

## Children's Attitudes towards Saving - UK - July 2018

Report Price: £1995.00 | \$2693.85 | €2245.17

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



“Despite parents’ commitment to save, a decade of low interest rates, regulatory interventions and limited developments in the market has reduced the appeal of child-specific products. The recent rate rise and digital innovations mean there are now plenty of opportunities for providers to shake things up and offer something different, both for parents and their children.”

– Irene Salazar, Financial Services Analyst

This report looks at the following areas:

- The time is ripe for a turn in the tide
- Parents are committed to saving but need support and want flexibility
- Children’s attention needs to be captured, and early

**BUY THIS  
REPORT NOW**

**VISIT:**  
[store.mintel.com](http://store.mintel.com)

**CALL:**  
EMEA  
+44 (0) 20 7606 4533

Brazil  
0800 095 9094

Americas  
+1 (312) 943 5250

China  
+86 (21) 6032 7300

APAC  
+61 (0) 2 8284 8100

**EMAIL:**  
[reports@mintel.com](mailto:reports@mintel.com)

### DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

# Children's Attitudes towards Saving - UK - July 2018

Report Price: £1995.00 | \$2693.85 | €2245.17

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

## Table of Contents

### Overview

What you need to know  
Products covered in this Report

### Executive Summary

The market

Junior cash ISAs grow in volume but stocks and shares fall out of favour

Figure 1: Amounts subscribed to Junior ISAs and average subscription per account, 2012/13-2016/17

Households with two or more children still majority at 55%

Figure 2: Percentage of families with dependent children, by number of dependent children in the family, 1997, 2007 and 2017

The child population is projected to grow

Figure 3: Share of total population, by selected age group, 2018-33

First increase of interest rates in more than a decade while monetary policy schemes come to an end

Parents are less likely to describe their finances as healthy and less confident about financial prospects

British children spend an average of £25 a week by the time they reach 15

Figure 4: Children's average weekly spend, by age, 2014/15-2016/17

Companies and Brands

Big brands have remained passive in a low-interest environment

Prepaid cards provide a safe alternative to monitor and control spending

Savings adspend more than doubles in 2017/18 while investment-related spend falls

The consumer

83% of parents are saving for their children

Figure 5: Proportion of parents who are saving for their children aged 10-15, by gender, March 2018

Banks and building societies are the top choice, but piggybanks still appealing

Figure 6: How parents save for their children, March 2018

Parents still not persuaded to transfer CTFs into Junior ISAs

Figure 7: Products held by parents saving for their children, March 2018

Parents are confident in their actions but reactive about education

Figure 8: Parents' attitudes towards children's savings, March 2018

63% of children say they save money themselves

Figure 9: Who children say is saving money for them, March 2018

Parents could be doing more money-related activities with their children

Figure 10: Child and parent saving activities, March 2018

Children need to be prompted to engage with savings

Figure 11: Children's saving activities, March 2018

Two thirds of kids say they are in control of their money

Figure 12: Children's attitudes towards saving, March 2018

What we think

**BUY THIS  
REPORT NOW**

**VISIT:** [store.mintel.com](http://store.mintel.com)

**CALL:** EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)

# Children's Attitudes towards Saving - UK - July 2018

Report Price: £1995.00 | \$2693.85 | €2245.17

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

## Issues and Insights

- The time is ripe for a turn in the tide
- The facts
- The implications
- Parents are committed to saving but need support and want flexibility
- The facts
- The implications
- Children's attention needs to be captured, and early
- The facts
- The implications

## The Market – What You Need to Know

- Junior cash ISAs grow in volume but stocks and shares fall out of favour
- NS&I Children's Bonds are being phased out
- Child population continues to grow
- First base rate rise in more than a decade
- Parents are less likely to describe their finances as healthy and less confident about financial prospects

## Children's Savings Products

- Junior cash ISAs grow in volume but stocks and shares fall out of favour  
Figure 13: Number of Junior ISAs, amounts subscribed and average subscription, 2012/13-2016/17
- NS&I Children's Bonds are being phased out  
Figure 14: NS&I transactions with investors in children's bonds, 2016 and 2017\*
- Initiative launched to uncover forgotten CTFs

## The Family Environment

- Composition of households remains stable, but total numbers continue to grow  
Figure 15: UK households and family types, 1997, 2007, 2012 and 2017
- Most family households have two or more children  
Figure 16: Percentage of families with dependent children, by number of dependent children in the family, 1997, 2007 and 2017
- The child population is projected to grow  
Figure 17: Projected size of UK child population, 2018, 2023, 2028 and 2033  
Figure 18: Share of total population, by selected age group, 2018-33

## Market Drivers

- The first rate rise in a decade  
Figure 19: Average monthly quoted cash deposit and ISA interest rates, January 2011-May 2018
- Funding for Lending and Term Funding Schemes draw to an end
- Parents are less likely to describe their finances as healthy...  
Figure 20: Current financial situation – parents versus non-parents, April 2018
- ...and are less confident about their financial prospects  
Figure 21: Confidence in financial situation over the coming year, parents versus non-parents, April 2018

