

Press release

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Weekly pocket money is now £11.20 per week, but children's spending falls, reveals new report

Fewer children are receiving pocket money or ad-hoc handouts this year – but those that are still getting an income are getting slightly more than last year.

The average weekly pocket money is £11.20 per week – up from £9.70 a year ago.

However, children's spending has dropped across all 16 spending categories year on year. "Parents are tightening their belts and are exerting control over how their children spend money, leaving children with less disposable income as a result," says Simon Leggett, research director at CHILDWISE.

The 2018 CHILDWISE Monitor is a comprehensive annual report looking at 5 to 16-year-olds media consumption, purchasing and social habits as well as key behaviour. More than 2000 children in schools across the United Kingdom completed in-depth online surveys for the report.

Seven in ten 5-16-year olds receive some form of regular income – a marginal decrease compared to the last couple of years.¹

"Slightly fewer receive a regular form of income, or any form of ad-hoc pay-outs this year," says Simon.

This year's decrease comes from a drop in younger children receiving regular income – seven in ten 5-10-year olds have a source of regular income which is down from last year.²

7% of children say that they get neither regular income, or one-off handouts from their relatives – almost double the proportion compared to last year (then 4%).

Children were asked about their income – whether they received pocket money or an allowance or earned money for themselves – and how much they receive per week.

"It appears children are feeling the pinch. Reduced levels of consumer spending over the last year appear to be having an impact on children's purchasing habits. Children's spending across all categories is down this year, especially among non-essential things such as going out, movies / films and apps," says Simon.

"Among those that do still receive a regular form of income from pocket money, or ad hoc payments, the overall value of their income has increased. However, far fewer get this money given to them as cash. Instead, more have it paid into accounts or on to cards where it is less likely to be frittered away," adds Simon.

¹ 72% says they receive some regular form of income compared to 74% in last couple of years.

² 69% down from 73% last year

“It may be that parents are exerting more control over where their children’s money is spent, focusing on their needs rather than their wants.”

The total spending power of UK children is £7,960 million per year. With spending down, the category that suffers the most this year is going out, falling to just one in four ever spending on themselves in this area. This is down from one in three last year.

Other categories hit hard by the drop in children’s spending are, movies and films and apps.³ Children say they are also less likely to spend their own money on sweets and chocolates, crisps, snacks and soft drinks.

Findings of the report also include...

- Children age 5-16 spend just over two and a half hours a day watching programmes, video and short clips (2.6 hours, 2.5 hours last year).
- Most children now use devices other than a traditional television set to watch video content.
- YouTube remains the top way of watching on-demand content.
- Children age 9-16 spend an average of 2.7 hours online a day. This has dropped over the last three years and is down from 2.9 hours last year. However, this fall could be a consequence of children being less able to determine which of their routine activities are carried out online or offline.
- Children are taking to virtual reality with 25% having mobile VR equipment at home, 11% with Playstation VR, 10% have Oculus Rift and 6% have HTC Vive
- Binge watching content is a growing habit.

CHILDWISE is an independent market research agency specialising in children and young people. CHILDWISE has a programme of published independent research and also conducts research for government agencies, charities, broadcasters, publishers and brands www.childwise.co.uk

The Monitor Report 2018 covers... children and their media; TV viewing; music; reading ; cinema; children’s equipment; money; purchasing; sports & activities; health & wellbeing and social awareness.

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³ Footwear down from 28% buying to 18% this year, movies and films 24% down to 15% and apps 23% down to 15%.