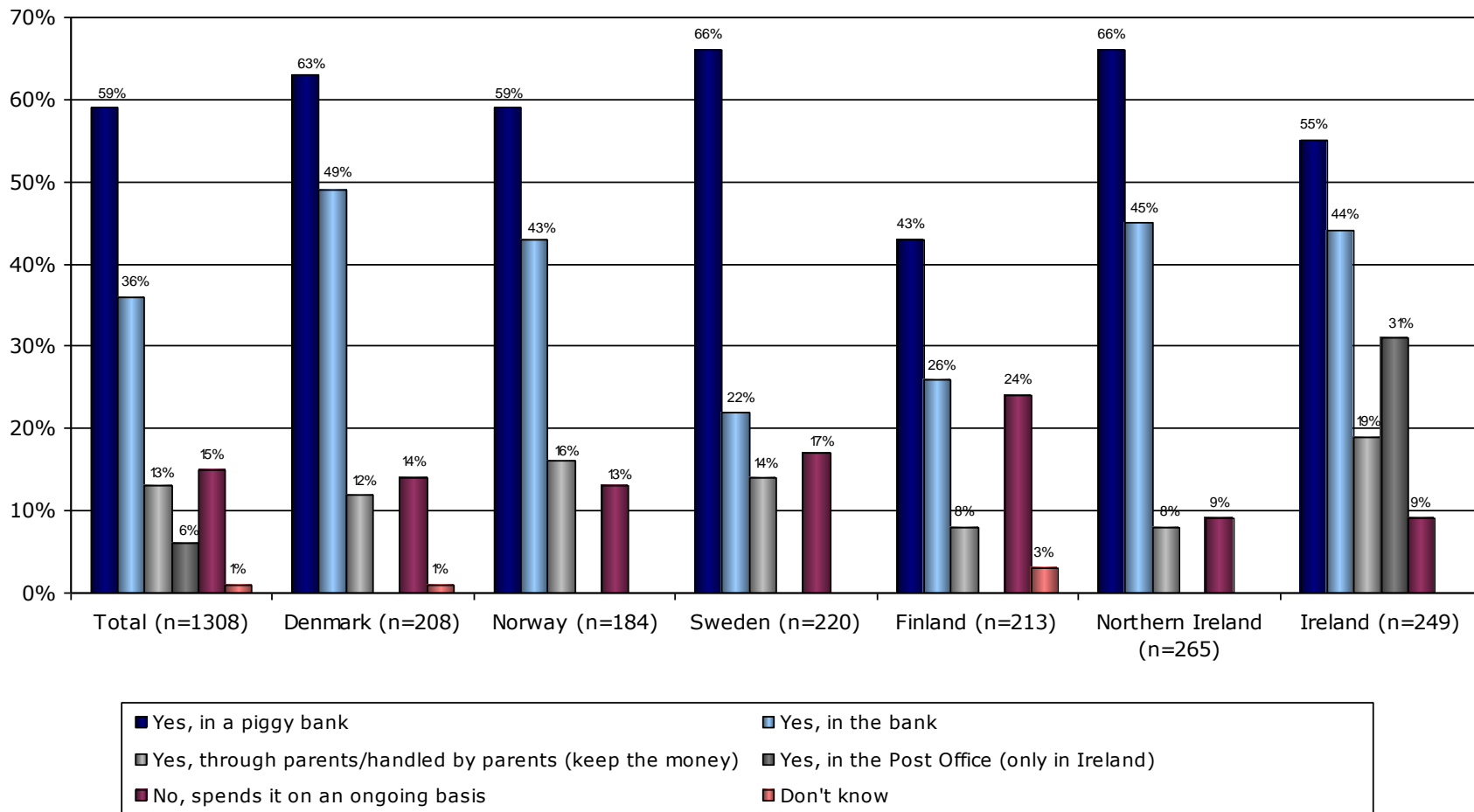
This question has only been asked to those who give their children pocket money. It shows some cultural difference. In Sweden 34% don't have any chores to get pocket money – as opposed to especially Norway, Northern Ireland and Ireland where about 9 out of 10 have chores.

The most common chore is tidying their own room; the next most common is general housework.

2.2

# Many of the children (85%) save their pocket money

Does your child save some of his/her pocket money?



This question has only been asked to those how give their children pocket money.

In Ireland they also save money in the Post Office. With 24% Finland has the largest part who do not save their money. Finland and Sweden also have the smallest part who save their pocket money in the bank.





