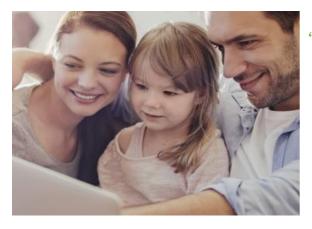


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"Some 61% of children spend more money online on digital goods than anything else, driven largely by boys' gaming purchases. That said, children still demonstrate a general preference for physical stores compared to making online purchases for physical items."

- Mark Flowers, Research Analyst - Consumer Technology

This report looks at the following areas:

- For six in 10 children, the majority of their online spend is on digital goods
- Parents want control and curation from online retailers

With access to smartphones and debit cards at a young age, children are more likely than ever to be spending money online. Parental doubts have to some extent overshadowed the potential of this market of young consumers, but online retail platforms and app developers have been working to tackle parents' concerns and enable parental control and monitoring.

Despite the creation of these tools, many parents are still unaware of their existence, which threatens to push them into a niche. Parents can see the benefit of services that enable monitoring and control of their child's online spending. These features are yet to be implemented by most mainstream retailers however, and the services that do offer them have low levels of awareness.

The increasing digitisation of media such as music, film and video games means some 61% of children now say they spend more money online on digital goods than anything else. That said, children still demonstrate a preference for physical stores compared to making online purchases and clothing is the most popular individual online purchase category for children.

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Table of Contents

Overview

What you need to know

Products covered in this Report

Executive Summary

The market

Facebook loses class action suit on unauthorised spending

European Commission report reveals the impact of 'advergames' on children

Children's smartphone ownership nearly on a par with that of adults

Figure 1: Smartphone usage, April 2016

Parents are concerned about access to age inappropriate products and how much children are spending

Innovation and market developments

The consumer

Six in 10 14- and 15-year-olds have parental permission to make online purchases

Figure 2: Parents who allow their child to spend money online, by child's age, August 2016

Children are most likely to make online purchases with a parent's bank card, but almost a third have used their own

Figure 3: Method of payment for children's online purchases, August 2016

Parents know what their children are buying online

Figure 4: Parental attitudes towards children's online spending, August 2016

Control over children's online spending appeals to parents most

Figure 5: Parental interest in features of online shopping services for children, December 2016

Girls buy clothes and music, while boys favour video games

Figure 6: Children's online purchases, August 2016

Six in 10 children buying clothes online buy shoes

Figure 7: Children's online clothing purchases, August 2016

Physical shops are still the default for most children

Figure 8: Children's attitudes towards online spending, August 2016

What we think

Issues and Insights

For six in 10 children, the majority of their online spend is on digital goods

The facts

The implications

Parents want control and curation from online retailers

The facts

The implications

The Market - What You Need to Know

Parents are concerned about access to age inappropriate products and how much children are spending

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Facebook loses class action suit on unauthorised spending

European Commission report reveals the impact of 'advergames' on children

Children's smartphone ownership nearly on a par with that of adults

Innovation and market developments

Market Drivers

Facebook loses class action suit on unauthorised spending

European Commission report reveals the impact of 'advergames' on children

Children just as likely as adults to have their own smartphone

Figure 9: Smartphone usage, April 2016

Parents are concerned about access to age inappropriate products and how much they are spending

High-street banks make debit cards available from age 11

'Ask to buy' comes to mobile devices

Innovation and market developments

goHenry secures £4 million on Crowdcube

Thumbzap wants to add 'just ask' as a payment option online

Nickel

The Consumer - What You Need to Know

Six in 10 14- and 15-year-olds have parental permission to make online purchases

Children are most likely to make online purchases with a parent's bank card, but almost a third have used their own

Parents know what their children are buying online

Control over children's online spending appeals to parents most

Girls buy clothes and music, while boys favour video games

Six in 10 children buying clothes online buy shoes

Physical shops are still the default for most children

Payment Methods for Children's Online Purchasing

Six in 10 14- and 15-year-olds have parental permission to make online purchases

Figure 10: Parents who allow their child to spend money online, August 2016

Figure 11: Parents who allow their child to spend money online, by child's age, August 2016

Children are most likely to pay with a parent's bank card online, but almost a third have used their own

Figure 12: Method of payment for children's online purchases, August 2016

Those who have their own bank card are more willing to make online purchases

Figure 13: Method of payment for children's online purchases, by children using their own bank card to make online purchases, August 2016

Parental Attitudes towards Children Spending Money

Parents know what their children are buying online

Figure 14: Parental attitudes towards children's online spending, August 2016

Girls are encouraged to buy in-store, while boys are more willing to spend online

Figure 15: Parental attitudes towards children's online spending, by child's gender, August 2016

Parental perception of financial recklessness impacts children's online shopping habits

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Figure 16: Parental attitudes towards children's online spending, by children's attitudes, August 2016

Parents and Online Shopping Services for Children

Control over children's online spending appeals to parents most

Figure 17: Parental interest in features of online shopping services for children, December 2016

Awareness and usage of online shopping services for children is low

Figure 18: Parents who have heard of online shopping services for children, December 2016

Figure 19: Parents who have used online shopping services for children, December 2016

Children's Online Purchases

Girls buy clothes, books and music, while boys favour video games

Figure 20: Children's online purchases, by gender, August 2016

Figure 21: Children's online spending on video games, August 2016

75% of children have bought at least two types of item online

Figure 22: Repertoire of children's online clothing purchases, August 2016

Six in 10 children buying clothes online buy shoes

Figure 23: Children's online clothing purchases, August 2016

Figure 24: Repertoire of children's online clothing purchases, August 2016

Children's Attitudes towards Online Spending

Physical shops are still the default for most children

Figure 25: Children's attitudes towards online spending, August 2016

Girls prefer the experience of real shops, while boys are buying digital goods

Figure 26: Selected attitudes towards online spending, by child's gender, August 2016

Appendix - Data Sources, Abbreviations and Supporting Information

Abbreviations

Consumer research methodology

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