**BUY THIS  
REPORT NOW**

**VISIT:** [store.mintel.com](http://store.mintel.com)  
**CALL:** EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094  
 Americas +1 (312) 943 5250 | China +86 (21) 6032 7300  
 APAC +61 (0) 2 8284 8100 |  
**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)

# Children's Attitudes towards Saving - UK - July 2018

Report Price: £1995.00 | \$2693.85 | €2245.17

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

British children spend an average of £25 a week by the time they reach 15

Figure 22: Children's average weekly spend, by age, 2014/15-2016/17

## Companies and Brands – What You Need to Know

- Big brands have remained passive in a low-interest environment
- Best rates tend to come with punishing conditions
- Prepaid as alternative to debit cards and cash meeting demand for pocket money solutions
- Adspend on savings more than doubled in 2017/18

## Competitive Strategies

- Competition has suffered from the low-rate environment
- Halifax launches best-in-town regular saver, but interest is downgraded after a year
- Best rates tend to come with punishing conditions
- Prepaid as alternative to debit cards and cash meeting demand for pocket money solutions
- Digital solutions for pocket money

RoosterMoney

Figure 23: RoosterMoney app

Money Monster

Figure 24: Santander's Money Monsters

Pigzbe

Figure 25: Pigzbe Kit

## Case Study: Shepherds Friendly's Young Saver Plan

### Advertising and Marketing Activity

Adspend on savings more than doubled in 2017/18...

Figure 26: Total above-the-line, online display and direct mail advertising expenditure on investment and savings products, 2013/14-2017/18

...but spend on children's savings and investment products is marginal

- Other selected marketing activity
- Social media and online search
- Sponsorships and partnerships
- Nielsen Ad Intel coverage

## The Consumer – What You Need to Know

- 83% of parents are saving for their children
- Banks and building societies are the top choice, but piggybanks still appealing and online-only providers show high potential
- Parents still not persuaded to transfer CTFs into Junior ISAs
- Parents are confident in their actions but reactive about education
- 63% of children say they save money themselves
- Parents could be doing more money-related activities with their children
- Two thirds of kids say they are in control of their money

## Who Saves for Children?

BUY THIS  
REPORT NOW

VISIT: [store.mintel.com](http://store.mintel.com)

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: [reports@mintel.com](mailto:reports@mintel.com)

# Children's Attitudes towards Saving - UK - July 2018

Report Price: £1995.00 | \$2693.85 | €2245.17

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

83% of parents are saving for their children

Figure 27: Proportion of parents who are saving for their children aged 10-15, March 2018

Vulnerable consumers under the most pressure

Dads are more likely to save regularly than mums

Figure 28: Proportion of parents who are saving for their children aged 10-15, by gender, March 2018

Parents of older children are less likely to save on a regular basis

Figure 29: Proportion of parents who are saving for their children aged 10-15, by child's age, March 2018

## How Parents Save for Children

Piggybanks still appealing...

Figure 30: How parents save for their children, March 2018

...but banks and building societies are the top choice

Parents likely to consolidate saving methods as children get older

Figure 31: Number of ways of saving for children, by age of child, March 2018

## Products Used for Children's Savings

Parents still not persuaded to transfer CTFs into Junior ISAs

Figure 32: Products held by parents saving for their children, March 2018

Children's savings accounts offer an attractive, straightforward alternative

Transitioning child-specific products into adult accounts could support long-term savings

## Parents' Attitudes towards Children's Savings

More than half of saving parents keep the amount a secret

Figure 33: Parents' attitudes towards children's savings, March 2018

Confidence is high that parents are making the right choices

Figure 34: Agreement with the statement "I feel confident that I am saving/investing for my child in the best possible way", by current financial situation, March 2018

Most parents use paid chores to teach kids about money

Figure 35: Agreement with the statement "I offer my child the chance to earn money by helping me with tasks (eg household chores)", by child and parent gender, March 2018

Three in five will only talk to their child about savings when they show an interest...

...while 71% only allow approved purchases

Figure 36: RoosterMoney's Savings Goals Feature

## Who Children Say Saves for Them

63% of children say they save money themselves

Figure 37: Who children say is saving money for them, March 2018

Children of older parents more likely to say their parents are saving for them

Figure 38: Who children say is saving money for them, by age of parent, March 2018

The Bank of Gran and Grandad?

## Children's Saving Activities

Parents could be doing more money-related activities with their children

Figure 39: Child and parent saving activities, March 2018

Learning about money, the fun way

**BUY THIS  
REPORT NOW**

**VISIT:** [store.mintel.com](http://store.mintel.com)

**CALL:** EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)

## Children's Attitudes towards Saving - UK - July 2018

Report Price: £1995.00 | \$2693.85 | €2245.17

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Children may need some nudging to get them more involved in saving money

Figure 40: Children's saving activities, March 2018

Gender stereotypes reflected in children's savings goals

Figure 41: Children's savings goals, by gender, March 2018

### Children's Attitudes towards Saving

Two thirds of kids say they are in control of their money

Children want to talk about money and need someone to listen

Figure 42: Children's attitudes towards saving, March 2018

### Appendix – Data Sources, Abbreviations and Supporting Information

Abbreviations

Consumer research methodology

**BUY THIS  
REPORT NOW**

**VISIT:** [store.mintel.com](http://store.mintel.com)

**CALL:** EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)