2.3

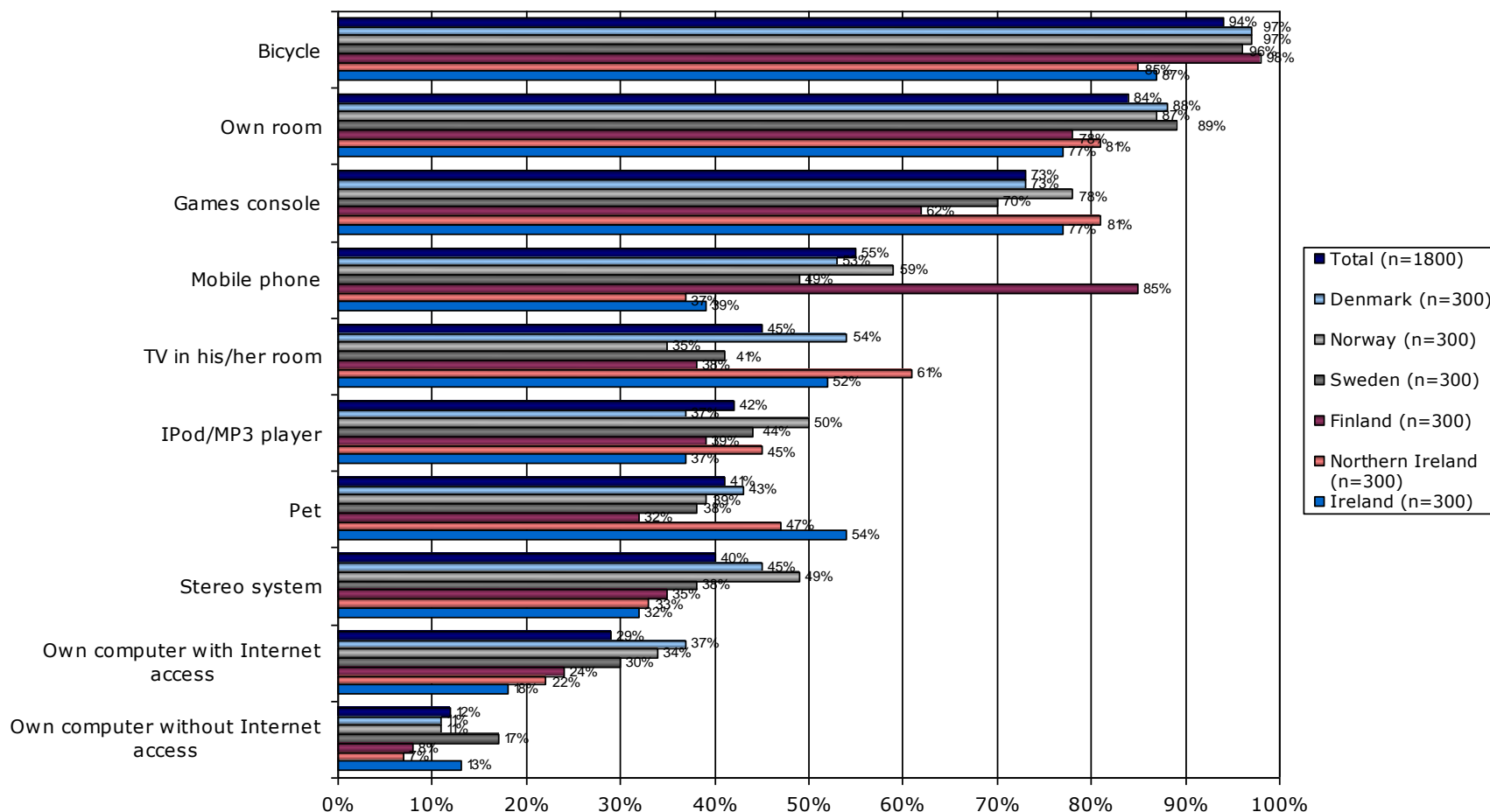
## Children as consumers



## 2.3

## In general children have many material comforts

Which of the following things does your child have?

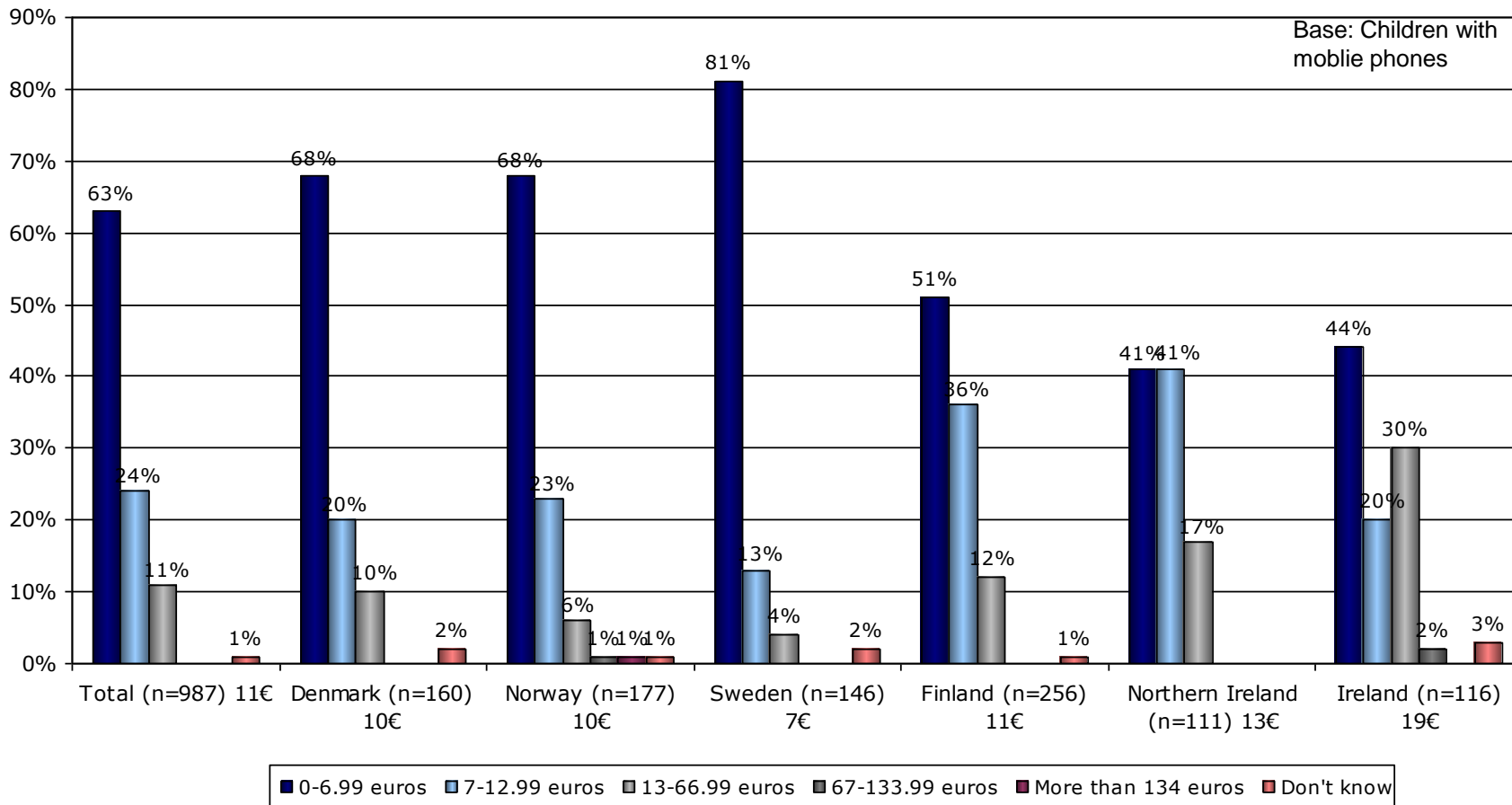


Almost everyone has a bicycle and their own room - especially in Scandinavia where nine out of ten have their own room. Game consoles are most popular in Northern Ireland, and mobile phones are most popular in Finland, where 85% have a mobile phone. Denmark and Norway have the highest percentage of children with computers with internet access – more than one third have a computer with internet access. In Norway 50% also have an iPod/MP3 player..

2.3

# 55% have a mobile phone and they use on average 11 € every month on the mobile phone

How much is your child's mobile phone bill approximately every month? (Incl. talk time, SMS, subscription, etc.)



This question has only been asked to parents, whose children have a mobile phone. In Scandinavia it is very rare to use more than 13€ per month on the mobile phone bill. In Ireland 32% use more than 13€ per month.





2.4

# Children's use of electronic entertainment



The following pages show how much time the children spend on the following electronic entertainments per week:

- SMS/text
- Playing games on the computer (on the Internet)
- Playing games on the computer (not on the Internet)
- Using the Internet as a social network (MySpace, Facebook)
- Using the Internet to search for information
- TV
- Game consoles (PlayStation, Xbox, Nintendo Wii, etc.)



## Children use lots of time on electronic entertainments – especially on TV and game consoles

### Weekly time-consumption of electronic entertainments

		Total (n=1800)	Denmark (n=300)	Norway (n=300)	Sweden (n=300)	Finland (n=300)	Northern Ireland (n=300)	Ireland (n=300)
SMS/text	Use	55%	63%	66%	37%	69%	51%	50%
	Avg. time consumption	1,75	2,10	0,82	0,81	0,64	2,34	4,98
Playing games on the computer (on the Internet)	Use	85%	96%	91%	84%	84%	70%	75%
	Avg. time consumption	3,08	3,05	2,49	2,94	2,76	2,84	4,61
Playing games on the computer (not on the Internet)	Use	80%	89%	90%	82%	70%	71%	69%
	Avg. time consumption	2,47	2,46	1,67	1,95	2,07	3,07	4,77
Using the Internet as a social network (MySpace, Facebook)	Use	46%	53%	61%	34%	49%	42%	43%
	Avg. time consumption	2,92	3,27	1,67	2,01	2,46	2,51	6,18
Using the Internet to search for information	Use	72%	72%	83%	61%	67%	82%	75%
	Avg. time consumption	1,92	1,76	1,34	1,42	1,19	2,57	4,06
TV	Use	98%	99%	98%	99%	93%	99%	99%
	Avg. time consumption	7,23	6,72	7,33	7,53	6,18	6,96	8,37
Games console (PlayStation, Xbox, Nintendo Wii, etc.)	Use	87%	90%	93%	83%	76%	92%	93%
	Avg. time consumption	3,88	3,71	5,59	2,95	3,39	4,97	5,71

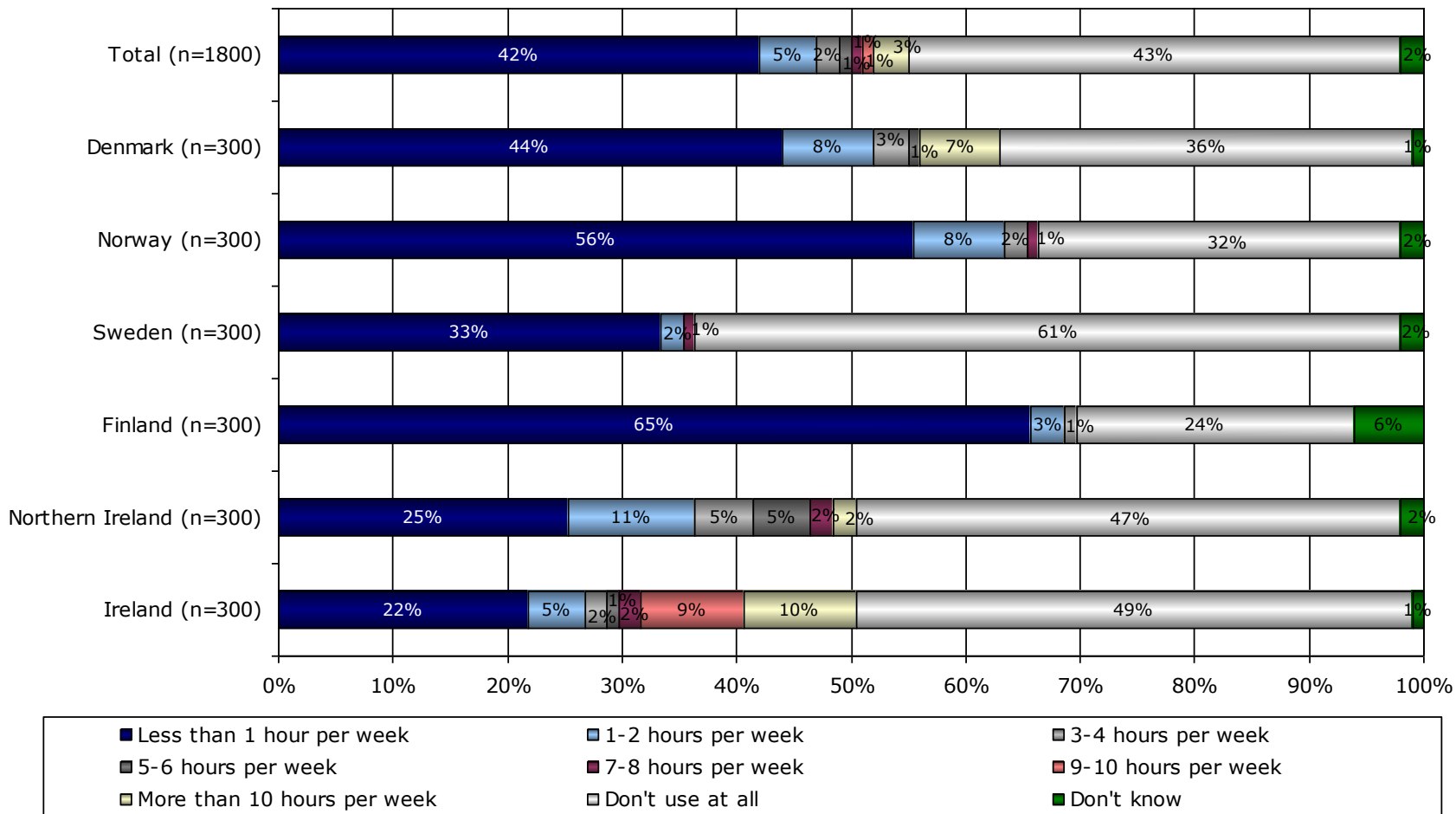


2.4

# Half on the children use texting, and in general on a low level (most use less than 1 hour per week)

How long does your child spend on the following per week?

SMS



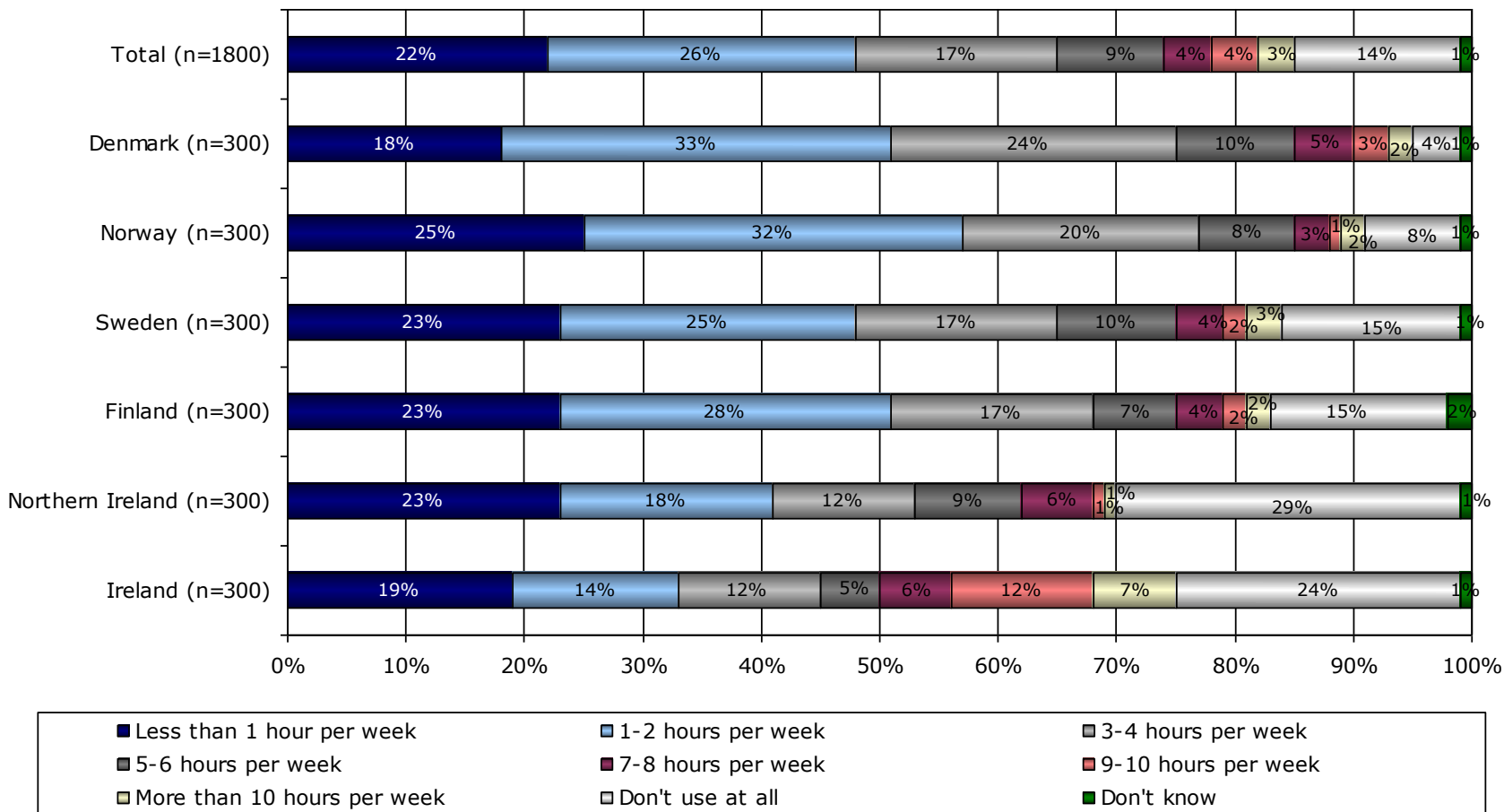
This graph shows significant differences between the countries. Sweden and Finland stand out the most in opposite directions. In Sweden, few children use the text function while in Finland, many children use text. We also saw earlier that the spread of cell phones was higher in Finland. Sweden has not; however, the smallest share of the mobile phone so that they do not send text can an expression of different subscription plans in each country rather than a cultural difference.



2.4

# The majority (85%) play games on the internet. On average children spend 3 hours per week playing games on the internet

How long does your child spend on the following per week?  
*Playing games on the computer (on the Internet)*

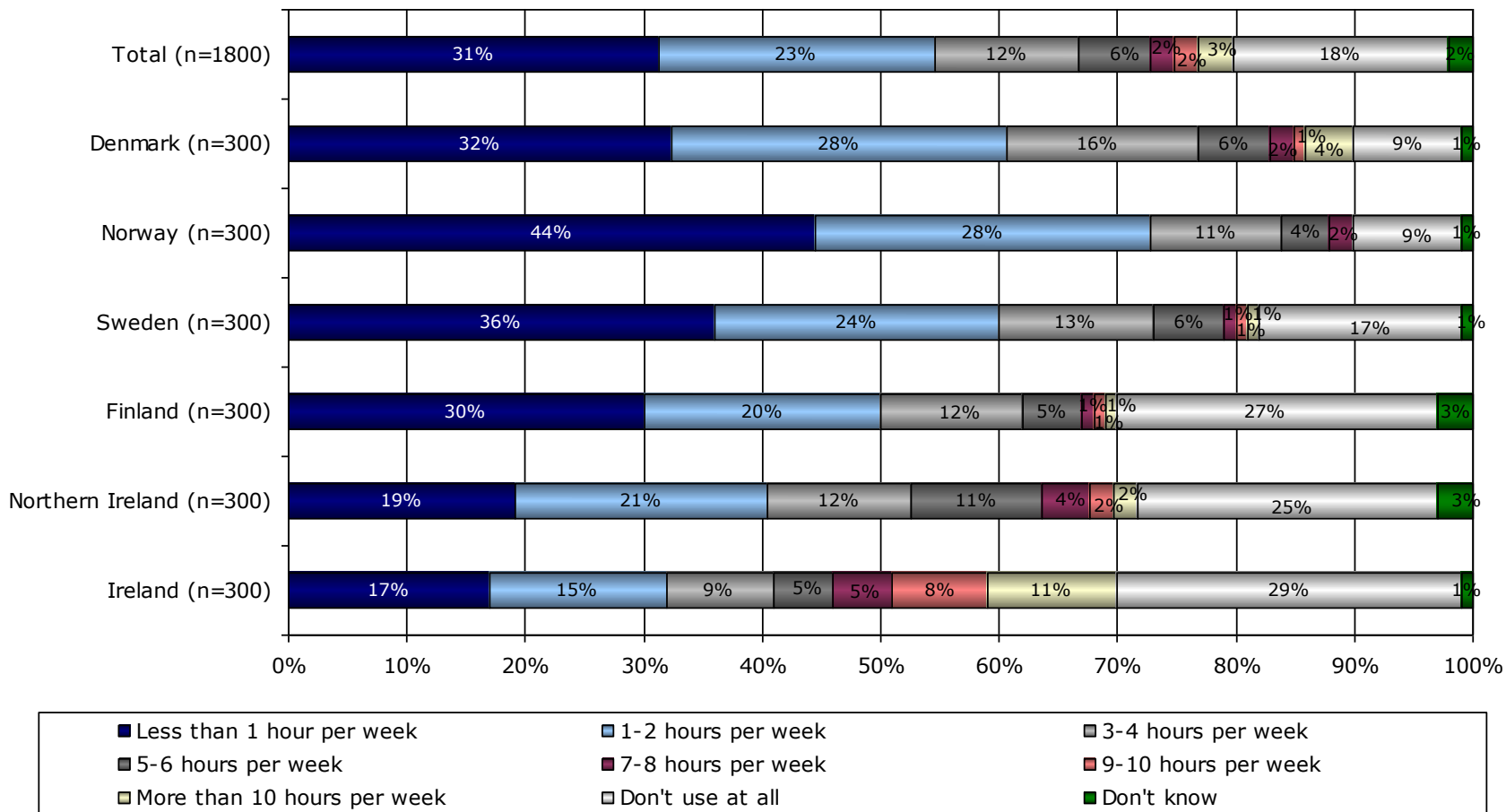


Among the six countries, there is a greater Internet penetration in the Nordic countries. It can also be seen in the previous graph, where you can see that the Nordic countries have the lowest proportion of children, who do not play on the computer via the Internet. Opposed to this are Northern Ireland and Ireland where there are a significantly higher proportion of children, who play more than 7 hours on the Internet.

2.4

# Most children (80%) play games on the computer (not on the internet) and on average they spend 2,5 hour per week

How long does your child spend on the following per week?  
*Playing games on the computer (not on the Internet)*

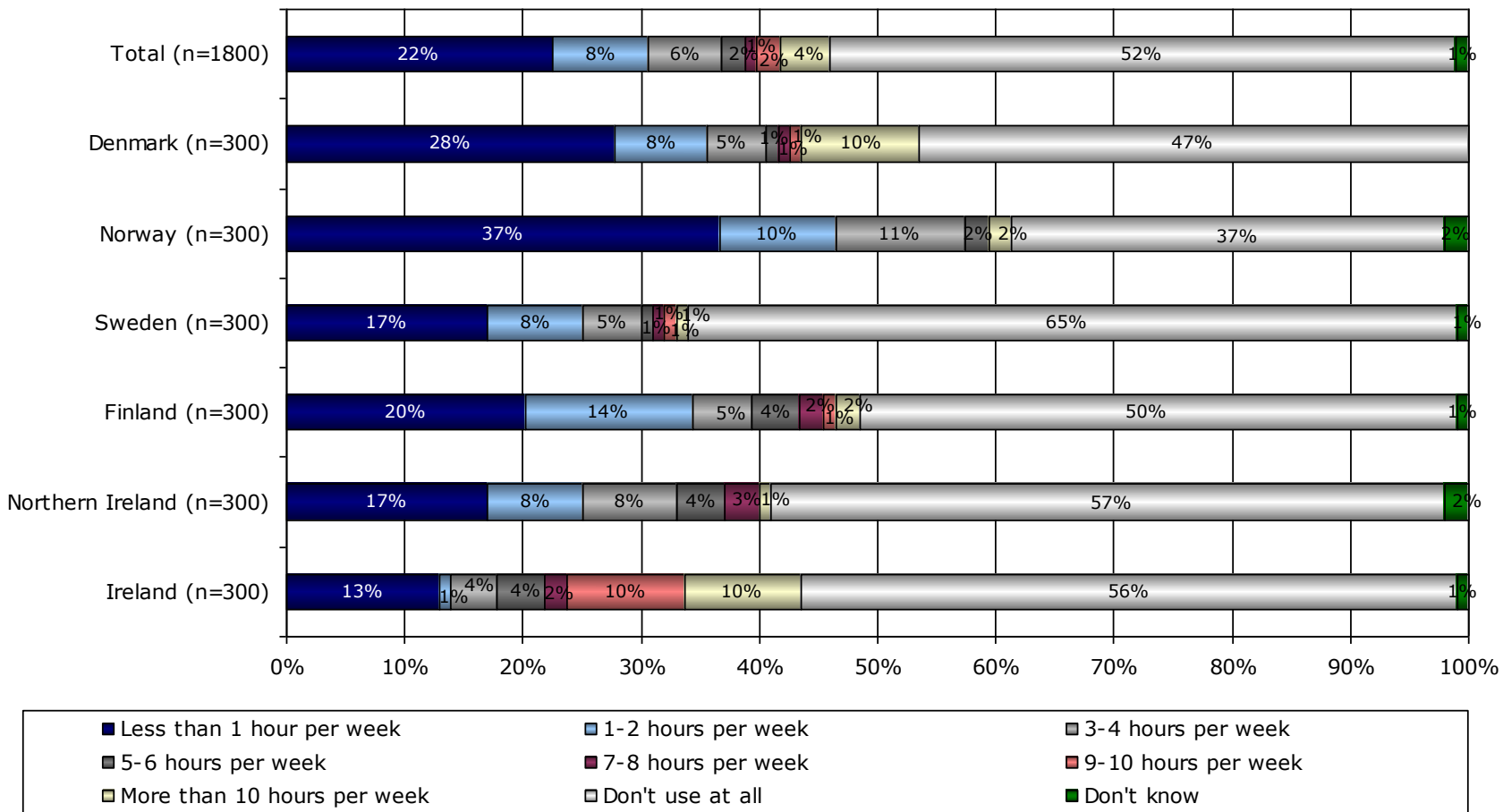


The above graph shows the same trends as on the previous page.

2.4

# Almost half of the children use the internet for social networking – average time spend is 3 hours per week

How long does your child spend on the following per week?  
*Using the Internet as a social network (MySpace, Facebook)*

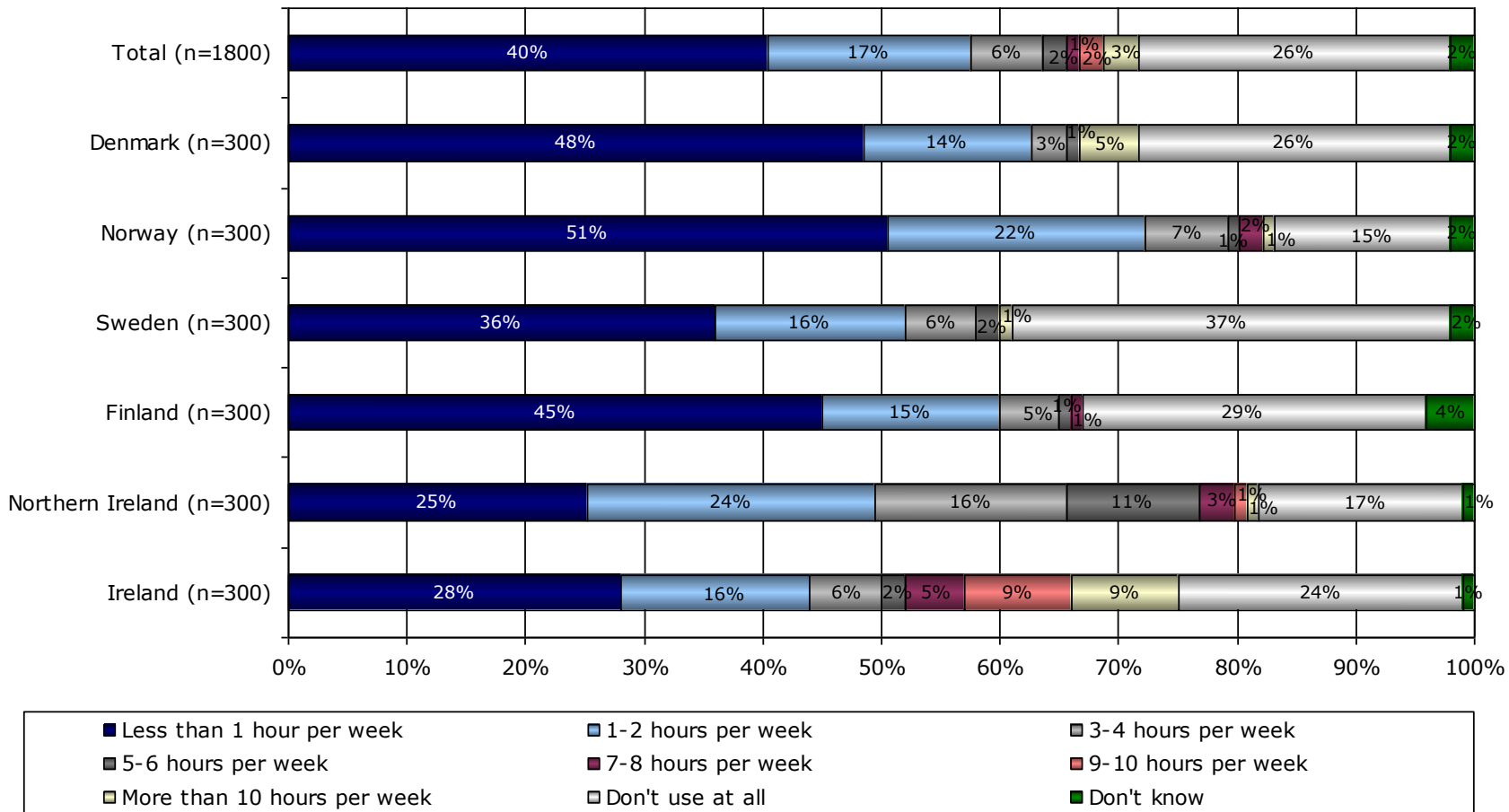


▶ Norway and Denmark have the highest percentage children using social networks, while Sweden has the lowest percentage. Ireland has the largest share of heavy users, as 20% use the Internet as a social network for more than nine hours per week.

2.4

# Most of the children (72%) spend on average 2 hours every week to search for information on the internet

How long does your child spend on the following per week?  
*Using the Internet to search for information*



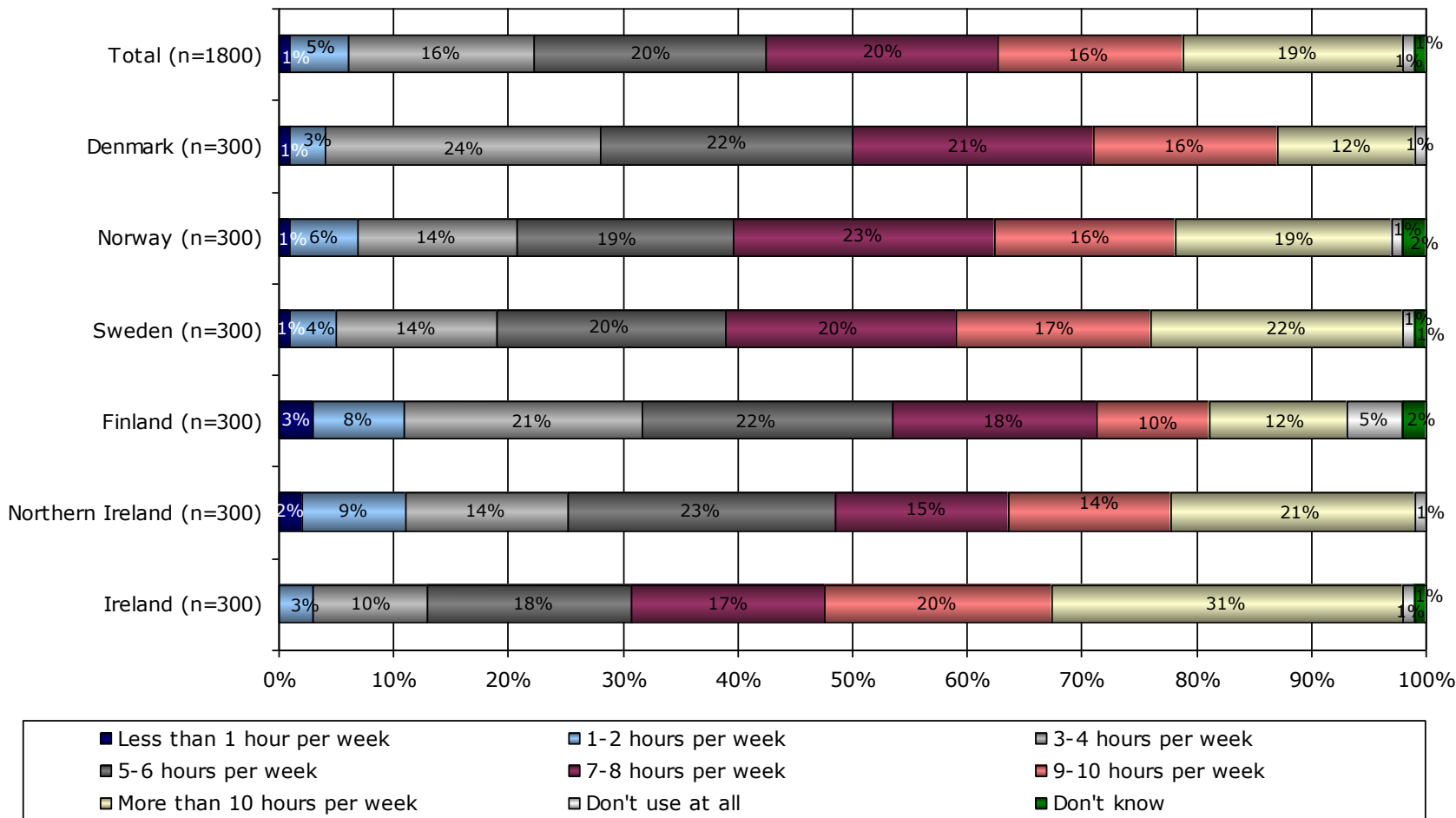
As we saw on the previous pages, it appears that the Ireland has a high proportion of heavy users. 18% in Ireland use the Internet to search for information for more than nine hours.

Sweden has the largest share of children, who do not use the Internet to search for information, and they do not have any heavy users.

2.4

# Parents think that their children spend on average 7 hours per week in front of the TV

How long does your child spend on the following per week?  
TV

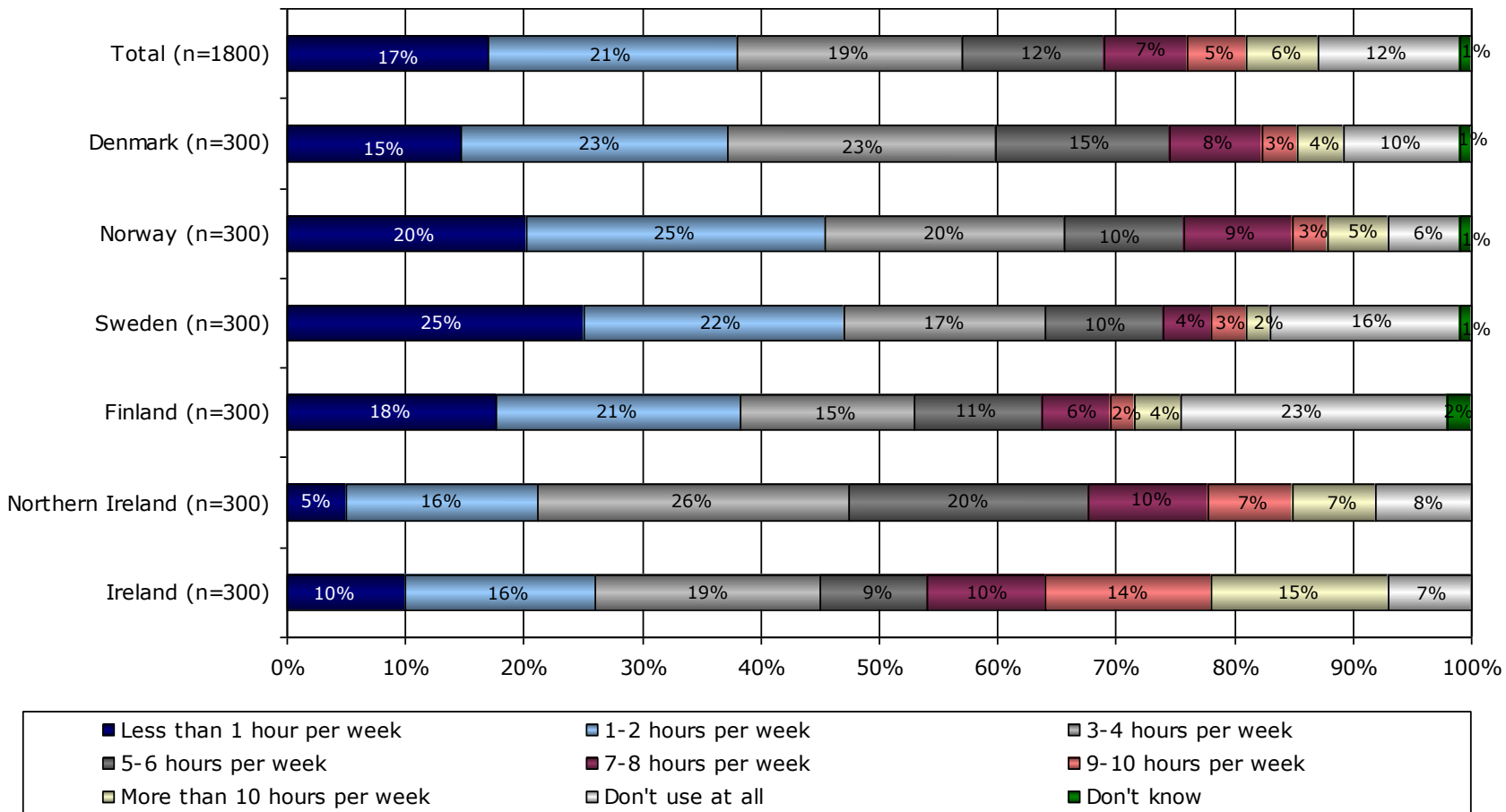


▶ The children in Finland are those, who watch the least amount of television. With 5%, they have also the largest proportion of children who do not watch TV at all. Furthermore, Finland also has the smallest proportion of children, who watch TV more than 7 hours per week – here the percentage is 40%. Ireland has the largest proportion of children, who watch TV very often since 31% watch TV for more than 10 hours per week.

2.4

# Games consoles are popular entertainment. 87% of the children use on average 4 hour playing every week

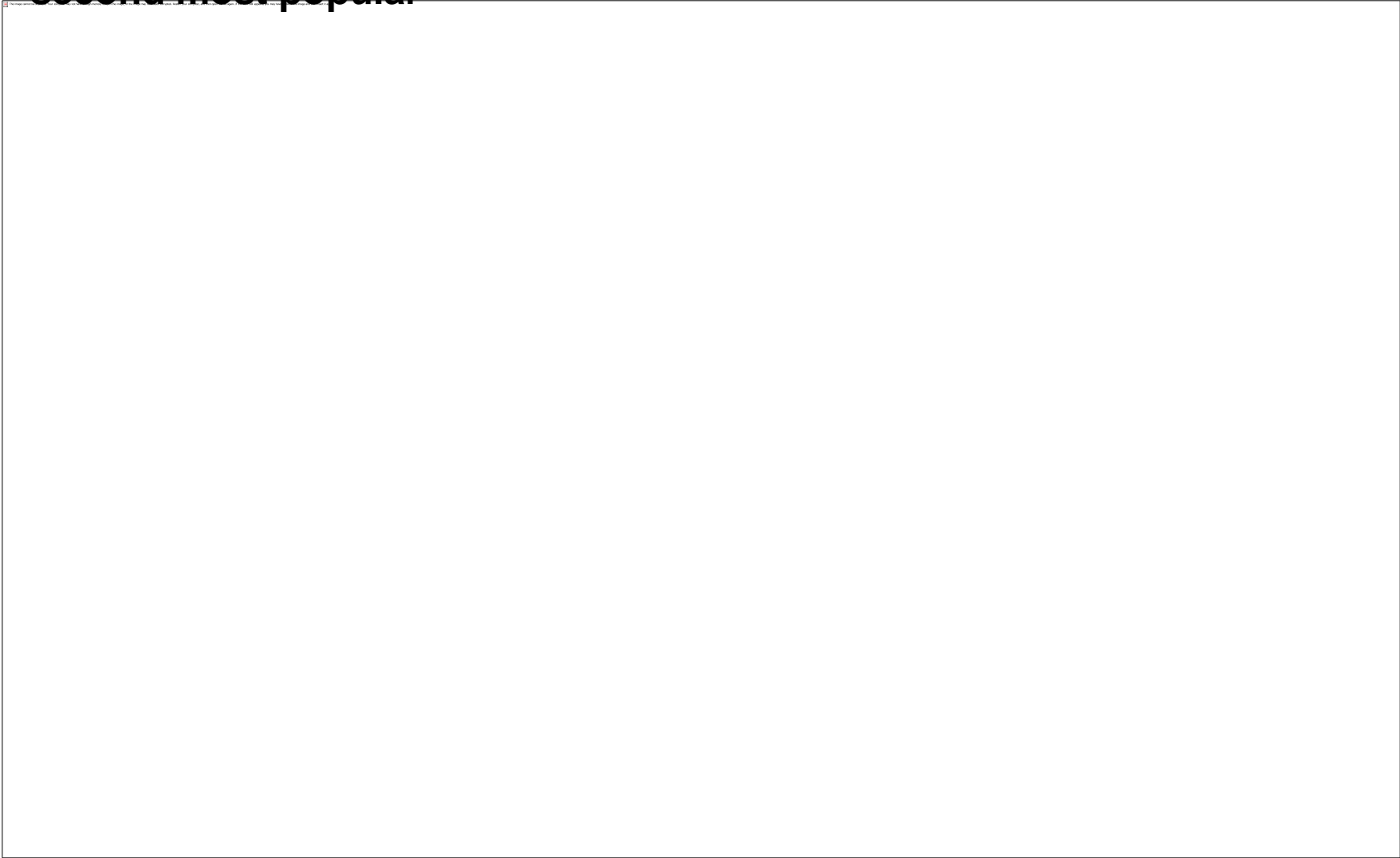
How long does your child spend on the following per week?  
*Games console (PlayStation, Xbox, Nintendo Wii, etc.)*



▶ Again we see that the children in Ireland stand out from the other countries since 39% spend more than 7 hours per week playing console games. In Finland console games are used less – i.e. 23% do not play console games at all.

2.4

# TV is the most popular electronic entertainment, games console is the second most popular



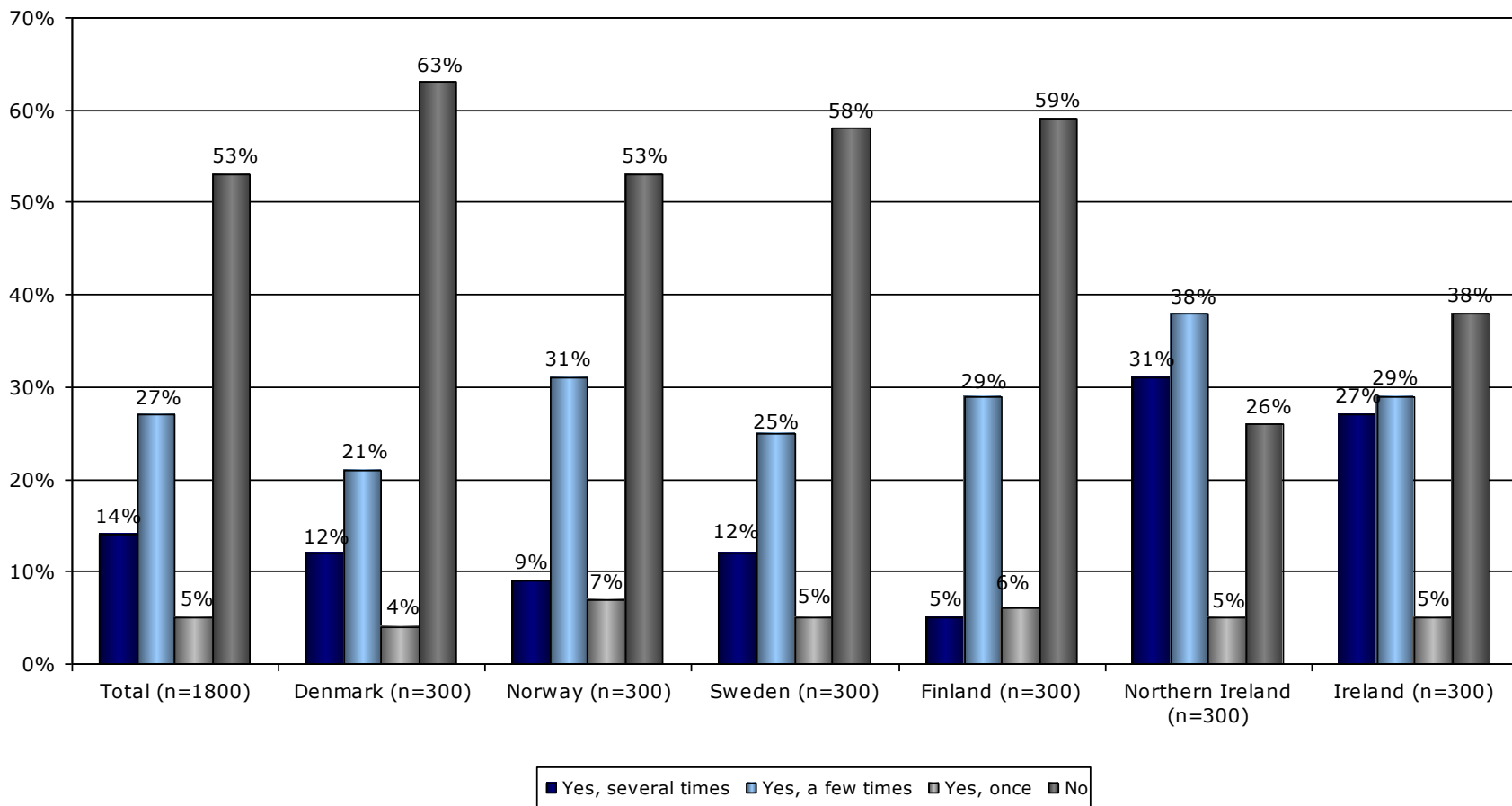
The following figure shows that TV is clearly the media children are using the most since 55% use 7 hours or more a week watching TV. Next comes console games, as 18% are using 7 hours or more on this.



2.4

# Almost half of the children have tried to buy goods on the internet, and more than 2/3 in Northern Ireland and Ireland

Have you together with your child bought products/services for your child on the Internet (e.g. games, music, etc.)?



The graph above shows that the Nordic countries have a smaller frequency of online purchase. Approximately 60% have not purchased products on the Internet with their child in the Nordic countries. Contradictory, in Northern Ireland and Ireland the percentage is close to 30%. Moreover, those who have bought products online in Northern Ireland and Ireland do so more frequently than in the Nordic countries.